5/31/55

Call from Frances Webster:

from: office of -

Cong. Page Belcher, Oklahoma

(Miss Smith calling)

Letter from Curtis A. Bryan

re: Ainslie Perrault (constituent)

Tulsa, Okla.

Frances promised this office (700) would call Miss Smith as to status, etc. The commodity is uranium tho' she didn't give the docket no., etc.

Extension 1952

I had a letter from Bryan; he said they are anxious to proceed with drilling & want to know what channels to go thru to expedite application.

I told Miss Smith that we have rec'd. no application under the name of Perrault but we will follow thru our docket room & advise her further.

Meanwhile this is all we can tell her.

Mrs. Cutt

I called Miss Smith & told her the application had just been rec'd. I explained how the applications were handled, etc.

6-2-55

6-9-55

Randall Morton
1704 Philtower Bldg.
Tulsa Okla.
Tel. 56604
(Ext. 5136)

Tom Stewart of the Solicitors Office (a friend) said Mr. Morton was a Pet. geo. with the Tokian Oil Corp. & would be glad to assist us if additional info. was required.

ELC

Surname

700

A.G. Keating
Ellis
F. Johnson
Nelson
Lechay
Selfridge

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

Mr. Randall R. Morton
Ainslie Perrault and Toklan
Oil Corporation
1704 Philtower Building
Tulsa 3, Oklahoma

SEP 23 1955

Re: Docket No. DMEA-3838 (Uranium)
Posey Claim Group
San Juan County, Utah

Dear Mr. Morton:

Your application for aid in an exploration project and other data available to us in Washington concerning the 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 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 the circumstances, that your application for exploration assistance is denied. Such denial, however, is made without prejudice. In the event further work on your part discloses new and more favorable evidence of ore deposition on the property, we shall be pleased to consider a new application.

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

Sincerely yours,

Frank E. Johnson

ACTING Administrator

AGKeating:am
9-20-55
cc to: Admr. Reading File
Operating Committee
Docket
Messrs. J.E.Crawford,Rm.3641
T.H.Kiilsgaard,Rm.5222
J.O.Hosted,Rm.3210,GSA
Code 700
Mr. Keating DMEA Field Team, Region III(2)

(Docket Copy)

A. G. Testing
Elks
Nelson

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

September 20, 1955

Summary of Proposed Project

Subject: Denial of application for an exploration project.

Docket No.: DMEA-3838

Commodity: Uranium

Applicant: Ainslie Perrault and Toklan Oil Corporation
(A joint venture)
1704 Philtower Building
Tulsa 3, Oklahoma

Posey Claims Group
San Juan County, Utah

Property: Applicant is the owner of 24 unpatented, unencumbered, mining claims located in parts of secs. 1 and 2., T.35S., R.20E., and secs., 35 and 36, T.34S., R.20E., S.L.P.M. County of Juan, State of Utah. Located July 9, 1954, and recorded in Book 135, Pages 100 thru 112. County of San Juan, State of Utah

Date of Application: May 20, 1955

Amount of Application: $24,995.00

Work Proposed and Estimated Costs: (All drilling by independent contract)

Phase I - Drill 18 holes - maximum average depth, 250 feet, 4,500 feet of drilling @ $1.75 per foot $7,875.00
Down time for hole probing 9 hrs. @ $10.00 per hr. 90.00

Phase 2 - Drill 16 holes, maximum average depth, 250 feet 4,000 feet @ $1.75 per ft. $7,000.00
Down time for hole probing 8 hrs. @ $10.00 per hr. 80.00

Phase 3 - Drill 12 holes maximum average depth, 250 feet 3,000 feet @ $1.75 per ft. $5,250.00
Coring 20 feet per hole, 250 feet @ $3.50 per ft. 875.00

Bulldozing 3 drill sites	$500.00	
Total Estimated Cost Contract drilling		$21,670.00
Supervision and Consultants:		
Supervision 3 months @ $550.00 per month	$1,650.00	
Engineering by contract	350.00	
Geological consultant - part time	1,000.00	
		$3,000.00
Miscellaneous:		
Supervisor's supplies, oil, gas, etc.	$225.00	
Analytical work	100.00	
		$325.00
Total Estimated Costs		$24,995.00
Government participation @ 75 percent		$18,746.25

Field Team Report:

Received September 2, 1955. Field Examination July 12, 1955 By Donald Hayes, U.S.G.S. - W. D. McMillan, U.S.B.M.

In Cottonwood Wash about three quarters of a mile to the east of the project property the King Edward and Avalanche No. 4 mines in recent years have produced over 1,000 tons of uranium ore with present reserves estimated at 5,000 to 10,000 tons. In this area the Triassic Shinarump conglomerate isthe principal uranium ore-bearing formation. On the project claims in Posey Canyon the Shinarump is overlain by members of the lower Triassic Chinle formation and erosinal remnants of the middle Chinle, between 250 to 300 feet thick. The Shinarump conglomerate does not crop on the property and the only development work consists of shallow discovery pits, brushed claim lines and a truck trail from Cottonwood Wash through the Posey Claim group. Channels in Cottonwood Wash have been found 100 to 300 feet in width trending toward the Posey Canyon claims. It is possible that five known channels underly these claims but the channels would have to be projected at least one half mile and therefore the application is considered prospecting and not exploration.

The Applicant states that they were conducting a program of preliminary drilling which will be continued without interruption. The Field Team recommends that the application be denied without prejudice and if the Applicant's proposed drilling should disclose favorable channels then a new application should be considered.

Commodity Committee Members' Comments:

U. S. Geological Survey - N. E. Nelson - September 8, 1955

"The examiners agree that the northern part of the ground is favorably located but no definite channel is known, no target exists and drilling would be of a prospecting rather than exploration nature. The Applicant intends to undertake drilling more or less equivalent to the proposed Stage I work. If the work provides a target, application for assistance for further work will be entertained. I concur with the conclusions of the examiners and the denial without prejudice of the Field Team.

"The field examiners conclude that it is not known that ore-bearing channels underlie the subject claims and that exploration with DMEA assistance at this time without definite geological information is considered prospecting rather than exploration. Consequently the examiners recommend denial of the application. We concur in the recommendation that the application be denied without prejudice."

Rare and Misc. Metals Division - A. G. Keating - September 14, 1955

The subject property lies adjacent to Cottonwood Wash, a uranium producing area of Shinarump formation. Here the known channels are from 100 to 300 feet wide and they trend N 50° to N°70 E. toward the project claims in Posey Canyon. Although there are no outcrops of Shinarump formation on these claims it appears that five known channels in the Cottonwood Wash area may possibly underlie the Posey Canyon property. However no definite channel is known and no significant discovery has been shown. The Applicant plans to conduct preliminary drilling immediately and if this drilling discloses a mineralized objective then a new application can be considered.

This Division concurs with the opinions of the Field Team and the Washington Commodity members that the subject application be denied without p prejudice.

Ernest Wm. Ellis

Ernest Wm. Ellis, Chief
Rare and Miscellaneous Metals Division

9/16/55 gla

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

RECEIVED
SEP 16 1955

September 16, 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 3838, Ainslie Perrault and Toklan Oil Corporation, Posey Canyon group, San Juan County, Utah

I have reviewed the Field Team report of examination, Ainslie Perrault and Toklan Oil Corporation, DMEA Docket 3838; and I have discussed it with Joseph O. Hosted, Washington representative of the Atomic Energy Commission.

The applicant proposes a three-stage drilling program at an estimated total cost of $24,995.00. Stage one would consist of 4,500 feet of drilling in 300-foot centers to locate the ore channels if any are present. Stage two and stage three consist of 4,500 feet of drilling of 16 offset holes spaced at 50 feet to determine the width of the channel, and 3,000 feet of drilling to determine the length of the channel, respectively.

The field examiners conclude that it is not known that ore-bearing channels underlie the subject claims and that exploration with DMEA assistance at this time without definite geological information is considered prospecting rather than exploration. Consequently, the examiners recommend a denial of the application.

We concur in the recommendation that the application be denied without prejudice.

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

James Paone
for John E. Crawford

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

RECEIVED
SEP 16 1955

September 16, 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 3838, Ainslie Perrault and Toklan Oil Corporation, Posey Canyon group, San Juan County, Utah

I have reviewed the Field Team report of examination, Ainslie Perrault and Toklan Oil Corporation, DMEA Docket 3838; and I have discussed it with Joseph O. Hosted, Washington representative of the Atomic Energy Commission.

The applicant proposes a three-stage drilling program at an estimated total cost of $24,995.00. Stage one would consist of 4,500 feet of drilling in 300-foot centers to locate the ore channels if any are present. Stage two and stage three consist of 4,500 feet of drilling of 16 offset holes spaced at 50 feet to determine the width of the channel, and 3,000 feet of drilling to determine the length of the channel, respectively.

The field examiners conclude that it is not known that ore-bearing channels underlie the subject claims and that exploration with DMEA assistance at this time without definite geological information is considered prospecting rather than exploration. Consequently, the examiners recommend a denial of the application.

We concur in the recommendation that the application be denied without prejudice.

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

John E. Crawford

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

RECEIVED
SEP 1

September 16, 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 3838, Ainslie Perrault and Toklan Oil Corporation, Posey Canyon group, San Juan County, Utah

I have reviewed the Field Team report of examination, Ainslie Perrault and Toklan Oil Corporation, DMEA Docket 3838; and I have discussed it with Joseph O. Hosted, Washington representative of the Atomic Energy Commission.

The applicant proposes a three-stage drilling program at an estimated total cost of $24,995.00. Stage one would consist of 4,500 feet of drilling in 300-foot centers to locate the ore channels if any are present. Stage two and stage three consist of 4,500 feet of drilling of 1½ offset holes spaced at 50 feet to determine the width of the channel, and 3,000 feet of drilling to determine the length of the channel, respectively.

The field examiners conclude that it is not known that ore-bearing channels underlie the subject claims and that exploration with DMEA assistance at this time without definite geological information is considered prospecting rather than exploration. Consequently, the examiners recommend a denial of the application.

We concur in the recommendation that the application be denied without prejudice.

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

John E. Crawford

9/9/55 gla

IN REPLY REFER TO:

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

RECEIVED
SEP - 9 1955

September 8, 1955

Re: DMEA 3838
Ainslie Perrault and
Toklan Oil Corp.
Posey Canyon Group
San Juan Co., Utah
$24,995.00 - Uranium

Memorandum

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

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

Subject: Review of Field Team report.

The application asked for assistance in exploring 24 mining claims, by plug bit and core drilling, thru which the projections of five Shinarump channels might be expected.

The examiners agree that the northern part of the ground is favorably located but no definite channel is known, no target exists and drilling would be of a prospecting rather than exploratory nature. The applicant, in order to protect the claims, intends to do the necessary assessment drilling, more or less the equivalent of the proposed Stage I work. If the work provides a target an application for assistance on further work will be entertained.

I concur with the conclusions of the examiners, and the denial without prejudice recommendation of the Field Team.

N. E. Nelson

N. E. Nelson

IN REPLY REFER TO:

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

September 8, 1955

Re: DMEA 3838
Ainslie Ferrault and
Toklan Oil Corp.
Posey Canyon Group
San Juan Co., Utah
$24,995.00 - Uranium

Memorandum

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

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

Subject: Review of Field Team report.

The application asked for assistance in exploring 24 mining claims, by plug bit and core drilling, thru which the projections of five Shinarump channels might be expected.

The examiners agree that the northern part of the ground is favorably located but no definite channel is known, no target exists and drilling would be of a prospecting rather than exploratory nature. The applicant, in order to protect the claims, intends to do the necessary assessment drilling, more or less the equivalent of the proposed Stage I work. If the work provides a target an application for assistance on further work will be entertained.

I concur with the conclusions of the examiners, and the denial without prejudice recommendation of the Field Team.

N. E. Nelson

N. E. Nelson

NENelson:iml
G-9/8/55

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.

September 8, 1955

Re: DMEA 3838
Ainalie Ferrault and
Tuklam Oil Corp.
Poney Canyon Group
San Juan Co., Utah
$64,995.00 - Uranium

Memorandum

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

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

Subject: Review of Field Team report.

The application asked for assistance in exploring 24 mining claims, by ping pit and core drilling, thru which the projections of five Shinarump channels might be expected.

The examiners agree that the northern part of the ground is favorably located but no definite channel is known, no target exists and drilling would be of a prospecting rather than exploratory nature. The applicant, in order to protect the claims, intends to do the necessary assessment drilling, more or less the equivalent of the proposed Stage I work. If the work provides a target an application for assistance on further work will be entertained.

I concur with the conclusions of the examiners, and the denial without prejudice recommendation of the Field Team.

N. E. Nelson

N. E. Nelson

NENelson:iml
G-9/8/55

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.

September 8, 1955

Re: DMEA 3836
Ainslie Perrault and
Boklan Oil Corp.
Posey Canyon Group
San Juan Co., Utah
$84,995.00 - Uranium

Memorandum

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

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

Subject: Review of Field Team report.

The application asked for assistance in exploring 24 mining claims, by plug bit and core drilling, thru which the projections of five Shinarump channels might be expected.

The examiners agree that the northern part of the ground is favorably located but no definite channel is known, no target exists and drilling would be of a prospecting rather than exploratory nature. The applicant, in order to protect the claims, intends to do the necessary assessment drilling, more or less the equivalent of the proposed Stage I work. If the work provides a target an application for assistance on further work will be entertained.

I concur with the conclusions of the examiners, and the denial without prejudice recommendation of the Field Team.

N. E. Nelson

N. E. Nelson

NENelson:iml
G-9/8/55

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

9/12/55 gla

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

RECEIVED
SEP - 6 1955

August 29, 1955

224 New Customhouse
Denver 2, Colorado

Memorandum

To: Secretary to the Operating Committee, DMEA

From: Field Team, Region III

Subject: Report of Examination, DMEA Docket 3838 (Uranium), Ainslie Perrault and Toklan Oil Corporation, Posey Canyon group, San Juan 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 without prejudice since any work on the property at this time would be of a prospecting nature.

If the applicants proposed assessment drilling reveals a mineralized target area proper consideration would be given to a new DMEA application.

DMEA Field Team, Region III

W. M. Traver

for D. R. Macharen
E. N. Harshman

Enclosures

Reviewed by
DMEA OPERATING COMMITTEE
9-9-55
(date)

DMEA
Date Rec'd
AUG 26 1955
BUREAU OF MINES
Denver, Colorado

Building 20
Denver Federal Center
Denver 2, Colorado
August 25, 1955

Region III

TRANSMITTED
AUG 29 1955

Memorandum

To: Executive Officer, DMEA Field Team, Region III

From: John F. Shaw

Subject: Docket No. DMEA 3838, Posey Canyon Claim Group, Ainslie Perrault and Toklan Oil Company, San Juan County, Utah

Enclosed are the original and ten copies of a Summary, Conclusions and Recommendations by W. D. McMillan, Mining Engineer, and Donald D. Haynes, Geologist and the original and ten copies of an Engineering report by W. D. McMillan covering Docket No. DMEA 3838.

The applicant requested exploration assistance in the amount of $24,995.00 to explore the Posey Canyon Claim Group by plug-bit and core drilling.

A field examination was made on July 12, 1955. Shinarump conglomerate channels are being mined in Cottonwood Wash, approximately three quarters mile west of the applicant's claim. The ore-bearing formation does not outcrop on these claims and it is not known if the channels underlie them. The applicant plans to do so exploratory drilling for assessment work.

