DEFENSE MINERALS EXPLORATION ADMINISTRATION
CONTRACT ADMINISTRATION AND AUDIT DIVISION

REPORT OF REVIEW

I have reviewed the Monthly Reports of:

J. Walter Duncan
d/b/a Walter Duncan Mining Company
P. O. Box 1468
Cortez, Colorado

pertaining to Exploration Project Contract No. Idm-E796, Docket No. DMEA-3582, for the period July, 1955 to February, 1956, covering a project for the exploration of Uranium on property known as Red Rock Claims, et al., located in San Juan County, Utah.

My review included an examination of the Monthly Reports (Form MP-104) and supporting documents attached thereto, comparison of the costs claimed with the contract and pertinent schedules, consultation with the Executive Officer, DMEA Field Team, and a determination of the reasonableness and propriety of the costs.

This review was made in lieu of a final audit of the Operator's accounts and records for the following reason:

> All of the costs incurred were under a contract provision for payment by the Government on the basis of fixed unit costs of units of work actually performed.

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

Total cost as billed by Contractor		$36,906.41
Exceptions:		
By DMEA Finance Officer	$0.00	
Herewith	0.00	0.00
Total Accepted Cost		$36,906.41

The contract calls for a 75 percent participation of exploration expenses by the United States Government. Therefore, payment to the contractor by the Government in the amount of Twenty-seven thousand, six hundred seventy-nine and 82/100ths Dollars

** $27,679.82 **

is considered valid and proper, provided that the Regional Executive Officer, the Administrator, or other competent official has accepted or will accept the project as having otherwise met the terms of the contract.

August 27, 1956

T. H. Brading, Auditor.

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

RECEIVED
SEP 12 1956

224 New Customhouse
Denver 2, Colorado

August 28, 1956

Memorandum

To: T. A. Christensen

From: Executive Officer, DMEA Field Team, Region III

Subject: Docket DMEA 3582 (Uranium) Contract Idm-E796, Walter Duncan Mining Company (White Rock and Paragon claims) San Juan County, Utah - FINAL PAYMENT

Reference is made to our memorandum of April 18, 1956, whereby we transmitted the final Form MF-104, Operator's Monthly Report and Voucher, for the month of February, 1956 and requested that you withhold the amount of $250.00 pending resolution of matters relative to closing the account.

The Operator's final report has been received; therefore, we recommend that final payment to the Operator be made on the following basis, which is in conformance with the Report of Review of contract expenditures by the Contract Administration and Audit Division, dated August 27, 1956, which was released to this office August 27, 1956.

Basis for Final Payment

Total Accepted Cost	$36,906.41
Government Participation at 75 Percent	27,679.82
Total Prior Payments	27,429.82
Balance due the Operator	$ 250.00

$250.00
9/4/56 DMA 57-27

W. M. TRAVER

W. M. Traver

JDC:jy
cc: Corresp. E796
MF-104 File E796
Sec. Op. Comm. (2)
Shaw (2)
Townsend
Chron.

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

RECEIVED
SEP 12 1956

224 New Customhouse
Denver 2, Colorado

September 7, 1956

Memorandum

To: Secretary to the Operating Committee, DMEA

From: Executive Officer, DMEA Field Team, Region III

Subject: Docket DMEA 3582 (Uranium) Contract Idm-E796, Walter Duncan Mining Company (White Rock and Paragon claims) San Juan County, Utah - FINAL PAYMENT

Enclosed are two copies of a memorandum to T. A. Christensen, dated August 28, 1956, relative to final payment under the terms of the subject contract.

W. M. Traver

W. M. Traver

Enclosures

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

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

Budget Bureau No. 42-R1036.5

RECEIVED
APR 23 1956

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of February, 1956 Docket No. DMEA 3582 Contract No. Idm-3796
Operator's Name Walter Duncan Mining Company Minerals Uranium
Address P. O. Box 1468 Carter, Colorado
Contract Amount, $ 76,088.00 Government Participation: 75 % Amount, $ 57,066.00

ITEMS OF COSTS	FOR OPERATOR'S USE			FOR GOVERNMENT USE ONLY		
	Monthly Total	Totals Previously Reported	Totals To Date	Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Short Form Contracts:						
Drilling Blue	3637.92	30004.26	33642.18			
Bulldozing Gore Drill	269.40	3994.83	3264.23			
Crosscutting						
Drifting						
Sampling	0	0	0			
(2) Labor and Supervision:						
Labor						
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
TOTALS	3907.32	32999.09	36906.41	3,907.32	32,999.09	36,906.41

I certify that the above bill is correct and just and that payment therefor has not been received.
Date 3-15-56 *Payee Walter Duncan Mining Company
Per Charles R. Butler Title Manager

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

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

(Instructions on reverse)

Pursuant to authority vested in me, I certify that this account is correct and proper for payment in the amount of:
$ 3180.49
Signature [illegible] (Authorized Certifying Officer)
Date 4/19/56 Vou. No. 56-99
(See other side)

Note: Withheld 250 %

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating a Defense Minerals Exploration Administration project under Contract No. 14-E796 in accordance with the terms of the contract.

Signature [illegible] 2,930,491 Title [illegible] Date 3/20/56

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature [illegible] Title Executive Officer Date APR 18 1956

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Form MF-104A
(April 1952)

Budget Bureau No. 42-R1151.2

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

RECEIVED
APR 26 1956

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of February 1956 Docket No. DMEA 3582 Contract No. Idm-5796
Operator's Name Walter Duncan Mining Company Minerals Uranium
Address P. O. Box 1453, Cortez Colorado

OPERATION	Unit	Costs This Month	Units This Month	Costs to Date	Units to Date	Unit Costs to Date	Authorized by Contract: Units	Authorized by Contract: Unit Costs
Drifting								
Crosscutting								
Raising								
Shafts								
Winzes								
Drilling: Core	Feet	269.40	60	3264.23	787	4.09	1784	5010.16
Churn plus bit	"	3037.92	1272	33542.13	11763	2.85	23716	67827.76
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
Sampling	sample	0	0	0	0	5.00	50	250.00
Total Distributed Costs								Total Costs Authorized by Contract
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
Total Costs								76,088.00

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

Remarks: Final Report

Date 3-15-56 Operator Walter Duncan Mining Co.

Per Charles R Butler Title Manager

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

(Instructions on reverse)

(For Government use only) Earl Belcher

INSTRUCTIONS

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

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

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

GPO 872894

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

RECEIVED
APR 26 1956

Administrative Audit Difference Statement

Walter Duncan Mining Company
P. O. Box 1468,
Cortez, Colorado

Date: April 19, 1956
Payee's Reference: February 1956

FINAL DISTRIBUTION
MADE APR 24 1956

Gentlemen:

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

Amount Claimed $ 3,907.32

Difference $

Amount Approved $ 3,907.32

The reason for the difference was due to:

Reinstate $500.00 which was withheld from the October 1955 voucher.

Withheld - $250.00 pending resolution of matters relative to closing the account.

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

Very sincerely yours,

N. E. Stokes
Audit Section

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

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

RECEIVED
APR 23 1956

224 New Customhouse
Denver 2, Colorado

April 18, 1956

Memorandum

To: T. A. Christensen

From: Executive Officer, DMEA Field Team, Region III

Subject: DMEA Docket 3582 (Uranium) Contract Idm-E796, Walter Duncan Mining Company (White Rock and Paragon Claims) San Juan County, Utah - Operator's Monthly Progress Report for the month of February, 1956

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

It is deemed that the Operator has complied with the intent of the contract, and the work for which payment is recommended is acceptable to the Government. No documentation is required for work performed under contracts prepared on Form MF-200A, therefore, we recommend that payment be made on the following basis.

Reinstate the amount of $500.00 which was withheld from the October, 1955 Monthly Report and Voucher pending resumption of work under the contract.

Withhold an amount of $250.00 from this report pending resolution of matters relative to closing the account. All authorized work under the contract has been completed.

Reconciliation with Amount Reported by the Operator on Form MF-104 for the Month of February, 1956

Amount Reported on Form MF-104----------		$3,907.32
Government Participation at 75 percent--------		$2,930.49
Amounts to be Reinstated and Withheld		
Amount to be Reinstated-------$500.00		
Amount to be Withheld-------- 250.00		
Net amount (to be Reinstated)----------		250.00
Net payment to the Operator, contingent on your verification of arithmetical accuracy within the report, and subject to subsequent review by the Contract Administration and Audit Division, DMEA----------		$3,180.49

Remarks

Date of Report----------March 15, 1956
Date Received in Field Office---------- March 19, 1956
Date Received in Region Office----------April 11, 1956

W. M. TRAVER

W. M. Traver

Enclosures

JDC:jy
cc: MF-104 File E796
Sec. Op. Comm. (2)
J. F. Shaw (2)
J. W. Townsend w/copy engr's. report
J. D. Cooper
Chron.

DMEA
Date Rec'd.

APR 11 1956

BUREAU OF MINES
Denver, Colorado

REGION III

Building 20
Denver Federal Center
Denver 2, Colorado
April 11, 1956

Memorandum

To: Executive Officer, DMEA Field Team, Region III

Through: John F. Shaw
Supervising Mining Engineer

RECEIVED
APR 1956

From: Carl Belser

Subject: DMEA 3582, Contract Idm-R796 (Uranium) Red Rock, White Rock, and Paragon claims, Walter Duncan Mining Company, Secs. 34 and 35, T. 30 S., R. 25 E., Salt Lake Meridian, San Juan County, Utah - Progress report for February 1956

Drilling progress was inspected on March 7, 1956. There was no one at the property and the ground was covered with mud and snow. Considerable time was spent trying to locate the core from holes 19 and 20. The following Stage II holes were completed in February 1956:

Hole	Footage plug-bit	Footage Cored	Footage Total	Cutler Contact	Remarks
19	700	20	720	706	18-foot zone
20	572	40	612	600?	12-foot zone

Recapitulation

No. of holes	Footage plug-bit	Footage cored	Total Footage	
2	1,272	60	1,332	(Stage II holes drilled in Feb.)
5	3,103	174	3,277	(Stage II holes drilled previously)
(7)	4,375	234	4,609	(Total Stage II holes)
13	7,388	493	7,881	(Total Stage I holes)
	11,763	727	12,490	(Total all holes)

The cost of 60 feet of core drilling at $4.49 a foot is $269.40, and the cost of 1,272 feet of core drilling at $2.86 a foot is $3,637.92, or a total of $3,907.32.

Payment of 75 percent of the amount claimed, or $2,930.49 is recommended.

The contractor's final report appears adequate for the return of the $250.00 withheld in October, 1955. No ore was encountered in any of the holes drilled. Total cost of the contract was $36,906.41, of which Government participation was 75 percent, or $27,679.81.

Carl Belser

Carl Belser
Mining Engineer

CB/mw

cc: 6
Idm-3796
Chron.

WALTER DUNCAN MINING CO.
P. O. BOX 1468
CORTEZ, COLORADO

FINAL NARRATIVE REPORT
DMEA 3582

February, 1956

Stage 2 of the DMEA project was completed in February with the drilling of holes DMEA No's 19 and 20. Although a favorable basal Chinle sandstone lense ranging from one to twenty feet thick has been delineated by this drilling, no significant mineralization has thus far been found and we propose that the project be terminated.

Drill logs for the February holes are attached as part of this report. DMEA No. 19 (see map) was drilled within the area of known basal Chinle sandstone and showed 18' of medium to course grained sand. However, the sandstone contained no pyrites and only traces of carbon. DMEA No. 20 was drilled to the west of the known basal Chinle sandstone, but surprisingly showed 12' of medium to course grained sand. This sand contained no pyrites and only traces of carbon.

The sandstone in both drill holes was typical of most of the sandstone encountered by the DMEA drilling in that it appeared well washed and leached. Although feldspar was noted in some of the cores, most of the interstitial material in the sands was of a clayey or argilaceous nature and was probably decomposed feldspar. The inference here is that the basal Chinle sand lenses were washed and flushed by ground water in this particular area.

Structure contours on the base of the Chinle show no particular scouring or channeling either within the limits of the DMEA project or within the areas of known ore North and East of the project boundary. This relatively uniform contact between the Chinle and the Cutler suggests that the deposition of the basal Chinle sand in this area was probably in a broad shallow basin rather than in a sharply delineated channel.

Post basal Chinle erosion probably accounts for the lenslike nature of the sandstone and the unconformable contact between the basal sand and the overlying mud stones.

The writer is unable to offer any particular suggestions for future exploration in an area such as this except to say that he would recommend tracing out the basal Chinle sand stone lenses if future drilling were contemplated. Section 2, to the South of the DMEA project appears to be favorably situated for the extension of the lenses, but drill depths are all in excess of 700 feet.

Stages 1 and 2 of this contract required 11,753 feet of plug bit drilling and 727 feet of coring. Although several slightly mineralized zones were encountered, no chemical samples were taken. However, all holes

WALTER DUNCAN MINING CO.
P. O. BOX 1468
CORTEZ, COLORADO

were probed by either the Duncan Babbel unit or the USGS Barnaby unit.

In conclusion, the writer would like to express his appreciation to William Hassler and George Carlyle and other members of the USGS and Bureau of Mines field teams for the expeditious and cooperative manner in which they assisted in the project. He would also like to express his appreciation to the members of the DMEA unit in Denver for their assistance and cooperation.

Charles R Butler

RECEIVED
DEC 19 1955

REGION III

Building 20
Denver Federal Center
Denver 2, Colorado
December 9, 1955

Memorandum

To: Executive Officer, DMEA Field Team, Region III

Through: John F. Shaw
Supervising Mining Engineer

From: Carl Belser

Subject: DMEA 3582, Contract Idm-E796 (Uranium), Red Rock, White Rock, and Paragon claims, Walter Duncan Mining Company, Secs. 34 and 35, T. 30 S., R. 25 E., Salt Lake meridian, San Juan County, Utah - Progress report for November, 1955.

Drilling progress was inspected on December 6, 1955. No one was at the property. The snow around the cabins was undisturbed, and no new cores had been added to the core storage. A caretaker, probably the owner of some of the claims, had circled the camp in a jeep earlier in the day.

Apparently no work was done in November.

Carl Belser
Carl Belser
Mining Engineer

CB/mw

cc: 6
Idm-E796
Chron.

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

RECEIVED
DEC 19 1955

224 New Customhouse
Denver 2, Colorado

December 14, 1955

Memorandum

To: Chairman, Operating Committee, DMEA

From: Acting Executive Officer, DMEA Field Team, Region III

Subject: Docket DMEA 3582 (Uranium), Contract Idm-E796, Walter Duncan Mining Company, San Juan County, Utah

Enclosed for your information are two copies of a memorandum from Carl Belser, Mining Engineer, U. S. Bureau of Mines, dated December 9, 1955, wherein he advises that no work was performed during the month of November, 1955.

Also enclosed are two copies of a letter from this office to the Operator advising him that an amendment would be necessary to authorize a recess of operations.

for E. N. Harshman
Acting Executive Officer

Enclosures

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

Budget Bureau No. 42-R1036.5

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
OPERATOR'S MONTHLY REPORT AND VOUCHER

RECEIVED
DEC 19 1955

Month of October, 1955 Docket No. DMEA 3582 Contract No. Idm-E 796
Operator's Name Walter Duncan Mining Company Minerals Uranium
Address P.O. Box 1468 Cortez, Colorado
Contract Amount, $ 76,088 Government Participation: 75 % Amount, $ 57,066

ITEMS OF COSTS	FOR OPERATOR'S USE			FOR GOVERNMENT USE ONLY		
	Monthly Total	Totals Previously Reported	Totals To Date	Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Short Form Contracts:						
Drilling-plug	7067.06	22937.20	30004.26			
~~Bulldozing~~ Core drilling	601.66	2393.17	2994.83			
Crosscutting						
Drifting						
Sampling	0	0	0			
(2) Labor and Supervision:						
Labor						
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
TOTALS	7668.72	25330.37	32999.09	7668.72	25330.37	32999.09

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

Date Oct. 8, 1955 Payee Walter Duncan Mining Co.

