COPY

224 New Customhouse
Denver 2, Colorado

January 19, 1955

Lisbon Valley Uranium Company
501 Kittredge Building
Denver, Colorado

Gentlemen:

Reference is made to your application for Government aid on the Purple Dog, Lisbon Valley, Blue Bird, and Rocky Point claims.

Projects approved by the Defense Minerals Exploration Administration must, in its judgment, show definite promise of yielding material of acceptable grade, and in quantities that will significantly improve the mineral supply position for the National Defense Program.

A careful study of your property and data available to this agency reveals that the probability of disclosing mineable reserves of uranium is not considered sufficiently promising to justify Government participation. Under these circumstances, we regret to advise that your application for exploration aid is denied.

Very truly yours,

W. M. Traver

E. N. Harshman

HMC:pw
cc: Subject
Chron
Harshman
Williams
Administration
AEC
Shaw
Mining Div.

Reviewed by
DMEA OPERATING COMMITTEE
1-28-55
(DATE)

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

COPY

224 New Customhouse
Denver 2, Colorado

January 18, 1955

Memorandum

To: Administrator, Defense Minerals Exploration Administration
Attention: 200

From: Field Team, Region III

Subject: Report of Examination, DMEA Docket No. 3564, (Uranium), Lisbon Valley Uranium Company, Purple Dog, Lisbon Valley, Blue Bird and Rocky Point claims, San Juan County, Utah

Enclosed are four copies of the Survey report of examination on the examination on the subject docket, a copy of the letter of denial to the applicant and two copies of Form 3b.

The Bureau of Mines did not participate in the field examination.

/s/ W. M. TRAVER
W. M. Traver

/s/ E. N. HARSHMAN
E. N. Harshman

HMC:pw

Reviewed by
DMEA OPERATING COMMITTEE
1-28-55
(date)

Transmitted
JAN 18 1955

Date Rec'd.
JAN 7 1955
BUREAU OF MINES
Denver, Colorado

Defense Minerals Exploration Administration
Denver Federal Center
Denver, Colorado

January 5, 1955

Memorandum

To: DMEA Field Team, Region IV

From: E. N. Harshman

Subject: DMEA Docket 3568, Lisbon Valley Uranium Company, Purple Dog, Lisbon Valley, Blue Bird, and Rocky Point claims, San Juan County, Utah

Enclosed are 10 copies of a geologic report by C. L. Dodson of the U. S. Geological Survey covering the above subject docket.

The subject property, located in sections 3, 4, 5, 10, and 11; T. 31S.; R. 24E. San Juan County, Utah, is underlain by the Brushy Basin and Salt Wash members of the Upper Jurassic Morrison formation.

The Salt Wash member in the claim area is estimated to be about 330 feet thick. The exposed part consists of thin, reddish, horizontally bedded sandstones underlain by red mudstone and containing only sparse carbonaceous material--all lithologic features considered unfavorable for deposits of uranium ore. The lower part of the Salt Wash member is not exposed on the claims but no significant ore deposits are known to exist in the lower sandstone units in this mining area.

No significant ore deposits have been found on or near the claims although a 4 inch bead of mineralized sandstone is exposed in an adit on the North Side claim (excluded from the proposed exploration program). The applicants contention that drilling has shown this small lens to extend eastward and to increase to a thickness of 20 feet was not supported by drill logs or other factual data.

Badger's recommendation for denial of the application for Government assistance in exploring for uranium ore on the Lisbon Valley Uranium Company property is based on the unfavorable lithologic character of the Salt Wash sandstone exposed on the claims, the fact that no exposures of ore grade material were observed on the property, and the fact that there are no known significant deposits nearby.

I concur in the recommendation.

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

Enclosures 10

Reviewed by
DMEA OPERATING COMMITTEE
1-28-55
(date)

Transmitted

JAN 18 1955

UNITED STATES DEPARTMENT OF THE INTERIOR
U. S. GEOLOGICAL SURVEY
P. O. BOX 360
COLORADO PLATEAU DISTRICT
GRAND JUNCTION, COLORADO

December 23, 1954

Memorandum

To: E. N. Harshman, DMEA Field Team, Region IV

From: A. L. Brokaw, District Supervisor

Subject: DMEA 3564, Lisbon Valley Uranium Company, Purple Dog, Lisbon Valley, Blue Bird, and Rocky Point claims, San Juan County, Utah

Transmitted herewith are ten copies of a geologic report and accompanying maps by C. L. Dodson, covering a field examination of the above-referenced property.

After field examination Dodson concludes that DMEA assistance for exploring the property be denied. Reasons for denial are: 1) The unfavorable character of the Salt Wash on and near the property, and 2) the lack of any ore-grade material or significant deposits on or nearby the property. I concur with Dodson's recommendation that DMEA assistance be denied.

The application was brought to the attention of the Exploration Division, U. S. Atomic Energy Commission, Grand Junction Operations Office, and the Commission was asked for its help and advice in evaluating the property.

TEM/mlr

Enclosures

T. E. Mullens
For Arnold L. Brokaw

Reviewed by DMEA OPERATING COMMITTEE 1-28-55 (GRO)

UNITED STATES DEPARTMENT OF THE INTERIOR

DOUGLAS McKAY, SECRETARY

DEFENSE MINERALS EXPLORATION ADMINISTRATION
REPORT OF EXAMINATION BY FIELD TEAM
REGION IV

DMEA 3564, Lisbon Valley Uranium Company, Purple Dog, Lisbon Valley, Blue Bird, and Rocky Point claims, San Juan County, Utah

Uranium

Geologic Report

by

C. L. Dodson
U. S. Geological Survey

December 23, 1954

1-28-55

DMEA 3564

INTRODUCTION AND SUMMARY

The Lisbon Valley Uranium Company, Denver, Colorado, has applied to the Defense Minerals E ploration Administration for a loan to explore for uranium by drilling on the Purple Dog, Lisbon Valley nos. 1-6, Blue Bird nos. 1-6, and Rocky Point nos. 1-6 claims in secs. 3, 4, 5, 10, and 11, T. 31 S., R. 26 E., San Juan County, Utah (figs. 1 and 2). The applicant proposes to plug and core drill 10 holes totaling 3,250 feet and wagon drill 180 holes totaling 16,200 feet at a total estimated cost of $24,995.

The property was examined on December 2, 1954, by G. W. Weir and C. L. Dodson of the U. S. Geological Survey, and W. H. Brinton, president, and J. M. Knowles, chairman of the board, of Lisbon Valley Uranium Company.

The examining team recommends that the applicant's proposal be denied because (1) no ore is exposed on or near the property, (2) no significant ore deposits occur nearby, and (3) the Salt Wash sandstone exposed on and near the ground to be tested shows lithologic characteristics generally associated with barren ground.

GEOLOGY

The Lisbon Valley Uranium Company claims are underlain by the Upper Jurassic Morrison formation which consists of the Brushy Basin member above and the Salt Wash member below. The Brushy Basin is composed of varicolored mudstone with minor thin brown conglomeratic sandstone. The Brushy Basin member is estimated to be about 400 feet thick, but has been largely removed from most of the property. The Salt Wash is composed of

brown sandstone and red mudstone. The Salt Wash is estimated to be about 350 feet thick; the base is not locally exposed.

The Salt Wash exposed on the claims consists generally of light reddish brown to dark brown, massive, horizontally bedded, very fine- to medium-grained sandstone and red mudstone. The rocks lack features commonly associated with significant uranium ore deposits in the Salt Wash member. Favorable sandstone generally is thick (40 feet or more), light brown and not reddish, cross-bedded, underlain by gray (not red) mudstone and contains carbonaceous material. The sandstone units on the Lisbon Valley Uranium Company claims are relatively thin, commonly reddish, commonly horizontally bedded, and is underlain by red mudstone, and generally contains sparse carbonaceous material. Thus, the Salt Wash of the Lisbon Valley Uranium Company claims is judged to be unfavorable for ore. Only the upper part of the Salt Wash is exposed so that the lower part cannot be evaluated; however, no significant deposits are known to occur in the lower sandstone units in this mining area.

