DMA Form 1

DEFENSE MINERALS ADMINISTRATION
Control Slip

CONTROLLED DOCUMENT

DMEA ~~DMX~~ Docket No. 2371

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EXPLORATION PROJECT

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To:	CODE 700 RM. 4640	Date	2-11-52
To:	Mails & Files	Date	12-3-52
To:	Open Com.	Date	4-1-53
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FILE COPY
SURNAME:

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

F.L. Knouse
Ellis
Selfridge
Johnson
Stallcup

APR 2 1953

Mr. N. H. King
Executive Officer
DMA Field Team
22d New Customhouse Building
Denver 2, Colorado

Re: Docket No. DMEA-2371 (Uranium)
Circle Cliffs Mining Company
Yellow Jacket, Partner and Black
Widow Mining Claims
Garfield County, Utah

S.C. 4/1/53

Dear Mr. King:

Replying to your inquiry of March 26, 1953, the above docket was placed in our closed file during the month of December, 1952, since no response was received from the applicant to our letter of November 2, 1953.

Sincerely yours,

George C. Selfridge (JHB)
Chairman, Operating Committee

APPROVED:

J. H. Hedges (JHB)
Member, Bureau of Mines

A. R. Kinkel, Jr. (JHB)
Member, Geological Survey

GLAult/FLKnouse/eef 3/30/53

cc to: Adm. Reading File
Operating Committee
Docket
Messrs: HDKeiser, Rm.3641
APButler, Rm.3606 GSA
Ellis
Knouse
DMEA FT. Region IV

3/24/53 gla

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

224 New Customhouse
Denver 2, Colorado

March 20, 1953

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
MAR 23 1953

Memorandum

To: Secretary to the Operating Committee
Defense Minerals Exploration Administration

From: Executive Officer, DMEA Field Team, Region IV

Subject: Docket DMEA 2371, (Uranium) Yellow Jacket, Partner and Black Widow Mines, Garfield County, Utah

Reference is made to your letter of October 7, 1952 to the applicant, stating that if the needed data you had requested from him was not received by November 2, 1952, you would then consider the docket closed.

Will you please advise the present status of this docket.

W.H. King

W.H. King

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

224 New Customhouse
Denver 2, Colorado

March 20, 1953

Memorandum

To: Secretary to the Operating Committee
Defense Minerals Exploration Administration

From: Executive Officer, DMEA Field Team, Region IV

Subject: Docket DMEA 2371, (Uranium) Yellow Jacket, Partner and Black Widow Mines, Garfield County, Utah

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W.H. King
W.H. King

HMC:ld

cc: Wilson
Koschmann
Subject
Chron.

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

December 3, 1952

Memorandum

To: Operating Control & Statistics Division

From: Ernest Wm. Ellis, Chief
Rare and Misc. Metals Division

Subject: Docket No. DMEA-2371 (Uranium)
Circle Cliffs Mining Company
J. Mark Holmes, Major Shareholder & Lessee
Garfield County, Utah

Inasmuch as the Applicant has not responded to our letters requesting certain material which will permit further processing of this application, and particularly our letter of October 2, 1952, wherein he was advised that the docket would be considered closed unless such information was received, we are removing this docket from our list of pending applications. The docket file is returned herewith to be placed in the closed file.

Ernest Wm. Ellis

Ernest Wm. Ellis

700 FILE COPY
SURNAME:

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

F. Kewane
Ellis

December 3, 1952

Memorandum

To: Operating Control & Statistics Division

From: Ernest Wm. Ellis, Chief
Rare and Misc. Metals Division

Subject: Docket No. DMEA-2371 (Uranium)
Circle Cliffs Mining Company
J. Mark Holmes, Major Shareholder & Lessee
Garfield County, Utah

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Ernest Wm. Ellis

FILE CO
SURNAME:

F.L. Knouse
Ellis
Mott

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

OCT 2 1952

Mr. J. Mark Holmes
Circle Cliffs Mining Company
Canab, Utah

Re: Docket No. [illegible]-2371 (Uranium)
Yellow Jacket, Partner
& Black Widow Mines
Garfield Co., Utah

Dear Mr. Holmes:

A review of your application of February 11, 1952, for a $91,449.00 exploration contract reveals that a letter dated May 27, 1952, by Mr. [illegible] G. Mittendorf, Administrator of Defense Minerals Exploration Administration requests additional information necessary to process your application.

No reply to this communication has been received, and we assume that you no longer desire to proceed with the application. We wish to cooperate with you in the matter of allowing ample time, but if the needed data has not been received by November 2, 1952, we will then consider the docket closed.

Sincerely yours,

S.H.
10-2-52

Signed

Ernest M. Ellis, Chief
Rare and Misc. Metals Division

FLKnouse/jem
10/2/52
cc to: Adm. Reading File
Docket
Messrs. ~~xxxxxxx~~ H.D.Keiser-1347
A.P.Butler-3206 CSA
Ellis Knouse
Field Team, Region IV (2)

FILE COPY
700 SURNAME:

F. L. Kusan
Porter
Ellis

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

MAY 2 7 1952

Mr. J. [illegible] Holmes
Circle Cliffs Mining Company
Moab, Utah

Re: Docket [illegible] 1971 (Uranium)
Yellow Jacket, Further
Lease [illegible]
Garfield Co., Utah

Dear Mr. Holmes:

We have made a preliminary review of the contract of title and lease submitted to us with your application, in connection with the requirement of this agency that an applicant must have a sufficient interest in land for the purposes of the exploration project contract. From the papers before us, we are in doubt that the Circle Cliffs Mining Company has a sufficient interest in the land, for the reasons stated below.

The Yellow Jacket and Yellow Jacket #2 claims were leased to Holmes and Howard on September 19, 1950, and on January 3, 1951, Howard assigned his interest in this claim and in other claims to Holmes. There is no evidence before us that the lessors consented in writing to this assignment, as is required in the lease. On September 24, 1950, for some reason not apparent to us, the Yellow Jacket claim was leased to Holmes only, apparently being one of the 2 claims leased on the previous day to Holmes and Howard.

The Black Widow claims were leased to Holmes and Howard on September 19, 1950. This lease also provides that it is not assignable without the written consent of the lessors. Howard included his interest in this lease among the interests which he assigned to Holmes in the instrument dated January 3, 1951. There is no evidence before us that the lessors consented in writing to this assignment.

On January 29, 1951, Holmes assigned a 50% interest in claims held by him, including the Yellow Jacket and the Black Widow Groups, to Dixmouth Lumber Company. The status of this company in connection with the application, is unknown to us.

As the Circle Cliffs Mining Company, a partnership, is the applicant, it must be demonstrated that the partners hold the complete interest in the leases of the claims which are the subject of the proposed project, and your explanation should be accompanied by copies of such documents as disclose this fact.

It is noted also, that the leases have provisions against removing buildings, fixtures and improvements from the property, under certain circumstances.

It will be necessary, therefore, for you to obtain signed Owner's Consent to Lien Form [illegible]-[illegible]3 from the lessors, twenty eight (28) copies of which are enclosed. One original and six signed copies of this form are to be obtained from each lessor.

As requested in your letter of May 12, 1952, we are returning the thirteen (13) Settlement Sheets, contained herein.

We will be cleared to continue processing your application when we receive further information from you concerning the leasehold interests.

Sincerely yours,

5/28

C. O. Mittendorf

Acting Administrator
Defense Minerals Exploration
Administration

Enclosures

HCRubin/FLKnouse/jem
5/26/52
cc to: Adm. Reading File
Docket
Messrs. A.J.Kauffman, 1347
A.P.Butler, 3206 G.A.
Ellis
Knouse
Hoffland
Field Team, Region IV (2)

708 FILE COPY
SURNAME:
Docket
H. Knouse
Ellis

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

MAY 26 1952

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

Re: Docket No. DMEA-2371 (Uranium)
Circle Cliffs Mining Co.
Yellow Jacket, Partner and
Black Widow Mines,
Garfield County, Utah

Dear Mr. King:

For your information, we are forwarding herewith supplemental data furnished by Mr. J. Mark Holmes in connection with the above docketed application, a copy of which was forwarded to your office previously. The enclosures are: a copy of Mr. Holmes' letter dated May 12, 1952, and 13 photostatic copies of settlement sheets from ore purchased by the American Smelting & Refining Co. at Marysvale, Utah, to which he refers in his letter.

Sincerely yours,

(signed) FRANK E. JOHNSON

5/26 (JHB)

Chairman, Operating Committee

Enclosures 14

HEKnouse/gla 5-23-52

APPROVED:

J. H. Hedges (JHB)
For Bureau of Mines

/S/ J. M. Lammon (JHB)
For Geological Survey

cc to: Adm. Reading File
Operating Committee
✓ Docket
Messrs. A.J.Kauffman, Jr. (with copies
A.P.Butler, Jr. (of enclosur
Ellis
Knouse

5/20/52 gla

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
MAY 19 1952

Kanab, Utah
May 12, 1952

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

Attention: Ernest Wm. Ellis
Chief, Rare and Misc. Metals Division

RE: Docket No. DMEA
2371 (Uranium)
Circle Cliffs Mining Co.
Yellow Jacket, Partner
& Black Widow Mines
Garfield Co., Utah

Dear Mr. Ellis:

In answering your questions, which you state are holding up the Loan application, I will do my best to give you satisfactory answers.

(1) On Question No. 1, a profile section on each project with Number, also a map which shows geologic classification of rock. As to your second question, the reason for expecting commercial ore bodies, is that the production of commercial ore from the Yellow Jacket and Black Widow should be the best proof of expectancy for commercial ore. From the Partner Claims small pockets of ore up to .90% U_3O_8 ore have been discovered and sent by Wm. Davis to the U.S. Bureau of Mines for testing, at Salt Lake City, Utah.

(2) In answering your question in No. 2, may I suggest that you have maps drawn to scale which outline the mineralized zone in plan and section as far as exploration to date makes this information available. Please refer to map sent with the application, for this information.

Thirteen settlement sheets from ore purchased by the American Smelting & Refining Co. at Marysvale, Utah, are enclosed. Please return the same after examination of them.

The Black Widow Mine operation offers the best place to obtain a picture of what happened in the Circle Cliffs area. I will explain what I found.

There was a nice pocket of ore which gave value of ore where we first struck, of about .35%, but due to the excessive activity on a counter, we shipped too much low grade moenkopi rock joining the ore and our average was reduced because of this. The source of the ore was a fracture through which the ore came. This fracture runs north and south. The beds of the Shinarump was thin at this location and were fractured and water running off the shinarump travelled down the fracture and made a concentration at the edge of the plateau, where we mined in a Glory hole 280 tons of Uranium ore ore, marked with "A" on Black Widow Map.

The ore seems to come through in very small veing and at the intersection of a cross vein, a pocket is made in contact with the shinarump beds. These seem to be formed because the intrusive fractures were unable to break through the shinarump beds, therefore, it acted as a capping to hold the ore in pockets at places along the vein. It is anticipated that fractures will give an appearance of a stream channel due to hyperthermal action on the moenkopi beds at the contact with the shinarump capping.

The anticipated small stopes at intersection of the fractures can be better mined if tunnel is under ore. The bedded ore at the contact of shinarump formation can also be stoped along with the small stope under it.

(3) a. The presence of Uranium ore in commercial grade as evidence by the settlement sheets, should justify the further exploration for commercial ore on these properties. May I refer you again to sketch drawing submitted with application, in answer to the first part of your question.

(3) -b. The point marked A. on the sketch indicates the location of the Glory hole from which the production was taken on the Black Widow mine. See Black Widow map with application.

(4) -a. The answers to this question are all given in the application. Please note. Houses and ore bins to be constructed by Project No's. are all given under question No. 6 in application and items to be purchased, new equipment, etc., are given for each project in question No. 7. The rate and number of hours each employee is expected to work, is shown under question 8 in application. It is not anticipated that any equipment will be rented.

With respect to estimated period of time each equipment, I refer you to application Question 3 (b) in which it is estimated that in one month from authorization, we could have Project No. 1 started and that from 1 month to 2 months, commercial ore would be developed at which time this project could be changed from a development project to a repayment basis and the equipment etc., would be left to operate the mine. We would start with new equipment and different personel to develop project No. 2. This is the method of development proposed in this development project.

Should no commercial ore bodies be developed in Project No. 1, then the equipment would be available for Project No. 2 without additional purchase of equipment. It is not anticipated to have more than one development project going at a time.

(4) -b. We did not intend to contract exploration work, but should your field man find a contractor willing to contract at a fair price, we would be happy to contract the development work.

It is hoped that the enclosed information will be sufficient for the continuence of the processing of the application.

The Development work, which will prove what happened in the Circle Cliffs area is of great value to the development of a uranium field in this area. We feel that our program will do a lot to accomplish this.

Sincerely yours,

J. Mark Holmes
by MJH.

JMH/mjh

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o
p
y

Kanab, Utah
May 12, 1952

U. S. Department of Interior
Defense Minerals Exploration Administration

Attention: Ernest Wm. Ellis
Chief, Rare and Misc. Metals Division

RE: Docket No. DMEA
2371 (Uranium)
Circle Cliffs Mining Co.
Yellow Jacket, Partner
& Black Widow Mines
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The development work, which will prove what happened in the Circle Cliffs area is of great value to the development of a uranium field in this area. We feel that our program will do a lot to accomplish this.

Sincerely yours,

/s/ J. Mark Holmes
by MJH

JMH/mjh

Kanab, Utah
May 12, 1952

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

RE: Docket No. DMEA
2371 (Uranium)
Circle Cliffs Mining Co.
Yellow Jacket, Partner
& Black Widow Mines
Garfield Co., Utah

Attention: Ernest Wm. Ellis
Chief, Rare and Misc. Metals Division

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The Development work, which will prove what happened in the Circle Cliffs area is of great value to the development of a uranium field in this area. We feel that our program will do a lot to accomplish this.

Sincerely yours,

JMH/mjh

FILE COPY
SURNAME:

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

AIR MAIL

MAR [illegible] 1952

Mr. Leo [illegible] Carter, Secy. & Treas.
Circle Cliffs Mining Company
Salem, Utah

Re: Docket No. [illegible]-3/1 (Parish)
Circle Cliffs Mining Co.
Yellow Jacket, Partner, and
Black Widow Mines
Garfield County, Utah

Dear Mr. Carter:

We refer to your above referenced application and wish to inform you that it is now being processed by this office. Before we can proceed further with the processing of your application we will require the following data:

1. Furnish a statement of the geologic nature of your property, having type of ore deposits and reasons for your belief that it is commercial ore bearing.

2. Furnish maps or sketches, preferably to scale, showing the known or indicated mineralized zones in the area specified. Show assay results of the mineralized ore or rock in relation to the claims and mines.

3. Describe location, size and extent of the proposed workings and describe in detail your reasons for justifying the extent of each part of this proposed work.

Indicate on the map or sketch, if one is made, the location and extent of workings from which the 2[illegible] tons of ore were produced. Please also supply us a copy of the ore settlement sheet from ore buyer.

Please supply a detailed cost estimate covering each separate phase of the work, broken down in terms of labor, supervision, engineering, (including cost of mapping, sampling, and laboratory analysis) and supplies, with a description of each equipment unit to be used on each part of this work in terms of price for units to be purchased, rates for units to be rented, and their purchase value of units to be furnished. The estimated period of time the equipment will be required to complete each part should be furnished.

(b). If any phase of this work is to be done by a contractor, the unit contract cost is to be indicated. It is not clear if you propose to purchase three 210 cu. ft. compressors to do this work. Please clarify this point.

Upon receipt of the above information we will be able to continue processing this application.

Sincerely yours,

Ernest Wm. Ellis, Chief
Rare and Misc. Metals Division
Defense Minerals Exploration
Administration

3/19

FIKnouse/jem
3/18/52
cc to: Adm. Reading File
Docket
Messrs. Kauffman, A.J. Rm. 1347
Butler, A.P. Rm. 3206 GS
Ellis
Knouse
Field Team, Region IV (2)

3/14/52 gla

STANDARD FORM NO. 64

Office Memorandum • UNITED STATES GOVERNMENT

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

DATE: March 13, 1952

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

SUBJECT: DMEA Docket 2371 (Uranium) - Circular Cliffs Mining Company; J. Mark Holmes Applicant, Yellow Jacket, Partner, and Black Widow Claims.

I have reviewed the application for an exploration loan for the property named in the subject. We do not have sufficient pertinent information in the Geological Survey files to evaluate this application. The property is in an area in which numerous showings of uranium minerals have been reported. The applicant, however, gives no specific information about the amount and uranium content of material on these properties other than a single statement that 280 tons of ore were produced in 1951. I think it likely that this application should be referred to the field team but I believe more factual information on the grade of deposits should be obtained before field examination is decided upon.

If field examination is made, it is worth noting that the proposed plan of exploration indicates a very sketchy and, in part, erroneous idea of the manner in which ore occurs in deposits of this type. Thus a significant part of a field examination should be directed toward setting up a plan of exploration appropriate to the type of geology of the deposits. Very likely such a plan would result in a material reduction in the amount of work and cost below that proposed by the applicant.

Arthur P. Butler, Jr.

Arthur P. Butler, Jr.

Attachment

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
MAR 14 1952

IN REPLY REFER TO:

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

March 13, 1952

E. Wm. Ellis, DMEA Member - Uranium Commodity Committee

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

DMEA Docket 2371 (Uranium) - Circular Cliffs Mining Company; J. Mark Holmes Applicant, Yellow Jacket, Partner, and Black Widow Claims.

I have reviewed the application for an exploration loan for the property named in the subject. We do not have sufficient pertinent information in the Geological Survey files to evaluate this application. The property is in an area in which numerous showings of uranium minerals have been reported. The applicant, however, gives no specific information about the amount and uranium content of material on these properties other than a single statement that 280 tons of ore were produced in 1951. I think it likely that this application should be referred to the field team but I believe more factual information on the grade of deposits should be obtained before field examination is decided upon.

If field examination is made, it is worth noting that the proposed plan of exploration indicates a very sketchy and, in part, erroneous idea of the manner in which ore occurs in deposits of this type. Thus a significant part of a field examination should be directed toward setting up a plan of exploration appropriate to the type of geology of the deposits. Very likely such a plan would result in a material reduction in the amount of work and cost below that proposed by the applicant.

Arthur P. Butler, Jr.

Attachment

Copy to-E.Wm.Ellis-2

IN REPLY REFER TO:

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

March 13, 1952

E. Wm. Ellis, DMEA Member - Uranium Commodity Committee

Arthur P. Butler, Jr., USGS - Member Uranium Commodity Committee

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Arthur P. Butler, Jr.

Copy to-E.Wm.Ellis-2

Attachment

2/18/52 gla

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

February 18, 1952

Memorandum

To: Rare and Miscellaneous Metals Division
Defense Minerals Exploration Administration
Ernest Ellis
Room 4070

From: A. J. Kauffman, Jr.
Rare and Precious Metals Branch

Subject: DMEA Docket 2371, Circle Cliffs Mining Company, Hatch, Utah

This application appears to cover three projects. It probably can be set up on a project to project basis. It is recommended that the field team examine the property, after consulting with the Grand Junction Exploration Branch of the Atomic Energy Commission.

A. J. KAUFFMAN, JR.

Attachment

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
FEB 18 1952

FILE COPY
Surname:

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

February 18, 1952

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Signed

A. J. KAUFFMAN, JR.

Attachment

AJKauffman:svh

Copy to: Paul Zinner
Rare and Precious Metals Branch
A. J. Kauffman
Files

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

224 New Customhouse
Denver 2, Colorado

February 15, 1952

Memorandum

To: C. O. Mittendorf, Acting Administrator, Defense Minerals Exploration Administration

From: Executive Officer, Field Team, Region IV

Subject: Application of Circle Cliffs Mining Company, c/o Eldon L. Porter, Secretary & Treasurer, Hatch, Utah, DMEA Docket 2371

We have just received a copy of Form MF-103 and maps pertaining to the application of the Circle Cliffs Mining Company for exploration assistance estimated to cost $91,449.

A copy of Form MF-100 and a copy of the review by the Washington Office have not been received by this office. This application will be held in the Denver office pending receipt of information regarding the review and Form MF-100.

J. H. East, Jr.

J. H. East, Jr.

Defense Minerals Administration
FEB 1 0 1952

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

224 New Customhouse
Denver 2, Colorado

February 15, 1952

Memorandum

To: C. O. Mittendorf, Acting Administrator, Defense Minerals Exploration Administration

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A copy of Form MF-100 and a copy of the review by the Washington Office have not been received by this office. This application will be held in the Denver office pending receipt of information regarding the review and Form MF-100.

J. H. East, Jr.

J. H. East, Jr.

JFS:ld

cc: Docket, chron.
Koschmann

EXPLORATION

Subject: DMEA-2371
Re: Exploration Loan
Yellow Jacket, Partner, Black Widow
Mining Claims
February 11, 1952

Mr. J. Mark Holmes, Major Shareholder &
Lessee
Circle Cliffs Mining Company
C/O Eldon L. Porter, Secretary & Treas.
Hatch, Utah

My dear Mr. Holmes:

This will acknowledge receipt of your application dated January 30, 1952 for a loan under the Defense Production Act of 1950.

Your application was assigned Docket Number DMEA-2371 and referred to the Rare & Miscellaneous Metals Division.

Kindly refer to DMEA-2371 in any future correspondence relating to your application.

Sincerely yours,

ROBERT E. ADAMS

Robert E. Adams
Acting Administrative Officer

7862

Form MF-103
(Revised June 1951)

UNITED STATES DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

Budget Bureau No. 42-R1035.1.

MF-103 Should Be Filed With General Technical Data Form MF-100

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

Not To Be Filled in by Applicant

Docket No. DMEA-2371
Metal or Mineral
Date Received 2/11/52
Amount $
Participation (Government %)

Circle Cliffs Mining Company
% Eldon L. Porter, Sec. & Treas.
Hatch, Utah

J. Mark Holmes
Box 157
Kanab, Utah

Name and address of applicant

Date January 30, 1952

If you have already filed MF-100, give date filed Sept. 1, 1951, type of assistance requested ~~access road~~,

DMA Docket Number (if available) ~~AR-90~~

INSTRUCTIONS

Read Mineral Order 5, Regulations Governing Government Aid in Defense Projects, before completing this application. Submit four copies each, of the signed application form, General Technical Data Form MF-100, and answers to questions as specified, to Defense Minerals Administration, Department of the Interior, Washington 25, D. C., or to the nearest field executive office thereof, with your name and address on each sheet of the application and all accompanying papers. If you have previously filed MF-100, it is not necessary to file it again. However, you should indicate in space provided above the type of assistance previously applied for (loans, procurement contracts, etc.) and DMA Docket Number, if available. *When a question is inapplicable it should be so stated in the form.* Additional sheets should be attached in answering any questions or in supplying additional information. IF YOU CANNOT ANSWER A QUESTION, SO STATE.

1. (*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*) If you are not the owner of the property, submit a copy of the lease, purchase option, or other agreements under which you are authorized to operate the property with each copy of your application.

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

   NOTE: (1) 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 (*c*) 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.

   (2) If applicant is not the owner of the property or if there are any liens or encumbrances against the property, copy of agreements of claimants, lienors, encumbrances, and lessors subordinating their interests in the property to the interest of the Government under the Exploration Project Contract will be required for attachment to the Contract.

2. (*a*) What metals or minerals do you expect to find?

   (*b*) Furnish statement of the geologic features of your property, giving type of ore deposit and reasons for expecting to find commercial ore bodies. Illustrate with maps or sketches. If you have a geologic or engineering report, or assay maps showing width and grade, please send them with application, stating whether or not you wish to have them returned.

The information requested in questions 3, 4, 5, 6, 7, 8, and 9 below should be answered specifically and in detail, as this information will be attached to and incorporated as part of the Exploration Project Contract, if such contract is entered into with you by the Government.

ANSWER EACH QUESTION ON SEPARATE SHEETS OF PAPER AND SUBMIT A COPY OF EACH ANSWER FOR EACH COPY OF YOUR APPLICATION.

3. (*a*) Describe fully the proposed work and give the total cost of the project.

   (*b*) State the time required to start the project and to complete it.

4. Submit a map or sketch of the property involved showing a plan (and cross section, if needed) of the present mine workings and the *location of the proposed exploration work* as related to geologic features, such as contacts, veins, ore-bearing beds, etc.

5. Furnish an itemized list of existing facilities, buildings, installations, and fixtures with a statement of the cost of any necessary rehabilitation or repairs to put into useful and operable condition.

6. Furnish a detailed list of additional facilities, buildings, and fixtures to be purchased, installed, or erected by you, with the estimated cost of each item.

7. Furnish a detailed list of operating equipment, separated into items to be—

   (*a*) Rented

   (*b*) Purchased

   (*c*) Furnished by you

   with the rental, purchase price, or depreciation of each item, as the case may be, to be charged as a cost of the project.

8. Furnish an itemized schedule of labor, by numbers and classes (miners, muckers, etc.) and of supervisors by numbers and positions, with the maximum wages or salaries to be paid to each.

9. Furnish a detailed list with estimated cost of each item for materials, supplies, engineering, assaying, accounting, power, water, utilities, and any other items not provided for above.

10. (*a*) How much are you prepared to invest in the proposed project?

    (*b*) Is this amount sufficient to pay your part of the cost of the project, in accordance with the regulations on Government participation (Sec. 9 of MO–5)?

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

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.

Circle Cliffs Mining Company
(Name of company)

By J. Mark Holmes
(Signature of authorized official)

unincorporated

J. Mark Holmes, major shareholder and lessee

January 30, 1952
(Date)

Acting President of Group
(Title)

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

U. S. GOVERNMENT PRINTING OFFICE 16—64067-2

CIRCLE CLIFFS MINING COMPANY
Hatch, Utah
January 30, 1952

1. (a) Project No. 1, Yellow Jacket Mining Claim
Project No. 2, Partner Mining Claims
Project No. 3, Black Widow Mining Claims

(b) Abstract to show legal rights included.

(c) Center of Yellow Jacket Mining Claim, Project No. 1 at Point C on sketch.

South end of Partner No. 2 Mining Claim, Project No. 2, at Point B on sketch.

North end of Black Widow No. 1 Mining Claim, Project No. 3, at Point B on sketch.

2. (a) Uranium, but the type of mineralization is not too well known. However, I have operated at Point A on both Yellow Jacket and Black Widow Claims and have produced commercial ore from each, but due to a road washout on which all our profits plus considerable other money has been spent, we are unable to finance the anticipated development work outlined without a loan from the Defense Minerals Exploration Administration.

(b) The Geologists and engineers of the Atomic Energy Commission are not familiar with Circle Cliffs mineralization and are able to give only limited assistance. The Geological sketches are made by applicant from limited experience and are subject to correction following further exploration of the deposits.

3. (a) Project No. 1. Yellow Jacket Mine. Drift a tunnel 180 feet from a starting point 12 feet above the bottom of stream bed north to intersect east west vein structure. Then sink 200 feet and cross-cut ore beds. Total of two months with two shifts per day in labor.
Total cost of Project equipment and building and labor.....$24,703.40

(a) Project No. 2. Partner Mine. Drift northeast 150 feet to 200 to contact the shinarump formation, then drift on the contact to the west edge of Partner No. 2, then drift east on contact until a two month's period with two shifts per day is completed.
Total cost of Project equipment, building and labor..... $19,938.00

(a) Project No. 3. Black Widow Mine. Drift South 1300 to 1450 feet until we contact the east west structure. The tunnel will follow the present vein structure from which a 280 ton production has been made in 1951. It is anticipated that as ore shutes are contacted, they will be mined following the exploration work by stoping up to the contact with the shinarump formation where it is anticipated that beds of commercial ore similar to the one mined will be contacted. When the east west structure is contacted, we will drift west on structure until the 8 month period of two shifts per day per month is used up which will give an estimated total drift length of 1800 feet.
Total cost of Project equipment building, timbering & labor $43,957.60

(a) A Exploration Program $ 4,850.00

TOTAL PROJECT..... $91,449.00
92,449

3. (b) Project No. 1 started within one month of date of authorization and completed within 4 months.

Project No. 2 started within two months of date of authorization and completed within 6 months.

Project No. 3 started within 6 months of date of authorization and completed within 18 months.

4. One general area map enclosed to show road, etc. and location of mining claims. Also, detailed claim map with profile for each project.