It is recommended that the application be denied without prejudice pending information from the applicant on the results of their drilling for assessment work. If Shinarump channels are disclosed by this work, the property should be reconsidered.

John F. Shaw
John F. Shaw
Supervising Mining Engineer

JFS:jw

cc: w/orig. ✓
RNHarshman
DMEA 3838
Chron.

Reviewed by
DMEA OPERATING COMMITTEE
9-9-55
(date)

UNITED STATES
DEPARTMENT OF THE INTERIOR
DOUGLAS McKAY, SECRETARY

RECEIVED
SEP 1 1955

DEFENSE MINERALS EXPLORATION ADMINISTRATION

REPORT OF EXAMINATION BY FIELD TEAM
REGION III

DMEA 3838

Posey Canyon Claim Group

Ainslie Perrault and Toklan Oil Company

Blanding Mining District

San Juan County, Utah

Uranium

By

W. D. McMillan
Mining Engineer
Bureau of Mines

Donald D. Haynes
Geologist
Geological Survey

August 26, 1955

Reviewed by
DMEA OPERATING COMMITTEE
9-9-55
(date)

RECEIVED
SEP - 1 1955

DMEA 3838

POSEY CANYON CLAIM GROUP
AINSLIE PERRAULT AND TOKLAN OIL COMPANY
BLANDING MINING DISTRICT
SAN JUAN COUNTY, UTAH

Summary, Conclusions and Recommendations

By

W. D. McMillan
Mining Engineer
Bureau of Mines

Donald D. Haynes
Geologist
Geological Survey

Reviewed by
DMEA OPERATING COMMITTEE

9-9-55
(date)

DMEA 3838

POSEY CANYON CLAIM GROUP
AINSLIE PERRAULT AND TOKLAN OIL COMPANY
BLANDING MINING DISTRICT
SAN JUAN COUNTY, UTAH

SUMMARY, CONCLUSIONS AND RECOMMENDATIONS

By W. D. McMillan and Donald D. Haynes

An application has been made to the Defense Minerals Exploration Administration for Government assistance in exploration of 24 mining claims in San Juan County, Utah, located by Ainslie Perrault in July, 1954. The applicants proposed plug-bit and core drilling exploration at an estimated total cost of $24,995.00 for 11,500 feet of drilling in 46 holes. Government participation at 75 percent would be $18,746.25.

A field examination was made on July 12, 1955.

The 24 claims are in a basin about one half to three quarters of a mile east of Cottonwood Wash and ownership, based on locations, appear to be valid.

The Triassic Chinle formations crop out on the surface of the claims, this being underlain by the Triassic Shinarump conglomerate formation, which in Cottonwood Wash is the uranium ore-bearing formation. It is possible that five known channels underlie the Posey Canyon Claim Group, but the application in its present form is considered prospecting rather than exploration.

The examining team recommends denial of the application without prejudice, pending information from the applicant on the results of their drilling for assessment work.

RECEIVED
SEP - 9 1955

DMEA 3838

POSEY CANYON CLAIM GROUP
AINSLIE PERRAULT AND TOKLAN OIL COMPANY
BLANDING MINING DISTRICT
SAN JUAN COUNTY, UTAH

Engineering Report

By W. D. McMillan
Mining Engineer
Bureau of Mines

Reviewed by
DMEA OPERATING COMMITTEE

9-9-55
(date)

DMEA 3838

POSEY CANYON CLAIM GROUP
AINSLIE PERRAULT AND TOKLAN OIL COMPANY
BLANDING MINING DISTRICT
SAN JUAN COUNTY, UTAH

CONTENTS

ENGINEERING REPORT — PAGE

Introduction 1
Acknowledgements 2
Location, topography and physical features 2
History, production and ownership 3
Labor and living conditions 5
Description of the deposits 5
Mineable reserves 5
Present Status 5
  Exploration and development 5
  Mining and milling equipment and other facilities 5
Project proposals with costs 6
Conclusions 7
Recommendations 7

ILLUSTRATIONS

Figure — Follows Page

1. Location Map, Posey Canyon Claim Group, Ainslie Perrault, Toklan Oil Corporation, San Juan County, Utah 2

2. Claim Map and proposed Stage I exploration, Ainslie Perrault and Toklan Oil Corporation, San Juan County, Utah 3

TABLES

Page

1. Status of Posey Canyon Claim Group 4

DMEA 3838

POSEY CANYON CLAIM GROUP
AINSLIE PERRAULT AND TOKLAN OIL COMPANY
BLANDING MINING DISTRICT
SAN JUAN COUNTY, UTAH

ENGINEERING REPORT

By W. D. McMillan

INTRODUCTION

Ainslie Perrault and Toklan Oil Company applied to the Defense Minerals Exploration Administration for assistance in exploration of uranium claims in the Blanding Mining District, San Juan County, Utah, which were located by Ainslie Perrault in July, 1954. The applicants proposed plug-bit and limited core drilling of 46 holes totalling 15,500 feet in three stages at an estimated cost of $24,995.00. Government participation at 75 percent would amount to $18,746.25.

An examination was made on July 12, 1955, by a DMEA examining team consisting of W. D. McMillan of the Bureau of Mines, and Donald D. Haynes of the Geological Survey. They were accompanied by Otto S. Kramer, representative of the applicant.

In Cottonwood Canyon about 3/4 miles west of Posey Canyon Uranium mineralization is found in Shinarump Conglomerate channels of from 100 to 300 feet in width and trending N. 50° to 70° E. towards the Posey Canyon claims. The estimated tonnage of the deposits is from 5,000 to 10,000 tons.

The Shinarump conglomerate does not outcrop on the subject claims,

and as the known channels would have to be projected at least one half mile, the application is considered prospecting instead of exploration.

ACKNOWLEDGEMENTS

Data on the property was obtained from personal observation with Otto. S. Kramer, who has spent many months in the district and from the experience of the Geological Survey, member of the examining team in the Blanding Mining District.

LOCATION, TOPOGRAPHY AND PHYSICAL FEATURES

The Posey Canyon Claim Group consists of 24 claims located in parts of secs. 1 and 2, T. 35 S., R. 20 E. and secs. 35 and 36, T. 34 S., R. 20 E., Salt Lake Principal Meridian, on the west side of Comb Ridge monocline. They are reached from Blanding, Utah by traveling west on old Utah Highway 95 for 15 miles and thence north on a graded dirt road for 11 miles to the southern part of the claim group (Fig. 1).

Blanding, 26 miles east, and Monticello, 48 miles northeast, are the nearest sources of supplies.

The claims are in a broad canyon at an elevation of about 6,500 feet with steep slopes to the east and west rising to plateaus about 500 feet higher.

There is a slight cover of pines, juniper and sage brush. Access to the property is fairly easy except in wet weather, and drilling sites and roads can be prepared at a reasonable cost.

The climate of the area is arid with warm to cool summers, and

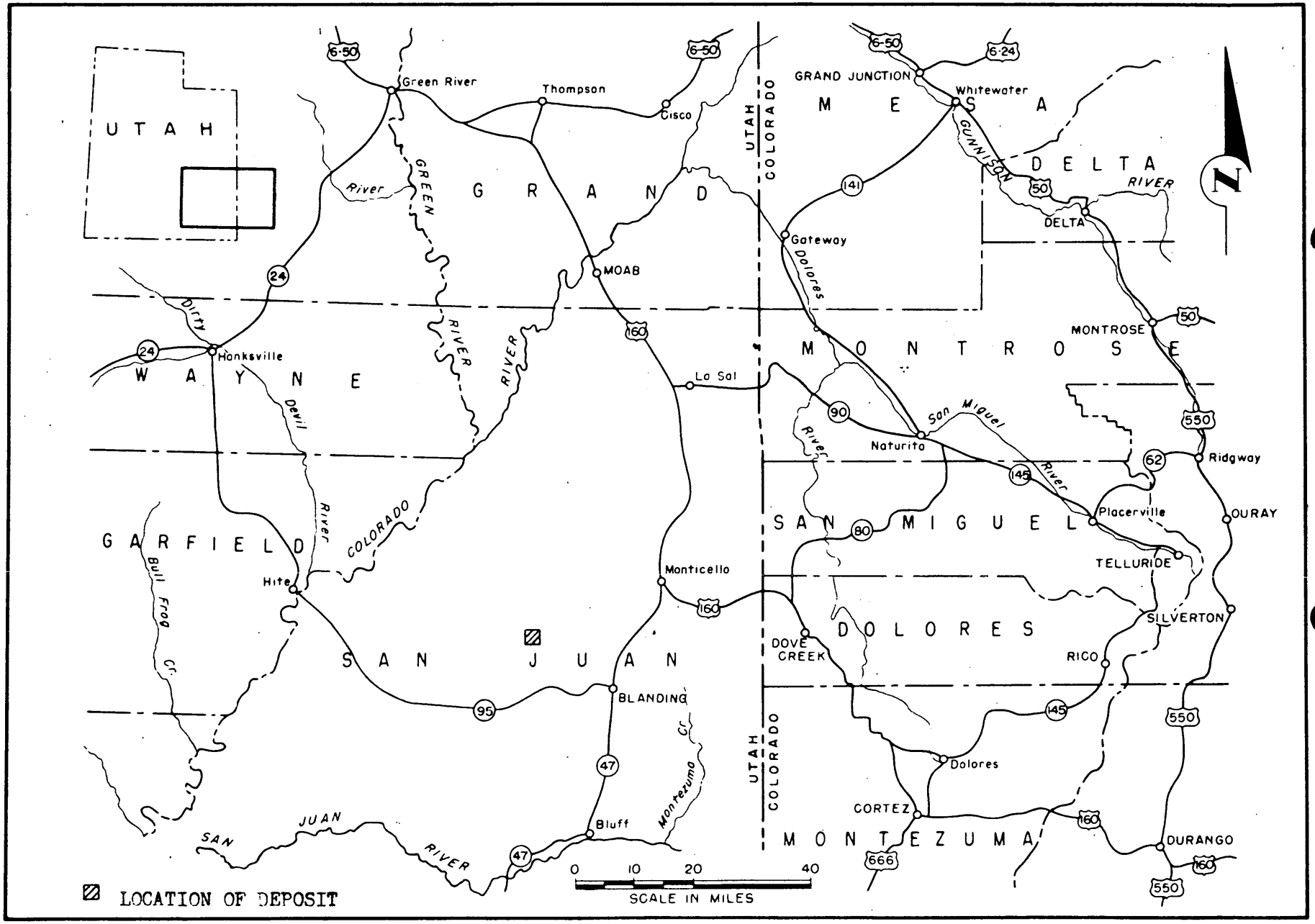


FIGURE 1 - LOCATION MAP, POSEY CANYON CLAIM GROUP, AINSLIE PERRAULT-TOKLAN OIL CORPORATION, SAN JUAN COUNTY, UTAH. DMEA 3838

moderate winters, with infrequent periods of extreme cold. There may be heavy storms of short duration throughout the year, with accumulations of snow in the timbered areas in the winter months. Surface drilling and underground mining are feasible throughout the year.

The market for uranium ores from the Posey Canyon claims is the receiving and treatment plant at Monticello, Utah, 48 miles northeast.

Mining lumber and timber are available from local sawmills, and there is an ample supply of domestic fuel on the claims. All power needs must be furnished by gasoline or diesel-driven units. Water for drilling and domestic purposes can be obtained from Cottonwood Wash, about two miles from the property.

HISTORY, PRODUCTION, AND OWNERSHIP

The mining history of the district dates from exploration for vanadium after World War I. In recent years the Avalanche No. 4 and the King Edward Mine (Fig. 2), one half to three quarters miles east of the subject claims in Cottonwood Wash, respectively, have produced over 1,000 tons of uranium ore. Reserves at the King Edward mine are estimated at 5,000 to 10,000 tons in the Shinarump conglomerate.

This formation does not outcrop on the Posey Claim group.

The status of the Posey Claim Group was checked at the San Juan County Recorder's office in Monticello as given in Table No. 1, and a claim map is given in Figure 2.

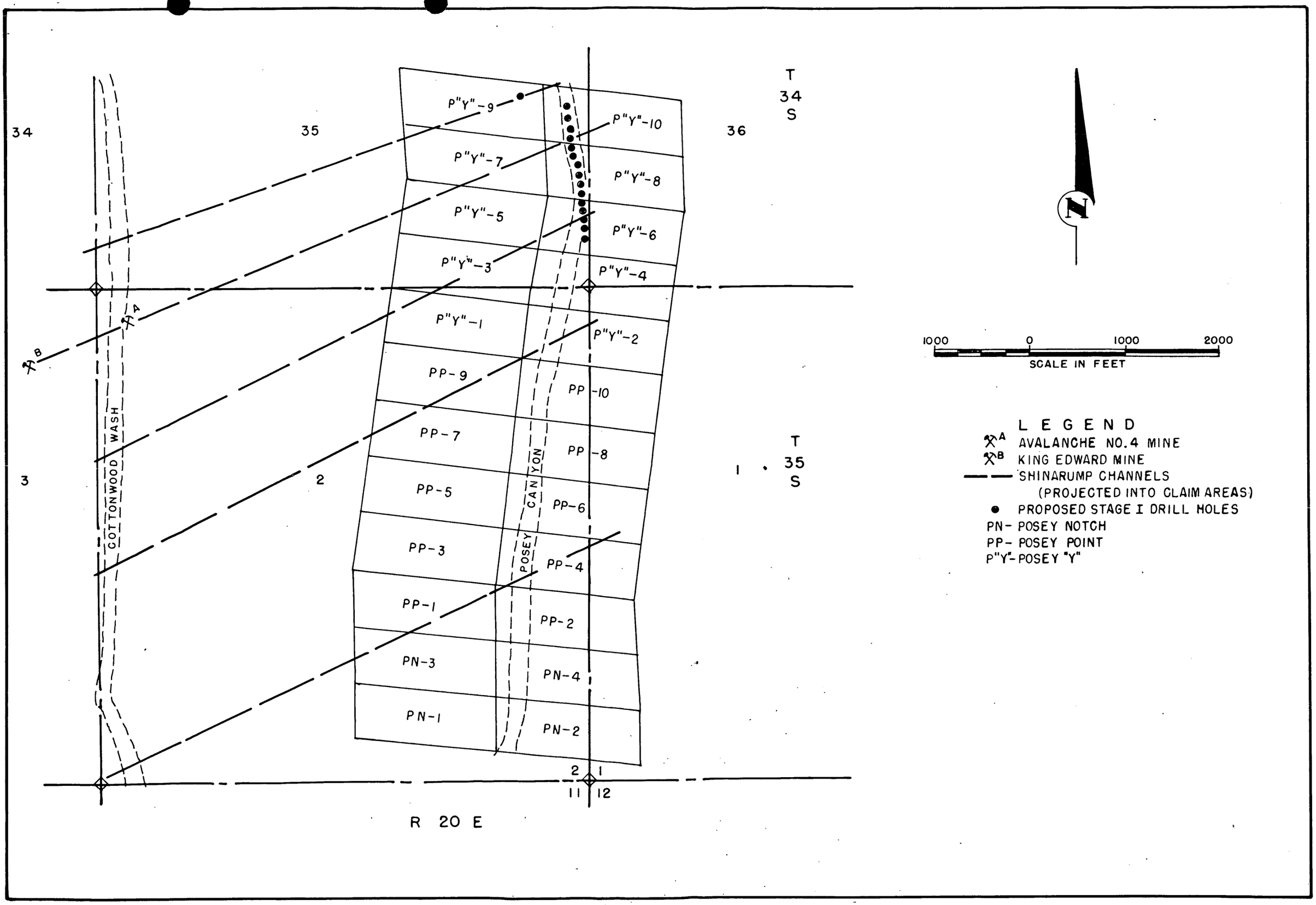


FIGURE 2 - CLAIM MAP AND PROPOSED STAGE I EXPLORATION, AINSLIE PERRAULT AND TOKLAN OIL CORPORATION, SAN JUAN COUNTY, UTAH. DMEA 3838