ORE DEPOSITS

No significant ore deposits have been found on or near the claims. Small quantities of mineralized rock occur on the claims. The principal occurrence of mineralized rock is in the adit on the North Side claim (excluded from the proposed exploration program). The adit is driven into an elongated lens of sandstone that is about 30 feet wide and 10 to 15 feet thick and is separated from the upper sandstone unit of the Salt Wash by 20 to 30 feet of mudstone. Mineralized rock occurs as a thin band not exceeding 4 inches in thickness near the center of the lens.

The applicant claims that company drilling indicates that this mineralized lens probably trends eastward and that the mineralized zone increases to as much as 20 feet in thickness. The applicant, however, has submitted no drill logs, maps, or other data bearing on these points. The examining geologists believe that the outcrops indicate that most of the ground is unfavorable and that there is no reasonable chance of finding a significant uranium deposit on the Lisbon Valley Uranium Company c,aims.

No production has come from the claims to be explored. A very small quantity of low-grade vanadium ore may have been produced from the North Side adit. Some radioactive material, probably of marginal or submarginal grade, reportedly has been mined from a thin lens of sandstone at the base of the Brushy Basin member on the North Side claim.

No reserves of uranium ore are inferred for these claims because material of ore grade and thickness is not exposed, and its underground occurrence has not been proved.

PROPOSED EXPLORATION

The applicant proposes to explore the claims by core and plug drilling 10 holes through the Salt Wash member and by wagon drilling 180 holes through the upper sandstone of the Salt Wash. The applicant estimates the plug and core drilling would total 3,250 feet at a total cost of $8,125., and the wagon drilling would total 16,200 feet at a total cost of $12,960. The applicant's proposed location of 154 drill holes are shown in figure 2.

CONCLUSIONS AND RECOMMENDATIONS

Examination by the Field Team indicates that the Lisbon Valley Uranium Company claims are not favorable for occurrence of significant uranium deposits. This evaluation is principally based on unfavorable characteristics of the Salt Wash sandstone on and near the property, the lack of any observable occurrence of ore-grade material, and lack of significant deposits nearby. Denial of the application is recommended ~~by~~ to the Field Team.

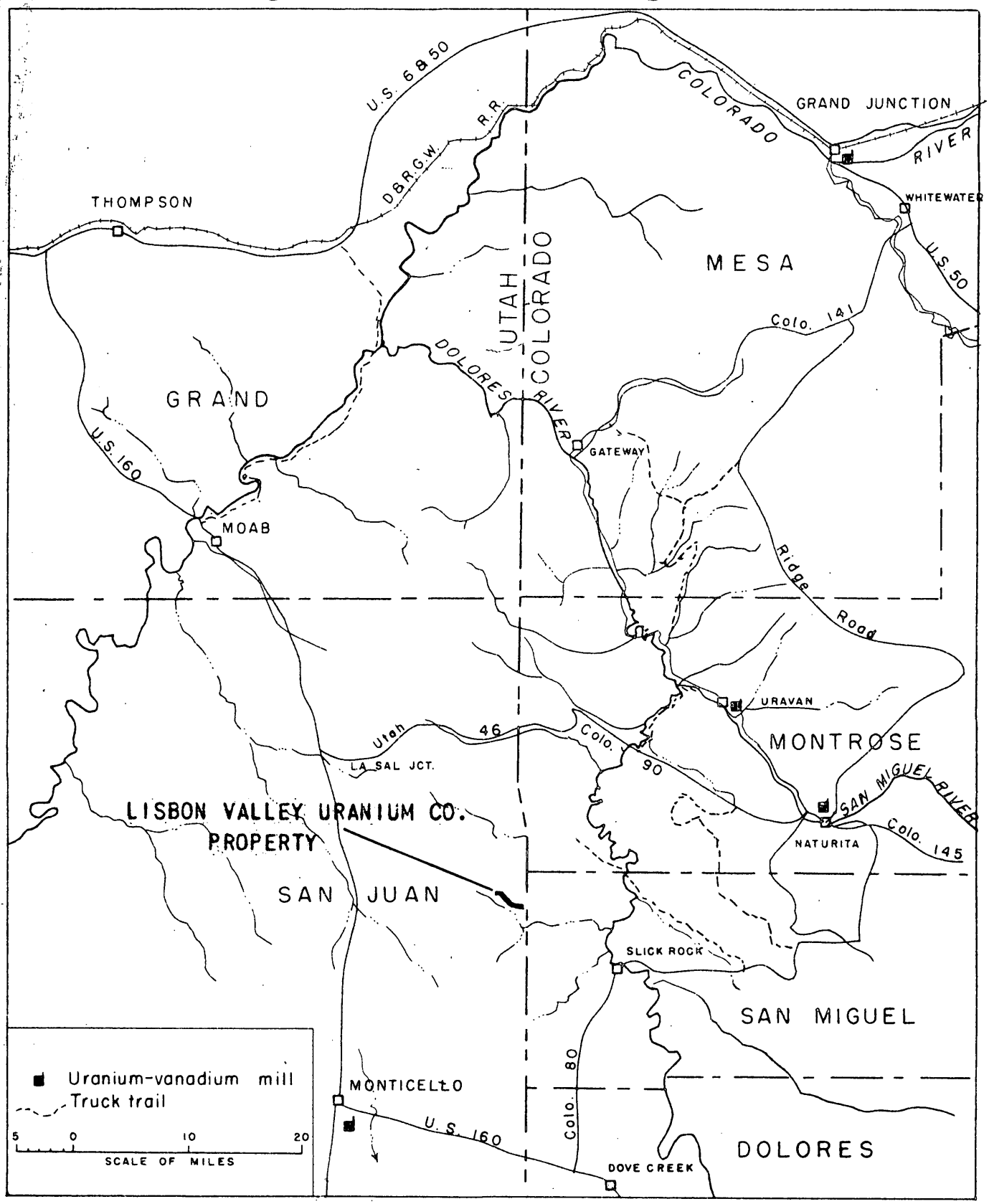

Figure 1. INDEX MAP OF PART OF THE COLORADO PLATEAU SHOWING LOCATION OF THE PROPERTY OF LISBON VALLEY URANIUM COMPANY, SAN JUAN COUNTY, UTAH