Per Charles R Bruth Title Manager

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

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

(Instructions on reverse)

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

$ 5,251.54

Signature RRC
(Authorized Certifying Officer)

Date 12-13-55 Vou. No. DMD-56-47

(See other side)

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating a Defense Minerals Exploration Administration project under Contract No. 5 DMEA 796 in accordance with the terms of the contract.

Signature Carl Behrens 5,751,541 Title Mining Engineer Date 11/18/55

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature for W. M. Travers Title Executive Officer Date NOV 25 1955

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Form MF-104A
(April 1952)

Budget Bureau No. 42-R1151.2

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

RECEIVED
DEC 19 1955

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of October 1955 Docket No. DMEA 3582 Contract No. Idm-~~E~~ 796

Operator's Name Walter Duncan Mining Company Minerals Uranium

Address P.O. Box 1468 Cortez, Colorado

OPERATION	UNIT	COSTS THIS MONTH	UNITS THIS MONTH	COSTS TO DATE	UNITS TO DATE	UNIT COSTS TO DATE	AUTHORIZED BY CONTRACT	
							Units	Unit Costs
Drifting								
Crosscutting								
Raising								
Shafts								
Winzes								
Drilling: Core	feet	601.66	134	2994.83	667	4.49	1784	8010.16
Churn ==-plug bit	feet	7067.06	2471	30004.26	10491	2.86	23716	67827.76
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
Sampling	sample	0	0	0	0	5.00	50	250.00
TOTAL DISTRIBUTED COSTS								TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
TOTAL COSTS		7668.72		32999.09				76,088

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

Date Oct. 8, 1955 Operator Walter Duncan Mining Co

Per Charles R Butler Title Manager

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

REMARKS:

(Instructions on reverse)

(For Government use only) Earl Behse

INSTRUCTIONS

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

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

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

GPO 872894

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

RECEIVED
DEC 19 1955

Administrative Audit Difference Statement

Date: Dec. 19, 1955
Payee's
Reference: October 1955

[illegible] Mining Company
[illegible]
[illegible], Colorado

Gentlemen:

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

Amount Claimed $ 7,[illegible]0.78

Difference $ 0

Amount Approved $ 7,[illegible]0.78

The reason for the difference was due to:

[illegible]

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

Very sincerely yours,

N.E.Stokes
Audit Section

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

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

DEC 19 1955

224 New Customhouse
Denver 2, Colorado

November 25, 1955

Memorandum

To: T. A. Christensen

From: Executive Officer, DMEA Field Team, Region III

Subject: DMEA Docket 3582, (Uranium) Contract Idm-E796, Walter Duncan Mining Company, Paragon, White Rock, Red Rock groups and Patterson Fraction, San Juan County, Utah. Operator's Monthly Progress Report, for the period October, 1955

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

Work has been completed as authorized by the contract. No documentation is required for work performed under contracts prepared on Form MF-200A, therefore, we recommend that payment be made for 75 percent of the amount reported by the Operator on Form MF-104, contingent on your verification of arithmetical accuracy within the report, except for the following:

Withhold an amount of $500.00 pending resumption of contract work.

Remarks

Date of Report- - - - - - - - - - - October (November) 8, 1955
Date Received in Field Office- - - - - - - - November 17, 1955
Date Received in Region Office- - - - - - - November 21, 1955

JDC:jy
cc: MF-104 File E796
Sec. Op. Comm. (2)
Shaw (2)
Townsend w/copy engr's. report
Chron.

W. M. Traver

By J. W. Townsend

Enclosures

REGION III

Building 20
Denver Federal Center
Denver 2, Colorado
November 18, 1955

Memorandum

To: Executive Officer, DMEA Field Team, Region III

Through: John F. Shaw
Supervising Mining Engineer

From: Carl Belser

Subject: DMEA 3598, Contract Idm-8796 (Uranium), Red Rock, White Rock, and Paragon claims, Walter Duncan Mining Company, Secs. 34 and 35, T. 30 S., R. 23 E., Salt Lake Meridian, San Juan County, Utah
Progress report for October 1955

Drilling progress was inspected on November 4, 1955. No one was on the property but the Geological Survey had reported that the company would return later on and complete the drilling. The following holes were drilled in October:

	Hole No.	Footage Plug-bit	Footage Cored	Footage Total	Remarks
					624-640 plug bit
	15	608	32	640	ccc 621
	16	649	36	685	ccc 669
	17	582	30	612	ccc 608
	18	632	36	668	ccc 665
October Total	4	2,471	134	2,605	
Total drilled previously	14	8,020	533	8,553	
Total through October	18	10,491	667	11,158	

The cost of 2,471 feet of plug-bit drilling at $2.86 per foot is $7,067.06 and the cost of 134 feet of core drilling at $4.49 per foot is $601.66, or a total of $7,668.72.

Payment of 75 percent of the amount claimed or $5,751.54 is justified but it is recommended that $250.00 be withheld pending resumption of work or submission of a final report.

Carl Belser

Carl Belser
Mining Engineer

CB:ph
cc 6
Idm-8796

WALTER DUNCAN MINING CO.
P. O. BOX 1468
CORTEZ, COLORADO

RECEIVED
DEC 19 1955

November 15, 1955

Narrative Report
October, 1955

Four drill holes, No's DMEA 15, 16, 17 and 18 were completed during October. The locations of these holes are shown on the included map.

All of the October holes are part of Stage 2 drilling.

These holes are in the eastern portion of the project area, and were drilled to test an area which is within 500 feet of known ore and which contains a gray course grained carbonaceous "ore sand" at the base of the Chinle formation. This sand is called the "ore sand" because of its similarity to the ore bearing sandstone in the Continental Uranium Company Mine in the Southwest corner of Section 36.

Logs of the holes are included as part of this report. Hole Nos 15 and 16 contained 16 feet and 18 feet respectively of favorable sandstone, but showed only slight mineralization. Both of these cores showed abundant carbonaceous material in the sandstone, but were soft, friable and argillaceous which might indicate ground water leaching.

Hole No.'s 17 and 18 were apparently west of the sandstone area, and showed neither favorable ore bearing "host rocks" nor mineralization.

Two Stage 2 holes remain to be drilled, and unless these holes are very favorable, the Company will recommend that the project be discontinued.

All holes were gamma ray logged by the Company and by the USGS.

Charles R Butler

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

Budget Bureau No. 42-R1036.5

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

RECEIVED
NOV - 7 1955

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of September, 1955 Docket No. DMEA 3582 Contract No. Idm-E 796
Operator's Name Walter Duncan Mining Co. Minerals Uranium
Address P.O. Box 1468 Cortez, Colorado
Contract Amount, $76,088 Government Participation: 75 % Amount, $57,066

ITEMS OF COSTS	FOR OPERATOR'S USE			FOR GOVERNMENT USE ONLY		
	Monthly Total	Totals Previously Reported	Totals To Date	Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Short Form Contracts:						
Drilling - plug	9520.94	13416.26	22937.20			
~~Bulldozing~~ - Core drilling	1055.15	1338.02	2393.17			
Crosscutting						
Drifting						
Sampling	0	0	0			
(2) Labor and Supervision:						
Labor						
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
TOTALS	10576.09	14754.28	25330.37	10576.09	14754.28	25330.37

I certify that the above bill is correct and just and that payment therefor has not been received.
Date 10/18/55 *Payee Walter Duncan Mining Co.
Per Charles R. Butler Title Manager

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

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

(Instructions on reverse)

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

$ 7,932.07

Signature RPO
(Authorized Certifying Officer)

Date 10/31/55 Vou. No. DMA-56-40
(See other side)

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating a Defense Minerals Exploration Administration project under Contract No. Idn-E796 in accordance with the terms of the contract.

Signature Carl Bilbo (7.932.07) Title Mining Engineer Date 10/21/55

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature W. M. Tower Title Executive Officer Date OCT 6 1955

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Form MF-104A
(April 1952)

Budget Bureau No. 42-R1151.2

RECEIVED
NOV - 7 1955

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of September 1955 Docket No. DMEA 3582 Contract No. Idm-E 796
Operator's Name Walter Duncan Mining Company Minerals Uranium
Address P.O. Box 1468, Cortez, Colorado

OPERATION	UNIT	COSTS THIS MONTH	UNITS THIS MONTH	COSTS TO DATE	UNITS TO DATE	UNIT COSTS TO DATE	AUTHORIZED BY CONTRACT Units	AUTHORIZED BY CONTRACT Unit Costs
Drifting								
Crosscutting								
Raising								
Shafts								
Winzes								
Drilling: Core	feet	1055.15	235	2393.17	533	4.49	1784	8010.16
~~Churn~~ plug bit	feet	9520.94	3329	22937.20	8020	2.86	23716	67827.76
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
Sampling	sample	0	0	0	0	5.00	50	250.00
TOTAL DISTRIBUTED COSTS								TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
TOTAL COSTS		10576.09		25330.37				76088

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

Date 10/18/55 Operator Walter Duncan Mining Co

Per Charles R Butler Title Manager

REMARKS: figures are adjusted to correct $0.20 error in August report. Core drilling costs were listed too low.

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

(Instructions on reverse)

(For Government use only) Carl Belan

INSTRUCTIONS

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

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

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

GPO 872894

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

RECEIVED
NOV - 7 1955

224 New Customhouse
Denver 2, Colorado

October 26, 1955

Memorandum

To: T. A. Christensen

From: Executive Officer, DMEA Field Team, Region III

Subject: DMEA Docket 3582, (Uranium) Contract Idm-E796, Walter Duncan Mining Company, Paragon, White Rock and Red Rock Groups, San Juan County, Utah - Operator's Monthly Progress Report, for the period September, 1955

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

Work has been completed as authorized by the contract. No documentation is required for work performed under contracts prepared on Form MF-200A, therefore, we recommend that payment be made for 75 percent of the amount reported by the Operator on Form MF-104, contingent on your verification of arithmetical accuracy within the report.

Remarks

Date of Report- - - - - - - - - - - - - - - - - - October 18, 1955
Date Received in Field Office- - - - - - - - - - October 20, 1955
Date Received in Region Office- - - - - - - - - October 25, 1955

for W. M. Traver

Enclosures
JDC:jy
cc: MF-104 File E796
Sec. Op. Comm. (2)
Shaw (2)
Chron.

DMEA
Date Rec'd.
OCT 25 1955
BUREAU OF MINES
Denver, Colorado

Building 20
Denver Federal Center
Denver 2, Colorado
October 21, 1955

REGION III

Memorandum

To: Executive Officer, DMEA Field Team, Region III

Through: John F. Shaw
Supervising Mining Engineer

From: Carl Belser

Subject: DMEA 3582, Contract Idm-8796 (Uranium), Red Rock, White Rock, and Paragon claims, Walter Duncan Mining Company, Secs. 34 and 35, T. 30 S., R. 25 E., Salt Lake Meridian, San Juan County, Utah
Progress report for September 1955

Drilling progress was inspected on October 4, 1955. The following holes were drilled in September:

	Hole No.	Footage Plug-Bit	Footage Cored	Footage Total	Remarks
	9	530	40	570	C.C.C. 568 U.F.
	10	705	39	744	C.C.C. 735 S.F.
	11	448	40	488	C.C.C. 471 U.F.
	12	473	36	509	C.C.C. 497 U.F.
	13	547	40	587	C.C.C. 579 U.F.
	14	632	40	672	C.C.C. 669 S.F.
Total	6	3,329	235	3,564	
Total previous	8	4,691	298	4,989	
Total through Sept.	14	8,020	533	8,553	

On October 4 the applicant had drilled 620 feet on hole No. 15. The Moss Rock looked good but was barren.

The cost of 3,329 feet of plug-bit drilling at $2.86 a foot is $9,520.94 and the cost of 235 feet of core drilling at $4.49 is $1,055.15, or a total of $10,576.09.

Payment of 75 percent of the amount claimed or $7,932.07 is recommended.

Carl Belser
Carl Belser
Mining Engineer

CB:ph
cc 6

WALTER DUNCAN MINING CO.
P. O. BOX 1468
CORTEZ, COLORADO

October 18, 1955

Narrative Report
September, 1955

Six drill holes, No's DMEA 9, 10, 11, 12, 13 and 14 were completed during the month of September. The locations of these holes are shown on the included mpa.

Stage 1 drilling was completed during September, and seven holes for Stage 2 were authorized to explore an area of known course grained "ore sand" at the eastern end of the project block. Hole 14 was a Stage 2 hole.

Drill holes No's 9, 11, 12 and 13 failed to show sandstone at the base of the Chinle. As a result of these unfavorable cores, no more drilling is anticipated in the middle and western portions of the project area.

Drill holes 10 and 14 showed 10' and 11' respectively of the course grained carbon bearing gray sandstone that is believed to be a favorable mineral host rock, but neither hole showed uranium.

The enclosed map shows the results of recent drilling by Apache and Continental. This data shows that zones of mineralization and ore are present immediately north and east of the east end of the project. The remaining Stage 2 holes will be drilled in this area.

All holes were gamma ray logged by the Company and by the USGS.

Charles R Butler

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

Budget Bureau No. 42-R1036.5

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

RECEIVED
OCT 6 - 1955

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of August, 1955 Docket No. DMEA 3582 Contract No. Idm-E 796
Operator's Name Walter Duncan Mining Company Minerals Uranium
Address P.O. Box 1468 Cortez, Colorado
Contract Amount, $ 76,088 Government Participation: 75 % Amount, $ 57,066

ITEMS OF COSTS	FOR OPERATOR'S USE			FOR GOVERNMENT USE ONLY		
	Monthly Total	Totals Previously Reported	Totals To Date	Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Short Form Contracts:						
Drilling -Plug	7985.12	5431.14	13416.26			
~~Bulldozing~~ -Core Drilling	799.02	538.80	1337.82			
Crosscutting	2	2	8.02			
Drifting						
Sampling	0	0	0			
(2) Labor and Supervision:						
Labor						
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
TOTALS	3 8784.14	5969.94	2 14754.08	8784.34	5969.94	14754.28

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

Date Sept. 15, 1955 *Payee Walter Duncan Mining Co.

Per Charles R. Butler Title Manager

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

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

(Instructions on reverse)

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

$ 6,588.26

Signature RRO
(Authorized Certifying Officer)

Date 9-26-55 Vou. No. DMA-56-29
(See other side)

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating a Defense Minerals Exploration Administration project under Contract No. Pdx-E74b in accordance with the terms of the contract.

