Surname copy 700

Ching
Ellis

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

OCT 26 1955

Mr. Nathan Weshsler
1010 Vermont Avenue, N. W.
Washington, D. C.

Re: Docket No. DMEA-382h (Uranium)
Interstate Uranium, Inc.
Woodon Shoe Bottom School Lease
San Juan County, Utah

Dear Mr. Weshsler:

Reference is made to our letter dated September 23, 1955, in which we stated that the subject docket would be considered closed unless certain information required to process the captioned application had reached this office on or before October 23. No answer to our letter having been received, we therefore inform you that the subject docket is considered closed effective as of that date.

This is without prejudice to the merits of your proposed project. We regret the necessity of this action and express appreciation for your interest in the exploration program during the period your application has been under consideration.

Sincerely yours,

Frank E. Johnson
By EST
ACTING Administrator

MChing/gla
10-26-55
cc to: Admr.'s Reading File
Docket
Messrs. JECrawford, Rm. 3641
JOHosted, Rm. 3210, GSA
THKiilsgaard, Rm. 5224
Code 700
Mr. Ching
DMEA Field Team, Region III (2)

R.C.

Surname copy

Ellis
KJ Johnson

SEP 23 1955

Mr. William Wechsler
1011 Vermont Avenue, N. W.
Washington, D. C.

Re: Docket No. [illegible]-3224 (Uranium)
Interstate Uranium, Inc.
Wooden Shoe Butte School Lease
San Juan County, Utah

Dear Mr. Wechsler:

We refer to our letter under date of June 1, 1955, concerning the above-docketed application, at which time we advised you that pending receipt of information relating to further preliminary work which the applicant might desire to pursue, we would hold this docket in abeyance. However, it was pointed out that the application could not be held in abeyance for an indefinite period.

Inasmuch as we have received no reply, we assume that the Interstate Uranium, Inc. is no longer interested in proceeding with the application. We wish to cooperate in the matter of allowing ample time, but if the needed information has not been received within 30 days from the date of this letter, we will then consider the docket closed.

Sincerely yours,

SIGNED

Ernest Wm. Ellis, Chief
Lease and Miscellaneous
Metals Division

RChing:gla - 9/22/55
Copy to: Adm. - File
~~Operation Committee~~
Docket
Mr. J. L. Crawford, [illegible] 3041
Mr. T. Kiilsgaard, [illegible] 5224
Mr. J. C. Hosted, [illegible] 3210, GPA
Code 700
Mr. Ching
DEA Field Team, Reg. III (2)

P.C.B.

700

6-3-55

JUN - 1 1955

[illegible]

[illegible]

[illegible]

[illegible]

[illegible]

[illegible]

[illegible] further at this time.

[illegible]

[illegible]

[illegible]

[illegible]

[illegible]

[illegible]

[illegible]

[illegible]

[illegible]

C. O. Mittendorf

[illegible]

[illegible]

[illegible]

[illegible]

[illegible]

There definitely was community member participation. Believe I talked to Crawford over the phone and definitely remember talking with Grace about it and reading her comments. Unfortunately Crawford's comments were not immediately available and those of Grace were misfiled. Rather than deny the application as suggested this appeared to be the type of situation where the letter as prepared was the most logical move. The Field Team has often praised trying to process incomplete applications.

Mr. Chinn.

Johnson

Note: no commodity participation.

No knowledge of they have any addnl info.

appears to be unilateral action on part of Ellis' shop. Is this good?

700

Surname copy

Ching
Ellis
Johnson

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

Mr. Nathan Wechsler
1010 Vermont Avenue, N. W.
Washington, D. C.

JUN - 1 1955

Re: Docket No. DMEA-3824 (Uranium)
Interstate Uranium, Inc.
Wooden Shoe Buttes School Lease
San Juan County, Utah

Dear Mr. Wechsler:

We have reviewed the subject application for exploration aid and find it too incomplete to process further at this time.

You have indicated your desire to explore for uranium, described the geology, and outlined a program of exploration, but you have not supplied substantiating information that would support the geologic probability of making a significant discovery on the property. On the other hand, you reported that rim stripping was attempted, but due to frozen ground and the presence of large slump blocks, the operation was largely unsuccessful. You further reported that no drilling has been done on the property and no information is available regarding possible trends of favorable channels.

The mere presence of the Shinarump ore horizon on your property is insufficient justification for Government aid in an exploration project. Accordingly, you may wish to do some further prospecting work to establish the presence of favorable geological information, mineralization, or favorable channels on the property.

Pending receipt of such favorable evidence, we shall hold your application in abeyance. It would be appreciated, however, if you would advise us promptly of your intentions regarding further preliminary work as it will not be possible for us to hold your application in abeyance for an indefinite period.

Sincerely yours,

C. O. Mittendorf

Administrator

MChing/gla
5-26-55

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. Ching
DMEA Field Team, Region III (2)

R.C.S.

5/27/55-fa

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

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
MAY 27 1955

May 27, 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: Application for assistance, DMEA Docket 3824, Interstate Uranium, Inc., San Juan County, Utah

I have reviewed the attached application for assistance, Interstate Uranium, Inc., DMEA Docket 3824, San Juan County, Utah; and I have discussed it with Joseph O. Hosted, Washington representative of the Atomic Energy Commission.

The application as submitted by Interstate Uranium, Inc. appears to be a prospecting project rather than an exploration program. Therefore, we suggest that the company's request be denied.

John E. Crawford
John E. Crawford

Attachment

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

Defense Minerals Administration
RECEIVED

May 27, 1955

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John E. Crawford

Attachment

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

Office of the DMEA
Mines Records Administration
RECEIVED
MAY 27 1955

May 27, 1955

Memorandum

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

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Uranium Commodity Committee

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John E. Crawford

Attachment

5/26/55 gla

IN REPLY REFER TO:

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

Defense Minerals Administration
RECEIVED
MAY 26 1955

May 25, 1955

Re: DMEA-3824
Interstate Uran., Inc.
Elk Ridge Area
San Juan County, Utah
$44,412 - Uranium

Memorandum

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

From: R. D. Trace, U. S. Geological Survey

Subject: Review of application

The subject application is a wildcat. The Company has leased a piece of state land that includes an area of Shinarump outcrop. There is no mention in the application of any known uranium mineralization on the property. The application presumably is based only on the fact that it is in the Elk Ridge-White Canyon area.

DMEA-3772, on the adjoining section, was referred to the field in early May.

I suggest you ask the applicant why he thinks there is uranium on his property. If there is not only no mineralization, but also no geologic criteria suggestive of mineralization, then I suggest you deny the application.

RDTrace
R. D. Trace

IN REPLY REFER TO:

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

Defense Minerals Administration
RECEIVED
MAY 26 1955

May 25, 1955

Re: DMEA-3624
Interstate Uran., Inc.
Elk Ridge Area
San Juan County, Utah
$44,412 - Uranium

Memorandum

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

From: R. D. Trace, U. S. Geological Survey

Subject: Review of application

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R. D. Trace

RDTrace:hlm
G-5/25/55

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

IN REPLY REFER TO:

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

May 25, 1955

Re: DMEA-3824
Interstate Uran., Inc.
Elk Ridge Area
San Juan County, Utah
$44,412 - Uranium

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G-5/25/55

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

IN REPLY REFER TO:

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

RECEIVED

May 25, 1955

Re: DMEA-3884
Interstate Uran., Inc.
Elk Ridge Area
San Juan County, Utah
$44,412 - Uranium

Memorandum:

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

From: R. D. Trace, U. S. Geological Survey

Subject: Review of application

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R. D. Trace

RDTrace:hlm
G-5/25/55

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

May 23, 1955

Mr. Nathan Wechsler
1010 Vermont Ave., N. W.
Washington, D. C.

Subject: DMEA 3824
Re: Exploration Assistance
Wooden Shoe Buttes
School Lease

Dear Mr. Wechsler:

The receipt of your application dated May 13, 1955 for exploration assistance under the Defense Production Act of 1950, as amended, is hereby acknowledged.

