3-23-55

National Uranium Corporation
Docket No. DMEA-3700 (Uranium)
Del Monte Group
Garfield County, Utah

If as and when this Company sends in additional applications, note the OFFERING CIRCULAR included in this file. Possibly the application should be combined under one although the Del Monte appears to be okay since it is quite removed from the rest of the holdings.

Ernest Wm. Ellis, Chief
Rare and Miscellaneous
Metals Division

EW:am

8/2/55 gla

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

RECEIVED
AUG - 1 1955

July 29, 1955

Memorandum

To: Ernest William Ellis, DMEA Member
Uranium Commodity Committee, Room 4445

From: John E. Crawford, Bureau of Mines Member
Uranium Commodity Committee

Subject: Report of Examination, DMEA Docket 3700, National Uranium Corporation, Del Monte Group, Garfield County, Utah

I have reviewed the Field Team report of examination, National Uranium Corporation, DMEA Docket 3700; and I have discussed it with Joseph O. Hosted, Washington representative of the Atomic Energy Commission.

We concur with the recommendation of the Field Team that the application be denied.

The report is being forwarded to the Chief, Division of Minerals, in accordance with the routing slip attached thereto.

John E Crawford
John E. Crawford

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

RECEIVED
AUG - 1 1955

July 29, 1955

Memorandum

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We concur with the recommendation of the Field Team that the application be denied.

The report is being forwarded to the Chief, Division of Minerals, in accordance with the routing slip attached thereto.

John E. Crawford

Surname 700

Murphy
Ellis
Guhan
Kilsgaard
Martin
Johnson

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

JUL 29 1955

Mr. Martin Lasher, President
National Uranium Corporation
Room 1707 - 29 Broadway
New York 6, New York

Re: Docket No. DMEA-3700 (Uranium)
Del Monte Group
Garfield County, Utah

Dear Mr. Lasher:

Your application for aid in an exploration project and other data available to us in Washington concerning your above-named property have been reviewed.

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

Careful study of all our information, although noting a small amount of mineralization on your property, indicates to us that the probability of disclosing minable ore reserves by your proposed program is not sufficiently promising to justify Government participation. We regret to advise you, under these circumstances, that your application for exploration assistance is denied.

We wish to thank you for your interest in the Defense Minerals Program and for bringing your property to our attention.

Sincerely yours,

C. O. Mittendorf (for)

Administrator

FMurphy:am - 7-27-55
cc to: Admr. Reading File
Operating Committee
Code 700
Mr. Murphy
Messrs. J. E. Crawford, Rm. 3641
T. H. Kiilsgaard, Rm. 5222
J. O. Hosted, Rm. 3210, GSA
DMEA Field Team, Region III(2)

R.S.

MF-500

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

REFERENCE SLIP

DATE 7-27-55

REFERRED TO:
1. Operating Com., Rm. 4459
2. Mr. Mittendorf, Rm. 4459
3. Mails & Files, Rm. 4450
4.

FOR:

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

REMARKS:

Check (X) before the items needing attention.

Ernest Wm. Ellis

am *Initials of sender.*

GPO 16—63815-1

(Docket Copy) 700

Murphy

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

WASHINGTON 25, D. C.

July 27, 1955

SUMMARY OF PROPOSED PROJECT

Object: Denial of application for an exploration project.

Docket No.: DMEA-3700

Commodity: Uranium

Applicant: National Uranium Corporation
29 Broadway, Room 1707
New York 6, New York

Property: Owner, Del Monte Group of claims Del Monte Nos. 1 through 6, in unsurveyed T. 35 S., R. 11 E., S.L.B. & M., Garfield County, Utah.

Date of Application: February 10, 1955

Date of Field Referral: March 9, 1955

Field Team Report Received: May 31, 1955

Amount of Application: $33,317.68

Work Proposed and Costs:

Trails to access roads	$2,500.00
17,100 feet wagon drilling	10,471.98
Labor, supervision, and consultants	12,960.00
Operating material and supplies	1,000.00
New buildings	300.00
Miscellaneous	1,490.00
Contingencies	2,795.70
300 Analyses, U_3O_8, V_2O_5, Ca Co_3	1,800.00
Total estimated cost of project	$33,317.68
Government participation @ 75%	$24,988.26

Commodity Committee Members' Comments:

U. S. Geological Survey

N. E. Nelson, June 7, 1955

Mr. Nelson's memorandum pointed out that the data available and that submitted by the Field Team did not appear to agree. He mentions particularly that some reports indicate large ore-bodies in the area while the Field Team report states the average ore body would only contain a few tons of ore. Therefore Mr. Nelson recommended that the Field Team review the application again.

U. S. Bureau of Mines

J. E. Crawford, June 10, 1955

Requests an evaluation by the Field Team of their previous report.

Field Team Report of Examination:

"About 50 small lenses of uranium ore, having a maximum length of 5 feet and thickness of 20 inches, are distributed at random along 1,800 feet of rim outcrop. Three adits, each about 50 feet long, driven into the rim at right angles to the line of outcrop revealed no change in the size of the lenses or their frequency of occurrence in that direction. No sedimentary trends or other control of mineralization could be detected. Mullens (U.S. G.S. examiner) concludes that the largest ore body that might be found on this property will contain about one ton of ore having an average grade of 0.20 percent U_3O_8, and that there are no known favorable trends on which to base an exploration program."

The Field Team concur in the recommendation of the Field examiners that the application be denied.

A letter, dated June 10, from the Operating Committee to the Field Team requested a review and comments with regard to the apparent discrepancies between the field examiners report and reports of previous examiners of the property.

The Field Team, July 13, forwarded their comments on the questions brought out in Mr. Nelson's memorandum.

Mr. Nelson's memorandum, dated July 22, in response to the Field Team's review states in part.

"The questioning resulted from what appeared to be a case of responsible reporters, reporting on different parts of a property."

"The six-page report by G. C. Ridland, dated June 24, 1949, on the 'Canadian Radium and Uranium Corporation Claims,' is not directly related to the application. I stand corrected."

"I concur with the Field Team recommendation that the application be denied."

Rare and Miscellaneous Metals Division

F. M. Murphy, July 27, 1955

In the vicinity of the property, erosion has removed the overlying Brushy Basin Member of the Morrison formation. The Salt Wash member which ranges from 250 to 450 feet in thickness has also been eroded. Approximately 150 feet of the Salt Wash remains in the area of the proposed project.

Because most of minable uranium deposits have been found in only the upper sandstone strata of the Salt Wash member, which appears to have been eroded, and because of the size of possible deposits in the lower horizon of the Salt Wash would not constitute minable ore bodies, this Division concurs with the Field Team in their recommendation that the subject Application be denied.

Ernest Wm. Ellis

Ernest Wm. Ellis, Chief
Rare and Miscellaneous
Metals Division

7/26/55 gla

IN REPLY REFER TO:

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

RECEIVED
JUL 25 1955

July 22, 1955

Re: DMEA 3700
National Uranium Corp.
Del Monte Group
Garfield Co., Utah
$33,317.68 - Uranium

Memorandum

To: E. W. Ellis, Defense Minerals Exploration Administration

From: N. E. Nelson, U. S. Geological Survey

Subject: Review of memoranda of field examiners concerning my questions in a memorandum dated June 7, 1955.

The questioning resulted from what appeared to be a case of responsible reporters, reporting on different parts of a property. Differences of opinion and interpretation are to be expected, but material differences in the description and evaluation of physical facts are not expected.

The six page report by G. C. Ridland dated June 24, 1949, on the "Canadian Radium and Uranium Corporation Claims," is not directly related to the application. I stand corrected. The Wicks' report is only slightly related and, as I noted, the estimate is too enthusiastic, judging by record of production as reported by the examiners.

I concur with the Field Team recommendation that the application be denied.

T. H. Kiilsgaard
For: N. E. Nelson

IN REPLY REFER TO:

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

RECEIVED
JUL 25 1955

July 22, 1955

Re: DMEA 3700
National Uranium Corp.
Bal Monte Group
Garfield Co., Utah
$33,317.68 - Uranium

Memorandum

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From: N. E. Nelson, U. S. Geological Survey

Subject: Review of memoranda of field examiners concerning my questions in a memorandum dated June 7, 1955.

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I concur with the Field Team recommendation that the application be denied.

N. E. Nelson

NENelson:iml
G-7/22/55

cc: Director's reading, 4212
Branch reading, 4212
DMEA (3)
Docket file
J. E. Crawford, 3641
J. O. Hosted, 3210

IN REPLY REFER TO:

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

RECEIVED
JUL 25 1955

July 22, 1955

Re: DMEA 3700
National Uranium Corp.
Bal Monte Group
Garfield Co., Utah
$33,317.68 - Uranium

Memorandum

To: E. W. Ellis, Defense Minerals Exploration Administration

From: N. E. Nelson, U. S. Geological Survey

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I concur with the Field Team recommendation that the application be denied.

N. E. Nelson

NENelson:iml
G-7/22/55

cc: Director's reading, 4212
Branch reading, 4212
DMEA (3)
Docket file
J. E. Crawford, 3641
J. O. Hosted, 3210

IN REPLY REFER TO:

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

RECEIVED
JUL 25 1955

July 22, 1955

Re: DMEA 3700
National Uranium Corp.
Del Monte Group
Garfield Co., Utah
$33,317.68 - Uranium

Memorandum

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I concur with the Field Team recommendation that the application be denied.

N. E. Nelson

NENelson:iml
G-7/22/55

cc: Director's reading, 4212
Branch reading, 4212
DMEA (3)
Docket file
J. E. Crawford, 3641
J. O. Hosted, 3210

7/25/55 gla

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

RECEIVED
JUL 13 1955

224 New Customhouse
Denver 2, Colorado

July 13, 1955

Memorandum

To: Chairman of the Operating Committee

From: Field Team, Region III

Subject: Docket DMEA-3700 (Uranium), National Uranium Corporation, Del Monte Group, Garfield County, Utah

In reply to your letter of June 10, 1955, enclosed are four copies of memoranda concerning "discrepancies" in the report by G. C. Ridland, representing the applicant, and the report of our field examiners.

From the evidence presented, we concur with the recommendation of the field examiners that the application be denied.

W. M. Traver

W. M. Traver

E. N. Harshman

E. N. Harshman

Enclosures

DMEA Field Team, Region III

Reviewed by
DMEA OPERATING COMMITTEE
7-22-55
(date)

RECEIVED
JUL 1 1955
DMEA
Date Rec'd
JUL 1 1955
BUREAU OF MINES

June 30, 1955

Memorandum

To: W. M. Travar, Executive Officer, DMEA Field Team, Region III

From: Stephen R. Wilson

Subject: Docket No. DMEA-3700 (Uranium), National Uranium Corporation, Dal Monte group, Garfield County, Utah

Attached are 10 copies of a memorandum prepared by M. M. Gilbey, concerning questions raised in a memorandum dated June 15, 1955, from the Field Team, Region III. Requests for certain pertinent data were also included in correspondence from DMEA, Washington, D. C.

It is believed that the information presented by Gilbey clarifies "discrepancies" mentioned.

Stephen R. Wilson
Stephen R. Wilson

Enclosures

cc: J. Bruce Clemmer

Reviewed by
DMEA OPERATING COMMITTEE
7-22-55
(date)

S. R. Wilson June 28, 1955

M. M. Gilbey

Docket No. DMEA-3700 (Uranium), National Uranium Corporation, Del Monte group, Garfield County, Utah.

In a memorandum dated June 15, 1955 the Field Team, Region III requests that we review certain data pertinent to the subject application for a DMEA loan, and forward a memorandum to clarify discrepancies that apparently exist between the reports written on the Del Monte property. The apparent discrepancies are cited in a "Review of Examining Team Report" dated June 7, 1955, by Mr. H. E. Nelson (DMEA). Mr. Nelson states that "Some of the data in the reports forming parts of the application are very much at variance with those of the examining team report". (The complete text of the Review is attached hereto.)

The reports forming parts of the application include the following:

1. By G. Carman Bickland, June 24, 1949, "Canadian Radium and Uranium Corporation, Concordia Claims, Henry Mountains area, Southeastern Utah".

2. By G. Carman Bickland, June 10, 1949, "The Del Monte Uranium Property, Henry Mountain Mining District, Garfield County, Utah".

3. By Frank R. Hicks, April 15, 1952, "L. R. Weeks' Uranium Ore Properties in the Henry Mountain area in Garfield County, Utah".

The examining team's report, transmitted May 25, 1955, recommends denial of the loan request. This report includes a Geologic Report by T. E. Mullins (DMEA), and an Engineering Report by M. M. Gilbey (DMEA). Three representatives of the applicant were present at the time of the examination.

The examination revealed that ore occurs on the Del Monte property in irregularly distributed lenses averaging about 4 feet long and 4 inches thick and containing about 1 percent U_3O_8. Forty-five or 50 of these lenses have been mined along approximately 1500 feet of exposed Salt Wash rim. Ore bodies of such small size and irregular spacing are not profitably minable unless exposed at the surface. The small ore bodies mined to date appear to be representative of undiscovered deposits in the proposed project area, as no geologic evidence to the contrary was observed. No samples were taken by the examining team because radiometric testing indicated that significant uranium mineralization is confined to the lenses.

Reviewed by
DMEA OPERATING COMMITTEE
7-22-55
(date)

In the first paragraph in the Review, Mr. Nelson points out that G. C. Ridland reports (page 3, exhibit 7, "The Del Monte Uranium Property") (1)"...the sampling of a body of good grade on the Del Monte No. 1 (claim) 3 feet thick (wide) and 22 feet long...", (2)"...a bed of sandstone 6 feet thick is mineralized...traced in both directions along the strike for several hundred feet...a chip sample was taken over an 8-foot section of the bed. The assay returned 0.20 percent U_3O_8..."

In the second paragraph of the Review, Mr. Nelson quotes from the Geologic Report of the examining team (page 3). "Small lenses of uranium and vanadium-bearing minerals occur in the Salt Wash sandstone exposed at the Del Monte group of claims..." He calls attention to the contrast in the descriptions of the deposits and mentions that no sampling is reported by the examining team.

The examining team has described the deposits in the light of observed evidence. No attempt was made to "reconcile discrepancies". No samples were taken, for the reason mentioned above.

In the third paragraph of the Review, it is pointed out that, in the G. C. Ridland report, (page 3, exhibit 7, "The Del Monte Uranium Property") "...Fragments of fossil trees and vegetable matter are common and usually there some if not considerable concentrations of carnotite are in and around these organic remains".

Paragraph 1, on the second page of the Review, quotes the Geologic Report of the examining team (page 3) "Plant material is uncommon in the Salt Wash at the Del Monte group and no 'trash pocket' accumulation of uranium minerals was observed. On the other hand, many of the mineralized lenses contained a black material which could be a carbonaceous substance such as asphalt".

The association of uranium mineralization with organic remains, as reported by the examiners, does not agree with the Ridland report. It is possible that significant mineralization of this type exists on parts of the property not visited by the examiners. The examiners were not directed to any such deposits by the company representatives.

Paragraph 2, on the second page of the Review, calls attention to the following quotation from page 7 of the Engineering Report of the examining team: "The brochure includes two reports that are not directly related to the application. These are: (1) the report by G. Carmen Ridland, June 24, 1949, "Canadian Radium and Uranium Corporation, Carnotite Claims, East Henry Mountains Area, Southeastern

"'Utah', and (2) the report by Frank R. Wicks, April 15, 1952, which describes the 'Canadian, South Fork, etc. groups of claims.' (i.e. L. R. Weeks' Uranium Ore Properties in the Henry Mountain area in Garfield County, Utah.)"

Mr. Nelson then states that "The quotations above (concerning ore occurrences) are from the Ridland (1949) report of 4 pages entitled 'Del Monte Uranium Property, Henry Mountain Mining District, Garfield County, Utah.' The property is the same as that visited by the examining team, except for one claim, Del Monte No. 7 which was located in January 1955."

As indicated above, the application is accompanied by two reports by G. Carman Ridland (1949). One of these, the 6-page report dated June 27, 1949, "Canadian Radium and Uranium Corporation Claims" describes property in the northern part of the Henry Mountains area, some 20 to 30 miles north of the proposed project area. In the Summary to that report, these claims are located as follows: "...near Trachyte Creek on the east side of Mts. Ellen and Pennsylvania, the two most northerly peaks of the Henry Mountains." The Del Monte claims, on the other hand, are on a flank of the southernmost peak, Mt. Ellsworth. The writer of the Engineering Report called attention to this, in anticipation of possible confusion on the part of those reviewing the application and reports.

With regard to the Wicks report: In 8 pages of text describing a vast area, the Del Monte claims are mentioned only once, under "Climatic Conditions". "No production should be attempted on the Del Monte... group during the winter months." In a production estimation table, entitled "Basis of Valuation" and attached to the Wicks report, production on the Del Monte claims Nos. 1-6, for the period 1950-1959, is evaluated at $250,000.

The method used in computing the production valuation involves a tons-per-acre factor. Surface placer deposits may be evaluated on this basis, but the method is not satisfactory when applied to sporadic, underground uranium deposits. The estimation of tonnage per acre is obviously the result of pure speculation, and the evaluation disregards economic considerations such as the prohibitively high cost of development for deposits of the Del Monte type.

Commenting the tonnage discrepancy, Mr. Nelson makes the following statement: "The production record as given in the examining team report does not back up the estimate, if a real effort has been made to achieve production status".

Although the examining team could not accurately determine the degree of effort exerted by operators of the Del Norte property, the failure to achieve the predicted rate of production is understandable. The deposits are too irregularly distributed and too small for profitable underground mining.

In some instances, reports submitted by loan applicants are very optimistic as to the merits of properties involved in proposed projects. Inasmuch as the examining teams are expected to submit reports based on actual observations, their reports may disagree with those of the applicants, and reconciliation may not be possible. Such is the case in the present instance.

M. M. Gilkey

M. M. Gilkey

IN REPLY REFER TO:

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY
Defense Minerals Exploration Administration
Denver Federal Center
Denver, Colorado

July 11, 1955

RECEIVED
JUL 19 1955

Memorandum

To: DMEA Field Team, Region III

From: E. N. Harshman

Subject: DMEA Docket 3700 (Uranium), National Uranium Corporation, Dal Monte group, Garfield County, Utah

Enclosed are the original and nine copies each of a memorandum by Howard F. Albee and a memorandum by J. W. Hassler regarding apparent discrepancies in the examination reports and certain reports submitted by the applicant. Both memoranda are self-explanatory.

I wish to point out that the concurrence of the two geologists with geologic matters discussed by Gilley does not indicate an unwillingness on their part to discuss the geologic problems, but rather reflects the fact that the reports in question were not available for their review until after the Gilley memorandum was written and available for their study.

E. N. Harshman

E. N. Harshman
Member, Field Team

Enclosures (18)

EHarshman:mrk

Reviewed by
DMEA OPERATING COMMITTEE
7-22-55
(date)

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

DMEA
Date Rec'd.
JUL 12 1955
BUREAU OF MINES
Denver, Colorado

July 7, 1955

Memorandum

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

RECEIVED
JUL 13 1955

From: J. William Hasler

Subject: DMEA 3700 (Uranium) National Uranium Corporation, Del Monte group, Garfield County, Utah

This memorandum is in reply to your request to review data pertinent to this application with respect to certain discrepancies that exist between various geologic reports concerning the subject property.

I received the brochure covering the subject docket from Stephen R. Wilson on July 5, in which was included the memorandum to Mr. Wilson from M. M. Gilkey, Bureau of Mines engineer.

I had asked Howard F. Albee of this office, who accompanied Mr. Mullens on the initial examination, to review the problems concerning these discrepancies. His comments agreed wholly with those made by Mr. Gilkey, which I felt covered the review very thoroughly. I feel that the examining team was thorough in its examination and that their appraisal of the subject property was good. The examining team recommends that the application be denied, based upon the fact that the ore on the property occurs in small, discontinuous lenses of sandstone, and that the likelihood of any significant discovery of ore is not good. I feel that any further review at this time is unwarranted and concur with Mr. Albee's and Mr. Gilkey's conclusions.

Enclosed is the brochure, as well as Mr. M. M. Gilkey and H. F. Albee memorandums, as you requested.

J. William Hasler
J. William Hasler,
Geologist

JWH/mlr

Enclosures

Reviewed by
DMEA OPERATING COMMITTEE
7-22-55
(date)

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

DMEA
Date Rec'd.
JUL 12 1955
BUREAU OF MINES
Denver, Colorado

July 7, 1955

Memorandum

To: J. William Hasler

RECEIVED
JUL 18 1955

From: Howard F. Albee

Subject: DMEA 3700 (uranium) National Uranium Corporation, Del Monte group, Garfield County, Utah

The Del Monte group of claims was examined by T. E. Mullens and myself of the Geological Survey, andMillard Gilkey, engineer, U. S. Bureau of Mines. We were in complete agreement as regards to the size of ore bodies observed on the Del Monte group of claims.

No sampling was done during the examination. Mineralized and ore-grade material were differentiated from barren sandstone on the basis of scintillation counter readings. At no place on the property was there any abnormal count detected in the sandstone away from the lenses containing ore, either vertically or horizontally. The host rock has abundant disseminated limonite stains and no count was found in this type of sandstone by the counter.

Many small lenses of ore were seen at the outcrop, but they are not in thickened parts of any one continuous mineralized zone. Each lens of ore is not connected with another lens of ore; they appear to be clearly separate, small, individual lenses.

The company's representative, at the time of examination, showed us the location they considered to have the largest amount of ore showing. This lens was described in the examining team's report and was described as being 5 feet long by 20 inches thick. It was upon the basis of these observations by the examining team that the application for DMEA assistance was denied.

Reviewed by
DMEA OPERATING COMMITTEE
7-22-55
(date)

7/19/55 gla

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

RECEIVED
JUL 18 1955

224 New Customhouse
Denver 2, Colorado

July 13, 1955

Memorandum

To: Chairman of the Operating Committee

From: Field Team, Region III

Subject: Docket DMA-3700 (Uranium), National Uranium Corporation, Del Monte Group, Garfield County, Utah

In reply to your letter of June 10, 1955, enclosed are four copies of memoranda concerning "discrepancies" in the report by C. C. Midland, representing the applicant, and the report of our field examiners.

From the evidence presented, we concur with the recommendation of the field examiners that the application be denied.

W. M. Traver
W. M. Traver

E. N. Hausman
E. N. Hausman

Enclosures

DMEA Field Team, Region III

DMEA
Date Rec'd.

JUL 1 1955

June 30, 1955

Memorandum

To: M. M. Traver, Executive Officer, DMEA Field Team, Region III

From: Stephen R. Wilson

Subject: Docket No. DMEA-3708 (Western), National Uranium Corporation, Dal Monte group, Garfield County, Utah

Attached are 10 copies of a memorandum prepared by M. H. Gilbey, concerning questions raised in a memorandum dated June 15, 1955, from the Field Team, Region III. Requests for certain pertinent data were also included in correspondence from DMEA, Washington, D. C.

It is believed that the information presented by Gilbey clarifies "discrepancies" mentioned.

Stephen R. Wilson
Stephen R. Wilson

Enclosures

cc: J. Bruce Glasmer

S. R. Wilson June 28, 1955

M. M. Gilley

Docket No. DMEA-3700 (Uranium), National Uranium Corporation, Del Monte group, Garfield County, Utah.

In a memorandum dated June 15, 1955 the Field Team, Region III requests that we review certain data pertinent to the subject application for a DMEA loan, and forward a memorandum to clarify discrepancies that apparently exist between the reports written on the Del Monte property. The apparent discrepancies are cited in a "Review of Examining Team Report" dated June 7, 1955, by Mr. E. E. Nelson (USGS). Mr. Nelson states that "Some of the data in the reports forming parts of the application are very much at variance with those of the examining team report". (The complete text of the Review is attached hereto.)

The reports forming parts of the application include the following:

1. By G. Carman Ridland, June 24, 1949, "Canadian Radium and Uranium Corporation, Carnotite claims, East Henry Mountains area, Southeastern Utah".

2. By G. Carman Ridland, June 10, 1949, "The Del Monte Uranium Property, Henry Mountain Mining District, Garfield County, Utah".

3. By Frank R. Wicks, April 15, 1952, "L. R. Weeks' Uranium Ore Properties in the Henry Mountain area in Garfield County, Utah".

The examining team's report, transmitted May 25, 1955, recommends denial of the loan request. This report includes a Geologic Report by F. E. Mallins (USGS), and an Engineering Report by M. M. Gilley (USBM). Three representatives of the applicant were present at the time of the examination.

The examination revealed that ore occurs on the Del Monte property in irregularly distributed lenses averaging about 4 feet long and 4 inches thick and containing about 1 percent U_3O_8. Forty-five or 50 of these lenses have been mined along approximately 1500 feet of exposed Salt Wash rim. Ore bodies of such small size and irregular spacing are not profitably minable unless exposed at the surface. The small ore bodies mined to date appear to be representative of undiscovered deposits in the proposed project area, as no geologic evidence to the contrary was observed. No samples were taken by the examining team because radiometric testing indicated that significant uranium mineralization is confined to the lenses.

In the first paragraph in the Review, Mr. Nelson points out that G. C. Ridland reports (page 3, exhibit 7, "The Bal Monte Uranium Property") (1)"...the sampling of a body of good grade on the Bal Monte No. 1 (claim) 3 feet thick (this) and 22 feet long...", (2)"...a bed of sandstone 8 feet thick is mineralized...traced in both directions along the strike for several hundred feet...a chip sample was taken over an 8-foot section of the bed. The assay returned 0.20 percent U_3O_8..."

In the second paragraph of the Review, Mr. Nelson quotes from the Geologic Report of the examining team (page 3). "Small lenses of uranium and vanadium-bearing minerals occur in the Salt Wash sandstone exposed at the Bal Monte group of claims..." He calls attention to the contrast in the descriptions of the deposits and mentions that no sampling is reported by the examining team.

The examining team has described the deposits in the light of observed evidence. No attempt was made to "reconcile discrepancies". No neglect were taken, for the reason mentioned above.

In the third paragraph of the Review, it is pointed out that, in the G. C. Ridland report, (page 3, exhibit 7, "The Bal Monte Uranium Property") "...Fragments of fossil trees and vegetable matter are common and usually show some if not considerable concentration of carnotite are in and around these organic remains".

Paragraph 1, on the second page of the Review, quotes the Geologic Report of the examining team (page 3) "Plant material is uncommon in the Salt Wash at the Bal Monte group and no 'trash pocket' accumulation of uranium minerals was observed. On the other hand, many of the mineralized lenses contained a black material which could be a carbonaceous substance such as asphalt".

The association of uranium mineralization with organic remains, as reported by the examiners, does not agree with the Ridland report. It is possible that significant mineralization of this type exists on parts of the property not visited by the examiners. The examiners were not directed to any such deposits by the company representatives.

Paragraph 2, on the second page of the Review, calls attention to the following quotation from page 7 of the Engineering Report of the examining team "The Numbers includes two reports that are not directly related to the application. These are: (1) the report by G. Cannon Ridland, June 24, 1949, "Canadian Radium and Uranium Corporation, Carnotite Claims, Red Rocky Mountains Area, Southeastern

"'Utah', and (2) the report by Frank R. Wicks, April 15, 1952, which describes the 'Uranium, South Park, etc. groups of claims.' (i.e. L. R. Weeks' Uranium Ore Properties in the Henry Mountain area in Garfield County, Utah.)"

Mr. Nelson then states that "The quotations above (concerning ore occurrences) are from the Rickard (1949) report of 4 pages entitled 'Del Monte Uranium Property, Henry Mountain Mining District, Garfield County, Utah.' The property is the same as that visited by the examining team, except for one claim, Del Monte No. 7 which was located in January 1955."

As indicated above, the application is accompanied by two reports by G. Gomez Rickard (1949). One of these, the 4-page report dated June 24, 1949, "Uranium Mining and Uranium Exploration Claims" describes property in the northern part of the Henry Mountains area, some 20 to 30 miles north of the proposed project area. In the Summary to that report, these claims are located as follows: "...near Trachyte Creek on the east side of Mts. Ellen and Pennsylvania, the two most northerly peaks of the Henry Mountains." The Del Monte claims, on the other hand, are on a flank of the northernmost peak, Mt. Ellsworth. The writer of the beginning report called attention to this, in anticipation of possible confusion on the part of those reviewing the application and reports.

With regard to the Wicks report: In 8 pages of text describing a vast area, the Del Monte claims are mentioned only once, under "Climatic Conditions". "No production should be attempted on the Del Monte... group during the winter months." In a production estimation table, entitled "Basis of Valuation" and attached to the Wicks report, production on the Del Monte claims Nos. 1-6, for the period 1950-1957, is evaluated at $850,000.

The method used in computing the production valuation involves a tons-per-acre figure. Surface placer deposits may be evaluated on this basis, but the method is not satisfactory when applied to sporadic, underground uranium deposits. The estimation of tonnage per acre is obviously the result of pure speculation, and the evaluation disregards economic considerations such as the prohibitively high cost of development for deposits of the Del Monte type.

Concerning the tonnage discrepancy, Mr. Nelson makes the following statement: "The production record as given in the examining team report does not back up the estimate, if a real effort has been made to achieve production status".

Although the examining team could not accurately determine the degree of effort exerted by operators of the Bal Monte property, the failure to achieve the predicted rate of production is understandable. The deposits are too irregularly distributed and too small for profitable underground mining.

In some instances, reports submitted by loan applicants are very optimistic as to the merits of properties involved in proposed projects. Inasmuch as the examining teams are expected to submit reports based on actual observations, their reports may disagree with those of the applicants, and reconciliation may not be possible. Such is the case in the present instance.

M. M. Gilkey

M. M. Gilkey

IN REPLY REFER TO:

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY
Defense Minerals Exploration Administration
Denver Federal Center
Denver, Colorado

DMEA
Date Rec'd,
JUL 12 1955
BUREAU OF MINES
Denver, Colorado

July 11, 1955

Memorandum

RECEIVED
JUL 1 3 1955

To: DMEA Field Team, Region III

From: E. N. Harshman

Subject: DMEA Docket 3700 (Uranium), National Uranium Corporation, Dal Monte group, Garfield County, Utah

Enclosed are the original and nine copies each of a memorandum by Howard F. Albee and a memorandum by J. W. Hazler regarding apparent discrepancies in the examination reports and certain reports submitted by the applicant. Both memoranda are self-explanatory.

I wish to point out that the concurrence of the two geologists with geologic matters discussed by Gilbey does not indicate an unwillingness on their part to discuss the geologic problems, but rather reflects the fact that the reports in question were not available for their review until after the Gilbey memorandum was written and available for their study.

E. N. Harshman

E. N. Harshman
Member, Field Team

Enclosures (18)

EHHarshman:mrh

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

DMEA
Date Rec'd.
JUL 12 1955
BUREAU OF MINES
Denver, Colorado

July 7, 1955

Memorandum

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

From: J. William Hasler

RECEIVED
JUL 13 1955

Subject: DMEA 3700 (Uranium) National Uranium Corporation
Del Monte group, Garfield County, Utah

This memorandum is in reply to your request to review data pertinent to this application with respect to certain discrepancies that exist between various geologic reports concerning the subject property.

I received the brochure covering the subject docket from Stephen R. Wilson on July 5, in which was included the memorandum to Mr. Wilson from M. M. Gilkey, Bureau of Mines engineer.

I had asked Howard F. Albee of this office, who accompanied Mr. Mullens on the initial examination, to review the problems concerning these discrepancies. His comments agreed wholly with those made by Mr. Gilkey, which I felt covered the review very thoroughly. I feel that the examining team was thorough in its examination and that their appraisal of the subject property was good. The examining team recommends that the application be denied, based upon the fact that the ore on the property occurs in small, discontinuous lenses of sandstone, and that the likelihood of any significant discovery of ore is not good. I feel that any further review at this time is unwarranted and concur with Mr. Albee's and Mr. Gilkey's conclusions.

Enclosed is the brochure, as well as Mr. M. M. Gilkey and H. F. Albee memorandums, as you requested.

J. William Hasler
J. William Hasler,
Geologist

JWH/mlr

Enclosures

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

DMEA
Date Rec'd.
JUL 12 1955
BUREAU OF MINES
Denver, Colorado

July 7, 1955

Memorandum

To: J. William Hasler

From: Howard F. Albee

RECEIVED
JUL 1 2 1955

Subject: DMEA 3700 (uranium) National Uranium Corporation, Del Monte group, Garfield County, Utah

The Del Monte group of claims was examined by T. E. Mullens and myself of the Geological Survey, andMillard Gilkey, engineer, U. S. Bureau of Mines. We were in complete agreement as regards to the size of ore bodies observed on the Del Monte group of claims.

No sampling was done during the examination. Mineralized and ore-grade material were differentiated from barren sandstone on the basis of scintillation counter readings. At no place on the property was there any abnormal count detected in the sandstone away from the lenses containing ore, either vertically or horizontally. The host rock has abundant disseminated limonite stains and no count was found in this type of sandstone by the counter.

Many small lenses of ore were seen at the outcrop, but they are not in thickened parts of any one continuous mineralized zone. Each lens of ore is not connected with another lens of ore; they appear to be clearly separate, small, individual lenses.

The company's representative, at the time of examination, showed us the location they considered to have the largest amount of ore showing. This lens was described in the examining team's report and was described as being 5 feet long by 20 inches thick. It was upon the basis of these observations by the examining team that the application for DMEA assistance was denied.

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

RECEIVED
JUN 20 1955

224 New Customhouse
Denver 2, Colorado

June 15, 1955

Memorandum

To: S. R. Wilson (w/brochure)
W. P. Williams

From: Field Team, Region III

Subject: Docket DMEA-3700 (Uranium), National Uranium Corporation, Del Monte group, Garfield County, Utah

Enclosed is a copy of a letter from the Chairman of the Operating Committee and a memorandum review of examining team report by N. E. Nelson, USGS.

Will you kindly review the data pertinent to this application again and forward a memorandum report to this office.

When the engineer examiner has finished with the attached copy of the application, will you please forward it to W. P. Williams who will please return same to this office.

W. M. TRAVER

W. M. Traver

E. N. Harshman

E. N. Harshman

Enclosures

HMC:pw

cc: Subject
Chron
Sec.Op.Comm. (2)
Harshman

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

RECEIVED
JUN 20 1955

224 New Customhouse
Denver 2, Colorado

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W. M. TRAVER,

W. M. Traver

E. N. Harshman

E. N. Harshman

Enclosures

HMC:pw

cc: Subject
Chron
Sec.Op.Comm. (2)
Harshman

6/13/55 gla

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

June 10, 1955

Memorandum

RECEIVED
JUN 13 1955

To: Ernest William Ellis, DMEA Member
Uranium Commodity Committee, Room 4445

From: John E. Crawford, Bureau of Mines Member
Uranium Commodity Committee

Subject: Report of Examination - Docket 3700 (Uranium), National Uranium Corp., (Del Monte group of claims), Garfield County, Utah

I have reviewed the Field Team report of examination, National Uranium Corp., DMEA Docket 3700, and I have discussed it with Joseph O. Hosted, Washington representative of the Atomic Energy Commission.

Based on information contained in the Field Team's report of examination, we would agree upon denial of the application. It is understood from DMEA Washington offices, however, that a more favorable examination of the property was made by Government geologists at an earlier date, and we shall withhold making decision until such time as the Field Team can supply us with an evaluation of the previous report.

The report of examination will be retained in this office.

John E. Crawford
John E. Crawford

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

June 10, 1955

RECEIVED
JUN 13 1955

Memorandum

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Uranium Commodity Committee

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John E. Crawford

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

June 10, 1955

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The report of examination will be retained in this office.

John E. Crawford

700

Surname copy

Murphy
Ellis
Selfridge
Nelson
Mattendorf

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

JUN 10 1955

Mr. W. N. Traver
Executive Officer
DMEA Field Team, Region III
224 New Customhouse Building
Denver 2, Colorado

Re: Docket No. DMEA-3700 (Uranium)
National Uranium Corporation
Del Monte Group
Garfield County, Utah

Dear Mr. Traver:

Enclosed are two copies of a memorandum, dated June 7, by Mr. N. E. Nelson, covering a review of the examining team's report, submitted May 25, 1955, with regard to the above-docketed application.

In view of Mr. Nelson's comments concerning the discrepancies that apparently exist between the reports made by examiners of the subject property, we are withholding action on the application.

Will you kindly review the data pertinent to this application again and forward your comments to this office.

Sincerely yours,

George C. Selfridge

Chairman, Operating Committee (GCS)

Enclosures

APPROVED:

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

Thor H. Kiilsgaard (THK)
Member, Geological Survey

FMMurphy/gla
6-10-55
cc to: Admr.'s Reading File
Operating Committee
Docket
Messrs. J. E. Crawford, Rm. 3641
T. H. Kiilsgaard, Rm. 5224
J. O. Hosted, Rm. 3210, GSA
Code 700
Mr. Murphy

R.C.S.

6/8/55 gla

IN REPLY REFER TO:

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

RECEIVED
JUN - 8 1955

June 7, 1955

Re: DMEA-3700
National Uranium Corp.
New York, N. Y.
Del Monte Group
Garfield County, Utah
$33,317.68 - Uranium

Memorandum

To: E. W. Ellis, Defense Minerals Exploration Administration

From: N. E. Nelson, U. S. Geological Survey

Subject: Review of Examining Team report

Some of the data in the reports forming parts of the application are very much at variance with those of the examining team report. Thus G. C. Ridland, 1949 (page 3 exhibit 7), reports sampling a body of good grade on the Del Monte No. 1, 3 feet thick (wide) and 22 feet long and "beyond the 22-foot length, the ore is lower in grade and the thickness pinches and swells irregularly for a distance of 200 feet." Also page 3 exhibit 7, Richland says, ". . . a bed of sandstone 8 feet thick is mineralized as evidenced by its light brown color in contrast to the usual light gray color of the barren sandstone. This body of mineralized sandstone was traced in both directions along the strike for several hundred feet. A cave (tunnel) at one place shows it to go back from the escarpment 15 feet (the depth of the cave). This material did not appear to be of commercial interest when observed in the field, but a chip sample was taken over an 8-foot section of the bed. The assay returned 0.20% U_3O_8 and nil for vanadium."

In contrast the report of the examiners says page 3, Geologic Report, "Small lenses of uranium- and vanadium-bearing minerals occur in the Salt Wash sandstone exposed at the Del Monte group of claims. These mineralized lenses are most common in a zone about 100 feet above the base of the Salt Wash, but are not entirely restricted to this zone. The lenses range from a foot long and an inch thick to five feet long and 20 inches thick and average about 4 feet long and 4 inches thick. The contained minerals are probably carnotite and vanoxite and most lenses probably contain about 1.0 percent U_3O_8." No sampling is reported.

Ridland, page 3 exhibit 7, ". . . Fragments of fossil trees and vegetable matter are common and usually show some if not considerable, concentrations of carnotite ore in and around these organic remains."

Geologic Report page 3, "Most lenses occur in the mudstone bed immediately under a cross-bedded sandstone, but other mineralized lenses are disseminated in the sandstone. Plant material is uncommon in the Salt Wash at the Del Monte group and no "trash pocket" accumulation of uranium minerals was observed. On the other hand, many of the mineralized lenses contained a black material which could be a carbonaceous substance such as asphalt."