Signature [illegible] (6,588.26) Title Mining Engineer Date 9/20/55

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature [illegible] Title Executive Officer Date SEP 23 1955

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Form MF-104A
(April 1952)

Budget Bureau No. 42-R1151.2

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

RECEIVED
OCT 6 - 1955

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of August 195 5 Docket No. DMEA 3582 Contract No. Idm-E 796
Operator's Name Walter Duncan Mining Company Minerals Uranium
Address P.O. Box 1468 , Cortez, Colorado

OPERATION	UNIT	COSTS THIS MONTH	UNITS THIS MONTH	COSTS TO DATE	UNITS TO DATE	UNIT COSTS TO DATE	AUTHORIZED BY CONTRACT Units	AUTHORIZED BY CONTRACT Unit Costs
Drifting								
Crosscutting								
Raising								
Shafts								
Winzes								
Drilling: Core	feet	799.02	178	1337.82	298	4.49	1784	8010.16
Churn plug bit	feet	7985.12	2792	13416.26	4691	2.86	23716	67827.76
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
Sampling	sample	0	0	0	0	5.00	50	250.00
TOTAL DISTRIBUTED COSTS								TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
		3		2				7
TOTAL COSTS		8784.14		14754.08				76,088.92

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

Date Sept. 15, 1955 Operator Walter Duncan Mining Co.

Per Charles R Butler Title Manager

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

REMARKS:

(Instructions on reverse)

(For Government use only) Carl Belan

INSTRUCTIONS

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

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

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

GPO 872894

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

RECEIVED
OCT 6 - 1955

224 New Customhouse
Denver 2, Colorado

September 23, 1955

Memorandum

To: T. A. Christensen

From: Executive Officer, DMEA Field Team, Region III

Subject: DMEA Docket 5582, (Uranium) Contract Idm-E796, Walter Duncan Mining Company, White Rock, Red Rock, Paragon, and Patterson Fraction Claims, San Juan County, Utah. Operator's Monthly Progress Report, for the period August, 1955.

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

Work has been completed as authorized by the contract. No documentation is required for work performed under contracts prepared on Form MF-200A, therefore, we recommend that payment be made for 75 percent of the amount reported by the Operator on Form MF-104, contingent on your verification of arithmetical accuracy within the report.

Remarks

Date of Report- - - - - - - - - - - - - - - - - - September 15, 1955
Date Received in Field Office- - - - - - - - - - September 19, 1955
Date Received in Region Office- - - - - - - - - September 22, 1955

W. M. Traver

Enclosures
JDC:jy
cc: MF-104 File E796
Sec. Op. Comm. (2)
Shaw (2)
Chron.

DMEA
Date Rec'd.

SEP 22 1955

BUREAU OF MINES
Denver, Colorado

REGION III

Building 20
Denver Federal Center
Denver 2, Colorado
September 20, 1955

Memorandum

To: Executive Officer, DMEA Field Team, Region III

Through: John F. Shaw
Supervising Mining Engineer

RECEIVED
OCT 6 - 1955

From: Carl Belser

Subject: DMEA 3582, Contract Ida-E796 (Uranium), Red Rock, White Rock, and Paragon claims, Walter Duncan Mining Company, Section 34 and 35, T. 30 S., R. 25 E., Salt Lake Meridian, San Juan County, Utah - Progress report for August 1955.

Drilling progress was inspected on August 12, 1955. Ted Baer, geological engineer for the company, was in charge of operations. A Mayhew 1,000 rig is being operated on a two shift basis.

The following holes were drilled in August:

	Hole No.	Footage Plug-bit	Footage Cored	Footage Total
	#4	640	40	680
	#5	605	40	645
	#6	547	40	587
	#7	500	38	538
	#8	500	20	520
Total August	5	2,792	178	2,970
Total previous	3	1,899	120	2,019
Total through August	8	4,691	298	4,989

At the time of the inspection the following additional holes were drilled:

#9	530	40	570
#10	705	40	745

Apache #16 hole, near the southeast corner of the Walter Duncan tract is reported to run as follows (with assay values about 2/5ths. of indicated values):

Depth	eU_3O_8	Depth	eU_3O_8
348 -348.5	.16	352.5-353	2.46
348.5 -349	.11	353 -353.5	1.35
349 -349.5	.12	353.5-354	.76
349.5 -350	.14	354 -354.5	.62
350 -350.5	.25	354.5-355	.62
350.5 -351	.66	355 -355.5	.70
351 -351.5	1.23	355.5-356	.34
351.5 -352	1.98	356 -356.5	.13
352 -352.5	2.40	356.5-357	.06

Uranium mineralization in all holes drilled under the contract has been slight.

The cost of 2,792 feet of plug-bit drilling at $2.86 a foot is $7,985.12, and the cost of 178 feet of core drilling at $4.49 a foot is $799.22, or a total of $8,784.34.

Payment of 75 percent of the amount claimed, or $6,588.26 is recommended.

A mistake of $0.20 was found in the contractor's calculations.

Carl Belser

Carl Belser
Mining Engineer

CB:jh

cc 6
Idm-E796
Chron

WALTER DUNCAN MINING CO.
P. O. BOX 1468
CORTEZ, COLORADO

RECEIVED
OCT 6 - 1955

Narrative Report
August, 1955

Five drill holes, No.'s DMEA 4A, 5, 6, 7 and 8, were completed during the month of August. The locations of these holes are shown on the included map.

Although three of the five holes showed slight but definite mineralization, the overall results of the August drilling were discouraging. One of the purposes of the project is to trace the limits of the medium to course grained white sandstone which is the ore host rock in the Continental Uranium Company mine directly east of the project, and none of the August holes found this sand.

Mineralization was noted in DMEA No.'s 4A, 5 and 8, but this is in green mudstone, and not considered particularly significant. However, No. 8 is considered semi-favorable on the basis of a 11' section of mudstone-sandstone conglomerate containing abundant carbon. This rock is similar to the outcrop rock at the Service Berry mine which is about 1500 feet northwest of the drill hole.

The enclosed map shows all the drilling to date on and adjoining the project area. The concentration of holes in the southwest corner of Section 36 is the western most portion of the Continental ore body, and represent a blocked out tonnage of approximately 20,000 tons. Tonnage for the entire Continental ore body is estimated from 75,000 to 100,000 tons.

As shown on this map, recent drilling by Apache has discovered ore within 300 feet of the project boundary. This map also shows a compilation of information on ore sand thicknesses. Ore sand means the medium to course grained favorable sandstone host rock, and does not necessarily imply presence of ore.

The map also shows structure contours on the base of the Chinle formation. These contours show a flattening of the regional dip around the Apache ore hole No. D-16. It is hoped that by constantly revising these contours as additional holes are completed, other small changes in dip will be found. This may be significant in influencing the course of ground water, and thereby possibly influencing the deposition and/or leaching of uranium.

Narrative Report

On the basis of known ore within short distances of the eastern end of the project and on the basis of favorable host rock within portions of the east end of the project, we believe that further drilling is justified in this area. After Stage 1 drilling is completed, we intend to ask for a revision of Stage 2 locations based on an evaluation of all the data available at that time.

No sampling was done during August, but all drill holes were probed, and USGS radiometric logs are available on most of the holes.

Charles R Butler

WALTER DUNCAN MINING CO.

DRILL HOLE LOG

RECEIVED
OCT 6 - 1955

Project Lisbon Valley
Drill Hole No. DMEM-4A
Collar Elev.
Total Depth 678
LOCATION

Date Aug. 26, 1955
Ore.
Min. X
Bar.

Probed by USGS

From	To	Rock	Color	Carbon	Other	Remarks
0	40	SS	WH			
40	280	SS	Bn			Kayenta Wingate
280	438	mc, ss	red			Chinle
438	640	mc	green			Chinle
640	657	mc	green		mcc	~~Slight min. 644.7-645.7~~
657	660	mdc cong.	green	sparse		Abundant pyrite
660	661	mdc. clto	gn & gr.	sparse	mcc	
661	661.5	mdc. cong.	gn & gr		mcc	mdc Largest inclusions
661.5	665	clto	gr & gn			mdc inclusions
665	678	mc	red		mcc	Butler, gn mdc split
Ore Zone 640 - 678						

Summary of Log. OBSS _____ Thick 0 SS Color _____

Sh. Unfavorable Under O.B.S.S.

CRB

WALTER DUNCAN MINING CO.

DRILL HOLE LOG

RECEIVED
OCT 6 - 1955

Project Lisbon Valley
Drill Hole No. DMEA 5
Collar Elev.
Total Depth 645
LOCATION

Date Aug. 15, 1955
Ore.
Min. X
Bar.

From	To	Rock	Color	Carbon		Remarks
0	248	ss	lt br			Wingate
248		ss,ms	red			Chinle
	605	ms	gn			Chinle
605	622	ms	gn	sp		Slight min. 610-612
622	625.5	ms cong.	wh & gn	ab		Pyrite & ls, gn ms galls
625.5	626.7	ss	wh	sp	mcs	Find grn
626.7	645	ss,ms	red		mcs	gn layers - Cutler
Core Zone 605-645						

Summary of Log. OBSS 0 Thick 0 SS Color

Sh. Under O.B.S.S.

unfavorable CRB

WALTER DUNCAN MINING CO.

DRILL HOLE LOG

RECEIVED
OCT 6 - 1955

Project Lisbon Valley
Drill Hole No. DMEA 6
Collar Elev.
Total Depth 587
LOCATION

Date ~~Aug. 17, 1955~~
Ore.
Min.
Bar. X

From	To	Rock	Color	Carbon		Remarks
0	197	ss	lt bn			Wingate
197	460	ms	red			Chinle
460	547	ms	gn			Chinle
547	549	ms cong	gn, ~~gr~~	med.		
549	551	var. ms, ss	~~gn~~ gn, gr	med.		
551	557.5	ms	gn, gr			Splits
557.5	558.5	ms cong.	gn, gr	med.		limy
558.5	569	ms cong.	gn, gr	med.		interbedded, limy
569	577	ms cong.	gn , gr	med.		limy
577	580.5	ms	~~wh~~ gn	med.	mcs	
580.5	581	ss	wh			fine grained
581	587	ms, ss	red		mcs	Cutler
Core Zone	547 - 587					

Summary of Log. OBSS _____ Thick 0 SS Color _____

Sh. ~~red~~ unfavorable

Under O.B.S.S.

CRB

WALTER DUNCAN MINING CO.

DRILL HOLE LOG

RECEIVED
OCT 6 - 1955

Project ~~Lisbon Valley~~
Drill Hole No. ~~DMEA 7~~
Collar Elev.
Total Depth ~~540~~
LOCATION

Date ~~Aug. 17, 1955~~
Ore.
Min.
Bar. X

Probed by USGS

From	To	Rock	Color	Carbon		Remarks
0	152	ss	tan			Wingate
152	350	ms	red			Chinle
350	500	ms	gn			Chinle
500	520	ms	lt gn	med	mcs	
520	534	ms	lt gn		mcs	
534	540	ss,ms	red		mcs	Cutler
	Core Zone	500-540				
	Note: No core recovered from 534 to 540,					
	but cuttings were saved.					

Summary of Log. OBSS _____ Thick 0 SS Color _____

Sh. _____ Under O.B.S.S.

unfavorable

CRB

WALTER DUNCAN MINING CO.

DRILL HOLE LOG

Project Lisbon Valley
Drill Hole No. DMEA 8
Collar Elev.
Total Depth 520
LOCATION

Date Aug. 29, 1955
Ore.
Min. X
Bar.
Probed by USGS

From	To	Rock	Color	Carbon	~~other~~	Remarks
Φ	140	ss	tan			Wingate
140	360	ms	red			Chinle
360	500	ms	gn			Chinle
500	502	slts	gr-gn	med		gn ms galls
502	502.5	slts	gr-gn	med		large flakes carbon
502.5	508	ms-ss cong	gr-gn	med		gr size and carbon increasing in lower section
508	508.2	carbon	black	all		
508.2	513	ms-ss cong	gr-gn	med		~~Abundant pyrite~~ med to large grn size. ~~more cong. at base~~
513	515	ms	gn			limy
515	520	ms, ss	choc. red	med	mcs	Cutler
498	499	Babble	probe shows	.02e	U_3O_8 to	.10e U_3O_8
Core Zone	500-520					

Summary of Log. OBSS ~~ms-ss cong~~ Thick 11' SS Color

Sh. Under O.B.S.S.

Semi-favorable

CRB

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

Budget Bureau No. 42-R1036.5

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of July, 195[illegible] Docket No. DMEA [illegible] Contract No. [illegible]
Operator's Name Walker Dawson Mining Company Minerals Uranium
Address P. O. Box 2[illegible], Denver, Colorado
Contract Amount, $[illegible] Government Participation: 75 % Amount, $[illegible]

ITEMS OF COSTS	FOR OPERATOR'S USE: Monthly Total	Totals Previously Reported	Totals To Date	FOR GOVERNMENT USE ONLY: Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Short Form Contracts:						
Drilling	[illegible]		[illegible]	5,431.14		5,431.14
Bulldozing	[illegible]	0	[illegible]	538.80		538.80
Crosscutting						
Drifting						
Scoping	0	0	0			
(2) Labor and Supervision:						
Labor						
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
TOTALS	[illegible]		[illegible]	5,969.94		5,969.94

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

Date 9/26/55 *Payee Walker Dawson Mining Co.

Per Charles R. Butler Title Manager

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

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

(Instructions on reverse)

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

$4,477.46

Signature RRC
(Authorized Certifying Officer)

Date 9/1/55 Vou. No. DMA-56-22

(See other side)

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating a Defense Minerals Exploration Administration project under Contract No. Fdm-E79b in accordance with the terms of the contract.

Signature [illegible] (4,477.46) Title Mining Engineer Date 8/18/55

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature W. M. [illegible] Title Executive Officer Date AUG 24 1955

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Form MF-104A
(April 1952)

Budget Bureau No. 42-R1151.2

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

RECEIVED

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of July 195 5 Docket No. DMEA 3582 Contract No. Ian-E 796
Operator's Name Walter Duncan Mining Company Minerals Uranium
Address P.O. Box 1420, Cortez, Colorado

OPERATION	UNIT	COSTS THIS MONTH	UNITS THIS MONTH	COSTS TO DATE	UNITS TO DATE	UNIT COSTS TO DATE	AUTHORIZED BY CONTRACT Units	AUTHORIZED BY CONTRACT Unit Costs
Drifting								
Crosscutting								
Raising								
Shafts								
Winzes								
Drilling: Core	foot	538.80	120	538.80	120	4.49	1784	8010.16
~~Churn~~ plug hit	foot	5488.34	1919	5488.34	1919	2.86	23716	67827.76
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
Sampling	sample	0	0	0	0	5.00	50	250.00
TOTAL DISTRIBUTED COSTS								TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
TOTAL COSTS		6027.14		6027.14				76,088

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

Date 8/15/55 Operator Walter Duncan Mining Co.

Per Charles R Butler Title Manager

REMARKS: As explained in Narrative, we had only 60% recovery on one 20 foot section of core.

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

(Instructions on reverse)

(For Government use only) Earl Belan

INSTRUCTIONS

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

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

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

GPO 872894

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

RECEIVED
SEP 1[illegible]

Administrative Audit Difference Statement

Date: Sept. 1, 195[illegible]
Payee's Reference: [illegible]

Walter Duncan Mining Co.
P. O. Box [illegible]
Denver, Colo.

Gentlemen:

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

Amount Claimed	$ 6,[illegible].24
Difference	$ 57.20
Amount Approved	$ 5,[illegible].24

The reason for the difference was due to:

Drill logs show a total of 1[illegible] feet drilled whereas the form [illegible] claims 1[illegible] feet.

