DMA Form 1

DEFENSE MINERALS ADMINISTRATION
Control Slip

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DMA Docket No. 17438

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Routing Slip

OCT 17 1951

| | | | |
|---|---|---|---|
| To: | Adm. Mang. Div. | Date | 10-15-51 |
| To: | Mr. Kauffman | Date | 2/8/52 |
| To: | Mr. Butler | Date | |
| To: | Mr. Mittendorf | Date | |
| To: | Operating Comm. | Date | |
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INT.-DUP. SEC., WASH., D.C. 98868

MF-500

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

# REFERENCE SLIP

DATE 2-8-52

REFERRED TO:

1. Mails and Files Rm. 4070
2. 
3. 
4. 

FOR:

| | | | |
|---|---|---|---|
| | Action | | Recommendation |
| | Approval | | Record of |
| | Comment | | Referring to |
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| | Consideration | | |
| X | Filing | | Reply for signature of |
| | Instructions | | Rewriting |
| | Investigation | | Signature |
| | Initials | | Suggestions |
| | Mailing | | Your information |
| | Previous correspondence | | |

DmA 1743(3)

REMARKS:
Docket file is being circulated with letter re reason for denial. Please keep this material in file pending return of the docket to you.

Check (X) before the items needing attention.

Grace L. Ault
*Initials of sender.*

GPO 16—63815-1

700

FILE COPY
SURNAME:

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

Rutledge
Ellis
Butler
Jackson
Hatch
H. Johnson

AIR MAIL

FEB 14 1952

Mr. Samuel Bernstein, President
Royston Coalition Mines, Ltd.
704 Newhouse Building
Salt Lake City 1, Utah

Re: Docket No. DMA-1743X (Uranium)
Royston Coalition Mines, Ltd.
Piute County, Utah

Dear Mr. Bernstein:

Our letter of January 31, 1952, to Mr. Tom Lyon has been referred to the Ferro and Misc. Metals Division of DMA which Division recently acquired the application from the former Supply Division of DMA.

As stated in Mr. Lyon's letter of October 17, 1951: "We regret to advise that your application must be denied at this time because of insufficient evidence to indicate the geologic probability of making a significant discovery." This decision was reached after studying all of the data available. The Government reports are confidential and can not be released.

The denial decision was made because there were no factual data of a discovery on your property, and the geologic evidence does not support the probability of making a significant discovery.

If you have any additional factual or geologic evidence that would indicate the probability of such a discovery, it should be furnished to this office so that we can reconsider your application. No additional information regarding your property was included in your letter of November 15, 1951.

We hope the above information satisfactorily answers your questions.

Sincerely yours,

C. O. Mittendorf (fw)

Acting Administrator
Defense Minerals Exploration
Administration

APPROVED:

Member, Bureau of Mines

Member, Geological Survey

FRutledge/jem 2/8/52
cc to: Adm. Reading File Docket
Messrs. Kauffman, A.J. Rm. 1347
Butler, A.P. Rm. 3212 G.S.
Ellis Rutledge
Field Team, Reg. IV (2)

2/5/52 - gla

# ROYSTON COALITION MINES, LTD.

PHONE 4--9150
704 NEWHOUSE BUILDING
SALT LAKE CITY 1, UTAH

MINES AT
ROYSTON, NEVADA
ELKO, NEVADA

January 31st,1952

United States Department Of The Interior
Defense Minerals Administration
Washington 25, D. C.

Attn. Mr. Tom Lyon, Director
Supply Division.

Dear Sir:-

November 13th,1951, we wrote you reference D.M.A. 1743X Uranium application for exploration Loan of $30,000.00 of which a copy is enclosed.

To date we have not received a reply and would appreciate knowing what further action the Department has taken or is going to take on this application, especially answering the last paragraph in November 13th,1951,letter so that we can be governed accordinly.

Thanking you, we remain,

Yours very truly,
Royston Coalition Mines,Ltd.

BY Samuel Bernstein
Samuel Bernstein,
President.

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
FEB 5 1952

COPY COPY

Nov[illegible]er 13, 1951

United States Department of the Interior
Defense Minerals Administration
Washington, 25, D.C.

Attention; Mr. Tom Lyon, Director Supply Division

Dear Sir:

Yours of October 17th,1951, RE; D.M.A. 1743X Uranium application for exploration loan of $30,000.00.

We have noted wherein this application has been denied because of insufficient evidence to indicate the geologic probability of making a significant discovery, but should evidence obtained in the future be of such nature as to alter this opinion, you would gladly consider a new application.

The property in which the above application wa made comes under Title 32A, National Defense Appendix M.O.5 Sections 1 and 6A; respectively, wherein it states in part, " EXPLORATION FOR UNKNOWN OR UNDEVELOPED SOURCES OF STRATEGIC OR CRITICAL METALS AND MINERALS" therefore, it is under these sections we would participate for Government Aid.

We believe the evidence submitted you by the investigating field team did not thoroughly call your attention to all the facts in our development work already accomplished on this property,because we do not know of any geological work,either on the surface or underground workings, by the Atomic Energy Commmssion Field Office, especially in the face of our incline shaft where we have encountered considerable radioactivity after passing through dead ground, indicating we are sinking closer to better and more promising territory, which would also indicate the probability of making a significant discovery,and, further, the property is so situated in the Marysvale,Utah Uranium District,being just south of what is known as the " CENTRAL PRODUCING AREA", it is unbelievable a denial decision was made.

We are requesting our application for Government Aid be granted further consideration, and if we are again denied, we believe we would then be entitled to receive all facts and other pertinent information furnished your division by the investigating field team so as to give us the opportunity to check and make any corrections and file an amendment to our original application.

Yours very truly

Royston Coalition Mines, Ltd.
s/s Samuel Bernstein.
BY _____
Samuel Bernstein,President.

RARE & LIGHT METALS

DEFENSE MINERALS ADMINISTRATION WASHINGTON, D.C.

# ROYSTON COALITION MINES LTD.

PHONE 4--9150
704 NEWHOUSE BUILDING
SALT LAKE CITY 1, UTAH

NOV 16 8 43 AM '51

MINES AT
ROYSTON, NEVADA
ELKO, NEVADA

November 13, 1951

United States Department of the Interior
Defense Minerals Administration
Washington 25, D. C.

Attention: Mr. Tom Lyon, Director Supply Division

Dear Sir:

Yours of October 17th, 1951, RE: D.M.A. 1743 x Uranium application for exploration loan of $30,000.00.

We have noted wherein this application has been denied because of insufficient evidence to indicate the geologic probability of making a significant discovery, but should evidence obtained in the future be of such nature as to alter this opinion, you would gladly consider a new application.

The property in which the above application was made comes under Title 32A, National Defense Appendix M.O. 5, sections 1 and 6A respectively, wherein it states in part, "EXPLORATION FOR UNKNOWN OR UNDEVELOPED SOURCES OF STRATEGIC OR CRITICAL METALS AND MINERALS"; therefore, it is under these sections we would participate for Government Aid.

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ROYSTON COALITION MINES, LTD.
PHONE 4--9150
704 NEWHOUSE BUILDING
SALT LAKE CITY 1, UTAH

MINES AT
ROYSTON, NEVADA
ELKO, NEVADA



November 13, 1951

We are requesting our application for Govennment Aid be granted further consideration, and if we are again denied, we believe we would then be entitled to receive all facts and other pertinent information furnished your division by the investigating field team so as to give us the opportunity to check and make any corrections and file an amendment to our original application.

Yours very truly,

ROYSTON COALITION MINES, LTD.

By Samuel Bernstein
Samuel Bernstein, President

FILE CO
SURNAME

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

Gordon
Bourret
Hosted
Keiser

OCT 17 1951

a. E. C.

Mr. Samuel Bernstein
Royston Coalition Mines, Ltd.
704 Newhouse Building
Salt Lake City 1, Utah

Re: DMA-1743x
Uranium

Dear Mr. Bernstein:

Your application of June 25, 1951, for an exploration loan in the amount of $30,000, has been carefully reviewed by the Minor and Rare Metals Branch of the Supply Division.

We regret to advise that your application must be denied at this time because of insufficient evidence to indicate the geologic probability of making a significant discovery.

Should evidence obtained in the future be of such nature as to alter this opinion, we would gladly consider a new application.

Yours very truly,

Tom Lyon

S.J. 10-17

Tom Lyon, Director
Supply Division

EGordon/mh 10-10-51
cc: Adm. Read. File
Bourret
Lyon
Field Team IV
Keiser, USGS
Hosted, USGS
DMA docket file

FILE COPY
SURNAME:

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

Gordon
Bourret
Hosted
Keiser

OCT 17 1951

a, E.C.

Memorandum

To: Administrative Management Division

Through: Director, Supply Division

From: Minor and Rare Metals Branch

Subject: DMA docket 1743x - Uranium
Royston Coalition Mines, Ltd.

Under date of June 25, 1951, Mr. Samuel Bernstein, 704 Newhouse Building, Salt Lake City 1, Utah, submitted the subject application, DMA-1743, for an exploration loan in the amount of $30,000.

Attached hereto find letter of even date addressed to applicant denying the application because of insufficient evidence to indicate the geologic probability of making a significant discovery.

We herewith return the complete docket, comprised as follows:

(a) Two copies of MF-100.
(b) Three copies of MF-103.
(c) Two copies of field referral.
(d) One copy of field team report.
(e) Two copies of letter from Mr. Keiser, to Mr. Hosted transmitting a copy of MF-100.
(f) Copy of exhibits.

Weston Bourret

N.S
R+R

Weston Bourret, Chief
Minor and Rare Metals

Enclosure

Approved:

Tom Lyon

Director, Supply Division

EGordon/mh 10-10-51
cc: Adm. Read. File
Lyon
Bourret
Keiser, USGS
Hosted, USGS
Field team, I V
DMA docket file

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

OCT 17 1951

a.e.c.

Memorandum

To: Administrative Management Division

Through: Director, Supply Division

From: Minor and Rare Metals Branch

Subject: DMA docket 1743x - Uranium
Royston Coalition Mines, Ltd.

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(d) One copy of field team report.
(e) Two copies of letter from Mr. Keiser, to Mr. Hosted transmitting a copy of MF-100.
(f) Copy of exhibits.

Weston Bourret
Weston Bourret, Chief
Minor and Rare Metals

Enclosure

Approved:
Tom Lyon
Director, Supply Division

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

224 New Customhouse
Denver 2, Colorado

October 3, 1951

Memorandum

To: Executive Secretary, Defense Minerals Administration

From: DMA Field Team, Region IV

Subject: DMA Docket 1743X, Royston Coalition Mines Ltd., Piute County, Utah (Uranium)

Enclosed herewith are the original and two copies of the report on Royston Coalition Mines Ltd., as listed above.

We concur with the recommendations of the field examiners that the loan be denied.

The brochure is returned herewith.

J. H. East, Jr.

for A. H. Koschmann

DEFENSE MINERALS ADMINISTRATION WASHINGTON, D. C.
OCT 5 8 48 AM '51

Enclosures

ld

cc: DMA

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

224 New Customhouse
Denver 2, Colorado

October 3, 1951

Memorandum

To: Executive Secretary, Defense Minerals Administration

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J. H. EAST, JR.

J. H. East, Jr.

for A. H. Koschmann

DEFENSE MINERALS ADMINISTRATION WASHINGTON, D. C.
OCT 5 8 48 AM '51

Enclosures

ld

cc: DMA

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

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

September 28, 1951

Memorandum

To: DMA Field Team, Region IV

From: A. H. Koschmann

Subject: DMA Docket 1743X, Royston Coalition Mines LTD., Piute County, Utah. (Uranium)

Enclosed are 8 copies of the geologic report by Byron J. Sharp and Vard H. Johnson, U. S. Geological Survey, covering the above docket. It has been recommended that the loan be denied.

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

Enclosures (9)

Room 307, 320 South Main
Salt Lake City 1, Utah
26 September 1951

Memorandum

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

From: Ralph J. Roberts

Subject: Docket DMA-1743X, Royston Coalition Mines LTD., Piute County, Utah. (Uranium)

Please find enclosed 8 copies of a geologic report on Docket DMA 1743X, Royston Coalition Mines Ltd., Piute County, Utah.

The Royston Coalition mine is located in the Bullion Canyon series of volcanics of Tertiary age, which has been intruded by quartz monzonite and granite. The quartz monzonite is the most favorable host rock for the uranium-bearing veins in the central Marysvale area. The applicant proposes to deepen the present shaft to explore the quartz-monzonite-Bullion Canyon series contact at depth and then drift along the contact in the hope of intersecting possible uranium bearing veins. The company has projected the quartz-monzonite contact to within 75 feet of the present shaft. This contact may or may not be close to the present incline shaft, and if it is close the chances of finding any uranium-bearing veins are not good.

The exploration program proposed by the applicant is geologically unsound and it is therefore recommended that application for a loan be denied.

This is the full report of an investigation made upon request of the field team. There will be no report transmitted by the U. S. Bureau of Mines.

I concur in the conclusions and recommendations of the examining geologists that the application for a loan be denied.

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-1743X, Boynton Coalition Mines Ltd.,

## Piute County, Utah

(Uranium)

Byron J. Sharp and Ward H. Johnson, Geologists
U. S. Geological Survey

September 24, 1951

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## ILLUSTRATIONS


Figure 1. Index map of Utah.

Figure 2. Plan map of inclined shaft of Royston Coalition mines, Ltd.

Docket DMA-1743X, Royston Coalition Mines Ltd.

Piute County, Utah

(Uranium)

## INTRODUCTION

Docket DMA-1743X, Royston Coalition Mines Ltd., Piute County, Utah, proposes to explore at depth an intrusive body of quartz-monzonite that may contain uranium-bearing veins.

In response to a request from the Field Team, dated August 8, 1951, Byron J. Sharp and Ward H. Johnson of the U. S. Geological Survey visited the property on September 4th and 5th, to determine if the exploration project had merit.

The AEC office at Marysvale provided valuable information and assistance during the examination.

### Location and Accessibility

The Royston Coalition property is located in Sec. 4 and 9, T. 27 S., R. 3 W., approximately 3 1/2 miles north of Marysvale, Utah, on the Rio Grande Railroad. It is accessible the year round by good dirt and gravelled roads.

### History and ownership

The Royston Coalition Mines Ltd. is managed by R. A. Glenny, secretary of the company, and Scott M. Cutler, superintendent.

The applicant has entered into lease and option agreements to develop this property in the uranium district in Marysvale, Utah. No production from the property has been recorded, but adjacent properties have been producing for some time. Owing to lack of available funds, operations were suspended by the company.

## GEOLOGY

The rocks in the Marysvale region are mainly volcanic in origin. A series of flows, the oldest of which forms the Bullion Canyon series of Tertiary age, has been intruded by quartz-monzonite and granite. The Bulmap rhyolite, of later Tertiary age, overlies an old erosion surface on the Bullion Canyon series and the quartz-monzonite and granite. The quartz-monzonite is considered to be the most favorable host rock for the uranium-bearing veins.

The Royston Coalition mine is in the Bullion Canyon series of flows, which has not been the most favorable host rock for the uranium-bearing vein but has been known to be mineralized to some extent.

## ORE DEPOSITS

The ore in the central area of the Marysvale district is largely in narrow veins and gouge-filled fissures in the quartz monzonite. Some mineralization has also occurred in the flows. The primary ore minerals are pitchblende, magnetite, pyrite, jordisite, and ilmenomnite. The uranium minerals weather readily to schroeckingerite, autunite, torbernite, a silicate resembling uranophane, and two unknown minerals. Fluorite is the most important associated gangue mineral, and some quartz and calcite are also known to occur in the gangue.

Mineralization in the Royston Coalition workings is limited to hematite and limonite stains and a few weak pyrite seams. Some alunite alteration has taken place near the surface.

## ORE RESERVES

There are no ore reserves in the Royston Coalition workings, for no uranium ore has yet been discovered.

## PROPOSED EXPLORATION

The company proposes to extend the present inclined shaft until the quartz-monzonite is reached at an estimated depth of 78 feet. Then they propose to drift along the contact of the quartz-monzonite and the Bullion Canyon series, on an estimated strike of 35° W., for approximately 1,000 feet. The company hopes to intersect some alteration zones found on the surface with this drift. The estimated cost of the program, based on $30.00 a foot, would total approximately $30,000. The project could be completed within one year.

The examining geologists believe that the possibilities for discovery of new ore bodies on this property are not promising. The quartz-monzonite contact may or may not be close to the face of the present incline, and even if the quartz monzonite contact were reached, the likelihood of finding uranium bearing veins would be very small.

## SUMMARY AND CONCLUSIONS

The Royston Coalition mine consists of a 30° inclined shaft 650 feet long, in the Bullion Canyon series of volcanics of Tertiary age, which has been intruded by quartz-monzonite and granite. The quartz-monzonite is considered to be the most favorable host rock for the uranium-bearing veins in the central Marysvale area.

The applicant proposes to deepen the present shaft to explore the quartz-monzonite-Bullion Canyon series at depth and then drift 1,000 feet along the contact in the hope of intersecting possible uranium-bearing veins. The project can be completed in less than two years time at a cost of approximately $30,000.00.

The company has projected the quartz-monzonite contact to within 78 feet of the present face of the inclined shaft. In the opinion of the examining geologist, however, this contact may or may not be close to the present incline, and that even if the contact is close the chances of finding any uranium-bearing veins are not good. It is concluded that the exploration program proposed by the applicant is geologically unsound, and it is therefore recommended that the application for a lease be denied.

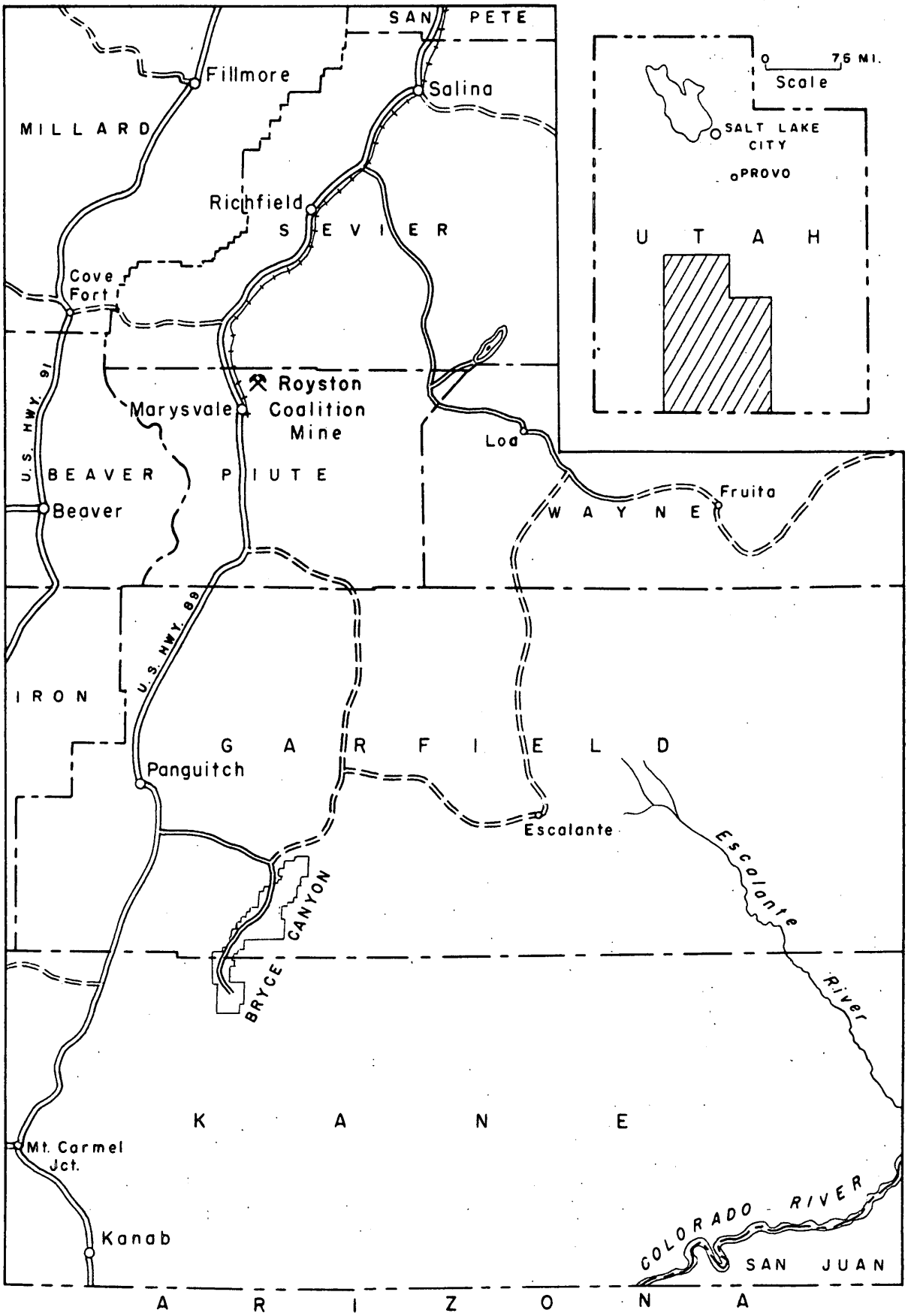


FIG. 1 INDEX MAP OF UTAH

0 5 10 15 20 MILES
Scale

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

September 28, 1951

Memorandum

To: DMA Field Team, Region IV

From: A. H. Koschmann

Subject: DMA Docket 1743R, Royston Coalition Mines LTD., Piute County, Utah. (Uranium)

Enclosed are 8 copies of the geologic report by Byron J. Sharp and Ward H. Johnson, U. S. Geological Survey, covering the above docket. It has been recommended that the loan be denied.

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

Enclosures (9)

Room 307, 320 South Main
Salt Lake City 1, Utah
26 September 1951

Memorandum

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

From: Ralph J. Roberts

Subject: Docket DMA-1743X, Royston Coalition Mines LTD., Piute County, Utah. (Uranium)

Please find enclosed 8 copies of a geologic report on Docket DMA 1743X, Royston Coalition Mines Ltd., Piute County, Utah.

The Royston Coalition mine is located in the Bullion Canyon series of volcanics of Tertiary age, which has been intruded by quartz monzonite and granite. The quartz monzonite is the most favorable host rock for the uranium-bearing veins in the central Marysvale area. The applicant proposes to deepen the present shaft to explore the quartz-monzonite-Bullion Canyon series contact at depth and then drift along the contact in the hope of intersecting possible uranium bearing veins. The company has projected the quartz-monzonite contact to within 78 feet of the present shaft. This contact may or may not be close to the present incline shaft, and if it is close the chances of finding any uranium-bearing veins are not good.

The exploration program proposed by the applicant is geologically unsound and it is therefore recommended that application for a loan be denied.

This is the full report of an investigation made upon request of the field team. There will be no report transmitted by the U. S. Bureau of Mines.

I concur in the conclusions and recommendations of the examining geologists that the application for a loan be denied.

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-1743X, Boynton Coalition Mines Ltd.,

## Piute County, Utah

(Uranium)

Byron J. Sharp and Ward H. Johnson, Geologists
U. S. Geological Survey

September 24, 1951

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| Summary and conclusions | 3 |


## ILLUSTRATIONS


Figure 1. Index map of Utah.

Figure 2. Plan map of inclined shaft of Royston Coalition mines, Ltd.

Docket DMA-1743X, Royston Coalition Mines Ltd.

Piute County, Utah

(Uranium)

## INTRODUCTION

Docket DMA-1743X, Royston Coaltion Mines Ltd., Piute County, Utah, proposes to explore at depth an intrusive body of quartz-monzonite that may contain uranium-bearing veins.

In response to a request from the Field Team, dated August 8, 1951, Byron J. Sharp and Vard H. Johnson of the U. S. Geological Survey visited the property on September 4th and 5th, to determine if the exploration project had merit.

The AEC office at Marysvale provided valuable information and assistance during the examination.

### Location and Accessibility

The Royston Coalition property is located in Sec. 4 and 9, T. 27 S., R. 3 W., approximately 3 1/2 miles north of Marysvale, Utah, on the Rio Grande Railroad. It is accessible the year round by good dirt and gravelled roads.

### History and ownership

The Royston Coalition Mines Ltd. is managed by R. A. Glenny, secretary of the company, and Scott M. Cutler, superintendent.

The applicant has entered into lease and option agreements to develop this property in the uranium district in Marysvale, Utah. No production from the property has been recorded, but adjacent properties have been producing for some time. Owing to lack of available funds, operations were suspended by the company.

## GEOLOGY

The rocks in the Marysvale region are mainly volcanic in origin. A series of flows, the oldest of which ~~from~~ forms the Bullion Canyon series of Tertiary age, has been intruded by quartz-monzonite and granite. The Belnap rhyolite, of later Tertiary age, overlies an old erosion surface on the Bullion Canyon series and the quartz-monzonite and granite. The quartz-monzonite is considered to be the most favorable host rock for the uranium-bearing veins.

The Royston Coalition mine is in the Bullion Canyon series of flows, which has not been the most favorable host rock for the uranium-bearing vein but has been known to be mineralized to some extent.

## ORE DEPOSITS

The ore in the central area of the Marysvale district is largely in narrow veins and gouge-filled fissures in the quartz monzonite. Some mineralization has also occurred in the flows. The primary ore minerals are pitchblende, magnetite, pyrite, jordisite, and ilsemannite. The uranium minerals weather readily to schroeckingerite, autunite, torbernite, a silicate resembling uranophane, and two unknown minerals. Fluorite is the most important associated gangue mineral, and some quartz and calcite are also known to occur in the gangue.

Mineralization in the Royston Coalition workings is limited to hematite and limonite stains and a few weak pyrite seams. Some alunite alteration has taken place near the surface.

## ORE RESERVES

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## PROPOSED EXPLORATION

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## SUMMARY AND CONCLUSIONS

The Royston Coalition mine consists of a 30° inclined shaft 650 feet long, in the Bullion Canyon series of volcanics of Tertiary age, which has been intruded by quartz-monzonite and granite. The quartz-monzonite is considered to be the most favorable host rock for the uranium-bearing veins in the central Marysvale area.

The applicant proposes to deepen the present shaft to explore the quartz-monzonite-Bullion Canyon series at depth and then drift 1,000 feet along the contact in the hope of intersecting possible uranium-bearing veins. The project can be completed in less than two years time at a cost of approximately $30,000.00.

The company has projected the quartz-monzonite contact to within 78 feet of the present face of the inclined shaft. In the opinion of the examining geologist, however, this contact may or may not be close to the present incline, and that even if the contact is close the chances of finding any uranium-bearing veins are not good. It is concluded that the exploration program proposed by the applicant is geologically unsound, and it is therefore recommended that the application for a loan be denied.

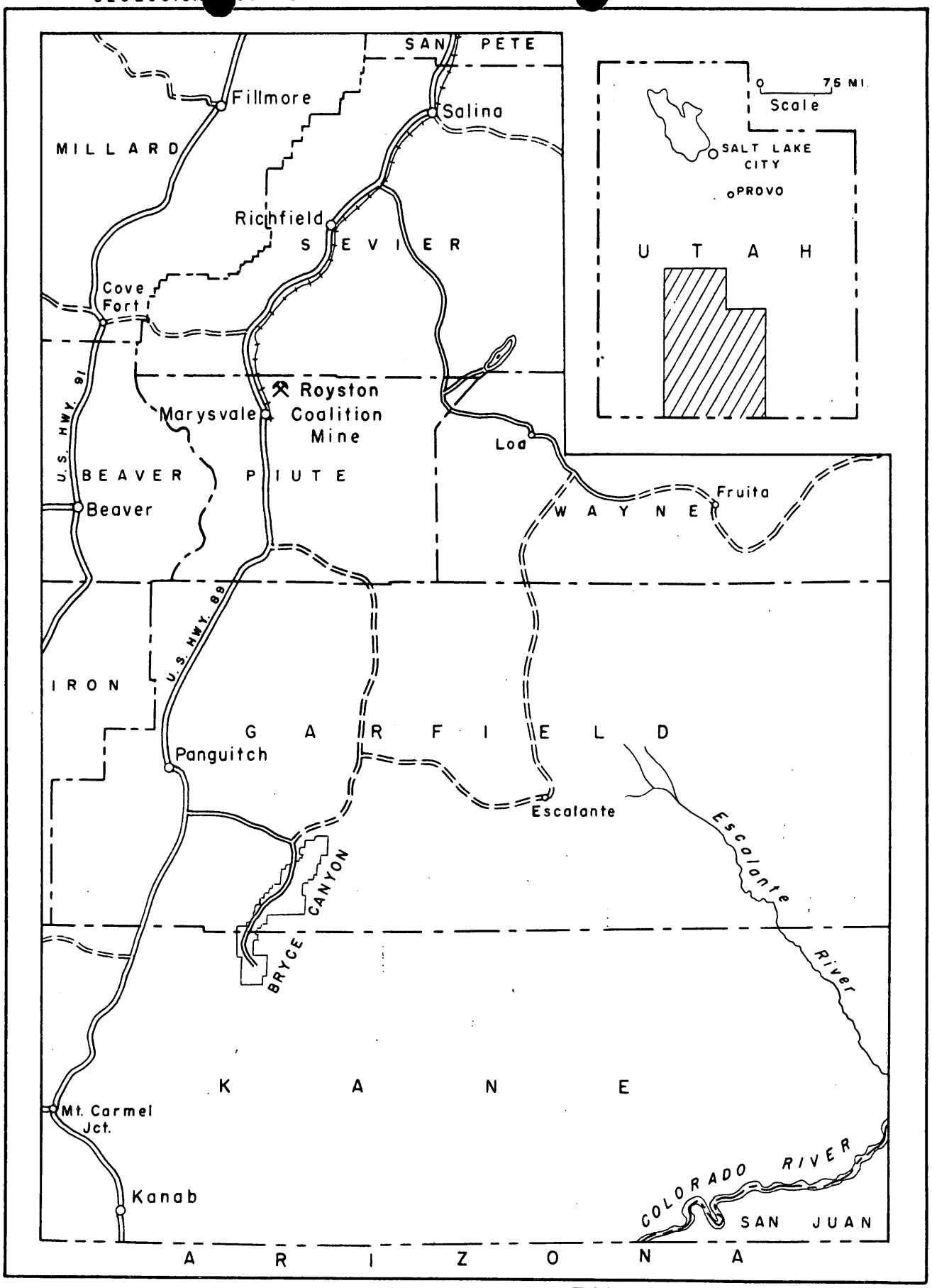


FIG. 1 INDEX MAP OF UTAH

0 5 10 15 20 MILES
Scale

FILE COPY
SURNAME:

Bourret

Ron
Ward

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

a-E-C-

AUG 6 1951

Mr. Samuel Bernstein, President
~~Boyston Coalition Mines, Ltd.~~
706 Newhouse Building
Salt Lake City 1, Utah

Dear Mr. Bernstein:

Your application, Docket DMA-1743M for exploration project in the amount of $30.00 has been received by the Minor and Rare Metal Branch of the Supply Division.

Before a decision can be reached on your request we find it is necessary to obtain additional information on your property. Your application therefore is being referred to the office of the Executive Officer of Field Team IV, Mr. S. E. Dent, Jr., 224 New Customhouse, Denver 2, Colorado, with the request that the needed information be supplied to us.

Yours very truly,

Wilson Bourret By 8/6

Wilson Bourret, Chief
Minor and Rare Metals

Wbourret/es

Copy: Adm. Reading File
Reports & Records Branch
Ryan
Bourret
Field Team IV, 224 New Customhouse, Denver 2, Colorado
Files
Felzer - Hosted, U.S.G.S.

Mr. [illegible] Bernstein, President
Boyston Realties [illegible], Inc.
70[illegible] Warehouse Building
[illegible] New City, N. [illegible]

Dear Mr. Bernstein:

Your application, dated [illegible], for a loan for this project in the amount of $30,000 has been received by the Housing [illegible] of the Housing Division.

Before a decision can be reached on your request, we find it necessary to obtain additional information on your property. Your application therefore is being referred to the Office of the Executive Director of the [illegible] Housing Authority, [illegible] Broadway, Room 2, [illegible], [illegible] We request that the [illegible] of information be supplied to us.

Very truly yours,

Wilton Bonnet

Wilton Bonnet, [illegible]
Executive Director

[illegible]:rsv/ra

Copies to: [illegible]
[illegible]
[illegible]
[illegible]
[illegible]
[illegible]
[illegible]

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

REGIONAL DIRECTOR'S OFFICE
REGION IV
AUG 8 1951
BUREAU OF MINES
DENVER, COLORADO

Mr. J. H. East, Jr.,
Executive Officer, DMA Field Team
224 New Customhouse
Denver 2, Colorado

AUG 2 1951

AIR MAIL

Dear Sir:

We attach "Review of Application for Exploration Assistance" on:

Docket No. 1743X

Commodity Uranium

Applicant Royston Coalition Mines, Ltd.
704 Newhouse Building, Salt Lake City 1, Utah.

Please expedite the consideration of this application with particular reference to the points raised in the attached "Review."

Very truly yours,

Tom Lyon

Chairman
Coordinating Committee

For Bureau of Mines

For Geological Survey

OCT 5 8 48 AM '51
DEFENSE MINERALS ADMINISTRATION
WASHINGTON, D.C.

6/5/51

Defense Minerals Administration

Review of Application for Exploration Assistance

Docket No. DMA 1743-X

Commodity Uranium

Total Amount $30,000

Govt. Participation $27,000

1. Name and Address of Applicant Royston Coalition Mines, Ltd.

704 Newhouse Building, Salt Lake City 1, Utah

2. Location of Property Approximately 3½ miles north of Marysvale, Utah

3. Mineral or metal Uranium Is it listed in Section 9 of MO-5? yes

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

c) None

d) Don't know—needs field examination Report by field team is required. See Item 17.

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, MO-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 question? See attached notes by Tom Anderson, geologist, AEC, Denver Colorado. Review of this application with Mr. Anderson is recommended.

Reviewed by: J. H. Kesler, U.S.G.S.

G. A. Austed, AEC

Date July 27, 1951



INT.-DUP. SEC., WASH., D.C. 99009

Notes on DMA 1743-X -- Royston Coalition Mines, Ltd.

By Tom Anderson, geologist, AEC
Denver, Colorado

This Royston DMA application is a wild cat, and I do not believe it is a good bet at this time because:

1. Geology is not favorable -- present workings are in Bullion Canyon (early) volcanics and are about ½ mile from any showings of interest as prospects. We made a reconnaissance of the area early in our work and found nothing to indicate that we should extend our surface mapping into that area.

2. We are currently drilling on some surface shows about ½ mile North. Even if this drilling would be successful (and that is doubtful from present results) it would only slightly increase the attractiveness of the Royston proposition.

3. Royston's estimated costs of $30 per ft. is rather high. Cost based on the figures they furnish in the application are about $11 per ft. The foreman on the job told me some time ago that he was well under $15 per ft. and considered the thing momentarily in the light of our possible future need for deep exploration in the district (thru shaft or adit). It is, however, a bit premature for that; at least in our present stage of drilling. Besides, using the Royston incline for such a purpose might present some engineering difficulties -- about 24 to 26 deg. is the steepest conveyor belt lift that I am familiar with. You in Wash. know more about the shaft-adit thinking than I do here. If it is going to be pushed thru before the drilling is completed then maybe the possibility of using the Royston incline should be included.