Page 7, Engineering Report, "The brochure includes two reports that are not directly related to the application. These are the report by G. C. Ridland, "Canadian Radium and Uranium Corp. Claims", June 24, 1949, and the report by F. R. Wicks, dated April 15, 1952, which describes the Canadian, South Fork, etc., groups of claims. Both of these reports concern properties 25 to 30 miles north of the proposed project area."

The quotations above are from the Ridland (1949) report of 4 pages entitled Del Monte Uranium Property, Henry Mountain Mining District, Garfield County, Utah. The property is the same as that visited by the examining team, except for one claim, Del Monte No. 7 which was located in January 1955.

The Wicks' report (1952) is more general and mentions the Del Monte claims 1-6, by name in the "Basis of Valuation" page 9, Exhibit 9. The Estimated Total Tonnage is given as 5,000, Sale Value per ton, $50.00, Estimated Gross Production, $250,000. The production record as given in the examining team report does not back up the estimate, if a real effort has been made to achieve production status.

A reconciliation of the divergent data is considered necessary before the recommended denial of the application is issued.

N. E. Nelson

N. E. Nelson

IN REPLY REFER TO:

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

RECEIVED
JUN - 8 1955

June 7, 1955

Re: DMEA-3700
National Uranium Corp.
New York, N. Y.
Del Monte Group
Garfield County, Utah
433,317.08 - Uranium

Memorandum

To: E. W. Ellis, Defense Minerals Exploration Administration

From: M. E. Nelson, U. S. Geological Survey

Subject: Review of Examining Team report

Some of the data in the reports forming parts of the application are very much at variance with those of the examining team report. Thus G. C. Ridland, 1949 (page 3 exhibit 7), reports sampling a body of good grade on the Del Monte No. 1, 3 feet thick (wide) and 22 feet long and "beyond the 22-foot length, the ore is lower in grade and the thickness pinches and swells irregularly for a distance of 200 feet." Also page 3 exhibit 7, Richland says, ". . . a bed of sandstone 8 feet thick is mineralized as evidenced by its light brown color in contrast to the usual light gray color of the barren sandstone. This body of mineralized sandstone was traced in both directions along the strike for several hundred feet. A cave (tunnel) at one place shows it to go back from the outcropped 15 feet (the depth of the cave). This material did not appear to be of commercial interest when observed in the field, but a chip sample was taken over an 8-foot section of the bed. The assay returned 0.20% U_3O_8 and nil for vanadium."

In contrast the report of the examiners says page 3, Geologic Report, "Small lenses of uranium- and vanadium-bearing minerals occur in the Salt Wash sandstone exposed at the Del Monte group of claims. These mineralized lenses are most common in a zone about 100 feet above the base of the Salt Wash, but are not entirely restricted to this zone. The lenses range from a foot long and an inch thick to five feet long and 20 inches thick and average about 4 feet long and 4 inches thick. The contained minerals are probably carnotite and vanadite and most lenses probably contain about 1.0 percent U_3O_8." No sampling is reported.

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A reconciliation of the divergent data is considered necessary before the recommended denial of the application is issued.

N. E. Nelson

NENelson:hlm
8-6/7/55

Copy to: Director's reading, 4212
Branch reading, 4212
NMEA (3)
Docket file
J. E. Crawford, 3641 Interior
J. O. Hosted, 3210 GSA

5/31/55-gla

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

224 New Customhouse
Denver 2, Colorado

May 25, 1955

Memorandum

To: Chairman of the Operating Committee, DMEA

From: DMEA Field Team, Region III

Subject: Report of Examination, DMEA Docket 3700 (Uranium), National Uranium Corp., (Del Monte group of claims), Garfield County, Utah

Enclosed are the original and three copies of the report pertaining to the above application.

We concur in the recommendation of the field examiners that the application be denied.

W. M. Traver

W. M. Traver

E. N. Harshman

E. N. Harshman

Enclosures

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

TRANSMITTED
DMEA
Date Rec'd. MAY 25 1955

MAY 23 1955

BUREAU OF MINES
Denver, Colorado

May 20, 1955

Memorandum

To: W. M. Traver, Executive Officer, DMEA Field Team, Region III

From: Stephen R. Wilson

Subject: Docket No. DMEA-3700 (Uranium), National Uranium Corp., Del Monte claims, Garfield County, Utah

Enclosed are the original and 10 copies of an engineering report covering examination of the Del Monte claims in Garfield County, Utah. The report was prepared by M. M. Gilkey. Also included are the required copies of a separate section, Summary, Conclusions and Recommendations, and a copy of the brochure.

The applicant has requested a loan of $33,317.68 for a wagon-drilling program totaling 17,100 feet of drilling. Uranium mineralization on the property is exposed along 1,800 feet of Salt Wash rim. Ore-grade mineralization is found in irregularly distributed lenses averaging approximately 4 feet in length and 4 inches thick. The lenses are too small to be economically mined unless exposed at the surface. There are no known favorable structural features, such as channels or major faults, in the area. The examining engineer recommends that the request for DMEA assistance be denied. The ore bodies mined to date are believed to be representative of undiscovered deposits in the proposed project area; thus additional exploration will disclose mineralization not believed to be minable beyond the rim. I concur in the examining engineer's recommendations.

The examining geologist has discussed the proposed project with members of the AEC.

Stephen R. Wilson
Stephen R. Wilson

Enclosures

cc: J. Bruce Clemmer

TRANSMITTED
MAY 25 1955

SUMMARY, CONCLUSIONS AND RECOMMENDATIONS

By T. E. Mullins and M. N. Gilkey

National Uranium Corp. has requested DMEA assistance in exploration of uranium claims in Garfield County, Utah. The property, known as the Del Monte group and consisting of 7 lode claims, was examined by DMEA personnel during April 1955. The applicant has proposed a wagon-drilling project totaling 17,100 feet of drilling at an estimated cost of $33,317.88.

Rocks exposed in the area consist principally of the Morrison and Summerville formations of Jurassic age. The Summerville formation underlies the Salt Wash member of the Morrison formation. In the vicinity of the property, erosion has removed the overlying Brushy Basin member of the Morrison. Approximately 180 feet of the Salt Wash remains in the area of the proposed project.

Many small lenses of uranium ores, irregular in distribution, have been mined along 1,800 feet of the Salt Wash rim. The lenses occur principally in a zone approximately 100 feet above the base of the Salt Wash member, and range in size from 1 foot long and 1 inch thick to 5 feet long and 30 inches thick. The estimated average dimension is 4 feet long and 4 inches thick. It is believed that ore bodies of such small size and irregular spacing are not profitably minable unless exposed at the surface. Recommendation is made that the loan request be denied, inasmuch as no depositional control of ore lenses can be

observed, and the ore bodies mined to date are believed to be representative of undiscovered deposits in the proposed project area.

NATIONAL URANIUM CORPORATION
DEL MONTE CLAIM
GARFIELD COUNTY, UTAH
MMRA-8766
Uranium

Engineering Report

By M. M. Gilbey
Mining Engineer
Bureau of Mines

NATIONAL URANIUM CORPORATION
BEL MONTE CLAIMS
GARFIELD COUNTY, UTAH

CONTENTS

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Summary	2
Introduction	3
Location, topography and climate	3
Ownership and extent	5
History, production and ore reserves	5
Description of the deposits	6
Proposed exploration and work	7
Conclusions and recommendations	8

ILLUSTRATIONS

Fig. 1 Location map, National Uranium Corp., Bel Monte claims, Garfield County, Utah

Fig. 2 Location map of wagon drill holes proposed for Stage 1

SUMMARY

National Uranium Corp., in an application dated February 10, 1955, has requested Government aid in an exploratory project on the Del Monte group of uranium claims in the Henry Mountains area, Garfield County, Utah.

Geological Survey and Bureau of Mines personnel examined the property April 20, 1955.

The applicant has proposed a wagon-drilling program totaling 17,100 feet of drilling, at a total estimated cost of $33,317.68, with Government participation at 75 percent, or $24,988.26.

The property was discovered about 1910. Forty-five or 50 small leases, mined along rim exposures of the Salt Wash member of the Morrison formation, have yielded, to date, an estimated 300 tons of carnotite-type ore. During 5 months of 1954, shipments totaling 101,265 tons averaged 0.715 percent U_3O_8, 1.66 percent V_2O_5, and 7.2 percent $CaCO_3$.

The leases average about 4 feet long by 4 inches thick, are irregularly distributed, and therefore are not economically minable unless exposed at the surface. No evidence of depositional trend was observed in the three 50-foot adits driven into the rim. There are no known favorable structural features such as channels or major faults in the project area.

Nature of the terrain, type of rock to be drilled, and hole depth (averaging about 85 feet) are favorable for wagon drilling. The esti-

mated overall cost, however, at $1.54 a foot (exclusive of assaying cost) is considered to be excessive.

It is recommended that the applicant's request for DMEA assistance be denied on the basis of the assumption that the 45 to 50 deposits already mined along the rim are representative of the deposits in the proposed project area, relative to grade, size and distribution.

INTRODUCTION

National Uranium Corp., c/o Geo-Engineering, 314 Main Street, Grand Junction, Colorado, has submitted an application, dated February 10, 1959, for Government aid in an exploratory project on the Bel Monte group of uranium claims in Garfield County, Utah. The company has proposed a vugum-drilling project estimated to cost $[illegible],317.00.

The property was examined April 20, 1955, by T. E. Mallins and H. F. Albee of the Geological Survey and M. M. Gilkey of the Bureau of Mines. H. A. Culp, R. M. Dunning and E. J. Hanks represented the company.

LOCATION, TOPOGRAPHY AND CLIMATE

The Bel Monte group of claims is situated in the Henry Mountains mining district (unorganized), in eastern Garfield County, Utah (fig. 1). The area lies in unsurveyed T. 35 S., R. 11 E., S.L.B. and M., and is 11 airline miles west of Hite, Utah. Hite is on the Colorado River, which is the eastern boundary of Garfield County.

The nearest town, by road, is the small settlement of Hanksville, Utah, population 90, about 57 miles to the north, at the junction of Utah Highways Nos. 95 and 24. The property is reached by driving south from Hanksville, on Highway No. 95, a distance of 37 miles, thence 23 miles south on the Trachyte road to the abandoned Star Ranch, thence 7 miles southeast to the mine workings. From Hanksville to the Trachyte turnoff, the road is fairly good during periods of dry weather. Certain sections of the 30 miles of road from the Trachyte turnoff to the Bal Monte property, however, are not suitable for travel by passenger car.

Water is available at the Star Ranch. Limited supplies may be obtained at Green River, Utah, which has a population of 470, and is situated 113 miles north of the property on the Denver and Rio Grande Railroad and U. S. Highway 50-6. The distance from the Bal Monte claims to Salt Lake City, Utah, is 292 miles. A uranium ore receiving station is located at Thompsons, Utah, 140 miles to the northeast, by way of Green River.

Altitude at the mine workings is approximately 5,000 feet. Mt. Ellsworth, an igneous stock 3 miles to the southeast, rises to an altitude of 8,150 feet. In the area of the proposed project, the surface, which slopes gently toward a desert valley to the northwest, is cut by a 150-foot-deep box canyon of the intermittent Bal Monte Creek.

Vegetation in the area is sparse and consists mainly of small cedar trees, greasewood and sage brush.

The climate is characterized by hot, dry summers and fairly mild winters. The road leading into the proposed project area is impassable for short periods in the winter and spring and after "flash floods" during the summer months.

OWNERSHIP AND EXTENT

The property involved in the proposed project consists of seven unpatented lode mining claims, the Bel Monte Nos. 1 through 7.

The claims Bel Monte Nos. 1 through 6 were obtained by the applicant by purchase agreement from the Canadian Radium and Uranium Corp. Exhibit 3 in the brochure is a photostat of the quitclaim mining deed. Exhibit 5, "Chain of Title of Bel Monte Group," lists recording and amendment dates of claims Nos. 1 through 6; and the recording date, January 17, 1955, of the Bel Monte No. 7 claim. Presumably, the Bel Monte No. 7 was located by the applicant. The claims are on record in the County Recorder's Office at Panguitch, Utah.

A lien on the Bel Monte claims Nos. 1 through 6 is held by the Canadian Radium and Uranium Corp.

HISTORY, PRODUCTION AND ORE RESERVES

It is reported that production from the small, outcrop workings along Salt Wash rim exposures on the Bel Monte claims dates back about 45 years. The extent of the workings indicates that total production

has been small. Exhibit 10 presents production data for the period May 19, 1954, to October 31, 1954. During this time, 181.255 tons shipped averaged 0.715 percent U_3O_8, 1.66 percent V_2O_5 and 7.2 percent $CaCO_3$. This, apparently, is a substantial part of the total production to date.

At present the mine is inactive. There are no buildings nor mine structures on the property.

Known reserves are estimated to be only 5 or 10 tons of ore assaying 1 percent U_3O_8.

DESCRIPTION OF THE DEPOSITS

Formations exposed in the Bal Monte area, the Morrison and the Summerville, are of Jurassic age. The Summerville formation, consisting of reddish-brown shales, underlies the Salt Wash member of the Morrison and is exposed in a box canyon of Bal Monte Creek. In the immediate vicinity of the mine, erosion has removed the overlying Brushy Basin member of the Morrison, and part of the Salt Wash. About 150 feet of the Salt Wash is present in the mine area.

The ore-bearing Salt Wash consists mainly of light grey, medium-grained sandstone. Other rock types present include a few beds of reddish-brown mudstone and greenish-grey mudstone, and occasional small lenses of conglomerate. The strike of the Salt Wash member is about N. 10° E. and the dip about 5° to the northwest.

Some 45 or 50 small lenses of uranium ores have been mined along approximately 1,500 feet of Salt Wash rim exposed across the south end of the Dal Monte claims Nos. 1, 2, 3 and 4. The lenses, which occur principally in a zone about 150 feet above the base of the Salt Wash, range from a foot long and 1 inch thick to 5 feet long and 30 inches thick. The estimated average size of the lenses is 4 feet long and 4 inches thick. Average grade of the ore, which is of the carnotite type, is about 1 percent U_3O_8. A black material, probably asphaltite, is commonly associated with the uranium mineralization. The lenses occur in both mudstone and sandstone beds, but principally in the mudstone, and are irregularly distributed along the exposed rim. No evidence of depositional trend was observed in the three 50-foot adits driven into the rim.

The brochure includes two reports that are not directly related to the application. These are the report by G. C. Ridland, "Canadian Radium and Uranium Corp. Claims," June 24, 1949, and the report by F. M. Wicks, dated April 15, 1952, which describes the Canadian, South Park, etc., groups of claims. Both of these reports concern properties 25 to 30 miles north of the proposed project area.

PROPOSED EXPLORATION AND COSTS

The applicant has proposed a total of 17,150 feet of vacuum drilling to be done in two stages. Locations of 122 holes proposed for Stage 1 are shown on figure 2. (The application specified 136 holes for Stage I,

three of which are not shown on the applicant's map.) The major portion of Stage 1 holes are located fairly close to the small outcrop workings along the north rim of a box canyon of Del Monte Creek. Estimated depths of these holes range from 20 to 180 feet, and the average of the estimated depths is 85 feet. Locations of 85 holes to be drilled in Stage 2 depend on geologic information obtained in the first stage drilling.

Time to complete the work is estimated at 6 months from the date of a project contract.

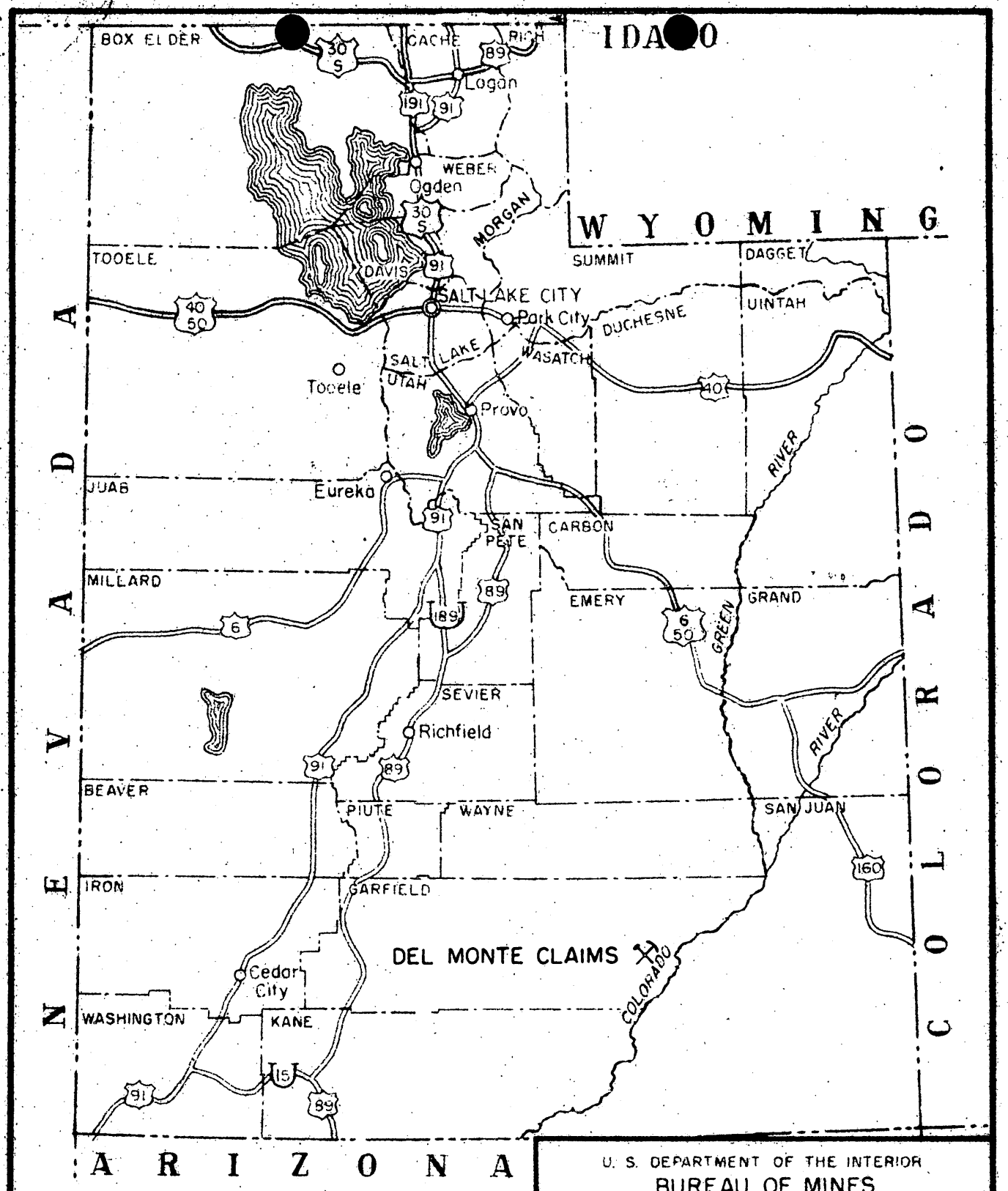
Nature of the terrain, type of rock to be penetrated, and hole depth are favorable for wagon drilling. The direct cost of drilling at $0.6122 a foot (brochure, schedule 3) is reasonable. The overall cost, at $1.84 a foot, exclusive of assaying cost, is considered to be high, however. This is a result, principally, of excessive charges listed in item 8(b) in schedule 4 (Labor, Supervision and Consultants).

Total cost of the proposed project is estimated at $[illegible],217.00. Government participation is 75 percent of this amount, or $[illegible].

CONCLUSIONS AND RECOMMENDATIONS

Deposits of such small size and wide spacing, although averaging about 1 percent U_3O_8, could not have been mined economically had they not been exposed at the surface.

It is recommended that the applicant's request for DMEA assistance be denied on the basis of the assumption that the deposits already mined along the rim, 45 to 50 in number, are representative of the deposits in the proposed project area.



U. S. DEPARTMENT OF THE INTERIOR
BUREAU OF MINES

Fig. 1 DMEA Docket No. 3700
Location Map

DEL MONTE CLAIMS
NATIONAL URANIUM CORPORATION
GARFIELD COUNTY, UTAH

ENGINEER *Millard M. GILKEY* DATE: MAY 11, 1955
TRACED: MAY, 1955; A.P.T.S.
CHECKED:

1900 - 332 - E

TRANSMITTED

IN REPLY REFER TO:

MAY 25 1955

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

DMEA
Date Rec'd.

Defense Minerals Exploration Administration
Denver Federal Center
Denver, Colorado

MAY 10 1955

BUREAU OF MINES
Denver, Colorado

May 9, 1955

Memorandum

To: Field Team, Region III

From: E. N. Harshman

Subject: DMEA Docket 3700 (Uranium), National Uranium Corporation, Del Monte group, Garfield County, Utah

Enclosed are 10 copies of a geologic report by T. E. Mullens of the U. S. Geological Survey, on the subject application.

About 50 small lenses of uranium ore, having a maximum length of 5 feet and thickness of 20 inches, are distributed at random along 1,800 feet of rim outcrop. Three adits, each about 50 feet long, driven into the rim at right angles to the line of outcrop revealed no change in the size of the lenses or their frequency of occurrence in that direction. No sedimentary trends or other control of mineralization could be detected. Mullens concludes that the largest ore body that might be found on this property will contain about one ton of ore having an average grade of 0.20 percent U_3O_8, and that there are no known favorable trends on which to base an exploration program. He, therefore, recommends that this application be denied.

I concur with these conclusions and recommendations.

DRMacLaren
for E. N. Harshman
Member, Field Team

Enclosures (10)

DRMacLaren:arh

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

May 3, 1955

Memorandum

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

From: W. P. Williams

Subject: DMEA 3700, National Uranium Corporation, Del Monte group of claims, Garfield County, Utah

Enclosed are 11 copies of a geologic report by T. E. Mullens, covering the subject property,and the brochure.

After field examination Mullens recommends that DMEA assistance to explore the Del Monte group of claims be denied. Ore deposits on the claims average about 4 inches thick and 4 feet long and no geologic feature observed on the claims indicates any place where the ore deposits would be concentrated to make large bodies of ore. Mullens concluded that exploring for these small deposits is not economical.

I concur with Mullens' recommendation that DMEA assistance to explore the claims be denied.

The Grand Junction Operations Office of the Atomic Energy Commission was asked for its aid in evaluating the property. Mr. W. D. Grundy, AEC geologist, gave Mullens helpful advice on the geography and habits of ore deposits in the Del Monte group.

T. E. Mullens for
W. P. Williams,
Geologist

Enclosures 11

TEM/mlr

UNITED STATES DEPARTMENT OF THE INTERIOR

DOUGLAS McKAY, SECRETARY

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

DMEA 3700, National Uranium Corporation, Del Monte group of claims
Garfield County, Utah

Uranium

Geologic Report

by

T. E. Mullens
U. S. Geological Survey

May 5, 1955

DMEA 3700

INTRODUCTION

The National Uranium Corporation, Del Monte Group of claims, c/o Geo-Engineering, 314 Main, Grand Junction, Colo., has applied (DMEA Docket No. 3700) to the Defense Minerals Exploration Administration for assistance to explore for uranium ore on the Del Monte group of claims. These claims are in the Henry Mountains mining district, Garfield County, Utah, in unsurveyed land (fig. 1). The claims are about 110 miles by road south of Green River, Utah, the nearest source of major supplies. Ore produced from the claims could be shipped to the buying depot at Thompsons, Utah, about 135 miles away, or to the White Canyon buying depot about 75 miles away. Any ore shipped to the White Canyon depot would be subject to a ferrying charge at Hite, Utah; thus the shorter haulage distance would be partly or wholly nullified.

The applicant corporation proposes to explore the claims with 17,100 feet of wagon drilling at a total cost of $33,317.68 of which the DMEA is asked to lend $24,988.26.

The claims were examined April 20, 1955, by a Region III examining team consisting of M. M. Gilkey of the U. S. Bureau of Mines and H. F. Albee and T. E. Mullens of the U. S. Geological Survey. The examining team was accompanied by H. A. Culp, a representative of the applicant. Mr. Culp is a member of Geo-Engineering, a consultant company retained by National Uranium Corporation. Near the end of the examination the team was joined by R. M. Deming and E. J. Honska, both employees of National Uranium Corporation.

GEOLOGY AND MINERAL DEPOSITS

Upper Jurassic Morrison and Summerville formations crop out at the Del Monte group of claims. The Summerville consists of dark reddish brown evenly bedded shales, and it crops out along Del Monte Creek. The Summerville was not studied by the examining team as it is not of known economic importance.

The Morrison formation is divided into two members in the Henry Mountains district: the Salt Wash member, from 250 to 450 feet thick, and the overlying Brushy Basin member, from 140 to 325 feet thick. Only the Salt Wash member crops out at the Del Monte claim group.

In the general vicinity of the Del Monte group the Salt Wash member is about 325 feet thick; however, at the claims only the basal 150 feet is preserved. This 150 feet consists mainly of light gray irregularly bedded medium-grained sandstone which is rather friable. Individual beds of sandstone are lenticular and cross-laminated with stream type cross-laminations; nevertheless the sandstone ledges which comprise many of the small lenticular beds show no thickening that would indicate stream channels. Beds of reddish brown mudstone as much as 6 feet thick, greenish gray mudstone as much as 1 foot thick, and small lenses of white chert pebble conglomerate are sparsely distributed throughout the sandstone. Iron stains are abundant in the sandstone. These stains are possibly due to oxidation of iron sulphide contained in the sandstone, but no pyrite or marcasite was observed during the field examination.

The rocks exposed at the Del Monte group strike about N. 10° E. and dip about 5° NW.

Small lenses of uranium- and vanadium-bearing minerals occur in the Salt Wash sandstone exposed at the Del Monte group of claims. These mineralized lenses are most common in a zone about 100 feet above the base of the Salt Wash, but are not entirely restricted to this zone. The lenses range from a foot long and an inch thick to 5 feet long and 20 inches thick and average about 4 feet long and 4 inches thick. The contained minerals are probably carnotite and vanoxite and most lenses probably contain about 1.0 percent U_3O_8.

Excellent exposures of these small uranium-bearing lenses occur for about 1800 feet across the south end of Del Monte claims 1, 2, and 3 (fig. 2). Rim stripping and short adits in these claims have exposed about 50 of the uranium-bearing lenses which did not exceed the dimensions mentioned above. These lenses were not concentrated in any particular place, instead the distribution along the outcrop was apparently random. Three of the adits in these claims entered about 50 feet at right angles to the outcrop. Examination of these adits revealed no change in the frequency or size of the mineralized lenses at right angles to the outcrop.

Factors controlling the localization of the uranium-bearing lenses were not determined during the field examination.

Most lenses occur in a mudstone bed immediately under a cross-bedded sandstone, but other mineralized lenses are disseminated in the sandstone.

Plant material is uncommon in the Salt Wash at the Del Monte group and no "trash pocket" accumulation of uranium minerals was observed. On the other hand, many of the mineralized lenses contained a black material which could be a carbonaceous substance such as asphalt.

Some uranium ore has been produced from the Del Monte group. The applicant states (brochure, exhibit 10) that 101 tons of ore averaging 0.715 percent U_3O_8 has been produced. During the field examination Mr. Deming stated that the 101 tons did not include all the ore produced from the group of claims as the claims were worked before any records of production were kept. This is probably true, but was it not verified by the examining team as total production probably did not exceed 300 tons.

No mining was in progress when the examining team was at the property. It is the opinion of the examining team that any ore produced from the property was by highly selective mining of the small lenses of ore-bearing material.

PROPOSED EXPLORATION

The applicant corporation proposes to explore the Del Monte group for uranium ore by drilling a total of 17,100 feet in 119 wagon drill holes. The cost of this exploration program is estimated to be $33,317.68 of which DMEA is asked to loan $24,988.26.

CONCLUSIONS AND RECOMMENDATIONS

It is the opinion of the examining team that the exposures on Del Monte 1, 2, and 3 are a representative sample of the "ore bodies" on the entire group. Although these "ore bodies" are relatively high grade the average size is small, and even allowing for dilution down to 0.20 percent U_3O_8 the average "ore body" would contain less than 1 ton of ore. Exploration for this type of ore body is not deemed economical to the examining team.

The problem of a more favorable place in the Del Monte group where the mineralizing solutions would be concentrated and make large ore bodies was considered by the examning team. As no control for the mineralized lenses could be determined and as no obvious sedimentary trends (channels, thicker sandstone, etc.) could be detected on the property, the examining team is of the opinion that exploration based on "favorable trends" is not scientifically valid.

The examining team, therefore, recommends that DMEA assistance to explore the Del Monte group be denied.

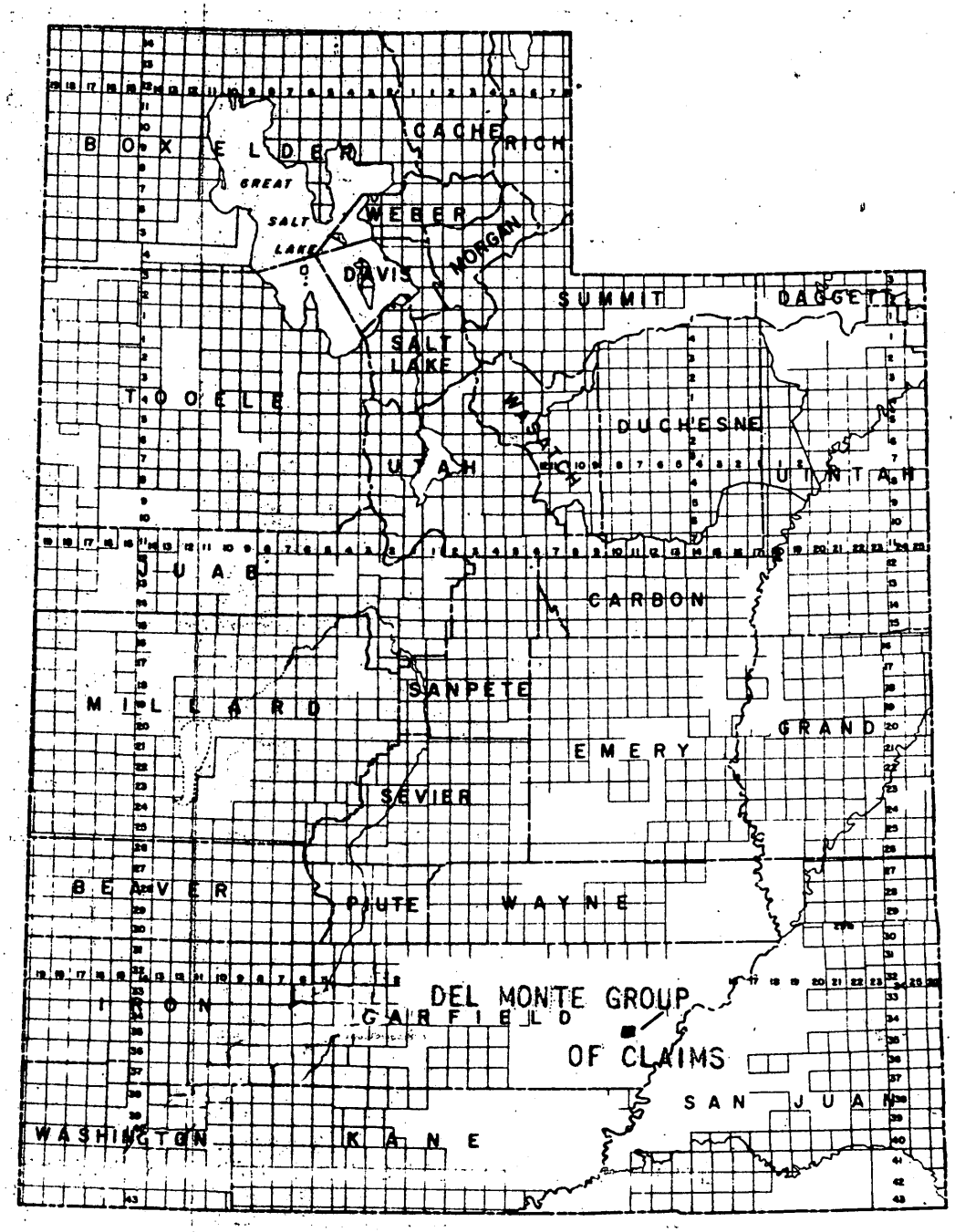


Figure 1. INDEX MAP OF UTAH SHOWING LOCATION OF DEL MONTE GROUP OF CLAIMS
NATIONAL URANIUM CORPORATION, GARFIELD COUNTY, UTAH

MF-203
(Revised July 1, 1953)

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 Garfield, described as follows:1/

Del Monte claims 1 through 6 originally recorded in Bool 10, pages 44 through 46 incl.

Defense Minerals Administration
FEB 25 1955

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/ National Uranium Corporation
Suite 1707, 29 Broadway,
New York 6, New York

hereinafter called the "Operator"; and

WHEREAS, under the provisions of said contract the Government is entitled to a percentage royalty on production (as set forth on the reverse side hereof) 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.

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 _____

Dated this 10 day of February, 1955.

Martin Lasher President [Seal]

_____ [Seal]

_____ [Seal]

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.

Exhibit 2

Repayment by Operator.--a. Certification.--If at any time the Government considers that a discovery or development from which production may be made has resulted from the exploration work, the Government, at any time not later than six months after the Operator has rendered the final report and final account, may so certify in writing to the Operator. Such certification shall describe broadly or indicate the nature of the discovery or development.

b. Percentage royalty.--The Operator, or his successor in interest, shall pay to the Government a royalty on all minerals mined or produced from the land described in Article 2,--(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 of discovery or development, or until the total net amount contributed by the Government, without interest, is fully repaid, whichever occurs first, unless the Government waives its right to a royalty; or (2) if the Government makes a certification of discovery or development, for a period of ten years (or other period fixed by the contract) from the date of the contract, or until the total net amount contributed by the Government, without interest, is fully repaid, whichever occurs first. Said royalty shall be a percentage of the net smelter returns, the net concentrator returns, or other net amounts realized from the sale or other disposition of any such production (including any bonuses), in whatever form disposed of, including ore, concentrates, or metal, as follows:

(a) One and one-half (1½) percent of any such net amounts not in excess of eight dollars ($8.00) per ton.

(b) One and one-half (1½) percent of any such net amounts, plus one-half (½) percent of such net amounts for each additional full fifty cents ($0.50) by which such net amounts exceed eight dollars ($8.00) per ton, but not in excess of five (5) percent of such net amounts.

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

c. Definitions.--As here used, "net smelter returns", "net concentrator returns", and "other net amounts realized from the sale or other disposition", mean gross revenue from sales; or if not sold, the market value of the material after it is mined in the form in which and the place where it is held. In the case of integrated operations in which the material is not disposed of as such, these terms mean what is or would be gross income from mining operations for percentage depletion purposes in income tax determination.

d. Lien for Payment.--To secure the payment of its percentage royalty, the Government shall have and is hereby granted a lien upon the land described in Article 2 and upon any production of minerals therefrom, until the royalty claim is extinguished by lapse of time or is fully paid.

e. Notice to Purchasers.--The Operator shall notify any purchaser of the production of the Government's royalty interest, and shall authorize and direct the purchaser to pay the royalty directly to the Government and to furnish the Government with copies of the settlement sheets; but failure or refusal by the purchaser to comply shall not relieve the Operator of liability to pay any royalty falling due.

f. No Obligation to Produce.--This article is not to be construed as imposing any obligation on the Operator or the Operator's successor in interest to engage in any mining or production operations.

Interior—Duplicating Section, Washington, D. C. 47318

MF-203
(Revised July 1, 1[illegible])

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DEPARTMENT OF THE INTERIOR
Minerals Administration
RECEIVED
FEB 25 1955

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Suite 1707, 29 Broadway,
New York 6, New York

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4. Changes and added provisions _____

Dated this 10 day of February, 195[illegible].

Martin Lachel, President [Seal]

_____ [Seal]

_____ [Seal]

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Interior—Duplicating Section, Washington, D. C. 47318

6-6-55
Dm

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

224 New Customhouse
Denver 2, Colorado

May 25, 1955

Memorandum

To: Chairman of the Operating Committee, DMEA

From: DMEA Field Team, Region III

Subject: Report of Examination, DMEA Docket 3700 (Uranium), National Uranium Corp., (Del Monte group of claims), Garfield County, Utah

Enclosed are the original and three copies of the report pertaining to the above application.

We concur in the recommendation of the field examiners that the application be denied.

W. M. Traver

W. M. Traver

E. N. Harshman

E. N. Harshman

Enclosures

Reviewed by
DMEA OPERATING COMMITTEE
6-3-55
(date)

TRANSMITTED
DMEA MAY 25 1955
Date Rec'd.

MAY 23 1955

BUREAU OF MINES
Denver, Colorado

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

May 20, 1955

Memorandum

To: W. M. Traver, Executive Officer, DMEA Field Team, Region III

From: Stephen R. Wilson

Subject: Docket No. DMEA-3700 (Uranium), National Uranium Corp., Del Monte claims, Garfield County, Utah

Enclosed are the original and 10 copies of an engineering report covering examination of the Del Monte claims in Garfield County, Utah. The report was prepared by M. M. Gilkey. Also included are the required copies of a separate section, Summary, Conclusions and Recommendations, and a copy of the brochure.

The applicant has requested a loan of $33,317.68 for a wagon-drilling program totaling 17,100 feet of drilling. Uranium mineralization on the property is exposed along 1,800 feet of Salt Wash rim. Ore-grade mineralization is found in irregularly distributed lenses averaging approximately 4 feet in length and 4 inches thick. The lenses are too small to be economically mined unless exposed at the surface. There are no known favorable structural features, such as channels or major faults, in the area. The examining engineer recommends that the request for DMEA assistance be denied. The ore bodies mined to date are believed to be representative of undiscovered deposits in the proposed project area; thus additional exploration will disclose mineralization not believed to be minable beyond the rim. I concur in the examining engineer's recommendations.

The examining geologist has discussed the proposed project with members of the AEC.

Stephen R. Wilson

Enclosures

cc: J. Bruce Clemmer

Reviewed by
DMEA OPERATING COMMITTEE
6-3-55
(date)

TRANSMITTED
MAY 25 1955

SUMMARY, CONCLUSIONS AND RECOMMENDATIONS

By T. E. Mullins and N. M. Gilkey

National Uranium Corp. has requested DMEA assistance in exploration of uranium claims in Garfield County, Utah. The property, known as the Del Monte group and consisting of 7 lode claims, was examined by DMEA personnel during April 1955. The applicant has proposed a wagon-drilling project totaling 17,100 feet of drilling at an estimated cost of $33,317.68.

Rocks exposed in the area consist principally of the Morrison and Summerville formations of Jurassic age. The Summerville formation underlies the Salt Wash member of the Morrison formation. In the vicinity of the property, erosion has removed the overlying Brushy Basin member of the Morrison. Approximately 150 feet of the Salt Wash remains in the area of the proposed project.

Many small lenses of uranium ores, irregular in distribution, have been mined along 1,800 feet of the Salt Wash rim. The lenses occur principally in a zone approximately 100 feet above the base of the Salt Wash member, and range in size from 1 foot long and 1 inch thick to 5 feet long and 20 inches thick. The estimated average dimension is 4 feet long and 4 inches thick. It is believed that ore bodies of such small size and irregular spacing are not profitably minable unless exposed at the surface. Recommendation is made that the loan request be denied, inasmuch as no depositional control of ore lenses can be

Reviewed by
DMEA OPERATING COMMITTEE
6-3-55
(date)

TRANSMITTED

observed, and the ore bodies mined to date are believed to be representative of undiscovered deposits in the proposed project area.