Your application has been assigned Docket Number DMEA 3824 and referred to the Rare and Miscellaneous 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

MF-103
(Revised April 1952)

UNITED STATES DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

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

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
MAY 20 1955

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

Not to be filled in by applicant

Docket No. DMEA 3824
Metal or Mineral Uranium
Date Received 5-20-55
Estimated Cost $44,412.
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: INTERSTATE URANIUM, INC.
412 Walker Bank Building
Salt Lake City, Utah

(*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. See Page 1

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

(*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

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

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

(*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. See Appendix

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

(*f*) If the land consists of unpatented claims, add to the description above, the book and page numbers for each recorded location notice. See Page 2

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 Page 3

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

(*c*) Describe the geologic features of the property, including mineralization, type of deposit (vein, bedded, etc.), and your reasons for wishing to explore. Illustrate with maps or sketches. Send with your application (but not necessarily as a part of it) any geologic or engineering report, assay maps, or other technologic information you may have, indicating on each whether you require its return to you. See Page 3

(*d*) State the facts with respect to the accessibility of the project: Access roads, distances to shipping, supply and residence points. See Page 5

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

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

(*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 2 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. See Page 13

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.). See Page 9

(*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. See Page 9

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

(*d*) *Operating equipment.*—Furnish an itemized list of any operating equipment to be rented, purchased, or which is owned and will be furnished by the Operator, with the estimated rental, purchase price, or suggested use-allowance based on present value, as the case may be. See Page 9

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

(*f*) *New buildings, improvements, installations.*—Furnish a detailed list showing the cost of any necessary buildings, fixed improvements, or installations to be purchased, installed or constructed for the benefit of the exploration project. See Page 11

(*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. See Page 11

(*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 May 13, 1955

INTERSTATE URANIUM, INC.
(Applicant)

By [signature]

Nathan Wechsler

Power of Attorney

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

REPORT ACCOMPANYING APPLICATION TO DMEA

BY

INTERSTATE URANIUM, INCORPORATED

POWER OF ATTORNEY

KNOW ALL MEN BY THESE PRESENTS, That INTERSTATE URANIUM COMPANY, a Utah Corporation, does hereby make, constitute and appoint, NATHAN WECHSLER, his agents and attorneys, its true and lawful attorney to appear for it and represent it before the United States Department of Interior, Defense Minerals Exploration Administration, in connection with any matters involving application for aid in an exploration project in which it is a party, giving its said attorney full power to do everything whatsoever requisite and necessary to be done in these matters, and to execute all agreements in these matters, as fully as the undersigned might do if done in its own capacity, with full power of substitution and revocation at any time subsequent to the date hereof and prior to the revocation hereof.

It is requested that all communications addressed to the undersigned, regarding any matter in which said attorney is hereby authorized to act, be addressed to:

Mr. Nathan Wechsler
1010 Vermont Ave., N.W.
Washington, D. C.

All powers of attorney for this heretofore filed or executed by us are hereby revoked.

IN WITNESS WHEREOF, the said INTERSTATE URANIUM COMPANY, has executed this power of attorney in duplicate by causing its name to be hereunto signed by William J. Cayias, its President, with its corporate seal affixed and attested by William S. Mole, its Secretary, this 31 day of January 1955. A.D.

INTERSTATE URANIUM COMPANY

BY: William J. Cayias
President

ATTEST:

Secretary

STATE OF Utah
COUNTY OF Salt Lake } ss.

On the 31 day of January, 1955 A.D., personally appeared before me William J. Cayias and William S. Mole who, being by me duly sworn, did say that they are the President and Secretary, respectively, of the above Corporation, whose names are signed to the foregoing Power of Attorney, and who have acknowledged the same before me in the City aforesaid.

Witness my hand and notarial seal this 31 day of January, 1955.

My Commission Expires:
[illegible] 1958

Notary Public

Minerals Administration
RECEIVED
MAY 20 1953

CONTENTS

Section	Page
I. Name of Applicant	1
II. Property Rights	2
III. Physical Description	3
A. History	3
B. Geologic Setting	3
C. Structure	4
D. Localization of the Deposits	5
E. Accessibility	5
IV. The Exploration Project	5
A. Objective	5
B. Proposed Work	5
V. Estimate of Costs	9
VI. Operating Experience and Background of Applicant	13

ILLUSTRATIONS

Plate		Following Page
1	Topographic Map of Section 16 with Geologic Map Overlay	(Front Cover)
2	Location Map	2
3	Photogeologic Map	(In Pocket)
4	Topographic Map	(In Pocket)

APPENDIX

Mining Leases 15

Interstate Uranium, Inc.
Salt Lake City, Utah

REPORT ACCOMPANYING APPLICATION TO DMEA

Minerals Administration
RECEIVED
MAY 2 0 1955

I. NAME OF APPLICANT

(a) The applicant is the Interstate Uranium, Inc., Salt Lake City, Utah.

(b) The Interstate Uranium, Inc., is a corporation organized and doing business under the laws of the State of Utah.

(c) The following are the titles, names and address of officers:

(1) President and Director:

William J. Cayias
412 Walker Bank Building
Salt Lake City, Utah

(2) Vice-President and Director:

Jack C. Turner
Moab, Utah

(3) Secretary-Treasurer and Director:

K. L. Roth
353 East 4th South
Salt Lake City, Utah

(4) Director:

William S. Mole
2532 Maywood Drive
Salt Lake City, Utah

II. PROPERTY RIGHTS

The property held by the corporation which concerns this application comprises 400 acres of Utah School Land, located in Section 16, Township 36 South, Range 18 East of the Salt Lake Meridian, San Juan County, Utah. The legal description in Section 16 is as follows:

South 1/2 of the Northwest 1/4
Southwest 1/4
West 1/2 of the East 1/2

The property is subject to ten year formal State of Utah School Land Mineral Leases, which may continue in effect as long as commercial quantities of mineral are produced, subject to readjustment of terms at the end of each twenty-year period. The lease will expire on January 1, 1965, if no production is obtained. A 12-1/2 per cent royalty is payable to the State of Utah. Further provision of the leases require a minimum annual rental payment of 50 cents per acre which is credited against the 12-1/2 per cent royalty. Refer to attached copies of the leases in the Appendix for additional details.

The property is known as the Wooden Shoe Buttes School Lease.

An overriding royalty payment of 2-1/2 per cent is payable to Brigham Krause from whom the assignments of the leases were taken.

III. PHYSICAL DESCRIPTION

A. History

At the time of submitting this application, no exploration or development work is being carried out on the above described property.

A jeep access road has been built from the upper AEC access road, through the property, and connecting with the AEC winter road to Blanding, Utah: this road is approximately two miles in length.

Rim stripping was attempted (see Plate 1, overlay) for a distance of approximately 50 feet, but due to frozen ground and the presence of large blocks of slump, the operation was largely unsuccessful.

No drilling has been reported on the property.

B. Geologic Setting

The formations underlying the property include rocks of Permian and Triassic ages. (Refer to Plate 1, overlay).

The Rico formation of Permian age is represented by the Cedar Mesa sandstone member and the Organ Rock tongue.

The Moenkopi formation of Early Triassic age, comprising over 200 feet of thin-bedded, dark-brown to grayish siltstone, yellowish to brownish shale, and red to light-gray sandstone, outcrops in the central part of the area.

The Shinarump conglomerate of Triassic age, the ore-horizon, overlies the Moenkopi unconformably, and is composed of interbedded gray, red, and brownish sandstone, conglomeratic sandstones, conglomerate and gray clay and siltstone.

The Chinle formation of Triassic age has been divided, lithologically, into three units, the lower two units outcropping within the property boundary. The lower unit consists of varigated grayish bentonitic clay and lenses of sandstone and conglomerate. The top of this unit may be represented by a resistant sandstone and conglomerate beds. The middle unit contains beds of calcareous and bentonitic mudstones and siltstones, together with some cherty conglomeratic claystone.

C. Structure

The rocks in the general area have a regional dip of approximately 2 degrees to the southwest, and lie on the southwest limb of the Elk Ridge anticline.

In Section 16 where the property is located the dips have been recorded between 6 and 7 degrees locally.

D. Localization of the Deposits

The larger deposits in the White Canyon district are localized in the Shinarump conglomerate and may be associated with paleostream channels eroded into the underlying Moenkopi formation. Many of the smaller deposits are reportedly found at the base of the Shinarump, along the contract between this formation and the Moenkopi.

No information is available regarding the possible trends of these channels in the vicinity of the Interstate property.

E. Accessibility

The property is located approximately 63 miles southwest of Monticello, Utah. (Refer to Plate 2). The area is accessible from Blanding, Utah, by a dirt road, a distance of approximately 41 miles.

IV. THE EXPLORATION PROJECT

A. Objective

The objective of the exploration project is the discovery of uranium ore.

