UNITED STATES
DEPARTMENT OF THE INTERIOR
Defense Minerals Exploration Administration

OFFICIAL DOCKET FILE

Terminated (or cancelled) without certification. DMEA No. 1429

This is the official contract file containing all official records of the project. Duplicate material has been removed. The records contained in the files are checked and are arranged in this manner:

Left Side

- ✓ 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.
- Schedule of Collections.
- ✓ Operator's monthly reports and all attachments (latest on top).

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.
  - ✓ Interim Reports.
  - ✓ On-site Exam Report(s). (Tab)
  - Settlement Sheets.

If additional folders are required because of volume of records, show folder numbers and contents below:

Maps in folder number _____

Operator's Monthly Reports in folder number _____

CW
Reviewer's Initials

DEFENSE MINERALS EXPLORATION ADMINISTRATION
CONTRACT ADMINISTRATION AND AUDIT DIVISION

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
JAN 5 1953

AUDIT CERTIFICATE

I have examined the records and transactions of:

J. Walter Duncan, Jr.
Box 211
La Salle, Illinois

pertaining to Exploration Project Contract No. IDM-E269, Docket No. DMEA 1429X, for the period April 1, through June 21, 1952.

My examination was made in accordance with generally accepted standards applicable in the circumstances.

The audit disclosed the following facts in regard to the amount to be paid the contractor:

Total cost as billed by Contractor		$11,482.42
Exceptions (Per Audit Report)		
During Audit	$277.87	
By DMEA Finance Officer	11.54	289.41
Total Accepted Costs		$11,193.01

The contract calls for a 90 per cent particpation of exploration expenses by the United States Government. Therefore, payment to the contractor by the Government in the amount of Ten Thousand and seventy-three and 71/100 Dollars

- $10,073.71 -

is valid and proper.

This certificate is issued on the provision that the Regional Executive Officer, the Administrator, or other competent official has accepted or will accept the project as having otherwise met the terms of the contract.

December 31, 1952

Donald T. Finch

Donald T. Finch, Auditor

I. INTRODUCTION

On December 22 and 24, 1952, a final audit (covering the period April 1 through June 21, 1952) was made of the records and accounts of operations pertaining to Contract No. Idm-E269, Docket No. DMEA 1429X dated March 4, 1952, and as amended May 14, 1952 with

J. Walter Duncan, Jr.
Box 211
La Salle, Illinois

covering a project of exploration for uranium.

The contract was terminated as of July 1, 1952 because operations to that date had not indicated the probability of making any worthwhile discovery.

The project is located in the White Canyon Mining District, San Juan County, Utah, near Cortez, Colorado. The records and accounts are located in La Salle, Illinois.

Prior to the audit, Mr. Charles R. Butler, Superintendent of the project, was interviewed at Denver, Colorado. During this interview, arrangements were made for the submission of the applicable records to the Denver office for examination and audit.

II. GENERAL INFORMATION ON RECORDS

The accounting records submitted for examination consisted of original purchase invoices, photostatic copies of bi-weekly time sheets, cancelled pay checks, cancelled checks issued in payment for purchase invoices, and a pen and ink copy of the general ledger sheets pertaining to the project account. This last exhibit

was certified and notarized as being an exact copy. The total charges to the general ledger account were in excess of the figures reflected on the MF-104. This excess covered Sundry air transportation, overhead, road grading, boarding of employees, guide service, office supplies, and some other minor costs which the operator absorbed.

The source documents covering the costs of this project are recorded on monthly summary sheets which were submitted with each MF-104 filed. The audit involved in general, a check of the source documents against monthly summary sheets and reconciliation of the monthly summary sheets with the general ledger accounts. All costs except machine rentals, depreciation, taxes, workmen's compensation insurance, were recorded on a cash basis.

III. SCOPE OF AUDIT AND FINDINGS

The audit was limited to ascertaining the accuracy, propriety, and validity of the costs as shown in the "Totals to Date" column of Form MF-104, Operator's Monthly Report and Voucher, for the month of June, 1952. The extent of the audit and the findings under each of the "Items of Cost" follow:

(1) Independent Contracts:

Not applicable to this project.

(2) Labor and Supervision:

All charges under this item were checked from the bi-weekly time sheets to the monthly summaries, photostatic copies of cancelled payroll checks were checked to the bi-weekly time sheets and endorsements of payees were also examined.

Rates of pay for labor and supervision did not exceed contract authorization.

Charges for supervision consisted of the following:

Geologist	$485.11
Bookkeeper	179.23
	$664.34

The Foreman's wages, in the amount of $654.08, are shown under labor in the "Distribution Corrected" column of Exhibit A attached to this report.

Technical services as shown on the Operator's MF-104 form consisted of cook's wages. This item has been shown under the Miscellaneous section on Exhibit A attached to this report.

(3) Operating Materials and Supplies:

All invoices and photostatic copies of cancelled bank checks applicable to these items were examined and checked to the monthly summary sheets.

Powder costs were invoiced at $20.00 per cwt.
Cap costs were invoiced at $2.15 per box
Fuse costs were invoiced at 12½ cents per ft.

Other supplies consisted of the following items:

Cooking utensils and supplies		$130.87
Oil and Fuel for Machinery		262.35
Small Tools and Fittings		820.99
Freight and Drayage Supplies		175.26
Drill Steel		154.72
Total		$1544.19
Less: Operator's accepted bid on liquidation at termination:		
Drill steel, hose, oilers	$144.60	
Hand tools	63.34	207.94
Net Accepted Cost of Other Supplies		$1336.25

(4) Operating Equipment:

The invoices and photostatic copies of cancelled bank checks applicable to equipment rental were examined, checked to monthly summaries and rates were compared with thos rates authorized by the original contract and the amendment to the contract dated May 14, 1952, effective April 1, 1952.

An analysis of these charges revealed the following equipment rentals:

1 Tractaire	$431.47
1 Bulldozer (Included Operator & Fuel)	4003.00
1 Generator	86.00
Thor 38 Wet D Handle Sinkers W/7/8x4- $\frac{1}{4}$ Chuck, Thor Sinker legs, Thor Water Tank; Jaeger 125 cfm Compressor for period April 28, through June 21, 1952	468.00
	$4988.47
Less: Overcharge Tractaire Rental, Disallowed by DMEA Finance Officer	3.08
Net Accepted Cost of Equip. Rental	$4985.39

Authorized depreciation charges for operating equipment amounted to $108.00 and covered a period of 2 and a fraction months for a pick-up truck and for a Geiger counter at $35.00 and $5.00 per month for the respective items of equipment.

(5) Initial Rehabilitation and Repairs:

Not applicable to this contract

(6) New Buildings, Improvements, etc.:

All invoices and photostatic copies of cancelled bank checks applicable to this item were examined and checked to the

monthly summary sheets. Totals were compared with contract authorization.

Analysis of the charges disclosed the following:

Canvas	$ 89.07
Hardware, Lumber, etc.	166.37
Labor and Supervision	753.43
Camp Cot	11.63
Electrical Supplies	26.36
Total	$1046.86
Less: Operator's Bid on Liquidation at termination	65.22
Net Accepted Cost New Buildings, Improvements, etc.	$ 981.64

(7) Miscellaneous:

(a) Repairs to Equipment:

The following invoices representing the total charges for repairs to equipment were examined and traced to the applicable photostatic copies of cancelled bank checks:

Battery Repair Tractaire	$ 21.08
Machinery Repair, U Bolt & Spring	5.19
Steel Repair	3.02
Total	$ 29.29

(b) Invoices from Smith's Laboratory at Moab, Utah, totalling $50.00 for Sampling and Analysis were examined. Charges for express, postage and registration of samples amounting to $7.20 were reported on the superintendent's expense account and appeared reasonable.

(c) Payroll Taxes:

As reported by the operator, this item included Workmen's Compensation Insurance totalling $142.75, which has been segregated on Exhibit A attached to this report.

These charges were confirmed by applying the following rates to the total payroll of $3569.66.

Social Security 1½%	$53.53	
State Unemployment 2.7%	96.38	
Total Payroll Taxes Claimed		$149.91
Workmen's Compensation 3.999%		$142.75

(d) Liability Insurance:

Charges submitted by the operator for this item totalled $13.17. The operator did not submit any accounting support or explanation concerning the necessity for this item. Prior to the audit, the DMEA Finance Officer had disallowed $8.46 of this charge and the balance of $4.71 is disallowed by the audit as not being an allowable cost.

(e) Cook's Wages:

This charge was audited in connection with the audit of the payrolls. The exploration contract authorizes cook's wages as an allowable cost.

IV. CONCLUSIONS AND RECOMMENDATIONS

This audit has disclosed that all costs as charged to this project, with the exception of the disallowances itemized under items (4) Operating Equipment rental, 7(d) Miscellaneous, Liability Insurance and adjustments for accepted Liquidation Bids items, (3) Operating Materials and Supplies and (6) New Buildings and Improvements, are reasonable and proper under the terms of the contract and amendment.

The adjustments between items of Costs as shown on the June MF-104, the recommended disallowances, the accepted liquidation bids and approved amounts are summarized on Exhibit A attached to this report.

December 31, 1952

Donald T. Finch

Donald T. Finch, Auditor

J. WALTER DUNCAN, Jr.
Exploration Contract Idm-E269

EXHIBIT A

	Total to Date June, 1952 MF-104	Distribution Corrected	Disallowed by Finance Officer	Disallowed by Audit	Liquidation Settlement	Allowed by Audit
Independent Contracts						
None						
Labor and Supervision						
Labor	$1153.20	$1807.28				$1807.28
Supervision	1318.42	664.34				664.34
Services - Cook	344.61					
Operating Materials and Supplies						
Explosives	586.35	586.35				586.35
Other	1544.19	1544.19			$207.94	1336.25
Operating Equipment						
Rental	4988.47	4988.47	$ 3.08			4985.39
Depreciation	108.00	108.00				108.00
New Buildings, Improvements, etc.	1115.04					
	(68.18)	1046.86			65.22	981.64
Miscellaneous						
Repairs to Equip.	29.29	29.29				29.29
Sampling & Anal.	57.20	57.20				57.20
Payroll Taxes	292.66	149.91				149.91
Liability Insurance	13.17	13.17	8.46	$ 4.71		------
Workmen's Compensation Insurance		142.75				142.75
Cook's Wages		344.61				344.61
TOTALS	$11482.42	$11482.42	$11.54	$ 4.71	$273.16	$11193.01

Note.-- ( ) represents contra entry.

Government Copy
Uranium

NOTICE OF TERMINATION OF EXPLORATION PROJECT CONTRACT, UNDER THE TERMS OF THE CONTRACT, BEFORE THE COMPLETION OF THE WORK

To: J. Walter Duncan, Jr.
2212 First National Building
Oklahoma City, Oklahoma

Operator under Exploration Project
Contract Idm-E269, Docket No.
DMEA-1429X, dated March 4, 1952

The United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, under the terms of the above-mentioned contract, hereby terminates the contract on the following grounds:

In the opinion of the Government, operations up to the time of this notice have not indicated the probability of making any worthwhile discovery and in the opinion of the Government further operations are not justified.

Upon the receipt of this notice, as provided in said contract, you are required to dispose of any remaining materials, supplies, facilities, buildings, fixtures, equipment, or other items, in which the Government has an interest, for the joint account of yourself and the Government; and to render to the Government a full and final accounting of your operations under the contract and of your expenditures of money on account thereof.

Any work prosecuted or costs incurred by you after the receipt of this notice shall be for your sole account, except for (a) such necessary and reasonable costs and expenses as may be incurred in preserving and disposing of any facilities, buildings, fixtures, equipment, or other items, to the cost of which the Government has contributed and in which the Government has an equity, and (b) the costs of any reports, accounts, and winding-up and settlement actions provided for in the contract.

Dated this 1st day of July, 1952.

UNITED STATES OF AMERICA

By W. H. King

J. WALTER DUNCAN, JR.
(Operator)

By J Walter Duncan Jr.

No. 1

AMENDMENT OF CONTRACT: No. Idm-E-269

Contract Docket No. DMEA-1429X, dated March 4, 1952, between the United States of America and J. Walter Duncan, Jr. is hereby amended as follows, effective April 1, 1952:

> Referring to EXHIBIT "A" attached to Exploration Project Contract Form MF-200, titled "Operating Equipment", subtitle "To be rented:" rental of "1-Tractaire mobile compressor unit @ $188.00 per month" is authorized in lieu of 1-125 C.F.M. Compressor @ $145.00 per month. Necessary additional funds will be absorbed in the funds allocated to rental of the Bulldozer.

This amendment shall not be construed to increase the estimated total cost of the project, the aggregate total amount which the Government may pay or the percentage of the costs which the Government may pay under the provisions of Article 13 of the contract form.

Dated May 14, 1952.

J. WALTER DUNCAN, JR.

By J Walter Duncan Jr.

UNITED STATES OF AMERICA

By W. R. Kerr
Executive Officer - DMA

JWD

AMENDMENT OF CONTRACT: No. [illegible]-[illegible]

Contract Project No. [illegible]-[illegible], dated March 4, 1952, between the United States of America and G. Miller Inscom, d.b.a. is hereby amended as follows, effective April 1, 1952:

According to Article "A" authorized to Information Project Director Form [illegible]-[illegible], titled "Construction Equipment", available "To be rented" Form I of "A-Air-conditioning unit [illegible] $[illegible].00 per month" is substituted in lieu of [illegible]-[illegible] i.e., dehumidifier [illegible].00 per month. Necessary additional funds will be deducted in the funds allocated to Project of the Inscom.

This amendment shall not be construed to increase the estimated total cost of the project, the aggregate total amount which the Government may pay or the percentage of the cost which the Government may pay under the provisions of Article 13 of the contract form.

Dated May 14, 1952

G. Miller Inscom, d.b.a.

United States of America

Accounting Officer - [illegible]

MF-200
(June 1951)

DMEA-1429X
Docket No. ~~DMA~~ XXX
Commodity Uranium
Idm-E-269

UNITED STATES OF AMERICA
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

GOVERNMENT'S COPY ✓

EXPLORATION PROJECT CONTRACT [1]

It is agreed this 4th day of March, 1952, between the United States of America, acting through the Department of the Interior, Defense Minerals Administration, hereinafter called the "Government," and [2] J. Walter Duncan, Jr., (An Individual)
2212 First National Building
Oklahoma City, Oklahoma

hereinafter called the "Operator," as follows:

1. *Authority for contract.* This agreement is entered into under the authority of the Defense Production Act of 1950, pursuant to Mineral Order 5, entitled "Regulations Governing Government Aid in Defense Exploration Projects."

2. *Operator's property rights.* The exploration project shall be conducted on that certain property situated in the State of Utah, County of San Juan described as follows: [3] The B.J. Nos. 1-5, inclusive; Claims Nos. 1-4, inclusive; Claims Nos. 21-23, inclusive; and G.P. Nos. 1-5, inclusive, unpatented mining claims in the White Canyon Mining District, San Juan County, Utah. (See Annex I attached)

with respect to which the Operator represents and undertakes: [4]

(*a*) ~~That he is the sole owner, in possession and entitled to possession, and that the property is subject only to the following claims, liens, or encumbrances as to each of which the subordination agreement of the holder is attached.~~

(*b*) That he is a lessee, in possession and entitled to possession, and the subordination agreement of the lessor is attached.

3. *Exploration project.* The Operator, within sixty (60) days from the date of this contract shall commence work on a project of exploration for [5] uranium; shall prosecute the work efficiently, expertly, in a workmanlike manner, in accordance with good mining standards, with suitable and adequate equipment, materials, and labor, all properly designed to bring the project to completion within a period of [6] nine (9) months from the date of this contract. The exploration project and the work to be performed are more fully described on Exhibit "A" attached hereto, which, with any maps or drawings thereto attached, is made a part of this contract.

4. *Performance of the work.* The work shall be performed by the Operator, under his sole direction and control: *Provided,* That with the consent of the Government and its written approval of the contract or contracts, all or any part of the work may be performed by the Operator through contract or contracts with independent contractors. The Government shall have the right to enter and observe and inspect the work at all reasonable times, and the Operator shall provide the Government with all available means for doing so. The Government may consult with and advise the Operator on all phases of the work.

5. *Fixtures and improvements.* The Operator shall devote the land and all existing improvements, facilities, buildings, installations, and appurtenances to the purposes of the exploration project without any allowance for the use, rental value, depreciation, depletion, or other cost of acquiring, owning, or holding possession thereof. Any additional facilities, buildings, and fixtures, to be purchased, installed, or erected by the Operator, with the estimated cost of each, to which the Government will contribute currently its agreed pro rata share, are listed in Exhibit "A" attached hereto. The difference between the cost of such additional facilities, buildings, or fixtures, and the salvage value thereof at the conclusion of the work, shall be charged as a cost of the project to which the Government has contributed its pro rata share.

6. *Operating equipment.* Any operating equipment to be rented, purchased, or furnished by the Operator, with the allowable rental, purchase price, or depreciation, as the case may be, is listed under appropriate headings in Exhibit "A" attached hereto. As to equipment purchased for the project, the Government will contribute its agreed pro rata share of the cost thereof, and the difference between the cost and the salvage value at the conclusion of the work shall be charged as a cost of the project to which the Government has contributed its pro rata share.

[1] If sufficient space is not provided in any blank, use an extra sheet of paper and refer to it in the blank.
[2] State name, address, and nature of organization if any.
[3] Give legal description or enough to identify the property.
[4] Strike out the provision not applicable.
[5] Name of mineral.
[6] Not in excess of 2 years.

7. *Title to and disposition of property.* All facilities, buildings, fixtures, equipment, or other items costing more than $50 each, paid for or purchased with funds contributed jointly by the Operator and the Government, shall belong to the Operator and the Government jointly, in proportion to their respective contributions, and upon the termination of the contract, if they have any salvage value, shall be disposed of for their joint account unless the Government, in writing, waives its interest in any such items. The Government may require the dismantling, severance from land, and removal of any such items in order to realize its interest in the salvage value thereof, and the cost of any such removal and of the disposal of the items shall be for the joint account of the parties in proportion to their respective interests.

8. *Labor and supervision.* An itemized schedule of labor, by numbers and classes (miners, muckers, millmen, etc.), and of supervisors, by numbers and positions, with the maximum wages or salaries that may be paid to each as an allowable cost of the project is set forth in Exhibit "A" attached hereto.

9. *Rehabilitation and repairs.* A statement of the cost of any necessary rehabilitation or repairs to put existing facilities, buildings, installations, and fixtures into useful and operable condition and which are to be allowed as costs of the project is included in Exhibit "A."

10. *Allowable costs of the project.* The costs of the project in which the Government will participate are limited to the necessary, reasonable, direct costs of performing the exploration work, including the costs of materials, supplies, engineering, power, water, analytical work, accounting, and utilities, including items of equipment costing less than $50 each; and the costs referred to in Articles 5, 6, 8, and 9, and the exhibits annexed to and referred to in this contract. Although the Government may pay part of the cost of new or additional facilities, structures, buildings, and equipment, only the depreciation on such items, computed as indicated in Articles 5 and 6, will be charged as a cost of the project. No items of general overhead, corporate management, interest, taxes, or any other indirect costs not expressly allowed by these provisions, or work performed or costs incurred before the date of this contract, shall be allowed as costs of the project in which the Government will participate.

11. *Accounts and audits.* The Operator shall keep suitable records and accounts of operations, which the Government may inspect and audit at any time. The Government may at any time require an audit of the Operator's records and accounts by a certified public accountant, the cost thereof to be treated as a cost of the project. The Operator shall keep and preserve said records and accounts for at least 3 years after the completion of the project or the termination of this contract.

12. *Progress reports.* The Operator shall provide the Government with monthly reports of work performed under the contract upon forms to be provided by the Government. Each monthly progress report shall bear the certification of the Operator and shall constitute the Operator's invoice of costs incurred on the project during the period covered by the report.

13. *Payment to the Operator.* The monthly progress report (invoice), to the extent approved by the Government, shall be processed for payment by the Government. Payment shall be made in the amount of 90 percent of the approved costs incurred; *Provided,* That the aggregate total of all sums paid by the Government under this agreement shall not exceed $38,871.00, which is 90 percent of the agreed estimated total cost of this project, $43,190.00.

14. *Final reports by Operator.* Upon completion of the project or termination of this contract, the Operator shall provide the Government with a comprehensive geologic and engineering report, including an estimate of ore reserves, to the best of his ability. Four copies of all reports shall be furnished to the Government.

15. *Repayment by Operator.* If, upon the completion of the exploration project or termination of the contract, the Government considers that a discovery or development has resulted from the work from which commercial production of ore may be made, the Government, within 6 months thereafter, shall so certify to the Operator, particularly describing and delimiting its estimate of the discovery or the development. Thereafter, if and as ore is produced as a result of such discovery or development, the Operator and his successor in interest shall be and become obligated to pay to the Government a percentage royalty on the net smelter returns or other net proceeds realized from such ore, concentrates, or metal produced within ten (10) years from the date of this contract, until the total amount contributed by the Government, without interest, is fully repaid or said 10 years have elapsed, whichever occurs first, as follows:

Of net smelter returns or other net proceeds not in excess of eight dollars ($8.00) per ton of ore: One and one-half (1½) percent.

Of net smelter returns or other net proceeds in excess of eight dollars ($8.00) per ton of ore: One and one-half (1½) percent, plus one-half (½) percent for each additional full fifty cents ($0.50) in excess of eight dollars ($8.00) per ton of ore, but not in excess of a maximum of five (5) percent.

This obligation to repay from net returns or proceeds shall be and remain a claim and lien upon the mineral deposit which is the subject of the exploration project and upon any production resulting from such discovery or development, in favor of the Government, until fully paid, or until said 10-year period has elapsed; and this claim and lien and the Government's right to repayment shall survive any termination of the contract, whether by completion of the exploration project or otherwise. This article is not to be construed as imposing any obligation on the Operator or his successor in interest to produce ore from any such discovery or development.

16. *No assignment of contract.* Without the written consent of the Government, the Operator shall not assign or otherwise transfer or hypothecate this contract or any rights thereunder.

17. *Termination and completion.* The Government may, at any time, by written notice to the Operator, terminate this contract: (*a*) If the Operator fails to provide his share of the money necessary to prosecute operations pursuant to the terms of the contract; (*b*) if the Operator, in the opinion of the Government, fails to prosecute operations pursuant to the terms of the contract; or (*c*) if in the opinion of the Government, operations up to the time of the notice have not indicated the probability of making any worthwhile discovery and in the opinion of the Government further operations are not justified. Upon the completion of the project or any termination of the contract the Operator shall render to the Government a full and final accounting of his operations under the contract and his expenditures of money; shall dispose of any unused materials, supplies, and equipment for the joint account of the Operator and the Government in the proportion of their respective interests; and shall pay to the Government its pro-rata share of any money remaining.

Executed in sextuplicate the day and year first above written.

J. Walter Duncan, Jr.
(Operator)

By J. Walter Duncan, Jr.

THE UNITED STATES OF AMERICA

By C. Mitteudorf
Acting Administrator, Defense Minerals Exploration Administration

U. S. GOVERNMENT PRINTING OFFICE 16—64066-2

ANNEX I

The following unpatented lode mining claims recorded in the office of the County Recorder, San Juan County, Monticello, Utah, held under lease:

Name of Claim	Book	Page
B. J. No. 1	R-2)	
B. J. No. 2	R-2)	
B. J. No. 3	R-2)	342-347
B. J. No. 4	R-2)	
B. J. No. 5	R-2)	
Claim 1	R-2	337
Claim 2	R-2	337
Claim 3	R-2	338
Claim 4	R-2	338
Claim 21	R-2	352
Claim 22	R-2	353
Claim 23	R-2	353
G. P. No. 1	R-2)	
G. P. No. 2	R-2)	
G. P. No. 3	R-2)	516-522
G. P. No. 4	R-2)	
G. P. No. 5	R-2)	

EXPLORATION PROJECT CONTRACT
J. WALTER DUNCAN, JR.
DOCKET NO. DMEA-1429X

EXHIBIT "A"

Statement of the Work

To explore for uranium by rim stripping 10,500 feet of the formation containing the favorable horizon for uranium mineralization on the claims included in the project, as shown on figure 2. The stripping of the outcrop to start on the B. J. No. 1 claim and to be extended eastward along the outcrop as shown.

To continue the exploration in the areas of most promising geologic conditions as exposed by the surface stripping by driving underground adits and crosscuts totaling 900 feet, and by approximately 1,000 feet of long hole percussion drilling. Tentative locations of the adits are shown on figure 2, but the exact locations and amount of exploration at each will be determined by radiometric measurements and by agreement between representatives of the Operators and the Government.

Summary of Estimated Costs

Fixtures & Improvements	$1,000.00
Rental of Equipment	9,850.00
Purchase of Equipment	681.00
Depreciation of Equipment	240.00
Labor & Supervision	19,700.00
Supplies	10,919.00
Miscellaneous	800.00
Total -	$43,190.00

Fixtures & Improvements

Cook House & Bunkhouses	$1,000.00

Operating Equipment

To be rented:	Monthly Rental
2 Compressors, 125 c.f.m. @ $145	$ 290.00
3 Jackhammers & jacklegs @ $55	165.00
3 Water tanks @ $5	15.00
1 Generator, 2.5 k.w. @ $60	60.00
1 Bulldozer plus operator, maintenance & repairs costs, 720 hrs. @ $10 per hr.	
Estimated total rental for 5 months	$9,850.00

Operating Equipment (Cont'd.)

To be purchased:

3 Wheelbarrows @ $27	$ 81.00
1 Air Receiver	200.00
2 Mine cars @ $200	400.00
Total -	$681.00

To be furnished by operator:

1 Geiger counter	$ 5.00
1 3/4-ton pickup truck	35.00
Estimated total depreciation -	$240.00

Labor and Supervision

3 miners @ $1.75 per hour
3 muckers @ $1.50 per hour
1 utility man @ $1.50 per hour
1 cook @ $300 per month
1 project foreman (4/5 time @ $500.00) $400.00 per month
1 geologist (1/2 time @ $600.00) $300.00 per month
1 bookkeeper (1/4 time @ $300.00) $75.00 per month

Total estimated labor -	$17,700.00
Compensation, insurance, payroll taxes	2,000.00

The rate of pay of the men engaged in drifting may be determined by the amount of advance. The crew of men engaged in the headings may be paid a maximum of $10.00 per foot of advance.

The above hourly wage rates are based on an 8-hour day, 5-day week with time and one-half allowed for overtime.

Supplies

Explosives, caps, fuse	$ 3,500.00
Gasoline & oil	1,800.00
Maintenance of equipment	600.00
2 inch pipe and fittings	350.00
Sampling & assaying	870.00
3 50-ft. water hose @ $38.00	114.00
3 50-ft. 3/4 air hose @ $50.00	150.00

Supplies (cont'd.)

Drill steel & bits	$ 750.00
12 lb. rail	700.00
Freight	500.00
Cooking equipment	485.00
Timber	800.00
Safety equipment	100.00
Misc. small tools	200.00
Estimated total -	$10,919.00

Miscellaneous

Water hauling	$800.00

Progress Reports

According to Article 12 of the Exploration Project Contract the Operator shall provide the Government with monthly progress reports. A map should be attached to these reports showing stripping completed and relative quantities of uranium mineralization discovered. Location and direction of adits and crosscuts started or in progress should also be attached. Maps of the completed adits and crosscuts showing the assay results of all samples, the location of samples, and of all changes in the character of the rock and similar data should be included with the monthly report.

DMA Docket #1429-X
Uranium-White Canyon, Utah

MF-202

LANDLORD'S SUBORDINATION AGREEMENT

KNOW ALL MEN BY THESE PRESENTS:

WHEREAS, the undersigned is the owner in fee simple of that certain parcel of ground in the county of San Juan, State of Utah, described in a certain Exploration Project Contract dated March 4, 1952, between J. Walter Duncan, Jr., 2212 First National Bldg., Oklahoma City, Oklahoma, the Lessee of said property, and the United States of America;

NOW, THEREFORE, the undersigned, as Lessor of said property under lease dated May 12, 1951 and Addendum dated June 26, 1951, does by these presents subordinate all of his right, title, and interest under the provisions of said lease to the right, title, and interest of the United States of America under the provisions of said Exploration Project Contract, and agrees that the lien and claim of the United States of America under the provisions of said contract shall be prior to the undersigned's rights to rentals or royalties under the terms of said lease; and

The undersigned further agrees that if said leasehold interest should be surrendered or if said lease should terminate at any time prior to the expiration of the rights of the United States of America under said Exploration Project Contract, the undersigned shall assume and does hereby assume all of the obligations of the Lessee under said Exploration Project Contract to make repayment to the United States of America according to the terms of said contract; and

The undersigned agrees to commit no act, nor assert any claim under judicial process or otherwise that may contravene or conflict with the prior lien and claim of the United States of America under the provisions of said Exploration Project Contract.

This undertaking and covenant shall be binding upon the heirs, successors, and assigns of the undersigned.

Dated this 20th day of January, 1952

JNP John N. Pehrson

U. S. GOVERNMENT PRINTING OFFICE 16—64582-1

MJP Mabel Josephine Pehrson

WWG W. W. Gaborth

LG Lucille G. Gaborth

DMA Docket #1429-X
Uranium-White Canyon, Utah

MF-202

LANDLORD'S SUBORDINATION AGREEMENT

KNOW ALL MEN BY THESE PRESENTS:

WHEREAS, the undersigned is the owner in fee simple of that certain parcel of ground in the county of San Juan, State of Utah, described in a certain Exploration Project Contract dated March 4, 1952, between J. Walter Duncan, Jr., 2212 1st National Bldg., Oklahoma City, Oklahoma, the Lessee of said property, and the United States of America;

NOW, THEREFORE, the undersigned, as Lessor of said property under lease dated March 7, 1951 and Addendum dated June 26, 1951, does by these presents subordinate all of his right, title, and interest under the provisions of said lease to the right, title, and interest of the United States of America under the provisions of said Exploration Project Contract, and agrees that the lien and claim of the United States of America under the provisions of said contract shall be prior to the undersigned's rights to rentals or royalties under the terms of said lease; and

The undersigned further agrees that if said leasehold interest should be surrendered or if said lease should terminate at any time prior to the expiration of the rights of the United States of America under said Exploration Project Contract, the undersigned shall assume and does hereby assume all of the obligations of the Lessee under said Exploration Project Contract to make repayment to the United States of America according to the terms of said contract; and

The undersigned agrees to commit no act, nor assert any claim under judicial process or otherwise that may contravene or conflict with the prior lien and claim of the United States of America under the provisions of said Exploration Project Contract.

This undertaking and covenant shall be binding upon the heirs, successors, and assigns of the undersigned.

Dated this 20th day of January, 1952.

DLH Day Hayes JNP John N. Pelson

U. S. GOVERNMENT PRINTING OFFICE 16—64582-1

PEH Pauline Hayes MJP Mabel Josephine Pelson

WJS Walter J. Stevens WWG Wesley Goforth

LG Lucille Goforth

MF-200
(June 1951)

Docket No. DMA 1429X
Commodity Uranium

DM-E269

UNITED STATES OF AMERICA
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

Draft

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 Administration, hereinafter called the "Government," and [2] J. Walter Duncan, Jr., (An Individual) 2212 First National Building Oklahoma City, Oklahoma

hereinafter called the "Operator," as follows:

1. *Authority for contract.* This agreement is entered into under the authority of the Defense Production Act of 1950, pursuant to Mineral Order 5, entitled "Regulations Governing Government Aid in Defense Exploration Projects."

2. *Operator's property rights.* The exploration project shall be conducted on that certain property situated in the State of Utah, County of San Juan described as follows: [3] the B.J. Nos. 1-5, inclusive; Claims Nos. 1-4, inclusive; Claims Nos. 21-23, inclusive; and G.P. Nos. 1-5, inclusive, unpatented mining claims in the White Canyon Mining District, San Juan County, Utah. (See Annex I attached)

with respect to which the Operator represents and undertakes: [4]

(*a*) ~~That he is the sole owner, in possession and entitled to possession, and that the property is subject only to the following claims, liens, or encumbrances as to each of which the subordination agreement of the holder is attached:~~

(*b*) That he is a lessee, in possession and entitled to possession, and the subordination agreement of the lessor is attached.

3. *Exploration project.* The Operator, within sixty (60) days from the date of this contract shall commence work on a project of exploration for [5] uranium; shall prosecute the work efficiently, expertly, in a workmanlike manner, in accordance with good mining standards, with suitable and adequate equipment, materials, and labor, all properly designed to bring the project to completion within a period of [6] nine (9) months from the date of this contract. The exploration project and the work to be performed are more fully described on Exhibit "A" attached hereto, which, with any maps or drawings thereto attached, is made a part of this contract.

4. *Performance of the work.* The work shall be performed by the Operator, under his sole direction and control: *Provided,* That with the consent of the Government and its written approval of the contract or contracts, all or any part of the work may be performed by the Operator through contract or contracts with independent contractors. The Government shall have the right to enter and observe and inspect the work at all reasonable times, and the Operator shall provide the Government with all available means for doing so. The Government may consult with and advise the Operator on all phases of the work.

5. *Fixtures and improvements.* The Operator shall devote the land and all existing improvements, facilities, buildings, installations, and appurtenances to the purposes of the exploration project without any allowance for the use, rental value, depreciation, depletion, or other cost of acquiring, owning, or holding possession thereof. Any additional facilities, buildings, and fixtures, to be purchased, installed, or erected by the Operator, with the estimated cost of each, to which the Government will contribute currently its agreed pro rata share, are listed in Exhibit "A" attached hereto. The difference between the cost of such additional facilities, buildings, or fixtures, and the salvage value thereof at the conclusion of the work, shall be charged as a cost of the project to which the Government has contributed its pro rata share.

6. *Operating equipment.* Any operating equipment to be rented, purchased, or furnished by the Operator, with the allowable rental, purchase price, or depreciation, as the case may be, is listed under appropriate headings in Exhibit "A" attached hereto. As to equipment purchased for the project, the Government will contribute its agreed pro rata share of the cost thereof, and the difference between the cost and the salvage value at the conclusion of the work shall be charged as a cost of the project to which the Government has contributed its pro rata share.

[1] If sufficient space is not provided in any blank, use an extra sheet of paper and refer to it in the blank.
[2] State name, address, and nature of organization if any.
[3] Give legal description or enough to identify the property.
[4] Strike out the provision not applicable.
[5] Name of mineral.
[6] Not in excess of 2 years.

7. *Title to and disposition of property.* All facilities, buildings, fixtures, equipment, or other items costing more than $50 each, paid for or purchased with funds contributed jointly by the Operator and the Government, shall belong to the Operator and the Government jointly, in proportion to their respective contributions, and upon the termination of the contract, if they have any salvage value, shall be disposed of for their joint account unless the Government, in writing, waives its interest in any such items. The Government may require the dismantling, severance from land, and removal of any such items in order to realize its interest in the salvage value thereof, and the cost of any such removal and of the disposal of the items shall be for the joint account of the parties in proportion to their respective interests.

8. *Labor and supervision.* An itemized schedule of labor, by numbers and classes (miners, muckers, millmen, etc.), and of supervisors, by numbers and positions, with the maximum wages or salaries that may be paid to each as an allowable cost of the project is set forth in Exhibit "A" attached hereto.

9. *Rehabilitation and repairs.* A statement of the cost of any necessary rehabilitation or repairs to put existing facilities, buildings, installations, and fixtures into useful and operable condition and which are to be allowed as costs of the project is included in Exhibit "A."

10. *Allowable costs of the project.* The costs of the project in which the Government will participate are limited to the necessary, reasonable, direct costs of performing the exploration work, including the costs of materials, supplies, engineering, power, water, analytical work, accounting, and utilities, including items of equipment costing less than $50 each; and the costs referred to in Articles 5, 6, 8, and 9, and the exhibits annexed to and referred to in this contract. Although the Government may pay part of the cost of new or additional facilities, structures, buildings, and equipment, only the depreciation on such items, computed as indicated in Articles 5 and 6, will be charged as a cost of the project. No items of general overhead, corporate management, interest, taxes, or any other indirect costs not expressly allowed by these provisions, or work performed or costs incurred before the date of this contract, shall be allowed as costs of the project in which the Government will participate.

11. *Accounts and audits.* The Operator shall keep suitable records and accounts of operations, which the Government may inspect and audit at any time. The Government may at any time require an audit of the Operator's records and accounts by a certified public accountant, the cost thereof to be treated as a cost of the project. The Operator shall keep and preserve said records and accounts for at least 3 years after the completion of the project or the termination of this contract.

12. *Progress reports.* The Operator shall provide the Government with monthly reports of work performed under the contract upon forms to be provided by the Government. Each monthly progress report shall bear the certification of the Operator and shall constitute the Operator's invoice of costs incurred on the project during the period covered by the report.

13. *Payment to the Operator.* The monthly progress report (invoice), to the extent approved by the Government, shall be processed for payment by the Government. Payment shall be made in the amount of 90 percent of the approved costs incurred; *Provided,* That the aggregate total of all sums paid by the Government under this agreement shall not exceed $~~39,906.97~~, which is 90 percent of the agreed estimated total cost of this project, $~~44,341.08~~ $43,191.08 $38,871.97

14. *Final reports by Operator.* Upon completion of the project or termination of this contract, the Operator shall provide the Government with a comprehensive geologic and engineering report, including an estimate of ore reserves, to the best of his ability. Four copies of all reports shall be furnished to the Government.

15. *Repayment by Operator.* If, upon the completion of the exploration project or termination of the contract, the Government considers that a discovery or development has resulted from the work from which commercial production of ore may be made, the Government, within 6 months thereafter, shall so certify to the Operator, particularly describing and delimiting its estimate of the discovery or the development. Thereafter, if and as ore is produced as a result of such discovery or development, the Operator and his successor in interest shall be and become obligated to pay to the Government a percentage royalty on the net smelter returns or other net proceeds realized from such ore, concentrates, or metal produced within ten (10) years from the date of this contract, until the total amount contributed by the Government, without interest, is fully repaid or said 10 years have elapsed, whichever occurs first, as follows:

Of net smelter returns or other net proceeds not in excess of eight dollars ($8.00) per ton of ore: One and one-half (1½) percent.

Of net smelter returns or other net proceeds in excess of eight dollars ($8.00) per ton of ore: One and one-half (1½) percent, plus one-half (½) percent for each additional full fifty cents ($0.50) in excess of eight dollars ($8.00) per ton of ore, but not in excess of a maximum of five (5) percent.

This obligation to repay from net returns or proceeds shall be and remain a claim and lien upon the mineral deposit which is the subject of the exploration project and upon any production resulting from such discovery or development, in favor of the Government, until fully paid, or until said 10-year period has elapsed; and this claim and lien and the Government's right to repayment shall survive any termination of the contract, whether by completion of the exploration project or otherwise. This article is not to be construed as imposing any obligation on the Operator or his successor in interest to produce ore from any such discovery or development.

16. *No assignment of contract.* Without the written consent of the Government, the Operator shall not assign or otherwise transfer or hypothecate this contract or any rights thereunder.

17. *Termination and completion.* The Government may, at any time, by written notice to the Operator, terminate this contract: (*a*) If the Operator fails to provide his share of the money necessary to prosecute operations pursuant to the terms of the contract; (*b*) if the Operator, in the opinion of the Government, fails to prosecute operations pursuant to the terms of the contract; or (*c*) if in the opinion of the Government, operations up to the time of the notice have not indicated the probability of making any worthwhile discovery and in the opinion of the Government further operations are not justified. Upon the completion of the project or any termination of the contract the Operator shall render to the Government a full and final accounting of his operations under the contract and his expenditures of money; shall dispose of any unused materials, supplies, and equipment for the joint account of the Operator and the Government in the proportion of their respective interests; and shall pay to the Government its pro-rata share of any money remaining.

Executed in sextuplicate the day and year first above written.

THE UNITED STATES OF AMERICA

J. Walter Duncan, Jr.
(Operator)

By _____

By _____
Acting Administrator, Defense Minerals Exploration Administration

U. S. GOVERNMENT PRINTING OFFICE 16—64066-2

ANNEX I

The following unpatented lode mining claims recorded in the office of the County Recorder, San Juan County, Monticello, Utah, held under lease:

Name of Claim	Book	Page
B. J. No. 1	R-2)	
B. J. No. 2	R-2)	
B. J. No. 3	R-2)	342-347
B. J. No. 4	R-2)	
B. J. No. 5	R-2)	
Claim 1	R-2	337
Claim 2	R-2	337
Claim 3	R-2	338
Claim 4	R-2	338
Claim 21	R-2	352
Claim 22	R-2	353
Claim 23	R-2	353
G. P. No. 1	R-2)	
G. P. No. 2	R-2)	
G. P. No. 3	R-2)	516-522
G. P. No. 4	R-2)	
G. P. No. 5	R-2)	

EXPLORATION PROJECT CONTRACT
J. WALTER DUNCAN, JR.
DOCKET NO. DMA 1429X

EXHIBIT "A"

Statement of the Work

~~To explore for uranium by stripping 10,500 feet of the outcrop on the following claims: B. J. Nos. 1-5, inclusive; Claims Nos. 1-4, inclusive; Claims Nos. 21-23, inclusive; and G. P. Nos. 1-5, inclusive. The outcrop to consist of the formation containing the favorable horizon for uranium mineralization as shown on figure 2.~~ The stripping of the outcrop to start on the B. J. No. 1 claim and to be extended eastward along the outcrop as shown.

To continue the exploration in the areas of most promising geologic conditions as exposed by the surface stripping by driving underground adits and crosscuts totaling 900 feet. Tentative locations of the adits are shown on figure 2, but the exact locations and amount of exploration at each will be determined by radiometric measurements and by agreement between representatives of the Operator and the Government.

Summary of Estimated Costs

Stripping of outcrop, 10,500 feet at $0.35 per foot	$ 3,675.00
Driving undergroung adits and crosscuts, 900 feet at ~~$26.432~~ 25,158 per foot	22,638.80 ~~22,653.80~~ ~~23,788.80~~
Other project costs	16,877.28
	~~$44,341.08~~ 43,191.08

Estimate of Time Schedule

1st, 2nd, and 3rd months: Complete surface exploration with stripping by bulldozer along 10,500 feet of the favorable ore horizon.

1st, 2nd, 3rd, 4th, and 5th months: Drive 900 feet of underground adits and crosscuts.

Estimate of Costs

~~Fixtures and improvements~~

~~None~~

Operating equipment

To be rented

Charged to adits

2 compressors, 105 cfm., portable, $164.00 per month for 4½ months each	$1,476.00
2 cars, mine, 24-cu. ft., $26.00 per month each for 4½ months each	234.00
	1,710.00

Charged to stripping

Bulldozer plus operator, ~~approximately~~ 10,500 feet @ $0.35 per foot. (this cost per foot is from actual costs of other similar jobs in the area)	$3,675.00

~~Charged to project~~ entire

~~1 truck, flat bed utility, $90.00 per~~ month for 4½ months	405.00

To be purchased

Charged to adits

3 water, oil, and gasoline storage tanks, 500-gallon each @ $95.00 each	$285.00
3 water pressure tanks for wet drilling, 18-gallon with fittings, $79.00 each	$237.00
Hose, water, for jackhammers, three 50-foot lengths with fittings, $38.00 each	114.00
Shop equipment and machine maintenance equipment.	800.00
	1436.00

~~To be furnished on depreciation basis~~

~~Charged to adits~~

~~1 compressor, 105 cfm., I.R., portable,~~ new	$3,350.00
3 jackhammers, new, @ $350.00 each	1,050.00
3 jacklegs, new, @ $185.00 each	555.00
1 jeep truck, 4 x 4, used	1,500.00
1 Geiger counter, used	185.00
	6,640.00

Allowable monthly depreciation on above equipment

$6,640.00 x 1/60 equals $110.67

Total allowable depreciation for project

4½ months x $110.67 equals $498.00 — $498.00 →

~~300 feet air hose, 3/4-inch with fittings,~~ new, $50.3~~6~~5 per 50-ft. length	302.00
1 ton drill steel, assorted lengths with ~~bits, new~~	~~1,150.00~~
	1,452.00

Allowable ~~monthly~~ depreciation on above equipment for period of project

$1,452.00 x 50 percent equals $726.00 — 726.00 →

Labor and supervision

Charged to adit~~s~~

2 miners @ $15.00 per 8-hr. shift for ~~216~~ 108 shifts	$3,240.00
2 muckers @ $12.00 per 8-hr. shift for ~~216~~ 108 shifts	2,592.00
	5~~6~~,832.00 →
plus ~~13~~ 15 percent of above of taxes & insurance	~~888.30~~ →
	~~1,024.80~~ 874.80
1 project foreman @ $400.00 per months for 4½ months	1,800.00 →
plus ~~13~~ 15 percent of above for taxes & insurance	~~234.00~~ →
	270.00

Charged to entire project

1 geologist (½ time) ~~@~~ $600.00/month or $300.00/month for 4½ months	$1,350.00
~~1 truck driver @ $12.00/8-hr. shift for 108 shifts~~	~~1,296.00~~
1 cook @ $375/month for 4½ months	1,687.50

Labor and supervision

Charged to project (con.)