NATIONAL URANIUM CORPORATION
DEL MONTE CLAIMS
GARFIELD COUNTY, UTAH
DMEA-3700
Uranium

Engineering Report

By M. M. Gilkey
Mining Engineer
Bureau of Mines

Reviewed by
DMEA OPERATING COMMITTEE
6-3-55
(date)

NATIONAL URANIUM CORPORATION
DEL MONTE CLAIMS
GARFIELD COUNTY, UTAH

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ILLUSTRATIONS

Fig. 1 Location map, National Uranium Corp., Del Monte claims, Garfield County, Utah

Fig. 2 Location map of wagon drill holes proposed for Stage 1

TRANSMITTED

SUMMARY

National Uranium Corp., in an application dated February 10, 1955, has requested Government aid in an exploratory project on the Del Monte group of uranium claims in the Henry Mountains area, Garfield County, Utah.

Geological Survey and Bureau of Mines personnel examined the property April 20, 1955.

The applicant has proposed a wagon-drilling program totaling 17,100 feet of drilling, at a total estimated cost of $33,317.68, with Government participation at 75 percent, or $24,988.26.

The property was discovered about 1910. Forty-five or 50 small lenses, mined along rim exposures of the Salt Wash member of the Morrison formation, have yielded, to date, an estimated 300 tons of carnotite-type ore. During 5 months of 1954, shipments totaling 101.285 tons averaged 0.715 percent U_3O_8, 1.66 percent V_2O_5, and 7.2 percent $CaCO_3$.

The lenses average about 4 feet long by 4 inches thick, are irregularly distributed, and therefore are not economically minable unless exposed at the surface. No evidence of depositional trend was observed in the three 50-foot adits driven into the rim. There are no known favorable structural features such as channels or major faults in the project area.

Nature of the terrain, type of rock to be drilled, and hole depth (averaging about 85 feet) are favorable for wagon drilling. The esti-

mated overall cost, however, at $1.84 a foot (exclusive of assaying cost) is considered to be excessive.

It is recommended that the applicant's request for DMEA assistance be denied on the basis of the assumption that the 45 to 50 deposits already mined along the rim are representative of the deposits in the proposed project area, relative to grade, size and distribution.

INTRODUCTION

National Uranium Corp., c/o Geo-Engineering, 314 Main Street, Grand Junction, Colorado, has submitted an application, dated February 10, 1955, for Government aid in an exploratory project on the Del Monte group of uranium claims in Garfield County, Utah. The company has proposed a wagon-drilling project estimated to cost $33,317.68.

The property was examined April 20, 1955, by T. E. Mullins and H. F. Albee of the Geological Survey and M. M. Gilkey of the Bureau of Mines. H. A. Culp, R. M. Deming and E. J. Honska represented the company.

LOCATION, TOPOGRAPHY AND CLIMATE

The Del Monte group of claims is situated in the Henry Mountains mining district (unorganized), in eastern Garfield County, Utah (fig. 1). The area lies in unsurveyed T. 35 S., R. 11 E., S.L.B. and M., and is 11 airline miles west of Hite, Utah. Hite is on the Colorado River, which is the eastern boundary of Garfield County.

The nearest town, by road, is the small settlement of Hanksville, Utah, population 80, about 57 miles to the north, at the junction of Utah Highways Nos. 95 and 24. The property is reached by driving south from Hanksville, on Highway No. 95, a distance of 27 miles, thence 23 miles south on the Trachyte road to the abandoned Star Ranch, thence 7 miles southeast to the mine workings. From Hanksville to the Trachyte turnoff, the road is fairly good during periods of dry weather. Certain sections of the 30 miles of road from the Trachyte turnoff to the Del Monte property, however, are not suitable for travel by passenger car.

Water is available at the Star Ranch. Limited supplies may be obtained at Green River, Utah, which has a population of 470, and is situated 112 miles north of the property on the Denver and Rio Grande Railroad and U. S. Highway 50-6. The distance from the Del Monte claims to Salt Lake City, Utah, is 292 miles. A uranium ore receiving station is located at Thompsons, Utah, 140 miles to the northeast, by way of Green River.

Altitude at the mine workings is approximately 5,000 feet. Mt. Ellsworth, an igneous stock 3 miles to the southeast, rises to an altitude of 8,150 feet. In the area of the proposed project, the surface, which slopes gently toward a desert valley to the northwest, is cut by a 150-foot-deep box canyon of the intermittent Del Monte Creek.

Vegetation in the area is sparse and consists mainly of small cedar trees, greasewood and sage brush.

The climate is characterized by hot, dry summers and fairly mild winters. The road leading into the proposed project area is impassable for short periods in the winter and spring and after "flash floods" during the summer months.

OWNERSHIP AND EXTENT

The property involved in the proposed project consists of seven unpatented lode mining claims, the Del Monte Nos. 1 through 7.

The claims Del Monte Nos. 1 through 6 were obtained by the applicant by purchase agreement from the Canadian Radium and Uranium Corp. Exhibit 3 in the brochure is a photostat of the quitclaim mining deed. Exhibit 5, "Chain of Title of Del Monte Group," lists recording and amendment dates of claims Nos. 1 through 6; and the recording date, January 17, 1955, of the Del Monte No. 7 claim. Presumably, the Del Monte No. 7 was located by the applicant. The claims are on record in the County Recorder's Office at Panguitch, Utah.

A lien on the Del Monte claims Nos. 1 through 6 is held by the Canadian Radium and Uranium Corp.

HISTORY, PRODUCTION AND ORE RESERVES

It is reported that production from the small, outcrop workings along Salt Wash rim exposures on the Del Monte claims dates back about 45 years. The extent of the workings indicates that total production

has been small. Exhibit 10 presents production data for the period May 19, 1954, to October 21, 1954. During this time, 101.285 tons shipped averaged 0.715 percent U_3O_8, 1.66 percent V_2O_5 and 7.2 percent $CaCO_3$. This, apparently, is a substantial part of the total production to date.

At present the mine is inactive. There are no buildings nor mine structures on the property.

Known reserves are estimated to be only 5 or 10 tons of ore assaying 1 percent U_3O_8.

DESCRIPTION OF THE DEPOSITS

Formations exposed in the Del Monte area, the Morrison and the Summerville, are of Jurassic age. The Summerville formation, consisting of reddish-brown shales, underlies the Salt Wash member of the Morrison and is exposed in a box canyon of Del Monte Creek. In the immediate vicinity of the mine, erosion has removed the overlying Brushy Basin member of the Morrison, and part of the Salt Wash. About 150 feet of the Salt Wash is present in the mine area.

The ore-bearing Salt Wash consists mainly of light grey, medium-grained sandstone. Other rock types present include a few beds of reddish-brown mudstone and greenish-grey mudstone, and occasional small lenses of conglomerate. The strike of the Salt Wash member is about N. 10° E. and the dip about 5° to the northwest.

Some 45 or 50 small lenses of uranium ores have been mined along approximately 1,800 feet of Salt Wash rim exposed across the south end of the Del Monte claims Nos. 1, 2, 3 and 4. The lenses, which occur principally in a zone about 100 feet above the base of the Salt Wash, range from a foot long and 1 inch thick to 5 feet long and 20 inches thick. The estimated average size of the lenses is 4 feet long and 4 inches thick. Average grade of the ore, which is of the carnotite type, is about 1 percent U_3O_8. A black material, probably asphaltite, is commonly associated with the uranium mineralization. The lenses occur in both mudstone and sandstone beds, but principally in the mudstone, and are irregularly distributed along the exposed rim. No evidence of depositional trend was observed in the three 50-foot adits driven into the rim.

The brochure includes two reports that are not directly related to the application. These are the report by G. C. Ridland, "Canadian Radium and Uranium Corp. Claims," June 24, 1949, and the report by F. R. Wicks, dated April 15, 1952, which describes the Canadian, South Fork, etc., groups of claims. Both of these reports concern properties 25 to 30 miles north of the proposed project area.

PROPOSED EXPLORATION AND COSTS

The applicant has proposed a total of 17,100 feet of wagon drilling to be done in two stages. Locations of 133 holes proposed for Stage 1 are shown on figure 2. (The application specified 136 holes for Stage 1,

three of which are not shown on the applicant's map.) The major portion of Stage 1 holes are located fairly close to the small outcrop workings along the north rim of a box canyon of Del Monte Creek. Estimated depths of these holes range from 30 to 150 feet, and the average of the estimated depths is 85 feet. Locations of 65 holes to be drilled in Stage 2 depend on geologic information obtained in the first stage drilling.

Time to complete the work is estimated at 6 months from the date of a project contract.

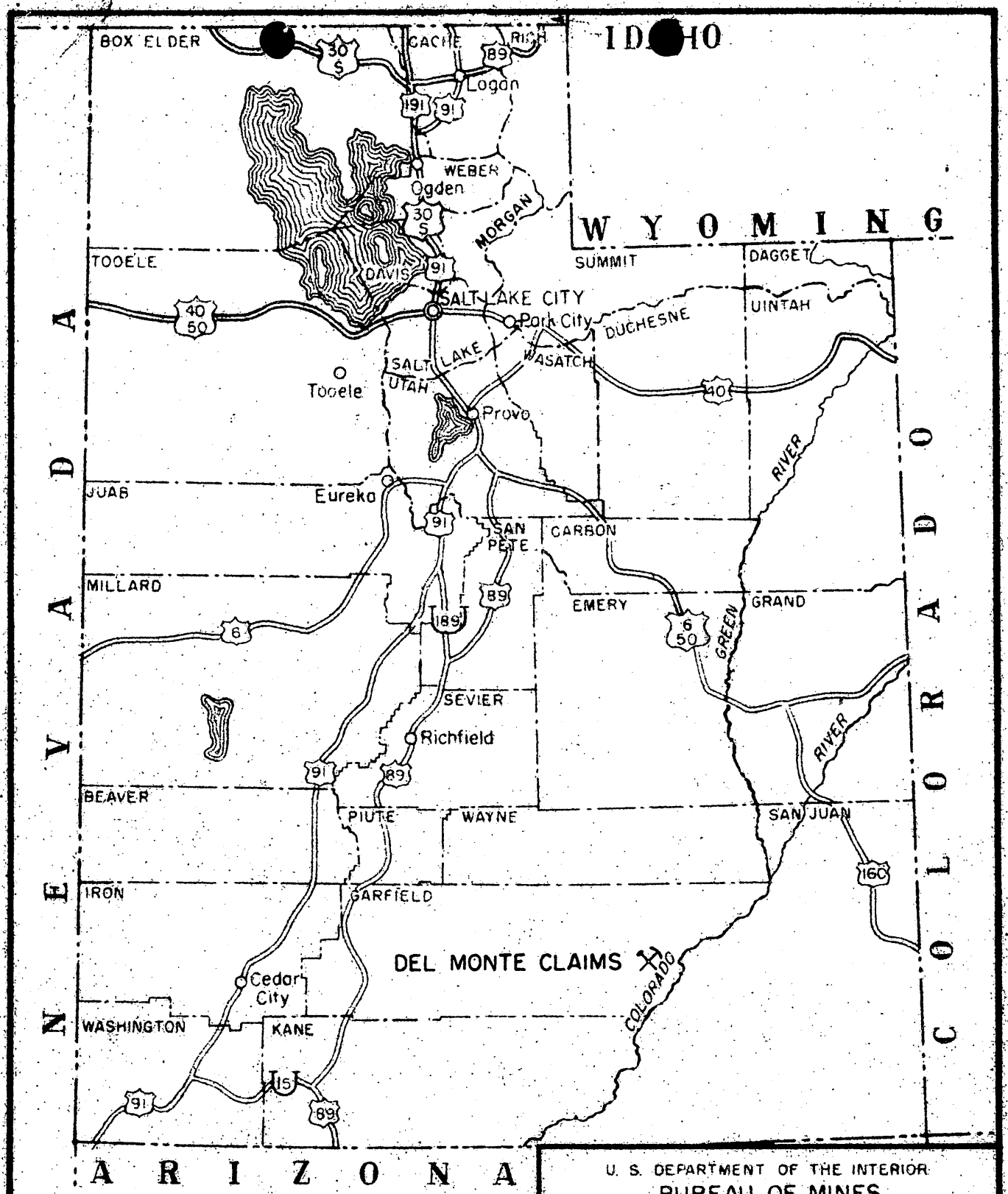
Nature of the terrain, type of rock to be penetrated, and hole depth are favorable for wagon drilling. The direct cost of drilling at $0.6132 a foot (brochure, schedule 3) is reasonable. The overall cost, at $1.84 a foot, exclusive of assaying cost, is considered to be high, however. This is a result, principally, of excessive charges listed in item 6(b) in schedule 4 (Labor, Supervision and Consultants).

Total cost of the proposed project is estimated at $33,317.68. Government participation is 75 percent of this amount, or $24,988.26.

CONCLUSIONS AND RECOMMENDATIONS

Deposits of such small size and wide spacing, although averaging about 1 percent U_3O_8, could not have been mined economically had they not been exposed at the surface.

It is recommended that the applicant's request for DMEA assistance be denied on the basis of the assumption that the deposits already mined along the rim, 45 to 50 in number, are representative of the deposits in the proposed project area.



U. S. DEPARTMENT OF THE INTERIOR
BUREAU OF MINES

Fig. 1 DMEA Docket No. 3700
Location Map

DEL MONTE CLAIMS
NATIONAL URANIUM CORPORATION
GARFIELD COUNTY, UTAH

ENGINEER *Millard M. GILKEY*	DATE: MAY 11, 1955
TRACED: MAY, 1955, A.P.T.S.	**1900 - 332 - E**
CHECKED:	

TRANSMITTED

IN REPLY REFER TO:

MAY 25 1955

DMEA
Date Rec'd.

MAY 10 1955

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY
Defense Minerals Exploration Administration
Denver Federal Center
Denver, Colorado

BUREAU OF MINES
Denver, Colorado
RECEIVED
May 9, 1955

Memorandum

To: Field Team, Region III

From: E. N. Harshman

Subject: DMEA Docket 3700 (Uranium), National Uranium Corporation, Del Monte group, Garfield County, Utah

Enclosed are 10 copies of a geologic report by T. E. Mullens of the U. S. Geological Survey, on the subject application.

About 50 small lenses of uranium ore, having a maximum length of 5 feet and thickness of 20 inches, are distributed at random along 1,800 feet of rim outcrop. Three adits, each about 50 feet long, driven into the rim at right angles to the line of outcrop revealed no change in the size of the lenses or their frequency of occurrence in that direction. No sedimentary trends or other control of mineralization could be detected. Mullens concludes that the largest ore body that might be found on this property will contain about one ton of ore having an average grade of 0.20 percent U_3O_8, and that there are no known favorable trends on which to base an exploration program. He, therefore, recommends that this application be denied.

I concur with these conclusions and recommendations.

DRMacLaren
for E. N. Harshman
Member, Field Team

Enclosures (10)

DRMacLaren:arh

Reviewed by
DMEA OPERATING COMMITTEE
6-3-55
(date)

MINERAL DEPOSITS
DMEA
RECEIVED
MAY 1955
U.S.
GEOLOGICAL SURVEY
DENVER, COLORADO

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

May 3, 1955

Memorandum

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

From: W. P. Williams

Subject: DMEA 3700, National Uranium Corporation, Del Monte group of claims, Garfield County, Utah

Enclosed are 11 copies of a geologic report by T. E. Mullens, covering the subject property, and the brochure.

After field examination Mullens recommends that DMEA assistance to explore the Del Monte group of claims be denied. Ore deposits on the claims average about 4 inches thick and 4 feet long and no geologic feature observed on the claims indicates any place where the ore deposits would be concentrated to make large bodies of ore. Mullens concluded that exploring for these small deposits is not economical.

I concur with Mullens' recommendation that DMEA assistance to explore the claims be denied.

The Grand Junction Operations Office of the Atomic Energy Commission was asked for its aid in evaluating the property. Mr. W. D. Grundy, AEC geologist, gave Mullens helpful advice on the geography and habits of ore deposits in the Del Monte group.

T. E. Mullens for
W. P. Williams,
Geologist

Enclosures 11

TEM/mlr

Reviewed by
DMEA OPERATING COMMITTEE
6-3-55
(date)

UNITED STATES DEPARTMENT OF THE INTERIOR

DOUGLAS McKAY, SECRETARY

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

DMEA 3700, National Uranium Corporation, Del Monte group of claims
Garfield County, Utah

Uranium

Geologic Report

by

T. E. Mullens
U. S. Geological Survey

May 5, 1955

Reviewed by
DMEA OPERATING COMMITTEE
6-3-55
(date)

DMEA 3700

INTRODUCTION

The National Uranium Corporation, Del Monte Group of claims, c/o Geo-Engineering, 314 Main, Grand Junction, Colo., has applied (DMEA Docket No. 3700) to the Defense Minerals Exploration Administration for assistance to explore for uranium ore on the Del Monte group of claims. These claims are in the Henry Mountains mining district, Garfield County, Utah, in unsurveyed land (fig. 1). The claims are about 110 miles by road south of Green River, Utah, the nearest source of major supplies. Ore produced from the claims could be shipped to the buying depot at Thompsons, Utah, about 135 miles away, or to the White Canyon buying depot about 75 miles away. Any ore shipped to the White Canyon depot would be subject to a ferrying charge at Hite, Utah; thus the shorter haulage distance would be partly or wholly nullified.

The applicant corporation proposes to explore the claims with 17,100 feet of wagon drilling at a total cost of $33,317.68 of which the DMEA is asked to lend $24,988.26.

The claims were examined April 20, 1955, by a Region III examining team consisting of M. M. Gilkey of the U. S. Bureau of Mines and H. F. Albee and T. E. Mullens of the U. S. Geological Survey. The examining team was accompanied by H. A. Culp, a representative of the applicant. Mr. Culp is a member of Geo-Engineering, a consultant company retained by National Uranium Corporation. Near the end of the examination the team was joined by R. M. Deming and E. J. Honska, both employees of National Uranium Corporation.

GEOLOGY AND MINERAL DEPOSITS

Upper Jurassic Morrison and Summerville formations crop out at the Del Monte group of claims. The Summerville consists of dark reddish brown evenly bedded shales, and it crops out along Del Monte Creek. The Summerville was not studied by the examining team as it is not of known economic importance.

The Morrison formation is divided into two members in the Henry Mountains district: the Salt Wash member, from 250 to 450 feet thick, and the overlying Brushy Basin member, from 140 to 325 feet thick. Only the Salt Wash member crops out at the Del Monte claim group.

In the general vicinity of the Del Monte group the Salt Wash member is about 325 feet thick; however, at the claims only the basal 150 feet is preserved. This 150 feet consists mainly of light gray irregularly bedded medium-grained sandstone which is rather friable. Individual beds of sandstone are lenticular and cross-laminated with stream type cross-laminations; nevertheless the sandstone ledges which comprise many of the small lenticular beds show no thickening that would indicate stream channels. Beds of reddish brown mudstone as much as 6 feet thick, greenish gray mudstone as much as 1 foot thick, and small lenses of white chert pebble conglomerate are sparsely distributed throughout the sandstone. Iron stains are abundant in the sandstone. These stains are possibly due to oxidation of iron sulphide contained in the sandstone, but no pyrite or marcasite was observed during the field examination.

The rocks exposed at the Del Monte group strike about N. 10° E. and dip about 5° NW.

Small lenses of uranium- and vanadium-bearing minerals occur in the Salt Wash sandstone exposed at the Del Monte group of claims. These mineralized lenses are most common in a zone about 100 feet above the base of the Salt Wash, but are not entirely restricted to this zone. The lenses range from a foot long and an inch thick to 5 feet long and 20 inches thick and average about 4 feet long and 4 inches thick. The contained minerals are probably carnotite and vanoxite and most lenses probably contain about 1.0 percent U_3O_8.

Excellent exposures of these small uranium-bearing lenses occur for about 1800 feet across the south end of Del Monte claims 1, 2, and 3 (fig. 2). Rim stripping and short adits in these claims have exposed about 50 of the uranium-bearing lenses which did not exceed the dimensions mentioned above. These lenses were not concentrated in any particular place, instead the distribution along the outcrop was apparently random. Three of the adits in these claims entered about 50 feet at right angles to the outcrop. Examination of these adits revealed no change in the frequency or size of the mineralized lenses at right angles to the outcrop.

Factors controlling the localization of the uranium-bearing lenses were not determined during the field examination.

Most lenses occur in a mudstone bed immediately under a cross-bedded sandstone, but other mineralized lenses are disseminated in the sandstone.

Plant material is uncommon in the Salt Wash at the Del Monte group and no "trash pocket" accumulation of uranium minerals was observed. On the other hand, many of the mineralized lenses contained a black material which could be a carbonaceous substance such as asphalt.

Some uranium ore has been produced from the Del Monte group. The applicant states (brochure, exhibit 10) that 101 tons of ore averaging 0.715 percent U_3O_8 has been produced. During the field examination Mr. Deming stated that the 101 tons did not include all the ore produced from the group of claims as the claims were worked before any records of production were kept. This is probably true, but was it not verified by the examining team as total production probably did not exceed 300 tons.

No mining was in progress when the examining team was at the property. It is the opinion of the examining team that any ore produced from the property was by highly selective mining of the small lenses of ore-bearing material.

PROPOSED EXPLORATION

The applicant corporation proposes to explore the Del Monte group for uranium ore by drilling a total of 17,100 feet in 119 wagon drill holes. The cost of this exploration program is estimated to be $33,317.68 of which DMEA is asked to loan $24,988.26.

CONCLUSIONS AND RECOMMENDATIONS

It is the opinion of the examining team that the exposures on Del Monte 1, 2, and 3 are a representative sample of the "ore bodies" on the entire group. Although these "ore bodies" are relatively high grade the average size is small, and even allowing for dilution down to 0.20 percent U_3O_8 the average "ore body" would contain less than 1 ton of ore. Exploration for this type of ore body is not deemed economical to the examining team.

The problem of a more favorable place in the Del Monte group where the mineralizing solutions would be concentrated and make large ore bodies was considered by the examning team. As no control for the mineralized lenses could be determined and as no obvious sedimentary trends (channels, thicker sandstone, etc.) could be detected on the property, the examining team is of the opinion that exploration based on "favorable trends" is not scientifically valid.

The examining team, therefore, recommends that DMEA assistance to explore the Del Monte group be denied.

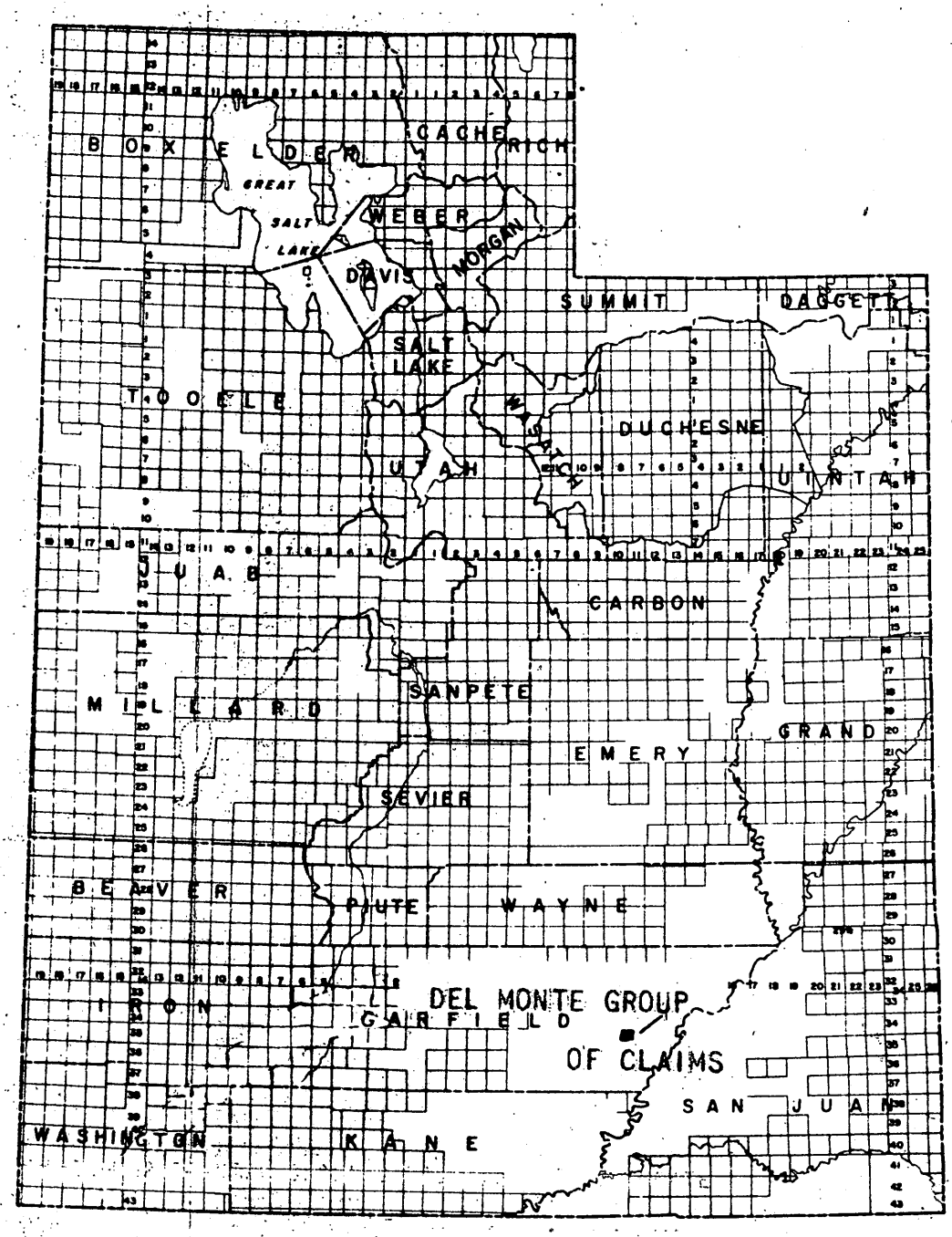
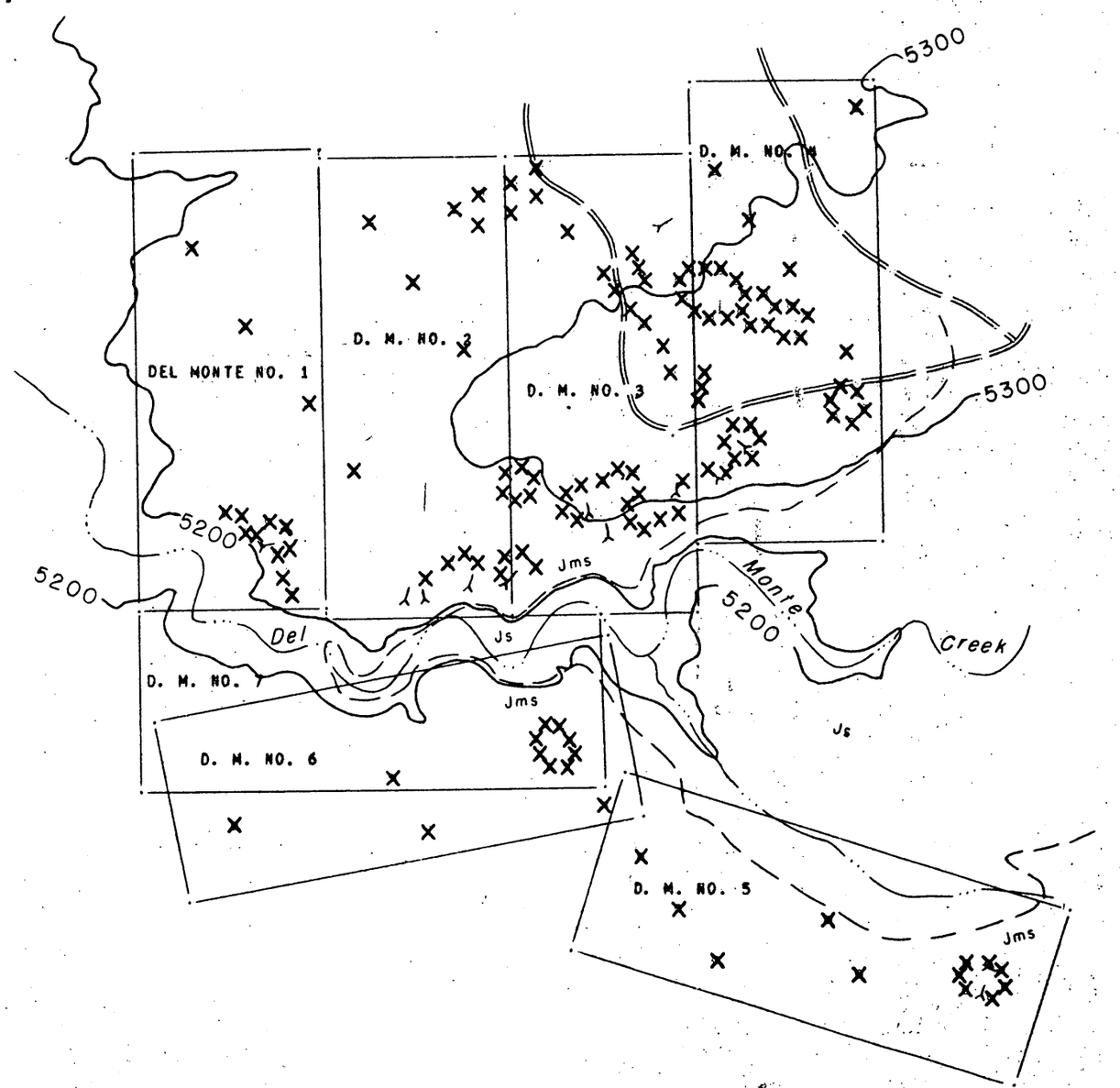


Figure 1. INDEX MAP OF UTAH SHOWING LOCATION OF DEL MONTE GROUP OF CLAIMS NATIONAL URANIUM CORPORATION, GARFIELD COUNTY, UTAH



EXPLANATION

Jms / Js — GEOLOGIC CONTACT BETWEEN SALT WASH MEMBER OF JURASSIC MORRISON FORMATION AND JURASSIC SUMMERVILLE FORMATION

ADIT

X LOCATION OF APPLICANT'S PROPOSED DRILL HOLE

Note: MAP MODIFIED FROM APPLICANT'S MAP

N

500 0 1000 FEET

CONTOUR INTERVAL 100 FEET

Figure 2. GEOLOGIC MAP SHOWING DEL MONTE GROUP OF CLAIMS, NATIONAL URANIUM CORPORATION, GARFIELD COUNTY, UTAH

C. O. Mittendorf 5/27/55 file

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
MAY 27 1955

L DN 235 BUR MINES 5-27-55 11-31 AM

C O MITTENDORF, ADMINISTRATOR, DMEA RUSH RUSH

REURTT DOCKET 3700 NATIONAL URANIUM. REPORT OF EXAMINATION RECOMMENDING DENIAL BEING FORWARDED WASHINGTON OFFICE TODAY.

W M TRAVER

Denver, Colo.

C. O. Mittendorf, Administrator

Defense Minerals Exploration Administration

14X1401(01) Revolving Fund, Defense Production Act, Interior (Allocated Working Fund to the Office of the Sec'y)

T E L E T Y P E M E S S A G E

May 27, 1955

Mr. W. M. Traver
Executive Officer
DMEA Field Team, Region III
Bureau of Mines
224 New Customhouse Building
Denver, Colorado

Being pressed on Docket 3700 National Uranium. Note joint examination made April 20. Advise status report.

C. O. Mittendorf

C. O. Mittendorf, Administrator

COMittendorf/fw
5/27/55

cc: Mails & Files
Admr. Reading File
Mr. Ellis
Mr. Mittendorf

R.C.K.

WHITEHALL 4-8818

NATIONAL URANIUM CORPORATION
(A UTAH CORPORATION)
29 BROADWAY
NEW YORK 6, N. Y.

CABLE ADDRESS
NATURANIUM

FIELD OFFICE
HANKSVILLE, UTAH

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
MAY 27 1955

NEW ADDRESS
20 BROAD STREET
NEW YORK 4, N.Y.

May 26, 1955.

Mr. C. O. Mittendorf, Administrator
The Defense Minerals Exploration Administration
Dept. of Interior
Washington 25, D.C.

Dear Mr. Mittendorf:

I will be outof town for the next two months and I would appreciate if you would call Mr. F. B. Speaker, who is a consultant for the National Uranium Corporation and can act in my behalf on matters pertaining to our application for a D.M.E.A. loan.

Very truly yours,

NATIONAL URANIUM CORPORATION

Martin Lasher

Martin Lasher, President

700

Surname copy

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

Ellis
Hodges
Kulsgaard
Selfridge
Eshman

MAR 9 - 1955

Mr. Martin Lasher, President
National Uranium Corporation
Room 1707-29 Broadway
New York 6, New York

Re: Docket No. DMEA-3700 (Uranium)
Del Monte Group
Garfield County, Utah

Dear Mr.Lasher:

The application for assistance in exploring your property in Garfield County, Utah, under the captioned docket number, has been reviewed by the Rare and Miscellaneous Metals Division of the Defense Minerals Exploration Administration. It has been referred to the Executive Officer of Region III at the following address:

Mr. W. M. Traver
Executive Officer
DMEA Field Team, Region III
224 New Customhouse Building
Denver 2, Colorado

The Regional Office will contact you in regard to your project if additional information is required.

Sincerely yours,

C. O. Mittendorf

Administrator

cc: Geo-Engineering
304 Main Street
Grand Junction, Colorado

EWEllis/gla
3-8-55
cc to: Admr.'s Reading File
Docket
Code 700
DMEA Field Team, Region III (2)

R.C.G.

700

Surname copy

Ellis
Selfridge
Johnson

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

MAR 9 - 1955

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

Re: Docket No. DMEA-3700 (Uranium)
National Uranium Corporation
Del Monte Group
Garfield County, Utah

Dear Mr. Traver:

The subject application is referred to Region III Field Team for investigation and recommendation. A copy of the application was retained by your office.

Enclosed are copies of memoranda from E. L. Newcomb, dated March 3, and John E. Crawford, dated March 4, 1955, members of the Uranium Commodity Committee.

If a project is recommended, it is suggested that Applicant be requested to supply executed Owner's Consent to Lien forms (revised July 1, 1954) in septuplicate to replace the old forms submitted with the application. In this connection, note the slight change in the form per "Special Notice" in Minutes of the Operating Committee dated January 21, 1955.

Sincerely yours,

George C. Selfridge

Chairman, Operating Committee (GHS)

Enclosures

APPROVED:

J. H. Hedges

Member, Bureau of Mines (GHS)

Thor H. Kiilsgaard

Member, Geological Survey (GHS)

EWEllis/gla
3-8-55
cc to: Admr.'s Reading File
Operating Committee
Docket
Messrs. J. E. Crawford, Rm. 3641
T. H. Kiilsgaard, Rm. 5224
J. O. Hosted, Rm. 3210, GSA
Code 700

R.C.S.

3/7/55-gla

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

March 4, 1955

MAR 4 - 1955

Memorandum

To: Ernest William Ellis, DMEA Member
Uranium Commodity Committee

From: Bureau of Mines Member
Uranium Commodity Committee

Subject: DMEA Docket 3700, National Uranium Company,
Room 1707-29 Broadway, New York 6, New York

I have reviewed the application included in the subject docket and have discussed it with Joseph O. Hosted, representative of the Atomic Energy Commission.

We recommend that the application be referred to the Field Team for investigation and report, and that the Field Team be requested to discuss the application with Ernest R. Gordon, Grand Junction Operations Office, Atomic Energy Commission, Grand Junction, Colorado.

John E. Crawford

Attachment

Copy to: Branch of Rare and Precious Metals
Division of Minerals
J. O. Hosted (2)
J. E. Crawford (2)

3/4/55 glu

IN REPLY REFER TO:

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

March 3, 1955

Re: DMEA-3700
National Uranium Corp.
(Del Monte Claims)
Garfield Co., Utah
$33,317.68 - Uranium

Memorandum

To: E. W. Ellis, Defense Minerals Exploration Administration

From: E. L. Newcomb, U. S. Geological Survey

Subject: Geologic review of the proposed exploration program

The applicant has proposed a two-stage project to explore the lower part of the Morrison formation by wagon drilling.

Stage I -- 11,590 feet
136 holes -- average length of 85 feet.

Stage II -- 5,510 feet
65 holes -- average length of 85 feet.

The proposed holes will be collared in the Morrison formation and the Morrison-Summerville contact will be used to bottom all of the holes.

There has been intermittent mining activity on the property from about 1914. Several short adits have been developed in ore and it is reported that some small production has been obtained from open cuts. A partial summary of production in 1954 is given in Exhibit 10, which totals 101.3 tons averaging 0.72 percent U_3O_8.

In general, the Del Monte ore deposits can be characterized as small, relatively high grade carnotite ore bodies. However, the limited size of the deposits has undoubtedly been a deterrent to extensive exploration efforts in the past. Inasmuch as the ore occurrences are near the surface the cost of exploration drilling and subsequent mining is inexpensive.

It is unlikely that a single significant discovery will be made by the proposed program; however, in terms of the aggregate total tonnage which may be found by the discovery of several small ore bodies, some further exploration may be warranted.

The applicant's proposed holes in many instances are located very close to adit faces and others do not appear to be planned to test possible ore trends which might be indicated by the results of previous work.

I recommend this application be referred to the Field Team for their recommendations. It is possible that the proposed exploration area, although locally mineralized, does not represent an area where a significant amount of ore can reasonably be expected to be found.

E. L. Newcomb

E. L. Newcomb

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

March 3, 1955

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I recommend this application be referred to the Field Team for their recommendations. It is possible that the proposed exploration area, although locally mineralized, does not represent an area where a significant amount of ore can reasonably be expected to be found.

E. L. Newcomb

ELNewcomb:hlm
G-3/3/55

Copy to: Director's reading, 4212
Branch reading, 4212
DMEA (3)
Docket file
J. E. Crawford, 3641 Interior

February 28, 1955
Subject: DMEA 3700
Re: Exploration Assistance
Del Monte Group

National Uranium Corporation
C/o Geo-Engineering
304 Main Street
Grand Junction, Colorado

Gentlemen:

The receipt of your application dated February 10, 1955 for exploration assistance under the Defense Production Act of 1950, as amended, is hereby acknowledged.

Your application has been assigned Docket Number DMEA 3700 and referred to the Rare and Miscellaneous Metals Division.

Kindly identify all future correspondence relating to your application by this docket number.

Sincerely yours,

Robert E. Adams, Chief
Operations Control and
Statistics Division

February 28, 1955

Memorandum

To: Executive Officer, DMEA Field Team, Region III

From: Chief, Operation's Control and Statistics Division

Subject: Assignment of Docket Number

There is listed below the assigned docket number to an application recently received from Region III.

DMEA - 3700 National Uranium Corporation

Robert E. Adams,
Chief, Operation's Control
and Statistics Division

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

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
FEB 25 1955

224 New Customhouse
Denver 2, Colorado

February 21, 1955

Memorandum

To: Administrator, DMEA

From: Executive Officer, DMEA Field Team, Region III

Subject: (Uranium) Application of National Uranium Corporation, Del Monte group, Garfield County, Utah

Enclosed are three copies of the subject application in the amount of $24,988.26.

