224 New Customhouse
Denver 2, Colorado

June 20, 1952

Memorandum

To: Acting Administrator, Defense Minerals Exploration Administration
Attention: Code 210

From: Field Team, Region IV

Subject: Final Report, DMA Docket 2133, (Uranium) Squaw Canyon Uranium-Vanadium Claims, San Juan County, Utah

Enclosed are four copies of the final report on DMA-2133.

The application has been disqualified because the applicant has no mining rights to the property involved.

W. H. King
W. H. King

A. H. Koschmann
A. H. Koschmann

Enclosures

W. H. K.

HMC:oc

cc: ~~Kentucky~~ Subject, Chron.
Koschmann (2)

224 New Customhouse
Denver 2, Colorado

June 13, 1952

Mr. W. M. Sparks
Cortez, Colorado

Re: DMEA - 2133

Dear Mr. Sparks:

Reference is made to your application for exploration assistance docket number DMEA-2133.

According to all the available information the unpatented claims on which you propose to do exploration work are either on school sections or on land covered by oil and gas leases dated prior to the date of your locations.

Since you apparently do not have clear title to the property involved we will be unable to enter into an exploration project contract. Accordingly we have placed your application in our inactive file.

If at some later date you obtain clear title to the property, we will be glad to reconsider your application.

Very truly yours,

W. H. King

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

JTB:fwo J.T.B.

cc: Frank M. Johnson
Chairman to the Oper. Comm.
Trover
Koschmann (2)
Subject
Chron

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES

Region IV

Building 20
Denver Federal Center
Denver 14, Colorado

Mining Division
Date Rec'd.
MAY 26 1952
BUREAU OF MINES
Denver, Colorado

May 23, 1952

Memorandum

To: Acting Chief, Mining Division, Region IV

From: Chief, Colorado Branch, Mining Division, Region IV

Subject: DMEA 2133, W. W. Sparks, Squaw Canyon, San Juan County, Utah

Please find enclosed the required number of copies of Scott W. Hazen's memorandum covering the title situation as far as the above docket is concerned. It is submitted in accordance with your instructions in your memorandum of May 8, 1952.

It would appear from our investigations that the original application should now be disqualified..

W. M. Traver, Jr.

W. M. Traver, Jr.

WMT/bam

cc WHKing-2
DMA 2133
Chron.

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES

Region IV

Building 20
Denver Federal Center
Denver, Colorado

May 22, 1952

Memorandum

To: Chief, Colorado Branch, Mining Division, Region IV

From: Scott W. Hazen, Jr.

Subject: DMEA 2133, W. W. Sparks, Squaw Canyon, San Juan County, Utah

In an effort to clarify the ownership and conflict with oil leases in the Squaw Canyon area, I contacted Sparks at Cortez, Colorado, on May 19, 1952. Sparks again informed me that the work already done on the Lone Wolf and Red Moon claims was based on locations made in 1941. The other claims involved in the application were, he admitted, located and recorded in 1950 and 1951, but he further stated that these locations were, in reality, amended locations to straighten out end lines and reestablish corners. He was very emphatic in stating that these deposits had been discovered in 1941 and 1942. I questioned him about oil leases and he stated that he knew there was some prospecting for oil going on in the vicinity, but he did not know that the property might be involved because of granting of oil leases.

Sparks did not have copies of his location and filing data available. I felt it was advisable to check at the County Court House of San Juan County in Monticello, Utah. Miss Margaret Christensen, San Juan County Recorder, assisted in checking on these claims and the following information was found:

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On the basis of the filings found at the County Court House at Monticello, Utah, I do not believe that any of Spark's claims are valid because of prior oil and gas leases and because of failure to obtain state of Utah school section leases.

Scott W. Hazen, Jr.
Scott W. Hazen, Jr.
Mining Engineer

SWH:bam

cc 10
DMEA 2133
Chron.

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Notices of performance of labor requirements for 1951 have been filed for the above four claims.

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Rita	Loc. 9 14 51 Rec. 9 15-51	R 4	130
Black Sheep	Loc. 8 10-51 Rec. 9-15 51	R 4	129
Charley Horse	Loc. 8 10 51 Rec. 9 15-51	R-4	129
Squaw Kitty	Loc. 8 25-51 Rec. 9 15 51	R 4	129

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Scott W. Hagen Jr.
Scott W. Hagen, Jr.
Mining Engineer

SWH:bam

cc 10
IMGA 2133
Chron.

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES

Region IV

Building 20
Denver Federal Center
Denver, Colorado

May 22, 1952

Memorandum

To: Chief, Colorado Branch, Mining Division, Region IV

From: Scott W. Mason, Jr.

Subject: DMSA 2133, W. W. Sparks, Squaw Canyon, San Juan County, Utah

In an effort to clarify the ownership and conflict with oil leases in the Squaw Canyon area, I contacted Sparks at Cortez, Colorado, on May 19, 1952. Sparks again informed me that the work already done on the Lone Wolf and Red Moon claims was based on locations made in 1941. The other claims involved in the application were, he admitted, located and recorded in 1950 and 1951, but he further stated that these locations were, in reality, amended locations to straighten out end lines and reestablish corners. He was very emphatic in stating that these deposits had been discovered in 1941 and 1942. I questioned him about oil leases and he stated that he knew there was some prospecting for oil going on in the vicinity, but he did not know that the property might be involved because of granting of oil leases.

Sparks did not have copies of his location and filing data available. I felt it was advisable to check at the County Court House of San Juan County in Monticello, Utah. Miss Margaret Christensen, San Juan County Recorder, assisted in checking on these claims and the following information was found:

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Scott W. Hagen Jr.
Scott W. Hagen, Jr.
Mining Engineer

SWH:bam

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DMEA 2133
Chron.

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DEPARTMENT OF THE INTERIOR
BUREAU OF MINES

Region IV

Building 20
Denver Federal Center
Denver, Colorado

May 22, 1952

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Mining Engineer

SWH:bam

cc 10
DMRA 2133
Chron.

MF-293
(June 1951)

Docket No. DMA 2133
Commodity Uranium

UNITED STATES OF AMERICA
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

COPY

EXPLORATION PROJECT CONTRACT [1]

It is agreed this ..... day of ....., 195..., between the United States of America, acting through the Department of the Interior, Defense Minerals Administration, hereinafter called the "Government," and [2] one individual person: W. W. Sparks Cortez, Colorado hereinafter called the "Operator," as follows:

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

2. *Operator's property rights.* The exploration project shall be conducted on that certain property situated in the State of Utah, County of San Juan described as follows: [3] See Annex No. 1 with respect to which the Operator represents and undertakes: [4]

(*a*) That he is the sole owner, in possession and entitled to possession, and that the property is subject only to the following claims, liens, or encumbrances as to each of which the subordination agreement of the holder is attached: None

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

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

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

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

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

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

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

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

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

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

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

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

13. *Payment to the Operator.* The monthly progress report (invoice), to the extent approved by the Government, shall be processed for payment by the Government. Payment shall be made in the amount of 90 percent of the approved costs incurred; *Provided,* That the aggregate total of all sums paid by the Government under this agreement shall not exceed $6,300.00, which is 90 percent of the agreed estimated total cost of this project, $7,000.00.

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

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

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

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

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

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

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

Executed in sextuplicate the day and year first above written.

THE UNITED STATES OF AMERICA

(Operator)

By ---

By ---

Regional Director, Region IV
U. S. Bureau of Mines

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

ANNEX NO. 1

DMA-2133
Operator's Property Rights

Owner of the following unpatented mining claims:

Name	Recorded in Book	Page
Charlie Horse	R4 of L.C.	129
Square Kitty	R4 of L.C.	129
Black Sheep	R4 of L.C.	129
Rita	R4 of L.C.	130
Willadean	R4 of L.C.	130
Debbie No. 1	R2 of L.C.	135
Red Pirate	R2 of L.C.	137
Red Horse	R2 of L.C.	136
Morning Star	R2 of L.C.	137

Lessee of the following unpatented mining claims:

Name	Recorded in Book	Page
Red Moon	E	6207
Maggie	E	6208
Lone Wolf	E	6210

All recorded in the San Juan County Court House, San Juan County, Utah

EXHIBIT A

Exploration Project

The proposed project consists of rehabilitation of existing roads, constructing new truck trails, and the following work:

Claim	Proposed Work
Morning Star	1 - 7 ft. X 6 ft. adit 15 feet long
Williamson	1 - 7 ft. X 6 ft. adit 15 feet long
Lone Wolf	1 - 7 ft. X 6 ft. adit 15 feet long
Bottle No. 1	1 - 7ft. X 6 ft. adit 15 feet long
Rita	1 - 7 ft. X 6 ft. adit 15 feet long
Sparr Kitty	1 - 7 ft. X 6 ft. adit 15 feet long
Red Pirate	1 - 7 ft. X 6 ft. adit 15 feet long

Total - 7 adits, 105 feet.

		Cu. Ft.
Red Horse	1 open pit 20 ft. X 6 ft. X 6 ft.	720
Magpie	1 open pit 20 ft. X 6 ft. X 6 ft.	720
Red Moon	1 open pit 20 ft.X 10 ft. X 7 ft.	1,400
Charlie Horse	1 open pit 20 ft.X 7 ft. X 7 ft.	840
Black Sheep	1 open pit 20 ft. X 7 ft. X 7 ft.	840
Total - 5 open pits		4,520 cu.ft.

The location of the proposed work is shown on the attached map.

The estimated working time is six months.

The following costs are estimated:

Rental of equipment	$1,700.00
Purchase of equipment	100.00
Depreciation of equipment	150.00
Labor, Supervision and Compensation	4,200.00
Supplies	650.00
Transportation	170.00
	$7,000.00

Fixtures and Improvements

None

Operating Equipment

To be rented:	Monthly Rental
1 - 105 c.f.m. portable gasoline-engine driven compressor	$175.00/mo.
1 - 35 pound jackhammer, complete	25.00/mo.
1 - Bulldozer @ $10.00 per hr.	500.00/mo.
Total estimated rental	$1,700.00

To be purchased:

1 Wheelbarrow $100.00

To be furnished by operator:

	Allowable depreciation
1 - 1952 Chevrolet 4-speed pickup	$50.00/mo.
Total estimated depreciation -	$150.00

Labor and Supervision

2 miners @ $12.00 per day, one of these men to be the supervisor. Based on an 8-hour day, 5-day week, with time and one-half for overtime.

Total estimated labor	$3,800.00
Compensation, insurance, payroll tax	400.00

Supplies

Powder, caps, fuse	$200.00
Drill steel bits	100.00
1½ inch compressed-air pipe	50.00
Small tools	50.00
Gasoline, oil, grease	250.00
	$650.00

Transportation

Freight on equipment, supplies $170.00

Rehabilitation and Repairs

None

MF-260
(June 1951)

Docket No. DMA 2133
Commodity Uranium

UNITED STATES OF AMERICA
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

EXPLORATION PROJECT CONTRACT [1]

It is agreed this _____ day of _____, 195__, between the United States of America, acting through the Department of the Interior, Defense Minerals Administration, hereinafter called the "Government," and [2] one individual person: W. W. Sparks
Cortez, Colorado

hereinafter called the "Operator," as follows:

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

2. *Operator's property rights.* The exploration project shall be conducted on that certain property situated in the State of Utah, County of San Juan described as follows: [3]

See Annex No. 1

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

(*a*) That he is the sole owner, in possession and entitled to possession, and that the property is subject only to the following claims, liens, or encumbrances as to each of which the subordination agreement of the holder is attached: None

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

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

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

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

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

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

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

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

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

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

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

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

13. *Payment to the Operator.* The monthly progress report (invoice), to the extent approved by the Government, shall be processed for payment by the Government. Payment shall be made in the amount of 90 percent of the approved costs incurred; *Provided,* That the aggregate total of all sums paid by the Government under this agreement shall not exceed $6,300.00, which is 90 percent of the agreed estimated total cost of this project, $7,000.00.

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

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

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

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

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

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

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

Executed in sextuplicate the day and year first above written.

THE UNITED STATES OF AMERICA

(Operator)

By _____

By _____
Regional Director, Region IV
U. S. Bureau of Mines

U. S. GOVERNMENT PRINTING OFFICE 16—84066-2

MF-202

LANDLORD'S SUBORDINATION AGREEMENT

KNOW ALL MEN BY THESE PRESENTS:

WHEREAS, the undersigned is the owner in fee simple of that certain parcel of ground in the county of San Juan, State of Utah, described in a certain Exploration Project Contract dated _____, 195__, between W. W. Sparks, the Lessee of said property, and the United States of America;

NOW, THEREFORE, the undersigned, as Lessor of said property under lease dated August 25, 1951, does by these presents subordinate all of his right, title, and interest under the provisions of said lease to the right, title, and interest of the United States of America under the provisions of said Exploration Project Contract, and agrees that the lien and claim of the United States of America under the provisions of said contract shall be prior to the undersigned's rights to rentals or royalties under the terms of said lease; and

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

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

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

Dated this _____ day of _____, 195__

William G. Dickey
Estella Sparks

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

Jack Sparks

ANNEX NO. 1

DMA-2133
Operator's Property Rights

Owner of the following unpatented mining claims:

Name	Recorded in Book	Page
Charlie Horse	R4 of L.C.	129
Squaw Kitty	R4 of L.C.	129
Black Sheep	R4 of L.C.	129
Rita	R4 of L.C.	130
Willadean	R4 of L.C.	130
Dottie No. 1	R2 of L.C.	145
Red Pirate	R2 of L.C.	137
Red Horse	R2 of L.C.	136
Morning Star	R2 of L.C.	137

Lessee of the following unpatented mining claims:

Name	Recorded in Book	Page
Red Moon	B	6207
Magpie	B	6208
Lone Wolf	B	6210

All recorded in the San Juan County Court House, San Juan County, Utah

EXHIBIT A

Exploration Project

The proposed project consists of rehabilitation of existing roads, constructing new truck trails, and the following work:

Claim	Proposed Work
Morning Star	1 - 7 ft. X 6 ft. adit 15 feet long
Willadean	1 - 7 ft. X 6 ft. adit 15 feet long
Lone Wolf	1 - 7 ft. X 6 ft. adit 15 feet long
Dottie No. 1	1 - 7ft. X 6 ft. adit 15 feet long
Rita	1 - 7 ft. X 6 ft. adit 15 feet long
Squaw Kitty	1 - 7 ft. X 6 ft. adit 15 feet long
Red Pirate	1 - 7 ft. X 6 ft. adit 15 feet long

Total - 7 adits, 105 feet.

		Cu. Ft.
Red Horse	1 open pit 20 ft. X 6 ft. X 6 ft.	720
Magpie	1 open pit 20 ft. X 6 ft. X 6 ft.	720
Red Moon	1 open pit 20 ft.X 10 ft. X 7 ft.	1400
Charlie Horse	1 open pit 20 ft.X 7 ft. X 7 ft.	840
Black Sheep	1 open pit 20 ft. X 7 ft. X 7 ft.	840

Total - 5 open pits 4520 cu.ft.

The location of the proposed work is shown on the attached map.

The estimated working time is six months.

The following costs are estimated:

Rental of equipment	$1,700.00
Purchase of equipment	100.00
Depreciation of equipment	180.00
Labor, Supervision and Compensation	4,200.00
Supplies	650.00
Transportation	170.00
	$7,000.00

Fixtures and Improvements

None

Operating Equipment

To be rented:	Monthly Rental
1 - 105 c.f.m. portable gasoline-engine driven compressor	$175.00/mo.
1 - 35 pound jackhammer, complete	25.00/mo.
1 - Bulldozer @ $10.00 per hr.	500.00/mo.
Total estimated rental	$1,700.00

To be purchased:

1 Wheelbarrow $100.00

To be furnished by operator:

	Allowable depreciation
1 - 1952 Chevrolet 4-speed pickup	$30.00/mo.
Total estimated depreciation -	$180.00

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2 miners @ $12.00 per day, one of these men to be the supervisor. Based on an 8-hour day, 5-day week, with time and one-half for overtime.

Total estimated labor	$3,800.00
Compensation, insurance, payroll tax	400.00

Supplies

Powder, caps, fuse	$200.00
Drill steel bits	100.00
$1\frac{1}{2}$ inch compressed-air pipe	50.00
Small tools	50.00
Gasoline, oil, grease	250.00
	$650.00

Transportation

Freight on equipment, supplies $170.00

Rehabilitation and Repairs

None

MF-200
(June 1951)

Docket No. DMA 2133
Commodity Uranium

UNITED STATES OF AMERICA
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

EXPLORATION PROJECT CONTRACT [1]

It is agreed this _____ day of _____, 195__, between the United States of America, acting through the Department of the Interior, Defense Minerals Administration, hereinafter called the "Government," and [2] one individual person: W. W. Sparks
Cortez, Colorado

hereinafter called the "Operator," as follows:

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See Annex No. 1

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

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

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

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

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

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

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

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

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

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

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

13. *Payment to the Operator.* The monthly progress report (invoice), to the extent approved by the Government, shall be processed for payment by the Government. Payment shall be made in the amount of 90 percent of the approved costs incurred; *Provided,* That the aggregate total of all sums paid by the Government under this agreement shall not exceed $6,300.00, which is 90 percent of the agreed estimated total cost of this project, $7,000.00.

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

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

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

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

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

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

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

Executed in sextuplicate the day and year first above written.