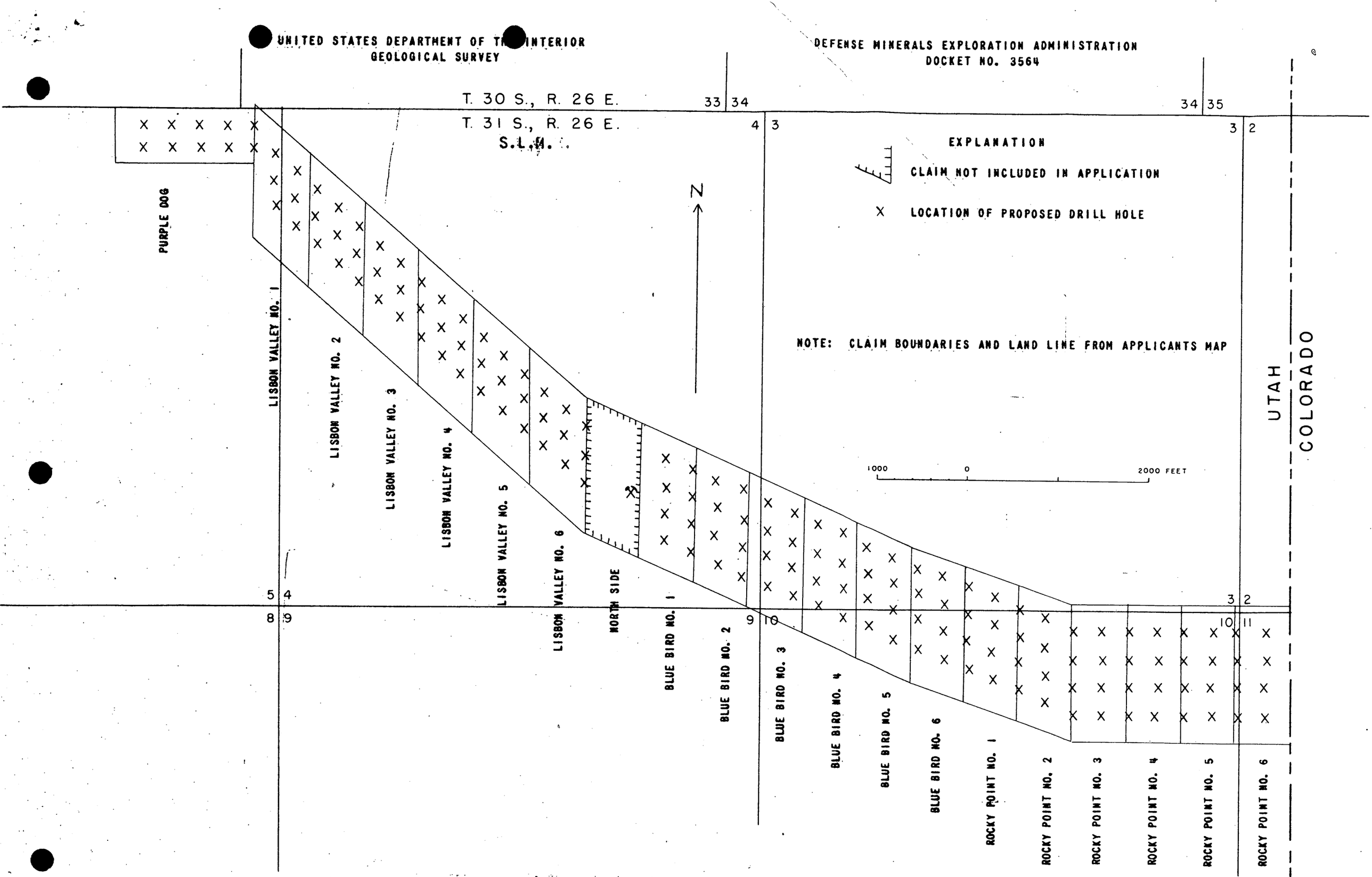

Figure 2. CLAIM MAP SHOWING LOCATION OF PROPOSED DRILL HOLES, LISBON VALLEY URANIUM CO.
SAN JUAN COUNTY, UTAH

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

224 New Customhouse
Denver 2, Colorado

January 18, 1955

Memorandum

To: Administrator, Defense Minerals Exploration Administration
Attention: 200

From: Field Team, Region III

Subject: Report of Examination, DMEA Docket No. 3564, (Uranium), Lisbon Valley Uranium Company, Purple Dog, Lisbon Valley, Blue Bird and Rocky Point claims, San Juan County, Utah

Enclosed are four copies of the Survey report of examination on the examination on the subject docket, a copy of the letter of denial to the applicant and two copies of Form 3b.

The Bureau of Mines did not participate in the field examination.

W. M. Traver

W. M. Traver

HMC:pw

E. N. Harshman

E. N. Harshman

224 New Customhouse
Denver 2, Colorado

January 19, 1955

Lisbon Valley Uranium Company
501 Kittredge Building
Denver, Colorado

Gentlemen:

Reference is made to your application for Government aid on the Purple Dog, Lisbon Valley, Blue Bird, and Rocky Point claims.

Projects approved by the Defense Minerals Exploration Administration must, in its judgment, show definite promise of yielding material of acceptable grade, and in quantities that will significantly improve the mineral supply position for the National Defense Program.

A careful study of your property and data available to this agency reveals that the probability of disclosing mineable reserves of uranium is not considered sufficiently promising to justify Government participation. Under these circumstances, we regret to advise that your application for exploration aid is denied.

Very truly yours,

W. H. Traver

E. H. Harshman

HMC:pw
cc: Subject
Chron
Harshman
Williams
Administrator
AEC
Shaw
Mining Div.

Reviewed by
DMEA OPERATING COMMITTEE

(date)

Transmitted

JAN 18 1955

Date Rec'd

JAN 7 1955

BUREAU OF MINES
Denver, Colorado

Defense Minerals Exploration Administration
Denver Federal Center
Denver, Colorado

January 5, 1955

Memorandum

To: DMEA Field Team, Region IV

From: E. N. Harshman

Subject: DMEA Docket 3564, Lisbon Valley Uranium Company, Purple Hog, Lisbon Valley, Elmo Bird, and Rocky Point claims, San Juan County, Utah

Enclosed are 10 copies of a geologic report by C. L. Dodson of the U. S. Geological Survey covering the above subject docket.

The subject property, located in sections 3, 4, 5, 10, and 11; T. 31S.; R. 26E. San Juan County, Utah, is underlain by the Brushy Basin and Salt Wash members of the Upper Jurassic Morrison formation.

The Salt Wash member in the claim area is estimated to be about 350 feet thick. The exposed part consists of thin, reddish, horizontally bedded sandstones underlain by red mudstone and containing only sparse carbonaceous material--all lithologic features considered unfavorable for deposits of uranium ore. The lower part of the Salt Wash member is not exposed on the claims but no significant ore deposits are known to exist in the lower sandstone units in this mining area.

No significant ore deposits have been found on or near the claims although a 4 inch band of mineralized sandstone is exposed in an adit on the North Side claim (excluded from the proposed exploration program). The applicants contention that drilling has shown this small lens to extend eastward and to increase to a thickness of 30 feet was not supported by drill logs or other factual data.

Dodson's recommendation for denial of the application for Government assistance in exploring for uranium ore on the Lisbon Valley Uranium Company property is based on the unfavorable lithologic character of the Salt Wash sandstone exposed on the claims, the fact that no exposures of ore grade material were observed on the property, and the fact that there are no known significant deposits nearby.

I concur in the recommendation.

E. N. Harshman

E. N. Harshman
Member, Field Team

Enclosures 10

Transmitted
JAN 18 1955

UNITED STATES DEPARTMENT OF THE INTERIOR
U. S. GEOLOGICAL SURVEY
P. O. BOX 360
COLORADO PLATEAU DISTRICT
GRAND JUNCTION, COLORADO

December 23, 1954

Memorandum

To: E. N. Harshman, DMEA Field Team, Region IV

From: A. L. Brokaw, District Supervisor

Subject: DMEA 3564, Lisbon Valley Uranium Company, Purple Dog, Lisbon Valley, Blue Bird, and Rocky Point claims, San Juan County, Utah

Transmitted herewith are ten copies of a geologic report and accompanying maps by C. L. Dodson, covering a field examination of the above-referenced property.

After field examination Dodson concludes that DMEA assistance for exploring the property be denied. Reasons for denial are: 1) The unfavorable character of the Salt Wash on an near the property, and 2) the lack of any ore-grade material or significant deposits on or nearby the property. I concur with Dodson's recommendation that DMEA assistance be denied.

The application was brought to the attention of the Exploration Division, U. S. Atomic Energy Commission, Grand Junction Operations Office, and the Commission was asked for its help and advice in evaluating the property.

TEM/mlr

Enclosures

T. E. Mullens
For Arnold L. Brokaw

UNITED STATES DEPARTMENT OF THE INTERIOR

DOUGLAS McKAY, SECRETARY

DEFENSE MINERALS EXPLORATION ADMINISTRATION
REPORT OF EXAMINATION BY FIELD TEAM
REGION IV

DMEA 3564, Lisbon Valley Uranium Company, Purple Dog, Lisbon Valley, Blue Bird, and Rocky Point claims, San Juan County, Utah

Uranium

Geologic Report

by

C. L. Dodson
U. S. Geological Survey

December 23, 1954

DMEA 3564

INTRODUCTION AND SUMMARY

The Lisbon Valley Uranium Company, Denver, Colorado, has applied to the Defense Minerals E ploration Administration for a loan to explore for uranium by drilling on the Purple Dog, Lisbon Valley nos. 1-6, Blue Bird nos. 1-6, and Rocky Point nos. 1-6 claims in secs. 3, 4, 5, 10, and 11, T. 31 S., R. 26 E., San Juan County, Utah (figs. 1 and 2). The applicant proposes to plug and core drill 10 holes totaling 3,250 feet and wagon drill 180 holes totaling 16,200 feet at a total estimated cost of $24,995.

The property was examined on December 2, 1954, by G. W. Weir and C. L. Dodson of the U. S. Geological Survey, and W. H. Brinton, president, and J. M. Knowles, chairman of the board, of Lisbon Valley Uranium Company.

The examining team recommends that the applicant's proposal be denied because (1) no ore is exposed on or near the property, (2) no significant ore deposits occur nearby, and (3) the Salt Wash sandstone exposed on and near the ground to be tested shows lithologic characteristics generally associated with barren ground.