I am sure we can justify turning the application down now for the above reasons. Perhaps later it <u>might be reconsidered</u> if:

1. Drilling to the North proves up something good enough to warrant some projection into or toward the Royston.

2. Need for deep-level exploration is warranted.

3. Engineering details concerning conveyor-belt haulage can be worked out in a 30-deg. incline.

Note to Field Team: Please hold above notes in confidence.

IN REPLY REFER TO:
G-TEPCO

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

July 10, 1951

Air Mail
Registered Mail

AEC-24/2

Mr. Joseph O. Hosted
c/o Mr. Charles C. Towle
U. S. Atomic Energy Commission
P. O. Box 2777, Lakewood Branch
Denver 15, Colorado

Dear Joe:

Transmitted herewith is DMA-1743X, Royston Coalition Mines, Ltd., received on July 9 from Bourret.

The application apparently involves an area with which the AEC field office at Marysvale is familiar; see item 7, Form MF 100, and item 22, Form MF 103.

My regards.

Sincerely,

Hugh

H. D. Keiser
Trace Elements Office

Enclosure

Copy to: Mr. Hosted

JOH-gmd

32903

G-TEPCO

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

July 10, 1951

Air Mail
Registered Mail

AEC-24/2

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c/o Mr. Charles C. Towle
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My regards.

Sincerely,

/s/ Hugh

H. D. Keiser
Trace Elements Office

Enclosure

Copy to: Mr. Hosted

32903

FILE COPY
SURNAME:

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

June 29, 1951

Mr. Samuel Bernstein, President
704 Newhouse Building
Salt Lake City 1, Utah

Subject: DMA-1743X
Re: Exploration Loan

My dear Mr. Bernstein:

Receipt is acknowledged of your application and attachments of June 25, 1951 for an exploration loan under the Defense Production Act of 1950.

The application was assigned Docket Number DMA-1743X and referred to Mr. Weston G. Bourret, Chief, Minor and Rare Metals Branch on June 28, 1951.

In any future correspondence relating to your application, kindly refer to DMA-1743X.

Sincerely yours,

LANDON F. STROBEL
jc

Landon F. Strobel
Executive Secretary

L. F. Strobel:jc
cc: Strobel
✓File
Bourret
Lyon

dma 1743 X

LANDON F. STROBEL

# ROYSTON COALITION MINES, LTD.

PHONE 4--9150
704 NEWHOUSE BUILDING
SALT LAKE CITY 1, UTAH

MINES AT
ROYSTON, NEVADA
ELKO, NEVADA

June 25, 1951

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

Gentlemen:

Enclosed you will find Form MF-100 in quadruplicate, General Technical Data for use under the Defense Production Act of 1950, and also Form MF-103 in quadruplicate, Application for Aid for an Exploration Project Pursuant to Mineral Order 5, Defense Production Act of 1950, covering the ROYSTON COALITION MINES, LTD.

We trust that consideration will be given application for aid on the exploration project as soon as possible.

Yours very truly,

ROYSTON COALITION MINES, LTD.

R. A. Glenny

R. A. Glenny, Secretary

RAG:hb

37903

U. S. Atomic Energy Commission
Raw Materials Operations
RECEIVED
JUL 23 1951
A.M. P.M.
7 8 9 10 11 12 1 2 3 4 5 6

U. S. Atomic Energy Commission
Raw Materials Operations
RECEIVED
JUL 23 1951
A.M. P.M.
7 8 9 10 11 12 1 2 3 4 5 6

BUREAU OF MINES
WASHINGTON, D. C.
JUN 27 12 28 PM '51

Form MF-100
(May 1951)

U. S. DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

Form approved.
Budget Bureau No. 42-R1026.

# GENERAL TECHNICAL DATA
# FOR USE UNDER THE
# DEFENSE PRODUCTION ACT OF 1950

NOT TO BE FILLED IN BY APPLICANT

Docket No. dmal 1743X

Date received 6-27-51

ROYSTON COALITION MINES, LTD.
704 Newhouse Building
Salt Lake City 1, Utah

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
JUN 27 1951
LAWSON R. SHARPE
Executive Secretary

Name and address of applicant

Date June 25, 1951

## INSTRUCTIONS

This form is to be filed with Defense Minerals Administration, Department of the Interior, Washington 25, D. C. It should be accompanied by appropriate application form when a specific type of Government assistance is requested, in the form of (1) loan, (2) purchase contract, (3) Government guarantee of a private loan, (4) priorities or allocation of mining equipment, and maintenance, repair and operating supplies, and (5) other forms of Government assistance that might arise under the Act. Submit four (4) signed copies of the form and accompanying papers. Name and address should be stamped or typed on each sheet of this form and all accompanying papers. *When a question is inapplicable it should be so stated on the form.* Additional sheets may be attached in answering any questions or in supplying additional information. (IF YOU CANNOT ANSWER A QUESTION, SO STATE.) If a question is answered elsewhere indicate where answered. It is not necessary to answer it again.

## GENERAL TECHNICAL DATA

Supply the following information on separate sheets, arranged, numbered, and lettered as indicated:

1. Materials produced:
   (*a*) What are the chief mine, mill, or smelter products?
   (*b*) What are the byproducts, if any?
2. Name(s) and type(s) of mine(s), mill(s), smelter(s), refinery(ies), pit(s), quarry (ies), drilling operation(s). Include old names of property, if any. Show extent of workings, including the following:
   (*a*) Linear feet of shafts.
   (*b*) Linear feet of drifts and crosscuts.
   (*c*) Linear feet of tunnels or adits.
   (*d*) Linear feet of other mine openings (explain briefly).

   Indicate whether mine is flooded or not. Describe any pumping problems. Give size or productive capacity.
3. For each operation listed above supply the following:
   (*a*) Distance and direction from nearest town and shipping point.
   (*b*) Mining district.
   (*c*) Township, Section, Range.
   (*d*) County, State.
4. (*a*) State whether or not property is now in operation, and if in operation, by whom operated.
   (*b*) Are you operating this property as:
   - ☐ Owner.
   - ☐ Lessee.
   - ☐ Contractor.
5. Number of years in production _____

   If not in production or operation, estimated date when production will begin _____
6. Experience of operators:
   Describe the mining and general business experience of (*a*) the applicant, and (*b*) the person or persons who manage the project.
7. History:
   (*a*) Give a statement, as complete as possible, of previous exploration, development, operation, and production of property, with reasons for suspension of operation.
   (*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.

16—63792-2

33903

8. Names and addresses of Officers, Directors, or Partners, and in addition thereto, the five largest stockholders if applicant is a corporation.

| Name and Address (a) | Official Title (If officer is also director indicate by "D") (b) | Total of Annual Salary, Commissions, Bonuses, Etc., Received From Applicant and Affiliates During Last Fiscal Year (c) | Estimated Net Worth Outside of Interest in Applicant (d) | Number of Shares Held in Applicant Corporation: Common (e) | Number of Shares Held in Applicant Corporation: Preferred (f) | Life Insurance Carried for Benefit of Applicant: Amount (g) | Life Insurance Carried for Benefit of Applicant: Net Cash Surrender Value After Loans (h) |
|---|---|---|---|---|---|---|---|
| SAMUEL BERNSTEIN | President "D" | 400.00 | $ 25,000. | 40,000 | None | None | None |
| H. G. METOS | Vice-Pres. "D" | 450.00 | $ 25,000. | 45,000 | None | None | None |
| R. A. GLENNY | Sec.-Treas. "D" | 410.00 | $ 50,000. | 41,000 | None | None | None |
| (NOTE) See separate sheet for five largest stockholders. | | | | | | | |
| | Total | 1,260.00 | x x x x x | 126,000 | None | x x x x x | x x x x x |

If more lines are needed continue on separate sheet.

9. Capital Stock Issues:

**For Corporate Applicants**

| Item | Authorized (a) | Outstanding (b) | Par Value (c) | Number of Shares Outstanding (d) | Dividend Rate Last Paid* (e) |
|---|---|---|---|---|---|
| Common stock | $ 20,000.00 | $15,079.74 | $ .01¢ | 1,507,974 | None |
| Preferred stock | $ None | $ None | $ None | None | None |

*Indicate period covered.

10. Production:

| Item | Kind of Product (a) | 1948 Total (b) | 1949 Total (c) | 1950 Total (d) | Present Average Monthly (e) |
|---|---|---|---|---|---|
| 1. Quantity of product mined or quarried (Short, long, metric tons; barrels; pounds; etc.) | None | None | None | None | None |
| 2. Quantity of product processed (specify unit of measure and type of process) | None | None | None | None | None |
| 3. Quantity and grade of product sold or shipped (specify units of measure) | None | None | None | None | None |

11. Do you contemplate a change in the present average monthly rate of production? If so, state estimated maximum monthly production and basis of change. No production yet--mine is in development stage.

12. Ore or Mineral Reserves:

(a) Describe the ore or mineral deposit briefly. Accompany the application by any available report on the geology and ore reserves.

The property is located adjacent to producing properties of uranium bearing material, and at this time applicant is unable to describe ore or mineral deposit until further development is accomplished.

16—63792-1

(*b*) If deposit is other than placer:

(1) Submit assay plans and/or sections showing location and size of proved (measured) and probable (indicated) ore or mineral reserve. No proved or probable mineral reserves yet, as mine is being developed.

(2) State the tonnage (indicate type of ton) and grade of each class of ore reserve, as above, and show how computed. Tabulated total ore reserve as follows: No tonnage to tabulate.

TOTAL ORE OR MINERAL RESERVES

| Ore or Mineral Reserve | Estimated Tons (a) | Metal or Mineral Content Per Ton (Grade) (b) | Gross Value Per Ton (c) | Recoverable Unit Value Per Ton (d) | Estimated Cost of Production Per Ton (e) |
|---|---|---|---|---|---|
| Measured (proved) | None | None | None | None | None |
| Indicated (probable) | None | None | None | None | None |

(*c*) If placer: This is not a placer project, therefore items 1 to 6 are not answered.

(1) Give estimated total yardage and average marketable mineral content of each deposit.

(2) Submit map showing location of placer deposit and surrounding area, with all test holes or pits. Submit logs of each hole and test pit with depth and average value of each.

(3) Describe gravel, stating whether fine, medium or coarse; loose, tight, cemented, or frozen, and whether it contains stumps or boulders more than 1 foot in diameter; if so, how large, and in what proportion.

(4) Describe bedrock, giving type (granite, sandstone, shale, etc.) and state whether it is hard or soft, smooth, uneven or rough.

(5) Describe overburden, stating whether loose, tight, or cemented; fine or coarse textured; furnish estimate of average thickness and total amount.

(6) Tabulate the reserves using the form outlined above for ore or mineral reserves.

13. Access Roads:

Give road distances to shipping, supply and residence points, stating kind and condition of roads.

14. Water Supply:

State source and quantity of water available for operations and whether sufficient for all seasons of year.

15. Power:

State amount of power used, rate per hour, and source thereof.

16. Labor:

State number and classes (miners, muckers, millmen, etc.) of men employed during a recent representative payroll period.

17. Equipment and Facilities:

Describe present equipment on the property, including buildings. (State condition.) List major pieces of equipment now owned or controlled and in serviceable condition available for this operation.

18. Are there any particular conditions or circumstances affecting your operations that are not described above? If so, explain.

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.

ROYSTON COALITION MINES, LTD.
(Name of company)

By Samuel Bernstein
(Signature of authorized official)

June 25, 1951
(Date)

PRESIDENT
(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.**

U. S. GOVERNMENT PRINTING OFFICE 16—63792-1

32903

# GENERAL TECHNICAL DATA

1. Materials Produced:

(A) Uranium bearing material.
(B) No by-products to our knowledge.

2. Name and Type of Mine: Royston Coalition Mines, Ltd., underground workings.

(A) 672 feet 30° incline shaft.
(B) None
(C) None
(D) None

This is new property under development. So far there has been no water problems, the entire shaft being dry.

3. (A) Three and one-half (3½) miles north of Marysvale, Utah.
(B) Durkee Mining District.
(C) Township 27 South, Sections 4 and 9, Range 3 West.
(D) Piute County, State of Utah.

4. (A) Mine is now being operated by the Royston Coalition Mines, Ltd.
(B) Royston Coalition Mines, Ltd. are the lessee, holding a lease and option to purchase.

5. Number of Years in Production:

No production from this property as it is in the exploratory stage and being developed.

6. Experience of Operators:

(A) Applicant is a corporation.
(B) R. A. Glenny, Secretary of the Company who manages the project has had twenty-five (25) years experience in mining; and Scott M. Cutler, Superintendent, who has had twenty (20) years mining experience.

7. History:

(A) There has been no previous exploration or development operation on this property. The applicant entered into lease and option agreements to develop certain property in the now producing new uranium district in Marysvale, Utah. There has been no production encountered on its property yet, but there are adjacent properties which are now producing uranium

7. (A) Continued:

bearing ores. The reason for suspension of operation is due to the Company not having available funds to complete approximately 1,000 feet of necessary work.

(B) The nearby Bullion Monarch Mining Company and the Vanadium Corporation of America have shipped considerable tonnage of uranium bearing ore which has been stock piled at Marysvale, Utah for the Atomic Energy Commission, total production being unknown to the applicant.

(C) The information requested in this item should be available from the Atomic Energy Commission Field Office at Marysvale, Utah.

8. (Continued:)

Five largest stockholders if applicant is a corporation:

| | | |
|---|---|---|
| Combined Metals Reduction Company | 27,950 | Shares of Common Stock |
| Ivan Hobbs | 50,000 | Shares of Common Stock |
| Henry B. Jarvis | 28,750 | Shares of Common Stock |
| Brigham Krause | 42,860 | Shares of Common Stock |
| C. Sumner Warner and Mary Warner | 30,000 | Shares of Common Stock |

13. Access Roads:

Property is located approximately 3½ miles north of Marysvale, Utah, on the Denver and Rio Grande Railroad, which is the shipping, supply and resident points, and is accessable by a good dirt and gravel road which is open the entire year.

14. Water Supply:

There is sufficient quanity of water available the entire year for mine operations, obtainable from Marysvale, Utah and hauled to the mine.

15. Power:

Gasoline and diesel power is used in all operations, purchased at Marysvale, Utah at the prevailing prices in the territory.

16. Labor:

Applicant's mine operations have been working under contract with three (3) miners for the past 12 months.

17. Equipment and Facilities:

Applicant's mine is fully equipped, which includes compressor, hoist, cars, track, pipe, ventilation equipment, mining machines, along with all other small shop tools and equipment. This equipment is all on the rental basis and in first class condition for mine operation. There is also a small tool shop and hoist building at the portal of the mine. All the above existing uaable facilities, equipment and buildings will be available for immediate operation.

18. Yes. The applicant is making request for Government assistance on further development of this property and have the necessary 10% funds in its treasury for matching the 90% Government participation ratio of contributions up to $ 30,000, which is stipulated in their Title 32-A National Defense Appendix, M O 5 Section 9C, covering uranium ore, Regulations Governing Government aid in Defense Exploration Projects.

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 17943X

Date received 6-27-51

Participation

ROYSTON COALITION MINES, LTD.
704 Newhouse Building
Salt Lake City 1, Utah

Name and address of applicant

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
JUN 27 1951
LANDON F. STROBEL
Executive Secretary

Date June 25, 1951

FILL IN THIS BLOCK

Date of application June 25, 1951

Estimated cost $ 30,000.00

Mineral or metal Uranium bearing ore

Percentage of Government participation 90%

Location of mine approximately 3½ miles north of Maryvale, Utah.

Date of filing MF-100 June 25, 1951

DMA Docket Number, if available

## 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? See item 4A Form MF-100

*2. If a partnership, state names and addresses of partners. Applicant is not a partnership.

*3. If a corporation, state names and addresses of officers, directors, and five largest stockholders. See Item 8 Form MF-100

*4. Describe the mining and general business experience of (*a*) the applicant, and (*b*) the person or persons who will manage the project. See Item 6 Form MF-100

*5. Are you the owner or the lessee of the property? See Item 4B Form MF-100

6. If owner, state what claims, liens, or encumbrances, if any, are against the property. Applicant not owner.

7. If lessee, attach a copy of the lease and state if it is in good standing. Attached hereto as Ex. A & B, all leases 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. Attached hereto as Exhibit C

8. Furnish current financial statement, showing assets and liabilities, and a profit and loss statement. Attached hereto as Exhibit D

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)? See Page 1 annexed hereto.

*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. **See page 1 annexed hereto.**

(*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. **See page 1-2 annexed hereto.**

*11. State the present and former names of the property, if any. **See Item 7A Form MF-100.**

*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. **See Item 13 Form MF-100.**

*13. State source and quantity of water available for operations and its sufficiency at all seasons. **See Item 14 MF-100.** State amount of power to be used, rate per hour or other cost, and source. **See Item 15 Form MF-100.**

*14. Describe any existing useable facilities, equipment, buildings, or structure now on the property that will be devoted to the exploration work. **See Item 17 Form MF-100.**

15. State in detail how the ore could be shipped and how and where milled. **See page 2 annexed hereto.**

*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. **See Item 7A Form MF-100.**

(*b*) State briefly the known history and production of adjoining and neighboring properties. **See Item 7B Form MF-100.**

(*c*) Furnish any available (private) reports that may apply to this application, including results of mine examinations, recommended exploration and development, and metallurgical investigations. **See Item 7C Form MF-100.**

*17. Production:

(*a*) If mine is in production, furnish the following information: **See Item 10 Form MF-100.**

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

**See Item 10 Form MF-100.**

*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.

**See Item 12 Form MF-100. (A & B)**

19. State any conditions or circumstances regarding the property not sufficiently brought out by the foregoing questions. **See page 2 annexed hereto.**

## THE EXPLORATION

20. For what mineral or minerals and for what types of deposits and ores will the exploration be conducted? **Uranium bearing ore.**

21. Describe briefly, but concisely, the proposed work and the estimated time required to complete it. **See page 2 annexed hereto.**

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. **See Page 2 annexed hereto.**

## 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.

**(a) to (i) inclusive— See page 3 annexed hereto.**

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. **See page 3 annexed hereto.**

## 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.

**ROYSTON COALITION MINES, LTD.** (Name of company)

By Samuel Bernstein (Signature of authorized official)

**June 25, 1951** (Date)

**President** (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.

EXHIBIT "A"

7. Copy of Lease--in good standing.

LEASE AND OPTION TO PURCHASE

THIS LEASE, AGREEMENT AND OPTION TO PURCHASE, made and entered into this 19th day of May, 1950, by and between Walter Kennedy, Russell Kennedy, and Richard Kennedy, all of Marysvale, Piute County, State of Utah, herein designated as lessors, and Scott M. Cutler of Beaver, Utah, herein designated as lessee:

WITNESSETH:

That the said lessors, for and in consideration of the sum of $10.00 and in consideration of the royalties herein agreed to be paid, and in consideration of the covenants and agreements hereinafter mentioned and set forth to be paid, kept and performed by the lessee, have this day leased and let, and by these presents do hereby remise, lease and let unto the lessee all of their right, title and interest in and to all of the following described mining claims and appurtenances situated in the Burkee Mining District, Piute County, State of Utah, to-wit:

That certain mining claim and notice of location, dated the 30th day of June, 1949, said location being described and marked on the ground as more specifically stated and set forth in the notice of location filed in the office of the county recorder of Piute County, State of Utah on July 1, 1949, and recorded in Book E of Location Notices, page 253, and given name and designated in said location notice as Lucky Strike No. 6 Lode Claim.

That certain mining claim and notice of location dated the 5th day of July, 1949, said location being described and marked on the ground as more specifically stated and set forth in the notice of location filed in the office of the county recorder of Piute County, State of Utah on July 5, 1949, and recorded in Book E of Location Notices, page 269, and given the name and designated in said mining location notice as Lucky Strike No. 11 Lode Claim.

That certain mining claim and notice of location dated the 7th day of July, 1949, said location being described and marked on the ground as more specifically stated and set forth in the notice of location filed in the office of the county recorder of Piute County, State of Utah on July 6, 1949, and recorded in Book E of Location Notices, page 272, and given the name and designated in said mining location notice as Lucky Strike No. 15 Lode Claim.

That certain mining claim and notice of location dated the 15th day of July, 1949, said location being described and marked on the ground as more specifically stated and set forth in the notice of location filed in the office of the county recorder of Piute County, State of Utah on July 18, 1949, and recorded in Book E of Location Notices, page 288, and given the name and designated in said mining location notice as Lucky Strike No. 17 Lode Claim.

That certain mining claim and notice of location dated the 24th day of May, 1950, said location being described and marked on the ground as more specifically stated and set forth in the notice of location filed in the office of the county recorder of Piute County, State of Utah on May 24, 1950, and recorded in Book F of Location Notices, page 85, and given the name and designated in said mining location notice as Lucky Strike No. 21A Lode Claim.

That certain mining claim and notice of location dated the 27th day of September, 1950, said location being described and marked on the ground as more specifically stated and set forth in the notice of location filed in the office of the county recorder of Piute County, State of Utah on September 28, 1950, and recorded in Book F of Location Notices, page 330, and given the name and designated in said mining location notice as Lucky Strike No. 22 Fraction Lode Claim.

Together with all of the improvements and appurtenances thereunto belonging or in any wise appertaining, and the right to the use of all such water and water rights for any and all of the culinary and mining purposes as may now be on said mining claims or as may be developed by the lessee thereon.

And the said lessors do hereby agree that they are the owners of said mining claims, and have good right and title thereto, and good right to sell, lease or otherwise dispose of the same.

TO HAVE AND TO HOLD the said leased premises, appurtenances and improvements from the date hereof for the full period of five years, unless sooner terminated by the violation of any of the covenants hereinafter mentioned and set forth by said lessee, and subject to the extension of this lease for the additional period of one year at the election of the lessee.

And in consideration of this lease and in consideration of the option to purchase hereinafter set forth, the said lessee does hereby covenant and agree with said lessors as follows:

1. The lessee agrees to enter upon said leased premises within a period of 15 days after the date hereof and to work upon said premises in a good miner-like manner, and in a manner necessary and proper for good economic mining; and if underground work is done, to properly timber such underground workings when necessary for good mining and to so work and mine upon said premises so as to take out the greatest amount of ore possible with due regard to the safety, development and preservation of said premises as a workable mine, and to do and perform at least 50 shifts per month; and said lessee agrees that any failure to work said premises as above set forth for a period of 30 consecutive days shall be considered a violation of the terms of this lease.

2. That the said lessee will do and perform or cause to be done and performed, all annual assessment work necessary to hold and retain the title to said mining claims in the name of the said lessors and further to recognize at all times the title of said lessors to said property and not to do or suffer to be done, any act or thing which shall impair or cloud said title of said lessors.

EXHIBIT "A"

7. Copy of Lease--in good standing.

3. The said lessee shall have the right to assign, sell or transfer any part of his interest in said lease and option, to any individual or company with the understanding that said lessee will protect the said lessors in so doing.

4. It is agreed that the lessee shall pay to the lessors a royalty on the net value of all ores mined and extracted from said mining claims as follows:

On all ore up to $20.00 per ton---10 per cent of the "NET VALUE"
$20.00 to $30.00 per ton---12½ per cent of the "NET VALUE"
$30.00 to $40.00 per ton---15 per cent of the "NET VALUE"
$40.00 to $50.00 per ton---17½ per cent of the "NET VALUE"
and all over $50.00 per ton---20 per cent of the "NET VALUE"

By net value is meant the value as determined by the smelter or milling company after the charges for the smelting or milling, sampling, umpire assaying and transportation from the mine to the smelter or milling plant at Marysvale, Utah have first been deducted, then the royalty as aforesaid shall accrue to the lessors.

5. The lessors shall at all times have the right personally, or by a properly designated agent or representative, to enter upon said mining claims for the purpose of inspection, but shall in no way obstruct or in any way interfere with the mining operations of the lessee.

6. The lessee agrees to keep the drifts, shafts, tunnels and other passages and workings at all times clear of loose rock and rubbish, and at the expiration of this lease or the extension thereof as herein provided, to deliver up to said lessors said premises with the appurtenances and improvements, except that the lessee shall have the right to remove all surface equipment.

7. The lessee shall have the right to construct a mill or mills upon said premises, buildings to house employees and any other buildings which said lessee may seem proper or necessary, and the right to remove all such buildings in the event of the termination of this lease for any cause, but it is agreed that all track laid on said mining claims and all timbering including all frames, chutes, rails, pipes, and timbering, shall in the event of termination of this lease remain upon said leased premises and become the property of the lessors.

8. If the lessee shall default in, or fail to comply with, any of the terms, conditions of this lease, the lessors shall, in writing, by registered mail, notify said lessee of such claimed default or violation, and the lessee shall after such notice comply with the terms of this lease and remedy any existing default thereto within a period of 30 days; but should said lessee after such notice fail or neglect to remedy such default, then the lessors may declare this lease forfeited and the same terminated, and said lessors, or their duly authorized agent or representative, may thereupon, after demand for possession in writing, enter upon said premises and dispossess all persons occupying the same, without or with process of law.

9. It is agreed that the lessee shall not be in any way responsible in the performance of the terms of this lease for any damage or failure to perform by reason of the occurrence of floods, strikes, acts of nature, damage by the elements or occurrences beyond the control of the lessee.

10. It is hereby further stipulated and agreed that the lessee at any time during the term of this lease, or any extension thereof, shall have the exclusive and sole right and privilege, to purchase all of the above described leased premises, appurtenances, improvements and water rights for the total and sole consideration of $ 30,000.00, and in the event the lessee, his successors or assigns shall exercise such right, he or they shall be given credit upon and against said total purchase price for all royalties theretofore paid by the lessee or his successors or assigns to the lessors pursuant to the terms of this lease, and upon payment of such balance as may be due at the time said right to purchase is exercised, the lessors agree to give to the lessee as assignment, at said lessees expense, all of the aforesaid mining claims, together with a quit-claim deed covering all their right, title and interest in and to same and to furnish to the lessee, his successors or assigns, an abstract of title, showing a clear and unencumbered title in said mining claims of said lessors.

11. If the lessee, his successors or assigns shall have performed on his or their part the terms and conditions of this lease, then at the expiration thereof, to-wit, 5 years from date hereof, the lessee shall have the exclusive right and option to renew this lease for an additional period of one year upon which are the same terms and conditions hereinabove set forth, including during said renewal period the right of purchase as herein provided for.

12. It is understood and agreed that the lessee will comply with all federal and state laws with respect to the operation of said mining claims, and the removal of ore therefrom; that he will provide industrial compensation insurance for all employees which he may employ for the removal of ores as aforesaid, and in the exploration and development of said mining claims, and will conform in all respects in said mining operations to all rules and regulations of the Atomic Energy Commission or its duly authorized agents and representatives.

In witness whereof, the parties have hereunto set their hands the day and year first above written.

s/s Walter Kennedy

s/s Richard Kennedy

s/s Russell Harvey Kennedy

LESSORS

s/s Scott M. Cutler

LESSEE

EXHIBIT "A"

7. Copy of Lease- in good standing.

STATE OF UTAH )
: ss.
COUNTY OF PIUTE )

On the 19th day of May, 1950, personally appeared before me, Walter Kennedy, Russell Kennedy, and Richard Kennedy, the signors of the above instrument, who acknowledged to me that they executed the same.

s/s Violet Sargent
NOTARY PUBLIC

My commission expires:

February 2, 1950

STATE OF UTAH )
: ss.
COUNTY OF PIUTE)

On the 19th day of May, 1950, personally appeared before me Scott M. Cutler, the signer of the above instrument, who duly acknowledged to me that he executed the same.

s/s Violet Sargent
NOTARY PUBLIC

My commission expires:

February 2, 1950

EXHIBIT "B"

7. Copy of Lease-in good standing

AGREEMENT

This agreement made and entered into this 19th day of May, 1950, by and between Scott M. Cutler of Beaver, Utah, hereinafter referred to as the first party, and ROYSTON COALITION MINES, LTD., a corporation of the state of Nevada, hereinafter referred to as the second party, WITNESSETH:

That whereas the party of the first part is the owner and holder of a certain lease and option to purchase certain mining claims believed to contain valuable ore, situated near Marysvale, Utah, in Piute County, State of Utah, said lease and option having been granted to the said first party by Walter Kennedy, Russell Kennedy, Richard Kennedy, all of Marysvale, Piute County, Utah, said lease and option to purchase covering certain mining claims located by the above named persons between June 30, 1949, and September 27, 1950, and the same having been duly recorded in the Office of the County Recorder of Piute County, State of Utah, a more particular description of said mining claims being as follows:

That certain mining claim and notice of location, dated the 30th day of June, 1949, said location being described and marked on the ground as more specifically stated and set forth in the notice of location filed in the office of the county recorder of Piute County, State of Utah on July 1, 1949, and recorded in Book E of Location Notices, page 253, and given the name and designated in said mining location notice as Lucky Strike No. 6 Lode Claim.

That certain mining claim and notice of location dated the 5th day of July, 1949, said location being described and marked on the ground as more specifically stated and set forth in the notice of location filed in the office of the county recorder of Piute County, State of Utah on July 5, 1949, and recorded in Book E of Location Notices, page 269, and given the name and designated in said mining location notice as Lucky Strike No. 11 Lode Claim.

That certain mining claim and notice of location dated the 7th day of July, 1949, said location being described and marked on the ground as more specifically stated and set forth in the notice of location filed in the office of the county recorder of Piute County, State of Utah on July 8, 1949, and recorded in Book E of Location Notices, page 272, and given the name and designated in said mining location notice as Lucky Strike No. 15 Lode Claim.

That certain mining claim and notice of location dated the 15th day of July, 1949, said location being described and marked on the ground as more specifically stated and set forth in the notice of location filed in the office of the county recorder of Piute County, State of Utah on July 18, 1949, and recorded in Book E of Location Notices, page 288, and given the name and designated in said mining location notice as Lucky Strike No. 17 Lode Claim.

7. Copy of Lease-
in good standing.

That certain mining claim and notice of location dated the 24th day of May, 1950, said location being described and marked on the ground as more specifically stated and set forth in the notice of location filed in the office of the county recorder of Piute County, State of Utah on May 24, 1950, and recorded in Book F of Location Notices, page 85, and given the name and designated in said mining location notice as Lucky Strike No. 21 A Lode Claim.

That certain mining claim and notice of location dated the 27th day of September, 1950, said location being described and marked on the ground as more specifically stated and set forth in the notice of location filed in the office of the county recorder of Piute County, State of Utah on September 28, 1950, and recorded in Book F of Location Notices, page 330, and given the name and designated in said mining location notice as Lucky Strike No. 22 Fraction Lode Claim.

Together with all of the improvements and appurtenances thereto belonging or in any wise appertaining, and the right to the use of all such water and water rights for any and all culinary and mining purposes as may now be on said mining claims or as may be developed by the lessee thereon.

A full, true and correct photostatic copy of the first party's lease and option to purchase is hereto attached and made a part hereof and marked Exhibit "B".

AND, WHEREAS, the second party to this agreement has examined the above mining claims and is familiar with their location and the nature and character of the ores thereon, so far as can be determined without further development and exploration work, and have such knowledge concerning the same that the second party is willing and desirous of entering into this contract for the future exploration and development of said mining claims and the extraction of the ores therefrom.

AND, WHEREAS, it has been agreed between the parties hereto that the second party shall have the exclusive right and privilege, without limitation of time, for the purpose of exploring said mining claims and developing the same, and extracting the ores, uranium, and other valuable minerals therefrom, subject to the considerations, exceptions and limitations hereinafter specifically stated and set forth.

NOW, THEREFORE, it is hereby agreed between the first party and second party to this agreement as follows:

1. It is agreed that the second party shall have, and is hereby given, the exclusive right, without limitation of time, to explore and develop the mining claims above described, and to extract therefrom the uranium minerals and other valuable deposits found, or that may hereafter be found upon said mining claims; that the second party will, within a period of 15 days from date hereof, go upon said mining claims with all equipment of such a nature and character as will enable the second party to carry on said development and exploration work, and

to extract the ores and mineral deposits from said mining claims, and agree to so develop and explore said mining claims in a manner necessary to good and economical mining, so as to take out the greatest amount of ore possible, with due regard to the safety, development and preservation of said premises.

2. It is stipulated and agreed that the sole and only consideration to be paid by the first party, or to be received by the second party for the aforesaid exploration and development work and the extraction of the ore and minerals from said mining claims shall be as follows:

The second party shall deliver all marketable uranium and other ores to an established agency of the United States Government, and such agency, or other properly designated person, shall pay from the net proceeds of said ore the royalties payable to the locators of said claims on the basis of the attached agreement between the first party and said locators, until the full amount of $ 30,000.00 shall have been paid to said locators pursuant to the terms of the bond and lease hereto attached.

3. It is agreed that from said net proceeds there shall be paid to the second party the cost of mining the said ore and other mineral deposits, not to exceed, however, the sum of $ 2.00 per ton, and any excess in mining costs over said sum per ton shall be borne entirely by the second party. And after payment of said amount, the remaining net proceeds shall be divided in equal shares between the first party or the second party, and said amounts payable to either the locators, the first party or the second party shall be paid directly to said persons or their respective assignees by such agency of the United States Government or other person pursuant to the terms of this agreement. It is stipulated that the amount payable to the second party as herein provided shall be paid to the Royston Coalition Mines, Ltd., 704 Newhouse Building, Salt Lake City, Utah.

It is stipulated and agreed that the provisions of this contract providing for the allowance of $ 2.00 as mining costs shall be subject to review in the event mining costs shall substantially exceed said sum, and that the parties in order to meet the equities of any question that may arise concerning mining costs and at the request of the second party will reconsider said provision and attempt to agree upon any excess mining costs above said amount.

4. It is further stipulated and agreed that the second party shall keep an accurate assay of the ores being removed from the above described claims, and if at any time the ores are of such high grade as to demand a premium price, that the same shall be marketed to such persons, firms, or corporations who are in a position to pay such premium prices, notwithstanding the fact that such purchasers may be located at a place other than said Marysvale, Utah.

5. It is agreed and understood that the second party will move equipment for the aforesaid exploratory and development work, and for mining operations, on to the above-described mining claims, and shall be in substantial operation upon the same on or before the 5th day of June, 1950, and it is agreed that in respect to the provisions of this contract, that time is of the essence thereof, and the first party does hereby grant unto the second party the exclusive right and privilege to immediately enter upon and to explore and develop said mining claims,

and that such exclusive right shall continue in the second party until all of the marketable ores upon said mining claims shall have been exhausted by the second party, subject, however, to the party of the second part complying with all of the provisions and requirements of this agreement. And in consideration of this right granted to the second party by the first party, the second party does hereby covenant and agree that they will enter upon said mining claims within the period aforesaid, and begin the exploration and development work contemplated by this agreement, and will, as soon as practicable, commence the movement of uranium ore and other valuable mineral deposits therefrom, and that they will continously, each and every month, work 50 man shifts, as provided by the attached lease of the first party, and will remove the greatest possible amount of uranium and other mineral deposits consistent with good and workmanlike mining, and it is agreed that if the second party shall cease the work of exploration, development and mining of ore as herein provided, for the period of 30 consecutive days, that then this lease and option shall at once become void and of no legal force or effect whatsoever, and without any act upon the party of the first part or his assignees, and the said second party shall immediately forfeit all rights that it might otherwise have under the provisions of this agreement, and the first party or his duly designated agent or agents shall have the right to go upon said mining claims and assume the exclusive right, jurisdiction and control thereover.