THE UNITED STATES OF AMERICA

(Operator)

By ---

By ---
Regional Director, Region IV
U. S. Bureau of Mines

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

MF-202

LANDLORD'S SUBORDINATION AGREEMENT

KNOW ALL MEN BY THESE PRESENTS:

WHEREAS, the undersigned is the owner in fee simple of that certain parcel of ground in the county of San Juan, State of Utah, described in a certain Exploration Project Contract dated _____, 195__, between R. W. Sparks,

the Lessee of said property, and the United States of America;

NOW, THEREFORE, the undersigned, as Lessor of said property under lease dated August 25, 1951, does by these presents subordinate all of his right, title, and interest under the provisions of said lease to the right, title, and interest of the United States of America under the provisions of said Exploration Project Contract, and agrees that the lien and claim of the United States of America under the provisions of said contract shall be prior to the undersigned's rights to rentals or royalties under the terms of said lease; and

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

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

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

Dated this _____ day of _____, 195__

William H Dickey
Estella Sparks

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

Jack Sparks

ANNEX NO. 1

DMA-2133
Operator's Property Rights

Owner of the following unpatented mining claims:

Name	Recorded in Book	Page
Charlie Horse	R4 of L.C.	129
Squaw Kitty	R4 of L.C.	129
Black Sheep	R4 of L.C.	129
Rita	R4 of L.C.	130
Willadean	R4 of L.C.	130
Dottie No. 1	R2 of L.C.	145
Red Pirate	R2 of L.C.	137
Red Horse	R2 of L.C.	136
Morning Star	R2 of L.C.	137

Lessee of the following unpatented mining claims:

Name	Recorded in Book	Page
Red Moon	B	6207
Magpie	B	6208
Lone Wolf	B	6210

All recorded in the San Juan County Court House, San Juan County, Utah

EXHIBIT A

Exploration Project

The proposed project consists of rehabilitation of existing roads, constructing new truck trails, and the following work:

Claim	Proposed Work
Morning Star	1 - 7 ft. X 6 ft. adit 15 feet long
Willadean	1 - 7 ft. X 6 ft. adit 15 feet long
Lone Wolf	1 - 7 ft. X 6 ft. adit 15 feet long
Dottie No. 1	1 - 7ft. X 6 ft. adit 15 feet long
Rita	1 - 7 ft. X 6 ft. adit 15 feet long
Squaw Kitty	1 - 7 ft. X 6 ft. adit 15 feet long
Red Pirate	1 - 7 ft. X 6 ft. adit 15 feet long

Total - 7 adits, 105 feet.

		Cu. Ft.
Red Horse	1 open pit 20 ft. X 6 ft. X 6 ft.	720
Magpie	1 open pit 20 ft. X 6 ft. X 6 ft.	720
Red Moon	1 open pit 20 ft. X 10 ft. X 7 ft.	1400
Charlie Horse	1 open pit 20 ft. X 7 ft. X 7 ft.	840
Black Sheep	1 open pit 20 ft. X 7 ft. X 7 ft.	840

Total - 5 open pits 4520 cu.ft.

The location of the proposed work is shown on the attached map.

The estimated working time is six months.

The following costs are estimated:

Rental of equipment	$1,700.00
Purchase of equipment	100.00
Depreciation of equipment	180.00
Labor, Supervision and Compensation	4,200.00
Supplies	650.00
Transportation	170.00
	$7,000.00

Fixtures and Improvements

None

Operating Equipment

To be rented:

	Monthly Rental
1 - 105 c.f.m. portable gasoline-engine driven compressor	$175.00/mo.
1 - 35 pound jackhammer, complete	25.00/mo.
1 - Bulldozer @ $10.00 per hr.	[illegible]
Total estimated rental	$1,700.00

To be purchased:

1 Wheelbarrow $100.00

To be furnished by operator:

	Allowable depreciation
1 - 1952 Chevrolet 4-speed pickup	$30.00/mo.
Total estimated depreciation -	$180.00

Labor and Supervision

2 miners @ $12.00 per day, one of these men to be the supervisor. Based on an 8-hour day, 5-day week, with time and one-half for overtime.

Total estimated labor	$3,800.00
Compensation, insurance, payroll tax	400.00

Supplies

Powder, caps, fuse	$200.00
Drill steel bits	100.00
1½ inch compressed-air pipe	50.00
Small tools	50.00
Gasoline, oil, grease	250.00
	$650.00

Transportation

Freight on equipment, supplies $170.00

Rehabilitation and Repairs

None

Docket No. DMA 2133
Commodity Uranium

UNITED STATES OF AMERICA
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

EXPLORATION PROJECT CONTRACT [1]

It is agreed this ..... day of ....., 195..., between the United States of America, acting through the Department of the Interior, Defense Minerals Administration, hereinafter called the "Government," and [2] one individual person: W. W. Sparks Cortez, Colorado

hereinafter called the "Operator," as follows:

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

2. *Operator's property rights.* The exploration project shall be conducted on that certain property situated in the State of Utah, County of San Juan described as follows: [3] See Annex No. 1

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

(*a*) That he is the sole owner, in possession and entitled to possession, and that the property is subject only to the following claims, liens, or encumbrances as to each of which the subordination agreement of the holder is attached: None

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

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

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

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

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

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

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

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

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

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

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

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

13. *Payment to the Operator.* The monthly progress report (invoice), to the extent approved by the Government, shall be processed for payment by the Government. Payment shall be made in the amount of 90 percent of the approved costs incurred; *Provided,* That the aggregate total of all sums paid by the Government under this agreement shall not exceed $6,300.00, which is 90 percent of the agreed estimated total cost of this project, $7,000.00.

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

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

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

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

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

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

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

Executed in sextuplicate the day and year first above written.

THE UNITED STATES OF AMERICA

(Operator)

By ---

By ---
Regional Director, Region IV
U. S. Bureau of Mines

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

MF-202

LANDLORD'S SUBORDINATION AGREEMENT

KNOW ALL MEN BY THESE PRESENTS:

WHEREAS, the undersigned is the owner in fee simple of that certain parcel of ground in the county of San Juan, State of Utah, described in a certain Exploration Project Contract dated _____, 195__, between R. E. Sparks,

the Lessee of said property, and the United States of America;

NOW, THEREFORE, the undersigned, as Lessor of said property under lease dated August 25, 1951, does by these presents subordinate all of his right, title, and interest under the provisions of said lease to the right, title, and interest of the United States of America under the provisions of said Exploration Project Contract, and agrees that the lien and claim of the United States of America under the provisions of said contract shall be prior to the undersigned's rights to rentals or royalties under the terms of said lease; and

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

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

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

Dated this _____ day of _____, 195__

William H Sickey
Estella Sparks

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

Jack Sparks

ANNEX NO. 1

DMA-2133
Operator's Property Rights

Owner of the following unpatented mining claims:

Name	Recorded in Book	Page
Charlie Horse	R4 of L.C.	129
Squaw Kitty	R4 of L.C.	129
Black Sheep	R4 of L.C.	129
Rita	R4 of L.C.	130
Willadean	R4 of L.C.	130
Dottie No. 1	R2 of L.C.	145
Red Pirate	R2 of L.C.	137
Red Horse	R2 of L.C.	136
Morning Star	R2 of L.C.	137

Lessee of the following unpatented mining claims:

Name	Recorded in Book	Page
Red Moon	B	6207
Magpie	B	6208
Lone Wolf	B	6210

All recorded in the San Juan County Court House, San Juan County, Utah

EXHIBIT A

Exploration Project

The proposed project consists of rehabilitation of existing roads, constructing new truck trails, and the following work:

Claim	Proposed Work
Morning Star	1 - 7 ft. X 6 ft. adit 15 feet long
Willadean	1 - 7 ft. X 6 ft. adit 15 feet long
Lone Wolf	1 - 7 ft. X 6 ft. adit 15 feet long
Dottie No. 1	1 - 7ft. X 6 ft. adit 15 feet long
Rita	1 - 7 ft. X 6 ft. adit 15 feet long
Squaw Kitty	1 - 7 ft. X 6 ft. adit 15 feet long
Red Pirate	1 - 7 ft. X 6 ft. adit 15 feet long

Total - 7 adits, 105 feet.

		Cu. Ft.
Red Horse	1 open pit 20 ft. X 6 ft. X 6 ft.	720
Magpie	1 open pit 20 ft. X 6 ft. X 6 ft.	720
Red Moon	1 open pit 20 ft.X 10 ft. X 7 ft.	1400
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Total - 5 open pits 4520 cu.ft.

The location of the proposed work is shown on the attached map.

The estimated working time is six months.

The following costs are estimated:

Rental of equipment	$1,700.00
Purchase of equipment	100.00
Depreciation of equipment	180.00
Labor, Supervision and Compensation	4,200.00
Supplies	650.00
Transportation	170.00
	$7,000.00

Fixtures and Improvements

None

Operating Equipment

To be rented:

	Monthly Rental
1 - 105 c.f.m. portable gasoline-engine driven compressor	$175.00/mo.
1 - 35 pound jackhammer, complete	25.00/mo.
1 - Bulldozer @ $10.00 per hr.	[illegible]
Total estimated rental	$1,700.00

To be purchased:

1 Wheelbarrow $100.00

To be furnished by operator:

	Allowable depreciation
1 - 1952 Chevrolet 4-speed pickup	$30.00/mo.
Total estimated depreciation -	$180.00

Labor and Supervision

2 miners @ $12.00 per day, one of these men to be the supervisor. Based on an 8-hour day, 5-day week, with time and one-half for overtime.

Total estimated labor	$3,800.00
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Drill steel bits	100.00
1½ inch compressed-air pipe	50.00
Small tools	50.00
Gasoline, oil, grease	250.00
	$650.00

Transportation

Freight on equipment, supplies $170.00

Rehabilitation and Repairs

None

MF 4-00
(June 1951)

Docket No. DMA 2133
Commodity Uranium

UNITED STATES OF AMERICA
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

EXPLORATION PROJECT CONTRACT [1]

It is agreed this ..... day of ....., 195..., between the United States of America, acting through the Department of the Interior, Defense Minerals Administration, hereinafter called the "Government," and [2] one individual person: W. W. Sparks
Cortez, Colorado

hereinafter called the "Operator," as follows:

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

2. *Operator's property rights.* The exploration project shall be conducted on that certain property situated in the State of Utah, County of San Juan described as follows: [3]

See Annex No. 1

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

(*a*) That he is the sole owner, in possession and entitled to possession, and that the property is subject only to the following claims, liens, or encumbrances as to each of which the subordination agreement of the holder is attached: None

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

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

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

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

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

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

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

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

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

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

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

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

13. *Payment to the Operator.* The monthly progress report (invoice), to the extent approved by the Government, shall be processed for payment by the Government. Payment shall be made in the amount of 90 percent of the approved costs incurred; *Provided,* That the aggregate total of all sums paid by the Government under this agreement shall not exceed 6,300.00, which is 90 percent of the agreed estimated total cost of this project, $7,000.00.

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

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

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

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

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

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

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

Executed in sextuplicate the day and year first above written.

THE UNITED STATES OF AMERICA

(Operator)

By _____

By _____
Regional Director, Region IV
U. S. Bureau of Mines

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

MF-202

LANDLORD'S SUBORDINATION AGREEMENT

KNOW ALL MEN BY THESE PRESENTS:

WHEREAS, the undersigned is the owner in fee simple of that certain parcel of ground in the county of San Juan, State of Utah, described in a certain Exploration Project Contract dated _____, 195__, between W. W. Sparks,

the Lessee of said property, and the United States of America;

NOW, THEREFORE, the undersigned, as Lessor of said property under lease dated August 25, 1951, does by these presents subordinate all of his right, title, and interest under the provisions of said lease to the right, title, and interest of the United States of America under the provisions of said Exploration Project Contract, and agrees that the lien and claim of the United States of America under the provisions of said contract shall be prior to the undersigned's rights to rentals or royalties under the terms of said lease; and

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

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

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

Dated this _____ day of _____, 195__

William H. Sikes
Estella Sparks

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

Jack Sparks

ANNEX NO. 1

UMA-2133
Operator's Property Rights

Owner of the following unpatented mining claims:

Name	Recorded in Book	Page
Charlie Horse	Bk of L.C.	129
Squaw Kitty	Bk of L.C.	129
Black Sheep	Bk of L.C.	129
Rita	Bk of L.C.	130
Willadam	Bk of L.C.	130
Dottie No. 1	B2 of L.C.	145
Red Pirate	B2 of L.C.	137
Red Horse	B2 of L.C.	136
Morning Star	B2 of L.C.	137

Lessee of the following unpatented mining claims:

Name	Recorded in Book	Page
Red Moon	B	6207
Magpie	B	6208
Lone Wolf	B	6210

All recorded in the San Juan County Court House, San Juan County, Utah

EXHIBIT A

Exploration Project

The proposed project consists of rehabilitation of existing roads, constructing new truck trails, and the following work:

Claim	Proposed Work
Morning Star	1 - 7 ft. X 6 ft. adit 15 feet long
Willadown	1 - 7 ft. X 6 ft. adit 15 feet long
Lone Wolf	1 - 7 ft. X 6 ft. adit 15 feet long
Bobbie No. 1	1 - 7ft. X 6 ft. adit 15 feet long
Rita	1 - 7 ft. X 6 ft. adit 15 feet long
Squaw Kitty	1 - 7 ft. X 6 ft. adit 15 feet long
Red Pirate	1 - 7 ft. X 6 ft. adit 15 feet long

Total - 7 adits, 105 feet.

		Cu. Ft.
Red Horse	1 open pit 20 ft. X 6 ft. X 6 ft.	720
Magpie	1 open pit 20 ft. X 6 ft. X 6 ft.	720
Red Hen	1 open pit 20 ft. X 10 ft. X 7 ft.	1400
Charlie Horse	1 open pit 20 ft. X 7 ft. X 7 ft.	840
Black Sheep	1 open pit 20 ft. X 7 ft. X 7 ft.	840
Total - 5 open pits		4520 cu.ft.

The location of the proposed work is shown on the attached map.

The estimated working time is six months.

The following costs are estimated:

Rental of equipment	$1,700.00
Purchase of equipment	100.00
Depreciation of equipment	180.00
Labor, Supervision and Compensation	4,200.00
Supplies	650.00
Transportation	170.00
	$7,000.00

Fixtures and Improvements

None

Operating Equipment

To be rented:

	Monthly Rental
1 - 105 c.f.m. portable gasoline-engine driven compressor	$175.00/mo.
1 - 35 pound jackhammer, complete	25.00/mo.
1 - Bulldozer @ $10.00 per hr.	~~$200.00/mo.~~
Total estimated rental	$1,700.00

To be purchased:

1 Wheelbarrow $100.00

To be furnished by operator:

	Allowable depreciation
1 - 1952 Chevrolet 4-speed pickup	$30.00/mo.
Total estimated depreciation -	$180.00

Labor and Supervision

2 miners @ $12.00 per day, one of these men to be the supervisor. Based on an 8-hour day, 5-day week, with time and one-half for overtime.

Total estimated labor $3,800.00
Compensation, insurance, payroll tax 400.00

Supplies

Powder, caps, fuse	$200.00
Drill steel bits	100.00
1½ inch compressed-air pipe	50.00
Small tools	50.00
Gasoline, oil, grease	250.00
	$650.00

Transportation

Freight on equipment, supplies $170.00

Rehabilitation and Repairs

None

DMF-200
(June 1951)

Docket No. DMA 2139
Commodity Uranium

UNITED STATES OF AMERICA
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

EXPLORATION PROJECT CONTRACT [1]

It is agreed this _____ day of _____, 195__, between the United States of America, acting through the Department of the Interior, Defense Minerals Administration, hereinafter called the "Government," and [2] one individual person: W. W. Sparks
Cortez, Colorado

hereinafter called the "Operator," as follows:

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

2. *Operator's property rights.* The exploration project shall be conducted on that certain property situated in the State of Utah, County of San Juan described as follows: [3]

See Annex No. 1

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

(*a*) That he is the sole owner, in possession and entitled to possession, and that the property is subject only to the following claims, liens, or encumbrances as to each of which the subordination agreement of the holder is attached: None

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

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

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

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

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

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

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

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

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

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

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

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

13. *Payment to the Operator.* The monthly progress report (invoice), to the extent approved by the Government, shall be processed for payment by the Government. Payment shall be made in the amount of 90 percent of the approved costs incurred; *Provided*, That the aggregate total of all sums paid by the Government under this agreement shall not exceed $6,300.00, which is 90 percent of the agreed estimated total cost of this project, $7,000.00.

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

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

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

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

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

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

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

Executed in sextuplicate the day and year first above written.

THE UNITED STATES OF AMERICA

(Operator)

By Regional Director, Region IV
U. S. Bureau of Mines

By ---

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

MF-202

LANDLORD'S SUBORDINATION AGREEMENT

KNOW ALL MEN BY THESE PRESENTS:

WHEREAS, the undersigned is the owner in fee simple of that certain parcel of ground in the county of San Juan, State of Utah, described in a certain Exploration Project Contract dated _____, 195__, between W. W. Sparks, the Lessee of said property, and the United States of America;

NOW, THEREFORE, the undersigned, as Lessor of said property under lease dated August 25, 1951, does by these presents subordinate all of his right, title, and interest under the provisions of said lease to the right, title, and interest of the United States of America under the provisions of said Exploration Project Contract, and agrees that the lien and claim of the United States of America under the provisions of said contract shall be prior to the undersigned's rights to rentals or royalties under the terms of said lease; and

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

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

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

Dated this _____ day of _____, 195__

William G. Sickey
Estella Sparks

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

Jack Sparks

ANNEX NO. 1

DMA-2133
Operator's Property Rights

Owner of the following unpatented mining claims:

Name	Recorded in Book	Page
Charlie Horse	Bk of L.C.	129
Squaw Kitty	Bk of L.C.	129
Black Sheep	Bk of L.C.	129
Rita	Bk of L.C.	130
Williams	Bk of L.C.	130
Dottie No. 1	Bk of L.C.	135
Red Pirate	Bk of L.C.	137
Red Horse	Bk of L.C.	136
Morning Star	Bk of L.C.	137

Lessee of the following unpatented mining claims:

Name	Recorded in Book	Page
Red Moon	B	6207
Nipple	B	6208
Lone Wolf	B	6210

All recorded in the San Juan County Court House, San Juan County, Utah

EXHIBIT A

Exploration Project

The proposed project consists of rehabilitation of existing roads, constructing new truck trails, and the following work:

Claim	Proposed Work
Morning Star	1 - 7 ft. X 6 ft. adit 15 feet long
Milladeen	1 - 7 ft. X 6 ft. adit 15 feet long
Lone Wolf	1 - 7 ft. X 6 ft. adit 15 feet long
Dottie No. 1	1 - 7ft. X 6 ft. adit 15 feet long
Rita	1 - 7 ft. X 6 ft. adit 15 feet long
Squaw Kitty	1 - 7 ft. X 6 ft. adit 15 feet long
Red Pirate	1 - 7 ft. X 6 ft. adit 15 feet long

Total - 7 adits, 105 feet.

		Cu. Ft.
Red Horse	1 open pit 20 ft. X 6 ft. X 6 ft.	720
Magpie	1 open pit 20 ft. X 6 ft. X 6 ft.	720
Red Shoe	1 open pit 20 ft.X 10 ft. X 7 ft.	1400
Charlie Horse	1 open pit 20 ft.X 7 ft. X 7 ft.	840
Black Sheep	1 open pit 20 ft. X 7 ft. X 7 ft.	840
Total - 5 open pits		4520 cu.ft.

The location of the proposed work is shown on the attached map.

The estimated working time is six months.