One copy of the application is being retained in this office.

W. M. Traver

Enclosures

224 New Customhouse
Denver 2, Colorado

February 21, 1955

Memorandum

To: Administrator, DMEA

From: Executive Officer, DMEA Field Team, Region III

Subject: (Uranium) Application of National Uranium Corporation, Del Monte group, Garfield County, Utah

Enclosed are three copies of the subject application in the amount of $24,988.26.

One copy of the application is being retained in this office.

W. M. TRAVER.

Enclosures

W. M. Traver

MF-103
(Revised April 1952)

UNITED STATES DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

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

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

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
FEB 25 1955

Not to be filled in by applicant

Docket No. 3700
Metal or Mineral Uranium
Date Received 2-25-55
Estimated Cost $33,317.68
Participation (Government %)

INSTRUCTIONS

1. *Name of applicant.*—(*a*) State here your full legal name, in the form in which you will wish to contract, and your mailing address: National Uranium Corporation
Room 1707-29 Broadway
New York 6, New York

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

(*c*) If a corporation, add to above statement, titles, names and addresses of officers. Under 1 (c)

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

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

3. *Applicant's property rights.*—(*a*) State the legal description of the land upon which you wish to explore, including all land which you possess or control that may be benefited by the exploration, and excluding any land or interest in land which is not to be included in the exploration project contract
See Exhibits 3, 4 and 5

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

(*c*) State your interest in the land, whether owner, lessee, purchaser under contract, or otherwise
Owner-See Exhibits 3, 4 and 5

(*d*) If you are not the owner, submit with this application a copy of the lease, contract, or other document under which you control the property. Exhibits 3 and 4

(*e*) If you own the land, describe any liens or encumbrances on it
See Exhibit 5

(*f*) If the land consists of unpatented claims, add to the description above, the book and page numbers for each recorded location notice. See Exhibit 5

4. *Physical description.*—(*a*) Describe in detail any mining or exploration operations which have been or now are being conducted upon the land, including existing mine workings and production facilities. State your interest, if any, in such operations. Also describe accessibility of mine workings for examination purposes. See Exhibits 6,7,8,9 & 10

(*b*) State past and current production, and ore reserves, if any, giving quantities and grades See Exhibit 10

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

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

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

16—66551-1

Exhibit 1

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

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

(*c*) The work will start within 30 days and be completed within 6 months from the date of an exploration project contract.

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

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

(*a*) *Independent contracts.*—(Note.—If the applicant does not intend to let any of the work to contractors, write "none" after this item. To the extent that the work is to be contracted, do not repeat the cost of the contract-work in subsequent items.) State the cost of any proposed independent contracts for the performance of all or any part of the work, expressed in terms of units of work (such as per foot of drilling, per foot of drifting, per hour of bulldozer operations, per cubic yard of material moved, etc.). Schedule 2 & 3

(*b*) *Labor, supervision, consultants.*—Include an itemized schedule of numbers, classes and rates of wages, salaries or fees for necessary labor, supervision and engineering and geological consultants. Schedule 4

(*c*) *Operating materials and supplies.*—Furnish an itemized list, including items of equipment costing less than $50 each, and power, water and fuel. Schedule 4

(*d*) *Operating equipment.*—Furnish an itemized list of any operating equipment to be rented, purchased, or which is owned and will be furnished by the Operator, with the estimated rental, purchase price, or suggested use-allowance based on present value, as the case may be. None

(*e*) *Rehabilitation and repairs.*—Furnish a detailed list showing the cost of any necessary initial rehabilitation or repairs of existing buildings, installations, fixtures, and movable operating equipment, now owned by the Operator and which will be devoted to the exploration project. None

(*f*) *New buildings, improvements, installations.*—Furnish a detailed list showing the cost of any necessary buildings, fixed improvements, or installations to be purchased, installed or constructed for the benefit of the exploration project. Schedule 4

(*g*) *Miscellaneous.*—Furnish a detailed list showing the cost of repairs to and maintenance of operating equipment (not including initial rehabilitation or repairs of the Operator's equipment), analytical work, accounting, workmen's compensation and employers' liability insurance, and payroll taxes. Schedule 4

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

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

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

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

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

Explain in detail on acompanying paper.

CERTIFICATION

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

Dated February 10, 1955

National Uranium Corporation
(Applicant)

By Martin Lasher
Martin Lasher-President

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

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

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
DMEA
Date Rec'd.
FEB 25 1955
FEB 17 1955
BUREAU OF MINES
Denver, Colorado

APPLICATION FOR DMEA PROJECT

ON THE

DEL MONTE GROUP

February 11, 1955

Prepared for

NATIONAL URANIUM CORPORATION

Suite 1707, 29 Broadway,

New York 6, New York

by
GEO-ENGINEERING
304 Main Street
Grand Junction, Colorado

GEO-ENGINEERING
304 Main Street
Grand Junction, Colorado
February 11, 1955

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
FEB 25 1955

APPLICATION FOR DMEA PROJECT ON THE DEL MONTE GROUP
PREPARED FOR NATIONAL URANIUM CORPORATION

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GEO-ENGINEERING
304 Main Street
Grand Junction, Colorado.

February 11, 1955

APPLICATION FOR DMEA PROJECT ON THE DEL MONTE GROUP
PREPARED FOR NATIONAL URANIUM CORPORATION

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GEO-ENGINEERING
304 Main Street
Grand Junction, Colorado.

February 11, 1955

APPLICATION FOR DMEA PROJECT ON THE DEL MONTE GROUP PREPARED FOR NATIONAL URANIUM CORPORATION

INTRODUCTION

This report, written, by Geo-Engineering for the purpose of applying for DMEA Loan on the Del Monte Group of claims, is prepared for NATIONAL URANIUM CORPORATION. DMEA Form MF-103 has been signed and is attached as Exhibit 1. Numbers and letters in front of the headings of this report refer to parts of the MF-103.

ABSTRACT

This report, with Form MF-103 (numbers and letters in front of headings used in this report refer to parts of Form MF-103) attached as Exhibit 1, is an application for a Defense Mineral Exploration Administration project contract of the short form or unit cost type. A project is submitted for exploring uranium lands in Garfield County, Utah. (See Figure 1). A total of 17,100 feet of wagon drilling is proposed on the Del Monte Group of uranium claims in the Henry Mountains area of Utah. Unit costs of 1.8443 per foot for wagon drilling are estimated for the work. Not included in this unit cost is an estimated $1,800.00 for custom assaying that is, however, included in the total proposed expenditure. Twenty-five per cent of the total expenditure or $8,329.42 will be paid by NATIONAL URANIUM CORPORATION, the applicant. The Defense Mineral Exploration Administration is asked to loan $24,988.26.

Location for 136 holes of Stage I drilling that have been previously determined is shown on Plates 1. As the work progresses, however, it will likely become evident that some of the proposed holes will fall in areas that are geologically unfavorable for ore. NATIONAL URANIUM CORPORATION would, therefore, like the privilege of deciding whether any previously proposed holes should be drilled. It is requested that the footage saved, where the proposed holes are omitted, be transferred with the permission of the DMEA Field Team, to other parts of the Del Monte Group that might be more favorable for ore.

The Del Monte Group lies 12 miles south of the Trachyte District which has been described in U.S. A.E.C. Publication 912, see Exhibit 12. This group of claims is the oldest and best known group of claims in the uranium area which extends for about 40 miles along the southeastern flank of the Henry Mountains.

Skilled labor and supplies are not readily available in the immediate area and must be obtained from Grand Junction, Colorado or Salt Lake City, Utah.

1. Name of Applicant

(a) NATIONAL URANIUM CORPORATION, Suite 1707, 29 Broadway, New York 6, New York. (Please address all correspondence regarding application to Geo-Engineering, 304 Main Street, Grand Junction, Colorado).

(b) A Utah Corporation, incorporated on July 16, 1952.

GEO-ENGINEERING
304 Main Street
Grand Junction, Colorado

February 11, 1955

APPLICATION FOR DMEA PROJECT ON THE DEL MONTE GROUP
PREPARED FOR NATIONAL URANIUM CORPORATION

(c) The officers of NATIONAL URANIUM CORPORATION are:

President & Director
Martin Lasher
1144 East 12th Street
Brooklyn, New York

Vice-President & Director
Irving Strauss
460 West 34th Street
New York, New York

Treasurer & Director
Max Grossman
1430 51st Street
Brooklyn, New York

Secretary & Director
Pearl V. Frankel (Lasher)
1144 East 12th Street
Brooklyn, New York.

(d) Omitted--Not a partnership.

2. GENERAL

The following report, which is the completed DMEA application written in accordance with the instructions given in DMEA Order No. 1, includes the completed form MF-103 and all of the necessary substantiating papers.

The letters and numbers used as headings for the parts of this report refer to the letters and numbers on Form MF-103 as this report is designed to fill in the information that, due to space limitations, could not be placed on the MF-103 form.

In accordance with instructions given of Form MF-103, this report will be filed, in quadruplicate, at the office of Mr. W. M. Traver, Executive Officer, DMEA Field Team, Region IV, 224 New Customhouse, Denver, Colorado.

3. APPLICANT'S PROPERTY RIGHTS

(a & B) Legal Description and Name of Property

The land on which the exploration work is to be performed consists of seven unpatented mining claims that shall be referred to in this report and in future correspondence as the Del Monte Group. The claims are located in the Henry Mountains area of Utah, in an unsurveyed portion of Garfield County. The triangulation network which was used to survey and tie these claims to the General Land Office Grid is included in this brochure as Plate # 2.

GEO-ENGINEERING
304 Main Street
Grand Junction, Colorado

February 11, 1955

APPLICATION FOR DMEA PROJECT ON THE DEL MONTE GROUP
PREPARED FOR NATIONAL URANIUM CORPORATION

There is a small overlap between Del Monte #6 claim and Sylvia #2 claim which is shown on Plate #1. The area of overlap has been included in this application, because The Del Monte #6 is the senior claim. The certificate for the Sylvia #2 claim is not included with the brochure. A certified copy has, however, been requested from the County Clerk and Recorder of Garfield County at Panguitch, Utah. As soon as this certificate is received by Geo-Engineering, it will be reproduced in quadruplicate and will be forwarded to the proper DMEA authorities.

(c &d) Interest.

The claims are owned outright by NATIONAL URANIUM CORPORATION, and all outstanding liens that the writers are aware of are explained below.

(e) Outstanding Lien.

NATIONAL URANIUM CORPORATION is purchasing the claims of the Canadian Radium and Uranium Corporation.

(f) Record of Title

Transactions affecting the title of claims date back to April 24, 1944. A record of the transactions of title as they are recorded in the office of the County Clerk and Recorder of Garfield County at Panguitch, Utah are listed on Exhibit 3, 4 and 5 of this report.

4. Physical Description of the Property.

(a) Operations.

Mining activities on the Del Monte Claims date from about 1914. (see Exhibits 6, 7, 8 and 9) There are several short adits that have followed ore bodies which were exposed on the rims. These adits have not been mapped in detail, but their positions are shown on Plate #1. Some ore has been produced from small open cuts whose outlines are also shown on Plate #1.

Some close space drilling has been done on the Del Monte No 3 claim. This drilling was confined to areas close to the rim and small open cut mines. No records are available as to the formations encountered or depth of these holes, but they have, wherever possible, been located on Plates #1 and #3.

(b) Production and Ore Reserves.

Exhibit #10 gives a record of the past production of the Del Monte Claims as compiled by Robert M. Deming from the records of the NATIONAL URANIUM CORPORATION and from the files of predecessors or former owners in title. Also listed on exhibit are the samples taken by Mr. Deming, in December 1954. The location of these samples are shown on Plate #1. No ore reserves can be calculated from the data available at the present time.

GEO-ENGINEERING
304 Main Street
Grand Junction, Colorado

February 11, 1955

APPLICATION FOR DMEA PROJECT ON THE DEL MONTE GROUP
PREPARED FOR NATIONAL URANIUM CORPORATION

(c) Geological Features.

Structure: The Del Monte Group is located on the east flank of the Henry Mountains. The dip, however, of the formations on the group is to the Northwest toward the main mass of the Henry Mountains due to the uplift caused by the laccolith which forms Mt. Ellsworth. For more complete discussion of structural geology the reader is referred to the following professional paper; Geologic Map of Henry Mountain Region, by C. B. Hunt, U.S.G.S. Oil and Gas Investig. Map O. M. 131, 1: 125,000.

Stratigraphy. The oldest rocks exposed on the group are the red silty thin-bedded sandstones and shales of the Jurassaic Summerville formation. The top of this red unit will be used as the bottoming datum in the proposed drill holes. The holes which will be collared in the Salt Wash will penetrate between 70 and 150 feet of this member of the Morrison formation, which is the ore-bearing formation on the claims.

Ore Deposits: The ore deposits on this group and elsewhere in the region are generally small, relatively high grade ore bodies, which to date, have been predominently carnotite and vanoxite types. Most of the mine working have been shallow and within the oxidized zone. One would expect as the mining gets deeper and oxidation decreases that the black uranium minerals will become predominant and the carnotite mineralization would become scarce as in other localities in the Morrison formation.

Justification of Exploration: The Del Monte Group has a long history of small sporadic shipments. (see Exhibits 6, 7, 8, 9 and 10). It is located in an area where small high grade carnotite ore bodies occur in abundance. The record of past production of high grade ore and the shallow drilling depths go together to make the exploration proposed an economically attractive risk.

Accessability: The Del Monte Group is accessible over a graded dirt road from Hanksville, Utah which lies 57 miles from the group. Hanksville lies 56 road miles south of Green River, Utah and is accessible from that town over an exceptionally good gravel road. The Bureau of Public Roads is at present, improving the dirt road that connects the Del Monte Group with the main road from Hanksville to Hite, Utah. This road work is being done under the AEC access road program, to reduce grades and to gravel the road surface. This expenditure on the part of AEC speaks well for the opinion that that agency has regarding the productive potential of the area. The nearest buying station, at present, is Thompson, Utah, about 150 miles from the group. This long ore haul must have, in the past, exercised a great retarding effect on the uranium development in the area. Nevertheless, the ore that has been produced has been of such high grade that the Vanadium Corporation of America has for years been trucking ores from their claims along Trachyte Creek, 12 miles north of the Del Monte claims, to their mill at Naturita, Colorado, a haul of approximately 260 miles.

Supplies and equipment, necessary to carry on the work, can be procured at Price and Moab, Utah, (see Figure 1), which are located 120 and 110 road miles respectively from the group. Hanksville, the closest permanent settlement, has a school and post office but no mine supply houses, and although there is a motor freight and railroad

depot at Green River, Utah, the mining supplies available in that town are limited to small hand tools and explosives. The Civil Aeronatic Authority maintains an airport five miles north of Hanksville, Utah that is accessible to small and large aircraft throughout most of the year.

Access roads have been built over most of the Del Monte No. 1 to No. 4 claims where only a limited amount of bull-dozing and trail building will be necessary to prepare drill sites. On the Del Monte's 5-6-7, a moderately difficult bull-dozer trail will have to be built to provide access for the proposed exploration of the property.

(e) Availibility of Manpower, Equipment and Supplies

Numerous contractors, skilled in performing the type of drilling planned, have their headquarters in Grand Junction, Colorado, which is 165 miles by road from Hanksville, Utah and 120 miles by air. These contractors are accustomed and willing to accept work in remote areas such as the Del Monte region of the Henry Mountains.

Since wagon drilling is to be used, water for drilling will not be necessary. Water for domestic use will have to be hauled from the Old Star Ranch Spring, about 7 road miles from the center of the Del Monte Group.

There are no power lines in the area, but this is not important because all the equipment used on the project will be powered by internal combustion engines, and camp lighting can be supplied by a small portable gasoline-powered generator.

5. THE EXPLORATION PROJECT

(a) The Mineral

The mineral for which this project will explore is uranium.

(b) Proposed Work

Drills for the project will be provided by private drilling companies under contract. A sampler who will also act as a field assistant for surveying will be employed to supervise the logging and sampling. An accurate log will be kept by the driller and by the sampler.

The wagon drilling contractor employed should be one with a good record of sample recovery and should guarantee samples of all uraniferous sandstone encountered as the hole is drilled. As soon as the drill bit encounters such uraniferous sandstones the driller should thoroughly blow all barren cuttings out of the hole and place on the dust collector a sampler catcher which has been thoroughly cleaned. The sampler catcher should be emptied into a separate sample sack after each foot of hole is drilled while within the mineralized zone. Drilling would than proceed with strict caution until barren material is again encountered. The samples thus taken should be carefully described by the geologist in a bound field book and properly labeled for shipment to the assayer. All samples will be sent to commercial assayers for U_3O_8, V_2O_5, and C_aCo_3 determinations.

To encourage diligence on the part of the drilling contractor in the taking of samples it is recommended that they be paid for an extra foot of drilling for each foot or fractional foot of samples taken which contains more than 0.10 per cent U_3O_8, and 0.10 per cent V_2O_5. The contract should also stipulate that, if the subsequent probing of any hole reveals radioactivity indicating more than 0.05 per cent U_3O_8 for over $\frac{1}{2}$ foot in thickness, the contractor be obliged to drill an additional hole immediately adjacent to the hole in which such detection is made to insure a proper sample. All holes should be probed by the geologist in charge but under no circumstances should the results of this probing be relied upon for evaluation of tonnage and grade. The probe should be used only as a check against the human error which might be made by the geologist, sampler or driller and to enforce the provision of the contract which requires proper sampling.

Geologic Control of Drilling: A geologist or engineer should be employed full time on the project in addition to the sampler. His duties should be to survey and probe all holes and to plot proper subsurface maps, to locate and recommend Stage II drill holes, and to make and recommend amendments where subsurface mapping indicates that a Stage I hole will fall in an area where the geology is definitely unfavorable for ore deposition.

Little is known at this time as to criteria which may be helpful to finding ore in the Henry Mountain area. They should be, in general, similar to criteria which have been successfully used in other areas where the Morrison formation has been productive. The only available bottoming datum, however, is so far below the horizon it may be difficult to employ isopach maps to interpret paleo-drainage as a guide to ore bodies. Because the ore bodies in the Del Monte Group are in the lower and thickest sandstone of the Morrison formation, the same difficulty with the use of isopach maps experienced in the "first rim" in the other areas will be expected here. The writers would expect that, here as elsewhere, isolith maps, lithofacies maps, and sandstone color maps will be the best available tools.

The Drilling Plan: The drilling plan recommended to the Defense Minerals Exploration Administration and to the NATIONAL URANIUM CORPORATION is as follows:

1. The 136 proposed wagon drilled holes shown on Plate #1 are arranged to cross-cut the regional trend as determined by field examination of cross-bedding and the analysis of the Union Mines information on cross-bedding in the area.
2. Stage 2 drilling should be performed only in those areas determined to be favorable for ore deposition from the results of Stage I drilling. The proposed Stage I drilling is sufficient to produce the negative information necessary to delineate unfavorable areas.

(C) Time of Exploration Project Contract

The work will start within 30 days and be completed within 6 months from the date of an exploration project contract.

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(d) Ability of Applicants

The NATIONAL URANIUM CORPORATION is a very young company that has retained as consultants and managers, men with a high degree of competence and formidable experience records. Mr. Robert M. Deming is employed as manager for the Henry Mountains operations and will be in charge of the proposed exploration project. Mr. Deming's experience record is included as Exhibit 11. Mr. Frank R. Wicks, an industrial and mining engineer, is Chief Consulting Engineer for the NATIONAL URANIUM CORPORATION. He is one of the oldest members of the American Institute of Mining and Metallurgical Engineers, having been a member since 1913. He was the Supervising Engineer for Nevada Minerals Company for several years and was associated with Filtrol Company of California for 15 years.

Geo-Engineering, a firm of professional engineers and geologists, with offices at Grand Junction, Colorado, will act as geological consultants to NATIONAL URANIUM Corporation for this project.

6. Estimate of Costs.

It is the desire of NATIONAL URANIUM CORPORATION that this exploration project contract be placed on a unit cost basis. Schedule 5 gives the exact amount bid per unit by NATIONAL URANIUM for performing the exploration work. Custom assaying is not included in the cost per foot for drilling because of the difficulty of making an accurate estimation. The $6.00 per sample figure bid for custom assaying is the exact amount charged by the A.E.C. approved assayors.

(a) Independent Contractors.

All drilling and bull-dozer work will be performed by independent contractors.

Drilling: Since the drilling will be done by private contractors active in the uranium field, their prices for drilling are used in Schedule 2 and 3 in the unit cost columns. No allowance was made for casing or water haulage as this project will use "dry drilling".

Road and Drillsites: Bulldozers are readily available within one day's haulage distance. Because many hole locations will be selected from the results of previous drilling, it is estimated that it will be necessary to have a bulldozer on the property five different times at $100.00 for each round trip. It is also estimated that the bulldozer will be needed for 20 days on the claims. (Schedule 3)

(b) Labor, Supervision, Consultants.

Mr. Robert M. Deming will be Manager, Mr. Frank R. Wicks will be Chief Consulting Engineer and Geo-Engineering firm will act as Consulting Geologists. A field assistant will be hired to help with the surveying and to act as a sampler. A draftsman and typist will be hired as needed for the DMEA monthly reports (Schedule 4)

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(c) Operating Materials & Supplies

$150.00 per month is estimated for map reproduction and office supplies. $100.00 is estimated for the cost of field supplies (Schedule 4).

(d) Operating Equipment

All operating equipment will be provided by private contractors.

(e) Rehabilitation & Repair.

None needed.

(f) New Buildings, Improvements & Installations

It will be necessary for the supervisory personnel to live on the Del Monte Group as it is some distance from a town. Provisions are made for the rental of one house trailer that will be moved onto the property (Schedule 4).

(g) Miscellaneous

$100.00 per month is allowed to cover office and miscellaneous supervision to be performed by the personnel of NATIONAL URANIUM CORPORATION.

Payroll taxes on the consulting engineer, the field assistant draftsman and typist are estimated at 10%. The cost of analytical work is not covered in the cost per foot. A separate unit cost of $6.00 per sample is added in Schedule 5.

(h) Contingencies

Independent contractors vary the charge for increased drilling depths. A glance at Schedules 2 and 3 will show that it is possible that some of the Stage II drilling may exceed estimations. 10% is added to cover this possible increase.

Labor, Supervision and Consultants payments are on an hourly or monthly basis. 5% is added to cover any unforeseen emergencies.

Operating Materials and Supplies are estimated at a minimum. Any unforeseen consumption or destruction of materials or supplies might easily increase the cost of this item by 15%.

New Buildings, Installations, etc: 10% is added to cover any contingency such as insurance.

Miscellaneous costs are estimated at $1,490.00. 45% is added to provide for any extra help and for unforeseen taxes.

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7. APPLICANT'S SHARE OF COST

(a & b)

In accordance with the Defense Minerals Exploration Administration regulations, NATIONAL URANIUM CORPORATION is prepared to asume 25% of the cost of this project in the following manner, to wit:

NATIONAL URANIUM CORPORATION will perform all of the necessary work and pay for all of the labor, materials and supplies. Reimbursement by the DMEA will be in accordance with Schedule 5 less 25% (i. e., the amount to be loaned by the Government for each unit of work performed will be 25% less than the amounts shown in Schedule 5).

Respectfully submitted,

GEO-ENGINEERING

Louis P. Gaggini

Louis P. Gaggini

Lewis D. Anderson

Lewis D. Anderson By Hal

Harold A. Culp

Harold A. Culp

GEO-ENGINEERING
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APPLICATION FOR DMEA PROJECT ON THE DEL MONTE GROUP
PREPARED FOR NATIONAL URANIUM CORPORATION

SCHEDULE I

WAGON DRILL HOLE DEPTHS

Hole No.	Claim Name	Est. Collar Elev	Est. Bottoming Elev	Hole Depth	Hole No.	Claim Name	Est. Collar Elev	Est. Bottoming Elev.	Hole Depth
1	Del Monte #4	5320	5230	90	41	Del Monte #4	5330	5280	50
2	Del Monte #4	5330	5230	100	42	Del Monte #4	5330	5280	50
3	Del Monte #4	5330	5230	100	43	Del Monte #4	5330	5280	50
4	Del Monte #3	5290	5190	100	44	Del Monte #4	5330	5280	50
5	Del Monte #3	5290	5190	100	45	Del Monte #4	5330	5250	80
6	Del Monte #3	5290	5190	100	46	Del Monte #4	5330	5250	80
7	Del Monte #3	5300	5200	100	47	Del Monte #4	5330	5260	70
8	Del Monte #3	5290	5180	110	48	Del Monte #4	5320	5260	60
9	Del Monte #3	5290	5190	100	49	Del Monte #4	5320	5250	70
10	Del Monte #3	5300	5200	100	50	Del Monte #4	5330	5250	80
11	Del Monte #3	5300	5200	100	51	Del Monte #4	5310	5250	60
12	Del Monte #3	5310	5210	100	52	Del Monte #4	5310	5250	60
13	Del Monte #2	5250	5130	120	53	Del Monte #3	5300	5250	50
14	Del Monte #2	5260	5140	120	54	Del Monte #3	5310	5240	70
15	Del Monte #2	5250	5130	120	55	Del Monte #3	5320	5240	80
16	Del Monte #3	5250	5140	110	56	Del Monte #4	5310	5240	70
17	Del Monte #3	5260	5140	120	57	Del Monte #4	5320	5240	80
18	Del Monte #3	5260	5150	110	58	Del Monte #3	5310	5230	80
19	Del Monte #3	5260	5150	110	59	Del Monte #3	5290	5240	50
20	Del Monte #3	5300	5210	90	60	Del Monte #3	5290	5240	50
21	Del Monte #3	5300	5210	90	61	Del Monte #3	5290	5230	60
22	Del Monte #3	5300	5210	90	62	Del Monte #3	5310	5220	90
23	Del Monte #4	5310	5220	90	63	Del Monte #3	5310	5220	90
24	Del Monte #4	5310	5220	90	64	Del Monte #3	5310	5210	100
25	Del Monte #4	5310	5230	80	65	Del Monte #3	5310	5220	90
26	Del Monte #4	5310	5230	80	66	Del Monte #3	5310	5220	90
27	Del Monte #4	5310	5230	80	67	Del Monte #3	5300	5220	80
28	Del Monte #4	5310	5230	80	68	Del Monte #3	5300	5210	90
29	Del Monte #4	5300	5220	80	69	Del Monte #3	5300	5210	90
30	Del Monte #4	5300	5220	80	70	Del Monte #3	5300	5200	100
31	Del Monte #4	5310	5240	70	71	Del Monte #3	5310	5210	100
32	Del Monte #4	5320	5240	80	72	Del Monte #3	5300	5190	110
33	Del Monte #4	5320	5250	70	73	Del Monte #3	5300	5190	110
34	Del Monte #4	5320	5260	60	74	Del Monte #3	5300	5190	110
35	Del Monte #4	5320	5260	60	75	Del Monte #3	5290	5190	100
36	Del Monte #4	5320	5250	70	76	Del Monte #3	5290	5180	110
37	Del Monte #4	5320	5240	80	77	Del Monte #3	5300	5180	120
38	Del Monte #4	5320	5240	80	78	Del Monte #2	5280	5190	90
39	Del Monte #4	5330	5280	50	79	Del Monte #3	5280	5200	80
40	Del Monte #4	5330	5280	50	80	Del Monte #3	5280	5200	80

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SCHEDULE I

WAGON DRILL HOLE DEPTHS

Hole No.	Claim Name	Est. Collar Elev.	Est. Bottoming Elev.	Hole Depth	Hole No.	Claim Name	Est. Collar Elev.	Est. Bottoming Elev.	Hole Depth
81	Del Monte #2	5270	5190	80	121	Del Monte #2	5290	5150	140
82	Del Monte #2	5270	5180	90	122	Del Monte #1	5200	5050	150
83	Del Monte #2	5270	5180	90	123	Del Monte #1	5230	5080	150
84	Del Monte #2	5260	5170	90	124	Del Monte #1	5260	5110	150
85	Del Monte #2	5260	5170	90	125	Del Monte #2	5270	5130	140
86	Del Monte #2	5260	5160	100	126	Del Monte #6	5230	5110	120
87	Del Monte #1	5230	5130	100	127	Del Monte #6	5280	5140	140
88	Del Monte #1	5230	5120	110	128	Del Monte #6	5220	5170	50
89	Del Monte #1	5220	5120	100	129	Del Monte #6	5260	5190	70
90	Del Monte #1	5230	5120	110	130	Del Monte #6	5280	5210	70
91	Del Monte #1	5230	5120	110	131	Del Monte #6	5340	5260	80
92	Del Monte #1	5230	5110	120	132	Del Monte #5	5370	5280	90
93	Del Monte #1	5220	5110	110	133	Del Monte #5	5410	5300	110
94	Del Monte #1	5220	5110	110	134	Del Monte #5	5440	5320	120
95	Del Monte #1	5230	5100	130	135	Del Monte #5	5370	5350	20
96	Del Monte #1	5220	5100	120	136	Del Monte #5	5420	5360	60
97	Del Monte #6	5270	5230	40					
98	Del Monte #6	5270	5230	40					
99	Del Monte #6	5280	5240	40					
100	Del Monte #6	5290	5240	50					
101	Del Monte #6	5300	5240	60					
102	Del Monte #6	5290	5240	50					
103	Del Monte #6	5290	5230	60					
104	Del Monte #6	5270	5230	40					
105	Del Monte #5	5440	5410	30					
106	Del Monte #5	5460	5410	50					
107	Del Monte #5	5460	5420	40					
100	Del Monte #5	5450	5410	40					
109	Del Monte #5	5430	5400	30					
110	Del Monte #5	5430	5400	30					
111	Del Monte #5	5430	5400	30					
112	Del Monte #4	5290	5240	50					
113	Del Monte #4	5290	5200	90					
114	Del Monte #4	5300	5220	80					
115	Del Monte #4	5310	5240	70					
116	Del Monte #4	5330	5270	60					
117	Del Monte #3	5280	5170	110					
118	Del Monte #3	5320	5210	110					
119	Del Monte #2	5240	5100	140					
120	Del Monte #2	5260	5120	140					

Total Footage 11,590

Estimated Wagon Drill Hole Depths
Schedule I

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APPLICATION FOR DMEA PROJECT ON THE DEL MONTE GROUP
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SCHEDULE 2

STAGE I DRILLING SUMMARY

Hole No.	Est. Hole Depth	Est. Drilling 0-50'	Est. Drilling 50-100'	Est. Drilling 100'-150'	Hole No.	Est. Hole Depth	Est. Drilling 0-50'	Est. Drilling 50-100'	Est. Drilling 100'-150'
1	90	50	40		41	50	50		
2	100	50	50		42	50	50		
3	100	50	50		43	50	50		
4	100	50	50		44	50	50		
5	100	50	50		45	80	50	30	
6	100	50	50		46	80	50	30	
7	100	50	50		47	70	50	20	
8	110	50	50	10	48	60	50	10	
9	100	50	50		49	70	50	20	
10	100	50	50		50	80	50	30	
11	100	50	50		51	60	50	10	
12	100	50	50		52	60	50	10	
13	120	50	50	20	53	50	50		
14	120	50	50	20	54	70	50	20	
15	120	50	50	20	55	80	50	30	
16	110	50	50	10	56	70	50	20	
17	120	50	50	20	57	80	50	30	
18	110	50	50	10	58	80	50	30	
19	110	50	50	10	59	50	50		
20	90	50	40		60	50	50		
21	90	50	40		61	60	50	10	
22	90	50	40		62	90	50	40	
23	90	50	40		63	90	50	40	
24	90	50	40		64	100	50	50	
25	80	50	30		65	90	50	40	
26	80	50	30		66	90	50	40	
27	80	50	30		67	80	50	30	
28	80	50	30		68	90	50	40	
29	80	50	30		69	90	50	40	
30	80	50	30		70	100	50	50	
31	70	50	20		71	100	50	50	
32	80	50	30		72	110	50	50	10
33	70	50	20		73	110	50	50	10
34	60	50	10		74	110	50	50	10
35	60	50	10		75	100	50	50	
36	70	50	20		76	110	50	50	10
37	80	50	30		77	120	50	50	20
38	80	50	30		78	90	50	40	
39	50	50			79	80	50	30	
40	50	50			80	80	50	30	

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APPLICATION FOR DMEA PROJECT ON THE DEL MONTE GROUP
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SCHEDULE 2

STAGE I DRILLING SUMMARY
(Continued)

Hole No.	Est. Hole Depth	Est. Drilling 0-50'	Est. Drilling 50-100'	Est. Drilling 100'-150'	Hole No.	Est. Hole Depth	Est. Drilling 0-50'	Est. Drilling 50-100'	Est. Drilling 100'-150'
81	80	50	30		120	140	50	50	40
82	90	50	40		121	140	50	50	40
83	90	50	40		122	150	50	50	50
84	90	50	40		123	150	50	50	50
85	90	50	40		124	150	50	50	50
86	100	50	50		125	140	50	50	40
87	100	50	50		126	120	50	50	20
88	110	50	50	10	127	140	50	50	40
89	100	50	50		128	50	50		
90	110	50	50	10	129	70	50	20	
91	110	50	50	10	130	70	50	20	
92	120	50	50	20	131	80	50	30	
93	110	50	50	10	132	90	50	40	
94	110	50	50	10	133	110	50	50	10
95	130	50	50	30	134	120	50	50	20
96	120	50	50	20	135	20	20		
97	40	40			136	60	50	10	
98	40	40			Totals	11,590	6,630	4,240	720
99	40	40			Price per foot		0.50	0.50	0.85
100	50	50			Costs		$3315.00	3180.00	$612.00
101	60	50	10						
102	50	50							
103	60	50	10						
104	40	40							
105	30	30							
106	50	50							
107	40	40							
108	40	40							
109	30	30							
110	30	30							
111	30	30							
112	50	50							
113	90	50	40						
114	80	50	30						
115	70	50	20						
116	60	50	10						
117	110	50	50	10					
118	110	50	50	10					
119	140	50	50	40					

Total Cost, Stage I $7,107.00

Stage I, Drilling Summary
Schedule 2

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APPLICATION FOR DMEA PROJECT ON THE DEL MONTE GROUP OF CLAIMS
PREPARED FOR NATIONAL URANIUM CORPORATION

Schedule 3

ESTIMATE OF AMOUNTS TO BE PAID INDEPENDENT CONTRACTORS

Explanation	Unit	No. of Unit	Cost per Unit	Total Cost	Grand Total
Drilling Contractors Stage I Drilling (Sch 2)	Feet	11,590	0.6132	$7106.98	$7106.98
Stage II Drilling 65 Holes					
Wagon Drilling 0'-50'	Feet	3200	0.50	1,600.00	
Wagon Drilling 50'-100'	Feet	1984	0.75	1,488.00	
Wagon Drilling 100'-150'	Feet	326	0.85	277.00	
Total Stage II Drilling		5510	0.6132		3365.00
ROAD AND DRILL SITE PREPARATIONS					
Moving Dozer to and From Property		Round Trip	5	100.00	500.00
Dozer Rental		Day	20	100.00	2,000.00
Total Preparation Cost					2,500.00
Total Amount to be Paid to Independent		Contractors 17,100	0.75		12,971.98

ESTIMATE OF AMOUNTS TO BE PAID TO INDEPENDENT CONTRACTORS

Schedule 3

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APPLICATION FOR DMEA PROJECT ON THE DEL MONTE GROUP OF CLAIMS
PREPARED FOR NATATIONAL URANIUM CORPORATION

Schedule 4

Estimated Costs Under 6(b), 6(c), 6(f), and 6(g)
DMEA FORM MF-103

	Cost Per Month	Cost Per Project	Unit Cost Per Heading
6(b) Labor, Supervision, and Consultants			
Geo Engineering Fees	300.00	1,800.00	
Geo Engineering Expenses	195.00	1,050.00	
National Uranium Consultants	900.00	5,400.00	
National Uranium Managment Expense	200.00	1,200.00	
Field Assistant	375.00	2,250.00	
Draftsman	150.00	900.00	
Typist	60.00	360.00	
Total under 6(b) MF-103 (17,100)		$12,960.00	.7579
6(c) Operating Materials and Supplies			
Office Supplies, map and drill logs reproduction for monthly reports .	150.00	900.00	
Survey Stakes and other field supplies		100.00	
Total under 6(c) MF-103 (17,100)		$1,000.00	.0585
6(f) New Buildings, Installations, etc.			
Rental of one trailar house	50.00	300.00	
Total under 6(f) MF-103 (17,100)		300.00	.0175
6(g) Miscellaneous			
Accounting Expenses, etc	100.00	600.00	
Payroll Taxes Estimated at 10% of 1,485.00	148.50	890.00	
Total under 6(g) MF-103 (17,100)		1,490.00	.0871

Estimated costs under 6(b), 6(c), 6(f), and 6(g)

Schedule 4

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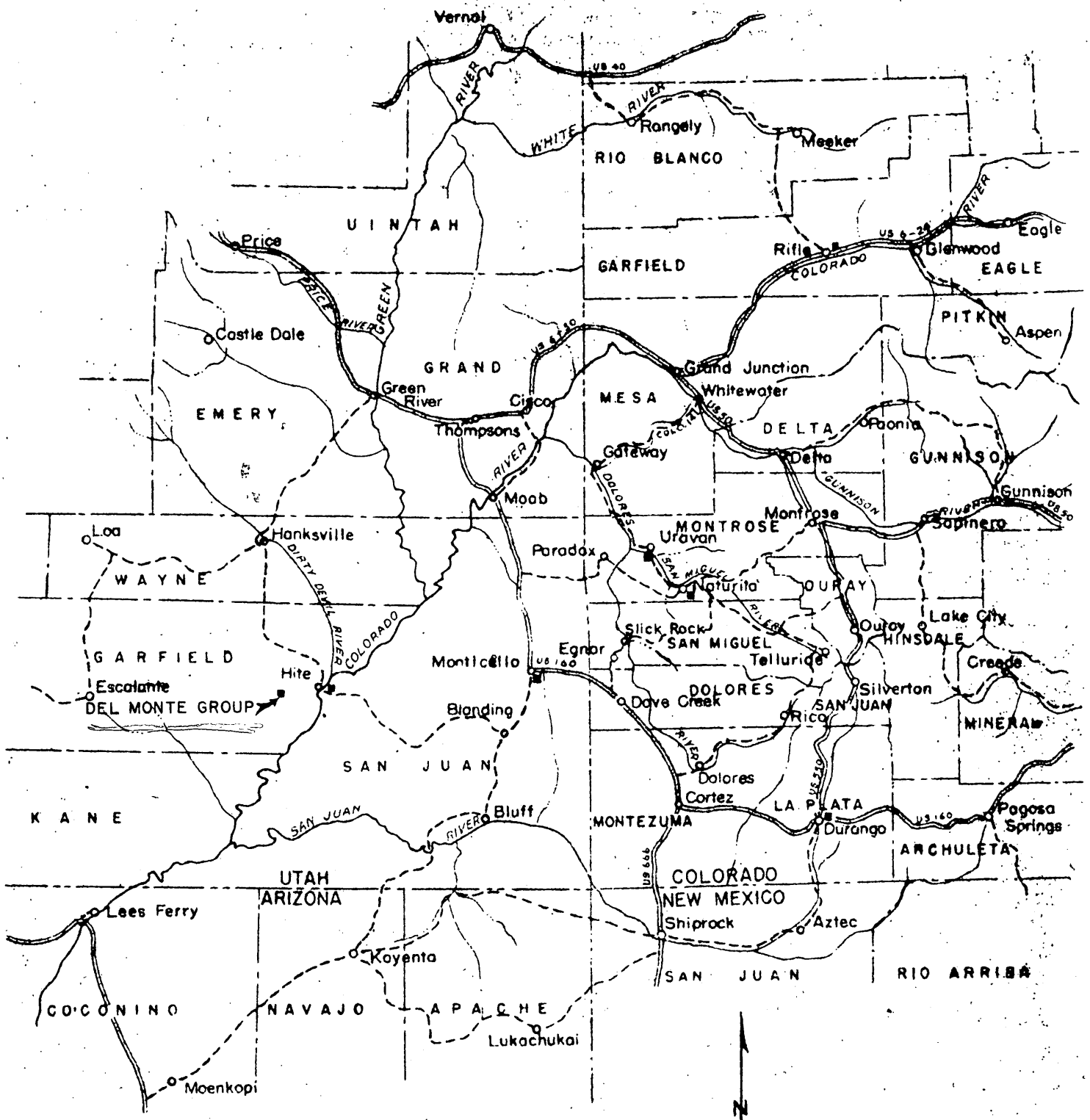
APPLICATION FOR DMEA PROJECT ON THE DEL MONTE GROUP
PREPARED FOR NATIONAL URANIUM CORPORATION

SCHEDULE 5

SUMMARY OF COSTS

	Units	No. of Units	Cost per Unit	Total Cost per Item	Grand Total
6a-Independent Contractors (Sch. 3)	Feet	17,100	0.7586	$12,971.98	
6b-Labor, Supervision & Consultants (Sch 4)	Feet	17,100	0.7579	12,960.00	
6c-Operating Materials & Supplies (schedule 4)	Feet	17,100	0.0585	1,000.00	
6d-Operating Equipment	None				
6e-Rehabilitation & Repair	None				
6f-New Buildings, Installations (Schedule 4)	Feet	17,100	0.0175	300.00	
6g-Miscellaneous (Schedule 4)	Feet	17,100	.0871	1,490.00	
6h-Contingencies					
For (a) above-10%				1,297.20	
For (b) above-5%				648.00	
For (c) above 15%				150.00	
For (f) above 10%				30.00	
For (g) above 45%				670.50	
Calculated Unit Cost	Feet	17,100	1.8443	[illegible]	$ 31,547.68
Calculated Unit Cost of Project using Unit cost Bid and before allowing for Analytical work	Feet	17,100	1.84		$31,517.68
Analytical Work					
U_3O_8 Analysis	Sample	300	3.50	1,050.00	
V_2O_5 Analysis	Sample	300	1.50	450.00	
C_aCo_3 Analysis	Sample	300	1.00	300.00	1,800.00
Total Cost of Project during DMEA Participation					$ 33,317.68
Less 25% to be paid by NATIONAL URANIUM CORPORATION					8,329.42
AMOUNT OF DMEA LOAN REQUESTED-----					$ 24,988.26

SUMMARY OF COSTS
SCHEDULE 5



GEO ENGINEERING

INDEX MAP
SHOWING LOCATION
OF
NATIONAL URANIUM, INC.
PROPERTY
GARFIELD COUNTY, UTAH

D.M.E.A. APPLICATION
DEL MONTE GROUP

FIGURE I

Certificate

COUNTY OF GARFIELD } SS
STATE OF UTAH

I, Mildred Deuel duly elected, qualified and acting county Recorder in and for Garfield County, State of Utah, do hereby certify that the foregoing is a true copy of Quit Claim Mining Deed recorded (or filed) 28 day of July, 19 52 and now of record in my office, Book Miscellaneous 14 Page s 408-409-410

IN Witness Whereof, I have hereunto set my hand and affixed the seal of the Recorder, at the city of Panguitch, Utah, this 27 day of January, 19 55

Mildred Deuel
Garfield County Recorder

BOOK 14 PAGE 40

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Location,

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DEL MONTE DMEA APPLICATION
NATIONAL URANIUM CORPORATION

Exhibit 3

Exhibit 3

DEL MONTE DMEA APPLICATION
NATIONAL URANIUM CORPORATION

Exhibit 3

Certificate

COUNTY OF GARFIELD }
STATE OF UTAH } SS

I, Mildred Deuel duly elected, qualified and acting county Recorder in and for Garfield County, State of Utah, do hereby certify that the foregoing is a true copy of Quit Claim Deed of Lode Mining Claims recorded (or filed) 24 day of May, 19 54 and now of record in my office,

Book 27 Page s 38-39

IN Witness Whereof, I have hereunto set my hand and affixed the seal of the Recorder, at the city of Panguitch, Utah, this 2 day of February, 19 55

Mildred Deuel
Garfield County Recorder

BOOK 27 PAGE 38

QUITCLAIM DEED OF LODE MINING CLAIMS

This indenture made this 17th day of May, 1954, between ONE HUNDRED ASSOCIATES OF AMERICA, a Nevada Corporation, of the first part, and NATIONAL URANIUM CORPORATION, a Utah Corporation, of the second part:

Witnesseth that the party of the first part, for and in consideration of TEN DOLLARS, lawful money of the United States of America, and other good and sufficient consideration, to the party of the first part in hand paid by the party of the second part, at or before the delivery of these presents, the receipt whereof is hereby acknowledged, hereby grants, bargains, sells, remises, releases, quitclaims and conveys unto the party of the second part, its successors and assigns forever, the following described mining property situated in Garfield County, State of Utah, to wit: those certain quartz-mining claims, lodes, leads, ledges, or mineral deposits, being so situate and known as:

Daisy June, Nos. One to Ten, inclusive
Congress, Nos. One to Fifty-three, inclusive
Congress Millsite
Eagles, One to Four, inclusive
Minnie Pearl, One and Two
Delmonte, Nos. One to Six, inclusive
Butler Wash and
Taylor Ridge.