5. No building or facilities to aid project. The only equipment is bounded up tents now used as camps.

6. Project No. 1, Yellow Jacket Mine
2 Housing units, @ $1,800.00 per unit, ...$3,600.00
1 ore bin.....$1,500.00 ? gn

Project No. 2, Partner Mine
2 Housing units, @ $1,800.00 per unit.....$3,600.00
1 ore bin.....$1,500.00 ? gn

Project No. 3, Black Widow Mine
2 Housing units, @ $1,800.00 per unit.....$3,600.00
1 ore bin.....$1,500.00 ? gn

7. (a) None

7. (b) Project No. 1, Yellow Jacket

1---210 c.f.m. Diesel Compressor, Leroi, f.o.b., Marysvale.....	@ 5,890.00
1 Drifter complete	450.00
2 Jack hammers, @ $220.00 each	440.00
Powder	800.00
Fuel	600.00
200 feet of Air hose	120.00
Steel from 6' to 2' in assorted lengths	83.60
Bits	144.00
1 Air Hoist with skip-guide rail, etc.	1,450.00
2 mine cars @ $225.00 each	450.00
Misc. Hand tools	215.00
1 wagon drill for testing ground 100 to 125 feet	1,415.00
108 feet of steel for wagon drill in 6' lengths	118.80
Bits-Tungsten carbide bits	48.00
Rails, fish plates, spikes & ties	500.00
1 Coleman light plant	1,200.00
Total equipment	$14,723.40

7. (b) Project No. 2, Partner Mine

1 Compressor, 210 Diesel Leroi, f.o.b., Marysvale	@ 5,890.00
1 Liner complete	450.00
1 Jack Hammer	220.00
100 feet air hose	60.00
Steel 1" hex as follows:	
" 2-6 foot length @ $1.10 per ft.	13.20
" 2-5 " " " " " "	11.00
" 2-4 " " " " " "	8.80
" 2-3 " " " " " "	6.60
" 2-2 " " " " " "	4.40

Bits 4 boxes of 48 each @ $24 per box	96.00
1 Air hoist @ $425.00	425.00
1 Mine car @ $225.00	225.00
1 misc. hand tools	100.00
1 skip and cable	500.00
Rails, fish plates, spikes, etc.	500.00
1 Coleman light plant	1,200.00
Total equipment	$10,718.00

7. (b) Project No. 3, Black Widow Mine

1 210 c.f.m. diesel, Lobai Compressor, f.o.b., Marysvale	$ 5,890.00
1 drifter, complete	450.00
2 Jack Hammers @ $220.00 ea.	440.00
200 feet of air hose	120.00
2 mine cars @ $225.00 ea.	450.00
1 mucking machine	2,000.00
4000 lineal feet of rails, fish plates, spikes	1,500.00
2000 lineal feet of 1½ inch pipe	800.00
2000 lineal feet of 1 inch pipe	500.00
1 Delco Light Plant	1,200.00
Steel as follows:	
" 4-6 foot lengths @ $1.10 per ft.	26.40
" 4-5 " " " " " "	22.00
" 4-4 " " " " " "	17.60
" 4-3 " " " " " "	13.20
" 2-2 " " " " " "	4.40
Bits	144.00
Total equipment	$14,657.60

7. (c) none

8. Project No. 1, Yellow Jacket
Two shifts per day for two months

1 Superintendent, for both shifts @ $500.00 per month	$ 1,000.00
2 miners @ $1.75 per hr. for 400 hrs. each	1,400.00
2 muckers @ $1.50 per hr. for 400 hrs. each	1,200.00
Office and administration expenses	750.00
Construction of additional road	520.00
Total Labor	$ 4,870.00

Project No. 2, Partner
Two shifts per day for two months

Power and Diesel fuel, etc.	$ 1,000.00
1 Superintendent, for both shifts @ $500.00 per month	1,000.00
2 miners @ $1.75 per hr. for 400 hrs. each	1,400.00
2 muckers @ $1.50 per hr. for 400 hrs. each	1,200.00
Office and administration for two months	500.00
Total Labor	$ 5,120.00

5,100.00 right

8. Project No. 3, Black Hidge

Two shifts per day for eight months

Powder, diesel fuel, etc.	@ 5,000.00
1 Superintendent, for both shifts @ $500.00 per month	4,000.00
2 miners @ $1.75 per hr.	5,400.00
2 muckers @ $1.50 per hr.	4,800.00
Administration expenses and supervision	3,000.00
Misc. expenses	2,000.00
Total Labor	$24,200.00

9. It is anticipated to use wagon drill called for in Project No. 1 to do drilling on all the projects to locate ore bodies ahead of exploration development work. An estimate of these costs is as follows:

Use of one ary surplus scout car with one compressor, Lettel 165 now owned by applicants in connection with this wagon drilling program and Project No. 1

Two months drilling program.

1 engineer @ $750.00 per month	@ 1,500.00
1 Geophysics expert @ $500.00 per month	1,000.00
1 miner to operate wagon drill @ $350.00 per month	700.00
1 helper for operator @ $300 per month	600.00
Gas, oil and misc. expenses @ $225.00 per month	450.00
Rent on compressor @ $200.00 per month	400.00
Rent one scout car @ $100.00 per month	200.00
Total estimated cost of drilling and maping of ore deposits from drilling program.....	@ 4,850.00

10. Mr. J. Mark Holmes, Jesse S. Wilson, Eldon L. Porter and D. J. Banks are partners doing business as the Circle Cliffs Mining Company, are prepared to put into the projects $3,300.00 cash now available plus income from the workings at Point B, Yellow Jacket Mine, not a part of this project. The balance of $5,724.00 or any additional amount to complete project will be raised as needed. It is estimated that a profit of $4,000.00 per month can be had from the operation of a mine at Point B on the Yellow Jacket Mining Claim and from this we will guarantee to meet 10% of total costs.

11. An option to purchase one half equity for $6,000.00 cash is had from Claron Barney and his wife of Escalante, Utah, who inherited George Ormand's equity upon his death. It is anticipated to exercise this option in the near future and we are now negotiating either a direct purchase from location to replace lease or a new lease to replace lease with the same option as had in lease on Partner group.

A B S T R A C T O F T I T L E

To Property Described on The Certificate Page Of This Abstract

Prepared By

BRUCE F. PARKER

ABSTRACTER

Panguitch, Utah

NOTICE OF LOCATION

Date August 12, 1950

Recorded August 21, 1950

in Book 11 Miscellaneous

Page 366.

NOTICE IS HEREBY GIVEN That the undersigned having complied with the requirements of Section 2324 of the Revised Statutes of the United States and the Local Laws, Customs and Regulations of this District, has, located Fifteen hundred feet in length by 600 feet in width, on this, the Vein Lode, or Deposit, bearing Gold, Silver, Copper, Lead, and other valuable minerals, situated in Head of Wolverene about three miles easterly of Water Holes, on East side of draw in the Circle Cliff Mining District, Garfield County, State of Utah, the location being described and marked on the ground as follows, to-wit:

Beginning 15 feet westerly of this location (Discovery) Monument, at the Westerly end center monument, and running thence Northerly 300 feet to North West corner monument No. 1; thence easterly 1500 feet to North East corner monument No. 2; thence Southerly 300 feet to Easterly end center monument; thence Southerly 300 feet to South East corner monument No. 3; thence Westerly 1500 feet to South West corner monument No. 4; thence Northerly 300 feet to place of beginning; Including all Dips, Spurs, Angles and Variations.

The above described Mining Claim shall be known as BLACK WIDOW No. 1

NAMES OF LOCATORS

Clarence Burney
Orsem Burney
George H. Orsord

NOTICE OF LOCATION

Date August 12, 1950

Recorded August 21, 1950

in Book 11 Miscellaneous

Pages 366

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Beginning 15 feet Westerly of this location (Discovery) Monument, at the Westerly end center monument, and running thence Northerly 300 feet to North West corner monument No. 1; thence Easterly 1500 feet to North East corner monument No. 2; thence Southerly 300 feet to Easterly end center monument; thence Southerly 300 feet to South East corner monument No. 3; thence Westerly 1500 feet to South West corner monument No. 4; thence Northerly 300 feet to place of beginning; including all Dips, Spurs, Angles, and Variations.

The above described Mining Claim shall be known as the BLACK WIDOW NO. 2.
Located this 12th day of August, 1950.

NAMES OF LOCATORS

Clarem Barney
Orean Barney
George H. Ormond

NOTICE OF LOCATION

Date August 12, 1950

Recorded August 21, 1950

in Book 11 Miscellaneous

Page 366

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The above described Mining Claim shall be known as the BLACK WIDOW NO. 3. Located this 12th day of August, 1951.

NAMES OF LOCATORS

Glaren Barney
Orean Barney
George M. Ormond

NOTICE OF LOCATION

Date _____

Recorded April 23, 1951

in Book 12 Miscellaneous

Pages 441

NOTICE IS HEREBY GIVEN That the undersigned having complied with the requirements of Section 2324 of the Revised Statutes of the United States and the Local Laws, Customs and Regulations of this District, has located Fifteen hundred feet in length by 600 feet in width, on this the Placer lode, Vein or Deposit, bearing Gold, Silver, Copper, Lead and other valuable minerals, situated in the head of Wolverence, about thee miles easterly of Water holes, on east side of draw in the Circle Cliff Mining District Garfield County, State of Utah, the location being described and marked on the ground as follows, to-wit:

Beginning 15 feet westerly of this location (Discovery Monument, at the Westerly end center monument, and running thence Northerly 300 feet to North West corner monument No. 1; thence Easterly 1500 feet to North East corner monument No. 2; thence Southerly 300 feet to easterly end center monument; thence Southerly 300 feet to South East corner monument No. 3; thence Westerly 1500 feet to South West corner monument No. 4; thence Northerly 300 feet to place of beginning including all Dips, Spurs, Angles and Variations.

The above described Mining Claim shall be known as the BLACK WIDOW NO. 1

NAMES OF LOCATORS

Claren Barney
Orean Barney
George H. Ormond

NOTICE OF LOCATION

Date _____

Recorded April 23, 1951

in Book 13 Miscellaneous

PAGES 482

NOTICE IS HEREBY GIVEN THAT THE undersigned having complied with the requirements of Section 2324 of the Revised Statutes of the United States and the Local Laws, Customs and Regulations of this District has located Fifteen hundred feet in length by 600 feet in width, on this the Placer Lode, Vein or Deposit, bearing Gold, Silver, Copper, Lead and other valuable minerals, situated in head of Wolverene about three miles Easterly of Water holes, on east side of draw in the Circle Cliff Mining District in Garfield County, State of Utah, the location being described and marked on the ground as follows, to-wit:

Beginning 15 feet westerly of this location (Discovery) Monument, at the Westerly end center monument, and running thence Northerly 300 feet to North West corner monument No. 1; thence Easterly 1500 feet to North East Corner monument No. 2; thence Southerly 300 feet to easterly end center monument; thence Southerly 300 feet to South east corner monument No. 3; thence Westerly 1500 feet to South West corner monument No. 4; thence Northerly 300 feet to place of beginning; including all Dips, Spurs, Angles and Variations.

The above described Mining Claim shall be known as the BLACK WIDOW NO. 2. Located this 12th day of April, 1951.

NAMES OF LOCATORS

Claren Barney
Creem Barney
George H. Ormond

NOTICE OF LOCATION

Dated April 12, 1951

Recorded April 23, 1951

in Book 19 Miscellaneous

Pages 482

NOTICE IS HEREBY GIVEN That the undersigned having complied with the requirements of Section 2324 of the Revised Statutes of the United States and the Local Laws, Customs and Regulations of this District, has located Fifteen hundred feet in length by 600 feet in width, on this the Placer Lode, Vein or Deposit, bearing Gold, Silver, Copper, Lead and other valuable minerals situated in the head of Wolverene, about three miles easterly of water holes on east side of draw in the Circle Cliff Mining District in Garfield County, State of Utah, the location being described and marked on the ground as follows, to-wit:

Beginning 15 feet Westerly of this location (Discovery) Monument, at the Westerly end center monument, and running thence Northerly 300 feet to the North West corner monument No. 1; thence easterly 1500 feet to North east corner monument No. 2; thence Southerly 300 feet to easterly end center monument; thence southerly 300 feet to South east corner monument No. 3 thence Westerly 1500 feet to South west corner monument No. 4; thence northerly 300 feet to place of beginning; including all Dips, Spurs, Angles and Variations.

The above described Mining Claim shall be known as the Black Widow No.3. Located this 12th day of April, 1951.

NAME OF LOCATORS

Claron Barney
Orean Barney
George H. Ormond

NOTICE OF LOCATION

Date August 13, 1950
Recorded August 21, 1950
in Book 11 Miscellaneous
Pages 363

NOTICE IS HEREBY GIVEN That the undersigned having complied with the requirements of Section 2324 of the Revised Statutes of the United States and the Local Laws, Customs and Regulations of this District, has located Fifteen Hundred Feet in length by 600 feet in width, on this, the Vein Lode, Vein or Deposit, bearing Gold, Silver, Copper, Lead and other valuable minerals, situated in head of right hand Silver Falls on West side of Canyon about 2½ northerly from Brody Trail on the _____ Mining District _____ County, State of _____, the location being described and marked on the ground as follows, to-wit:

Beginning 15 feet Northerly of this location (Discovery) Monument, at the Northerly and center monument, and running thence Easterly 300 feet to Northeast corner monument No. 1; thence Southerly 1500 feet to South East corner monument No. 2; thence Westerly 300 feet to South West end center monument; thence Westerly 300 feet to South West corner monument No. 3; thence Northerly 1500 feet to North west corner monument No. 4; thence Easterly 300 feet to place of beginning; including all Dips, Spurs, Angles and Variations.

The above described Mining Claim shall be know as the YELLOW JACKET. Located this 13th day of August, 1950.

NAMES OF LOCATORS:

Clarence Barney
Orean Barney
George H. Ormond
V. M. Fairbanks

NOTICE OF LOCATION

CLAREN BARNEY, RAYMOND ORMOND,
OREAN BARNEY,

Locators,

Dated Sept. 9, 1950
Ack'd None
before None Notary Public
Res. None (SEAL)
Commission Expires NONE
Recorded: Sept 20, 1950
in Book 11 Miscellaneous
Pages 319

Records of Garfield Co, State of Utah
Consideration: None

NOTICE IS HEREBY given that the undersigned, having complied with the requirements of Section 2324 of the Revised Statutes of the United States, the Laws of Utah, and the Local Laws, Customs and Regulations of this district has located fifteen hundred feet in length by six hundred feet in width on this Vein Lode, Vein or Deposit, bearing Gold, Silver, Copper, Lead and other valuable minerals, situated in right hand Silver Falls and is northerly from the Reef Claim in the Circle Cliffs Mining District, Garfield County, State of Utah, the location being described and marked on the ground as follows; to-wit:

Beginning 15 feet Easterly of this location (Place of Discovery) Monument, at the Easterly end of center monument, and running thence Easterly 300 feet to South East corner monument No. 1; thence Westerly 1500 feet to South West corner monument No. 2; thence Northerly 300 feet to Westerly end of center monument; thence Northerly 300 feet to North West corner monument No. 3; thence Easterly 1500 feet to North East corner monument No. 4; thence Southerly 300 feet to place of beginning, including all Dips, Spurs, Angles and Variations.

The name of the mining claim above described is, and shall be known as the YELLOW JACKET no. 2.

Located this 9th day of September, 1950.

NAMES OF LOCATORS

Claren Barney
Raymond Ormond
Orean Barney

NOTICE OF LOCATION

Date: April 13, 1951
Recorded: April 23, 1951
in Book: 13 Misc.
Page: 481

NOTICE IS HEREBY GIVEN That the undersigned having complied with the requirements of Section 2324 of the Revised Statutes of the United States and the Local Laws, Customs and Regulations of this District, has located Fifteen hundred feet in length by 600 feet in width, on this the Placer Lode, Vein or Deposit, bearing Gold, Silver, Copper, Lead and other valuable minerals, situated in head of right hand Silver Falls, on west side of Canyon about 2½ _____ northerly from Moody trail Circle Cliff Mining District, Garfield County, State of Utah, the location being described and marked on the ground as follows, to-wit:

Beginning 15 feet Northerly of this location (Discovery) Monument, at the Northerly and center monument, and running thence Easterly 300 feet to North east corner monument No. 1 thence Southerly 1500 feet to South east corner monument No. 2; thence Westerly 300 feet to South west end center monument; thence Westerly 300 feetto South west corner monument No. 3; thence Northerly 1500 feet to North west corner monument No. 4; thence Easterly 300 feet to place of beginning; including all Dips, Spurs, Angles and Variations.

The above described Mining Claim shall be know as the YELLOW JACKET Located this 13th day of April, 1951.

NAME OF LOCATORS:

Claren Barney
Orean Barney
George H. Ormond
V. M. Fairbanks

MINING LEASE AND BOND

Dated, Sept., 1950
Recorded, Sept. 20, 1950
in Book: 11 misc.
Page: 379

THIS INDENTURE, Mad this 19th day of Sept. 1950 BETWEEN Claren Barney of Escalante Utah and Orean Barney of Richfield, Utah and Geo. H. Ormond of Boulder, Utah, Lessors, AND J. MARK HOLMES of Kanab, Utah and S. Kent Howard of Huntington, Utah, Lessees.

WITNESSETH, That the said Lessors for and in consideration of the royalties, covenant and agreements hereinafter reserved, and by the said Lessees to be paid, kept and performed, has granted, demised and let unto the said Lessees all the following mine and mining property, situated in Circle Cliffs Mining District County of Garfield, State of Utah, known and recorded as the BLACK WIDOW # 1 Filed for Record 35961 21, Aug. 1950, Misc. 11, Page 366 and BLACK WIDOW # 2, Filed of Record 35962, Aug. 21, 1950, Misc. 11, page 366 and BLACK WIDOW # 3, Filed for Record 35963 Aug, 21, 1950, Misc. 11 Page 366, Garfield Co., Utah, and more fully described in recorded instruments upon the public records which are hereby referred to; together with the appurtenances; to have and to hold unto the said Lessees for the term of Continuous.

AND IN CONSIDERATION of the said demise, the said Lessees does covenant and agree with the said Lessors as follows, to wit:

1. To commence work at once upon said mine, and work the same in a good and workmanlike manner, working the aforesaid premises steadily and continuously from the date hereof; and that a failure to work said premises with at least One person for 20 days in each calander month, after the first month in which indenture is made, may, at the lption of Lessors be considered a violation of this covenant.

2. To timber said mine, when and where necessary, at Lessee's own expense.

3. To allow the said Lessors or his agents to enter upon and into all parts of said mine for the purpose of inspection.

4. To not assign this lease, or any interest thereunder, or sublet the same, or any part thereof, without the written consent of said Lessors.

5. To pay and deliver to said Lessors or to his agents as royalties 11% Base Price on Uranium ore and 11% of all other minerals when Recorded.

6. To deliver up to said Lessors the said premises with the appurtenances, and all improvements, including all Permanent fixture.

The said Lessor, for and in consideration of one dollar cash in hand paid by said Lessee the receipt whereof is hereby acknowledged, does hereby find and Guarrantee and firmly bound unto the said Lessees heirs or assigns in the sum of Seventy Five Thousand Dollars, lawful money of the United States, to make, execute and deliver a good and sufficient deed to said premises free from all encumbrances, ~~[illegible]~~ at any time before the expiration of lease to the said Lessees heirs, or assigns. PROVIDED, That on or before the expiration of this lease, the said Lessees, heir or assigns, shall pay to the said Lessors, heirs or assigns, the sum of Seventy Five Thousand Dollars, lawful money of the United States, being the price agreed upon between the Lessors and Lessees.

Each and every clause and covenant of this indenture shall extend to the assigns, heirs executors and administrators of all parties hereto. A crew of 3 men shall be kept working on either the Hot Shot's YELLOW JACKET or BLACK WIDOW groups held under lease.

IN WITNESS WHEREOF the said Lessors and Lessees, have hereunto set their hand and seals in duplicate, the date and year aforesaid.

Signed in the presence of
Rae Barney

Claren Barney
George H. Ormand
Orean Barney
S. Kent Howard
J. Mark Holmes

Acknowledge in Garfield County, Utah, September 15, 1950, by the above signers, before D. M. Cowles, Notary Public, seal is shown.

MINING LEASE AND BOND

Dated: Sept. 19, 1950
Ack'd: George H. Ormond, Claren Barney, Orean Barney, S. Kent Howard, & J. Mark Holmes.
Before: D. H. Cowles Notary Public
Res. Escalante, Utah (SEAL)
Commission expires 11-23-53
Recorded: September 26, 1950
in Book: 11 Miscellaneous
Pages: 362

Records of Garfield County, State of Utah

THIS INDENTURE, Made this 19th day of Sept., 1950, BETWEEN Orean Barney and V. N. Fairbanks of Richfield, Utah and Claren Barney of Escalante, and George H. Ormond of Boulder, Utah, Lessors, AND J. MARK HOLMES of Kanab, Utah, and S. KENT HOWARD of Huntington, Utah, Lessees, WITNESSETH, That the said Lessor for and in consideration of the royalties, covenants and agreements hereinafter reserved, and by the said Lessees to be paid, kept and performed, has granted, demised and let unto the said Lessees all the following described mine and mining property, situated in Circle Cliffs Mining District, County of Garfield, State of Utah, known and recorded as the Yellow Jacket filed for record 35960, August 21, 1950; Misc. 11, page 365, and Yellow Jacket # 2, located 9th Sept.; Rec. Misc. 11, Page 379, Garfield Co. Utah. #3603 S and more fully described in recorded instruments upon the public records which are hereby referred to; together with the appurtenances; to have and to hold unto the said lessees for the term of Continuous, unless sooner forfeited through the violation of any covenant hereinafter against the said lessees does covenant and agree with the said Lessors as follows, to-wit:

First—To allow the said Lessors or his agents to enter upon said mine, and work the same in a good and work-manlike manner, working the aforesaid premises steadily and continuously from the date hereof; and that a failure to work said premises with at least one person for 20 days in each calendar month, after the first month in which indenture is made, may, at the option of Lessors, be considered a violation of this covenant.

Second—To timber said mine, when and where necessary, at Lessee's own expense.

Third—To allow the said Lessors to his agents to enter upon and into all parts of said mine for the purpose of inspection.

Fourth—To not assign this lease, or any interest thereunder, or sublet the same, or any part thereof, without the written consent of said Lessors.

Fifth—To pay and deliver to said Lessors or to his agents, as royalty, 11% Base Price of Uranium Ore and 11% of all other mineral when recovered.

Sixth—To deliver up to said Lessors the said premises with the appurtenances, and all improvements, including all permanent fixtures.

The said Lessors, for and in consideration of one dollar cash in hand paid by said Lessees the receipt whereof is hereby acknowledge, does hereby bind and Guarantee and firmly bound into the said Lessees heirs or assigns in the sum of Eighty Thousand Dollars lawful money of the United States, to make, execute and deliver a good and sufficient rights to said premises, free from all encumbrances, at any time before the expiration of lease to the said lessees, heirs, or assigns.

PROVIDED, That on or before the expiration of this lease, the said Lessee, heirs or assigns, shall pay to the said Lessors, heirs or assigns, the sum of Eighty Thousand Dollars, lawful money of the United States, being the price agreed upon between the Lessors and Lessee.

Each and every clause and covenant of this indenture shall extend to the assigns, heirs, executors and administrators of all parties hereto.

A crew of 3 men shall be kept working on either the Hot Shot's Yellow Jacket or Black Widow (widdo) groups held under lease.

IN WITNESS WHEREOF the said parties, Lessors and Lessees, have hereunto set their hands and seals in duplicate, the date and year aforesaid.

Signed in the presence of
Roe Barney

George H. Ormond
Claron Barney
Orean Barney
S. Kent Howard
J. Mark Holmes

Acknowledged in Garfield County, Utah; September 19, 1950, by the above signers, before D. H. Cowles, Notary Public, seal is shown.

AGREEMENT

Dated: January 3, 1951
Recorded: January 15, 1951
Ack'd:
before S.R. Bossard Notary Public
Res. Richfield, Utah (SEAL)
Commission Expires 5-31-52
Recorded: January 15, 1951
in book: 13 Misc. Pages 203

This agreement entered into this 3rd day of January, 1951, at Richfield, Utah, Between J. Mark Holmes and S. Kent Howard.

It is agreed that for and in consideration of $500.00 paid the 1st day of July, 1951, and $500.00 paid the 31st day of December 1951, S. Kent Howard sells all right, title and interest in the mining leases with Clarence and associates of Escalante, Utah, to J. Mark Holmes.

The lease covers the Black Widow group in Circle Cliff Mining District, Garfield County, Utah, and the Yellow Jacket Group and Hot Shot and Blue Jay Group in the same Mining District, Garfield, County, Utah.

S. Kent Howard
S. Kent Howard

J. Mark Holmes
J. Mark Holmes

Subscribed and sworn to before me this 3rd day of January, 1951.

(SEAL)

S. R. Bossard
Richfield, Utah

AGREEMENT

Date: January 29, 1951
before Leah Wilson Notary Public
Res: Hatch, Utah
Commission expires 1-20-50
Recorded: April 11, 1951
in Book: 13 Miscellaneous
Pages: 448

This agreement between J. Mark Holmes of Kanab, Utah, and Mammoth Lumber Company of Hatch, Utah.

J. Mark Holmes hereby grants an undivided interest in the following mining leases on the following groups of mining claims held by J. Mark Holmes of Kanab, Utah:

> Black Widow Group, Yellow Jacket Group, Blue Jay and Not Shot Groups. Said leases with Claren Barney and others of Escalante, Utah, for $1.00 and valuable consideration a 50% interest is granted to the Mammoth Lumber Company of Hatch, Utah,

J. Mark Holmes
J. Mark Holmes

Subscribed and sworn to before me this 29th day of January, 1951.

PROOF OF LABOR

Date: June 27, 1951
Recorded: June 28, 1951
in book: 14 Misc.
Pages: 20-21

STATE OF UTAH)
)ss.
COUNTY OF_____)

Claron Barney, Escalante, Utah, Orean Barney and George Ormond uranium claims being first duly sworn depose and say that they have caused work to be done on the Black Widow one to six inclusive assessment work $1,200.00 Mining Claims, situated in Circle Cliff Mining District, Garfield County, Utah, and caused labor to be performed and improvements made thereon as follows:

40 days' work on Black Widow 1 to 6 inclusive worth $1,200.00 from March 30, 1951 to June 25, 1951-40 days' labor on open pit mining on claims worth $1,200.00; from March 30, 1951 to June 25, 1951 and 800 cubic feet of earth and rock were removed.

Said work was done and improvements made at the instance or request of Claron Barney, Orean Barney, and George Ormond Uranium Co.

The actual amount paid for said improvements and labor was $1,200.00 DOLLARS, and was paid by J. M. Holmes, Kanab, Utah the lessor of the Black Widow uranium claims, The Six claims Mining Claims, for the purpose of holding said claims.

Claron Barney

Subscribed and sworn to before me this 27th day of June, 1951

(SEAL)
My commission expires Jan. 28, 1953
Residence: Escalante, Utah

Leslie George, Notary

PROOF OF LABOR

Date: June 27, 1951
Recorded: June 28, 1951
in Book: 14 Misc.
Page: 22

STATE OF UTAH)
) ss.
COUNTY OF GARFIELD)

Escalante, Claren Barney, Orean Barney, George H. Armend, B. N. Fairbanks, being first duly sworn depose and say that they have caused work to be done on the Yellow Jacket No. 1 and No 2, $1000.00 assessment work on Yellow Jacket Mining Claims situated in Circle Cliff Mining District, Garfield County, Utah, and caused labor to be performed and improvements made thereon as follows:

30 days labor on Yellow Jacket No 1, No 2, worth $1000.00 from April 1st, 1951 to June 1st, 1950,; 30 days' labor on Yellow Jacket No. 1 & No 2 worth $1000.00, from April 1st, 1951 to June 1st, 1951; 30 days' labor on Yellow Jacket Tunnel & Roads worth $1000.00, from April 1st, 1951 to June 1st, 1951 and _____ Cubic feet of earth and 100 cubic feet of rock were removed.

Said work was done and improvements made at the instance or request of Claren Barney, Orean Barney, George H. Armend, B. N. Fairbanks.

The actual amount paid for said improvements and labor was $1000.00 DOLLARS, and paid by J. Mark Holmes the lessee of the Yellow Jacket No. 1, & No. 2 Mining Claims, for the purpose of holding said claims.

Claren Barney

Subscribed and sworn to before me this 27th day of June, 1951

(SEAL)

Leslie George, Notary

My commission expires January 28, 1953.

AFFIDAVIT OF WORK DONE GROUP MINING CLAIMS

Date: June 26, 1951
Recorded: June 28, 1951
in Book: 14 Miss.
Page: 23

STATE OF UTAH)
) SS.
COUNTY OF KANE)

J. Mark Holmes being duly sworn says: That he was employed by Holmes, Wilson & Porter lessee, from Claren Barney and other locators, the owners of the Black Widow # 1 to 3, & Yellow Jacket Mining Claims, situated in the Circle Cliffs Mining District Garfield County, State of Utah; and for and on behalf of said owners, J. Mark Holmes performed the annual labor and other work made the annual improvements required by the laws of the United States for the year 1950 on said claims; that the said work done and improvements made consist of Roads, tunnels, etc. on said claims and is of the value of $5,000.00; that said labor was performed and improvements made on and between the 1st day of October, A. D. 1950, and the 30th day of June A. D. 1951; that there were 364 days' work done on said claims, and 25,000 cubic feet of earth and 15,000 cubic feet of rock were removed; that said work was done and said improvements made at the instance and request of said J. Mark Holmes the said owners of said claims; that the actual amount paid for said labor and improvements was $5,000.00 and said sum was paid by the said J. Mark Holmes, and Holmes, Wilson & Porter the said owners of said claims.

J. Mark Holmes

Subscribed and sworn to before me this 26th day of June, A. D. 1951

Mayrell Tietjen, Notary Public

(SEAL)

Commission expires: 12-1-54.