RECEIVED
SEP 1975

Table No. 1 - STATUS OF POSEY CANYON CLAIM GROUP

Name	Book	Page	Certificate No.	Date	Locator	Date Located
Posey Notch #1	135	100	2386	7-23-54	Ainslie Perrault	7-9-54
" " #2	"	100	2387	"	"	"
" " #3	"	101	2388	"	"	"
" " #4	"	101	2389	"	"	"
Posey Point #1	"	102	2390	"	"	"
" " #2	"	102	2391	"	"	"
" " #3	"	103	2392	"	"	"
" " #4	"	103	2393	"	"	"
" " #5	"	104	2394	"	"	"
" " #6	"	104	2395	"	"	"
" " #7	"	105	2396	"	"	"
" " #8	"	106	2397	"	"	"
" " #9	"	106	2398	"	"	"
" " #10	"	107	2399	"	"	"
Posey "Y" #1	"	107	2400	"	"	"
" " #2	"	108	2401	"	"	"
" " #3	"	108	2402	"	"	"
" " #4	"	109	2403	"	"	"
" " #5	"	109	2404	"	"	"
" " #6	"	110	2405	"	"	"
" " #7	"	110	2406	"	"	"
" " #8	"	111	2407	"	"	"
" " #9	"	111	2408	"	"	"
" " #10	"	112	2409	"	"	"

LABOR AND LIVING CONDITIONS

The proposed project would be executed by a drilling contractor who would furnish all necessary labor. Other labor requirements would have to be recruited in either Blanding or Monticello. The nearest accommodations are at Blanding, 26 miles east, which is too far to commute. House trailers are usually provided for exploration personnel.

DESCRIPTION OF THE DEPOSITS

The Triassic Shinarump conglomerate formation is the principal uranium ore-bearing formation in the district but on the Posey Canyon claim group the Shinarump is overlain in ascending order by the Triassic Monitor Butte and Commission members of the lower Triassic Chinle formation and erosional remnants of the middle Chinle, amounting to between 250 and 300 feet. Drilling depths will be determined by the underlying Triassic Moenkopi chocolate-brown or brick-red siltstone and mudstone.

MINABLE RESERVES

There are not any ore outcrops on the property and no known reserves.

PRESENT STATUS

Exploration and Development

To date these consist of discovery pits, brushing claim lines, setting claim corners and the construction of a truck trail from Cottonwood Wash through the claims.

Mining and Milling Equipment and Other Facilities

There are not any buildings, equipment, nor other facilities on the property.

PROJECT PROPOSALS WITH COSTS

The applicant proposed plug-bit and limited core drilling in three stages to explore five projected channels in the Shinarump conglomerate. Stage I consists of 16 to 18 holes spaced at 300 foot centers to locate the channels with an estimated 4,500 feet of drilling.

Stage II, dependent on the results of Stage I drilling is for approximately 16 offset holes spaced at 50 feet with an estimated 4,500 feet of drilling to determine the width of the channels.

Stage III is for about 12 holes with an estimated 3,000 feet of drilling with 250 feet of coring to determine the length of the channels.

The estimated total cost of the project was $24,995.00, with the Government's participation at 75 percent or $18,746.25.

The applicant did not submit a map showing the hole locations, but these were discussed by the examining team and Otto S. Kramer. As the known channels in the Shinarump conglomerate in Cottonwood Wash range in width from 100 to 300 feet, it was concluded that the Stage I holes should be spaced at 100 foot intervals in the canyon on the Posey "Y" nos. 6, 8 and 10 claims to explore for the three northern channels, which are considered the most favorable. This proposal would entail a total of 18 holes. The examining team concludes, however, that some exploration should be done by the applicant before approval of Government assistance. Otto S. Kramer stated that regardless of the decision of the examining team, they planned on plug-bit drilling the three claims in Stage I to cover assessment work on the Posey Canyon claim group. (Fig.2)

CONCLUSIONS

Known Triassic Shinarump conglomerate channels are being mined in Cottonwood Wash one half to three quarters of a mile west of the subject claims. Because the Shinarump does not crop out on the claims, it is not known that ore-bearing channels underlie them, and exploration with Government assistance at this time without definite geological information is considered prospecting rather than exploration.

RECOMMENDATIONS

It is recommended that DMEA application No. 3838 be denied without prejudice because the favorable ore channels do not outcrop on the property. If the applicants proposed assessment drilling should discover a favorable channel, they propose to request that DMEA re-evaluate the property.

/jw

IN REPLY REFER TO:

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

RECEIVED

DMEA
Date Rec'd.
AUG 15 1955
BUREAU OF MINES
Denver, Colorado

August 11, 1955

TRANSMITTED
AUG 29 1955

Memorandum

To: Executive Officer, DMEA Field Team, Region III

From: E. N. Harshman

Subject: DMEA Docket 3838 (Uranium), Ainslie Perrault and Toklan Oil Corporation, Monticello mining district, San Juan County, Utah

Enclosed are 10 copies of a geologic report by D. D. Haynes, U. S. Geological Survey, covering his examination of the subject property.

The ore horizon beneath the Posey claims is the Shinarump conglomerate, and uranium ore, if present, will be localized in channels in this formation. There are no exposures of Shinarump conglomerate on the claims although exposures one-half to one mile west of the property have contained ore grade material in channels which may project northeasterly into the Posey claims.

Haynes concludes that there is no geologic evidence indicating the probable discovery of ore by the proposed exploration program. Should the applicant, by limited drilling at his own expense, establish the presence of Shinarump channels beneath the Posey claims, Government assistance in exploring these channels might well be warranted. The applicant has indicated his intent to do such exploration.

Haynes recommends that the application for Government assistance be denied without prejudice.

I concur with this recommendation.

E. N. Harshman

E. N. Harshman
Member, Field Team

Reviewed by
DMEA OPERATING COMMITTEE
9-9-55
(date)

Enclosures (10)

ENHarshman:arh

DMEA
Date Rec'd,
AUG 15 1955
BUREAU OF MINES
Denver, Colorado
RECEIVED
SEP - 1955

MINERAL DEPOSITS
DMEA
RECEIVED
AUG 9 1955
U. S.
GEOLOGICAL SURVEY,
DENVER, COLORADO

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

August 3, 1955

TRANSMITTED
AUG 29 1955

Memorandum

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

From: J. William Hasler

Subject: DMEA 3838, Ainslie Perrault and Toklan Oil Corporation, Monticello mining district, San Juan County, Utah

The applicant applied for Government assistance in exploring for uranium in the Shinarump formation, Monticello mining district, San Juan County, Utah. The application was referred to the field and an examination was made by an examining team composed of W. D. McMillan, U. S. Bureau of Mines; Donald D. Haynes, U. S. Geological Survey. The team was accompanied by Mr. Otto Kramer, representative of the applicant.

The claims are on the east side of the Comb Ridge monocline and the beds dip about 2° to 3° to the east. The rocks in the area of the subject claims are the Triassic Moenkopi, Chinle, Shinarump and Wingate formations as well as the Jurassic Kayenta formation. The Shinarump formation is the main ore-bearing formation in the area.

The Shinarump channels in the area containing mineralized material reach from 100 to 300 feet in width and trend between north 50° N.E. and north 70° east. The estimated tonnage of the deposits in the area may range from 5,000 to 10,000 tons. The subject claims lie to the east of known mineralized channels and it may be logical to assume that they are underlain by favorable channels. As there are no exposures of Shinarump formations on the subject claims, drilling would be the most likely method to determine under which part of the area the channels may lie.

The Shinarump conglomerate is known to pinch out about a mile south of the Posey Notch No. 2 claim and would tend to decrease the favorability of the southern part of the claimed area, as the Shinarump would be thinning near this pinch-out. Drilling to find underlying channels would be considered prospecting, as no favorable area is definitely known on the claims.

Reviewed by
DMEA OPERATING COMMITTEE
9-9-55
(date)

The applicant proposes to drill the claims to test the area and it is recommended that the company drill and test the ground for these channels before any Government assistance is approved. It is, therefore, recommended that the application be denied without prejudice. I concur with the recommendations of the examining field team.

Enclosed are the required number of geologic reports and maps as well as the brochure.

J. William Hasler

J. William Hasler,
Geologist

JWH/mlr

Enclosures

RECEIVED
SEP - 2 1955

UNITED STATES DEPARTMENT OF THE INTERIOR
DOUGLAS McKAY, SECRETARY

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

DMEA 3838, Ainslie Perrault and Toklan Oil Corporation, Monticello mining district, San Juan County, Utah

Uranium

Geologic Report

by

Donald D. Haynes
U. S. Geological Survey

July 29, 1955

Reviewed by
DMEA OPERATING COMMITTEE
9-9-55
(date)

DMEA 3838

INTRODUCTION

Application (DMEA 3838) was made May 20, 1955, by Ainslie Perrault and Toklan Oil Corporation for Government assistance in exploring for uranium in the Shinarump formation, Monticello mining district, San Juan County, Utah. The applicant proposes to explore the subject claims with a maximum of 11,750 feet of core and non-core drilling at a total cost of $24,995. The Government's share would be 75 percent or $18,746.25.

The property was visited on July 12, 1955, by a Region III examining team composed of W. D. McMillan of the Bureau of Mines and Donald D. Haynes of the Geological Survey. The examining team was accompanied by Otto Kramer, representative of the applicant.

On July 8, 1955, Mr. Louis Garbrecht, U. S. Atomic Energy Commission, was contacted relative to evaluating the property.

The applicant proposes to drill the subject claims even though Government assistance may be denied. The writer recommends that Government assistance be denied without prejudice until the proposed drilling is completed or delineates a favorable channel. At that time a re-evaluation of the property would be made and a program outlined, if the results proved encouraging.

The Ainslie Perrault and Toklan Oil Corporation claims are in secs. 1 and 2, T. 35 S., R. 20 E., and secs. 35 and 36, T. 34 S., R. 20 E., unsurveyed, San Juan County, Utah (fig. 1). There are a total of 24 claims, known as the Posey Notch 1 to 4; Posey Point 1 to 10; and Posey "Y" 1 to 10 claims (fig. 2). The claims are accessible from Blanding, Utah, by

traveling about 15 miles on old Utah Highway 95; thence north about 11 miles on a graded dirt road to the claims.

The area near the subject claims is readily accessible in dry weather, but is very muddy in wet weather. The uranium-vanadium mill at Monticello is about 47 miles from the claimed area.

GEOLOGY

The subject claims are east of the Comb Ridge monocline and the strata dip about 2° to 3° to the east. The rocks exposed in the vicinity of the subject claims are, in ascending order, the Triassic Moenkopi and Chinle formations, the Shinarump conglomerate and the Wingate sandstone and the Jurassic (?) Kayenta formation. Only those formations below the Wingate sandstone are of concern in this report; consequently, only the Chinle formation, Shinarump conglomerate and Moenkopi formation will be discussed in detail.

The Triassic Moenkopi formation consists of chocolate-brown or brick-red siltstone and mudstone. The upper 2 to 3 feet may be bleached or altered, especially in association with mineralized material.

The Triassic Chinle formation is mapped as three units in this area, the upper Chinle, Chinle sandstone unit of the lower part, and the lower Chinle. The upper Chinle, which is about 330 feet thick, consists of pale reddish-brown siltstone and sandy siltstone and minor quantities of very fine-grained pale red and light greenish-gray sandstone.

The Moss Back member, mapped as the sandstone unit of the lower Chinle, consists of yellowish-gray and very pale orange, fine- to medium-grained sandstone and is about 50 feet thick. The Monitor Butte member, mapped as the lower Chinle, consists of greenish-gray and grayish red silty claystone and siltstone with minor lenses of clayey sandstone and is about 100 feet thick. The Triassic Shinarump conglomerate is the principal ore-bearing horizon in this area and consists of grayish orange and dark yellowish orange medium-grained to coarse-grained and partly coarse-grained sandstone. About 20 percent of the unit contains granules and pebbles which form as much as 40 percent of the rock. The basal one-foot contains pebbles as large as 2.5 inches in diameter. The Shinarump is very lenticular and is usually about 15 feet thick but in places will increase to 35 feet in thickness. The Shinarump is not mapped as a unit on figure 2.

ORE DEPOSITS

There are no known deposits on the subject claims. The nearest producing mines in the Shinarump conglomerate are the Avalanche No. 4 mine and the King Edward mine (fig. 2), one-half mile and three quarters of a mile, respectively, from the subject claims. The Avalanche No. 4 mine has produced about 20 tons of ore-grade material, and lies in a channel about 150 feet wide and 30 feet deep. The King Edward mine has produced about 1,000 tons of ore-grade material and at present about 50 tons of ore per day are being shipped from the mine. Reserves of the King Edward mine are estimated to range from 5,000 to 10,000 tons. The ore-grade averages about 2 feet in thickness and assays about 0.80 percent U_3O_8 but the grade is lowered by dilution in mining. The channel containing the King Edward mine is about 250 feet wide and 35 feet deep.

The Shinarump channels in the area range from 100 to 300 feet in width and trend between N. 50° E. and N. 70° E. There is abundant carbonaceous material, some pyrite and minor amounts of copper present in the mine workings and exposures.

The estimated tonnage of deposits that may be discovered in this area would range from 5,000 to 10,000 tons.

FAVORABILITY OF SUBJECT CLAIMS

The subject claims lie to the east of known mineralized channels (fig. 2). As the channels have a northeast trend, it would be logical to assume the subject claims are underlain by favorable channels. As there are no exposures of the Shinarump formation on the subject claims, drilling would be the most likely method to determine under which part of the claimed area the channels may lie. The Shinarump conglomerate is known to pinch-out about 1 mile south of the Posey Notch No. 2 claim, and would tend to decrease the favorability of the southern part of the claimed area as the Shinarump thickness would be less nearer the pinch-out.

Drilling to find the underlying channels would be considered prospecting as no favorable area is definitely known. As it is not DMEA policy to assist in prospecting, it is recommended that Government assistance be denied without prejudice.

PROPOSED EXPLORATION

Applicant's plan of exploration

The applicant proposed to explore the claimed area with 46 holes totaling 11,750 feet of core and non-core drilling. It was planned to drill a line of approximately north-south holes, starting on the north end of the claims, on 300-foot centers until a channel was discovered then skip a distance of 900 feet south and continued drilling on 300-foot centers until another channel was discovered. When another channel was encountered, another interval of 900 feet would be skipped and the above plan would be repeated until the southern boundary of the claims was reached. Stages II and III would be drilled on 50-foot centers off of the key holes located in channels with only the stage III holes being cored in the ore zone.

Revised plan of exploration

If Government assistance is denied, the applicant intends to explore the claimed area and when a favorable channel is discovered, notify the DMEA office so that a re-evaluation of the property can be made.