Together with all the dips, spurs, angles, and variations, also all the metals, ores, gold and silver bearing quartz, rock and earth and all the petroleum, crude oil, naphtha, maltha, gas, asphaltum and kindred mineral substances therein; and all the rights, privileges and franchises enjoyed; and also all and singular the tenements, hereditaments and appurtenances thereto belonging or in anywise appertaining, and rents, issues and profits thereof; and also all the estate, right, title, interest, property, possession, claim and demand whatsoever, as well in law as in equity, of the party of the first part of, in or to the said premises, and every part and parcel thereof, with the appurtenances.

To have and to hold, all and singular, the said premises, together with the appurtenances and privileges thereto incident, unto the party

BOOK 27 PAGE 39

of the second part, its successors and assigns forever.

In Witness whereof, the party of the first part has caused these presents to be signed on the 17th day of May, 1954.

ONE HUNDRED ASSOCIATES OF AMERICA,
a Nevada Corporation

Attest: P.V. Frankel Secretary By: Martin Lasher President

STATE OF New York)
COUNTY OF New York) ss.

On the 18th day of May A.D.,1954, personally appeared before me M.L. Martin Lasher and P.V.P. P.V. Frankel who being by me duly sworn did say, each for himself, that he, the said M.L. Martin Lasher is President, and he, the said P.V.P. P.V. Frankel is the Secretary of One Hundred Assoc. of America, a Nevada Corporation, and that the within and foregoing instrument was signed in behalf of said corporation by authority of a resolution of its Board of Directors and said M.L. Martin Lasher and P.V.P. P.V. Frankel each duly acknowledge to me that said corporation execute the same and that the seal affixed is the seal of said corporation.

Eleanor Shufield
Notary public, residing at

My commission expires:

ELEANOR SHEFFIELD
Notary Public in the State of New York
No. 24-3627250
Qualified in Kings County
Cert.filed with N.Y.Co.Clks.& Reg Offices
Commission Expires March 30, 1955

49926
RECORDED May 24th 19 54 AT 9:00 AM
AT REQUEST OF Edward W. Clyde
Mildred Deuel COUNTY RECORDER

DEL MONTE DMEA APPLICATION
NATIONAL URANIUM CORPORATION

Exhibit 4

GEO-ENGINEERING
304 Main Street
Grand Junction, Colorado

February 11, 1955

DEPARTMENT OF THE INTERIOR
Division of Mineral Administration
APPROVED
FEB 25 1955

APPLICATION FOR DMEA PROJECT ON THE DEL MONTE GROUP
PREPARED FOR NATIONAL URANIUM CORPORATION

Exhibit 5

CHAIN OF TITLE OF DEL MONTE GROUP

NAME	ORIGINAL RECORDING DATE	Book	PAGE	1st Amendment Date	Book	Page	2nd Amendment Date	Book	Page
Del Monte #1	24 Apr 44	10	44	16 Jun 49	11	193	22 Dec 54	63	73
Del Monte #2	24 Apr 44	10	44	16 Jun 49	11	193	22 Dec 54	63	74
Del Monte #3	24 Apr 44	10	45	16 Jun 49	11	194	22 Dec 54	63	75
Del Monte #4	24 Apr 44	10	45	16 Jun 49	11	194	22 Dec 54	63	76
Del Monte #5	24 Apr 44	10	46	16 Jun 49	11	194	22 Dec 54	63	77
Del Monte #6	24 Apr 44	10	46	16 Jun 49	11	195	22 Dec 54	63	78
Del Monte #7	17 Jan 55	63	79						

EXPLANATION	DATE	BOOK	PAGE
Notice of Intent to Hold	28 Jun 48	11	126
Mining Lease	2 Feb 49	11	168-170
Transfer of Ownership Canadian Radium and Uranium Co to Exploration Co.	25 Apr 49	11	182
Proof of Annual Labor	3 Jun 49	11	187
Transfer of Ownership Exploration Co. to Canadian Radium and Uranium Co.	13 Mar 50	11	278
Lease and Option Agreement Canadian Radium and Uranium Co to L. R. Weeks	16 May 50	11	302-306
Proof of Annual Labor	31 May 50	11	314
Proof of Annual Labor	13 Jun 51	13	619
Quit Claim Deed L. R. Weeks to 100 Associates	29 Feb 52	14	289
Quit Claim Deed Canadiam Radium and Uranium Co. to National Uranium Corporation	28 Jul 52	14	408-410
Mortgage National Uranium Corporation to Canadian Radium and Uranium Co	28 Jul 52	10	574-577
Proof of Annual Labor	12 Jun 51	13	619
Proof of Annual Labor	23 Jun 52	14	373
Proof of Annual Labor	29 Jun 53	14	543
Proof of Annual Labor	28 May 54	28	386
Quit Claim Deed 100 Associates to National Uranium Corporation	24 May 54	27	38-39

G. Carman Ridland
Geological Engineer

New York, N. Y.
Geological Report 37
June 24, 1949

CANADIAN RADIUM AND URANIUM CORPORATION CARNOTITE CLAIMS EAST HENRY MOUNTAIN AREA, SOUTHEASTERN UTAH

Location

Canadian Radium and Uranium Corporation is the owner of 67 carnotite claims and one mill site located in the vicinity of Trachyte Creek, East Henry Mountain Mining District, Garfield County, Utah. The claims lie scattered along approximately 11 miles of a precipitous ridge of flat lying sandstone that flanks the eastern edge of Mts. Pennell and Ellen, two of the towering peaks of the Henry Mountains in southeastern Utah.

History

The East Henry Mountain area evidently was prospected and staked by the Standard Chemical Company during the period this company was at its zenith. This period dates back to the early 1900's and up to 1923, during which time carnotie ores were minded mainly for their radium content. No serious production was attempted in the early days, obviously because of the remoteness of the district at that time. However, the Standard Chemical Company did do considerable trenching, cliff gouging, and tunneling, which wa was done mainly to satisfy assessment work requirements.

In 1933, Horace Ekker, his father, and several brothers restaked most of the old Standard Chemical Company claims and, in the early 40's, sold those named Trachyte 1 to 20 to W. A. Young of denver and those named June Bell and Blitz to Vanadium Corporation of America. In 1944, Young sold the Trachyte claims to Vanadium Corporation of America and the Ekkers sold the balance of their holdings, the Daisy Junes, Eagles, Minnie Pearls, Butler Wash and Taylor Ridge, to the Canadian Radium and Uranium Corporation. In the same year the latter staked an additional 53 carnotite claims and a mill site, all of which were named "Congress".

On April 15, 1948, the holdings of the Canadian Radium and Uranium Corporation were leased to Horace Ekker, et al, for a term of three years. Since the Claims have been so leased, the following lots of ore have been produced and sold to the U. S. Atomic Energy Commission at Monticello, Utah.

DEL MONTE DMEA APPLICATION
NATIONAL URANIYM CORPORATION

Exhibit Exhibit 6

Dates Rec'd.	Pounds Natural	Percent Moisture	Pounds Dry	Percent U_3O_8	Percent V_2O_5	Gross Value
Sept. 29. 1948	21,500	4.17	20,603	.42	3.48	$ 514.43
Oct. 25, Nov. 3 & 9, 1948	34,920	4.38	33,391	.44	4.38	945.48
Apr. 27, May 9 & 11, 1949	34,200	5.75	32,233	1.18	4.29	1615.91
			86,227 lbs. or 43.1 tons @			$3075.82
		Average Gross Value Per Ton				$ 71.35

Property

The claims, a complete list of which is given in the accompanying table, are not patented. The Congress claims were staked by the Corporation to fill in certain gaps between the other groups of claims purchased, and to cover certain carnotite showings and favorable ore horizon still open for location in the area.

Number of Lode Claims	Number of Mill Sites	Names of Claims	Recorded* in Book	Recorded* in Page
2		Butler Wash and Taylor Ridge	9	591
2		Minnie Pearl No. 1 and 2	9	592
2		Daisy June No. 1 and 2	9	593
2		Daisy June No. 3 and 4	9	594
3		Daisy June No. 5, 6 and 7	9	595
1		Daisy June No. 8	9	596
2		Daisy June No. 9 and 10	9	597
24		Congress No. 1 to 24, incl.	9	601 to 612, incl.
26		Congress No. 25 to 50, incl.	10	1 to 13, incl.
2		Congress No. 51 and 52	10	41
	1	Congress Mill Site	10	42
1		Congress No. 53	10	54
67	1			

* On record at the Recorder's office, Panguitch, Utah, the seat of Garfield County.

Access

The claims may be reached by passenger auto south from Hanksville by a 30-mile dirt road. Hanksville, population approximately 350, is accessible from one of two directions: first, east from Richfield, over a 90-mile paved road to Torrey, then a 50-mile unimproved dirt road east from Torrey; or, second, southwest from Greenriver, over a 65-mile unimproved dirt road. Richfield is inconveniently situated on U. S. Route 89 and a dead-end spur of the Denver and Rio Grande Western Railroad, whereas Greenriver is a station on the main line of the same railroad between Denver and Salt Lake City. U. S. Route 6 - 50 and a high-tension power line pass through Greenriver. Harksville is not equipped with such facilities, but does have a Government-owned emergency air port. The dirt roads are not passable when wet, but, as the area has area has a semiarid climate, and rain falls only infrequent spring and summer thunder storms, the roads are fairly dependable.

The claims are located in the physiographic province known as the Colorado Plateau, a unique region of flat areas interrupted at intervals by two striking topographic features; rugged, precipitous canyons that have been gorged out of relatively flat-lying and soft sedimimentaries by stream erosion, and high mountain masses that are the result of a vast instruction of trachytic rock into surrounding flat-lying sedimentary formations. In the vicinity of the claims, two peaks of the range, Mt. Ellen and Mt. Pennell, elevations 11,485 and 11,320 feet, respectively, are clearly and beautifully visible. The elevation of the claims in approximately 5,000 feet.

The Colorado Plateau, apart from its igneous mountain ranges, is composed of a tremendous thickness of sedimentary rocks. The age of the formations range from the Paleozoic to Tertiary. They underly the flat-surfaced sections of the plateau and are mainly flat-lying to gently inclined. Carnotite, a vanadium-uranium-bearing mineral of the mica family, occurs in places within definite stratigraphic horizons of certain plateau formations. The Morrison sandstone formation of Upper Jurassic age is the most productive.

Geology of the Property

The upheaval of Trachyte just west of the claims broke off, and tilted steeply upward to the west, the Morrison formation. Four miles east the Morrison is at its usual flat-lying attitude, but is again broken off abruptly alon a highly involuted rim paralleling the mountain range to the west. The claims are located along approximately 11 miles of this ridge (see map accompanying report).

Below the more resistant, gray Morrison sandstone lies the relatively softer, red Summerville shale. The latter formation forms a second, flat plain at a horizon lower than the one formed by the Morrison. The Summerville plain is extensive to the north and south but is continuous for only a mile or two to the east where it breaks off abruptly to a third level, and so on down into the mighty canyon of the Colorado River. The road between Hanksville and Trachyte Creek runs along the Summerville plain up against the Morrison cliff. The Morrison cliff owes its highly involuted course to erosion canyons that have been cut by torrential rains runoffs in their easterly course from the Morrison level out onto the Summerville plain and, thence, toward the Colorado River.

The original thickness of the Morrison in the area cannot be measured because the top has not been preserved, but, in the vicinity of Trachyte Creek, there still remains 300 feet or more of the formation. It consists of relatively thick (5 to 20 feet) beds of crossbedded, coarse to fine, friable sandstone separated by thin beds of shale and conglomeratic sandstone. It usually weathers a light gray color.

Ore Deposits

The carnotite deposits of this area appear to be confined to one or two stratigraphic horizons of the Morrison formation. The horizons vary from a few feet to 15 or 25 feet in thickness. The ore horizon is not necessarily mineralized throughout. On the contrary, it is mineralized for only short, lengths of from 15 or 20 sands of feet of barren sandstone. Similarly, in the vertical direction, more than one ore body may lie at different stratigraphic horizons, but confined to the top and bottom limits of the "ore horizon".

Carnotite ore bodies usually follow bedding planes of the sandstone, and, as the Morrison is fairly flat lying in the Trachyte area, the ore bodies are also tabular and flat. Hence, they are usually exposed on the sandstone cliffs. After the ore horizon is recognized, the prospector traces the horizon along the steep cliffs until he finds a showing. He may break sufficient rock to gain a footing at the exposure, then cut out a cave to freshen up and gain access to the ore. If the cave is deepened sufficiently, it becomes a tunnel. Hencecarnotite deposits are developed by caves and tunnels.

Along the eleven mile section of Morrison, a great portion of which is covered by the claims of the Canadian Radium and Uranium Copporation, caves and tunnels too numerous to count were observed. Descriptions of a few of the showings follow, beginning at the north end and working south.

TheBButler Wash claim lies west of Daisy JuneeNos. 1 and 2. The canyon of Butler Wash is on the south side of the claim and a parallel wash lies on the north side. The discovery monument is 100 feet east of the west end-centeraand here outcrops an anticlinal ridge or ore horizons. Two shallow pits, mostly caved in with sand, display very little of the showing. One seam of black, high-grade ore with uranium stain is 6 inches thick and exposed for a length of 2 feet. It is open at both ends. A second body, 3 feet below the former , is a one-foot seam that can be traced for 135 feet. From the discovery monument to the north-east, an almost continuous exposure of low-grade mineralized sandstone was observed which was traced for 150 feet. It is 3 feet thick in places. In the talus below the occurrence, fragments of fossil trees were noted. The Morrison sandstone in this vicinity dips 15 east.

On the Daisy June No. 1, near the discovery monument, a group of old cliff workings, dating back to the days of the Standard Chemical Company, expose a number of small showings. At one place a fossillog, 15 feet long and one foot in diameter, contains an aureole of good-grade ore. The ore does not replace the silicified wood.

Extensive carnotite showings are exposed on the Daisy Junes 8, 9, and 10 and Congresses 21, 22, 23, and 24. One occurrence, up to 30 feet thick, was traced for a considerable unmeasured distance. Many caves and pits are scattered over these claims and many small high-grade ore bodies are exposed. The barren sandstone cover (rock above the ore horizon) is quite thin over extensive flat areas on these claims. hence, this section is ideal for a Geiger-Mueller counter servey. Experience has shown that the instrument is adapted to locating radioactive ore bodies through sandstone covers of from 10 to 20 feet thick, depending upon the size of the ore bodyas The cover in this area is mostly less than 10 feet thick.

On the southern part of Daisy June No. 5, a similarrshallow cover area exists which is considered ideal for Geiger-Mueller work. Other areas favorable for such exploration are located on Eagle No. 3 and on parts of Minnie Pearl Nos. 1 and 2. Of course, whereever the ore horizonsis exposed along the cliffs and is accessible, the Geiger Counterlis capable of detecting hidden ore bodies. has

A considerable number of the ore occurrences on the claims are associated with fossil trees. This is true for the Taylor Ridge, the most southerly one, and through to the Daisy June No. 1, the most northerly of the claims. The ore may beconcentrated in the sandstone aurrounding a tree, or it may be below or at the sides of the tree, or it may be along only part of the lenght of a tree while the other part is completely void of mineralization. Mineralization is seldom inside the tree and only in fractures (radial cracks) in the silicified logs. These deposits, if within 15 or 20 feet of the surface, are capable of being ditected by the Geiger-Mueller counter.

Conclusions

The deposits, scattered along 11 miles of highly irregular sandstone rim, are too numerous to be described in detail in this reconnaissance report. Almost all these showings have been exposed by the natural processes of erosion. Modern methods of exploration such as detailed geological mapping, diamond drilling, and radioactive detection, have not been employed on any of the claims to detect under-exposed ore bodies and it is reasonable to assume that such methods would receive excellent response. The best evidence of the possibilities of these claims is in the production record given on page two, which is the part-time, hand-tool efforts of Horace Ekker and his brother, lessees. The writer believes that, at current prices for carnotite ore, the claims could be developed for a modern, large-scale operation, and that they will be found to be productive for many years to come.

G. Carman Ridland
Geological Engineer

New York, N. Y.
Geological Report 37
June 24, 1949

CANADIAN RADIUM AND URANIUM CORPORATION CARNOTITE CLAIMS EAST HENRY MOUNTAIN AREA, SOUTHEASTERN UTAH

Summary

The Mining claims owned by Canadian Radium and Uranium Corporation, consisting of 67 carnotite claims and one mill site, are located near Trachyte Creek, on the east side of Mts. Ellen and Pennell, the two most northerly peaks of the Henry Mountains is southeastern Utah. They are accessible by a 95-mile dirt road from Greenriver, Utah.

The general geology of the area is typical of the geology and physiography of the Colorado Plateau. Two formations, the Morrison Sandstone and the Summerville shale, both of Upper Jurrassic age, are the only rocks exposed on the claims. The Morrison contains a horizon or two in which numerous bodies of carnotite ore occur. A cliff of Morrison sandstone. running north from Trachyte Cfeek for 11 miles exposes most of these occurrences. Flat-lying Morrison sandstone containing the ore horizon with a very shallow cover exists on much of the property and it is believed that ore bodies in these areas will be susceptible to radioactive detection with a Gieger-Mueller counter.

No scientific or modern methods have been employed to detect or develop ore occurrences not already exposed by erosion and it is believed that methods, such as, detailed geological mapping, diamond drilling, and Geiger-Mueller surveying, will succeed in detecting buried ore bodies. The property is believed to have merit as a potential producer of carnotite ore and warrents such a development program.

****

Reported_____
G. C. Ridland

DEL MONTE DMEA APPLICATION
NATIONAL URANIUM CORPORATION

Exhibit 6

C. Carman Ridland
Geological Engineer

Denver, Colorado
Geological Report 56
June 10, 1949

THE DEL MONTE URANIUM PROPERTY
HENRY MOUNTAIN MINING DISTRICT
GARFIELD COUNTY, UTAH

Summary

The Del Monte carnotite property consists of 8 lode mining claims and is located in the Henry Mountain Mining District, Garfield County, Utah. It is owned by the Canadian Radium and Uranium Corporation and leased to John H. McElroy. The property is accessible by a 95-mile dirt auto road from Green-river, Utah, then a rough, 10-mile truck or jeep road, followed by a 5-mile wagon trail. Aircraft may land on the desert 5 miles away.

The general geology of the property is typical of the geology and physiography of the Colorado Plateau. Two formations, the Summerville shale and the Morrison sandstone, are the only exposed rock types. They are nearly flat lying. The Morrison contains a horizon in which numerous bodies of carnotite ore occur. A canyon cuts through the property from east to west exposing vertical cliffs of Morrison and Summerville. Most of the ore occurences are exposed on the vertical faces of the north rim of the canyon.

The deposits are featured by the following:

1. They contain a higher than average ratio of uranium to vanadium.
2. They contain an unusual amount of high-grade ore in relation to the extensiveness of the mineralization.
3. They contain a feature similar to that at Calamity Mesa which results in fabulous concentractions of carnotite ore in and around fossil trees.

The property is believed to have merit as a potential producer of carnotite ore and warrants a program of development in the form of geological mapping, geophysical surveying and diamond drilling.

Reported _____
C. C. Ridland

DEL MONTE DMEA APPLICATION
NATIONAL URANIUM CORPORATION

Exhibit 7

G. Carman Ridland
Geological Engineer

Denver, Colorado
Geological Report 36
June 10, 1949

DEL MONTE URANIUM PROPERTY
HENRY MOUNTAIN MINING DISTRICT,
GARFIELD COUNTY, UTAH

Location

The Del Monte property, consisting of 6 full-sized lode mining claims, lies approximately 5¼ miles northwest of Mt. Ellsworth and 4 miles S75 W of Mt. Holmes, the two most southerly peaks of the Henry Mountains in Southeastern Utah. The property is in the east-central part of Garfield County. It is owned by the Canadian Radium and Uranium Corporation of New York City and is leased to John H. McElroy of Gunnison, Colorado. The claims are listed below:

Name of Claim	Recorded* in Book	Page
Del Monte No. 1	10	44
Del Monte No. 2	10	44
Del Monte No. 3	10	46
Del Monte No. 4	10	45
Del Monte No. 5	10	46
Del Monte No. 6	10	46

* On record at the Recorder's office, Panguitch, Utah, the seat of Garfield County.

Access

An unimproved dirt road leaves U. S. Highway 6-50 at Greenriver, Utah and heads southwest across the San Rafael desert for 50 miles to the village of Hanksville, population approximately 1350, thence south along the east side of the Henry Mountains for another 30 miles to Trachyte Creek. When dry, this road may be travelled by the average passenger car; when wet, it is impassible by any type of vehicle. The area, however, is arid and sporadic thunder showers, confined usually to the Spring and Summer seasons, stop traffic for only a day or two at a time.

A much less improved road, navigable only by truck or jeep, continues south from Trachyte Creek along the east side of Mt. Hillers, then cuts southwest between Mt. Hillers and Mt. Holmes to the old, abandoned Star Ranch. The distance from Trachyte Creek to the Ranch is approximately 10 miles. The Ranch, an excellent camp site (water source), is 4½ miles north of the property. A 6-mile wagon road connects the property with the truck road at the Star Ranch.

The truck road continues southwest from the Ranch, then turns northwest along the west side of the Henry Mountains to join a dirt road running from Torrey to Hanksville. A short distance southwest of the Star Ranch, the truck road crosses an extensive, smooth area. Aircraft can land on and take off in safety from this natural flat.

History

Old time residents of Hanksville informed the writer that production of carnotite from the Del Monte property dates back to the days of the early 900s when the Standard Chemical Company was the biggest operator on the Colorado Plateau. The writer saw the yea 1914 written on the breast of one of the tunnels. On July 17, 1933, Cornelius Ekker, et al, of Hanksville, restaked the claims renaming them Bell and Bell 1 to 6, inclusive. In 1943 the Ekkers sold the property to the Canadian Radium and Uranium Corporation and on April 7, 1944, the latter restaked the claims as Del Monte Nos. 1 to 6, inclusive. No work was performed on the property by the present owner and on October 15, 1948, the property was leased to John H. McElroy for a period of from 5 to 6 years.

It is doubtful if the Standard Chemical Company or the Ekkers ever attempted to operate the property for reasons other than to satisfy assessment work requirements. Cornelius Ekker reports that each year both former owners would pack a small amount of high-grade ore out on horseback, which was sold to partly compensate their assessment work efforts. Until only recently has the property been accessible by motor vehicle. Hence, the property has been, until now, too remote to attract any sizeable exploration and development program.

General Geology

The Del Monte property is located on the Colorado Plateau, a unique physiographic region, charac erised by expansive, flat areas interrupted at intervals by two striking topographic features: rugged, precipitous canyons that have been gorged out of relatively soft sedimentaries by stream erosion, and high mountain masses that are the result of intrusive or volcanic upheavals. The Henry Mountains are an example of the latter and the three peaks in the vicinity of the property, Mts. Hillers, Holmes, and Ellsworth reach elevations of 10,650, 7,950, and 8,150 feet, respectively. The elevation of the Plateau in the vicinity of the property is approximately 4,000 feet.

The Colorado Plateau, apart from its igneous mountain ranges, is composed of a tremendous thickness of sedimentary rocks. The age of the formations range from the Paleozoic to Tertiary. They underly the flat-surfaced areas and are mainly flat-lying to gently inclined. Carnotite, a hydrous oxide of vanadium and uranium, occurs in places within definite stratigraphic horizons of certain plateau formations. The Morrison sandstone formation of Upper Jurassic age is the most productive.

Geology of the Property

The 6 Del Monte claims cover approximately 120 acres of Morrison sandstone and Summerville shale. The formations strike N 20 E and dip 5° N. They appear to have been tilted up on the flank of Mt. Ellsworth. A canyon, formed by waters draining westerly from the slopes of Mts. Holmes and Ellsworth, cuts through what is left of the Morrison formation and exposes the red Summerville below. This canyon exposes precipitous Morrison sandstone cliffs on both sides, and on these faces carnotite deposits are exposed. With the exception of the bottom of the canyon, the surface of the claims is Morrison sandstone.

Ore Deposits

The carnotite deposits appear to be confined to a 50-foot thick section of the Morrison sandstone. This horizon varies from 50 to 100 feet above the Summerville formation. The majority, at least 34 different showings, are exposed on the north side of the canyon which bisects the property in two. Approximately 12 showings were noted on the south side of the canyon. A few occurrences which have been opened up with trenches and pits, were noted on the flat surface extending north from the canyon. The deposits, therefore, are near the surface and some of the, at least, are sufficiently near to be detected with a Geiger-Mueller counter. Because of the possibilities believed to exist in this flat area north of the canyon, the new claims Del Monte 1 to 4, inclusive, were staked so that their long directions ran north and south, thus covering the Morrison 1500 feet back from the canyon. On the south side of the canyon, the Morrison is cut off by a second canyon, hence, the claims Del Monte 5 and 6 were laid out lengthwise to cover the showings along the south canyon wall.

Carnotite deposits are usually exposed and developed on almost vertical sandstone cliffs. The miner first necessarily gains a footing on a ledge below the showing, then cuts out a cave to freshen up and gain access to the ore. If he continues this excavation, his cave becomes a tunnel. Caves too numerous to count were observed along both walls of the canyon and at least 12 tunnels were noted extending from 5 to 90 feet in from the cliff. Numerous trenches were also noted upon the planes above the canyon.

One of the best showings is located on the north side of the canyon in the vicinity of the discovery monument of Del Monte No. 1. The body has an average width of 5 feet and a length of 22 feet. A channel sample taken across the 5-foot thickness of this 22-foot length assayed 1.88% U_3O_8 and 1.50% V_2O_5 ($118.60 per ton). Beyond the 22-foot length, the ore is lower in grade and the thickness pinches and swells irregularly for a distance of some 200 feet.

Traversing the north wall of the canyon eastward from the No. 1 discovery monument, numerous small and large carnotite ore bodies can be observed. Fragments of fossil trees and vegetable matter are common and usually show some, if not considerable, concentrations of carnotite ore in and around these organic remains. The threes are of the punky or rotted variety which, in other sections of the Colorado Plateau, tend to favor a higher ratio of uranium to vanadium content of the ore.

On the cliff at a point below the discovery monument of Del Monte No. 3, a bed of sandstone 8 feet thick is mineralized as evidenced by its light-brown color in contrast to the usual light-gray color of the barren sandstone. This

body of mineralized sandstone was traced in both directions along the strike for several hundred feet. A cave (tunnel) at one place shows it to go back from the escarpment for 15 feet (the depth of the cave). This material did not appear to be of commercial interest when obser ed in the field, but a chip sample was taken over an 8-foot section of the bed. The assay returned 0.20% U_3O_8 and nil for vanadium. This ore is worth $10.00 per ton in the crude state at Monticello, Utah, and because it appears to occur in large quantities, it may be of commercial value at current uranium prices.

It is hardly necessary to describe the numerous other carnotite occurrences in this general report. On the whole, they are smaller and more scattered than the deposits of the better known carnotite regions. On the other hand, the ratio of high-grade to low grade ore appears to be much higher than in the average deposit. Another important feature is that the uranium to vanadium ratio appears to be abnormally higher than at other deposits. For example, in addition to the assays mentioned, a sample taken 125 feet N 35 E of the discovery monument, Del Monte No. 3, from a freshly exposed, underground, grayish-black ore streak, which the writer gussed would run approximately 2% V_2O_5 and 0.3% U_3O_8, instead returned 1.21% V_2O_5 and 0.42% U_3O_8 ($29.60 per ton); that is, it ran lower in vanadium and higher in uranium than expected. Another sample, taken at the No. 3 discovery monument of a thin seam of weathered, reddish and black sandstone (no diagnostic uranium colors), and which, at the time, appeared to be possibly only a valueless hematitic sandstone, returned the surprising result of 5.61% for U_3O_8 and 4.64% for V_2O_5 ($241.37 per ton).

The deposits on the south rim of the canyon appear to be less numerous and smaller than those on the north rim. This observation leads to the hypothesis that more numerous and larger deposits will be found under the flat area north of the canyon rim.

Ore Reserves

No accurate measurement or detailed sampling was made of the ore exposures, nevertheless rough measurements were made of a number of the ore exposures believed to assay 1.5% V_2O_5 and 0.3% U_3O_8 ($24.80 per ton) or better, and ore in site is estimated to be in excess of 5,000 tons. This figure does not take into consideration the large exposure of low-grade material that assayed 0.2% U_3O_8 and nil for vanadium ($10 per ton) which would add an additional 17,000 tons.

Conclusion

The property is believed to possess considerable promise as a carnotite producer, and warrants the expense of a program of detailed geological mapping, geophysical (Geiger-Mueller) surveying and diamond drilling. Special mention should be made of the fact that the uranium content of the ores is unusually higher than in most other carnotite deposits. Another feature is that the fossil logs are of the punky variety similar to those on Calamity Mesa. At the latter locality, carnotite replaces fossil trees in extremely rich concentrations. One small "tree formation" may net a miner thousands of dollars. The Del Monte property is one of the few carnotite properties possessing the characteristics favorable for such fabulous ore occurrences.

Frank R. Wicks

20 June 1950

Mr. L. R. Weeks,
Continental Bank Bldg.,
Salt Lake City, Utah.

[illegible] OF THE INTERIOR
[illegible] Administration
[illegible] 1950
[illegible]

Dear Mr. Weeks:

Answering your request of a few days ago, for a report of examination of the Garfield County, Utah, uranium properties.

I was on this work November 27-30, 1949, for a preliminary study of the situation. Upon my return here, a verbal report was given to my clients. At that time it was expected that a more detailed examination would be made at a later date, and that the preparation of a formal report would be deferred until after that was done. I have not since had an opportunity to complete the work. Thus all I can give you now is a brief resume of my preliminary notes and observations.

The properties under consideration at the time comprised a total of 21 lode claims and one adjoining millsite claim. There were four or five additional claims not adjoining the main groups and not under lease or option at the time but which I believe have since been added thereto.

The groups under consideration were:

Congress No. 1-53	Daisy June No. 1-10
Congress Millsite	Sigle No. 1-4
Minnie Pearl No. 1-2	Butler Wash
Bell	Taylor Wash
Bell No. 1-6	[illegible]
Slate Creek No. 1-3	[illegible]

All of these were lode claims and all were either contiguous or approximately so, and it appeared that all had been surveyed and monumented fairly well, in such manner as to represent a consolidated area of about 1700 acres of mineral ground within the area known to be carrying ore-bearing.

This claimed area lies on the easterly and the southeasterly flanks of the Henry Mountain Range, and while it represented a very extensive property, it did not appear to me to cover all of the potentially productive ground in the region. I therefore recommended an immediate study of the possibility of locating still more claims if the ground was open for mineral location.

The properties are reached from the main highways by way of Marysville or Cove Fort, through Richfield, thence southerly via Loa to Hanksville, and thence southerly from Hanksville 25 to 30 miles.

DEL MONTE DMEA APPLICATION
NATIONAL URANIUM CORPORATION

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Loa is the end of the pavement and the nearest business center; Hanksville is the nearest established settlement and supply point. The route between Loa and Hanksville leads through the Capital Reef National Monument, and while the road is government highway, it has not been surfaced or graded except in a few spots. I understand that this is to be made a Class I highway in the near future.

Hanksville is in Wayne County, while the properties are all in Garfield County, adjoining to the south. The nearest established ranches are known as the Trachyte and the Star ranches, but for the most part the region is open and uninhabited for many miles around.

The uranium ore deposits have been exploited here and there in widely separated areas, and at points where relatively easy access could be had by auto or truck, but in comparison to the size of the mineral area, the exploratory work is meager indeed.

The uranium ore is essentially all carnotite. Some fugite, or a carbon absorption of uranium oxide is noted and occassionally other secondary minerals are observed. There is no evidence of the so-called primary uranium minerals, so far as I was able to see, but in this case the carnotite may be considered to be primary deposition, in the sense that the uranium oxide was deposited as carnotite and has not been subjected to further change or alteration since deposition, except to a very limited degree. It is important to bear this in mind in future exploration and in the study of the metallurgical problems involved.

The carnotite ore is found in a relatively flat zone, in and along the base of a sandstone structure known as the Morrison sandstone. These consolidated sand beds cover a very great area, overlying shales, clays and both sedimentary and flow rocks of various types. The sand beds lie quite flat or at gentle slopes in the lower reaches of the area, but become steep-sloping and partially upturned where intrusives comprising the core of the Henry Mountains Range have caused upthrust displacement with little faulting or fracturing.

Apparently the Morrison sandstone covered, as an normal sedimentary or alluvial deposit, an extensive area of ancient forest and swampland, and as the sand deposited, it gradually submerged trees and smaller plant growth and underbrush. Subsequently the perculation of hot waters bearing the uranium minerals and salts and coming from unknown sources below the sandstone, worked along in the submerged zone of organic growth, in such manner as to petrify or silicify the carboniferous material and deposit the uranium minerals.
The carnotite is found then as a replacement of portions of the carbon, in trees up to 50 or 60 feet long, two to three feet in diameter, and in all manner of twigs, branches, bark and leaves and the like.

This same perculation effect apparantly had sufficient pressure back of it to cause slight ruptures in the adjacent lower layers of the sandstone, and where this occurred, the carnotite deposited in seams and fractures in the sandstone, sometimes two to four feet above the base and occassionally in narrow vertical streaks farther away from the main section.

These various conditions are observable in numerous places where erosion has produced sharp, vertical bluffs or escarpments in and along the sides of dry canyons. In some places the sandstone has eroded down to the original underlying sediments, leaving benches several hundred feet wide at or near the elevation of the original swamp floor. Here we find fallen trees, petrified, disjointed into log-wood sections, and impregnated with uranium mineralization in every sap streak, root and twig. The surrounding sand and clay will likewise be found to be mineralized to a lesser degree. Usually the tree sections are covered and protected by blow sand and loose detrital, but a series of black spots

or a projecting root will disclose the location.