File in Office of County Recorder, and with District Mining Recorder, within 30 days after completion of work.

C E R T I F I C A T E

STATE OF UTAH)
) ss.
COUNTY OF GARFIELD)

BRUCE F. PARKER, a duly authorized Abstracter of Titles within and for said County and State, in consideration of the fee paid, hereby certifies that the foregoing Abstract consisting of 17 pages numbered from 1 to 17 inclusive, is a true and correct abstract of the following, subject to the observations, comments, and reservations hereinafter set forth.

1. All instruments revealed by a search of the Mining Index of the Garfield County Recorders Office, in the State of Utah, referring to the following named Mining Claims in Garfield County, State of Utah, to-wit:

Black Widow 1 to 3 inclusive, situated in head of Wolverene, about three miles Easterly of Water Holes, on east side of draw in the Circle Cliff Mining District;
Also: Yellow Jacket also spelled Yello Jacket, situated in head of right hand Silver Falls on West side of Canyon about 2½ miles Northerly from Moody Trail in Circle Cliff Mining District;
Also: Yello Jacket No. 2, situated in right hand Silver Falls, and is Northerly from the Reef Claim in the Circle Cliff Mining District.

2. I find that no taxes have been assessed against the above named mining claims.

3. As this property is not located as to Section, Township and Range, it is impossible to determine whether it is in an area which is subject to any special assessments, therefore no statement is made as to such special assessments.

4. There are no subsisting judgments for the 8 years last past against any of the following, appearing upon the dockets of the Sixth Judicial District Court of Garfield County, State of Utah:

Olaren Barney	V. M. Fairbanks	J. Mark Holmes
Orean Barney	Raymond Ormond	Mammoth Lumber Company
George M. Ormond	E. Kent Howard	

IN WITNESS WHEREOF, the said Bruce F. Parker has caused this Certificate to be signed and his Seal affixed this 26th day of July, 1951 at 2:00 P.M.

Bruce F. Parker
Bruce F. Parker, An Authorized Abstracter

(SEAL)

Escalante, Utah
October 3, 1951

To Whom It May Concern:

We hereby offer an option to purchase one half interest in the Yellow Jacket Mining Claim recorded in Garfield County Recording Office # 35960, 21st day of August, 1950.

For a period of 60 days from date this option may be exercised by a payment of $6000.00 (Six thousand dollars) in cash.

This option becomes void after 60 days without further notice.

Claron Barney
Claron Barney

Grace O. Barney
Grace O. Barney

(Geo. H. Ormond) equity.
By Grace Ormond Barney

J. Mark Holmes
J. Mark Holmes

MINING LEASE AND OPTION

THIS AGREEMENT made in duplicate as of the 20th day of September, 1950, by and between Claren Barney, Orean Barney, V. H. Fairbanks and Grace O. Barney acting for George H. Osmond, deceased, as Lessors, and J. Mark Holmes, as Lessee:

WITNESSETH:

In consideration of the rentals and royalties hereinafter reserved and of the covenants and agreements hereinafter expressed by the parties to be faithfully kept and performed, the parties hereto mutually and severally covenant and agree as follows:

I.

RIGHTS GRANTED TO LESSEE

Lessors do hereby demise, let and grant to Lessee all of Lessors' rights, title, claim and interest in and to the following described mining locations and mining property situated in Circle Cliffs Mining District, Garfield County, State of Utah, to-wit:

Yellow Jacket (or) Yelle Jacket — Notice of Location Recorded in Records of Garfield County, Utah Misc. Book, [illegible] Pag 365

21 August, 1950

Together with all and singular the tenements, hereditaments and appurtenances thereunto belonging, or in any wise appertaining.

Together with all dips, spurs and minerals therein contained and appertaining, and together with all and any other property and all rights, real, personal or mixed, in, upon or appertaining to any of the claims or premises above mentioned.

Together with water rights, if any, of the Lessors, whether arising by use or otherwise, used or intended to be used upon or in connection with the development or operation of the property above described.

TO HAVE AND TO HOLD unto the said Lessee for a term of fifty (50) years from the date hereof, subject to the strict, punctual and exact performance by the Lessee of all the conditions, covenants and agreements by it to be kept and performed.

II.

PROPER OPERATION REQUIRED

Lessee shall enter upon said mine and premises and work the same in the manner necessary to good miner-like and economical mining so as to develop and take out ore with due regard to the development and preservation of the same as a workable mine, and to the special covenants herein reserved, and in keeping with the mining laws of Utah and the United States, and rules and regulations thereunder which are applicable.

III.

ROYALTIES

Lessee shall pay to Lessors 11% of all revenue received irrespective of their source or their date of origin.

IV.

STATEMENTS TO BE FURNISHED

Lessee shall, on or before the 15th day of each month hereof, furnish Lessors with a written report showing as to the proceeding lease month the tonnage of ore extracted, shipped, or sold, the actual royalty payable thereon, the total tonnage of ore extracted, and the tonnage shipped or sold.

Lessee shall also request purchasing Agent to furnish Lessors with duplicate copies of smelter, mint or other purchasing agencies' receipts and settlement charts for ore and products extracted and shipped or sold from leased premised.

V.

BOOKS AND RECORDS

Lessors and their authorised agents shall at any and all reasonable times be permitted to inspect all books and records including assay reports of the Lessee relating to the leased property in order to ascertain the correct amount of royalt due Lessor or to determine whether or not the provisions of the lease are being complied with.

Vl.

LESSORS' RIGHT OF INSPECTION

Lessee shall allow said Lessors and their agents, from time to time, to enter upon and into all parts of said leased premised for purposed of inspection at such reasonable times as shall not interfere with the regular operation of the leased premised. It is understood and agreed that the Lessee shall assume no responsibility for the safety of Lessors or their agents when and while upon the leased premised for such purpose; and further, the Lessors hereby agree to indemnify and hold harmless the Lessee for any damages which the Lessee may suffer as a result of any injury occurring to the Lessors or their agents when and while upon the premises for the above purpose.

Vll.

ORES NOT TO BE CO-MINGLED

Lessee shall not mix any ores from the demised premises with the ores, minerals or products therefrom derived from any other property.

Vlll.

STATE AND FEDERAL ENACTMENTS
INDEMNIFICATION OF LESSORS

Lessee, in the operation and development of the property hereby leased, shall be subject to all applicable Federal enactments and regulations, laws of the State of Utah, and to all Federal or State rules and regulation regarding Employees Liability, Workman's Compensation and Workmen's Old Age and Unemployment Insurance, and said Lessee covenants and agrees to indemnify and hold harmless the Lessors from and against the payment of any and all damages, claims, costs and expenses due to the existence of such enactments, and of any and all claims, costs and expenses in connection therewith under any claim of subrogation provided for by said enactments or otherwise; and the Lessee shall further indemnify and hold harmless the Lessor from and against any and all damages, claims, costs and expenses arising out of damage to property or any injury to or death of employees of the Lessee, or to any other person whomsoever other

than the Lessors and those acting under them, where such injury, death or damage occurs because of or in connection with the use, operation or development in any manner, of the property hereby leased, whether such claims are based upon a right conferred by the common law or by statute.

IX.

PROPERTY TO BE KEPT FREE OF LIENS

Lessee shall pay and satisfy all claims for materials, supplies and labor in connection with the working of said mine and mining property and shall keep said mine and mining property free of liens or encumbrances of any and every kind except such as might result from State and County tax assessments not required to be paid by Lessee, or such as may result from the acts of others than Lessee, its employees or those in privity with it.

X.

TAXES

Lessors shall pay all State and County tax assessments upon said leased premises, except as hereinafter otherwise provided.

Lessee shall pay all State and County tax assessments upon any and all structures and other improvements, machinery, equipment, tools, supplies and personal property whatsoever placed upon the leased premises by the Lessee.

Lessors shall pay all the State and County "net proceeds" taxes assessed against Lessor on account of their receipt of royalties hereinabove provided to be paid to them by the Lessee.

Lessee shall pay all State and County "Net proceeds" taxes assessed against Lessee, and other taxes assessed against Lessee on account of its operations hereunder.

XI.

WORK REQUIREMENTS

Lessee agrees to expend in labor and material upon or for the benefit of said leased premises in prospecting, developing, mining, construction or other relating work, the equivalent of 6 man shifts, each lease month during which weather conditions do not prevent or unreasonably interfer with the performance of such work; provided that if the amount expended in any month shall exceed the work required the excess so expended shall be carried over as a credit and may be applied by the Lessee towards meeting the required expenditure or expenditures for any subsequent month or months of the same year.

Lessee agrees to furnish to the Lessor each assessment year during the term of this lease a proper work certificate showing the amount of work or improvements made upon or for the benefit of the leased premises during that assessment year which can be utilized by Lessors for or in the preparation of the proof of annual assessment labor on the leased premises.

XII.

LESSORS' RIGHT TO INFORMATION

Lessee agrees that Lessors or their authorized agents shall have access to, and the right to copy any information from, geological, metallurgical, drilling, sampling and other data relating to said leased premises secured by and in the possession lessee in connection with its prospecting and development of said premises.

In the event that termination of this agreement for any reason whatsoever, the Lessee agrees to furnish Lessors with copies of all drilling and sampling data, reports of metallurgical tests, a map accurately showing the development work performed by the Lessee upon the leased premises and copies of any and all geological maps relating to said leased premises prepared by Lessee.

It is expressly understood and agreed, however, that the Lessors shall not be entitled or have access to any confidential reports made by members of Lessee's engineering staff, nor shall lessee be under any obligation to furnish Lessors [illegible] other reports, except on termination of this contract.

XIII.

LESSEE'S RIGHT OF SURRENDER

It is mutually understood and agreed that the Lessee may, at any time, surrender and terminate this lease upon giving thirty (30) days notice in writing, paying to Lessors all royalties and other sums due and payable to the Lessors to the effective date of such surrender, and complying with the terms of this lease with respect to the preservation and protection of workings upon the leased premises.

XIV.

FORFEITURE OR TERMINATION

This lease is made upon the condition that the Lessee shall perform all of the covenants and agreements herein set forth to be performed by it, and if at any time Lessee shall fail for a period of thirty (30 days to make any monthly royalty payments due hereunder within 30 days from the day when payable, or if there shall be any other default on the part of the Lessee due to other than acts of God, strikes, lockouts, storms, floods, a public enemy, or unusual casualty, or any other cause entirely beyond Lessee's control, and if, as to any other default, Lessee, within thirty (30) days after written notice by Lessors specifying the character of the asserted default shall fail to commence to remedy such default, or shall fail thereafter to diligently proceed to correct such default, then and in such event this lease and option shall terminate and the leased premises shall revert to the Lessors and the Lessee shall deliver to the Lessors these said premises.

XV.

REMOVAL OF EQUIPMENT

It is mutually understood and agreed that in case of forfeiture, surrender or other termination of this lease, all underground timbering supports, shaft linings and other fixtures necessary for the preservation

of any mines, and all rails and head frames upon or in the said leased premises shall be and remain a part of the realty and shall revert to the Lessors without further consideration or compensation. In case of such forfeiture, surrender or other termination of this Lease, Lessors shall have the exclusive right and option for a period of thirty (30) days after the effective date of such forfeiture, surrender or other termination of this lease, to purchase from Lessee for cash all, but not less than all, pumps, hoists, compressors, and transformers and power equipment for the operation of the same, upon or in the leased premises, at the fair appraised resale value thereof as of the effective date of such termination.

It is further understood and agreed that all personal property of the Lessee located within the leased premises, and all buildings, machinery, equipment and tools (other than the fixtures to become the property of the Lessors as above provided) shall, in case of forfeiture, surrender or other termination of this lease, remain upon the leased premises and be held as a guarantee in lieu of bond until all terms of this lease with respect to payment of royalties and the preservation of the property shall have been complied with. Upon such compliance with and performance of such conditions and obligations the Lessee shall be entitled to, and may, within ninety (90) days after such termination of this lease or within such extension of time as may be granted by the Lessors, remove from the leased premises such personal property and improvements, other than those items which are to remain the property of the Lessors as above provided.

XVI

MANNER OF GIVING NOTICE

Any notice contemplated herein to be served upon the Lessee shall be in writing and shall be sufficiently given if mailed in the United States Post Office, postage prepaid and registered, addressed to Lessee at Kanab, Utah, or to such other address as Lessee may from time to time designate in writing.

Any notice contemplated herein to be served upon the Lessors shall be in writing, and shall be sufficiently given if mailed in the United States Post Office, postage prepaid and registered, addressed to Lessors, care of John Paul Fullmer, Marysvale, Utah, or at such other address as Lessors may from time to time designate in writing.

Service of notice by mail shall be deemed effective and complete upon date of posting and mailing in accordance herewith.

It is understood and agreed that personal service of notice upon either party shall be deemed sufficient service of notice, and no mailing of notice in the case of personal service shall be necessary.

XVII

OPTION TO PURCHASE

In consideration of the foregoing Lease and the expenditures to be made thereunder by Lessee, Lessors hereby grant and extend to Lessee for the life of said Lease, the exclusive option to purchase all the right, title and interest of the Lessors (subject to the royalty to be reserved as hereinafter provided) in and to the leased premises for the sum of Twenty Thousand and no/100 dollars ($20,000.00) less any amounts therefore paid to Lessors as royalties under the foregoing Lease; such option may be exercised by Lessee upon written notice to Lessors and upon payment to Lessors of the required purchase price, and upon

payment of the purchase price, Lessors shall deliver to Lessee a good and sufficient mining deed conveying title to the above mentioned mining locations free and clear of any liens, encumbrances, burdens or restrictions created by any act or instrument of Lessors or any of them.

Such deed shall provide for the payment of the said reserved royalties at the time and in the manner hereinabove provided as to the payment of royalties under the foregoing lease.

XVIII

LOCATION OF FRACTIONS OR ADJOINING CLAIMS

Lessee agrees that in the event any fractions or property shall be found to be subject to location within the exterior boundaries of the group of claims covered by this lease or adjoining said group of claims, that Lessee will either locate the same in the names of the Lessors or will advise Lessors to locate the same. Lessors agree that they will locate any such fractions or adjoining property whether found by them to be open, or called to their attention by Lessee; and Lessors further agree that any fractions or claims located as in this paragraph provided, shall be included within and shall be subject to the terms and conditions of this lease and option as fully and in all respects as if specifically described and set out in this option at the time of the execution hereof.

IN WITNESS WHEREOF the parties hereto have set their hands and seals this 29 of Sept., 1951.

(Signed) Orean Barney (Signed) J. Mark Holmes
Lessee

(Signed) V. M. Fairbanks
(Signed)
(Signed)
LESSORS

STATE OF UTAH)
) SS
COUNTY OF SEVIER)

Before me on the 29 day of September 1951, personally appeared****

_____

_____

and J. Mark Holmes, who duly acknowledged to me that they executed the foregoing instrument, consisting of nine(9) pages, including this page.

My commission expires Dec. 4, 1954 Allen R. Bloomquist

STATE OF UTAH)
) SS
COUNTY OF GARFIELD)

Before me on the _____ day of _____, 1951, personally appeared Clayron Barney and Grace G. Barney, and J. Mark Holmes, who duly acknowledged to me that they executed the foregoing instrument, consisting of nine (9) pages including this page.

_____

My commission expires _____

PARDNERS MINING CLAIM

Date filed April 2, 1951
Recorded: April 3, 1951
Book: Misc. 13
Pages: 430, 431 & 480

NOTICE OF LOCATION

Notice is hereby given that the undersigned, having complied with the requirements of Section 2324 of the Revised Statutes of the United States, the l laws of the State of Utah, regulations of this district, have located fifteen hundred feet in length by six hundred feet in width on this vein lode, vein or deposit, bearing gold, silver, copper, lead and other valuable minerals situated approximately 2 miles north of Wagon Box Mesa on the east slope of Stud Horse Knolls 1/4 mile west of road in Circle Cliffs Mining District, Garfield County, State of Utah, the location being described and marked on the ground as follows, to-wit:

Beginning 300 feet westerly of this location (place of discovery) monument, at the Easterly end; thence northerly 300 feet to NE corner monument No. 1; thence westerly 1500 feet to NW corner monument No. 2; thence Southerly 300 feet to west end of center monument; thence southerly 300 feet to S.W. corner monument No. 3; thence Easterly 1500 feet to S.E. corner monument No. 4; thence Northerly 300 feet to place of beginning, including all Dips, spurs, angles and variations.

The name of the mining claim above described is, and shall be known as the Pardners No. 1, located this 2nd day of April, 1951.

NAME OF LOCATERS

No. 38392 recorded at the request of W.L. Davis, April 3, 1951, at 1:35 p.m.
Mildred Deuel, Recorder
Virginia Boyce, Typist

Holbert Smith
W. L. Davis

NOTICE OF LOCATION

Notice is hereby given that the undersigned, having complied with the requirements of Section 2324 of the Revised Statutes of the United States, the laws of the State of Utah, and the local laws, customs and regulations of this District, have located fifteen hundred feet in length by six hundred feet in width on this, vein lode, vein or deposit, bearing gold, silver, copper, lead and other valuable minerals, situated (north of road in flats approximately 4 miles north of Stud Horse Knolls in Circle Cliffs Mining District.

Beginning 300 feet Westerly, west end center; thence Northerly 300 to N.W. No. 1, E 1500 to NE S-300 to East end, S-300 to SE, Westerly 1500 to S.W. North 300 to point of beginning.

The name of the mining claim above described is, and shall be known as the Pardners No. 2, located this 2nd day of april, 1951.

No. 38393

NAME OF LOCATERS
Holbert Smith, W. L. Davis

NOTICE OF LOCATION

Notice is hereby given that the undersigned, having complied with the requirements of Section 2324 of the Revised Statutes of the United States, the laws of the State of Utah, regulations of this district, have located fifteen hundred feet in length by six hundred feet in width on this vein lode, vein or deposit, bearing gold, silver, copper, lead and other valuable minerals situated north of road in flats approximately 4 miles north of Stud Horse Knowls in Circle Cliffs Mining District.

Beginning 300 feet westerly of this location (place of discovery) monument, thence N 300 feet to NW corner monument No. 1; thence Easterly 1500 feet to NE corner monument No. 2; thence Southerly 300 feet to east center; thence S 300 feet to SE monument No. 3; thence W 1500 to SW monument No. 4 N 300 feet to point of beginning.

The name of the mining claim above described is, and shall be known as the Pardners No. 4, located this 2nd day of April, 1951.

NAME OF LOCATERS

Melber Smith
W. L. Davis

No. 38620, recorded at the request of W. L. Davis, April 23, 1951, at 10 A.M.
Mildred Bowel, Recorder
Virginia Royce, typist

MINING LEASE AND OPTION

THIS AGREEMENT MADE IN DUPLICATE AS OF THE 3rd day of October, 1951, by and between Melbert L. Smith & W. L. Davis, as Lessors, and J. Mark Holmes, as Lessee:

WITNESSETH:

In consideration of the rentals and royalties hereinafter reserved and of the covenants and agreements hereinafter expressed by the parties to be faithfully kept and performed, the parties hereto mutually and severally covenant and agree as follows:

I.
RIGHTS GRANTED TO LESSEE

Lessors do hereby demise, let and grant to Lessee all of Lessors' right, title, claim and interest in and to the following described mining locations and mining property situated in Circle Cliffs Mining District, Garfield county, State of Utah, to-wit:

Name of Location	Notice of Location Recorded in Records of Garfield County, Utah Book of Locations Page
Pardners No. 2	# 38393 Misc. Book 13, Page 430-431
Pardners No. 4	# 38620 Misc. Book 13, Page 480
Pardners No. 1	# 38392 Misc. Book 13, Page 430

Together with all and singular the tenements, hereditaments and appurtenances thereunto belonging, or in any wise appertaining.

Together with all dips, spurs and minerals therein contained and appertaining, and together with all and any other property and all rights, real, personal or mixed, in, upon or appertaining to any of the claims or premises above mentioned.

Together with water rights, if any, of the Lessors, whether arising by use or otherwise, used or intended to be used upon or in connection with the development or operation of the property above described.

TO HAVE AND TO HOLD unto the said Lessee for a term of fifty (50) years from the date hereof, subject to the strict, punctual and exact performance by the Lessee of all the conditions, covenants and agreements by it to be kept and performed.

II.

Lessee shall enter upon said mine and premises and work the same in the manner necessary to good mineslike and economical mining so as to develop and take out ore with due regard to the development and preservation of the same as a workable mine, and to the special covenants herein reserved, and in keeping with the mining laws of Utah and the United States, and rules and regulations thereunder which are applicable.

III.
ROYALTIES

Lessee shall pay to Lessors on all ores extracted and shipped or sold from said premises royalties as follows:

(a) On uranium ores 15% of the "base price" (as hereinafter defined.)

(b) The bonus paid by the Atomic Energy Commission on the first 10,000 pounds of U_3O_8 content of ore, a royalty of 15% shall be paid in addition to the base price royalty.

(c) On all ores other than uranium ores and on the mineral value of uranium ores for other minerals, 15% of the "net mint, smelter, or custom-mill return" (as hereinafter defined).

"Base price" as used herein shall mean "base price" of uranium ore of like grade and quality as determined under the government rules and regulations; shall not include any special premium, development allowances, or subsidies which may be provided to the mine or operations; shall be the "base price" of the ore at Marysvale, Utah, without deduction for cost of transportation from the mine to Marysvale; but any treatment charges or deductions and also any transportation and freight charges from Marysvale, Utah, which are deducted in settlement and payment for the uranium ore shall be deducted in determining the "base price" for the purpose of computing royalties.

"Net mint, smelter or custom-mill return" as used herein shall mean the gross value at Marysvale, Utah, as figured by the mint, smelter or custom-mill less mint, smelter or custom-mill treatment charges or deductions and transportation and freight charges from Marysvale, Utah.

Any amount due and payable to Lessors as royalties on ore extracted and shipped and sold during any lease month hereunder shall be paid by the Lessee to the Lessors on or before the 15th day of the month next succeeding the lease month during which the Lessee shall have received payment or settlement therefore by the deposit thereof to the credit of the Lessors or assigns in the Bank of Richfield, Utah, or such other bank as the Lessors may from time to time designate by written notice to Lessee. Request will be made to American Smelting & Refining Co. (Agents for Atomic Energy Commission) at Marysvale, Utah, to pay 15% base to Bank and also Atomic Energy Commission will be requested to pay 15% of bonus to Bank.

IV.

STATEMENTS TO BE FURNISHED

Lessee shall, on or before the 15th day of each month hereof, furnish Lessors with a written report showing as to the preceding lease month the tonnage of ore extracted, shipped, or sold, the actual royalty payable thereon, the total tonnage of ore extracted, and the tonnage shipped or sold.

Lessee shall also request Purchasing Agent to furnish Lessors with duplicate copies of smelter, mint or other purchasing agencies' receipts and settlement charts for ore and products extracted and shipped or sold from leased premises.

V.

BOOKS AND RECORDS

Lessors and their authorized agents shall at any and all reasonable times be permitted to inspect all books and records including assay reports of the Lessee relating to the leased property in order to ascertain the correct amount of royalty due Lessor or to determine whether or not the provisions of the lease are being complied with.

VI.

LESSORS' RIGHT OF INSPECTION

Lessee shall allow said Lessors and their agents, from time to time, to enter upon and into all parts of said leased premises for purposes of

inspection at such reasonable times as shall not interfere with the regular operation of the leased premises. It is understood and agreed that the Lessee shall assume no responsibility for the safety of Lessors or their agents when and while upon the leased premises for such purpose, and further, the Lessors hereby agree to indemnify and hold harmless the Lessee for any damages which the Lessee may suffer as a result of any injury occurring to the Lessors or their agents when and while upon the premises for the above purpose.

VII.

ORES NOT TO BE CO-MINGLED

Lessee shall not mix any ores from the demised premises with the ores, minerals or products therefrom derived from any other property.

VIII.

STATE AND FEDERAL ENACTMENTS
INDEMNIFICATION OF LESSORS

Lessee, in the operation and development of the property hereby leased, shall be subject to all applicable Federal enactments and regulations, laws of the State of Utah, and to all Federal or State rules and regulations regarding Employees Liability, Workman's Compensation and Workmen's old Age and Unemployment Insurance, and said Lessee covenants and agrees to indemnify and hold harmless the Lessors from and against the payment of any and all damages, claims, costs and expenses due to the existence of such enactments, and of any and all claims, costs and expenses in connection therewith under any claim of subrogation provided for by said enactments or otherwise; and the Lessee shall further indemnify and hold harmless the Lessor from and against any and all damages, claims, costs and expenses arising out of damage to property or any injury to or death of employees of the Lessee, or to any other person whomsoever other than the Lessors and those acting under them, where such injury, death or damage occurs because of or in connection with the use, operation or development in any manner, of the property hereby leases, whether such claims are based upon a right conferred by the common law or by statute.

IX.

PROPERTY TO BE KEPT FREE OF LIENS

Lessee shall pay and satisfy all claims for materials, supplies and labor in connection with the working of said mine and mining property and shall keep said mine and mining property free of liens or encumbrances of any and every kind except such as might result from State and County tax assessments not required to be paid by Lessee, or such as may result from the acts of others than Lessee, its employees or those in privity with it.

X.

TAXES

Lessors shall pay all State and County tax assessments upon said leased premises, except as hereinafter otherwise provided.

Lessee shall pay all State and County tax assessments upon any and all structures and other improvements, machinery, equipment, tools, supplies and personal property whatsoever placed upon the leased premises by the Lessee.

Lessors shall pay all the State and County "net proceeds" taxes assessed against Lessor on account of their receipt of royalties hereinabove provided to be paid to them by the Lessee.

Lessee shall pay all State and County "net proceeds" taxes assessed against Lessee, and other taxes assessed against Lessee on account of its operations hereunder.

XI.

WORK REQUIREMENTS

Lessee agrees to expend in labor and material upon or for the benefit of said leased premises in prospecting, developing, mining, construction, or other relating work the equivalent of 15 man shifts, each lease month during which weather conditions do not prevent or unreasonably interfere with the performance of such work; provided that if the amount expended in any month shall exceed the work required, the excess so expended shall be carried over as a credit any may be applied by the Lessee towards meeting the required expenditure or expenditures for any subsequent month or months of the same lease year.

Lessee agrees to furnish to the Lessor each assessment year during the term of this lease a proper work certificate showing the amount of work or improvements made upon or for the benefit of the leased premises during that assessment year which can be utilized by Lessors for or in the preparation of the proof of annual assessment labor on the leased premises.

XII.

LESSORS' RIGHT TO INFORMATION

Lessee agrees that Lessors or their authorized agents shall have access to, and the right to copy any information from, geological, metallurgical, drilling, sampling and other data relating to said leased premises secured by and in the possession of Lessee in connection with its prospecting and development of said premises.

In the event that termination of this agreement for any reason whatsoever, the Lessee agrees to furnish Lessors with copies of all drilling and sampling data, reports of metallurgical tests, a map accurately showing the development work performed by the Lessee upon the leased premises and copies of any and all geological maps relating to said leased premises prepared by Lessee.

It is expressly understood and agreed, however, that the Lessors shall not be entitled or have access to any confidential reports made by members of Lessee's engineering staff, nor shall Lessee be under any obligation to furnish Lessors with any such report or reports, except on termination of this contract.

XIII.

LESSEE'S RIGHT OF SURRENDER

It is mutually understood and agreed that the Lessee may, at any time, surrender and terminate this lease upon giving thirty (30) days notice in writing, paying to Lessors all royalties and other sums due and payable to the Lessors to the effective date of such surrender, and complying with the terms of this lease with respect to the preservation and protection of workings upon the leased premises.

XIV.

FORFEITURE OR TERMINATION

This lease is made upon the condition that the Lessee shall perform all of the covenants and agreements herein set forth to be performed by it, and if at any time Lessee shall fail for a period of thirty (30) days to make any monthly royalty payment due hereunder within 30 days from the day when payable, or if there shall be any other default on the part of the Lessee due to other than acts of God, strikes, lockouts, storms, floods, a public enemy, or unusual casualty, or any other cause entirely beyond Lessee's control, and if, as to any other default, Lessee, within

thirty (30) days after written notice by Lessors specifying the character of the asserted default shall fail to commence to remedy such default, then and in such event this lease and option shall terminate and the leased premises shall revert to the Lessors and the Lessee shall deliver to the Lessors these said premises.

XV.

REMOVAL OF EQUIPMENT

It is mutually understood and agreed that in case of forfeiture, surrender or other termination of this lease, all underground timbering suports, shaft linings and other fixtures necessary for the preservation of any mines, and all rails and head frames upon or in the said leased premises shall be and remain a part of the realty and shall revert to the Lessors without further consideration or compensation. In case of such forfeiture, surrender or other termination of this lease, Lessors shall have the exclusive right and option for a period of thirty (30) days after the effective date of such forfeiture, surrender or other termination of this lease, to purchase from Lessee for cash all, but not less than all, pumps, hoists, compressors, and transformers and power equipment for the operation of the same, upon or in the leased premises, at the fair appraised resale value thereof as of the effective date of such termination.