~~1 cook's helper @ $325/month for 4½ months~~	~~$1,462.50~~
1 mechanic @ $375/month for 4½ months	1,687.50
~~1 sampler @ $300/month for 4½ months (1/2 time)~~	~~675.00~~
	8,158.50
plus ~~13~~ 15 percent of above for taxes & insurance	~~1,060.60~~
	1,223.78

Rehabilitation and repairs

None

Miscellaneous expenses

Charged to adits

Explosives	$2,880.00	
Caps and fuse	432.00	
Gas and oil	675.00	
Maintenance	540.00	
Pipe and track	1,080.00	
Water haulage	720.00	
Sampling and assaying	1,500.00	
Camp and commissary	810.00	
Surface preparation	855.00	
	9,492.00	9,492.00

Charged to project

Transportation of equipment to site	$200.00	
~~Construction of cook shack & bunk~~ house	2,000.00	
~~Cooking and dining equipment~~	~~600.00~~	
Commissary for other than underground employees	1,890.00	
Access road maintenance	400.00	
Miscellaneous construction (ore chutes, bin, etc.)	1,500.00	
Gasoline and lubricants	500.00	
	7,090.00	7,090.00

Total cost of proposed exploration ~~$44,341.08~~ 43,191.08

Recapitulation of Costs

Stripping of outcrop, 10500 feet at $0.35 per foot $3,675.00
(this cost per foot is from actual costs of other similar jobs in the area)

~~Driving of adits and crosscuts, 900 feet at $26.432~~ ~~23,788.80~~
per foot. Breakdown given below: 25.154 22,638.80

	Per Foot	Total
Direct costs ~~chargeable to adits~~	6.48	5,832.00
Labor	~~7.59~~	~~6,832.00~~
OAB, employment insurance, compensation, etc.	~~1.139~~ 0.972	~~1,024.80~~ 874.80
Explosives	3.20	2,880.00
Caps and fuse	0.48	432.00
Equipment	4.217	3,795.00
Steel and bits	0.639	575.00
Gasoline and oil	0.75	675.00
Maintenance of adits	0.60	540.00
Pipe and track	1.20	1,080.00
Water haulage	0.80	720.00
Total direct costs	~~20.615~~ 19.338	~~18,553.80~~ ~~17,038~~ 17,403.80
Overhead chargeable against adits		
Sampling and assaying	1.667	1,500.00
Supervision	2.00	1,800.00
OAB, employment insurance, compensation, etc.	0.30	270.00
Camp and commissary	0.90	810.00
Surface preparation	0.95	855.00
Total overhead costs	5.817	5,235.00
Total ~~cost per foot and total cost~~	~~26.432~~ 25.156	~~23,788.80~~ 22,638.80

Other project costs

Labor and supervision	$8,158.50
OAB, employment insurance, compensation, etc.	1,223.78
Equipment to be rented, 1 truck	405.00
Transportation of equipment to site	200.00
Construction of cook shack & bunk house	2,000.00
Cooking and dining equipment	600.00
Commissary for other than underground employees	1,890.00
Access road maintenance	400.00
Miscellaneous construction (ore chutes, bins, etc.)	1,500.00
Gasoline and lubricants	500.00
	16,877.28

Total ~~$44,341.08~~ 43,191.08

Progress Reports

According to Article 12 of the Exploration Project Contract the Operator shall provide the Government with monthly progress reports. A map should be attached to these reports showing stripping completed and relatively quantities of uranium mineralization discovered. Location and direction of adits and crosscuts started or in progress should also be attached. Maps of the completed adits and crosscuts showing the assay results of all samples, the location of the samples, and of all changes in the character of the rock and similar data should be included with the monthly report.

L E A S E

THIS LEASE AGREEMENT, made and entered into this 12th day of May, 1951, between John N. Pehrson and Mabel J. Pehrson, his wife, and W.W. Goforth and Lucille Goforth, his wife, of Bluff, San Juan County, Utah, hereinafter referred to as Lessors, and J. Walter Duncan, Jr. of 2212 First National Building, Oklahoma City, Oklahoma, hereinafter referred to as Lessee, WITNESSETH:

That the Lessors, in consideration of the royalties, covenants and agreements hereinafter reserved and by the Lessee to be paid, kept, observed and performed, hereby lease to the Lessee the following described unpatented mining claims located in San Juan County, to wit:

Those certain mining claims known as G.P. claims, numbers one to nineteen inclusive, the same being more particularly described in the Notices of Location of each of said claims, which notices are recorded in the office of the County Recorder of San Juan County Utah, as entry numbers B-9119 to B-9137 inclusive, to each of which notices reference is hereby made.

To have and to hold the same unto the Lessee for the term of twenty-five (25) years from the 12th day of May, 1951, until the 12th day of May 1976, and as long thereafter as minerals are produced in commercial and paying quantities by Lessee from said claims, unless sooner terminated or forfeited through, or by reason of, the violation or nonobservance of any agreements or covenants hereinafter set forth on the part of the Lessee to be kept, observed and performed.

That in consideration of the said leasing, the Lessee covenants and agrees with the Lessors, as follows:

1. To enter upon said property and commence necessary prospecting and assessment work, and in the event ore in commercial and paying quantities is encountered, Lessee agrees to work the said property in a proper and miner like fashion with due regard to the development and preservation of said mining premises as a workable mining property and shall diligently pursue the working of the same during the term of this lease agreement.

2. To furnish at his own cost and expense all of the necessary tools and other equipment which shall be necessary in carrying out the proper mining of said premises.

3. To well and sufficiently timber said premises wherever worked in accordance with good mining, and to keep the same clear of loose rock and rubbish.

4. To allow the Lessors or their agents, at all reasonable times, to enter upon and into all parts of the property, or upon or in any mill, or other property, used by the Lessee in connection with operations upon the property, or in connection with taking ore therefrom, for the purpose of inspecting and sampling the same.

5. To give Lessors and their agents access to all of his books and papers connected, in any way, with his operations upon said property.

EXHIBIT "A"

6. (a) To pay and deliver to the lessors, or cause to be paid to them, by the mill or smelter, as the case may be, as royalty upon all ores that may be mined, shipped or sold from the property during the term of this lease, as follows:

(1) Fifteen (15%) per cent of the net smelter or mill value.

It being specifically understood and agreed that all development allowances, transportation allowances, or other allowances of any kind or character paid by the Atomic Energy Commission, or any of its sub-agencies or other governmental agencies to the Lessee for developing said premises, or transporting ore therefrom, shall not be considered as a part of the proceeds from the sale of ore and upon which royalty shall be paid as set forth herein. Such development allowances shall be expended by the Lessee in the development of said mining premises.

(b) To charge nothing against the Lessors, on account of any payments made by the Lessee for milling or concentration of ores.

(c) To make all payments and settlements of royalties hereunder monthly for all ores milled or sold during the preceding calendar month, within fifteen (15) days after Lessee is paid for any such ores milled or sold.

7. To assume any and all risk and responsibility for any damage or injury that he or any of his employees might sustain while mining said premises or carrying on any other work in connection therewith.

8. To comply with all of the laws of the state of Utah and of the United States of America, while conducting his mining operations, and to keep and maintain workman's compensation insurance as required by law; and in case of any suit occurring in connection with the operation of said mining premises, by said Lessee, said Lessee will defend the same and indemnify the Lessors against all damages, costs and expenses incurred by Lessors on account thereof. And to comply with the provisions of the Social Security Act as it applies to any person or persons employed by him on said mining premises.

9. He will promptly pay for all labor and supplies used or furnished by Lessee upon said premises and shall protect Lessors and said premises against any and all claims and liens for any such materials and labor.

10. To, prior to July 1 of each year, commencing July 1, 1952, and continuing during the term of this lease, perform lawful assessment work upon each claim in such amount as may be required by law, or upon all of such claims as a group or in groups so that the assessment work required by law on each of said claims may be reasonably allowed to each claim. Lessee shall further prepare and file a good and valid affidavit of annual labor and improvements, as required by law, showing that such assessment work has been so performed, such affidavit to be filed with the County Recorder of San Juan county, Utah, on or before 12 o'clock noon of each July 1, during the term of this lease, or at such other time or times as may be required by law for the filing of such affidavits.

11. To pay and keep paid, as and when the same shall become due and payable, all taxes of every kind and nature levied and assessed against said premises and the output therefrom.

12. Lessors covenant and agree that they have done and performed all acts and things necessary for the proper location and filing of notices of location on said claims as required by the laws of the state of Utah and United States of America.

13. It is further understood and agreed between the parties to this agreement that in the event the Lessors, or any of them, should, during the term of this lease, desire to sell their interest in said mining premises that they will not sell the same, or any part thereof, to any person or corporation whatsoever without first having offered the same to the Lessee herein with the first right and privilege to buy said mining premises at the same price, and under the same terms, covenants and conditions as the Lessors shall be willing to sell the same to any other party whatsoever, and that in the event of such bona fide sale, the privilege having first been offered to the lessee, as herein set forth, and the said lessee not desiring to purchase, that then the said Lessors shall be free to sell the said property to any other persom, but not otherwise; provided further, that Lessors shall give the Lessee written notice of any such prospective sale and Lessee shall have thirty (30) days after the receipt of such written notice within which to exercise his right and privilege to purchase hereunder, said right and privilege to be exercised by giving written notice to said Lessors within said thirty (30) day period.

14. That, upon the failure of the Lessee to keep, observe or perform any of the agreements or covenants hereinabove to be kept, observed or performed by the Lessee, the term of this Lease shall, at the option of the Lessors, expire, and the same, and the property hereby demised shall become forfeited to the Lessors; and the Lessors, or their agents or attorneys, may, thereupon, immediately after demand for possession, enter upon said property and dispossess all persons occupying the same, with or without force, and with or without process of law; or, at the option of the Lessors, the Lessee, and all persons found in occupation of the property, or any party thereof, may be proceeded against as guilty of unlawful detainer; provided further, however, that before any such forfeiture shall be declared and enforced, the Lessors shall notify the Lessee in writing of any such alleged breach of the agreements or covenants herein contained, setting forth in such notice a detailed description of any such alleged breach, and the Lessee shall have three (3) months after the receipt of such notice within which to correct or rectify same.

15. The Lessee shall have the right and privilege to forfeit and surrender the lease premises to the Lessors at any time at the option of the Lessee upon written notice of same to the Lessors.

16. That upon the termination of this lease, by expiration, forfeiture, surrender, or otherwise, the Lessee shall pay the Lessors any and all sums that may be due to them under the terms hereof or because of the failure or neglect of the Lessee, or any persons acting under him, to keep, observe or perform all or any of the agreements or covenants hereof, upon the payment of which all parties shall be released from any further duties and obligations hereunder. Lessee further agrees to deliver up the leased property to the Lessors in good order and condition, it being specifically understood and agreed, however, that Lessee may remove any of his equipment and surface structures, including houses, office, and surface and sub-surface machinery and equipment of

every kind and character, except timbering.

17. Lessee, his successors, assignees, and sub-lessees, shall have the right to assign or lease all or any part of the leased premises to any other party or parties, without the consent of the Lessors.

18. Written notices provided for herein shall be addressed with postage prepaid as follows:

For Lessors: To John N. Pehrson
Bluff, San Juan County, Utah

For Lessee: To J. Walter Duncan, Jr.
2212 First National Building
Oklahoma City, Oklahoma

19. This lease shall inure to the benefit of, and be binding upon, the parties hereto, and their successors and assigns respectively.

IN WITNESS WHEREOF, the said parties have caused this instrument to be executed the day and year first above written.

John N. Pehrson
John N. Pehrson

Mabel J. Pehrson
Mabel J. Pehrson

W.W. Goforth
W.W. Goforth

Lucille Goforth
Lucille Goforth

J. Walter Duncan Jr
J. Walter Duncan, Jr.

State of Utah)
) ss
County of San Juan)

On the 12th day of May, 1951, personally appeared before me John N. Pehrson, Mabel J. Pehrson, W.W. Goforth, and Lucille Goforth, the signers of the above instrument who duly acknowledged to me that they executed the same.

Notary Public. Residing at
Moab, Utah

My commission expires
12-26-54

State of Oklahoma)
) ss
County of Oklahoma)

On the 24th day of May, 1951, personally appeared before me J. Walter Duncan, Jr. the signer of the above instrument who duly acknowledged to me that he executed the same.

LOUIS BARRON NOTARY PUBLIC IN AND FOR STATE OF OKLAHOMA OKLAHOMA CITY, OKLA.

Doris Barron
Notary Public. Residing at
Oklahoma City, Oklahoma

My commission expires
August 8, 1953

Gordon

Walter Duncan

Oil Properties

2212 First National Building

Oklahoma City, Oklahoma

December 11, 1951

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED

DEC 13 1951
DEPARTMENT OF THE INTERIOR
RECEIVED

DEC 14 1951
Defense Minerals Administration,
Production Expansion Division.

U. S. Department of the Interior
Defense Minerals Administration
Washington 25, D. C.

Attention: Mr. E. R. Gordon

Re: DMA Docket 1429X - Uranium
White Canyon, Utah

Gentlemen:

In accordance with our telephone conversation of December 10th, I enclose the following:

(1) Photocopy of "Addendum" to lease dated May 12, 1951, from John N. Pehrson, W. W. Goforth, and their wives, to J. Walter Duncan, Jr.

(2) Photocopy of original lease dated March 7, 1951, from John N. Pehrson, W. W. Goforth, Daniel L. Hayes, and their wives, to J. Walter Duncan, Jr.

(3) Photocopy of "Addendum" to the lease dated March 7, 1951, from John N. Pehrson, W. W. Goforth, Daniel L. Hayes, and their wives, to J. Walter Duncan, Jr.

The enclosed, together with the copy of the lease dated May 12, 1951, previously forwarded, cover all of the leases shown in the captioned application.

We are securing the necessary six copies of Landlord's Subordination Agreement, form MF-202 for each of the leases. These will be forwarded as soon as signed.

In accordance with our telephone conversation, you are attending to the request that we furnish a list of all men to be employed.

Yours very truly,

J. WALTER DUNCAN, JR.

By Leland C. Neeley

LCN:B
Enc. 3

ADDENDUM

WHEREAS, on the 12th dayof May, 1951, John N. Pehrson and Mabel J. Pehrson, his wife, and W.W. Goforth and Lucille Goforth, his wife, as lessors, entered into a lease agreement with J. Walter Duncan, Jr, as lessee, to which lease agreement this addendum is to be attached and made a part thereof, and

WHEREAS, the said lessors and lessee now desire to include within and make a part of said lease agreement of May 12, 1951, certain additional unpatented mining claims.

NOW, THEREFORE, in consideration of the premises said parties hereby agree as follows:

That those certain unpatented mining claims known as the Peanut 1 to 8 claims, inclusive, the same being more particularly described in the Notice of Location of each of said claims, which notices are recorded in the office of the County Recorder of San Juan county, Utah, as Entry Nos. D-1243 to D-1250, inclusive, to each of which notices reference is hereby made be, and the same are hereby included in and made a part of said lease of May 12, 1951, and that said parties, and each of them, and said claims, and each of them, shall be governed by each and all of the provisions contained in said lease of May 12, 1951, to the same extent as if said mining claims had originally been included in said lease agreement.

Dated this 26 day of June, 1951.

John N. Pehrson

Mabel J. Pehrson

W.W. Goforth

Lucille Goforth

J. Walter Duncan, Jr.

A D D E N D U M

WHEREAS, on the 7th day of March, 1951, John N. Pehrson, and Mabel J. Pehrson, his wife, W.W. Goforth and Lucille Goforth, his wife, and Daniel L. Hayes and Pauline E. Hayes, his wife, as lessors, entered into a lease agreement with J. Walter Duncan, Jr., as lessee, to which lease agreement this addendum is to be attached and made a part thereof, and

WHEREAS, the said lessors and lessee now desire to include within and make a part of said lease agreement of March 7th, 1951, certain additional unpatented mining claims.

NOW, THEREFORE, in consideration of the premises said parties hereby agree as follows:

That those certain unpatented mining claims known as the Fraction 1, 2 and 3 claims, the same being more particularly described in the Notice of Location of each of said claims, which notices are recorded in the office of the County Recorder of San Juan county, Utah, as Entry Nos D1369 to D1371, inclusive, to each of which notices reference is hereby made be, and the same are hereby included in and made a part of said lease of March 7, 1951, and that said parties, and each of them, and said claims, and each of them, shall be governed by each and all of the provisions contained in said lease of March 7, 1951, to the same extent as if said mining claims had originally been included in said lease agreement.

Dated this 26th day of June, 1951.

John N. Pehrson
John N. Pehrson

Mabel J. Pehrson
Mabel J. Pehrson

W.W. Goforth
W.W. Goforth

Lucille Goforth
Lucille Goforth

Daniel L. Hayes
Daniel L. Hayes

Pauline E. Hayes
Pauline E. Hayes

J. Walter Duncan Jr.
J. Walter Duncan, Jr.

I hereby accept the above addendum to the lease agreement of March 7, 1951.

Walter J. Stevens
Walter J. Stevens.

$15.50 D-344

L E A S E

M.M. THIS LEASE AGREEMENT, made and entered into this 7th day of ~~February~~ March, 1951, between John N. Pehrson and Mabel J. Pehrson, his wife, W. W. Goforth and Lucille Goforth, his wife, of Bluff, San Juan County, Utah, and Daniel L. Hayes and Pauline E. Hayes, his wife, of Monticello, San Juan County, Utah, hereinafter referred to as Lessors, and J. Walter Duncan, Jr. of 2212 First National Building, Oklahoma City, Oklahoma, hereinafter referred to as Lessee, WITNESSETH:

That the Lessors, in consideration of the royalties, covenants and agreements hereinafter reserved and by the Lessee to be paid, kept, observed and performed, hereby lease to the Lessee all of the unpatented mining claims located in San Juan County, Utah, listed in Exhibit "A" attached hereto and by reference made a part hereof.

To have and to hold the same unto the Lessee for the term of twenty-five (25) years from the 26th day of February, 1951 until the 26th day of February, 1976, and as long thereafter as minerals are produced in commercial and paying quantities by Lessee from said claims, unless sooner terminated or forfeited through, or by reason of, the violation or nonobservance of any agreements or covenants hereinafter set forth on the part of the Lessee to be kept, observed and performed.

That in consideration of the said leasing, the Lessee covenants and agrees with the Lessors, as follows:

1. To enter upon said property and commence necessary prospecting and assessment work, and in the event ore in commercial and paying quantities is encountered, Lessee agrees to work the said property in a proper and miner like fashion with due regard to the development and preservation of said mining premises as a workable mining property and shall diligently pursue the working of the same during the term of this lease agreement; ~~provided that if ore in commercial and paying quantities is not encountered, this lease shall continue in full force and effect during its term thereof, provided Lessee performs the last assessment work upon said claims as hereinafter provided.~~

2. To furnish at his own cost and expense all of the necessary tools and other equipment which shall be necessary in carrying out the proper mining of said premises.

3. To well and sufficiently timber said premises wherever worked in accordance with good mining, and to keep the same clear of loose rock and rubbish.

4. To allow the Lessors or their agents, at all reasonable times, to enter upon and into all parts of the property, or upon or in any mill, or other property, used by the Lessee in connection with operations upon the property, or in connection with taking ore therefrom, for the purpose of inspecting and sampling the same.

5. To give Lessors and their agents access to all of his books and papers connected, in any way, with his operations upon said property.

6. (a) To pay and deliver to the Lessors, or cause to be paid to them, by the mill or smelter, as the case may be, as royalty upon all ores that may be mined, shipped or sold from the property during the term of this lease, as follows:

6. (a) Continued

(1) Fifteen (15%) per cent of the net smelter or mill value.

It being specifically understood and agreed that all development allowances, transportation allowances, or other allowances of any kind or character paid by the Atomic Energy Commission, or any of its sub-agencies or other governmental agencies to the Lessee for developing said premises, or transporting ore therefrom, shall not be considered as a part of the proceeds from the sale of ore and upon which royalty shall be paid as set forth herein. Such development allowances shall be expended by the Lessee in the development of said mining premises.

(b) To charge nothing against the Lessors, on account of any payments made by the Lessee for milling or concentration of ores.

(c) To make all payments and settlements of royalties hereunder monthly for all ores milled or sold during the preceding calendar month, within fifteen (15) days after Lessee is paid for any such ores milled or sold.

7. To assume any and all risk and responsibility for any damage or injury that he or any of his employees might sustain while mining said premises or carrying on any other work in connection therewith.

8. To comply with all of the laws of the state of Utah and of the United States of America, while conducting his mining operations, and to keep and maintain workman's compensation insurance as required by law; and in case of any suit occurring in connection with the operation of said mining premises, by said Lessee, said Lessee will defend the same and indemnify the Lessors against all damages, costs and expenses incurred by Lessors on account thereof. And to comply with the provisions of the Social Security Act as it applies to any person or persons employed by him on said mining premises.

9. He will promptly pay for all labor and supplies used or furnished by Lessee upon said premises and shall protect Lessors and said premises against any and all claims and liens for any such materials and labor.

10. To, prior to July 1 of each year, commencing July 1, 1952, and continuing during the term of this lease, perform lawful assessment work upon each claim in such amount as may be required by law, or upon all of such claims as a group or in groups so that the assessment work required by law on each of said claims may be reasonably allowed to each claim. Lessee shall further prepare and file a good and valid affidavit of annual labor and improvements, as required by law, showing that such assessment work has been so performed, such affidavit to be filed with the County Recorder of San Juan county, Utah, on or before 12 o'clock noon of each July 1, during the term of this lease, or at such other time or times as may be required by law for the filing of such affidavits.

11. To pay and keep paid, as and when the same shall become due and payable, all taxes of every kind and nature levied and assessed against said premises and the output therefrom.

12. Lessors covenant and agree that they have done and performed all acts and things necessary for the proper location and filing of notices of location on said claims **as required by the laws of the state of Utah and United States of America.**

13. It is further understood and agreed between the parties to this agreement that in the event the Lessors, or any of them, should, during the term of this lease, desire to sell their interest in said mining premises that they will not sell the same, or any part thereof, to any person or corporation whatsoever without first having offered the same to the Lessee herein with the first right and privilege to buy said mining premises at the same price, and under the same terms, covenants and conditions as the Lessors shall be willing to sell the same to any other party whatsoever, and that in the event of such bona fide sale, the privilege having first been offered to the lessee, as herein set forth, and the said lessee not desiring to purchase, that then the said Lessors shall be free to sell the said property to any other person, but not otherwise; provided further, that Lessors shall give the Lessee written notice of any such prospective sale and Lessee shall have thirty (30) days after the receipt of such written notice within which to exercise his right and privilege to purchase hereunder, said right and privilege to be exercised by giving written notice to said Lessors within said thirty (30) day period.

14. That, upon the failure of the Lessee to keep, observe or perform any of the agreements or covenants hereinabove to be kept, observed or performed by the Lessee, the term of this Lease shall, at the option of the Lessors, expire, and the same, and the property hereby demised shall become forfeited to the Lessors; and the Lessors, or their agents or attorneys, may, thereupon, immediately after demand for possession, enter upon said property and dispossess all persons occupying the same, with or without force, and with or without process of law; or, at the option of the Lessors, the Lessee, and all persons found in occupation of the property, or any party thereof, may be proceeded against as guilty of unlawful detainer; provided further, however, that before any such forfeiture shall be declared and enforced, the Lessors shall notify the Lessee in writing of any such alledged breach of the agreements or covenants herein contained, setting forth in such notice a detailed description of any such alledged breach, and the Lessee shall have three (3) months after the receipt of such notice within which to correct or rectify same.

15. The Lessee shall have the right and privilege to forfeit and surrender the leased premises to the Lessors at any time at the option of the Lessee upon written notice of same to the Lessers.

16. That upon the termination of this lease, by expiration, forfeiture, surrender, or otherwise, the Lessee shall pay the Lessors any and all sums that may be due to them under the terms hereof or because of the failure or neglect of the Lessee, or any persons acting under him, to keep, observe or perform all or any of the agreements or covenants hereof, upon the payment of which all parties shall be released from any further duties and obligations hereunder. Lessee further agrees to deliver up the leased property to the Lessors in good order and condition, it being specifically understood and agreed, however, that Lessee may remove any of his equipment and surface structures, including houses, office, and surface and sub-surface machinery and equipment of every kind and character, except timbering.

17. Lessee, his successors, assignees, and sub-lessees, shall have the right to assign or lease all or any part of the leased premises to any other party or parties, without the consent of the Lessors.

18. Written notices provided for herein shall be addressed with postage prepaid as follows:

For Lessors: To John N. Pehrson
Bluff, San Juan County, Utah

For Lessee: To J. Walter Duncan, Jr.
2212 First National Building
Oklahoma City, Oklahoma

19. This lease shall inure to the benefit of, and be binding upon, the parties hereto, and their successors and assigns respectively.

IN WITNESS WHEREOF, the said parties have caused this instrument to be executed the day and year first above written.

John N. Pehrson

Mabel J. Pehrson

W. W. Goforth

Lucille Goforth

Daniel L. Hayes

Pauline E. Hayes

J. Walter Duncan, Jr.

State of Utah)
) ss
County of San Juan)

On the 7th day of ~~February~~ March, 1951, personally appeared before me John N. Pehrson, Mabel J. Pehrson, W. W. Goforth, and Lucille Goforth, the signers of the above instrument who duly acknowledged to me that they executed the same.

Notary Public. Residing at
Moab, Utah

My commission expires
12-26-54

State of Utah)
) ss
County of)

On the 7th day of ~~February~~ March, 1951, personally appeared before me Daniel L. Hayes and Pauline E. Hayes, the signers of the above instrument who duly acknowledged to me that they executed the same.

Notary Public. Residing at
Moab, Utah

My commission expires
12-26-54

State of Oklahoma)
) ss
County of Oklahoma)

On the 24th day of February, 1951, personally appeared before me J. Walter Duncan, Jr., the signer of the above instrument who duly acknowledged to me that he executed the same.

Iris Barron
Notary Public. Residing at
Oklahoma City, Oklahoma

My commission expires
August 8, 1953

EXHIBIT "A"

List of unpatented mining claims located in San Juan County, Utah, covered by lease dated the 7th day of ~~February~~, March, 1951, between John N. Pehrson and others as Lessors and J. Walter Duncan, Jr. as Lessee.

A. Those certain mining claims known as Claim Nos. 1 to 23, inclusive. The same being more particularly described in the notices of location of each of said claims, which notices are recorded in the office of the county recorder of San Juan County, Utah, as Entry Nos. B-8554 to B-8570, inclusive, and Entry Nos. B-8594 to B-8599, inclusive, to each of which notices reference is hereby made.

B. Those certain mining claims known as B. J. Nos. 1 to 14, inclusive. The same being more particularly described in the notices of location of each of said claims, which notices are recorded in the office of the county recorder of San Juan County, Utah, as Entry Nos. B-8571, and B-8583 to B-8593, inclusive, and B-8692 and B-8693, to each of which notices reference is hereby made.

C. Those certain mining claims known as W. J. G. Nos. 1 to 6, inclusive. The same being more particularly described in the notices of location of each of said claims, which notices are recorded in the office of the county recorder of San Juan County, Utah, as Entry Nos. B-8686 to B-8691, inclusive, to each of which notices reference is hereby made.

D. Those certain mining claims known as P. S. Nos. 1 to 7, inclusive. The same being more particularly described in the notices of location of each of said claims, which notices are recorded in the office of the county recorder of San Juan County, Utah, as Entry Nos. B-8935 to B-8941, inclusive, to each of which notices reference is hereby made.

E. Those certain mining claims known as W. J. Nos. 1 to 11, inclusive. The same being more particularly described in the notices of location of each of said claims, which notices are recorded in the office of the county recorder of San Juan County, Utah, as Entry Nos. B-8572 to B-8582, inclusive, to each of which notices reference is hereby made.

F. Those certain mining claims known as Good Luck, Hard Luck, Baby Doll, and Judy. The same being more particularly described in the notices of location of each of said claims, which notices are respectively recorded in the office of the county recorder of San Juan County, Utah, as Entry Nos. B-8682, B-8683, B-8684, and B-8685, to each of which notices reference is hereby made.

It is understood and agreed by and between the Lessors hereto that the mining claims above described in paragrpahs A, B, C and D of this Exhibit "A" are owned an undivided one-third (1/3) each by John N. Pehrson, W. W. Goforth, and Daniel L. Hayes; that the mining claims above described in paragraphs E and F of this Exhibit "A" are owned an undivided one-half (1/2) each by Daniel L. Hayes and John N. Pehrson. It is agreed that the royalty payments as provided for in paragraph 6 of this lease agreement shall only be paid to the Lessors from the proceeds of the sale of ore from Lessors respective claims and in proportion to the interest of each of said Lessors in their said claims as in this paragrpah set forth; i.e., John N. Pehrson, W. W. Goforth and Daniel L. Hayes shall share in the royalty payments from the ores sold from the claims described in paragraphs A. B. C and D of this Exhibit "A", and John N. Pehrson and Daniel L. Hayes shall share in the royalty payments from the ores sold from the claims described in paragrpahs E and F of this Exhibit "A", according to their said respective interests therein.

John N. Pehrson

W. W. Goforth

Daniel L. Hayes

Form MF-103
(April 1951)

U. S. DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

Budget Bureau No. 42-R1035.
Approval expires 6-30-51.

APPLICATION FOR AID FOR AN EXPLORATION PROJECT PURSUANT TO MINERAL ORDER 5, UNDER DEFENSE PRODUCTION ACT OF 1950

DO NOT FILL IN THIS BLOCK

Docket No. DMA 1429X

Date received 5-31-51

Participation

J. Walter Duncan, Jr.
2212 First National Building
Oklahoma City, Oklahoma

Name and address of applicant

Date May 24, 1951

FILL IN THIS BLOCK

Date of application May 24, 1951

Estimated cost $ 60,000.00

Mineral or metal Uranium and copper

Percentage of Government participation 90

Location of mine White Canyon, San Juan County, Utah

Date of filing MF-100

DMA Docket Number, if available 1429X

INSTRUCTIONS

Read Mineral Order 5, Regulations Governing Government Aid in Defense Projects, before completing this application. Submit four signed copies of the application to Defense Minerals Administration, Department of the Interior, Washington 25, D. C., or to the nearest field executive officer thereof, with your name and address on each sheet of the application and all accompanying papers. If any question is inapplicable, or if you cannot answer it, so state on the form. Where the space provided for answer is insufficient, answer on a separate sheet, annex it to the application form, and refer to it in space for answer. If the application is approved, you will be presented with an exploration project contract on Form MF-200, for your signature.

THE APPLICANT

*1. Is applicant an individual, partnership, or corporation?
*2. If a partnership, state names and addresses of partners.
*3. If a corporation, state names and addresses of officers, directors, and five largest stockholders.
*4. Describe the mining and general business experience of (*a*) the applicant, and (*b*) the person or persons who will manage the project.
*5. Are you the owner or the lessee of the property?
6. If owner, state what claims, liens, or encumbrances, if any, are against the property.
7. If lessee, attach a copy of the lease and state if it is in good standing.

NOTE.—It will be necessary to procure and attach to the exploration project contract agreements of claimants, lienors, encumbrances and lessors subordinating their interests in the property to the interest of the Government under the contract.

8. Furnish current financial statement, showing assets and liabilities, and a profit and loss statement.
9. How much money is applicant prepared to invest in proposed project? Is it sufficient to pay your part of the cost of the project as detailed in question 23 of this application form, in accordance with the regulations on Government participation (Section 9 of Mineral Order 5)?

*If you have already answered these questions on MF-100, you are not required to answer the questions for this application.

16—64067-1

THE PROPERTY

10. (*a*) Give a description of the real property that will be in any way involved in the exploration project, including any existing mine or operating property.
    (*b*) Give the legal description of the exact parcel, plot, or area upon which the exploration is to be conducted.

    NOTE.—If both areas are the same, so state. The only obligation to repay the Government is from the net earnings from any commercial discovery made in the area specified in (*b*) above in which the exploration is to be conducted, and the expenditure of funds which may be charged as costs of the project must be limited to that area or to work necessary to perform the exploration in that area.

*11. State the present and former names of the property, if any.
*12. State, in detail, the location of the property with reference to towns, railroads, roads, shipping points, including distances and directions and kinds and conditions of roads.
*13. State source and quantity of water available for operations and its sufficiency at all seasons.
State amount of power to be used, rate per hour or other cost, and source.
*14. Describe any existing useable facilities, equipment, buildings, or structure now on the property that will be devoted to the exploration work.
15. State in detail how the ore could be shipped and how and where milled.
*16. History:
    (*a*) Give a statement, as complete as possible, of previous exploration, development, operation, and production of property, with reasons for any past suspensions of operations.
    (*b*) State briefly the known history and production of adjoining and neighboring properties.
    (*c*) Furnish any available (private) reports that may apply to this application, including results of mine examinations, recommended exploration and development, and metallurgical investigations.
*17. Production:
    (*a*) If mine is in production, furnish the following information:

	Tons per day	*Grade or analysis*	*Cost per ton*	*Net value per ton*
(1) Mining				
(2) Milling				
(3) Shipped or sold				

*18. Ore or mineral reserves: (If property is or has been operating.)
    (*a*) Describe the ore or mineral deposits briefly.
    (*b*) Submit available maps and assay data.
    (*c*) Give estimated tonnage and grade of each class of ore reserves.
19. State any conditions or circumstances regarding the property not sufficiently brought out by the foregoing questions.

THE EXPLORATION

20. For what mineral or minerals and for what types of deposits and ores will the exploration be conducted?
21. Describe briefly, but concisely, the proposed work and the estimated time required to complete it.

    NOTE.—The Government will not participate in a project that will require more than 2 years to complete.
22. Furnish statement of the geological basis of the project with particular emphasis on factors leading the operator to expect the finding of commercial ore bodies. This statement should be accompanied by supporting maps such as geological maps, maps of the proposed openings and assay maps, sample lists, and other pertinent data.

THE REQUIREMENTS AND COSTS

23. Tabulate in the form of an itemized statement with a sum for each item the estimated requirements and costs of the project so that the total will give the estimated cost of the project in which the Government will participate, as follows:
    (*a*) Labor, by numbers and classes (miners, muckers, millmen, etc.), with wages of each.
    (*b*) Supervisors, by numbers and positions, with salaries of each.
    (*c*) Cost of necessary repairs to existing facilities, structures, and buildings.
    (*d*) Cost of necessary installation or construction of additional facilities, structures, and buildings.
    (*e*) Cost of items of equipment, not now owned by the applicant which must be purchased for operations at a cost of $50 or more each.
    (*f*) Cost of rental for equipment which the operator proposes to rent.
    (*g*) Rental value of items of equipment which the operator now owns and which will be devoted to the work.
    (*h*) Cost of materials and supplies, including items of equipment costing less than $50 each.
    (*i*) Cost of power, water, utilities, and any other items not provided for above.
24. Furnish a time schedule of the project, stated in terms of months after project is approved, showing progress expected to be accomplished and the money expected to be spent.

CERTIFICATION

The undersigned company, and the official executing this certification on its behalf, hereby certify that the information contained in this form and accompanying papers is correct and complete to the best of their knowledge and belief.

J. Walter Duncan, Jr. (Name of company) By J. Walter Duncan, Jr. (Signature of authorized official)

May 24, 1951 (Date) (Title)

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.

*Same as footnote on page 1.

16—64067-1 U. S. GOVERNMENT PRINTING OFFICE

1, 2, 3. The applicant is an individual.

J. Walter Duncan, Jr.
2212 First National Building
Oklahoma City, Oklahoma

4. The applicant is primarily engaged in the production of oil and gas in the Mid-Continent Area, and uranium exploration in the Colorado Plateau Area. The applicant owns mining claims and mining leases in the White Canyon Area of Southeastern Utah, the Lukachukai Area on the Navajo Indian Reservation in Northeastern Arizona, and the Grants Area in Northwestern New Mexico. The applicant and his family are also engaged in quarry mining and the manufacture of cement in five Midwestern states.

The applicant's uranium prospecting and exploration has been under the immediate supervision of Charles Butler. Mr. Butler is a graduate in geology of the University of Colorado. He was employed by the U. S. G. S. before joining Mr. Duncan in June, 1950. A competent mining engineer will be employed to supervise the actual mining or cuts and drifts to be made into the ore-bearing formation.

As evaluation engineer and consultant, the applicant has retained the firm of E. J. Longyear Company, of Minneapolis, Minnesota.

5, 6, 7. The property is leased by the applicant from individuals holding recorded mining claims on U. S. Government lands.

There are no claims, liens, or encumbrances against this property.

A copy of one of three identical leases except for description of claims, with number and relative location of all claims to be included in this project, is attached hereto. (Exhibit "A".) Copies of the other identical leases are not included, as they are in the process of being recorded with the County Clerk of San Juan County, Utah.

8. Net Worth of the applicant is in excess of $300,000.00 For reference as to the financial responsibility of the applicant, inquiry may be made of the LaSalle State Bank, LaSalle, Illinois.

J. Walter Duncan, Jr.
2212 First National Building
Oklahoma City, Oklahoma

9. The applicant is prepared to invest $6,000.00 in the proposed project. This amount is sufficient to pay his part of the cost of the project as detailed in Section 23 of this application form, in accordance with the regulations on Government Participation (Section 9 of Mineral Order 5.)

10. (a) The only real property involved in this project is lands known as the Jacob's Chair Mesa, owned by the United States Government.

(b) The area upon which the exploration is to be conducted is in the White Canyon Mining District in San Juan County, Utah, in unsurveyed territory. The only available map of this area is the Soil Conservation Service map of the San Juan County Soil Conservation District. This map shows the exploration area to be bounded by Latitude 37°45' to Latitude 37°43' and by Longitude 110°10' to 110°13'. An extension of the Township and Range lines would place the area in T35S, R15E and T35S, R16E. (Exhibit "B")

Exploration in this area will be confined to unpatented mining claims on a large irregular mesa known locally as Jacob's Chair Mesa. The positions of these claims are shown on the enclosed map. (Exhibit "C".)

11. Jacob's Chair Mesa.

12. See enclosure (Exhibit "D").

13. Water sources are as follows:

Colorado River - approximately 25 miles from claims - accessible by road - unlimited supply.

Frey Canyon Spring - approximately 10 miles from claims, accessible by road - 10 to 50 gal. per min.

Jacob's Chair Spring - approximately 3 miles from proposed exploration base camp. Spring is undeveloped, but will probably furnish 1 to 3 gal. per min. At present the spring is inaccessible, but a road can be cleared through sage brush flats in one day. According to the local cowboys, the spring flows the year round.

Power --

Gasoline will be delivered at property for approximately $0.30

per gallon.

Estimated Power Costs as follows:

Gasoline 105 Denver-Gardiner Air Compressor $3.00 per day.
Gasoline refrigerator and stove $0.50 per day.
Gasoline 1 kw generator for light plant $1.00 per day.

14. Facilities -- none
Building and structures -- none
Equipment on property -- none

15. At present the Atomic Energy Commission maintains a buying depot at Monticello, Utah, for the White Canyon type copper-uranium ores, and any ore found as a result of this project would be shipped by truck to Monticello. This is within the 100-mile limit that 6¢ per ton mile is paid by the AEC.

The Vanadium Corporation of America has a small (30 tons per day) mill at Hite, Utah, which is now operating at capacity, but which may be enlarged soon to handle custom ores.

The milling processes for this type ore have not been disclosed, but a market for the raw ore is assured by the AEC.

16. (a) Previous Exploration -- Exploration has thus far been confined to geiger counter surveys along surface outcrops, and test pitting and channel sampling along selected areas of the uranium-bearing strata.

Development -- Construction of a 1-1/2 mile access road from the main road to the claims was begun May 1, 1951.

Operation -- None

Production -- None

(b) There is one operating uranium mine in the White Canyon Area. This mine is known as the Happy Jack mine operated by Joe Cooper and Grant Bronson. This mine is located approximately 3 miles from the applicant's project on the South rim of the Canyon. The mine has been in production for approximately 18 months and produces on an average of 30 tons a day. Capacity is limited to the milling capacity of the VCA mill located at Hite, which has the contract for all the ore produced. The over-all grade of the ore from the mine is about .50%, and an

unofficial estimate of blocked-out ore is 65,000 tons.

(c) See Paragraph 22.

17. Does not apply.

18. Does not apply.

19. Does not apply.

THE EXPLORATION

20. Minerals - torbernite, uranium, pitchblendle, chalcopyrite, covellite, malachite, etc.

Note - The mineralogy of the White Canyon type copper-uranium ores is very complex, and very little work has been done on the identification of specific minerals.

Type of deposits - the White Canyon copper-uranium ores occur in lens-like to tabular deposits in sedimentary sandstones and sandy shales.

21.

	Proposed Work	Time
(a)	Surface examination, geiger counter surveys, test pitting	2 Months (Already completed)
(b)	Map claims and map uranium-bearing strata.	1 Month (Already completed)
(c)	Construct road to claims	2 Months (In progress)
(d)	Remove overburden from the outcrop of the uranium-bearing strata with bulldozer and jack hammers. Drive exploratory drifts (10' to 50') into uranium-bearing strata at selected favorable spots. This work is necessary to get past the zone of leaching and oxidization, and to determine the extent and grade of the primary mineralization. Cut channel samples along exposed ore-bearing strata.	6 Months

(e) If commercial ore is found in any of the exploratory drifts, mining will be commenced immediately. The type and extent of the mining operations will depend upon the results of the exploratory work. The ore bodies will be exploited by running a series of horizontal drifts and cross cuts into the uranium-bearing strata, and by selectively mining the commercial grade ore. 6-12 Months

22. The White Canyon Mining District is one of the newest and most promising uranium areas in the United States. Uranium and copper minerals are found throughout this area in carbonaceous sandstones and sandy shales near the top of the Moenkopi formation of Triassic Age. These uranium-bearing strata range in thickness from a knife edge up to thirty feet, and because of their extreme variability are locally referred to as "channels".

Traces of uranium and copper can be found practically anywhere along this particular stratigraphic horizon, but commercial concentrations of the copper-uranium minerals are rare. However, past experience has shown that the ore bodies that are found in the White Canyon area are considerably larger and more uniform than the carnotite ore bodies which are found in the Salt Wash member of the Morrison formation. Using the Happy Jack Mine as a yardstick, exploration in the White Canyon area is aimed at finding 25,000 to 100,000-ton ore bodies.

Two factors are necessary to justify intensive exploration along any particular outcrop of the uranium-bearing strata. These factors are: (1) A reasonable thickness of the sandstone or sandy shale "host rock", and (2) significant traces of uranium minerals on the outcrop.

The following factors lead us to expect to find commercial ore bodies on the Jacob's Chair Mesa group of claims:

(1) Approximately 10 miles of the ore-bearing strata crop out on the Jacob's Chair Mesa claims.

(2) The thickness of the ore-bearing strata is 3' or more on at least half of the claims.

(3) Geiger counter surveys along the outcrop of the ore-bearing strata show significant radioactivity at approximately 25% of the localities tested. "Significant radioactivity" may be definied to mean an intensity of radiation four or more times greater than the intensity of radiation of the background.

(4) The surface outcrops of the uranium-bearing strata on Jacob's Chair Mesa have been highly leached and oxidized. Operations at the Happy Jack Mine and other mines in White Canyon have shown that the leached outcrops serve as a guide to primary copper-uranium ores that are beyond the zone of leaching and oxidization. About ten shallow test pits have been dug by hand at places where the outcrops show evidence of excessive leaching, and in every case the intensity of radiation increased markedly as the most highly leached rock was removed. It is hoped that the proposed bulldozer excavations and the exploratory drifts will penetrate beyond the zone of oxidization and leaching, and will expose commercial ore bodies of primary copper-uranium minerals.

Because of the highly leached nature of the surface outcrops, no systematic sampling program has yet been undertaken. The following sample data was furnished by the Grand Junction Office of the Atomic Energy Commission. Additional samples have been submitted to the AEC, but the results are not available at this date.