The following costs are estimated:

Rental of equipment	$1,700.00
Purchase of equipment	100.00
Depreciation of equipment	180.00
Labor, Supervision and Compensation	4,200.00
Supplies	450.00
Transportation	170.00
	$7,000.00

Fixtures and Improvements

None

Operating Equipment

To be rented:

	Monthly Rental
1 - 105 c.f.m. portable gasoline-engine driven compressor	$175.00/mo.
1 - 35 pound jackhammer, complete	25.00/mo.
1 - Bulldozer @ $10.00 per hr.	~~[illegible]~~
Total estimated rental	$1,700.00

To be purchased:

1 Wheelbarrow $100.00

To be furnished by operator:

	Allowable depreciation
1 - 1952 Chevrolet 4-speed pickup	$30.00/mo.
Total estimated depreciation -	$180.00

Labor and Supervision

2 miners @ $12.00 per day, one of these men to be the supervisor. Based on an 8-hour day, 5-day week, with time and one-half for overtime.

Total estimated labor $3,000.00
Compensation, insurance, payroll tax 480.00

Supplies

Powder, caps, fuse	$200.00
Drill steel bits	100.00
1½ inch compressed-air pipe	50.00
Small tools	50.00
Gasoline, oil, grease	250.00
	$650.00

Transportation

Freight on equipment, supplies $170.00

Rehabilitation and Repairs

None

MF-200
(June 1951)

Docket No. DMA 2133
Commodity Uranium

UNITED STATES OF AMERICA
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

EXPLORATION PROJECT CONTRACT [1]

It is agreed this _____ day of _____, 195___, between the United States of America, acting through the Department of the Interior, Defense Minerals Administration, hereinafter called the "Government," and [2] one individual person: W. W. Sparks Cortez, Colorado hereinafter called the "Operator," as follows:

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

2. *Operator's property rights.* The exploration project shall be conducted on that certain property situated in the State of Utah, County of San Juan described as follows: [3] See Annex No. 1. with respect to which the Operator represents and undertakes: [4]

(*a*) That he is the sole owner, in possession and entitled to possession, and that the property is subject only to the following claims, liens, or encumbrances as to each of which the subordination agreement of the holder is attached: None

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

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

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

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

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

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

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

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

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

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

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

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

13. *Payment to the Operator.* The monthly progress report (invoice), to the extent approved by the Government, shall be processed for payment by the Government. Payment shall be made in the amount of 90 percent of the approved costs incurred; *Provided,* That the aggregate total of all sums paid by the Government under this agreement shall not exceed $6,300.00, which is 90 percent of the agreed estimated total cost of this project, $7,000.00.

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

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

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

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

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

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

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

Executed in sextuplicate the day and year first above written.

THE UNITED STATES OF AMERICA

(Operator)

By Regional Director, Region IV
U. S. Bureau of Mines

By ----------

U. S. GOVERNMENT PRINTING OFFICE 16—64060-2

MF-202

LANDLORD'S SUBORDINATION AGREEMENT

KNOW ALL MEN BY THESE PRESENTS:

WHEREAS, the undersigned is the owner in fee simple of that certain parcel of ground in the county of San Juan, State of Utah, described in a certain Exploration Project Contract dated _____, 195__, between B. V. Sparks, the Lessee of said property, and the United States of America;

NOW, THEREFORE, the undersigned, as Lessor of said property under lease dated August 25, 1951, does by these presents subordinate all of his right, title, and interest under the provisions of said lease to the right, title, and interest of the United States of America under the provisions of said Exploration Project Contract, and agrees that the lien and claim of the United States of America under the provisions of said contract shall be prior to the undersigned's rights to rentals or royalties under the terms of said lease; and

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

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

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

Dated this _____ day of _____, 195__

William G. Dickey

Estella Sparks

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

Jack Sparks

ANNEX NO. 1

DMA-2133
Operator's Property Rights

Owner of the following unpatented mining claims:

Name	Recorded in Book	Page
Charlie Horse	Bk of L.C.	129
Spunk Kitty	Bk of L.C.	129
Black Sheep	Bk of L.C.	129
Rita	Bk of L.C.	130
Willadean	Bk of L.C.	130
Bettie No. 1	Bk of L.C.	145
Red Pirate	Bk of L.C.	137
Red Horse	Bk of L.C.	136
Morning Star	Bk of L.C.	137

Lessee of the following unpatented mining claims:

Name	Recorded in Book	Page
Red Moon	B	6207
Magpie	B	6208
Lone Wolf	B	6210

All recorded in the San Juan County Court House, San Juan County, Utah

EXHIBIT A

Exploration Project

The proposed project consists of rehabilitation of existing roads, constructing new truck trails, and the following work:

Claim	Proposed Work
Morning Star	1 - 7 ft. X 6 ft. adit 15 feet long
Willadean	1 - 7 ft. X 6 ft. adit 15 feet long
Lone Wolf	1 - 7 ft. X 6 ft. adit 15 feet long
Dottie No. 1	1 - 7 ft. X 6 ft. adit 15 feet long
Rita	1 - 7 ft. X 6 ft. adit 15 feet long
Squaw Kitty	1 - 7 ft. X 6 ft. adit 15 feet long
Red Pirate	1 - 7 ft. X 6 ft. adit 15 feet long

Total - 7 adits, 105 feet.

		Sq. Ft.
Red Horse	1 open pit 20 ft. X 6 ft. X 6 ft.	720
Magpie	1 open pit 20 ft. X 6 ft. X 6 ft.	720
Red Moon	1 open pit 20 ft. X 10 ft. X 7 ft.	1400
Charlie Horse	1 open pit 20 ft. X 7 ft. X 7 ft.	840
Black Sheep	1 open pit 20 ft. X 7 ft. X 7 ft.	840

Total - 5 open pits 4520 sq.ft.

The location of the proposed work is shown on the attached map.

The estimated working time is six months.

The following costs are estimated:

Rental of equipment	$1,700.00
Purchase of equipment	100.00
Depreciation of equipment	180.00
Labor, Supervision and Compensation	4,200.00
Supplies	650.00
Transportation	170.00
	$7,000.00

Fixtures and Improvements

None

Operating Equipment

To be rented:

	Monthly Rental
1 - 105 c.f.m. portable gasoline-engine driven compressor	$175.00/mo.
1 - 35 pound jackhammer, complete	25.00/mo.
1 - Bulldozer @ $10.00 per hr.	~~[illegible]~~
Total estimated rental	$1,700.00

To be purchased:

1 Wheelbarrow $100.00

To be furnished by operator:

	Allowable depreciation
1 - 1955 Chevrolet 4-speed pickup	$30.00/mo.
Total estimated depreciation -	$180.00

Labor and Supervision

2 miners @ $18.00 per day, one of these men to be the supervisor. Based on an 8-hour day, 5-day week, with time and one-half for overtime.

Total estimated labor	$3,900.00
Compensation, insurance, payroll tax	400.00

Supplies

Powder, caps, fuse	$200.00
Drill steel bits	100.00
1½ inch compressed-air pipe	50.00
Small tools	50.00
Gasoline, oil, grease	250.00
	$650.00

Transportation

Freight on equipment, supplies $170.00

Rehabilitation and Repairs

None

C. M. RAUH
CORTEZ LAND COMPANY
GENERAL INSURANCE & TOWN LOTS
Stone Block P. O. Box 1015 Phone: 166-M
CORTEZ, COLORADO

THE WESTERN CASUALTY AND SURETY COMPANY
THE WESTERN FIRE INSURANCE COMPANY

LEASE AGREEMENT

THIS INDENTURE, MADE AND ENTERED INTO THIS 25th day of August, A. D. 1951 by and between WILLIAM H. HICKEY, ESTELLA SPARKS, AND JACK SPARKS, hereinafter referred to as LESSORS, Parties of the first part and W. W. Sparks of the County of Montezuma and the State of Colorado, hereinafter referred to as LESSEE, Party of the second part.

WITNESSETH:

WHEREAS LESSORS, have filed location of certain mining claims located in the County of San Juan and the State of Utah as hereinafter described and have complied with Section 2324 of the Revised Statutes of the United States and local laws, customs and regulations of the State of Utah with respect to mineral lodes, the said mining claims being situated in an unnamed district in said San Juan County, State of Utah;

WHEREAS LESSEE IS DESIROUS of leasing the aforesaid mining claims hereinafter described; ~~xxx~~

NOW THEREFORE, in consideration of the mutual covenants of the parties herein contained and in conside ation of the sums of money to be paid as hereinafter set forth, Lessors have by these presents leased unto LESSEE, for a period of ~~two~~ five years from the date hereof all of the following described mining claims situate in the County of San Juan and State of Utah, to-wit:

Jim Crow, Location Certificate, recorded in Book	B- Page 62606
Red Moon	B-Page 6207
Magpie	B-Page 6208
Pay Day	B-Page 6209
Lone Wolf	B-Page 6210
Wild Cat	B-Page 6211
Rita	B-Page 6212
Lucky Strike	B-Page 6213
Red Bird	B-Page 6214
Pinnon	B-Page 6205

The rental to be paid by the Lessee to the Lessors shall be upon the following terms and conditions to-wit: Lessee is to cause to be paid and delivered to Lessors twelve and one-half (12½) per cent of all moneys received by Lessee for any and all ore sold by Lessee during the term of this lease so long as the gross volume of such sales during any one calendar month does not exceed the sum of Nine hundred dollaes ($900.00); should the gross volume of sales of ore from the aforesaid claims exceed Nine hundred Dollars ($900.00), but shall be less than Fifteen hundred Dollars ($1500.00), then the Lessee is to cause to be paid or to pay the LESSORS FIFTEEN PER CENT (15%) of such sums of money received by the Lessee. However should the gross volume of sales of ore from the aforesaid mining claims exceed the sum of Fifteen hundred dollars ($1500.00) for any one caldendar month then and in that event the Lessee shall cause to be paid or to pay to the Lessors twenty per cent (20%) of such gross volume from such sales of ore.

Standard protection

C. M. RAUH

CORTEZ LAND COMPANY

GENERAL INSURANCE & TOWN LOTS

Stone Block P. O. Box 1015 Phone: 166-M

CORTEZ, COLORADO

THE WESTERN CASUALTY AND SURETY COMPANY
THE WESTERN FIRE INSURANCE COMPANY

IT IS MUTUALLY UNDERSTOOD AND AGREED, by and between the parties hereto that this lease shall be binding upon the heirs, administrators, executors, successors and assigns of the parties hereto.

William H. Hickey

Estella Sparks

Jack Sparks

Lessors

W W Sparks

Lessee

STATE OF COLORADO)
: SS:
COUNTY OF MONTEZUMA)

The foregoing Lease was acknowledged before me this 25th day of August, A. D. 1951 by Estella Sparks and Jack Sparks LESSORS, and W. W. Sparks, LESSEE. & William H. Hickey
Witness my hand and Notarial seal.
My Notary commission expires Nov. 20th., 1951.

Augustus M. Rauh

Notary Public, Montezuma County, Colorado.

CAPITAL STOCK Standard protection FIRE INSURANCE

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 21133

Date received 10-8-51

Participation

DEFENSE MINERALS ADMINISTRATION WASHINGTON, D.C. OCT 8 1 38 PM '51

W. W. Sparks
Carty, Colo

Name and address of applicant

Date

FILL IN THIS BLOCK

Date of application

Estimated cost $4341.00

Mineral or metal Uranium-Vanadium (Carnotite)

Percentage of Government participation 90%

Location of mine Squaw Canyon 24 Miles Southwest of Dove Creek Colo

Date of filing MF-100

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? Individual

*2. If a partnership, state names and addresses of partners. —

*3. If a corporation, state names and addresses of officers, directors, and five largest stockholders. —

*4. Describe the mining and general business experience of (*a*) the applicant, and (*b*) the person or persons who will manage the project. Extensive Mining and Prospecting Experience

*5. Are you the owner or the lessee of the property? Owner of 5 claims Lessee of 10 claims

6. If owner, state what claims, liens, or encumbrances, if any, are against the property. None

7. If lessee, attach a copy of the lease and state if it is in good standing.

NOTE.—It will be necessary to procure and attach to the exploration project contract agreements of claimants, lienors, encumbrances and lessors subordinating their interests in the property to the interest of the Government under the contract. Nothing against Property

8. Furnish current financial statement, showing assets and liabilities, and a profit and loss statement. —

9. How much money is applicant prepared to invest in proposed project? Is it sufficient to pay your part of the cost of the project as detailed in question 23 of this application form, in accordance with the regulations on Government participation (Section 9 of Mineral Order 5) $4341.00

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

16—64067-1

THE PROPERTY

*10. (*a*) Give a description of the real property that will be in any way involved in the exploration project, including any existing mine or operating property.

(*b*) Give the legal description of the exact parcel, plot, or area upon which the exploration is to be conducted.

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

*11. State the present and former names of the property, if any. 9 Spark S Mining Claims

*12. State, in detail, the location of the property with reference to towns, railroads, roads, shipping points, including distances and directions and kinds and conditions of roads.

*13. State source and quantity of water available for operations and its sufficiency at all seasons. Springs Sufficient
State amount of power to be used, rate per hour or other cost, and source. Gas power

*14. Describe any existing useable facilities, equipment, buildings, or structure now on the property that will be devoted to the exploration work. About $2000.00 Worth of Roads - Trailor House, Car

15. State in detail how the ore could be shipped and how and where milled. By Truck To Monticello Utah or

*16. History: To Durango Colo. 100 Miles or To Naturita Colo. 100 Miles

(*a*) Give a statement, as complete as possible, of previous exploration, development, operation, and production of property, with reasons for any past suspensions of operations.

(*b*) State briefly the known history and production of adjoining and neighboring properties.

(*c*) Furnish any available (private) reports that may apply to this application, including results of mine examinations, recommended exploration and development, and metallurgical investigations.

*17. Production:

(*a*) If mine is in production, furnish the following information:

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

*18. Ore or mineral reserves: (If property is or has been operating.) Carnotite (Uranium Contents 2½ % / Vanadium " 3 %) 3000 Tons

(*a*) Describe the ore or mineral deposits briefly.

(*b*) Submit available maps and assay data.

(*c*) Give estimated tonnage and grade of each class of ore reserves.

19. State any conditions or circumstances regarding the property not sufficiently brought out by the foregoing questions.

THE EXPLORATION

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

21. Describe briefly, but concisely, the proposed work and the estimated time required to complete it. Tracing Leads

NOTE.—The Government will not participate in a project that will require more than 2 years to complete.

22. Furnish statement of the geological basis of the project with particular emphasis on factors leading the operator to expect the finding of commercial ore bodies. This statement should be accompanied by supporting maps such as geological maps, maps of the proposed openings and assay maps, sample lists, and other pertinent data.

THE REQUIREMENTS AND COSTS

23. Tabulate in the form of an itemized statement with a sum for each item the estimated requirements and costs of the project so that the total will give the estimated cost of the project in which the Government will participate, as follows:

(*a*) Labor, by numbers and classes (miners, muckers, millmen, etc.), with wages of each.

(*b*) Supervisors, by numbers and positions, with salaries of each.

(*c*) Cost of necessary repairs to existing facilities, structures, and buildings.

(*d*) Cost of necessary installation or construction of additional facilities, structures, and buildings.

(*e*) Cost of items of equipment, not now owned by the applicant which must be purchased for operations at a cost of $50 or more each.

(*f*) Cost of rental for equipment which the operator proposes to rent.

(*g*) Rental value of items of equipment which the operator now owns and which will be devoted to the work.

(*h*) Cost of materials and supplies, including items of equipment costing less than $50 each.

(*i*) Cost of power, water, utilities, and any other items not provided for above.

24. Furnish a time schedule of the project, stated in terms of months after project is approved, showing progress expected to be accomplished and the money expected to be spent.

CERTIFICATION

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

(Name of company)

By U. W. Sparks
(Signature of authorized official)

(Date)

Owner Lessee (Sept)
(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

Item No. 10

Names of The Claims I own

Name	Date Filed	Book	Page
Charlie Horse	9-15-51	R4 of L.C.	129
Squaw Kitty	9-15-51	R4 of L.C.	129
Black Sheep	9-15-51	R4 of L.C.	129
Rita	9-15-51	R4 of L.C.	130
Willadean	9-15-51	R4 of L.C.	130
Dottie No. 1	4-29-50	R2 of L.C.	145
Red Pirate	3-27-50	R2 of L.C.	137
Red Horse	3-27-50	R2 of L.C.	134
Morning Star	3-27-50	R2 of L.C.	137

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

224 New Customhouse
Denver 2, Colorado

October 16, 1951

Memorandum

To: W. M. Traver, Jr. (with brochure)

(Through Chief, Mining Division, ~~Region IV~~)

A. H. Koschmann (with brochure)

From: DMA Field Team, Region IV

Subject: DMA Docket 2133, W. W. Sparks, applicant, Squaw Canyon Uranium, Vanadium Claims, ~~Montezuma~~ San Juan County, ~~Colorado~~ Utah

Enclosed herewith is application on the subject docket for an exploration loan of $4341.00.

The proposed work consists of short adits on 7 claims and open cuts on 5 claims.

The geological probability of discovery requires a field investigation. If this is favorable, the engineering feasibility of the proposed project and the competence of the applicant should be examined.

Please return the brochures with your report.

J. H. East, Jr.

for A. H. Koschmann

Item No 21

The location for the proposed exploration work on each of the twelve claims has been chosen because of the favorable indications ~~of~~ for uncovering new bodies of ore.

On seven of the claims the proposed work will consist of trenching from fifteen to twenty feet.

On five of the claims an open pit is all that is necessary to ascertain where the ore body is located.