6. It is agreed that so long as the second party shall perform the terms of this agreement, that it shall have the exclusive right to determine the nature and character of the development and exploration work, and the method and manner of extracting ore therefrom.

7. The first party and such mining engineers or other agents as the first party may designate or appoint, shall have the right at all times to go upon said mining claims and inspect and examine the exploration and development work, and the manner of extracting ores from said mining claims, and shall have the right to take measurements for the purpose of determining the tonnage of ore extracted, and shall have access to all shipments and bills of lading showing the amount of ore shipped by the second party, but such examination or inspection shall be without unreasonable hindrance or delay to the work of the second party on said mining claims.

8. It is agreed and understood that the second party will do all work upon said mining claims in a good and minerlike fashion, and that wherever necessary the second party will timber any and all tunnels or other underground workings, and will at all times conduct mining operations thereon as to insure the safety and well-being of employees who may be employed by the second party.

9. That the second party will promptly and fully pay for all labor and materials that may be furnished and supplied by the person whosoever in the conduct of said work upon said mining claims, and that they will keep said mining claims free and clear from all liens or liabilities of any kind by reason of material and labor furnished therefor.

7. Copy of Lease-in good standing.



EXHIBIT "B"

10. It is understood and agreed that the second party will comply with all federal and state laws with respect to the operation of said mining claims, and the mining and removal of ore therefrom; that they will provide industrial compensation insurance for all employees which they may employ for the removal and extraction of ores as aforesaid, and in the exploration and development of said mining claims, and will conform in all respects in said mining operation to all rules and regulations of the Atomic Energy Commission or its duly authorized agents and representatives.

11. It is stipulated and agreed that the second party, as soon as operations are commenced on the above described mining claims, shall post notices in at least three conspicuous places on said mining claims, which said notices shall set forth that the exploratory work, development work, and the extraction of ores from said mining claims is being done by the second party, and that the second party is thereunder responsible for all work and labor that may be performed on said mining claims, and for all material that may be purchased and used on said mining claims.

12. The second party agrees to comply in all respects with the provisions of the lease and option to purchase, Exhibit "B" hereto attached, and to comply with each and every provision of said contract and the second party hereby acknowledges that it has read said lease and option to purchase and is fully informed as to the contents and provisions thereof, and they will in all respects perform all of the terms and provisions thereof.

13. It is agreed that the secons party shall not be responsible for the performance of the terms of this agreement or for the performance of the terms of the lease and option to purchase, Exhibit "B" attached hereto, which performance may be made impossible by reason of the occurrence of floods, strikes, acts of nature, damages by the elements, or occurrences beyond the control of the second parties.

14. It is agreed by each of the parties hereto that if an offer to purchase said mining claims shall be made to either of the parties, that such party will immediately communicate such fact to the other party and that each of the parties will exercise goodfaith in a determination of whether an offer of purchase should be accepted, it being the purpose and intention to protect the financial interest of each party in respect to any offer of sale which may seem advantageous under circumstances as they may exist at the time of such offer. In the event of sale of said mining claims, the net proceeds of such sale shall be disbursed as follows: Any balance remaining due and owing to the locators of said mining claims shall first be paid in full and the balance divided, one-half thereof to the first party and one-half thereof paid to the second party; and the second party agrees from the amount received by them to pay and discharge all existing claims and demands for work, labor, material, and any and all other obligations of the second party arising out of their operation upon said mining claims.

s/s Scott M. Cutler
SCOTT M. CUTLER
Party of the first part

ROYSTON COALITION MINES, LTD.
a Nevada corporation

Attest:

s/s R. A. Glenny
R. A. GLENNY, Secretary

By s/s Samuel Bernstein
SAMUEL BERNSTEIN
Party of the second part

7. Copy of Lease- good standing.



EXHIBIT "B"

STATE OF UTAH )
: ss.
COUNTY OF PIUTE )

On the 19th day of May, 1950, personally appeared before me SCOTT M. CUTLER, the signer of the above instrument, who duly acknowledged to me that he executed the same.

s/s Violet Sargent
Notary Public

My Commission Expires:

February 2nd, 1953

STATE OF UTAH )
: ss
COUNTY OF SALT LAKE)

On this 19th day of May, 1950, personally appeared before me, a notary public of the State of Utah, Samuel Bernstein, known to me to be the president of the corporation, Royston Coalition Mines, Ltd., which executed the foregoing instrument, and upon oath, did depose that he is the officer of said corporation as above designated; that he is acquainted with the seal of said corporation, and that the seal affixed to said instrument is the corporate seal of said corporation; that the signatures to said instrument were made by officers of said corporation as indicated after said signatures ; that the said corporation executed the said instrument freely and voluntarily and for the uses and purposes therein mentioned.

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

s/s H. G. Motos
Notary Public, Residing at
Salt Lake City, Utah

My Commission Expires:

9/23/50

ROYSTON COALITION MINES, LTD., 704 Newhouse Building, Salt Lake City, Utah

Exhibit "C"

# SUBORDINATION AGREEMENT

KNOW ALL MEN BY THESE PRESENTS:

WHEREAS, the undersigned, Walter Kennedy, Russell Kennedy, Richard Kennedy and Scott M. Cutler, are owners and lessors of the following mining claims located in the Burke Mining District, Piute County, State of Utah, to-wit:

Lucky Strike No. 6 Lode Claim
Lucky Strike No. 11 Lode Claim
Lucky Strike No. 16 Lode Claim
Lucky Strike No. 17 Lode Claim
Lucky Strike No. 21A Lode Claim
Lucky Strike No. 22 Fraction Lode Claim,

and

WHEREAS, said mining claims have been leased to Royston Coalition Mines, Ltd., which company is now mining upon said claims for the purpose of extracting uranium; and

WHEREAS, the said Royston Coalition Mines, Ltd., has filed an application for aid for an exploration project pursuant to Mineral Order 5, under Defense Production Act of 1950 in the sum of Thirty Thousand Dollars ($30,000.00) to further develop the above described claims;

NOW THEREFORE, in consideration of the premises, the undersigned hereby acquiesce and consent to said application and approval thereof in whole or in part, and do hereby subordinate to the United States of America all of their right, title and interest as owners and lessors of said property herein above described pursuant to the exploration project contract that may be entered into between said Royston Coalition Mines, Ltd., and the United States of America.

Walter Kennedy
Russell Kennedy
Richard Kennedy
Scott M. Cutler

STATE OF UTAH )
: ss.
COUNTY OF PIUTE)

On this 23 day of June, 1951, personally appeared before me Walter Kennedy, Russell Kennedy, Richard Kennedy and Scott M. Cutler, the signers of the foregoing instrument, who duly acknowledged to me that they executed the same.

Violet Sargent
Notary Public
Residing at Marysvale, Utah

Feb 2 1953
My Commission Expires:

ROYSTON COALITION MINES, LTD., 704 Newhouse Building, Salt Lake City 1, Utah.

8. Current Financial Statement showing assets and liabilities (Exhibit "D" Page 1), and a Profit and Loss Statement (Exhibit "D" Page 2.)

## ROYSTON COALITION MINES, LTD.

## Current Financial Statement

as at June 15, 1951

### ASSETS:

| | | | |
|---|---|---|---|
| **Current Assets:** | | | |
| Cash in Bank and on hand | | $ 3,767.35 | |
| Workmen's Compensation Deposit | | 200.00 | $ 3,967.35 |
| **Investments:** | | | |
| Oil and Gas Interest | | | 8,003.60 |
| **Property, Plant and Equipment:** | | | |
| Land, State of Nevada | $ 49,500.00 | | |
| Less Reserve for Depletion | 272.18 | 49,227.82 | |
| Buildings, Nevada | 800.00 | | |
| Buildings, Marysvale, Utah | 125.00 | | |
| Machinery and Equipment, Nevada | 5,200.00 | | |
| Total | 6,125.00 | | |
| Less Reserve for Depreciation | 4,800.00 | 1,325.00 | 50,552.82 |
| **1951 Operations:** | | | |
| Marysvale, Ut. operating expenses | | 7,783.86 | |
| General & Administrative expenses | | 1,167.31 | 8,951.17 |
| Total Assets | | | $ 71,474.94 |

### LIABILITIES & NET WORTH

| | | | |
|---|---|---|---|
| **Liabilities:** | | | |
| **Net Worth** | | | |
| Capital Stock: | | | |
| Common, Par Value $.01¢ per share | | | |
| Authorized | 2,000,000 shares | $ 20,000.00 | |
| Treasury and Unissued | 492,026 shares | 4,920.26 | |
| Outstanding | 1,507,974 shares | $ 15,079.74 | |
| **Surplus:** | | | |
| Capital Surplus | 98,528.99 | | |
| Earned Surplus-Deficit | 42,133.79 | 56,395.20 | |
| Total Net Worth | | | 71,474.94 |
| Total Liabilities and Net Worth | | | $ 71,474.94 |

ROYSTON COALITION MINES, LTD., 704 Newhouse Bldg., Salt Lake City, Utah.

8. Continued:

ROYSTON COALITION MINES, LTD.

Profit and Loss Statement

January 1, 1951 to June 15, 1951

| | | | |
|---|---|---|---|
| Cash on Hand-Jan. 1, 1951 | | | $ 1,722.39 |
| **Receipts:** | | | |
| Assessments Paid In | | | 16,705.49 |
| | | Total Receipts | $ 18,427.88 |
| **Disbursements:** | | | |
| Marysvale Mine Operations: | | | |
| Payrolls | $ 3,733.92 | | |
| Workmen's Insurance | 220.44 | | |
| Unemployment Compensation | 109.49 | | |
| Travel Expenses | 100.00 | | |
| Supplies | 2,041.95 | | |
| Equipment Rentals | 1,530.00 | | |
| Social Security, O.A.B. | 48.06 | 7,783.86 | |
| General and Administrative: | | | |
| Book Audit | 70.00 | | |
| Oil, Land Rentals | 549.62 | | |
| Tel., Tel., & Postage | 37.56 | | |
| Stationery and Printing | 486.83 | | |
| Miscellaneous Expenses | 8.21 | | |
| Excise Tax | 5.09 | | |
| Franchise Tax | 10.00 | 1,167.31 | |
| **Deferred Credits:** | | | |
| Oil, Land Purchase Payment | 5,632.00 | | |
| Assessment Refunds | 54.95 | | |
| Social Security O.A.B. | 22.41 | 5,709.36 | 14,660.53 |
| CASH ON HAND AS OF June 15, 1951 | | | $ 3,767.35 |

## THE APPLICANT

9. Money applicant is prepared to invest in proposed project.

The applicant is prepared to invest their 10% in the proposed project, which is sufficient to pay their part of the cost of the project as detailed in Question 23 of this application form and in accordance with the regulations on Government participation (Section 9 of Mineral Order 5.)

## THE PROPERTY

10. Description of the real property involved in the exploration project.

(A) The description of the real property involved in the exploration project will be done on the Lucky Strike No. 15 Lode Claim, Lucky Strike No. 21A Lode Claim and Lucky Strike No. 6 Lode Claim, which are described as follows:

That certain mining claim and notice of location, dated the 30th day of June, 1949, said location being described and marked on the ground as more specifically stated and set forth in the notice of location filed in the office of the county recorder of Piute County, State of Utah on July 1, 1949, and recorded in Book E of Location Notices, page 253, and given the name and designated in said mining location notice as Lucky Strike No. 6 Lode Claim.

That certain mining claim and notice of location dated the 7th day of July, 1949, said location being described and marked on the ground as more specifically stated and set forth in the notice of location filed in the office of the county recorder of Piute County, State of Utah on July 8, 1949, and recorded in Book E of Location Notices, page 272, and given the name and designated in said mining location notice as Lucky Strike No. 15 Lode Claim.

That certain mining claim and notice of location dated the 24th day of May, 1950, said location being described and marked on the ground as more specifically stated and set forth in the notice of location filed in the office of the county recorder of Piute County, State of Utah on May 24, 1950, and recorded in Book F of Location Notices, page 85, and given the name and designated in said mining location notice as Lucky Strike No. 21A Lode Claim.

(B) All work will be confined and conducted from what is known as the Royston Shaft located on the Lucky Strike No. 15 Lode Claim, which has a 30° incline shaft running North 30° East which is down for a distance of 672 feet at which point the exploration work of this project will begin. This shaft now enters the Lucky Strike No. 21A Lode Claim. Further sinking will be done on the Lucky

10. (B) continued.

Strike No. 21A Lode Claim and drifting on the Lucky Strike No. 21A, Lucky Strike No. 15, and Lucky Strike No. 6 Lode Claims.

Map marked as Exhibit "E" accompanying this application shows the proposed work.

15. How ore can be shipped and how and where milled.

All ore mined is hauled to the Atomic Energy Commission stockpile by truck, which is purchased at this point.

19. Conditions regarding the property not sufficiently brought out in foregoing questions.

The applicant's property is completely covered by rhyolite flow. The property to the north where the monzanite is exposed shows several strong veins heading toward the applicant's property. The proposed work should aid the Atomic Energy Commission in exploring the area.

The Plumbic Mining Company has a similar project to the northwest of applicant's property.

THE EXPLORATION

21. The proposed work and the estimated time required to complete it.

The proposed work is to continue sinking the applicants incline shaft from the 672 foot level for a further distance of 78 feet or to the 750 foot level, unless monzanite is encountered sooner. Then drifting along contact on an estimated strike between North 35° to 40° West to cross cut the North 65° East alteration zones, this cross cutting to continue approximately 1,000 feet.

This project can be completed within a period of one year.

22.

The nearby Bullion Monarch Mining Company encountered a large stope of commercial uranium on the contact of the rhyolite and monzanite. The rhyolite acted as a capping. The applicant believes its conditions are similar. Full information is not obtainable by applicant for security reasons in furnishing supporting maps and geological maps and other pertinent data with this application. However, Lorad and Contour Map and Geologic Map is herewith submitted with this application as Exhibits "E" and "F", showing the position of the applicant's property. All other maps and pertinent data should be obtainable from the Atomic Energy Commission Field Office at Marysvale, Utah.

## THE REQUIREMENTS and COSTS

23. (a) to (i) inclusive:

The requirements and cost of the project will be let to contractors now available on the basis of $30.00 per foot on the first 500 feet and $35.00 per foot for the next 500 feet which will include labor, supervision, cost of necessary repairs, cost of necessary installation, cost of items of equipment, cost of rental for equipment, rental items of equipment, cost of materials and supplies, cost of power, water, utilities, and any other items not provided for above, but would exclude timber for spilling if necessary. However, no timber has been required in the sinking of the 672 foot incline shaft. If small timbering is required, it will be included in the contract prices.

24. The time schedule for completing the project will be between ten and twelve months, and the progress expected to be accomplished will be between 100 and 125 feet per month, and the money expected to be spent will be $3,000 to $3,750 per month.

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 1743X

Date received 6-27-51

Participation

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
JUN 27 1951
MINERALS DIVISION
Rocky Mountain Area

ROYSTON COALITION MINES, LTD.
704 Newhouse Building
Salt Lake City 1, Utah

Name and address of applicant

Date June 25, 1951

FILL IN THIS BLOCK

Date of application June 25, 1951

Estimated cost $ 30,000.00

Mineral or metal Uranium bearing ore

Percentage of Government participation 90%

Location of mine approximately 3½ miles north of Maryavale, Utah.

Date of filing MF-100 June 25, 1951

DMA Docket Number, if available

## 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? See item 4A Form MF-100

*2. If a partnership, state names and addresses of partners. Applicant is not a partnership.

*3. If a corporation, state names and addresses of officers, directors, and five largest stockholders. See Item 8 Form MF-100

*4. Describe the mining and general business experience of (*a*) the applicant, and (*b*) the person or persons who will manage the project. See Item 6 Form MF-100

*5. Are you the owner or the lessee of the property? See Item 4B Form MF-100

6. If owner, state what claims, liens, or encumbrances, if any, are against the property. Applicant not owner.

7. If lessee, attach a copy of the lease and state if it is in good standing. Attached hereto as Ex. A & B, all leases 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. Attached hereto as Exhibit C

8. Furnish current financial statement, showing assets and liabilities, and a profit and loss statement. Attached hereto as Exhibit D

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)? See Page 1 annexed hereto.

*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. See page 1 annexed hereto.

(*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.

See page 1-2 annexed hereto.

*11. State the present and former names of the property, if any. See Item 7A Form MF-100.

*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. See Item 13 Form MF-100.

*13. State source and quantity of water available for operations and its sufficiency at all seasons. See Item 14 MF-100. State amount of power to be used, rate per hour or other cost, and source. See Item 15 Form MF-100.

*14. Describe any existing useable facilities, equipment, buildings, or structure now on the property that will be devoted to the exploration work. See Item 17 Form MF-100.

15. State in detail how the ore could be shipped and how and where milled. See page 2 annexed hereto.

*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. See Item 7A Form MF-100.

(*b*) State briefly the known history and production of adjoining and neighboring properties. See Item 7B Form MF-100.

(*c*) Furnish any available (private) reports that may apply to this application, including results of mine examinations, recommended exploration and development, and metallurgical investigations. See Item 7C Form MF-100.

*17. Production:

(*a*) If mine is in production, furnish the following information: See Item 10 Form MF-100.

| | *Tons per day* | *Grade or analysis* | *Cost per ton* | *Net value per ton* |
|---|---|---|---|---|
| (1) Mining | See Item 10 Form MF-100. | | | |
| (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.

See Item 12 Form MF-100. (A & B)

19. State any conditions or circumstances regarding the property not sufficiently brought out by the foregoing questions. See page 2 annexed hereto.

## THE EXPLORATION

20. For what mineral or minerals and for what types of deposits and ores will the exploration be conducted? Uranium bearing ore.

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. See page 2 annexed hereto.

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. See Page 2 annexed hereto.

## 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.

(a) to (i) inclusive— See page 3 annexed hereto.

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. See page 3 annexed hereto.

## 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.

ROYSTON COALITION MINES, LTD. (Name of company)

By Samuel Bernstein (Signature of authorized official)

June 25, 1951 (Date)

President (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

EXHIBIT "A"

7. Copy of Lease--in good standing.

LEASE AND OPTION TO PURCHASE

THIS LEASE, AGREEMENT AND OPTION TO PURCHASE, made and entered into this 19th day of May, 1950, by and between Walter Kennedy, Russell Kennedy, and Richard Kennedy, all of Marysvale, Piute County, State of Utah, herein designated as lessors, and Scott M. Cutler of Beaver, Utah, herein designated as lessee:

WITNESSETH:

That the said lessors, for and in consideration of the sum of $10.00 and in consideration of the royalties herein agreed to be paid, and in consideration of the covenants and agreements hereinafter mentioned and set forth to be paid, kept and performed by the lessee, have this day leased and let, and by these presents do hereby remise, lease and let unto the lessee all of their right, title and interest in and to all of the following described mining claims and appurtenances situated in the Durkee Mining District, Piute County, State of Utah, to-wit:

That certain mining claim and notice of location, dated the 30th day of June, 1949, said location being described and marked on the ground as more specifically stated and set forth in the notice of location filed in the office of the county recorder of Piute County, State of Utah on July 1, 1949, and recorded in Book E of Location Notices, page 253, and given name and designated in said location notice as Lucky Strike No. 6 Lode Claim.

That certain mining claim and notice of location dated the 5th day of July, 1949, said location being described and marked on the ground as more specifically stated and set forth in the notice of location filed in the office of the county recorder of Piute County, State of Utah on July 5, 1949, and recorded in Book E of Location Notices, page 269, and given the name and designated in said mining location notice as Lucky Strike No. 11 Lode Claim.

That certain mining claim and notice of location dated the 7th day of July, 1949, said location being described and marked on the ground as more specifically stated and set forth in the notice of location filed in the office of the county recorder of Piute County, State of Utah on July 6, 1949, and recorded in Book E of Location Notices, page 272, and given the name and designated in said mining location notice as Lucky Strike No. 15 Lode Claim.

That certain mining claim and notice of location dated the 156h day of July, 1949, said location being described and marked on the ground as more specifically stated and set forth in the notice of location filed in the office of the county recorder of Piute County, State of Utah on July 18, 1949, and recorded in Book E of Location Notices, page 288, and given the name and designated in said mining location notice as Lucky Strike No. 17 Lode Claim.

That certain mining claim and notice of location dated the 24th day of May, 1950, said location being described and marked on the ground as more specifically stated and set forth in the notice of location filed in the office of the county recorder of Piute County, State of Utah on May 24, 1950, and recorded in Book F of Location Notices, page 85, and given the name and designated in said mining location notice as Lucky Strike No. 21A Lode Claim.

That certain mining claim and notice of location dated the 27th day of September, 1950, said location being described and marked on the ground as more specifically stated and set forth in the notice of location filed in the office of the county recorder of Piute County, State of Utah on September 28, 1950, and recorded in Book F of Location Notices, page 330, and given the name and designated in said mining location notice as Lucky Strike No. 22 Fraction Lode Claim.

Together with all of the improvements and appurtenances thereunto belonging or in any wise appertaining, and the right to the use of all such water and water rights for any and all of the culinary and mining purposes as may now be on said mining claims or as may be developed by the lessee thereon.

And the said lessors do hereby agree that they are the owners of said mining claims, and have good right and title thereto, and good right to sell, lease or otherwise dispose of the same.

TO HAVE AND TO HOLD the said leased premises, appertenances and improvements from the date hereof for the full period of five years, unless sooner terminated by the violation of any of the covenants hereinafter mentioned and set forth by said lessee, and subject to the extension of this lease for the additional period of one year at the election of the lessee.

And in consideration of this lease and in consideration of the option to purchase hereinafter set forth, the said lessee does hereby covenant and agree with said lessors as follows:

1. The lessee agrees to enter upon said leased premises within a period of 15 days after the date hereof and to work upon said premises in a good miner-like manner, and in a manner necessary and proper for good economic mining; and if underground work is done, to properly timber such underground workings when necessary for good mining and to so work and mine upon said premises so as to take out the greatest amount of ore possible with due regard to the safety, development and preservation of said premises as a workable mine, and to do and perform at least 50 shifts per month; and said lessee agrees that any failure to work said premises as above set forth for a period of 30 consecutive days shall be considered a violation of the terms of this lease.

2. That the said lessee will do and perform or cause to be done and performed, all annual assessment work necessary to hold and retain the title to said mining claims in the name of the said lessors and further to recognize at all times the title of said lessors to said property and not to do or suffer to be done, any act or thing which shall impair or cloud said title of said lessors.

EXHIBIT "A"

7. Copy of Lease--in good standing.

3. The said lessee shall have the right to assign, sell or transfer any part of his interest in said lease and option, to any individual or company with the understanding that said lessee will protect the said lessors in so doing.

4. It is agreed that the lessee shall pay to the lessors a royalty on the net value of all ores mined and extracted from said mining claims as follows:

On all ore up to $20.00 per ton---10 per cent of the "NET VALUE"
$20.00 to $30.00 per ton---12½ per cent of the "NET VALUE"
$30.00 to $40.00 per ton---15 per cent of the "NET VALUE"
$40.00 to $50.00 per ton---17½ per cent of the "NET VALUE"
and all over $50.00 per ton---20 per cent of the "NET VALUE"

By net value is meant the value as determined by the smelter or milling company after the charges for the smelting or milling, sampling, umpire assaying and transportation from the mine to the smelter or milling plant at Marysvale, Utah have first been deducted, then the royalty as aforesaid shall accrue to the lessors.

5. The lessors shall at all times have the right personally, or by a properly designated agent or representative, to enter upon said mining claims for the purpose of inspection, but shall in no way obstruct or in any way interfere with the mining operations of the lessee.

6. The lessee agrees to keep the drifts, shafts, tunnels and other passages and workings at all times clear of loose rock and rubbish, and at the expiration of this lease or the extension thereof as herein provided, to deliver up to said lessors said premises with the appurtenances and improvements, except that the lessee shall have the right to remove all surface equipment.

7. The lessee shall have the right to construct a mill or mills upon said premises, buildings to house employees and any other buildings which said lessee may seem proper or necessary, and the right to remove all such buildings in the event of the termination of this lease for any cause, but it is agreed that all track laid on said mining claims and all timbering including all frames, chutes, rails, pipes, and timbering, shall in the event of termination of this lease remain upon said leased premises and become the property of the lessors.

8. If the lessee shall default in, or fail to comply with, any of the terms, conditions of this lease, the lessors shall, in writing, by registered mail, notify said lessee of such claimed default or violation, and the lessee shall after such notice comply with the terms of this lease and remedy any existing default thereto within a period of 30 days; but should said lessee after such notice fail or neglect to remedy such default, then the lessors may declare this lease forfeited and the same terminated, and said lessors, or their duly authorized agent or representative, may thereupon, after demand for possession in writing, enter upon said premises and dispossess all persons occupying the same, without or with process of law.

9. It is agreed that the lessee shall not be in any way responsible in the performance of the terms of this lease for any damage or failure to perform by reason of the occurrence of floods, strikes, acts of nature, damage by the elements or occurrences beyond the control of the lessee.

10. It is hereby further stipulated and agreed that the lessee at any time during the term of this lease, or any extension thereof, shall have the exclusive and sole right and privilege, to purchase all of the above described leased premises, appurtenances, improvements and water rights for the total and sole consideration of $ 30,000.00, and in the event the lessee, his successors or assigns shall exercise such right, he or they shall be given credit upon and against said total purchase price for all royalties theretofore paid by the lessee or his successors or assigns to the lessors pursuant to the terms of this lease, and upon payment of such balance as may be due at the time said right to purchase is exercised, the lessors agree to give to the lessee as assignment, at said lessees expense, all of the aforesaid mining claims, together with a quit-claim deed covering all their right, title and interest in and to same and to furnish to the lessee, his successors or assigns, an abstract of title, showing a clear and unencumbered title in said mining claims of said lessors.

11. If the lessee, his successors or assigns shall have performed on his or their part the terms and conditions of this lease, then at the expiration thereof, to-wit, 5 years from date hereof, the lessee shall have the exclusive right and option to renew this lease for an additional period of one year upon which are the same terms and conditions hereinabove set forth, including during said renewal period the right of purchase as herein provided for.

12. It is understood and agreed that the lessee will comply with all federal and state laws with respect to the operation of said mining claims, and the removal of ore therefrom; that he will provide industrial compensation insurance for all employees which he may employ for the removal of ores as aforesaid, and in the exploration and development of said mining claims, and will conform in all respects in said mining operations to all rules and regulations of the Atomic Energy Commission or its duly authorized agents and representatives.

In witness whereof, the parties have hereunto set their hands the day and year first above written.

s/s Walter Kennedy

s/s Richard Kennedy

s/s Russell Harvey Kennedy
LESSORS

s/s Scott M. Cutler
LESSEE

EXHIBIT "A"

7. Copy of Lease-
in good standing.

STATE OF UTAH )
: ss.
COUNTY OF PIUTE )

On the 19th day of May, 1950, personally appeared before me, Walter Kennedy, Russell Kennedy, and Richard Kennedy, the signors of the above instrument, who acknowledged to me that they executed the same.

s/s Violet Sargent
NOTARY PUBLIC

My commission expires:

February 2, 1950

STATE OF UTAH )
: ss.
COUNTY OF PIUTE)

On the 19th day of May, 1950, personally appeared before me Scott M. Cutler, the signer of the above instrument, who duly acknowledged to me that he executed the same.

s/s Violet Sargent
NOTARY PUBLIC

My commission expires:

February 2, 1950

EXHIBIT "B"

7. Copy of Lease-in good standing

AGREEMENT

This agreement made and entered into this 19th day of May, 1950, by and between Scott M. Cutler of Beaver, Utah, hereinafter referred to as the first party, and ROYSTON COALITION MINES, LTD., a corporation of the state of Nevada, hereinafter referred to as the second party, WITNESSETH:

That whereas the party of the first part is the owner and holder of a certain lease and option to purchase certain mining claims believed to contain valuable ore, situated near Marysvale, Utah, in Piute County, State of Utah, said lease and option having been granted to the said first party by Walter Kennedy, Russell Kennedy, Richard Kennedy, all of Marysvale, Piute County, Utah, said lease and option to purchase covering certain mining claims located by the above named persons between June 30, 1949, and September 27, 1950, and the same having been duly recorded in the Office of the County Recorder of Piute County, State of Utah, a more particular description of said mining claims being as follows:

That certain mining claim and notice of location, dated the 30th day of June, 1949, said location being described and marked on the ground as more specifically stated and set forth in the notice of location filed in the office of the county recorder of Piute County, State of Utah on July 1, 1949, and recorded in Book E of Location Notices, page 253, and given the name and designated in said mining location notice as Lucky Strike No. 6 Lode Claim.

That certain mining claim and notice of location dated the 5th day of July, 1949, said location being described and marked on the ground as more specifically stated and set forth in the notice of location filed in the office of the county recorder of Piute County, State of Utah on July 5, 1949, and recorded in Book E of Location Notices, page 269, and given the name and designated in said mining location notice as Lucky Strike No. 11 Lode Claim.

That certain mining claim and notice of location dated the 7th day of July, 1949, said location being described and marked on the ground as more specifically stated and set forth in the notice of location filed in the office of the county recorder of Piute County, State of Utah on July 8, 1949, and recorded in Book E of Location Notices, page 272, and given the name and designated in said mining location notice as Lucky Strike No. 15 Lode Claim.

That certain mining claim and notice of location dated the 15th day of July, 1949, said location being described and marked on the ground as more specifically stated and set forth in the notice of location filed in the office of the county recorder of Piute County, State of Utah on July 18, 1949, and recorded in Book E of Location Notices, page 288, and given the name and designated in said mining location notice as Lucky Strike No. 17 Lode Claim.

That certain mining claim and notice of location dated the 24th day of May, 1950, said location being described and marked on the ground as more specifically stated and set forth in the notice of location filed in the office of the county recorder of Piute County, State of Utah on May 24, 1950, and recorded in Book F of Location Notices, page 85, and given the name and designated in said mining location notice as Lucky Strike No. 21 A Lode Claim.

That certain mining claim and notice of location dated the 27th day of September, 1950, said location being described and marked on the ground as more specifically stated and set forth in the notice of location filed in the office of the county recorder of Piute County, State of Utah on September 28, 1950, and recorded in Book F of Location Notices, page 330, and given the name and designated in said mining location notice as Lucky Strike No. 22 Fraction Lode Claim.

Together with all of the improvements and appurtenances thereto belonging or in any wise appertaining, and the right to the use of all such water and water rights for any and all culinary and mining purposes as may now be on said mining claims or as may be developed by the lessee thereon.

A full, true and correct photostatic copy of the first party's lease and option to purchase is hereto attached and made a part hereof and marked Exhibit "B".

AND, WHEREAS, the second party to this agreement has examined the above mining claims and is familiar with their location and the nature and character of the ores thereon, so far as can be determined without further development and exploration work, and have such knowledge concerning the same that the second party is willing and desirous of entering into this contract for the future exploration and development of said mining claims and the extraction of the ores therefrom.

AND, WHEREAS, it has been agreed between the parties hereto that the second party shall have the exclusive right and privilege, without limitation of time, for the purpose of exploring said mining claims and developing the same, and extracting the ores, uranium, and other valuable minerals therefrom, subject to the considerations, exceptions and limitations hereinafter specifically stated and set forth.

NOW, THEREFORE, it is hereby agreed between the first party and second party to this agreement as follows:

1. It is agreed that the second party shall have, and is hereby given, the exclusive right, without limitation of time, to explore and develop the mining claims above described, and to extract therefrom the uranium minerals and other valuable deposits found, or that may hereafter be found upon said mining claims; that the second party will, within a period of 15 days from date hereof, go upon said mining claims with all equipment of such a nature and character as will enable the second party to carry on said development and exploration work, and

to extract the ores and mineral deposits from said mining claims, and agree to so develop and explore said mining claims in a manner necessary to good and economical mining, so as to take out the greatest amount of ore possible, with due regard to the safety, development and preservation of said premises.

2. It is stipulated and agreed that the sole and only consideration to be paid by the first party, or to be received by the second party for the aforesaid exploration and development work and the extraction of the ore and minerals from said mining claims shall be as follows:

The second party shall deliver all marketable uranium and other ores to an established agency of the United States Government, and such agency, or other properly designated person, shall pay from the net proceeds of said ore the royalties payable to the locators of said claims on the basis of the attached agreement between the first party and said locators, until the full amount of $ 30,000.00 shall have been paid to said locators pursuant to the terms of the bond and lease hereto attached.

3. It is agreed that from said net proceeds there shall be paid to the second party the cost of mining the said ore and other mineral deposits, not to exceed, however, the sum of $ 2.00 per ton, and any excess in mining costs over said sum per ton shall be borne entirely by the second party. And after payment of said amount, the remaining net proceeds shall be divided in equal shares between the first party or the second party, and said amounts payable to either the locators, the first party or the second party shall be paid directly to said persons or their respective assignees by such agency of the United States Government or other person pursuant to the terms of this agreement. It is stipulated that the amount payable to the second party as herein provided shall be paid to the Royston Coalition Mines, Ltd., 704 Newhouse Building, Salt Lake City, Utah.

It is stipulated and agreed that the provisions of this contract providing for the allowance of $ 2.00 as mining costs shall be subject to review in the event mining costs shall substantially exceed said sum, and that the parties in order to meet the equities of any question that may arise concerning mining costs and at the request of the second party will reconsider said provision and attempt to agree upon any excess mining costs above said amount.

4. It is further stipulated and agreed that the second party shall keep an accurate assay of the ores being removed from the above described claims, and if at any time the ores are of such high grade as to demand a premium price, that the same shall be marketed to such persons, firms, or corporations who are in a position to pay such premium prices, notwithstanding the fact that such purchasers may be located at a place other than said Marysvale, Utah.

5. It is agreed and understood that the second party will move equipment for the aforesaid exploratory and development work, and for mining operations, on to the above-described mining claims, and shall be in substantial operation upon the same on or before the 5th day of June, 1950, and it is agreed that in respect to the provisions of this contract, that time is of the essence thereof, and the first party does hereby grant unto the second party the exclusive right and privilege to immediately enter upon and to explore and develop said mining claims,

and that such exclusive right shall continue in the second party until all of the marketable ores upon said mining claims shall have been exhausted by the second party, subject, however, to the party of the second part complying with all of the provisions and requirements of this agreement. And in consideration of this right granted to the second party by the first party, the second party does hereby covenant and agree that they will enter upon said mining claims within the period aforesaid, and begin the exploration and development work contemplated by this agreement, and will, as soon as practicable, commence the movement of uranium ore and other valuable mineral deposits therefrom, and that they will continously, each and every month, work 50 man shifts, as provided by the attached lease of the first party, and will remove the greatest possible amount of uranium and other mineral deposits consistent with good and workmanlike mining, and it is agreed that if the second party shall cease the work of exploration, development and mining of ore as herein provided, for the period of 30 consecutive days, that then this lease and option shall at once become void and of no legal force or effect whatsoever, and without any act upon the party of the first part or his assignees, and the said second party shall immediately forfeit all rights that it might otherwise have under the provisions of this agreement, and the first party or his duly designated agent or agents shall have the right to go upon said mining claims and assume the exclusive right, jurisdiction and control thereover.