If a re-evaluation is made, two methods of exploration exist. One method, which the applicant prefers, would be to drill the claims from north to south, finding all the channels that cross the property. These channels would then be drilled on 50-foot centers. The second method, the one preferred by the examining team, would be to drill a line of holes on 150-foot centers southward from the north boundary of the claims until a favorable channel is found. This channel would then be explored along

its trend with fences of holes on 300-foot intervals. The holes in the fences would be on 100-foot centers. The writer believes that those channels in the northern part of the claims are more favorable for ore deposits than those to the south. If, after fully exploring the first favorable channel, no economic ore deposits are discovered, no further drilling should be done to the south. If ore-grade material is found in the first channel, an interval to the south of about 700 feet should be skipped and drilling should resume on 150-foot centers until another favorable channel is discovered. This channel would then be drilled as outlined above.

Any holes drilled in stage I should be located in the lowest part of Posey Canyon so as to decrease drilling depths as much as possible. These holes would average about 250 feet in depth and would be non-core holes. It is believed that about seven holes would be needed to find the first channel in stage I plus 11 more holes to explore for channels further to the south. Stage II would require about 12 holes to explore each channel along its trend. There is a possibility that there are three favorable channels on the property, so stage II drilling would require about 36 holes. Stage II holes would become deeper as the drilling approaches the Wingate cliff lying east of Posey Canyon. An average of about 400 feet for stage II holes would probably be about right. Stage II would be non-core drilling. Stage III would consist of about 24 holes offset 50 feet from any mineralized hole found in stage I or II. Stage III holes would be cored through the ore zone, a distance of about 40 feet. Stage III holes would average about 400 feet in depth.

The holes should be probed radiometrically and the cuttings checked with a Geiger counter. All mineralized cuttings should be assayed radiometrically. Any mineralized core in stage III should be assayed chemically and the results should be compared with the results of the radiometric assays and the gamma-ray logs of the holes.

No holes should be collared above the Chinle formation as drilling depths would be increased several hundred feet by drilling from above the Wingate cliff.

The three stages would require about 78 holes and a total of 28,500 feet of core and non-core drilling.

CONCLUSIONS AND RECOMMENDATIONS

There is a possibility that mineralized Shinarump channels underlie the claimed area. The northern part of the claims is more favorable for the occurrence of channels than that to the south. As the known mineralized Shinarump channels would have to be projected a distance of at least one-half mile and because the Shinarump conglomerate does not crop out on the claims, it is not known that favorable channels underlie the claimed area. Drilling the subject claims at this time without more definite geological information regarding favorable channels would be considered purely of a prospecting nature.

Even though Government assistance may be denied, the applicant proposes to drill the claimed area. If this drilling should discover a favorable channel the applicant proposes to ask DMEA to re-evaluate the property.

The writer has, therefore, outlined a revised drilling program which may be used if the applicant discovers a favorable channel on the claimed area and asks for Government assistance.

Because of the facts outlined above, it is recommended that Government assistance be denied without prejudice at this time.

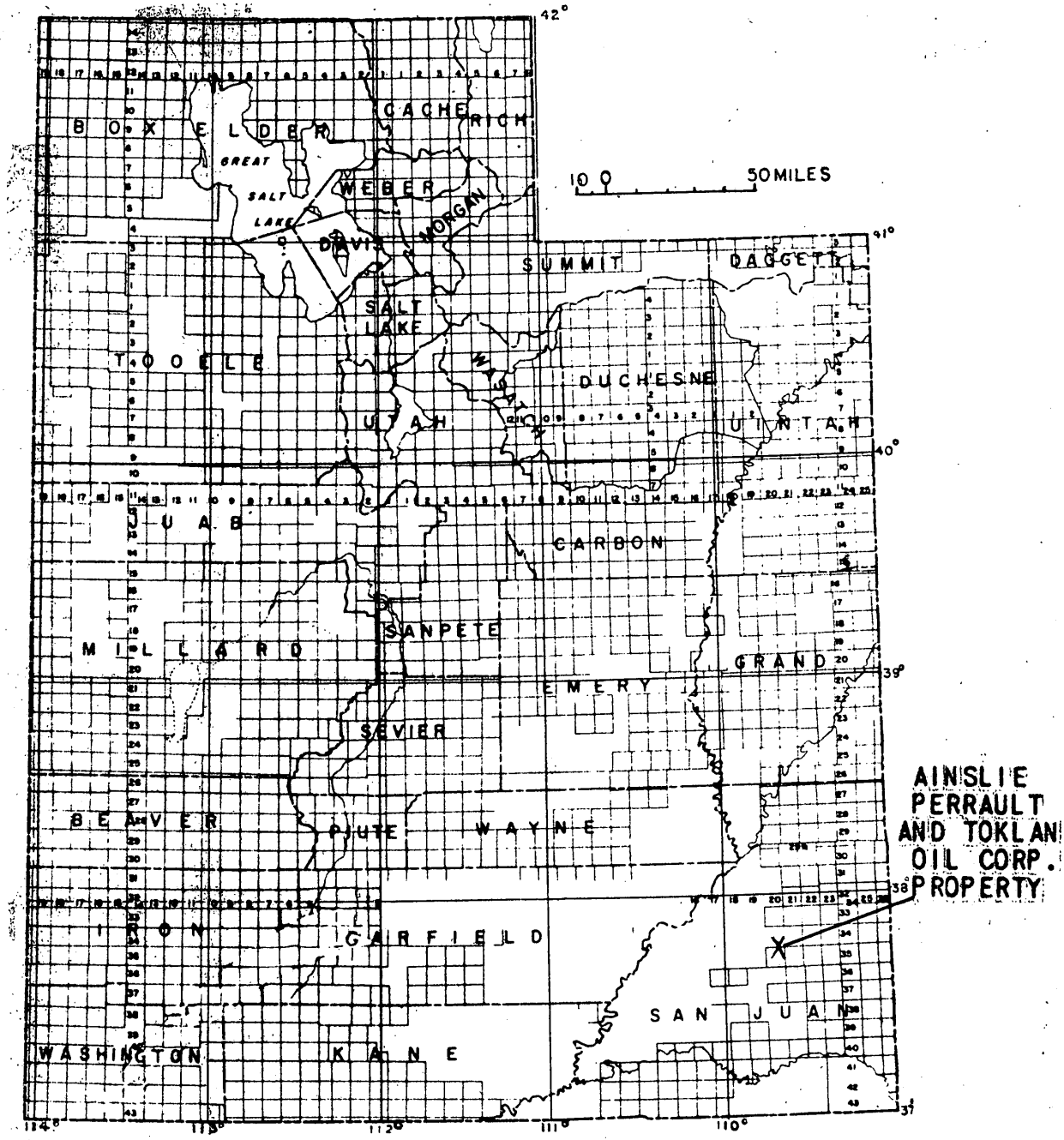
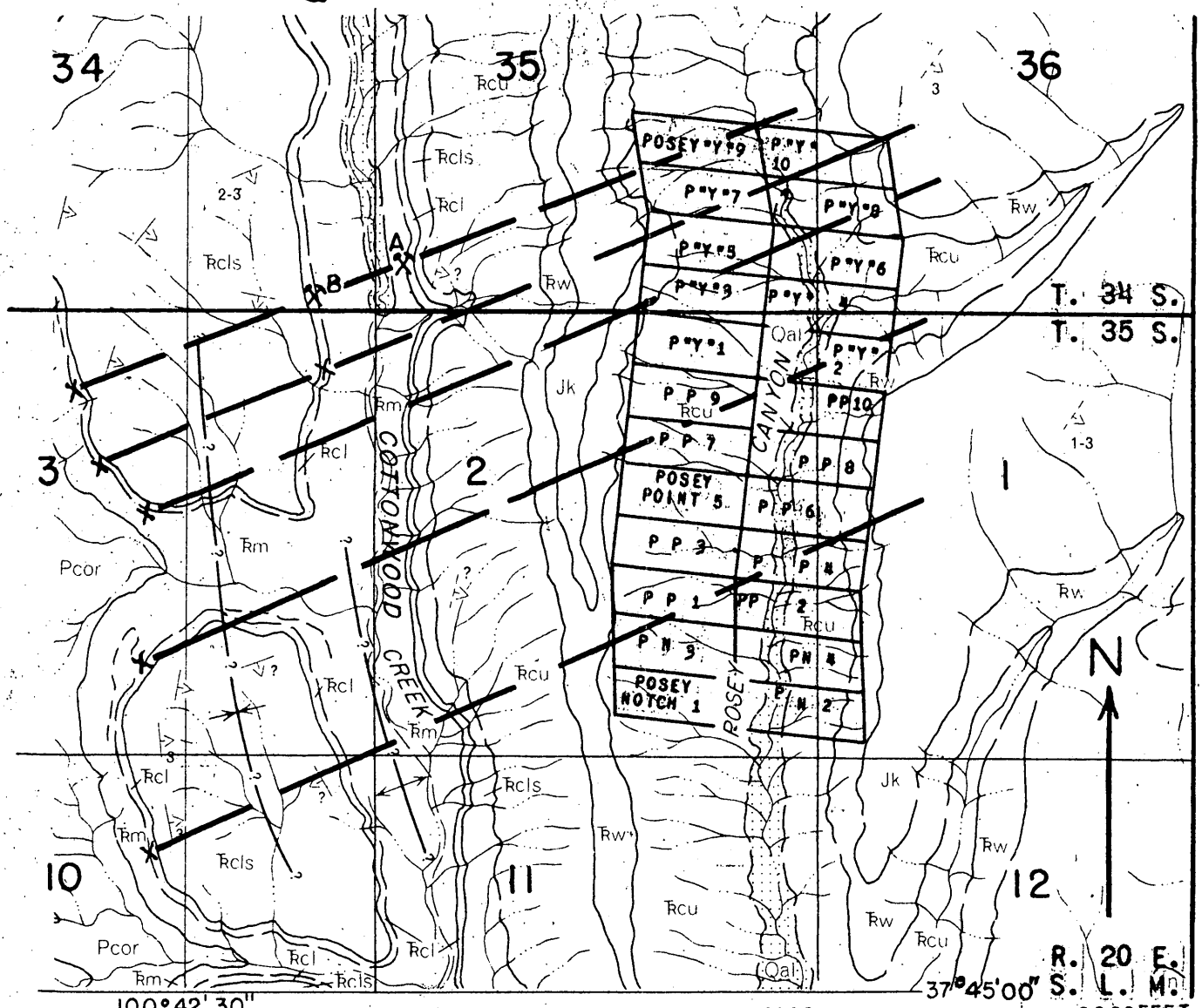


Figure 1. INDEX MAP OF UTAH SHOWING AINSLIE, PERRAULT AND TOKLAN OIL CORP., PROPERTY, SAN JUAN COUNTY, UTAH.



EXPLANATION

Jk	JURASSIC(?) KAYENTA FORMATION	A	AVALANCHE NO. 4 MINE
Trw	TRIASSIC WINGATE SANDSTONE	B	KING EDWARD MINE
Trcu	TRIASSIC CHINLE, UPPER PART	X	EXPOSURE OF CHANNEL IN SHINARUMP CONGLOMERATE
Trcls	TRIASSIC CHINLE, SANDSTONE UNIT OF LOWER PART	———	SHINARUMP CHANNELS (PROJECTED INTO CLAIMED AREA)
Trcl	TRIASSIC CHINLE, LOWER PART		
Trm	TRIASSIC MOENKOPI FORMATION		
Pcor	PERMIAN CUTLER FORMATION, ORGAN ROCK TONGUE		

Note: LAND LINES AND CLAIM BOUNDARIES FROM APPLICANT'S MAP.
GEOLOGY FROM U. S. GEOLOGICAL SURVEY MAP ELK RIDGE 7

Figure 2: MAP SHOWING APPLICANT'S CLAIMS AND SHINARUMP CHANNELS (PROJECTED INTO CLAIMED AREA), AINSLIE PERRAULT AND TOKLAN OIL CORP.
SAN JUAN COUNTY, UTAH

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

RECEIVED
JUN 24 1955

224 New Customhouse
Denver 2, Colorado

June 21, 1955

Memorandum

To: J. F. Shaw (w/brochure)
W. P. Williams

From: Field Team, Region III

Subject: Docket DMEA-3838 (Uranium), Ainslie Perrault and Toklan Oil Corporation (Posey Claim Group), San Juan County, Utah

Enclosed are the subject application for a loan of $24,995.00, its transmittal by the Chairman of the Operating Committee and memoranda to E. W. Ellis from John E. Crawford, USBM, and T. H. Kiilsgaard, USGS, members of the Uranium Commodity Committee.

A field examination is required with suitable covering reports after the usual consultation with the Grand Junction AEC office. If a project is recommended, bids should be requested from three private drill contractors and property ownership should be checked.

We will forward you the map mentioned in the Chairman's letter as having been requested from the applicant by the Washington office as soon as it is received.

W. M. Traver

W. M. Traver

Enclosures

WMT:pw

E. N. Harshman

E. N. Harshman
DMEA Field Team, Region III

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

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

RECEIVED
JUN 24 1955

224 New Customhouse
Denver 2, Colorado

June 21, 1955

Memorandum

To: J. F. Shaw (w/brochure)
W. P. Williams

From: Field Team, Region III

Subject: Docket DMEA-3838 (Uranium), Ainslie Perrault and Toklan Oil Corporation (Posey Claim Group), San Juan County, Utah

Enclosed are the subject application for a loan of $24,995.00, its transmittal by the Chairman of the Operating Committee and memoranda to E. W. Ellis from John E. Crawford, USBM, and T. H. Kiilsgaard, USGS, members of the Uranium Commodity Committee.

A field examination is required with suitable covering reports after the usual consultation with the Grand Junction AEC office. If a project is recommended, bids should be requested from three private drill contractors and property ownership should be checked.

We will forward you the map mentioned in the Chairman's letter as having been requested from the applicant by the Washington office as soon as it is received.

W. M. Traver

Enclosures

W. M. Traver

WMT:pw

E. N. Harshman

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

E. N. Harshman
DMEA Field Team, Region III

Surname 700

F. L. Knouse
Ellis
Kilgoard
Gechan
Selfridge
Johnson

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

JUN 16 1955

Mr. Randall R. Morton
Ainslie Perrault and Toklan
Oil Corporation
1704 Philtower Building
Tulsa 3, Oklahoma

Re: Docket No. DMEA-3838 (Uranium)
Posey Claim Group
San Juan County, Utah

Dear Mr. Morton:

The application for assistance in exploring the subject property in San Juan 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 for a field examination 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.

It is noted that the map submitted with the application entitled "Plate 3 Map of the Posey Claims" shows the claims as Posey #1 through #24, and the recording data lists the claims as Posey Notch #1 through #4, Posey Point #1 through #10, and Posey "Y" #1 through #10. In order to process your application we will require four copies of a claim map showing the location of the claims and the names as they are recorded. To speed this processing, kindly forward one copy of this map to the Executive Officer, Denver, Colorado (address shown above), and three copies to this office.

Sincerely yours,

Frank E. Johnson

ACTING Administrator

FLKnouse:am
6-14-55
cc to: Admr. Reading File
Docket
Code 700
DMEA Field Team, Region III(2)

R.S.B.