Sample No.	Description of Sample	%eU_3O_8	%U_3O_8
11494	4' channel from SE corner of Jacob's Chair Mesa	.02	.02
11495	2-lb. grab sample from East side of Mesa	.09	.12
11497	3' channel sample from East side of Mesa	.04	.04
11498	Picked sample of carbonaceous material 50' above ore rim on SW side of mesa	.14	.09
11499	Sandy shale surrounding carbonaceous material of sample No. 11498	.06	.06

The enclosed claim map shows the geiger counter survey along parts of the ore rim. (Exhibit "E".)

(5) The claims on Jacob's Chair Mesa can be prospected with a bulldozer. This method of surface exploration is fast, simple and relatively cheap.

(6) The enclosed map (Exhibit "F") shows the relative positions of Jacob's Chair Mesa and the Happy Jack Mine. This proximity is considered a factor which leads us to expect to find commercial ore.

(7) Preliminary exploration has revealed the presence of uranium 50' above the main uranium-bearing stratum. Thus the exploration project will not necessarily be confined to one particular stratigraphic horizon.

23. Requirements and Costs

(a) Labor

Class	No.	Wage per Day	Wage per Month	Estimated Time Employed;	Cost
Miners	2	$15.00	$ 360.00	5 Mo.	$3600.00
Muckers	2	12.00	290.00	5 Mo.	2900.00
Truck Driver	1	12.00	290.00	8 Mo.	2320.00
Cook	1		300.00	6 Mo.	1800.00
Sampler	(1/2 Time)		150.00	5 Mo.	750.00

(b) Supervisors

Geologist (1/2 Time)		300.00	8 Mo.	2400.00
Mine Foreman 1		400.00	8 Mo.	3200.00
Bookkeeper (1/4 Time)		100.00	8 Mo.	800.00
Consulting Engineer	100.00	------	10 Days	1000.00
				$ 18770.00

(c) None

(d)	Access Roads (by contract)	6500.00
	Living quarters and cook shack	2000.00
	Loading bin for bulk sampling	500.00
	Other (powder house, storage space, blacksmith shop, water retainer)	2000.00
(e)	Water Tank	300.00
	Generator	500.00
	Refrigerator	200.00
	Stove	100.00
	500' Air Hose	250.00
	500' Water Hose	100.00
	Other	350.00
(f)	Rental	
	Bulldozer and operator - $1500.00 per mile on ore rim for 10 miles	15,000.00
	105 Air Compressor 5 Months	500.00
	JB 4 Jack Hammers (two) 5 Months	250.00

(g)	Denver-Gardiner 105 Air Compressor	8 Months	800.00
	JB4 jackhammers	8 Months	400.00
	3/4 ton Chevrolet truck (1951 model)	8 Months	800.00
	1950 Chevrolet car (1/2 time)	8 Months	400.00
	Drill steel, pump, wheelbarrows, and other miscellaneous mining equipment	8 Months	800.00
(h)	Food (Average 8 men for 6 months)		2500.00
	Powder		2000.00
	Repair materials for equipment		500.00
	Miscellaneous machine fittings		300.00
	Bookkeeping and mapping materials		100.00
	Other		100.00
(i)	Power (gasoline and fuel oil)		1000.00
	Assays		2000.00
	Miscellaneous supplies and expenses		980.00
	Total		$ 60,000.00

24.

Time Schedule	Progress Expected	Cost
1st Month	Complete access road to claims. Set up base camp for exploratory work	$ 13,000.00
2nd Month 3rd Month	Complete surface exploration with bulldozer along approximately 3 miles of ore rim outcrop. Conduct supplementary surface exploration (test pitting, jack hammer work, etc.)	9,000.00
4th Month 5th Month 6th Month	Complete surface exploration with bulldozer along approximately 4-1/2 miles of ore rim outcrop. Drive 450' of exploratory drifts. Take 300 channel samples. Work on geologic map to determine trends of mineralization and other pertinent facts.	22,000.00
7th Month 8th Month	Complete surface exploration with bulldozer along approximately 2-1/2 miles of ore rim outcrop. Drive 300' of exploratory drifts. Take 200 channel samples. Take approximately 10 mine run samples of 5 to 10 tons each. Complete geologic map.	16,000.00
	Total Cost	$ 60,000.00

J. Walter Duncan, Jr.
2212 First National Building
Oklahoma City, Oklahoma

CLAIMS IN JACOB'S CHAIR MESA PROJECT

The following is a list of the claims included in this project, with description as to location as shown on attached claim map. (Exhibit "E".)

The claims are in order going clockwise from the Bronson Claim on the West side of Jacob's Chair Mesa.

BJ-1	Claim 22	GP-10	Claim 17
BJ-2	GP-1	GP-11	Fraction 2
BJ-3	GP-2	GP-12	Claim 6
BJ-4	GP-3	GP-16	Claim 5
BJ-5	GP-4	Claim 8	BJ-11
Claim 3	GP-5	GP-13	Fraction 1
Claim 2	GP-6	GP-14	BJ-12
Claim 1	GP-7	GP-15	BJ-13
Claim 4	GP-8	BJ-10	BJ-8
Claim 23	GP-17	BJ-9	BJ-7
Claim 21	GP-9	Fraction 3	BJ-6

* * * * * *

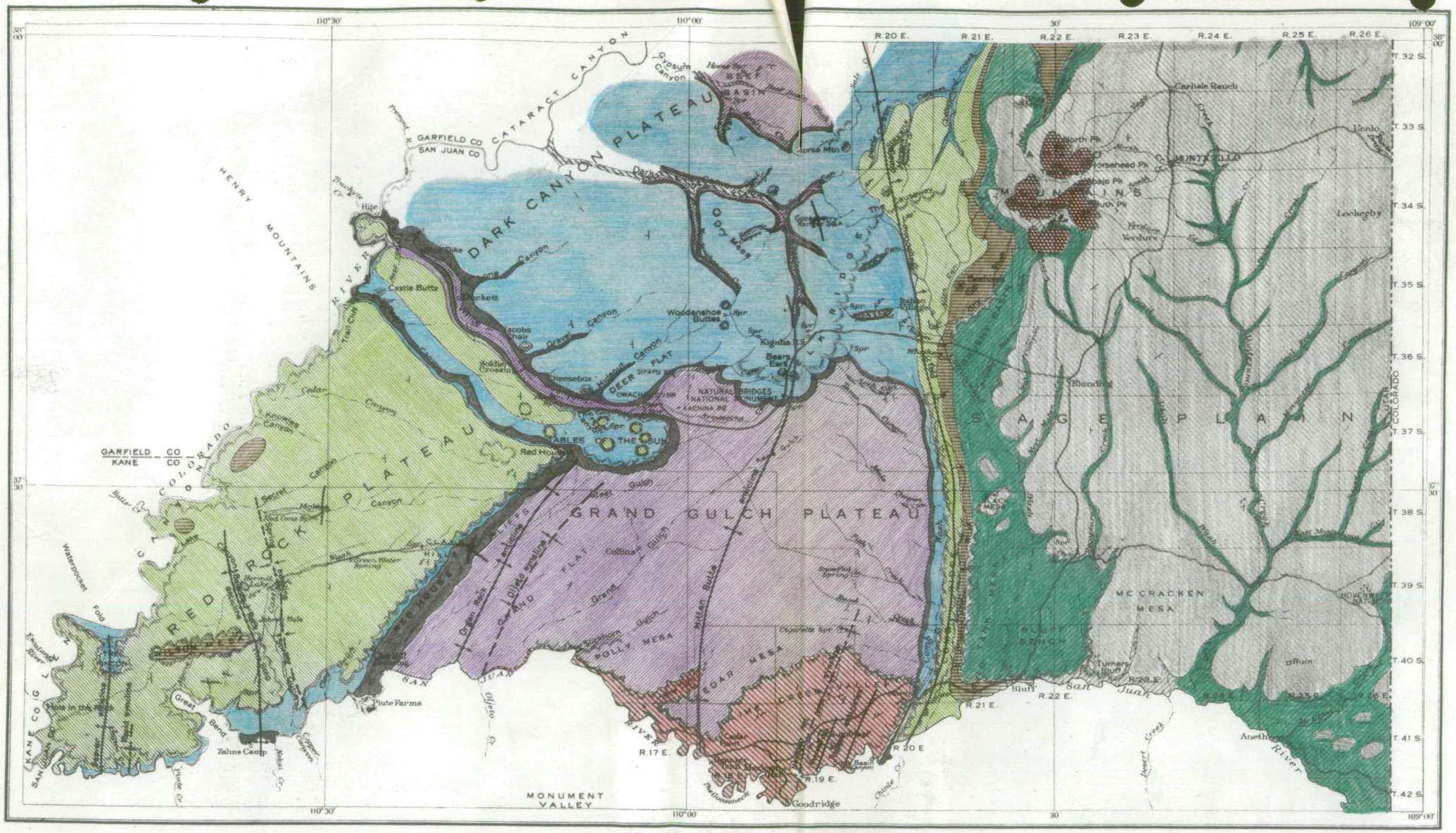
BJ-14	West of large mesa
Claim 18	South of large mesa
Claim 19	South of large mesa
Claim 20	South of large mesa
Peanuts 5	East of mesa
Peanuts 6	East of mesa

* * * * * *

The following claims are in order going clockwise from the Judy claim on the northeast corner of Jacob's Chair Mesa

Judy	GP-19
Claim 16	Good Luck
Peanuts 4	Claim 9
Baby Doll	Claim 10
Peanuts 3	Claim 11
Peanuts 2	Claim 12
Peanuts 1	Claim 13
Hardluck	Claim 14
Claim 17	Claim 15
GP-18	

EXHIBIT "A"



EXPLANATION

SEDIMENTARY ROCKS

CRETACEOUS — *Upper Cretaceous*
- Dakota (?) sandstone, in places overlain by Mancos shale

JURASSIC — *Upper Jurassic*
- Morrison formation
- San Rafael group

JURASSIC (?)
- Glen Canyon group

TRIASSIC
- Chinle (*Upper Triassic*), Shinarump (*Upper (?) Triassic*), and Moenkopi (*Lower Triassic*) formations

CARBONIFEROUS — *Permian*
- De Chelly and Organ Rock members of Cutler formation
- Cedar Mesa sandstone member of Cutler formation and outliers of Organ Rock member on Grand Gulch Plateau

Pennsylvanian
- Halgaito member of Cutler formation, Rico formation, and in deep canyons Hermosa formation

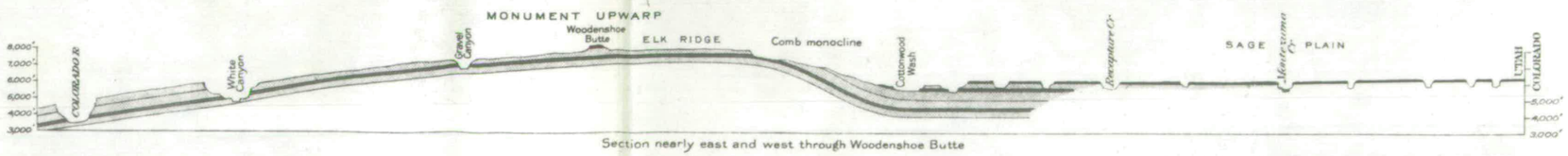
Igneous rocks

Strike and dip of beds

Axis of anticline

Axis of syncline

Axis of monoclinal fold



Section nearly east and west through Woodenshoe Butte

Section through Wilson Mesa and Black Mesa

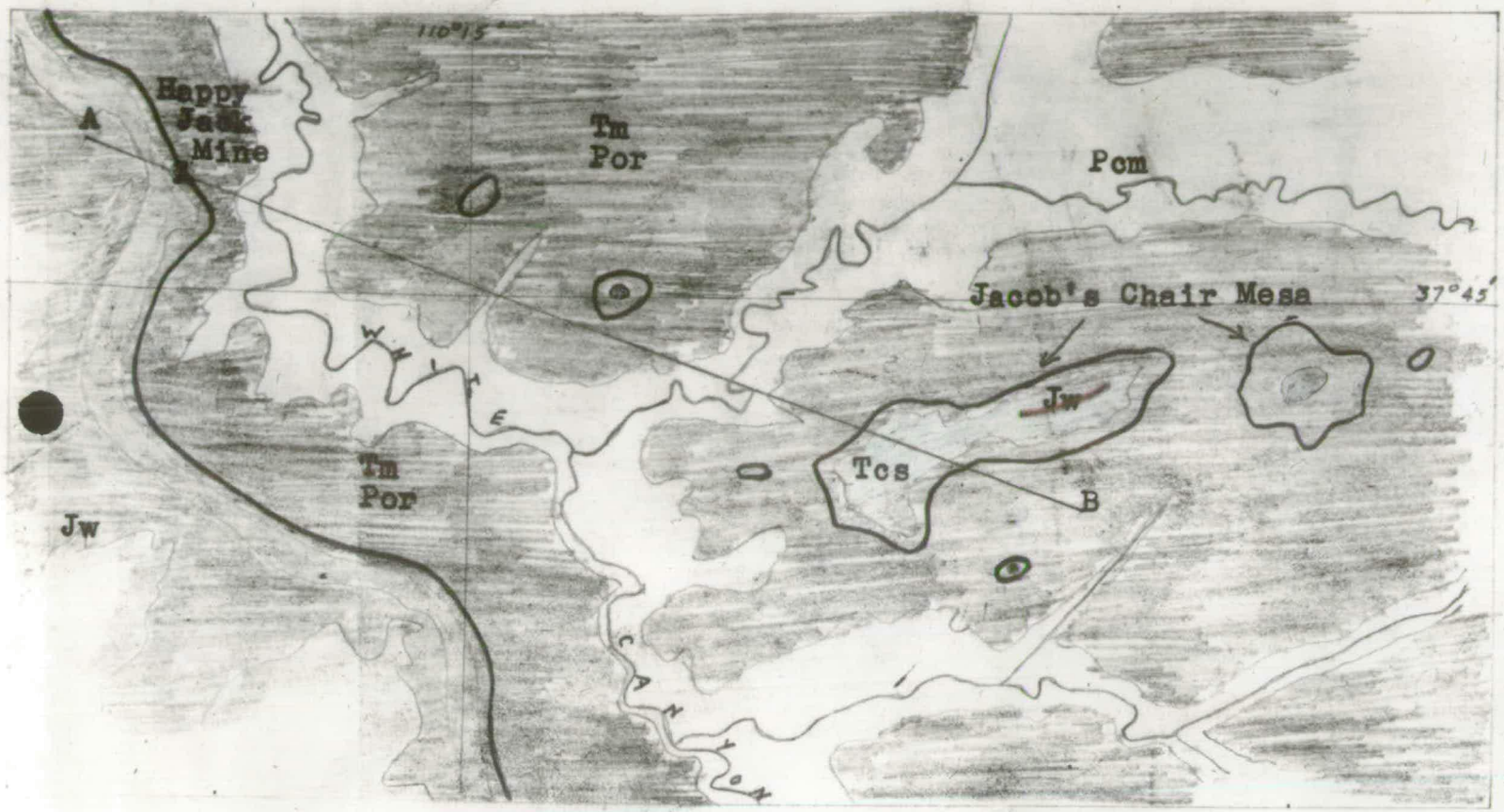
RECONNAISSANCE GEOLOGIC MAP AND GENERALIZED SECTIONS OF THE SAN JUAN COUNTRY, SOUTHEASTERN UTAH

Scale

1938

J. Walter Duncan, Jr.
2212 First National Building
Oklahoma City, Oklahoma

EXHIBIT "B"



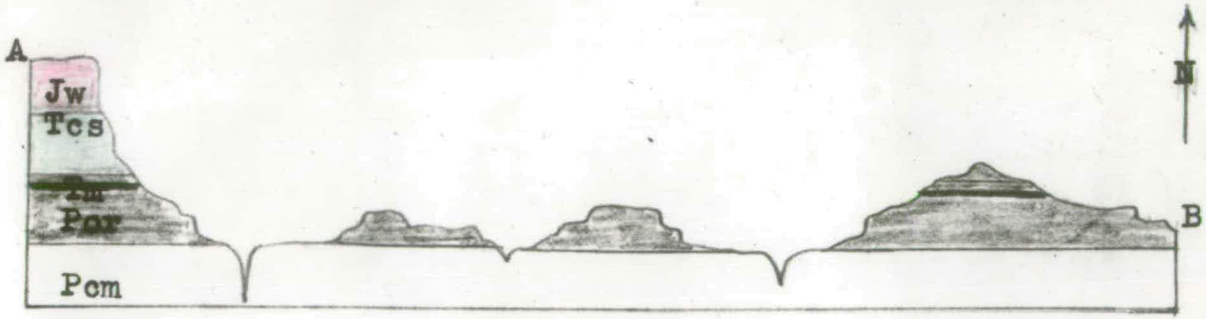
Jw
Wingate fm
Jurassic

Tcs
Chinle fm
Shinarump fm
Triassic

Tm
Por
Moenkopi fm
Triassic
Organ Rock fm
Permian

Pcm
Cedar Mesa fm
Permian

Uranium-bearing strata



Vertical scale 1"= 2000'
Horizontal scale 1"= 5280'

Map drawn from SCS air photos
by Charles Butler
May, 1951

GEOLOGIC MAP AND SECTION OF THE JACOB'S CHAIR AREA, SAN JUAN COUNTY, UTAH
Showing Relative Positions Of Jacob's Chair Mesa And Happy Jack Mine

J. Walter Duncan, Jr.
2212 First Nat'l Bldg.
Oklahoma City, Okla.

EXHIBIT "C"

J. Walter Duncan, Jr.
2212 First National Build
Oklahoma City, Oklahoma

12. Blanding, Utah - The closest town for supplies, telephone, and general usefulness to the project. It is approximately 60 miles over the Elk Mountains to the Jacob's Chair Mesa. Proposed all-weather road is shown by dotted line through Bluff.

Monticello, Utah, is the receiving point for the ore to be accepted by the Atomic Energy Commission. This is approximately 85 miles from the claims and within the 100-mile hauling limit paid by the Atomic Energy Commission.

Thompson, Utah, is the nearest railroad (D & R G W) connection, and is approximately 185 miles from the Jacob's Chair Mesa.

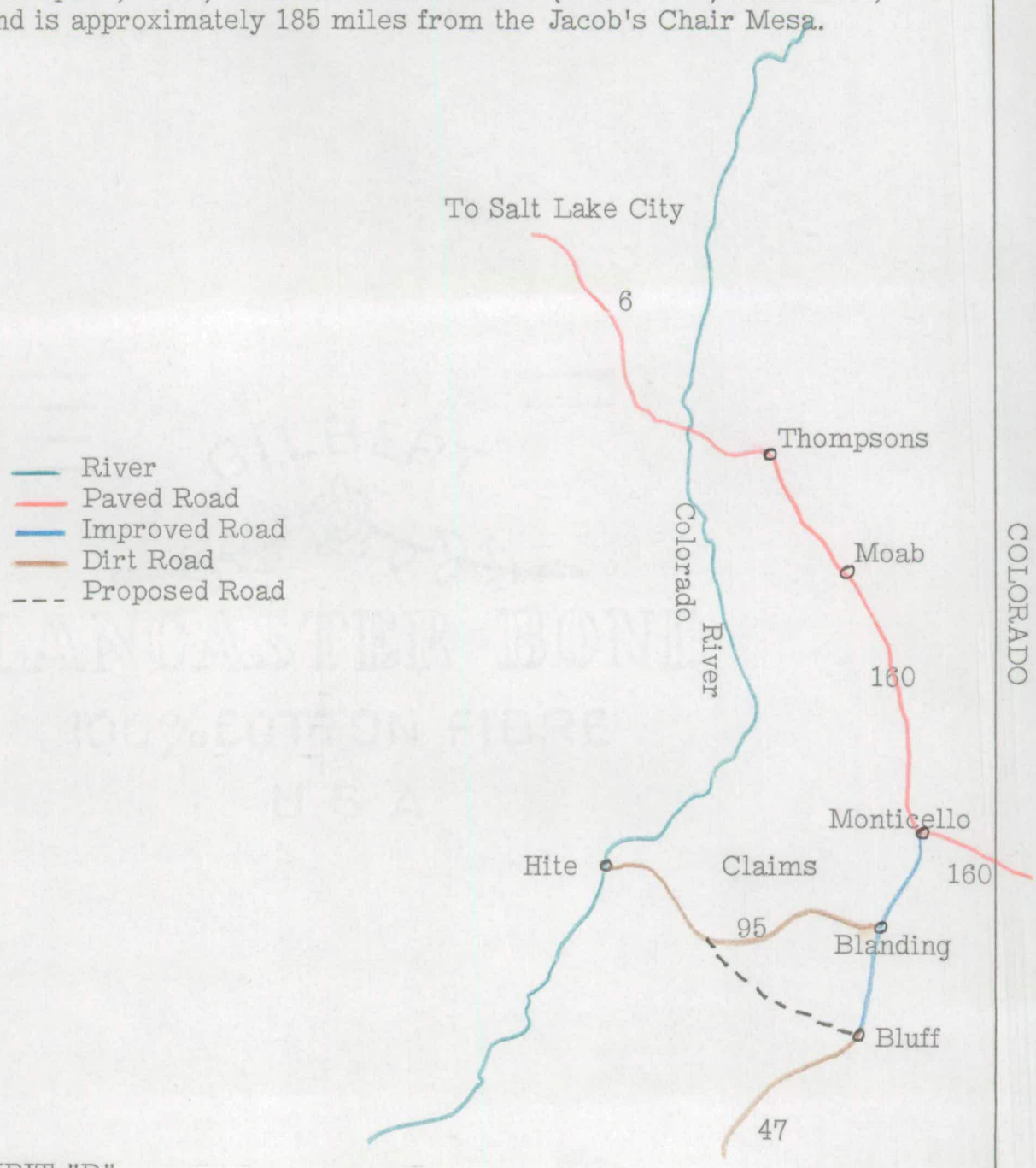
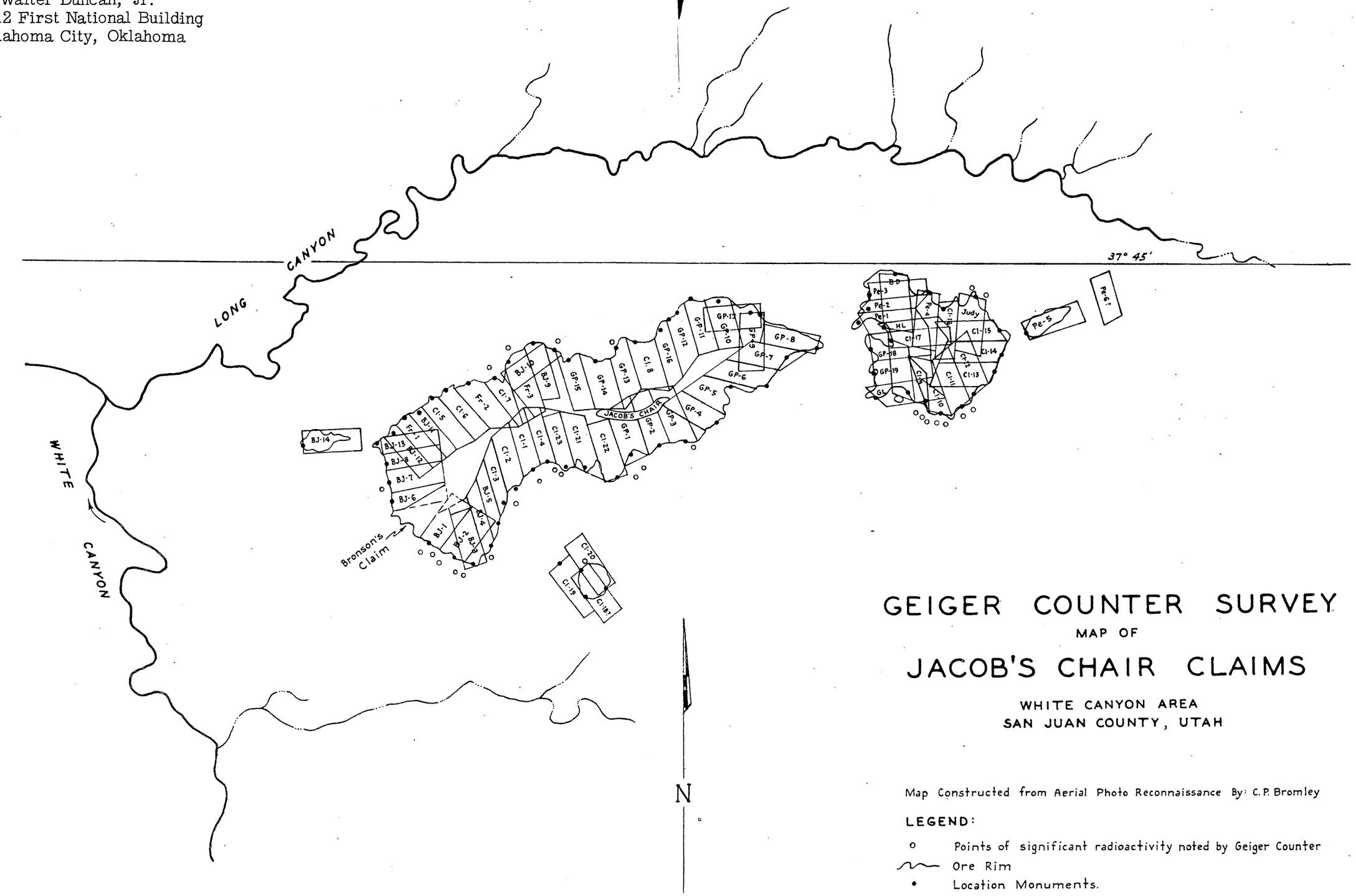


EXHIBIT "D"

ARIZONA

J. Walter Duncan, Jr.
2212 First National Building
Oklahoma City, Oklahoma



GEIGER COUNTER SURVEY

MAP OF

JACOB'S CHAIR CLAIMS

WHITE CANYON AREA
SAN JUAN COUNTY, UTAH

Map Constructed from Aerial Photo Reconnaissance By: C.P. Bromley

LEGEND:

- o Points of significant radioactivity noted by Geiger Counter
- Ore Rim
- • Location Monuments.

EXHIBIT E

U. S. DEPARTMENT OF THE INTERIOR
BUREAU OF MINES
REGION IV

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
JAN 19 1953

Administrative Audit Difference Statement

Date: January 13, 1953
Payee's
Reference: Progress
Report - June 1952

J. Walter Duncan Jr.
2212 First National Bank Bldg.
Oklahoma City, Oklahoma

Upon examination of the above Payee's Reference a difference was Found which made it necessary to suspend your account accordingly:

Amount Claimed $ 4,131.46

Difference $ 277.87

Amount Approved $ 3,853.59

The reason for the difference was due to:

DMEA Auditors Report Disallowed Liability Insurance	4.71
Operating Supplies and Materials Operator's bid jointly owned property	207.94
Operating Equipment, Improvements	65.22
	$277.87

Any reclaim for deductions made above must be supported by the ORIGINAL of this form.

Very sincerely yours,

N. E. Stokes
Audit Section

R-IV-B & F Form No. 4
4-15-52 D

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

224 New Customhouse
Denver 2, Colorado

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
JAN 12 1953

January 7, 1953

Memorandum

To: T. A. Christensen

From: Executive Officer, DMEA Field Team, Region IV

Subject: DMEA Docket 1429X, Contract Idm-E269, J. W lter Duncan, Jr., San Juan County, Utah - Operator's Final Progress Report, for the period June, 1952

Enclosed are the original and four copies of Form MF-104 and Form MF-104A, Narrative Report, and Engineer's Report for the above period.

Also attached are the Operator's bid in the disposal of jointly-owned property purchased under the contract and Government's acceptance of the bid.

This report constitutes the Operator's final claim under the contra ct, and is recommended for payment in conformance with the final Audit Report by the Contract Administration and Audit Division dated January 2, 1953, which is summarized as follows:

Amount claimed by Operator this report		$4131.46
Disallowed per Audit Report:		
(1) Liability Insurance	$ 4.71	
Operator's bid of jointly-owned property:		
(1) Operating Supplies & Material Other	207.94	
(2) Operating Equipment, Improvements	65.22	
Total Credits		277.87
Total amount this report		$3853.59
Payment to Operator at 90 percent		$3468.23

Remarks:

Total Previous Payments made to Operator	$6,605.56
Total Government Participation allowed by Contract	$38,871.00

John F. Shaw for
W. H. King

Enclosures

RPB:es

cc: Sec. To Oper. Comm(2) Wilson, Contract, Chron.,Koschmann(2)

Cortez, Color.
December 13, 1.

Mr. J. H. King
DME A Field Team
224 New Custom House
Denver 2, Colorado

Subject: STATEMENT OF DISPOSITION OF PROPERTY.ADDENDUM
TO MF-104 (JUNE)
DOCKET NO. 1429X
CONTRACT Idm - E269

Dear Mr. King,

We are reporting herewith the disposition of all properties, materials and supplies used in the Jacob's Chair DMA Project, Docket No. 1429X.

At completion of project, the Governmen's equity in unexpended property, materials and supplies was represented by three catagories which had an original cost of over $ 50.00. These catagories were (a) Item 6 - New Buildings, Improvements etc.; (b) Item 3 - Other - Drill steel, Hose, Oilers, etc.; (c) Item 3 - Other - Hand Tools.

A total of $ 1046.86 was listed under Item 6. This total consisted of $ 753.43 labor cost and $ 293.43 materials cost. This total reflects a credit of $ 68.18 for the full purchase price of two canvas tents.

These costs represent the investment in the camp buildings. These inclule one cook shack, three tent houses with wood frames and one out house.

The installations had no salvage value " in situ" because the camp site is in an uninhabited area.

The lumber from the buildings was salvaged by the operator and hauled from the camp site. The cost of the lumber was $ 133.97. A camp cot costing $ 11.63 was also salvaged.

In summation, I submit the following bid for the salvagable materials from the "New Buildings and Improvements" items as recorded under Item 6 - MF-104.

Lumber @ 40% of $ 133.97	-	$ 53.59
Camp Cpt @ 100% of $ 11.63	-	11.63
Total Bid	-	65.22

Listed below is the inventory of unexpended supplies on hand at the completion of the DMA Project. The inventory is divided into categories which have a cost value in excess of $ 50.00.

Item 3 - Other - (Drill Steel, Hose, Oilers, etc.)

No.	Description	Purchase Price
3	line oilers	$ 56.50
1	hose clamp machine	7.35
3	50' air hose	89.50
3	10' steel	29.10
6	6' steel	39.90
3	8' steel	24.45
4	2' steel	16.00
	TOTAL	262.90

Item 3 - Other - (Hand Tools)

No.	Description	Purchase Price
4	picks	$ 8.29
4	round point shovels	10.88
2	18" wrenches	8.80
1	rip saw	5.45
1	cross cut saw	5.50
1	pace pick	4.00
2	crimpers	3.60
2	36" sledge	5.00
2	30" sledge	1.80
2	36" sledge handles	1.87
2	30" sledge handles	1.80
2	pick handles	2.10
2	wheel barrows	55.00
	TOTAL	115.17

The above represents all the supplies under Item 3 - Other in which the Government has an equity. The following bid is hereby submitted for those supplies.

Drill Steel, Hose, Oilers, etc. @ 55% of $262.90	-	144.60
Hand Tools @ 55% of 115.17	-	63.34
Total Bid		$ 207.94

If these bids are accepted, you are hereby authorized to make the necessary adjustments of amounts reported on our MF-104 report for the month of June, 1952.

Very truly yours,

J Walter Duncan Jr.

J. Walter Duncan Jr.

cc: Stephen R. Wilson Chief
Utah - Wyoming Branch
Mining Division, Bureau of Mines
1600 East First South
Salt Lake City, Utah

Charles R. Butler
Box 1468
Cortez, Colorado

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

22½ New Customhouse
Denver 2, Colorado

December 30, 1952

Mr. J. Walter Duncan
2212 First National Bank Building
Oklahoma City, Oklahoma

Re: Docket No. DMEA 1429X
Contract Idm-E269

Dear Mr. Duncan:

Consistent with the authority delegated this office under Order No. 2654, from the Office of the Secretary, Department of the Interior, we hereby accept your bid, as detailed in your letter of December 13, 1952, in the disposition of jointly owned property purchased under contract Idm-E269.

Your bid is summarized as follows:

(a)	Item (6) New Buildings, Improvements, etc.	$ 65.22
(b)	Item (3) Other - Drill Steel, Hose, Oilers, etc.	144.60
(c)	Item (3) Other - Hand Tools	63.34
	TOTAL	$273.16
	Government equity 90 percent or-	$245.84

The payment of your final claim on Form MF-104 will reflect a deduction of the appropriate amount.

Very truly yours,

W. H. King

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

JWT:fwo

cc: MF-104 Reports (5)
SNWilson w/copy of bid
Townsend
Contract
Chron
Koschmann

September 23, 1952

Memorandum

To: W. H. King, Acting Chief, Mining Division, Region IV

From: Chief, Utah-Wyoming Branch, Mining Division

Subject: DMEA-1429X, Contract Idm-E269, J. Walter Duncan, Jr., San Juan County, Utah. MF-104 forms for June 1952

Enclosed are the required copies of MF-104 forms and supporting information covering the subject contract for June 1952. The property was inspected by R. L. Middleton June 18, 1952, and a decision made concerning termination of work under the contract. The present 104 forms are the final ones to be submitted from the project.

It is recommended that the operator be reimbursed for the June expenditures as listed in Middleton's progress report.

Stephen R Wilson

Stephen R. Wilson

Enclosures 2

Form MF-104 (Rev.)
(April 1952)

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

Budget Bureau No. 42-R1036.3.
Approval expires 6-30-53.

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of June, 1952 Docket No. DMEA 14x9X Contract No. IDM E 269
Operator's Name Walter Duncan, Jr. Minerals Uranium
Address Box 211, La Salle, Illinois
Contract Amount, $ 43,190.00 Government Participation: 90 % Amount, $ 38,871.00

ITEMS OF COSTS	FOR OPERATOR'S USE: ~~Monthly Total~~	~~Totals Previously Reported~~	Totals To Date	FOR GOVERNMENT USE ONLY: Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Short Form Contracts:	totals previously reported	monthly total				
Drilling						
Bulldozing						
Crosscutting						
Drifting						
(2) Labor and Supervision:						
Labor	688.20	465.00	1153.20	465.00	688.20	1,153.20
Supervision	810.68	507.74	1318.42	507.74	810.68	1,318.42
~~Technical~~ Services - COOK	40.00	304.61	344.61	304.61	40.00	344.61
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives	223.49	362.86	586.35	362.86	223.49	586.35
Pipe						
Track						
	1086.85	457.34	1544.19	249.40	1,086.85	1,336.25
(4) Operating Equipment:						
Rental	3122.03	1866.44	4988.47	1,801.22	3,122.03	4,923.25
Purchase						
Depreciation	80.00	28.00	108.00	28.00	80.00	108.00
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.	1077.05	37.99	1115.04	37.99	1,077.05	1,115.04
(7) Miscellaneous:		68.18	68.18	68.18		
Repairs to Equipment	26.27	3.02	29.29	3.02	26.27	29.29
Sampling and Analysis		57.20	57.20	57.20		57.20
Payroll Taxes	187.93	SGM 104.73	292.66	SGM 104.73	187.93	292.66
Liability Insurance	8.46	4.71	13.17	00	8.46	8.46
(8) Contingencies (specify):						
				3,853.59	7,350.96	11,204.55
		SGM	SGM		*-11.54	*-11.54
TOTALS	7350.96	4121.46	11472.42		**/ .09	**/ .09
				3,853.59	7,339.51	11,193.10

I certify that the above bill is correct and just and that payment therefor has not been received.

Date Aug. 18 '52 Payee Walter Duncan

Per John G. Martuzzo Title Bookkeeper

*When a voucher is signed or receipted in the name of a company or corporation, the name of the person writing the company or corporate name, as well as the capacity in which he signs, must appear. For example: "John Doe Company, per John Smith, Secretary," or "Treasurer," as the case may be.

NOTE.—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.

(Instructions on reverse)

Pursuant to authority vested in me, I certify that this account is correct and proper for payment in the amount of:

$ 3468.23

Signature [illegible]
(Authorized Certifying Officer)

Date 1/14/53 Voucher 53-80
(See other side)

* Previous Disallowances
** Mill Adjustment

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating a Defense Minerals Exploration Administration project under Contract No. Idaho E-269 in accordance with the terms of the contract.

Signature Robert L. Middleton Title Mining Engineer Date September 9, 1952

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE: R.D.B. Executive Officer

Signature [illegible] Title ..... Date 1-7-53

MONTHLY REPORT OF OPERATOR

The Operator (Contractor) of an exploration project is required to make a monthly report to the Government through the Regional Executive Officer. This report consists of three parts as follows:

(a) *Form MF-104—Operator's Monthly Report and Voucher.*—This form details expenditures and constitutes a voucher for reimbursing the Operator for the Government's share of costs;

(b) *Form MF-104A—Operator's Unit Cost and Progress Report.*—This is a statistical report of expenditures which shows costs for the various types of operation; and

(c) *Narrative.*—A concise narrative description of progress made, results accomplished, and any unusual difficulties encountered must be furnished as an attachment to this Report and Voucher. Wherever possible, the narrative is to be illustrated with maps or sketches showing formations penetrated and location and assays of samples taken as well as advances in workings. In the case of diamond drilling or churn drilling, the location and inclination of holes is to be shown on a map; logs and assays also are to be submitted.

The Monthly Report of Operator should be prepared in an original and four copies all of which must be sent to the Executive Officer of the Region not later than the 15th of the month following.

Preparation of Form MF-104—Operator's Monthly Report and Voucher.—All the applicable spaces in Form MF-104 should be filled in by the Operator, and the Operator or his agent should sign the certification in the lower left corner of the form.

The items of costs are arranged in the order they appear in Article 6 (a) of Form MF-200 (Revised February 1952), however, this form is readily adaptable for use in reporting activities under other contract forms.

Under Item (1) delete words "Short Form" if the contract is a sub-contract under Form MF-200; and delete word "Independent" if the contract reported is on Form MF-200 (A). Also, report work paid for on a unit basis under contract Form MF-200 as though it were performed under an independent contract.

Under Item (2) include labor, supervision and technical services incurred for the exploratory operations. Do not include labor, supervision and technical services used for work performed under items (5) and (6).

Under Item (3) include the costs of material and supplies used in the project other than that used under items (5) and (6).

Under Item (4) appear the three types of operating equipment expenditures, that is, rental, purchase and depreciation. The expenditures made for renting equipment belonging to a third party will be reported under "Rental". The amount paid or duly obligated for payment for the purchase of equipment will be reported under "Purchase". The amount of expenditures due the Operator to reimburse him for depreciation of equipment owned will be reported under "Depreciation".

Item (5) comprises costs of labor, supervision, technical services, materials, etc., which are used in the initial rehabilitation and repair of existing buildings, installations, fixtures, and equipment. These costs, therefore, should not be reported under items (2) and (3).

Item (6) includes the labor, supervision, technical services, materials, etc., used in the installation or construction of new buildings, fixed improvements, etc., necessary for the project. These costs, therefore, should not be reported under items (2) and (3).

Item (7) covers miscellaneous types of expenditure such as payroll taxes, liability insurance, workmen's compensation insurance, repairs to equipment and sampling and analysis. Only that part of payroll taxes, liability insurance and workmen's compensation which are paid by the operator should be reported under item (7). The share paid by the employee as a payroll deduction is to be included under item (2) as labor costs.

Item (8) includes any unforeseen costs not included in the other seven categories.

The original of Form MF-104 when submitted for reimbursable expenses incurred under contract Form MF-200 must be supported by original documentation or by certified copies of purchase orders, payrolls or transcripts of payrolls, unless such documentation has been waived by the Regional Executive Officer. This certification may be stated thus, "Certified True Copy (or Transcript)", followed by appropriate signature. If the Executive Officer of the Region determines that a contract under Form MF-200 should have an "on-site" audit, that is, a Government auditor should make an audit of the Operator's books and records of account, the Operator need not support his monthly voucher with original or certified documents except in cases of equipment purchases whose individual costs exceed $50.00. In these cases the original or a certified copy of the purchase order or invoice should be attached to the Monthly Voucher. N. B.—Only the *original* of Form MF-104 is required to be documented. The four copies of Form MF-104 are not to be thus supported.

Form MF-104 submitted for reimbursement under fixed price contracts on Form MF-200 (A), however, are not required to be supported by documentation of any kind. The Operator will submit his claim under item (1) of Form MF-104 by deleting as stated above the word "Independent" and by showing the number of feet or other units immediately after the appropriate descriptive word, such as, drilling, bulldozing, crosscutting, drifting, etc., and giving the "Monthly Total" amount due. "Totals Previously Reported", and "Totals to Date" columns should also be filled in.

U. S. GOVERNMENT PRINTING OFFICE 205675

Form MF-104A
(April 1952)

Budget Bureau No. 42-R1151
Approval expires 6-30-53.

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of June 1952 Docket No. DMEA 1429X Contract No. Idm E 269
Operator's Name Walter Duncan, Jr. Minerals Uranium
Address Box 211 La Salle, Illinois

OPERATION	UNIT	COSTS THIS MONTH	UNITS THIS MONTH	COSTS TO DATE	UNITS TO DATE	UNIT COSTS TO DATE	AUTHORIZED BY CONTRACT	
							Units	Unit Costs
Drifting	Feet						900	
Crosscutting								
Raising								
Shafts								
Winzes								
Drilling: ~~Core~~ Percussion	Feet						1000	
Churn								
Auger								
Stripping	Feet	4161.65	2794	10435.56	9369	1.12	10500	
Trenching								
Test Pits								
Roads and Trails								
TOTAL DISTRIBUTED COSTS		4161.65		10435.56				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.		-30.19		1046.86				
TOTAL COSTS		4131.46		11482.42				43190

The undersigned company, and the official executing this certification on its behalf, hereby certify that the information contained in this report is correct and complete to the best of their knowledge and belief.

REMARKS: Contract terminated 6/21/52

Date 8/20/52 Operator Walter Duncan, Jr.

Per Charles R. Butler Title Geologist

→ NOTE.—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.

(Instructions on reverse)

(For Government use only)

INSTRUCTIONS

Preparation of Form MF–104A—Operator's Unit Cost and Progress Report.—Applicable places on Form 104A should be filled in by the Operator. The purpose of this form is twofold as follows: (1) to furnish the supervising engineers and other administrators with statistical information necessary to better determine the progress of the project; and (2) to furnish more permanent information on mining costs for future use. The more important phases of operation on which permanent information is desired have been outlined in the form. There are blank lines, however, for those unusual phases which may need to be reported for a particular project. It will be necessary for the Operator to distribute his costs among the applicable phases reported with the exception of three items the costs of which are not to be distributed by the Operator. These three items are: "Operating Equipment Purchased", "Initial Rehabilitation and Repairs", and "New Buildings, Improvements, etc." The reason for not distributing these items on a monthly basis is doubtless clear to the Operator, since such distribution might well overstate the cost for any one month or period short of the entire contract period.

Form MF–104A has been designed to tie in with Form MF–104 for both monthly and cumulative costs. The "Total Costs" on Form MF–104A for each month should equal the monthly "Total Costs" as reported on Form MF–104. This is also true of the "Total Costs To Date".

In preparing Form MF–104A, it will be necessary frequently to distribute certain costs over a number of items. For instance, supervisory and engineering costs may have to be distributed over several phases, such as, drifting, crosscutting, raising, etc., provided that these items were reported active for the month. Such distributions should be made on the basis of time spent on the various phases, on man days of labor charged to such phases, or on some other equitable basis. "Operating Equipment", "Initial Rehabilitation and Repairs", and "New Buildings Improvements, etc.", will be distributed to the several phases of the project by the Washington Office of DMEA at the close of the project if determined necessary. The last two columns headed "Authorized by Contract" will be filled in by the Operator if such information is found in the contract. This information is usually a part of Exhibit "A" of the contract. A space for remarks has been provided for the use of the Operator to call attention to any unusual circumstances causing excessive or disproportionate unit costs.

U. S. GOVERNMENT PRINTING OFFICE 205676

J. Walter Duncan Jr.
Docket No. DMEA -- 1429-X

N A R R A T I V E R E P O R T

Jacob's chair -- White Canyon

June, 1952

A seperate narrative report for June was not submitted previously because the report of the June work was included in the comprehensive final report.

Work on the Jacob's Chair project in June was confined to rim stripping along the contact of the Moenkopi and Shinarump formations. Two thousand three hundred and forty four feet of rim stripping was completed during the period June 1 to June 21. Approximately half of this rim stripping consisted of "re-stripping", i.e. blasting and bulldozing the ore rim a second or third time in order to further investigate favorable showings of mineralization. The areas which were stripped or restripped in June are shown on the progress maps which were submitted with the Final Report.