6. It is agreed that so long as the second party shall perform the terms of this agreement, that it shall have the exclusive right to determine the nature and character of the development and exploration work, and the method and manner of extracting ore therefrom.

7. The first party and such mining engineers or other agents as the first party may designate or appoint, shall have the right at all times to go upon said mining claims and inspect and examine the exploration and development work, and the manner of extracting ores from said mining claims, and shall have the right to take measurements for the purpose of determining the tonnage of ore extracted, and shall have access to all shipments and bills of lading showing the amount of ore shipped by the second party, but such examination or inspection shall be without unreasonable hindrance or delay to the work of the second party on said miming claims.

8. It is agreed and understood that the second party will do all work upon said mining claims in a good and minerlike fashion, and that wherever necessary the second party will timber any and all tunnels or other underground workings, and will at all times conduct mining operations thereon as to insure the safety and well-being of employees who may be employed by the second party.

9. That the second party will promptly and fully pay for all labor and materials that may be furnished and supplied by the person whosoever in the conduct of said work upon said mining claims, and that they will keep said mining claims free and clear from all liens or liabilities of any kind by reason of material and labor furnished therefor.

7. Copy of Lease-in good standing.



EXHIBIT "B"

10. It is understood and agreed that the second party will comply with all federal and state laws with respect to the operation of said mining claims, and the mining and removal of ore therefrom; that they will provide industrial compensation insurance for all employees which they may employ for the removal and extraction of ores as aforesaid, and in the exploration and development of said mining claims, and will conform in all respects in said mining operation to all rules and regulations of the Atomic Energy Commission or its duly authorized agents and representatives.

11. It is stipulated and agreed that the second party, as soon as operations are commenced on the above described mining claims, shall post notices in at least three conspicuous places on said mining claims, which said notices shall set forth that the exploratory work, development work, and the extraction of ores from said mining claims is being done by the second party, and that the second party is thereunder responsible for all work and labor that may be performed on said mining claims, and for all material that may be purchased and used on said mining claims.

12. The second party agrees to comply in all respects with the provisions of the lease and option to purchase, Exhibit "B" hereto attached, and to comply with each and every provision of said contract and the second party hereby acknowledges that it has read said lease and option to purchase and is fully informed as to the contents and provisions thereof, and they will in all respects perform all of the terms and provisions thereof.

13. It is agreed that the secons party shall not be responsible for the performance of the terms of this agreement or for the performance of the terms of the lease and option to purchase, Exhibit "B" attached hereto, which performance may be made impossible by reason of the occurrence of floods, strikes, acts of nature, damages by the elements, or occurrences beyond the control of the second parties.

14. It is agreed by each of the parties hereto that if an offer to purchase said mining claims shall be made to either of the parties, that such party will immediately communicate such fact to the other party and that each of the parties will exercise good faith in a determination of whether an offer of purchase should be accepted, it being the purpose and intention to protect the financial interest of each party in respect to any offer of sale which may seem advantageous under circumstances as they may exist at the time of such offer. In the event of sale of said mining claims, the net proceeds of such sale shall be disbursed as follows: Any balance remaining due and owing to the locators of said mining claims shall first be paid in full and the balance divided, one-half thereof to the first party and one-half thereof paid to the second party; and the second party agrees from the amount received by them to pay and discharge all existing claims and demands for work, labor, material, and any and all other obligations of the second party arising out of their operation upon said mining claims.

s/s Scott M. Cutler
SCOTT M. CUTLER
Party of the first part

ROYSTON COALITION MINES, LTD.
a Nevada corporation

Attest:

s/s R. A. Glenny
R. A. GLENNY, Secretary

By s/s Samuel Bernstein
SAMUEL BERNSTEIN
Party of the second part

7. Copy of Lease in good standing.



EXHIBIT "B"

STATE OF UTAH )
: ss.
COUNTY OF PIUTE )

On the 19th day of May, 1950, personally appeared before me SCOTT N. CUTLER, the signer of the above instrument, who duly acknowledged to me that he executed the same.

s/s Violet Sargent
Notary Public

My Commission Expires:

February 2nd, 1953

STATE OF UTAH )
: ss
COUNTY OF SALT LAKE)

On this 19th day of May, 1950, personally appeared before me, a notary public of the State of Utah, Samuel Bernstein, known to me to be the president of the corporation, Royston Coalition Mines, Ltd., which executed the foregoing instrument, and upon oath, did depose that he is the officer of said corporation as above designated; that he is acquainted with the seal of said corporation, and that the seal affixed to said instrument is the corporate seal of said corporation; that the signatures to said instrument were made by officers of said corporation as indicated after said signatures ; that the said corporation executed the said instrument freely and voluntarily and for the uses and purposes therein mentioned.

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

s/s H. G. Metos
Notary Public, Residing at
Salt Lake City, Utah

My Commission Expires:

9/23/50

Exhibit "C"

# SUBORDINATION AGREEMENT

KNOW ALL MEN BY THESE PRESENTS:

WHEREAS, the undersigned, Walter Kennedy, Russell Kennedy, Richard Kennedy and Scott M. Cutler, are owners and lessors of the following mining claims located in the Durkee Mining District, Piute County, State of Utah, to-wit:

Lucky Strike No. 6 Lode Claim
Lucky Strike No. 11 Lode Claim
Lucky Strike No. 15 Lode Claim
Lucky Strike No. 17 Lode Claim
Lucky Strike No. 21A Lode Claim
Lucky Strike No. 22 Fraction Lode Claim,

and

WHEREAS, said mining claims have been leased to Royston Coalition Mines, Ltd., which company is now mining upon said claims for the purpose of extracting uranium; and

WHEREAS, the said Royston Coalition Mines, Ltd., has filed an application for aid for an exploration project pursuant to Mineral Order 5, under Defense Production Act of 1950 in the sum of Thirty Thousand Dollars ($30,000.00) to further develop the above described claims;

NOW THEREFORE, in consideration of the premises, the undersigned hereby acquiesce and consent to said application and approval thereof in whole or in part, and do hereby subordinate to the United States of America all of their right, title and interest as owners and lessors of said property herein above described pursuant to the exploration project contract that may be entered into between said Royston Coalition Mines, Ltd., and the United States of America.

Walter Kennedy
Russell Kennedy
Richard Kennedy
Scott M. Cutler

STATE OF UTAH )
: ss.
COUNTY OF PIUTE)

On this 23 day of June, 1951, personally appeared before me Walter Kennedy, Russell Kennedy, Richard Kennedy and Scott M. Cutler, the signers of the foregoing instrument, who duly acknowledged to me that they executed the same.

Violet Sargent
Notary Public
Residing at Marysvale, Utah

Feb 2 1953
My Commission Expires:

ROYSTON COALITION MINES, LTD., 704 Newhouse Building, Salt Lake City 1, Utah.

8. Current Financial Statement showing assets and liabilities (Exhibit "D" Page 1), and a Profit and Loss Statement (Exhibit "D" Page 2.)

## ROYSTON COALITION MINES, LTD.

### Current Financial Statement

as at June 15, 1951

### ASSETS:

| | | | |
|---|---|---|---|
| **Current Assets:** | | | |
| Cash in Bank and on hand | | $ 3,767.35 | |
| Workmen's Compensation Deposit | | 200.00 | $ 3,967.35 |
| **Investments:** | | | |
| Oil and Gas Interest | | | 8,003.60 |
| **Property, Plant and Equipment:** | | | |
| Land, State of Nevada | $ 49,500.00 | | |
| Less Reserve for Depletion | 272.18 | 49,227.82 | |
| Buildings, Nevada | 800.00 | | |
| Buildings, Marysvale, Utah | 125.00 | | |
| Machinery and Equipment, Nevada | 5,200.00 | | |
| Total | 6,125.00 | | |
| Less Reserve for Depreciation | 4,800.00 | 1,325.00 | 50,552.82 |
| **1951 Operations:** | | | |
| Marysvale, Ut. operating expenses | | 7,783.86 | |
| General & Administrative expenses | | 1,167.31 | 8,951.17 |
| Total Assets | | | $ 71,474.94 |

### LIABILITIES & NET WORTH

| | | | |
|---|---|---|---|
| **Liabilities:** | | | |
| **Net Worth** | | | |
| Capital Stock: | | | |
| Common, Par Value $.01¢ per share | | | |
| Authorized | 2,000,000 shares | $ 20,000.00 | |
| Treasury and Unissued | 492,026 shares | 4,920.26 | |
| Outstanding | 1,507,974 shares | $ 15,079.74 | |
| **Surplus:** | | | |
| Capital Surplus | 98,528.99 | | |
| Earned Surplus-Deficit | 42,133.79 | 56,395.20 | |
| Total Net Worth | | | 71,474.94 |
| Total Liabilities and Net Worth | | | $ 71,474.94 |

ROYSTON COALITION MINES, LTD., 704 Newhouse Bldg., Salt Lake City, Utah.

8. Continued:

ROYSTON COALITION MINES, LTD.

Profit and Loss Statement

January 1, 1951 to June 15, 1951

| | | | |
|---|---|---|---|
| Cash on Hand-Jan. 1, 1951 | | | $ 1,722.39 |
| **Receipts:** | | | |
| Assessments Paid In | | | 16,705.49 |
| | | Total Receipts | $ 18,427.88 |
| **Disbursements:** | | | |
| Marysvale Mine Operations: | | | |
| Payrolls | $ 3,733.92 | | |
| Workmen's Insurance | 220.44 | | |
| Unemployment Compensation | 109.49 | | |
| Travel Expenses | 100.00 | | |
| Supplies | 2,041.95 | | |
| Equipment Rentals | 1,530.00 | | |
| Social Security, O.A.B. | 48.06 | 7,783.86 | |
| General and Administrative: | | | |
| Book Audit | 70.00 | | |
| Oil, Land Rentals | 549.62 | | |
| Tel., Tel., & Postage | 37.56 | | |
| Stationery and Printing | 486.83 | | |
| Miscellaneous Expenses | 8.21 | | |
| Excise Tax | 5.09 | | |
| Franchise Tax | 10.00 | 1,167.31 | |
| **Deferred Credits:** | | | |
| Oil, Land Purchase Payment | 5,632.00 | | |
| Assessment Refunds | 54.95 | | |
| Social Security O.A.B. | 22.41 | 5,709.36 | 14,660.53 |
| CASH ON HAND AS OF June 15, 1951 | | | $ 3,767.35 |

## THE APPLICANT

9. Money applicant is prepared to invest in proposed project.

The applicant is prepared to invest their 10% in the proposed project, which is sufficient to pay their part of the cost of the project as detailed in Question 23 of this application form and in accordance with the regulations on Government participation (Section 9 of Mineral Order 5.)

## THE PROPERTY

10. Description of the real property involved in the exploration project.

(A) The description of the real property involved in the exploration project will be done on the Lucky Strike No. 15 Lode Claim, Lucky Strike No. 21A Lode Claim and Lucky Strike No. 6 Lode Claim, which are described as follows:

That certain mining claim and notice of location, dated the 30th day of June, 1949, said location being described and marked on the ground as more specifically stated and set forth in the notice of location filed in the office of the county recorder of Piute County, State of Utah on July 1, 1949, and recorded in Book E of Location Notices, page 253, and given the name and designated in said mining location notice as Lucky Strike No. 6 Lode Claim.

That certain mining claim and notice of location dated the 7th day of July, 1949, said location being described and marked on the ground as more specifically stated and set forth in the notice of location filed in the office of the county recorder of Piute County, State of Utah on July 8, 1949, and recorded in Book E of Location Notices, page 272, and given the name and designated in said mining location notice as Lucky Strike No. 15 Lode Claim.

That certain mining claim and notice of location dated the 24th day of May, 1950, said location being described and marked on the ground as more specifically stated and set forth in the notice of location filed in the office of the county recorder of Piute County, State of Utah on May 24, 1950, and recorded in Book F of Location Notices, page 85, and given the name and designated in said mining location notice as Lucky Strike No. 21A Lode Claim.

(B) All work will be confined and conducted from what is known as the Royston Shaft located on the Lucky Strike No. 15 Lode Claim, which has a 30° incline shaft running North 30° East which is down for a distance of 672 feet at which point the exploration work of this project will begin. This shaft now enters the Lucky Strike No. 21A Lode Claim. Further sinking will be done on the Lucky

10. (B) continued.

Strike No. 21A Lode Claim and drifting on the Lucky Strike No. 21A, Lucky Strike No. 15, and Lucky Strike No. 6 Lode Claims.

Map marked as Exhibit "E" accompanying this application shows the proposed work.

15. How ore can be shipped and how and where milled.

All ore mined is hauled to the Atomic Energy Commission stockpile by truck, which is purchased at this point.

19. Conditions regarding the property not sufficiently brought out in foregoing questions.

The applicant's property is completely covered by rhyolite flow. The property to the north where the monzanite is exposed shows several strong veins heading toward the applicant's property. The proposed work should aid the Atomic Energy Commission in exploring the area.

The Plumbic Mining Company has a similar project to the northwest of applicant's property.

THE EXPLORATION

21. The proposed work and the estimated time required to complete it.

The proposed work is to continue sinking the applicants incline shaft from the 672 foot level for a further distance of 78 feet or to the 750 foot level, unless monzanite is encountered sooner. Then drifting along contact on an estimated strike between North 35° to 40° West to cross cut the North 65° East alteration zones, this cross cutting to continue approximately 1,000 feet.

This project can be completed within a period of one year.

22.

The nearby Bullion Monarch Mining Company encountered a large stope of commercial uranium on the contact of the rhyolite and monzanite. The rhyolite acted as a capping. The applicant believes its conditions are similar. Full information is not obtainable by applicant for security reasons in furnishing supporting maps and geological maps and other pertinent data with this application. However, Isorad and Contour Map and Geologic Map is herewith submitted with this application as Exhibits "E" and "F", showing the position of the applicant's property. All other maps and pertinent data should be obtainable from the Atomic Energy Commission Field Office at Marysvale, Utah.

THE REQUIREMENTS and COSTS

23. (a) to (i) inclusive:

The requirements and cost of the project will be let to contractors now available on the basis of $30.00 per foot on the first 500 feet and $35.00 per foot for the next 500 feet which will include labor, supervision, cost of necessary repairs, cost of necessary installation, cost of items of equipment, cost of rental for equipment, rental items of equipment, cost of materials and supplies, cost of power, water, utilities, and any other items not provided for above, but would exclude timber for spilling if necessary. However, no timber has been required in the sinking of the 672 foot incline shaft. If small timbering is required, it will be included in the contract prices.

24. The time schedule for completing the project will be between ten and twelve months, and the progress expected to be accomplished will be between 100 and 125 feet per month, and the money expected to be spent will be $3,000 to $3,750 per month.

Form MF-100
(May 1951)

# U. S. DEPARTMENT OF THE INTERIOR
## DEFENSE MINERALS ADMINISTRATION

Form approved.
Budget Bureau No. 42-R1026.

# GENERAL TECHNICAL DATA
# FOR USE UNDER THE
# DEFENSE PRODUCTION ACT OF 1950

NOT TO BE FILLED IN BY APPLICANT

Docket No. dma 1743 X

Date received 6-27-51

ROYSTON COALITION MINES, LTD.
704 Newhouse Building
Salt Lake City 1, Utah

Name and address of applicant

Date June 25, 1951

## INSTRUCTIONS

This form is to be filed with Defense Minerals Administration, Department of the Interior, Washington 25, D. C. It should be accompanied by appropriate application form when a specific type of Government assistance is requested, in the form of (1) loan, (2) purchase contract, (3) Government guarantee of a private loan, (4) priorities or allocation of mining equipment, and maintenance, repair and operating supplies, and (5) other forms of Government assistance that might arise under the Act. Submit four (4) signed copies of the form and accompanying papers. Name and address should be stamped or typed on each sheet of this form and all accompanying papers. *When a question is inapplicable it should be so stated on the form.* Additional sheets may be attached in answering any questions or in supplying additional information. (IF YOU CANNOT ANSWER A QUESTION, SO STATE.) If a question is answered elsewhere indicate where answered. It is not necessary to answer it again.

## GENERAL TECHNICAL DATA

Supply the following information on separate sheets, arranged, numbered, and lettered as indicated:

1. Materials produced:
   (*a*) What are the chief mine, mill, or smelter products?
   (*b*) What are the byproducts, if any?
2. Name(s) and type(s) of mine(s), mill(s), smelter(s), refinery(ies), pit(s), quarry (ies), drilling operation(s). Include old names of property, if any. Show extent of workings, including the following:
   (*a*) Linear feet of shafts.
   (*b*) Linear feet of drifts and crosscuts.
   (*c*) Linear feet of tunnels or adits.
   (*d*) Linear feet of other mine openings (explain briefly).

   Indicate whether mine is flooded or not. Describe any pumping problems. Give size or productive capacity.
3. For each operation listed above supply the following:
   (*a*) Distance and direction from nearest town and shipping point.
   (*b*) Mining district.
   (*c*) Township, Section, Range.
   (*d*) County, State.
4. (*a*) State whether or not property is now in operation, and if in operation, by whom operated.
   (*b*) Are you operating this property as:
   - ☐ Owner.
   - ☐ Lessee.
   - ☐ Contractor.
5. Number of years in production .....

   If not in production or operation, estimated date when production will begin .....
6. Experience of operators:
   Describe the mining and general business experience of (*a*) the applicant, and (*b*) the person or persons who manage the project.
7. History:
   (*a*) Give a statement, as complete as possible, of previous exploration, development, operation, and production of property, with reasons for suspension of operation.
   (*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.

8. Names and addresses of Officers, Directors, or Partners, and in addition thereto, the five largest stockholders if applicant is a corporation.

| Name and Address (a) | Official Title (If officer is also director indicate by "D") (b) | Total of Annual Salary, Commissions, Bonuses, Etc., Received From Applicant and Affiliates During Last Fiscal Year (c) | Estimated Net Worth Outside of Interest in Applicant (d) | Number of Shares Held in Applicant Corporation: Common (e) | Number of Shares Held in Applicant Corporation: Preferred (f) | Life Insurance Carried for Benefit of Applicant: Amount (g) | Life Insurance Carried for Benefit of Applicant: Net Cash Surrender Value After Loans (h) |
|---|---|---|---|---|---|---|---|
| SAMUEL BERNSTEIN | President "D" | 400.00 | $ 25,000. | 40,000 | None | None | None |
| H. G. METOS | Vice-Pres. "D" | 450.00 | $ 25,000. | 45,000 | None | None | None |
| R. A. OLFENY | Sec.-Treas. "D" | 410.00 | $ 50,000. | 41,000 | None | None | None |
| (NOTE) | | | | | | | |
| See separate sheet for | | | | | | | |
| five largest stockholders. | | | | | | | |
| | Total | 1,260.00 | x x x x x | 126,000 | None | x x x x x | x x x x x |

If more lines are needed continue on separate sheet.

9. Capital Stock Issues:

For Corporate Applicants

| Item | Authorized (a) | Outstanding (b) | Par Value (c) | Number of Shares Outstanding (d) | Dividend Rate Last Paid* (e) |
|---|---|---|---|---|---|
| Common stock | $20,000.00 | 15,079.74 | $ .01¢ | 1,507,974 | None |
| Preferred stock | $ None | $ None | $ None | None | None |

*Indicate period covered.

10. Production:

| Item | Kind of Product (a) | 1948 Total (b) | 1949 Total (c) | 1950 Total (d) | Present Average Monthly (e) |
|---|---|---|---|---|---|
| 1. Quantity of product mined or quarried (Short, long, metric tons; barrels; pounds; etc.) | None | None | None | None | None |
| 2. Quantity of product processed (specify unit of measure and type of process) | None | None | None | None | None |
| 3. Quantity and grade of product sold or shipped (specify units of measure) | None | None | None | None | None |

11. Do you contemplate a change in the present average monthly rate of production? If so, state estimated maximum monthly production and basis of change. No production yet--mine is in development stage.

12. Ore or Mineral Reserves:

(a) Describe the ore or mineral deposit briefly. Accompany the application by any available report on the geology and ore reserves.

The property is located adjacent to producing properties of uranium bearing material, and at this time applicant is unable to describe ore or mineral deposit until further development is accomplished.

16—63792-1

(*b*) If deposit is other than placer:

(1) Submit assay plans and/or sections showing location and size of proved (measured) and probable (indicated) ore or mineral reserves. No proved or probable mineral reserves yet, as mine is being developed.

(2) State the tonnage (indicate type of ton) and grade of each class of ore reserve, as above, and show how computed. Tabulated total ore reserve as follows: No tonnage to tabulate.

TOTAL ORE OR MINERAL RESERVES

| Ore or Mineral Reserve | Estimated Tons (a) | Metal or Mineral Content Per Ton (Grade) (b) | Gross Value Per Ton (c) | Recoverable Unit Value Per Ton (d) | Estimated Cost of Production Per Ton (e) |
|---|---|---|---|---|---|
| Measured (proved) | None | None | None | None | None |
| Indicated (probable) | None | None | None | None | None |

(*c*) If placer: This is not a placer project, therefore items 1 to 6 are not answered.

(1) Give estimated total yardage and average marketable mineral content of each deposit.

(2) Submit map showing location of placer deposit and surrounding area, with all test holes or pits. Submit logs of each hole and test pit with depth and average value of each.

(3) Describe gravel, stating whether fine, medium or coarse; loose, tight, cemented, or frozen, and whether it contains stumps or boulders more than 1 foot in diameter; if so, how large, and in what proportion.

(4) Describe bedrock, giving type (granite, sandstone, shale, etc.) and state whether it is hard or soft, smooth, uneven or rough.

(5) Describe overburden, stating whether loose, tight, or cemented; fine or coarse textured; furnish estimate of average thickness and total amount.

(6) Tabulate the reserves using the form outlined above for ore or mineral reserves.

13. Access Roads:

Give road distances to shipping, supply and residence points, stating kind and condition of roads.

14. Water Supply:

State source and quantity of water available for operations and whether sufficient for all seasons of year.

15. Power:

State amount of power used, rate per hour, and source thereof.

16. Labor:

State number and classes (miners, muckers, millmen, etc.) of men employed during a recent representative payroll period.

17. Equipment and Facilities:

Describe present equipment on the property, including buildings. (State condition.) List major pieces of equipment now owned or controlled and in serviceable condition available for this operation.

18. Are there any particular conditions or circumstances affecting your operations that are not described above? If so, explain.

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.

By Samuel Bennett
(Signature of authorized official)

(Name of company)
ROYSTON COALITION MINES, LTD.

June 25, 1951
(Date)

PRESIDENT
(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.

U. S. GOVERNMENT PRINTING OFFICE 16—63792-1

# GENERAL TECHNICAL DATA

1. **Materials Produced:**

   (A) Uranium bearing material.
   (B) No by-products to our knowledge.

2. **Name and Type of Mine:** Royston Coalition Mines, Ltd., underground workings.

   (A) 672 feet 30° incline shaft.
   (B) None
   (C) None
   (D) None

This is new property under development. So far there has been no water problems, the entire shaft being dry.

3. (A) Three and one-half (3½) miles north of Marysvale, Utah.
   (B) Durkee Mining District.
   (C) Township 27 South, Sections 4 and 9, Range 3 West.
   (D) Piute County, State of Utah.

4. (A) Mine is now being operated by the Royston Coalition Mines, Ltd.
   (B) Royston Coalition Mines, Ltd. are the lessee, holding a lease and option to purchase.

5. **Number of Years in Production:**

   No production from this property as it is in the exploratory stage and being developed.

6. **Experience of Operators:**

   (A) Applicant is a corporation.
   (B) R. A. Glenny, Secretary of the Company who manages the project has had twenty-five (25) years experience in mining; and Scott M. Cutler, Superintendent, who has had twenty (20) years mining experience.

7. **History:**

   (A) There has been no previous exploration or development operation on this property. The applicant entered into lease and option agreements to develop certain property in the now producing new uranium district in Marysvale, Utah. There has been no production encountered on its property yet, but there are adjacent properties which are now producing uranium

7. (A) Continued:

bearing ores. The reason for suspension of operation is due to the Company not having available funds to complete approximately 1,000 feet of necessary work.

(B) The nearby Bullion Monarch Mining Company and the Vanadium Corporation of America have shipped considerable tonnage of uranium bearing ore which has been stock piled at Marysvale, Utah for the Atomic Energy Commission, total production being unknown to the applicant.

(C) The information requested in this item should be available from the Atomic Energy Commission Field Office at Marysvale, Utah.

8. (Continued:)

Five largest stockholders if applicant is a corporation:

| | | |
|---|---|---|
| Combined Metals Reduction Company | 27,950 | Shares of Common Stock |
| Ivan Hobbs | 50,000 | Shares of Common Stock |
| Henry B. Jarvis | 28,750 | Shares of Common Stock |
| Brigham Krause | 42,860 | Shares of Common Stock |
| C. Sumner Warner and Mary Warner | 30,000 | Shares of Common Stock |

13. Access Roads:

Property is located approximately 3½ miles north of Marysvale, Utah, on the Denver and Rio Grande Railroad, which is the shipping, supply and remident points, and is accessable by a good dirt and gravel road which is open the entire year.

14. Water Supply:

There is sufficient quanity of water available the entire year for mine operations, obtainable from Marysvale, Utah and hauled to the mine.

15. Power:

Gasoline and diesel power is used in all operations, purchased at Marysvale, Utah at the prevailing prices in the territory.

16. Labor:

Applicant's mine operations have been working under contract with three (3) miners for the past 12 months.

17. Equipment and Facilities:

Applicant's mine is fully equipped, which includes compressor, hoist, cars, track, pipe, ventilation equipment, mining machines, along with all other small shop tools and equipment. This equipment is all on the rental basis and in first class condition for mine operation. There is also a small tool shop and hoist building at the portal of the mine. All the above existing usable facilities, equipment and buildings will be available for immediate operation.

18. Yes. The applicant is making request for Government assistance on further development of this property and have the necessary 10% funds in its treasury for matching the 90% Government participation ratio of contributions up to $ 30,000, which is stipulated in their Title 32-A National Defense Appendix, M O 5 Section 9C, covering uranium ore, Regulations Governing Government aid in Defense Exploration Projects.

8. Names and addresses of Officers, Directors, or Partners, and in addition thereto, the five largest stockholders if applicant is a corporation.

| Name and Address (a) | Official Title (If officer is also director indicate by "D") (b) | Total of Annual Salary, Commissions, Bonuses, Etc., Received From Applicant and Affiliates During Last Fiscal Year (c) | Estimated Net Worth Outside of Interest in Applicant (d) | Number of Shares Held in Applicant Corporation: Common (e) | Number of Shares Held in Applicant Corporation: Preferred (f) | Life Insurance Carried for Benefit of Applicant: Amount (g) | Life Insurance Carried for Benefit of Applicant: Net Cash Surrender Value After Loans (h) |
|---|---|---|---|---|---|---|---|
| SAMUEL BERNSTEIN | President "D" | 400.00 | $ 25,000. | 40,000 | None | None | None |
| H. G. METOS | Vice-Pres. "D" | 450.00 | $ 25,000. | 45,000 | None | None | None |
| R. A. GLENNY | Sec.-Treas. "D" | 410.00 | $ 50,000. | 41,000 | None | None | None |
| (NOTE) See separate sheet for five largest stockholders. | | | | | | | |
| | Total | 1,260.00 | x x x x x | 126,000 | None | x x x x x | x x x x x |

If more lines are needed continue on separate sheet.

9. Capital Stock Issues:

For Corporate Applicants

| Item | Authorized (a) | Outstanding (b) | Par Value (c) | Number of Shares Outstanding (d) | Dividend Rate Last Paid* (e) |
|---|---|---|---|---|---|
| Common stock | $ 20,000.00 | $15,079.74 | $ .01¢ | 1,507,974 | None |
| Preferred stock | $ None | $ None | $ None | None | None |

*Indicate period covered.

10. Production:

| Item | Kind of Product (a) | 1948 Total (b) | 1949 Total (c) | 1950 Total (d) | Present Average Monthly (e) |
|---|---|---|---|---|---|
| 1. Quantity of product mined or quarried (Short, long, metric tons; barrels; pounds; etc.) | None | None | None | None | None |
| 2. Quantity of product processed (specify unit of measure and type of process) | None | None | None | None | None |
| 3. Quantity and grade of product sold or shipped (specify units of measure) | None | None | None | None | None |

11. Do you contemplate a change in the present average monthly rate of production? If so, state estimated maximum monthly production and basis of change. No production yet--mine is in development stage.

12. Ore or Mineral Reserves:

(a) Describe the ore or mineral deposit briefly. Accompany the application by any available report on the geology and ore reserves.

The property is located adjacent to producing properties of uranium bearing material, and at this time applicant is unable to describe ore or mineral deposit until further development is accomplished.

16—63792-1

Form MF-100
(May 1951)

U. S. DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

Form approved.
Budget Bureau No. 42-R1026.

# GENERAL TECHNICAL DATA
# FOR USE UNDER THE
# DEFENSE PRODUCTION ACT OF 1950

NOT TO BE FILLED IN BY APPLICANT

Docket No. dma 174-3X

Date received 6-27-51

SKYLINE STATISTICS DEPT., INC.
704 Newhouse Building
Salt Lake City 1, Utah

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
JUN 27 1951
LINCOLN F. STROBEL
Executive Secretary

Name and address of applicant

Date June 25, 1951

## INSTRUCTIONS

This form is to be filed with Defense Minerals Administration, Department of the Interior, Washington 25, D. C. It should be accompanied by appropriate application form when a specific type of Government assistance is requested, in the form of (1) loan, (2) purchase contract, (3) Government guarantee of a private loan, (4) priorities or allocation of mining equipment, and maintenance, repair and operating supplies, and (5) other forms of Government assistance that might arise under the Act. Submit four (4) signed copies of the form and accompanying papers. Name and address should be stamped or typed on each sheet of this form and all accompanying papers. *When a question is inapplicable it should be so stated on the form.* Additional sheets may be attached in answering any questions or in supplying additional information. (IF YOU CANNOT ANSWER A QUESTION, SO STATE.) If a question is answered elsewhere indicate where answered. It is not necessary to answer it again.

## GENERAL TECHNICAL DATA

Supply the following information on separate sheets, arranged, numbered, and lettered as indicated:

1. Materials produced:
   (*a*) What are the chief mine, mill, or smelter products?
   (*b*) What are the byproducts, if any?
2. Name(s) and type(s) of mine(s), mill(s), smelter(s), refinery(ies), pit(s), quarry (ies), drilling operation(s). Include old names of property, if any. Show extent of workings, including the following:
   (*a*) Linear feet of shafts.
   (*b*) Linear feet of drifts and crosscuts.
   (*c*) Linear feet of tunnels or adits.
   (*d*) Linear feet of other mine openings (explain briefly).

   Indicate whether mine is flooded or not. Describe any pumping problems. Give size or productive capacity.
3. For each operation listed above supply the following:
   (*a*) Distance and direction from nearest town and shipping point.
   (*b*) Mining district.
   (*c*) Township, Section, Range.
   (*d*) County, State.
4. (*a*) State whether or not property is now in operation, and if in operation, by whom operated.
   (*b*) Are you operating this property as:
   - ☐ Owner.
   - ☐ Lessee.
   - ☐ Contractor.
5. Number of years in production _____

   If not in production or operation, estimated date when production will begin _____
6. Experience of operators:

   Describe the mining and general business experience of (*a*) the applicant, and (*b*) the person or persons who manage the project.
7. History:
   (*a*) Give a statement, as complete as possible, of previous exploration, development, operation, and production of property, with reasons for suspension of operation.
   (*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.

(*b*) If deposit is other than placer:

(1) Submit assay plans and/or sections showing location and size of proved (measured) and probable (indicated) ore or mineral reserve. No proved or probable mineral reserves yet, as mine is being developed.

(2) State the tonnage (indicate type of ton) and grade of each class of ore reserve, as above, and show how computed. Tabulated total ore reserve as follows: No tonnage to tabulate.

TOTAL ORE OR MINERAL RESERVES

| Ore or Mineral Reserve | Estimated Tons (a) | Metal or Mineral Content Per Ton (Grade) (b) | Gross Value Per Ton (c) | Recoverable Unit Value Per Ton (d) | Estimated Cost of Production Per Ton (e) |
|---|---|---|---|---|---|
| Measured (proved) | None | None | None | None | None |
| Indicated (probable) | None | None | None | None | None |

(*c*) If placer: This is not a placer project, therefore items 1 to 6 are not answered.

(1) Give estimated total yardage and average marketable mineral content of each deposit.

(2) Submit map showing location of placer deposit and surrounding area, with all test holes or pits. Submit logs of each hole and test pit with depth and average value of each.

(3) Describe gravel, stating whether fine, medium or coarse; loose, tight, cemented, or frozen, and whether it contains stumps or boulders more than 1 foot in diameter; if so, how large, and in what proportion.

(4) Describe bedrock, giving type (granite, sandstone, shale, etc.) and state whether it is hard or soft, smooth, uneven or rough.

(5) Describe overburden, stating whether loose, tight, or cemented; fine or coarse textured; furnish estimate of average thickness and total amount.

(6) Tabulate the reserves using the form outlined above for ore or mineral reserves.

13. Access Roads:

Give road distances to shipping, supply and residence points, stating kind and condition of roads.

14. Water Supply:

State source and quantity of water available for operations and whether sufficient for all seasons of year.

15. Power:

State amount of power used, rate per hour, and source thereof.

16. Labor:

State number and classes (miners, muckers, millmen, etc.) of men employed during a recent representative payroll period.

17. Equipment and Facilities:

Describe present equipment on the property, including buildings. (State condition.) List major pieces of equipment now owned or controlled and in serviceable condition available for this operation.

18. Are there any particular conditions or circumstances affecting your operations that are not described above? If so, explain.

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.

By Samuel Bernstein
(Signature of authorized official)

(Name of company)
ROYSTON COALITION MINES, LTD.

June 25, 1951
(Date)

(Title)
PRESIDENT

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

U. S. GOVERNMENT PRINTING OFFICE 16—63792-1

# GENERAL TECHNICAL DATA

1. **Materials Produced:**

   (A) Uranium bearing material.
   (B) No by-products to our knowledge.

2. **Name and Type of Mine:** Royston Coalition Mines, Ltd., underground workings.

   (A) 672 feet 30° incline shaft.
   (B) None
   (C) None
   (D) None

   This is new property under development. So far there has been no water problems, the entire shaft being dry.

3. (A) Three and one-half (3½) miles north of Marysvale, Utah.
   (B) Durkee Mining District.
   (C) Township 27 South, Sections 4 and 9, Range 3 West.
   (D) Piute County, State of Utah.

4. (A) Mine is now being operated by the Royston Coalition Mines, Ltd.
   (B) Royston Coalition Mines, Ltd. are the lessee, holding a lease and option to purchase.

5. **Number of Years in Production:**

   No production from this property as it is in the exploratory stage and being developed.