This situation may be seen repeatedly in numerous canyons and on the detrital benches, extending from claim to claim within the properties and beyond, but the exploration has been limited to places sufficiently accessible to permit use of dozers and trucks.

Production has been limited to these spots, and to such as cold be done by hand work and without timber, for the most part. Mining usually extends but a few feet into the structure from the face of the bluff, and when the overlying sandstone becomes too heavy to stand without timber, then the place is abandoned and another spot is opened. Such work has been done by lessees, and mostly by men who have had no experience in actual mining work.

The Morrison sandstone structure is of tremendous thickness, and it is not known whether other uranium ore deposits exist at higher elevations within the body of the sandstone. This is possible but not likely.

The richness of the ore, or the degree of mineralization various greatly; sampling on a small scale is impossible with any reasonable expectancy of obtaining an average result. Shipment records ranging from 1% to 2.5% uranium oxide show about what may be achieved by hand sorting; special selection would produce specimens well above 4% almost any place. Neither of these would indicate the content of the far greater proportion of lower grade that is necessarily rejected as waste at present.

It seems quite certain to me that the mineralization will and does extend far back from the exposed faces, and should underlie the sandstone for hundreds of feet.

I see no real necessity for diamond-drill exploration or for undertaking to determine and block out or prove extensive ore deposition; there is enough in sight to justify an active program of mining and there is little liklihood of being able to find any one section or area where the mineralization is richer than any other. The best program would be to set up to proceed with a normal mining operation, on a usual method of room and pillar mining, following the ore beds. If this is done it will serve to produce ore and at the same time prospect the deeper areas away from exposed faces. Under this method, very little timber will be needed except for portal sets, and the room mining can penetrate as far as desired, extracting about 50% of the ore in the initial work and another 50% on retreat.

In all of this ore, there is a certain proportion of vanadium mineral, either along with the uranium or associated with it in some way. This vanadium is an important source of additional value, but it also has a considerable bearing on the metallurgy of processing the low grade ores. This phase should be investigated as it may lead to the development of a relatively simple milling process for an ore that might be otherwise quite difficult to handle economically.

Taken as a whole, and based on my preliminary study, I now feel that the Henry Mountain area here described contains one of the few great uranium deposits of the world. If and when equipment and production facilities are provided for a large number of relatively small operations, the aggregate production can be made to reach almost any desired proportions.

Yours very truly,

/s/ Frank R. Wicks
Consulting Engineer.
Registered Engineer #2370, Calif.

DEL MONTE DMEA APPLICATION
NATIONAL URANIUM CORPORATION

Exhibit. 8

REPORT OF EXAMINATION

L. R. WEEKS' URANIUM ORE PROPERTIES
IN THE HENRY MOUNTAIN AREA
IN GARFIELD COUNTY, UTAH

April 15, 1952

Report Prepared
for
100 Associates, Inc.,
Mr. Martin Lasher,
Executive Vice-President,

Report Prepared
by
Frank R. Wicks
Consulting Mining & Industrial Engineer

DEL MONTE DMEA APPLICATION
NATIONAL URANIUM CORPORATION

Exhibit 9

REPORT OF EXAMINATION:

L. R. WEEKS' URANIUM ORE PROPERTIES

IN THE HENRY MOUNTAIN AREA,

IN GARFIELD COUNTY, UTAH.

Date of this report:	April 15, 1952.
Dates of Examination:	November, 1949, and 5 subsequent tours.
Report Prepared for:	100 Associates, Inc. Mr. Martin Lasher, Executive Vice-President, 25 Broad Street, Room 840, New York City, N. Y.
Report Requested by:	Mr. L. R. Weeks, P. O. Box 604, Salt Lake City, Utah.
Names of Properties:	1. Canadian Group 2. South Fork Group 3. Slate Creek Group 4. Grover Group 5. Rocky Mountain Group
Area:	Approximate total of 2400 acres.
Principal Ores:	Uranium and vanadium oxides, mostly as carnotite and roscolite.
Location:	These properties are in the north central portion of Garfield County, Utah, being a part of the Colorado Plateau Region in the southeastern section of the State of Utah. The claims are mostly arranged in a single line, side by side, along the easterly slopes and escarpments of the Henry Mountain Range, between the north county line and Trachyte Creek, a distance of seven or eight miles. Other claims are in the Hansen Creek area, 10 to 15 miles farther south. For exact locations and descriptions, it is well to refer to location notices on record at the office of the County Recorder, at Panguitch, Utah.

Legal Locations:	The holdings are mostly in unsurveyed areas, or were located prior to land surveys. Thus, the claimed lands are not ties to, or described by land subdivisions, but are almost wholly within the limits of Townships 31-32-33 and 36 South, Ranges 11 and 12 East.
Nearest Towns:	Hanksville, Wayne County, Utah, is the nearest permanent settlement, population about 100; 26 to 40 miles from the properties under discussion. Hanksville has a small store and a postoffice, but no telephone or telegraph, but does have a landing field. Torrey, Wayne County, Utah, is the nearest telephone station, 40 miles westerly from Hanksville. Loa, 10 miles west of Torrey, has stores, motor courts, etc.
Shipping Points:	Green River, Utah, 100 miles northeast of Hanksville. Denver & Rio Grand Western Railroad mainline. However, most ore shipments are by trucks, via Green River to Monticello, Utah, and to Grand Junction, Colorado. Some shipments have been made via Hite and the Colorado River Ferry to Blanding, Utah.
Roads:	There are no surfaced roads in the area. The road from Green River to Hanksville, and thence to Trachyte Creek, passing alongside the larger group of claims, is being improved; and a substantial road-building program is reported to be planned by joint U.S. and Utah State program for the summer season of 1952. At present the nearest paved road ends at Torrey, and the nearest useful for ore hauling is at Green River..
Elevations:	Green River - 4100 feet Hanksville - 4000 feet Properties - Mostly 3500-5000 feet
Mining District:	Henry Mountains
Water:	At Slate Creek and at Trachyte Creek; both are sufficient for camp needs and mining operations. Water for milling ores could be developed if wanted.
Power:	No electric power in vicinity. All surface operations use gasoline or diesel engine equipment. Small semi-portable diesel-electric power plants are well adapted to needs of this type of underground mining and should be used.

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Climatic Conditions: Operations on the Congress claims and the Daisy June claims can be conducted all year. No production should be attempted on the Del Monte or the Rocky Mountain Groups during the winter months. This is because of the high elevations on the access roads to these claims.

The chief obstacle to production at any time is wet or muddy roads. The main roads are worse than those on the properties in this respect, but the improvement program scheduled for this year will remedy much of this trouble.

Timber: None on the properties. Dimension timber and round mining timber can be purchased at Green River and back-hauled by ore trucks. Timber needed for mining is limited to an occasional post in most cases.

Government Reservations: The existing lode-claim locations are not subject toany prior governmental restrictions. So far as is known, there are no forest reserve areas, State lands, Indian lands or other reservations. Since the original locations were made there have been some portions of the Colorado Plateau area withdrawn from location and occupation by Presidential Decree, but these withdrawals do no appear to have affected areas which I believe should be added to the present holdings, as later mentioned herein.

Titles: All of the properties listes on page 1 are groups of unpatented lode claims, located under the U. S. Mineral Laws, on public land, in conformity with the usual procedure. Title is maintained by performance of a stipulated minimum amount of mining work each year, either on each claim or each group of claims.

The required amount of such annual work, and for location work, has been done on all claims to protect titles up to this time; some additional work is needed on certain of the southern groups between now and June 30th, 1952; this should be very carefully checked, as the lessees contracted to do all of the assessment work but have neglected to take care of it properly.

For the information of persons who are not familiar with mining laws, it might be well to explain that a lode claim is usually 600 feet by 1500 feet, or about 20 acres in area. It can be any size or dimension less than these figures. The law requires initial location work amounting to $100.00 and subsequent annual work of $100.00 to maintain title.

The claims listed as the Canadian Group, (comprising the eight sub-groups) shown on the tabulation attached hereto, are all owned by the Canadian Radium & Uranium Corporation, and are under a purchase lease-option contract to L. R. Weeks. Under this lease L. R. Weeks has exclusive right to occupy and operate the properties and he will eventually acquire mining title upon completion of payments by production royalties or otherwise.

In conformity with the Canadian-Weeks agreement, Weeks then entered into a production contract, or an operating agreement contract with S. Y. Guthrie & Associates to mine ores. Current production is by Guthrie under this arrangement. The claims listed on the tabulation as the Weeks' Group, comprising four sub-groups, are all claims whereon L. R. Weeks owns the mining rights, either by location or by purchase. These claims were subsequently leased to the same S. Y. Guthrie & Associates on an operating lease which provides for production and royalty payments by Guthrie, but no transfer of title.

Thus, Weeks will eventually acquire clear title to all of the 124 mining claims listed. Refer to the original leases and contracts for specific details.

Ore Reserves: See attached tabulation. Ten-year production, 1950-1959, estimated at 45,800 tons. Only small tonnages of ore are actually developed and proven at any time, as extensive development prior to mining is not feasible. Tonnage estimates have to be based upon the geological indications and corresponding actual production in active areas.

Present Operations: 10 to 12 men employed.

Camp Equipment: Cabins & boarding facilities for 20 men.

Mining Equipment: Two trucks, one loader, two air compressors, and miscellaneous mine equipment for 20 men.

Labor Supply: Usually ample.

General Operating Conditions: Good.

GENERAL DESCRIPTION OF THE PROPERTIES

The Henry Mountain Range of mountains extend in a general north-south direction through the central portions of Wayne and Garfield Counties. This range is bordered on both sides by wide and relatively flat plains. On the easterly slopes of the range there are abrupt escarpments or steep cliffs, bordering the main plains, on top of which are flat mesas, locally known as table-lands. These extend back to the slopes of the main range, often several miles distant.

Deep, narrow canyons, with near-vertical walls cut through these table-lands at irregular intervals. These canyons are usually dry, but carry flash floods during short rainy seasons.

The terrain is highly colored and mostly flat-bedded sedimentary rocks, with few trees and very little underbrush.

The country has no ranches or permanent residences south of Hanksville, and is essentially undeveloped and unoccupied, except for the uranium mining projects.

GEOLOGICAL:

The useful ores are bedded deposits of carnotite and related uranium-vanadium oxides and minerals. These deposits occur in and near the base of the Morrison structure, which is a fine-grained, loosely consolidated sandstone, usually light yellow or buff color, and which covers hundreds of square miles in the area to depths of 40 to 200 feet or more.

The Morrison sandstone in the Henry Mountain area was deposited as a fine-grained sand on top of heavy mud lake-beds. Along the shorelines and tributary canyons, bordering the lakes, there were forests of sizable trees with much heavy brush growth.

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These forests, so smothered or submerged in sand, subsequently became thin beds of young coal .

The minerallization is mainly confined to this carboniferous zone at and adjacent to the base of the sandstone, ranging from a few inches to several feet in thickness. Petrified trees and tangled masses of brush and tree growths are found at intervals and are often richly mineralized. The main deposits, however, are replacements of the compressed organic or vegetable growth.

The origin of the mineralizing solutions may be rather clearly traced to ancient hot springs, which appeared along contact points where intrusive porphyritic rocks cut through and upturned the sandstones . These intrusives form the core or back-bone of the mountain range. There are numerous evidences of very extensive deposits, extending back from the escarpments toward this assumed zone of origin. Exploration has as yet been insufficient to do more than merely indicate the conditions, as the area is so huge and available facilities are so inadequate.

ESTIMATES OF TONNAGE:

The estimates tabulated and attached hereto are based upon the data accumulated during several exploratory trips into the region, together with information gained by examination of numerous productive and producing areas on these properties.

The figures represent the tonnage and vale of ores which, in my opinion, can be and should be produced from the several properties during a ten-year period. This method of evaluation is reasonable and is about the only basis that can be used under the circumstances. The present worth of these ores is then calculated upon an assumed regular and uniform rate of production fot ten years.

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In other words, I feel that the properties can easily produce an average of about 4500 tons per year, during the period; two of the ten years since my original examination have already passed. During those two years the production rate has gradually increased, the value per pound of mineral has increased, and operating conditions, roads, e tc. have improved. Orderly progress in the physical features of the program should be made and sale prices should remain constant for at least eight years. The properties can safely produce the stated tonnages - some may produce more and some less. according to the productive effort expended thereon - but the average result, with reasonably good management, should be about as indicated for the period

The overall or ultimate value of the properties can not be fairly indicated at present. There is no reason to attempt to set such a figure, as we do not know what serious development may show, we do not know what the market value may be, or the costs of production and processing ten years hence. The net values then may be greater than can now be shown, or may be nothing at all. I have assumed the latter to be the probable condition for many reasons. Thus, a net present worth value of the Weeks' holdings at this time, estimated at approximately $600,000.00 is both reasonable and conservative.

CONCLUSION AND COMMENTS:

The vast area of 2400 acres described in this report is but a small part of the uranium ore-bearing area of the Colorado Plateau, but it is an area where fairly uniform cond tions exist and where the probability of ore can be fairly well predicted after an engineer has an opportunity to learn the structure.

The mining conditions are not too difficult and will be better understood as time goes on. The transportation and living conditions can

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be subsequently improved.

It is often quite easy to criticize the management of a mining organization and its engineers, if the methods employed do not suit the ideas of an examining engineer. However, I would be remiss in in the preparation of this report if I did not state in the clearest possible language that the current operations under the Guthrie managment are so childishly in adequate and so grossly wasteful of ore and time and money as to be unacceptable by any standard of good business, good mining, or good sense. I definitely recommend such steps as may be necessary to remedy these intolerable conditions which are too numerous to detail in this report.

Respectfully submitted,

/s/ Frank R. Wicks

Consulting Mining Engineer
Registered Engineer #2370, Calif.

BASIS OF VALUATION - HENRY MOUNTAIN URANIUM PROPERTIES - WEEKS' INTERESTS.

	Number of claims	Gross Area Acres	Net Area Acres	Estimated Acres of Mineral	Estimated Acres of Productive	Estimated Tons Per Acre	Estimated TOTAL TONS	Sale Value Per Ton	Estimated Gross Production
CANADIAN GROUPS: NATURAL CORP. OF UTAH:									
Congress No. 1-53 incl.	53	1060	920	700	300	40	12,000	$ 35	$ 420,000
Eagle No. 1-4 incl,	4	80	80	70	50	100	5,000	50	250,000
Butler Wash	1	20	20	10	10	50	500	50	25,000
Taylor Ridge	1	20	20	20	10	50	500	50	25,000
Minnie Pearl No. 1 & 2.	2	40	20	20	20	100	200	40	8,000
Daisy June No. 1-10.	10	200	180	150	100	50	5,000	35	175,000
Congress Millsite.	1	20	20	-	-	-	-	-	-
Del Monte No. 1-6	6	120	120	100	100	50	5,000	50	250,000
TOTAL CANADIAN GROUPS:	78	1560	1380	1070	590	48	28,200	41	$ 1,153,000
WEEKS' GROUPS:									
South Fork No.1-2	2	40	40	20	20	40	800	30	24,000
Slate Creek No. 1-3	3	60	60	25	20	40	800	30	24,000
Grover No. 1-21	21	420	400	250	100	35	3,500	35	122,500
Rocky Mountain No. 1-20	20	400	400	300	250	50	12,500	60	750,000
TOTAL WEEKS' GROUPS:	46	920	900	595	390	45	17,600	52	$ 920,500
TOTAL ALL CLAIMS:	124	2480	2280	1665	980	47	45,800	$ 45.27	$ 2,073,500

Estimated Total Production; 46,145,600 tons of ore.
Gross Value, in 10-years time; $ 2,073,500

Present Value at 5% interest = $\frac{\$2,073,500 \text{ plus } \$1,382,000}{2}$ = $1,727,750 Present Worth

Less $20/ton production costs = $ 811,750 New Present Worth

Deduct from this $811,750 the amount of payments remaining due to Canadian Radium & Uranium Corp., and deduct also the gross value of production since January, 1950, which will leave about $600,000.00 NET PRESENT WORTH.

Exhibit 9

GEO ENGINEERING
304 Main Street
Grand Junction, Colorado

APPLICATION FOR DMEA PROJECT ON THE DEL MONTE GROUP OF CLAIMS
PREPARED FOR NATIONAL URANIUM CORPORATION

SCHEDULE 10

PARTIAL SUMMARY OF DEL MONTE PRODUCTION
AND ASSAY OF SOME SAMPLES CUT

by ROBERT M. DEMING

SHIPPING LOT NUMBER	CLAIM	DATE	DRY TONS	PERCENT U_3O_8	PERCENT V_2O_5	PERCENT $CaCO_3$
D-10999	D.M. 4	19 May 54	5.045	1.64	2.46	9.1
D-10769	D.M. 4	16 Apr 54	10.855	0.83	1.74	11.7
D-10529	D.M. 3	15 Mar 54	14.998	0.36	1.00	10.6
D-10442	D.M. 4	16 Mar 54	11.633	0.82	2.07	4.4
5- 4039	D.M. 1	1 Aug 54	8.391	0.78	1.97	4.1
5- 3863	D.M. 3	16 Jul 54	8.163	0.72	1.94	6.1
5- 4376	D.M. 3	7 Sep 54	11.912	0.78	1.40	6.9
5- 4424	D.M. 3	17 Sep 54	11.202	0.68	1.69	4.2
5- 4765	D.M. 2	21 Oct 54	19.086	0.57	1.55	7.0
		Total Tons---	101.285			
		Average Percent		0.715	1.66	7.2

SAMPLES CUT ON DEL MONTE CLAIMS BY R. M. Deming

SAMPLE NUMBER	CLAIM	DATE	PERCENT U_3O_8	PERCENT V_2O_5
#100	D.M. 3	19 Dec 54	3.31	2.78
#101	D.M. 2	19 Dec 54	0.59	2.18
#102	D.M. 6	19 Dec 54	0.00	0.00
#103	D.M. 6	19 Dec 54	0.55	0.30
#104	D.M. 1	19 Dec 54	0.05	Tr.
#105	D.M. 7	19 Dec 54	0.03	0.08
#106	D.M. 4	20 Dec 54	1.46	2.81
#107	D.M. 3	20 Dec 54	3.59	3.38
#108	D.M. 2	20 Dec 54	0.74	1.58
#109	D.M. 2	20 Dec 54	0.62	2.18
#110	D.M. 1	20 Dec 54	1.95	2.78
#111	D.M. 5	20 Dec 54	1.00	1.58

PARTIAL SUMMARY OF DEL MONTE PRODUCTION AND
SANPLES CUT BY Mr. R. M. Deming

Exhibit 10

NATIONAL URANIUM CORPORATION
(UTAH)

We are listing below the general qualifications of Robert Merrill Young who is also in our employ, in charge of mining operations:

EDUCATION: Graduate from Princeton University, New Jersey, February 1923, with a Bachelor of Science degree in Geology. Also had a term in the Princeton Graduate School studying Geology; and two years graduate study in University of California, at Berkeley, in mining and geology.

EXPERIENCE: Oct 1954- Jan 1954 Working for self as consultant engineer on various mining and construction company investigations.

Dec 1953- Feb 1952 With Constructora Bechtel, S.A. as Sr. Engineer - Costs & Budget, on their overall management contact with Orinoco Mining Co. in Eastern Venezuela. A $180 million project on the "Iron Bl." to produce 10 million tons per year for the U.S. Steel Corp. Ran all time & cost studies for various types of drills & bits to be purchased for production work, and quarry production studies, & cost studies & general overall budget cost control.

Dec 1951- Jan 1951 With Rare Metals & Minerals Co. (S.F. Guthrie & Associates) of Salt Lake City & Dallas, as exploration engineer; and engineer on the properties now controlled by National Uranium Uranium ore production reached 150 tons per fortnight, & some of the claims received ARC bonus payment.

Dec 1950- Nov 1947 Working for self as consulting engineer, & had in construction work, much liaison work with Army, Navy, & Marine Corps construction officers at various stations in California.

Nov 1947- Apr 1945 With Western Geophysical Co. International & Union Oil Co. of Paraguay (Union Oil Co. of Calif.). Large scale oil exploration; engineering, camps manager, purchasing & expediting of men, materials & equipment.

Apr 1945- Aug 1944 With Union Oil Co. of Calif., Houston, Texas office, as seismic party manager for parties doing geophysical work in southern Louisiana.

June 1944- Oct 1943 With Bechtel-McCone-Parsons Co. of Los Angeles, Calif. as engineer, field & office, estimating, & job supervision, on following projects:
1) U.S. Army job at Vicksburg to Kingman.
2) Los Angeles Building Co. plan renovation.
3) Shell Chemical Co. hydrogen transit line, compressors, etc.

Jun 1943- Jan 1941 With S.A. Bechtel Co. in charge of all construction inspection, costs, subcontract completions, quantities, etc. Cost engineer, on
1) California Shipbuilding Co. construction job.
2) Castle Dome Copper Co. job. Cost engineer: mine stripping, development & construction.

Exhibit 11

Robert [illegible]ng

EXPERIENCE: Continued

June 1943- Jan 1941	2) on $15 million project which handled 12,000 tons per day thru the mill.
May 1940- May 1938	Mene Grande Oil Co. As one of two general Venezuela exploration geologists with own party, in field all the time. Contract completed satisfactorily.
May 1938- Oct 1935	San Luis Mining Co. Durango, Mexico. Chief mining engineer. Gold-silver ore; mine producing about 350 tons per day.
Oct 1935- Jan 1934	American Smelting & Refining Co. of Mexico. Mining engineer; worked at Parral, Huicicila, and Angangueo. Gold, and silver-lead-zinc ores. Daily tonnages produced were 1200, 70, and 400.
Jan 1934- Jun 1932	Working for self-had lease on Searchlight Mining & Milling Co., Searchlight, Nevada. Gold ore, free-milling. Cyanidation.
Jun 1932- Jan 1928	Union Oil Co. of California First as scout; then exploration field geologist for over 4 years in Mexico.
Dec 1927- Oct 1923	Graduate student in geology & mining at Univ. of Calif. & Stanford. Also, worked on various jobs such as 1) Olympus Gold Mines, Barstow, Calif. Sampling, survey & maps. 2) Carson Hill Gold Mining Co. Melones, Calif. Assistant engineer. 3) Pacific Oil Co. Coalinga, Calif.
Oct 1923- Sep 1923	Granby Mining, Smelting & Power Co. Anyox, British Columbia. Exploration department engineer; silver claims around Hazelton, B.C. with diamond drill, trenches, etc. Resigned.
Sep 1923- May 1923	U.S. Geological Survey, Alaskan Division, Southeastern Alaska. Reconnaissance geologic mapping. Job finished; under Dr. A.F. Buddington.

DEL MONTE DE A APPLICATION
NATIONAL URANIUM CORPORATION

Exhibit II

Enough copies for Exhibit for DMEA

UNITED STATES ATOMIC ENERGY COMMISSION

RMO-912

GEOLOGICAL INVESTIGATION OF THE TRACHYTE DISTRICT, HENRY MOUNTAINS, UTAH

By
Gerald L. Brooke
Raymond F. Shirley
Melvin A. Swanson

December 6, 1951
[Site Issuance Date]

Division of Raw Materials, AEC

Technical Information Service, Oak Ridge, Tennessee

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Subject Category, GEOLOGY AND MINERALOGY.

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GEOLOGICAL INVESTIGATION OF THE

TRACHYTE DISTRICT, HENRY MOUNTAINS, UTAH

ABSTRACT

Uranium-vanadium ore has long been known in the Trachyte district. Production started in 1913 and has been erratic and intermittent to date. Until recently, practically all production from the Henry Mountains area has come from the Trachyte district. Present and past mining operations are limited to short adits and prospect cuts. The remote location and long haul has retarded development of this district and little systematic exploration is recorded. The district is considered favorable for the development of ore reserves, but the small size of the known orebodies makes exploration by drilling difficult.

INTRODUCTION

The Trachyte district is situated east of the Henry Mountains, Sec. 1, T. 33 S., R. 11 E., and Sec. 6, T. 33 S., R. 12 E., Salt Lake meridian, 95 miles south of Green River, Utah. The district can be reached from Green River via State Highways 24 and 95, both unimproved secondary roads, or from Blanding, Utah, via Chaffin's Ferry at Hite, Utah, and thence 35 miles via State Highway 95 (Figs. 1 and 2).

The following claims lie within the Trachyte district: Trachyte Nos. 1-20, incl.; Blitz Nos. 1-7 incl.; June Bell Nos. 1-4; incl.; Straight Creek; Minnie Pearl Nos. 1 and 2. All of these claims except the last two are owned by the Vanadium Corporation of America. No accurate map of the claims is available. Part of the property is being worked by Darys Ekker, of Hanksville, Utah, under an oral lease from Vanadium Corporation of America, and the Corporation itself has recently been conducting some mining on its own account.

Standard Chemical Company was the first to prospect and stake claims in the area. The present claims were staked in 1913 and held for several years until ownership lapsed for failure of assessment work. The claims were then restaked by Cornelius Ekker and associates, who sold most of them to Vanadium Corporation of America.

Practically all production from the Henry Mountains area, until recently, has come from the Trachyte district. Some exploratory wagon-drilling has recently been conducted by the Vanadium Corporation, but development is limited to short adits and prospect pits.

GEOLOGY AND ORE DEPOSITS

General geology.

Ore is confined to the Salt Wash member of the Jurassic Morrison formation. The Summerville formation, also Jurassic, immediately underlies the Morrison. The contact between the two formations is placed at a lithologic break, namely, the first massive sandstone at the base of the Salt Wash. Talus obscures the contact, but where seen, it appears to be an erosional unconformity.

Salt Wash geology.

The area is capped by the Salt Wash member of the Morrison formation. The Salt Wash here has a maximum thickness of about 300 feet and consists of alternating beds of sandstone and mudstone, sandstones predominating. Cross-bedding is common in the sandstone. Ancient stream channels are not readily apparent, careful observation being required to determine the existence of a channel. The trend of these channels appears to be northeast, as inferred from dips and strikes taken along lithologic breaks in the adits. Plant debris is generally found near the edges of the channels. Most of the fossil logs are in the channels and are oriented approximately parallel with the channel direction.

Mineralogy.

Mineralization in the Trachyte district is of the carnotite-vanoxite type. However, some sulphides, tentatively identified as pyrite and bornite, have been identified in adit No. 11 on Farmers Knob.

Mineralization appears to have been localized along the flanks of stream channelways. These channelways contain an abundance of fossil logs and carbonaceous trash, generally mineralized. Where this carbonaceous material is concentrated, small orebodies have formed. The ore is not restricted to the carbonaceous material as the immediately surrounding sandstone also is generally mineralized.

Ore exposures.

Ore exposures are limited to the rims surrounding the topographic highs. A few mineralized logs have been mined simply by removing a thin layer of sand from the outcrops; however, most of the ore has been produced from short adits driven into the discontinuous mineralized zone which surrounds the topographic highs: Farmers Knob, John Hill, and West Knob. Prospecting along this zone has disclosed exposures of mineralized logs, and adits driven to extract these logs have, in several localities, uncovered small orebodies. In addition, some adits have been driven into orebodies which were uncovered by prospect pits. These adits average about 50 feet in length and, because of inefficient mining methods, the ore has not been removed cleanly.

Depth to the ore zone varies from surface exposures to a maximum estimated depth of 180 feet at Farmers Knob and 155 feet at John Hill. Overburden at the few surface operations consists of a thin layer of windblown sand.

Ore grade.

Weighted averages of seven channel samples (average width, 4.9 ft.), mainly from underground workings, were as follows: U_3O_8(chem.), 0.245%; V_2O_5, 1.307 percent.

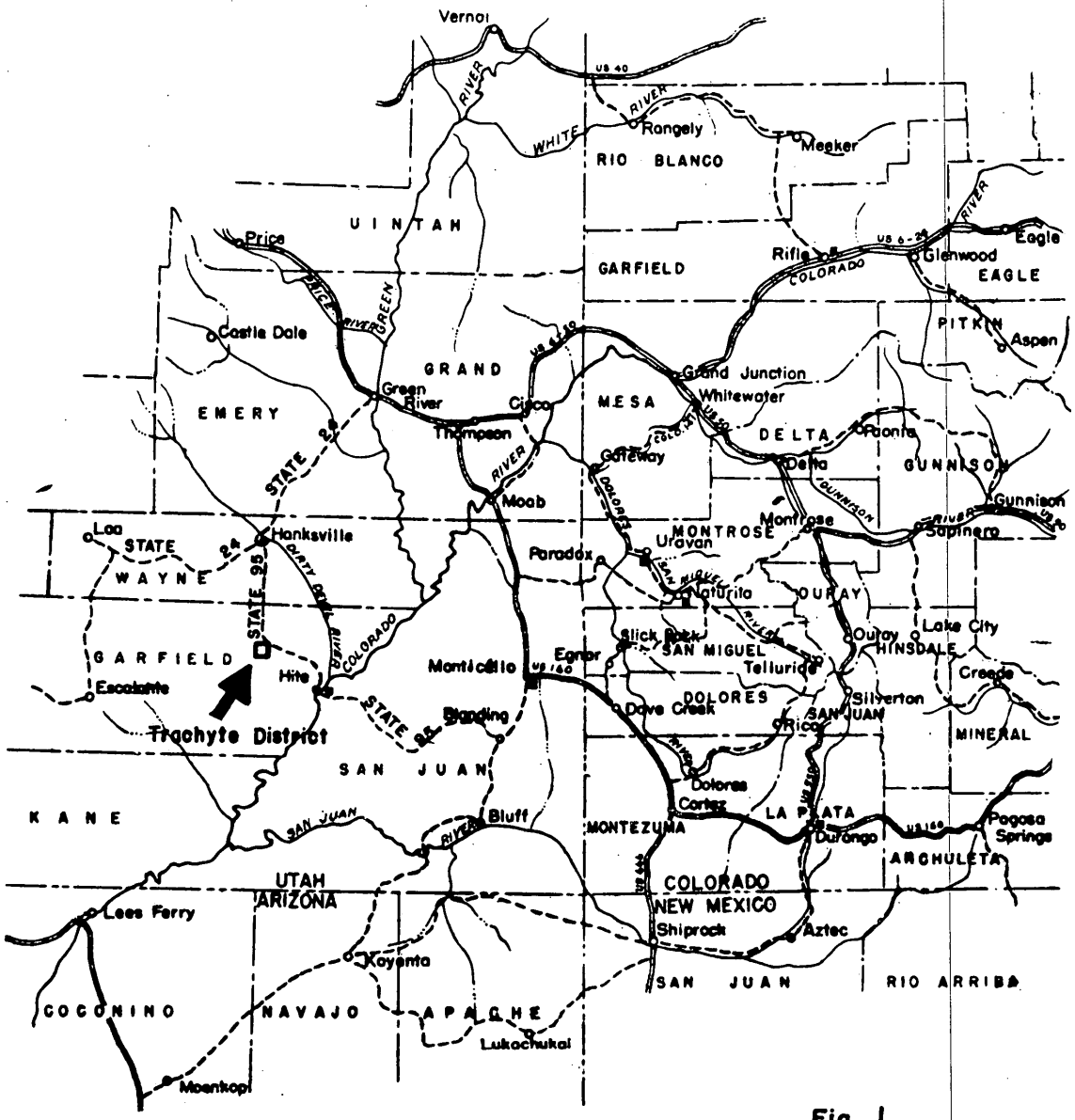


Fig. 1
INDEX MAP
TRACHYTE DISTRICT
HENRY MTS. UTAH

UNITED STATES DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

DEFENSE MINERALS EXPLORATION ADMINISTRATION
DOCKET 3700

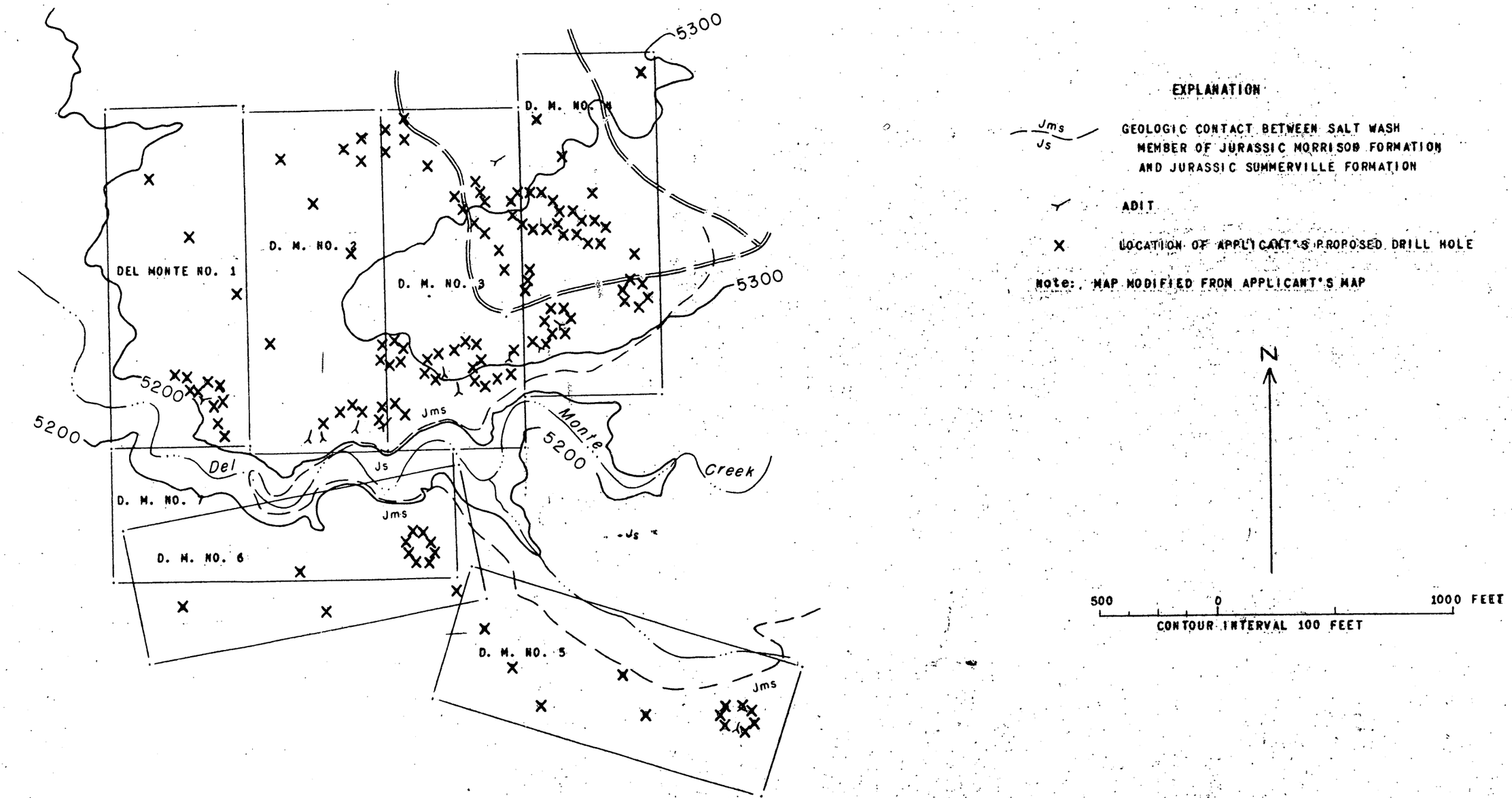
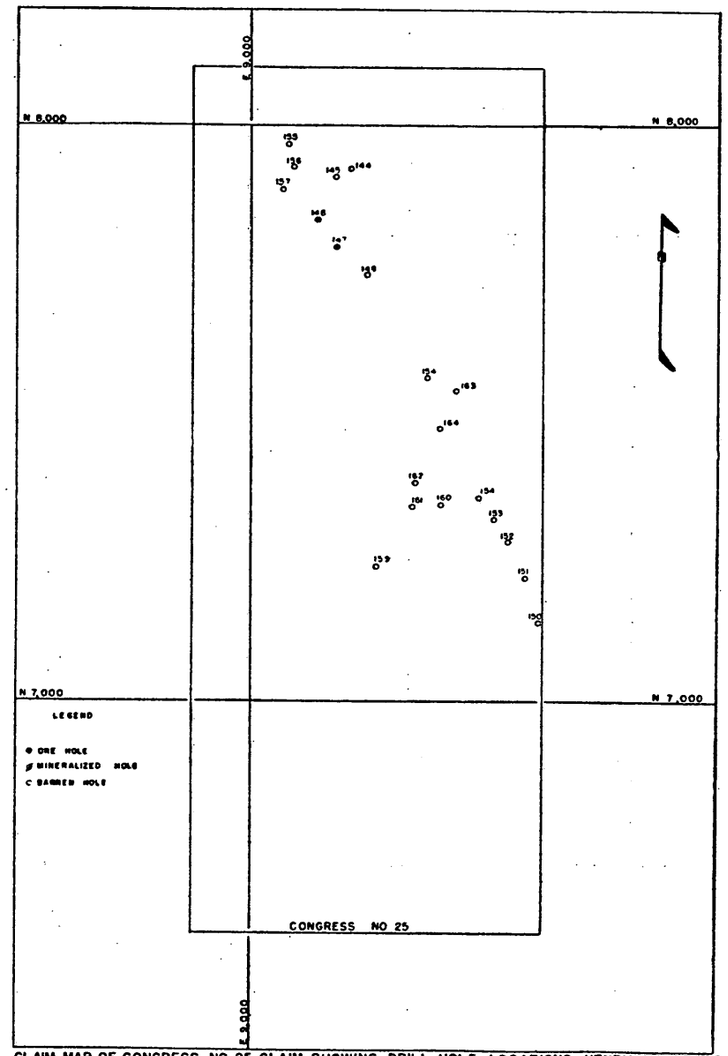


Figure 2. GEOLOGIC MAP SHOWING DEL MONTE GROUP OF CLAIMS, NATIONAL URANIUM CORPORATION, GARFIELD COUNTY, UTAH



CLAIM MAP OF CONGRESS NO. 25 CLAIM, SHOWING DRILL HOLE LOCATIONS, HENRY MOUNTAINS DISTRICT, GARFIELD COUNTY, UTAH

JANUARY 18, 1954

SCALE — 11/32" = 100' (Approx.)

DRAWN BY CHR

U.S. ATOMIC ENERGY COMMISSION, GRAND JUNTION OPERATIONS OFFICE

THE UNITED STATES ATOMIC ENERGY COMMISSION NEITHER REPRESENTS NOR WARRANTS THE INFORMATION CONTAINED HEREON TO BE ACCURATE IN ALL RESPECTS AND MAKES NO RECOMMENDATIONS THERETO.