It is further understood and agreed that all personal property of the Lessee located within the leased premises, and all buildings, machinery, equipment and tools (other than the fixtures to become the property of the Lessors as above provided) shall, in case of forfeiture, surrender or other termination of this lease, remain upon the leased premises and be held as a guarantee in lieu of bond until all terms of this lease with respect to payment of royalties and the preservation of the property shall have been complied with. Upon such compliance with and performance of such conditions and obligations the Lessee shall be entitled to, and may, within Ninety (90) days after such termination of this lease or within such extension of time as may be granted by the Lessors, remove from the leased premises such personal property of the Lessors as above provided.

XVI.

MANNER OF GIVING NOTICE

Any notice contemplated herein to be served upon the Lessee shall be in writing and shall be sufficiently given if mailed in the United States Post Office, postage prepaid and registered, addressed to Lessee at Kanab, Utah, or to such other address as Lessee may from time to time designate in writing.

Any notice contemplated herein to be served upon the Lessors shall be in writing, and shall be sufficiently given if mailed in the United States Post Office, postage prepaid and registered, addressed to Lessors, care of William L. Davis of Escalante, Utah or at such other address as Lessors may from time to time designate in writing.

Service of notice by mail shall be deemed effective and complete upon date of posting and mailing in accordance herewith.

It is understood and agreed that personal service of notice upon either party shall be deemed sufficient service of notice, and no mailing of notice in the case of personal service shall be necessary.

XVII.

OPTION TO PURCHASE

In consideration of the foregoing Lease and the expenditures to be made thereunder by Lessee, Lessors hereby grant and extend to Lessee for the life of said Lease, the exclusive option to purchase all the right, title and interest of the Lessors (subject to the royalty to be reserved as hereinafter provided) in and to the leased premises for the sum of One Hundred Thousand Dollars ($100,000.00) less any amounts theretofore paid to Lessors as royalties under the foregoing Lease; such option may be exercised by Lessee upon written notice to Lessors and upon payment to Lessors of the required purchase price, and upon payment of the purchase price, Lessors shall deliver to Lessee a good and sufficient mining deed conveying title to the above mentioned mining locations free and clear of any liens, encumbrances, burdens, or restrictions created by any act or instrument of Lessors or any of them.

Such deed shall provide for the payment of the said reserved royalties at the times and in the manner hereinabove provided as to the payment of royalties under the foregoing lease.

XVIII

LOCATION OF FRACTIONS OR ADJOINING CLAIMS

Lessee agrees that in the event any fractions or property shall be found to be subject to location within the exterior boundaries of the group of claims covered by this lease at or adjoining said group of claims, that Lessee will either locate the same in the names of the Lessors or will advise Lessors to locate the same. Lessors agree that they will locate any such fractions or adjoining property whether found by them to be open, or called to their attention by Lessee; and Lessors further agree that any fractions or claims located as in this paragraph provided, shall be included within and shall be subject to the terms and conditions of this lease and option as fully and in all respects as if specifically described and set out in this option at the time of the execution hereof.

XIX

PATENTING OF PROPERTY

Lessors agree that at any time after Five Hundred ($500.00) Dollars worth of work or improvements have been performed on or for the benefit of any claim or claims covered by this lease and option, Lessors will, upon written request of Lessee, apply for a United States Mineral Patent covering such claim or claims, it being understood that Lessee shall advance the cost of any such Mineral Application including such purchase price payable to the Government; but that Lessee shall have the right to use and apply royalties otherwise payable to Lessors until Lessee shall have been reimbursed for one-half of any such costs of patenting such claim or claims.

IN WITNESS WHEREOF the parties hereto have set their hands and seals this 3rd day of October, 1951

(Signed) W. L. Davis

(Signed) Herbert L. Smith
Lessors

(Signed) J. Mark Holmes
Lessee

STATE OF UTAH)
) SS
COUNTY OF GARFIELD)

Before me on the 3rd October, 1951, personally appeared Melbert L. Smith, W. L. Davis & J. Mark Holmes.

who duly acknowledge to me that they executed the foregoing instrument, consisting of nine (9) pages, including this page.

(Signed) Leslie George
Notary Public

Residing at: Escalante, Utah

My Commission expires: Jan. 26, 1953

A B S T R A C T O F T I T L E

To Property Described on The Certificate Page Of This Abstract

Prepared By

BRUCE F. PARKER

ABSTRACTER

Panguitch, Utah

NOTICE OF LOCATION

Date August 12, 1950

Recorded August 21, 1950

in Book 11 Miscellaneous

Pages 366.

NOTICE IS HEREBY GIVEN That the undersigned having complied with the requirements of Section 2324 of the Revised Statutes of the United States and the Local Laws, Customs and Regulations of this District, has, located Fifteen hundred feet in length by 600 feet in width, on this, the Vein Lode, or Deposit, bearing Gold, Silver, Copper, Lead, and other valuable minerals, situated in Head of Wolverene about three miles easterly of Water Holes, on East side of draw in the Circle Cliff Mining District, Garfield County, State of Utah, the location being described and marked on the ground as follows, to-wit:

Beginning 15 feet westerly of this location (Discovery) Monument, at the Westerly end center monument, and running thence Northerly 300 feet to North West corner monument No. 1; thence easterly 1500 feet to North East corner monument No. 2; thence Southerly 300 feet to Easterly end center monument; thence Southerly 300 feet to South East corner monument No. 3; thence Westerly 1500 feet to South West corner monument No. 4; thence Northerly 300 feet to place of beginning; including all Dips, Spurs, Angles and Variations.

The above described Mining Claim shall be known as BLACK WIDOW NO. 1

NAMES OF LOCATORS

Claron Barney
Orean Barney
George H. Ormond

NOTICE OF LOCATION

Date August 12, 1950

Recorded August 21, 1950

in Book 11 Miscellaneous

Pages 366

NOTICE IS HEREBY GIVEN That the undersigned having complied with the requirements of Section 2324 of the Revised Statutes of the United States and the Local Laws, Customs and Regulations of this District, has located Fifteen hundred feet in length by 600 feet in width, on this the Vein, Lode, or Deposit, bearing Gold, Silver, Copper, Lead, and other valuable minerals, situated in head of Wolverene about thee miles Easterly of Watter Hole on East side of Draw in the Circle Cliff Mining District, Garfield County, State of Utah the location being described and marked on the ground as follows, to-wit:

Beginning 15 feet Westerly of this location (Discovery) Monument, at the Westerly end center monumnet, and running thence Northerly 300 feet to North West corner monument No. 1; thence Easterly 1500 feet to North East corner monument No. 2; thence Southerly 300 feet to Easterly end center monument; thence Southerly 300 feet to South East corner monument No. 3; thence Westerly 1500 feet to South West corner monument No. 4; thence Northerly 300 feet to place of beginning; including all Dips, Spurs, Angles, and Variations.

The above described Mining Claim shall be known as the BLACK WIDOW NO. 2.
Located this 12th day of August, 1950.

NAMES OF LOCATORS

Clarem Barney
Orem Barney
George M. Ormond

NOTICE OF LOCATION

Date August 12, 1950

Recorded August 21, 1950

in Book 11 Miscellaneous

Pages 366

NOTICE IS HEREBY GIVEN That the undersigned having complied with the requirements of Section 2324 of the Revised Statutes of the United States and the Local Laws, Customs and Regulations of this District, has located Fifteen hundred feet in length by 600 feet in width, on this the Vein, Lode, or Deposit, bearing Gold, Silver, Copper, Lead and other valuable minerals, situated in the head of Wolverene, about three miles Easterly of Water holes on East side of draw in the Circle Cliff Mining District, Garfield County, State of Utah, the location being described and marked on the ground as follows, to-wit:

Beginning 15 feet Westerly of this location (Discovery) Monument, at the Westerly end center monument, and running thence Northerly 300 feet to North West corner monument No. 1; thence Easterly 1500 feet to North east corner monument No. 2; thence Southerly 300 feet to Easterly end center monument; thence Southerly 300 feet to South East corner monument No. 3; thence Westerly 1500 feet to South West corner monument No. 4; thence Northerly 300 feet to place of beginning; including all Dips, Spurs, Angles and Variations.

The above described Mining Claim shall be known as the BLACK WIDOW NO. 3. Located this 12th day of August, 1951.

NAMES OF LOCATORS

Clarence Barney
Orean Barney
George H. Ormond

NOTICE OF LOCATION

Date _____

Recorded April 21, 1951

in Book 13 Miscellaneous

Page 481

NOTICE IS HEREBY GIVEN That the undersigned having complied with the requirements of Section 2324 of the Revised Statutes of the United States and the Local Laws, Customs and Regulations of this District, has located Fifteen hundred feet in length by 600 feet in width, on this the Placer lode, Vein or Deposit, bearing Gold, Silver, Copper, Lead and other valuable minerals, situated in the head of Wolverence, about three miles easterly of Water holes, on east side of draw in the Circle Cliff Mining District Garfield County, State of Utah, the location being described and marked on the ground as follows, to-wit:

Beginning 15 feet westerly of this location (Discovery Monument, at the Westerly end center monument, and running thence Northerly 300 feet to North West corner monument No. 1; thence Easterly 1500 feet to North East corner monument No. 2; thence Southerly 300 feet to easterly end center monument; thence Southerly 300 feet to South East corner monument No. 3; thence Westerly 1500 feet to South West corner monument No. 4; thence Northerly 300 feet to place of beginning including all Dips, Spurs, Angles and Variations.

The above described Mining Claim shall be known as the BLACK WIDOW NO. 1

NAMES OF LOCATORS

Claren Barney
Orean Barney
George H. Ormond

NOTICE OF LOCATION

Date _____

Recorded April 23, 1951

in Book 13 Miscellaneous

PAGES 482

NOTICE IS HEREBY GIVEN THAT THE undersigned having complied with the requirements of Section 2324 of the Revised Statutes of the United States and the Local Laws, Customs and Regulations of this District has located Fifteen hundred feet in length by 600 feet in width, on this the Placer Lode, Vein or Deposit, bearing Gold, Silver, Copper, Lead and other valuable minerals, situated in head of Wolverene about three miles Easterly of Water holes, on east side of draw in the Circle Cliff Mining District in Garfield County, State of Utah, the location being described and marked on the ground as follows, to-wit:

Beginning 15 feet westerly of this location (Discovery) Monument, at the Westerly end center monument, and running thence Northerly 300 feet to North West corner monument No. 1; thence Easterly 1500 feet to North East Corner monument No. 2; thence Southerly 300 feet to easterly end center monument; thence Southerly 300 feet to South east corner monument No. 3; thence Westerly 1500 feet to South West corner monument No. 4; thence Northerly 300 feet to place of beginning; including all Dips, Spurs, Angles and Variations.

The above described Mining Claim shall be known as the BLACK WIDOW NO. 2. Located this 12th day of April, 1951.

NAMES OF LOCATORS

Claren Barney
Orem Barney
George H. Ormond

NOTICE OF LOCATION

Dated April 12, 1951

Recorded April 23, 1951

in Book 13 Miscellaneous

Pages 482

NOTICE IS HEREBY GIVEN That the undersigned having complied with the requirements of Section 2324 of the Revised Statutes of the United States and the Local Laws, Customs and Regulations of this District, has located Fifteen hundred feet in length by 600 feet in width, on this the Placer Lode, Vein or Deposit, bearing Gold, Silver, Copper, Lead and other valuable minerals situated in the head of Wolverene, about three miles easterly of water holes on east side of draw in the Circle Cliff Mining District in Garfield County, State of Utah, the location being described and marked on the ground as follows, to-wit:

Beginning 15 feet Westerly of this location (Discovery) Monument, at the Westerly end center monument, and running thence Northerly 300 feet to the North West corner monument No. 1; thence easterly 1500 feet to North east corner monument No. 2; thence Southerly 300 feet to easterly end center monument; thence southerly 300 feet to South east corner monument No. 3 thence Westerly 1500 feet to South west corner monument No. 4; thence northerly 300 feet to place of beginning; including all Dips, Spurs, Angles and Variations.

The above described Mining Claim shall be known as the Black Widow No.3. Located this 12th day of April, 1951.

NAME OF LOCATORS

Claron Barney
Orean Barney
George H. Ormond

NOTICE OF LOCATION

Date August 13, 1950
Recorded August 21, 1950
in Book 11 Miscellaneous
Pages 365

NOTICE IS HEREBY GIVEN That the undersigned having complied with the requirements of Section 2324 of the Revised Statutes of the United States and the Local Laws, Customs and Regulations of this District, has located Fifteen Hundred Feet in length by 600 feet in width, on this, the Vein Lode, Vein or Deposit, bearing Gold, Silver, Copper, Lead and other valuable minerals, situated in head of right hand Silver Falls on West side of Canyon about 2½ northerly from Moody Trail on the _____ Mining District _____ County, State of _____, the location being described and marked on the ground as follows, to-wit:

Beginning 15 feet Northerly of this location (Discovery) Monument, at the Northerly end center monument, and running thence Easterly 300 feet to Northeast corner monument No. 1; thence Southerly 1500 feet to South East corner monument No. 2; thence Westerly 300 feet to South West end center monument; thence Westerly 300 feet to South West corner monument No. 3; thence Northerly 1500 feet to North west corner monument No. 4; thence Easterly 300 feet to place of beginning; including all Dips, Spurs, Angles and Variations.

The above described Mining Claim shall be know as the YELLOW JACKET. Located this 13th day of August, 1950.

NAMES OF LOCATORS:

Glaron Barney
Orean Barney
George H. Ormond
V. H. Fairbanks

NOTICE OF LOCATION

CLARON BARNEY, RAYMOND ORMOND,
OREAN BARNEY,

Locators,

Dated Sept. 9, 1950
Ack'd None
before None Notary Public
Res. None (SEAL)
Commission Expires NONE
Recorded: Sept 20, 1950
in Book 11 Miscellaneous
Pages 379

Records of Garfield Co, State of Utah
Consideration: none

NOTICE IS HEREBY given that the undersigned, having complied with the requirements of Section 2324 of the Revised Statutes of the United States, the Laws of Utah, and the local Laws, Customs and Regulations of this district has located fifteen hundred feet in length by six hundred feet in width on this Vein Lode, Vein or Deposit, bearing Gold, Silver, Copper, Lead and other valuable minerals, situated in right hand Silver Falls and is northerly from the reef Claim in the Circle Cliffs Mining District, Garfield County, State of Utah, the location being described and marked on the ground as follows; to-wit:

Beginning 15 feet Easterly of this location (Place of Discovery) Monument, at the Easterly end of center monument, and running thence Easterly 300 feet to South East corner monument No. 1; thence Westerly 1500 feet to South West corner monument No. 2; thence Northerly 300 feet to Westerly end of center monument; thence Northerly 300 feet to North West corner monument No. 3; thence Easterly 1500 feet to North East corner monument No. 4; thence Southerly 300 feet to place of beginning, including all Dips, Spurs, Angles and Variations.

The name of the mining claim above described is, and shall be known as the YELLOW JACKET no. 2.

Located this 9th day of September, 1950.

NAMES OF LOCATORS

Claron Barney
Raymond Ormond
Orean Barney

NOTICE OF LOCATION

Date: April 13, 1951
Recorded: April 23, 1951
in Book: 13 Misc.
Page: 481

NOTICE IS HEREBY GIVEN That the undersigned having complied with the requirements of Section 2324 of the Revised Statutes of the United States and the Local Laws, Customs and Regulations of this District, has located Fifteen hundred feet in length by 600 feet in width, on this the Placer Lode, Vein or Deposit, bearing Gold, Silver, Copper, Lead and other valuable minerals, situated in head of right hand Silver Falls, on west side of Canyon about 2½ _____ northerly from Moody trail Circle Cliff Mining District, Garfield County, State of Utah, the location being described and marked on the ground as follows, to-wit:

Beginning 15 feet Northerly of this location (Discovery) Monument, at the Northerly and center monument, and running thence Easterly 300 feet to North east corner monument No. 1 thence Southerly 1500 feet to South east corner monument No. 2; thence Westerly 300 feet to South west end center monument; thence Westerly 300 feetto South west corner monument No. 3; thence Northerly 1500 feet to North west corner monument No. 4; thence Easterly 300 feet to place of beginning; including all Dips, Spurs, Angles and Variations.

The above described Mining Claim shall be know as the YELLOW JACKET Located this 13th day of April, 1951.

NAME OF LOCATORS:

Claren Barney
Orean Barney
George H. Ormond
V. M. Fairbanks

MINING LEASE AND BOND

Dated, Sept., 1950
Recorded, Sept. 20, 1950
in Book: 11 misc.
Page: 379

THIS INDENTURE, Mad this 19th day of Sept. 1950 BETWEEN Claron Barney of Escalante Utah and Orean Barney of Richfield, Utah and Geo. N. Ormond of Boulder, Utah, Lessers, AND J. MARK NOLMES of Kanab, Utah and S. Kent Howard of Huntington, Utah, Lessees.

WITNESSETH, That the said Lessers for and in consideration of the royalties, covenant and agreements hereinafter reserved, and by the said Lessees to be paid, kept and performed, has granted, demised and let unto the said Lessees all the following mine and mining property, situated in Circle Cliffs Mining District County of Garfield, State of Utah, known and recorded as the BLACK WIDOW # 1 Filed for Record 35961 21, Aug. 1950, Misc. 11, Page 366 and BLACK WIDOW # 2, Filed of Record 35962, Aug. 21, 1950, Misc. 11, page 366 and BLACK WIDOW # 3, Filed for Record 35963 Aug, 21, 1950, Misc. 11 Page 366, Garfield Co., Utah, and more fully described in recorded instruments upon the public records which are hereby referred to; together with the appurtenances; to have and to hold unto the said Lessees for the term of Continuous.

AND IN CONSIDERATION of the said demise, the said Lessees does covenant and agree with the said Lessers as follows, to wit:

1. To commence work at once upon said mine, and work the same in a good and workmanlike manner, working the aforesaid permises steadily and continuously from the date hereof; and that a failure to work said premises with at least One person for 20 days in each calander month, after the first month in which indenture is made, may, at the lption of Lessers be considered a violation of this covenant.

2. To timber said mine, when and where necessary, at Lessee's own expense.

3. To allow the said Lessers or his agents to enter upon and into all parts of said mine for the purpose of inspection.

4. To not assign this lease, or any interest thereunder, or sublet the same, or any part thereof, without the written consent of said Lessers.

5. To pay and deliver to said Lessers or to his agents as royalties 11% Base Price on Uranium ore and 11% of all other minerals when Recorded.

6. To deliver up to said Lessers the said premises with the appurtenances, and all improvements, including all Permanent fixture.

The said Lesser, for and in consideration of one dollar cash in hand paid by said Lessee the receipt whereof is hereby acknowledged, does hereby find and Guarrantee and firmly bound unto the said Lessees heirs or assigns in the sum of Seventy Five Thousand Dollars, lawful money of the United States, to make, execute and deliver a good and sufficient deed to said premises free from all encumbrances, ~~[illegible]~~ at any time before the expiration of lease to the said Lessees heirs, or assigns. PROVIDED, That on or before the expiration of this lease, the said Lessees, heir or assigns, shall pay to the said Lessors, heirs or assigns, the sum of Seventy Five Thousand Dollars, lawful money of the United States, being the price agreed upon between the Lessers and Lessees.

Each and every clause and covenant of this indenture shall extend to the assigns, heirs executors and administrators of all parties hereto. A crew of 3 man shall be kept working on either the Hot Shot's YELLOW JACKET or BLACK WIDOW groups held under lease.

IN WITNESS WHEREOF the said Lessers and Lessees, have hereunto set their hand and seals in duplicate, the date and year aforesaid.

Signed in the presence of
Roe Barney

Claron Barney
George N. Ormond
Orean Barney
S. Kent Howard
J. Mark Nelmes

Acknowledge in Garfield County, Utah, September 15, 1950, by the above signers, before D. M. Cowles, Notary Public, seal is shown.

MINING LEASE AND BOND

Dated: Sept. 19, 1950
Ack'd: George H. Ormond, Glaren Barney, Orean Barney, S. Kent Howard, & J. Mark Holmes.
Before: D. H. Cowles Notary Public
Res. Escalante, Utah (SEAL)
Commission expires 11-23-53
Recorded: September 26, 1950
in Book: 11 Miscellaneous
Pages: 362
Records of Garfield County, State of Utah

THIS INDENTURE, Made this 19th day of Sept., 1950, BETWEEN Orean Barney and V. N. Fairbanks of Richfield, Utah and Glaren Barney of Escalante, and George H. Ormond of Boulder, Utah, Lessors, AND J. MARK HOLMES of Kanab, Utah, and S. KENT HOWARD of Huntington, Utah, Lessees, WITNESSETH, That the said Lessor for and in consideration of the royalties, covenants and agreements hereinafter reserved, and by the said Lessees to be paid, kept and performed, has granted, demised and let unto the said Lessees all the following described mine and mining property, situated in Circle Cliffs Mining District, County of Garfield, State of Utah, known and recorded as the Yellow Jacket filed for record 35960, August 21, 1950; Misc. 11, page 365, and Yellow Jacket # 2, located 9th Sept.; Rec. Misc. 11, Page 379, Garfield Co. Utah. #3603 $ and more fully described in recorded instruments upon the public records which are hereby referred to; together with the appurtenances; to have and to hold unto the said Lessees for the term of Continuous, unless sooner forfeited through the violation of any covenant hereinafter against the said lessees does covenant and agree with the said Lessors as follows, to-wit:

First--To allow the said Lessors or his agents to enter upon said mine, and work the same in a good and work-manlike manner, working the aforesaid premises steadily and continuously from the date hereof; and that a failure to work said premises with at least one person for 20 days in each calendar month, after the first month in which indenture is made, may, at the option of Lessors, be considered a violation of this covenant.

Second--To timber said mine, when and where necessary, at Lessee's own expense.

Thrid--To allow the said Lessors to his agents to enter upon and into all parts of said mine for the purpose of inspection.

Fourth--To not assign this lease, or any interest thereunder, or sublet the same, or any part thereof, without the written consent of said Lessors.

Fifth--To pay and deliver to said Lessors or to his agents, as royalty, 11% Base Price of Uranium Ore and 11% of all other mineral when recovered.

Sixth--To deliver up to said Lessors the said premises with the appurtenances, and all improvements, including all permanent fixtures.

The said Lessors, for and in consideration of one dollar cash in hand paid by said Lessees the receipt whereof is hereby acknowledge, does hereby bind and Guarantee and firmly bound into the said Lessees heirs or assigns in the sum of Eighty Thousand Dollars lawful money of the United States, to make, execute and deliver a good and sufficient rights to said premises, free from all encumbrances, at any time before the expiration of lease to the said lessees, heirs, or assigns.

PROVIDED, That on or before the expiration of this lease, the said Lessee, heirs or assigns, shall pay to the said Lessors, heirs or assigns, the sum of Eighty Thousand Dollars, lawful money of the United States, being the price agreed upon between the Lessors and Lessees.

Each and every clause and covenant of this indenture shall extend to the assigns, heirs, executors and administrators of all parties hereto.

A crew of 3 men shall be kept working on either the Hot Shot's Yellow Jacket or Black Widow (widdo) groups held under lease.

IN WITNESS WHEREOF the said parties, Lessors and Lessees, have hereunto set their hands and seals in duplicate, the date and year aforesaid.

Signed in the presence of
Ree Barney

George H. Ormond
Claron Barney
Orean Barney
S. Kent Howard
J. Mark Holmes

Acknowledged in Garfield County, Utah; September 19, 1950, by the above signers, before D. H. Cowles, Notary Public, seal is shown.

AGREEMENT

Dated: January 3, 1951
Recorded: January 15, 1951
Ack'd:
before S.R. Bossard Notary Public
Res. Richfield, Utah (SEAL)
Commission Expires 5-31-52
Recorded: January 15, 1951
in book: 13 Misc. Pages 203

This agreement entered into this 3rd day of January, 1951, at Richfield, Utah, Between J. Mark Holmes and S. Kent Howard.

It is agreed that for and in consideration of $500.00 paid the 1st day of July, 1951, and $500.00 paid the 31st day of December 1951, S. Kent Howard sells all right, title and interest in the mining leases with Clarence and associates of Escalante, Utah, to J. Mark Holmes.

The lease covers the Black Widow group in Circle Cliff Mining District, Garfield County, Utah, and the Yellow Jacket Group and Hot Shot and Blue Jay Group in the same Mining District, Garfield County, Utah.

S. Kent Howard
S. Kent Howard

J. Mark Holmes
J. Mark Holmes

Subscribed and sworn to before me this 3rd day of January, 1951.

(SEAL)

S. R. Bossard
Richfield, Utah

AGREEMENT

Date: January 29, 1951
before Leah Wilson Notary Public
Res: Hatch, Utah
Commission expires 1-20-50
Recorded: April 11, 1951
in Book: 13 Miscellaneous
Pages: 448

This agreement between J. Mark Holmes of Kanab, Utah, and Mammoth Lumber Company of Hatch, Utah.

J. Mark Holmes hereby grants an undivided interest in the following mining leases on the following groups of mining claims held by J. Mark Holmes of Kanab, Utah:

> Black Widow Group, Yellow Jacket Group, Blue Jay and Hot Shot Groups. Said leases with Clarem Barney and others of Escalante, Utah, for $1.00 and valuable consideration a 50% interest is granted to the Mammoth Lumber Company of Hatch, Utah,

J. Mark Holmes
J. Mark Holmes

Subscribed and sworn to before me this 29th day of January, 1951.

PROOF OF LABOR

Date: June 27, 1951
Recorded: June 28, 1951
in book: 14 Misc.
Pages: 20-21

STATE OF UTAH)
)ss.
COUNTY OF_____)

Claron Barney, Escalante, Utah, Orean Barney and George Ormond uranium claims being first duly sworn depose and say that they have caused work to be done on the Black Widow one to six inclusive assessment work $1,200.00 Mining Claims, situated in Circle Cliff Mining District, Garfield County, Utah, and caused labor to be performed and improvements made therem as follows:

40 days' work on Black Widow 1 to 6 inclusive worth $1,200.00 from March 30, 1951 to June 25, 1951-40 days' labor on open pit mining on claims worth $1,200.00; from March 30, 1951 to June 25, 1951 and 800 cubic feet of earth and rock were removed.

Said work was done and improvements made at the instance or request of Claron Barney, Orean Barney, and George Ormond Uranium Co.

The actual amount paid for said improvements and labor was $1,200.00 DOLLARS, and was paid by J. M. Holmes, Kanab, Utah the lesser of the Black Widow uranium claims, The Six claims Mining Claims, for the purpose of holding said claims.

Claron Barney

Subscribed and sworn to before me this 27th day of June, 1951

(SEAL)
My commission expires Jan. 28, 1953
Residence: Escalante, Utah

Leslie George, Notary

PROOF OF LABOR

Date: June 27, 1951
Recorded: June 28, 1951
in Book: 14 Misc.
Page: 22

STATE OF UTAH)
) ss.
COUNTY OF GARFIELD)

Escalante, Claron Barney, Orean Barney, George H. Armond, B. N. Fairbanks, being first duly sworn depose and say that they have caused work to be done on the Yellow Jacket No. 1 and No 2, $1000.00 assessment work on Yellow Jacket Mining Claims situated in Circle Cliff Mining District, Garfield County, Utah, and caused labor to be performed and improvements made thereon as follows:

30 days labor on Yellow Jacket No 1, No 2, worth $1000.00 from April 1st, 1951 to June 1st, 1950,; 30 days' labor on Yellow Jacket No. 1 & No 2 worth $1000.00, from April 1st, 1951 to June 1st, 1951; 30 days' labor on Yellow Jacket Tunnel & Roads worth $1000.00, from April 1st, 1951 to June 1st, 1951 and _____Cubic feet of earth and 100 cubic feet of rock were removed.

Said work was done and improvements made at the instance or request of Claron Barney, Orean Barney, George H. Armond, B. N. Fairbanks.

The actual amount paid for said improvements and labor was $1000.00 DOLLARS, and paid by J. Mark Holmes the lessee of the Yellow Jacket No. 1, & No. 2 Mining Claims, for the prupose of holding said claims.

Claron Barney

Subscribed and sworn to before me this 27th day of June, 1951

(SEAL)

Leslie George, Notary

My commission expires January 28, 1953.

AFFIDAVIT OF WORK DONE GROUP MINING CLAIMS

Date: June 26, 1951
Recorded: June 28, 1951
in Book: 14 Misc.
Page: 23

STATE OF UTAH)
) SS.
COUNTY OF KANE)

J. Mark Holmes being duly sworn says: That he was employed by Holmes, Wilson & Porter lessee, from Claron Barney and other locators, the owners of the Black Widow # 1 to 3, & Yellow Jacket Mining Claims, situated in the Circle Cliffs Mining District Garfield County, State of Utah; and for and on behalf of said owners, J. Mark Holmes performed the annual labor and other work made the annual improvements required by the laws of the United States for the year 1950 on said claims; that the said work done and improvements made consist of Roads, tunnels, etc. on said claims and is of the value of $5,000.00; that said labor was performed and improvements made on and between the 1st day of October, A. D. 1950, and the 30th day of June A. D. 1951; that there were 364 days' work done on said claims, and 25,000 cubic feet of earth and 15,000 cubic feet of rock were removed; that said work was done and said improvements made at the instance and request of said J. Mark Holmes the said owners of said claims; that the actual amount paid for said labor and improvements was $5,000.00 and said sum was paid by the said J. Mark Holmes, and Holmes, Wilson & Porter the said owners of said claims.