6. **Experience of Operators:**

   (A) Applicant is a corporation.
   (B) R. A. Glenny, Secretary of the Company who manages the project has had twenty-five (25) years experience in mining; and Scott M. Cutler, Superintendent, who has had twenty (20) years mining experience.

7. **History:**

   (A) There has been no previous exploration or development operation on this property. The applicant entered into lease and option agreements to develop certain property in the now producing new uranium district in Marysvale, Utah. There has been no production encountered on its property yet, but there are adjacent properties which are now producing uranium

7. (A) Continued:

bearing ores. The reason for suspension of operation is due to the Company not having available funds to complete approximately 1,000 feet of necessary work.

(B) The nearby Bullion Monarch Mining Company and the Vanadium Corporation of America have shipped considerable tonnage of uranium bearing ore which has been stock piled at Marysvale, Utah for the Atomic Energy Commission, total production being unknown to the applicant.

(C) The information requested in this item should be available from the Atomic Energy Commission Field Office at Marysvale, Utah.

8. (Continued:)

Five largest stockholders if applicant is a corporation:

| | | |
|---|---|---|
| Combined Metals Reduction Company | 27,950 | Shares of Common Stock |
| Ivan Hobbs | 50,000 | Shares of Common Stock |
| Henry B. Jarvis | 28,750 | Shares of Common Stock |
| Brigham Krause | 42,860 | Shares of Common Stock |
| C. Sumner Warner and Mary Warner | 30,000 | Shares of Common Stock |

13. Access Roads:

Property is located approximately 3½ miles north of Marysvale, Utah, on the Denver and Rio Grande Railroad, which is the shipping, supply and remident points, and is accessable by a good dirt and gravel road which is open the entire year.

14. Water Supply:

There is sufficient quanity of water available the entire year for mine operations, obtainable from Marysvale, Utah and hauled to the mine.

15. Power:

Gasoline and diesel power is used in all operations, purchased at Marysvale, Utah at the prevailing prices in the territory.

16. Labor:

Applicant's mine operations have been working under contract with three (3) miners for the past 12 months.

17. Equipment and Facilities:

Applicant's mine is fully equipped, which includes compressor, hoist, cars, track, pipe, ventilation equipment, mining machines, along with all other small shop tools and equipment. This equipment is all on the rental basis and in first class condition for mine operation. There is also a small tool shop and hoist building at the portal of the mine. All the above existing usable facilities, equipment and buildings will be available for immediate operation.

18. Yes. The applicant is making request for Government assistance on further development of this property and have the necessary 10% funds in its treasury for matching the 90% Government participation ratio of contributions up to $ 30,000, which is stipulated in their Title 32-A National Defense Appendix, M O 5 Section 9C, covering uranium ore, Regulations Governing Government aid in Defense Exploration Projects.

Form MF-100
(May 1951)

# U. S. DEPARTMENT OF THE INTERIOR
## DEFENSE MINERALS ADMINISTRATION

Form approved.
Budget Bureau No. 42-R1026.

# GENERAL TECHNICAL DATA
# FOR USE UNDER THE
# DEFENSE PRODUCTION ACT OF 1950

NOT TO BE FILLED IN BY APPLICANT

Docket No. dma 1743X

Date received 6-27-51

ROYSTON COALITION MINES, LTD.
704 Newhouse Building
Salt Lake City 1, Utah

Name and address of applicant

Date June 25, 1951

## INSTRUCTIONS

This form is to be filed with Defense Minerals Administration, Department of the Interior, Washington 25, D. C. It should be accompanied by appropriate application form when a specific type of Government assistance is requested, in the form of (1) loan, (2) purchase contract, (3) Government guarantee of a private loan, (4) priorities or allocation of mining equipment, and maintenance, repair and operating supplies, and (5) other forms of Government assistance that might arise under the Act. Submit four (4) signed copies of the form and accompanying papers. Name and address should be stamped or typed on each sheet of this form and all accompanying papers. *When a question is inapplicable it should be so stated on the form.* Additional sheets may be attached in answering any questions or in supplying additional information. (IF YOU CANNOT ANSWER A QUESTION, SO STATE.) If a question is answered elsewhere indicate where answered. It is not necessary to answer it again.

## GENERAL TECHNICAL DATA

Supply the following information on separate sheets, arranged, numbered, and lettered as indicated:

1. Materials produced:
   (*a*) What are the chief mine, mill, or smelter products?
   (*b*) What are the byproducts, if any?
2. Name(s) and type(s) of mine(s), mill(s), smelter(s), refinery(ies), pit(s), quarry (ies), drilling operation(s). Include old names of property, if any. Show extent of workings, including the following:
   (*a*) Linear feet of shafts.
   (*b*) Linear feet of drifts and crosscuts.
   (*c*) Linear feet of tunnels or adits.
   (*d*) Linear feet of other mine openings (explain briefly).

   Indicate whether mine is flooded or not. Describe any pumping problems. Give size or productive capacity.
3. For each operation listed above supply the following:
   (*a*) Distance and direction from nearest town and shipping point.
   (*b*) Mining district.
   (*c*) Township, Section, Range.
   (*d*) County, State.
4. (*a*) State whether or not property is now in operation, and if in operation, by whom operated.
   (*b*) Are you operating this property as:
   - ☐ Owner.
   - ☐ Lessee.
   - ☐ Contractor.
5. Number of years in production _____

   If not in production or operation, estimated date when production will begin _____
6. Experience of operators:
   Describe the mining and general business experience of (*a*) the applicant, and (*b*) the person or persons who manage the project.
7. History:
   (*a*) Give a statement, as complete as possible, of previous exploration, development, operation, and production of property, with reasons for suspension of operation.
   (*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.

8. Names and addresses of Officers, Directors, or Partners, and in addition thereto, the five largest stockholders if applicant is a corporation.

| Name and Address (a) | Official Title (If officer is also director indicate by "D") (b) | Total of Annual Salary, Commissions, Bonuses, Etc., Received From Applicant and Affiliates During Last Fiscal Year (c) | Estimated Net Worth Outside of Interest in Applicant (d) | Number of Shares Held in Applicant Corporation: Common (e) | Number of Shares Held in Applicant Corporation: Preferred (f) | Life Insurance Carried for Benefit of Applicant: Amount (g) | Life Insurance Carried for Benefit of Applicant: Net Cash Surrender Value After Loans (h) |
|---|---|---|---|---|---|---|---|
| SAMUEL BERNSTEIN | President "D" | 400.00 | $ 25,000. | 40,000 | None | None | None |
| H. G. MITOS | Vice-Pres. "D" | 450.00 | $ 25,000. | 45,000 | None | None | None |
| R. A. GLENNY | Sec.-Treas. "D" | 410.00 | $ 50,000. | 41,000 | None | None | None |
| (NOTE) See separate sheet for five largest stockholders. | | | | | | | |
| | Total | 1,260.00 | x x x x x | 126,000 | None | x x x x x | x x x x x |

If more lines are needed continue on separate sheet.

9. Capital Stock Issues:

For Corporate Applicants

| Item | Authorized (a) | Outstanding (b) | Par Value (c) | Number of Shares Outstanding (d) | Dividend Rate Last Paid* (e) |
|---|---|---|---|---|---|
| Common stock | $ 20,000.00 | $ 15,079.74 | $ .01¢ | 1,507,974 | None |
| Preferred stock | $ None | $ None | $ None | None | None |

*Indicate period covered.

10. Production:

| Item | Kind of Product (a) | 1948 Total (b) | 1949 Total (c) | 1950 Total (d) | Present Average Monthly (e) |
|---|---|---|---|---|---|
| 1. Quantity of product mined or quarried (Short, long, metric tons; barrels; pounds; etc.) | None | None | None | None | None |
| 2. Quantity of product processed (specify unit of measure and type of process) | None | None | None | None | None |
| 3. Quantity and grade of product sold or shipped (specify units of measure) | None | None | None | None | None |

11. Do you contemplate a change in the present average monthly rate of production? If so, state estimated maximum monthly production and basis of change. No production yet--mine is in development stage.

12. Ore or Mineral Reserves:

(a) Describe the ore or mineral deposit briefly. Accompany the application by any available report on the geology and ore reserves.

The property is located adjacent to producing properties of uranium bearing material, and at this time applicant is unable to describe ore or mineral deposit until further development is accomplished.

16—63792-1

(*b*) If deposit is other than placer:

(1) Submit assay plans and/or sections showing location and size of proved (measured) and probable (indicated) ore or mineral reserve. No proved or probable mineral reserves yet, as mine is being developed.

(2) State the tonnage (indicate type of ton) and grade of each class of ore reserve, as above, and show how computed. Tabulated total ore reserve as follows: No tonnage to tabulate.

TOTAL ORE OR MINERAL RESERVES

| Ore or Mineral Reserve | Estimated Tons (a) | Metal or Mineral Content Per Ton (Grade) (b) | Gross Value Per Ton (c) | Recoverable Unit Value Per Ton (d) | Estimated Cost of Production Per Ton (e) |
|---|---|---|---|---|---|
| Measured (proved) | None | None | None | None | None |
| Indicated (probable) | None | None | None | None | None |

(*c*) If placer: This is not a placer project, therefore items 1 to 6 are not answered.

(1) Give estimated total yardage and average marketable mineral content of each deposit.

(2) Submit map showing location of placer deposit and surrounding area, with all test holes or pits. Submit logs of each hole and test pit with depth and average value of each.

(3) Describe gravel, stating whether fine, medium or coarse; loose, tight, cemented, or frozen, and whether it contains stumps or boulders more than 1 foot in diameter; if so, how large, and in what proportion.

(4) Describe bedrock, giving type (granite, sandstone, shale, etc.) and state whether it is hard or soft, smooth, uneven or rough.

(5) Describe overburden, stating whether loose, tight, or cemented; fine or coarse textured; furnish estimate of average thickness and total amount.

(6) Tabulate the reserves using the form outlined above for ore or mineral reserves.

13. Access Roads:

Give road distances to shipping, supply and residence points, stating kind and condition of roads.

14. Water Supply:

State source and quantity of water available for operations and whether sufficient for all seasons of year.

15. Power:

State amount of power used, rate per hour, and source thereof.

16. Labor:

State number and classes (miners, muckers, millmen, etc.) of men employed during a recent representative payroll period.

17. Equipment and Facilities:

Describe present equipment on the property, including buildings. (State condition.) List major pieces of equipment now owned or controlled and in serviceable condition available for this operation.

18. Are there any particular conditions or circumstances affecting your operations that are not described above? If so, explain.

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.

(Name of company)
ROYSTON COALITION MINES, LTD.

By Samuel Bernstein
(Signature of authorized official)

June 25, 1951
(Date)

(Title)
PRESIDENT

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

U. S. GOVERNMENT PRINTING OFFICE 16—63792-1

# GENERAL TECHNICAL DATA

1. **Materials Produced:**

(A) Uranium bearing material.
(B) No by-products to our knowledge.

2. **Name and Type of Mine:** Royston Coalition Mines, Ltd., underground workings.

(A) 672 feet 30° incline shaft.
(B) None
(C) None
(D) None

This is new property under development. So far there has been no water problems, the entire shaft being dry.

3. (A) Three and one-half (3½) miles north of Marysvale, Utah.
(B) Durkee Mining District.
(C) Township 27 South, Sections 4 and 9, Range 3 West.
(D) Piute County, State of Utah.

4. (A) Mine is now being operated by the Royston Coalition Mines, Ltd.
(B) Royston Coalition Mines, Ltd. are the lessee, holding a lease and option to purchase.

5. **Number of Years in Production:**

No production from this property as it is in the exploratory stage and being developed.

6. **Experience of Operators:**

(A) Applicant is a corporation.
(B) R. A. Glenny, Secretary of the Company who manages the project has had twenty-five (25) years experience in mining; and Scott M. Cutler, Superintendent, who has had twenty (20) years mining experience.

7. **History:**

(A) There has been no previous exploration or development operation on this property. The applicant entered into lease and option agreements to develop certain property in the now producing new uranium district in Marysvale, Utah. There has been no production encountered on its property yet, but there are adjacent properties which are now producing uranium

7. (A) Continued:

bearing ores. The reason for suspension of operation is due to the Company not having available funds to complete approximately 1,000 feet of necessary work.

(B) The nearby Bullion Monarch Mining Company and the Vanadium Corporation of America have shipped considerable tonnage of uranium bearing ore which has been stock piled at Marysvale, Utah for the Atomic Energy Commission, total production being unknown to the applicant.

(C) The information requested in this item should be available from the Atomic Energy Commission Field Office at Marysvale, Utah.

8. (Continued:)

Five largest stockholders if applicant is a corporation:

| | | |
|---|---|---|
| Combined Metals Reduction Company | 27,950 | Shares of Common Stock |
| Ivan Hobbs | 50,000 | Shares of Common Stock |
| Henry B. Jarvis | 28,750 | Shares of Common Stock |
| Brigham Krause | 42,860 | Shares of Common Stock |
| C. Sumner Warner and Mary Warner | 30,000 | Shares of Common Stock |

13. Access Roads:

Property is located approximately 3½ miles north of Marysvale, Utah, on the Denver and Rio Grande Railroad, which is the shipping, supply and resident points, and is accessable by a good dirt and gravel road which is open the entire year.

14. Water Supply:

There is sufficient quanity of water available the entire year for mine operations, obtainable from Marysvale, Utah and hauled to the mine.

15. Power:

Gasoline and diesel power is used in all operations, purchased at Marysvale, Utah at the prevailing prices in the territory.

16. Labor:

Applicant's mine operations have been working under contract with three (3) miners for the past 12 months.

17. Equipment and Facilities:

Applicant's mine is fully equipped, which includes compressor, hoist, cars, track, pipe, ventilation equipment, mining machines, along with all other small shop tools and equipment. This equipment is all on the rental basis and in first class condition for mine operation. There is also a small tool shop and hoist building at the portal of the mine. All the above existing usable facilities, equipment and buildings will be available for immediate operation.

18. Yes. The applicant is making request for Government assistance on further development of this property and have the necessary 10% funds in its treasury for matching the 90% Government participation ratio of contributions up to $ 30,000, which is stipulated in their Title 32-A National Defense Appendix, M O 5 Section 9C, covering uranium ore, Regulations Governing Government aid in Defense Exploration Projects.

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 1743 X

Date received 6-27-51

Participation

ROYSTON COALITION MINES, LTD.
704 Newhouse Building
Salt Lake City 1, Utah

Name and address of applicant

Department of the Interior
Defense Minerals Administration
RECEIVED
JUN 27 1951
Date June 25, 1951

FILL IN THIS BLOCK

Date of application June 25, 1951

Estimated cost $ 30,000.00

Mineral or metal Uranium bearing ore

Percentage of Government participation 90%

Location of mine approximately 3½ miles north of Marysvale, Utah.

Date of filing MF-100 June 25, 1951

DMA Docket Number, if available

## 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? See item 4A Form MF-100

*2. If a partnership, state names and addresses of partners. Applicant is not a partnership.

*3. If a corporation, state names and addresses of officers, directors, and five largest stockholders. See Item 8 Form MF-100

*4. Describe the mining and general business experience of (*a*) the applicant, and (*b*) the person or persons who will manage the project. See Item 6 Form MF-100

*5. Are you the owner or the lessee of the property? See Item 4B Form MF-100

6. If owner, state what claims, liens, or encumbrances, if any, are against the property. Applicant not owner.

7. If lessee, attach a copy of the lease and state if it is in good standing. Attached hereto as Ex. A & B, all leases in good standing.

NOTE.—It will be necessary to procure and attach to the application contract agreements of claimants, lienors, encumbrances and lessors subordinating their interests in the property to the interest of the Government under the contract. Attached hereto as Exhibit C

8. Furnish current financial statement, showing assets and liabilities, and a profit and loss statement. Attached hereto as Exhibit D

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)? See Page 1 annexed hereto.

*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. See page 1 annexed hereto.

(*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.

See page 1-2 annexed hereto.

*11. State the present and former names of the property, if any. See Item 7A Form MF-100.

*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. See Item 13 Form MF-100.

*13. State source and quantity of water available for operations and its sufficiency at all seasons. See Item 14 MF-100. State amount of power to be used, rate per hour or other cost, and source. See Item 15 Form MF-100.

*14. Describe any existing useable facilities, equipment, buildings, or structure now on the property that will be devoted to the exploration work. See Item 17 Form MF-100.

15. State in detail how the ore could be shipped and how and where milled. See page 2 annexed hereto.

*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. See Item 7A Form MF-100.

(*b*) State briefly the known history and production of adjoining and neighboring properties. See Item 7B Form MF-100.

(*c*) Furnish any available (private) reports that may apply to this application, including results of mine examinations, recommended exploration and development, and metallurgical investigations. See Item 7C Form MF-100.

*17. Production:

(*a*) If mine is in production, furnish the following information: See Item 10 Form MF-100.

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

See Item 10 Form MF-100.

*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.

See Item 12 Form MF-100. (A & B)

19. State any conditions or circumstances regarding the property not sufficiently brought out by the foregoing questions. See page 2 annexed hereto.

## THE EXPLORATION

20. For what mineral or minerals and for what types of deposits and ores will the exploration be conducted? Uranium bearing ore.

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. See page 2 annexed hereto.

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. See Page 2 annexed hereto.

## 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.

(a) to (i) inclusive— See page 3 annexed hereto.

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. See page 3 annexed hereto.

## 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.

ROYSTON COALITION MINES, LTD. (Name of company)

By Samuel Bernstein (Signature of authorized official)

June 25, 1951 (Date)

President (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

7. Copy of Lease--in good standing.

EXHIBIT "A"

LEASE AND OPTION TO PURCHASE

THIS LEASE, AGREEMENT AND OPTION TO PURCHASE, made and entered into this 19th day of May, 1950, by and between Walter Kennedy, Russell Kennedy, and Richard Kennedy, all of Marysvale, Piute County, State of Utah, herein designated as lessors, and Scott M. Butler of Beaver, Utah, herein designated as lessee:

WITNESSETH:

That the said lessors, for and in consideration of the sum of $10.00 and in consideration of the royalties herein agreed to be paid, and in consideration of the covenants and agreements hereinafter mentioned and set forth to be paid, kept and performed by the lessee, have this day leased and let, and by these presents do hereby remise, lease and let unto the lessee all of their right, title and interest in and to all of the following described mining claims and appurtenances situated in the Burkee Mining District, Piute County, State of Utah, to-wit:

That certain mining claim and notice of location, dated the 30th day of June, 1949, said location being described and marked on the ground as more specifically stated and set forth in the notice of location filed in the office of the county recorder of Piute County, State of Utah on July 1, 1949, and recorded in Book E of Location Notices, page 253, and given name and designated in said location notice as Lucky Strike No. 6 Lode Claim.

That certain mining claim and notice of location dated the 5th day of July, 1949, said location being described and marked on the ground as more specifically stated and set forth in the notice of location filed in the office of the county recorder of Piute County, State of Utah on July 5, 1949, and recorded in Book E of Location Notices, page 269, and given the name and designated in said mining location notice as Lucky Strike No. 11 Lode Claim.

That certain mining claim and notice of location dated the 7th day of July, 1949, said location being described and marked on the ground as more specifically stated and set forth in the notice of location filed in the office of the county recorder of Piute County, State of Utah on July 6, 1949, and recorded in Book E of Location Notices, page 272, and given the name and designated in said mining location notice as Lucky Strike No. 15 Lode Claim.

That certain mining claim and notice of location dated the 15th day of July, 1949, said location being described and marked on the ground as more specifically stated and set forth in the notice of location filed in the office of the county recorder of Piute County, State of Utah on July 18, 1949, and recorded in Book E of Location Notices, page 288, and given the name and designated in said mining location notice as Lucky Strike No. 17 Lode Claim.

That certain mining claim and notice of location dated the 24th day of May, 1950, said location being described and marked on the ground as more specifically stated and set forth in the notice of location filed in the office of the county recorder of Piute County, State of Utah on May 24, 1950, and recorded in Book F of Location Notices, page 85, and given the name and designated in said mining location notice as Lucky Strike No. 21A Lode Claim.

That certain mining claim and notice of location dated the 27th day of September, 1950, said location being described and marked on the ground as more specifically stated and set forth in the notice of location filed in the office of the county recorder of Piute County, State of Utah on September 28, 1950, and recorded in Book F of Location Notices, page 330, and given the name and designated in said mining location notice as Lucky Strike No. 22 Fraction Lode Claim.

Together with all of the improvements and appurtenances thereunto belonging or in any wise appertaining, and the right to the use of all such water and water rights for any and all of the culinary and mining purposes as may now be on said mining claims or as may be developed by the lessee thereon.

And the said lessors do hereby agree that they are the owners of said mining claims, and have good right and title thereto, and good right to sell, lease or otherwise dispose of the same.

TO HAVE AND TO HOLD the said leased premises, appurtenances and improvements from the date hereof for the full period of five years, unless sooner terminated by the violation of any of the covenants hereinafter mentioned and set forth by said lessee, and subject to the extension of this lease for the additional period of one year at the election of the lessee.

And in consideration of this lease and in consideration of the option to purchase hereinafter set forth, the said lessee does hereby covenant and agree with said lessors as follows:

1. The lessee agrees to enter upon said leased premises within a period of 15 days after the date hereof and to work upon said premises in a good miner-like manner, and in a manner necessary and proper for good economic mining; and if underground work is done, to properly timber such underground workings when necessary for good mining and to so work and mine upon said premises so as to take out the greatest amount of ore possible with due regard to the safety, development and preservation of said premises as a workable mine, and to do and perform at least 50 shifts per month; and said lessee agrees that any failure to work said premises as above set forth for a period of 30 consecutive days shall be considered a violation of the terms of this lease.

2. That the said lessee will do and perform or cause to be done and performed, all annual assessment work necessary to hold and retain the title to said mining claims in the name of the said lessors and further to recognize at all times the title of said lessors to said property and not to do or suffer to be done, any act or thing which shall impair or cloud said title of said lessors.

EXHIBIT "A"

7. Copy of Lease--in good standing.

3. The said lessee shall have the right to assign, sell or transfer any part of his interest in said lease and option, to any individual or company with the understanding that said lessee will protect the said lessors in so doing.

4. It is agreed that the lessee shall pay to the lessors a royalty on the net value of all ores mined and extracted from said mining claims as follows:

On all ore up to $20.00 per ton---10 per cent of the "NET VALUE"
$20.00 to $30.00 per ton---12½ per cent of the "NET VALUE"
$30.00 to $40.00 per ton---15 per cent of the "NET VALUE"
$40.00 to $50.00 per ton---17½ per cent of the "NET VALUE"
and all over $50.00 per ton---20 per cent of the "NET VALUE"

By net value is meant the value as determined by the smelter or milling company after the charges for the smelting or milling, sampling, umpire assaying and transportation from the mine to the smelter or milling plant at Marysvale, Utah have first been deducted, then the royalty as aforesaid shall accrue to the lessors.

5. The lessors shall at all times have the right personally, or by a properly designated agent or representative, to enter upon said mining claims for the purpose of inspection, but shall in no way obstruct or in any way interfere with the mining operations of the lessee.

6. The lessee agrees to keep the drifts, shafts, tunnels and other passages and workings at all times clear of loose rock and rubbish, and at the expiration of this lease or the extension thereof as herein provided, to deliver up to said lessors said premises with the appurtenances and improvements, except that the lessee shall have the right to remove all surface equipment.

7. The lessee shall have the right to construct a mill or mills upon said premises, buildings to house employees and any other buildings which said lessee may seem proper or necessary, and the right to remove all such buildings in the event of the termination of this lease for any cause, but it is agreed that all track laid on said mining claims and all timbering including all frames, chutes, rails, pipes, and timbering, shall in the event of termination of this lease remain upon said leased premises and become the property of the lessors.

8. If the lessee shall default in, or fail to comply with, any of the terms, conditions of this lease, the lessors shall, in writing, by registered mail, notify said lessee of such claimed default or violation, and the lessee shall after such notice comply with the terms of this lease and remedy any existing default thereto within a period of 30 days; but should said lessee after such notice fail or neglect to remedy such default, then the lessors may declare this lease forfeited and the same terminated, and said lessors, or their duly authorized agent or representative, may thereupon, after demand for possession in writing, enter upon said premises and dispossess all persons occupying the same, without or with process of law.

9. It is agreed that the lessee shall not be in any way responsible in the performance of the terms of this lease for any damage or failure to perform by reason of the occurrence of floods, strikes, acts of nature, damage by the elements or occurrences beyond the control of the lessee.

10. It is hereby further stipulated and agreed that the lessee at any time during the term of this lease, or any extension thereof, shall have the exclusive and sole right and privilege, to purchase all of the above described leased premises, appurtenances, improvements and water rights for the total and sole consideration of $ 30,000.00, and in the event the lessee, his successors or assigns shall exercise such right, he or they shall be given credit upon and against said total purchase price for all royalties theretofore paid by the lessee or his successors or assigns to the lessors pursuant to the terms of this lease, and upon payment of such balance as may be due at the time said right to purchase is exercised, the lessors agree to give to the lessee as assignment, at said lessees expense, all of the aforesaid mining claims, together with a quit-claim deed covering all their right, title and interest in and to same and to furnish to the lessee, his successors or assigns, an abstract of title, showing a clear and unencumbered title in said mining claims of said lessors.

11. If the lessee, his successors or assigns shall have performed on his or their part the terms and conditions of this lease, then at the expiration thereof, to-wit, 5 years from date hereof, the lessee shall have the exclusive right and option to renew this lease for an additional period of one year upon which are the same terms and conditions hereinabove set forth, including during said renewal period the right of purchase as herein provided for.

12. It is understood and agreed that the lessee will comply with all federal and state laws with respect to the operation of said mining claims, and the removal of ore therefrom; that he will provide industrial compensation insurance for all employees which he may employ for the removal of ores as aforesaid, and in the exploration and development of said mining claims, and will conform in all respects in said mining operations to all rules and regulations of the Atomic Energy Commission or its duly authorized agents and representatives.

In witness whereof, the parties have hereunto set their hands the day and year first above written.

s/s Walter Kennedy

s/s Richard Kennedy

s/s Russell Harvey Kennedy

LESSORS

s/s Scott M. Cutler

LESSEE

STATE OF UTAH )
: ss.
COUNTY OF PIUTE )

On the 19th day of May, 1950, personally appeared before me, Walter Kennedy, Russell Kennedy, and Richard Kennedy, the signors of the above instrument, who acknowledged to me that they executed the same.

s/s Violet Sargent
NOTARY PUBLIC

My commission expires:

February 2, 1950

STATE OF UTAH )
: ss.
COUNTY OF PIUTE)

On the 19th day of May, 1950, personally appeared before me Scott M. Cutler, the signer of the above instrument, who duly acknowledged to me that he executed the same.

s/s Violet Sargent
NOTARY PUBLIC

My commission expires:

February 2, 1950

EXHIBIT "E"

7. Copy of Lease-in good standing

AGREEMENT

This agreement made and entered into this 19th day of May, 1950, by and between Scott M. Cutler of Beaver, Utah, hereinafter referred to as the first party, and ROYSTON COALITION MINES, LTD., a corporation of the state of Nevada, hereinafter referred to as the second party, WITNESSETH:

That whereas the party of the first part is the owner and holder of a certain lease and option to purchase certain mining claims believed to contain valuable ore, situated near Marysvale, Utah, in Piute County, State of Utah, said lease and option having been granted to the said first party by Walter Kennedy, Russell Kennedy, Richard Kennedy, all of Marysvale, Piute County, Utah, said lease and option to purchase covering certain mining claims located by the above named persons between June 30, 1949, and September 27, 1950, and the same having been duly recorded in the Office of the County Recorder of Piute County, State of Utah, a more particular description of said mining claims being as follows:

That certain mining claim and notice of location, dated the 30th day of June, 1949, said location being described and marked on the ground as more specifically stated and set forth in the notice of location filed in the office of the county recorder of Piute County, State of Utah on July 1, 1949, and recorded in Book E of Location Notices, page 253, and given the name and designated in said mining location notice as Lucky Strike No. 6 Lode Claim.

That certain mining claim and notice of location dated the 5th day of July, 1949, said location being described and marked on the ground as more specifically stated and set forth in the notice of location filed in the office of the county recorder of Piute County, State of Utah on July 5, 1949, and recorded in Book E of Location Notices, page 269, and given the name and designated in said mining location notice as Lucky Strike No. 11 Lode Claim.

That certain mining claim and notice of location dated the 7th day of July, 1949, said location being described and marked on the ground as more specifically stated and set forth in the notice of location filed in the office of the county recorder of Piute County, State of Utah on July 8, 1949, and recorded in Book E of Location Notices, page 272, and given the name and designated in said mining location notice as Lucky Strike No. 15 Lode Claim.

That certain mining claim and notice of location dated the 15th day of July, 1949, said location being described and marked on the ground as more specifically stated and set forth in the notice of location filed in the office of the county recorder of Piute County, State of Utah on July 18, 1949, and recorded in Book E of Location Notices, page 288, and given the name and designated in said mining location notice as Lucky Strike No. 17 Lode Claim.

That certain mining claim and notice of location dated the 24th day of May, 1950, said location being described and marked on the ground as more specifically stated and set forth in the notice of location filed in the office of the county recorder of Piute County, State of Utah on May 24, 1950, and recorded in Book F of Location Notices, page 85, and given the name and designated in said mining location notice as Lucky Strike No. 21 A Lode Claim.

That certain mining claim and notice of location dated the 27th day of September, 1950, said location being described and marked on the ground as more specifically stated and set forth in the notice of location filed in the office of the county recorder of Piute County, State of Utah on September 28, 1950, and recorded in Book F of Location Notices, page 330, and given the name and designated in said mining location notice as Lucky Strike No. 22 Fraction Lode Claim.

Together with all of the improvements and appurtenances thereto belonging or in any wise appertaining, and the right to the use of all such water and water rights for any and all culinary and mining purposes as may now be on said mining claims or as may be developed by the lessee thereon.

A full, true and correct photostatic copy of the first party's lease and option to purchase is hereto attached and made a part hereof and marked Exhibit "B".

AND, WHEREAS, the second party to this agreement has examined the above mining claims and is familiar with their location and the nature and character of the ores thereon, so far as can be determined without further development and exploration work, and have such knowledge concerning the same that the second party is willing and desirous of entering into this contract for the future exploration and development of said mining claims and the extraction of the ores therefrom.

AND, WHEREAS, it has been agreed between the parties hereto that the second party shall have the exclusive right and privilege, without limitation of time, for the purpose of exploring said mining claims and developing the same, and extracting the ores, uranium, and other valuable minerals therefrom, subject to the considerations, exceptions and limitations hereinafter specifically stated and set forth.

NOW, THEREFORE, it is hereby agreed between the first party and second party to this agreement as follows:

1. It is agreed that the second party shall have, and is hereby given, the exclusive right, without limitation of time, to explore and develop the mining claims above described, and to extract therefrom the uranium minerals and other valuable deposits found, or that may hereafter be found upon said mining claims; that the second party will, within a period of 15 days from date hereof, go upon said mining claims with all equipment of such a nature and character as will enable the second party to carry on said development and exploration work, and

to extract the ores and mineral deposits from said mining claims, and agree to so develop and explore said mining claims in a manner necessary to good and economical mining, so as to take out the greatest amount of ore possible, with due regard to the safety, development and preservation of said premises.

2. It is stipulated and agreed that the sole and only consideration to be paid by the first party, or to be received by the second party for the aforesaid exploration and development work and the extraction of the ore and minerals from said mining claims shall be as follows:

The second party shall deliver all marketable uranium and other ores to an established agency of the United States Government, and such agency, or other properly designated person, shall pay from the net proceeds of said ore the royalties payable to the locators of said claims on the basis of the attached agreement between the first party and said locators, until the full amount of $ 30,000.00 shall have been paid to said locators pursuant to the terms of the bond and lease hereto attached.

3. It is agreed that from said net proceeds there shall be paid to the second party the cost of mining the said ore and other mineral deposits, not to exceed, however, the sum of $ 2.00 per ton, and any excess in mining costs over said sum per ton shall be borne entirely by the second party. And after payment of said amount, the remaining net proceeds shall be divided in equal shares between the first party or the second party, and said amounts payable to either the locators, the first party or the second party shall be paid directly to said persons or their respective assignees by such agency of the United States Government or other person pursuant to the terms of this agreement. It is stipulated that the amount payable to the second party as herein provided shall be paid to the Royston Coalition Mines, Ltd., 704 Newhouse Building, Salt Lake City, Utah.

It is stipulated and agreed that the provisions of this contract providing for the allowance of $ 2.00 as mining costs shall be subject to review in the event mining costs shall substantially exceed said sum, and that the parties in order to meet the equities of any question that may arise concerning mining costs and at the request of the second party will reconsider said provision and attempt to agree upon any excess mining costs above said amount.

4. It is further stipulated and agreed that the second party shall keep an accurate assay of the ores being removed from the above described claims, and if at any time the ores are of such high grade as to demand a premium price, that the same shall be marketed to such persons, firms, or corporations who are in a position to pay such premium prices, notwithstanding the fact that such purchasers may be located at a place other than said Marysvale, Utah.

5. It is agreed and understood that the second party will move equipment for the aforesaid exploratory and development work, and for mining operations, on to the above-described mining claims, and shall be in substantial operation upon the same on or before the 5th day of June, 1950, and it is agreed that in respect to the provisions of this contract, that time is of the essence thereof, and the first party does hereby grant unto the second party the exclusive right and privilege to immediately enter upon and to explore and develop said mining claims,

and that such exclusive right shall continue in the second party until all of the marketable ores upon said mining claims shall have been exhausted by the second party, subject, however, to the party of the second part complying with all of the provisions and requirements of this agreement. And in consideration of this right granted to the second party by the first party, the second party does hereby covenant and agree that they will enter upon said mining claims within the period aforesaid, and begin the exploration and development work contemplated by this agreement, and will, as soon as practicable, commence the movement of uranium ore and other valuable mineral deposits therefrom, and that they will continously, each and every month, work 50 man shifts, as provided by the attached lease of the first party, and will remove the greatest possible amount of uranium and other mineral deposits consistent with good and workmanlike mining, and it is agreed that if the second party shall cease the work of exploration, development and mining of ore as herein provided, for the period of 30 consecutive days, that then this lease and option shall at once become void and of no legal force or effect whatsoever, and without any act upon the party of the first part or his assignees, and the said second party shall immediately forfeit all rights that it might otherwise have under the provisions of this agreement, and the first party or his duly designated agent or agents shall have the right to go upon said mining claims and assume the exclusive right, jurisdiction and control thereover.

6. It is agreed that so long as the second party shall perform the terms of this agreement, that it shall have the exclusive right to determine the nature and character of the development and exploration work, and the method and manner of extracting ore therefrom.

7. The first party and such mining engineers or other agents as the first party may designate or appoint, shall have the right at all times to go upon said mining claims and inspect and examine the exploration and development work, and the manner of extracting ores from said mining claims, and shall have the right to take measurements for the purpose of determining the tonnage of ore extracted, and shall have access to all shipments and bills of lading showing the amount of ore shipped by the second party, but such examination or inspection shall be without unreasonable hindrance or delay to the work of the second party on said mining claims.