B. Proposed Work

The development work for this property may be divided into two phases, the work in the second phase largely dependent on the results obtained in the initial phase.

Phase 1 - Rim Stripping

The Shinarump conglomerate may be expected to have a maximum outcrop length of approximately 3000 feet, and the first phase of the work would be directed toward stripping this outcrop for the purpose of close inspection for mineralization and the presence of paleostream channels. Because of the presence of large blocks of slumped rock over the outcrop, it will be necessary to precede the stripping work with drilling and blasting operations. This will require the use of a compressor with a jack hammer.

Phase 2 - Drilling

Stage 1

The location of drill holes in this phase would depend largely on the information obtained in Phase 1. If sufficient evidence of channelling were obtained in the stripping, the first holes would be located back of the outcrop in order to determine the trend. However, for estimation purposes, twenty-one drill holes have been tentatively positioned on a 500-foot grid system which covers the property. These holes would provided the following footage figures:

Number of Holes	Estimated Depth	Total Footage
3	50 feet	150 feet
8	100	800
9	200	1800
1	250	250
	Total footage	3000 feet

The total footage figure of 3000 feet would probably represent the minimum drilling requirement in case evidence of channelling and mineralization resulted from the stripping. This grid pattern, on the other hand, would be useful in any overall appraisal of the entire property area. Closer drilling would be required to determine any ore zones or deposits.

Stage 2

Closer drilling on a 250-foot grid pattern, or according to a pattern dictated by the drilling in Stage 1, would represent a possible further 3000 feet of hole.

Summary of Stage 1 and 2

According to the above stages, Stages 1 and 2 would require a maximum of 6000 feet of drilling.

Stage 3

This stage would be represented by closely spaced holes to outline any mineralized holes determined by the first two stages. For estimation purposes an additional 1500 feet may be required, and this figure will be used in the calculations.

Summary of Phase 2 - Drilling

Stage	Footage
1	3000 feet
2	3000
3	1500
Total	7500 feet

V. ESTIMATE OF COSTS

Phase 1 - Rim Stripping

This phase is represented by a maximum of 3000 feet of rim stripping and it is estimated that 45 days will be needed to complete this part of the program.

(1) Independent Contracts		
(a) Bulldozing - $10 per hour at $100 per day ($100 x 45)	$4500	
(b) Compressor Rental with operator @ $20 per day ($20 x 45)	900	
(c) Surveying ($125 per day x 3)	375	
	$5775	$5775
(2) Labor, Supervision & Consultants		
(a) Geologist ($600 per month x 2)	$1200	
(b) Consultants - geology ($500 per month x 1)	500	
(c) Common Labor ($400 per month x 2)	800	
(d) Driller ($500 per month x 2)	1000	$3500
	$3500	$9275

Phase 1-Rim Stripping

Brought Forward		$9275
(3) Assaying		
(200 samples @ $5)		1000
(4) Miscellaneous		
(drill steel, explosives, repairs, traveling, etc.)		2000
		$12275

Phase 2 - Drilling

(1) Independent Contracts		
(a) Drilling - Stage 1		
300 feet @ $3 per foot (includes waiting time, casings left in hole, water hauling, etc.)	$9000	
(b) Drilling - Stage 2		
3000 feet @ $3 per foot (as above)	9000	
(c) Drilling - Stage 3		
1500 feet $3 per foot (as above)	4500	
	$22500	$22500
		$34775

Phase 2 - Drilling (Cont'd.)

Brought Forward		$34775
(2) Labor, Supervision & Consultants		
(a) Common Labor		
($400 per month x 2)	$ 800	
(b) Geologist		
($600 per month x 2)	1200	
(c) Consultants - geology	500	
	$2500	$2500
(3) Buildings		
(core storage, equipment, etc.)		500
(4) Transportation		600
(5) Assaying		
(200 samples @ $5 each)		1000
(6) Miscellaneous		1000
		$40375
(7) Add 10% Continguencies		4037
Total Estimated Costs		$44412

SUMMARY OF ESTIMATED COSTS

Phase 1 - Rim Stripping		
(1) Independent Contracts	$5775	
(2) Labor, Supervision & Consultants	3500	
(3) Assaying	1000	
(4) Miscellaneous	2000	
	$12275	$12275
Phase 2 - Drilling		
(1) Independent Contracts - Drilling	$22500	
(2) Labor, Supervision & Consultants	2500	
(3) Buildings	500	
(4) Transportation	600	
(5) Assaying	1000	
(6) Miscellaneous	1000	
	$28100	28100
		$40375
(7) Continguencies		4037
Total Estimated Costs		$44412

VI. OPERATING EXPERIENCE AND BACKGROUND OF APPLICANT

The backgrounds of the Officers and Directors of the Company are as follows:

William J. Cayias has been a practicing attorney in Salt Lake City, Utah, since 1941, except for a period of 3 1/2 years while in the armed services.

Jack C. Turner is a successful uranium mine operator and has been active in the mining of uranium since 1948. At the present time he is the Technical Consultant in charge of Mining Operations for Uranium, Inc.

K. L. Roth has various business interests in and around Salt Lake City.

William S. Mole is Vice-President and one of the organizers of the Western Gypsum Company, which operates a wallboard and plaster plant at Sigurd, Utah. He is a Director of the Rico Argentine Mining Company and several other local organizations.

His background and operating experience are as follows:

Education:	University of Minnesota University of Oklahoma B. S. Geology, 1934 (Phi Beta Kappa)
1924 - 1934	Experience as diamond drill runner and diamond setter and superintendent of drilling operations.
1934 - 1935	Superintendent of Diamond Drilling, East African Goldfields, Ltd., Lupa Goldfield, Tanganyika, East Africa.
1936 - 1939	Consultant on Exploration and Diamond Drilling for New Consolidated Gold Fields, Ltd., Nigel Gold Mining Company, Ltd., South Roodepoort Main Reef Areas, Ltd., and other companies on the Rand, South Africa.
1939 - 1945	(Except for one and one-half years in the armed forces) Director of Research, New Consolidated Gold Fields - Boart Products Diamond Research Laboratory, Johannesburg; also Superintendent of Diamond Drilling Operations, New Consolidated Gold Fields, Ltd.
1945 - 1948	Manager, Boart Products, South Africa, Ltd., and Director, South African Diamond Crowns, Ltd., Johannesburg.
1948 - 1951	Licenced Diamond Dealer, Johannesburg; also Director, St. Clair Exploration Company (Pty) Ltd.
1951 - 1954	Consulting Mining Geologist

APPENDIX

PROPERTY OF THE INTERIOR
Minerals Administration
MAY 2 3 1955

FORM 84 3M 8-54

ASSIGNMENT

Mineral Lease No. 5849

Grazing Lease No.

Certificate No. Application No.

For and in consideration of the sum of Ten and no/100 Dollars

I (we) hereby sell, assign and transfer unto Interstate Uranium, Inc., a Utah corporation

of Salt Lake City, Utah all my (~~our~~) right, title and interest in and to

ML# 5849; GL#; Cert. #; embracing the following described land:

South half (S½) of the Northwest quarter (NW¼), and the Southwest Quarter (SW¼)

of Section Sixteen Township Thirty-six South Range Eighteen East

Salt Lake Meridian, in the County of San Juan State of Utah.

Witness my (our) hand(s) this 18th day of May, 19 54

Two Witnesses:

William J. Cayias

STATE OF UTAH,
County of SALT LAKE } ss.

On the 18th day of May, A. D. 19 54

personally appeared before me William J. Cayias the signer(s) of the above instrument, who duly acknowledged to me that he executed the same.

Grace F. Spalding
Notary Public.

My commission expires Jan 3 1958

Affidavit of Citizenship of Assignee

I, (we) on oath, do solemnly swear that I am (we are) at the present time (a)* Citizen(s) of the United States of America and over the age of twenty-one years, and I (we) hereby assume and agree to perform all of the covenants and obligations of said lease on the part of the lessee(s) to be kept and performed.

Subscribed and sworn to before me this day of , 19

Notary Public.

My commission expires

NOTE—*Insert here whether native born or naturalized. If naturalized, it will be necessary to file with this office Proof of Citizenship or Declaration of Intention to become a citizen, in the form of a letter or certificate of verification from Court of Issuance, and registration fee of $1.00.

INSTRUCTIONS—Assignment must be submitted in duplicate. The original Certificate, Grazing Lease, or Mineral Lease must be produced with the Assignment. Fees: Total Assignment, $2.00; Partial Assignment, $7.00.