The following discussion of the work done at seperate localities is quoted from the Final Report. That which is underlined refers to work done during the period June 1 - June 21.

Area 2 (marked 2 on the index map and intersected by coordinates 2 and a on the detail map) consists of approximately six hundred feet of rim which showed intermittant radioactivity on the original outcrop. After rim stripping, additional radioactive showings were noted along a fifty foot length of outcrop, and four channel samples were cut which assayed .0 21, .059, .034 and .093 percent U3O8. Measurements along the contact of the Shinarump and Moenkapi formations (see cross section on detail map) showed that the relative elevations of the contact changed as much as seven feet along a one hundred foot length of outcrop. This seemed to indicate a scouring or channeling of the Shinarump formation, a feature which is sometimes associated with uranium mineralization.

<u>Portions of the rim at Area 2 were restripped and cut back an additional ten to twenty feet. Radioactivity increased along a portion of the restripped rim, but continued to be spotty. After stripping back the most favorable appearing rim a third time, which exposed rock as far back as fifty feet from the original outcrop, the radioactive showings were practically nil.</u>

Area 3 (marked 3 on the index map and intersected by coordinates 13 and L on the detail map) consists of approximately one hundred feet of rim. This rim had been completely covered with overburden and was exposed by the rim stripping. The Shinarump formation is four to six feet thick here, but mineralization is confined to the lower eighteen inches. Channel samples taken at this locality assayed .36, .09, .07, and .51 per cent U_3O_8. The outcrop was cut back an additional ten feet and the zone of mineralization decreased in size. One sample cut at this stage of the operation assayed .30 per cent U_3O_8. The outcrop was cut back a third time by the bulldozer, and the zone of mineralization again decreased in size. The mineralization here was apparently confined to a small lense of clayey sandstone.

Area 4 (marked 4 on the index map and bounded by coordinates n and 15 and 16 on the detail map) consists of about six hundred feet of rim which showed intermittent radioactivity at the original outcrop. The Shinarump here is four to ten feet thick, but radioactivity is confined to the lower portions of the formation. Five channel samples, cut along the basal part of the Shinarump after rim stripping, assayed .066, .027, .114, .143 and .170 per cent U_3O_8. However, after being restripped an additional ten feet, the radioactivity diminished.

Respectfully submitted

Charles R Butler

Charles R. Butler, Geologist

SUPPORTING SCHEDULE

RENTAL OF OPERATING EQUIPMENT: (original vendor's invoices attached)

Western Machinery Co.	Rental of Generator - May 9 thru June 8th		60.00
S & M Supply Co.	Rental of Tractaire - 21 days @ 6.16393		129.44
Western Machinery Co.	Rental of Thor 38 Wet D Handle Sinkers w/ 7/8 x 4-¼ Chuck, Thor Sinker Legs, Thor Water Tank, Jaeger 125 cfm compressor. From April 28 thru May 27		260.00
Western Machinery Co.	Same as above - From May 28th thru June 21st		208.00
Western Machinery Co.	Rental of Generator - June 9 thru June 21st		26.00
Oxro Hunt	Rental of Bulldozer - 117 hrs. @ 9.00 per hr.	$ 1053.00	
	13 hrs. @ 10.00 per hr.	130.00	1183.00
			$ 1,866.44

DEPRECIATION OF EQUIPMENT: (as per contract)

One Pickup Truck @ 35.00 per month for 21 days	24.50	
One Geiger Counter @ 5.00 per month for 21 days	3.50	$ 28.00

I, the undersigned, John G. Martuzzo, do hereby certify that all of the above listed invoices have been duly paid out of the office of Walter Duncan at La Salle, Illinois.

John G. Martuzzo
Bookkeeper

SUPPORTING SCHEDULE

6. NEW BLDGS., IMPROVEMENTS, ETC. (original vendor's invoices attached)

5/19/52	Jett Hardware & Lumber Co.	1 camp cot	$ 11.63
5/31/52	Blanding Electric	electrical Supplies	26.36
			$ 37.99

CREDIT:

For 2 tents purchased by Walter Duncan (copy of original invoice attached) $ 68.18 Credit

(These are only items that were salvaged from the project- all other items not salvaged and were written off.)

I, the undersigned, John G. Martuzzo, do hereby certify that all of the above listed invoices have been duly paid out of the office of Walter Duncan, at La Salle, Illinois.

John G Martuzzo
Bookkeeper

SUPPORTING SCHEDULE

3. OPERATING MATERIALS AND SUPPLIES: (original vendor's invoices attached)

EXPLOSIVES:

Date	Purchased From	Our Check No.	Invoice Ref. No.		Amount
6-1-52	Western Mine Supply Col	61	[illegible]		$ 123.92
5-23-52	Western Mine Supply Co.	61	63		140.00
5-5-52	Western Mine Supply Co.	61	63		98.94
					$ 362.86

OTHER ITEMS:

5-16-52	Rio Grande Motor Way	69	71	For freight	2.37
4-30-52	Moab Transportation Co.	69	71	For freight	69.45
5-29-52	Western Machinery	76	79	Tools-supplies	225.30
5-12-52	Dunkin Blue Print	79	82	for prints	5.10
4-17-52	Moab Transportation Co.	80	83	for freight	13.86
4-17-52	Moab Transportation Co.	80	83	for freight	2.26
6-1-52	Western Mine Supply Co.	61	63	for supplies	14.54
6-9-52	A. L. Kroeger, Engineer	81	84	B. L. Prints	12.70
	Lyman Garage	102	104	Fuel	73.12
5/22/52	Moab Transportation Co.	108	108	for freight	4.48
5/12/52	Moab Transportation Co.	108	108	for freight	8.35
7/10/52	A. L. Kroeger, Engineer	109	113	B. L. Prints	25.81
					$ 457.34

I, the undersigned, John G. Martuzzo, do hereby certify that all of the above listed invoices have been duly paid out of the office of Walter Duncan, at La Salle, Illinois.

John G. Martuzzo
Bookkeeper

BREAKDOWN OF TOTAL WAGES PAID FOR THE MONTH OF JUNE, [redacted] APPLICABLE TO PROJECT

Employee	Classification	Regular Hours	Overtime Hours	Rate per hour	Overtime Rate	Regular pay	Overtime pay	Total Pay
Bowen, G. C.	Mucker	51	none	1.50		76.50		76.50
Farmer, J. F.	Miner	120	24	1.6154	2.423	193.85	58.15	252.00
Duran, Edward	Miner	88	2	1.50	2.25	132.00	4.50	136.50
		259	26			402.35	62.65	465.00

Thompson, L. C. Cook ($ 300.00 permonth - $ 138.46 paid him in June for May time which was overlooked during May)

304.61
$ 769.61

SUPPORTING SCHEDULE FOR LABOR

Employee	S. S. No.	Classif.	Rate	Wages Paid May 23- Jun 5	Wages Paid Jun 6- Jun-19	WagesPaid Jun 20 - July 3	Total
Benally, R.	55 726 09 8660	Miner	1.50	57.00			57.00
Bowen, G. C.	529 40 0687	Mucker	1.50	102.00	22.50		124.50
Farmer, J. F.	522 03 8957	Miner	1.6154	168.00	168.00	168.00	504.00
Duran, Ed	524 16 5009	Miner	1.50		111.00	80.25	191.25
				327.00	301.50	248.25	876.75
Thompson, L. C.	528 16 5471	Cook	$ 300.00 per mo.	138.46*	138.46	55.38	332.30
				465.46	439.96	303.63	1209.05

* Cook's pay was overlooked in May
Received payment in June

SUPERVISION:

Butler, Charles	Geologist	205.06	205.06	205.06	615.18
Jahnke, Orval	Project Foreman	230.77	230.77	230.77	692.31
Kirks, Jeanette	Bookkeeper	29.70	36.00	38.25	103.95
		465.53	471.83	474.08	1411.44

I, the undersigned, John G. Martuzzo, do hereby claim that the above payroll figures are the exact replica of those contained in Walter Duncan's payroll records at La Salle, Illinois.

Signed John G. Martuzzo
Bookkeeper

TOTAL WAGES PAID- May 23rd through July 3rd, or 3 pay periods of payroll	1209.75	
LESS: deduction for amount of wages paid for labor performed in May	- 214.85	
Less: deduction for amount of wages paid for labor performed after June 21st	#-224.59	$ 769.61 (breakdown attached)

SUPERVISION:

Geologist:-	$ 615.18 less $ 186.42 (amount of May & July time) times 1/2 time	214.38	
Foreman	$ 692.31 less $ 209.79 (amount of May & July time) times 1/2 time	241.26	
Bookkeeper	Total of 69 hrs. directly applicable to this project	52.10	507.74
			1277.35

PAYROLL TAXES AND INSURANCE:

Social Security	@ 1-1/2%	19.16
Unemployment Insurance	@ 2.7%	34.49
Workmen's Compensation	@ 3.999%	51.08
Public Liability Insurance	.369%	4.71

TOTAL PAYROLL PLUS TAXES..... $ 1386.79

SUPPORTING SCHEDULE

MISCELLANEOUS (original vendors invoices attached)

Repairs to Equipment				
6/1/52	Western Mine Supply Co.	1 - steel repair	1.02	
6/11/52	Western Mine Supply Co.	2 - steel repair	2.00	$ 3.02
Sampling and Assaying				
5/9/52	Smith's Laboratory		12.00	
5/30/52	Smith's Laboratory		20.00	
7/4/52	Smith's Laboratory (statement of $30.00 received - of which $18.00 applys to this project.)		18.00	
	For express charges- postage-registration, etc. paid out of Superintendent's expense account - for samples etc.		7.20	$ 57.20

I, the undersigned, John G. Martuzzo, do hereby certify that all of the above listed invoices have been duly paid out of the office of Walter Duncan, at La Salle, Illinois.

John G Martuzzo
Bookkeeper
by Charles R Butler

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

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
OCT 13 1952

224 New Customhouse
Denver 2, Colorado

October 6, 1952

Memorandum

To: Secretary to the Operating Committee

From: Executive Officer, Field Team, Region IV

Subject: Form MF-104, DMEA Docket 1429K, Contract Idm-E269 (Uranium)
J. Walter Duncan, Jr., San Juan County, Utah

Enclosed are two copies of the Operator's Monthly Progress Report MF-104 and MF-104A, Operator's Narrative Report, Inspecting Engineer's Narrative Report and other supporting data for the month of May, 1952, pertaining to DMEA Docket 1429K, Contract Idm-E269, J. Walter Duncan, Jr.

John F. Shaw

John F. Shaw for
W. H. King

Enclosure

U. S. [illegible]
[illegible]
[illegible]

Administrative Audit Adjustment Statement

Date:
Payroll
Reference:

J. Walter Duncan, Jr.
2212 First National Building
Oklahoma City, Oklahoma

Upon examination of the above Payroll Reference a difference was found which made it necessary to amend your account accordingly:

Amount Claimed $5,288.50

Difference $ 8.64

Amount Approved $5,279.86

The reason for the difference was due to:

Disallowed on Tractaire Rental	$ 3.08
Insufficient documentation on Liability Insurance	5.56
	8.64

Any reclaim for deductions made above must be supported by the ORIGINAL OF THIS FORM.

Very sincerely yours,

N. E. Stokes
Audit Section

R-IV - PR Form No. 4
(4-15-52)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES

Mining Division
Region IV

September 26, 1952

Memorandum

To: T. A. Christensen

From: Acting Chief, Mining Division, Region IV

Subject: DMEA Docket 1429X, Contract Idm-E269 (Uranium) J. Walter Duncan, Jr., San Juan County, Utah - Operator's Monthly Progress Report for the period of May, 1952

Enclosed are the original and four copies of Form MF-104 and Form MF-104A, Narrative Report, and Engineer's Report for the above period.

Work accomplished is in accordance with the contract and payment is recommended as follows:

Total Reported		$5288.50
Less:		
Rental of Tractaire Compressor	$3.08	
Liability Insurance Charge	5.56	
		8.64
		$5279.86
Government participation - 90 percent		$4751.87

The rental charge of the Tractaire mobile compressor is set up in the amended contract as $188.00 per month. The overcharge of $3.08 is therefore disallowed.

The engineer takes exception to the charge of $20.08 for a battery for the Tractaire on the basis that this piece of equipment is rented. This office deems this to be an allowable cost in that when renting such equipment the renter must stand the expense of small maintenance costs. It doesn't seem probable that the renter would purchase this battery if such was the responsibility of the owner.

Because this project has been terminated we believe that the requirements for documenting payroll taxes be waived.

W. H. King
W. H. King

Enclosures

WLD:oc
cc: Contract
Secretary to the Operating Committee (2)
SRWilson
Chron. Koschmann (2)

Mining Division
Date Rec'd.
JUL 24 1952
BUREAU OF MINES
Denver, Colorado

July 22, 1952

Memorandum

To: W. H. King, Acting Chief, Mining Division, Region IV

From: Chief, Utah-Wyoming Branch, Mining Division

Subject: DMEA-1429X, Contract Idm-E269, J. Walter Duncan, Jr., San Juan County, Utah. MF-104 forms for May 1952.

Enclosed are the original and four copies of MF-104 forms and supporting data covering the subject contract for the above period. The property and accounts were inspected by R. L. Middleton June 18, 1952, and the attached progress report prepared.

Work performed is in conformance with the contract. Supply and service charges are necessary and reasonable. Minor irregularities have been listed in the progress report. Repayment to the operator is recommended as noted in Middleton's report.

Stephen R. Wilson

Stephen R. Wilson

Enclosures 2

SUPPORTING SCHEDULE
OPERATING MATERIALS AND SUPPLIES
(No individual item over $ 50.00)

Date:	Purchased From:	Description	Check No.	Inv. Ref. No.	Amount
4-26-52	Cortez Flying Service	Frate on Supplies	15	20	$ 1.50
4-19-52	Western Mine Supply	compressor oil	17	24	20.60
	Western Mine Supply	drill steel	17	24	41.78
	Western Mine Supply	small tools	17	24	8.06
5-3-52	S.W. Gas & Appliance Co.	cooking supplies	20	27	12.41
4-[illegible]552	Western Machinery Co.	hose couplings; drill steel; sand bits; small tools, etc.	22	29	291.15
April	Rio Grande Motor Ways	freight on supplies	29	31	5.15
4-17-52	McCormick Hdw. & Grocery	small tools and misc. supplies	30	32	75.20
4-23-52	John Rogers	freight on compressor, lumber, etc.	31	34	67.84
4-30-52	Western Machinery Co.	misc. fittings; tools; 1st aid kits	38	41	230.17
5-2[illegible]-52	Salt Lake Hardware	250 gal. water tank	40	43	45.90
5-14-52	Gateway Super Service	Fuel- gas & oil for Machinery	41	44	109.99
May	Lyman Garage	Fuel- gas & oil for Machinery	50	53	58.64
M[illegible]	S. W. Gas & Appliance Co.	Gas for Cooking	55	57	3.98
					$ 972.37
4-1[illegible]-52	Western Minse Supply Co.	Explosives	17	24	$ 223.49

SUPPORTING SCHEDULE

OPERATING EQUIPMENT

RENTAL:

Tractaire:-	31 days	@ $	6.16333	per day	$ 191.03
Bulldozer:-	202 hours	@	10.00	per hr.	2020.00
					$ 2211.03

DEPRECIATION:

Pick Up Truck	35.00	
Geiger Counter	5.00	$ 40.00

SUPPORTING SCHEDULE

NEW BLDGS., IMPROVEMENTS, ETC.

COOKHOUSE AND BUNKHOUSE:

			Check	Inv. Ref. No.		
5-15-52	The Sutton Company	140 sq. ft. of curtain material	35	39	$	12.85
5-6-52	McCormick Hdw. & Groc.	Hinges, screens, wire, etc.	44	47		32.40
5-26-52	Law Builders Supply	Hinges, nails, lumbers, etc.	49	50		133.97
					$	179.22
May Payroll directly applicable to Construction and Installation					$	240.80
					$	420.02

SUPPORTING SCHEDULE

Miscellaneous

REPAIRS TO EQUIPMENT:			Check No	Inv. Ref. No.		
5/14/52	Redd's	Pickup Truck Repair	45	49	$	5.19
5/31/52	Lyman Garage	Repairs	50	53		21.08
					$	26.27

SUPPORTING SCHEDULE FOR LABOR

Employee:	S. S. No.	Classification	Rate	Wages Paid Apr 25 - May 8	Wages Paid May 9 - May 22	Wages Paid May 23 to Jun 5	Total
Farmer, J. F.	522 03 8957	Miner	1.6154	168.00	168.00	168.00	$ 504.00
Bowen, G. C.	529 40 0687	Mucker	1.50	none	none	102.00	102.00
Benally, R.	55 726 09 8660	Miner	1.50	163.10	156.75	57.00	376.85
Thompson, L. C.	528 16 5471	Cook			40.00		40.00
James, S.	527 20 9662	Miner	1.50		7.50		7.50
Stewart, Clifford	525 22 6075	Mucker	1.40	145.60			145.60
Rogers, John	523.32 1375	Miner	1.60	28.80			28.80
SUPERVISION:				505.50	372.25	327.00	1204.75
Butler, Charles		Geologist		205.06	205.06	205.06	615.18
Jahnke, Orval		Project Foreman		199.31	230.77	230.77	660.85
Kirks, Jeanette		Bookkeeper		31.50	31.50	29.70	92.70
				$ 435.87	467.33	465.53	1368.73

I, the undersigned, John G. Martuzzo, do hereby claim that the above payroll figures are the exact replica of those contained in Walter Duncan's payroll records at La Salle, Illinois.

Signed John G. Martuzzo
John G. Martuzzo
Bookkeeper

TOTAL WAGES PAID - April 25th through June 5th, or 3 pay periods of payroll,	1204.75	
LESS: deduction for amount of wages paid for labor performed in April	- 435.87	
LESS: deduction for amount of wages paid for labor performed in June	- 467.33	
*1 TOTAL WAGES PAID FOR THE MONTH OF MAY DIRECTLY APPLICABLE TO THIS PROJECT	$	811.10
SUPERVISION: Actual time pro-rated to project for month of May, 1952:		
Geologist	228.36	
Project Foreman	400.00	
Bookkeeper	67.50	695.86
TOTAL LABOR AND SUPERVISION FOR MAY, 1952 APPLICABLE TO PROJECT		1506.96
PAYROLL TAXES AND INSURANCE:- Social Security		22.60
Unemployment Insurance		40.69
Workmen's Compensation		60.26
Public Liability Insurance		5.56
TOTAL PAYROLL PLUS TAXES AND INSURANCE		$ 1636.07

$240.00 Install Cookhouse Bunkhouse
530.00 Exploratory Program
40.00 Cook's Services

* Breakdown Attached

BREAKDOWN OF TOTAL WAGES PAID FOR THE MONTH OF MAY, 1952 APPLICABLE TO PROJECT

Employee	Classification	Regular Hrs.	Overtime Hours	Rate Per Hour	Overtime Rate	Regular Pay	Overtime Pay	Total Pay
Farmer, J. F.	Miner	176	32	1.6154	2.423	284.30	77.55	361.85
Bowen, G. C.	Mucker	32	none	1.50		48.00		48.00
Benally, R.	Miner	144	31	1.50	2.25	212.70	68.25	280.95
Stewart, Clifford	Mucker	40	8	1.40	2.10	56.00	16.80	72.80
James, Sam	Miner	5	none	1.50		7.50		7.50
		397	71			608.50	162.60	771.10
Thompson, L. C.	Cook	On Flat Rate of $ 300.00 per month- portion charged this month						40.00
								$ 811.10

$240.80 Install Cookhouse + bunkhouse

530.30 Exploratory Program

40.00 Cook's Services

Form MF-104 (Rev.)
(April 1952)

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

Budget Bureau No. 42-R1036.3.
Approval expires 6-30-53.

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
OCT 13 1952

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of May, 1952 Docket No. DMEA 1429X Contract No. Idm E 269
Operator's Name Walter Duncan, Jr. Minerals Uranium
Address Box 211, La Salle, Illinois
Contract Amount, $ 43,100.00 Government Participation: 90% Amount, $ 38,871.00

ITEMS OF COSTS	FOR OPERATOR'S USE: Monthly Total	Totals Previously Reported	Totals To Date	FOR GOVERNMENT USE ONLY: Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Short Form Contracts:						
Drilling						
Bulldozing						
Crosscutting						
Drifting						
(2) Labor and Supervision:						
Labor	530.30	157.90	688.20	570.30	157.90	728.20
Supervision	695.86	114.82	810.68	00		00
~~Technical~~ Services	40.00		40.00			
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives	223.49	0	223.49			
Pipe						
Track						
Other	972.37	114.48	1086.85			
(4) Operating Equipment:						
Rental	2211.08	910.95	3122.03	2,208.00	910.95	3118.95
Purchase						
Depreciation	40.00	40.00	80.00			
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.	420.02	657.03	1077.05			
(7) Miscellaneous:						
Repairs to Equipment	26.27		26.27			
Sampling and Analysis						
Payroll Taxes	123.55	64.58	187.03			
Liability Insurance	5.56	2.90	8.46	00	8.46	8.46
(8) Contingencies (specify):						
TOTALS	5288.50	2062.46	7350.96	5,279.86	2,068.02	7,347.88

I certify that the above bill is correct and just and that payment therefor has not been received.

Date 6-18-52 *Payee WALTER DUNCAN

Per John E. Martuzzo Title Bookkeeper

*When a voucher is signed or receipted in the name of a company or corporation, the name of the person writing the company or corporate name, as well as the capacity in which he signs, must appear. For example: "John Doe Company, per John Smith, Secretary," or "Treasurer," as the case may be.

→ NOTE.—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.

(Instructions on reverse)

Pursuant to authority vested in me, I certify that this account is correct and proper for payment in the amount of:

$4751.87

Signature [illegible]
(Authorized Certifying Officer)

Date 10/1/52 Voucher No. DMA 53-40

(See other side)

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating a Defense Minerals Exploration Administration project under Contract No. Idaho E 269 in accordance with the terms of the contract.

Signature Robert L. Middleton J.R.W. Title Mining Engineer Date June 25, 1952

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature ..... Title ..... Date .....

MONTHLY REPORT OF OPERATOR

The Operator (Contractor) of an exploration project is required to make a monthly report to the Government through the Regional Executive Officer. This report consists of three parts as follows:

(a) *Form MF-104—Operator's Monthly Report and Voucher.*—This form details expenditures and constitutes a voucher for reimbursing the Operator for the Government's share of costs;

(b) *Form MF-104A—Operator's Unit Cost and Progress Report.*—This is a statistical report of expenditures which shows costs for the various types of operation; and

(c) *Narrative.*—A concise narrative description of progress made, results accomplished, and any unusual difficulties encountered must be furnished as an attachment to this Report and Voucher. Wherever possible, the narrative is to be illustrated with maps or sketches showing formations penetrated and location and assays of samples taken as well as advances in workings. In the case of diamond drilling or churn drilling, the location and inclination of holes is to be shown on a map; logs and assays also are to be submitted.

The Monthly Report of Operator should be prepared in an original and four copies all of which must be sent to the Executive Officer of the Region not later than the 15th of the month following.

Preparation of Form MF-104—Operator's Monthly Report and Voucher.—All the applicable spaces in Form MF-104 should be filled in by the Operator, and the Operator or his agent should sign the certification in the lower left corner of the form.

The items of costs are arranged in the order they appear in Article 6 (a) of Form MF-200 (Revised February 1952), however, this form is readily adaptable for use in reporting activities under other contract forms.

Under Item (1) delete words "Short Form" if the contract is a sub-contract under Form MF-200; and delete word "Independent" if the contract reported is on Form MF-200 (A). Also, report work paid for on a unit basis under contract Form MF-200 as though it were performed under an independent contract.

Under Item (2) include labor, supervision and technical services incurred for the exploratory operations. Do not include labor, supervision and technical services used for work performed under items (5) and (6).

Under Item (3) include the costs of material and supplies used in the project other than that used under items (5) and (6).

Under Item (4) appear the three types of operating equipment expenditures, that is, rental, purchase and depreciation. The expenditures made for renting equipment belonging to a third party will be reported under "Rental". The amount paid or duly obligated for payment for the purchase of equipment will be reported under "Purchase". The amount of expenditures due the Operator to reimburse him for depreciation of equipment owned will be reported under "Depreciation".

Item (5) comprises costs of labor, supervision, technical services, materials, etc., which are used in the initial rehabilitation and repair of existing buildings, installations, fixtures, and equipment. These costs, therefore, should not be reported under items (2) and (3).

Item (6) includes the labor, supervision, technical services, materials, etc., used in the installation or construction of new buildings, fixed improvements, etc., necessary for the project. These costs, therefore, should not be reported under items (2) and (3).

Item (7) covers miscellaneous types of expenditure such as payroll taxes, liability insurance, workmen's compensation insurance, repairs to equipment and sampling and analysis. Only that part of payroll taxes, liability insurance and workmen's compensation which are paid by the operator should be reported under item (7). The share paid by the employee as a payroll deduction is to be included under item (2) as labor costs.

Item (8) includes any unforeseen costs not included in the other seven categories.

The original of Form MF-104 when submitted for reimbursable expenses incurred under contract Form MF-200 must be supported by original documentation or by certified copies of purchase orders, payrolls or transcripts of payrolls, unless such documentation has been waived by the Regional Executive Officer. This certification may be stated thus, "Certified True Copy (or Transcript)", followed by appropriate signature. If the Executive Officer of the Region determines that a contract under Form MF-200 should have an "on-site" audit, that is, a Government auditor should make an audit of the Operator's books and records of account, the Operator need not support his monthly voucher with original or certified documents except in cases of equipment purchases whose individual costs exceed $50.00. In these cases the original or a certified copy of the purchase order or invoice should be attached to the Monthly Voucher. N. B.—Only the *original* of Form MF-104 is required to be documented. The four copies of Form MF-104 are not to be thus supported.

Form MF-104 submitted for reimbursement under fixed price contracts on Form MF-200 (A), however, are not required to be supported by documentation of any kind. The Operator will submit his claim under item (1) of Form MF-104 by deleting as stated above the word "Independent" and by showing the number of feet or other units immediately after the appropriate descriptive word, such as, drilling, bulldozing, crosscutting, drifting, etc., and giving the "Monthly Total" amount due. "Totals Previously Reported", and "Totals to Date" columns should also be filled in.

U. S. GOVERNMENT PRINTING OFFICE 205675

Form MF-104 (Rev.)
(April 1952)

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

Budget Bureau No. 42-R1036.3.
Approval expires 6-30-53.

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
OCT 13 1952

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of May, 1952 Docket No. DMEA 1429X Contract No. Idm E 269
Operator's Name Walter Duncan, Jr. Minerals Uranium
Address Box 211, La Salle, Illinois
Contract Amount, $ 43,100.00 Government Participation: 90% Amount, $ 38,871.00

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Bulldozing						
Crosscutting						
Drifting						
(2) Labor and Supervision:						
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Supervision	695.86	114.82	810.68			
~~Technical~~ Services	40.00		40.00	00		00
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives	223.40	0	223.49			
Pipe						
Track						
Other	972.37	114.48	1086.85			
(4) Operating Equipment:						
Rental	2211.08	910.95	3122.03	2,208.00	910.95	3118.95
Purchase						
Depreciation	40.00	40.00	80.00			
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.	420.03	657.03	1077.06			
(7) Miscellaneous:						
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Sampling and Analysis						
Payroll Taxes	123.53	64.50	187.03			
Liability Insurance	5.56	2.90	8.46	00	8.46	8.46
(8) Contingencies (specify):						
TOTALS	5288.50	2062.46	7350.96	5,279.86	2,068.02	7,347.88

I certify that the above bill is correct and just and that payment therefor has not been received.

Date 6-18-52 *Payee WALTER DUNCAN

Per John G. Martuzzo Title Bookkeeper

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NOTE.—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.

(Instructions on reverse)

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$4751.87

Signature
(Authorized Certifying Officer)

Date 10/1/52 Vou. No. DMA 53-40

(See other side)

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating a Defense Minerals Exploration Administration project under Contract No. Idy E 269 in accordance with the terms of the contract.

Signature Robert L. Middleton J.R.W. Title Mining Engineer Date June 25, 1952

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature ..... Title ..... Date .....

MONTHLY REPORT OF OPERATOR

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The Monthly Report of Operator should be prepared in an original and four copies all of which must be sent to the Executive Officer of the Region not later than the 15th of the month following.

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Under Item (4) appear the three types of operating equipment expenditures, that is, rental, purchase and depreciation. The expenditures made for renting equipment belonging to a third party will be reported under "Rental". The amount paid or duly obligated for payment for the purchase of equipment will be reported under "Purchase". The amount of expenditures due the Operator to reimburse him for depreciation of equipment owned will be reported under "Depreciation".

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Item (8) includes any unforeseen costs not included in the other seven categories.

The original of Form MF-104 when submitted for reimbursable expenses incurred under contract Form MF-200 must be supported by original documentation or by certified copies of purchase orders, payrolls or transcripts of payrolls, unless such documentation has been waived by the Regional Executive Officer. This certification may be stated thus, "Certified True Copy (or Transcript)", followed by appropriate signature. If the Executive Officer of the Region determines that a contract under Form MF-200 should have an "on-site" audit, that is, a Government auditor should make an audit of the Operator's books and records of account, the Operator need not support his monthly voucher with original or certified documents except in cases of equipment purchases whose individual costs exceed $50.00. In these cases the original or a certified copy of the purchase order or invoice should be attached to the Monthly Voucher. N. B.—Only the *original* of Form MF-104 is required to be documented. The four copies of Form MF-104 are not to be thus supported.

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U. S. GOVERNMENT PRINTING OFFICE 205675

Form MF-104A
(April 1952)

Budget Bureau No. 42-R1151
Approval expires 6-30-53.

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
OCT 13 1952

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of [illegible] 195[illegible] Docket No. DMEA [illegible] Contract No. [illegible]
Operator's Name [illegible] Minerals [illegible]
Address [illegible]

OPERATION	UNIT	COSTS THIS MONTH	UNITS THIS MONTH	COSTS TO DATE	UNITS TO DATE	UNIT COSTS TO DATE	AUTHORIZED BY CONTRACT	
							Units	Unit Costs
Drifting	[illegible]						[illegible]	
Crosscutting								
Raising								
Shafts								
Winzes								
Drilling: Core	[illegible]						[illegible]	
Churn								
Auger								
Stripping	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	
Trenching								
Test Pits								
Roads and Trails								
TOTAL DISTRIBUTED COSTS		[illegible]	[illegible]	[illegible]				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.		[illegible]		[illegible]				
TOTAL COSTS		[illegible]		[illegible]				[illegible]

The undersigned company, and the official executing this certification on its behalf, hereby certify that the information contained in this report is correct and complete to the best of their knowledge and belief.

Date [illegible] Operator [illegible]

Per Charles R. Butler Title [illegible]

REMARKS: [illegible]

→ **NOTE.—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.**

(Instructions on reverse)

(For Government use only)

INSTRUCTIONS

Preparation of Form MF–104A—Operator's Unit Cost and Progress Report.—Applicable places on Form 104A should be filled in by the Operator. The purpose of this form is twofold as follows: (1) to furnish the supervising engineers and other administrators with statistical information necessary to better determine the progress of the project; and (2) to furnish more permanent information on mining costs for future use. The more important phases of operation on which permanent information is desired have been outlined in the form. There are blank lines, however, for those unusual phases which may need to be reported for a particular project. It will be necessary for the Operator to distribute his costs among the applicable phases reported with the exception of three items the costs of which are not to be distributed by the Operator. These three items are: "Operating Equipment Purchased", "Initial Rehabilitation and Repairs", and "New Buildings, Improvements, etc." The reason for not distributing these items on a monthly basis is doubtless clear to the Operator, since such distribution might well overstate the cost for any one month or period short of the entire contract period.

Form MF–104A has been designed to tie in with Form MF–104 for both monthly and cumulative costs. The "Total Costs" on Form MF–104A for each month should equal the monthly "Total Costs" as reported on Form MF–104. This is also true of the "Total Costs To Date".

In preparing Form MF–104A, it will be necessary frequently to distribute certain costs over a number of items. For instance, supervisory and engineering costs may have to be distributed over several phases, such as, drifting, crosscutting, raising, etc., provided that these items were reported active for the month. Such distributions should be made on the basis of time spent on the various phases, on man days of labor charged to such phases, or on some other equitable basis. "Operating Equipment", "Initial Rehabilitation and Repairs", and "New Buildings Improvements, etc.", will be distributed to the several phases of the project by the Washington Office of DMEA at the close of the project if determined necessary. The last two columns headed "Authorized by Contract" will be filled in by the Operator if such information is found in the contract. This information is usually a part of Exhibit "A" of the contract. A space for remarks has been provided for the use of the Operator to call attention to any unusual circumstances causing excessive or disproportionate unit costs.

U. S. GOVERNMENT PRINTING OFFICE 205676

J. WALTER DUNCAN JR.
Docket No. DMEA -- 1429X

N A R R A T I V E P R O G R E S S R E P O R T

Jacob's Chair - White Canyon

MAY, 1952

Work on the Chair project during May consisted entirely of exposing and stripping back the ore-bearing Shinarump fromation. The Shinarump crops out intermittently along Jacob's Chair Mesa, and the purpose of the rim stripping operation is to remove talus and overburden, and expose a fresh surface of the formation which can then be examined and tested for possible uranium mineralization.

During May, a total of 6575' of rim stripping was completed. Two hundred and two hours were expended in bulldozing, four hundred ninety one man hours were expended in drilling and blasting in conjunction with the rim stripping, and twenty four man hours were spent on camp construction.

Nowhere did the rim stripping operations expose mineable uranium ore. Abnormal radioactivity was noted at three seperate locations as shown on the accompanying map. (f-g-6 Sheet 2, g-h-7 Sheet 2, 1-13 Sheet 3) The rim was cut back an additional ten to twenty feet at the first two locations, but radioactivity either remained the same or diminished. Sample #15 (e-6 Sheet 2) was cut from a localized concentration of carbonaceous material and assayed .062 U_3O_8.

The third location consisted of a clayey sandstone lense about 50' long and 1 ½' thick at the base of the Shinarump. Samples taken from this location assayed as follows:

No.	Description of sample	Chem. U_3O_8	$CaCO_3$
89	1½' vertical channel. Upper 6" platey iron-stained ss, lower 1' clay nodules and clay.	0.358%	3.65%
90	1½' vertical channel. Sandy clay.	0.092%	3.36%
91	1' vertical channel. Clay and Mudstone.	0.069%	3.82%
92	Picked chip sample taken along basel 6" of Shinarump and along a horizontal range of 17'. Iron stained clay.	0.506%	3.08%

This locations will be drilled, blasted and restripped to determine the extent of mineralization.

The Work Progress map shows an area of intermittent radioactivity near n-16, Sheets 3 and 4. This area was exposed during the period June 1 - June 3 and will be discussed in the June Progress report.

A geologic survey of the ore rim was made to try to determine some criteria which would be helpful in predicting zones of uranium mineralization. The results of this survey are shown graphically on Sheet 2 of the Work Progress Maps. Thickness and types of sandstone, relative amounts of iron and carbonaceous materialin the ore-bearing formation, and thicknesses of the leached zone in the Moenkopi red beds directly underlying the Shinarump were noted and plotted graphically against relative amounts of radioactivity along the ore rim outcrop. No definite conclusions were reached, but it is interesting to note that leaching, iron content and carbon content seemingly have little or no relation to radioactive zones. In most instances, the highest radioactivity was recorded along areas where the sanistone lenses (or channels) of the Shinarump were either increasing or decreasing in thickness.

Relative elevations at the base of the Shinarump were taken along a portion of the ore rim (Sheet 1) to determine the amount of channeling at the top of the Moenkopi red beds. An elevation difference of 7' was noted between reference lines 2 and 3 (Sheet 1). The formation at this locality is highly cross bedded, contains an abundance of trashy carbonaceous materi al, and is slightly radioactive. These facts are noted here because in other parts of the White Canyon district uranium mineralization is often found in channels or scours which are evidenced by differences of elevation along the Shinarump - Moenkopi contact.

In summary, the project is proceeding satisfactorily and the expenditures to date are below the estimates of the DMEA contract. The results of the rim stripping operations are discouraging, and unless the remainder of the rim stripping exposes more favorable uranium showings than have been exposed thus far, it is doubtful whether any extensive exploratory drifting would be justified.

MF-104
(August 1951)

Budget Bureau No. 42-R1036.2.
Approval Expires 6-30-52.

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

Contract No. Idm-E 269

Name of Operator WALTER DUNCAN, Jr.
Docket No. DMA 1429X
Total Contract Amount $ 43,190.00
Government Participation: 90 % Amount, $ 38,871.00
Distribution of Expenditures for Month of April, 1952

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
JUN 27 1951

STRATEGIC AND CRITICAL MINERAL EXPLORATION PROGRAM
OPERATOR'S MONTHLY PROGRESS REPORT

Operators are to submit monthly reports to the designated field representative of the Defense Minerals Administration. Reports are to be submitted in quadruplicate prior to the 15th day of the month following the reporting period.

Narrative.—A concise narrative description of progress made, results accomplished, and any unusual difficulties encountered is to be furnished.

Maps.—Wherever possible, the narrative is to be illustrated with maps or sketches showing formations penetrated and location and assays of samples taken as well as advances in workings. In the case of diamond drilling or churn drilling, the location and inclination of holes is to be shown on a map; logs and assays also are to be submitted.

Cost Accounts.—All applicable parts of this form are to be filled in. This report will form the basis for payments of the Government's participating share of expenses. Audits of accounts may be made from time to time.

CERTIFICATION

The undersigned company, and the official executing this certification on its behalf, hereby certify that the information contained in this report is correct and complete to the best of their knowledge and belief.

WALTER DUNCAN, JR.
(Name of Company)

By John G Martin Jr.
(Signature of Authorized Official)

May 20, 1952
(Date)

Bookkeeper
(Title)

NOTE.—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.

16—64068-6

MONTHLY SUMMARY COST STATEMENT

List as Shown on Exhibits Attached to Contract

Item	Monthly Total	Totals Previously Reported	Totals to Date	For Government Use Only: Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
1. Fixtures and Improvements:						
(a) Facilities						
(b) Buildings				144.40		144.40
Cookhouse and Bunkhouse *1	144.40		144.40			
(c) Fixtures						
2. Operating Equipment:						
(a) Purchased[1]						
(b) Rented[2]				110.95		110.95
Tractaire 18 days @ 6.16 +	110.95		110.95	800.00		800.00
Bulldozer 80 hours @ 10.00	800.00		800.00			
(c) Furnished by operator				35.00		35.00
				5.00		5.00
Pickup Truck	35.00		35.00			
Geiger Counter	5.00		5.00			
3. Rehabilitation and Repairs:						
(a) Facilities						
(b) Buildings						
(c) Installations						

16—64068-3

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

224 New Customhouse
Denver 2, Colorado

June 24, 1952

Memorandum

To: Secretary to the Operating Committee
Defense Minerals Exploration Administration

From: Executive Officer, Field Team, Region IV

Subject: Form MF-104, DMA Docket 1429X, Contract Idm-E269,
J. Walter Duncan, Jr., San Juan County, Utah

Enclosed is a copy of the Operator's Progress Report Form MF-104, Operator's Narrative Report, Inspecting Engineer's Narrative Report and other supporting data for the period of April, 1952, pertaining to DMA Docket 1429X, Contract Idm-E269, J. Walter Duncan, Jr.

Only one copy of this Progress Report is available for the Washington office because the report has been in process prior to the date of our instructions to submit two copies.

According to our agreement with Mr. Mittendorf and Mr. Chambers, the Washington office will photostat all Progress Reports that were being processed prior to the date of our instructions.

W. H. King

W. H. King

Enclosures

Mining Division
Region IV

June 16, 1952

Memorandum

To: T. A. Christensen

From: Acting Chief, Mining Division, Region IV

Subject: DMA Docket 1429X, Contract Idm-E269, J. Walter Duncan, Jr., San Juan County, Utah - Operator's Monthly Progress Report for the period of April, 1952.

Enclosed are the original and three copies of Form MF-104, Narrative Report, and Engineer's Report for the above period.

Work accomplished is in accordance with the contract and payment is recommended as follows:

Amount Reported:	$2062.46
Less Disallowance:	
Liability Insurance	2.90
	$2059.56
Government participation	~~$1029.78~~ 1853.69

Work on this project started April 1, 1952. The attached [illegible]oll shows pay periods extending to May 8, but inasmuch as the [illegible] states that supervision costs are based on actual time pro- [illegible] the project for the month of April, we are allowing the [illegible]sts as shown.

W. H. King
W. H. King

WLD:oc
cc: Secretary [illegible] Comm.
Contract
SRWilson
AHKeschmann (2[illegible]
Chron.

Mining Division
Date Rec'd.
1952
BUREAU OF MINES
Denver, Colorado

June 9, 1952

Memorandum

To: W. H. King, Acting Chief, Mining Division, Region IV

From: Chief, Utah-Wyoming Branch, Mining Division

Subject: DMEA 1429X, Contract Idm-E269, J. Walter Duncan, Jr., San Juan County, Utah

Enclosed are the original and three copies of MF-104 forms and supporting data covering the subject project for April 1952. R. L. Middleton examined the property and accounts May 8, 1952, and prepared the attached progress report.

Several minor irregularities in the MF-104 forms have been noted by the inspecting engineer. It is recommended that payment to the contractor be made as indicated.

Stephen R. Wilson

Enclosures - 2

S. R. Wilson June 9, 1952

R. L. Middleton

DMEA 1429X, Contract Idm-E269, J. Walter Duncan, Jr., uranium property, San Juan County, Utah. April progress report.

The DMEA exploratory project on the J. Walter Duncan, Jr., uranium property, San Juan County, Utah, was examined May 8, 1952, in company with Charles Butler, project geologist.

Camp construction and rim stripping, under terms of the contract, commenced on April 19, 1952. Camp facilities consist of two canvas-covered tent platforms used for sleeping quarters and one combination canvas-and screen-covered tent platform used as a mess house.

Rim stripping along the contact of the Moenkopi and Shinarump formations is progressing satisfactorily. At the time of examination, 1,025 feet of stripping was done. This distance along the contact was prospected with a Geiger counter. No readings were observed which indicated ore-grade uranium mineralization. However, the coarse texture of the sandstone lenses and the presence of iron oxide stains, carbonaceous trash, and the copper minerals malachite and azurite, are considered encouraging. In the light of evidence so far uncovered by the stripping, adit work is not justified.

The work crew consists of two miners, one mucker, a project foreman, and one contract bulldozer operator. This crew works an 8-hour shift per day for a 12-day period. Stripping is moderately difficult due to large tabular-shaped talus boulders which locally cover the contact. Two miners work ahead of the bulldozer, drilling and blasting these boulders.

Mr. Orval Jahnke, project foreman, is in charge of the project work and he will be aided by Mr. Charles Butler, project geologist. Both of these men have had experience with similar projects in the White Canyon area, and they appear able to adequately supervise the project work.

MF-104 forms submitted by the operator for April 1952 have been reviewed.

Item 1(b) Invoices in the amount of $144.40 for the purchase of three canvas tarps and two canvas tents were verified.

Item 2(b) The Tractaire rental, authorized by contract amendment effective April 1, 1952, is properly prorated for April. The bulldozer charges were verified and the rate conforms to the contract.

Item 2(c) This charge is correct and represents depreciation of company-furnished equipment.

Item 4 Wage rates on the payroll are within the contract limits and the payroll calculations are correct.

Item 5 Supervision is within the contract limit for salary, number and classification of personnel. It is not shown how the supervision charges are prorated to the project. Inasmuch as the total amount submitted for supervision is less than the amount authorized by the contract, this charge is allowable. It should be noted that the bookkeeper's salary of $59.63 is the total amount paid to May 8, 1952. Salary in May is not an allowable April expense. It seems reasonable to prorate the period April 25 thru April 30 in the pay period April 25 thru May 8; thus, 6/14 x $31.50 = $13.50. Therefore, the deduction for the bookkeeper's salary is $18.00.

Item 6 Invoices for supplies listed in Schedule 3 were verified. These supplies are items for the cookhouse and should appear in Item 1(b).

Item 9 The rates for unemployment insurance and workmen's compensation per $100 of payroll are not shown; therefore, these calculations cannot be checked.

Item 9(b) It is not known what type of accident this policy covers. Therefore, $2.90 for public liability insurance should be deleted.

Payment is approved for 90 percent of $2,062.46, less $18.00 salary payment in May to bookkeeper, less payroll tax and workmen's compensation on $18.00, and $2.90 disallowed public liability charge.