Disallowed: 20 ft. core-hole drilling @ 2.85 = 57.20

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

Very sincerely yours,

RRO

N. E. Stokes
Audit Section

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

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

224 New Customhouse
Denver 2, Colorado

August 24, 1955

Memorandum

To: T. A. Christensen

From: Executive Officer, DMEA Field Team, Region III

Subject: DMEA Docket 3582, (Uranium), Contract Idm-E796, Walter Duncan Mining Company, Red Rock, White Rock and Paragon claims, San Juan County, Utah - Operator's Monthly Progress Report, for the period July, 1955.

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

Work has been completed as authorized by the contract. No documentation is required for work performed under contracts prepared on Form MF-200A, therefore, we recommend that payment be made for 75 percent of the amount reported by the Operator on Form MF-104, contingent on your verification of arithmetical accuracy within the report, except as noted below.

Disallow charges for 20 feet of non-core drilling. The accompanying drill logs show a total of 1899 feet drilled, whereas the Form MF-104 claims 1919 feet.

Remarks:
Date of Report- - - - - - - - - - - - - - - - - -August 15, 1955
Date Received in Field Office- - - - - - - - - August 17, 1955
Date Received in Region Office- - - - - - - - August 23, 1955

W. M. TRAVER,

W. M. Traver

Enclosures

JDC:jy

cc: MF-104 File E796
Sec. Opr. Comm. (2)
Shaw (2)
Chron.

Building 20
Denver Federal Center
Denver 2, Colorado
August 22, 1955

Region III

Memorandum

To: Executive Officer, DMEA Field Team, Region III

Through: John F. Shaw
Supervising Mining Engineer

From: Carl Selmer

Subject: DMEA 3582, Contract Lda-3796, (Uranium), Red Rock, White Rock, and Paragon claims, Walter Duncan Mining Company, secs. 34 and 35, T. 30 S., R. 25 E., Salt Lake Meridian, San Juan County, Utah -- Progress report for July, 1955.

Drilling progress was inspected on August 2, 1955, in company with L. J. Cortez. No one was at the property but R.J. Jenkins, one of the owners of the claims, was contacted, and guided the writer to the drill sites and core storage.

John Hammer, the driller, is said to be using a Mayhew 1,000, but had left the property with his drill about July 30 to drill some coal near Cortez and was expected back by August 4.

Three holes had been drilled at approved sites. Hole 1 was drilled on the East end of the Red Rock No.6 claim, hole 2 near the south sideline of the Paragon No. 5 claim, and hole 3 on the Paragon No. 8 claim.

Holes drilled were as follows:

Hole	Footage Plug-bit	Footage Core	Footage Total	Remarks
1	697	40	697	(680-682.4 some U_3O_8 (C-C 684'
2	679	40	719	C-C 712'
3	563	40	603	576'-577.7' U_3O_8
Total	1,899	120	2,019	

It will be noted from the logs submitted by the applicant that the plug-bit drilling amounted to 1,899 feet instead of 1,919 feet.

Contract cost for 1,899 feet of plug-bit drilling at $2.86 a foot is $5,431.14, and for 120 feet of core drilling at $4.49 a foot is $538.80, or a total of $5,969.94.

Payment of 75 percent of the work done in July or $4,477.46 is recommended.

Carl Belser

Carl Belser
Mining Engineer

CB:jw

cc: 6 ✓
8796
Chron.

WALTER DUNCAN MINING CO.
P. O. BOX 1468
CORTEZ, COLORADO

Rec'd
AUG 17 1955
BUREAU OF MINES
Denver, Colorado

August 9, 1955

July Narrative Report
DMEA # 3582

Three holes were completed on the project in July. The locations of these holes are shown on the included map, and logs for the holes are attached to the Narrative.

Two of the three holes showed mineralization in the sandstone near the base of the Mossback. Radiometric readings indicate 1.7' of 0.05 U_3O_8 in DMEA #3 and 0.4' of 0.05 U_3O_8 in DMEA #1. Half of the first 20' core was lost on DMEA #3, so the type of rock containing the mineralization is unknown.

Arrangements have been completed with Continental Uranium Company and Apache Uranium Company to exchange drilling and survey data. This information together with the data from our August DMEA drilling should be sufficient to show ore and mineralization trends, contours on the base of the chinle, and lateral extent of the carbon bearing white medium grained "ore sand" in the project area. Such a map will be included in the August report.

WALTER DUNCAN MINING CO.

DRILL HOLE LOG

RECEIVED
SEP 12 1955

Date July 1, 1955
Ore.
Min. X
Bar.

By - W.T. Davis

Project Lisbon Valley
Drill Hole No. DMEA #1
Collar Elev.
Total Depth 697
Location

From	To	Rock	Color	Carbon	other	Remarks
0	32	ss	red			Kayenta
32	294	ss	red-buff			Wingate
294	657	sh, ss mudstone	red-green			Chinle
657	672	sh	gray-green			Chinle
672	682	ss	light gray	sparce	arkosic	medium grained sugar ss with cong. lenses
CORE						This is ore sand of Moss
						back member of lower Chinle.
682	682.9	siltstone	light gray	medium	micaceous	Chinle. Slight mineralization 682-682.4
682.9	697	mudstone siltstone	dark red dark gray		micaceous	Cutler?

Note - Mineralized core will be assayed.

Summary of Log. OBSS Thick 10' SS Color

Sh. Under O.B.S.S.

Core zone - 657 to 697
% recovery - 95%

Certified: Charles R. Butler

RECEIVED
SEP 12 1955

WALTER DUNCAN MINING CO.

DRILL HOLE LOG

Date July 12, 1955
Ore.
Min.
Bar. X

Project Lisbon Valley
Drill Hole No. DMEA #2
Collar Elev.
Total Depth 719
Location

Hole probed by Duncan 7-12-55

From	To	Rock	Color	Carbon	Other	Remarks
0	69	ss	red			Kayenta
69	322	ss	red-buff			Wingate
322	540	sh	red			Chinle
540	679	sh	gray-green	traces		Chinle
679	696	siltst	gray		micaceous	some int.blue mudst
696	700	siltst	gray-green splits			
700	707	mudst	green			conglomeritic
707	713	ss	white	none		fine grained, clean
713	714	mudst	green			Cutler?
714	719	mudst	red		micaceous	Cutler

Summary of Log. OBSS _____ Thick 6' SS Color White

Sh. _____ Under O.B.S.S.

Core zone - 679 to 719
% recovery - 95 %

Certified: Charles R Butler

RECEIVED
SEP 12 1955

WALTER DUNCAN MINING CO.

DRILL HOLE LOG

Date 7-15-55
Ore.
Min. X
Bar.

Project Lisbon Valley
Drill Hole No. DMEA #3
Collar Elev.
Total Depth 603
Location

Probed 7-15-55 by Duncan and also USGS

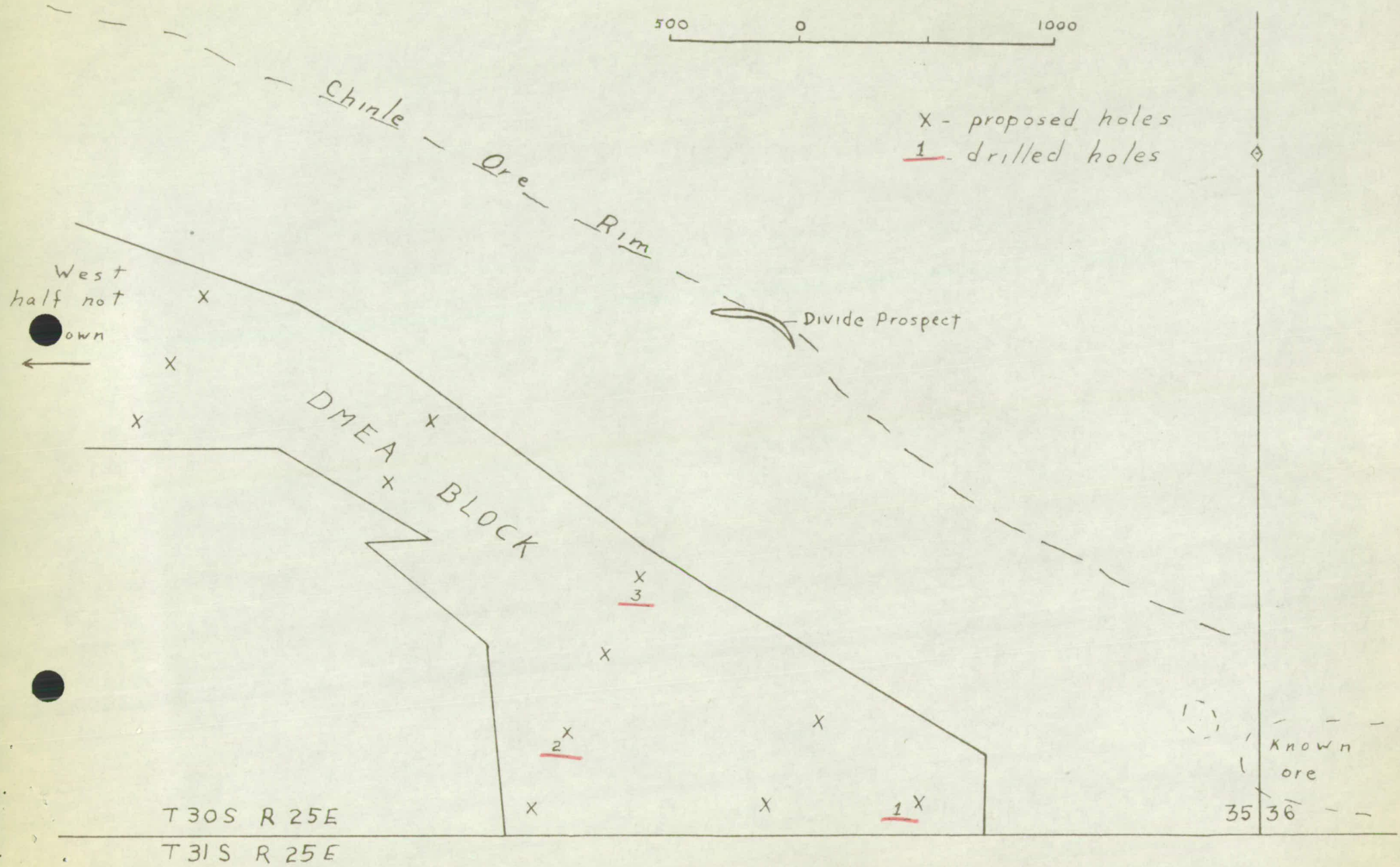
From	To	Rock	Color	Carbon		Remarks
0	205	ss	red-buff			Wingate
205	370	ss-mudst	red			Chinle
370	563	mudst	gray-green	traces		Chinle (Mossback)
563	583	mudst	green			see note below
						Chinle mineralized
						approx. 0.05% e U_3O_8
						576 to 577.7
583	586	mudst	green			
586	589	mudst	gray-green	medium		conglomeritic
589	590	siltst	green		micaceous	Cutler?
590	603	siltst	red		micaceous	Cutler

Summary of Log. OBSS _____ Thick less than 10 SS Color _____

Sh. _____ Under O.B.S.S.

Had 50% recovery in first 20' core. Lost mineralized section.

Certified: Charles R Butler



JULY DRILLING

WALTER DUNCAN MINING CO.
P. O. BOX 1468 - CORTEZ, COLORADO

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

Budget Bureau No. 42-R1036.5

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

RECEIVED
JUL 21 1955

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of June, 1955 Docket No. DMEA 3582 Contract No. Idm-E796
Operator's Name Walter Duncan Mining Company Minerals Uranium
Address P. O. Box 1468 Cortez, Colorado
Contract Amount, $76,088.00 Government Participation: 75% Amount, $ 57,066.00

ITEMS OF COSTS	FOR OPERATOR'S USE			FOR GOVERNMENT USE ONLY		
	Monthly Total	Totals Previously Reported	Totals To Date	Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) ~~Independent~~ Short Form Contracts:						
Drilling	0	0	0			
Bulldozing						
Crosscutting						
Drifting						
Sampling	0	0	0			
(2) Labor and Supervision:						
Labor						
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
TOTALS	0	0	0			

I certify that the above bill is correct and just and that payment therefor has not been received.
Date July 1, 1955 *Payee Walter Duncan Mining Co.

Per _____ Title Manager

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

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

(Instructions on reverse)

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

$_____

Signature _____
(Authorized Certifying Officer)

Date _____ Vou. No. _____
(See other side)

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

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

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

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

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

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

GPO 872893

Form MF-104A
(April 1952)

Budget Bureau No. 42-R1151.2

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of June 1955 Docket No. DMEA 3582 Contract No. Idm-E796

Operator's Name Walter Duncan Mining Company Minerals Uranium

Address P. O. Box 1468 Cortez, Colorado

OPERATION	UNIT	COSTS THIS MONTH	UNITS THIS MONTH	COSTS TO DATE	UNITS TO DATE	UNIT COSTS TO DATE	AUTHORIZED BY CONTRACT	
							Units	Unit Costs
Drifting								
Crosscutting								
Raising								
Shafts								
Winzes								
Drilling: Core	feet	0	0	0	0	4.49	1784	8010.16
Churn	feet	0	0	0	0	2.86	23716	67827.76
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
Sampling	sample	0	0	0	0	5.00	50	250.00
TOTAL DISTRIBUTED COSTS								TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
TOTAL COSTS		0		0				76,088

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

Date July 1, 1955 Operator Walter Duncan Mining Co.

Per _____ Title Manager

REMARKS: Project started June 29. Drilling is in progress on Hole No. DMEA-1. No completions to date.

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

(Instructions on reverse)

(For Government use only)

INSTRUCTIONS

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

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

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

GPO 872894

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

224 New Customhouse
Denver 2, Colorado

July 12, 1955

Memorandum

To: T. A. Christensen

From: Executive Officer, DMEA Field Team, Region III

Subject: Docket DMEA-3582 (Uranium), Contract Idm-E796, Walter Duncan Mining Company, San Juan County, Utah - Operator's Monthly Progress Report for the month of June, 1955

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

Work under terms of the contract is in process, but no claim is made for reimbursement for the month of June, 1955.

Remarks:

Date of Report.....July 1, 1955
Date Received in Field Office.....July 5, 1955
Date Received in Region Office.....July 8, 1955

W. M. Traver

No Payment
7/13/55
J. Stokes

Enclosures

RDB:sr

cc Sec. Op. Comm. (2)
Subject
Shaw
Chron

Region III

Building 20, Room 137
Denver Federal Center
Denver 2, Colorado
July 7, 1955

Memorandum

To: Executive Officer, DMEA Field Team, Region III

From: John F. Shaw

Subject: Monthly Progress Report, Form MF-104 and MF-104A, June 1955, Walter Duncan Mining Company, Contract Idm-E796, DMEA 3582.

Enclosed are five copies of form MF-104, 104-A and a narrative report for the month of June submitted by Walter Duncan Mining Company.

You will note that no claim is made during the period.

John F. Shaw
Supervising Mining Engineer

Enclosures

cc 5
E796
Chron

JFS/cm

WALTER DUNCAN MINING CO.
P. O. BOX 1468
CORTEZ, COLORADO

July 1, 1955

DMEA 3582 (Uranium)
Idm - 8796

NARRATIVE - JUNE

Actual work on the project was commenced June 29, 1955. Drilling on Hole No. DMEA -1 is in progress, but will not be completed until July. This hole is in the easternmost portion of the project area and has an estimated depth of 685'.