If a Corporation, see other side for Acceptance of Assignment.

UTAH STATE LAND OFFICE

FORM 84 3M 8-54

ASSIGNMENT

Mineral Lease No. 5849

Grazing Lease No.

Certificate No. Application No.

For and in consideration of the sum of Ten and no/100 Dollars

I (we) hereby sell, assign and transfer unto William J. Cayias

of Salt Lake City, Utah all my (our) right, title and interest in and to

ML# 5849; GL#; Cert. #; embracing the following described land:

South half (S½) of the Northwest quarter (NW¼) and the Southwest quarter (SW¼) of Section Sixteen (16), Township Thirty-six (36) South, Range Range Eighteen (18) East, Salt Lake Meridian. Reserving a two and one-half (2½) per cent overriding royalty, to the undersigned.

of Section Township Range

Salt Lake Meridian, in the County of San Juan State of Utah.

Witness my (our) hand(s) this 17th day of May, 19 54

Two Witnesses:

R. O. Kutschenreuter

C. E. Legg Jr.

Jack Cayias

STATE OF UTAH,
County of SALT LAKE } ss.

On the 17th day of May, A. D. 19 54,

personally appeared before me Jack Cayias the signer(s) of the above instrument, who duly acknowledged to me that he executed the same.

Grace F. Spalding
Notary Public.

My commission expires Jan. 3, 1958

Affidavit of Citizenship of Assignee

I, (we) William J. Cayias on oath, do solemnly swear that I am (we are) at the present time (a)* native born Citizen(s) of the United States of America and over the age of twenty-one years, and I (we) hereby assume and agree to perform all of the covenants and obligations of said lease on the part of the lessee(s) to be kept and performed.

William Cayias

Subscribed and sworn to before me this 1st day of June, 19 54

Grace F. Spalding
Notary Public.

My commission expires Jan. 3, 1958

NOTE—*Insert here whether native born or naturalized. If naturalized, it will be necessary to file with this office Proof of Citizenship or Declaration of Intention to become a citizen, in the form of a letter or certificate of verification from Court of Issuance, and registration fee of $1.00.

INSTRUCTIONS—Assignment must be submitted in duplicate. The original Certificate, Grazing Lease, or Mineral Lease must be produced with the Assignment. Fees: Total Assignment, $2.00; Partial Assignment, $7.00.

If a Corporation, see other side for Acceptance of Assignment.

UTAH STATE LAND OFFICE

FORM 84 5M 2-51

ASSIGNMENT

URANIUM AND VANADIUM

~~Mineral~~ Lease No. 5872

Grazing Lease No.

Certificate No.

Application No.

For and in consideration of the sum of Ten and NO/100 Dollars

I (we) hereby sell, assign and transfer unto Wm. J. Cayias

of

all my (our) right, title and interest in and to

ML# 5872; GL#; Cert. #; embracing the following described land:

Township 36 South., Range 18 East., S.L.M. Wt of Et Sec. 16.

However reserving to the assignor a Two and One Half Per Cent Royalty.

~~of Section~~

Salt Lake Meridian, in the County of San Juan State of Utah.

Witness my (our) hand(s) this 17th day of May, 1954

Two Witnesses:

Brigham Krause

Vera L. Krause

STATE OF UTAH,

County of Salt Lake } ss.

On the 17th day of May, A. D. 1954,

personally appeared before me Brigham Krause and Vera L. Krause the signer(s) of the above instrument, who duly acknowledged to me that they executed the same.

Joseph L. Cayias

Notary Public.

My commission expires

Affidavit of Citizenship of Assignee

I, (we) on oath, do solemnly swear that I am (we are) at the present time (a)* Citizen(s) of the United States of America and over the age of twenty-one years.

Subscribed and sworn to before me this day of , 195

Notary Public.

My commission expires

NOTE—*Insert here whether native born or naturalized. If naturalized, it will be necssary to file with this office Proof of Citizenship or Declaration of Intention to become a citizen, in the form of a letter or certificate of verification from Court of Issuance, and registration fee of $1.00.

NOTE—The original Certificate, Grazing Lease, or Mineral Lease must be produced. ASSIGNMENT FEE, $2.00.

UTAH STATE LAND OFFICE

FORM 84 3M 8-54

ASSIGNMENT

Mineral Lease No. 5872

Grazing Lease No.

Certificate No.

Application No. 4220

For and in consideration of the sum of Ten and 00/100 ($10.00) - - - - - - - - - - - - Dollars

I (we) hereby sell, assign and transfer unto Interstate Uranium, Inc.

of Salt Lake City, Utah all my (our) right, title and interest in and to

ML# 5872; GL#; Cert. #; embracing the following described land:

Township 36 South, Range 18 East, S. L. M. W½ of E½ Sec. 16.

However reserving to the assignor a Two and One Half Per Cent Royalty.

of Section Township Range

Salt Lake Meridian, in the County of San Juan State of Utah.

Witness my (our) hand(s) this 17th day of May, 19 54.

Two Witnesses:

William J. Cayias

STATE OF UTAH,
County of Salt Lake } ss.

On the 17th day of May, A. D. 19 54.,

personally appeared before me William J. Cayias the signer(s) of the

above instrument, who duly acknowledged to me that he executed the same.

Grace F. Spalding
Notary Public.

My commission expires Jan 3-1958

Affidavit of Citizenship of Assignee

I, (we) on oath do solemnly swear that I am (we are) at the present time a Citizen(s) of the United States of America and of the age of twenty-one years, and I (we) hereby assume and agree to perform all of the covenants and obligations of said lease on the part of the lessee(s) to be kept and performed.

Subscribed and sworn to before me this day of 19

Notary Public

My commission expires

NOTE—Where affidavit of citizenship is required, it will be necessary to furnish Land Office Proof of Citizenship or Declaration of Intention to become a Citizen, in the form of a letter or certificate of verification from Court of Issuance and registration fee of $1.00.

INSTRUCTIONS—Assignment must be submitted in triplicate. The original Certificate, Grazing Lease, or Mineral Lease must be produced with the Assignment. Fee: Total Assignment, $5.00; Partial Assignment, $7.00.

If a Corporation, see Instructions for Assignment.

UTAH STATE LAND OFFICE

Read

Lease

MINERAL LEASE NO. 5572

UTAH STATE LEASE

FOR

APPLICATION NO. 4220 GRANT: School

URANIUM AND VANADIUM

THIS INDENTURE OF LEASE AND AGREEMENT entered into in duplicate this 19th day of February 19 54, by and between the State Land Board, acting in behalf of the State of Utah, hereinafter called the Lessor, and

BRIGHAM KRAUSE

party of the second part, hereinafter called the Lessee, under and pursuant to Title 65, Utah Code Annotated, 1953.

WITNESSETH: That the Lessor, in consideration of the rents and royalties to be paid and the covenants to be observed by the Lessee, as hereinafter set forth, does hereby grant and lease to the Lessee the exclusive right and privilege to mine, remove, and dispose of all of the said minerals in, upon, or under the following described tract of land situated in San Juan County, State of Utah, to-wit:

West Half (W½) of the East Half (E½) of Section Sixteen (16), Township Thirty-Six (36) South, Range Eighteen (18) East, Salt Lake Meridian,

containing a total of 160.00 acres, more or less, together with the right to use and occupy so much of the surface of said land as may be required for all purposes reasonably incident to the mining, removal, and disposal of said minerals, according to the provisions of this lease, for a period of ten years, beginning January 2nd, first succeeding the date of issuance hereof, and as long thereafter as said minerals may be produced in commercial quantities from said lands, upon condition that at the end of each twenty (20) year period succeeding the first day of the year in which this lease is issued, such readjustment of terms and conditions may be made as the Lessor may determine to be necessary in the interest of the State.

ARTICLE I

It is expressly understood and agreed that this lease is granted subject in all respects to and under the conditions of the laws of the State of Utah and existing Rules and Regulations or Rules and Regulations as may be hereafter approved and adopted by the State Land Board.

ARTICLE II

It is further expressly understood and agreed that this lease covers only the mining, removal, and disposal of the minerals specified in this lease, but the Lessee shall promptly notify the Lessor of the discovery of any [illegible] herein.

ARTICLE III

The Lessee in consideration of the granting of the [illegible]

FIRST: To pay to the Lessor as estimated for the land covered [illegible]

[illegible]

[illegible] not exceed [illegible]

ARTICLE XI

LESSEE agrees to observe faithfully the provisions of Title 65, Chapter 1, Section 18, Utah Code Annotated 1953

IN WITNESS WHEREOF, the parties have hereunto subscribed their names the day and year first above written.