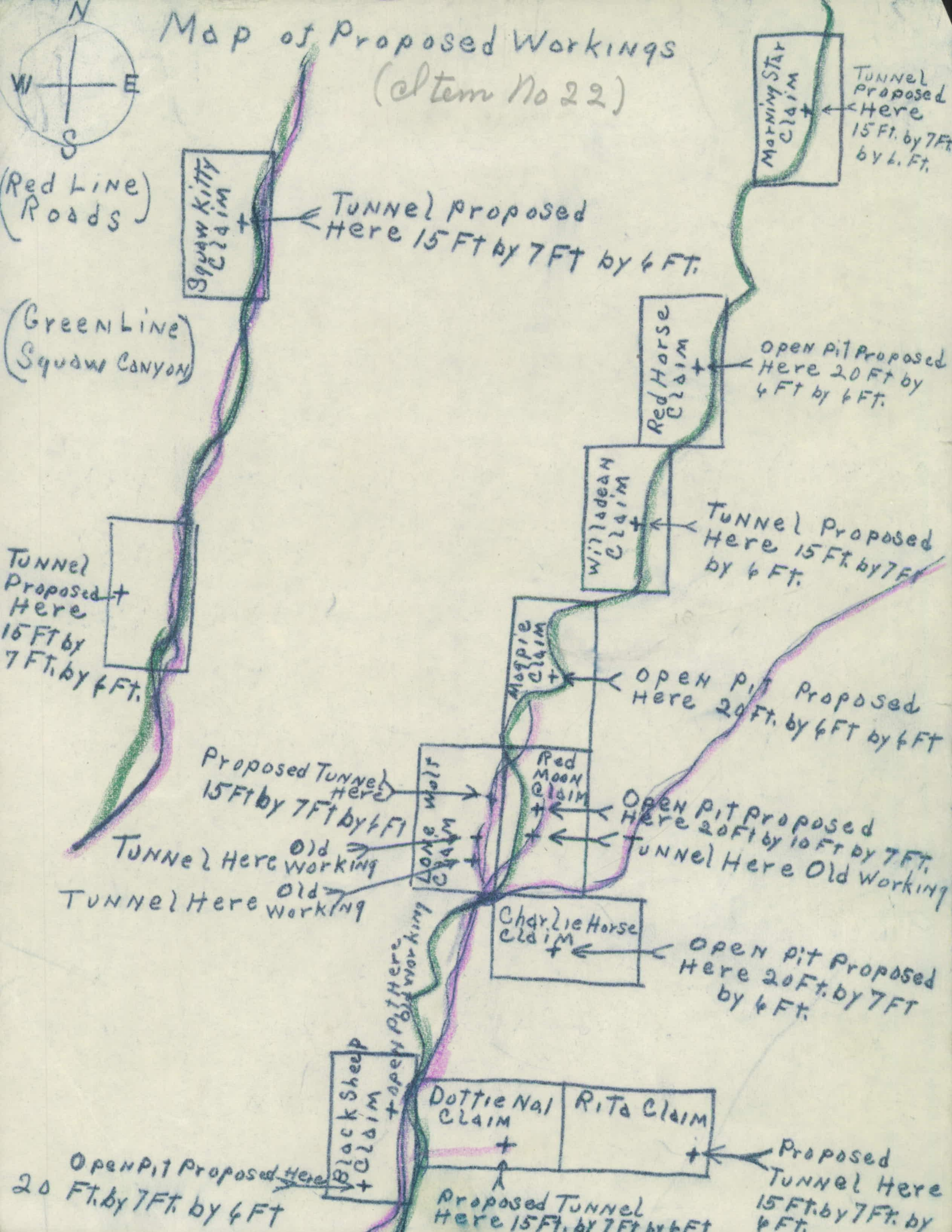
The estimate ~~estimate~~ of time is two weeks for each claim or six months for twelve claims, although more time would be profitably spent.

Item No 23

The Requirements and Cost for Six Months

(a)	Labor One Mucker at $1.00 per hour	$1152	00
(b)	Supervisor, Myself at $2.50 per hour	$1440	00
(c)	Cost of Roads to sites and Misc. Repairs	$288	00
(d)	Cost of necessary installations - none		
(e)	Cost of equipment Small Compressor, Jack Hammer	$200	00
(f)	Cost of Rentals on equipment - none		
(g)	Rental value of Equipment operators power consumed		
(h)	Cost of Materials and Supplies, Caps, Fuses, Powder, Steel	$186	00
(i)	Cost of Power - Gas to Run Compressor	$175	00
	Total	$4541	

Map of Proposed Workings
(Item No 22)



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-2133

Date received 10-8-51

Participation

W. W. Sparks
Cortez, Colo.

Name and address of applicant

Date

FILL IN THIS BLOCK

Date of application

Estimated cost $4341.00

Mineral or metal Uranium-Vanadium (Carnotite) Percentage of Government participation 90%

Location of mine Squaw Canyon 24 Miles Miles Southwest of Dovecreek Colo.

Date of filing MF-100

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? Individual

*2. If a partnership, state names and addresses of partners.

*3. If a corporation, state names and addresses of officers, directors, and five largest stockholders.

*4. Describe the mining and general business experience of (a) the applicant, and (b) the person or persons who will manage the project. Extensive Mining and Prospecting experience

*5. Are you the owner or the lessee of the property? Owner of 5 claims Lessee of 10 claims

6. If owner, state what claims, liens, or encumbrances, if any, are against the property.

7. If lessee, attach a copy of the lease and state if it is in good standing.

NOTE.—It will be necessary to procure and attach to the exploration project contract agreements of claimants, lienors, encumbrances and lessors subordinating their interests in the property to the interest of the Government under the contract. Nothing Against Claims

8. Furnish current financial statement, showing assets and liabilities, and a profit and loss statement.

9. How much money is applicant prepared to invest in proposed project? Is it sufficient to pay your part of the cost of the project as detailed in question 23 of this application form, in accordance with the regulations on Government participation (Section 9 of Mineral Order 5)? $434.00

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

16—64067-1

THE PROPERTY

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

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

*11. State the present and former names of the property, if any. Sparks Mining Claims

*12. State, in detail, the location of the property with reference to towns, railroads, roads, shipping points, including distances and directions and kinds and conditions of roads.

*13. State source and quantity of water available for operations and its sufficiency at all seasons. Springs Sufficient
State amount of power to be used, rate per hour or other cost, and source. Gas power

*14. Describe any existing useable facilities, equipment, buildings, or structure now on the property that will be devoted to the exploration work. About $2000.00 worth of Roads Trailor House-Car

15. State in detail how the ore could be shipped and how and where milled.

*16. History:
    (*a*) Give a statement, as complete as possible, of previous exploration, development, operation, and production of property, with reasons for any past suspensions of operations.
    (*b*) State briefly the known history and production of adjoining and neighboring properties.
    (*c*) Furnish any available (private) reports that may apply to this application, including results of mine examinations, recommended exploration and development, and metallurgical investigations.

*17. Production:
    (*a*) If mine is in production, furnish the following information:

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

*18. Ore or mineral reserves: (If property is or has been operating.)
    (*a*) Describe the ore or mineral deposits briefly.
    (*b*) Submit available maps and assay data.
    (*c*) Give estimated tonnage and grade of each class of ore reserves. 3000 Tons { Uranium Contients 20/100 %, Vanadium " 3%

19. State any conditions or circumstances regarding the property not sufficiently brought out by the foregoing questions.

THE EXPLORATION

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

21. Describe briefly, but concisely, the proposed work and the estimated time required to complete it. Tracing Leads

    NOTE.—The Government will not participate in a project that will require more than 2 years to complete.

22. Furnish statement of the geological basis of the project with particular emphasis on factors leading the operator to expect the finding of commercial ore bodies. This statement should be accompanied by supporting maps such as geological maps, maps of the proposed openings and assay maps, sample lists, and other pertinent data.

THE REQUIREMENTS AND COSTS

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

24. Furnish a time schedule of the project, stated in terms of months after project is approved, showing progress expected to be accomplished and the money expected to be spent.

CERTIFICATION

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

(Name of company)	By W W Sparks (Signature of authorized official)
(Date)	Owner, Lessee (Supt) (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

Names of The Claims I own

Name	Date Filed	Book	Page
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Black Sheep ✓	9-15-51	R4 of L.C	129
Rita ✓	9-15-51	R4 of L.C.	130
Willadean ✓	9-15-51	R4 of L.C	130
Dottie No. 1 ✓	4-27-50	R2 of L.C	145
Red Pirate	3-27-50	R2 of L.C.	137
Red Horse ✓	3-27-50	R2 of L.C	136
Morning Star ✓	3-27-50	R2 of L.C.	137

9

Red Moon

Magpie 3

Lone Wolf

12

Item No 21

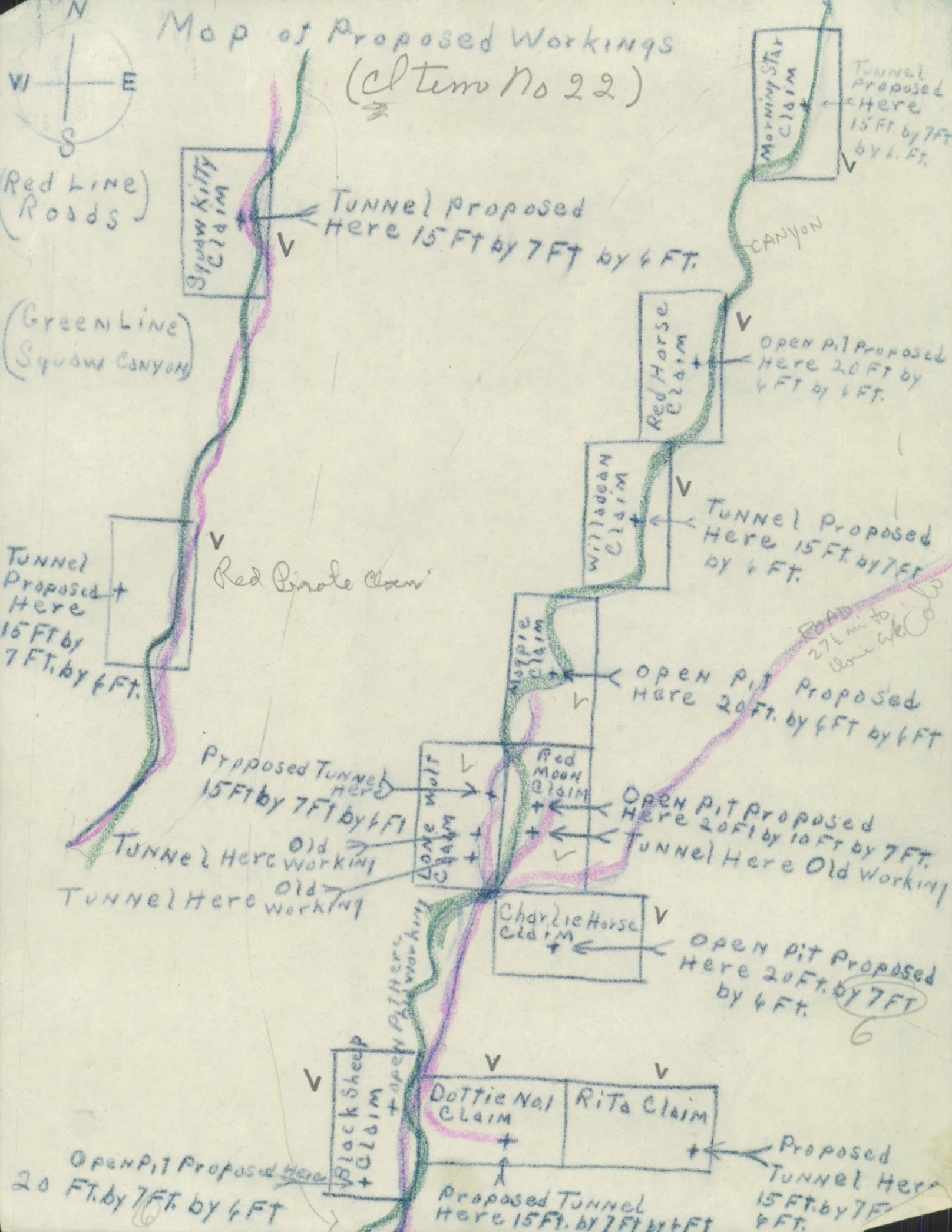
In Jordan for the sake of exploration work on behalf of the Turkish Claims have been chosen because of the favorable conditions ~~of~~ for an economic mining Zones of ore.

On account of the claims the Israel made with respect of transferring from option to purchase.

Some have of the claims on which not all the are necessary the transfer others for only one half.

The estimated ~~[illegible]~~ time is two weeks for each claim or six months for twelve claims although more time would be required for exploration work.

Map of Proposed Workings
(Claim No 22)



Ad Form No 23

The Requirements and Cost for Six Months

(a)	Labor One Mucker at $1.00 per day	$	180 00
(b)	Superintendent, Myself - Run jackhammer at $2.25 per hour	$	1440 00
(c)	Cost of Roads to and Mec. Repairs		25 00
(d)	Cost of Necessary Installations: None		
(e)	Cost of equipment Small Compressor & jackhammer	$	1200 00
(f)	Cost of Rental on equipment None		
(g)	Rental Value of Equipment: Operator equipment		
(h)	Cost of Materials and Supplies Powder, Caps, Fuse	$	26 00
(i)	Cost of Power - Gas to Run Compressor		175 00
	Total	$	4654

Loan requests for 4341.

Accompanying Papers

No 4 I have had extensive experience in Mining and prospecting. I know how to handle powder and care for equipment, and am able to keep an accurate account of expenses. Also am not afraid of hard work.

No. 10. The sparks mining claims consists of a group of 15 claims, each 1500 ft by 400 ft all are in Squaw Canyon close together. Situated 24 miles southwest from Dove Creek Colo. On Public Domain.

No 14. (a) I built a road to these claims in 1942. From three of these claims about 700 tons of good ore was mined and sold at Monticello. The ore will ~~run ab~~ average about $\frac{20}{100}$ % Uranium and about 3% Vanadium The last samples I sent were a little better.

(b) There are no operating properties closer than 10 or 12 miles.

(c) Mr Verner Walter G. Jr. Grand Jct. from the Atomic Energy Commission inspected the property recently. He said the claims were good and advised me to apply for a D.M.A. loan for exploration

22. The ore ren is exposed for about 4 miles in the canyon good ore outcrops on most of the claims, with indications of commercial ore bodies.

23. If the project is approved I would expect to explore (2) two claims per months making a total of 12 twelve claims explored during the six months. I honestly believe 3000 tons of milling ore could be uncovered in that time.

MF-220
(June 1951)

Docket No. DMA 2133
Commodity Uranium

UNITED STATES OF AMERICA
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

COPY

EXPLORATION PROJECT CONTRACT [1]

It is agreed this _____ day of _____, 195__, between the United States of America, acting through the Department of the Interior, Defense Minerals Administration, hereinafter called the "Government," and [2] one individual person: W. W. Sparks
Cortez, Colorado

hereinafter called the "Operator," as follows:

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

2. *Operator's property rights.* The exploration project shall be conducted on that certain property situated in the State of Utah, County of San Juan described as follows: [3]

See Annex No. 1

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

(*a*) That he is the sole owner, in possession and entitled to possession, and that the property is subject only to the following claims, liens, or encumbrances as to each of which the subordination agreement of the holder is attached: None

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

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

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

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

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

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

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

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

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

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

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

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

13. *Payment to the Operator.* The monthly progress report (invoice), to the extent approved by the Government, shall be processed for payment by the Government. Payment shall be made in the amount of 90 percent of the approved costs incurred; *Provided,* That the aggregate total of all sums paid by the Government under this agreement shall not exceed $6,300.00, which is 90 percent of the agreed estimated total cost of this project, $7,000.00.

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

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

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

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

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

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

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

Executed in sextuplicate the day and year first above written.

THE UNITED STATES OF AMERICA

(Operator)

By ---

By ---
Regional Director, Region IV
U. S. Bureau of Mines

U. S. GOVERNMENT PRINTING OFFICE 16—04066-2

ANNEX NO. 3

DMA-2133
Operator's Property Rights

Owner of the following unpatented mining claims:

Name	Recorded in Book	Page
Charlie Horse	Bk of L.C.	129
Square Kitty	Bk of L.C.	129
Black Sheep	Bk of L.C.	129
Mike	Bk of L.C.	130
Williamson	Bk of L.C.	130
Dobbie No. 1	Bk of L.C.	135
Red Pirate	Bk of L.C.	137
Red Horse	Bk of L.C.	136
Morning Star	Bk of L.C.	137

Lessee of the following unpatented mining claims:

Name	Recorded in Book	Page
Red Horse	B	4207
Maggie	B	4208
Lone Wolf	B	6210

All recorded in the San Juan County Court House, San Juan County, Utah

EXHIBIT A

Exploration Project

The proposed project consists of rehabilitation of existing roads, constructing new trench trails, and the following work:

Claim	Proposed Work
Morning Star	1 - 7 ft. X 6 ft. adit 15 feet long
Milladean	1 - 7 ft. X 6 ft. adit 15 feet long
Lone Wolf	1 - 7 ft. X 6 ft. adit 15 feet long
Debbie No. 1	1 - 7ft. X 6 ft. adit 15 feet long
Rita	1 - 7 ft. X 6 ft. adit 15 feet long
Squaw Kitty	1 - 7 ft. X 6 ft. adit 15 feet long
Red Pirate	1 - 7 ft. X 6 ft. adit 15 feet long

Total - 7 adits, 105 feet.

		Cu. Ft.
Red Horse	1 open pit 20 ft. X 6 ft. X 6 ft.	720
Magpie	1 open pit 20 ft. X 6 ft. X 6 ft.	720
Red Moon	1 open pit 20 ft.X 10 ft. X 7 ft.	1400
Charlie Horse	1 open pit 20 ft.X 7 ft. X 7 ft.	840
Black Sheep	1 open pit 20 ft. X 7 ft. X 7 ft.	840
Total - 5 open pits		4520 cu.ft.

The location of the proposed work is shown on the attached map.

The estimated working time is six months.

The following costs are estimated:

Rental of equipment	$1,700.00
Purchase of equipment	100.00
Depreciation of equipment	180.00
Labor, Supervision and Compensation	4,200.00
Supplies	650.00
Transportation	170.00
	$7,000.00

Fixtures and Improvements

None

Operating Equipment

To be rented:	Monthly Rental
1 - 105 c.f.m. portable gasoline-engine driven compressor	$175.00/mo.
1 - 35 pound jackhammer, complete	25.00/mo.
1 - Bulldozer @ $10.00 per hr.	500.00/mo.
Total estimated rental	$1,700.00

To be purchased:

1 Wheelbarrow $100.00

To be furnished by operator:

	Allowable depreciation
1 - 1952 Chevrolet 4-speed pickup	$30.00/mo.
Total estimated depreciation -	$180.00

Labor and Supervision

2 miners @ $12.00 per day, one of these men to be the supervisor. Based on an 8-hour day, 5-day week, with time and one-half for overtime.