Bulldozing for drill sites and road repair, surveying, establishment of camp and all other jobs necessary for the performance of the project are being done.

The camp is situated in the eastern section of the project area near Hole No. DMEA -1 and may be reached by driving approximately 1500 feet due west of the SE Corner of Section 35 and then turning north about 150 feet. For the benefit of inspecting or supervisory government personnel, we intend to work from east to west on the Phase One holes. The camp will be open Monday thru Friday and the drill will operate on a two shift basis. All cores and cuttings will be stored at camp.

Respectfully submitted,

Charles R Butler

Charles R. Butler, Manager
Walter Duncan Mining Company

CRB;hm

JAN 10 1957

Mr. J. Walter Duncan, Jr.
Walter Duncan Mining Company
P. O. Box 1468
Cortez, Colorado

Re: Docket No. DMA-3582 (Uranium)
Contract No. [illegible]-5790
Red Rock Claims, et al.
San Juan County, Utah

Dear Mr. Duncan:

Reference is made to your terminated exploration contract with the Government.

We sincerely regret that the work performed did not result in a certification of discovery or development under the provisions of the contract. In the absence of such certification, the Government retains no claim or lien against the property subject to the contract or any future production therefrom. We, therefore, are closing our books and records on this project. Your attention, however, is called to the provisions of the contract which require the operator to keep and preserve certain records for the period indicated.

Your interest in the DMA exploration program and participation therein are fully appreciated.

Sincerely yours,

Frank E. Wilson

ACTING Administrator

WMurphy/gla
1-8-58
cc to: Admr.'s Reading File
Code 700
Mr. Murphy
DMA Field Team, Region III (2)
Contract Adm. & Audit Division
G. D. Patterson, Moab, Utah
R. F. Jenkins, " "
Lyle Francis, " "
F. E. Jenkins, Grand Junction, Colorado
Quentin F. Bullock, P. O. Box 322, Bryan, Texas
Frank L. Seymour, 317 Main Street, Grand Junction, Colorado

JAN

Mr. C. O. Patterson
Moab, Utah

Re: Docket No. DMA-3582 (Uranium)
Contract No. Ion-5796
J. Walter Duncan, Jr., d/b/a
Walter Duncan Mining Company
Red Rock Claims, et al.
San Juan County, Utah

Dear Mr. Patterson:

Reference is made to the unsigned Owner's Consents to Lien which you executed in connection with the DMA contract for an exploration project on property located in San Juan County, Utah.

For your information, there is enclosed a copy of our letter of this date to Mr. J. Walter Duncan, Jr., Walter Duncan Mining Company, P. O. Box 1168, Cortez, Colorado, advising that the Government retains no claim or lien against the property described in the contract or on any future production therefrom.

Sincerely yours,

Frank E. Johnson

ACTING Administrator

Enclosure

Similar letters to: R. F. Jenkins, Moab, Utah
R. F. Jenkins, Grand Junction, Colorado

RMMurphy/gla
1-7-57
cc to: Admr.'s Reading File
Code 700
Mr. Murphy
DMA Field Team, Region III (2)
Contract Adm. & Audit Division

[illegible]

Mr. Quentin C. Bullock
P. O. Box 322
Bryan, Texas

Re: Docket No. [illegible]A-3582 (Uranium)
Contract No. [illegible]-796
J. Walter Duncan, Jr., d/b/a
Walter Duncan Mining Company
Red Rock Claims, et al.
San Juan County, Utah

Dear Mr. Bullock:

Reference is made to the Owner's Consent to Lien which you executed on March 14, 1955, in connection with the DMA contract for an exploration project on property located in San Juan County, Utah.

For your information, there is enclosed a copy of our letter of this date to Mr. J. Walter Duncan, Jr., Walter Duncan Mining Company, P. O. Box 1168, Cortez, Colorado, advising that the Government retains no claim or lien against the property described in the contract or on any future production therefrom.

Sincerely yours,

Frank E. Johnson

ACTING Administrator

Enclosure

DMurphy/mla
1-7-57
cc to: Admr.'s Reading File
Code 700
Mr. Murphy
DMA Field Team, Region III (2)
Contract Adm. & Audit Division

JAN 10 1957

Mr. Frank L. Seymour
317 Main Street
Grand Junction, Colorado

Re: Docket No. [illegible]A-3[illegible]2 (Grandin)
Contract No. [illegible]-[illegible]96
J. Walter Duncan, Jr., d/b/a
Walter Duncan Mining Company
Red Rock Plateau, et al.
San Juan County, Utah

Dear Mr. Seymour:

Reference is made to the Contract to Lease which you executed on May 1[illegible], 1955, in connection with the DMA contract for an exploration project on property located in San Juan County, Utah.

For your information, there is enclosed a copy of our letter of this date to Mr. J. Walter Duncan, Jr., Walter Duncan Mining Company, [illegible] Box 1[illegible]8, Cortez, Colorado, advising that the Government retains no claim or lien against the property described in the contract or on any future production therefrom.

Sincerely yours,

Frank E. Johnson

ACTING Administrator

Enclosure

FJMurphy/ila
1-7-57
cc to: Admr.'s Reading File
Code 700
Mr. Murphy
DMA Field Team, Region III (2)
Contract Adm./ Audit Division

Mr. Kyle Francis
Moab, Utah

Re: Docket No. DMA-3,82 (Uranium)
Contract No. [illegible]-796
J. Walter Duncan, Jr., d/b/a
Walter Duncan Mining Company
Red Rock Claims, et al.
San Juan County, Utah

Dear Mr. Francis:

Reference is made to the United States' Consent to Lien which you executed in connection with the DMA contract for an exploration project on property located in San Juan County, Utah.

For your information, there is enclosed a copy of our letter of this date to Mr. J. Walter Duncan, Jr., Walter Duncan Mining Company, P. O. Box 1168, Cortez, Colorado, advising that the Government retains no claim or lien against the property described in the contract or on any future production therefrom.

Sincerely yours,

Frank E. Johnson

ACTING Administrator

Enclosure

FEJohnson/ils
1-8-57
cc to: Admr.'s Reading File
Code 700
Mr. Murphy
DMA Field Team, Region III (2)
Contract Adm. & Audit Division

Government's copy

TERMINATION AGREEMENT

It is agreed this 20th day of August, 1956, between the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, hereinafter called the "Government," and J. Walter Duncan, Jr., d/b/a Walter Duncan Mining Company, hereinafter called the "Operator," parties to that certain Exploration Project Contract Idm-E796 (Docket No. DMEA-3582), dated June 10, 1955, hereinafter called the "Contract," that:

1. Effective May 15, 1956, the Contract and all obligations of the parties thereunder, except as otherwise herein expressly provided, shall be and are hereby terminated.

2. The Government shall contribute only to the fixed unit costs of work performed prior to said effective date.

3. The Operator shall preserve records as required by the contract, and hereby releases and agrees to save the Government harmless from all claims or demands under or arising out of said contract, except as otherwise provided in this termination agreement.

IN WITNESS WHEREOF, these parties have executed this agreement as of the day and year first above written.

THE UNITED STATES OF AMERICA

By W. M. Lowe
Executive Officer
DMEA Field Team, Region III

WALTER DUNCAN MINING COMPANY

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

RECEIVED
AUG 28 1956

RECEIVED
OCT 27 1955

224 New Customhouse
Denver 2, Colorado

October 26, 1955

Mr. J. Walter Bassett, Jr.
d/b/a Walter Bassett Mining Company
P. O. Box 1468
Cortez, Colorado

Attention: Mr. Charles R. Butler, Manager

Re: Docket DMRA 3302 (Uranium),
Contract DMA-6796

Dear Sir:

Consistent with contract stipulations, and confirming verbal approval of September 19, 1955, you are hereby authorized to drill seven drill holes, Nos. 14 through 20, inclusive, under Stage II of the Contract at the locations shown on the attached map which is made a part of this work approval.

Nothing in this work approval shall be construed to increase the estimated total cost of the project, the amount of the Government's contribution, nor the agreed unit cost of any item of work.

Very truly yours,

W. M. Weaver

W. M. Weaver

E. W. Hornbaker

E. W. Hornbaker

DMRA FIELD TEAM, REGION III

Enclosure
JHB:pd
cc: Chairkanoff
Shoshone, Spar. Scan. (4)
Hardman
Shaw (2)
Baker
Denv. File
Vancouver
Grand. File
Gunn.

WALTER DUNCAN MINING CO.
P. O. BOX 1468
CORTEZ, COLORADO

DMEA RECEIVED
Date Rec'd. OCT 27 1955
SEP 19 1955
BUREAU OF MINES
Denver, Colorado

Mr. W.H. Trever
Executive Officer, DMEA
124 New Customhouse
Denver 2, Colorado

Re: DMEA 3532 (Uranium)
Contract 18m-15796

Dear Mr. Trever,

We intend to complete our Stage 1 drilling by Sept. 23, 1955. The two holes remaining in Stage 1 are at the western end of the Project Block.

Our evaluation of results to date indicates that additional drilling should be concentrated at the eastern end of the project near known ore and favorable host rock occurrences.

The August Narrative includes a map showing all data to date in the area covering and adjoining the project. This map shows several ore and mineralized holes to the east and north of the project, and also shows the presence of favorable sandstone host rock within and to the north, east and south of the project area. The following list shows detailed data on some of the holes that would influence the spotting of additional holes.

Hole No.	Thickness Ore sand	Assay Data Interval	eU_3O_8	U_3O_8	Remarks
M1-6	6.0				
DMSA-1	10.0	622-632.4	.05		
D-C-2	11.0				
D-O-1	20.0				
DMEA-10	5.0				
DMSA-4	0	644.7-645.7	-.05		Sept. completion
DMSA-3	0	576.0-577.7	.05		
D-10	4.5	525 -527.5	.02-.15		
D-11	7.5	505-506.5	.02-.11		
D-8	13.0	554-557.5	.03-.90	.03-.40	
D-16	16.0	6'	.20-1.00	.20-1.00	will average .50
D-13	2.0	2'	?	?	strong min.
D-18	?	2'	.20	.20	

On the basis of this data, I hereby request authorization to commence Stage 2 drilling. The proposed locations for the initial Stage 2 holes are as follows:

WALTER DUNCAN MINING CO.
P. O. BOX 1468
CORTEZ, COLORADO

Hole No.	Coordinates East	North	Estimated Depth
DMEA-14	137780	59920	650
DMEA-15	137370	60165	635
DMEA-16	137270	59850	700
DMEA-17	136980	60400	585
DMEA-18	136930	60125	650
DMEA-19	136830	59860	715
DMEA-20	136550	60870	560

Inasmuch as the August Narrative includes a map showing all the holes discussed here and also the locations of the proposed Stage 2 holes, I have not included additional maps with this letter. I am mailing a copy of this letter plus a copy of the August Narrative to William Hasler at Grand Junction to expedite confirmation of the Stage 2 work.

Very truly yours,

Charles R Butler

Charles R. Butler, Manager
Walter Duncan Mining Company

cc: Wm Hanler

RECEIVED
OCT 11 1955
U. S.
GEOLOGICAL SURVEY
DENVER, COLORADO

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

October 10, 1955

Memorandum

RECEIVED
OCT 27 1955

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

From: J. William Hasler and M. H. Salsbury

Subject: DMEA 3582 (Uranium), Walter Duncan Mining Company, contract Idm-E 796. Request for stage II drilling.

The applicant has completed stage I drilling on the Red Rock, White Rock, and Paragon claims in San Juan County, Utah. The results of stage I drilling are not too encouraging; however, the holes drilled on the Red Rock 4 and 6 claims and the Paragon 5, 7, and 8 claims penetrated varying thicknesses of ore-bearing sands and also showed some mineralization. The applicant discussed these results with the Grand Junction office and expressed the desire to concentrate stage II drilling on these claims on which the ore-bearing sandstone is thicker, or where mineralization has been discovered.

Ore bodies of considerable size have been discovered by the Continental Uranium Company and the Apache Uranium Company adjacent to the southeast property line of the Duncan Mining Company. The enclosed map, (fig. 1) shows a concentration of holes that lie in the southwest corner of sec. 36. These holes represent the westernmost portion of the continental ore body and represent an estimated 20,000 tons. The tonnage for the entire Continental ore body is estimated to reach from 75,000 to 100,000 tons of ore. Recent drilling by the Apache Uranium Company has discovered ore

within 300 feet of [illegible] project boundary. Diamond-dr[illegible] holes D-16, D-18, and D-13, drilled by Apache discovered ore-grade material 3.1 foot thick, averaging 0.3 percent eU_3O_8.

The results of stage I drilling have been reviewed and it is concluded that stage II drilling should be concentrated in the southeastern portion of the Walter Duncan property in order to take advantage of possible occurrence of ore that may extend into the property from adjacent ground. It is recommended that 7 diamond-drill holes under stage II be drilled as shown on the accompanying map. Verbal approval was given the applicant on September 19, 1955, to drill stage II holes 14, 15, 16, 17, 18, 19, and 20, by the Regional Field Team.

Enclosed are the necessary maps for execution of the request of stage II drilling.

D. D. Haynes
For J. William Hasler,
Geologist, USGS

M. H. Salsbury
M. H. Salsbury
Engineer, USBM

JWH/mlr

Enclosures

Contract No. Idm-E 296

Docket No. 3582

DEPARTMENT OF THE INTERIOR

Terminated contract

DEFENSE MINERALS EXPLORATION ADMINISTRATION

TO: Chief, Finance Section, Budget and Finance Branch, Bureau of Mines

Please make the following entry on the records of the Defense Minerals Exploration Administration under the Strategic and Critical Minerals Exploration Program.

Date of Contract	Region	State	Commodity
May 10, 1955	III	Utah	Uranium

Name and Address of Operator: J. Walter Duncan, Jr., d/b/a Walter Duncan Mining Co. P. O. Box 1468 Cortez, Colorado

	Reserve	Obligation
Prior Amount	0	857,066.00
Increase	0	0
Decrease	0	29,386.18
Revised Amount	0	827,679.82

Remarks:

(Name)

Allen O. Dekan, Chief
Operations Control and
Statistics Division

(Title)

Date Delivered to Bureau of Mines, Washington

8/30/56

98963

Docket No. ~~DMEA - 3582~~

Commodity ~~Uranium~~

DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

STRATEGIC AND CRITICAL MINERALS EXPLORATION PROGRAM

TO: Chief, Finance Section, Budget and Finance Branch, Bureau of Mines

Please enter on the records of the Defense Minerals Exploration Administration under the Strategic and Critical Minerals Exploration Program, the following contract, or amendment to contract.

Contract No. Idm-E ~~796~~

Date of Contract ~~or Amendment:~~ May 10,1955

Name and Address of Operator:

J. Walter Duncan, Jr.,
d/b/a Walter Duncan Mining Co.
P. O. Box 1468
Cortez, Colorado

Amount of Government participation ____ $ 57,066.00 ~~57,065.94~~

Percent of Government participation ~~75~~ %

Region: 111 State: Utah

(Name)
J. L. Chambers
Chief, Contract Administration and Audit Division
~~5/10/55~~

(Title)

Date Delivered to Bureau of Mines, Washington.