STATE OF UTAH, STATE [illegible]

By [illegible]
EXECUTIVE SECRETARY

LESSOR

ATTORNEY GENERAL

By Robert H. Riggs

Brigham Krause

STATE OF UTAH
COUNTY OF Salt Lake } ss.

On the 2 day of April 19 54, personally appeared before me [illegible] who being duly sworn did say that he is the Executive Secretary of the State Land Board of the State of Utah, and that said instrument was signed in behalf of said Board by resolution of the Board, and said [illegible] acknowledged to me that said Board executed the same in behalf of the State of Utah.

Given under my hand and seal this 2 day of April 19 54

My commission Expires: 10/23/54

Ruth Sherman
Notary Public, residing at Salt Lake City, Utah

STATE OF UTAH
COUNTY OF Salt Lake } ss.

On the 27 day of March 19 54, personally appeared before me BRIGHAM KRAUSE the signer of the above instrument, who duly acknowledged to me that HE executed the same.

Given under my hand and seal this 27 day of March 19 54

My commission Expires
6/27/57

Notary Public, residing at [illegible]

STATE OF UTAH
COUNTY OF

On the day of

FORM 84 5M 2-51

ASSIGNMENT

URANIUM AND VANADIUM

Mineral Lease No. 5872

Grazing Lease No.

Certificate No.

Application No.

For and in consideration of the sum of Ten and NO/100 Dollars

I (we) hereby sell, assign and transfer unto Wm. J. Davies

of all my (our) right, title and interest in and to

ML# 5872; GL#; Cert. #; embracing the following described land:

Township 36 South., Range 18 East., S.L.M. W½ of E½ Sec. 16.

However reserving to the assigner a Two and One Half Per Cent Royalty.

of Section Township

Salt Lake Meridian, in the County of San Juan State of Utah.

Witness my (our) hand(s) this 17th day of May, 195

Two Witnesses:

Brigham Krause

Vera L. Krause

STATE OF UTAH,
County of Salt Lake } ss.

On the 17th day of May, A. D. 195, personally appeared before me Brigham Krause and Vera L. Krause the signer(s) of the above instrument, who duly acknowledged to me that they executed the same.

Jack L. Davies
Notary Public.

My commission expires

Affidavit of Citizenship of Assignee

I (we) on oath, do solemnly swear that I am (we are) at the present time (a)* Citizen(s) of the United States of America and over the age of twenty-one years.

Subscribed and sworn to before me this day of 195

Notary Public

My commission expires

NOTE—Strike here whether native born or naturalized. If naturalized, there must be produced and filed with this affidavit Proof of Citizenship or Declaration of Intention to become a citizen, in the form of a letter or certificate of application from Court of Issuance, and recordation fee of $1.00.

NOTE—The original Certificate, Grazing Lease, or Mineral Lease must be produced. ASSIGNMENT FEE, $2.00.

UTAH STATE LAND OFFICE

ACCEPTANCE OF ASSIGNMENT

Mineral Lease # 5872

Comes now INTERSTATE URANIUM, INC. a corporation of the State of Utah, and hereby accepts the Assignment from William J. Cavias of Salt Lake City, Utah assigning to Interstate Uranium, Inc. Utah State Mineral Lease No. 5872, which Assignment is dated May 17, 1954, subject to all of the covenants and obligations of said Lease.

IN WITNESS WHEREOF INTERSTATE URANIUM, INC. has executed this Acceptance this 17th day of May, 1954.

(SEAL)

INTERSTATE URANIUM, INC.

By

By William J. Cavias

State of UTAH)
ss
County of SALT LAKE)

On this 17th day of May, A. D. 1954, personally appeared before me William J. Cavias and who being by me duly sworn did say, ~~each for his own~~ that he, the said William J. Cavias is the President (officer) and he, ~~the said~~ ~~is the~~ (officer) of Interstate Uranium, Inc. 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 William J. Cavias duly acknowledged to me that said corporation executed the same and that the

[illegible]

Proof Read

127 KW

MINERAL LEASE NO. 5819

UTAH STATE LEASE
FOR

APPLICATION NO. 4223 GRANT: School

URANIUM AND VANADIUM

THIS INDENTURE OF LEASE AND AGREEMENT entered into in duplicate this 19th day of February 19 54, by and between the State Land Board, acting in behalf of the State of Utah, hereinafter called the Lessor, and

JACK CAYIAS

party of the second part, hereinafter called the Lessee, under and pursuant to Title 65, Utah Code Annotated, 1953.

WITNESSETH: That the Lessor, in consideration of the rents and royalties to be paid and the covenants to be observed by the Lessee, as hereinafter set forth, does hereby grant and lease to the Lessee the exclusive right and privilege to mine, remove, and dispose of all of the said minerals in, upon, or under the following described tract of land situated in San Juan County, State of Utah, to-wit:

South Half (S½) of the North West Quarter (NW¼), and the Southwest Quarter (SW¼) of Section Sixteen (16), Township Thirty-Six (36) South, Range Eighteen (18) East, Salt Lake Meridian,

containing a total of 240.00 acres, more or less, together with the right to use and occupy so much of the surface of said land as may be required for all purposes reasonably incident to the mining, removal, and disposal of said minerals, according to the provisions of this lease, for a period of ten years, beginning January 2nd, first succeeding the date of issuance hereof, and as long thereafter as said minerals may be produced in commercial quantities from said lands, upon condition that at the end of each twenty (20) year period succeeding the first day of the year in which this lease is issued, such re-adjustment of terms and conditions may be made as the Lessor may determine to be necessary in the interest of the State.

ARTICLE I

It is expressly understood and agreed that this lease is granted subject in all respects to and under the conditions of the laws of the State of Utah and existing Rules and Regulations or Rules and Regulations as may be hereafter approved and adopted by the State Land Board.

ARTICLE II

It is further expressly understood and agreed that this lease covers only the mining, removal, and disposal of the minerals specified in this lease, but the Lessee shall promptly notify the Lessor of the discovery of any minerals excepting those enumerated herein.

ARTICLE III

The Lessee in consideration of the granting of the rights and privileges aforesaid, hereby covenants and agrees as follows:

FIRST: To pay to the Lessor as rental for the land covered by this lease the sum of Fifty (50) Cents per acre per annum. All such annual payments of rental to be made in advance on the 2nd day of January of each year, except the rental for the year in which this lease is issued, which is payable on the execution of this lease, such rental to be credited against the royalties as they accrue for the year.

SECOND: To pay a royalty of 12½% of the gross amount received for or the gross value of the leased substances, including the State's royalty share of any bonus received by the Lessee from the sale of the leased substances. The basis for computing the amount due to the Lessor shall be as follows:

(a) If the leased substance extracted are sold under a bonafide contract of sale the amount of money or its equivalent actually received by the owner, Lessee, or other person operating the leased premises from the sale of the leased substances less a reasonable cost, if any, of transporting the leased substances from the place where extracted to the place where under the contract of sale, the leased substances are to be delivered.

(b) If the leased substances extracted are treated at a mill, smelter, processing plant, or reduction works which receives the leased substances from independent sources and which is owned or controlled by the same interests owning or controlling the mine, such disposal shall be treated as a sale within the meaning of this section for the purpose of determining gross proceeds or otherwise, and in such determination a rate or charge for sampling, assaying, milling, smelting, or refining the leased substances therefrom shall be deducted which shall not exceed an amount to be determined by applying the same rates as are applied by such mill, smelter, or reduction works or competing works, and ores of substantially like character and in like quantities received from independent sources. In the event of controversy the Lessor shall have the power to determine such rates and charges. Transportation charges may also be deducted as provided in sub-division (a) hereof.

(c) If a mill or other reduction works is operated exclusively in connection with a mine such mill or reduction works shall be treated as a part of the mine and the cost of operating such mill or reduction works shall, for the purpose of fixing the royalty imposed by this lease, be regarded as part of the cost of mining, and the cost of assaying, sampling, smelting, refining, and transportation only shall be deducted as herein provided.

THIRD: Said royalties to be paid quarterly on or before the 15th day of the month next succeeding the quarter in which the material is produced.

FOURTH: To prepare and forward to the State Land Office, on or before the 15th day of the month next succeeding the quarter in which the material is produced, a certified statement as to the production, market, and price received on all of the leased substances disposed of from said lands, and such other additional information as the State Land Board may from time to time require.