Surname 700

F L Knouse
Elly
Selfridge
GHJohnson

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

JUN 16 1955

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

Re: Docket No. DMEA-3838 (Uranium)
Ainslie Perrault and Toklan
Oil Corporation
Posey Claim Group
San Juan County, Utah

Dear Mr. Traver:

The captioned application is referred to the Region III Field Team for a field examination and report on the proposed project. A copy of the application was retained by your office.

Enclosed are copies of memoranda from Mr. John E. Crawford, dated June 10, and Mr. T. H. Kiilsgaard, dated June 9, 1955, members of the Uranium Commodity Committee.

If the Field Team recommends either the program as submitted or an alternate one approved by the Applicant, please furnish us the necessary information to draft a contract.

You will note that the claim map submitted with the application lists the claims as Posey #1 through #24, whereas the recording data lists the claims as Posey Notch, Posey Point, and Posey "Y." We have requested the Applicant to furnish your office with a map which shows the claim names as they are recorded.

Sincerely yours,

George C. Selfridge
Chairman, Operating Committee (GHB)

Enclosures

APPROVED:

/s/ Robert W. Geehan (GHB)
Member, Bureau of Mines

Thor H. Kiilsgaard (GHB)
Member, Geological Survey

FLKnouse:am
6-14-55
cc to: Admr. 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. Knouse

R.S.S.

AINSLIE PERRAULT OIL PRODUCER
1704 PHILTOWER — PHONE 5-6600
TULSA 3, OKLAHOMA

File

JUNE 15, 1955

RECEIVED
JUN 16 1955

SUBJECT: DMEA 3838
RE: EXPLORATION ASSISTANCE
POSEY CANYON

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

ATTENTION: MR. KNOUSE

GENTLEMEN:

WE HAVE CORRECTED PLATE 3, OF OUR DMEA APPLICATION TO SHOW THE CLAIM NAMES AS RECORDED, ON THE TWENTY FOUR POSEY CANYON CLAIMS. ENCLOSED ARE THREE CORRECTED COPIES TO BE INSERTED IN OUR APPLICATION.

IF WE CAN DO ANYTHING FURTHER TO EXPEDITE THE PROCESSING OF OUR APPLICATION, PLEASE CALL US COLLECT.

VERY TRULY YOURS,
Ainslie Perrault
AINSLIE PERRAULT

AP:MC
ENCL. 3

6/13/55 gla

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

RECEIVED
JUN 13 1955

June 10, 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 3838, Ainslie Perrault and Toklan Oil Corporation, 1704 Philtower Building, Tulsa, Okla.

I have reviewed the attached application, Docket 3838, Ainslie Perrault and Toklan Oil Corporation, and have discussed it with Joseph O. Hosted, Washington representative of the Atomic Energy Commission.

We recommend that the application of the Ainslie Perrault and Toklan Oil Corporation be referred to the Field Team for study and an examination made of the property, if deemed appropriate. The Field Team should consult with Ernest R. Gordon, Atomic Energy Commission, Grand Junction, Colorado, for the benefit of any information he may have on the property and the area.

It should be noted that the mineralization mentioned briefly in the legend to Plate I of the application is not described in sufficient detail; and the results of rim-stripping conducted by the company also was not explained thoroughly in the application.

John E. Crawford

John E. Crawford

Attachment

6/10/55 gla

IN REPLY REFER TO:

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

RECEIVED
JUN 10 1955

June 9, 1955

Memorandum

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

From: T. H. Kiilsgaard, U. S. Geological Survey

Subject: Review of application, DMEA Docket 3838 (Uranium), Ainslie Perrault and Toklan Oil Corp., San Juan Co., Utah

The applicant controls a block of 24 claims in Posey Canyon, about 25 miles northwest of Blanding, Utah. The claims are reported to be owned by the applicant, although whether ownership is by right of location or by lease and option is not known. The application proposes exploration of the claims by a 3-stage drilling program aggregating 11,500 feet of drilling, total costs of which are estimated at $24,995.00.

At distances ranging from three quarters to one mile west of the applicant's property there are several productive uranium properties, all of them in the Shinarump member of the Chinle formation, and all are northeast-trending channels extending toward the applicant's property. In addition, there are other Shinarump channels, reported to be radioactive at outcrops to the west, which could also project into the applicant's property. The applicant's claims are staked largely on the upper part of the Chinle where there are no uranium outcrops, but from where he plans to explore for possible projected channels in the underlying Shinarump. Drill holes to reach the target area are estimated to be 200 to 250 feet in depth.

On the basis of existing information, the proposed work must be considered more as a prospecting venture than as exploration. The projection of channels at distances of a mile or more is at best precarious. Further, of the channels shown on Plate 1 of the application, only the northern 2 of the main group have been productive to the west and these could easily pass north of the applicant's property. On the more favorable side is the fact that the property can be explored with short holes and, of course, the possibility of underlying ore-bearing channels.

As the property has some merit, and as the proposed program appears to be a logical way of testing the target, I recommend the application be referred to the field for a field team examination. If field examiners recommend the property for a contract they should check on the ownership and also the variance of claim names shown on Plate 3 from those shown on Plate 1 and in the application.

T. H. Kiilsgaard

T. H. Kiilsgaard

IN REPLY REFER TO:

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

June 9, 1955

Memorandum

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

From: T. N. Killingsord, U. S. Geological Survey

Subject: Review of application, DMEA Docket 3838 (Uranium), Ainslie Perrault and Tahlan Oil Corp., San Juan Co., Utah

The applicant controls a block of 24 claims in Posey Canyon, about 25 miles northeast of Blanding, Utah. The claims are reported to be owned by the applicant, although whether ownership is by right of location or by lease and option is not known. The application proposes exploration of the claims by a 3-stage drilling program aggregating 11,500 feet of drilling, total costs of which are estimated at $24,995.00.

At distances ranging from three quarters to one mile west of the applicant's property there are several productive uranium properties, all of them in the Shinarump member of the Chinle formation, and all are northeast-trending channels extending toward the applicant's property. In addition, there are other Shinarump channels, reported to be radioactive at outcrops to the west, which could also project into the applicant's property. The applicant's claims are staked largely on the upper part of the Chinle where there are no uranium outcrops, but from where he plans to explore for possible projected channels in the underlying Shinarump. Drill holes to reach the target area are estimated to be 200 to 250 feet in depth.

On the basis of existing information, the proposed work must be considered more as a prospecting venture than as exploration. The projection of channels at distances of a mile or more is at best precarious. Further, of the channels shown on Plate 1 of the application, only the northern 2 of the main group have been productive to the west and these could easily pass north of the applicant's property. On the more favorable side is the fact that the property can be explored with short holes and, of course, the possibility of underlying ore-bearing channels.

As the property has some merit, and as the proposed program appears to be a logical way of testing the target, I recommend the application be referred to the field for a field team examination. If field examiners recommend the property for a contract they should check on the ownership and also the variation of claim names shown on Plate 3 from those shown on Plate 1 and in the application.

T. K. Gilsgaard

TKGilsgaard:hlm
G-6/9/55

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

June 1, 1955

Subject: DMEA-3838
Re: Exploration Assistance
Posey Canyon

Ainslie Perrault & Toklan Oil Corp.
1704 Philtower Bldg.,
Tulsa 3, Oklahoma

Gentlemen:

The receipt of your application dated May 20, 1955 for exploration assistance under the Defense Production Act of 1950, as amended, is hereby acknowledged.

Your application has been assigned Docket Number DMEA-3838 and referred to the Rare and Miscellaneous Metals Div.

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

Sincerely yours,

Robert E. Adams, Chief
Operations Control and
Statistics Division

June 1, 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-3838 Ainslie Perrault & Toklan Oil Corp.

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

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: Secretary to the Operating Committee

From: Executive Officer, DMEA Field Team, Region III

Subject: Application for DMEA assistance (Uranium), Ainslie Perrault & Toklan Oil Corp., (joint venture), Posey Canyon group of claims, San Juan County, Utah

Enclosed are the original and two copies of the subject application for Government assistance to explore the Posey Canyon group of claims for uranium at an estimated cost of $24,995.00.

One copy of the application has been retained in this office.

W. M. Traver

Enclosures

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

RECEIVED
MAY 31 1955

224 New Customhouse
Denver 2, Colorado

May 25, 1955

Memorandum

To: Secretary to the Operating Committee

From: Executive Officer, DMEA Field Team, Region III

Subject: Application for DMEA assistance (Uranium), Ainslie Perrault & Toklan Oil Corp., (joint venture), Posey Canyon group of claims, San Juan County, Utah

Enclosed are the original and two copies of the subject application for Government assistance to explore the Posey Canyon group of claims for uranium at an estimated cost of $24,995.00.

One copy of the application has been retained in this office.

W. M. TRAVER.

W. M. Traver

Enclosures

AINSLIE PERRAULT OIL PRODUCER
1704 PHILTOWER — PHONE 5-6600
TULSA 3, OKLAHOMA

MAY 20, 1955

MAY 23 1955

DEFENSE MINERALS EXPLORATION ADMINISTRATION
FIELD EXECUTIVE OFFICE
BUREAU OF MINES
224 NEW CUSTOMHOUSE BUILDING
DENVER 2, COLORADO

GENTLEMEN:

ENCLOSED IS OUR APPLICATION FOR DMEA ASSISTANCE TO SUPPORT OUR POSEY CANYON CLAIMS IN SAN JUAN COUNTY, UTAH.

PLEASE BE ADVISED THAT THESE CLAIMS HAVE BEEN SURVEYED AND THE LEGAL DESCRIPTIONS RECORDED IN THE COUNTY SEAT OF SAN JUAN COUNTY, UTAH. THE ROAD HAS BEEN BUILT AND IS BEING USED AT THE PRESENT TIME. DURING THE PAST WEEK, WE ATTEMPTED TO REACH OUR OBJECTIVE FORMATION BY THE USE OF A WAGON DRILL. HOWEVER, WE FOUND THAT THE EQUIPMENT WAS INADEQUATE AND OUR CONTRACTOR IS IN THE PROCESS OF OBTAINING A MAYHEW TYPE PORTABLE DRILLING RIG. AFTER HE HAS MADE THE PURCHASE OF THE NEW UNIT, WE WILL MOVE HIM BACK IN TO START OUR PHASE 1 EXPLORATORY DRILLING. ALL OF THIS WORK IS NOW BEING DONE AND WILL CONTINUE WITHOUT INTERRUPTION.

WE MENTION OUR PRESENT ACTIVITIES AS WE WANT YOU TO KNOW THAT WE ARE EARNEST IN OUR ATTEMPTS TO FIND URANIUM ORE AND THAT YOUR ASSISTANCE IS HIGHLY DESIRABLE AT THIS TIME. WE SHALL CERTAINLY APPRECIATE YOUR PROCESSING OUR APPLICATION AS QUICKLY AS POSSIBLE.

IF ANY ADDITIONAL INFORMATION IS DESIRED, PLEASE CALL S COLLECT AT OUR OFFICE 5-6609 OR RESIDENCE 7-7390. ALL INQUIRIES, BOTH TELEPHONE AND CORRESPONDENCE SHOULD BE REFERRED TO RANDALL R. MORTON, WHO IS IN CHARGE OF THIS VENTURE.

WOULD YOU PLEASE BE KIND ENOUGH TO ACKNOWLEDGE RECEIPT OF OUR APPLICATION.

SINCERELY,

Ainslie Perrault
AINSLIE PERRAULT

AP:MC
ENCL. 4

AINSLIE PERRAULT AND
TOKLAN OIL CORPORATION, A
JOINT VENTURE
AINSLIE PERRAULT, OPERATOR
1704 PHILTOWER
TULSA, OKLAHOMA

POSEY CANYON, DMEA BLOCK

MF-103
(Revised April 1952)

UNITED STATES DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

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

DMEA
Date Rec'd.
MAY 23 1955
BUREAU OF MINES
Denver, Colorado

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. 3838
Metal or Mineral Uranium
Date Received 5-31-55
Estimated Cost 24,995.00
Participation (Government %) 75

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: AINSLIE PERRAULT AND TOKLAN OIL CORPORATION, A JOINT VENTURE
AINSLIE PERRAULT, OPERATOR
1700 PHILTOWER BLDG.
TULSA 3, OKLAHOMA

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

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

(*d*) If a partnership, add to the above statement the names and addresses of all partners. AINSLIE PERRAULT, PHILTOWER, TULSA, OKLA., TOKLAN OIL CORPORATION, KENNEDY BLDG., TULSA, OKLA.

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 ATTACHED.

(*b*) State any mine name by which the property is known. NONE.

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

(*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.

(*e*) If you own the land, describe any liens or encumbrances on it NONE

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

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

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

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

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

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

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

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

(*c*) The work will start within 10 days and be completed within 3 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 ATTACHED.

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

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

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

(*c*) *Operating materials and supplies.*—Furnish an itemized list, including items of equipment costing less than $50 each, and power, water and fuel. NONE, ALL CONTRACTED.

(*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, TO BE CONTRACTED.

(*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.

(*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 ATTACHED.

(*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. NONE PROVIDED FOR.

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

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

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

Explain in detail on acompanying paper. SEE BALANCE SHEETS OF PARTNERS IN JOINT VENTURE.

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 20, 195[illegible]

AINSLIE PERRAULT AND TOKLAN OIL CORPORATION, A JOINT VENTURE
(Applicant)

By Ainslie Perrault

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

AINSLIE PERRAULT AND
TOKLAN OIL CORPORATION,
A JOINT VENTURE
AINSLIE PERRAULT, OPERATOR
1704 PHILTOWER BUILDING
TULSA, OKLAHOMA

POSEY CANYON, DMEA BLOCK.

3 (A) THIS BLOCK OF CLAIMS IS LOCATED IN SECTIONS 1 AND 2, TOWNSHIP 35 SOUTH, RANGE 20 EAST, AND SECTIONS 35 AND 36, TOWNSHIP 34 SOUTH, RANGE 20 EAST, (UNSURVEYED) SAN JUAN COUNTY, UTAH. THERE IS A TOTAL OF 24 CLAIMS, KNOWN AS: POSEY NOTCH, NUMBERS 1 TO 4; POSEY POINT, NUMBERS 1 TO 10; AND POSEY "Y", NUMBERS 1 TO 10. THE TOTAL CLAIMS OCCUPY THE W½ SEC. 1-35S-20E; E½ SEC. 2-35S-20E; SE¼ SEC. 35-34S-20E (UNSURVEYED); AND THE W½ SW¼ SEC. 36-34S-20E (UNSURVEYED), ALL IN SAN JUAN COUNTY, UTAH. THE SOUTH CENTRAL POINT OF THE GROUP IS 5,716 FT. N-9°29'-W FROM THE CORNER OF SECTIONS 11, 12, 13, 14, TOWNSHIP 35 SOUTH, RANGE 20 EAST. THENCE N-2°14'-W. FOR 1,800 FT.; THENCE N- 5°52'-E, FOR 4,200 FT.; THENCE N-15°12'-W, FOR 1200 FT. THE EAST AND WEST BOUNDARIES ARE 1,500 FT. EAST AND WEST RESPECTIVELY, FROM THIS CENTER LINE AND PARALLEL THERETO.