5/10/55 54458

Government's Copy

RECEIVED
JUL - 1 1955

MF-200A
(Revised June 1954)

Docket No. DMEA- 3582

Commodity Uranium

Contract No. Idm-E 796

UNITED STATES OF AMERICA
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
EXPLORATION PROJECT CONTRACT[1]
(Short Form)

It is agreed this 10th day of June, 1955, between the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, hereinafter called the "Government," and [2] J. Walter Duncan, Jr., d/b/a Walter Duncan Mining Company, whose mailing address is P. O. Box 1468 Cortez, Colorado, hereinafter called the "Operator," as follows:

ARTICLE 1. *This contract* is entered into under the authority of the Defense Production Act of 1950, as amended. It consists of this form (MF-200A), the attached Exhibit "A," Annex I, and

The Operator shall not transfer or assign this contract or any right thereunder without the written consent of the Government.

ARTICLE 2. *Operator's property rights.*—(a) The land which is the subject of this contract (hereinafter called "the land") is in the State of Utah, County of San Juan, and is described in Annex I.[3]

(b) The Operator represents and undertakes that:

(1) The Operator is the [4] lessee of [5] the mineral rights in the land, in possession and entitled to possession for all of the purposes of this contract, under and by virtue of x [6] leases, [7] recorded in Book , page , official records of said County; and

(2) The Operator's right, title, or interest (whether as owner, lessee, or otherwise) is subject only to the following claims, liens, or encumbrances: None

(c) The Subordination Agreement of the holder of any claim, lien, or encumbrance listed above, and (if the Operator does not hold the legal title) the Consent to Lien of any holder of the legal title of the land (lessor, seller, optionor, etc.), are attached, as follows: Consent to Lien of Quentin S. Bullock and Consents to Lien of G. O. Patterson, Lyle Francis, R. F. Jenkins, F. B. Jenkins, and Frank L. Seymour

[1] If sufficient space is not provided in any blank, use an extra sheet of paper and refer to it in the blank.
[2] Insert name, and if an organization, its nature (corporation and place of incorporation, partnership with names of partners, etc.).
[3] State on a separate sheet marked "Annex I" the legal description or enough to identify the property, particularly excluding any areas from which the production is not to be subject to the Government's percentage royalty.
[4] Insert "owner," "lessee," "contract purchaser," "locator," etc.
[5] Insert "the entire interest," "the mineral rights," "an undivided one-third," etc.
[6] Insert "deed," "lease," "contract," "location notice," "patent," etc.
[7] If not recorded, so indicate by inserting "un."

16—70618-1

(d) The Operator shall preserve and maintain his right, title, and interest in the land and his right to the possession thereof for the purposes of this contract, and shall devote the land and all existing improvements, facilities, buildings, installations, and appurtenances to the purposes of this contract. Until the lapse of the time within which the Government may make a certification of discovery or development without any such certification having been made, and after any such certification has been made, the Operator shall neither transfer, convey, nor surrender the land nor any right, title, or interest therein, nor permit nor suffer any claim, lien, or encumbrance thereon, without expressly referring to and providing in the instrument of conveyance, lien, or encumbrance for the preservation of the Government's right to a percentage royalty on production and lien for the payment thereof. If the Government makes no certification of discovery or development within the time limited in Article 7, it shall thereafter have no claim against the land or any production therefrom except for any production referred to in Article 7(b)(1).

ARTICLE 3. *The exploration project.*—The project is a search for indicated or undeveloped deposits of uranium. The work to be performed is described in Exhibit "A." The Operator on or before July 15, 1955 shall commence the work, and on or before December 30, 1956 (unless the Operator's obligation to complete the work is terminated—see Article 8) shall complete the work.

ARTICLE 4. *Performance of the work.*—(a) *Operator's responsibility.*—The work shall be performed with reasonable diligence, efficiently, expertly, in a workmanlike manner, in accordance with good mining standards and State regulations for health and safety and for liability insurance covering employment; and with suitable and adequate equipment, facilities, materials, supplies, and labor, to bring it to completion within the time fixed.

(b) *Government may inspect.*—The Operator shall consult with and inform the Government on all phases of the work as it progresses. The Government may enter at all reasonable times to inspect the work under the contract, and also after a certification of discovery or development to inspect production operations and underground workings. The operator shall provide the Government with all reasonable means of access for such inspections.

ARTICLE 5. *Contribution by the Government.*—A fixed cost for each unit of work to be performed (per foot of drifting, per foot of drilling, per hour of operations, etc.) is hereby agreed upon, and is set forth in Exhibit "A" in connection with the estimated total cost of the project in the sum of $76,08[redacted] The Government will contribute 75 percent of the fixed unit costs as work is performed, in a total sum not in excess of $57,066.00 (rounded): *Provided,* That until the Operator has rendered to the Government his final report, and any final auditing required by the Government has been made, and a final settlement of the contract has been made, the Government may withhold from the last voucher or vouchers such sums as it sees fit not in excess of 10 percent of the estimated total cost of the work. The Government will make its contribution on the basis of the monthly vouchers referred to in Article 6(b), but all payments by the Government are provisional only, subject to audit, until the account between the Operator and the Government is finally audited and settled. To the extent that excesses over fixed unit costs or any excess over the estimated total cost may be necessary for the performance of the work, the Operator shall incur and pay such excesses for his own account without contribution by the Government. The Government may make payments directly to independent contractors and suppliers for the account of the Operator rather than to the Operator.

ARTICLE 6. *Reports, accounts, audits.*—(a) *Operator's records.*—The Operator shall keep suitable records and accounts of the units of work performed and of any production in which the Government may have an interest; and shall preserve those with respect to work performed for at least three years after final payment by the Government, and those with respect to production for at least three years after any obligation to pay royalties to the Government has terminated. The Government may inspect and audit said records and accounts at any time, either by itself or by a certified public accountant. The Comptroller General of the United States or his representative, until the expiration of said three-year periods, shall have access to and the right to examine any pertinent books, documents, papers, and records of the Operator. All of the Operator's vouchers and records and accounts relating thereto and the Government's payments thereof remain subject to adjustment until final audit by the Government.

(b) *Progress reports and vouchers.*—The Operator shall provide the Government with five copies of monthly progress reports in three sections as follows: (1) Operator's Monthly Report and Voucher showing a detailed statement of units of work performed during the reporting period; (2) Operator's Unit Cost and Progress Report showing the various types of work performed during the reporting period and the fixed unit costs incurred for each type of work; and (3) a Narrative Report of the work

performed during the reporting period including adequate engineering-geological maps or sketches, drill hole logs and locations, and assay reports on samples taken concurrently with advance in mineralized ground. (Forms for reporting under (1) and (2) above will be provided by the Government.)

(c) *Final report.*—Upon completion of the work or termination of the Government's obligation to contribute to costs, the Operator shall furnish the Government with five copies of a final report (in addition to the final progress report and voucher). This final report shall include a geological and engineering evaluation of the results of the work performed under the contract with an estimate of the ore reserves resulting from such work, complete assay data, adequate geological and engineering maps or sketches, and a summary of the work performed and the unit costs thereof.

(d) *Report of sales.*—The Operator shall provide the Government with suitable accounting and documentary evidence covering all production to which the Government's percentage royalty relates, such as copies of smelter or concentrator settlement sheets, and certified accounts of production and sale or other disposition of production.

(e) *Compliance with requirements.*—If in the opinion of the Government any of the Operator's reports, records, or accounts are insufficient or incomplete, or if the Operator fails to make them, the Government may procure the making or completion of such with suitable attachments as an expense of the work to which the Operator shall contribute. The Government may withhold approval and payment of any vouchers relating to insufficient or incomplete reports, records or accounts.

ARTICLE 7. *Repayment by Operator.*—(a) *Certification.*—If the Government considers that a discovery or development from which production may be made has resulted from the work, the Government, at any time not later than six months after a sufficient final report and final account (see Article 6) has been rendered, may so certify in writing to the Operator. Such certification shall describe broadly or indicate the nature of the discovery or development.

(b) *Royalty on production.*—The Operator, as principal if the Operator is the producer, or as surety if the Operator is not the producer, shall pay to the Government a royalty on all minerals mined or produced from the land, as follows: (1) regardless of any certification of discovery or development, from the date of the contract until the lapse of the time within which the Government may make such certification, or until the total net amount contributed by the Government without interest is fully repaid, whichever occurs first; or (2) if the Government makes a certification of discovery or development, within a period of ten years from the date of the contract, or until the total net amount contributed by the Government without interest is fully repaid, whichever occurs first.

(c) *Basis for computation.*—The Government's royalty shall be a percentage of the gross proceeds (including any bonuses, premiums, allowances, or other benefits) from the production sold, in the form sold (ore, concentrates, metal, or equivalent), at the point of delivery (the f. o. b. point); *except,* that charges of *the buyer* arising in the regular course of business, and shown as deductions on the buyer's settlement sheets, on account of the cost of treatment processes performed by *the buyer,* sampling and assaying to determine the value of the production sold, and freight paid by *the buyer* to a carrier (not the Operator), shall be allowed as deductions in arriving at the "gross proceeds" as that term is used herein. Any costs of treatment processes, sampling or assaying, or transportation, performed or paid by the Operator or by anyone other than the buyer, are not deductible in arriving at the "gross proceeds" as that term is here used. The term "treatment processes," as here used, means those processes (such as milling, concentrating, smelting, refining, or equivalent) applied to the crude ore or other production after it is extracted from the ground, to put it into a commercially marketable form; excluding fabricating or manufacturing.

(d) *Unsold production.*—If any production (ore, concentrates, metal, or equivalent), after the lapse of six months from the date the ore was extracted from the ground, remains neither sold nor used by the Operator in integrated manufacturing or fabricating operations (for instance, if it is stockpiled), the Government, at its option, as long as it so remains, may require the computation and payment of its royalty on the value of such production in the form (ore, concentrates, metal, or equivalent) it is in when the Government elects to require computation and payment. If any production is used by the Operator in integrated manufacturing or fabricating operations before the Government makes its election, the Government's royalty on such production shall be computed on the value thereof in the form in which and at the time when it is so used. "Value" as here used means what is or would be gross income from mining operations for percentage depletion purposes in Federal income tax determination, or the market value, whichever is greater.

(e) *Percentages of royalty.*—The percentages of the Government's royalty shall be as follows:

One and one-half (1½) percent of amounts ("gross proceeds" or "value") not in excess of eight dollars ($8.00) per ton of production in the form in which sold, held, or used, plus one-half (½) percent for each additional full fifty cents ($0.50) by which such amounts exceed eight dollars ($8.00) per ton, but not in excess of five (5) percent of such amounts.

(For instance: the royalty on an amount of five dollars ($5.00) per ton would be one and one-half (1½) percent; on an amount of ten dollars ($10.00) per ton, three and one-half (3½) percent.)

(f) *Time for computation and payment.*—The Government's royalty shall be computed and paid currently upon each lot sold, held, or used in integrated operations, as the case may be, as above provided in this article.

(g) *Lien for payment.*—To secure the payment of its percentage royalty, there is hereby granted to the Government a lien upon the land or the Operator's interest in the land and upon any production of minerals therefrom, until the royalty claim is extinguished by lapse of time or is fully paid.

(h) *Notice to purchasers.*—The Operator shall give notice of the Government's claim for royalty to any purchaser of the production, and shall authorize and direct such purchaser to pay the royalty directly to the Government and to furnish the Government with copies of the settlement sheets. If the records of any production and sales or other disposition of production, whether the production is by the Operator or by others, are not made available to the Government, the amount of the royalty may be estimated by the Administrator, Defense Minerals Exploration Administration, or his successor, and his estimate thereof shall be final and binding upon the Operator.

(i) *No obligation to produce.*—Nothing in this contract is to be construed as imposing any obligation on the Operator or the Operator's successor in interest to engage in any production operations.

(j) *Government not obligated to buy.*—Nothing in this contract shall be construed as imposing any obligation on the Government to purchase any minerals mined or produced from the land.

ARTICLE 8. *Termination of the Government's obligations.*—(a) If in the opinion of the Government operations at any time have failed to achieve anticipated results that indicate the probability of making a worthwhile discovery, and in the opinion of the Government further operations are not justified, the Government may give the Operator written notice thereof, and thereupon the Government shall be free of all obligation to pay on account of units of work not then performed, and the Operator shall be free of all further obligation to prosecute the work other than such as may be necessary and incidental to winding up, reporting, and accounting.

(b) If in the opinion of the Government the Operator is in any manner in default under the terms of the contract, the Government may give the Operator written notice of such default with a specification of reasonable time within which the default must be cured; and if the Operator fails to cure such default as required, thereupon the Government shall be relieved of all obligation to pay on account of units of work not performed when the notice was given, and the Operator shall be free of all obligation to prosecute the work other than such as may be necessary and incidental to winding up, reporting, and accounting. The remedy provided for the Government in this paragraph "(b)" is in addition to any other remedy provided in this contract, and in addition to any other remedy the law may provide for breach of contract.

(c) The giving of any notice by the Government under the provisions of this Article 8 shall not affect the Government's rights as provided for in the contract with respect to a percentage royalty, and such rights shall be fully preserved.

ARTICLE 9. *Notices to be given by the Government* may be delivered to the Operator, or may be sent by registered mail addressed to the Operator at his mailing address stated in this contract. If mailed, notices are deemed to have been delivered five days after the date of mailing.

ARTICLE 10. *Officials not to benefit.*—No member of or delegate to Congress or resident commissioner shall be admitted to any share or part of this contract or to any benefit that may arise therefrom; but this provision shall not be construed to extend to this contract if made with a corporation for its general benefit.

ARTICLE 11. *Changes and added provisions.*—

Executed in sextuplicate the day and year first above written.

WALTER DUNCAN MINING COMPANY
(Operator)

By J. Walter Duncan, Jr.

THE UNITED STATES OF AMERICA

By O. P. Mitchell

Administrator, Defense
Minerals Exploration
Administration

I, ..., certify that I am the ..... secretary of the corporation named as Operator herein; that ..... who signed this contract on behalf of the Operator, was then ..... of said corporation; that said contract was duly signed for and in behalf of said corporation by authority of its governing body, and is within the scope of its corporate powers.

.....

[CORPORATE SEAL]

U. S. GOVERNMENT PRINTING OFFICE 16—70618-1

RECEIVED
JUL - 1 1955

EXPLORATION PROJECT CONTRACT
WALTER DUNCAN MINING COMPANY
DOCKET NO. DMEA-3582

ANNEX I

The land referred to in Article 2 of the contract form consists of parts of sixteen (16) unpatented lode mining claims which are recorded in the office of the County Recorder, San Juan County, Utah, as follows:

Claim	Book No.	Page No.
Paragon No. 5	223	517
Paragon No. 7	223	517
Paragon No. 8	223	518
White Rock No. 1	247	458
White Rock No. 2	247	459
White Rock No. 3	247	460
White Rock No. 4	247	460
White Rock No. 2 East Extension	259	245
Red Rock No. 1 West Extension	259	245
Red Rock No. 1	247	441
Red Rock No. 2	247	442
Red Rock No. 3	247	443
Red Rock No. 4	247	444
Red Rock No. 5	247	445
Red Rock No. 6	247	446
Patterson Fraction	273	204

The parts of the claims which constitute the land are in Sections 34 and 35, T. 30 S., R. 25 E., S.L.M., and are shown on the map entitled "Figure 3, Claim Map Showing Location of Proposed Drill Holes on Walter Duncan Mining Co. Claims, . . . etc.," which is attached hereto and made a part hereof.

RECEIVED
JUL - 1 1955

EXPLORATION PROJECT CONTRACT
WALTER DUNCAN MINING COMPANY
DOCKET NO. DMEA-3582

EXHIBIT "A"

Description of the Work

The object of this project is the discovery of uranium ore in a sedimentary rock, locally known as the Chinle formation of Triassic age. To penetrate the ore-bearing horizon of this formation will require drill holes ranging from 505 to 743 feet in depth, or an average depth of 603 feet.