8. It is agreed and understood that the second party will do all work upon said mining claims in a good and minerlike fashion, and that wherever necessary the second party will timber any and all tunnels or other underground workings, and will at all times conduct mining operations thereon as to insure the safety and well-being of employees who may be employed by the second party.

9. That the second party will promptly and fully pay for all labor and materials that may be furnished and supplied by the person whosoever in the conduct of said work upon said mining claims, and that they will keep said mining claims free and clear from all liens or liabilities of any kind by reason of material and labor furnished therefor.

7. Copy of Lease-in good standing.



10. It is understood and agreed that the second party will comply with all federal and state laws with respect to the operation of said mining claims, and the mining and removal of ore therefrom; that they will provide industrial compensation insurance for all employees which they may employ for the removal and extraction of ores as aforesaid, and in the exploration and development of said mining claims, and will conform in all respects in said mining operation to all rules and regulations of the Atomic Energy Commission or its duly authorized agents and representatives.

11. It is stipulated and agreed that the second party, as soon as operations are commenced on the above described mining claims, shall post notices in at least three conspicuous places on said mining claims, which said notices shall set forth that the exploratory work, development work, and the extraction of ores from said mining claims is being done by the second party, and that the second party is thereunder responsible for all work and labor that may be performed on said mining claims, and for all material that may be purchased and used on said mining claims.

12. The second party agrees to comply in all respects with the provisions of the lease and option to purchase, Exhibit "B" hereto attached, and to comply with each and every provision of said contract and the second party hereby acknowledges that it has read said lease and option to purchase and is fully informed as to the contents and provisions thereof, and they will in all respects perform all of the terms and provisions thereof.

13. It is agreed that the secons party shall not be responsible for the performance of the terms of this agreement or for the performance of the terms of the lease and option to purchase, Exhibit "B" attached hereto, which performance may be made impossible by reason of the occurrence of floods, strikes, acts of nature, damages by the elements, or occurrences beyond the control of the second parties.

14. It is agreed by each of the parties hereto that if an offer to purchase said mining claims shall be made to either of the parties, that such party will immediately communicate such fact to the other party and that each of the parties will exercise good faith in a determination of whether an offer of purchase should be accepted, it being the purpose and intention to protect the financial interest of each party in respect to any offer of sale which may seem advantageous under circumstances as they may exist at the time of such offer. In the event of sale of said mining claims, the net proceeds of such sale shall be disbursed as follows: Any balance remaining due and owing to the locators of said mining claims shall first be paid in full and the balance divided, one-half thereof to the first party and one-half thereof paid to the second party; and the second party agrees from the amount received by them to pay and discharge all existing claims and demands for work, labor, material, and any and all other obligations of the second party arising out of their operation upon said mining claims.

s/s Scott M. Cutler
SCOTT M. CUTLER
Party of the first part

ROYSTON COALITION MINES, LTD.
a Nevada corporation

Attest:

s/s R. A. Glenny
R. A. GLENNY, Secretary

By s/s Samuel Bernstein
SAMUEL BERNSTEIN
Party of the second part

7. Copy of Lease in good standing.



EXHIBIT "B"

STATE OF UTAH )
: ss.
COUNTY OF PIUTE )

On the 19th day of May, 1950, personally appeared before me SCOTT M. CUTLER, the signer of the above instrument, who duly acknowledged to me that he executed the same.

s/s Violet Sargent
Notary Public

My Commission Expires:

February 2nd, 1953

STATE OF UTAH )
: ss
COUNTY OF SALT LAKE)

On this 19th day of May, 1950, personally appeared before me, a notary public of the State of Utah, Samuel Bernstein, known to me to be the president of the corporation, Royston Coalition Mines, Ltd., which executed the foregoing instrument, and upon oath, did depose that he is the officer of said corporation as above designated; that he is acquainted with the seal of said corporation, and that the seal affixed to said instrument is the corporate seal of said corporation; that the signatures to said instrument were made by officers of said corporation as indicated after said signatures ; that the said corporation executed the said instrument freely and voluntarily and for the uses and purposes therein mentioned.

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

s/s H. G. Metos
Notary Public, Residing at
Salt Lake City, Utah

My Commission Expires:

9/23/50

Exhibit "C"

# SUBORDINATION AGREEMENT

KNOW ALL MEN BY THESE PRESENTS:

WHEREAS, the undersigned, Walter Kennedy, Russell Kennedy, Richard Kennedy and Scott M. Cutler, are owners and lessors of the following mining claims located in the Durkee Mining District, Piute County, State of Utah, to-wit:

Lucky Strike No. 6 Lode Claim
Lucky Strike No. 11 Lode Claim
Lucky Strike No. 15 Lode Claim
Lucky Strike No. 17 Lode Claim
Lucky Strike No. 21A Lode Claim
Lucky Strike No. 22 Fraction Lode Claim,

and

WHEREAS, said mining claims have been leased to Royston Coalition Mines, Ltd., which company is now mining upon said claims for the purpose of extracting uranium; and

WHEREAS, the said Royston Coalition Mines, Ltd., has filed an application for aid for an exploration project pursuant to Mineral Order 5, under Defense Production Act of 1950 in the sum of Thirty Thousand Dollars ($30,000.00) to further develop the above described claims;

NOW THEREFORE, in consideration of the premises, the undersigned hereby acquiesce and consent to said application and approval thereof in whole or in part, and do hereby subordinate to the United States of America all of their right, title and interest as owners and lessors of said property herein above described pursuant to the exploration project contract that may be entered into between said Royston Coalition Mines, Ltd., and the United States of America.

Walter Kennedy
Russell Kennedy
Richard Kennedy
Scott M. Cutler

STATE OF UTAH )
: ss.
COUNTY OF PIUTE)

On this 23 day of June, 1951, personally appeared before me Walter Kennedy, Russell Kennedy, Richard Kennedy and Scott M. Cutler, the signers of the foregoing instrument, who duly acknowledged to me that they executed the same.

Violet Sargent
Notary Public
Residing at Marysvale, Utah

Feb 2nd 1953
My Commission Expires:

ROYSTON COALITION MINES, LTD., 704 Newhouse Building, Salt Lake City 1, Utah.

8. Current Financial Statement showing assets and liabilities (Exhibit "D" Page 1), and a Profit and Loss Statement (Exhibit "D" Page 2.)

## ROYSTON COALITION MINES, LTD.

## Current Financial Statement

as at June 15, 1951

### ASSETS:

| | | | |
|---|---|---|---|
| **Current Assets:** | | | |
| Cash in Bank and on hand | | $ 3,767.35 | |
| Workmen's Compensation Deposit | | 200.00 | $ 3,967.35 |
| **Investments:** | | | |
| Oil and Gas Interest | | | 8,003.60 |
| **Property, Plant and Equipment:** | | | |
| Land, State of Nevada | $ 49,500.00 | | |
| Less Reserve for Depletion | 272.18 | 49,227.82 | |
| Buildings, Nevada | 800.00 | | |
| Buildings, Marysvale, Utah | 125.00 | | |
| Machinery and Equipment, Nevada | 5,200.00 | | |
| Total | 6,125.00 | | |
| Less Reserve for Depreciation | 4,800.00 | 1,325.00 | 50,552.82 |
| **1951 Operations:** | | | |
| Marysvale, Ut. operating expenses | | 7,783.86 | |
| General & Administrative expenses | | 1,167.31 | 8,951.17 |
| Total Assets | | | $ 71,474.94 |

### LIABILITIES & NET WORTH

| | | | |
|---|---|---|---|
| **Liabilities:** | | | |
| **Net Worth** | | | |
| Capital Stock: | | | |
| Common, Par Value $.01¢ per share | | | |
| Authorized | 2,000,000 shares | $ 20,000.00 | |
| Treasury and Unissued | 492,026 shares | 4,920.26 | |
| Outstanding | 1,507,974 shares | $ 15,079.74 | |
| **Surplus:** | | | |
| Capital Surplus | 98,528.99 | | |
| Earned Surplus-Deficit | 42,133.79 | 56,395.20 | |
| Total Net Worth | | | 71,474.94 |
| Total Liabilities and Net Worth | | | $ 71,474.94 |

ROYSTON COALITION MINES, LTD., 704 Newhouse Bldg., Salt Lake City, Utah.

8. Continued:

ROYSTON COALITION MINES, LTD.

Profit and Loss Statement

January 1, 1951 to June 15, 1951

| | | | |
|---|---|---|---|
| Cash on Hand-Jan. 1, 1951 | | | $ 1,722.39 |
| **Receipts:** | | | |
| Assessments Paid In | | | 16,705.49 |
| | | Total Receipts | $ 18,427.88 |
| **Disbursements:** | | | |
| Warysvale Mine Operations: | | | |
| Payrolls | $ 3,733.92 | | |
| Workmen's Insurance | 220.44 | | |
| Unemployment Compensation | 109.49 | | |
| Travel Expenses | 100.00 | | |
| Supplies | 2,041.95 | | |
| Equipment Rentals | 1,530.00 | | |
| Social Security, O.A.B. | 48.06 | 7,783.86 | |
| General and Administrative: | | | |
| Book Audit | 70.00 | | |
| Oil, Land Rentals | 549.62 | | |
| Tel., Tel., & Postage | 37.56 | | |
| Stationery and Printing | 486.83 | | |
| Miscellaneous Expenses | 8.21 | | |
| Excise Tax | 5.09 | | |
| Franchise Tax | 10.00 | 1,167.31 | |
| **Deferred Credits:** | | | |
| Oil, Land Purchase Payment | 5,632.00 | | |
| Assessment Refunds | 54.95 | | |
| Social Security O.A.B. | 22.41 | 5,709.36 | 14,660.53 |
| CASH ON HAND AS OF June 15, 1951 | | | $ 3,767.35 |

THE APPLICANT

9. Money applicant is prepared to invest in proposed project.

The applicant is prepared to invest their 10% in the proposed project, which is sufficient to pay their part of the cost of the project as detailed in Question 23 of this application form and in accordance with the regulations on Government participation (Section 9 of Mineral Order 5.)

THE PROPERTY

10. Description of the real property involved in the exploration project.

(A) The description of the real property involved in the exploration project will be done on the Lucky Strike No. 15 Lode Claim, Lucky Strike No. 21A Lode Claim and Lucky Strike No. 6 Lode Claim, which are described as follows:

That certain mining claim and notice of location, dated the 30th day of June, 1949, said location being described and marked on the ground as more specifically stated and set forth in the notice of location filed in the office of the county recorder of Piute County, State of Utah on July 1, 1949, and recorded in Book E of Location Notices, page 253, and given the name and designated in said mining location notice as Lucky Strike No. 6 Lode Claim.

That certain mining claim and notice of location dated the 7th day of July, 1949, said location being described and marked on the ground as more specifically stated and set forth in the notice of location filed in the office of the county recorder of Piute County, State of Utah on July 8, 1949, and recorded in Book E of Location Notices, page 272, and given the name and designated in said mining location notice as Lucky Strike No. 15 Lode Claim.

That certain mining claim and notice of location dated the 24th day of May, 1950, said location being described and marked on the ground as more specifically stated and set forth in the notice of location filed in the office of the county recorder of Piute County, State of Utah on May 24, 1950, and recorded in Book F of Location Notices, page 85, and given the name and designated in said mining location notice as Lucky Strike No. 21A Lode Claim.

(B) All work will be confined and conducted from what is known as the Royston Shaft located on the Lucky Strike No. 15 Lode Claim, which has a 30° incline shaft running North 30° East which is down for a distance of 672 feet at which point the exploration work of this project will begin. This shaft now enters the Lucky Strike No. 21A Lode Claim. Further sinking will be done on the Lucky

10. (B) continued.

Strike No. 21A Lode Claim and drifting on the Lucky Strike No. 21A, Lucky Strike No. 15, and Lucky Strike No. 6 Lode Claims.

Map marked as Exhibit "E" accompanying this application shows the proposed work.

15. How ore can be shipped and how and where milled.

All ore mined is hauled to the Atomic Energy Commission stockpile by truck, which is purchased at this point.

19. Conditions regarding the property not sufficiently brought out in foregoing questions.

The applicant's property is completely covered by rhyolite flow. The property to the north where the monzanite is exposed shows several strong veins heading toward the applicant's property. The proposed work should aid the Atomic Energy Commission in exploring the area.

The Plumbic Mining Company has a similar project to the northwest of applicant's property.

THE EXPLORATION

21. The proposed work and the estimated time required to complete it.

The proposed work is to continue sinking the applicants incline shaft from the 672 foot level for a further distance of 78 feet or to the 750 foot level, unless monzanite is encountered sooner. Then drifting along contact on an estimated strike between North 35° to 40° West to cross out the North 65° East alteration zones, this cross cutting to continue approximately 1,000 feet.

This project can be completed within a period of one year.

22.

The nearby Bullion Monarch Mining Company encountered a large stope of commercial uranium on the contact of the rhyolite and monzanite. The rhyolite acted as a capping. The applicant believes its conditions are similar. Full information is not obtainable by applicant for security reasons in furnishing supporting maps and geological maps and other pertinent data with this application. However, Isorad and Contour Map and Geologic Map is herewith submitted with this application as Exhibits "E" and "F", showing the position of the applicant's property. All other maps and pertinent data should be obtainable from the Atomic Energy Commission Field Office at Marysvale, Utah.

THE REQUIREMENTS and COSTS

23. (a) to (i) inclusive:

The requirements and cost of the project will be let to contractors now available on the basis of $50.00 per foot on the first 500 feet and $35.00 per foot for the next 500 feet which will include labor, supervision, cost of necessary repairs, cost of necessary installation, cost of items of equipment, cost of rental for equipment, rental items of equipment, cost of materials and supplies, cost of power, water, utilities, and any other items not provided for above, but would exclude timber for spilling if necessary. However, no timber has been required in the sinking of the 672 foot incline shaft. If small timbering is required, it will be included in the contract prices.

24. The time schedule for completing the project will be between ten and twelve months, and the progress expected to be accomplished will be between 100 and 125 feet per month, and the money expected to be spent will be $3,000 to $3,750 per month.

1) H
2)
3)
4)
5) low grade Aud.
6) hi " "
7) " " ($V_2O_3$)
8) Low " "
9) Cu-U
10) Cav.. As. base & high lime
11) low pay ones

Cable info for M.M.

1) need probe w/o cable
2) cable on hand 2000'
3) armored cable -

No Rept. weekly report;

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 1743 X

Date received 6-27-51

Participation

ROYSTON COALITION MINES, LTD.
704 Newhouse Building
Salt Lake City 1, Utah

Name and address of applicant

Date June 25, 1951

FILL IN THIS BLOCK

Date of application June 25, 1951

Estimated cost $ 30,000.00

Mineral or metal Uranium bearing ore

Percentage of Government participation 90%

Location of mine approximately 3½ miles north of Marysvale, Utah.

Date of filing MF-100 June 25, 1951

DMA Docket Number, if available

## 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? See item 4A Form MF-100

*2. If a partnership, state names and addresses of partners. Applicant is not a partnership.

*3. If a corporation, state names and addresses of officers, directors, and five largest stockholders. See Item 8 Form MF-100

*4. Describe the mining and general business experience of (a) the applicant, and (b) the person or persons who will manage the project. See Item 6 Form MF-100

*5. Are you the owner or the lessee of the property? See Item 4B Form MF-100

6. If owner, state what claims, liens, or encumbrances, if any, are against the property. Applicant not owner.

7. If lessee, attach a copy of the lease and state if it is in good standing. Attached hereto as Ex. A & B, all leases 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. Attached hereto as Exhibit C

8. Furnish current financial statement, showing assets and liabilities, and a profit and loss statement. Attached hereto as Exhibit D

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)? See Page 1 annexed hereto.

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

## 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. See page 1 annexed hereto.

(*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.

See page 1-2 annexed hereto.

*11. State the present and former names of the property, if any. See Item 7A Form MF-100.

*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. See Item 13 Form MF-100.

*13. State source and quantity of water available for operations and its sufficiency at all seasons. See Item 14 MF-100. State amount of power to be used, rate per hour or other cost, and source. See Item 15 Form MF-100.

*14. Describe any existing useable facilities, equipment, buildings, or structure now on the property that will be devoted to the exploration work. See Item 17 Form MF-100.

15. State in detail how the ore could be shipped and how and where milled. See page 2 annexed hereto.

*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. See Item 7A Form MF-100.

(*b*) State briefly the known history and production of adjoining and neighboring properties. See Item 7B Form MF-100.

(*c*) Furnish any available (private) reports that may apply to this application, including results of mine examinations, recommended exploration and development, and metallurgical investigations. See Item 7C Form MF-100.

*17. Production:

(*a*) If mine is in production, furnish the following information: See Item 10 Form MF-100.

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

See Item 10 Form MF-100.

*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.

See Item 12 Form MF-100. (A & B)

19. State any conditions or circumstances regarding the property not sufficiently brought out by the foregoing questions. See page 2 annexed hereto.

## THE EXPLORATION

20. For what mineral or minerals and for what types of deposits and ores will the exploration be conducted? Uranium bearing ore.

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. See page 2 annexed hereto.

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. See Page 2 annexed hereto.

## 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.

(a) to (i) inclusive— See page 3 annexed hereto.

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. See page 3 annexed hereto.

## 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.

ROYSTON COALITION MINES, LTD.
(Name of company)

By Samuel Bernstein
(Signature of authorized official)

June 25, 1951
(Date)

President
(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

EXHIBIT "A"

.7. Copy of Lease--in good standing.

LEASE AND OPTION TO PURCHASE

THIS LEASE, AGREEMENT AND OPTION TO PURCHASE, made and entered into this 19th day of May, 1950, by and between Walter Kennedy, Russell Kennedy, and Richard Kennedy, all of Marysvale, Piute County, State of Utah, herein designated as lessors, and Scott M. Cutler of Beaver, Utah, herein designated as lessee:

WITNESSETH:

That the said lessors, for and in consideration of the sum of $10.00 and in consideration of the royalties herein agreed to be paid, and in consideration of the covenants and agreements hereinafter mentioned and set forth to be paid, kept and performed by the lessee, have this day leased and let, and by these presents do hereby remise, lease and let unto the lessee all of their right, title and interest in and to all of the following described mining claims and appurtenances situated in the Durkee Mining District, Piute County, State of Utah, to-wit:

That certain mining claim and notice of location, dated the 30th day of June, 1949, said location being described and marked on the ground as more specifically stated and set forth in the notice of location filed in the office of the county recorder of Piute County, State of Utah on July 1, 1949, and recorded in Book E of Location Notices, page 253, and given name and designated in said location notice as Lucky Strike No. 6 Lode Claim.

That certain mining claim and notice of location dated the 5th day of July, 1949, said location being described and marked on the ground as more specifically stated and set forth in the notice of location filed in the office of the county recorder of Piute County, State of Utah on July 5, 1949, and recorded in Book E of Location Notices, page 269, and given the name and designated in said mining location notice as Lucky Strike No. 11 Lode Claim.

That certain mining claim and notice of location dated the 7th day of July, 1949, said location being described and marked on the ground as more specifically stated and set forth in the notice of location filed in the office of the county recorder of Piute County, State of Utah on July 6, 1949, and recorded in Book E of Location Notices, page 272, and given the name and designated in said mining location notice as Lucky Strike No. 15 Lode Claim.

That certain mining claim and notice of location dated the 15th day of July, 1949, said location being described and marked on the ground as more specifically stated and set forth in the notice of location filed in the office of the county recorder of Piute County, State of Utah on July 18, 1949, and recorded in Book E of Location Notices, page 288, and given the name and designated in said mining location notice as Lucky Strike No. 17 Lode Claim.

That certain mining claim and notice of location dated the 24th day of May, 1950, said location being described and marked on the ground as more specifically stated and set forth in the notice of location filed in the office of the county recorder of Piute County, State of Utah on May 24, 1950, and recorded in Book F of Location Notices, page 85, and given the name and designated in said mining location notice as Lucky Strike No. 21A Lode Claim.

That certain mining claim and notice of location dated the 27th day of September, 1950, said location being described and marked on the ground as more specifically stated and set forth in the notice of location filed in the office of the county recorder of Piute County, State of Utah on September 28, 1950, and recorded in Book F of Location Notices, page 330, and given the name and designated in said mining location notice as Lucky Strike No. 22 Fraction Lode Claim.

Together with all of the improvements and appurtenances thereunto belonging or in any wise appertaining, and the right to the use of all such water and water rights for any and all of the culinary and mining purposes as may now be on said mining claims or as may be developed by the lessee thereon.

And the said lessors do hereby agree that they are the owners of said mining claims, and have good right and title thereto, and good right to sell, lease or otherwise dispose of the same.

TO HAVE AND TO HOLD the said leased premises, appurtenances and improvements from the date hereof for the full period of five years, unless sooner terminated by the violation of any of the covenants hereinafter mentioned and set forth by said lessee, and subject to the extension of this lease for the additional period of one year at the election of the lessee.

And in consideration of this lease and in consideration of the option to purchase hereinafter set forth, the said lessee does hereby covenant and agree with said lessors as follows:

1. The lessee agrees to enter upon said leased premises within a period of 15 days after the date hereof and to work upon said premises in a good miner-like manner, and in a manner necessary and proper for good economic mining; and if underground work is done, to properly timber such underground workings when necessary for good mining and to so work and mine upon said premises so as to take out the greatest amount of ore possible with due regard to the safety, development and preservation of said premises as a workable mine, and to do and perform at least 50 shifts per month; and said lessee agrees that any failure to work said premises as above set forth for a period of 30 consecutive days shall be considered a violation of the terms of this lease.

2. That the said lessee will do and perform or cause to be done and performed, all annual assessment work necessary to hold and retain the title to said mining claims in the name of the said lessors and further to recognize at all times the title of said lessors to said property and not to do or suffer to be done, any act or thing which shall impair or cloud said title of said lessors.

7. Copy of Lease--in good standing.

3. The said lessee shall have the right to assign, sell or transfer any part of his interest in said lease and option, to any individual or company with the understanding that said lessee will protect the said lessors in so doing.

4. It is agreed that the lessee shall pay to the lessors a royalty on the net value of all ores mined and extracted from said mining claims as follows:

On all ore up to $20.00 per ton---10 per cent of the "NET VALUE"
$20.00 to $30.00 per ton---12½ per cent of the "NET VALUE"
$30.00 to $40.00 per ton---15 per cent of the "NET VALUE"
$40.00 to $50.00 per ton---17½ per cent of the "NET VALUE"
and all over $50.00 per ton---20 per cent of the "NET VALUE"

By net value is meant the value as determined by the smelter or milling company after the charges for the smelting or milling, sampling, umpire assaying and transportation from the mine to the smelter or milling plant at Marysvale, Utah have first been deducted, then the royalty as aforesaid shall accrue to the lessors.

5. The lessors shall at all times have the right personally, or by a properly designated agent or representative, to enter upon said mining claims for the purpose of inspection, but shall in no way obstruct or in any way interfere with the mining operations of the lessee.

6. The lessee agrees to keep the drifts, shafts, tunnels and other passages and workings at all times clear of loose rock and rubbish, and at the expiration of this lease or the extension thereof as herein provided, to deliver up to said lessors said premises with the appurtenances and improvements, except that the lessee shall have the right to remove all surface equipment.

7. The lessee shall have the right to construct a mill or mills upon said premises, buildings to house employees and any other buildings which said lessee may seem proper or necessary, and the right to remove all such buildings in the event of the termination of this lease for any cause, but it is agreed that all track laid on said mining claims and all timbering including all frames, chutes, rails, pipes, and timbering, shall in the event of termination of this lease remain upon said leased premises and become the property of the lessors.

8. If the lessee shall default in, or fail to comply with, any of the terms, conditions of this lease, the lessors shall, in writing, by registered mail, notify said lessee of such claimed default or violation, and the lessee shall after such notice comply with the terms of this lease and remedy any existing default thereto within a period of 30 days; but should said lessee after such notice fail or neglect to remedy such default, then the lessors may declare this lease forfeited and the same terminated, and said lessors, or their duly authorized agent or representative, may thereupon, after demand for possession in writing, enter upon said premises and dispossess all persons occupying the same, without or with process of law.

9. It is agreed that the lessee shall not be in any way responsible in the performance of the terms of this lease for any damage or failure to perform by reason of the occurrence of floods, strikes, acts of nature, damage by the elements or occurrences beyond the control of the lessee.

10. It is hereby further stipulated and agreed that the lessee at any time during the term of this lease, or any extension thereof, shall have the exclusive and sole right and privilege, to purchase all of the above described leased premises, appurtenances, improvements and water rights for the total and sole consideration of $ 30,000.00, and in the event the lessee, his successors or assigns shall exercise such right, he or they shall be given credit upon and against said total purchase price for all royalties theretofore paid by the lessee or his successors or assigns to the lessors pursuant to the terms of this lease, and upon payment of such balance as may be due at the time said right to purchase is exercised, the lessors agree to give to the lessee as assignment, at said lessees expense, all of the aforesaid mining claims, together with a quit-claim deed covering all their right, title and interest in and to same and to furnish to the lessee, his successors or assigns, an abstract of title, showing a clear and unencumbered title in said mining claims of said lessors.

11. If the lessee, his successors or assigns shall have performed on his or their part the terms and conditions of this lease, then at the expiration thereof, to-wit, 5 years from date hereof, the lessee shall have the exclusive right and option to renew this lease for an additional period of one year upon which are the same terms and conditions hereinabove set forth, including during said renewal period the right of purchase as herein provided for.

12. It is understood and agreed that the lessee will comply with all federal and state laws with respect to the operation of said mining claims, and the removal of ore therefrom; that he will provide industrial compensation insurance for all employees which he may employ for the removal of ores as aforesaid, and in the exploration and development of said mining claims, and will conform in all respects in said mining operations to all rules and regulations of the Atomic Energy Commission or its duly authorized agents and representatives.

In witness whereof, the parties have hereunto set their hands the day and year first above written.

s/s Walter Kennedy

s/s Richard Kennedy

s/s Russell Harvey Kennedy

LESSORS

s/s Scott M. Cutler

LESSEE

EXHIBIT "A"

7. Copy of Lease-
in good standing.

STATE OF UTAH )
: ss.
COUNTY OF PIUTE )

On the 19th day of May, 1950, personally appeared before me, Walter Kennedy, Russell Kennedy, and Richard Kennedy, the signors of the above instrument, who acknowledged to me that they executed the same.

s/s Violet Sargent
NOTARY PUBLIC

My commission expires:

February 2, 1950

STATE OF UTAH )
: ss.
COUNTY OF PIUTE)

On the 19th day of May, 1950, personally appeared before me Scott M. Cutler, the signer of the above instrument, who duly acknowledged to me that he executed the same.

s/s Violet Sargent
NOTARY PUBLIC

My commission expires:

February 2, 1950

EXHIBIT "B"

7. Copy of Lease-in good standing

AGREEMENT

This agreement made and entered into this 19th day of May, 1950, by and between Scott M. Cutler of Beaver, Utah, hereinafter referred to as the first party, and ROYSTON COALITION MINES, LTD., a corporation of the state of Nevada, hereinafter referred to as the second party, WITNESSETH:

That whereas the party of the first part is the owner and holder of a certain lease and option to purchase certain mining claims believed to contain valuable ore, situated near Marysvale, Utah, in Piute County, State of Utah, said lease and option having been granted to the said first party by Walter Kennedy, Russell Kennedy, Richard Kennedy, all of Marysvale, Piute County, Utah, said lease and option to purchase covering certain mining claims located by the above named persons between June 30, 1949, and September 27, 1950, and the same having been duly recorded in the Office of the County Recorder of Piute County, State of Utah, a more particular description of said mining claims being as follows:

That certain mining claim and notice of location, dated the 30th day of June, 1949, said location being described and marked on the ground as more specifically stated and set forth in the notice of location filed in the office of the county recorder of Piute County, State of Utah on July 1, 1949, and recorded in Book E of Location Notices, page 253, and given the name and designated in said mining location notice as Lucky Strike No. 6 Lode Claim.

That certain mining claim and notice of location dated the 5th day of July, 1949, said location being described and marked on the ground as more specifically stated and set forth in the notice of location filed in the office of the county recorder of Piute County, State of Utah on July 5, 1949, and recorded in Book E of Location Notices, page 269, and given the name and designated in said mining location notice as Lucky Strike No. 11 Lode Claim.

That certain mining claim and notice of location dated the 7th day of July, 1949, said location being described and marked on the ground as more specifically stated and set forth in the notice of location filed in the office of the county recorder of Piute County, State of Utah on July 8, 1949, and recorded in Book E of Location Notices, page 272, and given the name and designated in said mining location notice as Lucky Strike No. 15 Lode Claim.

That certain mining claim and notice of location dated the 15th day of July, 1949, said location being described and marked on the ground as more specifically stated and set forth in the notice of location filed in the office of the county recorder of Piute County, State of Utah on July 18, 1949, and recorded in Book E of Location Notices, page 288, and given the name and designated in said mining location notice as Lucky Strike No. 17 Lode Claim.

That certain mining claim and notice of location dated the 24th day of May, 1950, said location being described and marked on the ground as more specifically stated and set forth in the notice of location filed in the office of the county recorder of Piute County, State of Utah on May 24, 1950, and recorded in Book F of Location Notices, page 85, and given the name and designated in said mining location notice as Lucky Strike No. 21 A Lode Claim.

That certain mining claim and notice of location dated the 27th day of September, 1950, said location being described and marked on the ground as more specifically stated and set forth in the notice of location filed in the office of the county recorder of Piute County, State of Utah on September 28, 1950, and recorded in Book F of Location Notices, page 330, and given the name and designated in said mining location notice as Lucky Strike No. 22 Fraction Lode Claim.

Together with all of the improvements and appurtenances thereto belonging or in any wise appertaining, and the right to the use of all such water and water rights for any and all culinary and mining purposes as may now be on said mining claims or as may be developed by the lessee thereon.

A full, true and correct photostatic copy of the first party's lease and option to purchase is hereto attached and made a part hereof and marked Exhibit "B".

AND, WHEREAS, the second party to this agreement has examined the above mining claims and is familiar with their location and the nature and character of the ores thereon, so far as can be determined without further development and exploration work, and have such knowledge concerning the same that the second party is willing and desirous of entering into this contract for the future exploration and development of said mining claims and the extraction of the ores therefrom.

AND, WHEREAS, it has been agreed between the parties hereto that the second party shall have the exclusive right and privilege, without limitation of time, for the purpose of exploring said mining claims and developing the same, and extracting the ores, uranium, and other valuable minerals therefrom, subject to the considerations, exceptions and limitations hereinafter specifically stated and set forth.

NOW, THEREFORE, it is hereby agreed between the first party and second party to this agreement as follows:

1. It is agreed that the second party shall have, and is hereby given, the exclusive right, without limitation of time, to explore and develop the mining claims above described, and to extract therefrom the uranium minerals and other valuable deposits found, or that may hereafter be found upon said mining claims; that the second party will, within a period of 15 days from date hereof, go upon said mining claims with all equipment of such a nature and character as will enable the second party to carry on said development and exploration work, and

to extract the ores and mineral deposits from said mining claims, and agree to so develop and explore said mining claims in a manner necessary to good and economical mining, so as to take out the greatest amount of ore possible, with due regard to the safety, development and preservation of said premises.

2. It is stipulated and agreed that the sole and only consideration to be paid by the first party, or to be received by the second party for the aforesaid exploration and development work and the extraction of the ore and minerals from said mining claims shall be as follows:

The second party shall deliver all marketable uranium and other ores to an established agency of the United States Government, and such agency, or other properly designated person, shall pay from the net proceeds of said ore the royalties payable to the locators of said claims on the basis of the attached agreement between the first party and said locators, until the full amount of $ 30,000.00 shall have been paid to said locators pursuant to the terms of the bond and lease hereto attached.

3. It is agreed that from said net proceeds there shall be paid to the second party the cost of mining the said ore and other mineral deposits, not to exceed, however, the sum of $ 2.00 per ton, and any excess in mining costs over said sum per ton shall be borne entirely by the second party. And after payment of said amount, the remaining net proceeds shall be divided in equal shares between the first party or the second party, and said amounts payable to either the locators, the first party or the second party shall be paid directly to said persons or their respective assignees by such agency of the United States Government or other person pursuant to the terms of this agreement. It is stipulated that the amount payable to the second party as herein provided shall be paid to the Royston Coalition Mines, Ltd., 704 Newhouse Building, Salt Lake City, Utah.

It is stipulated and agreed that the provisions of this contract providing for the allowance of $ 2.00 as mining costs shall be subject to review in the event mining costs shall substantially exceed said sum, and that the parties in order to meet the equities of any question that may arise concerning mining costs and at the request of the second party will reconsider said provision and attempt to agree upon any excess mining costs above said amount.

4. It is further stipulated and agreed that the second party shall keep an accurate assay of the ores being removed from the above described claims, and if at any time the ores are of such high grade as to demand a premium price, that the same shall be marketed to such persons, firms, or corporations who are in a position to pay such premium prices, notwithstanding the fact that such purchasors may be located at a place other than said Marysvale, Utah.

5. It is agreed and understood that the second party will move equipment for the aforesaid exploratory and development work, and for mining operations, on to the above-described mining claims, and shall be in substantial operation upon the same on or before the 5th day of June, 1950, and it is agreed that in respect to the provisions of this contract, that time is of the essence thereof, and the first party does hereby grant unto the second party the exclusive right and privilege to immediately enter upon and to explore and develop said mining claims,

and that such exclusive right shall continue in the second party until all of the marketable ores upon said mining claims shall have been exhausted by the second party, subject, however, to the party of the second part complying with all of the provisions and requirements of this agreement. And in consideration of this right granted to the second party by the first party, the second party does hereby covenant and agree that they will enter upon said mining claims within the period aforesaid, and begin the exploration and development work contemplated by this agreement, and will, as soon as practicable, commence the movement of uranium ore and other valuable mineral deposits therefrom, and that they will continously, each and every month, work 50 man shifts, as provided by the attached lease of the first party, and will remove the greatest possible amount of uranium and other mineral deposits consistent with good and workmanlike mining, and it is agreed that if the second party shall cease the work of exploration, development and mining of ore as herein provided, for the period of 30 consecutive days, that then this lease and option shall at once become void and of no legal force or effect whatsoever, and without any act upon the party of the first part or his assignees, and the said second party shall immediately forfeit all rights that it might otherwise have under the provisions of this agreement, and the first party or his duly designated agent or agents shall have the right to go upon said mining claims and assume the exclusive right, jurisdiction and control thereover.

6. It is agreed that so long as the second party shall perform the terms of this agreement, that it shall have the exclusive right to determine the nature and character of the development and exploration work, and the method and manner of extracting ore therefrom.

7. The first party and such mining engineers or other agents as the first party may designate or appoint, shall have the right at all times to go upon said mining claims and inspect and examine the exploration and development work, and the manner of extracting ores from said mining claims, and shall have the right to take measurements for the purpose of determining the tonnage of ore extracted, and shall have access to all shipments and bills of lading showing the amount of ore shipped by the second party, but such examination or inspection shall be without unreasonable hindrance or delay to the work of the second party on said mining claims.

8. It is agreed and understood that the second party will do all work upon said mining claims in a good and minerlike fashion, and that wherever necessary the second party will timber any and all tunnels or other underground workings, and will at all times conduct mining operations thereon as to insure the safety and well-being of employees who may be employed by the second party.