Total estimated labor	$3,800.00
Compensation, insurance, payroll tax	400.00

Supplies

Powder, caps, fuse	$200.00
Drill steel bits	100.00
1½ inch compressed-air pipe	50.00
Small tools	50.00
Gasoline, oil, grease	250.00
	$650.00

Transportation

Freight on equipment, supplies	$170.00

Rehabilitation and Repairs

None

MF-2
(June 1951)

Docket No. DMA 2133
Commodity Uranium

UNITED STATES OF AMERICA
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

COPY

EXPLORATION PROJECT CONTRACT [1]

It is agreed this _____ day of _____, 195__, between the United States of America, acting through the Department of the Interior, Defense Minerals Administration, hereinafter called the "Government," and [2] one individual person: W. W. Sparks
Cortez, Colorado

hereinafter called the "Operator," as follows:

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

2. *Operator's property rights.* The exploration project shall be conducted on that certain property situated in the State of Utah, County of San Juan described as follows: [3]

See Annex No. 1

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

(*a*) That he is the sole owner, in possession and entitled to possession, and that the property is subject only to the following claims, liens, or encumbrances as to each of which the subordination agreement of the holder is attached: None

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

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

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

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

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

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

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

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

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

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

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

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

13. *Payment to the Operator.* The monthly progress report (invoice), to the extent approved by the Government, shall be processed for payment by the Government. Payment shall be made in the amount of 90 percent of the approved costs incurred; *Provided,* That the aggregate total of all sums paid by the Government under this agreement shall not exceed $6,300.00, which is 90 percent of the agreed estimated total cost of this project, $7,000.00.

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

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

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

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

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

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

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

Executed in sextuplicate the day and year first above written.

THE UNITED STATES OF AMERICA

(Operator)

By ---

By ---
Regional Director, Region IV
U. S. Bureau of Mines

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

ANNEX NO. 1

DMA-2133
Operator's Property Rights

Owner of the following unpatented mining claims:

Name	Recorded in Book	Page
Charlie Horse	Bk of L.C.	129
Squaw Kitty	Bk of L.C.	129
Black Sheep	Bk of L.C.	129
Rita	Bk of L.C.	130
Willadean	Bk of L.C.	130
Debbie No. 1	Bk of L.C.	145
Red Pirate	Bk of L.C.	137
Red Moran	Bk of L.C.	136
Morning Star	Bk of L.C.	137

Lessee of the following unpatented mining claims:

Name	Recorded in Book	Page
Red Moran	B	4207
Magpie	B	4208
Lone Wolf	B	4210

All recorded in the San Juan County Court House, San Juan County, Utah

EXHIBIT A

Exploration Project

The proposed project consists of rehabilitation of existing roads, constructing new truck trails, and the following work:

Claim	Proposed Work
Morning Star	1 - 7 ft. X 6 ft. adit 15 feet long
Williamson	1 - 7 ft. X 6 ft. adit 15 feet long
Lone Wolf	1 - 7 ft. X 6 ft. adit 15 feet long
Dottie No. 1	1 - 7ft. X 6 ft. adit 15 feet long
Rita	1 - 7 ft. X 6 ft. adit 15 feet long
Squaw Kitty	1 - 7 ft. X 6 ft. adit 15 feet long
Red Pirate	1 - 7 ft. X 6 ft. adit 15 feet long

Total - 7 adits, 105 feet.

		Cu. Ft.
Red Horse	1 open pit 20 ft. X 6 ft. X 6 ft.	720
Magpie	1 open pit 20 ft. X 6 ft. X 6 ft.	720
Red Moon	1 open pit 20 ft.X 10 ft. X 7 ft.	1400
Charlie Horse	1 open pit 20 ft.X 7 ft. X 7 ft.	840
Black Sheep	1 open pit 20 ft. X 7 ft. X 7 ft.	840
Total - 5 open pits		4,520 cu.ft.

The location of the proposed work is shown on the attached map.

The estimated working time is six months.

The following costs are estimated:

Rental of equipment	$1,700.00
Purchase of equipment	100.00
Depreciation of equipment	180.00
Labor, Supervision and Compensation	4,200.00
Supplies	650.00
Transportation	170.00
	$7,000.00

Fixtures and Improvements

None

Operating Equipment

To be rented:	Monthly Rental
1 - 105 c.f.m. portable gasoline-engine driven compressor	$175.00/mo.
1 - 35 pound jackhammer, complete	35.00/mo.
1 - Bulldozer @ $10.00 per hr.	1[illegible].00/mo.
Total estimated rental	$1,700.00

To be purchased:

1 Wheelbarrow $100.00

To be furnished by operator:

	Allowable depreciation
1 - 1952 Chevrolet 4-speed pickup	$30.00/mo.
Total estimated depreciation -	$180.00

Labor and Supervision

2 miners @ $12.00 per day, one of these men to be the supervisor. Based on an 8-hour day, 5-day week, with time and one-half for overtime.

Total estimated labor	$3,900.00
Compensation, insurance, payroll tax	400.00

Supplies

Powder, caps, fuse	$200.00
Drill steel bits	100.00
1½ inch compressed-air pipe	50.00
Small tools	50.00
Gasoline, oil, grease	250.00
	$650.00

Transportation

Freight on equipment, supplies	$170.00

Rehabilitation and Repairs

None

224 New Customhouse
Denver 2, Colorado

May 8, 1952

Memorandum

To: W. M. Traver, Jr.

From: Acting Chief, Mining Division, Region IV

Subject: DMEA 2133, W. W. Sparks, Squaw Canyon, San Juan County, Utah

Enclosed is a memorandum from S. R. Wilson with attached sheets showing the oil and gas leases located in T. 37 S. and T. 38 S., R 26 E., SLM, the numbers, dates, and duration of the respective leases.

Kindly check the location of and dates on which the claims owned by W. W. Sparks were located so that we can determine the validity of the claims involved.

W. H. King

W. H. King

Enclosure

JFS: fwo J.F.S.

cc: Koschmann, Subj, Chron

224 New Customhouse
Denver 2, Colorado

April 9, 1952

Mr. W. W. Sparks
Cortez, Colorado

Dear Mr. Sparks:

Before we can complete your application for exploration assistance under docket DMA-2133, we require six copies of the enclosed Landlord's Subordination Agreement signed by the owners of the claims you hold under lease.

Kindly have all six copies signed by William H. Mickey, Estella Sparks, and Jack Sparks, and return all six copies to this office, leaving the dates blank. The date of the contract and date signed by the landlords will be the date the contract between you and the Government is signed in this office and will be filled in at that time.

Very truly yours,

W. H. King

W. H. King for
J. H. Kast, Jr.
Executive Officer
Field Team, Region IV

Enclosures

JFS:oc JFS

cc: DMA Contract, Chron.
AHKoschmann (2)

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

Mining Division
Date Rec'd.
MAY 2 - 1952
BUREAU OF MINES
Denver, Colorado

April 30, 1952

Memorandum

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

From: Chief, Utah-Wyoming Branch, Mining Division

Subject: DMA 2133, W. W. Sparks, Squaw Canyon, San Juan County, Utah.
Your memorandum of April 25, 1952.

We have checked the records concerning oil and gas leases located in T. 37 S. and 38 S., R. 26 E., SLBM. The attached sheets show that virtually all property in portions of the two townships in Utah are held under lease. Numbers shown on the plats are the lease numbers which are described on the attached two sheets.

Stephen R. Wilson

Stephen R. Wilson

Enclosure

Mining Division
Region IV

April 25, 1952

Memorandum

To: S. R. Wilson

From: Acting Chief, Mining Division, Region IV

Subject: DMA Docket 2133, W. W. Sparks, Squaw Canyon, San Juan County, Utah

It is our understanding that an oil and gas lease constitutes withdrawal of land from public domain and mining claims of later date than the oil lease are not valid.

Enclosed is a sketch map of the applicant's claims which are located in T. 38 S., and T. 37 S., R. 26 E. Kindly contact the Bureau of Land Management in Salt Lake and determine if an oil and gas lease has been granted on any of this property.

W. H. King

W. H. King

Enclosure

JFS:ld

cc: Docket, chron.
Koschmann

224 New Customhouse
Denver 2, Colorado

February 12, 1952

Mr. W. W. Sparks
P. O. Box 605
Cortez, Colorado

Dear Mr. Sparks:

This will acknowledge your letter of February 7, 1952, requesting information on your application DMA-2133.

The reports of the examining engineers approving your application are in this office. A contract will be prepared and submitted to you for approval.

Very truly yours,

W. H. King

W. H. King, for
J. H. East, Jr.
Executive Officer
Field Team, Region IV

cc: Koschmann (2)
Sub
Chron

WHK:bh

Form 6-95

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES

REFERENCE SLIP

DATE 2/11/52

REFERRED TO:

1. King
2.
3.
4.

FOR:

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

REMARKS: Letter from W. W. Sparks requesting information on his application.

Check (X) before the items needing attention.

Initials of sender.

GPO 16—51162-1

Mining Division
Date Rec'd.
FEB 11 1952
BUREAU OF MINES
Denver, Colorado

Cortez Colo.,
Feb. 7, 1952,
P.O. Box 655.

Mr. Paul T. Allisman
Executive Office D.M.A.

Dear Sir:

I made application for a D.M.A. loan some time ago, (in August 1951.) About three months ago two of your field men passed on my property, and since that time I have not heard from the loan.

Would you let me know what the chances are of getting the Loan.

Very Sincerely.

W.W. Sparks

approval

DMA 2133

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

Rm. 211, New Customhouse
Denver 2, Colorado

December 28, 1951

Memorandum

To: Administrator, Defense Minerals Exploration Administration, Attention: Code 210

From: Field Team, Region IV

Subject: Final Report, DMA Docket 2133, Squaw Canyon Uranium-Vanadium Claims, San Juan County, Colorado. Applicant, A. V. Sparks, Cortez, Colorado

The application for Government assistance in exploration work estimated to cost $7,000 has been approved by us and a contract is being prepared.

Government participation will be 90 per cent, or $6,300.

A copy of the Final Report will be forwarded with your copy of the contract.

Attached are the original and one copy of Form 3b.

J. H. Fast, Jr.

A. H. Koschmann

cc: PTAllsman w/copy of final report
JWT:ec AHKoschmann w/copy of final report
MTraver w/copy of final report

cc: DMA Subject, Chron.
Oster, AEC w/copy of final report
Towle, AEC w/copy of final report
Koschmann

DMA Form 3b

DEFENSE MINERALS ADMINISTRATION

CONTROLLED DOCUMENT
Revised Abstract

DMA Docket No. 2133

Change: From		To		
I 1	☐	I 1	☐	
I 2	☐	I 2	☐	
I 3	☒	I 3	☒	
I 4	☐	I 4	☐	
I 5	☐	I 5	☐	
I 6	☐	I 6	☐	
III 1	☐	III 1	☒	12/27/51
III 2	☐	III 2	☐	
III 3	☐	III 3	☐	
III 4	☒	III 4	☐	

Add:

II 7 $ 4,341

II 8 $ 7,000

II 8a % 90

Initials of person preparing sheet J.N.T.

Date sheet prepared 12/27/51

Mining Division
Region IV

December 23, 1951

Memorandum

To: Field Team, Region IV

From: Chief, Mining Division, Region IV

Subject: Final Report, DMA Docket [illegible], Square Canyon Uranium-Vanadium Claims, San Juan County, Colorado. Applicant, [illegible] Sparks, Cortez, Colorado

Enclosed are the original and nine copies of the "Engineering Report" by the Bureau of Mines, pertaining to the above docket.

The application was for Government assistance in exploration work estimated to cost $4,341. Work proposals consisted of drifting seven 15-foot adits, or a total of 105 feet of drifting and test pitting to aggregate 4,520 cubic feet.

A study of the applicants estimate of costs indicated that the desired work could not be accomplished within the amount requested, therefore, estimates were revised to the amount of $6,700, including the purchase of needed operating equipment, or $7,000 if the equipment was rented.

We favor the latter and concur in the recommendations that the project be approved for $7,000.

The Government participation would be 90 per cent, or $6,300.00

Paul T. Allman

JWT:oc

cc: DMA Subject, Chron.
Koschmann

XIA New Customhouse
Denver 2, Colorado

October 16, 1952

Memorandum

To: W. M. Trover, Jr. (with brochure)

(Through Chief, Mining Division, Region IV)

A. H. Koschmann (with brochure)

From: DMA Field Team, Region IV

Subject: DMA Docket 2133, W. W. Sparks, applicant, Square Canyon Uranium, Vanadium Claims, Montezuma County, Colorado

Enclosed herewith is application on the subject docket for an exploration loan of $4,341.00.

The proposed work consists of short adits on 7 claims and open cuts on 3 claims.

The geological probability of discovery requires a field investigation. If this is favorable, the engineering feasibility of the proposed project and the competence of the applicant should be examined.

Please return the brochures with your report.

J. H. Eastt, Jr.

J. H. East, Jr.

For A. H. Koschmann

WDM:oj
cc: DMA Subject and Chron.
AHKoschmann

[illegible] New Customhouse
Denver 2, Colorado

October 5, 1951

Memorandum

To: Defense Minerals Administration, Attention: Code 210

From: Executive Officer, DMA Field Team, Region IV

Subject: Docketing for Exploration Assistance

Enclosed herewith in duplicate are DMA Form 3a and Form MF-103 pertaining to the following applications for exploration loans:

W. W. Sparks, Nine Mining Claims, Hamilton County, Colorado

W. K. Pratt and Associates, Blank Cases #2, Socorro County, New Mexico

J. H. East, Jr.

J. H. East, Jr.

Enclosures

oj

cc: DMA Code 210
DMA Docket File
DMA Chronological
AHKoschmann

DMA Form 3a

DEFENSE MINERALS ADMINISTRATION

CONTROLLED DOCUMENT
Abstract

I. Check One:

1 ☐ 2 ☐ 3 ☒ 4 ☐ 5 ☐ 6 ☐

II. Fill in each item:

1. DMA-2133 2. 10-8-51 2a

3. W. W. Sparks

Cortez, Colorado

(Code)

4. 9 Mining Claims (Squaw Canyon)

5. Country U. S. A. State Colorado County Montezuma

(Code) (Code)

6. Uranium-Vanadium

7. $ 4341.00

8. $ % 90

9. Est. Ann. Increase - Unit of Measure -

10. $

11.

III. Check one:

1 ☐ 2 ☐ 3 ☐ 4 ☒ By Field Team, Region IV

Initials of person preparing sheet W. D. M.

Date sheet prepared 10/5/51

Cortez Colo.
Sept. 1951

Mr. W H King,
224 New Custom House
Denver 2 Colo.

Mining Division
Date Rec'd.
OCT 2 1951
BUREAU OF MINES
Denver, Colorado

Dear Sir:

I am enclosing the corrected items No. 10, No. 21 and No. 22, according to your instructions.

If there is anything further I can do to assist you, please let me know.

Yours Very truly,
W. W. Sparks

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES

Mining Division
Region IV

224 NEW CUSTOMHOUSE
DENVER 2, COLORADO

August 31, 1951

Mr. W. W. Sparks
Cortez, Colorado

Dear Mr. Sparks:

This will acknowledge receipt of your letter of August 24, 1951, with application for aid for an exploration project, Form MF-103. The papers accompanying the application are not complete in the following items:

No. 10. The names of the claims which you own should be given, with the date, book and number of recording.

No. 21. The proposed work and the time required for completion should be described briefly, but concisely. "Tracing Leads" is not sufficient.

No. 22. Maps of the proposed workings on the twelve claims should be included.

We are returning the application and attachments for correction.

When resubmitting your application, please send four copies.

Yours very truly,

W. H. King

W. H. King, for
P. T. Allsman

Enclosures

1/4 [illegible]

[illegible] in [illegible] field

Sandals in Alaska

Blue

Mining Division
Region IV

August 31, 1951

Mr. W. W. Sparks
Cortez, Colorado

Dear Mr. Sparks:

This will acknowledge receipt of your letter of August 24, 1951, with application for aid for an exploration project, Form MF-103. The papers accompanying the application are not complete in the following items:

No. 10. The names of the claims which you own should be given, with the date, book and number of recording.

No. 21. The proposed work and the time required for completion should be described briefly, but concisely. "Tracing Leads" is not sufficient.

No. 22. Maps of the proposed workings on the twelve claims should be included.

We are returning the application and attachments for correction.

When resubmitting your application, please send four copies.

Yours very truly,

W. H. King, for
P. T. Allsman

Enclosures

WDM:ld

cc: DMA

Form 6-95

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES

REFERENCE SLIP

DATE 8/29/51

REFERRED TO:

1. Allsman
2.
3.
4.

FOR:

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

REMARKS: Lease Agreement from W. W. Sparks

Check (X) before the items needing attention.

JHE
Initials of sender.

GPO 16—51162-1

REGIONAL DIRECTOR'S
OFFICE
REGION IV
AUG 27 1951
BUREAU OF MINES
DENVER, COLORADO

Cortez Colo.
Aug 24, 1951
P.O. Box 605

Mr. Paul T. Allsman,
Denver Colo.

Dear Sir.

Under cover this date am sending Form MF 103 completed and samples from several claims in Squaw Canyon. I think these are characteristic samples of the ore on the Sparks Mining Claims.

I would like to start exploration as soon as possible, and also production as soon as the exploration was completed. If it is possible would like to have one of your qualified men look the properly over.

Very truly Yours,
for more Uranium production

W. W. Sparks

P.S. Will forward to you a copy of my lease on the ten (10) mining claims. My wife, my son and Wm Hickey own the claims

You may expect the lease in two or three days.

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-2133

Date received 10-8-51

Participation

Name and address of applicant

Date

FILL IN THIS BLOCK

Date of application

Estimated cost $4341.00

Mineral or metal Uranium-Vanadium

Percentage of Government participation 90%

Location of mine Squaw Canyon
24 Miles Southwest of Dove Creek Colorado

Date of filing MF-100

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? Individual

*2. If a partnership, state names and addresses of partners.

*3. If a corporation, state names and addresses of officers, directors, and five largest stockholders.

*4. Describe the mining and general business experience of (*a*) the applicant, and (*b*) the person or persons who will manage the project. Extensive Mining and Prospecting Experience

*5. Are you the owner or the lessee of the property? Owner of 5 Claims Lessee of 10 Claims

6. If owner, state what claims, liens, or encumbrances, if any, are against the property. No Liens

7. If lessee, attach a copy of the lease and state if it is in good standing.

NOTE.—It will be necessary to procure and attach to the exploration project contract agreements of claimants, lienors, encumbrances and lessors subordinating their interests in the property to the interest of the Government under the contract. Nothing against claims

8. Furnish current financial statement, showing assets and liabilities, and a profit and loss statement. (Not worked since 1942 except Assessment Work)

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)? $434.00

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

16—64067-1

THE PROPERTY

*10. (a) Give a description of the real property that will be in any way involved in the exploration project, including any existing mine or operating property.