The work shall be performed in three stages. The Operator shall perform Stage I and so much of the work set forth under Stages II and III as is approved in writing in advance by the Government.

Stage I

Stage I consists of bulldozing access roads to and preparing 13 drill sites. The locations of the drill sites are shown on the attached map, Figure 3, and identified by an X and the letter A. /XA/

From the drill sites prepared, thirteen (13) holes shall be drilled, aggregating not to exceed 8501 feet of drilling. Each hole shall be started with a noncore bit; however, on reaching the inferred mineralized horizon, each hole shall be cored for approximately the last 40 feet, including up to 5 feet of the Cutler formation.

Stage II

Stage II consists of bulldozing access roads to and preparing ten (10) drill sites. The locations of the drill sites are shown on the attached map, Figure 3, and are identified by an X and the letter B. /XB/

From the drill sites prepared under this stage, not to exceed ten (10) holes, aggregating not to exceed 6678 feet,

shall be drilled in this stage. Each hole shall be started with a noncore bit; however, on reaching the inferred mineralized horizon, each hole shall be cored for approximately the last 40 feet, including up to 5 feet of the Cutler formation.

The locations of Stage II drill holes, as shown on map, Figure 3, are subject to such changes as are approved by the Government, based upon an evaluation of Stage I drilling results.

Stage III

Stage III consists of bulldozing access roads to and preparing seventeen (17) drill sites at locations determined after a geologic evaluation of the results of drilling under Stages I and II. The holes in this stage shall be offset holes, and shall not be drilled closer than 100 feet to any other hole.

Not in excess of seventeen (17) holes aggregating not to exceed 10,321 feet shall be drilled in this stage. Each hole shall be started with a noncore bit; however, on entering the inferred mineralized horizon, each hole shall be cored for approximately the last 40 feet, including up to 5 feet of the Cutler formation.

General

A supervising engineer or geologist shall be employed full time while work under this contract is being performed. The supervisor's work shall consist of a daily examination and logging of the drill core, hole probing with company-owned instruments, determination of drilling depths, necessary surveying, locating drill-hole sites, and all other duties necessary to the satisfactory technical progress of the work described in this contract.

No hole shall be started unless it can be completed within the maximum footage provided for a stage; and the Government will not contribute to the cost of any incompleted hole.

Certified drill and geologic logs, and certified copies of analytical returns shall be submitted with the Operator's monthly progress reports.

All drill holes under this contract shall bottom with BX minimum size core bits.

One-half of the cuttings and core shall be stored for Government use.

No hole shall be drilled closer than 100 feet to the outer boundary of the land described in Annex I of this contract.

The supervision, the extent and method of sampling and drill-hole logging, the manner of storing and splitting drill cuttings and core, the location of access roads and drill sites, and the drilling method used, shall all be subject to Government approval.

Fixed Unit Costs

Stage I

7,906 feet of noncore drilling @ $2.86/ft.	$22,611.16	
595 feet of core drilling @ $4.49/ft.	2,671.55	
16 chemical analyses for U_3O_8, V_2O_5, and $CaCO_3$ @ $5.00/each sample	80.00	
Estimated Total Cost for Stage I		$25,362.71
Government Participation @ 75%		19,022.03

Stage II

6,211 feet of noncore drilling @ $2.86/ft.	$17,763.46
467 feet of core drilling @ $4.49/ft.	2,096.83

13 chemical analyses for U_3O_8, V_2O_5, and $CaCO_3$ @ $5.00/each sample	65.00	
Estimated Total Cost for Stage II		$19,925.29
Government Participation @ 75%		14,943.97

Stage III

9,599 feet of noncore drilling @ $2.86/ft.	$27,453.14	
722 feet of core drilling @ $4.49/ft.	3,241.78	
21 chemical analyses for U_3O_8, V_2O_5, and $CaCO_3$ @ $5.00/each sample	105.00	
Estimated Total Cost for Stage III		$30,799.92
Government Participation @ 75%		23,099.94

S U M M A R Y

Estimated Total Cost Stage I	$25,362.71
Estimated Total Cost Stage II	19,925.29
Estimated Total Cost Stage III	30,799.92
Estimated Total Cost of Project (rounded to)	$76,088.00 1/
Government Participation @ 75% (rounded to)	$57,066.00

1/ The unit cost for drilling includes the costs of access roads, preparing drill sites, and all other costs whatsoever necessary in connection with the performance of the project work.

(5)

MF-203
Revised March 24, 1955

For Government's Use Only
EXPLORATION PROJECT CONTRACT
Operator Walter Duncan Mining Co.
Docket No. DMEA-3582
Contract No. Idm-E
Contract Date

DEPARTMENT OF THE INTERIOR
Business Minerals Administration
RECEIVED
MAY 25 1955

CONSENT TO LIEN

To the United States of America:

Referring to that certain land in the County of San Juan, State of Utah, described as follows:1/

The Patterson Fraction Mining Claim recorded in Book 273, Page 204

Official records of said county.

which is the subject of a proposed exploration project contract, hereinafter called the "contract," with the United States of America, hereinafter called the "Government;" in consideration of the contract and as an inducement to the Government to enter into it, the undersigned hereby--

1. Undertakes and agrees that property in which the Government may acquire an interest or equity under the contract may be dismantled, severed from the land, and removed, as may be provided in the contract; and the Government's interest and equity in such property shall be prior and superior to any adverse right or claim of the undersigned;

2. Grants to the Government a lien upon all of the undersigned's right, title, and interest in the land and upon any production of minerals therefrom to secure the payment to the Government of a percentage royalty on production as may be provided for by the contract;2/ and represents and undertakes that there are no claims, liens, or encumbrances upon the undersigned's right, title, or interest in the land prior to that hereby granted to the Government other than the following:3/

NONE

3. Undertakes and agrees neither to commit any act nor assert any claim in conflict with the provisions of this Consent to Lien; and to give advance notice of the Government's rights under this Consent to Lien to any subsequent transferee, mortgagee, encumbrancer, or lessee of any of the undersigned's right, title, or interest in the land; and

1/ Either (a) insert the legal description of the land, or (b) strike out the words "as follows" and insert "in a lease [or contract, deed, or other document] dated _____, and recorded in book _____ page _____ official records of said county." If (b) is used, the book and page of recordation cannot be dispensed with. If the space provided is insufficient, use an Annex, and refer to the Annex in the space.

2/ Mining or production from the land is not required, and in the absence of production there is no obligation to repay the Government.

3/ Write "none" if that is the case. Do not leave lines blank.

4. Consents to all amendments and assignments of the contract without notice thereof, and agrees that this Consent to Lien shall extend and apply thereto.

5. Added provision: _____

_____

_____

_____

_____

_____

_____

_____

Dated this 16th day of May, 1955.

Frank L. Seymour [Seal]

_____ [Seal]

_____ [Seal]

I, _____ certify that I am the _____ _____ (Secretary, etc.) of the corporation named herein; that _____ _____ who signed this agreement was then _____ (President or Vice-President, etc.) of said corporation; that said agreement was duly signed for and in behalf of said corporation by authority of its governing body, and was within the scope of its corporate powers.

_____

[Corporate Seal]

DEPARTMENT OF THE INTERIOR
Bureau of Mines Administration
RECEIVED
APR - 4 1955

MF-203
(Revised July 1, 1954)

OWNER'S CONSENT TO LIEN

WHEREAS, the undersigned, as owner, co-owner, lessor, or seller has an interest in certain property in the State of Utah, County of San Juan, described as follows:1/

CLAIM NAME	P.L. 585 Notice Posted	Notice Recorded	Book	Page
Paragon 5	11-2-54	11-4-54	223	517
Paragon 7	11-2-54	11-4-54	223	517
Paragon 8	11-2-54	11-4-54	223	518

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

2/ J. Walter Duncan, Jr., d/b/a Walter Duncan Mining Company
P. O. Box 1468
Cortez, Colorado

hereinafter called the "Operator"; and

WHEREAS, under the provisions of said contract the Government is entitled to a percentage royalty on production and to other rights and equities which do or may conflict with or be adverse to the rights of the undersigned:

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, fixtures, 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 production3/ provided for under the terms of said exploration project contract or any amendment thereof there is hereby granted to the Government a lien upon the land above referred to and upon any production of minerals therefrom until said royalty is fully paid or ten years have elapsed from the date of the contract, whichever occurs first.

1/ Either (a) insert the legal description of the land, or (b) strike out the words "as follows" and insert "in a lease [or contract, deed, or other document] dated _____, and recorded in book _____ page _____ official records of said county." If (b) is used, the book and page of recordation cannot be dispensed with. If the space provided is insufficient, use an Annex, and refer to the Annex in the space.

2/ Insert the name of the Operator as it will appear in the exploration project contract.

3/ Mining or production from the land is not required, and in the absence of production there is no obligation to repay the Government.

(OVER)

3. The undersigned shall commit 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, executors, administrators, successors, and assigns of the undersigned.

4. Changes and added provisions **In Paragraph Two the words "the period fixed in the contract or any amendment thereof has" are substituted for "ten years have".**

Dated this 14th day of MARCH, 1955.

Quentin S. Bullock [Seal]

[Seal]

[Seal]

(Seal)

(Seal)

RECEIVED
APR - 4 1955

MF-203
(Revised July 1, 1954)

OWNER'S CONSENT TO LIEN

WHEREAS, the undersigned, as owner, co-owner, lessor, or seller has an interest in certain property in the State of Utah, County of San Juan, described as follows:1/

CLAIM NAME	P.L. 585 Notice Posted	Notice Recorded	Book	Page
Red Rock 1 West Extension	12-7-54	12-15-54	259	245
Red Rock 1	12- 1-54	12-8-54	247	441
Red Rock 2	12- 1-54	12-8-54	247	442
Red Rock 3	11-24-54	12-8-54	247	443
Red Rock 4	11-24-54	12-8-54	247	444
Red Rock 5	11-24-54	12-8-54	247	445
Red Rock 6	11-24-54	12-8-54	247	446

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

2/ J. Walter Duncan, Jr. d/b/a Walter Duncan Mining Company

P. O. Box 1468

Cortez, Colorado

hereinafter called the "Operator"; and

WHEREAS, under the provisions of said contract the Government is entitled to a percentage royalty on production and to other rights and equities which do or may conflict with or be adverse to the rights of the undersigned:

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, fixtures, 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 production3/ provided for under the terms of said exploration project contract or any amendment thereof there is hereby granted to the Government a lien upon the land above referred to and upon any production of minerals therefrom until said royalty is fully paid or ten years have elapsed from the date of the contract, whichever occurs first.

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3/ Mining or production from the land is not required, and in the absence of production there is no obligation to repay the Government.

(OVER)

3. The undersigned shall commit 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, executors, administrators, successors, and assigns of the undersigned.

4. Changes and added provisions **In Paragraph Two the words "the period fixed in the contract or any amendment thereof has" are substituted for "ten years have".**

Dated this _____ day of _____, 195____.

G O Patterson [Seal]
G. O. Patterson

_____ [Seal]

Lyle Francis [Seal]
Lyle Francis

R. F. Jenkins (Seal)
R. F. Jenkins

F B Jenkins (Seal)
F. B. Jenkins

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
APR 4 1955

MF-203
(Revised July 1, 1954)

OWNER'S CONSENT TO LIEN

WHEREAS, the undersigned, as owner, co-owner, lessor, or seller has an interest in certain property in the State of Utah, County of San Juan, described as follows:1/

CLAIM NAME	P.L. 585 Notice Posted	Notice Recorded	Book	Page
White Rock 1	11-24-54	12-8-54	247	458
White Rock 2	11-24-54	12-8-54	247	459
White Rock 3	12- 1-54	12-8-54	247	460
White Rock 4	11-24-54	12-8-54	247	460
White Rock 2 East Extension	12-10-54	12-15-54	259	245

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

2/ J. Walter Duncan, Jr., d/b/a Walter Duncan Mining Company

P. O. Box 1468

Cortez, Colorado

hereinafter called the "Operator"; and

WHEREAS, under the provisions of said contract the Government is entitled to a percentage royalty on production and to other rights and equities which do or may conflict with or be adverse to the rights of the undersigned:

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, fixtures, 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 production3/ provided for under the terms of said exploration project contract or any amendment thereof there is hereby granted to the Government a lien upon the land above referred to and upon any production of minerals therefrom until said royalty is fully paid or ten years have elapsed from the date of the contract, whichever occurs first.

1/ Either (a) insert the legal description of the land, or (b) strike out the words "as follows" and insert "in a lease [or contract, deed, or other document] dated _____, and recorded in book _____ page _____ official records of said county." If (b) is used, the book and page of recordation cannot be dispensed with. If the space provided is insufficient, use an Annex, and refer to the Annex in the space.

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(OVER)

3. The undersigned shall commit 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, executors, administrators, successors, and assigns of the undersigned.

4. Changes and added provisions **In Paragraph Two the words "the period fixed in the contract or any amendment thereof has" are substituted for "ten years have".**

Dated this _____ day of _____, 195____.