R. L. Middleton

R. L. Middleton

NARRATIVE PROGRESS REPORT

April, 1952

Jacob's Chair - White Cnayon

J. Walter Duncan Jr.

Docket No. DMEA - 1429X

The project offically began April. During the period April 1 - April 18, supplies were ordered and shipped to White Canyon. Preliminary geologic investigations were made at the areas of proposed rim stripping and drifting operations.

Construction of cookhouse and bunkhouse began April 19, 1952, and continued throughout the remainder of the month.

Rim stripping operations began April 23, 1952, and continued through April, 30. Three days were spent repairing the access road to the rim stripping area. This road repair work was unforseen when the contract was prepared, but was made necessary because of deteriation of the access road during the winter of 1951-52.

A total of 450 feet of ore rim was exposed by bulldozer in April. 100 feet of rim was cut back approx. 40' near the BJ #1 claim location monument to investigate favorable radioactive indications on the outcrop. This excavation revealed an 8' thick shaley sandstone containing abundant yellow ochre and carbonaceous material. Although this is considered very favorable host rock for uranium mineralization, the radioactivity of the freshly exposed formation was very slight, and no further work is contemplated at this outcrop.

Approximately 350 feet of rim stripping was completed east of the BJ-3 location monument. The ore rim ranges in thickness from 2' to 6', and completely lenses out 300' east of BJ-3 location. Copper oxides and an undentified apple green uranium mineral were noted intermittenly along this out-crop, but nowhere in commerical quantities. Leaching is evidenced by the presence of oxides of Cu and Fe and by a discoloration of the red beds at the Moenkopi-Shinarump contract.

Favorable radioactive showings were noted along a 50' length of bulldozed outcrop about 150 feet east of the BJ-3 location monument. The rim was cut back an additional 20' and radioactivity remained the same. Four samples were cut along freshly exposed rim and assays were as follows:

Note: See accompanying map for sample locations. Measurements indicate vertical range of sample cuttings. 0 indicates the base of the ore rim (i.e. the contact between TrM and TrS).

Sample # 8;
Description: Vert. Rim Cut 0-1'8" hard congl. ss with iron oxide and trash.
Chemical U_3O_8: 0.021%

Sample # 9;
Description: Vert. Rim Cut 1'8"-3'8". Platy fine grained ss with heavy trash, yellow ochre and some iron oxide.
Chemical U_3O_8: 0.059%

Sample # 10;
Description: Vert. Rim Cut 0-1'7". Hard congl. ss with heavy iron oxide, trash, yellow ochre moderate.
Chemical U_3O_8: 0.034%

Sample # 11;
Description: Vert. Rim Cut 1'7"-3'5". Platy fine grained ss with trash, yellow ochre.
Chemical U_3O_8: 0.093%

No drifting is contemplated until further rim stripping is completed and until further geologic investigations are made along the areas of rim already exposed.

Respectfully submitted,

O.L. Jahnke

O.L. Jahnke- Project Foreman

C R Butler

C.R. Butler- Geologist

*2 SUPPORTING SCHEDULE FOR LABOR

Employee ::	S. S. No.	Classification	Rate	Wages Paid Mar. 27-Apr. 10	Wages Paid Apr. 11 - 24	Wages Paid Apr. 25 -May 8	Total
Benally, Randolph	55 726 09 8660	Mucker	$ 1.40	None	25.20	$ 163.10	$ 188.30
Farmer, J. F.	522 03 8957	Miner	1.6154	None	168.00	168.00	336.00
Rogers, John	523 32 1375	Miner	1.60	None	8.00	28.80	36.80
Stuart, Clifford	525 22 6075	Mucker	1.40	None	128.00	145.60	274.40
					330.00	505.50	835.50
SUPERVISION:							
Butler, Charles		Geologist		186.60	205.06	205.06	596.72
Jahnke, Orval		Project Foreman		None	None	199.30	199.30
Kirks, Jeanette		Bookkeeper		5.18	22.95	31.50	59.63
				$ 191.78	228.01	435.86	855.65

I, the undersigned, John G. Martuzzo, do hereby claim that the above payroll figures are the exact replica of those contained in Walter Duncan's payroll records at La Salle, Illinois.

Signed John G. Martuzzo
John G. Martuzzo

TOTAL WAGES PAID - March 27th through May 8th, or 3 pay periods,	835.50	
Less Deduction for amount of wages paid for labor performed in May	-224.00	
Less deduction for amount of wages paid which were not applicable to this project	-156.80	
*1 TOTAL WAGES PAID FOR MONTH OF APRIL APPLICABLE TO PROJECT.....	$ 454.70	$ 454.70

SUPERVISION: Actual Time Pro-rated to Project for month of April, 1952:

Geologist	208.09	
Project Foreman	62.93	
Bookkeeper	59.63	
	$ 330.65	330.65
TOTAL LABOR AND SUPERVISION APPLICABLE TO PROJECT FOR APRIL, 1952		785.35
PAYROLL TAXES AND INSURANCE : - Social Security		11.78
Unemployment Insurance		21.20
Workmen's Compensation		31.40
Public Liability Insurance		2.90
TOTAL PAYROLL PLUS PAYROLL TAXES & INSURANCE.....		$ 852.63

*1 BREAKDOWN ATTACHED

BREAKDOWN OF TOTAL WAGES PAID FOR MONTH OF APRIL APPLICABLE TO PROJECT:

Employee	Classification	Regular Hours	Overtime Hours	Rate per Hr.	O. T. Rate	Regular Pay	Overtime Pay	Total Pay
Benally	Mucker	58	19	1.40	2.10	$ 81.20	39.90	$ 121.10
Farmer, J. F.	Mucker	80	16	1.6154	2.42	129.28	38.72	168.00
Rogers, J.	Miner	23		1.60	2.40	36.80		36.80
Stuart, Clifford	Mucker	80	8	1.40	2.10	112.00	16.80	128.80
		241	45			359.28	95.42	$ 454.70

* 3 SUPPORTING SCHEDULE - 6d- SUPPLIES:-

Date of Invoice	From	For	Amount
April 19, 1952	Jett Hdw. & Lumber Co. Cortez, Colo.	Cooking Utensils All items under $ 50.00	$ 110.50
April 19, 1952	Southwestern Gas & Appliance Dove Creek, Colo.	1 bottle of propane for cooking	3.98
			$ 114.48

MONTHLY SUMMARY COST STATEMENT—Continued

Item	Monthly Total	Totals Previously Reported	Totals to Date	For Government Use Only: Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(d) Fixtures						
				454.70		454.70
				330.65		330.65
4. Labor[3] *2	454.70		454.70			
5. Supervision	330.65		330.65			
6. Supplies:						
(a) Timber				114.48		114.48
(b) Explosives						
(c) Repair Parts						
(d) Other *3	114.48		114.48			
7. Power						
8. Transportation						
9. Insurance				31.40		31.40
(a) Fire				32.98		32.98
(b) Public Liability	2.90		2.90			
(c) Workmen's Compensation	31.40		31.40			
	32.98		32.98			
10. Contract Work						
11. Other (specify)						
Total	2062.46		2062.46	2059.56		2059.56
Deletions						
Adjusted totals						
Totals previously reported						
Totals to date	2062.46		2062.46	2059.56		2059.56

[1] Enter amount paid during month toward total purchase price.
[2] Payments for rental of equipment or prorated depreciation on equipment owned by contractor.
[3] Submit copy of the Social Security form filed under the Old Age Insurance system showing complete wage and salary data or furnish copy of payroll sheet giving same data.

NOTE.—Indicate that portion of supervisory, office, and engineering salaries that is chargeable to this project.

FOR GOVERNMENT USE ONLY

Checked by
Entered by
Approved by R. L. Middleton
Amount approved for payment
Remarks

~~$1022.78~~ $1853.69

*1 $556.54 in labor, superv., and payroll taxes were pro-rated to installation.

*2. Supporting Schedule Attached.

*3. Supporting Schedule Attached.

Schedule DMA 52-62
June 20, 1952
1853.69

16—64068-3

EXPLORATION UNIT COST AND PROGRESS REPORT FOR MONTH OF April, 1952

(Supply Data Below Applicable Only to Your Operations)

Item	Costs					Progress [4]				
	Wages [1] and salaries	Equipment [2]	Supplies	Other [3]	Total	Unit	Units this month	Units previously reported	Units to date	Units authorized by contract (Exhibit A)
Drifting		2.90			2.90	Feet				900
Crosscutting										
Raising										
Shafts										
Winzes										
Drill holes PERCUSSION		3.23			3.23	Feet				1000
Overburden RIM STRIPPING	296.09	944.82			1240.91	Feet	450		450	10500
~~Rehabilitation and preparation~~	556.54			144.40	700.94					
Geology and geophysics										
Trenching										
Sampling and assaying										
Roads and trails										
Test pits										
Other (specify)										
Cooking Supplies			114.48		114.48					
Totals	852.63	950.95	114.48	144.40	2062.46					

[1] Prorate supervisory, engineering, and office salaries in proportion to man-shifts of direct labor.
[2] Prorate charges for equipment that is not exclusively for one type of job (such as compressors) against authorized units of work in each category.
[3] Where entries in the "Other" column (above) are more than 25 percent of the total expenditures, a breakdown of this item should be made.
[4] Specify whether feet, cubic feet, acres, miles, etc.

16—64068-3 U. S. GOVERNMENT PRINTING OFFICE

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

Ellis

September 29, 1953

U.S. in R.R.

Memorandum

To: Administrator

From: Ernest Wm. Ellis, Chief
Rare & Miscellaneous Metals Division

Subject: Closing Review of Docket No. DMEA-1429X (Uranium
Contract No. Idm-E269
Property: San Juan County, Utah

Operator: J. Walter Duncan, Jr.
2212 First National Bldg.,
Oklahoma City, Oklahoma

Amount approved in contract: $43,190.00
Total accepted cost: $11,193.01
Government share @ 90%: $10,073.71
Project work started: April 1, 1952
Stopped: June 21, 1952

Docket Summary:

May 24, 1951	Application date; amount $60,000.00.
May 28, 1951	Transmittal memorandum from J. H. East, Jr., Executive Officer, DMA Field Team, Region IV.
June 13, 1951	Acknowledgement to Applicant.
June 22, 1951	Applicant advised of referral to Region IV for appropriate comment and recommendation of that office.
Nov. 5, 1951	Memorandum by Field Team, Region IV, transmitting report, concurring with conclusions and recommendations of the examining team that the revised exploration assistance of $44,472.00 be approved.

The Applicant proposed a program including stripping 10 miles of rim around Jacob's Chair Mesa and adjacent areas, driving approximately 750 feet of adits and sinking test pits, at an estimated cost of $60,000.00. The examining team suggested a modified program which would include approximately 10,500 feet of stripping and 900 feet of drifts and crosscuts at a total estimated cost of $44,472.00.

Dec. 7, 1951	Applicant requested, by letter, to expedite copies of leases covering all the claims proposed for inclusion in the project, together with other information required before the contract could be completed. Twenty-four copies of Landlord's Subordination Agreement forms were forwarded to be executed for each of the leases.
Dec. 13, 1951	Received Applicant's letter, dated December 11, 1951, enclosing copies of leases, advising that Landlord's Subordination Agreement forms would be forwarded as soon as signed.
Jan. 26, 1952	Applicant's letter advising they have had some difficulty in getting their lessors to sign the Landlord's Subordination Agreements, but difficulty has been worked out and they would be forwarded shortly.
Feb. 7, 1952	Comments by A. J. Kauffman, Jr., Bureau of Mines, recommending that the revised exploration contract in the amount of $43,191.08 be approved.
Feb. 11, 1952	Received Applicant's letter, dated February 9, 1952, enclosing Landlord's Subordination Agreement.
March 4, 1952	Contract No. Idm-E269, in the amount of $43,190.00 (90% Government participation - $38,871.00) forwarded to DMEA Executive Officer, Region IV, to obtain the signature of the Applicant.
March 14, 1952	Received memorandum from Executive Officer, Region IV, dated March 11, 1953, outlining certain changes that were desirable in the contract.
March 24, 1952	Letter by Operating Committee to Executive Officer, Region IV, regarding major changes to be made in contract. Executive Officer was authorized to make any changes he deemed necessary.
April 7, 1952	Memorandum dated April 1, 1952, outlining manner in which contract was revised, which was agreeable to the Applicant. Signed copies of contract received.
April 7, 1952	Received original and three copies of Amendment No. 1, dated May 14, 1952, signed by the Operator and Executive Officer, Region IV.
June 27, 1952	Received Operator's Progress Report Form MF-104, for month of April, 1952.
July 21, 1952	Received original and two copies of "Notice of Termination of Exploration Project Contract, Under the Terms of the Contract, Before the Completion of the Work," dated July 1, 1952.

Dec. 31, 1952 Audit Certificate, by Donald T. Finch, DMEA Auditor.

Sept. 18, 1953 Received memorandum, dated September 15, 1953, from DMEA Field Team, Region IV, enclosing Operator's final report for period April 1, 1952, through June 21, 1952; final geologic report by C. G. Tillman, U. S. Geological Survey, dated September 8, 1953, and final engineering report by R. L. Middleton, U. S. Bureau of Mines, with transmittal letter from Stephen R. Wilson, Chief, Minerals Development Branch, Mining Division, Region IV, dated December 31, 1952. The Field Team's memorandum briefly sets forth the cost of the project and the work accomplished, and further states that the Operator complied with the terms of the contract and final payment was processed by that office on January 7, 1953.

Resume of work:

The contract called for 10,500 feet of rim stripping along the formation. A total of 7,973 feet of rim was exposed and 1,393 of this total was restripped to depths of 26 to 35 feet at 6 places along the lower Shinarump contact where abnormal radioactivity was observed. No ore bodies of commercial size were exposed by this work although a few small pods showing moderate radioactivity were found.

The work was done in a satisfactory manner, but the results were disappointing. Therefore, the adit and crosscut driving and long-hole drilling program provided for in the contract were abandoned. Little or no equipment remained for salvage.

Estimated Costs of Project:

Fixtures & Improvements	$1,000.00
Rental of Equipment	9,850.00
Purchase of Equipment	681.00
Depreciation of Equipment	240.00
Labor & Supervision	19,700.00
Supplies	10,919.00
Miscellaneous	800.00
Total	$43,190.00
90% Govt. participation	$38,871.00

Project Cost: (Per final audit certificate, December 31, 1952)

Total cost as billed by Contractor		$11,482.42
Exceptions (PerAudit Report)		
During Audit	$277.87	
By DMEA Finance Officer	11.54	289.41
Total Accepted Cost		$11,193.01
Government participation @ 90%		$10,073.71

Comments and Recommendations:

From the Field Team reports it would appear that the project was unsuccessful; hence, no certificate of discovery or development will be issued. Inasmuch as the contract was terminated by notice dated July 1, 1952, it is considered unnecessary to write a "completion" letter to the Operator.

Ernest Wm. Ellis

Ernest Wm. Ellis, Chief
Rare & Misc. Metals Division

EWEllis/gla

cc to: Adm. Reading File (original)
Docket
Division contract file

☒ Audited

☐ Certified No.

WORK ANALYSIS SHEET – DMEA PROJECT

Analysis as of 12/1/54
Incl. Voucher for June 1952

☒ Actual Cost

☐ Agreed Unit Costs

Name J. Walter Duncan, Jr.

DMEA Docket No. 14298

State Utah

Commodity Uranium

Idm-E No. 269

OPERATION	AUTHORIZED Units	AUTHORIZED Cost	COMPLETED Units	COMPLETED Cost	NET COST
Drifting & Crosscutting	900	27,000.00	—	—	
Raising					
Shafts					
Winzes					
Drilling (Specify) Long-hole	1000	1000.00	—	—	
Surface Excavation – Rom stripping		13,509.00		10,419.31	10,211.37 *
Underground Excavation					
Roads and Trails					
Operating Equipment Purchased		681.00		—	
Surface Rehabilitation & Repairs					
Underground Rehabilitation					
New Building, Improvements, etc.		1000.00		1,046.86	981.64 *
Other (Specify)		41,509.00			
Totals		$ 43,190.00		$ 11,466.17	$ 11,193.01

Distributed.
Rental of equipment – $ 9850.00
Depreciation of " – 240.00
Labor and Supervision – 19700.00
Supplies – 10,919.00
Misc. 800.00
$ 41,509.00

Excess supplies sold at end of contract:
Supplies $ 207.94
Improvements 65.22
$ 273.16

Prepared by F. M. Murphy

February 11, 1955

Memorandum

To: Jay L. Chambers, Chief
Contract Adm. & Audit Division

From: Ernest Wm. Ellis, Chief
Base & Miscellaneous Metals Division

Subject: Completed contracts - no discovery made

We have checked the attached list of contracts prepared by Mrs. Alley of your Division. It is not our intention to write "completion" letters to the Operators on these particular contracts, although in each instance the exploration work was unsuccessful, for the reason that the work was completed sometime prior to the adoption of the procedure to prepare final letters to the Operators.

/s/ Ernest Wm. Ellis

1-26-55

Rare and Miscellaneous Metals

Completed contracts on which certification or a closing letter of no discovery has not been issued.

Docket No.	Contract No.	Operator
1131	104	Sierra Copper Company
1324	108	Ansley J. Gold and Joe Gold
1514	112	Maravillas Minerals Company
1348	123	Elkhorn Mining Company
979	132	G. G. F. Antimony
1215	142	Compton I. White
1660	148	Oscar Svensson
1535	169	Columbia Mining Company
2013	215	Amador Mining Company
527	232	Yucca Mining & Milling Co.
1429	269	J. Walter Duncan, Jr.
1232	276	Alaska Copper Corporation

STANDARD FORM NO. 64

Office Memorandum • UNITED STATES GOVERNMENT

TO : E. Wm. Ellis, DMEA Member, Uranium Commodity Committee

DATE: October 19, 1953

FROM : Arthur P. Butler, Jr., USGS Member, Uranium Commodity Committee

SUBJECT: Final Report, DMEA Docket 1429X (Uranium), Contract Idm-E269, J. Walter Duncan, Jr., Contractors; claims on Jacob's Chair Mesa, White Canyon, T. 35 S., R. 15 and 16 E. (unsurveyed), San Juan County, Utah

The Final Field Team report on results of exploration at the property identified in the subject above has been reviewed. Exploration authorized in the contract to search for uranium ore in the Shinarump conglomerate included 10,500 feet of rim stripping, 900 feet of adits and cross cuts, and 1,000 feet of long-hole drilling. Stripping 7,973 feet and restripping 1,393 feet of the most radioactive ground did not reveal any appreciably mineralized rock or ore, and the contract was terminated at the request of the contractor.

The Field Team concludes that no discovery was made, I concur with their conclusion.

Arthur P. Butler, Jr.

Copies to: E. W. Ellis (2)

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

September 30, 1953

Memorandum

To: Ernest William Ellis, DMEA Member
Uranium Commodity Committee, Room 4640

From: H. D. Keiser, Bureau of Mines Member
Uranium Commodity Committee

Subject: Final Report, DMEA 1429X, Contract Idm-E269, J. Walter Duncan, Jr., San Juan County, Utah

I have reviewed the subject report and have discussed it with Joseph O. Hosted, representative of the Atomic Energy Commission.

I concur with the Field Team in termination of the contract involved under the subject docket.

The report has been forwarded to the Chief, Minerals Division, Bureau of Mines, in accord with the routing slip attached thereto.

H. D. Keiser

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

224 New Customhouse
Denver 2, Colorado

September 15, 1953

Memorandum

To: Secretary to the Operating Committee, DMEA

From: DMEA Field Team, Region IV

Subject: Docket No. DMEA 1429X (Uranium), Contract Idm-E269, J. Walter Duncan, Jr. (an individual), San Juan County, Utah

Enclosed are the following final reports pertaining to work performed under the subject contract:

1. Original and one copy of the operator's report with attached five maps.

2. Original and three copies of the final geologic report by the Geological Survey.

3. Original and three copies of the final engineering report by the Bureau of Mines.

The contract authorized expenditures amounting to a total of $43,190.00, however only $11,193.10 was expended in the work authorized under the contract, in which the Government participated to the extent of 90% or the amount of $10,073.79.

The project work consisted of construction of temporary camp facilities and the stripping of 9,369 linear feet of rim. The operator has complied with the terms of the contract and final payment to him was processed in this office January 7, 1953.

The rim stripping operation did not indicate the probability of making any worth while discovery, therefore the contract was terminated by notice dated July 1, 1952.

W. H. King
W. H. King

A. H. Koschmann
A. H. Koschmann

Reviewed by
DMEA OPERATING COMMITTEE
9-25-53
(date)

Enclosures

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES
1600 EAST FIRST SOUTH STREET
SALT LAKE CITY 1, UTAH

Mining Division
Date Rec'd.
JAN 1 - 1953
BUREAU OF MINES
Denver, Colorado

December 31, 1952

Memorandum

To: W. H. King, Chief, Mining Division, Region IV

From: Chief, Minerals Development Branch, Mining Division, Region IV

Subject: DMEA 1429X, Contract Idm-E269, J. Walter Duncan, Jr., San Juan County, Utah - your memorandum of December 9, 1952.

Enclosed are the original and 10 copies of a final engineering report covering work under the subject contract. This report has been revised as suggested in your memorandum of above date. Information submitted by the operator in a letter to you dated December 13, 1952, has been included in the revised engineering report.

Stephen R. Wilson
Stephen R. Wilson

Enclosure

Reviewed by
DMEA OPERATING COMMITTEE
9-25-53
(date)

J. WALTER DUNCAN, JR.
SAN JUAN COUNTY, UTAH
Uranium
DMA-1429X
Contract Idm-E269

Final Project Report

By R. L. Middleton
Mining engineer
Bureau of Mines

Reviewed by
DMEA OPERATING COMMITTEE
9-25-53
(date)

RPT.

The J. Walter Duncan, Jr., uranium property is situated in the Jacob's Chair area of White Canyon, San Juan County, approximately 12 miles southeast of Hite, Utah, and 40 miles west of Blanding, Utah.

An Exploration Project Contract, Idm-E269, authorizing an expenditure of $43,190, was agreed upon between the Government and J. Walter Duncan, Jr., on March 4, 1952. The Government's contribution, based on 90 percent of the approved project costs, was not to exceed $38,871. The contract provided for uranium exploration by rim stripping, long-hole percussion drilling, drifting and crosscutting. Contract funds were allocated to construction of a cookhouse and a bunkhouse.

Previous to the contract work, the operator constructed approximately 3 miles of access roads, excavated several shallow test pits, drove two 10-foot adits, and rim stripped approximately 300 feet of outcrop. No production of uranium ores resulted from this work.

GEOLOGY

Uranium mineralization in the Jacob's Chair area of White Canyon is found mainly at or near the contact of the middle Triassic Shinarump formation and the underlying lower Triassic Moenkopi formation in discontinuous lenses of coarse, iron-stained sandstone. The presence of malachite and azurite in areas of observed radioactivity suggests that the chief uranium mineral is torbernite. In some isolated occurrences,

the uranium minerals are found associated with carbon residues such as tree material. A later paragraph dealing with the results of exploration on the property indicates that the mineralization encountered on surface outcrops extends only a limited distance underground.

PROJECT SCOPE

A total of 10,500 feet of rim stripping, 900 feet of drifting and crosscutting, and 1,000 feet of long-hole percussion drilling was authorized by the exploration contract.

SUMMARY OF ESTIMATED PROJECT COSTS

Fixtures and improvements	$ 1,000.00
Rental of equipment	9,850.00
Purchase of equipment	681.00
Depreciation of equipment	240.00
Labor and supervision	19,700.00
Supplies	10,919.00
Miscellaneous	800.00
Total contract amount	$43,190.00

WORK ACCOMPLISHED

Camp construction and rim stripping under the terms of the contract commenced April 19, 1952. Camp facilities consisted of two canvas-covered tent platforms and one combination canvas- and screen-enclosed tent platform.

CAMP CONSTRUCTION COSTS

The following tabulation shows a breakdown of costs incurred under the contract for construction of camp facilities:

April 1952		
Labor	$512.63	
Materials (canvas tarps)	144.40	
		$657.03
May 1952		
Labor	$240.80	
Materials	179.22	
		$420.02
June 1952		
Materials	$ 37.99	
Credit for return of 2 tents	68.18	
		- $ 30.19
		$1,046.86

The total labor item, $753.43, does not include insurance and payroll taxes. The total cost for materials is $293.43, which reflects a credit of $68.18 for return of two unused tents.

STRIPPING COSTS

During the period April 19, 1952, to June 18, 1952, the operator stripped and restripped 9,369 feet of outcrop at the base of the Shinarump formation. Restripping accounted for 1,396 feet of the total. Stripping was accomplished by angledozer tractor. A combination mobile

unit and compressor supplied compressed air for drill machines. Although bedrock in all exposures is altered and the steep topography facilitated disposal of waste, stripping was moderately difficult because of large, tabular-shaped boulders.

9,369 feet of rim stripped ---------- $10,435.56

unit cost $\frac{\$10,453.56}{9,369} = \$1.12$

Total project costs are as follows:

Fixtures and improvements	$ 1,046.86
Rental of equipment	4,988.47
Purchase of equipment	0.00
Depreciation of equipment	108.00
Labor and supervision	2,816.23
Supplies	2,130.54
Miscellaneous	392.32
Total	$11,482.42

Depending upon the disclosures of an Audit Report, the total costs may be increased or decreased.

As of the date of completion of the project work, the Government's equity in inventory was represented by materials and supplies in three categories, the original cost of the total of items in each category being greater than $50.

Category	Purchase Cost
Lumber and camp cot	$145.60
Drill steel, hose, oilers, etc.	262.90
Hand tools	115.17
Total	$523.67

RESULTS OF EXPLORATION

During the stripping operations, the company geologist and engineer, and frequently representatives of the Atomic Energy Commission, examined the exposed outcrops. Evaluation of areas favorable for restripping was based chiefly upon radiometric activity and uranium assays. Secondary considerations were thickness, porosity, carbon content, and limonitic alteration of the sandstone. Four areas, each demonstrating several favorable indications, were restripped to 30-to 40-foot depths. In each case, the low radiometric count noted near the surface diminished to a nil count as the restripping progressed. A discovery of ores did not result from the exploration.

At a meeting on June 18, 1952, between J. Walter Duncan's engineer and geologist and representatives of the Government, it was decided that results attained from the exploration did not justify further work. A Notice of Termination of Exploration Contract, effective July 1, 1952, was issued to the operator.

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
WASHINGTON 25, D. C.
200 New Customhouse
Denver 2, Colorado

September 11, 1953

Memorandum

To: DMEA Field Team, Region IV

From: A. H. Koschmann

Subject: DMEA Docket 1429X, J. Walter Duncan, Jr., Jacob's Chair mesa area, White Canyon, San Juan County, Utah

Enclosed are 11 copies of a final geologic report by C. G. Tillman of the U. S. Geological Survey covering the above docket.

It has been recommended that no additional work be done in the area with DMEA funds at the present time.

A. H. Koschmann
A. H. Koschmann
Supervising Geologist
Colorado-Wyoming

Enclosures (11)

Reviewed by
DMEA OPERATING COMMITTEE
9-25-53
(date)

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

Room 208 - 222 So. West Temple
Salt Lake City 1, Utah
September 8, 1953

Memorandum

To: A. H. Koschmann
Field Team, Region IV

From: C. G. Tillman, for R. J. Roberts
Utah-Nevada District Office

Subject: DMEA Docket 1429X, J. Walter Duncan, Jr., Jacob's Chair mesa area, White Canyon, San Juan County, Utah

Enclosed are eleven copies of a final geologic report on the J. Walter Duncan, Jr. claims on Jacob's Chair mesa, San Juan County, Utah by C. G. Tillman, geologist, U. S. Geological Survey.

J. Walter Duncan, Jr. was granted a DMEA loan to aid in exploration for uranium ore on his claims on Jacob's Chair mesa, White Canyon, San Juan County, Utah.

Uranium minerals in the Jacob's Chair mesa area are confined to carbonaceous sandstone lenses near the base of the Triassic Shinarump conglomerate.

The exploration project consisted of 10,500 feet of stripping along the outcrop at the base of Shinarump conglomerate, 900 feet of drifting in promising areas exposed by the stripping, and 1,000 feet of long-hole percussion drilling.

After stripping 7,973 feet of rim, representatives of DMEA and of the company agreed that the outlook for a discovery of commercial uranium ore bodies was not good and the contract was terminated. No ore was discovered as a result of the DMEA project and it is recommended that no additional work be done in the area with DMEA funds at the present time.

Ralph J. Roberts

By C. G. Tillman
C. G. Tillman

Reviewed by
DMEA OPERATING COMMITTEE

9-25-53
(date)

UNITED STATES
DEPARTMENT OF THE INTERIOR
DOUGLAS McKAY, SECRETARY

DEFENSE MINERALS EXPLORATION ADMINISTRATION

REPORT OF EXAMINATION BY FIELD TEAM
REGION IV

DMEA 1429X (Uranium) J. Walter Duncan, Jr., Jacob's Chair Mesa Area

White Canyon, San Juan County, Utah

By
C. G. Tillman
U. S. Geological Survey

September 8, 1953

Reviewed by
DMEA OPERATING COMMITTEE

9-25-53
(date)

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ILLUSTRATIONS

Fig. 1 - Index Map of Utah

2 - Geologic Map Showing Location of the J. Walter Duncan, Jr. Property, San Juan Co., Utah

3 - Claim Map of J. Walter Duncan, Jr. Uranium Property White Canyon, San Juan County, Utah

Reviewed by
DMEA OPERATING COMMITTEE

9-25-53
(date)

FINAL GEOLOGIC REPORT

DMEA 1429X, J. Walter Duncan, Jr., Jacob's Chair Mesa Area

White Canyon, San Juan County, Utah

(Uranium)

INTRODUCTION

J. Walter Duncan, Jr. was granted a DMEA loan, docket 1429X, on March 4, 1952 to aid in the exploration for uranium ore on mining claims in the Jacob's Chair area, White Canyon, San Juan County, Utah. Work began April 1, 1952 and was terminated at the operator's request effective July 1, 1952.

Acknowledgment

Previous reports on the area by members of both the U. S. Bureau of Mines and the U. S. Geological Survey have been freely used in the preparation of this report.

Location and accessibility

The Duncan claims are on Jacob's Chair mesa which lies in an unsurveyed part of San Juan County, Utah approximately 12 miles southeast of Hite, Utah, and 22 miles by road from Hite via Utah Highway 95 (fig. 1). An extension of the township and range lines would place the area in T. 35 S., R. 15 E., and R. 16 E., SLB&M.

History and production

The claims on Jacob's Chair mesa were leased from the owners by Mr. Duncan on May 12, 1951. Exploratory work completed at the time of the original DMEA examination consisted of some shallow test pits and two 10-foot adits driven on the southwestern claims of the Jacob's Chair group. The claims had no recorded production.

GEOLOGY

Sedimentary rocks in the Jacob's Chair mesa area range in age from Permian to Jurassic. They include the Cedar Mesa and Organ Rock members of the Permian Cutler formation, the Triassic Moenkopi formation, Shinarump conglomerate, and Chinle formation, and the Jurassic Wingate sandstone. Jacob's Chair mesa consists mainly of the three Triassic formations capped by an erosional remnant of Wingate sandstone (fig. 2). The beds are nearly flat lying.

The Moenkopi shales are dark red and weather to gentle slopes. There is little topographic expression of the Moenkopi-Shinarump contact. The Shinarump conglomerate rests on the Moenkopi with a slight erosional unconformity. Shinarump beds here are about 200 feet thick and consist mainly of greenish-gray shale and siltstone but include numerous lenses of sandstone. The Chinle formation consists of reddish-lavender shale and sandstone which form gentle slopes between the Shinarump rim and the massive Wingate sandstone cliffs above.

ORE DEPOSITS

Copper and uranium minerals occur in the basal beds of the Shinarump conglomerate, and are chiefly concentrated in and around lenses of coarse sandstone near the contact with the underlying Moenkopi formation. Lenses of coarse-grained, friable, buff-colored sandstone up to 5 feet in thickness contain the greatest concentration of uranium minerals. Considerable carbonaceous material occurs in the lenses showing the largest uranium content. The uranium-bearing mineral is thought to be torbernite. Malachite, azurite, and manganese stain weathered surfaces and joints in the sandstone. Small nodules of hematite and limonite occur in a thin shale bed 10 to 15 feet above the base of the Shinarump in the area. These nodules are not radioactive. Limonite and jarosite stains occur locally in the Shinarump shales and sandstones.

ORE RESERVES

No blocked out ore reserves existed at the time of the original examination and no reserves have been added as a result of the DMEA exploration program.

PROPOSED EXPLORATION

The applicant originally proposed to explore Jacob's Chair mesa and adjacent areas by means of 10 miles of rim stripping, 750 feet of drifting, taking 500 samples, sinking numerous test pits, and testing 10 mine run samples of 5 to 10 tons each. Total cost of this project was estimated to be $60,000.

The examining team did not find sufficient uranium mineralization to justify such an extensive program and offered instead the following alternate proposal which was accepted by the applicant: 10,500 feet of rim stripping, 900 feet of adits and crosscuts to be driven in the best areas exposed by the stripping, and 1,000 feet of long-hole percussion drilling. Estimated total cost of this project was $44,472. This estimate was revised downward in the contract to $43,190.

RESULTS OF EXPLORATORY WORK

Work began under contract Idm-E-269 on April 1, 1952 and was concluded on the following claims: The BJ Nos. 1-5 inclusive, Claims Nos. 1-4 inclusive, Claims Nos. 21-23 inclusive, and GP Nos. 1-5 inclusive (fig. 3). A total of 7,973 feet of rim was exposed and 1,393 of this total was restripped to depths of 26 to 35 feet at 6 places along the lower Shinarump contact where abnormal radioactivity was observed. No ore bodies of commercial size were exposed by this work although a few small pods showing moderate radioactivity were found. These pods were generally associated with fragments of carbonized wood and are estimated to contain 0.10 to 0.12 percent U_3O_8.

Only a few pounds of this material are present; the surrounding material is estimated to contain less than 0.05 percent U_3O_8. Although the contract allowed for a maximum of 10,500 feet of stripping, only 7,973 feet were required to accomplish the necessary work.

An examination of the rim stripping by representatives of the operator and DMEA disclosed that sporadic and weak uranium mineralization on the contact did not justify exploratory adits and crosscuts. The contract was terminated at the operator's request effective July 1, 1952. Of the $38,871.00 allowable participation by the government, $10,073.71 was expended.

CONCLUSIONS AND RECOMMENDATIONS

No new uranium ore-bodies were discovered on Jacob's Chair mesa as a result of the exploration program carried on with the aid of DMEA funds. The outlook for discovery of ore of commercial tonnage and grade is not promising. It is recommended, therefore, that no additional exploratory work be done in this area with DMEA aid at the present time.

SUMMARY, CONCLUSIONS, AND RECOMMENDATIONS

J. Walter Duncan, Jr. was granted a DMEA loan to aid in exploration for uranium ore on claims in the Jacob's Chair mesa area, White Canyon, San Juan County, Utah. The claims have no production record.

Sedimentary rocks in the Jacob's Chair area range in age from Permian to Jurassic. The mesa is composed principally of sediments of Triassic age capped by a remnant of the cliff-forming Jurassic Wingate sandstone.

Uranium mineralization is confined to the Triassic Shinarump conglomerate. Torbernite(?), the uranium-bearing mineral is associated with the copper carbonates malachite and azurite. These minerals occur mainly in and

around lenses of coarse, carbonaceous sandstone near the lower Shinarump contact.

The claims contain no ore reserves.

The exploration project consisted of 10,500 feet of stripping along the outcrop at the base of the Shinarump formation, 900 feet of drifting in promising areas exposed by the stripping, and 1,000 feet of long-hole percussion drilling. After stripping 7,973 feet of rim, representatives of DMEA and the company agreed that the outlook for the discovery of commercial ore bodies was not promising and the contract was terminated.

No new uranium ore bodies were discovered as a result of the DMEA exploration program. It is recommended that no additional exploratory work be done on these claims with DMEA aid at the present time.

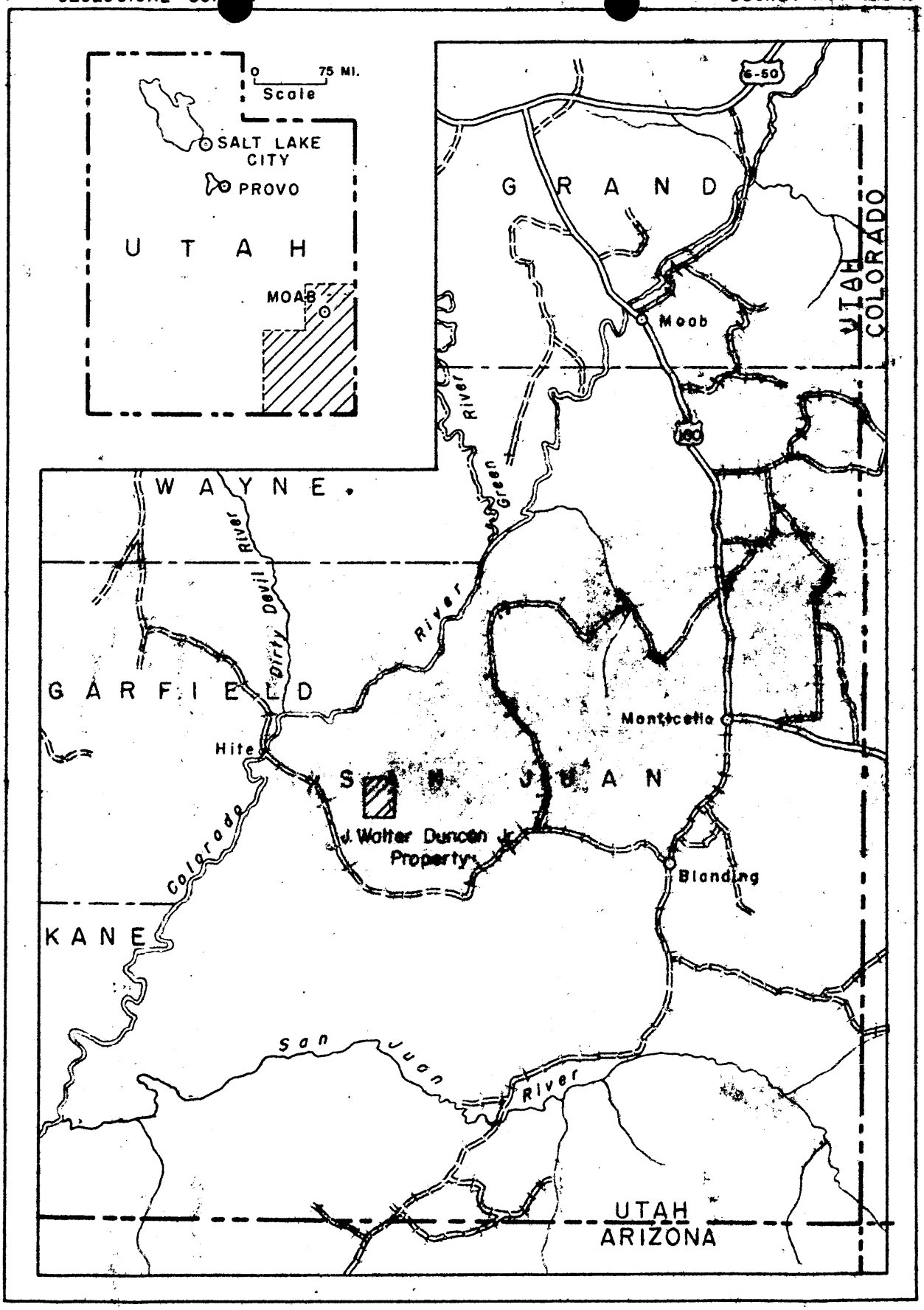

FIG. 1 INDEX MAP OF UTAH

0 5 10 15 20 MILES
Scale

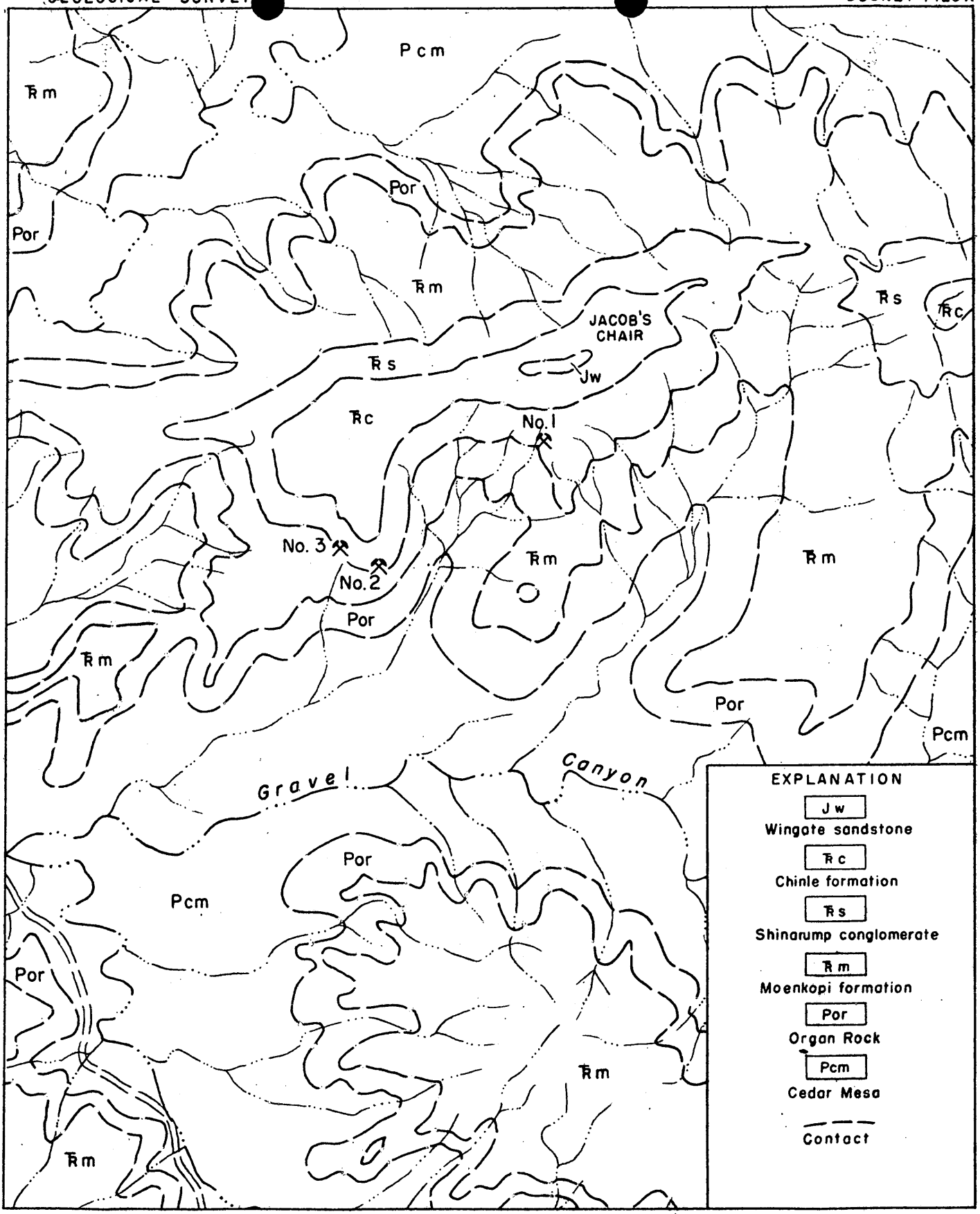

FIG. 2 GEOLOGIC MAP SHOWING LOCATION OF THE J. WALTER DUNCAN Jr., PROPERTY, SAN JUAN CO., UTAH

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

224 New Customhouse
Denver 2, Colorado

January 14, 1953

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
JAN 19 1953

Memorandum

To: Secretary to the Operating Committee

From: Executive Officer, Field Team, Region IV

Subject: Final Form MF-104, DMA Docket 1429X, Contract Idm-E269, J. Walter Duncan, Jr., San Juan County, Utah

Enclosed are two copies of the Operator's Final Progress Report MF-104 and MF-104A, Operator's Narrative Report, Inspecting Engineer's Narrative Report and other supporting data for the month of June, 1952, pertaining to DMEA Docket 1429X, Contract Idm-E269, J. Walter Duncan, Jr. Also enclosed are the Operator's bid in the disposal of jointly owned property purchased under the contract, and Government's acceptance of the bid.

Forms were processed for payment in conformance with the final Audit Report by the Contract Administration and Audit Division dated January 2, 1953.

Copies of Engineer's Final Report, Geologist's Final Report, and Operator's Final Report will be transmitted at a later date after all have been submitted.