FIFTH: That at the option of the Lessor it may require the payment of royalties in kind, F.O.B., at the lease-site; the amount being 12½% of the leased substances extracted.

SIXTH: To commence actual operations upon the land included herein on or before and there after to diligently operate the property in accordance with the provisions contained in this lease. Failure to so continue the operation of the land included herein for a period of more than six (6) months without prior written approval of the State Land Board shall be cause for forfeiture, and that upon the violation of this provision or any of the other terms of this lease the Lessor may at its option after thirty (30) days notice by registered mail cancel this lease. After the expiration of the said thirty (30) days and the cancellation of the lease no notice of such cancellation need be given the Lessee.

SEVENTH: To keep at the mine office clear, accurate and detailed maps on tracing cloth, on a scale not more than 50 feet to the inch, of the workings in each section of the leased lands and on the lands adjacent, and to be so arranged with reference to a public land corner that the maps can be readily and correctly superimposed, and to furnish to the Lessor annually, or upon demand, certified copies of such maps and such written statements of operations as may be called for. All surveys shall be made by a licensed engineer and all maps certified to by him.

EIGHTH: To not at any time fence any watering place upon the lands leased where the same is the only accessible and feasible source of water incident to the lands leased. Nor shall the Lessee or assigns at any time permit or contribute to the pollution of any surface or subsurface water available, naturally or otherwise, for domestic or irrigation use.

NINTH: To not sell, assign, mortgage, pledge, hypothicate, or otherwise transfer or incumber this lease or any interest therein, nor sublet any portion of the leased premises, or any of the rights and privileges herein granted, without the written consent of the Lessor being first had and obtained.

ARTICLE IV

The Lessor hereby excepts and reserves from the operation ofthis lease:

FIRST: The right to permit for joint or several use such easements or rights-of-way upon, through, or in the land hereby leased as may be necessary or appropriate to the working of these or other lands belonging to or administrated by the Lessor containing mineral deposits or for other use.

SECOND: The right to use, lease, sell, or otherwise dispose of the surface of said lands or any part thereof, under existing State Laws or Laws hereafter enacted, insofar as said surface is not necessary for the use of the Lessee in the mining, removal, or disposal of the leased substances therein, and to lease other mineral deposits, excepting those enumerated herein which may be contained in said lands.

ARTICLE V

Upon cancellation of this lease for any cause herein the Lessee shall be entitled to remove from the lease holdings only personal property prior to complete fulfillment of the provisions of this lease, and that improvements attached to the land such as buildings, timbering, or other construction or construction material in place, shall remain undisturbed upon the ground and the property surrendered in good usable condition.

ARTICLE VI

It is mutually understood and agreed that it shall be the responsibility of the Lessee to slope the sides of all operations of a surface nature to an angle of not less than 45° or to erect a barrier around such operation as the State Land Board may require. Such sloping or fencing shall become a normal part of the operation of the lease so as to keep pace with such operation to the extent that such operation shall not constitute a hazard.

ARTICLE VII

It is mutually understood and agreed by the parties hereto that all of the terms, covenants, conditions, and obligations in this lease contained, shall be binding upon the heirs, executors, administrators, and assigns of the Lessee.

ARTICLE VIII

It is mutually understood and agreed that the Lessee may terminate this lease at any time upon giving three (3) months notice in writing to the Lessor and upon payment of all rents and royalties and other sums due and payable to the Lessor, and upon complying with the terms of this lease with respect to the preservation of the workings in such order and condition as to permit of the continued operation of the leased premises.

ARTICLE IX

It is mutually understood and agreed by and between the parties hereto that the Lessor, its officers and agents, shall have the right at all times to go in and upon the leased lands and premises, during the term of said lease to inspect the work done and the progress thereof on said lands and the products obtained therefrom, and to post any notices on the said land that it may deem fit and proper; and also shall permit any authorized representatives of the Lessor to examine all books and records pertaining to operations under this lease, and to make copies of and extracts from the same, if desired.

ARTICLE X

It is mutually understood and agreed that this lease is issued only under such title as the State of Utah may now hold, the Lessor shall not be liable for any damages sustained by the Lessee, nor shall the Lessee be entitled to or claim any refund of rentals or royalties or other monies theretofore paid to the Lessor.

ARTICLE XI

LESSEE agrees to observe faithfully the provisions of Title 65, Chapter 1, Section 18, Utah Code Annotated 1953.

IN WITNESS WHEREOF, the parties have hereunto subscribed their names the day and year first above written.

STATE OF UTAH, STATE LAND BOARD

By .....
EXECUTIVE SECRETARY — LESSOR

Jack Cayias

.....

.....

LESSEE

STATE OF UTAH
COUNTY OF Salt Lake } ss.

On the 29th day of March 1954, personally appeared before me A. N. Smith who being by me duly sworn did say that he is the Executive Secretary of the State Land Board of the State of Utah and that said instrument was signed in behalf of said Board by resolution of the Board, and said A. N. Smith acknowledged to me that said Board executed the same in behalf of the State of Utah.

Given under my hand and seal this 29 day of March 1954

My commission Expires: Oct-13, 1956

Ruth Spencer
Notary Public, residing at: Salt Lake City, Utah

STATE OF UTAH
COUNTY OF } ss.

On the 24th day of March 1954, personally appeared before me Jack Cayias the signer of the above instrument, who duly acknowledged to me that he executed the same.

Given under my hand and seal this 24th day of March 1954

My commission Expires:

James M. Duke
Notary Public, residing at: Salt Lake City, Utah.

STATE OF UTAH
COUNTY OF } ss.

On the day of 19 , personally appeared before me

who being by me duly sworn did say that he is an officer of and that said instrument was signed in behalf of said corporation by resolution of its Board of Directors, and said acknowledged to me that said corporation executed the same.

Given under my hand and seal this day of 19

My commission Expires:

.....
Notary Public, residing at:

APPROVED AS TO FORM
By Robert L. Wagner

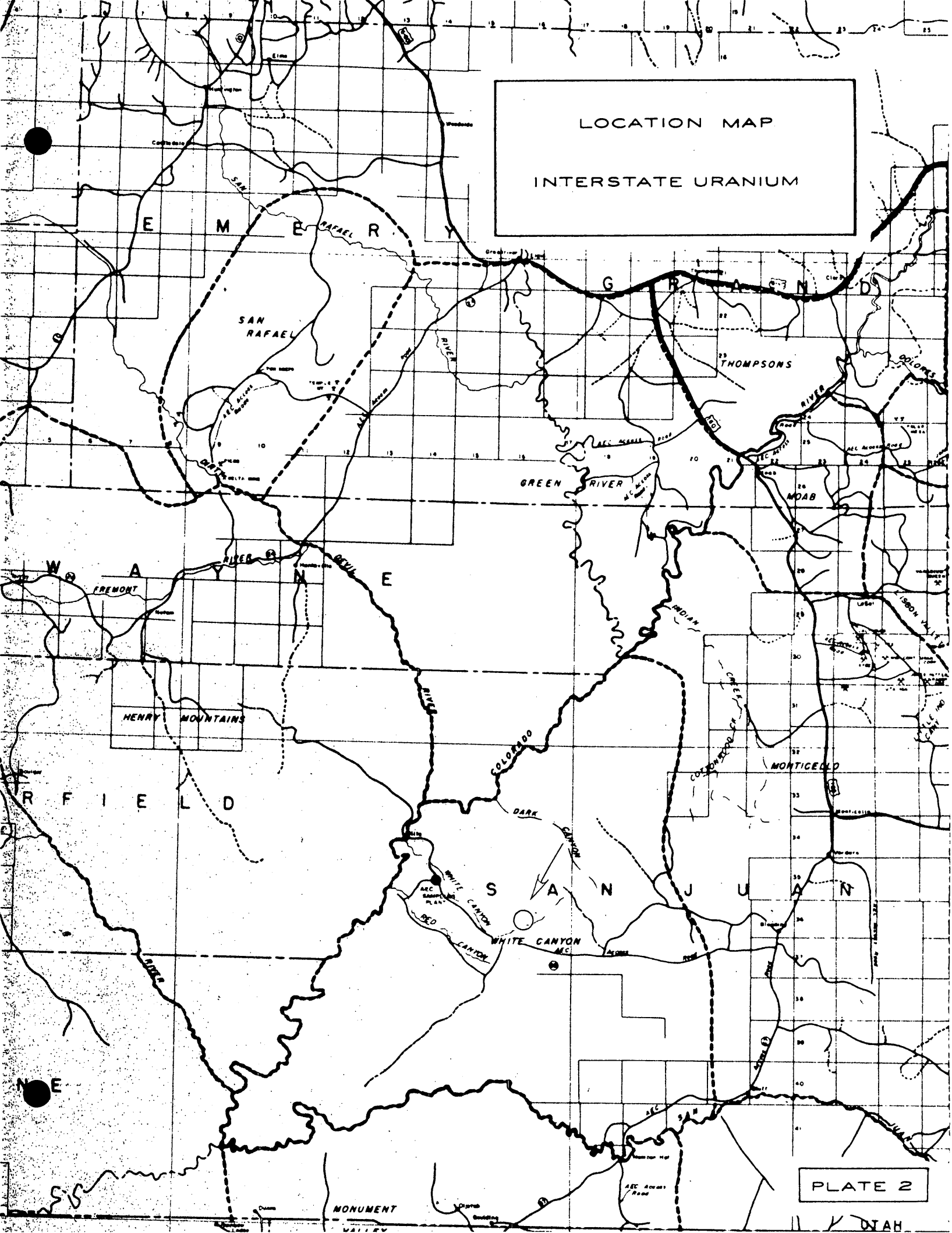
NOTED
3-18-55

3-4 1955 ASSIGNED FOR $ 10
TO Wm. H. Copsey
OF Cuitz
STATE LAND BOARD
By [illegible]

3-18-55

3-4 55 10
Interstate Draw Inc.
Cuitz
[illegible]
[illegible]

RECEIVED
MAR 24 1955
STATE OF UTAH
STATE LAND OFFICE


LOCATION MAP
INTERSTATE URANIUM
E M E R Y
G R A N D
SAN RAFAEL
SAN RAFAEL RIVER
THOMPSONS
DOLORES RIVER
GREEN RIVER
MOAB
W A Y N E
FREMONT
DEVIL RIVER
INDIAN CREEK
HENRY MOUNTAINS
COLORADO RIVER
COLORADO CR.
MONTICELLO
R F I E L D
DARK CANYON
WHITE CANYON
RED CANYON
S A N J U A N
WHITE CANYON AEC
AEC RANCHO PLATA
AEC ACHORN ROAD
MONUMENT VALLEY
UTAH
PLATE 2

TO ACCOMPANY REPORT TO DMEA - INTERSTATE URANIUM · INC.