3 (F)

CLAIM NAME	DATE LOCATED	RECORDED BOOK	RECORDED PAGE
POSEY NOTCH #1	JULY 9, 1954	135	100
POSEY NOTCH #2	JULY 9, 1954	135	100
POSEY NOTCH #3	JULY 9, 1954	135	101
POSEY NOTCH #4	JULY 9, 1954	135	101
POSEY POINT #1	JULY 9, 1954	135	102
POSEY POINT #2	JULY 9, 1954	135	102
POSEY POINT #3	JULY 9, 1954	135	103
POSEY POINT #4	JULY 9, 1954	135	103
POSEY POINT #5	JULY 9, 1954	135	104
POSEY POINT #6	JULY 9, 1954	135	104
POSEY POINT #7	JULY 9, 1954	135	105
POSEY POINT #8	JULY 9, 1954	135	106
POSEY POINT #9	JULY 9, 1954	135	106
POSEY POINT #10	JULY 9, 1954	135	107
POSEY "Y" #1	JULY 9, 1954	135	107
POSEY "Y" #2	JULY 9, 1954	135	108
POSEY "Y" #3	JULY 9, 1954	135	108
POSEY "Y" #4	JULY 9, 1954	135	109
POSEY "Y" #5	JULY 9, 1954	135	109
POSEY "Y" #6	JULY 9, 1954	135	110
POSEY "Y" #7	JULY 9, 1954	135	110
POSEY "Y" #8	JULY 9, 1954	135	111
POSEY "Y" #9	JULY 9, 1954	135	111
POSEY "Y" #10	JULY 9, 1954	135	112

4 (A) NO MINING OPERATIONS HAVE EVER BEEN CONDUCTED ON THE LANDS INCLUDED IN THIS APPLICATION. HOWEVER, THE FOLLOWING OPERATIONS ON ADJOINING, OR NEAR ADJACENT PROPERTIES ARE SIGNIFICANT IN EVALUATING THE APPLICATION.

AINSLIE PERRAULT AND
TOKLAN OIL CORPORATION,
A JOINT VENTURE
AINSLIE PERRAULT, OPERATOR
1704 PHILTOWER BUILDING
TULSA, OKLAHOMA

POSEY CANYON, DNEA BLOCK

4 (A) CONTINUED.

RANSOM BROTHERS MINING COMPANY'S KING EDWARD MINE AND AVALANCHE #4 MINE LIE APPROXIMATELY ONE MILE (1 MI.) AND THREE-QUARTERS OF A MILE (3/4 MI.) RESPECTIVELY, WEST OF THE GROUP, AT A POINT APPROXIMATELY ONE-THIRD (1/3) OF THE DISTANCE SOUTH FROM THE NORTHERN EXTRIMITY OF THE GROUP. THESE TWO MINES LINE UP WITH CHANNEL #6, PLATE 1, APPROXIMATELY 3,000 FT. SOUTHWEST OF THE KING EDWARD MINE, (B, PLATE 1). ADDITIONAL CHANNELS BEARING URANIUM MINERALIZATION HAVE BEEN RIM-STRIPPED IN THE NEAR PROXIMITY OF THESE MINES, AND ARE DESIGNATED NUMBERS 2 AND 3, PLATE 1. 200 TO 300 TONS OF ORE HAVE BEEN PRODUCED FROM THE KING EDWARD MINE, (B, PLATE 1), AND ABOUT 15 TO 20 TONS OF ORE HAVE BEEN PRODUCED FROM THE AVALANCHE #4 MINE, (A, PLATE 1). OPERATIONS WERE INTERRUPTED DURING THE WINTER MONTHS AND HAVE NOT BEEN RESUMED DUR TO THE RIM-STRIPPING ACTIVITIES TO REVEAL ADDITIONAL CHANNELS IN THEIR GROUP. AT LEAST ONE ADDITIONAL MINERALIZED CHANNEL, (#1, PLATE 1), HAS RESULTED FROM THIS RIM STRIPPING. THE KING EDWARD MINE AND THE AVALANCHE #4 MINE CONSIST OF TWO SEPARATE DRIFTS AND ARE READILY ACCESSIBLE BY AUTOMOBILE.

SIX ADDITIONAL CHANNELS IN THE SHINARUMP CONGLOMERATE FORMATION OUTCROPPING APPROXIMATELY 3,000 TO 4,000 FT. W-30° TO 35°-S FROM THE KING EDWARD AND AVALANCHE #4 SITES, HAVE BEEN OBSERVED. THESE ARE DESIGNATED AS NUMBERS 5, 6, 7, 8, 9, AND 10, PLATE 1.

THE SHINARUMP FORMATION HAS AN AVERAGE THICKNESS OF FROM 15 TO 20 FEET IN THIS VICINITY. WHEREVER CHANNELS HAVE DEVELOPED IN THE FORMATION IN THIS VICINITY, TOTAL THICKNESS AVERAGES AROUND 30 FEET AND SOMETIMES REACHING 35 FEET.

(B) NONE.

(C) PLATE 1 SHOWS THE LOCATION OF THE PROPOSED PROJECT IN RELATION TO THE GEOLOGY OF THE SURROUNDING AREA, AND TO THE NEARBY SIGNIFICANT KNOWN ORE DEPOSITS AND MINERALIZED RIM SHOWINGS.

PLATE 2 SHOWS THE SCHEMATIC STRATIGRAPHY OF THE PROPOSED PROJECT AND THE NEARBY MINERAL PRODUCING OPERATIONS.

AS IS APPARENT, THE PROJECT LIES ADJACENT TO A SIGNIFICANT ORE PRODUCING DEPOSIT. THE PROJECT LIES NEAR A TROUGH IN THE AFFECTED ZONE OF THE COMB MONOCLINE. A FAULT, BEARING APPROXIMATELY E-30° TO 35°-N, IS INDICATED WITHIN TWO MILES

AINSLIE PERRAULT AND
TOKLAN OIL CORPORATION,
A JOINT VENTURE
AINSLIE PERRAULT, OPERATOR
1704 PHILTOWER BUILDING
TULSA, OKLAHOMA

POSEY CANYON, DMEA BLOCK

4 (c) CONTINUED.

OF THE PROJECT AND TENDS INTO THE PROJECT GROUP. SEVERAL ADDITIONAL MINOR FAULTS ARE INDICATED ALSO TO THE NEAR SOUTHWEST AND WITH A SIMILAR BEARING. A"SPOKE" WESTWARD FROM MT. LINNAEUS HAS PRODUCED AN UPLIFT AND PROBABLE "PINCH-OUT" NORTHWARD.

EXPLORATION, IN ADJACENT EXPOSURES AND MINE WORKINGS, HAS SHOWN THAT THE ORE OCCURS IN MEDIUM TO COARSE GRAINED SANDSTONE AND CONGLOMERATE, CONTAINING AN ABUNDANCE OF COPPER, CARBONACEOUS MATERIAL, AND SOME PYRITES. MINERALIZED PORTIONS OF THESE SANDSTONES AND CONGLOMERATES ARE UNDERLAIN AND OVERLAIN BY SHALES AND/OR FINE GRAINED MUDSTONES.

MINERALIZED LENTICULAR SANDSTONES OF THE SHINARUMP FORMATION CROP OUT AT THE AVALANCHE NUMBERS 2 AND 4, THE KING JAMES AND THE KING EDWARD MINES, (D, A, C, B RESPECTIVELY PLATE 1), AND THE RIM-STRIPPED MINERALIZED CHANNELS DESIGNATED BY NUMBERS 1, 2, 3 AND 4 ON PLATE 1. ELONGATE, LENTICULARITY OF BEDDING IS ALSO APPARENT AT THE CHANNELS SOUTHWEST OF THE WORKINGS, (NUMBERS 5, 6, 7, 8, 9 AND 10, PLATE 1). THE CHANNELS AT THE MINES AND AT THE STRIPPINGS WILL VARY FROM 100 FEET IN WIDTH TO 300 FEET AND FORMATION THICKNESS AT THE CHANNELS WILL APPROACH 35 FEET IN THICKNESS, FROM AN AVERAGE FORMATION THICKNESS OF APPROXIMATELY 18 FEET. CHANNEL WIDTHS AT THE OUTCROPS TO THE SOUTHWEST OF THE PRESENT WORKINGS SHOW AN INDICATED WIDTH OF FROM 100 FEET TO 200 FEET AND AN ESTIMATIVE DEPTH OF APPROXIMATELY 25 FEET. IT IS PROBABLE THAT IF THESE WERE PROPERLY EXPOSED BY RIM STRIPPING, THEY WOULD EQUAL THE EXPOSURES IN MAGNITUDE, BEING PRESENTLY WORKED.

THE TREND OF THESE CHANNELS, AND THE KING EDWARD AND THE AVALANCHE #4 MINES, INDICATES THAT A CONTINUATION OF THE FAVORABLE HOST ROCK SANDSTONE AND CONGLOMERATE IS IN A NORTHEASTERLY DIRECTION. THE PURPOSE OF THE PROPOSED PROJECT IS TO TEST THIS BY DRILLING THE PROJECT IN A NORTH-SOUTH DIRECTION, OBLIQUELY ACROSS THESE TRENDS, IN EXPECTATION OF ENCOUNTERING AT LEAST TWO AND PROBABLY THREE OF THE CHANNELS APPARENT AT THE ABOVE MENTIONED OUTCROPS.

(D) THE PROJECT AREA IS READILY ACCESSIBLE BY ROADS AND IS APPROXIMATELY 25 MILES BY ROAD WEST AND NORTH OF BLANDING, UTAH, ON OLD UTAH STATE HIGHWAY NO. 95. OTHER DISTANCES TO SHIPPING

AINSLIE PERRAULT AND
TOKLAN OIL CORPORATION,
A JOINT VENTURE
AINSLIE PERRAULT, OPERATOR
1704 PHILTOWER BUILDING
TULSA, OKLAHOMA

POSEY CANYON, DMEA BLOCK

4 (D) CONTINUED.

AND SUPPLY AND RESIDENCE POINTS ARE: MONTICELLO, UTAH, 47 MILES; MOAB, UTAH, 105 MILES; DOVE CREEK, COLORADO, 72 MILES; AND CORTEZ, COLORADO, 110 MILES.

(E) THE PROJECT AREA IS WELL WITHIN THE MAIN URANIUM PRODUCING AREA OF SAN JUAN COUNTY, UTAH, AND MANPOWER, SUPPLIES AND EQUIPMENT ARE READILY AVAILABLE FROM BLANDING AND MONTICELLO, UTAH, DOVE CREEK AND CORTEZ, COLORADO. WATER IS LOCALLY AVAILABLE IN SUFFICIENT SUPPLY TO ACCOMPLISH THE OBJECTIVE AND IS WITHIN THE CONTRACTED PORTION OF THE PROJECT.

POWER, AT PRESENT, IS NOT A NECESSITY AND SHOULD IT BECOME SO, IS READILY AVAILABLE FROM ANY ONE OF VARIOUS TYPES OF PORTABLE UNITS.

5 (A) URANIUM.

(B) PLATES 1 AND 2 SHOW A PLAN VIEW AND A CROSS SECTION OF THE PROPERTY AND THE ADJACENT URANIUM PRODUCING PROPERTIES. PLATE 3 IS A SURVEY PLAT OF THE PROJECT CLAIMS, AND SHOWS THE PROPOSED LOCATIONS OF THE PHASE 1 DRILL HOLES.

PHASE 1 DRILLING, BEGINNING AT THE NORTHERN LIMITS OF THE PROJECT GROUP, WILL PROCEED SOUTHWARD WITH DRILL HOLES SPACED ON 300 FT. CENTERS. WHEN THE DRILLING DATA AND SAMPLES INDICATE A CHANNEL IS ENCOUNTERED, THEN IT IS PLANNED TO SKIP OVER APPROXIMATELY 900 FEET AND COMMENCE AGAIN ON THE 300 FT. SPACING UNTIL ANOTHER CHANNEL IS ENCOUNTERED. THIS PROGRAM WILL PROCEED DOWN THE LENGTH OF THE PROJECT GROUP TO ITS SOUTHERN LIMITS.

THE FACTOR INFLUENCING THE ABOVE PATTERN FOR PHASE 1 DRILLING IS DERIVED FROM THE FREQUENCY AND INTERVAL OF CHANNEL OCCURRENCE AS REVEALED IN THE RIMSTRIPPING OPERATIONS IN COTTONWOOD CANYON, 4,000 FEET WESTWARD, AND THE CHANNELS EXPOSED IN THE SHINARUMP OUTCROP ANOTHER 3,000 FEET SOUTHWESTWARD, NUMBERS 5, 6, 7, 8, 9 AND 10, PLATE 1. LINING UP THE CHANNELS AT THE ABOVE NUMBERED LOCATIONS WITH THE EXISTING MINES AND THE CHANNELS REVEALED BY THE RIM-STRIPPING OPERATIONS, (NUMBERS 2, 3 AND 4, PLATE 1), THE CHANNEL TRENDS CAN BE REASONABLY PROJECTED INTO THE AREA OF THE PROJECT GROUP.

AINSLIE PERRAULT AND
TOKLAN OIL CORPORATION,
A JOINT VENTURE
AINSLIE PERRAULT, OPERATOR
1704 PHILTOWER BUILDING
TULSA, OKLAHOMA

POSEY CANYON, DMEA BLOCK

5 (B) CONTINUED.

PHASE 1 DRILL HOLES WILL, IN ALL PROBABILITY, REQUIRE 16 TO 18 HOLES, AT THE ABOVE SPACED CENTERS AND GROUP INTERVALS, TO LOCATE THE TWO OR THREE CHANNELS ANTICIPATED.

PHASE 2 DRILLING, AND ITS LOCATIONS, WILL BE DETERMINED BY PHASE 1 DRILLING. THE PHASE 2 DRILL HOLES WILL BE SPACED ON 50 FT. CENTERS FOR CHANNEL WIDTH AND MAGNITUDE DETERMINATION, WITH CONTROL CENTERING ON THE KEY PHASE 1 DRILL HOLE. APPROXIMATELY 16 DRILL HOLES SHOULD SUFFICE FOR THIS PHASE OF THE DRILLING.

PHASE 3 DRILLING WILL BE DETERMINED BY PHASE 2 AND PHASE 1 DRILLING. THIS PHASE WILL LOCATE THE DRILL HOLES OUTWARD FROM THE LINE OF PHASE 1 AND PHASE 2 DRILL HOLES, BY WAY OF DELINEATING THE CHANNELS ENCOUNTERED BY THE PREVIOUS DRILLING. CORES WILL BE EXTRACTED FROM THESE HOLES.

IT IS PLANNED TO PROBE EACH DRILL HOLE WITH A GAMMA RAY SENSITIVE INSTRUMENT. A NUCLEAR-CHICAGO, MODEL 2610-A INSTRUMENT IS THE TYPE PRESENTLY IN USE.

THE CONTEMPLATED FOOTAGE FOR EACH OF THE THREE PHASES IS AS FOLLOWS:

PHASE 1	4,500 FEET
PHASE 2	4,000 FEET
PHASE 3	3,000 FEET
CORING	250 FEET

(D) APPLICANT, AINSLIE PERRAULT, OPERATOR OF THE PROPOSED PROJECT, IN THE EARLY 1940'S WAS ACTIVELY ENGAGED IN THE OPERATION OF A LEAD AND ZINC MINE IN THE TRI STATE AREA (MISSOURI, KANSAS AND OKLAHOMA). AS OPERATOR OF THIS MINE, HE WAS ACTIVE IN THE OPENING OF THE MINE, SUPERVISING THE UNDERGROUND WORK AND OVERSEEING THE CONSTRUCTION OF A MODERN MILL. HE ALSO HANDLED THE SALE OF THE CONCENTRATE FROM SUCH OPERATION.