J. Mark Holmes

Subscribed and sworn to before me this 26th day of June, A. D. 1951

Mayrell Tietjen, Notary Public

(SEAL)

Commission expires: 12-1-54.

File in Office of County Recorder, and with District Mining Recorder, within 30 days after completion of work.

C E R T I F I C A T E

STATE OF UTAH)
) ss.
COUNTY OF GARFIELD)

BRUCE F. PARKER, a duly authorized Abstracter of Titles within and for said County and State, in consideration of the fee paid, hereby certifies that the foregoing Abstract consisting of 17 pages numbered from 1 to 17 inclusive, is a true and correct abstract of the following, subject to the observations, comments, and reservations hereinafter set forth.

1. All instruments revealed by a search of the Mining Index of the Garfield County Recorders Office, in the State of Utah, referring to the following named Mining Claims in Garfield County, State of Utah, to-wit:

Black Widow 1 to 3 inclusive, situated in head of Wolverene, about three miles Easterly of Water Holes, on east side of draw in the Circle Cliff Mining District;
Also: Yellow Jacket also spelled Yello Jacket, situated in head of right hand Silver Falls on West side of Canyon about 2½ miles Northerly from Moody Trail in Circle Cliff Mining District;
Also: Yelle Jacket No. 2, situated in right hand Silver Falls, and is Northerly from the Reef Claim in the Circle Cliff Mining District.

2. I find that no taxes have been assessed against the above named mining claims.

3. As this property is not located as to Section, Township and Range, it is impossible to determine whether it is in an area which is subject to any special assessments, therefore no statement is made as to such special assessments.

4. There are no subsisting judgments for the 8 years last past against any of the following, appearing upon the dockets of the Sixth Judicial District Court of Garfield County, State of Utah:

Clarence Barney	V. M. Fairbanks	J. Mark Holmes
Orean Barney	Raymond Ormond	Mammoth Lumber Company
George H. Ormond	S. Kent Howard	

IN WITNESS WHEREOF, the said Bruce F. Parker has caused this Certificate to be signed and his Seal affixed this 26th day of July, 1951 at 2:00 P.M.

Bruce F. Parker
Bruce F. Parker, An Authorized Abstracter

(SEAL)

Escalante, Utah
October 3, 1951

To Whom It May Concern:

We hereby offer an option to purchase one half interest in the Yellow Jacket Mining Claim recorded in Garfield County Recording Office # 35960, 21st day of August, 1950.

For a period of 60 days from date this option may be exercised by a payment of $6000.00 (Six thousand dollars) in cash.

This option becomes void after 60 days without further notice.

Claron Barney
Claron Barney

Grace O. Barney
Grace O. Barney

(Geo. M. Ormond) equty.
By Grace Ormond Barney

J. Mark Holmes
J. Mark Holmes

MINING LEASE AND OPTION

THIS AGREEMENT made in duplicate as of the 20th day of September, 1950, by and between Claren Barney, Orean Barney, V. H. Fairbanks and Grace O. Barney acting for George H. Osmond, deceased, as Lessors, and J. Mark Holmes, as Lessee:

WITNESSETH:

In consideration of the rentals and royalties hereinafter reserved and of the covenants and agreements hereinafter expressed by the parties to be faithfully kept and performed, the parties hereto mutually and severally covenant and agree as follows:

I.

RIGHTS GRANTED TO LESSEE

Lessors do hereby demise, let and grant to Lessee all of Lessors' rights, title, claim and interest in and to the following described mining locations and mining property situated in Circle Cliffs Mining District, Garfield County, State of Utah, to-wit:

Yellow Jacket (or) Yello Jacket — Notice of Location Recorded in Records of Garfield County, Utah Misc. Book, [illegible] Pag 365

21 August, 1950

Together with all and singular the tenements, hereditaments and appurtenances thereunto belonging, or in any wise appertaining.

Together with all dips, spurs and minerals therein contained and appertaining, and together with all and any other property and all rights, real, personal or mixed, in, upon or appertaining to any of the claims or premises above mentioned.

Together with water rights, if any, of the Lessors, whether arising by use or otherwise, used or intended to be used upon or in connection with the development or operation of the property above described.

TO HAVE AND TO HOLD unto the said Lessee for a term of fifty (50) years from the date hereof, subject to the strict, punctual and exact performance by the Lessee of all the conditions, covenants and agreements by it to be kept and performed.

II.

PROPER OPERATION REQUIRED

Lessee shall enter upon said mine and premises and work the same in the manner necessary to good miner-like and economical mining so as to develop and take out ore with due regard to the development and preservation of the same as a workable mine, and to the special covenants herein reserved, and in keeping with the mining laws of Utah and the United States, and rules and regulations thereunder which are applicable.

III.

ROYALTIES

Lessee shall pay to Lessors 11% of all revenue received irrespective of their source or their date of origin.

IV.

STATEMENTS TO BE FURNISHED

Lessee shall, on or before the 15th day of each month hereof, furnish Lessors with a written report showing as to the preceeding lease month the tonnage of ore extracted, shipped, or sold, the actual royalty payable thereon, the total tonnage of ore extracted, and the tonnage shipped or sold.

Lessee shall also request purchasing Agent to furnish Lessors with duplicate copies of smelter, mint or other purchasing agencies' receipts and settlement charts for ore and products extracted and shipped or sold from leased premised.

V.

BOOKS AND RECORDS

Lessors and their authorized agents shall at any and all reasonable times be permitted to inspect all books and records including assay reports of the Lessee relating to the leased property in order to ascertain the correct amount of royalt due Lessor or to determine whether or not the provisions of the lease are being complied with.

VI.

LESSORS' RIGHT OF INSPECTION

Lessee shall allow said Lessors and their agents, from time to time, to enter upon and into all parts of said leased premised for purposed of inspection at such reasonable times as shall not interfere with the regular operation of the leased premised. It is understood and agreed that the Lessee shall assume no responsibility for the safety of Lessors or their agents when and while upon the leased premised for such purpose; and further, the Lessors hereby agree to indemnify and hold harmless the Lessee for any damages which the Lessee may suffer as a result of any injury occurring to the Lessors or their agents when and while upon the premises for the above purpose.

VII.

ORES NOT TO BE CO-MINGLED

Lessee shall not mix any ores from the demised premises with the ores, minerals or products therefrom derived from any other property.

VIII.

STATE AND FEDERAL ENACTMENTS
INDEMNIFICATION OF LESSORS

Lessee, in the operation and development of the property hereby leased, shall be subject to all applicable Federal enactments and regulations, laws of the State of Utah, and to all Federal or State rules and regulation regarding Employees Liability, Workman's Compensation and Workman's Old Age and Unemployment Insurance, and said Lessee covenants and agrees to indemnify and hold harmless the Lessors from and against the payment of any and all damages, claims, costs and expenses due to the existence of such enactments, and of any and all claims, costs and expenses in connection therewith under any claim of subrogation provided for by said enactments or otherwise; and the Lessee shall further indemnify and hold harmless the Lessor from and against any and all damages, claims, costs and expenses arising out of damage to property or any injury to or death of employees of the Lessee, or to any other person whomsoever other

than the Lessors and those acting under them, where such injury, death or damage occurs because of or in connection with the use, operation or development in any manner, of the property hereby leased, whether such claims are based upon a right conferred by the common law or by statute.

IX.

PROPERTY TO BE KEPT FREE OF LIENS

Lessee shall pay and satisfy all claims for materials, supplies and labor in connection with the working of said mine and mining property and shall keep said mine and mining property free of liens or encumbrances of any and every kind except such as might result from State and County tax assessments not required to be paid by Lessee, or such as may result from the acts of others than Lessee, its employees or those in privity with it.

X.

TAXES

Lessors shall pay all State and County tax assessments upon said leased premises, except as hereinafter otherwise provided.

Lessee shall pay all State and County tax assessments upon any and all structures and other improvements, machinery, equipment, tools, supplies and personal property whatsoever placed upon the leased premises by the Lessee.

Lessors shall pay all the State and County "net proceeds" taxes assessed against Lessor on account of their receipt of royalties hereinabove provided to be paid to them by the Lessee.

Lessee shall pay all State and County "Net proceeds" taxes assessed against Lessee, and other taxes assessed against Lessee on account of its operations hereunder.

XI.

WORK REQUIREMENTS

Lessee agrees to expend in labor and material upon or for the benefit of said leased premises in prospecting, developing, mining, construction or other relating work, the equivalent of 6 man shifts, each lease month during which weather conditions do not prevent or unreasonably interfer with the performance of such work; provided that if the amount expended in any month shall exceed the work required the excess so expended shall be carried over as a credit and may be applied by the Lessee towards meeting the required expenditure or expenditures for any subsequent month or months of the same year.

Lessee agrees to furnish to the Lessor each assessment year during the term of this lease a proper work certificate showing the amount of work or improvements made upon or for the benefit of the leased premises during that assessment year which can be utilized by Lessors for or in the preparation of the proof of annual assessment labor on the leased premises.

XII.

LESSORS' RIGHT TO INFORMATION

Lessee agrees that Lessors or their authorized agents shall have access to, and the right to copy any information from, geological, metallurgical, drilling, sampling and other data relating to said leased premises secured by and in the possession lessee in connection with its prospecting and development of said premises.

In the event that termination of this agreement for any reason whatsoever, the Lessee agrees to furnish Lessors with copies of all drilling and sampling data, reports of metallurgical tests, a map accurately showing the development work performed by the Lessee upon the leased premises and copies of any and all geological maps relating to said leased premises prepared by Lessee.

It is expressly understood and agreed, however, that the Lessors shall not be entitled or have access to any confidential reports made by members of Lessee's engineering staff, nor shall lessee be under any obligation to furnish Lessors with any such reports or reports, except on termination of this contract.

XIII.

LESSEE'S RIGHT OF SURRENDER

It is mutually understood and agreed that the Lessee may, at any time, surrender and terminate this lease upon giving thirty (30) days notice in writing, paying to Lessors all royalties and other sums due and payable to the Lessors to the effective date of such surrender, and complying with the terms of this lease with respect to the preservation and protection of workings upon the leased premises.

XIV.

FORFEITURE OR TERMINATION

This lease is made upon the condition that the Lessee shall perform all of the covenants and agreements herein set forth to be performed by it, and if at any time Lessee shall fail for a period of thirty (30 days to make any monthly royalty payments due hereunder within 30 days from the day when payable, or if there shall be any other default on the part of the Lessee due to other than acts of God, strikes, lockouts, storms, floods, a public enemy, or unusual casualty, or any other cause entirely beyond Lessee's control, and if, as to any other default, Lessee, within thirty (30) days after written notice by Lessors specifying the character of the asserted default shall fail to commence to remedy such default, or shall fail thereafter to diligently proceed to correct such default, then and in such event this lease and option shall terminate and the leased premises shall revert to the Lessors and the Lessee shall deliver to the Lessors these said premises.

XV.

REMOVAL OF EQUIPMENT

It is mutually understood and agreed that in case of forfeiture, surrender or other termination of this lease, all underground timbering supports, shaft linings and other fixtures necessary for the preservation

of any mines, and all rails and head frames upon or in the said leased premises shall be and remain a part of the realty and shall revert to the Lessors without further consideration or compensation. In case of such forfeiture, surrender or other termination of this lease, Lessors shall have the exclusive right and option for a period of thirty (30) days after the effective date of such forfeiture, surrender or other termination of this lease, to purchase from Lessee for cash all, but not less than all, pumps, hoists, compressors, and transformers and power equipment for the operation of the same, upon or in the leased premises, at the fair appraised resale value thereof as of the effective date of such termination.

It is further understood and agreed that all personal property of the Lessee located within the leased premises, and all buildings, machinery, equipment and tools (other than the fixtures to become the property of the Lessors as above provided) shall, in case of forfeiture, surrender or other termination of this lease, remain upon the leased premises and be held as a guarantee in lieu of bond until all terms of this lease with respect to payment of royalties and the preservation of the property shall have been complied with. Upon such compliance with and performance of such conditions and obligations the Lessee shall be entitled to, and may, within ninety (90) days after such termination of this lease or within such extension of time as may be granted by the Lessors, remove from the leased premises such personal property and improvements, other than those items which are to remain the property of the Lessors as above provided.

XVI

MANNER OF GIVING NOTICE

Any notice contemplated herein to be served upon the Lessee shall be in writing and shall be sufficiently given if mailed in the United States Post Office, postage prepaid and registered, addressed to Lessee at Kanab, Utah, or to such other address as Lessee may from time to time designate in writing.

Any notice contemplated herein to be served upon the Lessors shall be in writing, and shall be sufficiently given if mailed in the United States Post Office, postage prepaid and registered, addressed to Lessors, care of John Paul Fullmer, Marysvale, Utah, or at such other address as Lessors may from time to time designate in writing.

Service of notice by mail shall be deemed effective and complete upon date of posting and mailing in accordance herewith.

It is understood and agreed that personal service of notice upon either party shall be deemed sufficient service of notice, and no mailing of notice in the case of personal service shall be necessary.

XVII

OPTION TO PURCHASE

In consideration of the foregoing Lease and the expenditures to be made thereunder by Lessee, Lessors hereby grant and extend to Lessee for the life of said Lease, the exclusive option to purchase all the right, title and interest of the Lessors (subject to the royalty to be reserved as hereinafter provided) in and to the leased premises for the sum of Twenty Thousand and no/100 dollars ($20,000.00) less any amounts theretofore paid to Lessors as royalties under the foregoing Lease; such option may be exercised by Lessee upon written notice to Lessors and upon payment to Lessors of the required purchase price, and upon

payment of the purchase price, Lessors shall deliver to Lessee a good and sufficient mining deed conveying title to the above mentioned mining locations free and clear of any liens, encumbrances, burdens or restrictions created by any act or instrument of Lessors or any of them.

Such deed shall provide for the payment of the said reserved royalties at the time and in the manner hereinabove provided as to the payment of royalties under the foregoing lease.

XVIII

LOCATION OF FRACTIONS OR ADJOINING CLAIMS

Lessee agrees that in the event any fractions or property shall be found to be subject to location within the exterior boundaries of the group of claims covered by this lease or adjoining said group of claims, that Lessee will either locate the same in the names of the lessors or will advise Lessors to locate the same. Lessors agree that they will locate any such fractions or adjoining property whether found by them to be open, or called to their attention by Lessee; and Lessors further agree that any fractions or claims located as in this paragraph provided, shall be included within and shall be subject to the terms and conditions of this lease and option as fully and in all respects as if specifically described and set out in this option at the time of the execution hereof.

IN WITNESS WHEREOF the parties hereto have set their hands and seals this 20 of Sept., 1951.

(Signed) Orean Barney (Signed) J. Mark Holmes
Lessee

(Signed) V. M. Fairbanks
(Signed)
(Signed)
LESSORS

STATE OF UTAH)
) ss
COUNTY OF SEVIER)

Before me on the 20 day of September 1951, personally appeared***

_____

_____

and J. Mark Holmes, who duly acknowledged to me that they executed the foregoing instrument, consisting of nine(9) pages, including this page.

My commission expires Dec. 4, 1954 Allen R. Bloomquist

STATE OF UTAH)
) ss
COUNTY OF GARFIELD)

Before me on the _____ day of _____, 1951, personally appeared Glaren Barney and Grace G. Barney, and J. Mark Holmes, who duly acknowledged to me that they executed the foregoing instrument, consisting of nine (9) pages including this page.

_____

My commission expires _____

PARDNERS MINING CLAIM

Date Filed April 2, 1951
Recorded: April 3, 1951
Book: Miss. 13
Pages: 439, 440 & 441

NOTICE OF LOCATION

Notice is hereby given that the undersigned, having complied with the requirements of Section 2324 of the Revised Statutes of the United States, the l laws of the State of Utah, regulations of this district, have located fifteen hundred feet in length by six hundred feet in width on this vein lode, vein or deposit, bearing gold, silver, copper, lead and other valuable minerals situated approximately 2 miles north of Wagon Box Mesa on the east slope of Stud Horse Knolls 1/4 mile west of road in Circle Cliffs Mining District, Garfield County, State of Utah, the location being described and marked on the ground as follows, to-wit:

Beginning 300 feet westerly of this location (place of discovery) monument, at the Easterly end; thence northerly 300 feet to NE corner monument No. 1; thence westerly 1500 feet to NW corner monument No. 2; thence Southerly 300 feet to west end of center monument; thence southerly 300 feet to S.W. corner monument No. 3; thence Easterly 1500 feet to S.E. corner monument No. 4; thence Northerly 300 feet to place of beginning, including all Dips, spurs, angles and variations.

The name of the mining claim above described is, and shall be known as the Pardners No. 1, located this 2nd day of April, 1951.

NAME OF LOCATERS

Holbert Smith
W. L. Davis

No. 38392 recorded at the request of W.L. Davis, April 3, 1951, at 1:35 p.m.
Mildred Denel, Recorder
Virginia Bayee, Typist

NOTICE OF LOCATION

Notice is hereby given that the undersigned, having complied with the requirements of Section 2324 of the Revised Statutes of the United States, the laws of the State of Utah, and the local laws, customs and regulations of this District, have located fifteen hundred feet in length by six hundred feet in width on this, vein lode, vein or deposit, bearing gold, silver, copper, lead and other valuable minerals, situated (north of road in Flats approximately 4 miles north of Stud Horse Knolls in Circle Cliffs Mining District.

Beginning 300 feet Westerly, west end center; thence Northerly 300 to N.W. No. 1, E 1500 to NE S-300 to East end, S-300 to SE, Westerly 1500 to S.W. North 300 to point of beginning.

The name of the mining claim above described is, and shall be known as the Pardners No. 2, located this 2nd day of april, 1951.

No. 38393

NAME OF LOCATERS
Holbert Smith, W. L. Davis

NOTICE OF LOCATION

Notice is hereby given that the undersigned, having complied with the requirements of Section 2324 of the Revised Statutes of the United States, the laws of the State of Utah, regulations of this district, have located fifteen hundred feet in length by six hundred feet in width on this vein lode, vein or deposit, bearing gold, silver, copper, lead and other valuable minerals situated north of road in flats approximately 4 miles north of Stud Horse Knowls in Circle Cliffs Mining District.

Beginning 300 feet westerly of this location (place of discovery) monument, thence N 300 feet to NW corner monument No. 1; thence Easterly 1500 feet to NE corner monument No. 2; thence Southerly 300 feet to east center; thence S 300 feet to SE monument No. 3; thence W 1500 to SW monument No. 4 N 300 feet to point of beginning.

The name of the mining claim above described is, and shall be kn wn as the Pardners No. 4, located this 2nd day of April, 1951.

NAME OF LOCATERS

Melber Smith
W. L. Davis

No. 38620, recorded at the request of W. L. Davis, April 23, 1951, at 10 A.M.
Mildred Deuel, Recorder
Virginia Byyee, typist

MINING LEASE AND OPTION

THIS AGREEMENT MADE IN DUPLICATE AS OF THE 3rd day of October, 1951, by and between Herbert L. Smith & M. L. Davis, as Lessors, and J. Mark Nelson, as Lessee:

WITNESSETH:

In consideration of the rentals and royalties hereinafter reserved and of the covenants and agreements hereinafter expressed by the parties to be faithfully kept and performed, the parties hereto mutually and severally covenant and agree as follows:

I.
RIGHTS GRANTED TO LESSEE

Lessors do hereby demise, let and grant to Lessee all of Lessors' right, title, claim and interest in and to the following described mining locations and mining property situated in Circle Cliffs Mining District, Garfield county, State of Utah, to-wit:

Name of Location	Notice of Location Recorded in Records of Garfield County, Utah Book of Locations Page
Pardners No. 2	# 38393 Misc. Book 13, Page 430-431
Pardners No. 4	# 38620 Misc. Book 13, Page 480
Pardners No. 1	# 38392 Misc. Book 13, Page 430

Together with all and singular the tenements, hereditaments and appurtenances thereunto belonging, or in any wise appertaining.

Together with all dips, spurs and minerals therein contained and appertaining, and together with all and any other property and all rights, real, personal or mixed, in, upon or appertaining to any of the claims or premises above mentioned.

Together with water rights, if any, of the Lessors, whether arising by use or otherwise, used or intended to be used upon or in connection with the development or operation of the property above described.

TO HAVE AND TO HOLD unto the said Lessee for a term of fifty (50) years from the date hereof, subject to the strict, punctual and exact performance by the Lessee of all the conditions, covenants and agreements by it to be kept and performed.

II.

Lessee shall enter upon said mine and premises and work the same in the manner necessary to good miner like and economical mining so as to develop and take out ore with due regard to the development and preservation of the same as a workable mine, and to the special covenants herein reserved, and in keeping with the mining laws of Utah and the United States, and rules and regulations thereunder which are applicable.

ROYALTIES

Lessee shall pay to Lessors on all ores extracted and shipped or sold from said premises royalties as follows:

(a) On uranium ores 15% of the "base price" (as hereinafter defined.)

(b) The bonus paid by the Atomic Energy Commission on the first 10,000 pounds of U_3O_8 content of ore, a royalty of 15% shall be paid in addition to the base price royalty.

(c) On all ores other than uranium ores and on the mineral value of uranium ores for other minerals, 15% of the "net mint, smelter, or custom-mill return" (as hereinafter defined).

"Base price" as used herein shall mean "base price" of uranium ore of like grade and quality as determined under the government rules and regulations; shall not include any special premium, development allowances, or subsidies which may be provided to the mine or operations; shall be the "base price" of the ore at Marysvale, Utah, without deduction for cost of transportation from the mine to Marysvale; but any treatment charges or deductions and also any transportation and freight charges from Marysvale, Utah, which are deducted in settlement and payment for the uranium ore shall be deducted in determining the "base price" for the purpose of computing royalties.

"Net mint, smelter or custom-mill return" as used herein shall mean the gross value at Marysvale, Utah, as figured by the mint, smelter or custom-mill less mint, smelter or custom-mill treatment charges or deductions and transportation and freight charges from Marysvale, Utah.

Any amount due and payable to Lessors as royalties on ore extracted and shipped and sold during any lease month hereunder shall be paid by the Lessee to the Lessors on or before the 15th day of the month next succeeding the lease month during which the Lessee shall have received payment or settlement therefore by the deposit thereof to the credit of the Lessors or assigns in the Bank of Richfield, Utah, or such other bank as the Lessors may from time to time designate by written notice to Lessee. Request will be made to American Smelting & Refining Co. (Agents for Atomic Energy Commission) at Marysvale, Utah, to pay 15% base to Bank and also Atomic Energy Commission will be requested to pay 15% of bonus to Bank.

IV.

STATEMENTS TO BE FURNISHED

Lessee shall, on or before the 15th day of each month hereof, furnish Lessors with a written report showing as to the preceding lease month the tonnage of ore extracted, shipped, or sold, the actual royalty payable thereon, the total tonnage of ore extracted, and the tonnage shipped or sold.

Lessee shall also request Purchasing Agent to furnish Lessors with duplicate copies of smelter, mint or other purchasing agencies' receipts and settlement charts for ore and products extracted and shipped or sold from leased premises.

V.

BOOKS AND RECORDS

Lessors and their authorized agents shall at any and all reasonable times be permitted to inspect all books and records including assay reports of the Lessee relating to the leased property in order to ascertain the correct amount of royalty due Lessor or to determine whether or not the provisions of the lease are being complied with.

VI.

LESSORS' RIGHT OF INSPECTION

Lessee shall allow said Lessors and their agents, from time to time, to enter upon and into all parts of said leased premises for purposes of

inspection at such reasonable times as shall not interfere with the regular operation of the leased premises. It is understood and agreed that the Lessee shall assume no responsibility for the safety of Lessors or their agents when and while upon the leased premises for such purpose, and further, the Lessors hereby agree to indemnify and hold harmless the Lessee for any damages which the Lessee may suffer as a result of any injury occurring to the Lessors or their agents when and while upon the premises for the above purpose.

VII.

ORES NOT TO BE CO-MINGLED

Lessee shall not mix any ores from the demised premises with the ores, minerals or products therefrom derived from any other property.

VIII.

STATE AND FEDERAL ENACTMENTS
INDEMNIFICATION OF LESSORS

Lessee, in the operation and development of the property hereby leased, shall be subject to all applicable Federal enactments and regulations, laws of the State of Utah, and to all Federal or State rules and regulations regarding Employees Liability, Workman's Compensation and Workman's old Age and Unemployment Insurance, and said Lessee covenants and agrees to indemnify and hold harmless the Lessors from and against the payment of any and all damages, claims, costs and expenses due to the existence of such enactments, and of any and all claims, costs and expenses in connection therewith under any claim of subrogation provided for by said enactments or otherwise; and the Lessee shall further indemnify and hold harmless the Lessor from and against any and all damages, claims, costs and expenses arising out of damage to property or any injury to or death of employees of the Lessee, or to any other person whomsoever other than the Lessors and those acting under them, where such injury, death or damage occurs because of or in connection with the use, operation or development in any manner, of the property hereby leases, whether such claims are based upon a right conferred by the common law or by statute.

IX.

PROPERTY TO BE KEPT FREE OF LIENS

Lessee shall pay and satisfy all claims for materials, supplies and labor in connection with the working of said mine and mining property and shall keep said mine and mining property free of liens or encumbrances of any and every kind except such as might result from State and County tax assessments not required to be paid by Lessee, or such as may result from the acts of others than Lessee, its employees or those in privity with it.

X.

TAXES

Lessors shall pay all State and County tax assessments upon said leased premises, except as hereinafter otherwise provided.

Lessee shall pay all State and County tax assessments upon any and all structures and other improvements, machinery, equipment, tools, supplies and personal property whatsoever placed upon the leased premises by the Lessee.

Lessors shall pay all the State and County "net proceeds" taxes assessed against Lessor on account of their receipt of royalties hereinabove provided to be paid to them by the Lessee.

Lessee shall pay all State and County "net proceeds" taxes assessed against Lessee, and other taxes assessed against Lessee on account of its operations hereunder.

XI.

WORK REQUIREMENTS

Lessee agrees to expend in labor and material upon or for the benefit of said leased premises in prospecting, developing, mining, construction, or other relating work the equivalent of 15 man shifts, each lease month during which weather conditions do not prevent or unreasonably interfere with the performance of such work; provided that if the amount expended in any month shall exceed the work required, the excess so expended shall be carried over as a credit any may be applied by the Lessee towards meeting the required expenditure or expenditures for any subsequent month or months of the same lease year.

Lessee agrees to furnish to the Lessor each assessment year during the term of this lease a proper work certificate showing the amount of work or improvements made upon or for the benefit of the leased premises during that assessment year which can be utilized by Lessors for or in the preparation of the proof of annual assessment labor on the leased premises.

XII.

LESSORS' RIGHT TO INFORMATION

Lessee agrees that Lessors or their authorized agents shall have access to, and the right to copy any information from, geological, metallurgical, drilling, sampling and other data relating to said leased premises secured by and in the possession of Lessee in connection with its prospecting and development of said premises.

In the event that termination of this agreement for any reason whatsoever, the Lessee agrees to furnish Lessors with copies of all drilling and sampling data, reports of metallurgical tests, a map accurately showing the development work performed by the Lessee upon the leased premises and copies of any and all geological maps relating to said leased premises prepared by Lessee.

It is expressly understood and agreed, however, that the Lessors shall not be entitled or have access to any confidential reports made by members of Lessee's engineering staff, nor shall Lessee be under any obligation to furnish Lessors with any such report or reports, except on termination of this contract.

XIII.

LESSEE'S RIGHT OF SURRENDER

It is mutually understood and agreed that the Lessee may, at any time, surrender and terminate this lease upon giving thirty (30) days notice in writing, paying to Lessors all royalties and other sums due and payable to the Lessors to the effective date of such surrender, and complying with the terms of this lease with respect to the preservation and protection of workings upon the leased premises.

XIV.

FORFEITURE OR TERMINATION

This lease is made upon the condition that the Lessee shall perform all of the covenants and agreements herein set forth to be performed by it, and if at any time Lessee shall fail for a period of thirty (30) days to make any monthly royalty payment due hereunder within 30 days from the day when payable, or if there shall be any other default on the part of the Lessee due to other than acts of God, strikes, lockouts, storms, floods, a public enemy, or unusual casualty, or any other cause entirely beyond Lessee's control, and if, as to any other default, Lessee, within

thirty (30) days after written notice by Lessors specifying the character of the asserted default shall fail to commence to remedy such default, then and in such event this lease and option shall terminate and the leased premises shall revert to the Lessors and the Lessee shall deliver to the Lessors these said premises.

XV.

REMOVAL OF EQUIPMENT

It is mutually understood and agreed that in case of forfeiture, surrender or other termination of this lease, all underground timbering supports, shaft linings and other fixtures necessary for the preservation of any mines, and all rails and head frames upon or in the said leased premises shall be and remain a part of the realty and shall revert to the Lessors without further consideration or compensation. In case of such forfeiture, surrender or other termination of this lease, Lessors shall have the exclusive right and option for a period of thirty (30) days after the effective date of such forfeiture, surrender or other termination of this lease, to purchase from Lessee for cash all, but not less than all, pumps, hoists, compressors, and transformers and power equipment for the operation of the same, upon or in the leased premises, at the fair appraised resale value thereof as of the effective date of such termination.