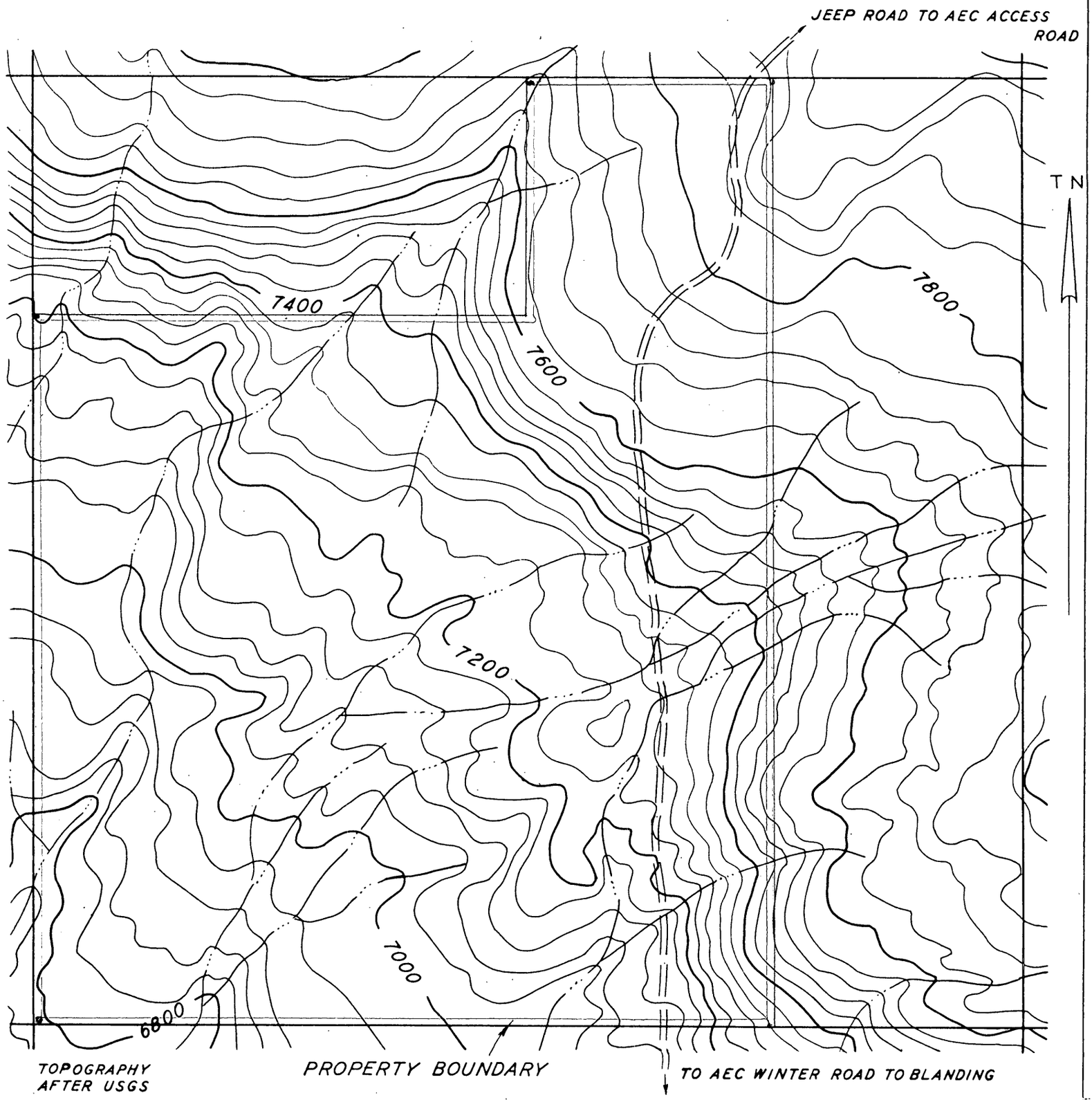


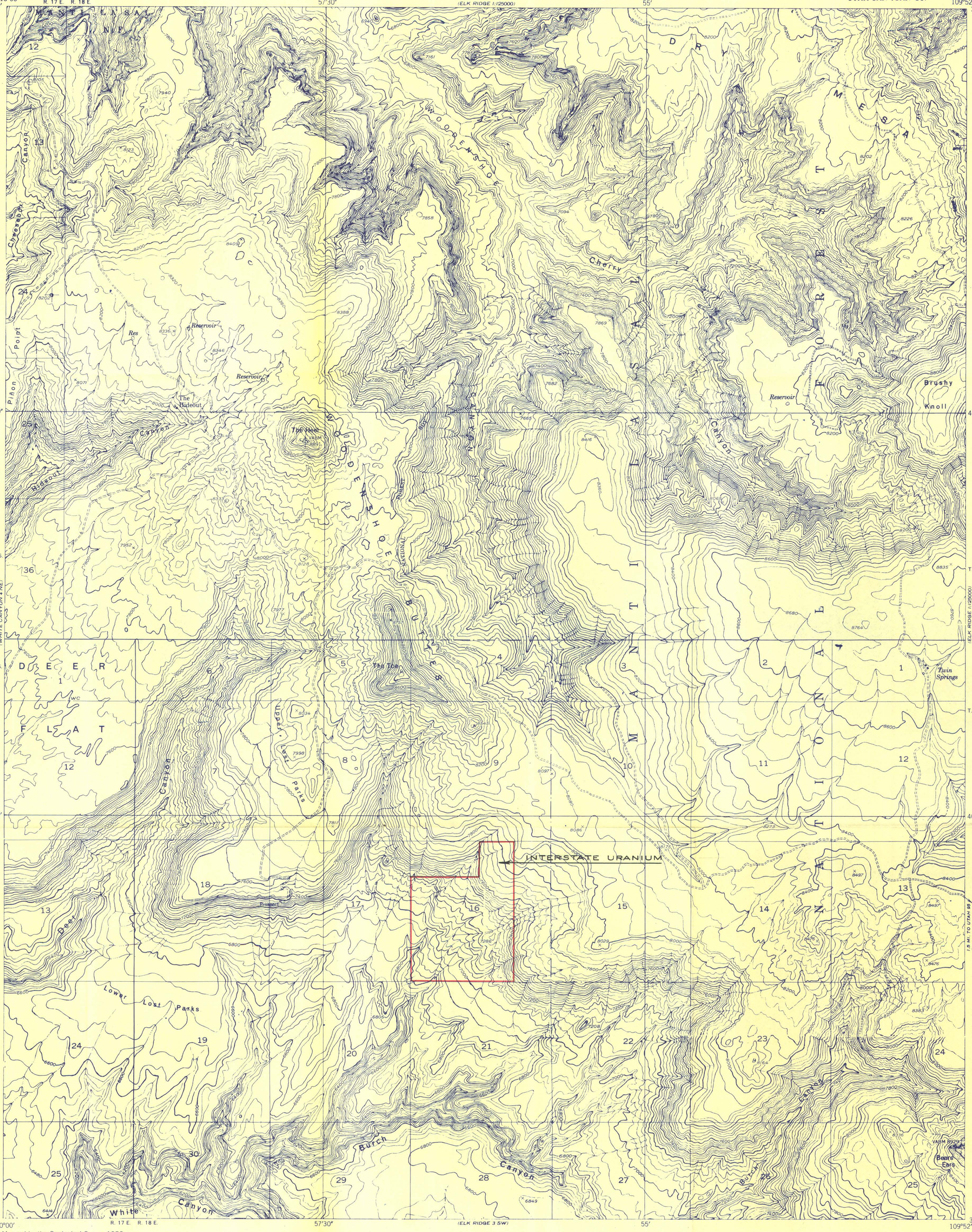
PLATE I - TOPOGRAPHIC MAP OF SECTION 16 · T 36 S · R 18 E

500 0 500 1000 1500 2000 2500 3000

SCALE - FEET

DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

ELK RIDGE 3 NW QUADRANGLE
UTAH-SAN JUAN CO.



Mapped by the Geological Survey 1952

Topography by multiplex methods from aerial photographs taken 1951

Data subject to prior corrections when incorporated in a standard series map

TRUE NORTH
MAGNETIC NORTH
15°
APPROXIMATE MEAN DECLINATION, 1952

SCALE 1:24000

1 ½ 0 1 MILE

1000 0 1000 2000 3000 4000 5000 6000 7000 FEET

CONTOUR INTERVAL 40 FEET
DATUM IS MEAN SEA LEVEL

ROAD CLASSIFICATION

Improved ——— Unimproved - - - - -

ELK RIDGE 3 NW, UTAH
N3737.5—W10952.5/7.5

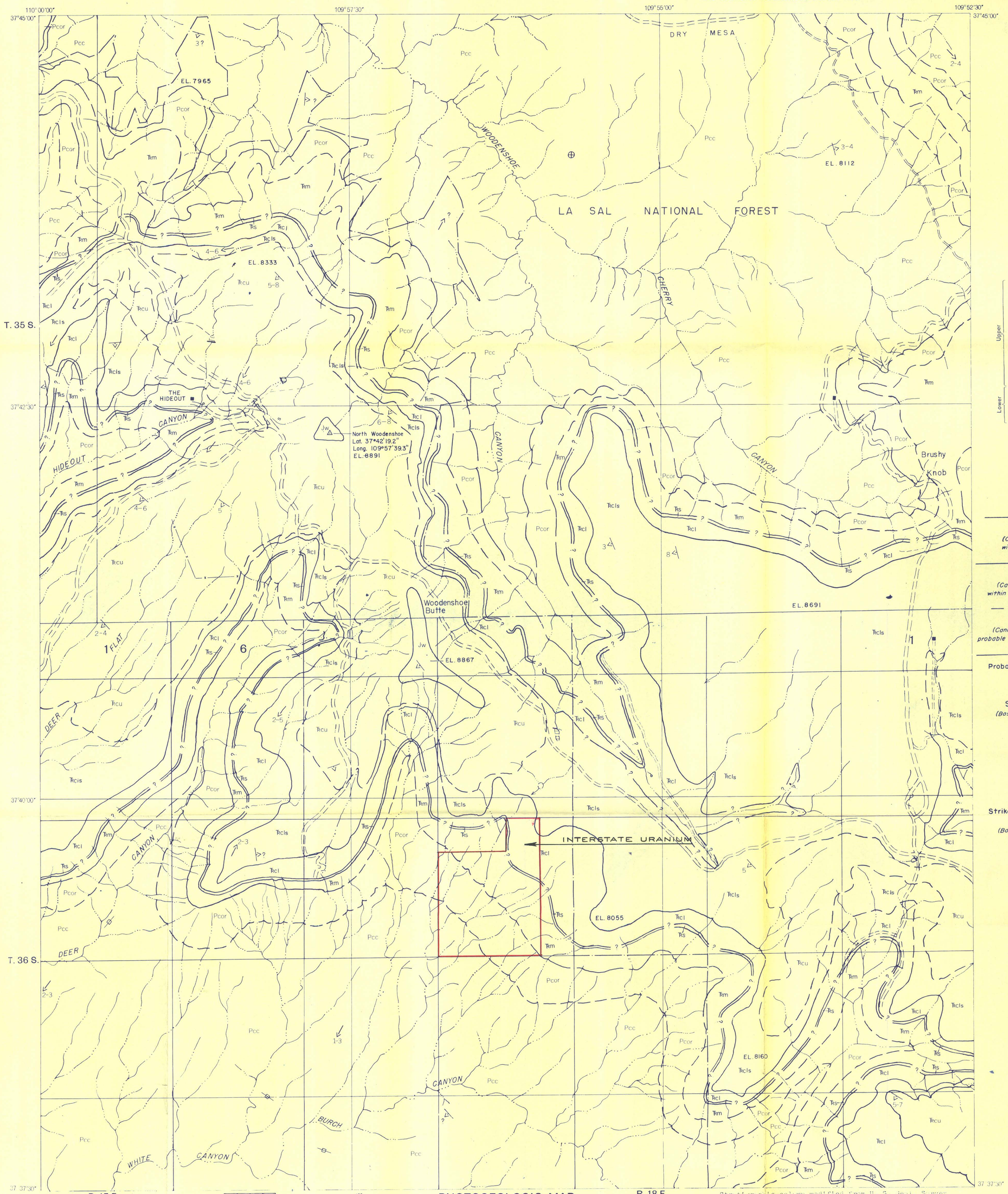
U 325 NW

U. S. DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

PREPARED IN COOPERATION WITH THE
ATOMIC ENERGY COMMISSION

COMPILATION OF PHOTOGEOLOGY AND SURFACE GEOLOGY
COLORADO PLATEAU AREA, UNITED STATES

TRACE ELEMENTS MEMORANDUM REPORT 896



EXPLANATION

Jw	Wingate sandstone	JURASSIC (?)
Rcu, Rcls, Rcl	Chinle formation: Upper part, Rcu; sandstone unit of lower part, Rcls; lower part, Rcl	TRIASSIC — Upper
Rs	Shinarump conglomerate	TRIASSIC — Lower
Rm	Moenkopi formation	TRIASSIC — Lower
Pcor, Pcc	Cutler formation: Organ Rock tongue, Pcor; Cedar Mesa sandstone member, Pcc	PERMIAN

Contact
(Can be accurately located within 30 feet horizontally)

Contact
(Can be approximately located within 30 to 200 feet horizontally)

Contact
(Cannot be located accurately; probable error greater than 200 feet)

Probable or doubtful contact

Strike and dip of beds
(Based on photo-interpretation)

Horizontal beds

Dip component

Strike of approximately vertical joint system
(Based on photo-interpretation)

Spring

Secondary road

Trail

Fence

Reservation boundary, National or State

BASE MAP COMPILED BY SOIL CONSERVATION SERVICE
U. S. DEPT. OF AGRICULTURE

MAY 1952

4	3	2	1
5	6	7	8
12	11	10	9
13	14	15	16

ELK RIDGE QUADRANGLE

TRUE NORTH 15°

PHOTOGEOLOGIC MAP
ELK RIDGE-12
SAN JUAN COUNTY, UTAH

PHOTOGEOLOGY BY R.J HACKMAN

SCALE 1:24,000

0 — 1 MILE

Stratigraphic column modified from U. S. Geol. Survey Prof. Paper 183, and U. S. Geol. Survey unpublished report.

U-325 NW