9. That the second party will promptly and fully pay for all labor and materials that may be furnished and supplied by the person whosoever in the conduct of said work upon said mining claims, and that they will keep said mining claims free and clear from all liens or liabilities of any kind by reason of material and labor furnished therefor.

10. It is understood and agreed that the second party will comply with all federal and state laws with respect to the operation of said mining claims, and the mining and removal of ore therefrom; that they will provide industrial compensation insurance for all employees which they may employ for the removal and extraction of ores as aforesaid, and in the exploration and development of said mining claims, and will conform in all respects in said mining operation to all rules and regulations of the Atomic Energy Commission or its duly authorized agents and representatives.

11. It is stipulated and agreed that the second party, as soon as operations are commenced on the above described mining claims, shall post notices in at least three conspicuous places on said mining claims, which said notices shall set forth that the exploratory work, development work, and the extraction of ores from said mining claims is being done by the second party, and that the second party is thereunder responsible for all work and labor that may be performed on said mining claims, and for all material that may be purchased and used on said mining claims.

12. The second party agrees to comply in all respects with the provisions of the lease and option to purchase, Exhibit "B" hereto attached, and to comply with each and every provision of said contract and the second party hereby acknowledges that it has read said lease and option to purchase and is fully informed as to the contents and provisions thereof, and they will in all respects perform all of the terms and provisions thereof.

13. It is agreed that the secons party shall not be responsible for the performance of the terms of this agreement or for the performance of the terms of the lease and option to purchase, Exhibit "B" attached hereto, which performance may be made impossible by reason of the occurrence of floods, strikes, acts of nature, damages by the elements, or occurrences beyond the control of the second parties.

14. It is agreed by each of the parties hereto that if an offer to purchase said mining claims shall be made to either of the parties, that such party will immediately communicate such fact to the other party and that each of the parties will exercise good faith in a determination of whether an offer of purchase should be accepted, it being the purpose and intention to protect the financial interest of each party in respect to any offer of sale which may seem advantageous under circumstances as they may exist at the time of such offer. In the event of sale of said mining claims, the net proceeds of such sale shall be disbursed as follows: Any balance remaining due and owing to the locators of said mining claims shall first be paid in full and the balance divided, one-half thereof to the first party and one-half thereof paid to the second party; and the second party agrees from the amount received by them to pay and discharge all existing claims and demands for work, labor, material, and any and all other obligations of the second party arising out of their operation upon said mining claims.

s/s Scott M. Cutler
SCOTT M. CUTLER
Party of the first part

ROYSTON COALITION MINES, LTD.
a Nevada corporation

Attest:

s/s R. A. Glenny
R. A. GLENNY, Secretary

By s/s Samuel Bernstein
SAMUEL BERNSTEIN
Party of the second part

7. Copy of Lea[illegible] in good standing.



EXHIBIT "B"

STATE OF UTAH )
: ss.
COUNTY OF PIUTE )

On the 19th day of May, 1950, personally appeared before me SCOTT M. CUTLER, the signer of the above instrument, who duly acknowledged to me that he executed the same.

s/s Violet Sargent
Notary Public

My Commission Expires:

February 2nd, 1953

STATE OF UTAH )
: ss
COUNTY OF SALT LAKE)

On this 19th day of May, 1950, personally appeared before me, a notary public of the State of Utah, Samuel Bernstein, known to me to be the president of the corporation, Royston Coalition Mines, Ltd., which executed the foregoing instrument, and upon oath, did depose that he is the officer of said corporation as above designated; that he is acquainted with the seal of said corporation, and that the seal affixed to said instrument is the corporate seal of said corporation; that the signatures to said instrument were made by officers of said corporation as indicated after said signatures ; that the said corporation executed the said instrument freely and voluntarily and for the uses and purposes therein mentioned.

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

s/s H. G. Metos
Notary Public, Residing at
Salt Lake City, Utah

My Commission Expires:

9/23/50

Exhibit "C"

# SUBORDINATION AGREEMENT

KNOW ALL MEN BY THESE PRESENTS:

WHEREAS, the undersigned, Walter Kennedy, Russell Kennedy, Richard Kennedy and Scott M. Cutler, are owners and lessors of the following mining claims located in the Durkee Mining District, Piute County, State of Utah, to-wit:

Lucky Strike No. 6 Lode Claim
Lucky Strike No. 11 Lode Claim
Lucky Strike No. 15 Lode Claim
Lucky Strike No. 17 Lode Claim
Lucky Strike No. 21A Lode Claim
Lucky Strike No. 22 Fraction Lode Claim,

and

WHEREAS, said mining claims have been leased to Royston Coalition Mines, Ltd., which company is now mining upon said claims for the purpose of extracting uranium; and

WHEREAS, the said Royston Coalition Mines, Ltd., has filed an application for aid for an exploration project pursuant to Mineral Order 5, under Defense Production Act of 1950 in the sum of Thirty Thousand Dollars ($30,000.00) to further develop the above described claims;

NOW THEREFORE, in consideration of the premises, the undersigned hereby acquiesce and consent to said application and approval thereof in whole or in part, and do hereby subordinate to the United States of America all of their right, title and interest as owners and lessors of said property herein above described pursuant to the exploration project contract that may be entered into between said Royston Coalition Mines, Ltd., and the United States of America.

Walter Kennedy
Russell Kennedy
Richard Kennedy
Scott M. Cutler

STATE OF UTAH )
: ss.
COUNTY OF PIUTE)

On this 23 day of June, 1951, personally appeared before me Walter Kennedy, Russell Kennedy, Richard Kennedy and Scott M. Cutler, the signers of the foregoing instrument, who duly acknowledged to me that they executed the same.

Violet Sargent
Notary Public
Residing at Marysvale, Utah

Feb 2 1953
My Commission Expires:

ROYSTON COALITION MINES, LTD., 704 Newhouse Building, Salt Lake City 1, Utah.

8. Current Financial Statement showing assets and liabilities (Exhibit "D" Page 1), and a Profit and Loss Statement (Exhibit "D" Page 2.)

## ROYSTON COALITION MINES, LTD.

### Current Financial Statement

as at June 15, 1951

### ASSETS:

| | | | |
|---|---|---|---|
| **Current Assets:** | | | |
| Cash in Bank and on hand | | $ 3,767.35 | |
| Workmen's Compensation Deposit | | 200.00 | $ 3,967.35 |
| **Investments:** | | | |
| Oil and Gas Interest | | | 8,003.60 |
| **Property, Plant and Equipment:** | | | |
| Land, State of Nevada | $ 49,500.00 | | |
| Less Reserve for Depletion | 272.18 | 49,227.82 | |
| Buildings, Nevada | 800.00 | | |
| Buildings, Marysvale, Utah | 125.00 | | |
| Machinery and Equipment, Nevada | 5,200.00 | | |
| Total | 6,125.00 | | |
| Less Reserve for Depreciation | 4,800.00 | 1,325.00 | 50,552.82 |
| **1951 Operations:** | | | |
| Marysvale, Ut. operating expenses | | 7,783.86 | |
| General & Administrative expenses | | 1,167.31 | 8,951.17 |
| Total Assets | | | $ 71,474.94 |

### LIABILITIES & NET WORTH

| | | | |
|---|---|---|---|
| **Liabilities:** | | | |
| **Net Worth** | | | |
| Capital Stock: | | | |
| Common, Par Value $.01¢ per share | | | |
| Authorized | 2,000,000 shares | $ 20,000.00 | |
| Treasury and Unissued | 492,026 shares | 4,920.26 | |
| Outstanding | 1,507,974 shares | $ 15,079.74 | |
| **Surplus:** | | | |
| Capital Surplus | 98,528.99 | | |
| Earned Surplus-Deficit | 42,133.79 | 56,395.20 | |
| Total Net Worth | | | 71,474.94 |
| Total Liabilities and Net Worth | | | $ 71,474.94 |

ROYSTON COALITION MINES, LTD., 704 Newhouse Bldg., Salt Lake City, Utah.

8. Continued:

ROYSTON COALITION MINES, LTD.

Profit and Loss Statement

January 1, 1951 to June 15, 1951

| | | | |
|---|---|---|---|
| Cash on Hand-Jan. 1, 1951 | | | $ 1,722.39 |
| **Receipts:** | | | |
| Assessments Paid In | | | 16,705.49 |
| | | Total Receipts | $ 18,427.88 |
| **Disbursements:** | | | |
| Marysvale Mine Operations: | | | |
| Payrolls | $ 3,733.92 | | |
| Workmen's Insurance | 220.44 | | |
| Unemployment Compensation | 109.49 | | |
| Travel Expenses | 100.00 | | |
| Supplies | 2,041.95 | | |
| Equipment Rentals | 1,530.00 | | |
| Social Security, O.A.B. | 48.06 | 7,783.86 | |
| General and Administrative: | | | |
| Book Audit | 70.00 | | |
| Oil, Land Rentals | 549.62 | | |
| Tel., Tel., & Postage | 37.56 | | |
| Stationery and Printing | 486.83 | | |
| Miscellaneous Expenses | 8.21 | | |
| Excise Tax | 5.09 | | |
| Franchise Tax | 10.00 | 1,167.31 | |
| **Deferred Credits:** | | | |
| Oil, Land Purchase Payment | 5,632.00 | | |
| Assessment Refunds | 54.95 | | |
| Social Security O.A.B. | 22.41 | 5,709.36 | 14,660.53 |
| CASH ON HAND AS OF June 15, 1951 | | | $ 3,767.35 |

## THE APPLICANT

9. Money applicant is prepared to invest in proposed project.

The applicant is prepared to invest their 10% in the proposed project, which is sufficient to pay their part of the cost of the project as detailed in Question 23 of this application form and in accordance with the regulations on Government participation (Section 9 of Mineral Order 5.)

## THE PROPERTY

10. Description of the real property involved in the exploration project.

(A) The description of the real property involved in the exploration project will be done on the Lucky Strike No. 15 Lode Claim, Lucky Strike No. 21A Lode Claim and Lucky Strike No. 6 Lode Claim, which are described as follows:

That certain mining claim and notice of location, dated the 30th day of June, 1949, said location being described and marked on the ground as more specifically stated and set forth in the notice of location filed in the office of the county recorder of Piute County, State of Utah on July 1, 1949, and recorded in Book E of Location Notices, page 253, and given the name and designated in said mining location notice as Lucky Strike No. 6 Lode Claim.

That certain mining claim and notice of location dated the 7th day of July, 1949, said location being described and marked on the ground as more specifically stated and set forth in the notice of location filed in the office of the county recorder of Piute County, State of Utah on July 8, 1949, and recorded in Book E of Location Notices, page 272, and given the name and designated in said mining location notice as Lucky Strike No. 15 Lode Claim.

That certain mining claim and notice of location dated the 24th day of May, 1950, said location being described and marked on the ground as more specifically stated and set forth in the notice of location filed in the office of the county recorder of Piute County, State of Utah on May 24, 1950, and recorded in Book F of Location Notices, page 85, and given the name and designated in said mining location notice as Lucky Strike No. 21A Lode Claim.

(B) All work will be confined and conducted from what is known as the Royston Shaft located on the Lucky Strike No. 15 Lode Claim, which has a 30° incline shaft running North 30° East which is down for a distance of 672 feet at which point the exploration work of this project will begin. This shaft now enters the Lucky Strike No. 21A Lode Claim. Further sinking will be done on the Lucky

10. (B) continued.

Strike No. 21A Lode Claim and drifting on the Lucky Strike No. 21A, Lucky Strike No. 15, and Lucky Strike No. 6 Lode Claims.

Map marked as Exhibit "E" accompanying this application shows the proposed work.

15. How ore can be shipped and how and where milled.

All ore mined is hauled to the Atomic Energy Commission stockpile by truck, which is purchased at this point.

19. Conditions regarding the property not sufficiently brought out in foregoing questions.

The applicant's property is completely covered by rhyolite flow. The property to the north where the monzanite is exposed shows several strong veins heading toward the applicant's property. The proposed work should aid the Atomic Energy Commission in exploring the area.

The Plumbic Mining Company has a similar project to the northwest of applicant's property.

THE EXPLORATION

21. The proposed work and the estimated time required to complete it.

The proposed work is to continue sinking the applicants incline shaft from the 672 foot level for a further distance of 78 feet or to the 750 foot level, unless monzanite is encountered sooner. Then drifting along contact on an estimated strike between North 35° to 40° West to cross cut the North 65° East alteration zones, this cross cutting to continue approximately 1,000 feet.

This project can be completed within a period of one year.

22.

The nearby Bullion Monarch Mining Company encountered a large stope of commercial uranium on the contact of the rhyolite and monzanite. The rhyolite acted as a capping. The applicant believes its conditions are similar. Full information is not obtainable by applicant for security reasons in furnishing supporting maps and geological maps and other pertinent data with this application. However, Isorad and Contour Map and Geologic Map is herewith submitted with this application as Exhibits "E" and "F", showing the position of the applicant's property. All other maps and pertinent data should be obtainable from the Atomic Energy Commission Field Office at Marysvale, Utah.

## THE REQUIREMENTS and COSTS

23. (a) to (i) inclusive:

The requirements and cost of the project will be let to contractors now available on the basis of $30.00 per foot on the first 500 feet and $35.00 per foot for the next 500 feet which will include labor, supervision, cost of necessary repairs, cost of necessary installation, cost of items of equipment, cost of rental for equipment, rental items of equipment, cost of materials and supplies, cost of power, water, utilities, and any other items not provided for above, but would exclude timber for spilling if necessary. However, no timber has been required in the sinking of the 672 foot incline shaft. If small timbering is required, it will be included in the contract prices.

24. The time schedule for completing the project will be between ten and twelve months, and the progress expected to be accomplished will be between 100 and 125 feet per month, and the money expected to be spent will be $3,000 to $3,750 per month.

6/5/51

Defense Minerals Administration

Review of Application for Exploration Assistance

Docket No. DMA 1743-X

Commodity Uranium

Total Amount $30,000

Govt. Participation $27,000

1. Name and Address of Applicant Royston Coalition Mines, Ltd.

   704 Newhouse Building, Salt Lake City 1, Utah

2. Location of Property Approximately 3½ miles north of Marysvale, Utah

3. Mineral or metal Uranium Is it listed in Section 9 of MO-5? yes

   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

   c) None

   d) Don't know—needs field examination Report by field team is required. See Item 17.

   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, MO-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 question? See attached notes by Tom Anderson, geologist, AEC, Denver Colorado. Review of this application with Mr. Anderson is recommended.

Reviewed by: _____

H D Keiser, U.S.G.S.

J. O. Hosted, AEC,

Date July 27, 1951



INT.-DUP. SEC., WASH., D.C. 99009

Notes on DMA 1743-X -- Royston Coalition Mines, Ltd.

By Tom Anderson, geologist, AEC
Denver, Colorado

This Royston DMA application is a wild cat, and I do not believe it is a good bet at this time because:

1. Geology is not favorable -- present workings are in Bullion Canyon (early) volcanics and are about ½ mile from any showings of interest as prospects. We made a reconnaissance of the area early in our work and found nothing to indicate that we should extend our surface mapping into that area.

2. We are currently drilling on some surface shows about ½ mile North. Even if this drilling would be successful (and that is doubtful from present results) it would only slightly increase the attractiveness of the Royston proposition.

3. Royston's estimated costs of $30 per ft. is rather high. Cost based on the figures they furnish in the application are about $11 per ft. The foreman on the job told me some time ago that he was well under $15 per ft. and considered the thing momentarily in the light of our possible future need for deep exploration in the district (thru shaft or adit). It is, however, a bit premature for that; at least in our present stage of drilling. Besides, using the Royston incline for such a purpose might present some engineering difficulties -- about 24 to 26 deg. is the steepest conveyor belt lift that I am familiar with. You in Wash. know more about the shaft-adit thinking than I do here. If it is going to be pushed thru before the drilling is completed then maybe the possibility of using the Royston incline should be included.

I am sure we can justify turning the application down now for the above reasons. Perhaps later it <u>might be reconsidered</u> if:

1. Drilling to the North proves up something good enough to warrant some projection into or toward the Royston.

2. Need for deep-level exploration is warranted.

3. Engineering details concerning conveyor-belt haulage can be worked out in a 30-deg. incline.

Note to Field Team: Please hold above notes in confidence.

to: J. O. [redacted]sted, Division of [redacted] Materials, AEC

Subject: DMA – Royston Coalition, Marysvale

Dear Joe

Sorry for late getting this to you – but been been on the move pretty steady – came there Thursday & checked up on the info. I needed.

(Begin) This Royston DMA application is a wild cat, and I do not believe it is a good bet at this time because:

1. Geology is not favorable -- present workings are in Bullion Canyon (early) volcanics and are about ½ mile from any showings of interest or prospects. We made a reconnaissance of the area early in our work and found nothing to indicate that we should extend our surface mapping into that area.

2. We are currently drilling on some surface showings about ½ mile North. Even if this drilling could be successful (and that is doubtful from present results) it would only slightly increase the attractiveness of the Royston prospect.

3. Royston's cost estimate of $30/ft per ft. is not based on the figures they furnish in the application but about $40/ft per ft. The foreman on the job told me some time ago that he was well under $15/ft.

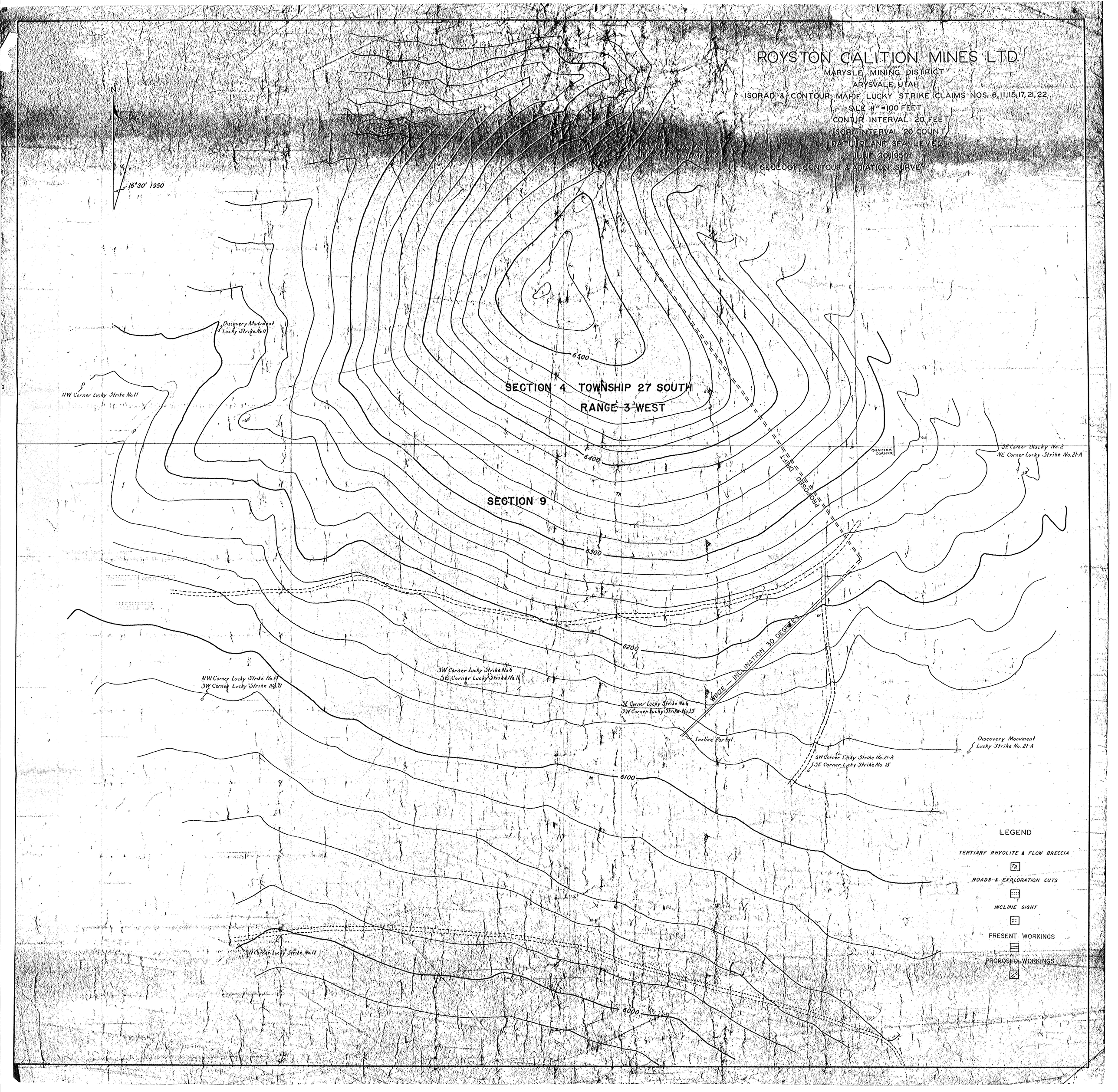
and considered the thing numerically in the light of our possible future need for deep exploration in the district (thru shaft or adit). It is, however, a bit premature for that, at least in our present stage of drilling. Besides, using the Royston incline for such a purpose might present some engineering difficulties -- about 24 to 26 deg. is the steepest conveyor belt lift that I am familiar with. Often in Alaska, I have worked about the shaft-adit thinking than I do here. If it is going to be pushed thru before the drilling is completed then maybe the possibility of using the Royston incline should be included.

I am sure we can justify turning the application down for the above reasons. Perhaps later it might be reconsidered if: 1. Drilling to the 105th proves up something good enough to warrant some projection into or beyond the Royston. 2. Need for deep-level exploration is warranted. 3. Engineering details concerning conveyor-belt haulage can be worked out in a 30-deg. incline.

(end)

Excuse the pencil & my trashed up notes - I've been out in the bush & I'm beat in. Wish you were here. I'll be back in Denver about Thursday.

Tom Anderson


ROYSTON CALITION MINES LTD.
MARYSLE MINING DISTRICT
ARYSVALE, UTAH
ISORAD & CONTOUR MAPF LUCKY STRIKE CLAIMS NOS. 6,11,15,17,21,22
SCLE 1" = 100 FEET
CONTUR INTERVAL 20 FEET
ISOR. INTERVAL 20 COUNT
DATUM PLANE SEA LEVEL
JUNE 20, 1950
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N
16°30' 1950
Discovery Monument
Lucky Strike No.11
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SECTION 9
6500
6400
6300
6200
6100
6000
PROPOSED DRIFT
QUARTER CORNER
SE Corner Blacky No.2
NE Corner Lucky Strike No.21-A
SW Corner Lucky Strike No.6
SE Corner Lucky Strike No.11
NW Corner Lucky Strike No.11
SW Corner Lucky Strike No.11
SE Corner Lucky Strike No.6
SW Corner Lucky Strike No.15
WINZE — INCLINATION 30 DEGREES
Incline Portal
Discovery Monument
Lucky Strike No.21-A
SW Corner Lucky Strike No.21-A
SE Corner Lucky Strike No.15
SW Corner Lucky Strike No.11
LEGEND
TERTIARY RHYOLITE & FLOW BRECCIA
TR
ROADS & EXPLORATION CUTS
INCLINE SIGHT
PRESENT WORKINGS
PROPOSED WORKINGS

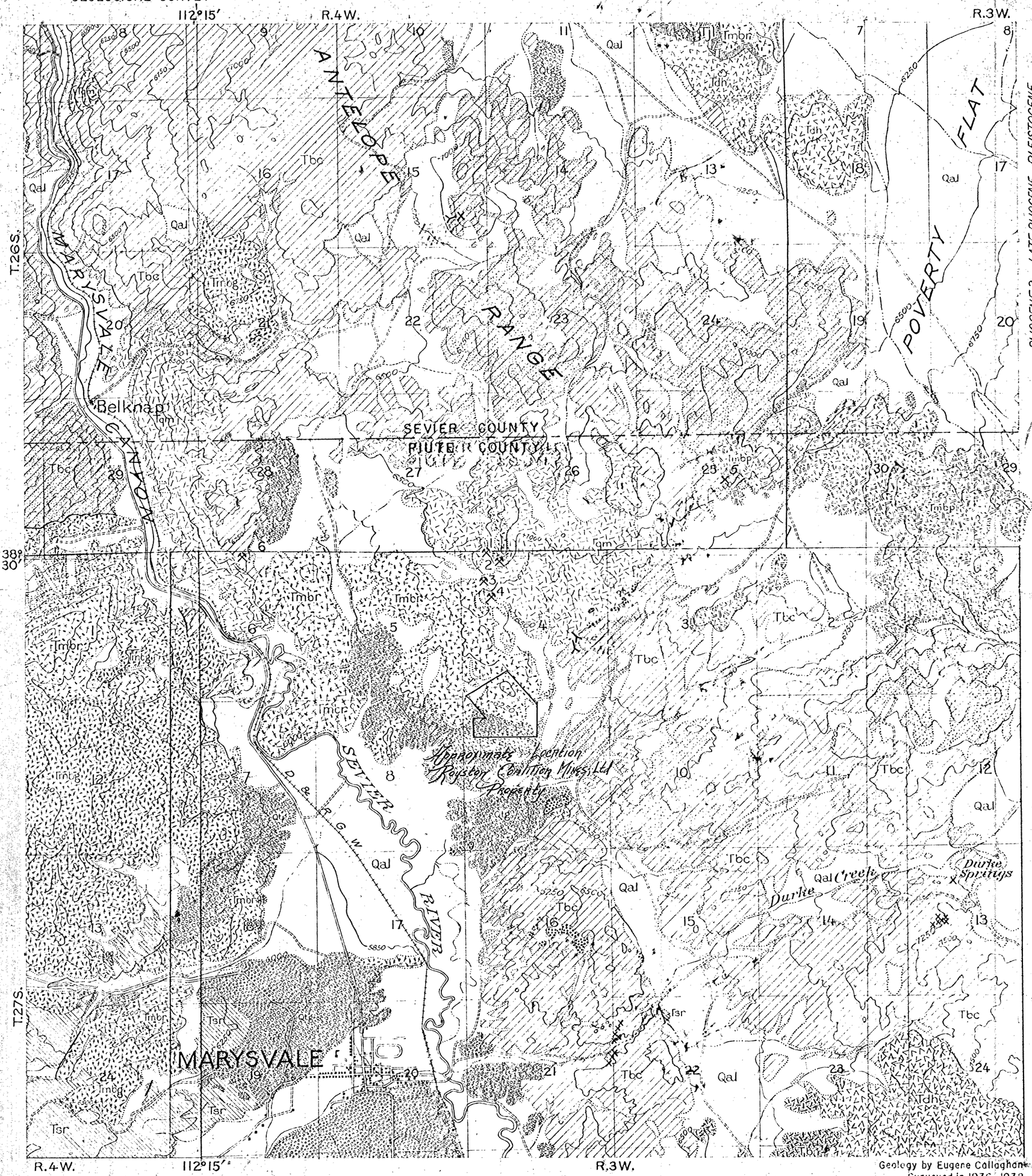
EXHIBIT "E"

ISORAD and CONTOUR MAP

Showing the Applicant's incline shaft and the proposed project work.

ROYSTON COALITION MINES, LTD., 704 Newhouse Bldg., Salt Lake City 1, Utah.

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY




# EXPLANATION

## SEDIMENTARY ROCKS

**Qal** — Alluvium

**Qtg** — Terrace gravels

**Tsr** — Sevier River formation

## IGNEOUS ROCKS

**Tbc** — Basalt

**Tjl** — Joe Lott tuff

**Tdh** — Dry Hollow latite

**Tmbp** — Mount Belknap rhyolite porphyritic facies

**Tmbg** — Mount Belknap rhyolite gray facies

**Tmbr** — Mount Belknap rhyolite red facies

**Tqm qt** — Quartz monzonite and associated intrusives, with quartzite (qt) inclusions

**Tbc qt** — Bullion Canyon volcanics with quartzite (qt) inclusions
*Stippling shows altered areas*

Normal fault

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QUATERNARY — PLEISTOCENE & RECENT; LATE PLIOCENE OR PLEISTOCENE

LATE TERTIARY OR QUATERNARY — PLIOCENE? & PLEISTOCENE? OR QUATERNARY

TERTIARY — LATER TERTIARY; EARLIER TERTIARY

# GEOLOGIC MAP OF MARYSVALE AND VICINITY, UTAH

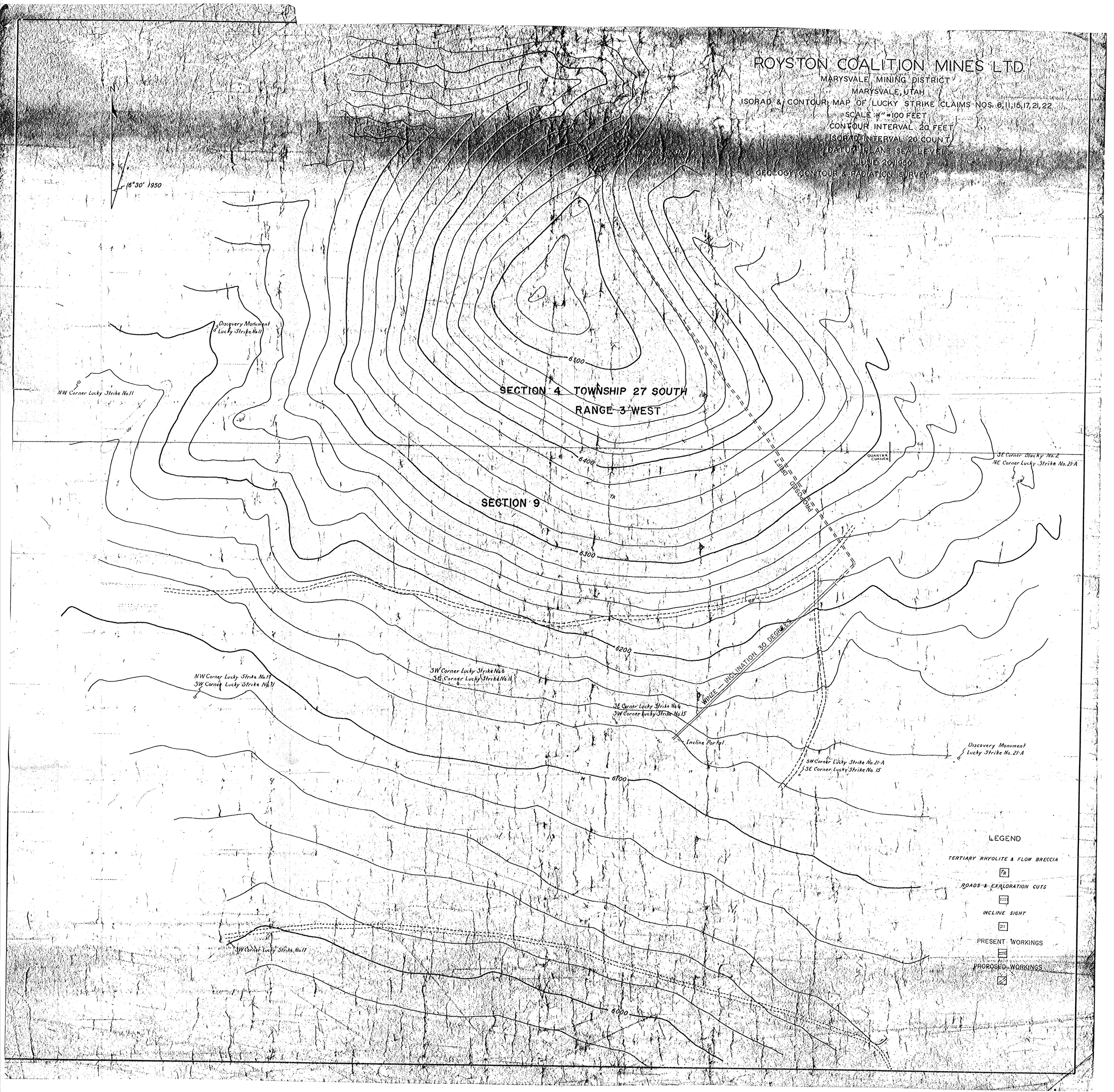
For sale by the U.S. Geological Survey Library, Room 504 Federal Building, Salt Lake City, Utah Price 25 cents

EXHIBIT "F"

GEOLOGIC MAP of MARYSVALE and VICINITY, UTAH

Showing approximate location

ROYSTON COALITION MINES, LTD. Property


ROYSTON COALITION MINES LTD.
MARYSVALE MINING DISTRICT
MARYSVALE, UTAH
ISORAD & CONTOUR MAP OF LUCKY STRIKE CLAIMS NOS. 6, 11, 15, 17, 21, 22
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6000
TR
PROPOSED DRIFT
QUARTER CORNER
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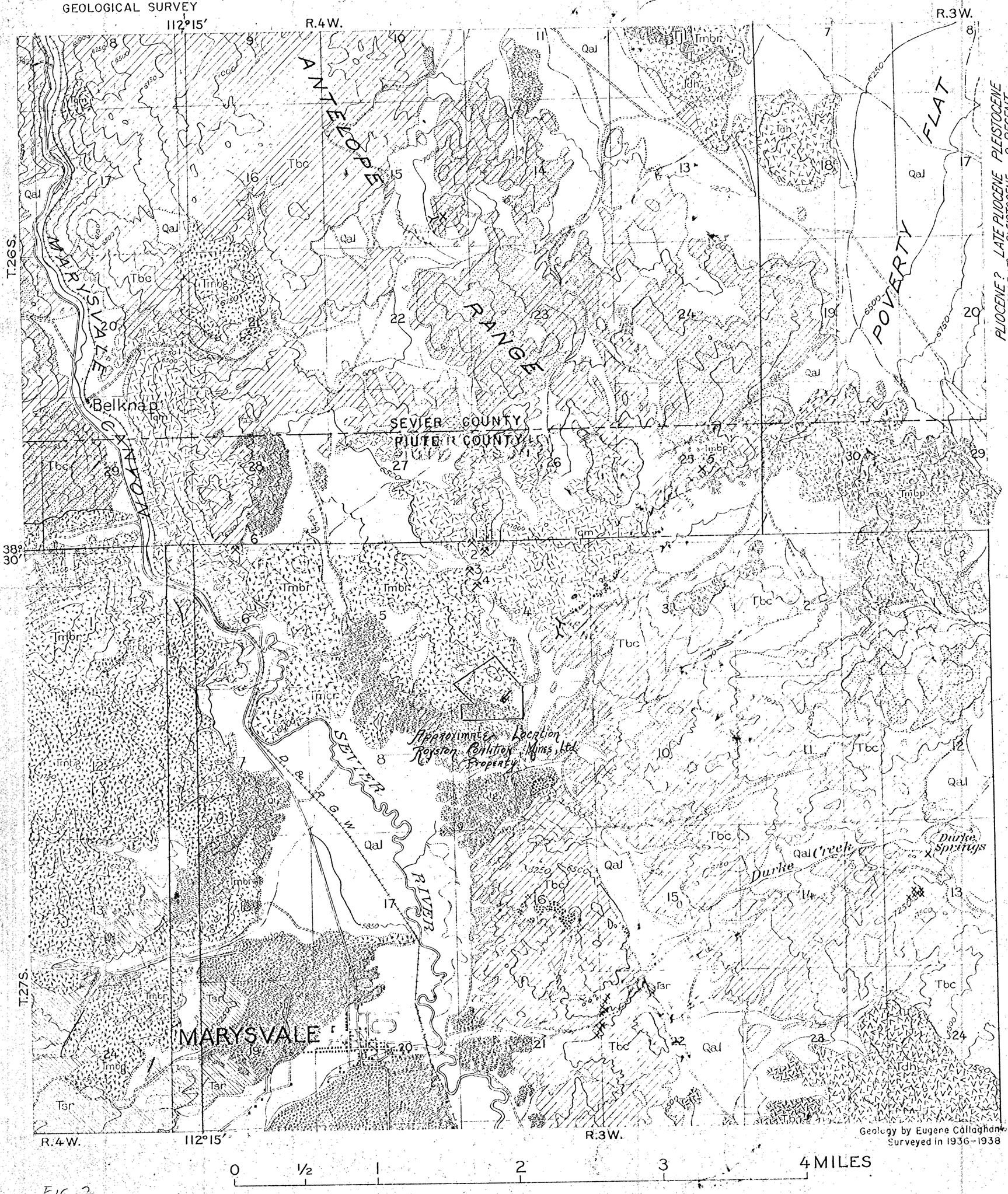
32904

ROYSTON COALITION MINES, LTD., 704 Newhouse Bldg., Salt Lake City 1, Utah.