(b) Give the legal description of the exact parcel, plot, or area upon which the exploration is to be conducted.

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

*11. State the present and former names of the property, if any. Sparks Mining Claims

*12. State, in detail, the location of the property with reference to towns, railroads, roads, shipping points, including distances and directions and kinds and conditions of roads.

*13. State source and quantity of water available for operations and its sufficiency at all seasons. Springs sufficient
State amount of power to be used, rate per hour or other cost, and source. Gas power

*14. Describe any existing useable facilities, equipment, buildings, or structure now on the property that will be devoted to the exploration work. About $2000.00 worth of Roads Trailer House & Car

15. State in detail how the ore could be shipped and how and where milled. Hauled to Monticello Utah 60 miles or to Durango & Natarcita 100 miles

*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. 700 Tons sold to V.

(b) State briefly the known history and production of adjoining and neighboring properties. No claims near

(c) Furnish any available (private) reports that may apply to this application, including results of mine examinations, recommended exploration and development, and metallurgical investigations.

*17. Production:

(a) If mine is in production, furnish the following information:

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

*18. Ore or mineral reserves: (If property is or has been operating.)

(a) Describe the ore or mineral deposits briefly. Uranium-Vanadium

(b) Submit available maps and assay data.

(c) Give estimated tonnage and grade of each class of ore reserves. 3000 Tons Uranium .002 Vanadium 3%

19. State any conditions or circumstances regarding the property not sufficiently brought out by the foregoing questions.

THE EXPLORATION

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

21. Describe briefly, but concisely, the proposed work and the estimated time required to complete it. Tracing Leads 1 yr

NOTE.—The Government will not participate in a project that will require more than 2 years to complete.

22. Furnish statement of the geological basis of the project with particular emphasis on factors leading the operator to expect the finding of commercial ore bodies. This statement should be accompanied by supporting maps such as geological maps, maps of the proposed openings and assay maps, sample lists, and other pertinent data.

THE REQUIREMENTS AND COSTS

23. Tabulate in the form of an itemized statement with a sum for each item the estimated requirements and costs of the project so that the total will give the estimated cost of the project in which the Government will participate, as follows:

(a) Labor, by numbers and classes (miners, muckers, millmen, etc.), with wages of each.

(b) Supervisors, by numbers and positions, with salaries of each.

(c) Cost of necessary repairs to existing facilities, structures, and buildings.

(d) Cost of necessary installation or construction of additional facilities, structures, and buildings.

(e) Cost of items of equipment, not now owned by the applicant which must be purchased for operations at a cost of $50 or more each.

(f) Cost of rental for equipment which the operator proposes to rent.

(g) Rental value of items of equipment which the operator now owns and which will be devoted to the work.

(h) Cost of materials and supplies, including items of equipment costing less than $50 each.

(i) Cost of power, water, utilities, and any other items not provided for above.

24. Furnish a time schedule of the project, stated in terms of months after project is approved, showing progress expected to be accomplished and the money expected to be spent.

CERTIFICATION

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

Sparks Mining Claims By W. W. Sparks
(Name of company) (Signature of authorized official)

Owner & Lessee (Supr)
(Date) (Title)

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

*Same as footnote on page 1.

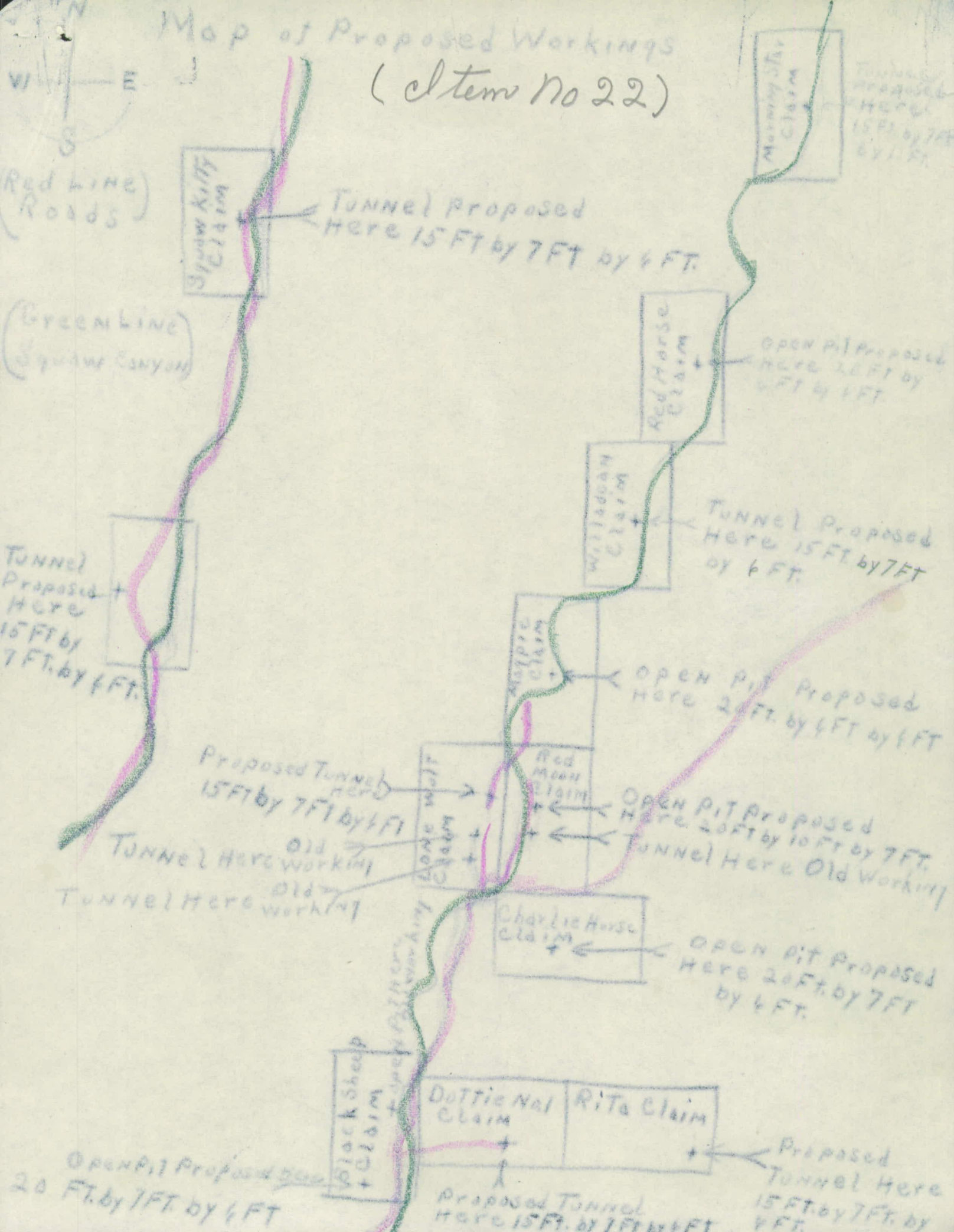
16—64067-1 U. S. GOVERNMENT PRINTING OFFICE

[illegible]

Name	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]
Black [illegible]	[illegible]	[illegible]	[illegible]
Rolo	[illegible]	[illegible]	[illegible]
Wallbean	[illegible]	[illegible]	[illegible]
Oatbean	[illegible]	[illegible]	[illegible]
Red Purple	[illegible]	[illegible]	137
Red Purple	[illegible]	[illegible]	[illegible]
Mennonite	[illegible]	[illegible]	[illegible]

Map of Proposed Workings

(Item No 22)



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

224 New Customhouse
Denver 2, Colorado

December 28, 1951

Memorandum

To: Administrator, Defense Minerals Exploration Administration, Attention: Code 210

From: Field Team, Region IV

Subject: Final Report, DMA Docket 2133, Squaw Canyon Uranium-Vanadium Claims, San Juan County, Utah . Applicant, W. W. Sparks, Cortez, Colorado

The application for Government assistance in exploration work estimated to cost $7,000 has been approved by us and a contract is being prepared.

Government particpation will be 90 per cent, or $6,300.

A copy of the Final Report will be forwarded with your copy of the contract.

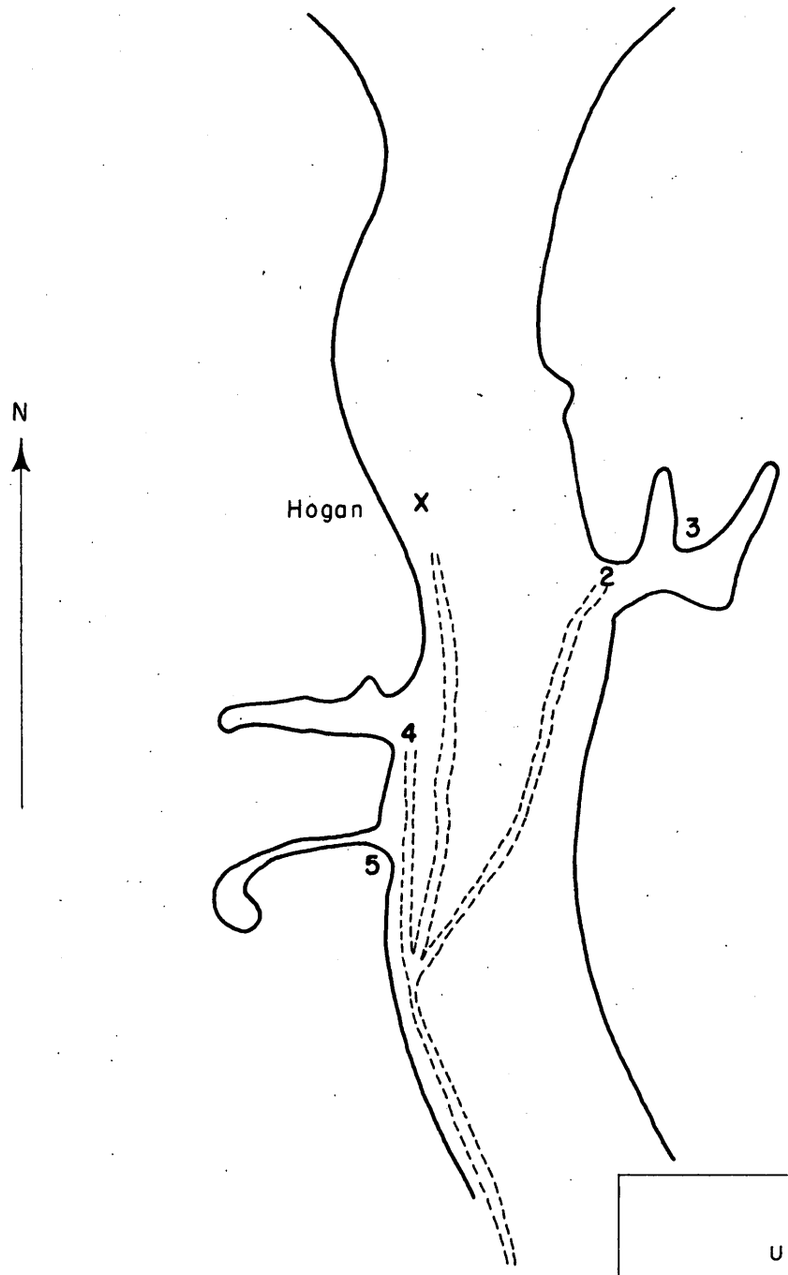
Attached are the original and one copy of Form 3b.

J. H. East, Jr.

J. H. East, Jr.

A. H. Koschmann

A. H. Koschmann



2 Red Moon Mine

3 Sample No.15051

4 Lone Wolf Mine, Sample No. 15052

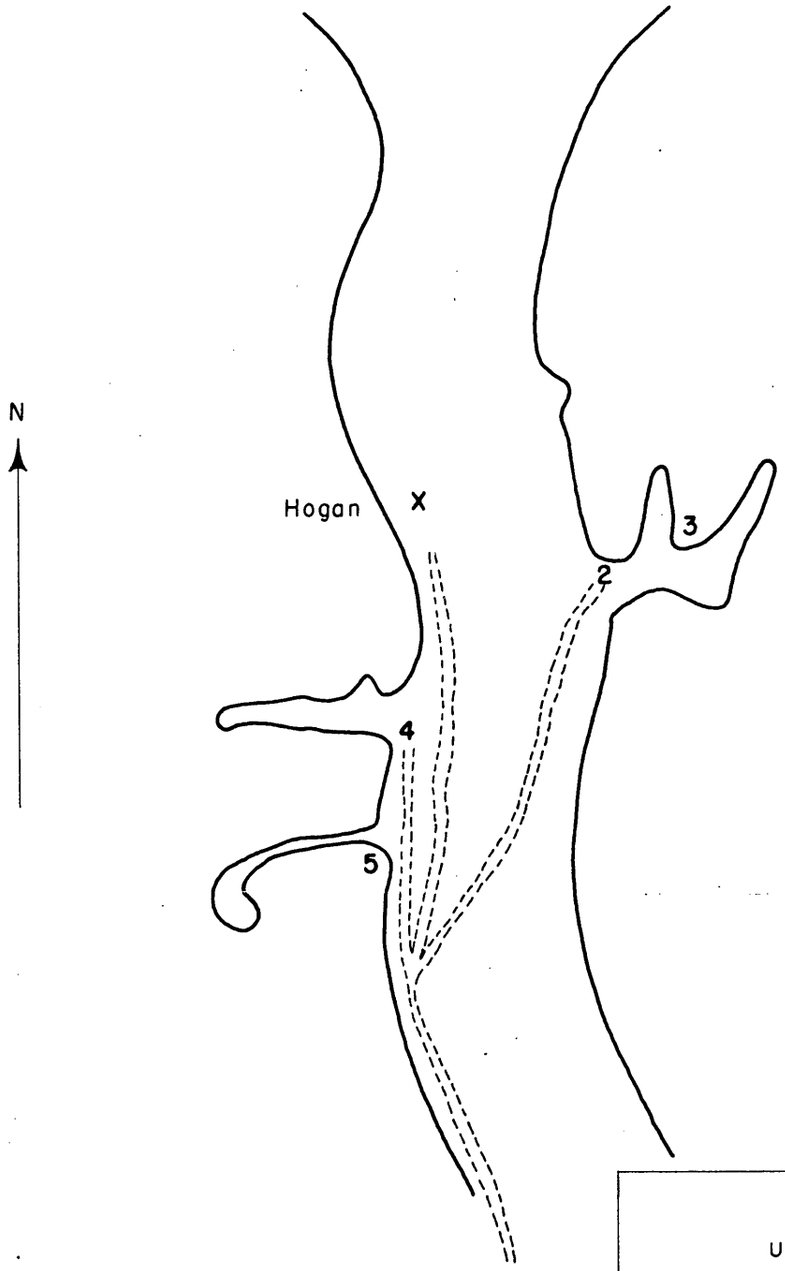
5 Lone Wolf Mine

Department of Interior
U. S. GEOLOGICAL SURVEY

Sketch Map of

RED MOON and LONE WOLF MINES

Squaw Canyon, Utah



2 Red Moon Mine

3 Sample No.15051

4 Lone Wolf Mine, Sample No. 15052

5 Lone Wolf Mine

Department of Interior
U. S. GEOLOGICAL SURVEY

Sketch Map of

RED MOON and LONE WOLF MINES

Squaw Canyon, Utah

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES

Mining Division
Region IV

December 28, 1951

Memorandum

To: Field Team, Region IV

From: Chief, Mining Division, Region IV

Subject: Final Report, DMA Docket 2133, Squaw Canyon Uranium-Vanadium Claims, San Juan County, Utah. Applicant, W. W. Sparks, Cortez, Colorado

Enclosed are the original and nine copies of the "Engineering Report" by the Bureau of Mines, pertaining to the above docket.

The application was for Government assistance in exploration work estimated to cost $4,341. Work proposals consisted of driving seven 15-foot adits, or a total of 105 feet of drifting and test pitting to aggregate 4,520 cubic feet.

A study of the applicants estimate of costs indicated that the desired work could not be accomplished within the amount requested, therefore, estimates were revised to the amount of $8,700, including the purchase of needed operating equipment, or $7,000 if the equipment was rented.

We favor the latter and concur in the recommendations that the project be approved for $7,000.

The Government participation would be 90 per cent, or $6,300.00

W. H. King
for Paul T. Allsman

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES

Region IV

Building 20
Denver Federal Center
Denver 14, Colorado
December 20, 1951

Mining Division
Date Rec'd.
DEC 21 1951
BUREAU OF MINES
Denver, Colorado

Memorandum

To: Chief, Mining Division, Region IV

From: Chief, Colorado Branch, Mining Division

Subject: DMA 2133, Squaw Canyon Uranium-Vanadium Claims, San Juan County, Utah

Please find enclosed the original and nine copies of the "Summary, Conclusions, and Recommendations", by C. S. Robinson and Scott W. Hazen, Jr., and the same number of copies of Hazen's "Engineering Report" on the subject docket.

You will note the property is located in San Juan County, Utah, instead of Montezuma County, Colorado, as shown on the Field Team's transmittal memorandum of October 16, 1951. However, it is more accessible from Colorado than from Utah for project inspections in the event a contract is drawn up.

Hazen concludes, and the applicant admits, that his estimates for the work he proposes to do are low. However, he is able and willing to go along for the larger amount suggested, or $7,000.00 instead of the $4,541.00 requested. He is a competent operator and has a promising property likely to show a low-grade uranium discovery if judiciously explored. I concur with Hazen's recommendation that the loan be approved.

The brochure submitted by the Region IV Field Team October 16, 1951, is returned herewith.

W. M. Traver, Jr.

W. M. Traver, Jr.

enclosures

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

December 10, 1951

Memorandum

To: DMA Field Team, Region IV

From: A. H. Koschmann

Subject: DMA Docket 2133, Squaw Canyon Uranium-Vanadium Claims, San Juan County, Utah

Attached are 10 copies of the geological report by C. S. Robinson covering subject docket--Squaw Canyon Uranium-Vanadium claims, San Juan County, Utah.

Vanadium-uranium mineralized rock crops out on each of 12 claims controlled by W. W. Sparks in Squaw Canyon, and ore has been shipped from the Lone Wolf and Red Moon claims. In general the ore exposed on these claims is typical of that in other localities of the Colorado Plateau area. On all the claims good grade vanadium ore is exposed, but the grade of uranium varies considerably within short distances. Robinson recommends that the loan be approved, and I concur with his recommendation.