GEOLOGY

The Lisbon Valley Uranium Company claims are underlain by the Upper Jurassic Morrison formation which consists of the Brushy Basin member above and the Salt Wash member below. The Brushy Basin is composed of varicolored mudstone with minor thin brown conglomeratic sandstone. The Brushy Basin member is estimated to be about 400 feet thick, but has been largely removed from most of the property. The Salt Wash is composed of

brown sandstone and red mudstone. The Salt Wash is estimated to be about 350 feet thick; the base is not locally exposed.

The Salt Wash exposed on the claims consists generally of light reddish brown to dark brown, massive, horizontally bedded, very fine- to medium-grained sandstone and red mudstone. The rocks lack features commonly associated with significant uranium ore deposits in the Salt Wash member. Favorable sandstone generally is thick (40 feet or more), light brown and not reddish, cross-bedded, underlain by gray (not red) mudstone and contains carbonaceous material. The sandstone units on the Lisbon Valley Uranium Company claims are relatively thin, commonly reddish, commonly horizontally bedded, and is underlain by red mudstone, and generally contains sparse carbonaceous material. Thus, the Salt Wash of the Lisbon Valley Uranium Company claims is judged to be unfavorable for ore. Only the upper part of the Salt Wash is exposed so that the lower part cannot be evaluated; however, no significant deposits are known to occur in the lower sandstone units in this mining area.

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The applicant claims that company drilling indicates that this mineralized lens probably trends eastward and that the mineralized zone increases to as much as 20 feet in thickness. The applicant, however, has submitted no drill logs, maps, or other data bearing on these points. The examining geologists believe that the outcrops indicate that most of the ground is unfavorable and that there is no reasonable chance of finding a significant uranium deposit on the Lisbon Valley Uranium Company c,aims.

No production has come from the claims to be explored. A very small quantity of low-grade vanadium ore may have been produced from the North Side adit. Some radioactive material, probably of marginal or submarginal grade, reportedly has been mined from a thin lens of sandstone at the base of the Brushy Basin member on the North Side claim.

No reserves of uranium ore are inferred for these claims because material of ore grade and thickness is not exposed, and its underground occurrence has not been proved.

PROPOSED EXPLORATION

The applicant proposes to explore the claims by core and plug drilling 10 holes through the Salt Wash member and by wagon drilling 180 holes through the upper sandstone of the Salt Wash. The applicant estimates the plug and core drilling would total 3,250 feet at a total cost of $8,125., and the wagon drilling would total 16,200 feet at a total cost of $12,960. The applicant's proposed location of 154 drill holes are shown in figure 2.

CONCLUSIONS AND RECOMMENDATIONS

Examination by the Field Team indicates that the Lisbon Valley Uranium Company claims are not favorable for occurrence of significant uranium deposits. This evaluation is principally based on unfavorable characteristics of the Salt Wash sandstone on and near the property, the lack of any observable occurrence of ore-grade material, and lack of significant deposits nearby. Denial of the application is recommended ~~by~~ to the Field Team.

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

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
NOV 8 - 1954

224 New Customhouse
Denver 2, Colorado

November 5, 1954

Memorandum

To: Administrator, Defense Minerals Exploration Administration
Attention: Code 200

From: Executive Officer, DMEA Field Team, Region IV

Subject: Docketing for Exploration Assistance

Enclosed herewith in duplicate is DMEA Form 3a and MF-103 and supporting data pertaining to the following applications for Government assistance in exploration work:

Utco Uranium Corporation
718 Majestic Bldg. Denver, Colorado (Uranium)

Corley & Spence (Corley Mining Co.)
Box 251, Salida, Colorado (Tungsten)

Golden Cycle Corporation, Uranium Division
P. O. Box 86, Colorado Springs, Colorado (Uranium)

✓ Lisbon Valley Uranium Company
501 Kittredge Building, Denver, Colorado (Uranium)

John F. Shaw
for W. H. King

Enclosures

MF-103
(Revised April 1952)

UNITED STATES DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

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

DEPARTMENT OF THE INTERIOR
Defense Minerals Exploration
RECEIVED
NOV 8 - 1954

APPLICATION FOR AID IN AN EXPLORATION PROJECT, PURSUANT TO DMEA ORDER 1, UNDER THE DEFENSE PRODUCTION ACT OF 1950, AS AMENDED

Not to be filled in by applicant

Docket No. 3564
Metal or Mineral URANIUM
Date Received
Estimated Cost $24,995
Participation (Government %)

INSTRUCTIONS

1. *Name of applicant.*—(*a*) State here your full legal name, in the form in which you will wish to contract, and your mailing address: Lisbon Valley Uranium Company, a Colorado Corporation, 501 Kittredge Bldg., Denver, Colorado. Directors: James M. Knowles, Chairman of Board, Grand Junction, Colo. Wilder H. Brinton, President, Moab, Utah; Melvin F. Schroeder, Sec. Treas., 3246 Niagra, Denver Colo.; Albert T. Fisher, Grand Junction, Colo.

(*b*) If other than an individual, add to your name above whether a corporation, partnership, etc., and the name of the State in which incorporated or otherwise organized.

(*c*) If a corporation, add to above statement, titles, names and addresses of officers.

(*d*) If a partnership, add to the above statement the names and addresses of all partners.

2. *General.*—Read DMEA Order 1, "Government Aid in Defense Exploration Projects," before completing this application. Submit this application and all accompanying papers in quadruplicate (four copies), with your name and address on each sheet of the application and on all accompanying papers. Where sufficient space is not provided on the form for all required information, state it on an accompanying paper, with a reference in each case to the instruction to which it refers by number. Comply with all applicable instructions; or, if not applicable, so state. File the application with Defense Minerals Exploration Administration, Department of the Interior, Washington 25, D. C., or with the nearest field executive officer thereof.

3. *Applicant's property rights.*—(*a*) State the legal description of the land upon which you wish to explore, including all land which you possess or control that may be benefited by the exploration, and excluding any land or interest in land which is not to be included in the exploration project contract Twenty unpatented mining claims situated in sections 3,4,5,10 & 11, T.31 S., R.26 E., S.L.B.&M., San Juan County, Utah. The North Side Claim is not to be included in the exploration project contract. Name of claims listed on attached sheet. Attached map shows mining claims.

(*b*) State any mine name by which the property is known.

(*c*) State your interest in the land, whether owner, lessee, purchaser under contract, or otherwise
Purchaser under contract

(*d*) If you are not the owner, submit with this application a copy of the lease, contract, or other document under which you control the property. Copy of contract attached

(*e*) If you own the land, describe any liens or encumbrances on it

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

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

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

(*c*) Describe the geologic features of the property, including mineralization, type of deposit (vein, bedded, etc.), and your reasons for wishing to explore. Illustrate with maps or sketches. Send with your application (but not necessarily as a part of it) any geologic or engineering report, assay maps, or other technologic information you may have, indicating on each whether you require its return to you. See attached sheet

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

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

16—66551-1

5. *The exploration project.*—(*a*) State the mineral or minerals for which you wish to explore Uranium

(*b*) Describe fully the proposed work, including a map or sketch of the property showing a plan (and cross sections if needed) of any present mine workings, and the location of the proposed exploration work as related to such features as contacts, veins, ore-bearing beds, etc. Map attached Sheets attached.

(*c*) The work will start within 30 days and be completed within 12 months from the date of an exploration project contract.

(*d*) State the operating experience and background of the applicant with relation to the ability to carry out such exploration project, and also that of the person or persons who will supervise the operations. Information attached

6. *Estimate of costs.*—Furnish a detailed estimate of the costs of the proposed work (you will have to use a separate sheet), under the following headings. Add the totals under all headings to give the estimated total cost of the project:

(*a*) *Independent contracts.*—(Note.—If the applicant does not intend to let any of the work to contractors, write "none" after this item. To the extent that the work is to be contracted, do not repeat the cost of the contract-work in subsequent items.) State the cost of any proposed independent contracts for the performance of all or any part of the work, expressed in terms of units of work (such as per foot of drilling, per foot of drifting, per hour of bulldozer operations, per cubic yard of material moved, etc.). Information attached

(*b*) *Labor, supervision, consultants.*—Include an itemized schedule of numbers, classes and rates of wages, salaries or fees for necessary labor, supervision and engineering and geological consultants.