W. H. King

W. H. King

Enclosures

Mr. Ellis:

This contract was terminated by notice dated July 1, 1952, before completion of work, and final payment was made to the Operator by Region IV on January 7, 1953. Do you want a "completion" letter written to the Operator at this late date? Or should we just prepare a final summary of the action and send ~~them~~ a copy to the docket file?

gla

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES

1600 EAST FIRST SOUTH STREET
SALT LAKE CITY 1, UTAH

Mining Division
Date Rec'd.
OCT 6 - 1952
BUREAU OF MINES
Denver, Colorado

October 2, 1952

Memorandum

To: W. H. King, Acting Chief, Mining Division, Region IV

From: Chief, Utah-Wyoming Branch, Mining Division

Subject: DMEA-1429X, Contract Idm-E269, J. Walter Duncan, Jr., San Juan County, Utah

Enclosed are five copies of a final report submitted by the operator illustrating exploratory work under the subject contract. Five copies each of two maps to accompany the report have been mailed under separate cover.

Stephen R. Wilson

Stephen R. Wilson

Enclosure 1

J. Walter Duncan Jr.
Docket No. DMEA .. 1429 X

F I N A L R E P O R T

Jacob's Chair .. White Canyon

April 1, 1952 thru June 21, 1952

The Jacob's Chair Exploration Project was terminated June 21, 1952 after completion of the rim stripping phase of the operation. A meeting was held June 18, 1952 at the Jacob's Chair property between representatives of the Bureau of Mines, the Geological Survey and the Walter Duncan organization, at which time the results of the work to date were examined and discussed. It was decided that the rim stripping operations had made sufficient exposures of the ore rim to evaluate the prospects of finding commercial uranium ore, and that the exposures did not justify further work.

The Jacob's Chair exploration project was originally set up as two seperate phases. The first phase was to consist of rim stripping along the Shinarump sandstone formation, and the second phase was to consist of driving underground adits to further exploit any significant mineralized zones found by the rim stripping. Commercial uranium ore occurs in the White Canyon District as lenses or channels in the Shinarump sandstone, and the purpose of this project was to search for such a deposit on the Jacob's Chair claims.

The included maps show, in detail, the extent and results of the rim stripping phase of the exploratory project. This report is intended merely to summarize these results.

Rim stripping consisted of blasting and bulldozing the outcrop of the ore-bearing Shinarump formation in order to remove talus, and overburden and expose a fresh surface of the formation. This exposed surface was then examined and tested for uranium mineralization. "Restripping" is the term applied to the operation wherein portions of the outcrop were blasted a second or third time in order to further investigate favorable showings of uranium mineralization.

During the period April 1 to June 21, a total of 9369 ft. of ore rim was stripped and restripped. Rim stripping accounted for 7973 feet of this total, and restripping accounted for the remaining 1396 feet.

Four seperate areas of outcrop showed favorable evidences of mineralization after the original rim stripping had been completed. With a few minor exceptions, the restripping work was confined to these areas.

Area One (marked 1 on the index map and bounded by coordinates 1 and a on the detail map) was exposed by rimstrippingprior to the commencement of the DMEA exploration project. The Shinarump formation at this point is six to eight feet thick, and showed weak uranium and copper mineralization atthe outcrop. Radioactivity was noted all along the base of the Shinarump and was concentrated in carbonaceous "trash". Although no samples were taken at this point (two samples were cut by repsentatives of the DMA at the time the field examination of the property was made in 1951, but the results were not made available to us) it is estimated that the rim contained .02 to .04% U_3O_8. The rim was cut back an additional forty feet at this locality. Radioactivity decreased markedly, and was practically nil after the completion of the restripping.

Area 2 (marked 2 on the index map and intersected by coordinates 2 and a on the detail map) consists of approximately six hundred feet of rim which showed intermittant radioactivity on the original outcrop. After rim stripping, additional radioactive showings were noted along a fifty foot length of outcrop, and four channel samples were cut which assayed .021, .059, .034 and .093 percent U_3O_8. Measurements along the contact of the Shinarump and Moenkopi formations (see cross section on detail map) showed that the relative elevations of the contact changed as much as seven feet along a one hundred foot length of outcrop. This seemed to indicate a scouring or channeling of the Shinarump formation, a feature which is sometimes associated with uranium mineralization.

Portions of the rim at Area 2 were restripped and cut back an additional ten to twenty feet. Radioactivity increased along a portion of the restripped rim, but continued to be spotty. After stripping back the most favorable appearing rim a third time, which exposed rock as far back as fifty feet from the original outcrop, the radioactive showings were practically nil.

Area 3 (marked 3 on the index map and intersected by coordinates 13 and L on the detail map) consists of approximately one hundred feet of rim. This rim had been completely covered with overburden and was exposed by the rim stripping. The Shinarump formation is four to six feet thick here, but mineralization is confined to the lower eighteen inches. Channel samples taken at this locality assayed .36,.09,.07, and. 51 per cent U_3O_8. The outcrop was cut back an additional ten feet.

and the zone of mineralization decreased in size. One sample cut at this stage of the operations assayed .30 per cent U_3O_8. The outcrop was cut back a third time by the bulldozer, and the zone of mineralization again decreased in size. The mineralization here was apparently confined to a small lense of clayey sandstone.

Area 4 (marked 4 on the index map and bounded by coordinates n and 15 and 16 on detail map) consists of about six hundred feet of rim which showed intermittant radioactivity at the original outcrop. The Shinarump here is four to ten feet thick, but radioactivity is confined to the lower portions of the formation. Five channel samples, cut along the basal part of the Shinarump after rim stripping, assayed .066, .027, .114, .143 and .170 per cent U_3O_8. However, after being restripped an additional ten feet, radioactivity diminished.

The exploration project on the Jacob's Chair property was originally justified for two reasons. In the first place, radioactivity had been noted at several places along the original Shinarump outcrop. A large portion of the outcrop was covered by overburden, and it was felt that there was a reasonable possibility that additional radioactive zones would be found if the overburden were removed and a fresh outcrop surface were exposed.

In the second place, the showings of uranium mineralization at the outcrop all showed evidence of leaching and oxidation. Most uranium minerals are water soluable, and a trace showing on the outcrop could be indicative of commercial uranium ore beyond the zone of leaching and oxidation. Actually, none of the rim stripping exposed any rock in the unleached or unoxidized zone, but the decrease in radioactivity away from the outcrop seemed to preclude the chances of the uranium content increasing to any appreciable extent.

Representatives of the Atomic Energy Commission were consulted on all phases of the exploration project, and their recommendations as to areas for restripping were followed.

The Jacob's Chair DMEA Project was carried out in a very workmanlike and efficient manner. I believe the Walter Duncan organization is to be commended not only for its conduct of the project, but for its decision to close the project when it appeared that further work was not justified.

Respectfully submitted

Charles R Butler

Charles R. Butler, Geologist

S. R. Wilson September 10, 1952

R. L. Middleton

DMEA 1429-X, Contract Idm-E269, J. Walter Duncan, Jr., San Juan County, Utah. Progress report for June 1952.

The DMEA exploratory project on the J. Walter Duncan, Jr., uranium property, San Juan County, Utah, was examined June 18, 1952, in company with Vard H. Johnson, geologist, U.S.G.S. At the time of examination, the company officials felt that the weak and discontinuous uranium mineralization disclosed by rim stripping did not warrant stripping or adit exploration. The company requested a termination of contract, and after examination of the property, the geologist and engineer concurred with the decision. The termination form was issued to the company effective July 1, 1952.

I have reviewed the operator's MF-104 (Rev.) and MF-104A forms for June, 1952. The supply and service charges are not excessive and the narrative is considered adequate.

Form MF-104A

The amount of work accomplished during June and the total work accomplished through June 21, as reported by the operator, is correct, and the nature of the work conforms to the contract. Under the heading Costs this Month for New Buildings, Improvements, etc., appears a negative entry. This is due to the fact that a credit for unused material was greater than the expenditure for such material during the month.

Form MF-104 (Rev.)

Item 2 The supporting schedule for labor discloses the hourly rate per worker, number of workers, and job classification conform to the contract. The payroll calculations are correct.

The number of supervisors, their rate of pay, and the proration of hours worked on this project conform to the contract.

Item 3 Supply expense is supported by original documentation, and the nature and amount of supplies compares favorably to the contract estimates. Under the supporting schedule of Other Items of Supplies appears a charge of map printing dated July 10, 1952. Reproduction of maps, though not an item of the estimated contract cost, is necessary for preparation of the operator's progress reports. The above-mentioned cost, though incurred after notice of termination July 1, 1952, is allowable as it is part of the cost of the preparation of the operator's final report.

Item 4 Rental of operating equipment is supported by vendor's invoices. When the rental period does not conform to the date of contract work termination, the cost has been prorated. The rental equipment conforms to the type and number allowed by the contract. Depreciation of company-owned equipment conforms to the contract, and the time of project use is prorated.

Item 6 Purchases of material for the bunkhouse and cook house are supported by vendor's invoices. Other than cooking equipment, the contract does not authorize furnishing of bunkhouse or cook house equipment. Therefore, I recommend the expenditure of $11.63 for a camp cot be disallowed.

Item 7 Repair to equipment and assaying expenses, supported by documentation, are allowable. Payroll taxes and insurance calculations are shown on the supporting schedule for labor. Public liability insurance, in the amount of $4.71, is shown as 0.369 percent of the total payroll. The necessity for this insurance is not clear to me, inasmuch as the total payroll is covered by Workmen's Compensation. I recommend the insurance cost of $4.71 be disallowed.

In the column, Totals to Date, the entry for payroll taxes should read $292.66 instead of $282.66. The summation of the column $11,482.42 is correct.

I recommend that payment of 90 percent of $4,131.46, less $11.63 and $4.71 for disallowed items, be paid.

R. L. Middleton

R. L. Middleton

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

224 New Customhouse
Denver 2, Colorado

August 4, 1952

Memorandum

To: J. L. Chambers, Chief, Contract Admin. & Audit Div., DMEA

From: Executive Officer, DMEA Field Team, Region IV

Subject: Docket 1429 (Uranium), J. Walter Duncan, Jr.

We have your form addressed to Chief, Finance Section, regarding Docket 1429 (Uranium), J. Walter Duncan, Jr., in which you request that $37,017.31 be released.

We are holding one and possibly two MF-104's which will not be processed until a final report by the operator is received and a final audit of the books has been made. If the amount of $37,017.31 is released, there will not be sufficient funds to cover the two MF-104's which are being held.

We are requesting that our Finance Section does not take action on this matter at this time.

W. H. King

W. H. King

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

224 New Customhouse
Denver 2, Colorado

July 18, 1952

Memorandum

To: C. O. Mittendorf, Acting Administrator
Defense Minerals Exploration Administration

From: Executive Officer, Field Team, Region IV

Subject: Termination of Exploration Project Contract Idm-E269, Docket DMEA 1429X, J. Walter Duncan, Jr.

Enclosed are the original and two signed copies of Notice of Termination of Exploration Project Contract Idm-E269.

The operator's final report and the final engineering report will be submitted to your office.

W. H. King

W. H. King

Enclosures

RECEIVED
JUL 23 1952
GENERAL COUNSEL
DEFENSE MINERALS
ADMINISTRATION

SdS
7-31-52

S. R. Wilson

June 25, 1952

R. L. Middleton

DMEA 1429-X, Contract Idm-E269, J. Walter Duncan, Jr., San Juan County, Utah. Progress report for May 1952

Rim stripping along the contact of the Shinarump and Moenkopi formations on the Duncan uranium property was examined June 18, 1952. As of the inspection date, the total length of contact exposed was 7,973 feet and the 6,575 units reported for May and the 7,025 total units to the end of May are correct. At several locations along the contact, abnormal radioactivity indicated stripping to a greater depth was necessary to determine the extent of the radioactivity. A distance of 1,396 feet on the contact was restripped to a depth varying from 10 to 20 feet.

An examination of the rim stripping by representatives of the operator and the Government disclosed that sporadic and weak uranium mineralization on the contact did not justify exploratory drifting. It was mutually decided that project work be stopped. The last rim stripping work day was June 18, and the operator estimated three days would be required to assemble and transport equipment from the job. The estimated date of project termination was June 21. The contract designated 10,500 feet of rim stripping, and it would appear that, because the project has been terminated after completing 7,973 feet of stripping, the termination came before completion of the work. According to the operator, the 7,973 feet of stripping covers the area which he desired to explore. The 10,500 feet of rim stripping was too great an estimate.

An inventory of project supplies disclosed that no unexpended group or category exceeded $50.00 in value. Therefore, these supplies would be considered as free from any claim by the Government.

Forms MF-104 (Rev.) and MF-104A for May 1952, have been reviewed.

Form MF-104A This form does not appear to be submitted in the original.

Form MF-104

Item 2 Labor - The number of workers, job classification and hourly wage rates are within the contract specifications. The total wage for R. Benally, miner, as calculated from the hours worked and wage rate shown on the payroll sheet, should read $285.75. This error is not an overcharge to the project.

Supervision - The number of supervisory employees and their salaries are within the contract limit.

Technical Services - There were no technical service charges. The $40 listed in this category is the cook's salary, and this should be shown under labor.

Item 3 Invoices for supplies were verified, and these costs conform favorably to the contract estimates.

Item 4 Rental - Rental of the bulldozer at $10 per hour is allowable. Rental of a Tractaire compressor unit at $191.08 per month exceeds the $188 rate provided by the contract amendment effective April 1, 1952.

Depreciation - The amount of $40 for depreciation of company-furnished equipment is allowable.

Item 6 Invoices for supplies allocated to fixtures and improvements were verified, and they are shown on a supporting schedule. Labor charge of $240.80 was prorated to construction of improvements.

Item 7 An amount for $21.08, included in the repairs to equipment charge of $26.27, is disallowed because the transaction is a purchase of a battery for the Tractaire, a rental equipment item.

Payroll taxes, insurance and Workmen's Compensation calculations cannot be checked because the rates used per hundred dollars of payroll are not shown.

Liability Insurance charge of $5.56 is not allowable because there is no information regarding who is insured and for what type of accident.

The work, as reported by the operator, was done in accordance with the contract and payment is approved for 90 percent of $5,288.50, less $3.08 rental disallowance, $21.08 battery purchase disallowance and $5.56 public liability insurance disallowance.

Enclosed is a notarized documentation signifying payment of costs incurred during April.

It should be noted that the originals of the various schedules submitted with the May report should be certified as being true copies.

R. L. Middleton

R. L. Middleton

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

224 New Customhouse
Denver 2, Colorado

June 24, 1952

Memorandum

To: Secretary to the Operating Committee
Defense Minerals Exploration Administration

From: Executive Officer, Field Team, Region IV

Subject: Form MF-104, DMA Docket 1429X, Contract Idm-E269,
J. Walter Duncan, Jr., San Juan County, Utah

Enclosed is a copy of the Operator's Progress Report Form MF-104, Operator's Narrative Report, Inspecting Engineer's Narrative Report and other supporting data for the period of April, 1952, pertaining to DMA Docket 1429X, Contract Idm-E269, J. Walter Duncan, Jr.

Only one copy of this Progress Report is available for the Washington office because the report has been in process prior to the date of our instructions to submit two copies.

According to our agreement with Mr. Mittendorf and Mr. Chambers, the Washington office will photostat all Progress Reports that were being processed prior to the date of our instructions.

W. H. King

W. H. King

Enclosures

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
JUN 27 1951

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

224 New Customhouse
Denver 2, Colorado

May 28, 1952

Memorandum

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
JUN 2 1952

To: C. O. Mittendorf, Acting Administrator
Defense Minerals Exploration Administration

From: Executive Officer, Field Team, Region IV

Subject: Amendment to Contract Idm-E-269, Docket DMEA 1429X, J. Walter Duncan, Jr., (Uranium)

Enclosed are the original and two copies of Amendment No. 1 to Contract Idm-E-269, Docket DMEA 1429X. Copies of this amendment have been given to the operator, the Fiscal Officer, Region IV, and a copy has been retained for our files.

W. H. King

W. H. King

Enclosures

O.K.

FILE COPY
700 SURNAME:

Schmidt
Ellis

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

MAY 28 1952

Mr. J. H. East, Jr.
Regional Director
Bureau of Mines
224 New Customhouse Building
Denver 2, Colorado

Re: Docket [illegible]-1429 (Uranium)
J. Walter Duncan
San Juan County, Utah

Dear Mr. East:

Receipt is acknowledged of your letter of May 14, 1952, with original and two copies of amendment to contract Idm-1269 dated March 4, 1952, in the above captioned docket.

These papers have been inadvertently sent to us unsigned and are herewith being returned to you for signature.

Sincerely yours,

(signed) FRANK E. JOHNSON

Chairman, Operating Committee
Defense Minerals Exploration
Administration

cc 5/23

Enclosure: -3

PSSchmidt/jem
5/22/52
cc to: Adm. Reading File
Docket
Messrs: A.J.Kauffman-1347
A.P.Butler,Jr.-3206 GS
Ellis
Schmidt
W.H.King, Reg. IV
East, Region IV
Opr. Com.

APPROVED:

J. H. Hedges
For Bureau of Mines

A. M. Lemmon
For Geological Survey

UNITED STATES 13771

DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

REFERENCE SLIP

DATE 5/20/52

REFERRED TO:

1. Mr. Ellis, Room 4640
2.
3.
4.

FOR:

.....Action	.....Recommendation
.....Approval	.....Record of.....
.....Comment	.....Referring to.....
.....Conference	.....Ready for signature of.....
.....Consideration	.....Rewriting
.....Filing	.....Signature
.....Instructions	.....Suggestions
.....Investigation	.....Your informtion
.....Initials	
.....Mailing	
.....Previous correspondence	

REMARKS: Note: In ltr. of transmittal Mr. East states copies have been given to the Operator, Fiscal Officer, etc. However, Mr. East has not signed the amendment. Mr. Johnson suggests that you review the

Check (X) before the items needing attention. -over-

FRANK E. JOHNSON

INT.-DUP. SEC., WASH., D.C. (NB) Initial of sender

amendment for any question you might have and then write to Region IV, returning the amendment for proper execution.

Hazel

pg. 13.

That's remarkable does not appear on the covering memo or the amendment

5/19/53 gdg

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

224 New Customhouse
Denver 2, Colorado

May 14, 1952

Memorandum

To: C. O. Mittendorf, Acting Administrator
Defense Minerals Exploration Administration

From: Executive Officer, Field Team, Region IV

Subject: Amendment to Contract Idm-E-269, Docket DMA 1429X, J. Walter Duncan, Jr.

Enclosed are the original and two copies of an amendment to Contract Idm-E-269, Docket DMEA 1429X, J. Walter Duncan, Jr.

Copies have been given to the operator, the Fiscal Officer, Region IV, and a copy has been retained for our files.

J. H. East, Jr.

Enclosures

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
MAY 19 1952

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

224 New Customhouse
Denver 2, Colorado

REGISTERED MAIL

April 2, 1952

Memorandum

To: Acting Administrator, Defense Minerals Exploration Administration

From: Executive Officer, Field Team, Region IV

Subject: Contract Idm-E-269, DMEA Docket 1429X, J. Walter Duncan, Jr.

Enclosed are the original and three copies of Contract Idm-E-269, DMEA Docket 1429X which have been signed by the operator. One copy of the contract has been delivered to the operator and a copy has been retained for our files.

J. H. East, Jr.

J. H. East, Jr.

Enclosures

4/9/52 gla

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

224 New Customhouse
Denver 2, Colorado

April 1, 1952

Memorandum

To: Frank E. Johnson, Chairman, Operating Committee
Defense Minerals Exploration Administration

From: Executive Officer, Field Team, Region IV

Subject: Contract Idm-E-269, Docket DMA 1429X, J. Walter Duncan, Jr.

This is in reply to your letter dated March 24, 1952, regarding items in Exhibit "A", Contract Idm-E-269. Mr. Charles Butler, the Geologist for J. Walter Duncan, Jr., was in this office on March 21, 1952, at which time the contract was discussed with him. He stated that the contract contained items which would not be necessary under the present conditions and he would prefer to have the money allocated to those items used for rental of a bulldozer because the amount allowed would not be sufficient to carry out the project.

The following items were discussed in your letter:

The rental of a bulldozer with operator was changed to read rental of a bulldozer plus operator, $10.00 per hour, instead of 35 cents per foot. It is impossible to rent bulldozers on other than an hourly basis.

The 50 foot lengths of water and air hose were included under supplies. These items are expendable items and they do not cost more than $50.00. Article 7, Form MF-200, states: "All facilities, buildings, fixtures, equipment or other items costing more than $50.00, if paid for or purchased with funds contributed jointly by the operator and the Government, shall belong to the operator and the Government jointly in proportion to their respective contributions." This implies that the Government would not have an equity in buildings, fixtures and items of equipment costing $50.00 or less.

Shop equipment and maintenance equipment was deleted.

Drill steel and bits were placed under supplies as they are considered to be expendable items.

The maximum number of shifts allowed for each man was deleted because this would require carrying a cumulative total of man shifts for every month of the operation. Although Forms MF-104 show only totals, an auditor might question our paying a miner for more than 108 shifts per month if that is the maximum specified in the contract.

A cook shack and bunk houses were placed under fixtures and improvements, rather than under miscellaneous.

The item of $1500.00 for ore chutes and bins was deleted.

Items for gas and oil were combined and placed under supplies.

The contract as revised is agreeable to the applicant and the estimates are believed to conform more closely to present conditions.

J. H. East, Jr.

FILE COPY
SURNAME:

Rutledge

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

MAR 24 1952

AIR MAIL

Mr. J. H. Ekas, Jr.
Executive Officer
DMEA Field Team, Region IV
224 New Customhouse Building
Denver 2, Colorado

Re: Docket No. DMEA-1429X (Uranium)
J. Walter Duncan, Jr.
San Juan County, Utah
Exploration Project Contract Idm-E-269

Dear Mr. Ekas:

Reference is made to your letter of March 11 regarding certain changes in the contract as written (Idm-E-269). The contract was prepared following the outline and items contained in the engineering section of the Field Team's report. The following items were referred to in your letter:

1. Under the heading Operating Equipment, subheading To be rented, Bulldozer plus operator. This item was taken directly from the figures on page 6 of Thurber's report. Since we were not given any figures on rental of equipment per hour or number of hours machine would be in use, the above figure was used.

2. Under the heading, Operating Equipment, subheading To be purchased, three 50-foot lengths of water hose. These items were listed in Thurber's report on page 8 under equipment. We believe items of this value for such a short-time project should be listed under this category.

3. Under the same heading is "Shop equipment and machine maintenance equipment, $800.00." This item also was taken from page 8 of the Field Team's report. We wondered at the time about a definite breakdown on this item, but in view of many of the Field Teams' comments that they feel there has been too many breakdowns of items in the contracts being written and therefore the contracts should not be so definite, this item was accepted as written.

4. Under the heading Operating Equipment, subheading To be furnished on a depreciation basis, 300 feet of 3/4-inch air hose with fittings and one ton of drill steel. These items were taken from page 7 of the Field Team's engineering report though the contract as written allowed a 50 percent depreciation on these items during the life of the project. However, if you wish, the drill steel can be listed with a 100 percent depreciation if the amounts used are given and the total amount is kept within the estimated amount.

5. Depreciation as shown was on basis of 4½-month project as estimated in Field Team's report. Additional statement of: "Depreciation on the above items is allowed for months during which the items are used for the benefit of project" may be added but should not include items covered in 4 above.

6. Under Labor and Supervision. Since all charges in this contract are estimates only, it is necessary to use some basis to arrive at the estimated cost of all items. This includes the item for labor. The binding factor in the case of labor is estimated total amount allotted for labor and supervision. Form NE-104 (August 1951) shows only totals of amounts and not the breakdown on a man shift basis.

7. Miscellaneous Expenses and Supplies. There was no breakdown on these items in the Field Team's report which was followed in preparing this contract. However, your comments on this item is warranted and the change should be made.

8. Under Miscellaneous Expenses, Construction of cook shack and bunk house. This item was taken from page 9 of Field Team's report. No breakdown was given. Same remarks apply as to 3, above.

9. Under Miscellaneous Expenses, Miscellaneous Construction (ore chutes, bin, etc.) $1,500.00. This item was taken from page 9 of Field Team's report. We suggest deletion of the word "bin", which is, as you state, not allowable.

10. Under Miscellaneous Expenses. Item for gas and oil, $675.00 and item for gasoline and lubricants, $[illegible]. The first item was for use in the underground exploration and the second was for use on the rest of the project. These items could be combined.

We believe that the contract as written can be signed. However, any changes you deem necessary may be made by you and attached to the contract.

Sincerely yours,

(signed) FRANK M. JOHNSON

J.N. 3-24-52

Chairman, Operating Committee
Defense Minerals Exploration
Administration

APPROVED:

J. H. Hedges

For Bureau of Mines

W. W. Mayer

For Geological Survey

FARutledge/gla 3-18-52
cc to: Adm. Reading File
Docket
Operating Committee
Messrs.: A. J. Kauffman, Jr. Rm. 1347
A. P. Butler, Jr. Rm. 3206 GS
Ellis
Rutledge

3/17/52 gla

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

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
MAR 14 1952

224 New Customhouse
Denver 2, Colorado

March 11, 1952

Memorandum

To: Frank E. Johnson, Chairman, Operating Committee, Defense Minerals Exploration Administration

From: Executive Officer, Field Team, Region IV

Subject: Docket DMEA 1429X, (Uranium), Contract Idm-E-269, J. Walter Duncan, Jr., San Juan County, Utah

This is in reference to your letter dated March 4, 1952, with which you enclosed six copies of a proposed contract between the Government and J. Walter Duncan, Jr. All six copies have been signed by C. O. Mittendorf.

In your letter you state: "However, if there are any changes required which cannot be made by amending the contract by authority delegated to you all the contract copies should be returned to this office with your comments regarding the proposed changes." A review of this contract indicates that it would be desirable to make certain changes.

Under the heading Operating Equipment, subheading To be rented, we note that the bulldozer plus operator is rented at the rate of 35 cents per foot. We doubt the wisdom of paying for a bulldozer with operator on a footage basis rather than on an hourly basis, which is customary. If the wash were shallow the operator would make an excessive amount under this contract and if the wash were deep the contractor might not make his expenses.

Under heading Operating Equipment, subheading To be purchased, is listed three 50-foot lengths of water hose. These are expendable items and should be listed under Supplies.

Under the same heading is: "Shop equipment and machine maintenance equipment, $800.00." We believe that an $800.00 item for pieces of equipment should be broken down into its components.

Under heading Operating Equipment, subheading To be furnished on a depreciation basis, are listed 300 feet of 3/4 inch air hose with fittings and one ton of drill steel. These are expendable items and should be listed as Supplies. One ton of drill steel appears to be excessive for driving 900 feet of adits and crosscuts. The way the contract

is written we would be allowing depreciatinn for the entire ton of steel during the life of the contract, whereas not more than 10 or 15 pieces of steel which would weigh approximately 150 pounds would be in use at any one time.

Under Depreciation is given the total allowable depreciation, $1,224.00. We feel that the $1,224.00 should be the estimated depreciation because all items will not be in use the entire life of the project. We also feel that a statement should be included to the effect that depreciation on the above items is only allowed for months during which the items are used for the benefit of the project.

Under Labor and Supervision miners and muckers are all limited to 108 shifts. This will require carrying a cumulative total on our books in order to see that they are not exceeded. We believe that the number of shifts should not be limited because the amount of work performed per day is an estimate at best.

All supplies are listed under Miscellaneous Expenses and there is no subdivision for supplies. This would be confusing. The monthly progress report, Form MF-104, requires that supplies be listed separate from miscellaneous expenses. Unless this item were broken down into supplies and other expenses, the MF-104 could not be processed.

Under the heading of Miscellaneous Expenses is included the construction of a cook shack and bunkhouse. This would probably require the services of carpenters who are not mentioned. Lumber would be a major item and it is not mentioned.

Under Miscellaneous Expenses is also included miscellaneous construction (ore chutes, bin, etc.) $1,500.00. The construction of ore bins has been repeatedly disallowed as not being a part of exploration.

Also under Miscellaneous Expenses, Item 3 is gas and oil, $675.00, and the last item is gasoline and lubricants, $498.92. It appears that these two items should be combined.

Your letter has given us authority to change this contract if it is not satisfactory. However, it requires several major changes and because it is already signed by Mr. Mittendorf, we hesitate to make all these changes without first receiving your permission.

J. H. East, Jr.

is written we would be allowing depreciation for the entire ton of steel during the life of the contract, whereas not more than 50 or 15 pieces of steel which would weigh approximately 15 pounds would be in use at any one time.

Under Depreciation is given the total allowable depreciation, $1,224.00. We feel that the $1,224.00 should be the estimated depreciation because all items will not be in use the entire life of the project. We also feel that a statement should be included to the effect that depreciation on the above items is only allowed for months during which the items are used for the benefit of the project.

Under Labor and Supervision miners and workers are all listed to 100 shifts. This will require carrying a qualitative total on our books in order to see that they are not exceeded. We believe that the number of shifts should not be limited because the amount of work performed per day is an estimate at best.

All supplies are listed under Miscellaneous Expenses and there is no subdivision for supplies. This would be confusing. The monthly progress report, Form 14-104, requires that supplies be listed separate from miscellaneous expenses. Unless this item were broken down into supplies and other expenses, the 14-104 could not be processed.

Under the heading of Miscellaneous Expenses is included the construction of a cook shack and bunkhouse. This would probably require the services of carpenters who are not authorized. Labor would be a major item and it is not mentioned.

Under Miscellaneous Expenses is also included miscellaneous construction (new shutes, bin, etc.) $2,500.00. The construction of ore bins has been repeatedly disallowed as not being a part of exploration.

Also under Miscellaneous Expenses, Item 3 is gas and oil, $272.00, and the last item is gasoline and lubricants, $480.92. It appears that these two items should be combined.

Your letter has given us authority to change this contract if it is not satisfactory. However, it requires several major changes and because it is already signed by us. Therefore, we hesitate to make all these changes without first receiving your consideration.

G. A. Hart, Jr.

FILE COPY 706
SURNAME:

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

MAR 4 1952

Rutledge

Mr. W. A. East, Jr.
Executive Officer, Region IV
Field Team
224 New Customhouse Building
Denver 2, Colorado

Re: Docket No. DMA-1429 (Uranium)
J. Walter Duncan, Jr.
San Juan County, Utah
Exploration Project Contract

Dear Mr. East:

We are enclosing the original and five copies of the above subject contract, signed by this office for the Government, together with Annex I, Exhibit "A" (5 pages), 1 map, and two sets of Lessors's Subordination Agreements.

If the terms and conditions of this contract meet with your approval and are satisfactory to the operator, all six copies should be signed by a duly authorized official of the Company. One copy should be given to the operator, one copy retained by your office, and the original and three copies returned to this office. However, if there are any changes required which cannot be made by amending the contract by authority delegated to you, all the contract copies should be returned to this office with your comments regarding the proposed changes.

Sincerely yours,

3/4

(signed) FRANK E. JOHNSON
(HB)

Chairman, Operating Committee
Defense Minerals Exploration
Administration

Copy to: E. H. Hedges (HB)
Director, Bureau of Mines

J P Thayer (HB)
Member, Geological Survey

FRutledge/jem 2/15/52

cc to: Adm. Reading File
Docket
Messrs. Kauffman, AJ Rm. 1347
Butler, AP Rm. 3212 GS
Ellis
Rutledge
Field Team, Region IV

2/12/52 gfa

Walter Duncan
Oil Properties
2212 First National Building
Oklahoma City, Oklahoma

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
FEB 11 1952

February 9, 1952

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

Attention: Mr. E. R. Gordon

Re: DMA Docket 1429X - Uranium
White Canyon, Utah

Gentlemen:

In accordance with your request of December 7, 1951, we are enclosing herewith six copies of the Landlord's Subordination Agreement covering the leases dated March 7, 1951 and May 12, 1951, on the above project, signed by all of the lessors. Your letter of December 7, 1951 also requested a copy of the leases which were forwarded by this office on December 11, 1951. You also mentioned a request for a list of all men to be employed, giving the number of men in each category together with the daily or monthly wage to be paid in each case, and I believe that this item was settled with Mr. E. R. Gordon over the telephone.

If there is anything further you desire in connection with this project, please let me hear from you.

Yours truly,

Walter Duncan, Jr.

Walter Duncan, Jr.

WDJ:wz

Encl.

2/8/52 gla

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

February 7, 1952

Memorandum

To: Rare and Miscellaneous Metals Division
Defense Minerals Exploration Administration
Ernest Ellis
Room 4070

From: A. J. Kauffman, Jr.
Rare and Precious Metals Branch

Subject: DMA Docket 1429-X, J. Walter Duncan, Jr., White Canyon Uranium, San Juan County, Utah

It is recommended that the revised exploration loan of $43,191.08 for the subject docket be approved.

A. J. KAUFFMAN, JR.

Attachment

1/29/52 gla

Walter Duncan
Oil Properties
2212 First National Building
Oklahoma City, Oklahoma

January 26, 1952

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

Re: DMA Docket 1429X-Uranium
White Canyon, Utah

Dear Sir:

In reply to your letter of December 7, 1951, in which you enclosed copies of Form MF202, Landlord's Subordination Agreement, I wish to advise that we have had some difficulty in getting our lessors to sign these agreements; however this difficulty has been worked out now, and they are signing the agreements, and I should have them to forward to you in a short time.

Yours truly,

Walter Duncan, Jr.

Walter Duncan, Jr.

WDJ:wz

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
JAN 28 1952

400

FILE COPY
SURNAME:

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

Gordon
Mittendorf

DEC 7 - 1951

Mr. J. Walter Duncan, Jr.
2212 First National Building
Oklahoma City, Oklahoma

Re: DMA docket 1429X - Uranium
White Canyon, Utah

Dear Mr. Duncan:

The field report on your application of May 24, 1951, for an exploration project, DMA 1429X, has been received. To expedite its consideration, it is advisable that you remit copies of your leases covering all the claims proposed for inclusion in the project. Thusfar, we have only received copies of the lease covering the G.P. group of claims. We also request a list of all the men to be employed, giving the number of men in each category together with the daily or monthly wage to be paid in each case.

Before a contract may be signed, it will be necessary to submit six copies of Landlord's Subordination Agreement, form MF-202, duly executed, for each of your leases. These should be signed by all of the corresponding claim owners, leaving blank the space referring to date of the contract. We enclose twenty-four copies of this form and suggest that you have them completed and returned to this office promptly.

Sincerely yours,

12/7

C. O. Mittendorf (fw)

Acting Administrator
Defense Minerals Exploration
Administration

Enclosures

ERGordon:lm
12/3/51

cc: Admn. Reading File
Reports and Records
C. O. Mittendorf
Mr. Keiser, USGS
Mr. Hosted, AEC
Field Team Reg. IV
Docket

BL

FILE COPY
SURNAME:

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

Moulds
Mittendorf

J. Walter Duncan

C. O. Mittendorf, Administrator
Defense Minerals Exploration Adm.
Department of the Interior

1420137 Salaries and Expenses,
Defense Production Activities, Interior,
1952 "100.0000(400)"

November 23, 1951

MR. CALVERT
407 CITY NATIONAL BUILDING
OKLAHOMA CITY, OKLAHOMA

DOCKET 1429 DELIVERED TO THIS OFFICE FROM FIELD ON NOVEMBER 16TH AND HAS NOT BEEN ASSIGNED TO AN ENGINEER. REORGANIZATION OF DMA HAS RESULTED IN A BACKLOG OF CASES TO BE PROCESSED. WILL REVIEW YOUR PROJECT AS SOON AS POSSIBLE.

C. O. Mittendorf (meh)

ADMINISTRATOR
DEFENSE MINERALS EXPLORATION
ADMINISTRATION

DEMOULDS/meh
cc to: Adm. Reading File
Reports and Records
Mr. Mittendorf
Mr. Moulds
docket

RARE & LIGHT METALS

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

224 New Customhouse
Denver 2, Colorado

November 13, 1951

Memorandum

To: Executive Secretary, Defense Minerals Administration

From: Executive Officer, DMA Field Team, Region IV

Subject: DMA 1429-X, J. Walter Duncan, Jr., White Canyon Uranium, San Juan County, Utah

On page 3 of the subject docket engineering report under Numbered Group, Claim 1 through 23, the year of location and the recorder's book number have been omitted. The location date should read November 28, 1950, with recording in Book R-2 for all claims listed under Numbered Group.

W. H. King

W. H. King for
J. H. East, Jr.

DEFENSE MINERALS ADMINISTRATION WASHINGTON, D. C.
NOV 16 8 43 AM '51

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

224 NewCustomhouse
Denver 2, Colorado

November 5, 1951

Memorandum

To: Executive Secretary, Defense Minerals Administration

From: DMA Field Team, Region IV

Subject: Final Report, DMA Docket 1429X, J. Walter Duncan, Jr., applicant, White Canyon Uranium, San Juan County, Utah

Enclosed herewith are the original and two copies of the report on the subject docket.

We concur with the conclusions and recommendations of the examining team that the revised exploration loan of $44,472 be approved.

The brochure is enclosed.

J. H. East, Jr.

A. H. Koschmann

ON-SITE EXAM

OFFICIAL FILE COPY
Date
RECEIVED
NOV 13 1951

11/ /51

Hugh:

I agree with the recommendations of the examining team

JOH

RN 8224 Noted

11/27/51

Joe:

I agree with the recommendations of the examining team.

HWK

DMA-1429X

Review

Mining Division
Region IV

NOV 1 3 1951

November 7, 1951

Memorandum

To: DMA Field Team, Region IV

From: Chief, Mining Division, Region IV

Subject: Final Report, DMA Docket 1AAXX, J. Walter Duncan, Jr. applicant; White Canyon Uranium, San Juan County, Utah

The application of the subject docket was for an exploration loan of $60,000.

The program of exploration proposed by the applicant consisted of stripping 18 miles of rim around the Jacobs Chair Mesa and adjacent areas, driving approximately 750 feet of adits, and the sinking of test pits at an estimated cost of $60,000.

The uranium mineralization at the deposit occurs in the lower and basal beds of the Triassic Shinarump formation. There has not been any production from the deposits, and no estimate of reserves can be made due to the limited exploration to date.

In view of the thickness, length, and width of coarse sandstone lenses containing uranium mineralization, the geological probability of discovery of important reserves are favorable. A more moderate program of exploration is proposed, consisting of stripping approximately 18,500 feet of outcrops and driving 900 feet of adits and crosscuts in the most promising areas exposed by the stripping.

The lower figure was agreed upon by the geologist and engineer when the geologic report was completed and submitted, however, a detailed study of the waste later indicated that this estimate was too low and the higher figure was recommended by the examining team in the final "Summary, Conclusions and Recommendations."

The reports have been reviewed by the Mining Division and we concur in the recommendations.

Paul T. Allsman

Paul T. Allsman

Mining Division
Date Rec'd.
NOV 2 - 1951
BUREAU OF MINES
Denver, Colorado

October 31, 1951

Memorandum

To: Paul T. Allsman, Chief, Mining Division, Region IV

From: Chief, Utah-Wyoming Branch, Mining Division

Subject: DMA 1429-X, J. Walter Duncan, Jr., San Juan County, Utah

Enclosed are 10 copies of the subject report, with a section on Summary, Conclusions and Recommendations.

The brochure and 10 extra copies of figures 1 and 2 have been mailed under separate cover.

Details concerning ownership of the various claims and information on recording are shown in the report. We do not have copies of leases covering the various claims, and these will have to be obtained from Mr. Duncan if a contract is to be drawn.

Stephen R. Wilson
Stephen R. Wilson

Enclosures - 2

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION
WASHINGTON 25, D. C.
200 New Customhouse
Denver 2, Colorado

September 24, 1951

Memorandum

To: DMA Field Team, Region IV

From: A. H. Koschmann

Subject: DMA Docket 1429X, J. Walter Duncan Jr., White Canyon, San Juan County, Utah

Enclosed are 8 copies of the geologic report by B. J. Sharp and V. H. Johnson, U. S. Geological Survey, and H. K. Thurber, U. S. Bureau of Mines, covering the above docket. It has been recommended that the loan be approved.

A. H. Koschmann
A. H. Koschmann
Supervising Geologist
Colorado-Wyoming

Enclosures (8)

Room 307, 320 South Main
Salt Lake City 1, Utah
20 September 1951

Memorandum

To: A. H. Koschmann, Field Team, Region IV

From: Ralph J. Roberts

Subject: Docket DMA 1429X, J. Walter Duncan Jr., White Canyon, San Juan County, Utah

Enclosed are 8 copies of a geologic report on the J. Walter Duncan Jr. Uranium property, San Juan County, Utah. The report was made in conclusion of an examination of the property in response to a request by the field team.

The sedimentary rocks of the White Canyon area range from Permian to Jurassic in age; the formations associated with the Uranium mineralization are the Moenkopi, Shinarump, and Chinle all of Triassic age. Copper and uranium minerals occur in the basal beds of the Shinarump formation, and are chiefly concentrated in and around lenses of coarse sandstone near the contact with the Moenkopi shale.

No ore reserves have been blocked out up to the present time, but commercial uranium concentrations may well exist in the unleached sandstones 50 feet or more from the surface outcrops. It is concluded that possibilities of finding commercial quantities of ore in this area is favorable.

It is recommended that the exploration program as outlined by the examining geologist be done, and that the Defense Minerals Administration enter into a contract with Mr. J. Walter Duncan Jr. The cost of the exploration project is estimated at $30,696.00. The Defense Minerals Administration's share in a 90% participation basis will be $27,500.00.

I concur with the conclusions and recommendations of the examining geologist and engineer.

for - Ralph J. Roberts

UNITED STATES
DEPARTMENT OF THE INTERIOR
OSCAR L. CHAPMAN, SECRETARY

DEFENSE MINERALS ADMINISTRATION

REPORT OF EXAMINATION BY FIELD TEAM
REGION IV

Docket DMA 1429X, J. Walter Duncan Jr.

White Canyon, San Juan County, Utah

(Uranium and Copper)

B. J. Sharp and V. H. Johnson, Geologists
U. S. Geological Survey

H. K. Thurber, Mining Engineer
U. S. Bureau of Mines

September 19, 1951

SUMMARY, CONCLUSIONS AND RECOMMENDATIONS

By H. K. Thurber, Jr. and Byron Sharp

J. Walter Duncan, Jr., of Oklahoma City, Oklahoma, has requested a DMA loan of $60,000 to explore uranium claims in the Jacob's Chair area, White Canyon, San Juan County, Utah. The property was examined by personnel of the Bureau of Mines and Geological Survey during August 1951. Engineering and Geologic reports appraise the feasibility of the proposed exploration.

The host rock of the uranium mineralization in the area is a lenticular sandstone bed at the base of the Shinarump formation. The principal uranium mineral is probably torbernite. Azurite and malachite are also present. The ore minerals occur in masses disseminated throughout the host rock, and locally replace carbonaceous material. It is probable that some uranium has been leached from the outcrops to a depth of 50 to 100 feet. Ore reserve estimates are not feasible because of the limited exploration accomplished to date.

The applicant has proposed a program including stripping 10 miles of rim around Jacob's Chair Mesa and adjacent areas, driving approximately 750 feet of adits and sinking test pits, at an estimated cost of $60,000. A modified program is suggested which will include approximately 10,500 feet of stripping and 900 feet of drifts and crosscuts at a total estimated cost of $44,472.

It is concluded that the geologic possibilities for commercial quantities of uranium ores are promising, in view of the wide distribution of sandstone containing mineralization and consistant surface assays and radiometric observations. It is therefore recommended that DMA enter into a contract with J. Walter Duncan, Jr., for a loan of $44,472 to conduct exploration as outlined by the examining team.

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Figure 1. Index map of Utah.

Figure 2. Geologic map showing location of the J. Walter Duncan Jr. Property, San Juan County, Utah.

Docket DMA 1429X, J. Walter Duncan Jr.

White Canyon, San Juan County, Utah

(Uranium and Copper)

GEOLOGY

The sedimentary rocks of the White Canyon area (Fig. 1) are nearly horizontal. They range in age from Permian to Jurassic; the formations associated with the uranium mineralization are the Moenkopi, Shinarump and Chinle, all of Triassic age.

The Moenkopi shales are dark red and weather to gentle slopes. There is little topographic expression of the Moenkopi-Shinarump contact.

The Shinarump beds rest on the Moenkopi with a slight erosional unconformity. They are here about 200 feet thick, and consist mainly of greenish-gray shale and siltstone but include numerous lenses of sandstone. The upper limit of the Shinarump is marked by a coarse, conglomeratic, ledge-forming sandstone about 20 feet thick. This "rim-rock" is the marker bed used in photo-reconnaissance mapping of the area.