AT THE PRESENT TIME, HE IS ACTIVE IN THE DRILLING AND PRODUCTION OF OIL AND GAS AND IS THE OPERATOR OF A NUMBER OF PRODUCING LEASES IN OKLAHOMA.

WITH HIS EXPERIENCE IN MINING LEAD AND ZINC AND EXPLORATION FOR OIL AND GAS, MR. PERRAULT IS WELL QUALIFIED TO CARRY OUT EXPLORATION PROJECT UNDER CONSIDERATION.

AINSLIE PERRAULT AND
TOKLAN OIL CORPORATION,
A JOINT VENTURE
AINSLIE PERRAULT, OPERATOR
1704 PHILTOWER BUILDING
TULSA, OKLAHOMA

POSEY CANYON, DMEA BLOCK

5 (D) CONTINUED.

AS FIELD SUPERVISOR OF THE PROPOSED PROJECT, MR. PERRAULT HAS EMPLOYED OTTO S. KRAMER, WHO RESIDES AT CORTEZ, COLORADO. MR. KRAMER HAS SUCH EDUCATIONAL QUALIFICATIONS AND PRACTICAL EXPERIENCE AS WOULD QUALIFY HIM TO SUPERVISE THE FIELD OPERATIONS. HE STUDIED ENGINEERING FOR THREE YEARS, ONE YEAR AT THE TULSA UNIVERSITY AND TWO YEARS AT THE UNIVERSITY OF OKLAHOMA. HE HAS HAD TEN YEARS OF OPERATING EXPERIENCE IN THE FIELD OF PETROLEUM AND HE HAS HAD EIGHT YEARS OF GEOPHYSICAL FIELD PARTY EXPERIENCE IN THE UNITED STATES AND IN COLOMBIA, SOUTH AMERICA.

SINCE JUNE 6, 1954, MR. KRAMER HAS BEEN EMPLOYED BY THE APPLICANT, AS FIELD SUPERVISOR, PROSPECTING FOR URANIUM IN THE COLORADO PLATEAU, AND HE IS COMPLETELY FAMILIAR WITH THE CLAIMS WHICH ARE THE SUBJECT OF THE PROPOSED PROJECT.

AINSLIE PERRAULT AND
TOKLAN OIL CORPORATION,
A JOINT VENTURE
AINSLIE PERRAULT, OPERATOR
1704 PHILTOWER BUILDING
TULSA, OKLAHOMA

POSEY CANYON, DMEA BLOCK.

6 (A) ALL DRILLING AND BULLDOZING FOR DRILL SITES WILL BE ACCOMPLISHED ON A CONTRACT BASIS. THE FOLLOWING IS A DETAILED ESTIMATE OF THE COSTS OF THE PROPOSED WORK ON A FOOTAGE AND COST BASIS.

PHASE 1 DRILLING:

18 DRILL HOLES - MAXIMUM AVERAGE DEPTH, 250 FT. 4,500 FT. @ 1.75/FT	$ 7,875.00
DOWN TIME FOR HOLE PROBING 9 HOURS @ 10.00/HR	90.00

PHASE 2 DRILLING:

16 DRILL HOLES, MAXIMUM AVERAGE DEPTH, 250 FT. 4,000 FT. @ 1.75/FT	7,000.00
DOWN TIME FOR HOLE PROBING 8 HOURS @ 10.00/HR	80.00

PHASE 3 DRILLING:

12 DRILL HOLES, MAXIMUM AVERAGE DEPTH, 250 FT. 3,000 FT. @ 1.75/FT	5,250.00
CORING, 20 FEET PER HOLE: 250 FT. @ 3.50/FT	875.00
BULLDOZING PHASE 3 DRILL SITES	500.00
	$ 21,670.00

(B) LABOR, SUPERVISION AND CONSULTANTS:

DIRECT LABOR, ALL CONTRACTED.	
SUPERVISION, THREE MONTHS AT $550.00/MONTH	1,650.00
ENGINEERING, CONTRACTED	350.00
GEOLOGICAL CONSULTANT, PART TIME	1,000.00
	$ 3,000.00

(C) NONE, ALL CONTRACTED.

(D) NONE, TO BE CONTRACTED

(E) NONE

AINSLIE PERRAULT AND
TOKLAN OIL CORPORATION,
A JOINT VENTURE
AINSLIE PERRAULT, OPERATOR
1704 PHILTOWER BUILDING
TULSA 3, OKLAHOMA

POSEY CANYON, DMEA BLOCK

6. (F) NONE

(G) MISCELLANEOUS

SUPERVISOR'S SUPPLIES, GAS, OIL ET CETERA	$225.00
LABORATORY, ANALYTICAL WORK	100.00
WORKMEN'S COMPENSATION AND EMPLOYER'S LIABILITY INSURANCE, PAYROLL TAXES AND ACCOUNTING -- (NONE PROVIDED FOR)	
	$325.00

(H) CONTINGENCIES (NONE PROVIDED FOR)

7. (A) YES.

(B) MONEY -- SEE BALANCE SHEETS OF JOINT VENTURE PARTNERS ATTACHED.

AINSLIE PERRAULT
1704 PHILTOWER
TULSA 3, OKLAHOMA

BALANCE SHEET AS OF APRIL 30, 1955

ASSETS

CASH IN BANKS		$ 102,761.20
NOTES RECEIVABLE:		
ALLIED PAINT MFG. COMPANY	$304,512.70	
BESSIE HARRINGTON	44,035.37	
R. E. STANFORD	4,000.00	
LAKEWOOD BROADCASTING CO.	1,040.60	353,588.67
ACCOUNTS RECEIVABLE - TRADE	$ 8,040.75	
- OTHER	22,369.73	30,410.48
		$ 486,760.35
INVESTMENTS		
ALLIED PAINT MFG. COMPANY		405,698.98
THE FIBERCAST CORPORATION		33,209.72
URANIUM JOINT VENTURE		7,765.95
PATTERSON LAY - TRUSTEE		430.70
PERRAULT BROTHERS, INC. (IN LIQUIDATION)		106,817.62
UNDEVELOPED LEASEHOLDS		18,448.80
DEVELOPED LEASEHOLDS		18,350.44
LEASE EQUIPMENT		66,695.33
AUTOMOBILES AND TRUCKS		7,217.00
FURNITURE AND FIXTURES		2,375.98
PREPAID INSURANCE		354.48
DEPOSITS		150.00
TOTAL		$1,154,275.35

LIABILITIES

NOTES PAYABLE		$ 7,650.00
ACCRUED PAYROLL TAXES		64.30
RESERVE FOR DEPRECIATION		
AUTOMOBILES AND TRUCKS	$ 537.50	
FURNITURE AND FIXTURES	351.30	
LEASE EQUIPMENT	8,488.88	9,377.68
RESERVE FOR DEPLETION		561.99
AINSLIE PERRAULT - NET WORTH		1,136,621.38
TOTAL		$1,154,275.35

VALUE OF HOME, GOVERNMENT BONDS AND PERSONAL EFFECTS NOT INCLUDED IN ABOVE.

Minerals Administration
MAY 31 1955

TOKLAN OIL CORPORATION

formerly

TOKLAN ROYALTY CORPORATION

BALANCE SHEET AND INCOME STATEMENT
For Three Months
Ended January 31, 1955

TOKLAN OIL CORPORATION

formerly

TOKLAN ROYALTY CORPORATION

Statement of Financial Condition as at January 31, 1955

ASSETS

CURRENT ASSETS			
Cash on hand and in banks		$ 104,329.09	
United States obligations (market value — $650,854)		650,937.50	
Accounts receivable		168,790.95	
Materials and supplies		183,305.33	
TOTAL CURRENT ASSETS			$1,107,362.87
FIXED ASSETS			
Producing leaseholds, development costs and equipment	$2,820,101.72		
Less: Reserves for depletion and depreciation	1,281,320.67	1,538,781.05	
Producing royalties	805,282.47		
Less: Reserve for depletion	489,814.52	315,467.95	
Other depreciable assets (net)		16,022.24	
Undeveloped leaseholds		293,232.28	
Non-producing royalties		430,877.09	
Work in progress		30,669.21	2,625,049.82
DEPOSITS AND CASH SURRENDER VALUE OF LIFE INSURANCE			17,913.10
DEFERRED CHARGES AND OTHER ASSETS			
Financing expense deferred		65,272.71	
Other		8,080.73	73,353.44
TOTAL			$3,823,679.23

LIABILITIES

CURRENT LIABILITIES		
Accounts payable	$ 135,162.57	
Accrued interest	5,279.17	
Taxes payable	8,120.34	
Deposits— stock option	5,567.57	
TOTAL		$ 154,129.65
LONG TERM INDEBTEDNESS		
Five per cent sinking fund debentures due 1956 to 1962	1,267,000.00	
Less: Debentures held for redemption	30,000.00	1,237,000.00
DEFERRED INCOME		48,740.99
CAPITAL AND SURPLUS		
Common capital stock:		
Authorized (par value 70¢) — 2,000,000 shares		
Reserved — 157,750 shares		
Issued and outstanding — 865,208 shares	605,645.60	
Surplus:		
Capital	304,235.47	
Earned ($861,842 restricted as to dividends)	1,473,927.52	2,383,808.59
TOTAL		$3,823,679.23

(Subject to year end audit by indep

TOKLAN OIL CORPORATION

formerly

TOKLAN ROYALTY CORPORATION

Lease Minerals Administration
MAY 31 1955

STATEMENT OF INCOME

For Three Months Ended January 31, 1955

INCOME		
Oil and gas sales — leaseholds	$ 234,464.87	
Oil and gas sales — royalties	82,204.47	$ 316,669.34
Lease rentals and bonuses		2,141.66
Interest		1,953.43
Other		13,768.02
		334,532.45
OPERATING AND GENERAL EXPENSE		
Leasehold production expense	56,358.82	
General and administrative expense	49,107.80	
Taxes — other than on income	9,247.11	
Leasehold rentals	1,801.91	116,515.64
		218,016.81
OTHER DEDUCTIONS FROM INCOME		
Interest and financing expense	19,001.87	
Depletion and depreciation	96,804.61	
Retirements, expirations and abandonments	34,776.26	150,582.74
		67,434.07
PROVISION FOR TAXES ON INCOME		None
NET INCOME		$ 67,434.07

STATEMENT OF SURPLUS

November 1, 1954 to January 31, 1955

	Earned Surplus	*Capital Surplus*
BALANCE — November 1, 1954	$1,440,981.44	$ 304,235.47
ADDITIONS		
Net income for period	67,434.07	
	1,508,415.51	304,235.47
DEDUCTIONS		
Dividends paid	34,487.99	
BALANCE, JANUARY 31, 1955	$1,473,927.52	$ 304,235.47

endent certified public accountants.)

GENERAL OFFICES

633 - 46 Kennedy Building

Tulsa, Oklahoma

DIRECTORS

E. F. ALLEN
Executive Vice President, The First National Bank and Trust Company, Tulsa, Oklahoma

F. E. BERNSEN
President, Lucey Products Corporation, Tulsa, Oklahoma

CURTIS F. BRYAN
Tulsa, Oklahoma

VAUGHN S. BRYAN
Tulsa, Oklahoma

E. FRED JOHNSON
President, The Fourth National Bank, Tulsa, Oklahoma

J. R. MANN
Tulsa, Oklahoma

HERBERT W. MARACHE
Granbery, Marache & Company, New York City

R. B. McDERMOTT
Williams, Boesche & McDermott, Attorneys, Tulsa, Oklahoma

P. L. SISK
President, The Frates Company, Tulsa, Oklahoma

OFFICERS

CURTIS F. BRYAN
President

VAUGHN S. BRYAN
Vice President

J. R. MANN
Secretary and Treasurer

TRANSFER AGENT AND REGISTRAR

THE CORPORATION TRUST COMPANY
15 Exchange Place, Jersey City, New Jersey

AUDITORS

WARNER and GODFREY
First National Building, Tulsa, Oklahoma

AINSLIE PERRAULT AND
TOKLAN OIL CORPORATION,
A JOINT VENTURE
AINSLIE PERRAULT, OPERATOR
1704 PHILTOWER BUILDING
TULSA 3, OKLAHOMA

POSEY CANYON

SCALE - 1-24000

SAN JUAN CO.
UTAH

PLATE - 1

AINSLIE PERRAULT AND
TOKLAN OIL CORPORATION,
A JOINT VENTURE
AINSLIE PERRAULT, OPERATOR
1704 PHILTOWER BUILDING
TULSA 3, OKLAHOMA

POSEY CANYON, DMEA BLOCK

COPY

Legend for Plate 1.

Jurassic	Kayenta Formation	Jk
	Wingate Formation	Trw
	Chinle, Upper	Trcu
	Chinle, Commission Sand	Trcs
Triassic	Chinle, Lower, Monitor Butte	Trcl
	Shinarump Conglomerate	Trs
	Moencopi Formation	Trm
Permian	Organ Rock Tongue	Por

* * * * *

Code:

A	Ransom Bros. Mining Co.	Avalanche #4 Mine
B	" "	King Edward Mine
C	" "	King James Mine
D	" "	Avalanche #2 Mine

* * * * *

No's. 1, 2, 3, 4, 5, 6, 7, 8, 9, & 10 :-

These are points along the Shinarump-Moencopi contact that show a channel development in the Shinarump Conglomerate. Some of these points have been rim-stripped, revealing the channel, and the others, (on the west, or left, side of the plat), are apparent at the outcropping. About half of the points of apparent channel development indicate mineralization as observable with the Geiger counter.