(*c*) *Operating materials and supplies.*—Furnish an itemized list, including items of equipment costing less than $50 each, and power, water and fuel.

(*d*) *Operating equipment.*—Furnish an itemized list of any operating equipment to be rented, purchased, or which is owned and will be furnished by the Operator, with the estimated rental, purchase price, or suggested use-allowance based on present value, as the case may be.

(*e*) *Rehabilitation and repairs.*—Furnish a detailed list showing the cost of any necessary initial rehabilitation or repairs of existing buildings, installations, fixtures, and movable operating equipment, now owned by the Operator and which will be devoted to the exploration project.

(*f*) *New buildings, improvements, installations.*—Furnish a detailed list showing the cost of any necessary buildings, fixed improvements, or installations to be purchased, installed or constructed for the benefit of the exploration project.

(*g*) *Miscellaneous.*—Furnish a detailed list showing the cost of repairs to and maintenance of operating equipment (not including initial rehabilitation or repairs of the Operator's equipment), analytical work, accounting, workmen's compensation and employers' liability insurance, and payroll taxes.

(*h*) *Contingencies.*—Give an estimate of any necessary allowances for contingencies not included in the costs stated above.

NOTE.—No items of general overhead, corporate management, interest, taxes (other than payroll and sales taxes), or any other indirect costs, or work performed or costs incurred before the date of the contract, should be included in the estimate of costs.

7. (*a*) Are you prepared to furnish your share of the cost of the proposed project in accordance with the regulations on Government participation (Sec. 7, DMEA No. 1)? Yes

(*b*) How do you propose to furnish your share of the costs?

[X] Money [ ] Use of equipment owned by you [ ] Other

Explain in detail on acompanying paper.

CERTIFICATION

The undersigned, whether as an individual, corporate officer, partner, or otherwise, both in his own behalf and acting for the applicant, certifies that the information set forth in this form and accompanying papers is correct and complete, to the best of his knowledge and belief.

Dated November 3, 1954

Lisbon Valley Uranium Company
(Applicant)

By Wilder H Brinton Pres.

Melvin P Schroeder Sec'y-Treas.

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

U. S. GOVERNMENT PRINTING OFFICE 16—66551-1

LISBON VALLEY URANIUM COMPANY
501 KITTREDGE BUILDING
DENVER, COLORADO
TELEPHONE: ACOMA 2-2848

November 5, 1954

U. S. Bureau of Mines
224 New Custom House
Denver, Colorado

Attention: Mr. Ming

Gentlemen:

This has reference to the Lisbon Valley-Rocky Point claims on which we have made application for a loan.

We wish to advise that all payments to E. O. Patterson and Lyle Francis have been made through November 1, 1954, according to the terms of the purchase contract, and we assure you that all future payments will be made on or before their due date.

Yours very truly,

LISBON VALLEY URANIUM COMPANY

Melvin P. Schroeder

MELVIN P. SCHROEDER
Secretary-Treasurer

MPS:jl

CONTRACT OF SALE

G. O. PATTERSON and EDNA L. PATTERSON, his wife, and LYLE FRANCIS and CLARA FRANCIS, his wife, do hereby sell to LISBON VALLEY URANIUM COMPANY the following unpattented lode mining claims located in San Juan County, in Sections 3, 4, 5, 10 and 11, Township 31 South, Range 26 East, State of Utah, the notices of location being recorded with the County Recorder of said County and the claims being more particularly described as follows:

NAME OF CLAIM	BOOK	PAGE
Purple Dog	R2	177
Lisbon Valley #1	R4	182
Lisbon Valley #2	R4	183
Lisbon Valley #3	R4	184
Lisbon Valley #4	R4	186
Lisbon Valley #5	R4	187
Lisbon Valley #6	R4	188
Blue Bird #1	R4	198
Blue Bird #2	R4	199
Blue Bird #3	R4	184
Blue Bird #4	R4	185
Blue Bird #5	R4	191
Blue Bird #6	R4	190
Rocky Point #1	R4	196
Rocky Point #2	R4	197
Rocky Point #3	R4	197
Rocky Point #4	R4	193
Rocky Point #5	R4	194
Rocky Point #6	R4	198
North Side	R2	155

The purchase price of said mining claims shall be Twenty Thousand ($20,000.00) Dollars paid as follows: Five Thousand and no/100 ($5,000) Dollars paid this day by check to Reynolds and Dixon in escrow as trustee. The balance of Fifteen Thousand ($15,000) Dollars shall be paid to said vendors at the rate of One Thousand ($1,000) Dollars per month beginning July 1, 1954, and a like sum shall be paid on the first of each and every month hereinafter until the said sum of Fifteen Thousand ($15,000) Dollars has been paid. Should vendee fail to make any monthly payment as herein specified, vendor shall give written notice, vendee shall have ten (10) days thereafter to correct the default and make payment. The Five Thousand ($5,000) Dollars put into escrow shall be paid to said vendors upon June 1, 1954, providing that said LISBON VALLEY URANIUM COMPANY shall have the right to survey the claims and to determine title prior to said payment date and shall have the right to reject any claim upon which the title is not good, and the consideration to be paid shall be porportionally reduced. Said Company shall have no right to drill or mine the property during the time it is surveying and checking title.

No royalty shall be reserved to the vendors, and the vendors upon receiving payment of the Twenty Thousand ($20,000) Dollars as above set out shall deliver to the vendees a quit claim deed upon the premises. Said vendors have represented to said vendees that the above mining claims were not located upon Federal Oil and Gas Leases.

Should the payments above set out to said vendors be not paid as specified then this sale contract shall be void and any money heretofore paid, and the Five Thousand ($5,000) Dollars this day put into escrow shall be the property of the vendors free and clear as liquidated damages, and Reynolds and Dixon are authorized to deliver the Five Thousand ($5,000) Dollars to the vendors.

Vendees herein agree to do the assessment work for the year 1954 and to file a proper affidavit thereof.

IN WITNESS WHEREOF, the said vendors have hereunto set their hands this 20th day of May, 1954.

G. O. Patterson
G. O. PATTERSON

Edna L. Patterson
EDNA L. PATTERSON

Lyle Francis
LYLE FRANCIS

Clara Francis
CLARA FRANCIS

LISBON VALLEY URANIUM COMPANY

STATE OF UTAH }
COUNTY OF GRAND } ss

On this 20th day of May, 1954, personally appeared before me G. O. Patterson, and Edna Patterson, his wife, and Lyle Francis and Clara Francis, his wife, and Wilder H. Brinton, President of Lisbon Valley Uranium Company, the signers of the foregoing instrument, who being first duly sworn, acknowledged to me that they executed the same.

Notary Public. Residing at Moab, Utah.

My Commission Expires:

3.(f) The twenty unpatented claims are recorded in San Juan County Recorder's office at Monticello, Utah in books and pages as follows:

Name of Claim	Book Recorded	Page
Purple Dog	R 2	107
Lisbon Valley No 1	R 4	182
Lisbon Valley No 2	R 4	183
Lisbon Valley No 3	R 4	184
Lisbon Valley No 4	R 4	186
Lisbon Valley No 5	R 4	187
Lisbon Valley No 6	R 4	188
Blue Bird No 1	R 4	198
Blue Bird No 2	R 4	199
Blue Bird No 3	R 4	184
Blue Bird No 4	R 4	185
Blue Bird No 5	R 4	191
Blue Bird No 6	R 4	190
Rocky Point No 1	R 4	196
Rocky Point No 2	R 4	197
Rocky Point No 3	R 4	197
Rocky Point No 4	R 4	193
Rocky Point No 5	R 4	194
Rocky Point No 6	R 4	198
North Side	R 2	155

(b) An enclosed map shows the location of the drill holes.

(c) The work will start within 20 days from the date of an exploration contract.

(d) The Directors of the Lisbon Valley Uranium Company have all had experience in mining or exploration work.

Mr. James Knowles has been operating Uranium properties in Colorado and Utah for the past three years.

Mr. Wilder H. Brinton is a mining engineer and has been developing uranium properties for the last three years. He was mining engineer for the U S Bureau of Mines, stationed at Helena, Montana during the last war. He has operated mining properties since 1925. Mr. Brinton and Mr. Knowles will supervise the drilling operations.