The Chinle formation consists of red to reddish-lavender shale and sandstone, which form gentle slopes between the Shinarump "rim-rock" and the massive Jurassic Wingate sandstone cliffs of the Jacobs Chair mesa and White Canyon.

ORE DEPOSITS

Copper and uranium minerals occur in the basal beds of the Shinarump formation, and are chiefly concentrated in and around lenses of coarse sandstone near the contact with the maroon Moenkopi shale.

A few open cuts in lenses of friable sandstone, 3 to 4 1/2 feet thick, expose rocks that contain appreciable quantities of radioactive material.

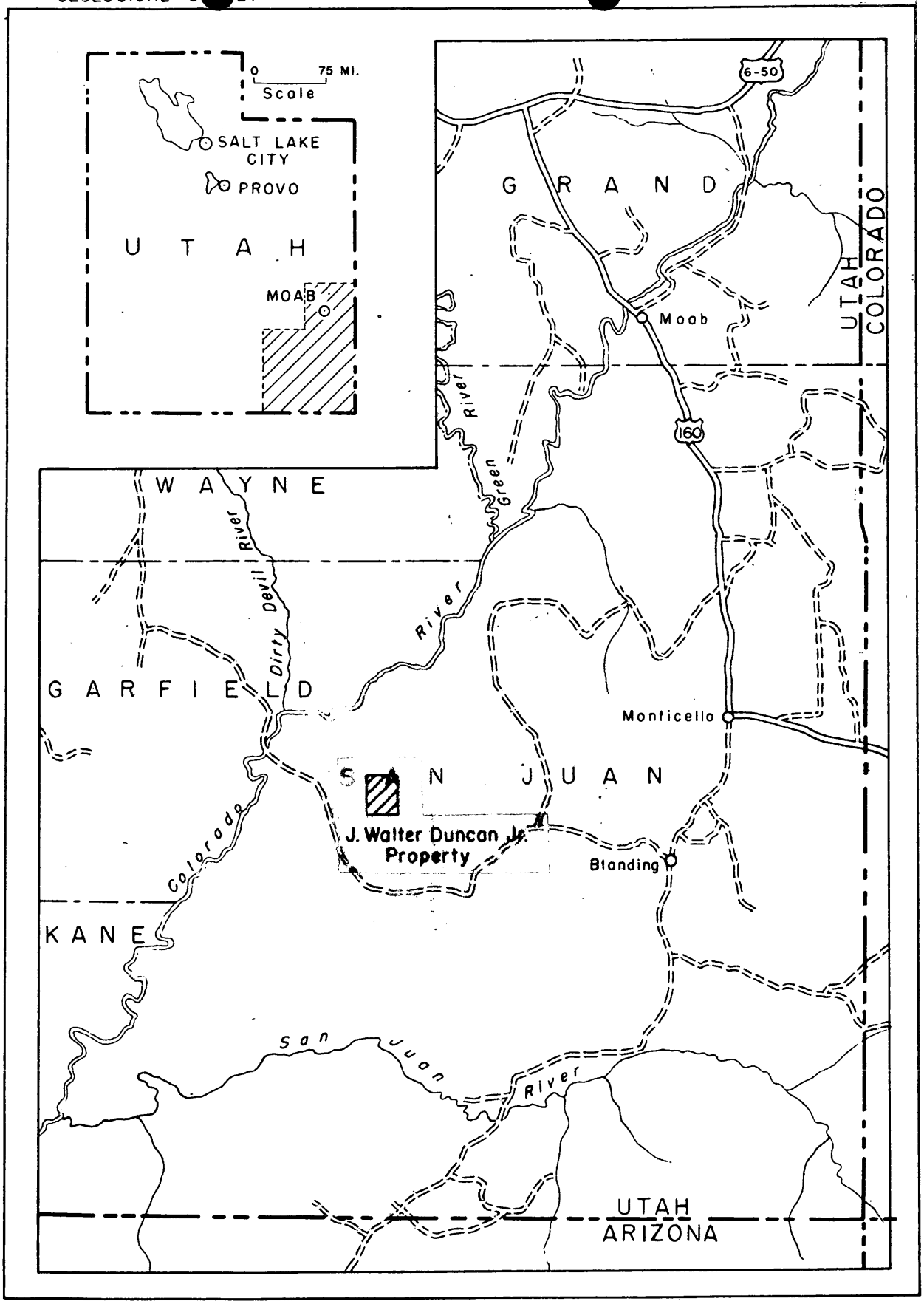

FIG. I INDEX MAP OF UTAH

0 5 10 15 20 MILES
Scale

Malachite, azurite, and locally some manganese, stain the weathered surfaces and joints in the sandstone. Mineral stains of a lighter green than malachite, together with the presence of radioactivity, suggests that the uranium bearing mineral is torbernite. Surface exposures of uranium-bearing sandstones are generally leached and of lower grade than the same rock 50 to 100 feet from the surface. The mineralogical evidence indicates a favorable area for uranium ore.

Small nodules of hematite and limonite commonly occur in a thin shale bed 10 to 15 feet above the base of the Shinarump in this area. These nodules are not radioactive. Limonite and jarosite stains occur locally in the Shinarump shales and sandstones.

ORE RESERVES

No ore reserves have been blocked out up to the present time. The uranium content of the sandstone varies widely, owing in part to leaching and in part to erratic deposition of the Shinarump formation. Commercial uranium concentrations may well exist in the unleached sandstone at distances of 50 feet or more from the surface. Possibilities of finding commercial quantities of ore in this area are favorable.

PROPOSED EXPLORATION

The applicant proposes to explore the mineralized areas on the rim around Jacob's Chair mesa. This project includes 10 miles of stripping, 750 feet of drifting, taking 500 samples, sinking numerous test pits, and testing 10 mine-run samples of 5 to 10 tons each. Its total cost is estimated to be $60,000.

The examining geologist has outlined a program that will attempt to determine whether uranium content of the host rock will increase to commercial grade beyond the surface leached zone. A reference map has been prepared from an A.E.C. photo-reconnaissance map to show areas of the newly proposed work. (see fig. 2)

The ore rim should be stripped for two miles between reference points Nos. 1 and 3. Pairs of 100-foot drifts should be driven in the vicinity of reference points 1, 2, and 3. Crosscuts of approximately 100 feet should be driven to connect each pair of drifts to determine trends of the mineralization in the host rock where required.

Costs

Stripping	
2 miles @ $ .35 foot	$3,696
Drifting	
600 feet @ $30.00 foot	18,000
Crosscutting	
300 feet @ $30.00 foot	9,000
Total	$30,696

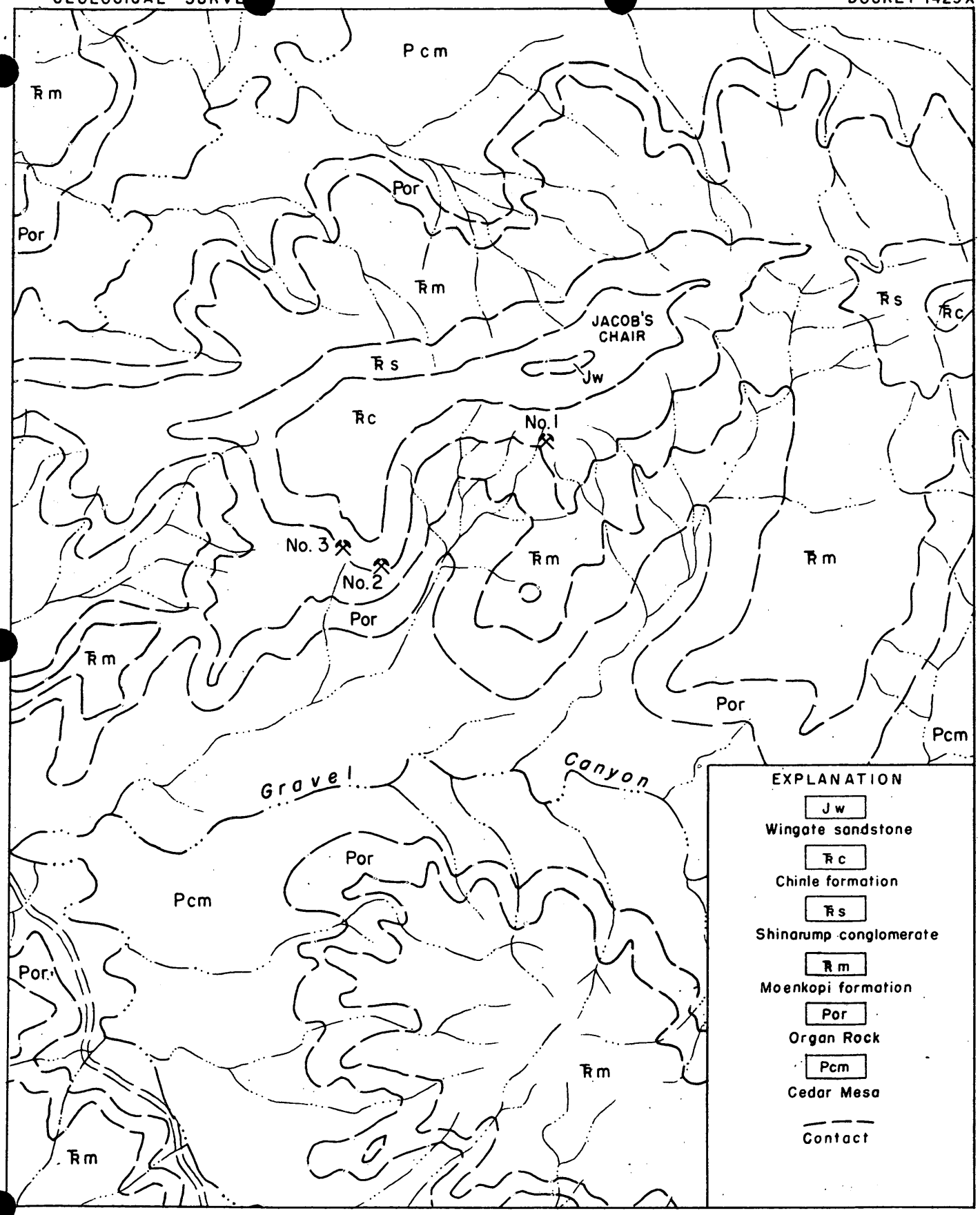

FIG. 2 GEOLOGIC MAP SHOWING LOCATION OF THE J. WALTER DUNCAN Jr., PROPERTY, SAN JUAN CO., UTAH

SUMMARY AND CONCLUSIONS

The host rock of the copper-uranium mineralization in this area is a lenticular sandstone at the base of the Shinarump formation. The principal ore mineral is probably torbernite and the principal copper uranium phosphate; malachite and azurite are also present.

The ore occurs in masses disseminated throughout the host rock, and it locally replaces carbonaceous material. Experience has shown that outcrops of this ore-bearing sandstone have been leached for a distance from 50 to 100 feet from the surface.

The applicant proposed a project that included 10 miles of stripping, 750 feet of drifting, testing, and sampling, at a total cost of $60,000. A modified program has been suggested by the examining geologists and engineer, which includes 2 miles of stripping and 900 feet of drifting and crosscutting, at an estimated cost of $30,696. The applicant concurs with the decision that the project be thus modified.

It is concluded that geologic possibilities for the discovery of commercial quantities of uranium ore are promising, and it is recommended that the Defense Minerals Administration enter into a contract with J. Walter Duncan, Jr. to do the work proposed by the examining geologists and engineer. The Defense Minerals Administration's share of the cost will be $27,500.

J. WALTER DUNCAN, JR.
URANIUM PROPERTY, WHITE CANYON,
SAN JUAN COUNTY, UTAH
URANIUM
DMA-1429-X

Engineering report

By H. K. Thurber, Jr.
Mining engineer
Bureau of Mines

J. WALTER DUNCAN, JR.
URANIUM PROPERTY, WHITE CANYON
SAN JUAN COUNTY, UTAH

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Summary cost of project	10
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ILLUSTRATIONS

Fig. 1 Location map, J. Walter Duncan, Jr., uranium property, White Canyon, San Juan County, Utah

Fig. 2 Claim map, J. Walter Duncan, Jr., uranium property, White Canyon, San Juan County, Utah

INTRODUCTION

J. Walter Duncan, Jr., of Oklahoma City, Oklahoma, an individual, has applied for a DMA exploratory loan of $60,000 (Docket DMA-1429-X) to explore mining claims in the Jacob's Chair area, White Canyon, San Juan County, Utah. The applicant proposes to explore mineralized horizons by surface stripping and short underground adits.

An examination of the property was made August 23 and 24, 1951, by geologists of the U. S. Geological Survey and a Bureau of Mines engineer. This report is a result of the examination and appraises the feasibility of the proposed exploration.

ACKNOWLEDGMENTS

The Bureau of Mines wishes to acknowledge the aid given the examining team by the applicant's representatives in conducting them over the property and in supplying information pertaining to the property.

LOCATION AND PHYSICAL FEATURES

The Jacob's Chair area of White Canyon lies in an unsurveyed part of San Juan County, approximately 12 miles southeast of Hite, Utah, and 22 miles by road from Hite via Utah Highway 95. The area is approximately 40 miles west of Blanding, Utah, and 70 miles via Utah Highway 95 from Blanding. An extension of the township and range lines would place the area in T. 35 S., R. 15 E., and R. 16 E., S.L.B.M.

The terrain in the White Canyon region consists of mesas separated by wide and gently-sloping benches which are dissected by narrow, vertically-walled canyons. The wide benches are formed on top of the Permian Cedar Mesa sandstone, a light gray to tan massive sandstone. The stream gradient of White Canyon is approximately equal to the general dip of the sandstone, thus the wide benches exist throughout most of the length of the canyon.

The upper Permian and lower Triassic formations above the Cedar Mesa form cliffs alternating with steep boulder-strewn slopes, both of which make the building of access roads to the uranium-bearing horizons difficult and expensive.

HISTORY AND PRODUCTION

The claims in the Jacob's Chair area were leased from the locators by Mr. Duncan on May 12, 1951. A list of the claims with the locators' names is included in another section of this report.

The principal work accomplished to the date of the examination was the construction of a road from Utah Highway 95 to the area of BJ-1 claim, a distance of approximately 3 miles. In addition, some shallow test pits have been excavated and two 10-foot adits driven on the southwest claims of the Jacob's Chair group.

There has been no production from the claims.

OWNERSHIP AND EXTENT

The groups of claims upon which the proposed exploratory work is to be done are leased by the applicant from the original locators. These claims are recorded in the office of the County Recorder, San Juan County, Monticello, Utah. A list of the claims in the groups with the ownership and book entry number follows:

G. P. Group, G. P. 1 through G. P. 19.

Located by John N. Pherson and W. W. Goforth March 5, 1951.

Recorded in book R-2, pages 516-522.

B. J. Group, B. J. 1 through 14.

Located by John N. Pherson November 28, 1950.

Recorded in book R-2, pages 342-347 and 358

Peanuts Group, Peanuts 1 through 6.

Located by John N. Pherson May 12, 1951.

Recorded in book R-3, pages 265-266.

Numbered Group, Claim 1 through 23.

Located by John N. Pherson November 28.

Recorded: 1 and 2, page 337

3, 4, 5 and 6, page 338

7, 8, 9 and 10, page 339

11, 12, 13 and 14, page 340

15, 16, and 17, page 341

18, 19, 20 and 21, page 352

22 and 23, page 353

Judy. Located by Walter J. Stevens, December 7, 1950

Recorded in book R-2, page 356.

Hardluck.

Located by John N. Pherson and Walter J. Stevens

December 2, 1950.

Recorded in book R-2, page 356.

Baby Doll

Located by Walter J. Stevens December 7, 1950.

Recorded in book R-2, page 356.

Fraction 1, 2 and 3.

Located by John N. Pherson May 18, 1951.

Recorded in book R-3, page 272.

The claims held under lease by the applicant in the Jacob's Chair area are shown on figure 2.

The applicant also holds 25 claims by location in other areas, but these are not considered in this report.

DESCRIPTION OF THE DEPOSITS

The uranium mineralization on the claims, as determined by the U. S. Geological Survey geologist, occur in the lower and basal beds of the upper Triassic Shinarump formation. The Shinarump formation lies slightly unconformably on the lower Triassic Moenkopi formation.

The highest grade uranium mineralization occurs in lenses of coarse-grained, friable, buff-colored sandstone which are variable in thickness up to approximately 5 feet.

Considerable carbonaceous material occurs in lenses with highest uranium content, as indicated by radiometric measurements, but no relationship has been established between the carbonaceous material and the uranium mineralization. The presence of carbonaceous material apparently indicates the existence of channels in the underlying formation.

MINABLE ORE RESERVES

No estimate of ore reserves can be made because of the limited exploration that had been done to the date of examination.

PRESENT STATUS

The construction of an access road from Utah Highway 95 to the claims in the vicinity of the BJ-1 claim and a few pits and short adits constitute the only work accomplished on the property. None of the pits are extensive enough to show continuity of mineralization laterally along the mineralized lenses, and none of the adits have penetrated the outcrops to sufficient depth to show any significant changes of grade of the uranium mineralization.

A claim map of the applicant's leased claims and a rough Geiger counter survey of the mineralized outcrops in the area have been made by Charles Butler, geologist for the applicant. This is shown on figure 2.

Equipment owned by the company at the time of the examination consisted of the following:

	Estimated value
1 compressor, 105 cfm., Ingersoll-Rand portable, rubber-tired, new	$ 3,350
3 jackhammers, new, $350 each	1,050
300-ft. air hose, 3/4-inch with fittings new, $50.36 per 50-ft. length	302
3 jacklegs, new, $185 each	555
1 jeep, truck, 4x4, 1/2-ton, used	1,500
1-ton drill steel, assorted lengths with bits, new	1,150
1 Geiger counter, used	185

PROJECT PROPOSALS WITH COSTS

The applicant has proposed stripping 10 miles of rim around the Jacob's Chair Mesa and adjacent areas, driving approximately 750 feet of adits, and sinking test pits in support of the exploration. The estimated time required for the program is 8 months and the cost $60,000.

The examining team did not find sufficient uranium mineralization to justify such an extensive program. A suggested exploratory program to indicate the possibilities of commercial uranium production from the Jacob's Chair area has been outlined by the examining team as follows: The program would require approximately 4½ months to complete.

Stripping outcrop, approximately 10,500 feet at $0.35 per foot. (This cost per foot is from actual costs of other similar jobs in the area.)	$ 3,675
Underground adits and crosscuts totaling 900 feet to be driven in areas of most promising geologic conditions exposed by surface stripping on BJ-1 through 4 claims, Claims 1 through 4, 22, 23, and G.P. 1 claim as indicated on figure 2. 900 feet at $22.83 per foot.	20,547

@ 22.83/ft.

The above cost per foot is broken down as follows:

Direct costs:

Labor	$ 8.32
OAB, employment insurance, compensation, etc.	.83
Explosives	3.20
Caps and fuse	.48
Repairs to equipment	1.30
Steel and bits	.55
Gasoline and lubricants	.75
Maintenance of drift	.48
Pipe and track	1.20
Miscellaneous hardware and hand tools	.12
Water haulage	.80
Total direct costs	$ 18.03

Overhead chargeable against drifting:

Engineering, sampling, and assaying	$ 1.85
Supervision	.85
Camp and commissary	.90
Bookkeeping and office	.25
Surface preparation (bulldozing and labor)	.95
Total overhead	$ 4.80
Total direct costs	$ 18.03
Total cost per foot of underground adits and crosscuts	$ 22.83

Equipment depreciation on equipment owned by the company is calculated as follows:

1 compressor, 105 cfm., I.R., portable, new	$ 3,350
3 jackhammers, new, $350 each	1,050
300 feet air hose, 3/4-inch with fittings, new- $50.36 per 50-foot length	302
3 jacklegs, new, $185 each	555
1 jeep truck, 4x4, used	1,500
1 ton drill steel, assorted lengths with bits, new	1,150

1 Geiger counter, used ----------	$ 185
Total value of equipment owned by applicant ------	$ 8,092

Allowable monthly depreciation on above equipment,

$$\$8,092 \times \frac{1}{60} = \$134.86 \text{ per month}$$

Total allowable depreciation for entire project,

$$4\tfrac{1}{2} \text{ months} \times \$134.86 \text{ per month} = \$607$$

Equipment that must be procured on a rental basis:

2 compressors, 105 cfm., portable, $164 per month for 4½ months -----	$ 1,476
2 cars, mine, 24-cu. ft., $26 per month for 4½ months -----	234
1 truck, flat bed utility, 1-½ ton, $90 per month for 4½ months -	405
Total rental of equipment ----------	$ 2,115

Equipment to be procured on a purchase basis:

3 water, oil, and gasoline storage tanks, 500-gallon, $95 each ---	$ 285
3 water pressure tanks for wet drilling, 18-gallon with fittings, $79 each ----	237
Hose, water, for jackhammers, three 50-ft. lengths with fittings, $38 each ---	114
Shop equipment and machine maintenance equipment ------	800
Total equipment to be purchased --------	$ 1,436

Salaries not chargeable to underground work:

Mechanic, $375 per month for 4½ months -----	$ 1,688
Helper, $325 per month for 4½ months ------	1,463
Cook, $375 per month for 4½ months --------	1,688
Cooks helper, $325 per month for 4½ months--	1,463
Geologist-manager, part time, $300 for 4½ months --------	1,350
Truck driver, $300 per month for 4½ months--	1,350
Total miscellaneous salaries ---------	$ 9,002

Miscellaneous expenses:

Equipment transportation to site ----------	$ 200
Construction of cook shack and bunk houses ----	2,000
Cooking and dining equipment ----------	600
Commissary for other than underground employees	1,890
Access road maintenance ----------	400
Miscellaneous gasoline and lubricants ---------	500
Miscellaneous construction (ore chutes, bits, etc.) -------	1,500
Total miscellaneous expenses ----------	$ 7,090

Summary:

Stripping of outcrop ----------	$ 3,675
Underground adits and crosscuts ----------	20,547
Allowable depreciation on equipment owned by the applicant ----------	607
Rental of equipment required for project ------	2,115
Equipment to be purchased ----------	1,436
Salaries not chargeable to underground work ---	9,002
Miscellaneous expenses ----------	7,090
Total cost of proposed exploration -------	$44,472

An access road has been completed by the applicant from Utah Highway 95 to the area of BJ-1 claim. This is indicated on figure 2. No extension of access roads is included in the proposed exploratory program, since the rim stripping will allow access to all the areas of proposed underground exploration.

Labor for the limited exploration outlined may be obtained in Blanding or Monticello, Utah.

There is no commercial electric power in the White Canyon area, thus any power required for the project must be generated at the site by gasoline-driven generators.

An allowance for water haulage from a spring in Frey Canyon, approximately 10 miles from the claims, was made in the cost estimate of the project. A spring on the Jacob's Chair Mesa, approximately 3 miles from the camp site, is estimated to flow 1 to 3 gallons per minute.

PRODUCTION PLAN

No plan of production can be outlined for the Jacob's Chair property because insufficient exploration has been done to indicate the size or continuity of the mineralized sandstone lenses. No rate of production can be estimated.

SUMMARY COST OF PROJECT

A recapitulation of the costs of the proposed exploration, as outlined in an earlier paragraph, follows:

Cost of direct exploration, including adits, crosscuts, and surface stripping ------	$ 28,380
Cost of activities in support of direct exploration	16,092
Total cost of proposed exploration ----------	$ 44,472

The above amount is the entire cost of the exploratory program outlined by the examining team.

PROPOSED FINANCING

The financial position of the applicant as presented in the financial statement indicates his ability to furnish the funds required by DMA regulations if the project is approved.

CONCLUSIONS AND RECOMMENDATIONS

In view of the thickness, length, and wide distribution of the coarse sandstone lenses containing uranium mineralization, together with the consistent surface assays and radiometric observations of the outcrops, it is concluded that the Jacob's Chair area is a potential uranium-producing area. The proposed exploratory program is feasible from an engineering standpoint.

It is therefore recommended that the applicant, J. Walter Duncan, be granted a loan of $44,472 under DMA regulations to carry out the exploration proposed in this report.

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

REGIONAL DIRECTOR'S
OFFICE
REGION IV
JUN 27 1951
BUREAU OF MINES
DENVER, COLORADO

JUN 22 1951

Mr. J. H. East Jr.
Executive Officer, Region IV
224 New Customhouse Bldg.
Denver 2, Colorado

Dear Sir:

We attach "Review of Application for Exploration Assistance" on:

Docket No. DMA-1429

Commodity Uranium

Applicant Mr. J. Walter Duncan

Please expedite the consideration of this application with particular reference to the points raised in the attached "Review."

Very truly yours,

Tom Lyon

Tom Lyon, Chairman
Coordinating Committee

Lowell B. Moon
For Bureau of Mines

Edwin T. McKnight
For Geological Survey

FILE COPY
SURNAME:

Bauch
McKnight
Rose

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

mailed 6/22/51

June 21, 1951

Mr. J. Walter Duncan
2212 First National Bank Building
Oklahoma City, Oklahoma

RE: White Canyon Uranium
DMA docket 1429x

Dear Mr. Duncan:

Your application of May 24 for an exploration project in the amount of $60,000.00 has been reviewed by the Minor and Rare Metals Branch of the Supply Division.

We are advised that the A.E.C. is presently preparing a report on the area in which your property is located. I wish to advise therefore that we are forwarding your application to Mr. J. H. East, Jr., Executive Officer, Region IV, 214 New Customhouse Building, Denver 2, Colorado for appropriate comment and recommendation of that office.

Yours very truly,

Weston Bourret, Chief
Minor and Rare Metals

WBourret/mh
cc: Adm. Read. File
Bourret
Strobel
Lyon
Field Team IV
Files

Defense Minerals Administration 6-18-52

Review of Application for Exploration Assistance

Docket No. DMA -1429

Commodity Uranium

Total Amount 60,000

Govt. Participation 54,000

1. Name and Address of Applicant J. Walter Duncan, Jr.

2. Location of Property White Canyon, San Juan County, Utah

3. Mineral or metal Uranium Is it listed in Section 9 of MO-5?

If not, application will be rejected.

4. Geologic probability of discovery -- based on data in application (question #16, 17, 18, 20 and 22).*

Mines or Survey reports, etc., do you rate chances:

a) Good

b) ~~Poor~~ Fair ✓

c) None

d) Don't know --- needs field examination ✓

e) Is there an alternative and favorable project? (If so, attach an explanation)

5. Is the applicant's right to the property clearly stated? (question 5, 6, 7)

6. If applicant is a lessee, is a copy of the lease attached?

Does the lease have sufficient time to run to cover a future productive period?

*Question numbers are those of MF-103

7. Are subordination agreements necessary? _____

a) MF-201? _____

b) MF-202 _____

8. From the data presented, does the proposed project appear feasible from the point of view of:

a) Available manpower _____

b) Equipment and supplies _____
(question 14 plus general knowledge of availability)

c) Accessibility (question 12) _____

d) Water (question 13) _____

e) Power (question 13) _____

Is a field check needed on any of these points? _____

9. Does the experience of the applicant appear to be adequate to assure that he can properly conduct the proposed project? (question 4) _____

_____

Is a field check needed on this point? _____

10. Exhibit A. (questions 21 and 22)

a) Is the project adequately described? _____

If not, are there sufficient data given so that you can describe the project? _____ If so, attach a draft.

b) Is there an adequate map or sketch of the proposed work? _____

_____

c) Is the proposed work "exploration" under the definition of Section 8, MD-5? _____

If not, what part of it is? _____

_____

_____

_____

Is this part a worthwhile exploration project? _____

d) Are the cost estimates detailed? _____

Can they be summarized, as on page 2 of Procedural Instruction 5-A, from the available data? _____ If so, attach a draft.

e) Are the cost estimates reasonable? _____

f) Should more information be requested from applicant? _____

g) Is a field examination necessary to complete Exhibit A? _____

11. Exhibit B (question 23-d)

a) Is it applicable? _____

b) If so, are sufficient data furnished? _____ If so, attach a draft.

c) Is a field check needed? _____

12. Exhibit C (question 23-e, f and g)

a) Is it applicable? _____

b) Sufficient data? _____ If so, attach a draft.

c) Are rents and charges reasonable? _____

d) Is a field check needed? _____

13. Exhibit D (question 23-a,b)

a) Are there sufficient data? _____

b) Is the schedule adequate for the work proposed? _____

c) Is the schedule excessive for the work proposed? _____

d) Are the proposed wages and salaries reasonable? _____

e) Is a field check needed? _____

14. Exhibit E (question 23-c)

a) Is it applicable? _____

b) Sufficient data? _____

c) Reasonable? _____

d) Field check needed? _____

15. In your judgment, can the proposed work be done in the proposed time? _____

(All exploration must be completed within two years.)

16. If field examination is not needed, attach your recommendation.

17. If field examination is needed, do you have any special instructions for the field team not indicated by your answers to the foregoing questions? _____

I have been advised that Mr. Tally of Colorado Raw Materials Operations of AEC is working a report on this area.

The A.E.C. is anxious regarding this area and your report is in the area.

Reviewed by: J. H. [illegible]

Date 6/18/51

FILE COPY
SURNAME:

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

June 13, 1951

Mr. J. Walter Duncan, Jr.
2212 First National Building
Oklahoma City, Oklahoma

Subject: DMA-1429X
Re: Exploration Loan -
Jacob's Chair Mesa

My dear Mr. Duncan:

Receipt is acknowledged of your application and attachments of May 28, 1951 for an exploration loan under the Defense Production Act of 1950.

The application was assigned Docket Number DMA-1429X and referred to Mr. Weston G. Bourret, Chief, Minor and Rare Metals Branch on June 4, 1951.

In any future correspondence relating to your application, kindly refer to DMA-1429X.

Sincerely yours,

LANDON F. STROBEL

Landon F. Strobel
Executive Secretary

L. F. Strobel:jc
cc: Strobel
✓ File
Bourret
Lyon

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES

OFFICE OF
REGIONAL DIRECTOR

REGION IV

224 NEW CUSTOMHOUSE
DENVER 2, COLORADO

1951
BUREAU OF MINES
DENVER, COLORADO

May 28, 1951

Memorandum

To: Landon Strobel, Executive Secretary, Defense Minerals Administration

From: Executive Officer, DMA Field Team, Region IV

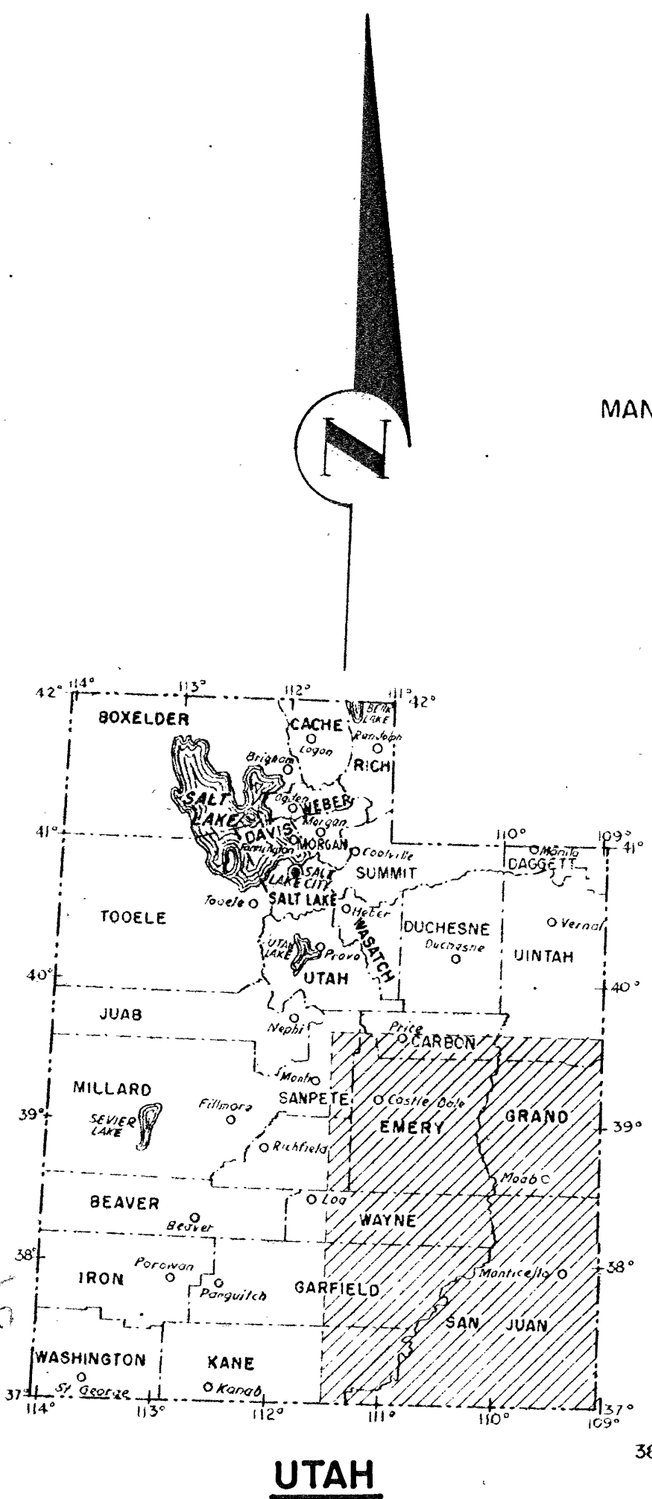
Subject: DMA application, J. Walter Duncan, Jr.

We are enclosing the application of J. Walter Duncan, Jr., 2212 First National Building, Oklahoma City, Oklahoma, which was submitted to this office.

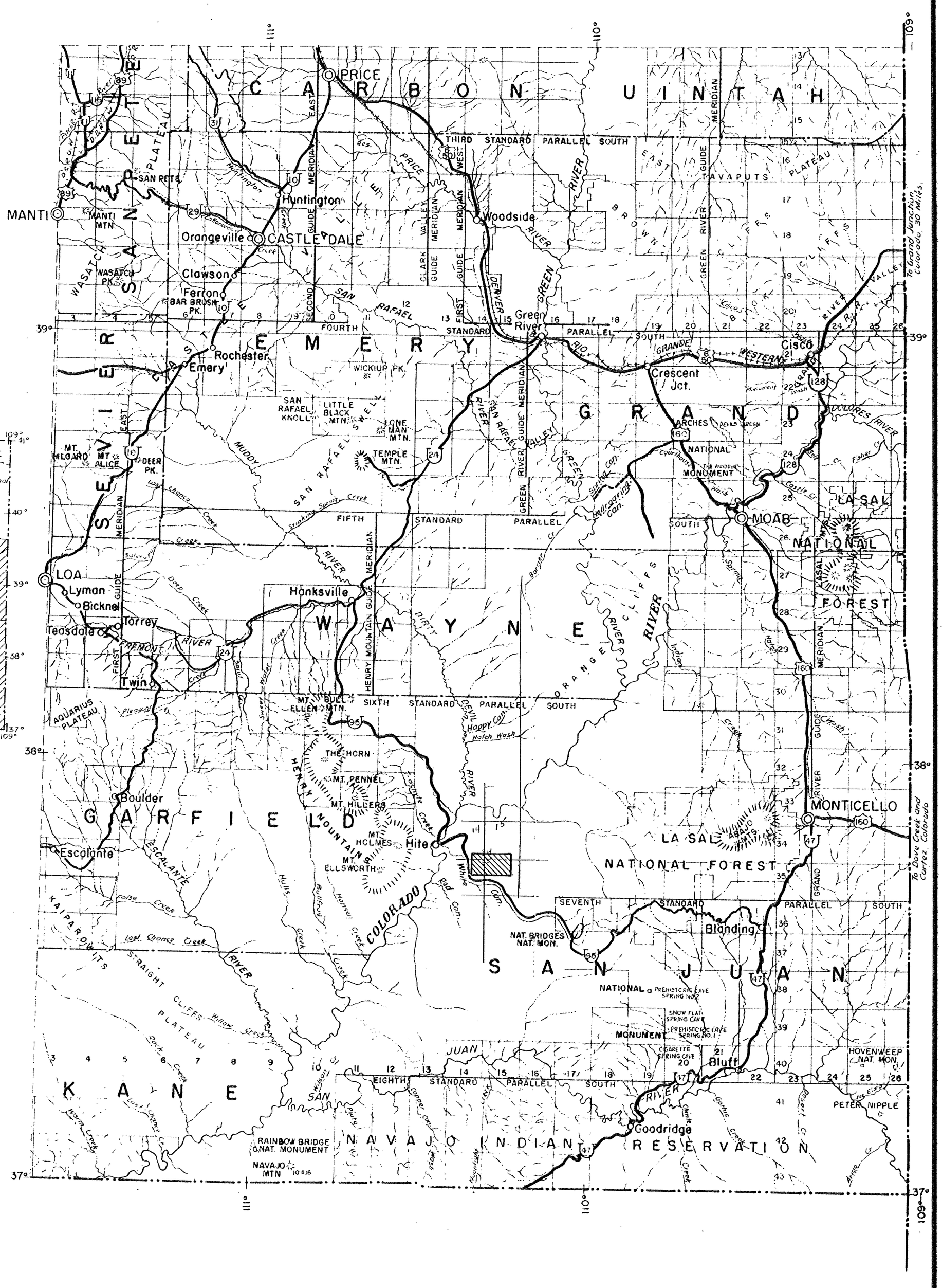
J. H. East, Jr.

Don A, 4 29 X

Enclosure - 3 copies of MF-103



UTAH
VICINITY MAP



NOTE

COMPILED FROM GENERAL LAND OFFICE
U. S. G. S. AND STATE ROAD COMMISSION
OF UTAH GENERAL HIGHWAY MAPS.

LEGEND

J. WALTER DUNCAN JR. URANIUM PROPERTY.

0 10 20 30 40 50
SCALE OF MILES

U. S. DEPARTMENT OF THE INTERIOR
BUREAU OF MINES

Fig. 1 DMA Docket 1429 X

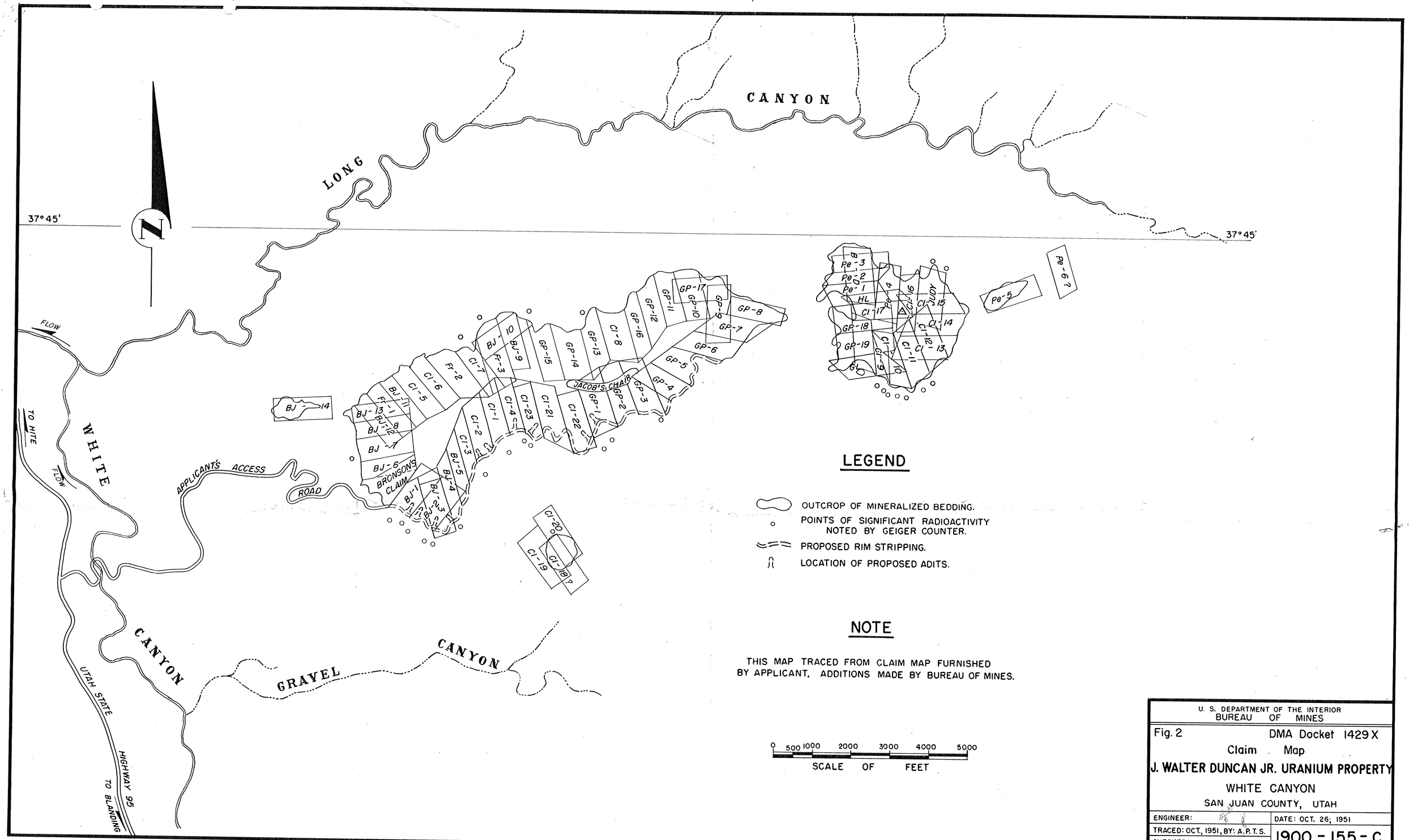
Location Map

J. WALTER DUNCAN JR. URANIUM PROPERTY

JACOBS CHAIR AREA

WHITE CANYON, SAN JUAN COUNTY, UTAH

ENGINEER: *H. K. THURBER*	DATE: AUG. 24, 1951
DRAWN: AUG., 1951; BY: A.P.T.S.	1900 - 147 - C
CHECKED:	



U. S. DEPARTMENT OF THE INTERIOR
BUREAU OF MINES

Fig. 2 DMA Docket 1429 X

Claim Map

J. WALTER DUNCAN JR. URANIUM PROPERTY

WHITE CANYON

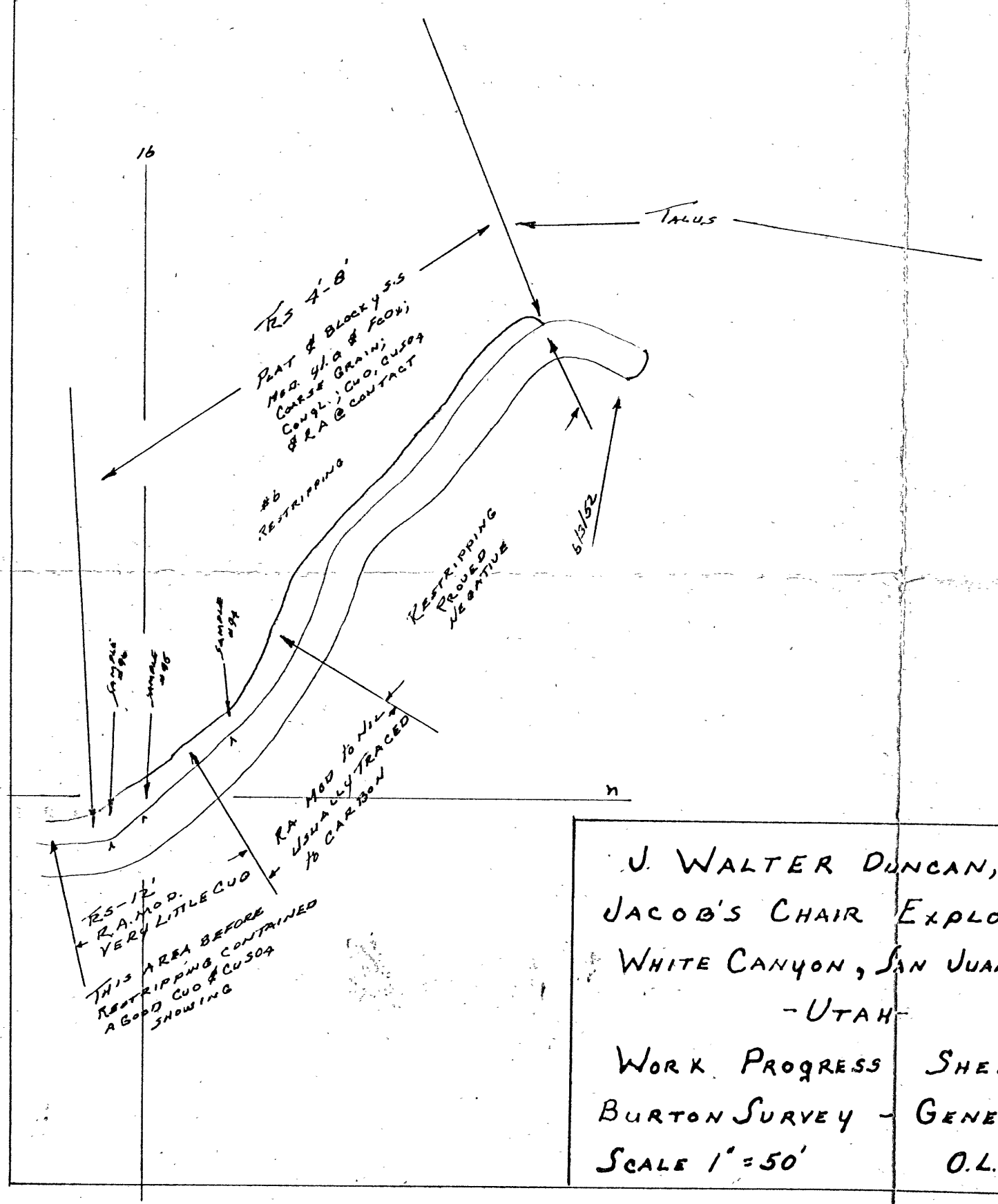
SAN JUAN COUNTY, UTAH

ENGINEER:	DATE: OCT. 26, 1951
TRACED: OCT., 1951, BY: A.P.T.S.	1900 - 155 - C
CHECKED:	