The brochure is attached.

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

Attachments (11)

UNITED STATES
DEPARTMENT OF THE INTERIOR
OSCAR L. CHAPMAN, SECRETARY

DEFENSE MINERALS ADMINISTRATION

REPORT OF EXAMINATION BY FIELD TEAM
REGION IV

DMA-2133, Squaw Canyon Uranium-Vanadium Claims

San Juan County, Utah

Uranium-Vanadium

C. S. Robinson, Geologist
U. S. Geological Survey

Scott W. Hazen, Jr., Mining Engineer
Bureau of Mines

December 20, 1951

SQUAW CANYON URANIUM-VANADIUM CLAIMS
SAN JUAN COUNTY, UTAH

Summary, Conclusions, and Recommendations

By C. S. Robinson
Geologist
U. S. Geological Survey

and

Scott W. Hazen, Jr.
Mining Engineer
Bureau of Mines

SQUAW CANYON URANIUM-VANADIUM CLAIMS
SAN JUAN COUNTY, UTAH

SUMMARY, CONCLUSIONS, AND RECOMMENDATIONS

By C. S. Robinson and Scott W. Hazen, Jr.

The twelve vanadium-uranium claims of W. W. Sparks are in Squaw Canyon in southeastern San Juan County, Utah. Mr. Sparks has requested a loan of $4,541.00 to prospect the outcrops of ore exposed on these claims. Good vanadium-uranium ores, typical of those occurring in other areas of the Colorado Plateau, are exposed on the claims, and are believed to justify a Defense Minerals Administration exploration loan. It is evident that the cost of doing the proposed work will be greater than the amount requested by the applicant. Recalculation of the cost indicates the project work will cost $8,700.00 if equipment is purchased or $7,000.00 if equipment is rented.

The loan is recommended and granting of the lesser amount appears to be the most feasible.

SQUAW CANYON

URANIUM-VANADIUM CLAIMS

SAN JUAN COUNTY, UTAH

DMA DOCKET 2133

By C. S. Robinson
U. S. Geological Survey

CONTENTS

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CONCLUSIONS AND RECOMMENDATIONS	3
REFERENCES	3

ENCLOSURES

Report and map of reconnaissance trip to Squaw Canyon, Utah, by W. G. Verner, Geologist, Grand Junction Exploration Branch, Atomic Energy Commission.

SQUAW CANYON URANIUM-VANADIUM CLAIMS
SAN JUAN COUNTY, UTAH

INTRODUCTION

The claims under lease or owned by W. W. Sparks in Squaw Canyon, San Juan County, Utah, were visited on November 8, 1951, in company with W. W. Sparks and S. W. Hazen of the U. S. Bureau of Mines.

Mr. W. W. Sparks has requested a loan of $4341 for exploration of twelve claims. The exploration is to be done primarily by test pitting. These claims are located in T. 38 S., and T. 37 S., R. 26 E., San Juan County, Utah. They are connected by a fair dirt road to Dove Creek, Colorado, about 30 miles to the northeast.

The geology of this area has been published on a Strategic Minerals Investigation Preliminary Map entitled "Simplified Geologic Map of the Vanadium Region of southwestern Colorado and southeastern Utah," compiled by R. P. Fischer. A more detailed description of the ore deposits is given by R. P. Fischer (1950, pp. 1-11). A report of a reconnaissance trip to these claims by W. G. Verner, Geologist, Grand Junction Exploration Branch of the Atomic Energy Commission, is appended to this report.

GEOLOGY

The rock formations of Squaw Canyon consist of nearly horizontal continental sediments of Mesozoic age. The vanadium-uranium mineralization occurs in the Salt Wash member of the Morrison formation. The Morrison formation is here divided into a lower member, the Salt Wash,

composed primarily of sandstones, siltstones, and shales, and an upper member, the Brushy Basin, composed primarily of shales and siltstones with a few sandstone lenses. The Morrison is Jurassic in age. No formations older than the Morrison are exposed in Squaw Canyon. Above the Morrison on the sides of the Canyon is exposed the Burro Canyon formation and the Dakota (?) formation of Cretaceous age.

The vanadium-uranium minerals occur in medium grained bench forming sandstone lenses near the top of the Salt Wash member, which is locally known as the ore rim. The ore minerals coat the sand grains or partially or completely fill the spaces between grains. Locally, vegetable matter, deposited with the sand, has been replaced by ore minerals forming small high-grade deposits. In general, the contacts of the ore deposits with the surrounding sandstone are gradational but locally may be sharp. The size of the ore deposits varies from only a few feet across to large tabular bodies many hundreds of feet across.

On each of the 12 claims controlled by W. W. Sparks in Squaw Canyon are outcrops of vanadium-uranium mineralized rock and on the Lone Wolf and Red Moon claims are 3 short tunnels from which some ore has been shipped (see attached AEC report). From the others no ore has been shipped, but varying amounts of prospecting have been done. In general, the ore exposed on these claims is typical of that seen in other localities of the Colorado Plateau area. The deposits range from 6 inches to 6 feet in thickness and from less than 10 to 300 feet long. On all the claims good grade vanadium ore is exposed, but the grade of uranium varies considerably within short distances in any exposure. The sampling of the AEC shows a high lime content to the ore which reduces its value.

According to Verner (Verner, W. G.) ore of over 6 percent lime is subject to fines at the mills. However, he reports that a mill which will handle high lime ores is under construction at Shiprock, New Mexico.

CONCLUSIONS AND RECOMMENDATIONS

Very little mining for vanadium-uranium ores has been done in the Squaw Canyon area, probably because of the inaccessibility of the area. On W. W. Sparks' claims in Squaw Canyon good vanadium and locally good uranium ore is exposed. Sparks has requested a loan of $4341 to prospect these ore exposures. It is believed that this amount is inadequate to do the proposed work and a re-estimate of the cost should be made by the U. S. Bureau of Mines. It is recommended that this property be considered for a DMA exploration loan.

REFERENCES

Fischer, R. P., 1950, Uranium-bearing sandstone deposits of the Colorado Plateau: Econ. Geology, vol. 45, No. 1, pp. 1-11.

Verner, W. G., Oral Communication.

COPY

E. V. Reinhardt, Supervisor, Geologic Investigations, Grand Junction Exploration Branch
W. G. Verner, Geologist, GJEB

September 6, 1951

RECONNAISSANCE TRIP TO SQUAW CANYON, UTAH

MBOL: GJEB: WGV

A one-day reconnaissance trip was made into Squaw Canyon, Utah, to examine 2 dormant mines owned by Mr. Bill Hickey and Mrs. W. W. Sparks and 3 claims owned by Mr. W. W. Sparks, of Cortez, Colorado.

Squaw Canyon is situated in eastern Utah about 31 miles southwest of Dove Creek, Colorado. A road which is in fair condition extends from Dove Creek to the mines and claims; lesser roads ramify the Squaw Canyon area. Three springs are in the vicinity of the mines.

Uranium-vanadium mineralization occurs in the Salt Wash member of the Morrison formation and is conspicuous in the Red Moon mine, the Lone Wolf mine, and on the dumps. Mineralization of the same type occurs in a prospect pit on the Pay Day claim. Only vanadium was noted at the remaining claims.

The Red Moon (2) is owned by Mr. Bill Hickey and Mrs. W. W. Sparks. During the latter part of 1941 and the early part of 1942, 300 tons of vanadium ore was shipped to Vanadium Corporation of America in Monticello, Utah, according to Mr. W. W. Sparks; the ore assayed about 2.0% vanadium; uranium was not purchased at that time. The mine comprises 1 adit about 25 feet long and 1 drift about 20 feet long. Uranium-vanadium mineralization is visible on the walls. Geiger counter readings did not exceed

.15 mh. A 14-inch vertical chip sample (15051) which assayed 0.09% U_3O_8, 2.38% V_2O_5, and 5.5% $CaCO_3$, was taken at position 3.

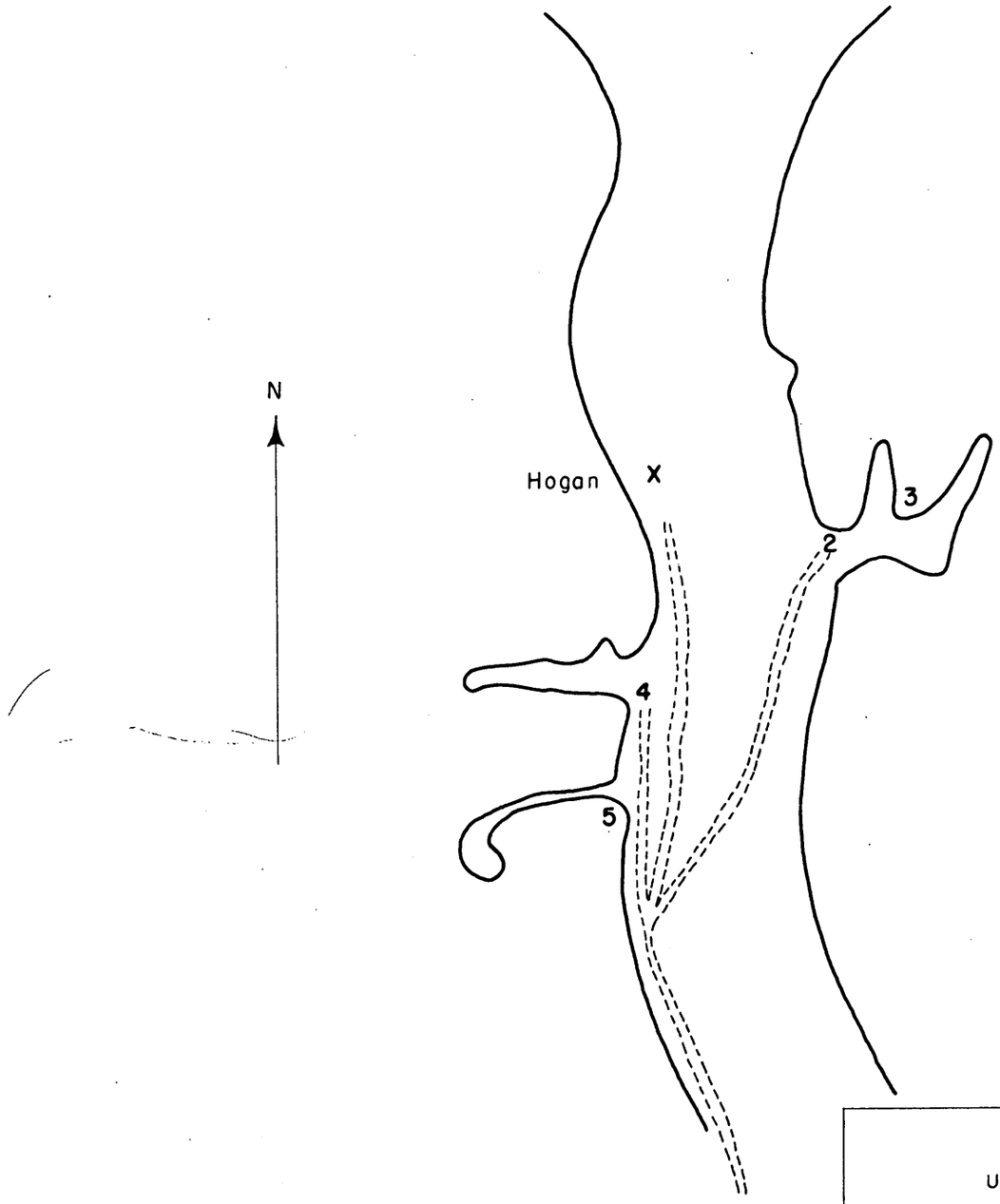
The Lone Wolf mine (formerly the Pay Day), positions 4 and 5, is owned by Mr. Bill Hickey and Mrs. W. W. Sparks. During the latter part of 1941 and the early part of 1942, 350 tons of vanadium ore was shipped to Vanadium Corporation of America in Monticello, Utah; adit #4 produced 150 tons of ore which assayed 2.5% vanadium and adit #5 produced 200 tons of ore which assayed 2% vanadium; uranium was not purchased at that time. Adit #4 is about 45 feet long and begins to "roll" downward at the face. Uranium and vanadium mineralization is visible on the walls. Geiger counter readings ranged to 3.0 mh. A 1-foot vertical chip sample (15052) which assayed 0.64% U_3O_8, 3.60% V_2O_5, and 24.8% $CaCO_3$ was taken about 9 feet inside the adit. Adit #5 is about 30 feet; uranium-vanadium mineralization is visible on the walls. Geiger counter readings average .10 mh.

The Pay Day claim (formerly the Lone Wolf), owned by Mr. W. W. Sparks, is situated ½ mile down canyon from the Red Moon mine. Uranium-vanadium mineralization is discernible in a small prospect pit. Geiger counter readings did not exceed .08 mh.

Two additional prospect pits were inspected; uranium mineralization was not visible nor was it indicated by the Geiger counter. Vanadium is visible in small amounts.

Mr. Sparks stated that the Salt Wash outcrops in canyons adjacent to Squaw Canyon and that claims have been made in these canyons. Uranium-vanadium mineralization is conspicuous and appears to be widespread enough in Squaw Canyon to warrant further investigation when the high lime ores are accepted at the mill.

CC: T. W. Oster, J. O. Jones, J. A. Tavelli, A. J. Shea, M. H. Sheridan and R. J. Wright



2 Red Moon Mine

3 Sample No.15051

4 Lone Wolf Mine, Sample No. 15052

5 Lone Wolf Mine

Department of Interior
U. S. GEOLOGICAL SURVEY

Sketch Map of

RED MOON and LONE WOLF MINES

Squaw Canyon, Utah

SQUAW CANYON URANIUM-VANADIUM CLAIMS
SAN JUAN COUNTY, UTAH

Engineering Report

By Scott W. Hazen, Jr.
Mining Engineer
Bureau of Mines

SQUAW CANYON URANIUM-VANADIUM CLAIMS
SAN JUAN COUNTY, UTAH

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SQUAW CANYON URANIUM-VANADIUM CLAIMS
SAN JUAN COUNTY, UTAH

ENGINEERING REPORT

By

Scott W. Hasen, Jr.

INTRODUCTION

W. W. Sparks, of Cortez, Colo., has applied for an exploration loan of $4,541.00 from the Defense Minerals Administration, Docket DMA 2123, to explore for uranium ore on twelve claims held by location and lease in the Squaw Canyon vanadium district of San Juan County, Utah. A field examination was made on November 8, 1951, in the company of the applicant and C. S. Robinson, of the U. S. Geological Survey.

The applicant's estimate of costs for labor and equipment is low. The total cost of the proposed work has been revised to $8,700.00 if equipment is purchased or $7,000.00 if equipment is rented.

LOCATION, TOPOGRAPHY, AND PHYSICAL FEATURES

The Squaw Canyon deposits are located in T. 37 S., and T. 38 S., R. 26 E., Salt Lake Meridian, San Juan County, Utah, 27 1/2 miles by road south and west of Dove Creek, Colo. (fig. 1). The road from Dove Creek consists of approximately 20 miles of county-maintained, partially-improved road with the remaining 7 1/2 miles being a rough bulldozer-constructed truck trail to the rim of Squaw Canyon and down to the bottom of the canyon. This latter portion of the road was built by Sparks during operations in World War II. The twelve

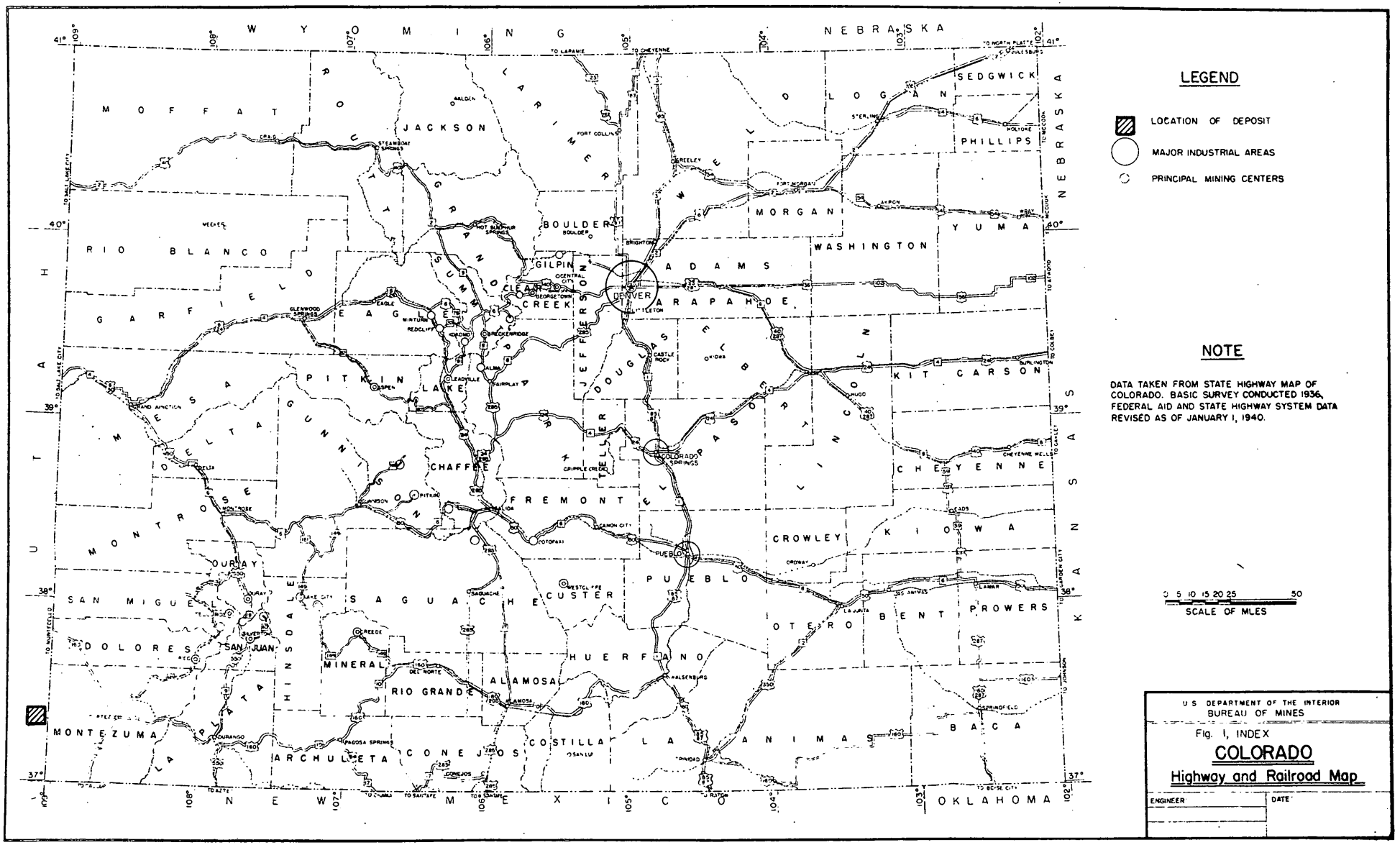


FIG. 1-LOCATION MAP, SQUAW CANYON URANIUM-VANADIUM SAN JUAN COUNTY, UTAH DMA 2133

claims are located along the exposures of the Morrison formation in Squaw Canyon (fig. 2). Five of the twelve claims are accessible by rough truck trail.