4. Physical description.

(a) Drifting and drilling has been done on the North Side claim but no exploration work has been done on any of the other claims. A 50 foot drift has been run in from the rim on a favorable bedding in the upper Salt Wash formation; low grade uranium and vanadium was encountered all the way. Drilling on the surface above the drift level blocked out a channel of low grade uranium, vanadium ore. There was as much as 20 feet of mineralization in some places. The average depth from the surface to this bedding was 90 feet. The Lisbon Valley Uranium Company did the wagon drilling which blocked out this low grade uranium ore.

A graded dirt road leading from Lisbon Valley to McIntyre Canyon crosses all of the claims.

(b) One or two loads of ore has been shipped from the North Side claim and there is a channel of uranium, vanadium ore assaying 0.4%U308 .5%V205. The other 19 claims have not been developed.

(c) The claims cover a mesa which has been eroded to the bottom of the Brushy Basin leaving the Salt Wash formation in place. The upper beds of the Salt Wash are reddish brown sandstone. Approximatly 90 feet is in a white sandstone which contains mineral. The drilling which has been done on the North Side claim has cut this bed in which channels of low grade uranium were found. The thickness of the Salt Wash formation is estimated at 325 feet. There should be bedding near the base of this formation which is favorable for mineralization. Ore has been mined from these lower beddings on the southwest side of Lisbon Valley. The 90 foot bedding is massive and should be prospected by drilling over all of the claims and the lower Salt Wash beds should be prospected by core drilling.

(d) Ten miles of dirt road and ten miles of gravel road through Dry Valley contacts highway 160, 20 miles from the A.E.C. plant at Monticello. The total milage from claims to mill being 40 miles. Moab, which is 52 miles from the property and Monticello, which is 39 miles are the closest sources of supplies and man power.

(e) Man power and materials are available at Moab.

5. (a) The program is set up to explore for uranium.

Item No 6

Estimate of Costs

6. (a) The drilling to be let to the Lisbon Valley Development Company as follows:

1. Drilling 10 holes through the Salt Wash formation estimated 325 feet per hole. Plug drilling through red bedding and core drilling through bleached bedding 3250 feet @ $2.50 per foot $8125.00

2. Wagon drilling 19 claims on a grid pattern of 300 foot centers to the favorable bedding cut by previous drilling on the North Side claim average of 90 feet per hole. Ten holes per claim, 190 holes less the 10 core drill holes above listed, 180 holes @ 90 feet per hole, 16,200 feet @ 80¢ per foot $12,960.00

(b) Supervision by Lisbon Valley Uranium Company.

$300.00 per month for 12 months	$3600.00
Office and Supplies	$310.00
Total price of	$24,995.00

The road building necessary for moving the drill rig to the drill sites will be included in the price of 80 cents per foot for drilling.

Note: 155 drill holes to be drilled on the grid pattern of 300 foot centers and 35 holes to be drilled as secondary hole in the mineralized areas determined by the drilling of the grid pattern holes.

UF-109

[illegible] OF [illegible]

WHEREAS, the undersigned, as owner's and seller's have an interest in certain property in the State of Utah, County of San Juan, described as follows: Unpatented mining claims recorded in San Juan County Recorder's Office as follows:

Name of Claim	Book	Page	Name of Claim	Book	Page
Lisbon Valley #1	24	192	Blue Bird #4	24	195
Lisbon Valley #2	24	193	Blue Bird #5	24	191
Lisbon Valley #3	24	194	Blue Bird #6	24	190
Lisbon Valley #4	24	196	Rocky Point #2	24	196
Lisbon Valley #5	24	197	Rocky Point #2	24	197
Lisbon Valley #6	24	198	Rocky Point #3	24	197
Blue Bird #1	24	198	Rocky Point #4	24	199
Blue Bird #2	24	199	Rocky Point #5	24	198
Blue Bird #3	24	194	Rocky Point #6	24	198
Purple Dog	22	187	North Side	22	185

which is the subject of a proposed exploration project contract, hereinafter called the "Contract", between the United States of America, hereinafter called the "Government", and the Lisbon Valley Uranium Company, a Colorado Corporation, hereinafter called the "Operator"; and

WHEREAS, under certain provisions of said contract which are set forth on the reverse side hereof, the Government is entitled to a percentage royalty on production and to certain other rights and equities which do or may conflict with or be adverse to the interest of the undersigned in said property;

NOW THEREFORE, the undersigned, in consideration of said contract and as an inducement to the Government to enter into same, undertakes and agrees as follows:

1. The Government's equity in and right to dismantle, sever, take possession of, and remove and dispose of facilities, buildings, structures, equipment, or other items as provided in the contract, or any amendment thereof, shall prevail over and be prior and superior to any conflicting or adverse rights of the undersigned, and the Government is authorized to enter upon the land for such purposes.

2. To secure the payment to the Government of the percentage royalty on production provided for under the terms of said exploration project contract, or any amendment thereof which does not increase the maximum amount of the Government's claim here stated or alter the provisions for repayment, there is hereby granted to the Government a lien upon the land herein described and upon any production of minerals therefrom, until the royalty claim is fully paid in the amount of the Government's contribution, not in excess of $[illegible],[illegible].00, or ten years have elapsed from the date of the contract.

3. The undersigned shall permit no act nor assert any claim that may contravene or conflict with the lien, claim, or rights of the Government under the provisions of said contract. This agreement shall be binding upon the heirs, successors, administrators, successors, and assigns of the undersigned.

Dated this 2 day of November, 195[illegible].

G. O. Patterson (Seal)

Edna L. Patterson (Seal)

Lyle Francis (Seal)

Clara Francis (Seal)

Payment by Operator. (a) If, at any time, the Government considers that a discovery or a development from which production may be made has resulted from the exploration work, the Government, at any time not later than six months after the Operator has rendered the required final report or final account, may so certify in writing to the Operator. The certification shall describe briefly or indicate the nature of the discovery or development. In the event of such certification, any minerals mined or produced from the land described in Article 2 which 10 years from date of this contract, including any mined or produced before the certification, shall be subject to a percentage royalty which the Operator or his successors in interest shall pay to the Government, upon the net smelter returns, the net concentrator returns, or other net amounts realized from the sale or other disposition of any such production, in whatever form disposed of, including ore, concentrates or metal, until the total amount contributed by the Government, without interest, is fully repaid, or until 10 years have elapsed, whichever occurs first, as follows:

(1) One and one-half (1½) per cent of any such net amounts not in excess of eight million (8,000) per ton.

(2) One and one-half (1½) per cent of any such net amounts, plus one-half (½) per cent such net amounts for each additional full fifty cents (50¢) by which such net amounts exceed eight million (8,000) per ton, but not in excess of five (5) per cent of such net amounts.