It is further understood and agreed that all personal property of the Lessee located within the leased premises, and all buildings, machinery, equipment and tools (other than the fixtures to become the property of the Lessors as above provided) shall, in case of forfeiture, surrender or other termination of this lease, remain upon the leased premises and be held as a guarantee in lieu of bond until all terms of this lease with respect to payment of royalties and the preservation of the property shall have been complied with. Upon such compliance with and performance of such conditions and obligations the Lessee shall be entitled to, and may, within ninety (90) days after such termination of this lease or within such extension of time as may be granted by the Lessors, remove from the leased premises such personal property of the Lessors as above provided.

XVI.

MANNER OF GIVING NOTICE

Any notice contemplated herein to be served upon the Lessee shall be in writing and shall be sufficiently given if mailed in the United States Post Office, postage prepaid and registered, addressed to Lessee at Kanab, Utah, or to such other address as Lessee may from time to time designate in writing.

Any notice contemplated herein to be served upon the Lessors shall be in writing, and shall be sufficiently given if mailed in the United States Post Office, postage prepaid and registered, addressed to Lessors, care of William L. Davis of Escalante, Utah or at such other address as Lessors may from time to time designate in writing.

Service of notice by mail shall be deemed effective and complete upon date of posting and mailing in accordance herewith.

It is understood and agreed that personal service of notice upon either party shall be deemed sufficient service of notice, and no mailing of notice in the case of personal service shall be necessary.

XVII.

OPTION TO PURCHASE

In consideration of the foregoing Lease and the expenditures to be made thereunder by Lessee, Lessors hereby grant and extend to Lessee for the life of said Lease, the exclusive option to purchase all the right, title and interest of the Lessors (subject to the royalty to be reserved as hereinafter provided) in and to the leased premises for the sum of One Hundred Thousand Dollars ($100,000.00) less any amounts therefore paid to Lessors as royalties under the foregoing Lease; such option may be exercised by Lessee upon written notice to Lessors and upon payment to Lessors of the required purchase price, and upon payment of the purchase price, Lessors shall deliver to Lessee a good and sufficient mining deed conveying title to the above mentioned mining locations free and clear of any liens, encumbrances, burdens, or restrictions created by any act or instrument of Lessors or any of them.

Such deed shall provide for the payment of the said reserved royalties at the times and in the manner hereinabove provided as to the payment of royalties under the foregoing lease.

XVIII

LOCATION OF FRACTIONS OR ADJOINING CLAIMS

Lessee agrees that in the event any fractions or property shall be found to be subject to location within the exterior boundaries of the group of claims covered by this lease at or adjoining said group of claims, that Lessee will either locate the same in the names of the Lessors or will advise Lessors to locate the same. Lessors agree that they will locate any such fractions or adjoining property whether found by them to be open, or called to their attention by Lessee; and Lessors further agree that any fractions or claims located as in this paragraph provided, shall be included within and shall be subject to the terms and conditions of this lease and option as fully and in all respects as if specifically described and set out in this option at the time of the execution hereof.

XIX

PATENTING OF PROPERTY

Lessors agree that at any time after Five Hundred ($500.00) Dollars worth of work or improvements have been performed on or for the benefit of any claim or claims covered by this lease and option, Lessors will, upon written request of Lessee, apply for a United States Mineral Patent covering such claim or claims, it being understood that Lessee shall advance the cost of any such Mineral Application including such pruchase price payable to the Government; but that Lessee shall have the right to use and apply royalties otherwise payable to Lessors until Lessee shall have been reimbursed for one-half of any such costs of patenting such claim or claims.

IN WITNESS WHEREOF the parties hereto have set their hands and seals this 3rd day of October, 1951

(Signed) W. L. Davis

(Signed) Holbert L. Smith
Lessors

(Signed) J. Mark Holmes
Lessee

STATE OF UTAH)
) SS
COUNTY OF GARFIELD)

Before me on the 3rd October, 1951, personally appeared Hulbert L. Smith, W. L. Davis & J. Mark Holmes, who duly acknowledge to me that they executed the foregoing instrument, consisting of nine (9) pages, including this page.

(Signed) Leslie George
Notary Public

Residing at: Escalante, Utah

My Commission expires: Jan. 28, 1953

Form MF-103
(Revised June 1951)

UNITED STATES DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

Budget Bureau No. 42-R1035.1.

MF-103 Should Be Filed With General Technical Data Form MF-100

Defense Minerals Administration

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

FEB 1 1952

Not To Be Filled in by Applicant

Docket No. DMEA - 2371
Metal or Mineral
Date Received 2/11/52
Amount $
Participation (Government %)

FEB 13 1952

Circle Cliffs Mining Company
% Eldon L. Porter, Sec. & Treas.
Hatch, Utah

J. Mark Holmes
Box 157
Kanab, Utah

Name and address of applicant

Date January 30, 1952

If you have already filed MF-100, give date filed Sept. 1, 1951, type of assistance requested [redacted],

DMA Docket Number (if available) [redacted]

INSTRUCTIONS

Read Mineral Order 5, Regulations Governing Government Aid in Defense Projects, before completing this application. Submit four copies each, of the signed application form, General Technical Data Form MF-100, and answers to questions as specified, to Defense Minerals Administration, Department of the Interior, Washington 25, D. C., or to the nearest field executive office thereof, with your name and address on each sheet of the application and all accompanying papers. If you have previously filed MF-100, it is not necessary to file it again. However, you should indicate in space provided above the type of assistance previously applied for (loans, procurement contracts, etc.) and DMA Docket Number, if available. *When a question is inapplicable it should be so stated in the form.* Additional sheets should be attached in answering any questions or in supplying additional information. IF YOU CANNOT ANSWER A QUESTION, SO STATE.

1. (*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*) If you are not the owner of the property, submit a copy of the lease, purchase option, or other agreements under which you are authorized to operate the property with each copy of your application.

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

   NOTE: (1) 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 (*c*) 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.

   (2) If applicant is not the owner of the property or if there are any liens or encumbrances against the property, copy of agreements of claimants, lienors, encumbrances, and lessors subordinating their interests in the property to the interest of the Government under the Exploration Project Contract will be required for attachment to the Contract.

2. (*a*) What metals or minerals do you expect to find?

   (*b*) Furnish statement of the geologic features of your property, giving type of ore deposit and reasons for expecting to find commercial ore bodies. Illustrate with maps or sketches. If you have a geologic or engineering report, or assay maps showing width and grade, please send them with application, stating whether or not you wish to have them returned.

The information requested in questions 3, 4, 5, 6, 7, 8, and 9 below should be answered specifically and in detail, as this information will be attached to and incorporated as part of the Exploration Project Contract, if such contract is entered into with you by the Government.

ANSWER EACH QUESTION ON SEPARATE SHEETS OF PAPER AND SUBMIT A COPY OF EACH ANSWER FOR EACH COPY OF YOUR APPLICATION.

3. (*a*) Describe fully the proposed work and give the total cost of the project.

   (*b*) State the time required to start the project and to complete it.

4. Submit a map or sketch of the property involved showing a plan (and cross section, if needed) of the present mine workings and the *location of the proposed exploration work* as related to geologic features, such as contacts, veins, ore-bearing beds, etc.

5. Furnish an itemized list of existing facilities, buildings, installations, and fixtures with a statement of the cost of any necessary rehabilitation or repairs to put into useful and operable condition.

6. Furnish a detailed list of additional facilities, buildings, and fixtures to be purchased, installed, or erected by you, with the estimated cost of each item.

7. Furnish a detailed list of operating equipment, separated into items to be—

   (*a*) Rented

   (*b*) Purchased

   (*c*) Furnished by you

   with the rental, purchase price, or depreciation of each item, as the case may be, to be charged as a cost of the project.

8. Furnish an itemized schedule of labor, by numbers and classes (miners, muckers, etc.) and of supervisors by numbers and positions, with the maximum wages or salaries to be paid to each.

9. Furnish a detailed list with estimated cost of each item for materials, supplies, engineering, assaying, accounting, power, water, utilities, and any other items not provided for above.

10. (*a*) How much are you prepared to invest in the proposed project?

    (*b*) Is this amount sufficient to pay your part of the cost of the project, in accordance with the regulations on Government participation (Sec. 9 of MO–5)?

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

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.

Circle Cliffs Mining Company
(Name of company)

By J. Mark Holmes
(Signature of authorized official)

unincorporated

J. Mark Holmes, major shareholder and lessee

January 30, 1952
(Date)

Acting President of Group
(Title)

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

U. S. GOVERNMENT PRINTING OFFICE 16—64067-2

CIRCLE CLIFFS MINING COMPANY
Hatch, Utah
January 30, 1952

1. (a) Project No. 1, Yellow Jacket Mining Claim
Project No. 2, Partner Mining Claims
Project No. 3, Black Widow Mining Claims

(b) Abstract to show legal rights included.

(c) Center of Yellow Jacket Mining Claim, Project No. 1 at Point C on sketch.

South end of Partner No. 2 Mining Claim, Project No. 2, at Point B on sketch.

North end of Black Widow No. 1 Mining Claim, Project No. 3, at Point B on sketch.

2. (a) Uranium, but the type of mineralization is not too well known. However, I have operated at Point A on both Yellow Jacket and Black Widow Claims and have produced commercial ore from each, but due to a road washout on which all our profits plus considerable other money has been spent, we are unable to finance the anticipated development work outlined without a loan from the Defense Minerals Exploration Administration.

(b) The Geologists and engineers of the Atomic Energy Commission are not familiar with Circle Cliffs mineralization and are able to give only limited assistance. The Geological sketches are made by applicant from limited experience and are subject to correction following further exploration of the deposits.

3. (a) Project No. 1, Yellow Jacket Mine. Drift a tunnel 180 feet from a starting point 12 feet above the bottom of stream bed north to intersect east west vein structure. Then sink 200 feet and cross-cut ore beds. Total of two months with two shifts per day in labor.
Total cost of Project equipment and building and labor.....$24,703.40

(a) Project No. 2, Partner Mine. Drift northeast 150 feet to 200 to contact the shimarump formation, then drift on the contact to the west edge of Partner No. 2, then drift east on contact until a two month's period with two shifts per day is completed.
Total cost of Project equipment, building and labor..... $19,938.00

(a) Project No. 3, Black Widow Mine. Drift South 1300 to 1450 feet until we contact the east west structure. The tunnel will follow the present vein structure from which a 280 ton production has been made in 1951. It is anticipated that as ore shutes are contacted, they will be mined following the exploration work by stopeing up to the contact with the shimarump formation where it is anticipated that beds of commercial ore similar to the one mined will be contacted. When the east west structure is contacted, we will drift west on structure until the 8 month period of two shifts per day per month is used up which will give an estimated total drift length of 1800 feet.
Total cost of Project equipment building, timbering & labor $42,957.60

(a) A Exploration Program $ 4,850.00

TOTAL PROJECT..... $91,449.00

3. (b) Project No. 1 started within one month of date of authorization and completed within 4 months.

Project No. 2 started within two months of date of authorization and completed within 6 months.

Project No. 3 started within 6 months of date of authorization and completed within 18 months.

4. One general area map enclosed to show road, etc. and location of mining claims. Also, detailed claim map with profile for each project.

5. No building or facilities to aid project. The only equipment is boarded up tents now used as camps.

6. Project No. 1, Yellow Jacket Mine
2 Housing units, @ $1,800.00 per unit, ...$3,600.00
1 ore bin.....$1,500.00

Project No. 2, Partner Mine
2 Housing units, @ $1,800.00 per unit.....$3,600.00
1 ore bin.....$1,500.00

Project No. 3, Black Widow Mine
2 Housing units, @ $1,800.00 per unit.....$3,600.00
1 ore bin.....$1,500.00

7. (a) None

7. (b) Project No. 1, Yellow Jacket

1---210 c.f.m. Diesel Compressor, LeRoi, f.o.b., Marysvale.....	$ 5,890.00
1 Drifter complete	450.00
2 Jack hammers, @ $220.00 each	440.00
Powder	800.00
Fuel	600.00
200 feet of Air hose	120.00
Steel from 6' to 2' in assorted lengths	83.60
Bits	144.00
1 Air Hoist with skip-guide rail, etc.	1,450.00
2 mine cars @ $225.00 each	450.00
Misc. Hand tools	215.00
1 wagon drill for testing ground 100 to 125 feet	1,415.00
108 feet of steel for wagon drill in 6' lengths	118.80
Bits-Tungsten carbide bits	48.00
Rails, fish plates, spikes & ties	500.00
1 Coleman light plant	1,200.00
Total equipment	$14,723.40

7. (b) Project No. 2, Partner Mine

1 Compressor, 210 Diesel LeRoi, f.o.b., Marysvale	$ 5,890.00
1 liner complete	450.00
1 Jack Hammer	220.00
100 feet air hose	60.00
Steel 1" hex as follow:	
" 2-6 foot length @ $1.10 per ft.	13.20
" 2-5 " " " " " "	11.00
" 2-4 " " " " " "	8.80
" 2-3 " " " " " "	6.60
" 2-2 " " " " " "	4.40

Bits 4 boxes of 48 each @ $24 per box	96.00
1 Air hoist @ $425.00	425.00
1 Mine car @ $225.00	225.00
1 misc. hand tools	100.00
1 skip and cable	500.00
Rails, fish plates, spikes, etc.	500.00
1 Coleman light plant	1,200.00
Total equipment	$10,718.00

7. (b) Project No. 3, Black Widow Mine

1 210 c.f.m. diesel, LeRoi Compressor, f.o.b., Marysvale	$ 5,890.00
1 drifter, complete	450.00
2 Jack Hammers @ $220.00 ea.	440.00
200 feet of air hose	120.00
2 mine cars @ $225.00 ea.	450.00
1 mucking machine	2,000.00
4000 lineal feet of rails, fish plates, spikes	1,500.00
2000 lineal feet of 1½ inch pipe	800.00
2000 lineal feet of 1 inch pipe	500.00
1 Delco Light Plant	1,200.00
Steel as follows:	
" 4-6 foot lengths @ $1.10 per ft.	26.40
" 4-5 " " " " " "	22.00
" 4-4 " " " " " "	17.60
" 4-3 " " " " " "	13.20
" 2-2 " " " " " "	4.40
Bits	144.00
Total equipment	$14,657.60

7. (c) none

8. Project No. 1, Yellow Jacket

Two shifts per day for two months

1 Superintendent, for both shifts @ $500.00 per month	$ 1,000.00
2 miners @ $1.75 per hr. for 400 hrs. each	1,400.00
2 muckers @ $1.50 per hr. for 400 hrs. each	1,200.00
Office and Administration expenses	750.00
Construction of additional road	520.00
Total Labor	$ 4,870.00

Project No. 2, Partner

Two shifts per day for two months

Power and Diesel fuel, etc.	$ 1,000.00
1 Superintendent, for both shifts @ $500.00 per month	1,000.00
2 miners @ $1.75 per hr. for 400 hrs. each	1,400.00
2 muckers @ $1.50 per hr. for 400 hrs. each	1,200.00
Office and administration for two months	500.00
Total Labor	$ 5,120.00

8. **Project No. 3, Black Widow**

Two shifts per day for eight months

Powder, diesel fuel, etc.	$ 5,000.00
1 Superintendent, for both shifts @ $500.00 per month	4,000.00
2 miners @ $1.75 per hr.	5,400.00
2 muckers @ $1.50 per hr.	4,800.00
Administration expenses and supervision	3,000.00
Misc. expenses	2,000.00
Total Labor	$24,200.00

9. It is anticipated to use wagon drill called for in Project No. 1 to do drilling on all the projects to locate ore bodies ahead of exploration development work. An estimate of these costs is as follows:

Use of one ary surplus scout car with one compressor, LeRoi 165 now owned by applicants in connection with this wagon drilling program and Project No. 1

Two months drilling program.

1 engineer @ $750.00 per month	$ 1,500.00
1 Geophysics expert @ $500.00 per month	1,000.00
1 miner to operate wagon drill @ $350.00 per month	700.00
1 helper for operator @ $300 per month	600.00
Gas, oil and misc. expenses @ $225.00 per month	450.00
Rent on compressor @ $200.00 per month	400.00
Rent one scout car @ $100.00 per month	200.00
Total estimated cost of drilling and maping of ore deposits from drilling program.....	$ 4,850.00

10. Mr. J. Mark Holmes, Jesse S. Wilson, Eldon L. Porter and D. J. Hanks are partners doing business as the Circle Cliffs Mining Company, are prepared to put into the projects $3,300.00 cash now available plus income from the workings at Point B, Yellow Jacket Mine, not a part of this project. The balance of $5,724.00 or any additional amount to complete project will be raised as needed. It is estimated that a profit of $4,000.00 per month can be had from the operation of a mine at Point B on the Yellow Jacket Mining Claim and from this we will guarantee to meet 10% of total costs.

11. An option to purchase one half equity for $6,000.00 cash is had from Claron Barney and his wife of Escalante, Utah, who inherited George Ormand's equity upon his death. It is anticipated to exercise this option in the near future and we are now negotiating either a direct purchase from location to replace lease or a new lease to replace lease with the same option as had in lease on Partner group.

Form MF-103
(Revised June 1951)

UNITED STATES DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

Budget Bureau No. 42-R1035.1.

MF-103 Should Be Filed With General Technical Data Form MF-100

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

Not To Be Filled in by Applicant

Docket No. DMEA-2371
Metal or Mineral
Date Received 2-11-52
Amount $
Participation (Government %)

Circle Cliffs Mining Company
% Eldon L. Porter, Sec. & Treas.
Hatch, Utah

J. Mark Holmes
Box 157
Kanab, Utah

Name and address of applicant

Date January 30, 1952

If you have already filed MF-100, give date filed Sept. 1, 1951, type of assistance requested ~~access road~~,

DMA Docket Number (if available) ~~AR-99~~

INSTRUCTIONS

Read Mineral Order 5, Regulations Governing Government Aid in Defense Projects, before completing this application. Submit four copies each, of the signed application form, General Technical Data Form MF-100, and answers to questions as specified, to Defense Minerals Administration, Department of the Interior, Washington 25, D. C., or to the nearest field executive office thereof, with your name and address on each sheet of the application and all accompanying papers. If you have previously filed MF-100, it is not necessary to file it again. However, you should indicate in space provided above the type of assistance previously applied for (loans, procurement contracts, etc.) and DMA Docket Number, if available. *When a question is inapplicable it should be so stated in the form.* Additional sheets should be attached in answering any questions or in supplying additional information. IF YOU CANNOT ANSWER A QUESTION, SO STATE.

1. (*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*) If you are not the owner of the property, submit a copy of the lease, purchase option, or other agreements under which you are authorized to operate the property with each copy of your application.

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

   NOTE: (1) 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 (*c*) 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.

   (2) If applicant is not the owner of the property or if there are any liens or encumbrances against the property, copy of agreements of claimants, lienors, encumbrances, and lessors subordinating their interests in the property to the interest of the Government under the Exploration Project Contract will be required for attachment to the Contract.

2. (*a*) What metals or minerals do you expect to find?

   (*b*) Furnish statement of the geologic features of your property, giving type of ore deposit and reasons for expecting to find commercial ore bodies. Illustrate with maps or sketches. If you have a geologic or engineering report, or assay maps showing width and grade, please send them with application, stating whether or not you wish to have them returned.

The information requested in questions 3, 4, 5, 6, 7, 8, and 9 below should be answered specifically and in detail, as this information will be attached to and incorporated as part of the Exploration Project Contract, if such contract is entered into with you by the Government.

ANSWER EACH QUESTION ON SEPARATE SHEETS OF PAPER AND SUBMIT A COPY OF EACH ANSWER FOR EACH COPY OF YOUR APPLICATION.

3. (*a*) Describe fully the proposed work and give the total cost of the project.

   (*b*) State the time required to start the project and to complete it.

4. Submit a map or sketch of the property involved showing a plan (and cross section, if needed) of the present mine workings and the *location of the proposed exploration work* as related to geologic features, such as contacts, veins, ore-bearing beds, etc.

5. Furnish an itemized list of existing facilities, buildings, installations, and fixtures with a statement of the cost of any necessary rehabilitation or repairs to put into useful and operable condition.

6. Furnish a detailed list of additional facilities, buildings, and fixtures to be purchased, installed, or erected by you, with the estimated cost of each item.

7. Furnish a detailed list of operating equipment, separated into items to be—

   (*a*) Rented

   (*b*) Purchased

   (*c*) Furnished by you

   with the rental, purchase price, or depreciation of each item, as the case may be, to be charged as a cost of the project.

8. Furnish an itemized schedule of labor, by numbers and classes (miners, muckers, etc.) and of supervisors by numbers and positions, with the maximum wages or salaries to be paid to each.

9. Furnish a detailed list with estimated cost of each item for materials, supplies, engineering, assaying, accounting, power, water, utilities, and any other items not provided for above.

10. (*a*) How much are you prepared to invest in the proposed project?

    (*b*) Is this amount sufficient to pay your part of the cost of the project, in accordance with the regulations on Government participation (Sec. 9 of MO–5)?

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

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.

Circle Cliffs Mining Company
(Name of company)

unincorporated

By J. Mark Holmes
(Signature of authorized official)

J. Mark Holmes, major shareholder and lessee

January 30, 1952
(Date)

Acting President of Group
(Title)

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

U. S. GOVERNMENT PRINTING OFFICE 16—64067-2

CIRCLE CLIFFS MINING COMPANY
Hatch, Utah
January 30, 1952

1. (a) Project No. 1, Yellow Jacket Mining Claim
Project No. 2, Partner Mining Claims
Project No. 3, Black Widow Mining Claims

(b) Abstract to show legal rights included.

(c) Center of Yellow Jacket Mining Claim, Project No. 1 at Point C on sketch.

South end of Partner No. 2 Mining Claim, Project No. 2, at Point B on sketch.

North end of Black Widow No. 1 Mining Claim, Project No. 3, at Point B on sketch.

2. (a) Uranium, but the type of mineralization is not too well known. However, I have operated at Point A on both Yellow Jacket and Black Widow Claims and have produced commercial ore from each, but due to a road washout on which all our profits plus considerable other money has been spent, we are unable to finance the anticipated development work outlined without a loan from the Defense Minerals Exploration Administration.

(b) The Geologists and engineers of the Atomic Energy Commission are not familiar with Circle Cliffs mineralization and are able to give only limited assistance. The Geological sketches are made by applicant from limited experience and are subject to correction following further exploration of the deposits.

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Total cost of Project equipment and building and labor.....$24,703.40

(a) Project No. 2, Partner Mine. Drift northeast 150 feet to 200 to contact the shimarump formation, then drift on the contact to the west edge of Partner No. 2, then drift east on contact until a two month's period with two shifts per day is completed.
Total cost of Project equipment, building and labor..... $19,938.00

(a) Project No. 3, Black Widow Mine. Drift South 1300 to 1450 feet until we contact the east west structure. The tunnel will follow the present vein structure from which a 280 ton production has been made in 1951. It is anticipated that as ore shutes are contacted, they will be mined following the exploration work by stopeing up to the contact with the shimarump formation where it is anticipated that beds of commercial ore similar to the one mined will be contacted. When the east west structure is contacted, we will drift west on structure until the 8 month period of two shifts per day per month is used up which will give an estimated total drift length of 1800 feet.
Total cost of Project equipment building, timbering & labor $42,957.60

(a) A Exploration Program $ 4,850.00

TOTAL PROJECT..... $91,449.00

3. (b) Project No. 1 started within one month of date of authorization and completed within 4 months.

Project No. 2 started within two months of date of authorization and completed within 6 months.

Project No. 3 started within 6 months of date of authorization and completed within 18 months.

4. One general area map enclosed to show road, etc. and location of mining claims. Also, detailed claim map with profile for each project.

5. No building or facilities to aid project. The only equipment is boarded up tents now used as camps.

6. Project No. 1, Yellow Jacket Mine

2 Housing units, @ $1,800.00 per unit, ...	$3,600.00
1 ore bin.....	$1,500.00

Project No. 2, Partner Mine

2 Housing units, @ $1,800.00 per unit.....	$3,600.00
1 ore bin.....	$1,500.00

Project No. 3, Black Widow Mine

2 Housing units, @ $1,800.00 per unit.....	$3,600.00
1 ore bin.....	$1,500.00

7. (a) None

7. (b) Project No. 1, Yellow Jacket

1---210 c.f.m. Diesel Compressor, LeRoi, f.o.b., Marysvale.....	$ 5,890.00
1 Drifter complete	450.00
2 Jack hammers, @ $220.00 each	440.00
Powder	800.00
Fuel	600.00
200 feet of Air hose	120.00
Steel from 6' to 2' in assorted lengths	83.60
Bits	144.00
1 Air Hoist with skip-guide rail, etc.	1,450.00
2 mine cars @ $225.00 each	450.00
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1 wagon drill for testing ground 100 to 125 feet	1,415.00
108 feet of steel for wagon drill in 6' lengths	118.80
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1 Coleman light plant	1,200.00
Total equipment	$14,723.40

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1 Compressor, 210 Diesel LeRoi, f.o.b., Marysvale	$ 5,890.00
1 liner complete	450.00
1 Jack Hammer	220.00
100 feet air hose	60.00
Steel 1" hex as follow:	
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1 skip and cable	500.00
Rails, fish plates, spikes, etc.	500.00
1 Coleman light plant	1,200.00
Total equipment	$10,718.00

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1 210 c.f.m. diesel, LeRoi Compressor, f.o.b., Marysvale	$ 5,890.00
1 drifter, complete	450.00
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200 feet of air hose	120.00
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1 mucking machine	2,000.00
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2000 lineal feet of 1½ inch pipe	800.00
2000 lineal feet of 1 inch pipe	500.00
1 Delco Light Plant	1,200.00
Steel as follows:	
" 4-6 foot lengths @ $1.10 per ft.	26.40
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" 4-4 " " " " " "	17.60
" 4-3 " " " " " "	13.20
" 2-2 " " " " " "	4.40
Bits	144.00
Total equipment	$14,657.60

7. (c) none

8. Project No. 1, Yellow Jacket

Two shifts per day for two months

1 Superintendent, for both shifts @ $500.00 per month	$ 1,000.00
2 miners @ $1.75 per hr. for 400 hrs. each	1,400.00
2 muckers @ $1.50 per hr. for 400 hrs. each	1,200.00
Office and Administration expenses	750.00
Construction of additional road	520.00
Total Labor	$ 4,870.00

Project No. 2, Partner

Two shifts per day for two months

Power and Diesel fuel, etc.	$ 1,000.00
1 Superintendent, for both shifts @ $500.00 per month	1,000.00
2 miners @ $1.75 per hr. for 400 hrs. each	1,400.00
2 muckers @ $1.50 per hr. for 400 hrs. each	1,200.00
Office and administration for two months	500.00
Total Labor	$ 5,120.00

8. Project No. 3, Black Widow

Two shifts per day for eight months

Powder, diesel fuel, etc.	$ 5,000.00
1 Superintendent, for both shifts @ $500.00 per month	4,000.00
2 miners @ $1.75 per hr.	5,400.00
2 muckers @ $1.50 per hr.	4,800.00
Administration expenses and supervision	3,000.00
Misc. expenses	2,000.00
Total Labor	$24,200.00

9. It is anticipated to use wagon drill called for in Project No. 1 to do drilling on all the projects to locate ore bodies ahead of exploration development work. An estimate of these costs is as follows:

Use of one ary surplus scout car with one compressor, LeRoi 165 now owned by applicants in connection with this wagon drilling program and Project No. 1

Two months drilling program.

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1 Geophysics expert @ $500.00 per month	1,000.00
1 miner to operate wagon drill @ $350.00 per month	700.00
1 helper for operator @ $300 per month	600.00
Gas, oil and misc. expenses @ $225.00 per month	450.00
Rent on compressor @ $200.00 per month	400.00
Rent one scout car @ $100.00 per month	200.00
Total estimated cost of drilling and maping of ore deposits from drilling program.....	$ 4,850.00

10. Mr. J. Mark Holmes, Jesse S. Wilson, Eldon L. Porter and D. J. Hanks are partners doing business as the Circle Cliffs Mining Company, are prepared to put into the projects $3,300.00 cash now available plus income from the workings at Point B, Yellow Jacket Mine, not a part of this project. The balance of $5,724.00 or any additional amount to complete project will be raised as needed. It is estimated that a profit of $4,000.00 per month can be had from the operation of a mine at Point B on the Yellow Jacket Mining Claim and from this we will guarantee to meet 10% of total costs.

11. An option to purchase one half equity for $6,000.00 cash is had from Claron Barney and his wife of Escalante, Utah, who inherited George Ormand's equity upon his death. It is anticipated to exercise this option in the near future and we are now negotiating either a direct purchase from location to replace lease or a new lease to replace lease with the same option as had in lease on Partner group.