PMA 1743Y

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY




# EXPLANATION

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*Stippling shows altered areas*

Normal fault

QUATERNARY: PLEISTOCENE & RECENT; LATE PLIOCENE OR PLEISTOCENE

LATE TERTIARY OR QUATERNARY: PLIOCENE? & PLEISTOCENE?

TERTIARY: LATER TERTIARY; EARLIER TERTIARY

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32904

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UNITED STATES
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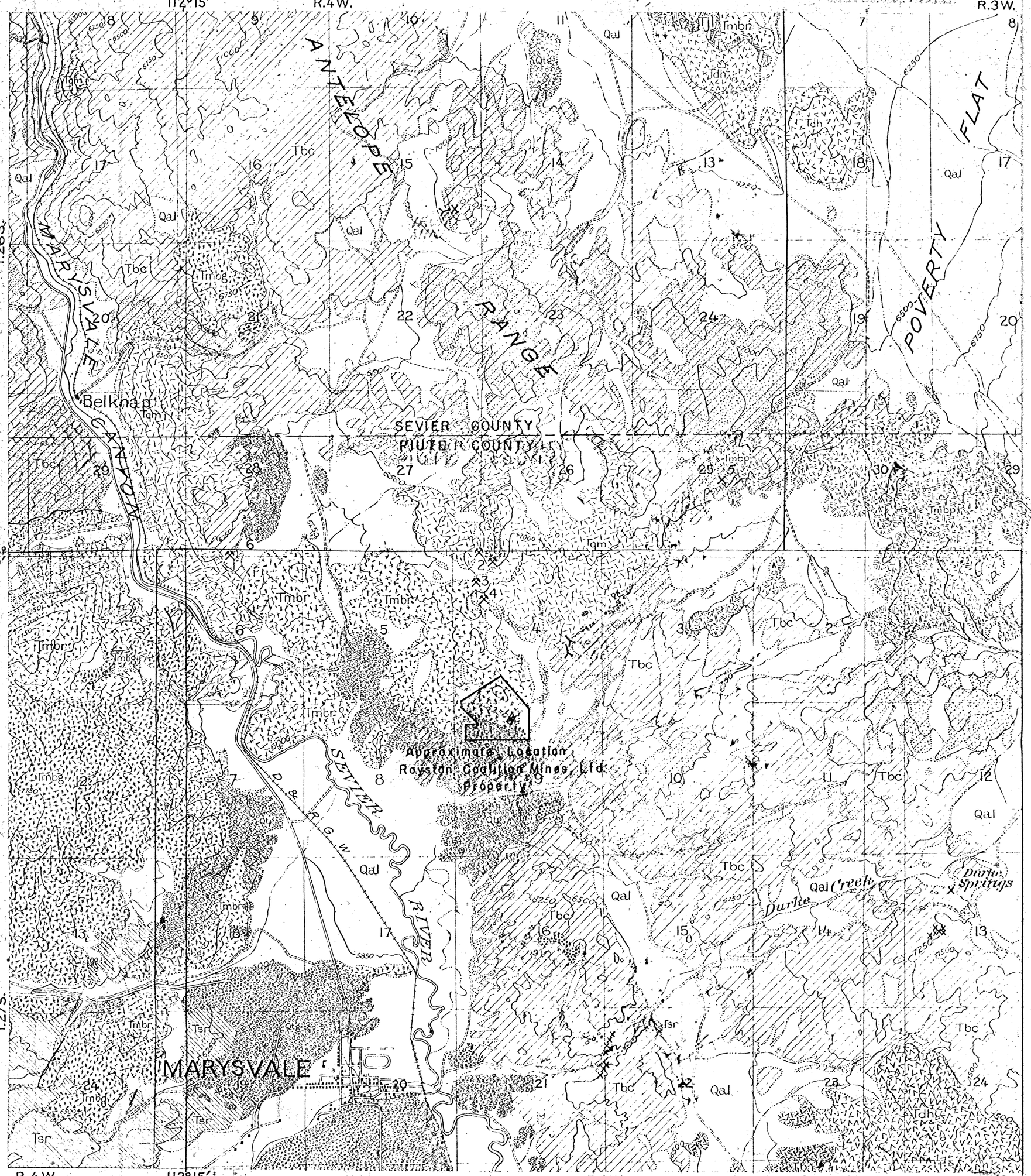
GEOLOGICAL SURVEY

DEFENSE MINERALS
ADMINISTRATION
DOCKET 1743 X




Geology by Eugene Callaghan
Surveyed in 1936–1938

# EXPLANATION

## SEDIMENTARY ROCKS

**QUATERNARY — PLEISTOCENE & RECENT**

- Qal — Alluvium
- Qtg — Terrace gravels

**LATE TERTIARY — LATE PLIOCENE OR PLEISTOCENE**

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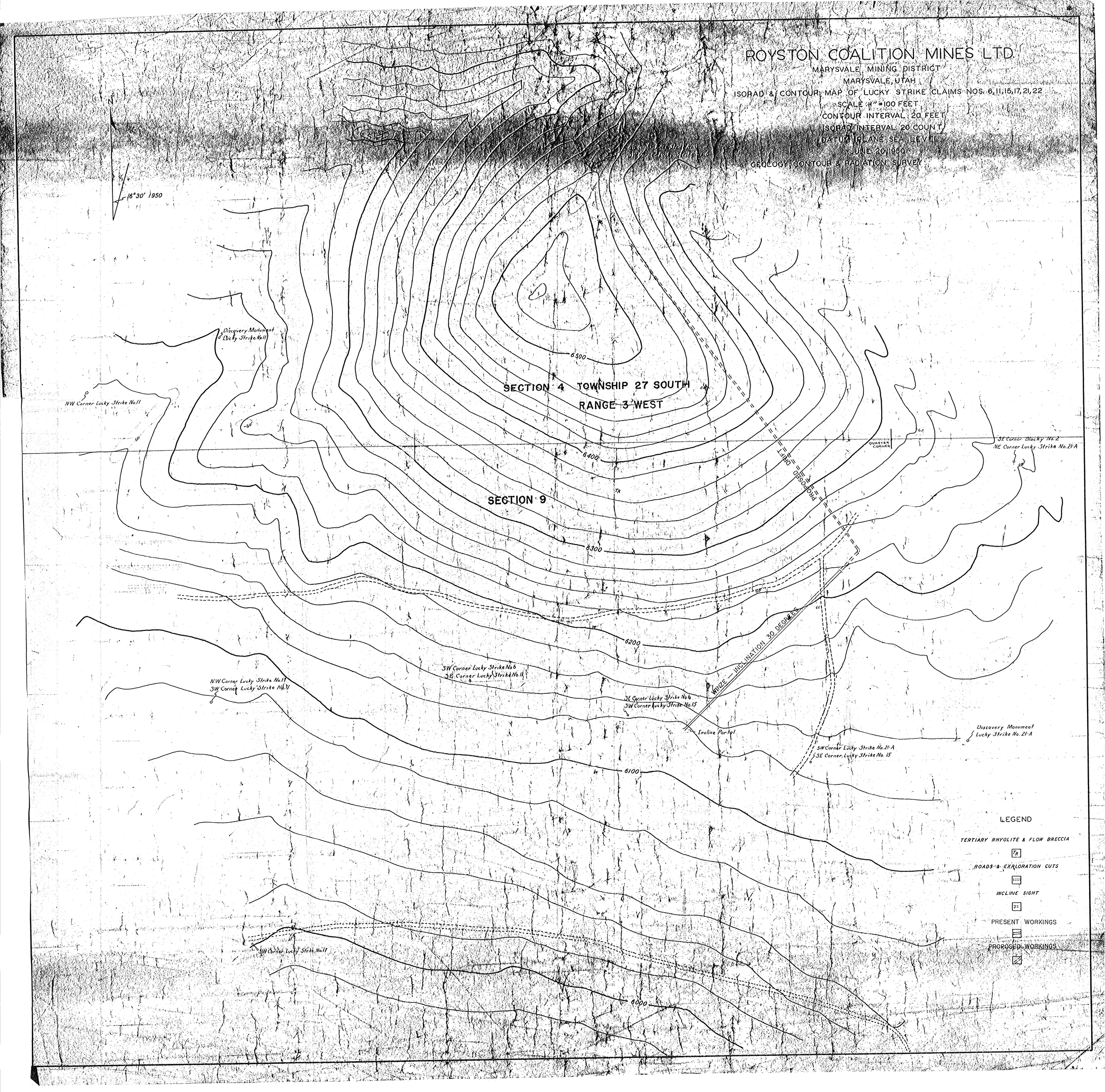
sale by the U.S. Geological Survey Library, Room 504 Federal Building, Salt Lake City, Utah. Price 25 cents


ROYSTON COALITION MINES LTD.
MARYSVALE MINING DISTRICT
MARYSVALE, UTAH
ISORAD & CONTOUR MAP OF LUCKY STRIKE CLAIMS NOS. 6, 11, 15, 17, 21, 22
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ISORAD and CONTOUR MAP

Showing the Applicant's incline shaft and the proposed project work.

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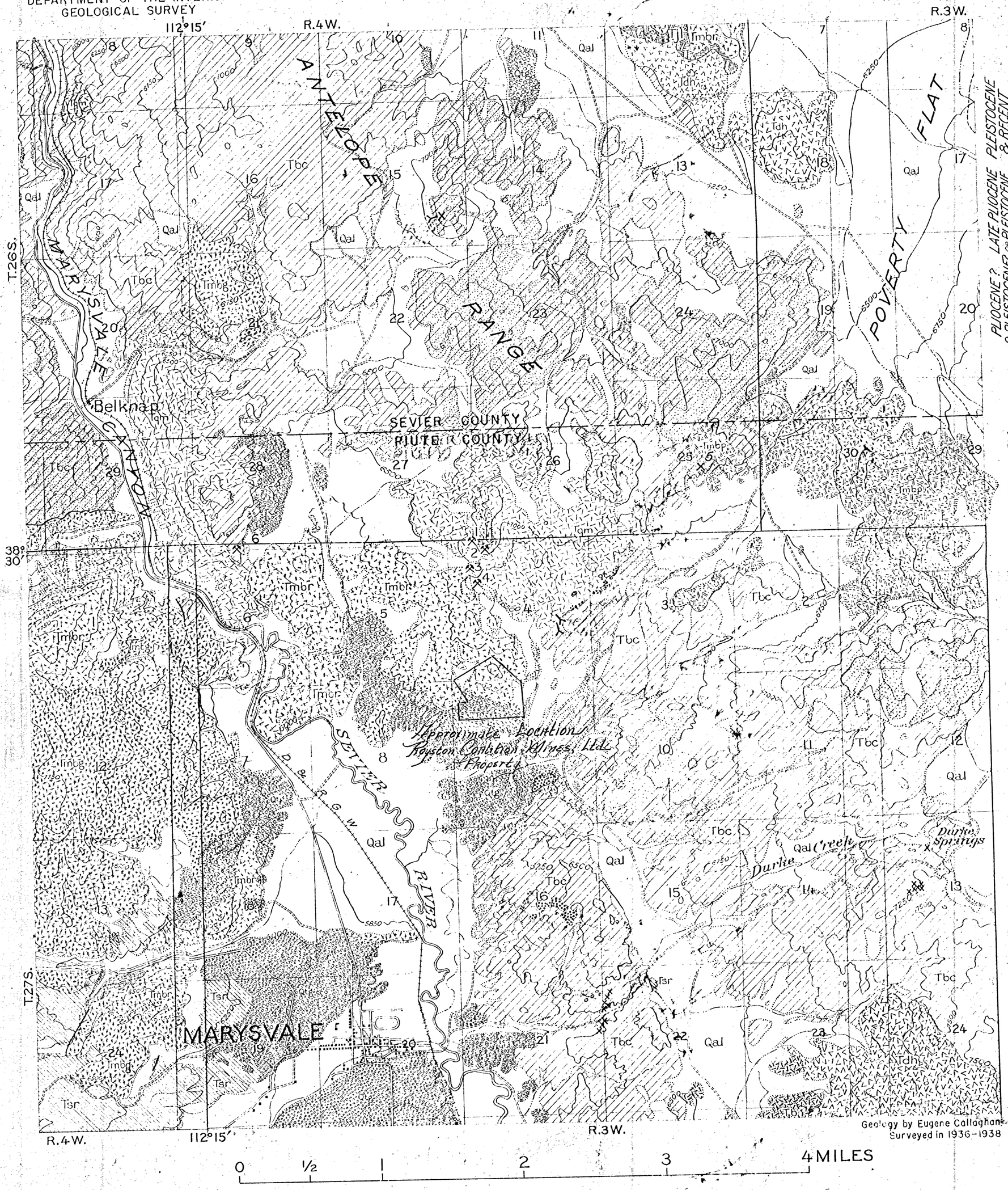


# EXPLANATION

## SEDIMENTARY ROCKS

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*Stippling shows altered areas*

Normal fault

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LATE PLIOCENE & PLEISTOCENE
LATE PLIOCENE OR PLEISTOCENE
PLIOCENE? & PLEISTOCENE?
LATER TERTIARY
EARLIER TERTIARY
LATE TERTIARY OR QUATERNARY
QUATERNARY
TERTIARY

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EXHIBIT "F"

GEOLOGIC MAP of MARYSVALE and VICINITY, UTAH

Showing approximate location

ROYSTON COALITION MINES, LTD. Property

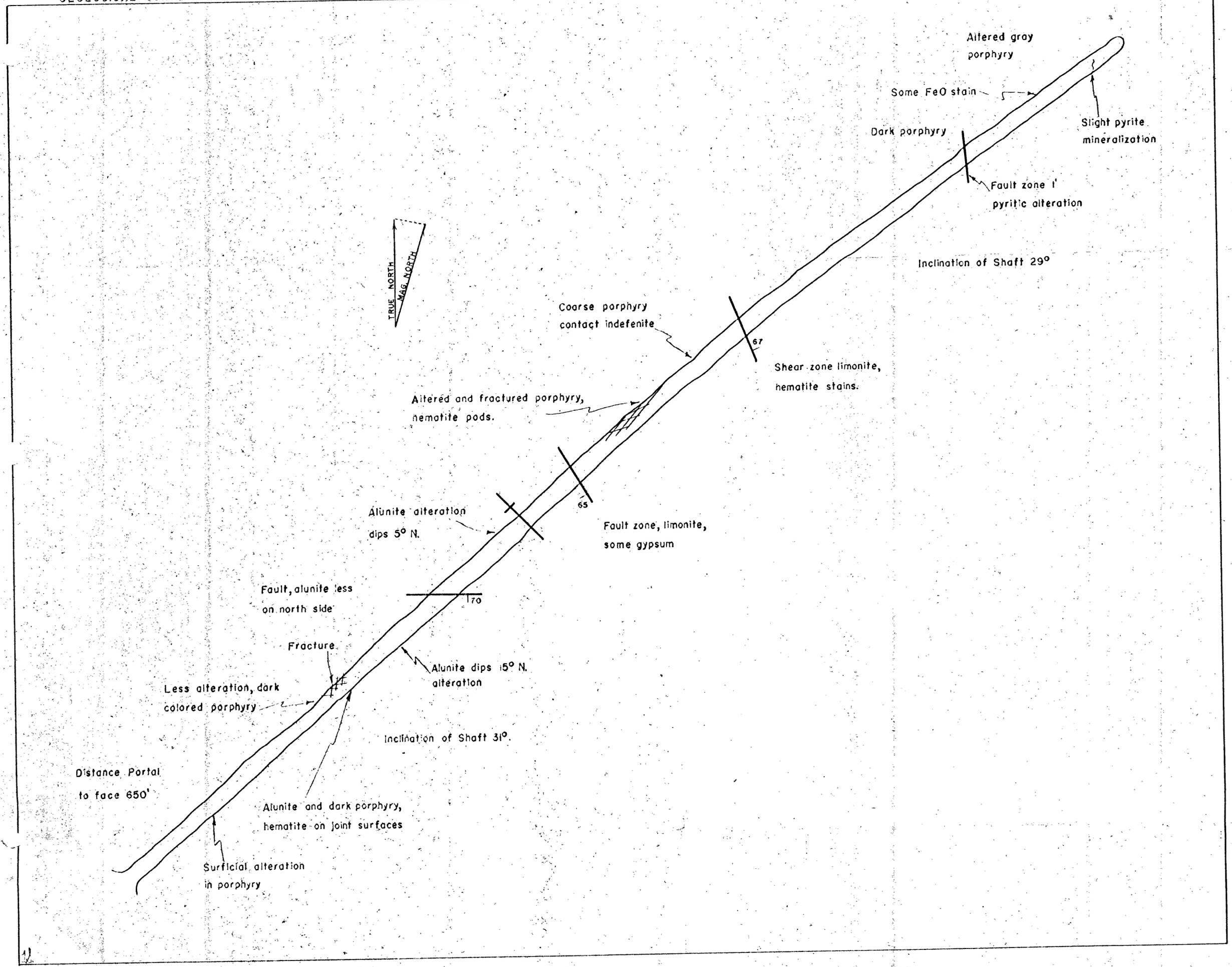


FIG. 3

PLAN MAP OF INCLINED SHAFT OF ROYSTON COALITION MINES, LTD.

MARYSVILLE MINING DISTRICT

PIUTE COUNTY, UTAH

GEOLOGY by B. J. SHARP and V. H. JOHNSON

0 40 80 FEET
Scale

# ROYSTON COALITION MINES LTD.

MARYSVALE MINING DISTRICT
MARYSVALE, UTAH
ISORAD & CONTOUR MAP OF LUCKY STRIKE CLAIMS NOS. 6, 11, 15, 17, 21, 22
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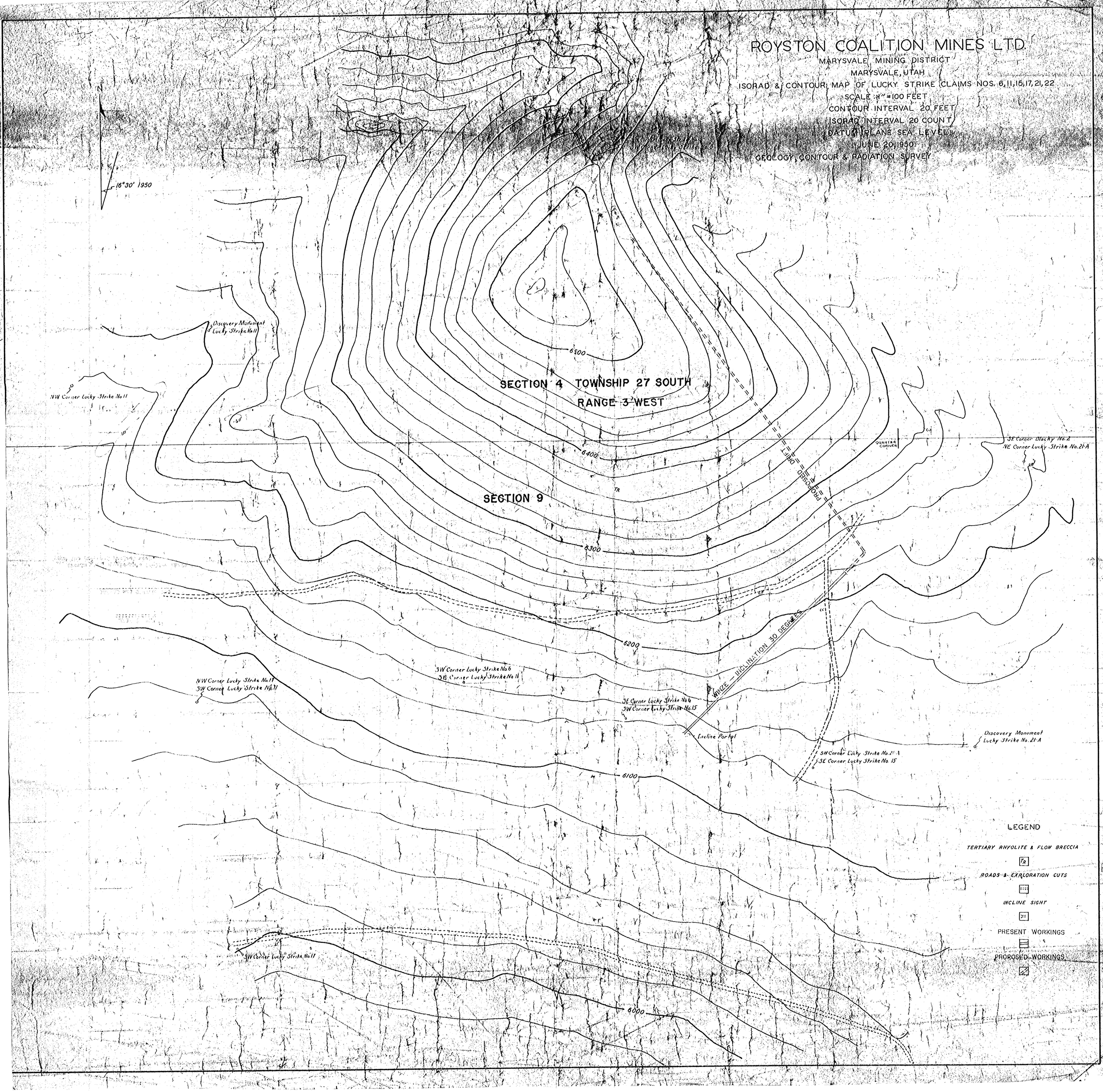

EXHIBIT "E"

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UNITED STATES
DEPARTMENT OF THE INTERIOR
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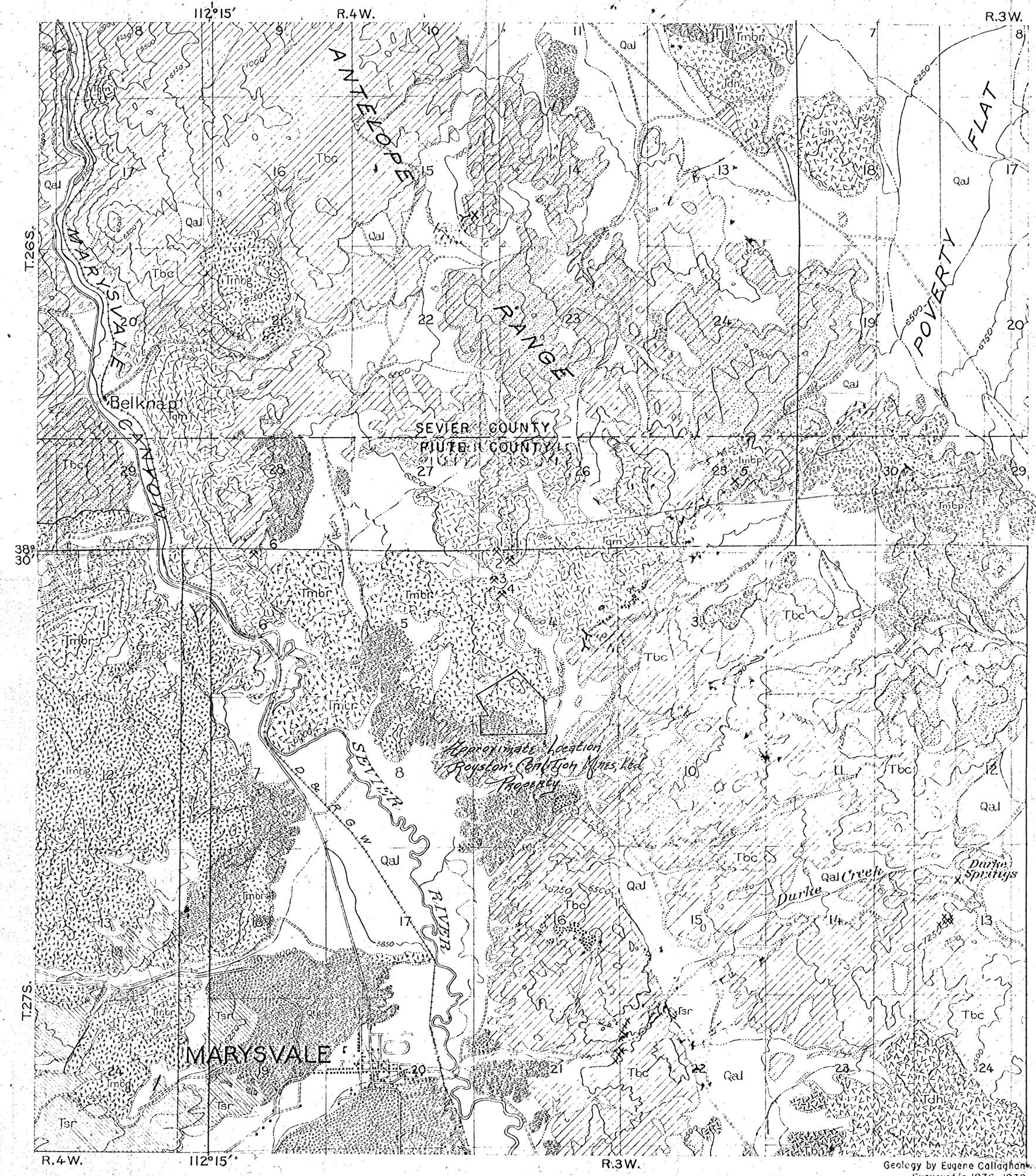


Geology by Eugene Callaghan
Surveyed in 1936-1938

0 ½ 1 2 3 4 MILES

# EXPLANATION

## SEDIMENTARY ROCKS

**QUATERNARY**

- **PLEISTOCENE & RECENT**
  - Qal — Alluvium
  - Qtg — Terrace gravels
- **LATE PLIOCENE OR PLEISTOCENE**
  - Tsr — Sevier River formation

## IGNEOUS ROCKS

**LATE TERTIARY OR QUATERNARY**

- **PLIOCENE? & PLEISTOCENE?**
  - Tb — Basalt

**TERTIARY**

- **LATER TERTIARY**
  - Tjl — Joe Lott tuff
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Normal fault

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Showing approximate location of

ROYSTON COALITION MINES, LTD. Property

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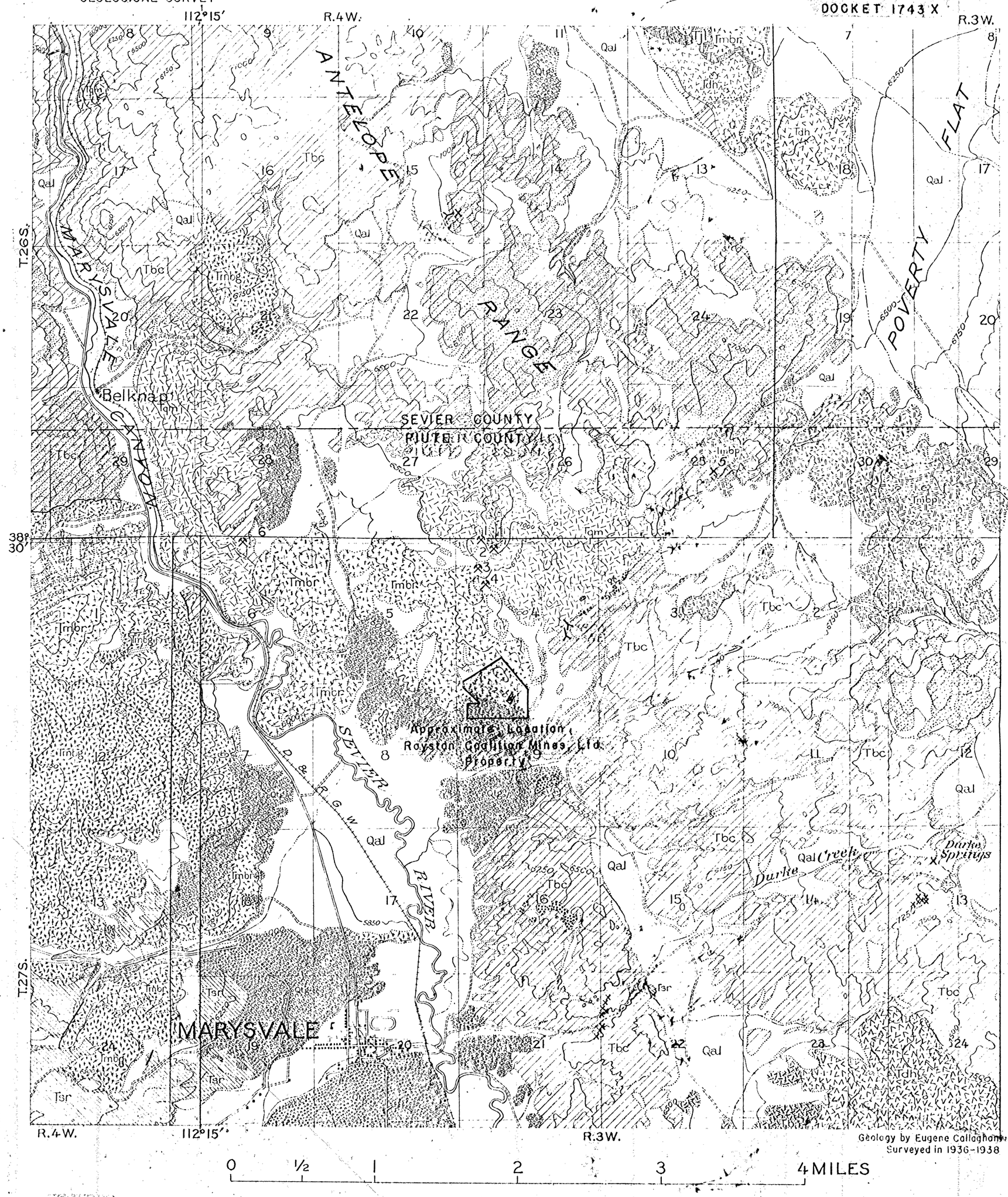
UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

DEFENSE MINERALS
ADMINISTRATION
DOCKET 1743 X




# EXPLANATION

## SEDIMENTARY ROCKS

**QUATERNARY** — PLEISTOCENE & RECENT

- **Qal** — Alluvium
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**LATE TERTIARY OR QUATERNARY** — LATE PLIOCENE OR PLEISTOCENE

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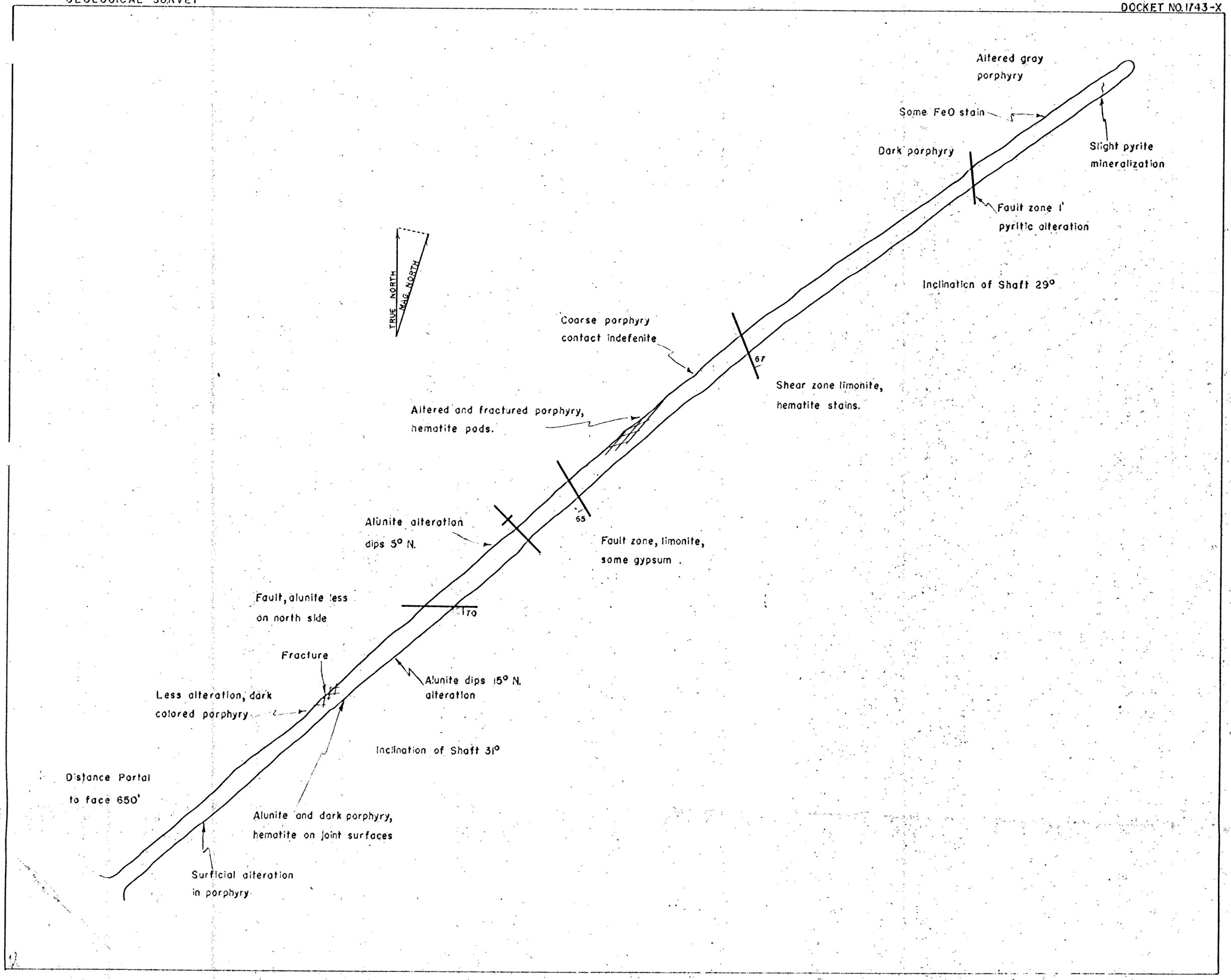


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MARYSVILLE MINING DISTRICT

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GEOLOGY by B. J. SHARP and V. H. JOHNSON

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