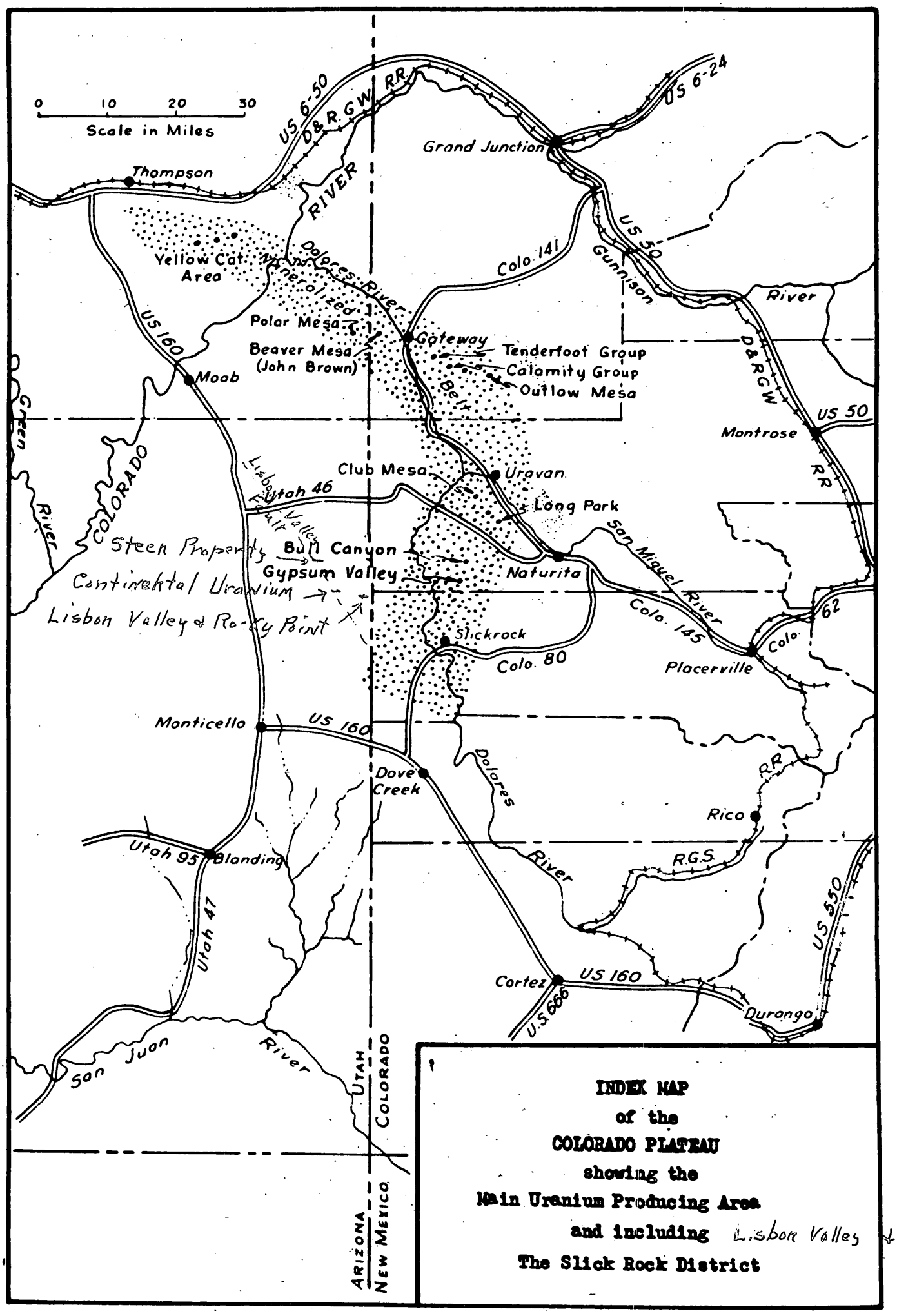
(For instance: the percentage royalty on a net amount of five million (5,000) per ton, would be one and one-half (1½) per cent; on a net amount of ten million (10,000) per ton, three and one-half (3½) per cent.)

(b) As used herein, "net smelter returns", "net concentrator returns", and "other net amounts realized from the sale or other disposition", mean gross revenue from sales; or if not sold, the market value, the market value of the material after it is mined in the form in which and the place where it is held. In the case of integrated operations in which the minerals are not disposed of as such, there being none that is or would be gross income from mining operations for percentage depletion purposes in income tax determination.

(c) To secure the payment of the percentage royalty, the Government shall have and is hereby granted a lien upon the land described in Article 2 and upon any production of minerals therefrom, until the royalty shall be extinguished by lapse of time or is fully paid.

(d) This article is not to be construed as imposing any obligation on the Operator or the Operator's successor in interest to engage in any mining or production operations.

Title to and disposition of property. All facilities, buildings, machinery, equipment, or other property of any kind, costing [illegible] cent, paid for or purchased with funds contributed jointly by the Operator and the Government, although title may be taken in the name of the Operator, shall belong to the Operator and the Government jointly, in proportion to their respective contributions, and upon the completion of the work of the Government in which it is interested shall be disposed of jointly by the Operator for the joint account of the Government and the Operator, either by moving to the vendor, by sale to others, or retained by the Operator at a price of less or high as could otherwise be obtained, as may appear to be for the best interest of the Government, unless the Government, in writing, waives its interest in any such facilities necessary to accomplish such disposition, the Operator shall dismantle, move from the land, and remove any such item, the net thereof to be for the joint account of the parties in proportion to their respective interests. If the Operator, within 90 days after the receipt of written notice from the Government, fails, neglects, or refuses to dispose of such property, the Government may thereafter enter upon the land, take possession of, and remove and dispose of any such property as above provided.



INDEX MAP
of the
COLORADO PLATEAU
showing the
Main Uranium Producing Area
and including Lisbon Valley &
The Slick Rock District

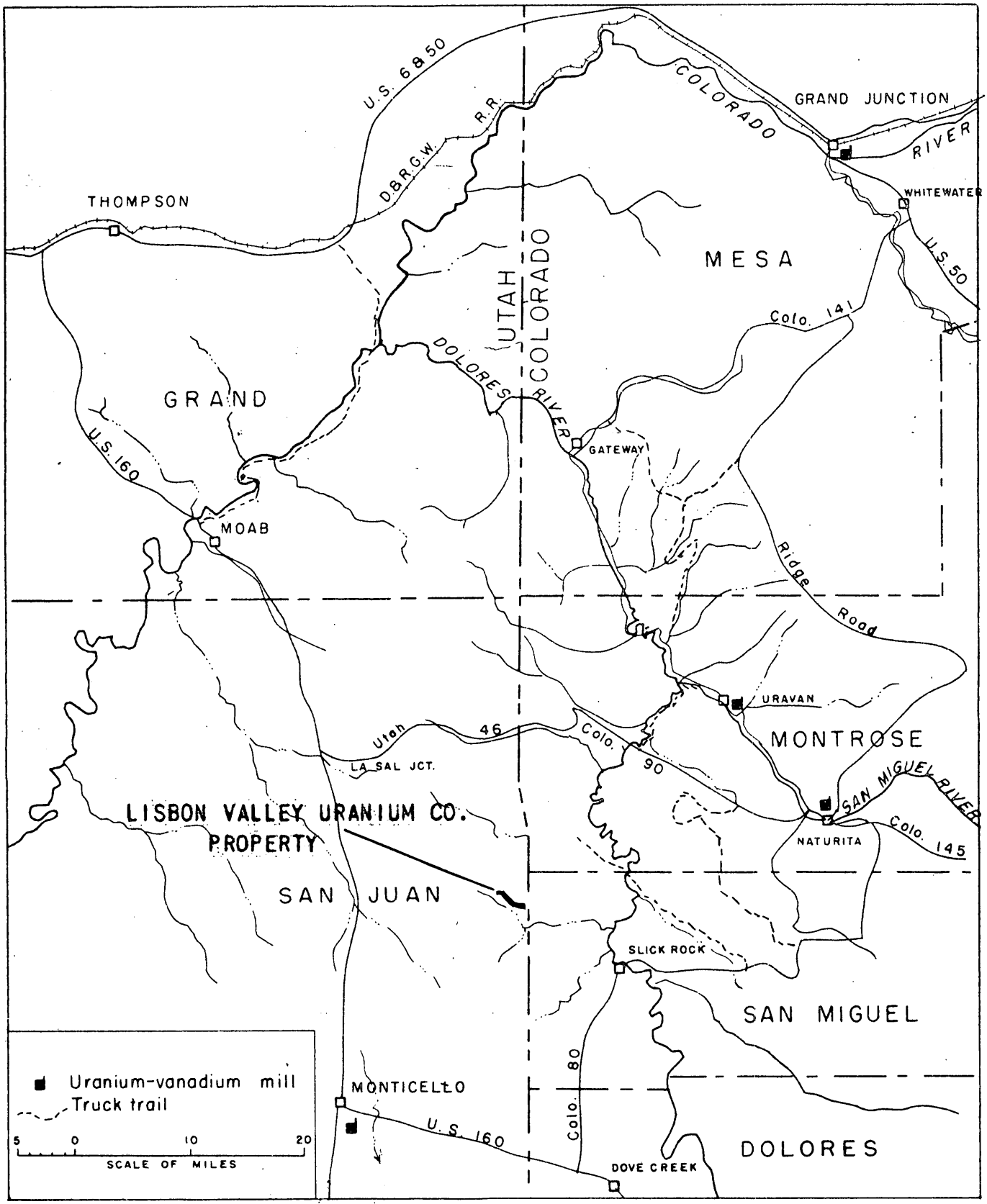


Figure 1. INDEX MAP OF PART OF THE COLORADO PLATEAU SHOWING LOCATION OF THE PROPERTY OF LISBON VALLEY URANIUM COMPANY, SAN JUAN COUNTY, UTAH