MINING LEASE AND OPTION

THIS AGREEMENT made in duplicate as of the 20th day of September, 1950, by and between Claron Barney, Orean Barney, V. H. Fairbanks and Grace O. Barney acting for George H. Ormond, deceased, as Lessors, and J. Mark Holmes, as Lessee:

WITNESSETH:

In consideration of the rentals and royalties hereinafter reserved and of the covenants and ageements hereinafter expressed by the parties to be faithfully kept and performed, the parties hereto mutually and severally covenant and agree as follows:

1.
RIGHTS GRANTED TO LESSEE

Lessors do hereby demise, let and grant to Lessee all of Lessors' rights, title, claim and interest in and to the following described mining locations and mining property situated in Circle Cliffs Mining District, Garfield County, State of Utah, to-wit:

Yellow Jacket (or) Yello Jacket	Notice of Location Recorded in Records of Garfield County, Utah Misc. Book, 35960, pag 365
21 August, 1950	

Together with all and singular the tenements, hereditaments and appurtenances thereunto belonging, or in any wise appertaining.

Together with all dips, spurs and minerals therein contained and appertaining, and together with all and amy other property and all rights, real, personal or mixed, in, upon or appertaining to any of the claims or premises above mentioned.

Together with water rights, if any, of the Lessors, whether arising by use or otherwise, used or intended to be used upon or in connection with the development or operation of the property above described.

TO HAVE AND TO HOLD unto the said Lessee for a term of fifty (50) years from the date hereof, subject to the strict, punctual and exact performance by the Lessee of all the conditions, covenants and agreements by it to be kept and performed.

II.

PROPER OPERATION REQUIRED

Lessee shall enter upon said mine and premises and work the same in the manner necessary to good miner-like and economical mining so as to develop and take out ore with due regard to the development and preservation of the same as a workable mine, and to the special covenants herein reserved, and in keeping with the mining laws of Utah and the United States, and rules and regulations thereunder which are applicable.

III.

ROYALTIES

Lessee shall pay to Lessors 11% of all revenus received irrespective of their source or their date of origin.

IV.

STATEMENTS TO BE FURNISHED

Lessee shall, on or before the 15th day of each month hereof, furnish Lessors with a written report showing as to the proceeding lease month the tonnage of ore extracted, shipped, or sold, the actual royalty payable thereon, the total tonnage of ore extracted, and the tonnace shipped or sold.

Lessee shall also request purchasing Agent to furnish Lessors with duplicate copies of smelter, mint or other purchasing agencies' receipts and settlement charts for ore and products extracted and shipped or sold from leased premised.

V.

BOOKS AND RECORDS

Lessors and their authorized agents shall at any and all reasonable times be permitted to inspect all books and records including assay reports of the Lessee relating to the leased property in order to ascertain the correct amount of royalt due Lessor or to determine whether or not the provisions of the lease are being complied with.

VI.

LESSORS' RIGHT OF INSPECTION

Lessee shall allow said Lessors and their agents, from time to time, to enter upon and into all parts of said leased premised for purposed of inspection at such reasonable times as shall not interfere with the regular operation of the leased premised. It is understood and agreed that the Lessee shall assume no responsibility for the safety of Lessors or their agents when and while upon the leased premised for such purpose; and further, the Lessors hereby agree to indemnify and hold harmless the Lessee for any damages which the Lessee may suffer as a result of any injury occurring to the Lessors or their agents when and while upon the premises for the above purpose.

VII.

ORES NOT TO BE CO-MINGLED

Lessee shall not mix any ores from the demised premises with the ores, minerals or products therefrom derived from any other property.

VIII.

STATE AND REDERAL ENACTMENTS
INDEMNIFICATION OF LESSORS

Lessee, in the operation and development of the property hereby leased, shall be subject to all applicable Federal enantments and regulations, laws of the State of Utah, and to all Federal or State rules and regulation regarding Employees Liability, Workman's Compensation and Workmen's Old Age and Unemployment Insurance, and said Lessee covenants and agrees to indemnify and hold harmless the Lessors from and against the payment of any and all damages, claims, costs and expenses due to the existence of such enactments, and of any and all claims, costs and expenses in connection therewith under any claim of subrogation provided for by said enactments or otherwise; and the Lessee shall further indemnify and hold harmless the Lessor from and against any and all damages, claims, costs and expenses arising out of damage to property or any injury to or death of employees of the Lessee, or to any other person whomsoever other

than the Lessors and those acting under them, where such injury, death or damage occurs because of or in connection with the use, operation or development in any manner, of the property hereby leased, whether such claims are based upon a right conferred by the common law or by statute.

IX.

PROPERTY TO BE KEPT FREE OF LIENS

Lessee shall pay and satisfy all claims for materials, supplies and labor in connection with the working of said mine and mining property and shall keep said mine and mining property free of liens or encumbrances of any and every kind except such as might result from State and County tax assessments not required to be paid by Lessee, or such as may result from the acts of others than Lessee, its employees or those in privity with it.

X.

TAXES

Lessors shall pay all State and County tax assessments upon said leased premises, except as hereinafter otherwise provided.

Lessee shall pay all State and County tax assessments upon any and all structures and other improvements, machinery, equipment, tools, supplies and personal property whatsoever placed upon the leased premises by the Lessee.

Lessors shall pay all the State and County "net proceeds" taxes assessed against Lessor on account of their receipt of royalties hereinabove provided to be paid to them by the Lessee.

Lessee shall pay all State and County "Net proceeds" taxes assessed against Lessee, and other taxes assessed against Lessee on account of its operations hereunder.

XI.

WORK REQUIREMENTS

Lessee agrees to expend in labor and material upon or for the benefit of said leased premises in prospecting, developing, mining, construction or other relating work, the equivalent of 6 man shifts, each lease month during which weather conditions do not prevent or unreasonably interfer with the performance of such work; proveded that if the amount expended in any month shall exceed the work required the excess so expended shall be carried over as a credit and may be applied by the Lessee towards meeting the required expenditure or expenditures for any subsequent month or months of the same year.

Lessee agrees to furnish to the Lessor each assessment year during the term of this lease a proper work certificate showing the amount of work or improvements made upon or for the benefit of the leased premises during that assessment year which can be utilized by Lessors for or in the preparation of the proof of annual assessment labor on the leased premises.

XII.

LESSORS' RIGHT TO INFORMATION

Lessee agrees that Lessors or their authorized agents shall have access to, and the right to copy any information from, geological, metallurgical, drilling, sampling and other data relating to said leased premises secured by and in the possession lessee in connection with its prospecting and development of said premises.

In the event that termination of this agreement for any reason whatsoever, the Lessee agrees to furnish Lessors with copies of all drilling and sampling data, reports of metallurgical tests, a map accurately showing the development work performed by the Lessee upon the leased premises and copies of any and all geological maps relating to said leased promises prepared by Lessee.

It is expressly understood and agreed, however, that the Lessors shall not be entitled or have access to any confidential reports made by members of Lessee's engineering staff, nor shall lessee be under any obligation to furnish Lessors with any such report or reports, except on termination of this contract.

XIII.

LESSEE'S RIGHT OF SURRENDER

It is mutually understood and agreed that the Lessee may, at any time, surrender and terminate this lease upon giving thirty (30) days notice in writing, paying to Lessors all royalties and other sums due and payable to the Lessors to the effective date of such surrender, and complying with the terms of this lease with respect to the preservation and protection of workings upon the leased premises.

XIV.

FORFEITURE OR TERMINATION

This lease is made upon the condition that the Lessee shall perform all of the covenants and agreements herein set forth to be performed by it, and if at any time Lessee shall fail for a period of thirty (30 days to make any monthly royalty payments due hereunder within 30 days from the day when payable, or if there shall be any other default on the part of the Lessee due to other than acts of God, strikes, lookouts, storms, floods, a public enemy, or unusual casualty, or any other cause entirely beyond Lessee's control, and if, as to any other default, Lessee, within thirty (30) days after written notice by Lessors specifying the character of the asserted default shall fail to commence to remedy such default, or shall fail thereafter to diligently proceed to correct such default, then and in such event this lease and option shall terminate and the leased premises shall revert to the Lessors and the Lessee shall deliver to the Lessors these said premises.

XV.

REMOVAL OF EQUIPMENT

It is mutually understood and agreed that in case of forfeiture, surrender or other termination of this lease, all underground timbering supports, shaft linings and other fixtures necessary for the preservation

of any mines, and all rails and head frames upon or in the said leased premises shall be and remain a part of the realty and shall revert to the Lessors without further consideration or compensation. In case of such forfeiture, surrender or other termination of this lease, Lessors shall have the exclusive right and option for a period of thirty (30) days after the effective date of such forfeiture, surrender or other termination of this lease, to purchase from Lessee for cash all, but not less than all, pumps, hoists, compressors, and transformers and power equipment for the operation of the same, upon or in the leased premises, at the fair appraised resale value thereof as of the effective date of such termination.

It is further understood and agreed that all personal property of the Lessee located within the leased premises, and all buildings, machinery, equipment and tools (other than the fixtures to become the property of the Lessors as above provided) shall, in case of forfeiture, surrender or other termination of this lease, remain upon the leased premises and be held as a guarantee in lieu of bond until all terms of this lease with respect to payment of royalties and the preservation of the property shall have been complied with. Upon such compliance with and performance of such conditions and obligations the Lessee shall be entitled to, and may, within ninety (90) days after such termination of this lease or within such extension of time as may be granted by the Lessors, remove from the leased premises such personal property and improvements, other than those items which are to remain the property of the Lessors as above provided.

XVl

MANNER OF GIVING NOTICE

Any notice contemplated herein to be served upon the Lessee shall be in writing and shall be sufficiently given if mailed in the United States Post Office, postage prepaid and registered, addressed to Lessee at Kanab, Utah, or to such other address as Lessee may from time to time designate in writing.

Any notice contemplated herein to be served upon the Lessors shall be in writing, and shall be sufficiently given if mailed in the United States Post Office, postage prepaid and registered, addressed to Lessors, care of John Paul Fullmer, Marysvale, Utah, or at such other address as Lessors may from time to time designate in writing.

Service of notice by mail shall be deemed effective and complete upon date of posting and mailing in accordance herewith.

It is understood and agreed that personal service of notice upon either party shall be deemed sufficient service of notice, and no mailing of notice in the case of personal service shall be necessary.

XVll

OPTION TO PURCHASE

In consideration of the foregoing Lease and the expenditures to be made thereunder by Lessee, Lessors hereby grant and extend to Lessee for the life of said Lease, the exclusive option to purchase all the right, title and interest of the Lessors (subject to the royalty to be reserved as hereinafter provided) in and to the leased premises for the sum of Twenty Thousand and no/100 dollars ($20,000.00) less any amounts theretofore paid to Lessors as royalties under the foregoing Lease; such option may be exercised by Lessee upon written notice to Lessors and upon payment to Lessors of the required purchase price, and upon

payment of the purchase price, Lessors shall deliver to Lessee a good and sufficient mining deed conveying title to the above mentioned mining locations free and clear of any liens, encumbrances, burdens or restrictions created by any act or instrument of Lessors or any of them.

Such deed shall provide for the payment of the said reserved royalties at the time and in the manner hereinabove provided as to the payment of royalties under the foregoing lease.

XVlll

LOCATION OF FRACTIONS OR ADJOINING CLAIMS

Lessee agrees that in the event any fractions or property shall be found to be subject to location within the exterior boundaries of the group of claims covered by this lease at or adjoining said group of claims, that Lessee will either locate the same in the mames of the Lessors or will advise Lessors to locate the same. Lessors agree that they will locate any such fractions or adjoining property whether found by them to be open, or called to their attention by Lessee; and Lessors further agree that any fractions or claims located as in this paragraph provided, shall be included within and shall be subject to the terms and conditions of this lease and option as fully and in all respects as if specifically described and set out in this option at the time of the execution hereof.

IN WITNESS WHEREOF the parties hereto have set their hands and seals this 20 of Sept., 1951.

(Signed) Orean Barney (Signed) J. Mark Holmes
Lessee

(Signed) V. M. Fairbanks
(Signed)
(Signed)
LESSORS

STATE OF UTAH)
) SS
COUNTY OF SEVIER)

Before me on the 20 day of September 1951, personally appeared****

_____

_____

and J. Mark Holmes, who duly acknowledged to me that they executed the foregoing instrument, consisting of nine(9) pages, including this page.

My commission expires Dec. 4, 1954 Allen R. Bloomquist

STATE OF UTAH)
) SS
COUNTY OF GARFIELD)

Before me on the _____day of _____, 1951, personally appeared Claron Barney and Grace O. Barney, and J. Mark Holmes, who duly acknowledged to me that they executed the foregoing instrument, consisting of nine (9) pages including this page.

_____

My commission expires _____

MINING LEASE AND OPTION

THIS AGREEMENT MADE IN DUPLICATE AS OF THE 3rd day of October, 1951, by and between Holbert L. Smith & W. L. Davis, as Lessors, and J. Mark Holmes, as Lessee:

WITNESSETH:

In consideration of the rentals and royalties hereinafter reserved and of the covenants and agreements hereinafter expressed by the parties to be faithfully kept and performed, the parties hereto mutually and severally covenant and agree as follows:

I.
RIGHTS GRANTED TO LESSEE

Lessors do hereby demise, let and grant to Lessee all of Lessors' right, title, claim and interest in and to the following described mining locations and mining property situated in Circle Cliffs Mining District, Garfield county, State of Utah, to-wit:

Name of Location	Notice of Location Recorded in Records of Garfield County, Utah Book of Locations Page
Pardners No. 2 ✓	# 38393 Misc. Book 13, Page 430-431
Pardners No. 4 ✓	# 38620 Misc. Book 13, Page 480
Pardners No. 1 ✓	# 38392 Misc. Book 13, Page 430

Together with all and singular the tenements, hereditaments and appurtenances thereunto belonging, or in any wise appertaining.

Together with all dips, spurs and minerals therein contained and appertaining, and together with all and any other property and all rights, real, personal or mixed, in, upon or appertaining to any of the claims or premises above mentioned.

Together with water rights, if any, of the Lessors, whether arising by use or otherwise, used or intended to be used upon or in connection with the development or operation of the property above described.

TO HAVE AND TO HOLD unto the said Lessee for a term of fifty (50) years from the date hereof, subject to the strict, punctual and exact performance by the Lessee of all the conditions, covenants and agreements by it to be kept and performed.

II.

Lessee shall enter upon said mine and premises and work the same in the manner necessary to good minerlike and economical mining so as to develop and take out ore with due regard to the development and preservation of the same as a workable mine, and to the special covenants herein reserved, and in keeping with the mining laws of Utah and the United States, and rules and regulations thereunder which are applicable.

III.
ROYALTIES

Lessee shall pay to Lessors on all ores extracted and shipped or sold from said promises royalties as follows:

(a) On uranium ores 15% of the "base price" (as hereinafter defined.)

(b) The bonus paid by the Atomic Energy Commission on the first 10,000 pounds of U_3O_8 content of ore, a royalty of 15% shall be paid in addition to the base price royalty.

(c) On all ores other than uranium ores and on the mineral value of uranium ores for other minerals, 15% of the "net mint, smelter, or custom-mill return" (as hereinafter defined).

"Base price" as used herein shall mean "base price" of uranium ore of like grade and quality as determined under the government rules and regulations; shall not include any special premium, development allowances, or subsidies which may be provided to the mine or operations; shall be the "base price" of the ore at Marysvale, Utah, without deduction for cost of transportation from the mine to Marysvale; but any treatment charges or deductions and also any transportation and freight changes from Marysvale, Utah, which are deducted in settlement and payment for the uranium ore shall be deducted in determining the "base price" for the purpose of computing royalties.

"Net mint, smelter or custom-mill return" as used herein shall mean the gross value at Marysvale, Utah, as figured by the mint, smelter or custom-mill less mint, smelter or custom-mill treatment charges or deductions and transportation and freight charges from Marysvale, Utah.

Any amount due and payable to Lessors as royalties on ore extrancted and shipped and sold during any lease month hereunder shall be paid by the Lessee to the Lessors on or before the 15th day of the month next succeeding the lease month during which the Lessee shall have received payment or settlement therefore by the deposit thereof to the credit of the Lessors or assigns in the Bank of Richfield, Utah, or such other bank as the Lessors may from time to time designate by written notice to Lessee. Request will be made to American Smelting & Refining Co. (Agents for Atomic Energy Commission) at Marysvale, Utah, to pay 15% base to Bank and also Atomic Energy Commission will be requested to pay 15% of bonus to Bank.

IV.

STATEMENTS TO BE FURNISHED

Lessee shall, on or before the 15th day of each month hereof, furnish Lessors with a written report showing as to the preceding lease month the tonnage of ore extracted, shipped, or sold, the actual royalty payable thereon, the total tonnage of ore extracted, and the tonnage shipped or sold.

Lessee shall also request Purchasing Agent to furnish Lessors with duplicate copies of smelter, mint or other purchasing agencies' receipts and settlement charts for ore and products extracted and shipped or sold from leased premises.

V.

BOOKS AND RECORDS

Lessors and their authorized agents shall at any and all reasonable times be permitted to inspect all books and records including assay reports of the Lessee relating to the leased property in order to ascertain the correct amount of royalty due Lessor or to determine whether or not the provisions of the lease are being complied with.

VI.

LESSORS' RIGHT OF INSPECTION

Lessee shall allow said Lessors and their agents, from time to time, to enter upon and into all parts of said leased premises for purposes of

inspection at such reasonable times as shall not interfere with the regular operation of the leased premises. It is understood and agreed that the Lessee shall assume no responsibility for the safety of Lessors or their agents when and while upon the leased premises for such purpose, and further, the Lessors hereby agree to indemnify and hold harmless the Lessee for any damages which the Lessee may suffer as a result of any injury occurring to the Lessors or their agents when and while upon the premises for the above purpose.

VII.

ORES NOT TO BE CO-MINGLED

Lessee shall not mix any ores from the demised premises with the ores, minerals or products therefrom derived from any other property.

VIII.

STATE AND FEDERAL ENACTMENTS
INDEMNIFICATION OF LESSORS

Lessee, in the operation and development of the property hereby leased, shall be subject to all applicable Federal enactments and regulations, laws of the State of Utah, and to all Federal or State rules and regulations regarding Employees Liability, Workman's Compensation and Workmen's old Age and Unemployment Insurance, and said Lessee covenants and agrees to indemnify and hold harmless the Lessors from and against the payment of any and all damages, claims, costs and expenses due to the existence of such enactments, and of any and all claims, costs and expenses in connection therewith under any claim of subrogation provided for by said enactments or otherwise; and the Lessee shall further indemnify and hold harmless the Lessor from and against any and all damages, claims, costs and expenses arising out of damage to property or any injury to or death of employees of the Lessee, or to any other person whomsoever other than the Lessors and these acting under them, where such injury, death or damage occurs because of or in connection with the use, operation or development in any manner, of the property hereby leases, whether such claims are based upon a right conferred by the common law or by statute.

IX.

PROPERTY TO BE KEPT FREE OF LIENS

Lessee shall pay and satisfy all claims for materials, supplies and labor in connection with the working of said mine and mining property and shall keep said mine and mining property free of liens or encumbrances of any and every kind except such as might result from State and County tax assessments not required to be paid by Lessee, or such as may result from the acts of others than Lessee, its employees or those in privity with it.

X.

TAXES

Lessors shall pay all State and County tax assessments upon said leased premises, except as hereinafter otherwise provided.

Lessee shall pay all State and County tax assessments upon any and all structures and other improvements, machinery, equipment, tools, supplies and personal property whatso ever placed upon the leased premises by the Lessee.

Lessors shall pay all the State and County "net proceeds" taxes assessed against Lessor on account of their receipt of royalties hereinabove provided to be paid to them by the Lessee.

Lessee shall pay all State and County "net proceeds" taxes assessed against Lessee, and other taxes assessed against Lessee on account of its operations hereunder.

XI.

WORK REQUIREMENTS

Lessee agrees to expend in labor and material upon or for the benefit of said leased premises in prospecting, developing, mining, construction, or other relating work the equivalent of 15 men shifts, each lease month during which weather conditions do not prevent or unreasonably interfere with the performance of such work; provided that if the amount expended in any month shall exceed the work required, the excess so expended shall be carried over as a credit any may be applied by the Lessee towards meeting the required expenditure or expenditures for any subsequent month or months of the same lease year.

Lessee agrees to furnish to the Lessor each assessment year during the term of this lease a proper work certificate showing the amount of work or improvements made upon or for the benefit of the leased premises during that assessment year which can be utilized by Lessors for or in the preparation of the proof of annual assessment labor on the leased premises.

XII.

LESSORS' RIGHT TO INFORMATION

Lessee agrees that Lessors or their authorized agents shall have access to, and the right to copy any information from, geological, metallurgical, drilling, sampling and other data relating to said leased premises secured by and in the possession of Lessee in connection with its prospecting and development of said premises.

In the event that termination of this agreement for any reason whatsoever, the Lessee agrees to furnish Lessors with copies of all drilling and sampling data, reports of metallurgical tests, a map accurately showing the development work performed by the Lessee upon the leased premises and copies of any and all geological maps relating to said leased premises prepared by Lessee.

It is expressly understood and agreed, however, that the Lessors shall not be entitled or have access to any confidential reports made by members of Lessee's engineering staff, nor shall Lessee be under any obligation to furnish Lessors with any such report or reports, except on termination of this contract.

XIII.

LESSEE'S RIGHT OF SURRENDER

It is mutually understood and agreed that the Lessee may, at any time, surrender and terminate this lease upon giving thirty (30) days notice in writing, paying to Lessors all royalties and other sums due and payable to the Lessors to the effective date of such surrender, and complying with the terms of this lease with respect to the preservation and protection of workings upon the leased premises.

XIV.

FORFEITURE OR TERMINATION

This lease is made upon the condition that the Lessee shall perform all of the covenants and agreements herein set forth to be performed by it, and if at any time Lessee shall fail for a period of thirty (30) days to make any monthly royalty payment due hereunder within 30 days from the day when payable, or if there shall be any other default on the part of the Lessee due to other than acts of God, strikes, lockouts, storms, floods, a public enemy, or unusual casualty, or any other cause entirely beyond Lessee's control, and if, as to any other default, Lessee, within

thirty (30) days after written notice by Lessors specifying the character of the asserted default shall fail to commence to remedy such default, then and in such event this lease and option shall terminate and the leased premises shall revert to the Lessors and the Lessee shall deliver to the Lessors these said premises.

XV.

REMOVAL OF EQUIPMENT

It is mutually understood and agreed that in case of forfeiture, surrender or other termination of this lease, all underground timbering suports, shaft linings and other fixtures necessary for the preservation of any mines, and all rails and head frames upon or in the said leased premises shall be and remain a part of the realty and shall revert to the Lessors without further consideration or compensation. In case of such forfeiture, surrender or other termination of this lease, Lessors shall have the exclusive right and option for a period of thirty (30) days after the effective date of such forfeiture, surrender or other termination of this lease, to purchase from Lessee for cash all, but not less than all, pumps, hoists, compressors, and transformers and power equipment for the operation of the same, upon or in the leased premises, at the fair appraised resale value thereof as of the effective date of such termination.

It is further understood and agreed that all personal property of the Lessee located within the leased premises, and all buildings, machinery, equipment and tools (other than the fixtures to become the property of the Lessors as above provided) shall, in case of forfeiture, surrender or other termination of this lease, remain upon the leased premises and be held as a guarantee in lieu of bond until all terms of this lease with respect to payment of royalties and the preservation of the property shall have been complied with. Upon such compliance with and performance of such conditions and obligations the Lessee shall be entitled to, and may, within ninety (90) days after such termination of this lease or within such extension of time as may be granted by the Lessors, remove from the leased premises such personal property of the Lessors as above provided.

XVI.

MANNER OF GIVING NOTICE

Any notice contemplated herein to be served upon the Lessee shall be in writing and shall be sufficiently given if mailed in the United States Post Office, postage prepaid and registered, addressed to Lessee at Kanab, Utah, or to such other address as Lessee may from time to time designate in writing.

Any notice contemplated herein to be served upon the Lessors shall be in writing, and shall be sufficiently given if mailed in the United States Post Office, postage prepaid and registered, addressed to Lessors, care of William L. Davis of Escalante, Utah or at such other address as Lessors may from time to time designate in writing.

Service of notice by mail shall be deemed effective and complete upon date of posting and mailing in accordance herewith.

It is understood and agreed that personal service of notice upon either party shall be deemed sufficient service of notice, and no mailing of notice in the case of personal service shall be necessary.

XVII.

OPTION TO PURCHASE

In consideration of the foregoing Lease and the expenditures to be made thereunder by Lessee, Lessors hereby grant and extend to Lessee for the life of said Lease, the exclusive option to purchase all the right, title and interest of the Lessors (subject to the royalty to be reserved as hereinafter provided) in and to the leased premises for the sum of One Hundred Thousand Dollars ($100,000.00) less any amounts theretofore paid to Lessors as royalties under the foregoing Lease; such option may be exercised by Lessee upon written notice to Lessors and upon payment to Lessors of the required purchase price, and upon payment of the purchase price, Lessors shall deliver to Lessee a good and sufficient mining deed conveying title to the above mentioned mining locations free and clear of any liens, encumbrances, burdens, or restrictions created by any act or instrument of Lessors or any of them.

Such deed shall provide for the payment of the said reserved royalties at the times and in the manner hereinabove provided as to the payment of royalties under the foregoing lease.

XVIII

LOCATION OF FRACTIONS OR ADJOINING CLAIMS

Lessee agrees that in the event any fractions or property shall be found to be subject to location within the exterior boundaries of the group of claims covered by this lease at or adjoining said group of claims, that Lessee will either locate the same in the names of the Lessors or will advise Lessors to locate the same. Lessors agree that they will locate any such fractions or adjoining property whether found by them to be open, or called to their attention by Lessee; and Lessors further agree that any fractions or claims located as in this paragraph provided, shall be included within and shall be subject to the terms and conditions of this lease and option as fully and in all respects as if specifically described and set out in this option at the time of the execution hereof.

XIX

PATENTING OF PROPERTY

Lessors agree that at any time after Five Hundred ($500.00) Dollars worth of work or improvements have been performed on or for the benefit of any claim or claims covered by this lease and option, Lessors will, upon written request of Lessee, apply for a United States Mineral Patent covering such claim or claims, it being understood that Lessee shall advance the cost of any such Mineral Application including such pruchase price payable to the Government; but that Lessee shall have the right to use and apply royalties otherwise payable to Lessors until Lessee shall have been reimbursed for one-half of any such costs of patenting such claim or claims.

IN WITNESS WHEREOF the parties hereto have set their hands and seals this 3rd day of October, 1951

(Signed) W. L. Davis

(Signed) Holbert L. Smith
Lessors

(Signed) J. Mark Holmes
Lessee

STATE OF UTAH)
) SS
COUNTY OF GARFIELD)

Before me on the 3rd October, 1951, personally appeared Holbert L. Smith, W. L. Davis & J. Mark Holmes, who duly acknowledge to me that they executed the foregoing instrument, consisting of nine (9) pages, including this page.

(Signed) Leslie George
Notary Public

Residing at: Escalante, Utah

My C[illegible] [illegible]ires: Jan. 28, 1953

A B S T R A C T O F T I T L E

To Property Described on The Certificate Page Of This Abstract

Prepared By

BRUCE F. PARKER

ABSTRACTER

Panguitch, Utah

NOTICE OF LOCATION

Date August 12, 1950

Recorded August 21, 1950

in Book 11 Miscellaneous

Pages 366.

NOTICE IS HEREBY GIVEN That the undersigned having complied with the requirements of Section 2324 of the Revised Statutes of the United States and the Local Laws, Customs and Regulations of this District, has, located Fifteen hundred feet in length by 600 feet in width, on this, the Vein Lode, or Deposit, bearing Gold, Silver, Copper, Lead, and other valuable minerals, situated in Head of Wolverene about three miles easterly of Water Holes, on East side of draw in the Circle Cliff Mining District, Garfield County, State of Utah, the location being described and marked on the ground as follows, to-wit:

Beginning 15 feet westerly of this location (Discovery) Monument, at the Westerly end center monument, and running thence Northerly 300 feet to North West corner monument No. 1; thence easterly 1500 feet to North East corner monument No. 2; thence Southerly 300 feet to Easterly end center monument; thence Southerly 300 feet to South East corner monument No. 3; thence Westerly 1500 feet to South West corner monument No. 4; thence Northerly 300 feet to place of beginning; including all Dips, Spurs, Angles and Variations.

The above described Mining Claim shall be known as BLACK WIDOW NO. 1

NAMES OF LOCATORS

Claron Barney
Orean Barney
George H. Ormond

NOTICE OF LOCATION

Date August 12, 1950

Recorded August 21, 1950

in Book 11 Miscellaneous

Pages 366

NOTICE IS HEREBY GIVEN That the undersigned having complied with the requirements of Section 2324 of the Revised Statutes of the United States and the Local Laws, Customs and Regulations of this District, has located Fifteen hundred feet in length by 600 feet in width, on this the Vein, Lode, or Deposit, bearing Gold, Silver, Copper, Lead, and other valuable minerals, situated in head of Wolverene about thee miles Easterly of Watter Hole on East side of Draw in the Circle Cliff Mining District, Garfield County, State of Utah the location being described and marked on the ground as follows, to-wit:

Beginning 15 feet Westerly of this location (Discovery) Monument, at the Westerly end center monumnet, and running thence Northerly 300 feet to North West corner monument No. 1; thence Easterly 1500 feet to North East corner monument No. 2; thence Southerly 300 feet to Easterly end center monument; thence Southerly 300 feet to South East corner monument No. 3; thence Westerly 1500 feet to South West corner monument No. 4; thence Northerly 300 feet to place of beginning; including all Dips, Spurs, Angles, and Variations.