TOTAL RIM STRIPPED IN 1951 280 FEET

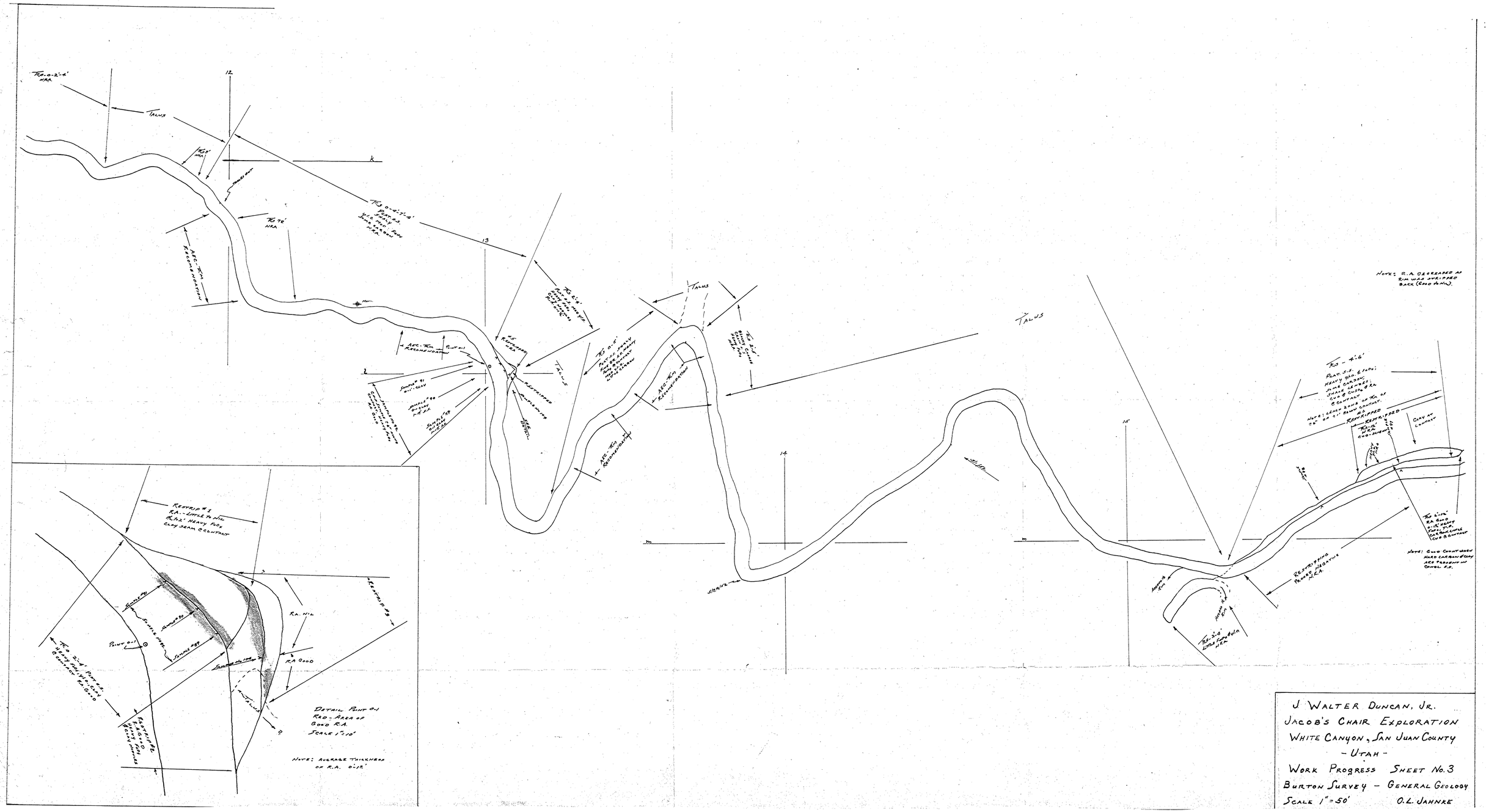
TOTAL RIM STRIPPED 4/26/52 to 6/3/52 7973 FEET

TOTAL RIM RESTRIPPED 4/26/52 to 6/18/52 1396 FEET

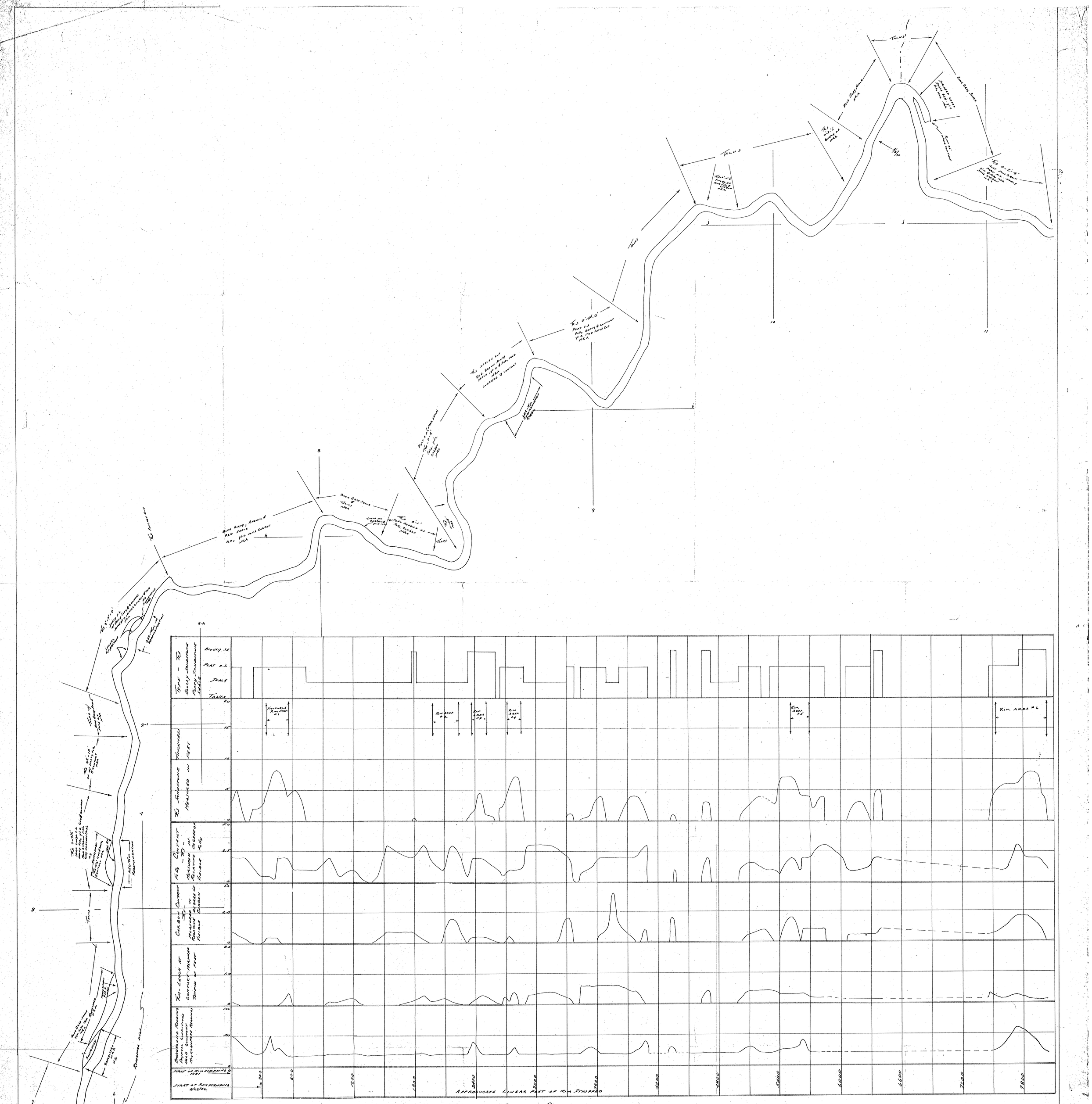


J. WALTER DUNCAN, JR.
JACOB'S CHAIR EXPLORATION
WHITE CANYON, SAN JUAN COUNTY
-UTAH-

WORK PROGRESS SHEET No. 4
BURTON SURVEY - GENERAL GEOLOGY
SCALE 1" = 50' O.L. JAHNKE



J WALTER DUNCAN, JR.
JACOB'S CHAIR EXPLORATION
WHITE CANYON, SAN JUAN COUNTY
- UTAH -
WORK PROGRESS SHEET No. 3
BURTON SURVEY - GENERAL GEOLOGY
SCALE 1" = 50'
O.L. JAHNKE

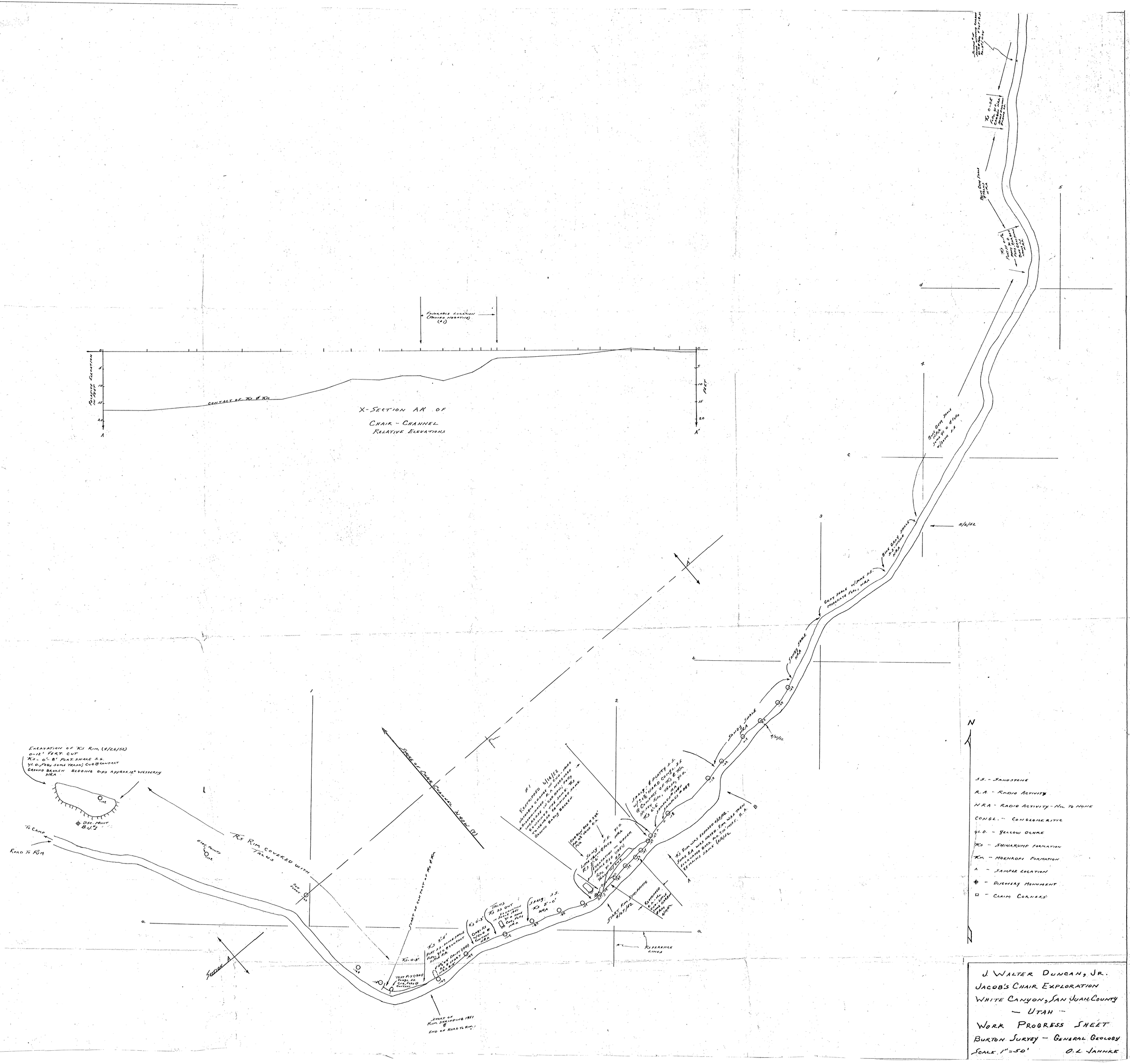


Graphic Geology
of
Rim Stripped

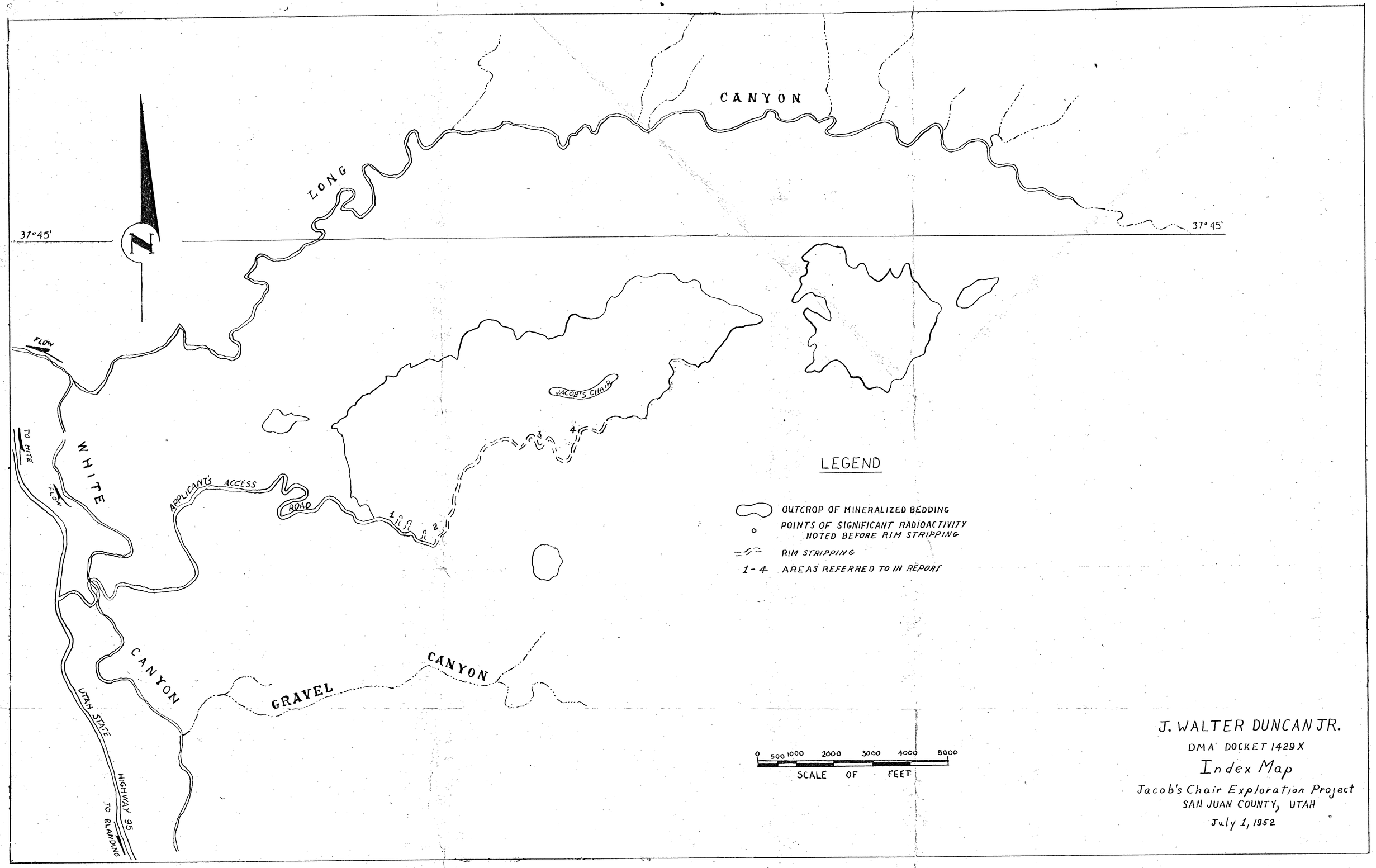
C. Butler & O. Jahnke

J. Walter Duncan, Jr.
Jacob's Chair Exploration
White Canyon, San Juan County
- Utah -
Work Progress Sheet No 2
Burton Survey - General Geology
Scale 1" = 50' O.L. Jahnke

X-SECTION AA' OF
CHAIR - CHANNEL
RELATIVE ELEVATIONS



J. WALTER DUNCAN, JR.
JACOB'S CHAIR EXPLORATION
WHITE CANYON, SAN JUAN COUNTY
— UTAH —
WORK PROGRESS SHEET
BURTON SURVEY — GENERAL GEOLOGY
SCALE 1" = 50' O. L. JAHNKE



J. WALTER DUNCAN JR.

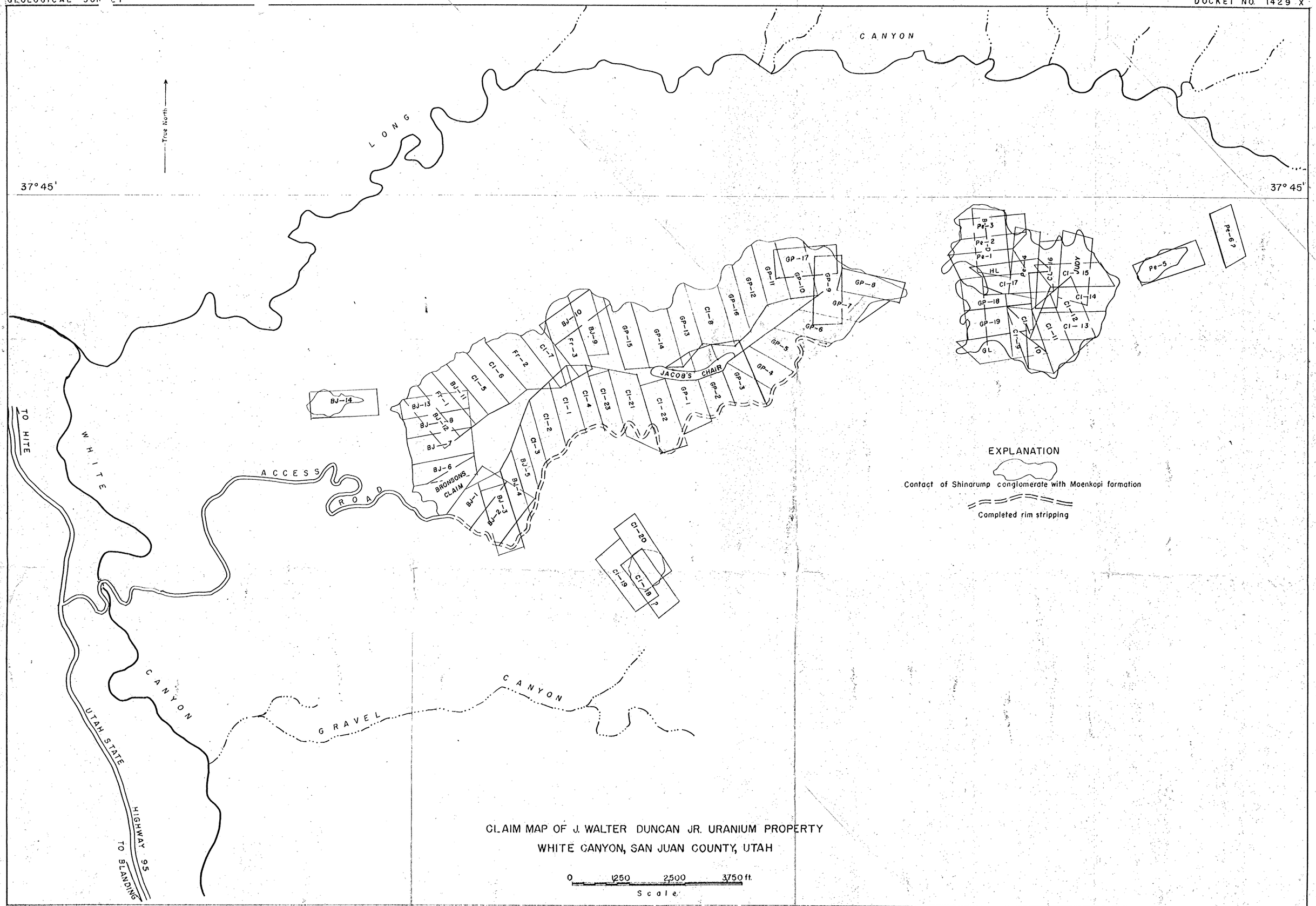
DMA DOCKET 1429X

Index Map

Jacob's Chair Exploration Project

SAN JUAN COUNTY, UTAH

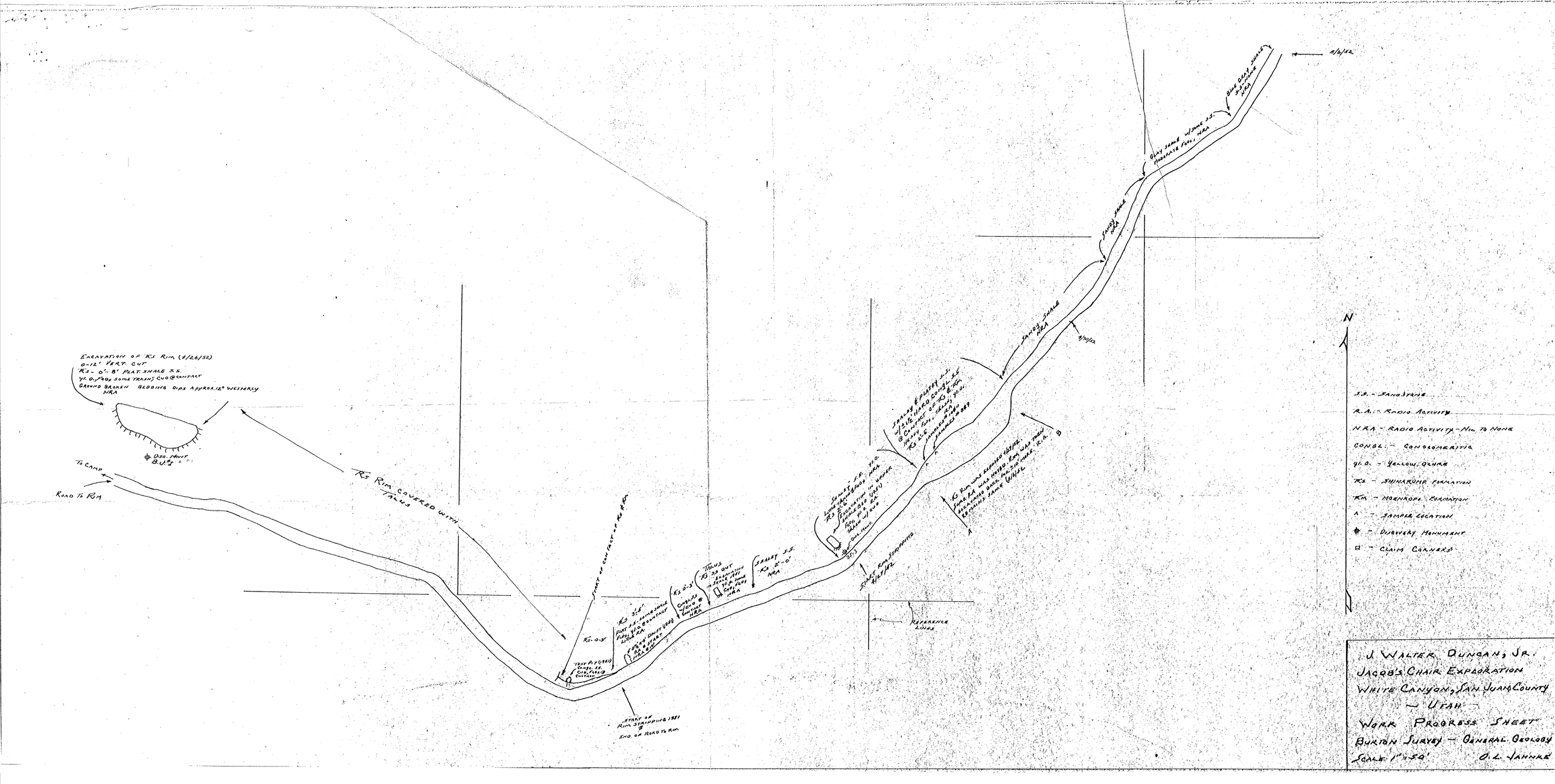
July 1, 1952

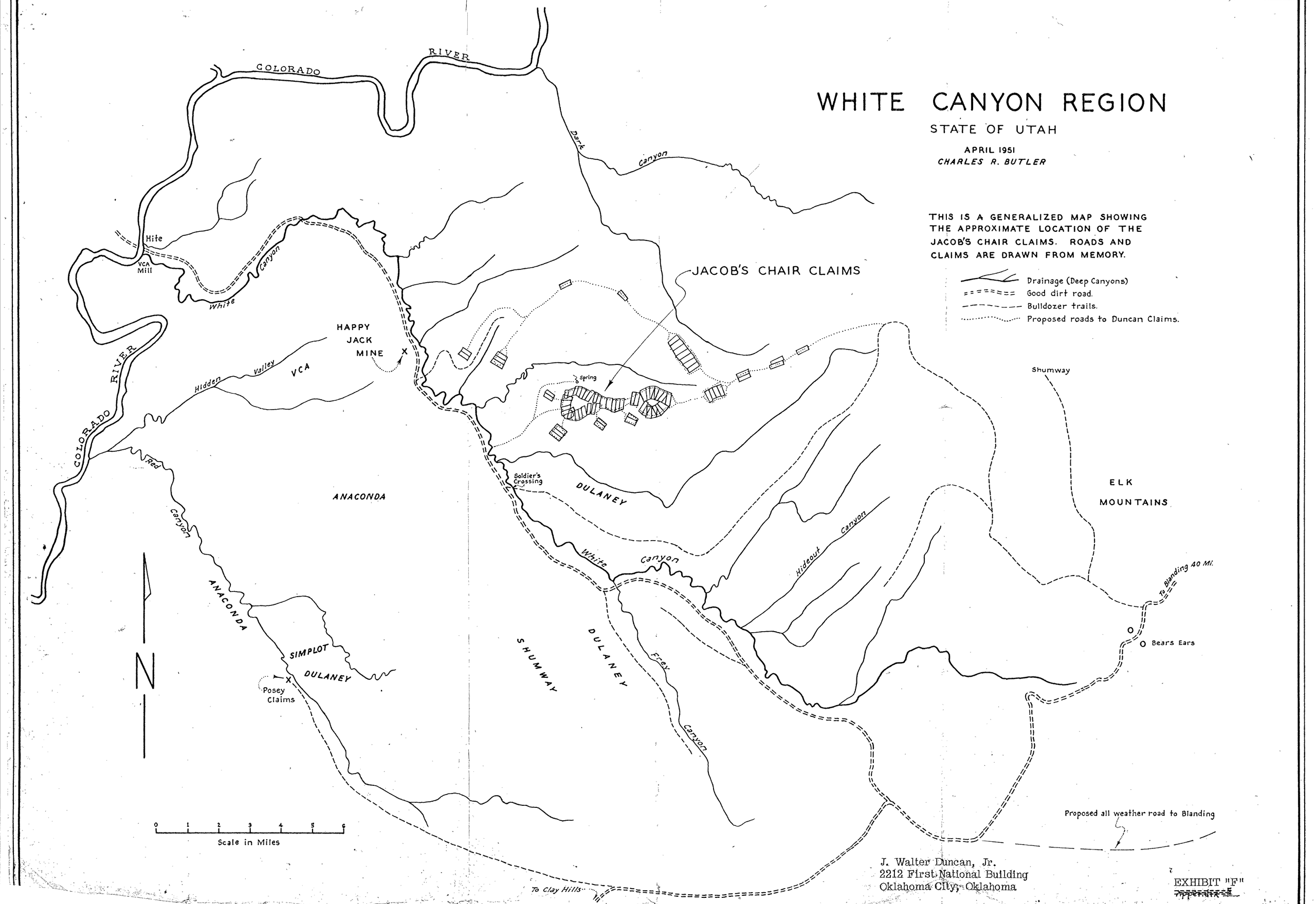


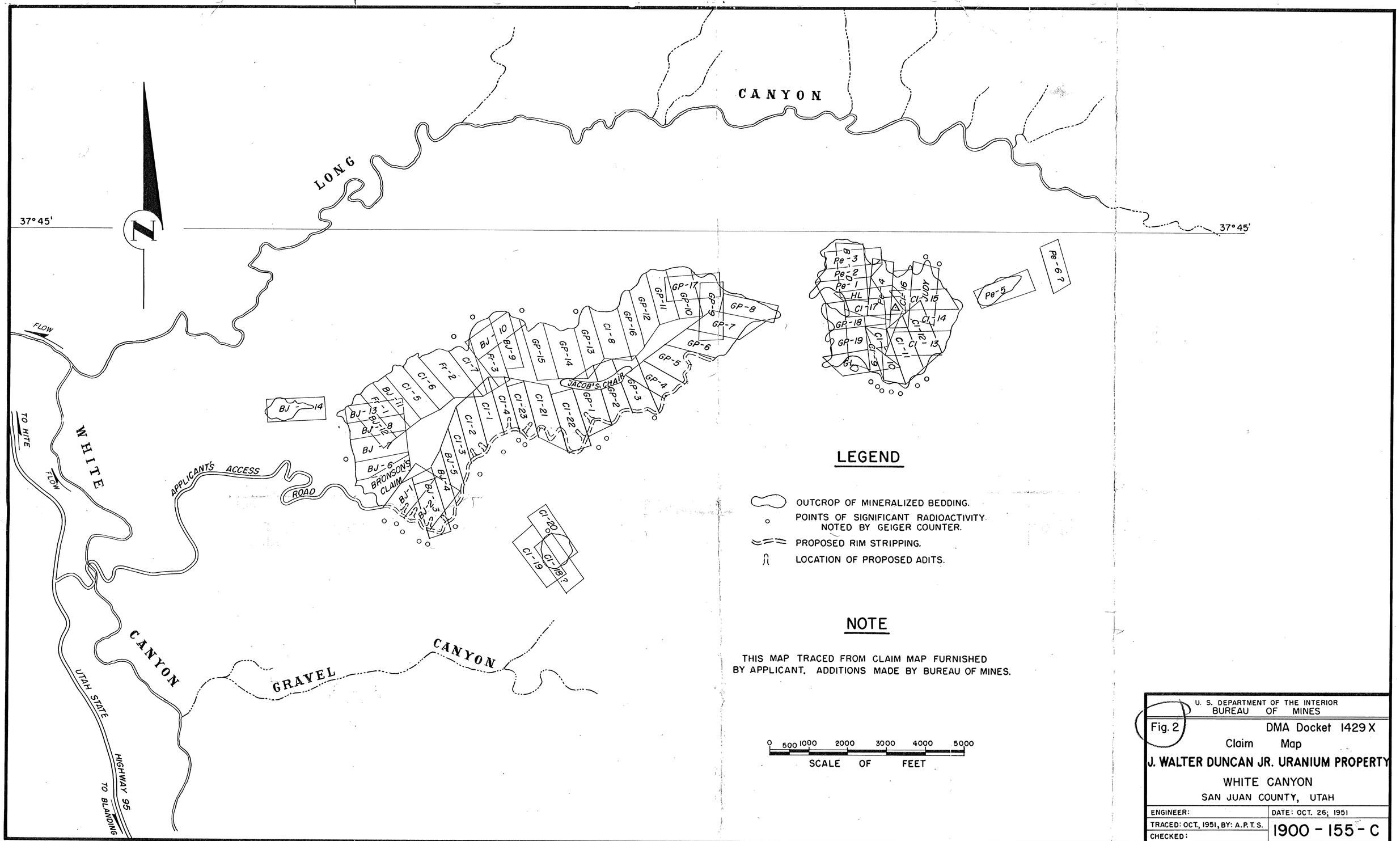
CLAIM MAP OF J. WALTER DUNCAN JR. URANIUM PROPERTY
WHITE CANYON, SAN JUAN COUNTY, UTAH

FIG. 3

After U.S. Bureau of Mines and J. Walter Duncan Jr.


EXCAVATION OF RS RIM (9/28/52)
0-12' VERT. CUT
RS 0'-8' PLAT. SHALE S.S.
YL. O. ROS SOME TRAINS CUO @ CONTACT
GROUND BROKEN BEDDING DIPS APPROX. 12° WESTERLY
NRA
DISC. MONT
BLM
TO CAMP
ROAD TO RIM
RS RIM COVERED WITH TALUS
START OF CONTACT OF RS & KM
RS 0-3'
TEST PIT (1950)
CONGL. RS
CUO, RS @
CONTACT
RS 3'-5'
PLAT. YL. O. SHALE
FOSS. YL. O. @ CONTACT
LENSES NRA
CONTACT DIKE (1950)
RS 0-3'
START
RS 0-3'
CONGLS
YL. O. @
CONTACT
NRA
TALUS
RS 3'-5' CUT
EXCAVATION
IN FALL 1951
YL. O. FOSS
CUO, FOSS
NRA
SANDY S.S.
RS 2'-0'
NRA
START OF RIM STRIPPING 1951
@
END OF ROAD TO RIM
SANDY S.S. YL. O.
LENSES NRA
RS 2'-0' CUT
EXCAVATION IN UPPER
FALL 1951
FOSS. YL. O. RS
CUO, FOSS
NRA
DISC. MONT.
BT-3
START RIM STRIPPING
9/28/52
SANDY & PLATEY S.S.
W/ 3'-5' HARD CONGL. S.S.
@ CONTACT OF RS & KM
HEAVY FOSS. YL. O.
RS 2'-6', SANDY YL. O.
NRA
SAMPLES #8 & #9
SAMPLES #8 & #9
RS RIM WAS EXPOSED 1951 WHEN
TOP 8' WAS MOVED. RIM WAS THEN
EXCAVATED BACK FOR 50' MORE. R.A.
REMAINS SAME (1951)
A
B
REFERENCE LINES
SANDY SHALE
NRA
SANDY SHALE
NRA
SANDY SHALE
NRA
GRAY CLAY SHALE
S.S. LENSE
NRA
GRAY TAN & WHITE S.S.
MODERATE FOSS. NRA
9/28/52
9/28/52
N
S.S. - SANDSTONE
R.A. - RADIO ACTIVITY
N.R.A. - RADIO ACTIVITY - NIL TO NONE
CONGL. - CONGLOMERATIC
YL. O. - YELLOW OCHRE
RS - SHINAROMP FORMATION
KM - MORRISON FORMATION
A - SAMPLE LOCATION
DISCOVERY MONUMENT
CLAIM CORNERS
J. WALTER DUNCAN, JR.
JACOB'S CHAIR EXPLORATION
WHITE CANYON, SAN JUAN COUNTY
— UTAH —
WORK PROGRESS SHEET
BURTON SURVEY — GENERAL GEOLOGY
SCALE 1" = 50'
O. L. JAHNKE


WHITE CANYON REGION
STATE OF UTAH
APRIL 1951
CHARLES R. BUTLER
THIS IS A GENERALIZED MAP SHOWING THE APPROXIMATE LOCATION OF THE JACOB'S CHAIR CLAIMS. ROADS AND CLAIMS ARE DRAWN FROM MEMORY.
Drainage (Deep Canyons)
Good dirt road.
Bulldozer trails.
Proposed roads to Duncan Claims.
COLORADO RIVER
Dark Canyon
JACOB'S CHAIR CLAIMS
Hite
VCA Mill
White Canyon
HAPPY JACK MINE
Hidden Valley
VCA
Spring
Shumway
COLORADO RIVER
Red Canyon
ANACONDA
Soldier's Crossing
DULANEY
ELK MOUNTAINS
White Canyon
Hideout Canyon
To Blanding 40 Mi.
Bears Ears
ANACONDA
SIMPLOT
DULANEY
Posey Claims
SHUMWAY
DULANEY
Frey Canyon
N
0 1 2 3 4 5 6
Scale in Miles
Proposed all weather road to Blanding
To Clay Hills
J. Walter Duncan, Jr.
2212 First National Building
Oklahoma City, Oklahoma
EXHIBIT "F"



U. S. DEPARTMENT OF THE INTERIOR
BUREAU OF MINES

Fig. 2 DMA Docket 1429 X

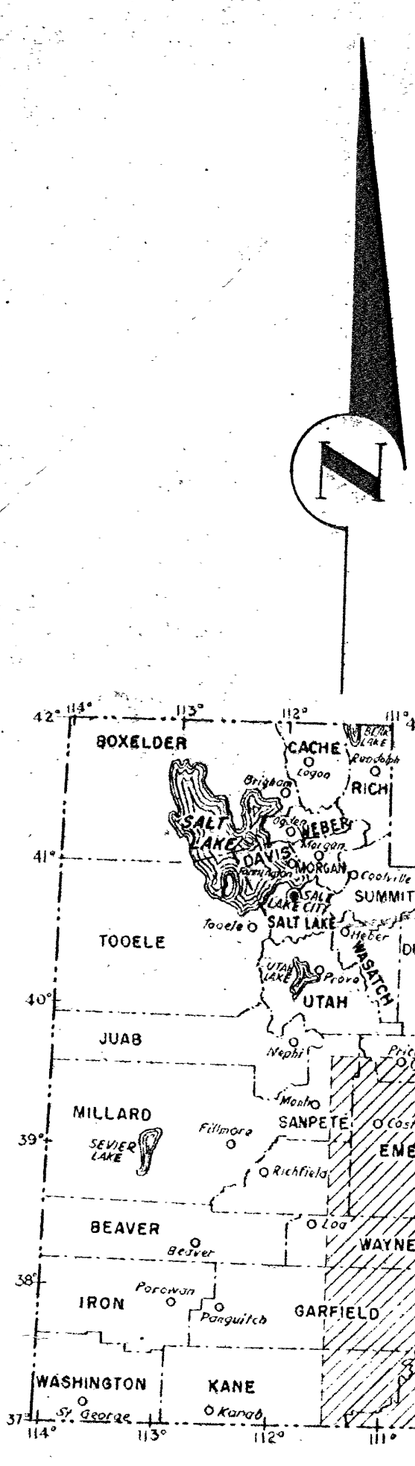
Claim Map

J. WALTER DUNCAN JR. URANIUM PROPERTY

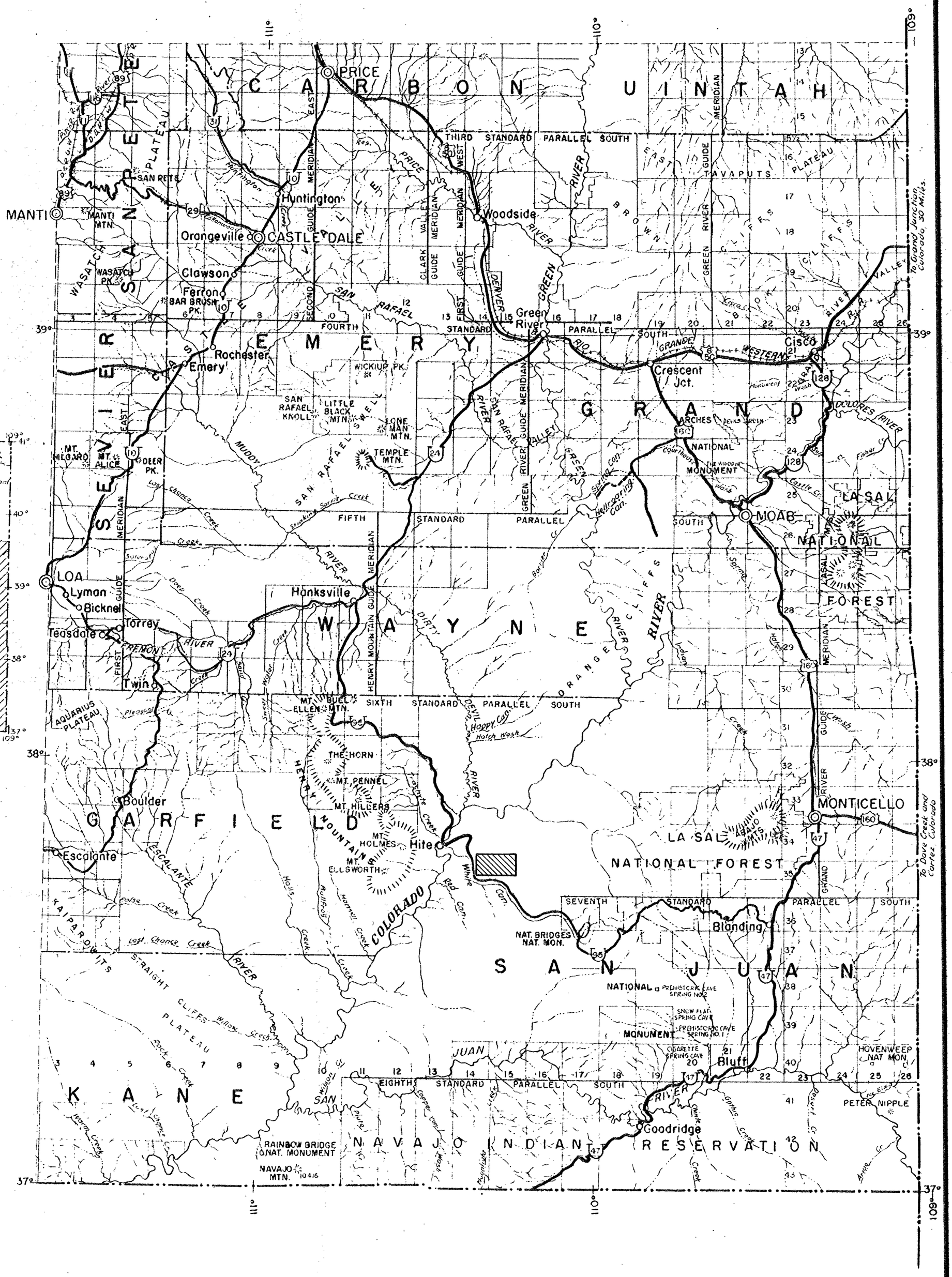
WHITE CANYON

SAN JUAN COUNTY, UTAH

ENGINEER:	DATE: OCT. 26, 1951
TRACED: OCT., 1951, BY: A.P.T.S.	1900 - 155 - C
CHECKED:	



UTAH
VICINITY MAP



NOTE

COMPILED FROM GENERAL LAND OFFICE
U. S. G. S. AND STATE ROAD COMMISSION
OF UTAH GENERAL HIGHWAY MAPS.

LEGEND

J. WALTER DUNCAN JR. URANIUM PROPERTY.

0 10 20 30 40 50
SCALE OF MILES

U. S. DEPARTMENT OF THE INTERIOR
BUREAU OF MINES

Fig. 1 DMA Docket 1429 X

Location Map

J. WALTER DUNCAN JR. URANIUM PROPERTY
JACOBS CHAIR AREA
WHITE CANYON, SAN JUAN COUNTY, UTAH

ENGINEER: *H. K. THURBER*	DATE: AUG. 24, 1951
DRAWN: AUG., 1951; BY: A.P.T.S.	1900 - 147 - C
CHECKED:	