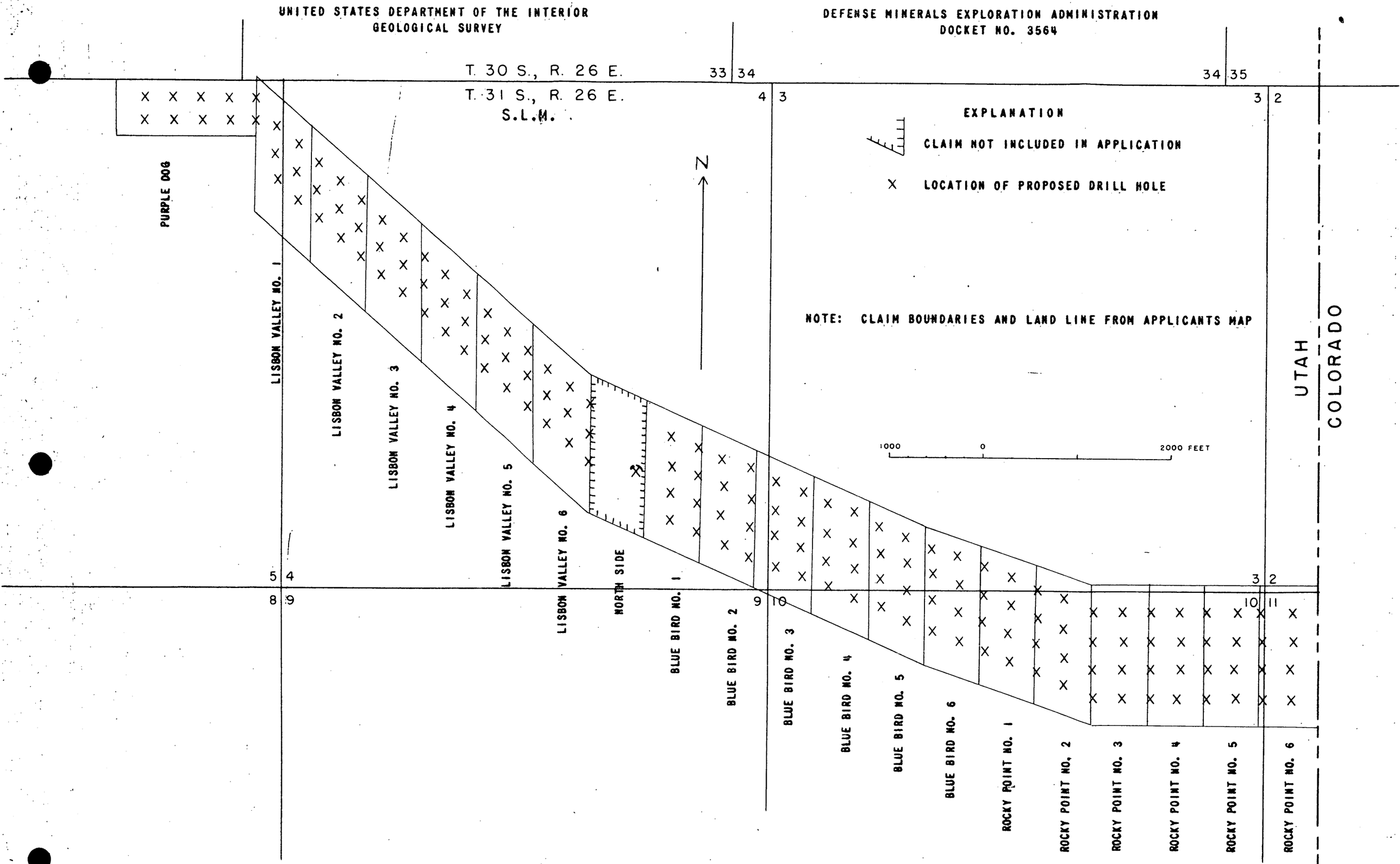
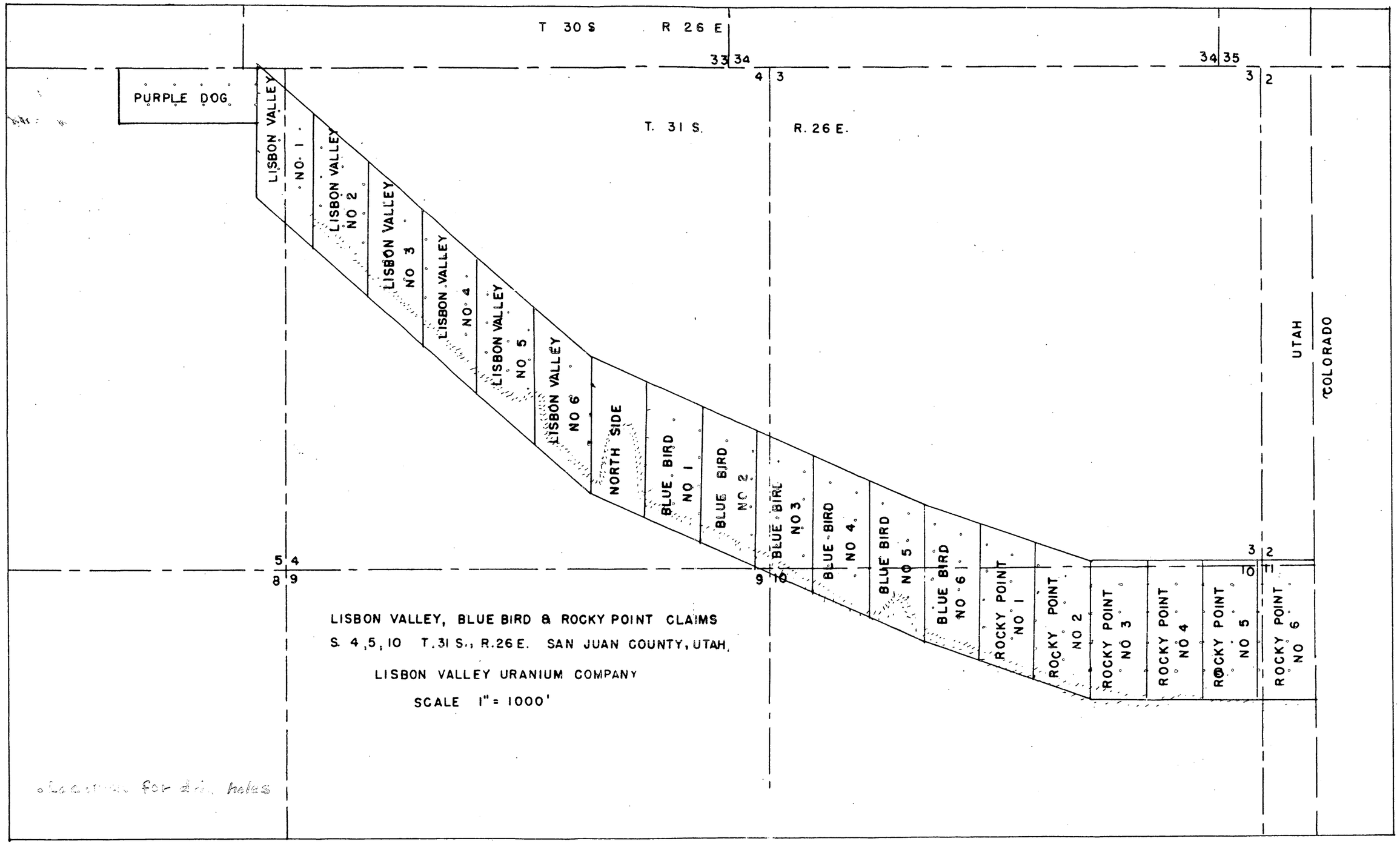


Figure 2. CLAIM MAP SHOWING LOCATION OF PROPOSED DRILL HOLES, LISBON VALLEY URANIUM CO.
SAN JUAN COUNTY, UTAH



Location for drill holes

Contract Administration and Audit Division
Defense Minerals Exploration Administration
Department of the Interior
Washington 25, D. C.