The above described Mining Claim shall be known as the BLACK WIDOW NO. 2. Located this 12th day of August, 1950.

NAMES OF LOCATORS

Claron Barney
Orean Barney
George H. Ormond

NOTICE OF LOCATION

Date August 12, 1950

Recorded August 21, 1950

in Book 11 Miscellaneous

Pages 366

NOTICE IS HEREBY GIVEN That the undersigned having complied with the requirements of Section 2324 of the Revised Statutes of the United States and the Local Laws, Customs and Regulations of this District, has located Fifteen hundred feet in length by 600 feet in width, on this the Vein, Lode, or Deposit, bearing Gold, Silver, Copper, Lead and other valuable minerals, situated in the head of Wolverene, about three miles Easterly of Water holes on East side of draw in the Circle Cliff Mining District, Garfield County, State of Utah, the location being described and marked on the ground as follows, to-wit:

Beginning 15 feet Westerly of this location (Discovery) Monument, at the Westerly end center monument, and running thence Northerly 300 feet to North West corner monument No. 1; thence Easterly 1500 feet to North east corner monument No. 2; thence Southerly 300 feet to Easterly end center monument; thence Southerly 300 feet to South East corner monument No. 3; thence Westerly 1500 feet to South West corner monument No. 4; thence Northerly 300 feet to place of beginning; including all Dips, Spurs, Angles and Variations.

The above described Mining Claim shall be known as the BLACK WIDOW NO. 3. Located this 12th day of August, 1951.

NAMES OF LOCATORS

Claron Barney
Orean Barney
George H. Ormond

NOTICE OF LOCATION

Date _____

Recorded April 23, 1951

in Book 13 Miscellaneous

Pages 481

NOTICE IS HEREBY GIVEN That the undersigned having complied with the requirements of Section 2324 of the Revised Statutes of the United States and the Local Laws, Customs and Regulations of this District, has located Fifteen hundred feet in length by 600 feet in width, on this the Placer lode, Vein or Deposit, bearing Gold, Silver, Copper, Lead and other valuable minerals, situated in the head of Wolverence, about thee miles easterly of Water holes, on east side of draw in the Circle Cliff Mining District Garfield County, State of Utah, the location being described and marked on the ground as follows, to-wit:

Beginning 15 feet westerly of this location (Discovery Monument, at the Westerly end center monument, and running thence Northerly 300 feet to North West corner monument No. 1; thence Easterly 1500 feet to North East corner monument No. 2; thence Southerly 300 feet to easterly end center monument; thence Southerly 300 feet to South East corner monument No. 3; thence Westerly 1500 feet to South West corner monument No. 4; thence Northerly 300 feet to place of beginning including all Dips, Spurs, Angles and Variations.

The above described Mining Claim shall be known as the BLACK WIDOW NO. 1

NAMES OF LOCATORS

Claron Barney
Orean Barney
George H. Ormond

NOTICE OF LOCATION

Date _____

Recorded April 23, 1951

in Book 13 Miscellaneous

PAGES 482

NOTICE IS HEREBY GIVEN THAT THE undersigned having complied with the requirements of Section 2324 of the Revised Statutes of the United States and the Local Laws, Customs and Regulations of this District has located Fifteen hundred feet in length by 600 feet in width, on this the Placer Lode, Vein or Deposit, bearing Gold, Silver, Copper, Lead and other valuable minerals, situated in head of Wolverene about three miles Easterly of Water holes, on east side of draw in the Circle Cliff Mining District in Garfield County, State of Utah, the location being described and marked on the ground as follows, to-wit:

Beginning 15 feet westerly of this location (Discovery) Monument, at the Westerly end center monument, and running thence Northerly 300 feet to North West corner monument No. 1; thence Easterly 1500 feet to North East Corner monument No. 2; thence Southerly 300 feet to easterly end center monument; thence Southerly 300 feet to South east corner monument No. 3; thence Westerly 1500 feet to South West corner monument No. 4; thence Northerly 300 feet to place of beginning; including all Dips, Spurs, Angles and Variations.

The above described Mining Claim shall be known as the BLACK WIDOW NO. 2. Located this 12th day of April, 1951.

NAMES OF LOCATORS

Claron Barney
Orean Barney
George H. Ormond

NOTICE OF LOCATION

Dated April 12, 1951

Recorded April 23, 1951

in Book 13 Miscellaneous

Pages 482

NOTICE IS HEREBY GIVEN That the undersigned having complied with the requirements of Section 2324 of the Revised Statutes of the United States and the Local Laws, Customs and Regulations of this District, has located Fifteen hundred feet in length by 600 feet in width, on this the Placer Lode, Vein or Deposit, bearing Gold, Silver, Copper, Lead and other valuable minerals situated in the head of Wolverene, about three miles easterly of water holes on east side of draw in the Circle Cliff Mining District in Garfield County, State of Utah, the location being described and marked on the ground as follows, to-wit:

> Beginning 15 feet Westerly of this location (Discovery) Monument, at the Westerly end center monument, and running thence Northerly 300 feet to the North West corner monument No. 1; thence easterly 1500 feet to North east corner monument No. 2; thence Southerly 300 feet to easterly end center monument; thence southerly 300 feet to South east corner monument No. 3 thence Westerly 1500 feet to South west corner monument No. 4; thence northerly 300 feet to place of beginning; including all Dips, Spurs, Angles and Variations.

The above described Mining Claim shall be known as the Black Widow No.3. Located this 12th day of April, 1951.

NAME OF LOCATORS

Claron Barney
Orean Barney
George H. Ormond

NOTICE OF LOCATION

Date August 13, 1950
Recorded August 21, 1950
in Book 11 Miscellaneous
Pages 365

NOTICE IS HEREBY GIVEN That the undersigned having complied with the requirements of Section 2324 of the Revised Statutes of the United States and the Local Laws, Customs and Regulations of this District, has located Fifteen Hundred Feet in length by 600 feet in width, on this, the Vein Lode, Vein or Deposit, bearing Gold, Silver, Copper, Lead and other valuable minerals, situated in head of right hand Silver Falls on West side of Canyon about 2½ northerly from Moody Trail on the _____ Mining District _____ County, State of _____, the location being described and marked on the ground as follows, to-wit:

Beginning 15 feet Northerly of this location (Discovery) Monument, at the Northerly end center monument, and running thence Easterly 300 feet to Northeast corner monument No. 1; thence Southerly 1500 feet to South East corner monument No. 2; thence Westerly 300 feet to South West end center monument; thence Westerly 300 feet to South West corner monument No. 3; thence Northerly 1500 feet to North west corner monument No. 4; thence Easterly 300 feet to place of beginning; including all Dips, Spurs, Angles and Variations.

The above described Mining Claim shall be know as the YELLOW JACKET. Located this 13th day of August, 1950.

NAMES OF LOCATORS:

Claron Barney
Orean Barney
George H. Ormond
V. M. Fairbanks

NOTICE OF LOCATION

CLARON BARNEY, RAYMOND ORMOND,
OREAN BARNEY,

Locators,

Dated Sept. 9, 1950
Ack'd None
before None Notary Public
Res. None (SEAL)
Commission Expires NONE
Recorded: Sept 20, 1950
in Book 11 Miscellaneous
Pages 379

Records of Garfield Co, State of Utah
Consideration: none

NOTICE IS HEREBY given that the undersigned, having complied with the requirements of Section 2324 of the Revised Statutes of the United States, the Laws of Utah, and the local Laws, Customs and Regulations of this district has located fifteen hundred feet in length by six hundred feet in width on this Vein Lode, Vein or Deposit, bearing Gold, Silver, Copper, Lead and other valuable minerals, situated in right hand Silver Falls and is northerly from the reef Claim in the Circle Cliffs Mining District, Garfield County, State of Utah, the location being described and marked on the ground as follows; to-wit:

Beginning 15 feet Easterly of this location (Place of Discovery) Monument, at the Easterly end of center monument, and running thence Easterly 300 feet to South East corner monument No. 1; thence Westerly 1500 feet to South West corner monument No. 2; thence Northerly 300 feet to Westerly end of center monument; thence Northerly 300 feet to North West corner monument No. 3; thence Easterly 1500 feet to North East corner monument No. 4; thence Southerly 300 feet to place of beginning, including all Dips, Spurs, Angles and Variations.

The name of the mining claim above described is, and shall be known as the YELLOW JACKET no. 2.

Located this 9th day of September, 1950.

NAMES OF LOCATORS

Claron Barney
Raymond Ormond
Orean Barney

NOTICE OF LOCATION

Date: April 13, 1951
Recorded: April 23, 1951
in Book: 13 Misc.
Page: 481

NOTICE IS HEREBY GIVEN That the undersigned having complied with the requirements of Section 2324 of the Revised Statutes of the United States and the Local Laws, Customs and Regulations of this District, has located Fifteen hundred feet in length by 600 feet in width, on this the Placer Lode, Vein or Deposit, bearing Gold, Silver, Copper, Lead and other valuable minerals, situated in head of right hand Silver Falls, on west side of Canyon about 2½ northerly from Moody trail Circle Cliff Mining District, Garfield County, State of Utah, the location being described and marked on the ground as follows, to-wit:

Beginning 15 feet Northerly of this location (Discovery) Monument, at the Northerly and center monument, and running thence Easterly 300 feet to North east corner monument No. 1 thence Southerly 1500 feet to South east corner monument No. 2; thence Westerly 300 feet to South west end center monument; thence Westerly 300 feetto South west corner monument No. 3; thence Northerly 1500 feet to North west corner monument No. 4; thence Easterly 300 feet to place of beginning; including all Dips, Spurs, Angles and Variations.

The above described Mining Claim shall be know as the YELLOW JACKET Located this 13th day of April, 1951.

NAME OF LOCATORS:

Claron Barney
Orean Barney
George H. Ormond
V. M. Fairbanks

M I N I N G L E A S E A N D B O N D

Dated, Sept., 1950
Recorded, Sept. 20, 1950
in Book: 11 misc.
Page: 379

THIS INDENTURE, Had this 19th day of Sept. 1950 BETWEEN Claron Barney of Escalante Utah and Orean Barney of Richfield, Utah and Geo. H. Ormond of Boulder, Utah, Lessors, AND J. MARK HOLMES of Kanab, Utah and S. Kent Howard of Huntington, Utah, Lessees.

WITNESSETH, That the said Lessors for and in consideration of the royalties, covenant and agreements hereinafter reserved, and by the said Lessees to be paid, kept and performed, has granted, demised and let unto the said Lessees all the following mine and mining property, situated in Circle Cliffs Mining District County of Garfield, State of Utah, known and recorded as the BLACK WIDOW # 1 Filed for Record 35961 21, Aug. 1950, Misc. 11, Page 366 and BLACK WIDOW # 2, Filed of Record 35962, Aug. 21, 1950, Misc. 11, page 366 and BLACK WIDOW # 3, Filed for Record 35963 Aug, 21, 1950, Misc. 11 Page 366, Garfield Co., Utah, and more fully described in recorded instruments upon the public records which are hereby referred to; together with the appurtenances; to have and to hold unto the said Lessees for the term of Continuous.

AND IN CONSIDERATION of the said demise, the said Lessees does covenant and agree with the said Lessors as follows, to wit:

1. To commence work at once upon said mine, and work the same in a good and workmanlike manner, working the aforesaid permises steadily and continuously from the date hereof; and that a failure to work said premises with at least One person for 20 days in each calander month, after the first month in which indenture is made, may, at the lption of Lessors be considered a violation of this covenant.

2. To timber said mine, when and where necessary, at Lessee's own expense.

3. To allow the said Lessors or his agents to enter upon and into all parts of said mine for the purpose of inspection.

4. To not assign this lease, or any interest thereunder, or sublet the same, or any part thereof, without the written consent of said Lessors.

5. To pay and deliver to said Lessors or to his agents as royalties 11% Base Price on Uranium ore and 11% of all other minerals when Recorded.

6. To deliver up to said Lessors the said premises with the appurtenances, and all improvements, including all Permanent fixture.

The said Lessor, for and in consideration of one dollar cash in hand paid by said Lessee the receipt whereof is hereby acknowledged, does hereby find and Guarrantee and firmly bound unto the said Lessees heirs or assigns in the sum of Seventy Five Thousand Dollars, lawful money of the United States, to make, execute and deliver a good and sufficient deed to said premises free from all encumbrances, ~~and deliver a good and sufficient deed to~~ at any time before the expiration of lease to the said Lessees heirs, or assigns. PROVIDED, That on or before the expiration of this lease, the said Lessees, heir or assigns, shall pay to the said Lessors, heirs or assigns, the sum of Seventy Five Thousand Dollars, lawful money of the United States, being the price agreed upon between the Lessors and Lessees.

Each and every clause and covenant of this indenture shall extend to the assigns, heirs executors and administrators of all parties hereto. A crew of 3 men shall be kept working on either the Hot Shot's YELLOW JACKET or BLACK WIDOW groups held under lease.

IN WITNESS WHEREOF the said Lessors and Lessees, have hereunto set their hand and seals in duplicate, the date and year aforesaid.

Signed in the presence of
Roe Barney

Claron Barney
George H. Ormand
Orean Barney
S. Kent Howard
J. Mark Holmes

Acknowledge in Garfield County, Utah, September 15, 1950, by the above signers, before D. H. Cowles, Notary Public, seal is shown.

MINING LEASE AND BOND

Dated: Sept. 19, 1950
Ack'd: George H. Ormond, Claron Barney, Orean Barney, S. Kent Howard, & J. Mark Holmes.
Before: D. H. Cowles Notary Public
Res. Escalante, Utah (SEAL)
Commission expires 11-23-53
Recorded: September 26, 1950
in Book: 11 Miscellaneous
Pages: 362
Records of Garfield County, State of Utah

THIS INDENTURE, Made this 19th day of Sept., 1950, BETWEEN Orean Barney and V. M. Fairbanks of Richfield, Utah and Claron Barney of Escalante, and George H. Ormond of Boulder, Utah, Lessors, AND J. MARK HOLMES of Kanab, Utah, and S. KENT HOWARD of Huntington, Utah, Lessees, WITNESSETH, That the said Lessor for and in consideration of the royalties, covenants and agreements hereinafter reserved, and by the said Lessees to be paid, kept and performed, has granted, demised and let unto the said Lessees all the following described mine and mining property, situated in Circle Cliffs Mining District, County of Garfield, State of Utah, known and recorded as the Yellow Jacket filed for record 35960, August 21, 1950; Misc. 11, page 365, and Yellow Jacket # 2, located 9th Sept.; Rec. Misc. 11, Page 379, Garfield Co. Utah. #3603 8 and more fully described in recorded instruments upon the public records which are hereby referred to; together with the appurtenances; to have and to hold unto the said Lessees for the term of Continuous, unless sooner forfeited through the violation of any covenant hereinafter against the said lessees does covenant and agree with the said Lessors as follows, to-wit:

First--To allow the said Lessors or his agents to enter upon said mine, and work the same in a good and work-manlike manner, working the aforesaid premises steadily and continuously from the date hereof; and that a failure to work said premises with at least one person for 20 days in each calendar month, after the first month in which indenture is made, may, at the option of Lessors, be considered a violation of this covenant.

Second--To timber said mine, when and where necessary, at Lessee's own expense.

Thrid--To allow the said Lessors to his agents to enter upon and into all parts of said mine for the purpose of inspection.

Fourth--To not assign this lease, or any interest thereunder, or sublet the same, or any part thereof, without the written consent of said Lessors.

Fifth--To pay and deliver to said Lessors or to his agents, as royalty, 11% Base Price of Uranium Ore and 11% of all other mineral when recovered.

Sixth--To deliver up to said Lessors the said premises with the appurtenances, and all improvements, including all permanent fixtures.

The said Lessors, for and in consideration of one dollar cash in hand paid by said Lessees the receipt whereof is hereby acknowledge, does hereby bind and Guarantee and firmly bound into the said Lessees heirs or assigns in the sum of Eighty Thousand Dollars lawful money of the United States, to make, execute and deliver a good and sufficient rights to said premises, free from all encumbrances, at any time before the expiration of lease to the said lessees, heirs, or assigns.

PROVIDED, That on or before the expiration of this lease, the said Lessee, heirs or assigns, shall pay to the said Lessors, heirs or assigns, the sum of Eighty Thousand Dollars, lawful money of the United States, being the price agreed upon between the Lessors and Lesees.

Each and every clause and covenant of this indenture shall extend to the assigns, heirs, executors and administrators of all parties hereto.

A crew of 3 men shall be kept working on either the Hot Shot's Yellow Jacket or Black Widow (widdo) groups held under lease.

IN WITNESS WHEREOF the said parties, Lessors and Lessees, have hereunto set their hands and seals in duplicate, the date and year aforesaid.

Signed in the presence of
Roe Barney

George H. Ormond
Claron Barney
Orean Barney
S. Kent Howard
J. Mark Holmes

Acknowledged in Garfield County, Utah; September 19, 1950, by the above signers, before D. H. Cowles, Notary Public, seal is shown.

AGREEMENT

Dated: January 3, 1951
Recorded: January 15, 1951
Ack'd:
before S.R. Bossard Notary Public
Res. Richfield, Utah (SEAL)
Commission Expires 5-31-52
Recorded: January 15, 1951
in book: 13 Misc. Pages 203

This agreement entered into this 3rd day of January, 1951, at Richfield, Utah, Between J. Mark Holmes and S. Kent Howard.

It is agreed that for and in consideration of $500.00 paid the 1st day of July, 1951, and $500.00 paid the 31st day of December 1951, S. Kent Howard sells all right, title and interest in the mining leases with Clarnm and associates of Escalante, Utah, to J. Mark Holmes.

The lease covers the Black Widow group in Circle Cliff Mining District, Garfield County, Utah, and the Yellow Jacket Group and Hot Shot and Blue Jay Group in the same Mining District, Garfield,County, Utah.

S. Kent Howard
S. Kent Howard

J. Mark Holmes
J. Mark Holmes

Subscribed and sworn to before me this 3rd day of January, 1951.

(SEAL)

S. R. Bossard
Richfield, Utah

AGREEMENT

Date: January 29, 1951
before Leah Wilson Notary Public
Res: Hatch, Utah
Commission expires 1-20-50
Recorded: April 11, 1951
in Book: 13 Miscellaneous
Pages: 448

This agreement between J. Mark Holmes of Kanab, Utah, and Mammoth Lumber Company of Hatch, Utah.

J. Mark Holmes hereby grants an undivided interest in the following mining leases on the following groups of mining claims held by J. Mark Holmes of Kanab, Utah:

> Black Widow Group, Yellow Jacket Group, Blue Jay and Hot Shot Groups. Said leases with Claron Barney and others of Escalante, Utah, for $1.00 and valuable consideration a 50% interest is granted to the Mammoth Lumber Company of Hatch, Utah,

J. Mark Holmes
J. Mark Holmes

Subscribed and sworn to before me this 29th day of January, 1951.

PROOF OF LABOR

Date: June 27, 1951
Recorded: June 28, 1951
in book: 14 Misc.
Pages: 20-21

STATE OF UTAH)
)ss.
COUNTY OF_____)

Claron Barney, Escalante, Utah, Orean Barney and George Ormond uranium claims being first duly sworn depose and say that they have caused work to be done on the Black Widow one to six inclusive assessment work $1,200.00 Mining Claims, situated in Circle Cliff Mining District, Garfield County, Utah, and caused labor to be performed and improvements made theron as follows:

40 days' work on Black Widow 1 to 6 inclusive worth $1,200.00 from March 30, 1951 to June 25, 1951-40 days' labor on open pit mining on claims worth $1,200.00; from March 30, 1951 to June 25, 1951 and 800 cubic feet of earth and rock were removed.

Said work was done and improvements made at the instance or request of Claron Barney, Orean Barney, and George Ormond Uranium Co.

The actual amount paid for said improvements and labor was $1,200.00 DOLLARS, and was paid by J. M. Holmes, Kanab, Utah the lesser of the Black Widow uranium claims, The Six claims Mining Claims, for the purpose of holding said claims.

Claron Barney

Subscribed and sworn to before me this 27th day of June, 1951

(SEAL)
My commission expires Jan. 28, 1953
Residence: Escalante, Utah

Leslie George, Notary

PROOF OF LABOR

Date: June 27, 1951
Recorded: June 28, 1951
in Book: 14 Misc.
Page: 22

STATE OF UTAH)
) ss.
COUNTY OF GARFIELD)

Escalante, Claron Barney, Orean Barney, George H. Armond, B. N. Fairbanks, being first duly sworn depose and say that they have caused work to be done on the Yellow Jacket No. 1 and No 2, $1000.00 assessment work on Yellow Jacket Mining Claims situated in Circle Cliff Mining District, Garfield County, Utah, and caused labor to be performed and improvements made thereon as follows:

30 days labor on Yellow Jacket No 1, No 2, worth $1000.00 from April 1st, 1951 to June 1st, 1950,; 30 days' labor on Yellow Jacket No. 1 & No 2 worth $1000.00, from April 1st, 1951 to June 1st, 1951; 30 days' labor on Yellow Jacket Tunnel & Roads worth $1000.00, from April 1st, 1951 to June 1st, 1951 and _____ Cubic feet of earth and 100 cubic feet of rock were removed.

Said work was done and improvements made at the instance or request of Claron Barney, Orean Barney, George H. Armond, B. N. Fairbanks.

The actual amount paid for said improvements and labor was $1000.00 DOLLARS, and paid by J. Mark Holmes the leaser of the Yellow Jacket No. 1, & No. 2 Mining Claims, for the prupose of holding said claims.

Claron Barney

Subscribed and sworn to before me this 27th day of June, 1951

(SEAL)

Leslie George, Notary

My commission expires January 28, 1953.

AFFIDAVIT OF WORK DONE GROUP MINING CLAIMS

Date: June 26, 1951
Recorded: June 28, 1951
in Book: 14 Misc.
Page: 23

STATE OF UTAH)
) SS.
COUNTY OF KANE)

J. Mark Holmes being duly sworn says: That he was employed by Holmes, Wilson & Porter lessee, from Claron Barney and other locators, the owners of the Black Widow # 1 to 3, & Yellow Jacket Mining Claims, situated in the Circle Cliffs Mining District Garfield County, State of Utah; and for and on behalf of said owners, J. Mark Holmes performed the annual labor and other work made the annual improvements required by the laws of the United States for the year 1950 on said claims; that the said work done and improvements made consist of Roads, tunnels, etc. on said claims and is of the value of $5,000.00; that said labor was performed and improvements made on and between the 1st day of October, A. D. 1950, and the 30th day of June A. D. 1951; that there were 364 days' work done on said claims, and 25,000 cubic feet of earth and 15,000 cubic feet of rock were removed; that said work was done and said improvements made at the instance and request of said J. Mark Holmes the said owners of said claims; that the actual amount paid for said labor and improvements was $5,000.00 and said sum was paid by the said J. Mark Holmes, and Holmes, Wilson & Porter the said owners of said claims.

J. Mark Holmes

Subscribed and sworn to before me this 26th day of June, A. D. 1951

Mayrell Tietjen, Notary Public

(SEAL)

Commission expires: 12-1-54.

File in Office of County Recorder, and with District Mining Recorder, within 30 days after completion of work.

CERTIFICATE

STATE OF UTAH)
) ss.
COUNTY OF GARFIELD)

BRUCE F. PARKER, a duly authorized Abstracter of Titles within and for said County and State, in consideration of the fee paid, hereby certifies that the foregoing Abstract consisting of 17 pages numbered from 1 to 17 inclusive, is a true and correct abstract of the following, subject to the observations, comments, and reservations hereinafter set forth.

1. All instruments revealed by a search of the Mining Index of the Garfield County Recorders Office, in the State of Utah, referring to the following named Mining Claims in Garfield County, State of Utah, to-wit:

Black Widow 1 to 3 inclusive, situated in head of Wolverene, about three miles Easterly of Water Holes, on east side of draw in the Circle Cliff Mining District;
Also: Yellow Jacket also spelled Yello Jacket, situated in head of right hand Silver Falls on West side of Canyon about 2½ miles Northerly from Moody Trail in Circle Cliff Mining District;
Also: Yello Jacket No. 2, situated in right hand Silver Falls, and is Northerly from the Reef Claim in the Circle Cliff Mining District.

2. I find that no taxes have been assessed against the above named mining claims.

3. As this property is not located as to Section, Township and Range, it is impossible to determine whether it is in an area which is subject to any special assessments, therefore no statement is made as to such special assessments.

4. There are no subsisting judgments for the 8 years last past against any of the following, appearing upon the dockets of the Sixth Judicial District Court of Garfield County, State of Utah:

Claron Barney	V. M. Fairbanks	J. Mark Holmes
Orean Barney	Raymond Ormond	Mammoth Lumber Company
George H. Ormond	S. Kent Howard	

IN WITNESS WHEREOF, the said Bruce F. Parker has caused this Certificate to be signed and his Seal affixed this 26th day of July, 1951 at 2:00 P.M.

Bruce F. Parker
Bruce F. Parker, An Authorized Abstracter

(SEAL)

Escalante, Utah
October 3, 1951

To Whom It May Concern:

We hereby offer an option to purchase one half interest in the Yellow Jacket Mining Claim recorded in Garfield County Recording Office # 35960, 21st day of August, 1950.

For a period of 60 days from date this option may be exercised by a payment of $6000.00 (Six thousand dollars) in cash.

This option becomes void after 60 days without further notice.

Claron Barney
Claron Barney

Grace O. Barney
Grace O. Barney

(Geo. H. Ormond) equty.
By Grace Ormond Barney

J. Mark. Holmes
J. Mark Holmes

PARDNERS MINING CLAIM

Date filed April 2, 1951
Recorded: April 3, 1951
Book: Misc. 13
Pages: 430, 431 & 480

NOTICE OF LOCATION

Notice is hereby given that the undersigned, having complied with the requirements of Section 2324 of the Revised Statutes of the United States, the 1 laws of the State of Utah, regulations of this district, have located fifteen hundred feet in length by six hundred feet in width on this vein lode, vein or deposit, bearing gold, silver, copper, lead and other valuable minerals situated approximately 2 miles north of Wagon Box Mesa on the east slope of Stud Horse Knolls 1/4 mile west of road in Circle Cliffs Mining District, Garfield County, State of Utah, the location being described and marked on the ground as follows, to-wit:

Beginning 300 feet westerly of this location (place of discovery) monument, at the Easterly end; thence northerly 300 feet to NE corner monument No. 1; thence westerly 1500 feet to NW corner monument No. 2; thence Southerly 300 feet to west end of center monument; thence southerly 300 feet to S.W. corner monument No. 3; thence Easterly 1500 feet to S.E. corner monument No. 4; thence Northerly 300 feet to place of beginning, including all Dips, spurs, angles and variations.

The name of the mining claim above described is, and shall be known as the Pardners No. 1, located this 2nd day of April, 1951.

NAME OF LOCATERS

Holbert Smith
W. L. Davis

No. 38392 recorded at the request of W.L. Davis, April 3, 1951, at 1:35 p.m.
Mildred Deuel, Recorder
Virginia Boyce, Typist

NOTICE OF LOCATION

Notice is hereby given that the undersigned, having complied with the requirements of Section 2324 of the Revised Statutes of the United States, the laws of the State of Utah, and the local laws, customs and regulations of this District, have located fifteen hundred feet in length by six hundred feet in width on this, vein lode, vein or deposit, bearing gold, silver, copper, lead and other valuable minerals, situated (north of road in flats approxmiately 4 miles north of Stud Horse Knolls in Circle Cliffs Mining District.

Beginning 300 feet Westerly, west end center; thence Northerly 300 to N.W. No. 1, E 1500 to NE S-300 to East end, S-300 to SE, Westerly 1500 to S.W. North 300 to point of beginning.

The name of the mining claim above described is, and shall be known as the Pardners No. 2, located this 2nd day of april, 1951.

No. 38393

NAME OF LOCATERS
Holbert Smith, W. L. Davis

NOTICE OF LOCATION

Notice is hereby given that the undersigned, having complied with the requirements of Section 2324 of the Revised Statutes of the United States, the laws of the State of Utah, regulations of this district, have located fifteen hundred feet in length by six hundred feet in width on this vein lode, vein or deposit, bearing gold, silver, copper, lead and other valuable minerals situated north of road in flats approximately 4 miles north of Stud Horse Knowls in Circle Cliffs Mining District.

Beginning 300 feet westerly of this location (place of discovery) monument, thence N 300 feet to NW corner monument No. 1; thence Easterly 1500 feet to NE corner monument No. 2; thence Southerly 300 feet to east center; thence S 300 feet to SE monument No. 3; thence W 1500 to SW monument No. 4 N 300 feet to point of beginning.

The name of the mining claim above described is, and shall be known as the Pardners No. 4, located this 2nd day of April, 1951.

NAME OF LOCATERS

Holber Smith
W. L. Davis

No. 38620, recorded at the request of W. L. Davis, April 23, 1951, at 10 A.M.
Mildred Deuel, Recorder
Virginia Boyce, typist

7-8-52

docket returned to Mails and Files.