MAP OF DRILLING SITES

MANAGEMENT AND CONTROL

The names and addresses of the executive officers and directors of the Company are as follows:

Name	Address	Office
MARTIN LASHER	1144 East 12 Street, Brooklyn, New York	President and Director
IRVING STRAUSS	460 West 34 Street, New York, New York	Vice-President and Director
MAX GROSSMAN	1430 51st Street, Brooklyn, New York	Treasurer and Director
PEARL V. FRANKEL (LASHER)	1144 East 12 Street, Brooklyn, New York	Secretary and Director
ELLIOT S. GROSS	810 Hemlock Street, Franklin Square, N. Y.	Director
HARRY JAVITS	63 Murdock Road, East Rockaway, N. Y.	Director
A. SPENCER ALLEN	320 Central Park West, New York, New York	Director
BERNARD AUSTIN	401 Broadway, New York, New York	Director
JAY W. KAUFMANN	111 Broadway, New York, New York	Director
SYDNEY VICKERS, Jr.	52 Wall Street, New York, New York	Director

Mr. Lasher, President and a Director of the Company since its organization, is President and a Director of Associates and Vice-President and a Director of Power Resources Corporation. He owns 25,245 shares of Common Stock of the Company and 50,000 Common Stock Purchase Warrants. Mr. Lasher also owns 3,000 shares of the Common Stock and 300 shares of the Preferred Stock of Associates, as well as 100,000 shares of the Common Stock of Power Resources Corporation.

Mr. Strauss, Vice-President and a Director of the Company, is President of Bruno-New York Industries Corporation. He is a former Vice-President of Sonic Industries, Inc., Vice-President of Greater City Radio Corporation, President of Tone Products Corporation of America and was associated with Radio Corporation of America for 13 years. He is also a Director and Assistant Treasurer of Associates. Mr. Strauss owns 12,240 shares of the Company's Common Stock and 1,600 shares of the Preferred Stock of Associates.

Mr. Grossman, Treasurer and a Director of the Company, is a certified public accountant and partner in the firm of Grossman & Feder, Certified Public Accountants. Mr. Grossman owns 6,530 shares of the Company's Common Stock and 200 shares of the Preferred Stock of Associates.

Miss Frankel (Mrs. Martin Lasher) has been Secretary and a Director of the Company since its formation. She is Secretary and a Director of Associates and holds 15,300 shares of the Company's

Common Stock and 2,000 shares of the Common Stock of Associates, as well as 75,000 shares of the Common Stock of Power Resources Corporation.

Mr. Gross, a Director of the Company, is a practicing attorney in the City of New York. He is a former Assistant District Attorney of Kings County, New York. He is Vice-President and a Director of Associates. He owns 3,950 shares of the Company's Common Stock and 100 shares of Associated Preferred Stock.

Mr. Javits, a Director of the Company, has been associated in various executive capacities for the past 30 years in the banking field. He is at present an assistant vice-president of a New York City Bank. He owns 1,000 shares of the Company's Common Stock.

Mr. Allen, a Director of the Company, is Vice-President of Grayson-Robinson Stores, Inc., Vice-President and Managing Director of S. Klein on the Square, Inc., and all its subsidiaries. He owns 1,765 shares of the Company's Common Stock and 100 shares of Preferred Stock of Associates. He also owns 5,000 shares of Common Stock of Power Resources Corporation.

Mr. Austin, a Director, is a practicing attorney in the City of New York. He owns 1,000 shares of the Company's Common Stock.

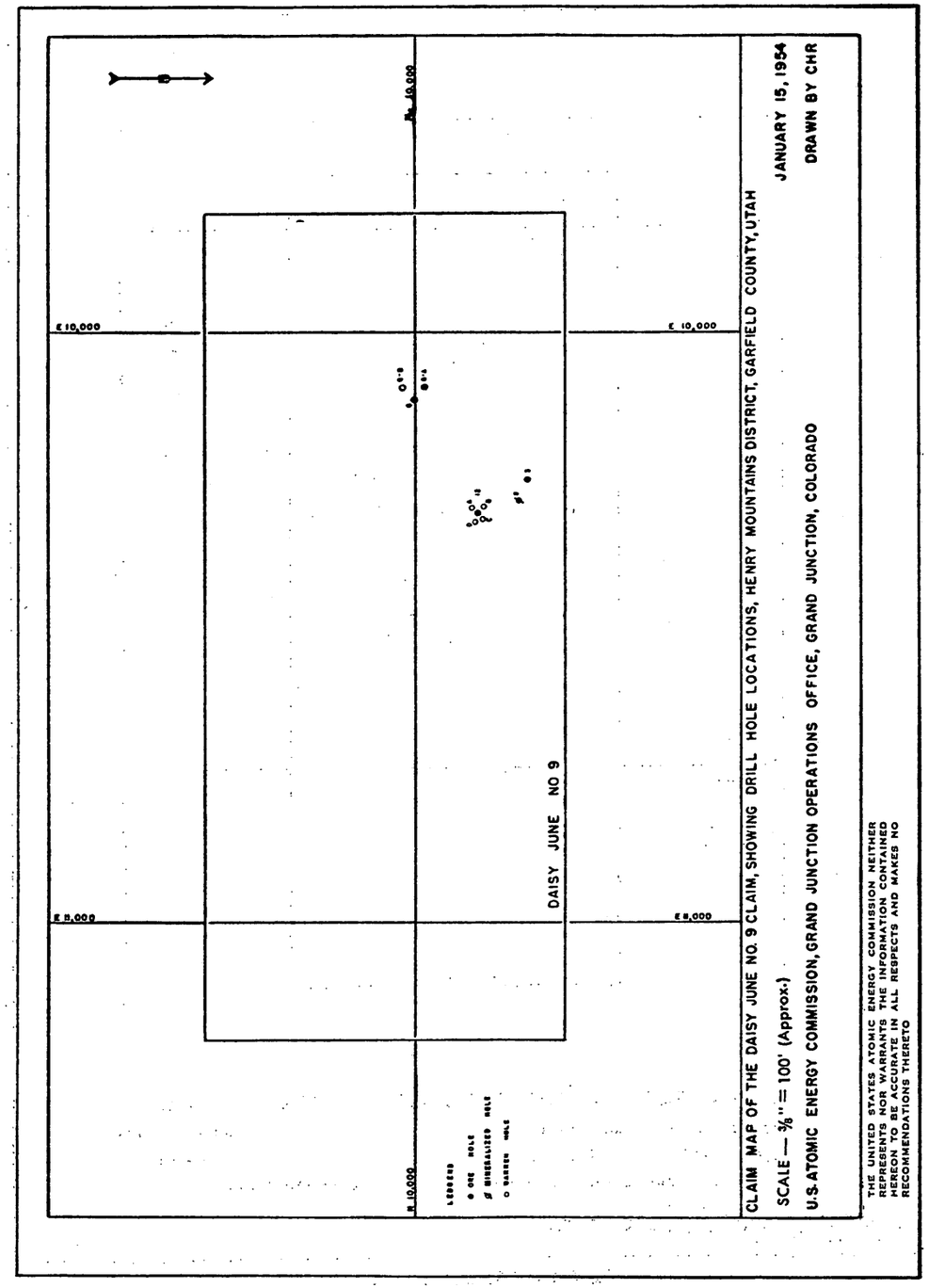
Mr. Kaufmann, a Director, is a partner of Jay W. Kaufmann & Co., one of the Underwriters of the stock offered hereby. He is a member of the American and the Edmonton Stock Exchanges. He is a Director of Gyrodyne Corporation of America, Sightmaster Corp. and Basson's Industries. He is also President of Capital Gains Fund, Inc.

Mr. Vickers, a Director, is a partner in the firm of Vickers Brothers, one of the Underwriters of the stock offered hereby.

The Underwriting Agreement provides for the election of directors of two nominees of the Underwriters. Messrs. Kaufmann and Vickers, who are Directors, are deemed to be serving as such nominees.

Other than their share holdings in the Company as set forth above, none of the officers or directors of the Company has any direct or indirect material interest by contract, option or otherwise in the Company or in any assets proposed to be acquired or operated by the Company except for such interests as he or she may have in Power Resources Corporation, which leases all of the Company's properties as set forth above, and which owns 153,000 shares of the Company's Common Stock and 20,000 shares of Associates Common Stock.

On June 23, 1954 the Company amended its Certificate of Incorporation to increase its capitalization to 2,000,000 shares of Common Stock (Par Value 5¢ per Share) and issued 20 shares of its new Common Stock for each share of the outstanding Common Stock (Par Value $1 per Share). After the amendment to the Certificate of Incorporation, Associates received 420,000 shares and Rose Ahrens, who was the only other stockholder of the Company received 30,000 shares. Associates then distributed 375,615 shares of its holdings of the Company's Common Stock as a partial liquidating dividend to its stockholders at the rate of 7.65 shares of the Company's Common Stock for each



MAP OF DRILLING SITES

Drill Hole Number	Elev. of Collar	Sample Interval From Depth	Sample Interval To Depth	Thickness	% U_3O_8 Rad.	% U_3O_8 Chem.	% V_2O_5 Chem.	Bottom Depth of Hole
146	5070.3	22.0	25.0	3.0		0.11	0.02	
147	5069.8	12.0	15.0	3.0		0.31	0.02	
2	5086.6	7.0	9.5	2.5		0.07	0.02	27.0
		9.5	10.0	0.5		0.11	Tr.	
		10.0	13.0	3.0		0.06	——	
		13.0	16.0	3.0		0.07	0.08	
3	5086.3	6.0	9.0	3.0		0.13	0.42	30.0
6	5097.5	6.0	9.0	3.0		0.38	——	24.0
		9.0	12.0	3.0		0.05	Tr.	
6-A	5097.5	8.0	9.0	1.0		0.19	0.03	21.0
12	5088.0	10.0	11.5	1.5		0.12	0.02	19.0

MARKET FOR URANIUM

It is common knowledge that the United States Government is the sole market for uranium mined in the United States, and that our Government is making every effort to stimulate production by co-operating with companies which indicate an appropriate potential. Although the Company has no assurances with respect to future Government policy, it is anticipated that such policy will continue and that the Company will have no difficulty in disposing of its production. It is also possible that additional assistance may be obtainable from the Atomic Energy Commission when full scale mining operations are begun and continued.

USE OF PROCEEDS

If all the shares being offered are sold, the proceeds of the Company will be approximately $239,400, after deduction of the Underwriters' discounts or commissions and before the deduction of expenses of the offering. The Company has agreed to pay to the Underwriters out of the present offering the sum of $20,000 to meet the Underwriters' expenses of the offering and any of the Underwriters' expense above that sum will be payable by the Underwriters; if any of that sum is not expended by the Underwriters, it will be retained by or returned to the Company. The Company estimates the net proceeds of the offering will be $210,000 after deduction of all expenses, both Company's and Underwriters'.

The Company intends to use the anticipated net proceeds of $210,000 first, to repay the $10,000 borrowed from Associates to meet its mortgage payments made June 10, 1954, the next $10,000 to meet the mortgage payment of $10,000 due July 31, 1954, and the balance of $190,000 for the general funds of the Company to be used for working capital, including expenses for drilling, driving of exploratory drifts, underground development work, road building, and other geological and exploratory work on the Company's properties and/or for the acquisition and development of new mining claims. No such new mining claims are presently being considered for acquisition and the Company has not made any commitments or specific plans for the aforementioned development, exploratory and mining work. Such plans will be developed as the progress and developments indicate.

If any portion of the net proceeds set aside for working capital is not required for the purposes above stated, such portion may be used for other general corporate purposes. The Company reserves the right to vary or change the foregoing purposes if it should appear advisable to do so. No arrangements has been made or will be made for the return to subscribers of funds paid in, if sufficient funds are not raised to undertake the proposed program.

share of Common or Preferred Stock held by Associates' stockholders and sold at nominal prices or gave 44,385 shares to several persons for services and help given Associates directly and indirectly in the past. Power Resources Corporation now holds 153,000 shares of the Company's Common Stock. Mr. Weeks owns 5,000 shares of Associates Common Stock and 100 shares of Associated Preferred Stock and 14,015 shares of the Company's Common Stock as well as 144,500 shares of Power Resources Corporation Common Stock (10.3% of its outstanding shares), and both he and Mr. Lasher are directors of Power Resources Corporation. Power Resources Corporation is not, however, in the opinion of the management of the company, in control of or an affiliate of the Company.

CAPITALIZATION

The following table sets forth the capitalization of the Company as at the date of this Offering Circular:

Title of Issue	Presently Authorized	Outstanding	If All Shares Offered To Be Outstanding Hereby Are Sold
Common stock (par value 5¢ per share)	2,000,000	450,000	748,000
Common Stock Purchase Warrants	150,000	50,000	150,000

The Common Stock of the Company is all of one class. Each share has equal rights with every other share as to voting, dividends and on liquidation. There are no preemptive rights or redemption rights. There are no limitations on the payment of dividends, other than those imposed by the laws of the State of Utah.

Common Stock Purchase Warrants

In connection with the present offering, the Company has agreed with the underwriters to issue and deliver to the Underwriters or their nominees (who may be dealers participating in this offering), in consideration of the sum of $100.00 to be paid by the Underwriters warrants entitling the Underwriters or their nominees to purchase from the Company an aggregate of 100,000 shares of Common Stock of the Company at a price of $.50 per share. Such 100,000 warrants to be issued and delivered in connection with the present offering are non-transferable during the thirteen months' period next succeeding the effective date of the Notification filed by the Company with the Securities and Exchange Commission. After the expiration of said thirteen months' period, such warrants are fully negotiable. Such warrants are exercisable only during the period commencing thirteen months after such effective date and ending three years after said thirteen month period. The Company has reserved 100,000 shares of its Common Stock for the exercise of the warrants to be issued and delivered in connection with the present offering. Like Warrants (having all provisions, including the transfer and excess limitations, identical with those in the Underwriters' warrants) to purchase 50,000 shares

of the Company's Common Stock at $.50 per share are now outstanding and were sold at one mil per warrant to Martin Lasher because of his assistance to the Company in its organization and progress.

TERMS OF OFFERING

The Company is offering 298,000 shares of its Common Stock (Par Value 5¢ per Share) at $1.00 per share for a total offering price of $298,000. Pursuant to an Underwriting Agreement dated May 14, 1954, Jay W. Kaufmann & Co. and Vickers Brothers have agreed, subject to the terms and conditions therein expressed, to sell for the Company, on a best efforts basis, said Common Stock, at the initial public offering price of $1.00 per share. The Company has agreed to pay to said Underwriters a commission of 20% on all sales made for the Company's account. Giving effect to all of the stock offered hereby the Underwriters will be entitled to receive aggregate compensation of $58,600 and the net proceeds to the Company will approximate $239,400 before deducting certain expenses in connection with this offering in the estimated amount of $29,000.

The Company has agreed to pay to the Underwriters out of the proceeds of the present offering, the sum of $20,000 to meet the expenses of the offering, including underwriters' counsel fees not in excess of $1,000, and any expense of the Underwriters in excess thereof will be payable by the Underwriters; if expenses are less than such sum the balance, if any, will be retained by or returned to the Company.

The Company has agreed to indemnify the Underwriters against certain types of civil liability arising in connection with the Letter of Notification or the Offering Circular and the Underwriters have agreed to indemnify the Company against certain types of civil liability arising out of the use in the Letter of Notification or Offering Circular of information furnished to the Company by the Underwriters for the purpose of inclusion therein. Insofar as indemnification against liabilities arising under the Securities Act of 1933 may be permitted to directors and officers, the Company is advised that such indemnification may be against public policy as expressed in the Act and is therefore unenforceable. In the event that a claim for indemnification against such liabilities is asserted by the Underwriters pursuant to the Underwriting Agreement, the Company will submit to a court of appropriate jurisdiction the question whether or not such indemnification by it at least to the extent of the participation of Messrs. Jay W. Kaufmann and Sydney Vickers, Jr., who are partners in the Underwriters firms and Directors of the Company is against public policy as expressed in the Act and will be governed by the final adjudication of such issue.

All or part of the Common Stock covered by this Offering Circular may be offered by the Underwriters to members of a selling group consisting of certain dealers who are members of the National Association of Securities Dealers, Inc. (in which group the Underwriters may be included), and if formed, the Underwriters are to be the managers thereof. If the Underwriters decide to form such a selling group, the proposed members thereof are to be afforded the opportunity of entering subscriptions with the manager, subject to allotment by the manager, for the shares of Common Stock at the public offering price of $1.00 per share, less a concession to be agreed upon by the manager and a member of the selling group.

Production by Company's predecessors and its lessee has been in widely separated areas and at points where relatively easy access could be had by auto or truck. For the most part production has been by open pit mining methods by the use of hand work and bulldozers. The Company recognizes that more detailed geologic work is necessary, such as drill tests, mapping the channels and working out the trends of the mineralization; however, this can be done as drilling progresses. Mining labor can be brought into the area when operations begin and improvements to the existing roads can help the ore haul. The Company now intends to explore its properties to determine whether commercial ore bodies are present.

As indicated above, the Company's properties have been worked in the past, but not on a commercial basis. The ore settlement reports show development ore production of 7,334,140 pounds from the Company's properties commencing with April 4, 1951, with such ore as shipped assaying as high as .81% U_3O_8 (uranium) and as low as .12% U_3O_8, with a weighted average of .285% U_3O_8 ore and as high as 2.96% V_2O_5 (vanadium) and as low as .37% V_2O_5, with a weighted average of 1.46% V_2O_5.

A part of the production from the Company's properties by prior operators and lessees has been certified by the Atomic Energy Commission for bonus payments and a balance remains which may be eligible for bonus payments. The bonuses now being paid in addition to other allowances and premiums on individual properties certified by the Commission as eligible vary on a graduated scale from $1.50 per pound on ore containing .10% of U_3O_8 to $3.50 per pound on ore containing .20% or more of U_3O_8. The bonuses are limited to the first 10,000 pounds of U_3O_8 produced from each certified property or claims. The fact that a balance remains which may be certified for bonus payments is no assurance that there may be further production in that or any amount from the certified claim. The following is an excerpt from Atomic Energy Commission, Grand Junction, Colorado, Operations Office letter of June 8, 1954 in response to an inquiry from the Company:

"The following table will show you the bonus certification numbers of the claims you mentioned, together with the claims certified thereunder and the poundage of U_3O_8 still eligible for bonus under the corresponding certification. By difference, you can in each case get the poundage of U_3O_8 that was produced from four of the groups. The fifth group having no balance permits one to assume that at least 10,000 pounds of U_3O_8 were produced therefrom. I regret that I can not give you further detail.

Claim	Balance Lbs. U_3O_8	Certification Number
Congress 45, 46, 49, 50, 52	3,614.38	D.U.P. C6—C-143
Eagle 1, 2, 3, 4		
Congress 47, 48, 51	8,871.19	D.U.P. C6—C-142
Minnie Pearl 1, 2		
Taylor Ridge 1		
Congress 29 thru 40	2,507.35	D.U.P. C6—C-111
Daisy June 9, 10	8,253.69	D.U.P. C6—C-179
Congress 24 thru 28, 53		
Daisy June 1 thru 7	—	D.U.P. C6—C-140"
Congress 1 thru 13		

The United States Atomic Energy Commission, Grand Junction, Colorado, Operations Office gave the Company by letter dated January 21, 1954, geologic data concerning certain of its claims. The following maps and related assay report data on work performed June 4, 1953 were supplied with said letter. Attention is directed to the fact that data as to barren holes is not included in the tabulation, since it was not included in the A.E.C. letter. The United States Atomic Energy Commission stated in its letter that it neither represents nor warrants the information contained in said letter to be accurate in all respects and makes no recommendations thereto.

The following is a list of the 78 claims quitclaimed to the Company, (of which the Company now holds the equivalent of 66 claims free of apparent conflicting claims deemed by the Company to be paramount) and the area thereof. Assessment work on the 66 claims for the assessment year ending June 30, 1954 ($100 per claim) has been completed and proof of labor filed. The location thereof is indicated on the annexed map of the area appearing on pages 4 and 5.

NAME	AREA (Approximate)
Butler Wash No. 1	20 acres
Taylor Ridge No. 1	20 acres
Minnie Pearl No. 1 and 2	40 acres
Daisy June No. 1 through 10*, inclusive	160 acres*
Eagle No. 1 through 4, inclusive	80 acres
Congress No. 1 through 53, inclusive	860 acres*
Congress Mill Site	20 acres
Del Monte No. 1 through 6, inclusive	120 acres

*Daisy June Nos. 7 and 8, and Congress claims Nos. 14-23 inclusive are the claims which appear to be subject to the school claims as set forth above. The area of the school claims is NOT included in the acreage set forth above.

The Company has leased all of its mining claims by agreement dated April 12, 1954 to Power Resources Corporation. Reference is made to the information set forth under the caption "Management and Control" for information concerning certain of the stockholders and officers of Power Resources Corporation and the Company. The term of this lease was to expire thirty days after the signing of an Underwriting Agreement for the sale of stock to the public or upon the signing of a private financing agreement. Accordingly, this lease would have expired on June 14, 1954, since the Underwriting Agreement, pursuant to which the instant stock offering is being made, was signed on May 14, 1954. The Company does not intend to terminate the lease as of June 14, 1954 but intends to permit the lessee to operate temporarily until the proceeds of the stock offering are realized and more specific plans for their use put in operation. The Company receives a royalty of 10% of all the proceeds, plus 10% of all bonuses, retroactive to May 28, 1953, with such payments applicable to a $5,000 note due from Associates to Power Resources Corporation. To date of May 1, 1954 the Company was credited with $1,486.04 royalties against ore shipments of $14,860.37 and $478.60 against bonus receipts of $4,786.05. The sums applied to Associates notes were credited by Associates against the Company's obligation to it. The lease was not to include any claims theretofore leased or subsequently to be leased by the Company to any other lessees and the Company was not restricted in any way as to such other leases as it might make.

DESCRIPTION OF PROPERTY

The Company's properties are located in the north central portion of Garfield County, Utah, at elevations from 3,500 to 4,500 feet above sea level, being a part of the Colorado Plateau region in the southeastern section of the State of Utah. The claims are arranged in a line approximately eleven miles along the Plateau on the easterly side of the Henry Mountain Range. The ore is mainly carnotite vanadium and uranium and is found in deposits in the Morrison Sandstone Beds. The properties are reached from the main highways by way of Marysville or Cove Fort through Richfield, thence southerly via Loa to Hanksville, and thence southerly from Hanksville 25 to 30 miles. Loa is the end of the pavement and the nearest business center; Hanksville is the nearest established settlement and supply point. The Denver & Rio Grande Western Railroad runs through Green River, Utah, 100 miles northeast of Hanksville but most ore shipments are made by truck by way of Green River to Monticello, Utah and Grand Junction, Colorado, for processing.

As a further inducement to the Underwriters to enter into the Underwriting Agreement, the Company has agreed to sell to the Underwriters or their nominees (who may be dealers participating in this offering and others in consideration of the sum of $.001 per Warrant, Common Stock Warrants in such denominations of whole shares as the Underwriters shall request, entitling the Underwriters or their nominees to purchase from the Company shares of Common Stock at a price of 50¢ per share. Such Warrants are to be sold to the Underwriters or their nominees on the basis of one Warrant for each 2.98 shares of Common Stock sold. Warrants may be exercised only during the period commencing thirteen months after the effective date of the Notification filed with the Securities and Exchange Commission and expire three years after such commencement date.

The foregoing does not purport to be a complete statement of the terms and provisions of the Underwriting Agreement. A copy thereof is on file with the New York Regional Office of the Securities and Exchange Commission as an exhibit to the Letter of Notification and reference thereto is hereby made, and the foregoing statements are to be deemed qualified and modified in all respects by such reference.

LITIGATION

The Company is not a party to any material legal proceeding which departs from the ordinary routine litigation incident to the kind of business conducted by the Company. The Company does not know of any material legal proceedings commenced or contemplated by any governmental authorities.

LEGALITY

Legal matters in connection with the securities offered hereby have been passed upon, on behalf of the Company, Messrs. Kaye, Scholer, Fierman & Hays, 445 Park Avenue, New York, New York. Legal matters in connection with the Securities Act of 1933, as amended, have been passed upon by Thomas A. Gagan, Esq., 70 Pine Street, New York, New York, attorney for the Underwriters.

NATIONAL URANIUM CORPORATION

by MARTIN LASHER

President

NATIONAL URANIUM CORPORATION
(A Utah Corporation)
Statement of Assets and Liabilities
As of May 31, 1954

Assets

Cash in Bank		$ 11,326.45	
Uranium Properties and Leases		162,500.00	
TOTAL ASSETS			$173,826.45

Liabilities

Organization Expenses—Accruals Payable		$ 500.00	
Purchase Money Mortgage Payable—Canadian Radium & Uranium Corp. (a)		60,000.00	
Account Payable—One Hundred Associates, of America, Inc. (b)	$90,000.00		
Less Royalties paid direct	1,964.64	88,035.36	
Account Payable—One Hundred Associates of America, Inc.		10,000.00	
TOTAL LIABILITIES			$158,535.36

Capital

Capital Stock: (c)			
Authorized: 100,000 shares of Common Stock (Par Value $1.00 Per Share)			
Unissued	77,500 shares		
Issued	22,500 shares		
	Issued for cash, 13,500 shares	$ 13,500.00	
	Issued for consideration other than cash, 9,000 shares (d)		
Capital Surplus		500.00	
Earned Surplus (e)		1,291.09	
Total Capital and Surplus, May 31, 1954			$ 15,291.09
TOTAL LIABILITIES AND CAPITAL			$173,826.45

Notes to Financial Statements

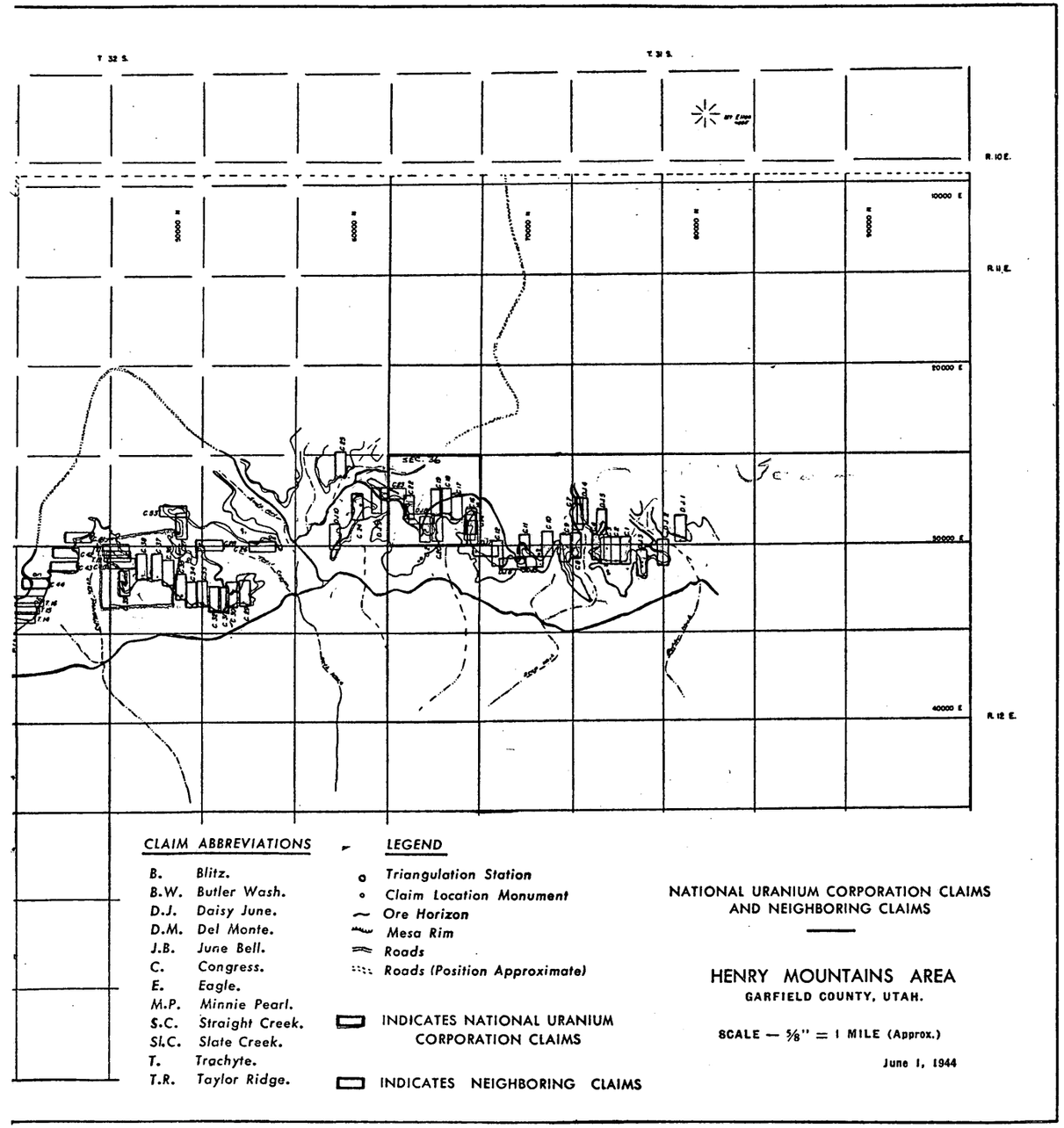
(a) Of this amount the sum of $10,000 due on June 10, 1954 was paid. An additional sum of $10,000 is due on July 31, 1954.

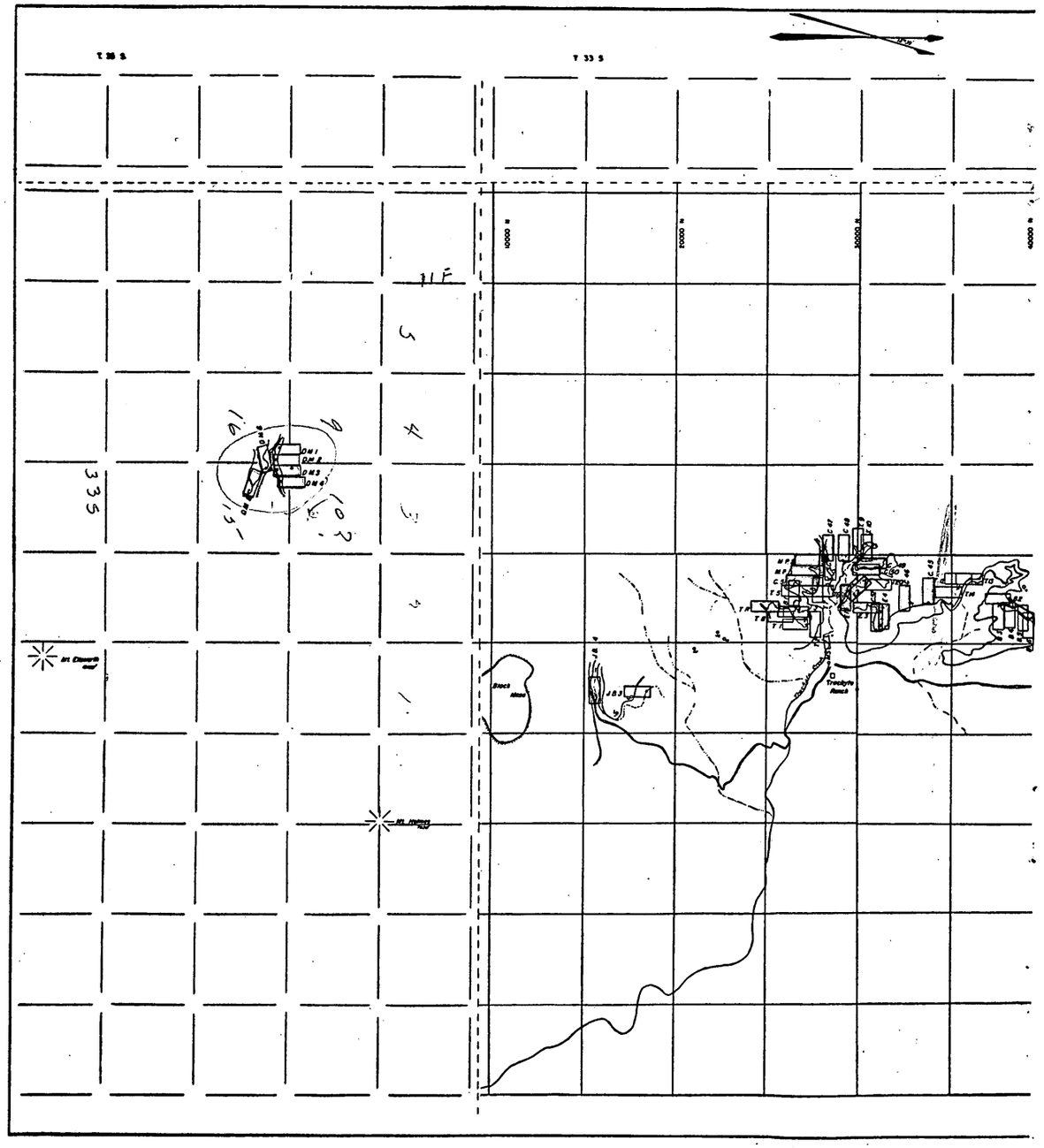
(b) The Company has agreed to repay the sum, with 5% interest, at the rate of 25% of gross ore receipts, including bonus moneys received. This is a firm and binding obligation of the Company and if the ore proceeds are insufficient to pay in full by July 1, 1957, the entire balance will become immediately due and payable.

(c) As of June 23, 1954 the Certificate of Incorporation was amended to increase the Authorized Capital stock to 2,000,000 shares of Common Stock (Par Value 5¢ Per Share) and the outstanding stock was exchanged on the basis of 20 shares of new Common Stock for each share of the old Common Stock, resulting in 450,000 shares of Common Stock (Par Value 5¢ per Share) being issued and outstanding.

(d) In conjunction with the transfer of One Hundred Associates of America, Inc's. interest in the properties, it received 9,000 shares of the Company's Common Stock (Par Value $1.00 Per Share) to offset $12,500 of the price therefor.

(e) Earned Surplus is the sum remaining after deducting Organization Expenses—Accruals Payable of $500 and Organization Expenses (Cash disbursement) of $3,749.05 (or total organization expenses of $4,249.05) from Royalties paid direct (to One Hundred Associates of America, Inc., and credited to the Company) of $1,964.64 and Royalties on ore production (Cash receipts) of $3,575.50 (or total royalties received of $5,540.14).





NATIONAL URANIUM CORPORATION

Cash Receipts and Disbursements From Organization on July 16, 1952 To May 31, 1954

Cash Receipts:

7/22/52—One Hundred Associates of America, Inc. (for 12,000 Shares of Capital Stock)	$12,000.00	
7/22/52—One Hundred Associates of America, Inc. (Loan)	500.00	
2/13/53—One Hundred Associates of America, Inc. (Loan)	4,000.00	
7/3/53—One Hundred Associates of America, Inc. (Loan)	5,000.00	
3/26/54—Rose Ahrens (for 1500 shares of Capital Stock)	2,000.00	
5/29/54—One Hundred Associates of America, Inc. (Loan)	10,000.00	
——————Royalties on ore production.....	3,575.50	
Total Cash Receipts.....		$37,075.50

Cash Disbursements:

7/22/52—Canadian Radium & Uranium Corp.....	$12,000.00	
2/13/53—Canadian Radium & Uranium Corp.....	5,000.00	
7/20/53—Canadian Radium & Uranium Corp.....	5,000.00	
——————Organization Expenses.....	3,749.05	
Total Cash Disbursements.....		$25,749.05
Cash Balance, May 31, 1954.....		$11,326.45

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THE COMPANY'S PROPERTIES

The 78 claims listed below were sold to the Company by quitclaim mining deed dated July 22, 1952, from Canadian Radium & Uranium Corporation (hereinafter referred to as "Canadian") to the Company, wherein Canadian sold and quitclaimed the unpatented lode mining claims in the Henry Mountain Mining District in the County of Garfield, State of Utah, described below, subject to a purchase money mortgage in the sum of $70,000 payable to Canadian. The Company's right to certain of these claims, Daisy June Nos. 7 and 8 and Congress Nos. 14 through 23, inclusive appear to be in conflict with school rights. Accordingly, the Company makes no representation as to the validity of these disputed claims and deems its holding to consist of the equivalent of 66 claims.

Canadian had leased the same 78 claims to Mr. Leland R. Weeks for a period of six years, by a lease-purchase option agreement dated April 25, 1950. The agreement provided for the purchase of the properties for the sum of $120,000, payable out of net mill proceeds. In February, 1951 Mr. Weeks entered into an operating agreement with S. Y. Guthrie and associates, wherein Guthrie was to operate such claims on a 16% royalty basis and subject to all of the terms and conditions of the Weeks-Canadian lease agreement. On October 29, 1951 Mr. Weeks, then President and the holder of 99.6% of the outstanding Common Stock and 72% of the outstanding Preferred Stock of Associates delivered to Associates a quitclaim deed to the aforementioned 78 claims, in addition to 46 other claims, for $30,000 in cash, and at the same time assigned all of his right, title and interest in and to the lease-purchase option contract with Canadian as well as other agreements. Associates then renegotiated the Weeks-Canadian lease-purchase option agreement and entered into a new agreement providing for a reduction of $30,000 in the purchase price leaving a balance of $82,000, after taking into consideration $8,000 paid on account thereof by Weeks.

National Uranium Corporation was then formed as a wholly owned subsidiary of Associates and the latter corporation agreed to transfer all of its right, title and interest in the new Weeks-Canadian lease-purchase option for $175,000 less the sum of $82,000, which sum was to be paid by the Company to Canadian. The difference of $93,000 was to be paid as follows: $80,500 as a debt to Associates and $12,500 by the issuance of 9,000 shares of Common Stock (par value $1.00 per share). At the time of the Company's organization, Associates subscribed to 12,000 shares of the Company's Common Stock (Par Value $1.00 per Share) and paid for the same and at the same time loaned the Company $500 in cash. The Company then acquired the aforementioned quitclaim deed subject to a purchase money mortgage of $70,000 payable $5,000 semi-annually for two payments and $10,000 semi-annually thereafter, using the $12,000 stock subscription funds as a payment to Canadian against the $82,000 reduced purchase price. Associates subsequently quitclaimed the properties to the Company by way of clearing the chain of title between Canadian and the Company. On the completion of the transaction the Company owed Associates $80,500 (in addition to the $500 previously borrowed) and Canadian $70,000 on its purchase money mortgage. The Company thereafter on February 13, 1953 and July 2, 1952 borrowed an additional $9,000 from Associates, to make as total indebtedness to Associates of $90,000 which the Company has agreed to repay with 5% interest, at the rate of 25% of gross ore receipts, including bonus monies received after the Company commences operations on the properties itself, or in conjunction with others and not by lessees, unless otherwise agreed. The obligation of the Company to Associates is a firm and binding obligation to pay the full amount due, and if the ore proceeds are insufficient to pay in full by July 1, 1957, the entire balance will become immediately due and payable. The Company, on May 29, 1954 borrowed an additional $10,000 from Associates, as set forth more fully under the caption "Use of Proceeds." Subsequent litigation decreed the cancellation of the Weeks-Canadian agreement and the operating agreement made between L. R. Weeks and S. Y. Guthrie and associates, thus leaving the Company as the sole apparent legal claimant to the properties (except for the school claims referred to above).

INTRODUCTION

National Uranium Corporation (hereinafter referred to as the "Company") was incorporated under the laws of the State of Utah on July 16, 1952, as the wholly owned subsidiary of One Hundred Associates of America, Inc. (hereinafter referred to as "Associates"), for the purpose of acquiring interests in the properties hereinafter described and to engage generally in the acquisition, exploration and development of uranium and vanadium properties. The Company is no longer a subsidiary of Associates. Its principal office is located at 29 Broadway, Room 1707, New York, New York.