AINSLIE PERRAULT AND TOKLAN OIL CORPORATION,
A JOINT VENTURE
AINSLIE PERRAULT, OPERATOR
1704 PHILTOWER BUILDING
TULSA 3, OKLAHOMA

POSEY CANYON, DMEA BLOCK

SCHEMATIC STRATIGRAPHY
COTTONWOOD & POSEY
CANYONS
SAN JUAN CO. UTAH

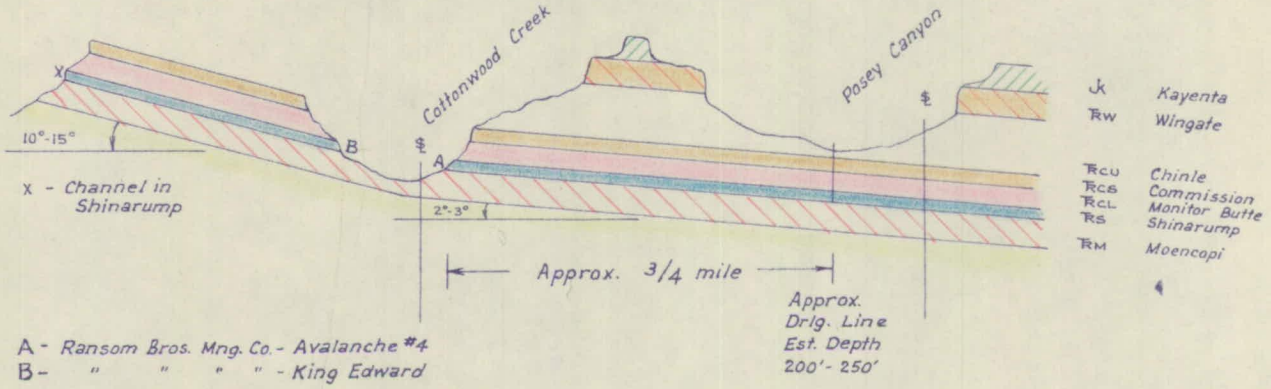


PLATE - 2

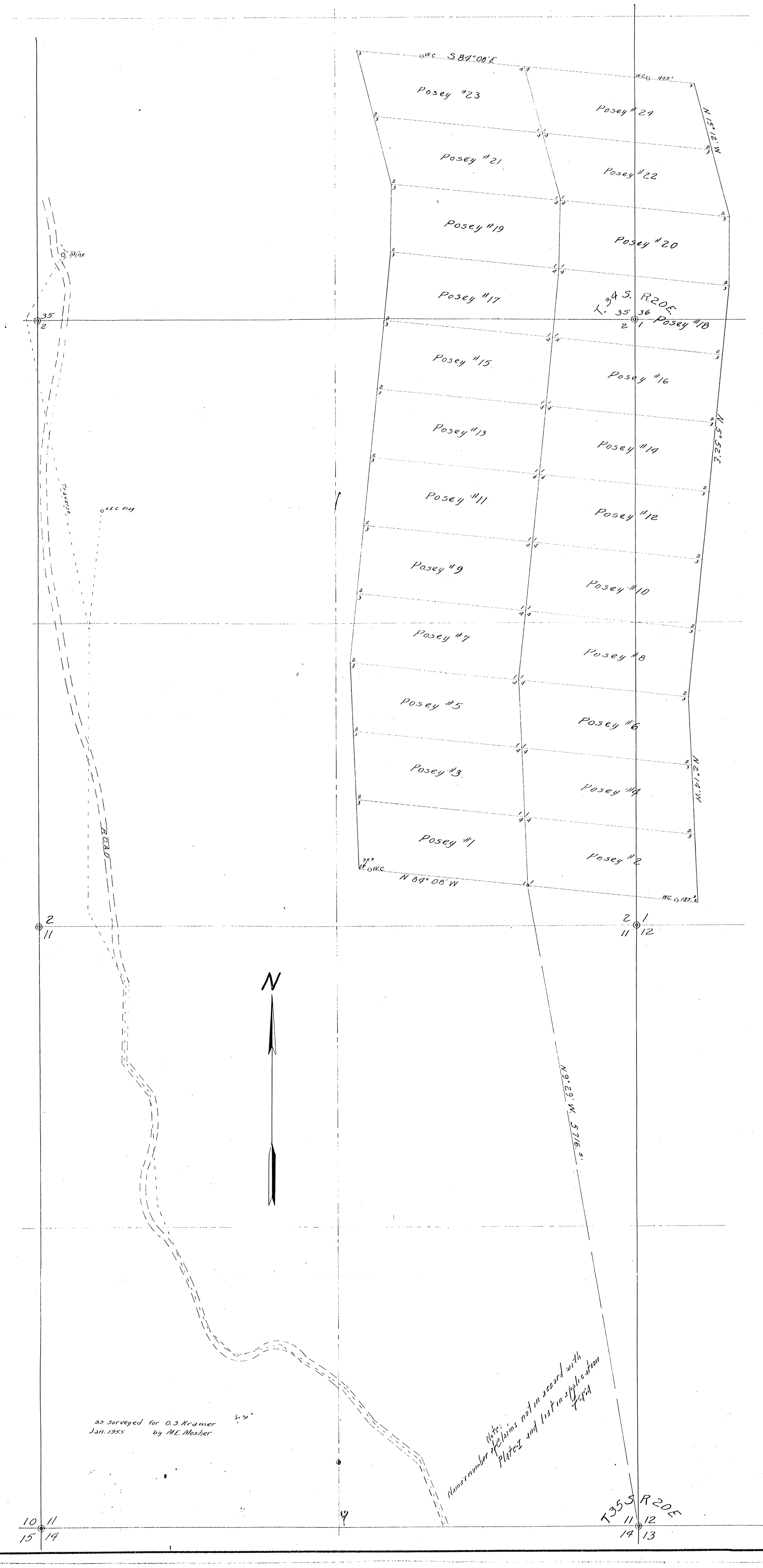
AINSLIE PERRAULT AND
TOKLAN OIL CORPORATION,
A JOINT VENTURE
AINSLIE PERRAULT, OPERATOR
1704 PHILTOWER BUILDING
TULSA 3, OKLAHOMA

POSEY CANYON, DMEA BLOCK

MR. LAWRENCE HOUK
NONMETALLIC MINERALS DIVISION
DEPARTMENT OF INTERIOR, D.M.E.A.
WASHINGTON 25, D.C.

MAP
of the
POSEY CLAIMS

Located in Sec. 1 & 2 of T. 35 S., R. 20E. & Sec. 35 & 36 of T. 34 S., R. 20E.
Cottonwood Creek Mining District
San Juan County, Utah
Scale 1" = 400'

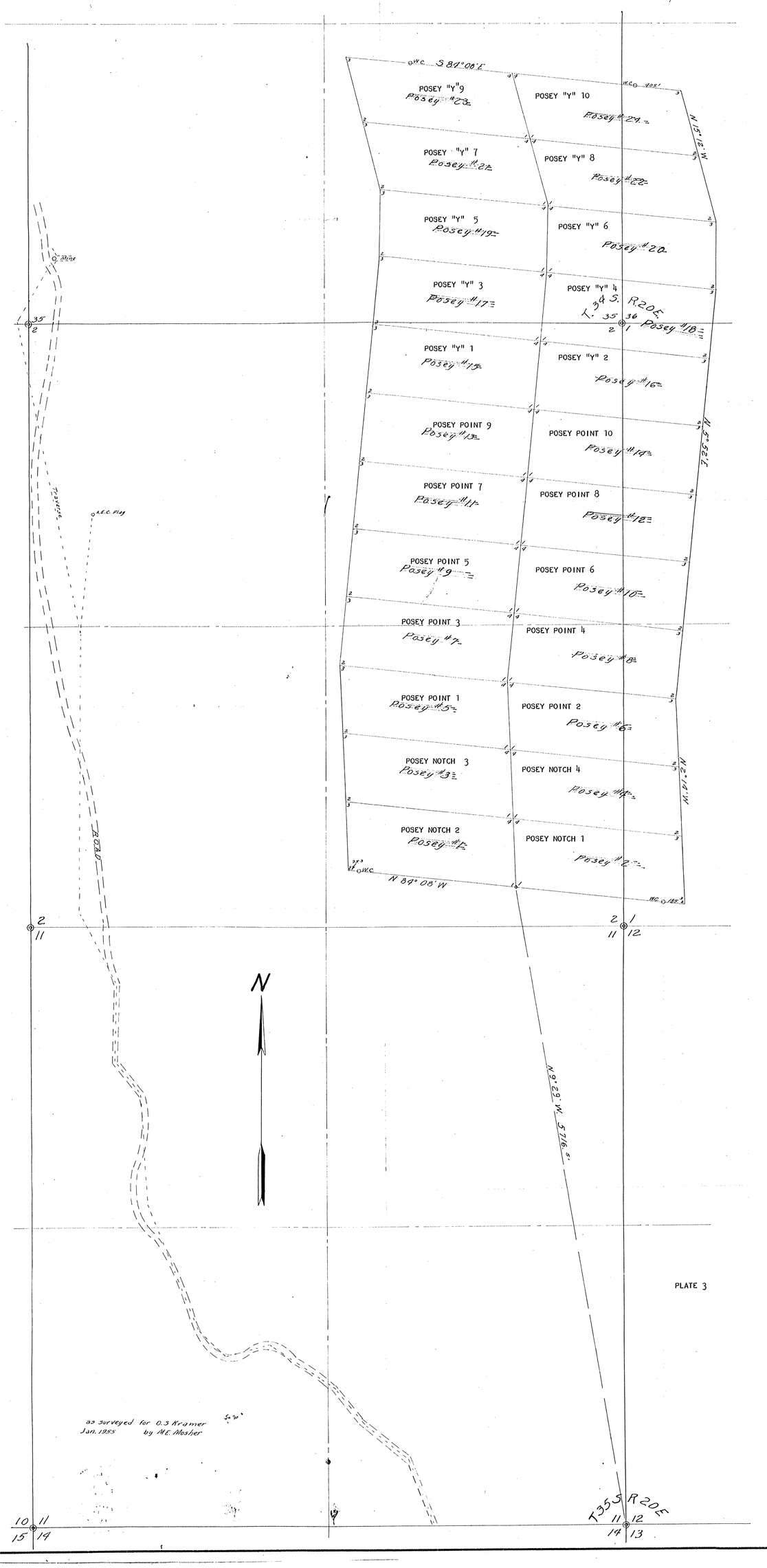


MAP
of the
POSEY CLAIMS

Located in Sec. 1 & 2 of T. 35 S., R. 20 E. & Sec. 35 & 36 of T. 34 S., R. 20 E.
Cottonwood Creek Mining District
San Juan County, Utah
Scale 1" = 400'

AINSLIE PERRAULT AND
TOKLAN OIL CORPORATION,
A JOINT VENTURE
AINSLIE PERRAULT, OPERATOR
1704 PHILTOWER BUILDING
TULSA 3, OKLAHOMA

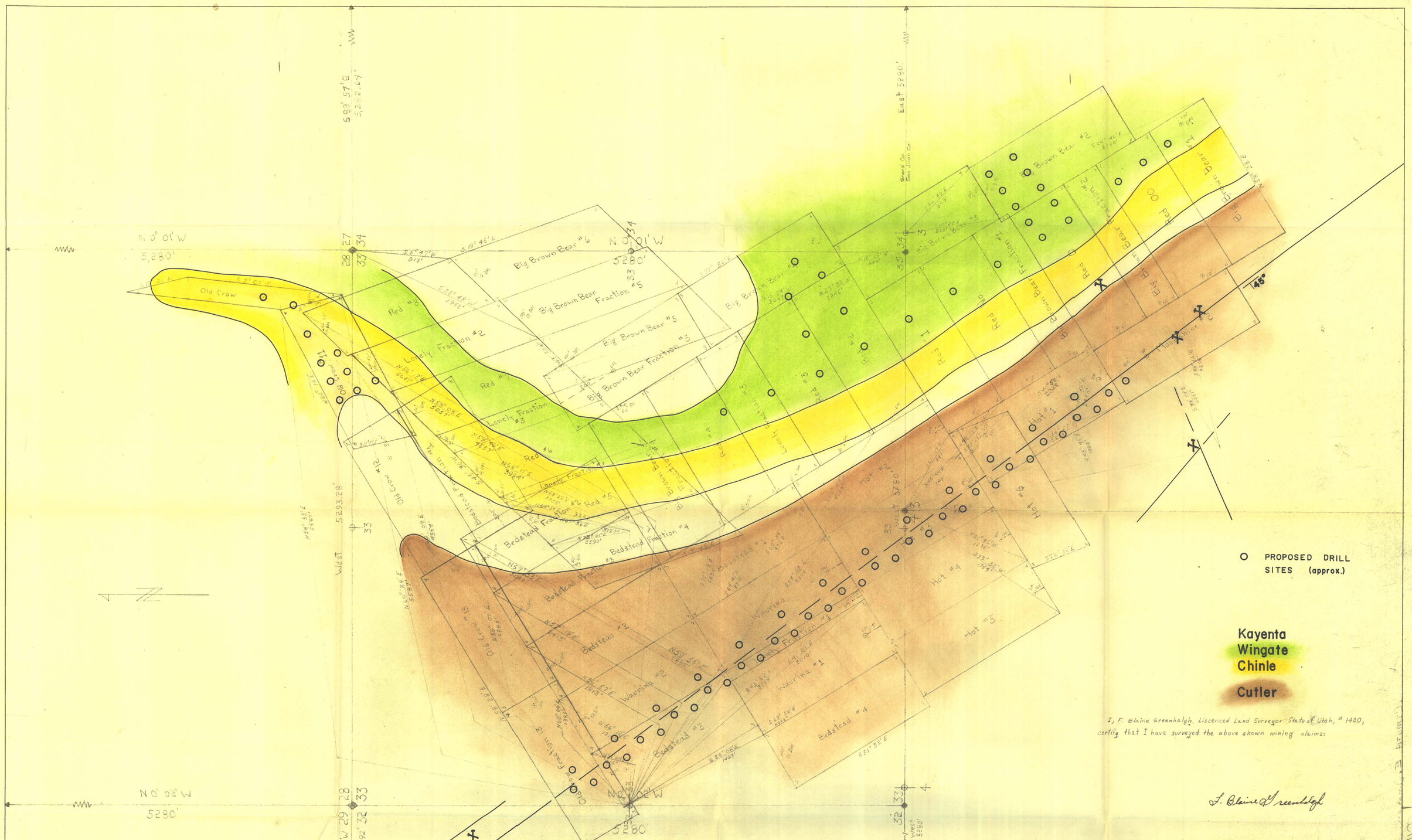
DMEA - 3838



as surveyed for O.S. Kramer
Jan. 1955 by M.E. Washer

PLATE 3

Wingate
Chinle
Cutler
O PROPOSED DRILL SITES (approx.)
Old Crow
Red #8
Lonely Fraction #2
Red #7
Lonely Fraction #3
Red #6
Big Brown Bear #6
Big Brown Bear Fraction #5
Big Brown Bear #5
Big Brown Bear Fraction #3
Big Brown Bear #4
Big Brown Bear #3
Big Brown Bear #2
Big Brown Bear #1
Red #5
Red #4
Red #3
Red #2
Red #1
Lonely Fraction
Bedstead Fraction #4
Bedstead Fraction #3
Bedstead #1
Bedstead #2
Bedstead #3
Bedstead #4
Wauring #1
Wauring #2
Hot #1
Hot #2
Hot #4
Hot #5
Hot #6
Moonshine #2
Old Crow #12
Old Crow #13
Old Crow Fraction 13
Grand Co.
San Juan Co.
N 0° 01' W 5,280'
N 0° 02' W 5280'
S 89° 57' E 5,282.69'
S 89° 58' W 5,287.92'
East 5280'
West 5293.28'
West 5280'
45°
I, F. Blaine Greenhalgh, Liscenced Land Surveyor State of Utah, # 1420, certify that I have surveyed the above shown mining claims:
F. Blaine Greenhalgh
METROPOLITAN ENGINEERS, INC.
CONSULTING ENGINEERS
140 WEST 2nd SOUTH SALT LAKE CITY, UTAH
DRAWN BY MH DATE 6-7-54 CHECKED BY DATE SCALE: 1" = 400'
DATE REVISION BY CHKD.
NAME OF OWNER Cimota Exploration, Inc.
LOCATION OF JOB T26S R21E & T27S R21E
TITLE OF DRAWING Claim Location
CONTRACT NO. M-154
DRAWING NO. M-154-1



DATE	REVISION	BY	CHKD.

METROPOLITAN ENGINEERS, INC.
CONSULTING ENGINEERS
140 WEST 2nd SOUTH — SALT LAKE CITY, UTAH

DRAWN BY MH DATE 4-29-59 CHECKED BY ____ DATE ____ SCALE: 1" = 400'

NAME OF OWNER: CIMOTA EXPLORATION, INC.
LOCATION OF JOB: T26S R21E & T27S R21E
TITLE OF DRAWING: CLAIM LOCATION

CONTRACT NO. M-154
DRAWING NO. M-154-1