G O Patterson [Seal]
G. O. PATTERSON

_____ [Seal]

R. F. Jenkins [Seal]
R. F. JENKINS

_____ (Seal)

F B Jenkins (Seal)
F. B. JENKINS

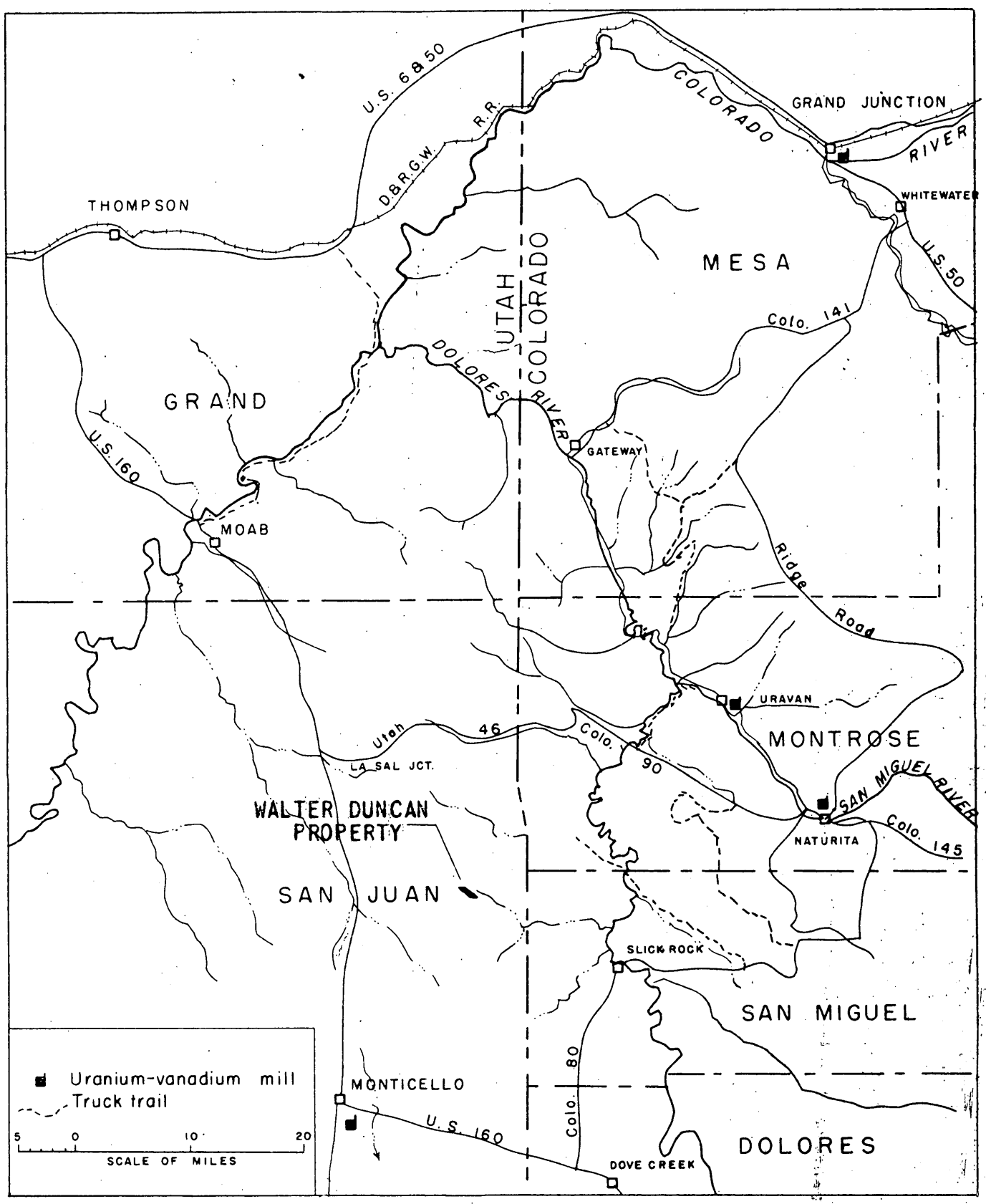
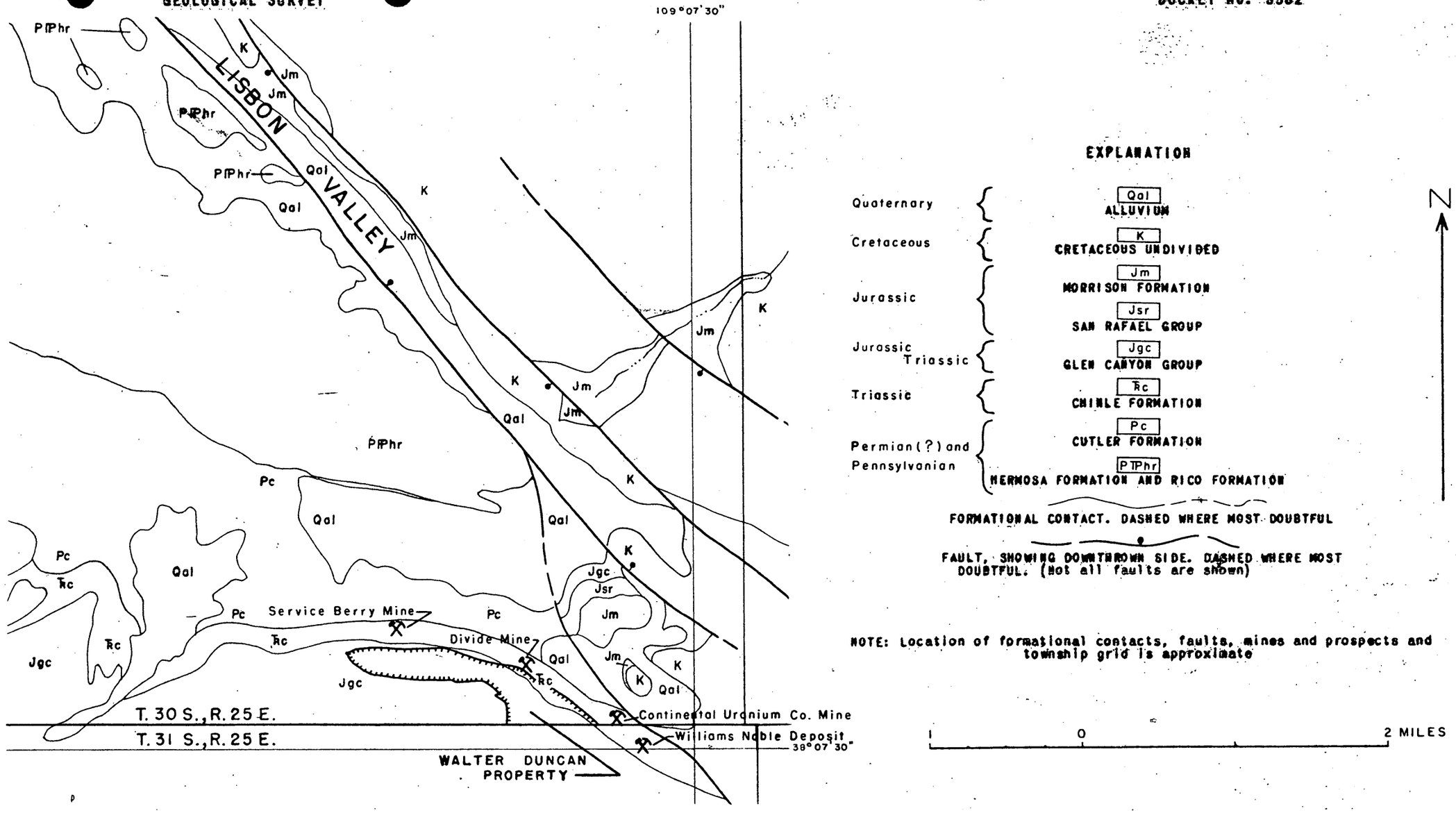


Figure 1. INDEX MAP OF PART OF THE COLORADO PLATEAU SHOWING LOCATION OF WALTER DUNCAN MINING CO. CLAIMS, LISBON VALLEY AREA SAN JUAN COUNTY, UTAH

RECEIVED
JUL - 1 1955

UNITED STATES DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

DEFENSE MINERALS EXPLORATION ADMINISTRATION
DOCKET NO. 3582



NOTE: Location of formational contacts, faults, mines and prospects and township grid is approximate

Figure 2. MAP SHOWING GEOLOGIC SETTING OF THE WALTER DUNCAN CO. MINING CLAIMS, LISBON VALLEY AREA, SAN JUAN COUNTY, UTAH

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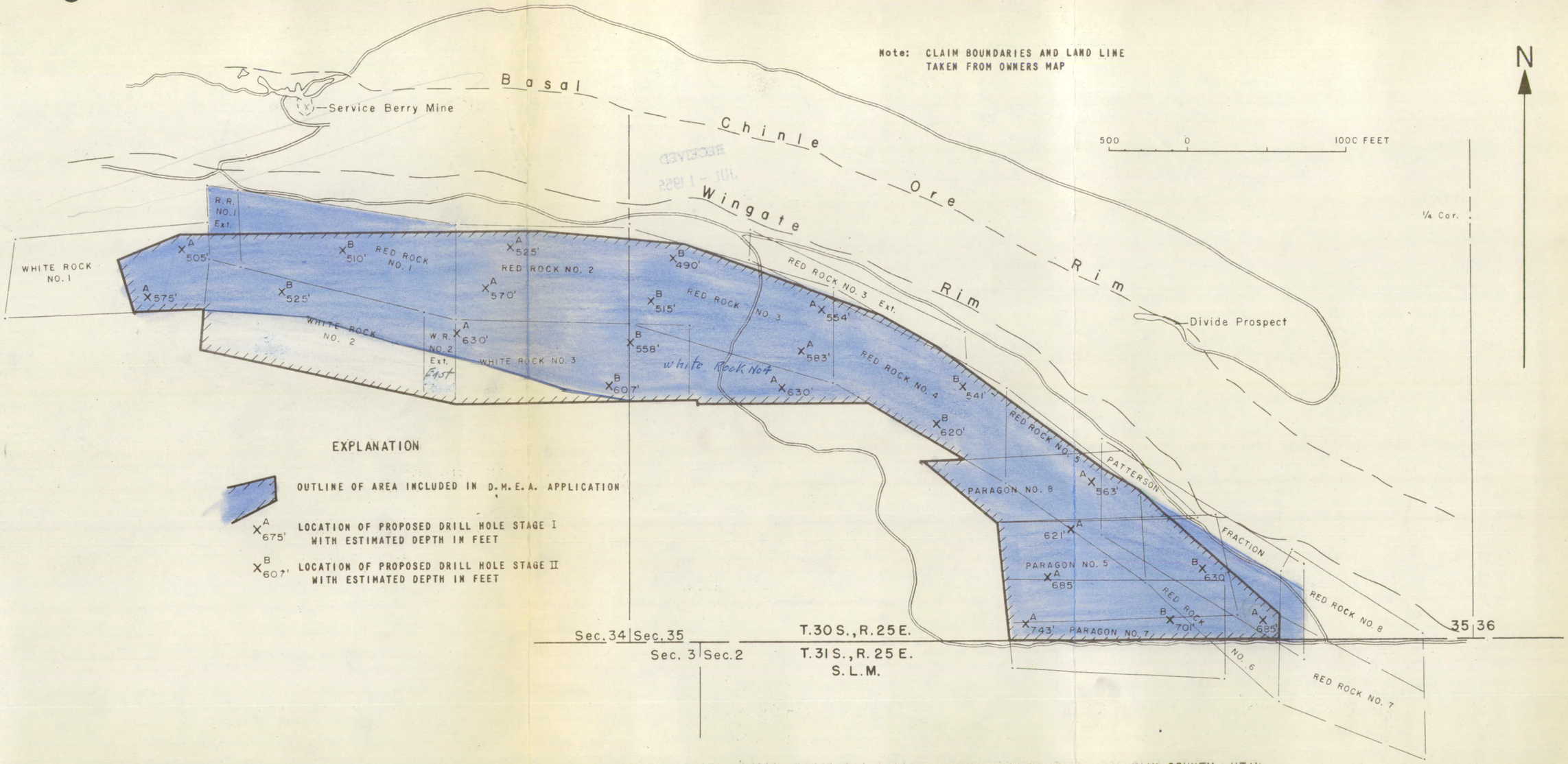


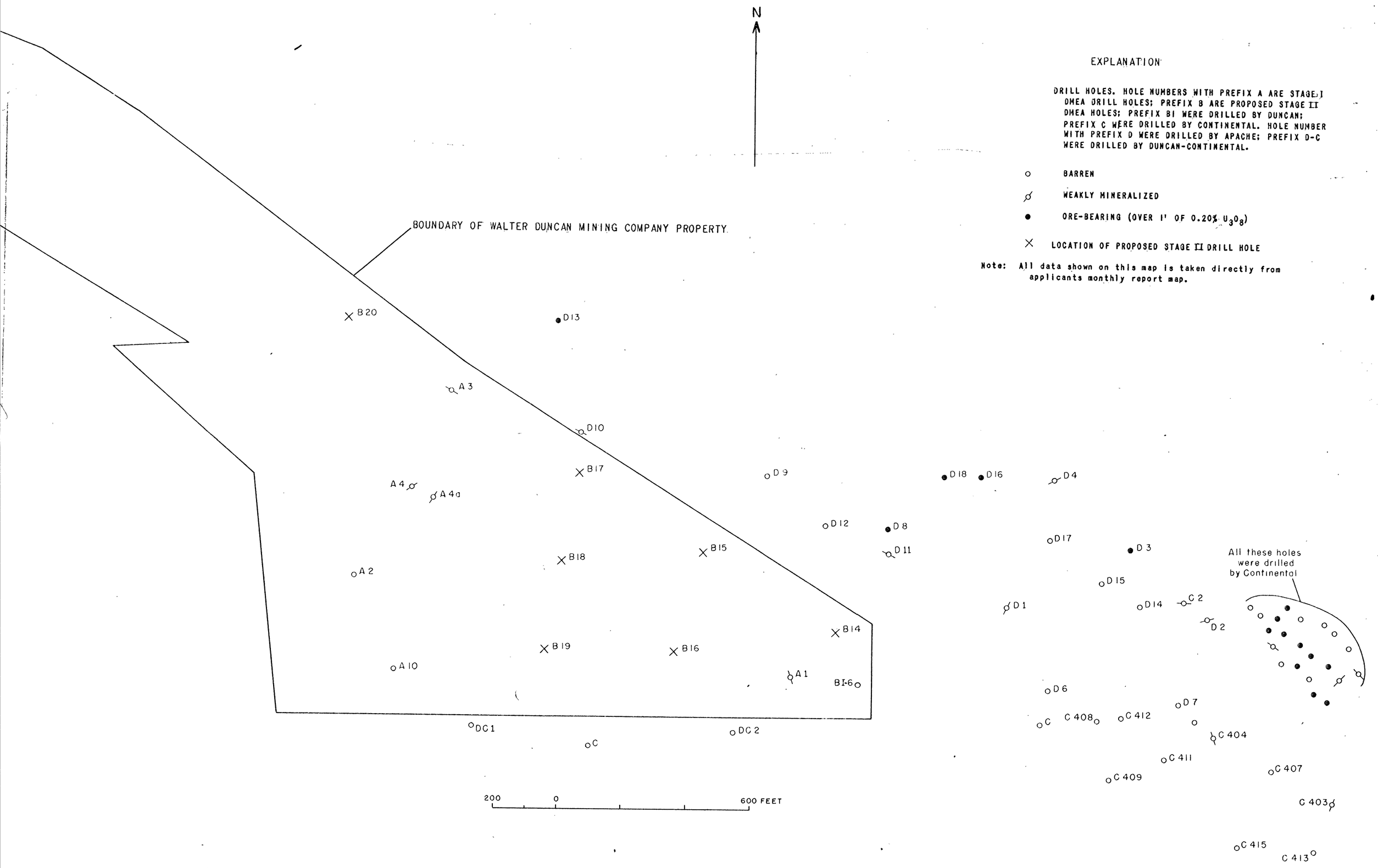
Figure 3. CLAIM MAP SHOWING LOCATION OF PROPOSED DRILL HOLES ON WALTER DUNCAN MINING CO. CLAIMS, LISBON VALLEY AREA, SAN JUAN COUNTY, UTAH

RECEIVED
JUL - 1 1955

UNITED STATES DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

RECEIVED
OCT 27 1955

DEFENSE MINERALS EXPLORATION ADMINISTRATION
DOCKET 3582 OCTOBER 1955



EXPLANATION

DRILL HOLES. HOLE NUMBERS WITH PREFIX A ARE STAGE I DMEA DRILL HOLES; PREFIX B ARE PROPOSED STAGE II DMEA HOLES; PREFIX BI WERE DRILLED BY DUNCAN; PREFIX C WERE DRILLED BY CONTINENTAL. HOLE NUMBER WITH PREFIX D WERE DRILLED BY APACHE; PREFIX D-C WERE DRILLED BY DUNCAN-CONTINENTAL.

○ BARREN

ø WEAKLY MINERALIZED

● ORE-BEARING (OVER 1' OF 0.20% U_3O_8)

× LOCATION OF PROPOSED STAGE II DRILL HOLE

Note: All data shown on this map is taken directly from applicants monthly report map.

Figure 1. MAP OF PART OF WALTER DUNCAN MINING COMPANY PROPERTY, SHOWING LOCATION OF STAGE I, SEVEN PROPOSED STAGE II DRILL HOLES, AND PRIVATE DRILLING ON ADJACENT PROPERTY, SAN JUAN COUNTY, UTAH.