The Company has not as yet engaged in any business except to acquire and lease for operation interests in certain properties as more fully described and set forth under the caption "The Company's Properties". While the Company itself has not actively exploited and explored its properties, ore has been mined and sold and certain of the claims have been certified by the Atomic Energy Commission (AEC) for bonus payments. Work done on the claims has thus far been almost entirely in the nature of exploration rather than mining and has been carried on by the Company's lessees and predecessors. The proceeds of this offering will be used primarily for exploration and mining operations to be conducted by the Company itself or in conjunction with others on a "split check" method of operation. The Company may lease some of its claims to others, if deemed desirable and in the best interests of the Company.

The Underwriters have made no firm commitment to purchase any of the shares now being offered, but have agreed to sell the shares on a best efforts basis only, and therefore there is no assurance that sufficient funds will be realized to carry out the purposes of the proposed financing.

In the event that the entire offering is sold, approximately $78,600 will be expended for Underwriters' commissions and their expenses of the offering and will not be used for any productive purposes. The proceeds of the sale of the first 25,000 shares of the Common Stock offered hereby will be used to reimburse the Underwriters for their advertising and other promotional expenses up to $20,000. If a substantial number of shares in excess of 25,000 is not sold, little or no funds will be available to the Company to conduct its proposed exploratory operations.

Common Stock Purchase Warrants entitling the holders thereof to purchase a total of 100,000 shares of the Company's Common Stock at a price of $.50 per share will be issued to the Underwriters or their nominees, as more fully set forth under the caption "Terms of Offering" and like Warrants to purchase a total of 50,000 shares at $.50 per share have been issued to Martin Lasher, as more fully set forth under the sub-caption "Common Stock Purchase Warrants." Such Warrants are exercisable only during the period commencing thirteen months after the effective date of the Notification filed by the Company with the Securities and Exchange Commission relative to the present offering of Common Stock and ending three years after said thirteen month period. During the life of such Warrants the persons holding them are given, for the $.50 per share exercise price, the opportunity to profiit from a rise in the market for the Company's Common Stock at the expense of the stockholders of the Company and the investors who make the initial actual capital investment in the Company. During the life of such Warrants the Company may be deprived of favorable opportunities to obtain additional equity capital if it should be needed for the business; and the Company would probably be able to obtain additional equity capital by public sale of its stock on terms more favorable than those provided in the Warrants at any time when the holders of the Warrants may be expected to exercise them. If such Warrants or the shares issuable on the exercise thereof, are sold at a price in excess of the price received by the Company, such profit on the sale of the Warrants or the shares issuable on the exercise thereof may be deemed additional underwriting compensation to the Underwriters and dealers.

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No dealer, salesman or other person is authorized to give any information or make any representations other than those contained in this Offering Circular in connection with the offering contained herein, or any information or representations not therein contained, and if given or made, must not be relied upon as having been given or authorized by the Company or the Underwriters. The offering of these securities is made only by this Offering Circular. This Offering Circular is not an offer to sell or a solicitation in any state in which such offering or solicitation is not authorized by the laws thereof. Neither delivery of this Offering Circular nor any sale made hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of the Company since the date hereof.

In connection with this offering, the Underwriters may over-allot or effect transactions which stabilize or maintain the market price of the stock at a level above that which might otherwise prevail in the open market. Such stabilizing, if commenced, may be discontinued at any time. Since there has been no public distribution of the securities of the Company there was as of date of this Offering Circular no market as such for the securities offered hereunder.

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It is a criminal offense to represent that the Commission has approved these securities or has made any finding that the statements in this Offering Circular are correct.

National Uranium Corporation

(A Utah Corporation)

298,000 Shares of Common Stock
(Par Value 5¢ Per Share)

OFFERING PRICE: $1.00 PER SHARE

Underwriters:

Jay W. Kaufmann & Co.
Members of the American Stock Exchange
111 Broadway
New York 6, N. Y.
DIgby 9-3030

Vickers Brothers
52 Wall Street
New York 5, N.Y.
DIgby 4-8040

Dated July 8, 1954.

OFFERING CIRCULAR.

National Uranium Corporation

(A Utah Corporation)

298,000 SHARES OF COMMON STOCK
(Par Value 5¢ per Share)

OFFERING PRICE: $1.00 PER SHARE

THESE SECURITIES ARE OFFERED AS A SPECULATION

REFERENCE IS MADE TO THE INFORMATION SET FORTH UNDER THE CAPTION "INTRODUCTION"

THESE SECURITIES ARE OFFERED PURSUANT TO AN EXEMPTION FROM REGISTRATION WITH THE SECURITIES AND EXCHANGE COMMISSION. THE COMMISSION DOES NOT PASS UPON THE MERITS OF ANY SECURITIES NOR DOES IT PASS UPON THE ACCURACY OR COMPLETENESS OF ANY OFFERING CIRCULAR OR OTHER SELLING LITERATURE.

	Maximum Price To Public	Underwriting Discount or Commission	Proceeds to Corporation (2)
Total Offering	$298,000	$58,600(1)	$239,400(2)
Per Unit	$1.00	$.20 (1)	$.80 (2)

(1) The Company is offering 298,000 shares of Common Stock to the public at a price of $1.00 per share of which the Underwriter will receive $.20 per share and the Company $.80 per share before deduction of certain expenses as hereinafter set forth. In addition the Underwriter will receive the right to purchase one Common Stock Purchase Warrant (to purchase one share of Common Stock at $.50 per share during the three year period commencing thirteen months after the effective date of the Notification relative to this offering filed with the Securities and Exchange Commission) at a price of $.001 per warrant for each 2.98 shares of Common Stock sold. Reference is made to the information contained under the captions "Introduction" and "Terms of Offering" relative to such Common Stock Purchase Warrants. The Company has also agreed to reimburse the Underwriters for expenses of the issue to the maximum amount of $20,000.00 including Underwriters' counsel fees not in excess of $1,000.

(2) Before deduction of certain additional expenses, such as fees and disbursements of counsel, issue taxes, printing and similar expenses in connection with the issuance and sale of the shares to be paid by the Company, and Underwriters expenses to be reimbursed by the Company as set forth in footnote "(1)" above.

Underwriters:

JAY W. KAUFMANN & CO.
Members of the American Stock Exchange
111 Broadway
New York 6, N. Y.
DIgby 9-3030

VICKERS BROTHERS
52 Wall Street
New York 5, N. Y.
DIgby 4-8040

The Date of this Offering Circular is July 8, 1954.

GROSSMAN & FEDER
Certified Public Accountants
217 BROADWAY
NEW YORK 7, N. Y.
WORTH 2-5937

MAX GROSSMAN, C.P.A.
ABRAHAM FEDER, C.P.A.

MEMBERS OF
N. Y. STATE SOCIETY OF C.P.A'S.
AMERICAN INSTITUTE OF ACCOUNTANTS

NATIONAL URANIUM CORPORATION

(a Utah Corporation)

STATEMENT OF ASSETS AND LIABILITIES

AS OF NOVEMBER 25, 1954

ASSETS

CASH IN BANK	$180,903.08	
URANIUM PROPERTIES	162,150.00	
EXPLORATION ADVANCES	10,998.40	
TOTAL ASSETS		$354,051.48

LIABILITIES

ACCOUNTS PAYABLE	$ 586.40	
PURCHASE MONEY MORTGAGE PAYABLE—CANADIAN RADIUM & URANIUM CORPORATION	40,000.00	
ACCOUNTS PAYABLE—ONE HUNDRED ASSOCIATES OF AMERICA, INC.	87,548.17	
TOTAL LIABILITIES		$128,134.57

CAPITAL

CAPITAL STOCK—COMMON STOCK (5¢ Par Value)

748,000 SHARES ISSUED AND OUTSTANDING	$224,125.82	
CAPITAL SURPLUS	500.00	
EARNED SURPLUS	1,291.09	
TOTAL CAPITAL		$225,916.91
LIABILITIES AND CAPITAL		$354,051.48

NATIONAL URANIUM CORPORATION
(A UTAH CORPORATION)
29 BROADWAY
NEW YORK 6, N. Y.

Cable Address
NATURANIUM

Telephone
Whitehall 4-8818

Office of the President

December 6, 1954.

INTERIM REPORT #1

TO THE SHAREHOLDERS OF NATIONAL URANIUM CORPORATION:

The management of your Corporation is pleased to transmit this interim report. In it we shall offer a review of the Corporation's affairs, its plans, its objectives, and its working methods.

We enclose with this report a copy of the latest statement of the financial condition of the Corporation.

CORPORATE MATTERS

The Corporation's public offering of 298,000 shares of common stock has been successfully completed by the underwriters. For the information of our new shareholders, we wish to state that our shares are issued as fully-paid and nonassessable. We note this in order to avoid confusion with the assessable type of capital stock sometimes found among mining corporations.

We further advise that your Corporation should not be confused with another, of similar name, which is incorporated and located in IDAHO and with which we have no connection. We learn that this corporation has recently made an assessment on their capital stock.

We announce with pleasure the election to our Board of Directors of the Honorable Vincent R. Impellitteri, Justice of the Court of Special Sessions in the City of New York, and former Mayor of the City of New York. He will make a valuable addition to our Board which we feel is now admirably well-rounded. Among our Directors are:

Mr. A Spencer Allen, corporation executive, acting president of S. Klein and Co., and vice president of Grayson-Robinson Stores, Inc.
Hon. Bernard Austin, lawyer, member of the New York State legislature.
Mr. Harry Javits, banker, assistant vice-president of the Commercial State Bank and Trust Co. of New York.
Mr. Max Grossman, certified public accountant, senior partner in Grossman and Feder, C.P.A.'s.
Mr. Elliot S. Gross, lawyer, former Assistant District Attorney of Kings County, N. Y.
Mr. Irving Strauss, industrialist, president of Bruno-New York Industries, Inc.

THE CORPORATION'S PROPERTIES

Our 78 claims located in the heart of the Colorado Plateau occupy an area which is 12 miles in length and which varies between 2 and 3 miles in width. It is noteworthy in connection with the recently publicized sale of the Vernon Pick uranium property to the Atlas Corporation interests at a price of over $9,000,000, that this mine neighbors the main group of our claims in the Henry Mountain range. The Pick mine is in the same geological formation (the Morrison) as are our own holdings.

Over $400,000 worth of uranium ore of high grade has already been yielded by the first ten of our claims to have been worked. We wish to emphasize that this was simply development production ore. There has been as yet no intensive mining of any of our claims.

Our proporties attracted attention originally because of the very favorable findings made thereon by Frank R. Wicks, a mining engineer of great prominence and eminent reputation. He is one of the oldest members of the American Institute of Mining and Metallurgical Engineers, having been a member since 1913. He was the supervising engineer for Nevada Minerals Company and was associated with Filtrol Company of California for 15 years. At present he is our Chief Consulting Engineer. His enthusiasm is apparent in the following verbatim quote from his report of June 20, 1950, where, in summation, he says of our claims in the

Henry Mountain area: ". . . There is enough ore in sight to justify an active program of mining and there is little likelihood of being able to find any one section or area where the mineralization is richer than any other. Taken as a whole and based upon my preliminary study, I now feel that the Henry Mountain area here described contains one of the few very great uranium deposits of the world." As work has proceeded, we may say, with pardonable pride, that nothing which might contradict his observations has occurred.

We wish to report upon work recently performed for the first time upon the Del Monte group of our claims. These are a cluster of 6 claims situated 10 miles to the south of our main group on the southeasterly flanks of the Henry Mountain range. About 80,000 lbs. of ore were shipped by our lessee from Del Monte #3 during the past 3 months. The settlement sheets received from the Atomic Energy Commission show payments, including bonuses, for these shipments ranging from $135 to $150 per ton. The average grade of uranium ore shipped was .74% and the vanadium content averaged 1.75%. From Del Monte #2 about 40,000 lbs. were also shipped during this time. Indications are that the data on these shipments will show assay values averaging in excess of $100 per ton. Great enthusiasm was exhibited by our field force to the President of your Corporation while discussing these shipments. With mining costs at from $8 to $12 per ton, the prodigious earning power of high grade uranium ore may be readily imagined. Our ore is of the carnotite type (uranium and vanadium) which, on our property, has yielded sufficient vanadium to cover the entire mining costs. Upon the advice of our Consulting Engineers and Technical Staff, we have cancelled this lease and others pending completion of an aerial survey and mapping. We have reached the point where operating techniques must be planned, and these may or may not involve the leasing of any of our claims to other operators.

DEVELOPMENT WORK

Your management has retained a capable field staff to supervise the work of development. Mr. Robert Merrill Deming, whom we know as a well-qualified geologist and mining engineer, is overseeing all field operations. Mr. Deming was formerly associated with the U. S. Geological Survey and has served in responsible capacities for several large mining companies located on the Colorado Plateau. His experience has been most comprehensive including responsible posts in many parts of the world. He has been employed in mineral exploration and mine development by, among others, Granby Mining Co., American Smelting and Refining Co., Union Oil Co. of California, and Rare Metals and Minerals Co.

The aerial survey is in the hands of Mr. Norman B. Platt of Grand Junction, Colorado. He is photogrammetrical engineer and has done much work in this area.

Mr. Louis P. Gaggini, chief geologist of the Geo-Engineering group of Grand Junction, Colorado, will direct the geological phases of the work in the field. He formerly managed the Colorado Uranium Division of J. R. Simplot Company and was at one time Mine Superintendent of Dulaney Mining Company. He had complete charge of all mining and exploration activities in the uranium field for both companies. He brings to us also his special experience as a geologist and mining engineer with the Manhattan Project of the Atomic Energy Commission at Grand Junction, Colorado.

Mr. Gaggini is preparing our application for a contract advance from DMEA. He is of the opinion that our claims will justify and support an advance of $500,000. This will be repayable, if granted, solely out of 5% from ore shipments from claims made productive by the appropriate test drilling. A simple calculation will demonstrate that an advance of this size implies an evaluation of at least $10,000,000 in potential production. Geo-Engineering have already prepared and sponsored a number of successful applications. We feel that their willingness to undertake this assignment for us and to delegate their chief geologist to the project bespeaks a great deal for our properties. Mr. Gaggini is also to be retained by us in the capacity of Consulting Engineer following completion of the application.

In view of the accessibility of our ore deposits we do not contemplate other than an open pit mining operation for some time to come — an advantageous method which will make for lower mining costs. However, we are very much interested in the subterranean formations and the attendant structure-faulting and we shall explore and chart these as quickly as possible. In this connection we are most encouraged by the results of some wagon drilling performed by the Atomic Energy Commission on 2 of our claims in the main group. A few three-foot thicknesses of high grade ore were disclosed not more than 30 feet beneath the ground surface, leading us to believe that additional productive horizons exist within a few hundred feet below. Eventually we may introduce a shaft mine here, but this will, of course, depend upon future developments and the judgment of our Technical Staff.

In any case your management is availing itself of an opportunity to acquire extensive core drilling at depth at comparatively little cost to the Corporation's treasury, by proceeding with an application for a contract with the Defense Minerals Exploration Administration (DMEA). These contracts are granted where DMEA feels that test drilling is likely to prove up ore deposits of worth-while grade. Contract advances may be applied as well towards the purchase of production machinery and other pre-operational expenses. Through the use of these contracts, an intelligent and optimum operation of the mines is fostered. Under their terms, advances are not repayable to the government if the test drilling financed by them is unsuccessful in proving up reserves of amenable ore; nor are they general obligations of the grantees.

We have arranged to secure the necessary aerial survey and mapping of our claims. Although we would have used this in any event because such surveys are useful in the reconnaisance of ore bearing properties, we now learn that DMEA insists upon this as a pre-requisite to the grant of a contract. This survey, which is now in progress, will delineate the radioactive anomalies and will provide the guide for the subsequent diamond-drilling. A topographical survey and mapping is being conducted at the same time and it is expected that both will be finished within a few weeks.

MANAGEMENT'S OUTLOOK

We are preparing the groundwork for and are aiming for a state of development which will afford a continuous and profitable mining operation over a period of many years. At the present juncture, we may, if we choose, plunge into our proven, visible ore beds, which exist as outcroppings on our claims, and mine and ship the exposed tonnage. This alone has been estimated to consist of more than $2,000,000 worth of high grade ore. However, we are interrupting this course in order to pursue the matter of the DMEA grant to completion. As we have pointed out above there are very substantial benefits to be derived from these grants.

We have received several offers from responsible mining interests to lease-operate all or a part of our claims and each distinct claim that we own has been covered by at least one, if not more, of these offers. We were flattered by two offers as most significant since it involved a royalty to us of 25% of the gross ore shipments and 50% of the bonus money (the prevailing royalty rates are from 10-15%).

There are many excellent claims still available in the uranium mining districts of the Colorado Plateau. We are very much on the alert for desirable properties and we have been sifting through a number of proposals which have been brought to our attention by our Engineers and by associates in the industry. We may make commitments where our Technical Staff think the prospects and conditions so recommend. This we can do because our programs for drill testing, aerial survey, other essential work, and for the acquisition of production machinery are more than financed by present working funds.

Our working capital position has, in fact, enabled us to reduce our purchase money mortgage, which is payable to Canadian Radium and Uranium Corporation, to a balance of $40,000 from $60,000 as it appeared on our last statement of condition as of May 31, 1954 (the original price of the claims was $150,000 and the obligation has been steadily reduced from that figure).

We are studying the requirements for listing our shares of common stock on a recognized stock exchange. We shall apply for this as soon as practicable as we feel that the privilege of such listing should be accorded to our shareholders.

IN CONCLUSION

We close this report with assurance to our shareholders that as developments proceed they will be kept regularly informed of the results achieved.

Your managment is looking and moving forward with an abiding and firmly-established confidence which we feel is amply justified by our progress and findings to date.

We look for a consistent and gratifying appreciation in the market value of our shares to follow additional developments and the ever-increasing enhancement of our ore reserves.

We extend to our shareholders our hearty wishes for a Happy Holiday Season and for a New Year of Progress and Prosperity.

Respectfully submitted,
for the Board of Directors,

Martin Lasher

Martin Lasher, President.

NATIONAL URANIUM CORPORATION OF UTAH

CLAIM PLAT

GARFIELD COUNTY, UTAH

The discovery monument of Del Monte 2 is South 14° 38' 1" West 39,697.9 feet from the Northeast corner of Section 6 Township 34 South Range 12 East

Claim corner

Discovery monument

End center monument

Witness corner

Triangulation station

Rim or cliff delineation

Roads

Pits

True North
Mag North
16°

50 0 200 400
Feet

Contour interval = 20 ft.

Datum is mean sea level.

Mapped by Norman B. Platt

Control —— Third order triangulation (U.S.G.S. triangulation station "Brush", Elev. 6363.0' has assumed coordinates of 200,000 North and 100,000 East.)

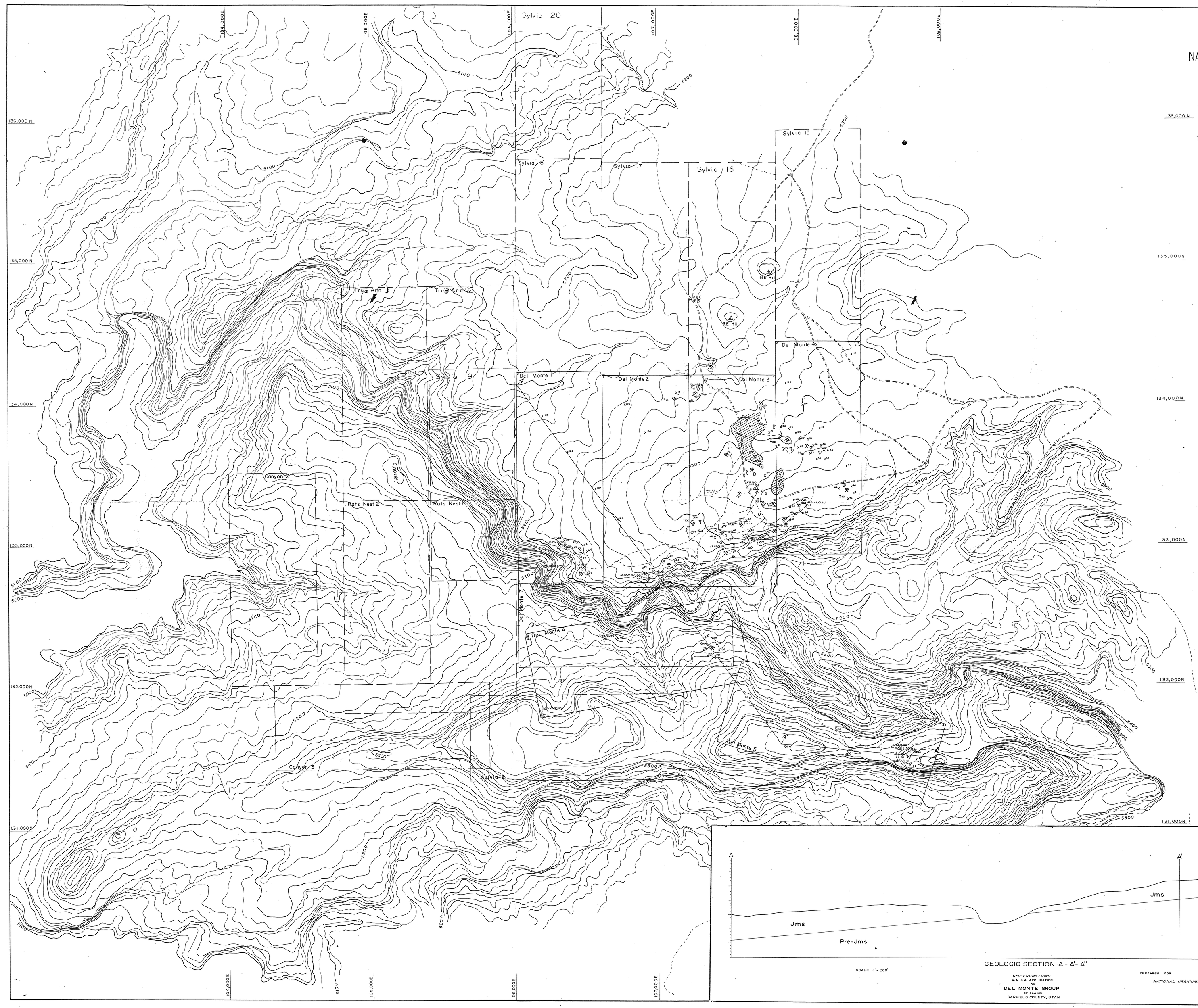
Topography and claim locations by Kelsh plotter from aerial photographs taken Nov. 6, 1954 by N. B. Platt.

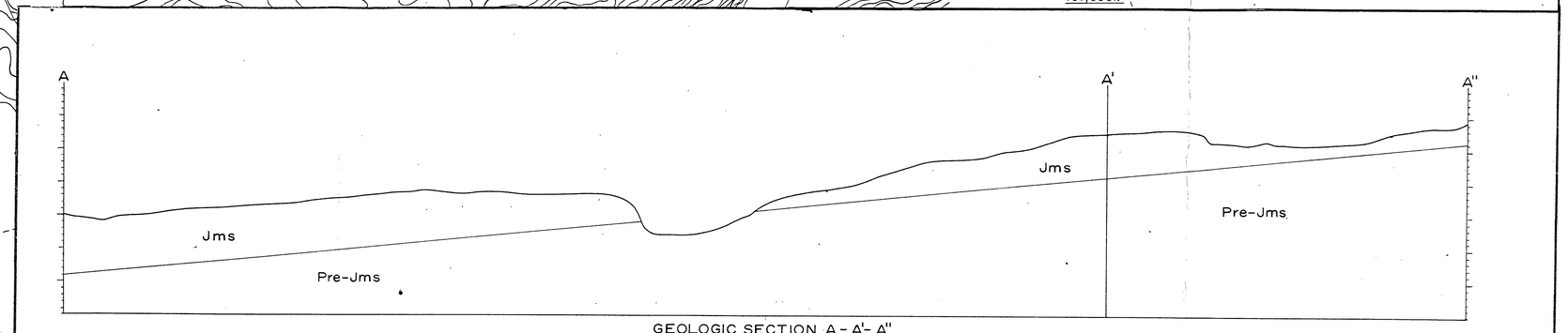
Drafted by L. P. Bizer.

EXPLANATION
(D.M.E.A.)

X
PROPOSED HOLE

ANOMALY
(SEE PLATE 3)





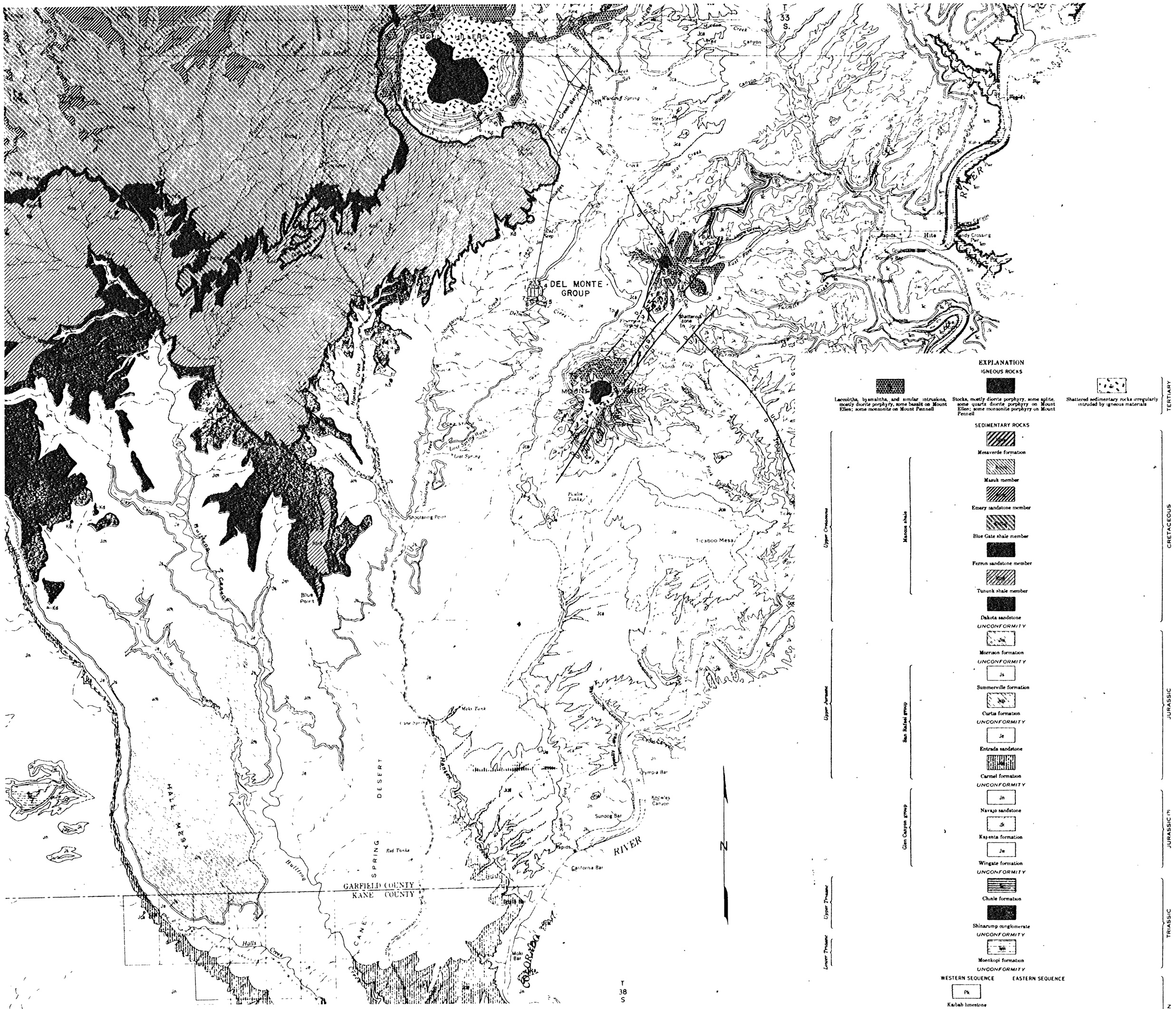
GEOLOGIC SECTION A - A' - A''

SCALE 1" = 200'

GEO-ENGINEERING
D.M.E.A. APPLICATION
ON
DEL MONTE GROUP
OF CLAIMS
GARFIELD COUNTY, UTAH

PREPARED FOR
NATIONAL URANIUM, INC.

PLATE 1



EXPLANATION

IGNEOUS ROCKS

- Laccoliths, bysmaliths, and similar intrusions, mostly diorite porphyry, some basalt on Mount Ellen; some monzonite on Mount Pennell
- Stocks, mostly diorite porphyry, some aplite, some quartz diorite porphyry on Mount Ellen; some monzonite porphyry on Mount Pennell
- Shattered sedimentary rocks irregularly intruded by igneous materials — TERTIARY

SEDIMENTARY ROCKS

- Mesaverde formation — Upper Cretaceous
- Masuk member — Mancos shale
- Emery sandstone member — Mancos shale
- Blue Gate shale member — Mancos shale
- Ferron sandstone member — Mancos shale
- Tununk shale member — Mancos shale
- Dakota sandstone — Upper Cretaceous — CRETACEOUS

UNCONFORMITY

- Morrison formation — Upper Jurassic
- *UNCONFORMITY*
- Summerville formation — San Rafael group
- Curtis formation — San Rafael group
- *UNCONFORMITY*
- Entrada sandstone — San Rafael group
- Carmel formation — San Rafael group — JURASSIC

UNCONFORMITY

- Navajo sandstone — Glen Canyon group
- Kayenta formation — Glen Canyon group
- Wingate formation — Glen Canyon group — JURASSIC (?)

UNCONFORMITY

- Chinle formation — Upper Triassic
- Shinarump conglomerate — Upper Triassic
- *UNCONFORMITY*
- Moenkopi formation — Lower Triassic — TRIASSIC

UNCONFORMITY

WESTERN SEQUENCE	EASTERN SEQUENCE
Kaibab limestone	
Coconino sandstone	Cutler formation

Pwr *White Rim sandstone member*
Por *Organ Rock tongue*, Pcm *Cedar Mesa sandstone member*
(Por and Pcm not mapped on Mt. Ellsworth) — PERMIAN

Contact, dashed where approximately located

Fault, showing dip
Dashed where approximately located, dotted where concealed. U, upthrown side, D, downthrown side

Vertical fault

Spring or tank

Prospect

GEO-ENGINEERING

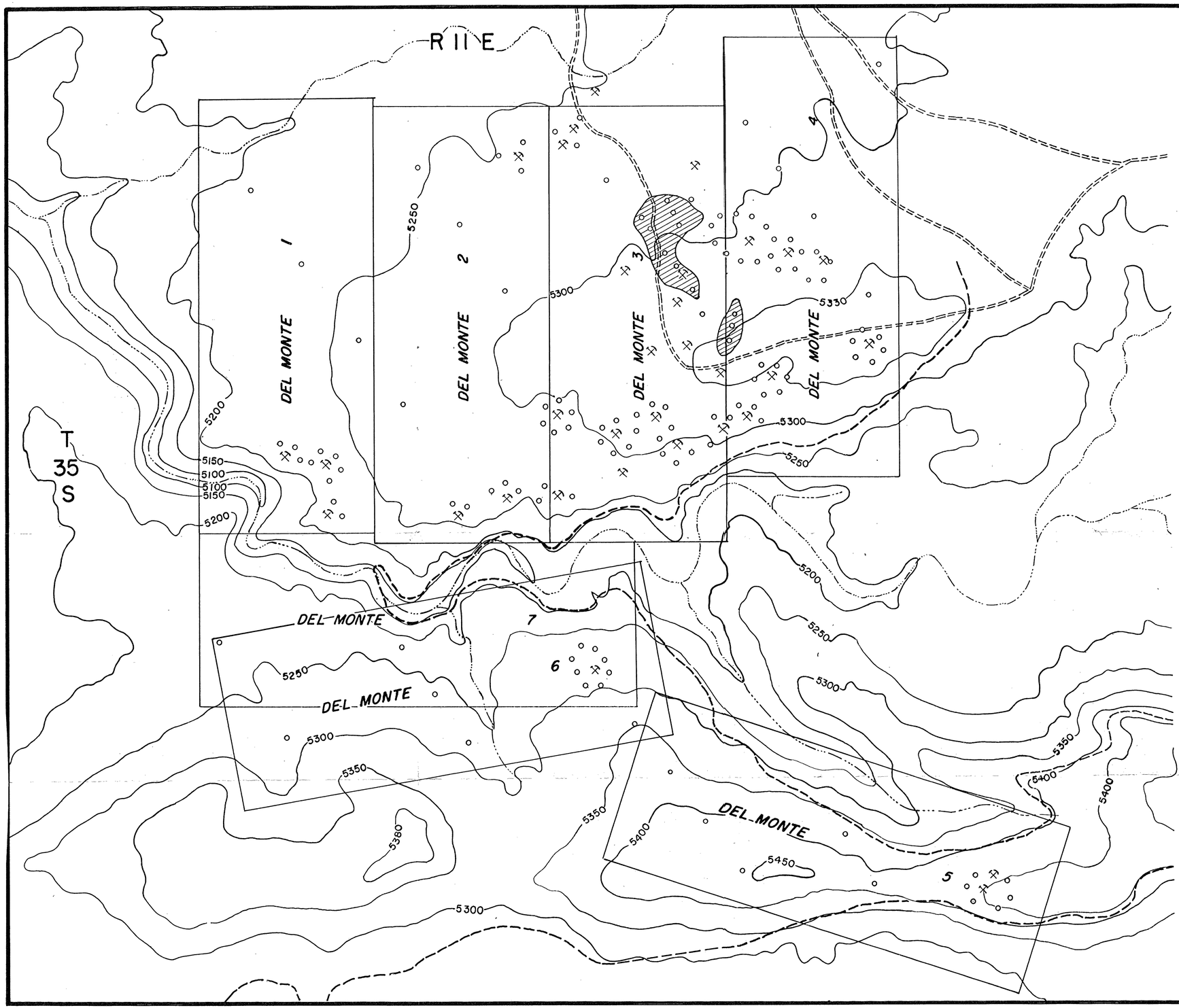
GEOLOGIC MAP
OF PART OF
HENRY MOUNTAINS REIGON
SHOWING LOCATION OF
D M E A. APPLICATION ON
DEL MONTE GROUP
GARFIELD COUNTY, UTAH

PREPARED FOR
NATIONAL URANIUM, INC.

PLATE 2

FROM U S.G S GEOLOGIC MAP OF HENRY MOUNTAINS

1 0 4 MILES



N

LEGEND

- WAGON DRILL HOLE STAGE I
- MINE WORKINGS
- RIM OR CLIFF DELINEATION
- ANOMALY

NOTE

DATA TRACED FROM COMPANY MAP.

0 200 400 600 800
SCALE OF FEET

U. S. DEPARTMENT OF THE INTERIOR
BUREAU OF MINES

Fig. 2 DMEA Docket No. 3700

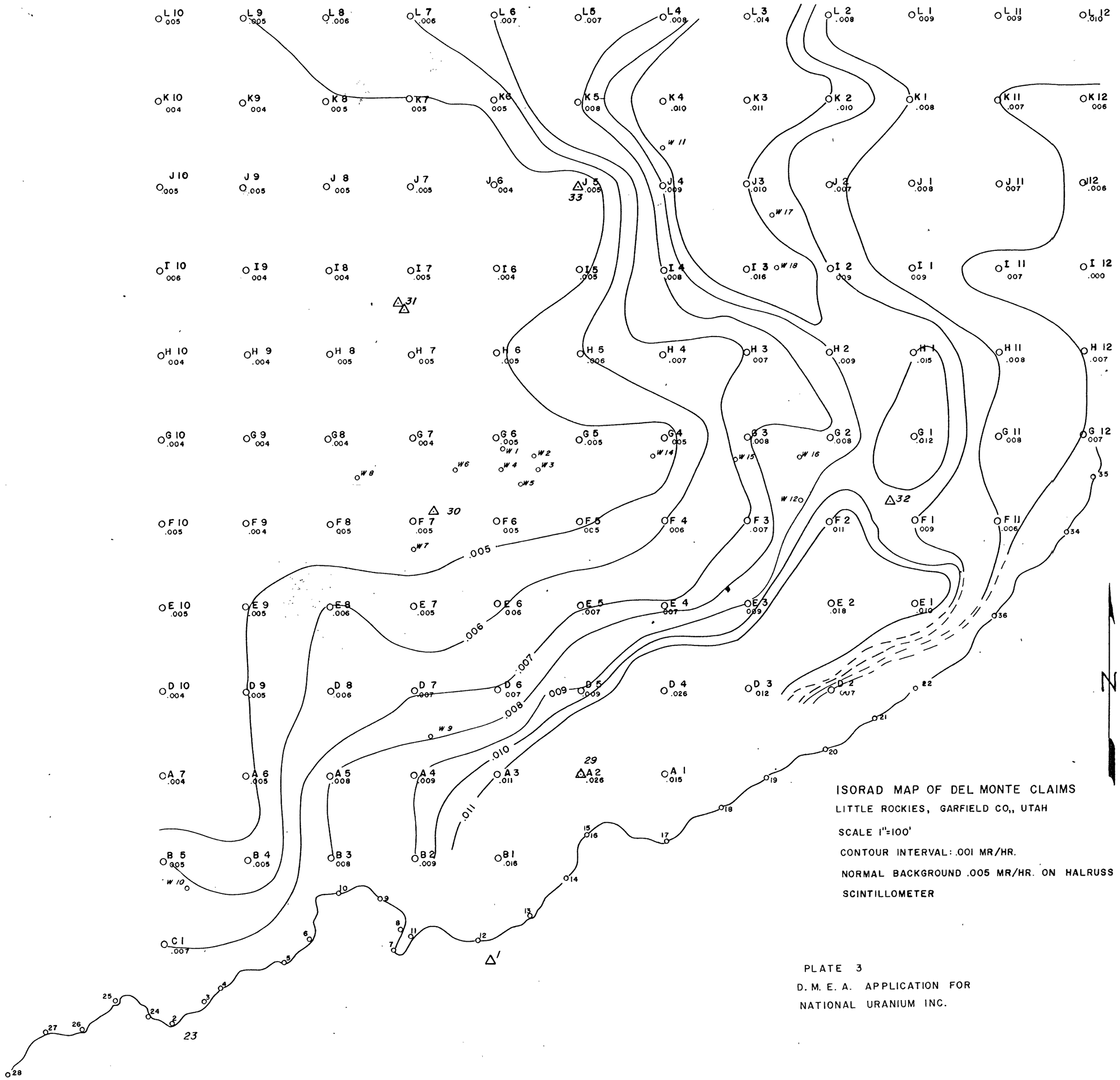
Location Map of Wagon Drill Holes Proposed for Stage I

DEL MONTE CLAIMS

NATIONAL URANIUM CORPORATION

HENRY MOUNTAINS AREA, GARFIELD COUNTY, UTAH

ENGINEER: *Millard M. GILKEY*	DATE: MAY 13, 1955
TRACED: MAY, 1955; BY: A. P. T. S.	1900 - 333 - C
CHECKED:	



ISORAD MAP OF DEL MONTE CLAIMS

LITTLE ROCKIES, GARFIELD CO., UTAH

SCALE 1"=100'

CONTOUR INTERVAL: .001 MR/HR.

NORMAL BACKGROUND .005 MR/HR. ON HALRUSS SCINTILLOMETER

PLATE 3

D. M. E. A. APPLICATION FOR

NATIONAL URANIUM INC.