The topography is the usual flat mesa type, cut by canyons which expose the ore horizons. Roads are easily built on the mesa surfaces but are more difficult and expensive to construct along the sides of the canyon to reach the mesa. The area is accessible all year except immediately after rains or snows when the dirt roads become quite muddy and slippery, but all year operations can be maintained.

Three small springs exist in the bottom of the canyon which will supply sufficient water for the miners.

HISTORY AND PRODUCTION

The first deposits in the district were located by Sparks and associates after considerable prospecting work in 1941. Production was begun in late 1941 and continued through 1943. During this time, 700 tons of vanadium ore were shipped to the Metals Reserve depot at Monticello, Utah. This production came from three claims--the Lone Wolf, the Red Moon, and the Black Sheep; Settlement sheets from the Metals Reserve depot were not available, but Sparks stated that the ore assayed approximately 2 percent vanadium and 0.2 percent uranium. No work was done on the property after the conclusion of the earlier operations until the summer of 1950 when Sparks located nine claims and acquired three other claims of the group by lease, a copy of which is attached to the loan application.

DESCRIPTION OF THE DEPOSITS

The outcrops of vanadium-uranium ore are typical for the carnotite region and are found along the eroded exposures of the Morrison formation. The outcrops are characterized by the uranium "yellow bloom" with the surrounding gray-colored, high-lime vanadium ore. The ore outcrops on the various claims are small with the exception of one on the Dottie No. 1 claim which showed a width of 4 feet for perhaps a hundred feet along the rim. The mine workings on the Lone Wolf, the Red Moon, and the Black Sheep, from which the 700 tons of vanadium-uranium ore have been produced, indicate that the surface exposures of ore found on these claims were no larger or more prominent than those now shown on the undeveloped claims. The uranium occurs associated with vegetal matter usually found in the vanadium ore. Where the vegetal matter was broken out and exposed, the Geiger counter indicated uranium content in excess of 0.2 percent. The deposits are erratic, widening and thinning rapidly, and there is the usual evidence that deposition of the ore has been influenced by location of ancient stream beds. Several small log replacements were found in the deposits and a definite increase in uranium concentration was shown by the counter. There is sufficient vegetal matter distributed throughout the vanadium ore which, combined with the log replacements, will insure an average uranium content estimated at 0.2 percent.

Two chip samples taken by W. G. Vener, geologist, Grand Junction Exploration Branch of the Atomic Energy Commission, assayed as follows:

15051	14-inch cut	Red Moon adit	0.09 U_3O_8	2.38 V_2O_5	5.5 $CaCO_3$
15052	12-inch cut	Lone Wolf adit	0.64 U_3O_8	3.60 V_2O_5	24.8 $CaCO_3$

MINABLE ORE RESERVES

The ore deposits indicated by the workings on these claims are small and have been followed for short distances both into the walls of the canyon and parallel to the walls. The 700 tons produced from the deposits have come from the Lone Wolf, the Red Moon, and the Black Sheep. Sparks recently shipped 10 tons of ore from the Black Sheep claim. Using the amount of production from these claims as a measure of inferred ore, it is expected that each surface outcrop now unexplored on the other claims may produce an average of 50 to 100 tons, with the exception of the Dottie No. 1 claim where the vanadium ore outcrop indicates a deposit inferred as approximately 500 tons. Nearly all of the claims have evidence of ore in several places along the horizons and, in some cases, it may be inferred that these outcrops which are 50 to 100 feet apart will be more or less continuous although they will be quite thin in many places. Total ore reserves are estimated to be between 1,200 and 1,500 tons.

PRESENT STATUS

Exploration and Development

Five of the twelve claims are accessible by truck roads which cross the various claims. Tributary roads to the ore exposures will have to be constructed. Development work has been confined to the three claims mined during 1941-43 and only necessary discovery work has been done on the others. The workings on the Lone Wolf consist of several short adits and open-cuts along the face of shallow cliffs where the small rolls of vanadium ore have been followed. The Red

Moon has been developed by one large open-cut with short adits leading from it. These adit workings are partially filled with mud as the ore dipped away, or down grade, from the cut. The Black Sheep deposits have been developed by a series of closely-spaced open-cuts and short adits following the more or less continuous ore along the cliff.

Mining and Milling Equipment and other Facilities

Sparks is presently operating on the Black Sheep claim using a worn-out jackhammer and a compressor made of two automobile engines, one used for power and the other for compressing the air. This equipment is inadequate and it will be necessary to re-equip the operation completely for the proposed exploration.

The ore produced from the operation may be sold at either the Monticello, Utah, plant or the new plant being erected at Shiprock, NewMex. This latter plant will probably be the most desirable point of sale as it is understood from the Atomic Energy Commission it will specialize in high lime content ore.

The present purchase schedule for 2.0 percent vanadium and 0.2 percent uranium ore follows:

Basic payment: 0.2 percent U_3O_8 = 4 pounds at $3.50 per pound	$14.00
Production bonus: at same rate	14.00
Exploration bonus: at $0.50 per pound, 4 pounds	2.00
Bonus payment: $0.75 per pound in excess of 10 pounds (not applicable)	
Vanadium content: maximum 10 to 1 ratio, 2 percent V_2O_5 = 40 pounds at $0.31 per pound	12.40
Value per ton	$42.40

Plus $0.06 per ton-mile transportation allowance;
Plus bonus payments if U_3O_8 content increases;
Less any penalty for high lime content of ore--6 percent $CaCO_3$ is new maximum allowed. The new high lime treatment plant should overcome the latter restriction.

PROPOSED EXPLORATION

The applicant has proposed to explore the various outcrops of ore by open pits and short adits. This is the common method of exploration in use in the region and is the logical method of approach. In some cases, it will be necessary to drive these short adits below the ore exposures in order to prevent having to drive down-dip on the ore. Development of the ore body from these adits will be done by drifts following the greatest thickness of ore. The individual proposals on each claim are listed below:

Claim	Proposed Work		Footage
Morning Star	1 - 7 ft. x 6 ft. adit	15 feet long	15
Willadean	1 - 7 ft. x 6 ft. adit	15 feet long	15
Lone Wolf	1 - 7 ft. x 6 ft. adit	15 feet long	15
Dottie No. 1	1 - 7 ft. x 6 ft. adit	15 feet long	15
Rita	1 - 7 ft. x 6 ft. adit	15 feet long	15
Squaw Kitty	1 - 7 ft. x 6 ft. adit	15 feet long	15
Red Pirate	1 - 7 ft. x 6 ft. adit	15 feet long	15
Total	7 adits		105
			Cubic feet
Red Horse	1 open pit	20 ft. x 6 ft. x 6 ft.	720
Magpie	1 open pit	20 ft. x 6 ft. x 6 ft.	720
Red Moon	1 open pit	20 ft. x 10 ft. x 7 ft.	1,400
Charlie Horse	1 open pit	20 ft. x 7 ft. x 6 ft.	840
Black Sheep	1 open pit	20 ft. x 7 ft. x 6 ft.	840
Total	5 open pits		4,520

COSTS OF PROJECT

Labor

2 miners at $1.50 per hour, or $350.00 per month, 6 months		$4,200.00
One of these men (Sparks) to be supervisor.		

Equipment to be purchased or rented

1 - 85-105 c.f.m. portable gasoline-driven compressor, new price	$2,500.00	
1 - 35-pound jackhammer	250.00	
Air and water hoses and fittings	100.00	
Water tank	50.00	2,900.00

This is a large portion of the total amount to be expended and it may be advisable to rent this equipment instead of purchasing it. The above can be rented as a complete unit for about $200.00 per month, or $1,200.00 for 6 months

Equipment to be rented (Owned by applicant)

1 - 1952 Chevrolet 4-speed pickup, value $1,800.00--depreciation rate at $30.00 per month, 6 months	180.00

Supplies

Powder, caps, fuse	$200.00	
Wheelbarrow, steel, bits	200.00	
100 feet of 1½-inch pipe for air line	50.00	
Small tools	50.00	
Gasoline for compressor	250.00	750.00

Transportation

Freight on equipment, truck use, hauling supplies, moving jobs, etc.	170.00

Rehabilitation and new facilities

No buildings or other facilities are needed. The applicant has a house trailer which he will furnish for living quarters.

Access Roads

(1) Rehabilitation and some improvement of existing truck roads from the canyon rim to the claims.
(2) Construction of new truck trails to the proposed work on the Morning Star, Red Horse, Willadean, Magpie, Dottie No. 1, Charlie Horse, and Rita claims.

Estimated at 6 days' work for bulldozer including transporting bulldozer to and from job, expected cost at $10.00 per hour--allow 500.00

Total	$8,700.00

If the equipment is rented instead of purchased, the total cost will be reduced to $7,000.00.

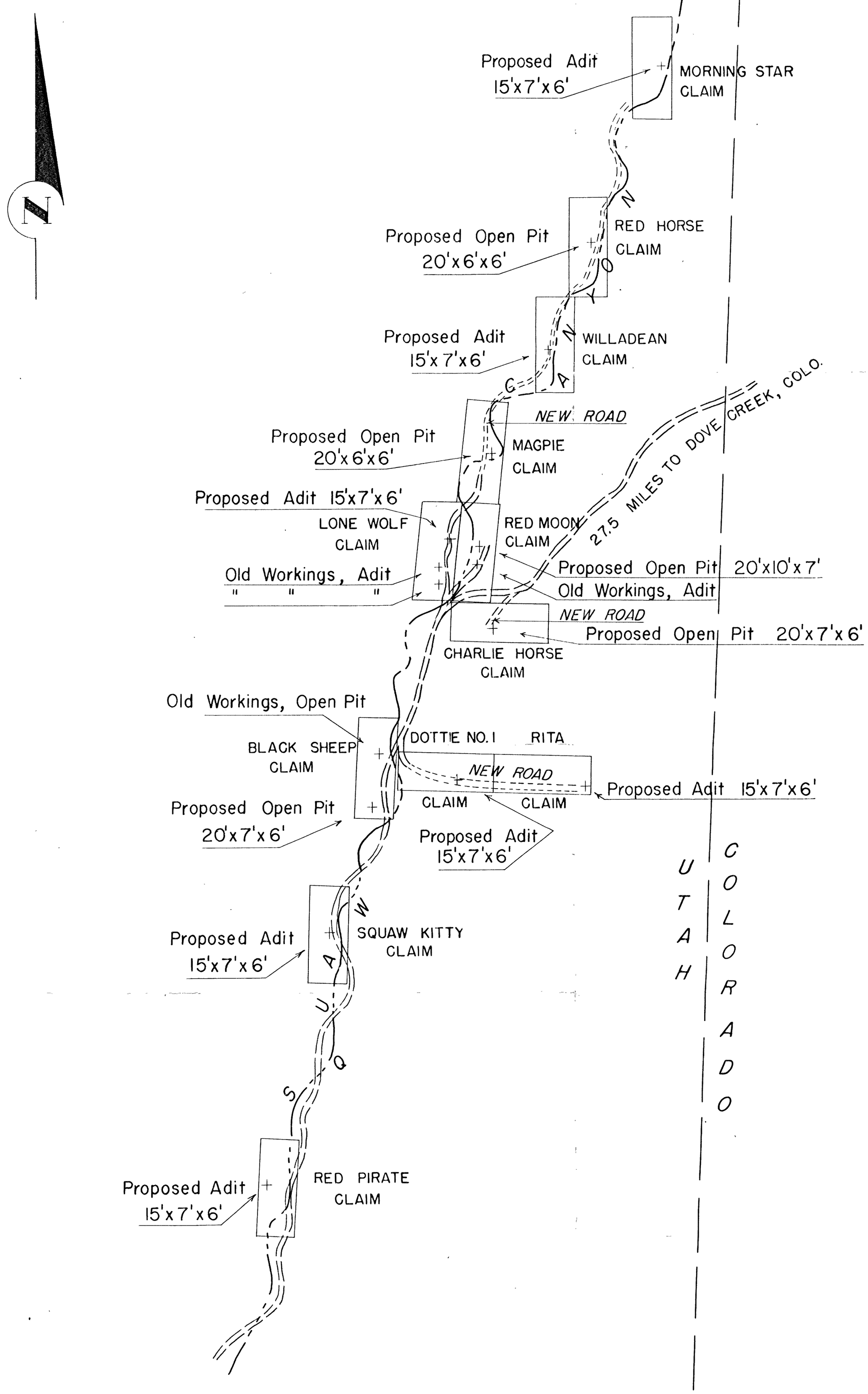
When Sparks was contacted for the field examination, he immediately mentioned that he had found his estimates were low and requested revision. He was willing to participate in the revised amount as he wants to do the work on each claim. He stated he will be able to finance his share of the increased amount.

CONCLUSIONS

The outcrops of uranium ore found in the Squaw Canyon district are promising and exploration is certainly justified. The proposals as given by Sparks are practical and the cost is reasonable. Discovery of ore on part of the claims will suffice to repay the loan. Sparks has successfully operated in the district during World War II and is prepared to finance his share of the project.

RECOMMENDATIONS

The work as proposed by the applicant and itemized under "Project Proposals" is recommended. The cost will be $8,700.00 if the equipment is purchased or $7,000.00 if the equipment is rented for six months. Government participation will be 90 percent of the total amount of the loan. A loan for $7,000.00 is probably more practical as it will not require settlement of equity in purchased equipment at the termination of the contract.



NOTE: MAP DRAWN FROM APPLICANT'S SKETCH. NOT TO SCALE.

Fig. 2 SQUAW CANYON URANIUM - VANADIUM

SAN JUAN COUNTY, UTAH DMA 2133

COLORADO BRANCH - MINING DIVISION - REGION IV
BUREAU OF MINES

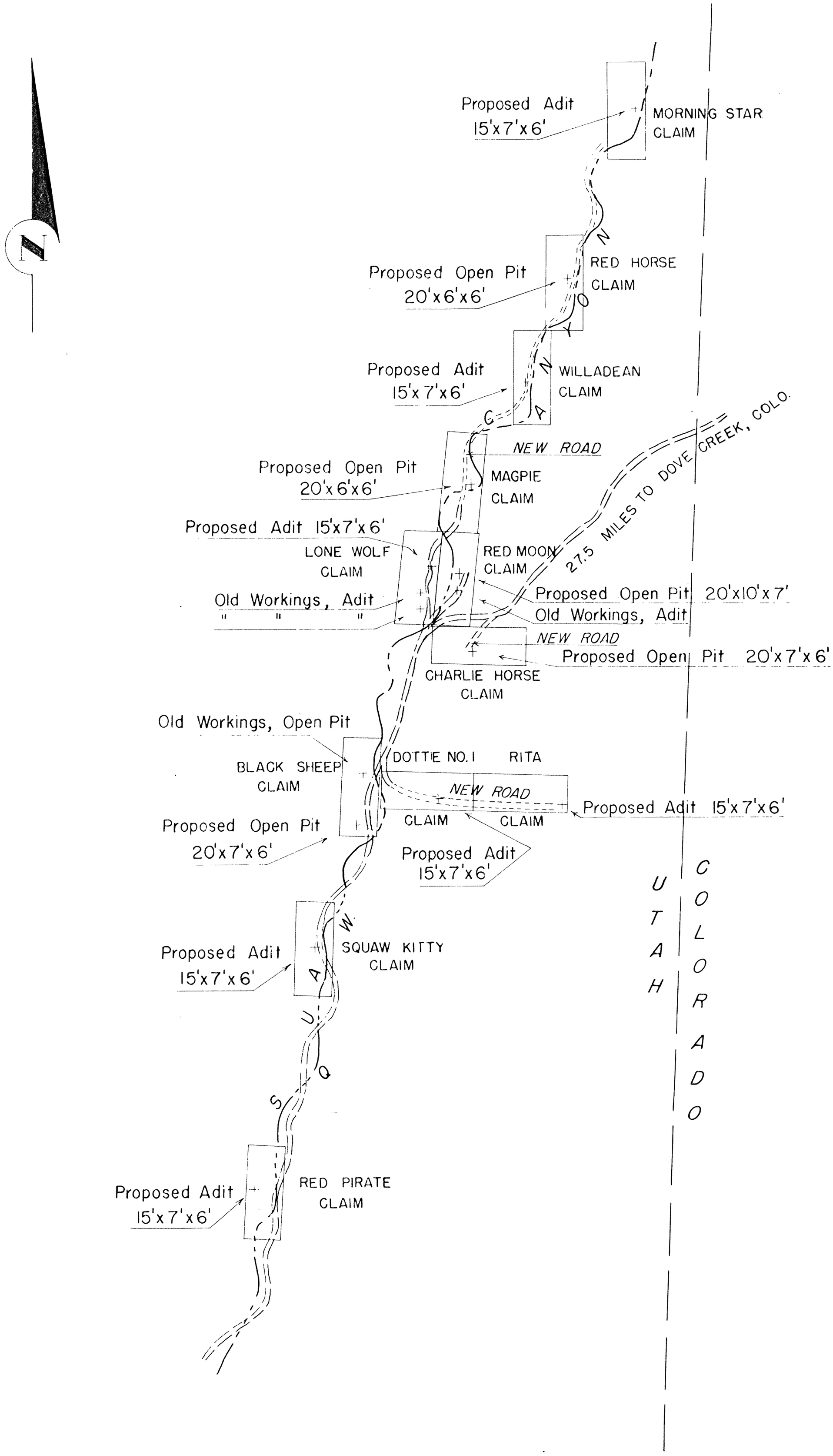


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Fig. 2 SQUAW CANYON URANIUM - VANADIUM SAN JUAN COUNTY, UTAH DMA 2133

COLORADO BRANCH - MINING DIVISION - REGION IV
BUREAU OF MINES