Surname copy

700

Murphy
Ellis
Pennington
Kelton
Selfridge
Johnson

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

APR 13 1956

Mr. Kenneth D. Wahlquist, II
Assistant Secretary and Manager
The Luckytex Uranium Company
P. O. Box 502
Moab, Utah

Re: Docket No. DMEA-4031 (Uranium)
Bear Point #1, et al., Claims
Grand County, Utah

Dear Mr. Wahlquist:

Reference is made to your application for Government aid in an exploration project on the above-named land.

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

Careful study of all our information, although noting some uranium mineralization on your property, indicates to us that the probability of disclosing significant ore reserves is not sufficiently promising to justify Government participation in an exploration program. We regret to advise you that, under these circumstances, your application for exploration assistance is denied.

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

Sincerely yours,

C. O. Mittendorf

Administrator

FMMurphy/gla
4-11-56
cc to: Admr.'s Reading File
Operating Committee
Docket
Messrs. JECrawford, Rm. 3641
THKiilsgaard, Rm. 5224
JOHosted, Rm. 3210, GSA
Code 700
Mr. Murphy
DMEA Field Team, Region III (2)

RGH.

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

DOCKET COPY

Murphy
Ellis
Pennington
Nelson

April 11, 1956

Summary of Proposed Project

Object: Denial of application for exploration aid.

Docket No.: DMEA-4031

Commodity: Uranium

Applicant: The Luckytex Uranium Company
c/o Kenneth D. Wahlquist, II
Assistant Secretary and Manager
Box 502, Moab, Urah

Property: Lessee of 10 unpatented claims situated in secs. 21 and 28, T. 25 S., R. 25 E., SLBM, Grand County, Utah.

Date of application: October 15, 1955.

Grand Junction memorandum: Received November 4, 1955.

Referred for Field Team examination: November 10, 1955.

Field examination made: January 20, 1956.

Field Team Report received: April 4, 1956.

Work Proposed: Stage I - 40 holes, totaling 10,000 feet
Stage II - same as Stage I

Estimated Costs: Stage I

Labor & Supervision	$6,056.00
Materials & Supplies	3,555.35
Operating Equipment (rental)	11,242.00
" " (repairs)	1,060.00
Payroll taxes	302.80
Contingencies	1,110.81
Total Estimated Cost Stage I	$23,326.96
" " " " II	23,326.96
" " " of Project	$46,653.92

Excerpts from Field Team report:

The claims lie on the northern flank of the La Sal Mountains near the crest of the Sinbad-Fisher Valley anticline. A series of parallel faults, with a stratigraphic displacement greater than 1400 feet, trends northwesterly across the northeast corner of the property.

The area is underlain by sediments that consist, from oldest to youngest, of the Upper Jurassic Morrison formation, the lower Cretaceous Burro Canyon formation, the Cretaceous Dakota sandstone, and Quaternary landslide material.

Production from the property of about 82 tons of 0.289% U_3O_8 ore was from the Brushy Basin member of the Morrison. The mine appears to be several tens of feet above the Salt Wash-Brushy Basin contact. There are no ore reserves in the mine or observable trends with which to encourage further work. Some minor uranium occurrences in the Brushy Basin have been reported from Beaver Mesa and Polar Mesa mines to the northeast; however, most of the ore has been from the upper two sandstone lenses of the Salt Wash.

The Salt Wash underlies the group of claims, but exposed outcrops are rare. It comprises the bed rock under the northern end of the claims, but a brush and soil cover prevent good exposures. No mineralization is known in the Salt Wash on the claims.

The Applicant has drilled about 10,000 feet in 128 holes, of which 13 exceeded 100 feet in depth. Only a few hole locations in the vicinity of the mine workings could be identified, the drill logs were incomplete and unsatisfactory. Only one hole, drilled into ore which was afterward mined, was cored. All but 13 holes were under 100 feet in depth and most of the mineralization reported was at depths of lessthan 45 feet, so must have been in Brushy Basin units. In the absence of lithologic logs, hole locations, collar elevations, and formation depths, evaluations of these results is not possible.

The proposed drilling on 500-foot centers in the first stage to blanket the claim area is not based on any specific geologic conditions or trends of mineralization. They are actually for the purpose of prospecting an area which is practically untouched to date.

The Applicant estimatedthat the proposed holes would average 250 feet in depth. The Salt Wash alone is probably over 300 feet thick on the claims and dips as much as 14 degrees southwesterly under the younger formations covering the claim area; therefore the average dpeth of the holes would be much greater than this estimate.

The field examiners state they are unable to suggest an alternate exploration plan which would be likely to find significant ore bodies. Therefore, they recommend the application be denied, and the Field Team concurred.

Commodity Members' comments (excerpts):

U. S. Geological Survey, N. E. Nelson, April 4, 1956.

The information accorded by the 128 holes already drilled was poorly kept, is of questionable value, and fails to support the application.

The property is several miles from a producing locality; hence, until proven, similarity to nearby favorable conditions cannot be inferred for this property.

The conclusion and recommendations of the examiners and Field Team are reasonable. I concur with the recommendation of denial of the application.

U. S. Bureau of Mines, James Paone, April 10, 1956.

Concludes that the program proposed is of a prospecting nature rather than exploration. Therefore, concurs in Field Team's recommendation of denial.

Rare and Miscellaneous Metals Division, F. M. Murphy, April 11, 1956.

According to the examiners' report, no mineralization or favorable channel trends appear to exist in the Salt Wash member of the Morrison formation on the subject property. Although a small tonnage of ore was produced from the Brushy Basin member, the principal production from other properties in the vicinity has been from the upper two sandstone lenses of the Salt Wash.

The Applicant could not show the examiners the locations of the 128 holes drilled on the subject property. The field examiners infer that with one exception, all the holes were drilled only through or in the Brushy Basin member. However, it appears since the Salt Wash is exposed on the northern and western parts of the property (see Figure 2 of Field Team report) that it is only logical that at least some of the holes were drilled through the upper horizon of the Salt Wash. But without data on this drilling it is impossible to judge the merits of further exploration. Therefore, this Division concurs in the Field Team's recommendation to deny the subject application.

Ernest Wm. Ellis

Ernest Wm. Ellis, Chief
Rare and Miscellaneous Metals Division

4-11-56

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

RECEIVED
APR 11 1956

April 10, 1956

Memorandum

To: Ernest William Ellis, DMEA Member
Uranium Commodity Committee

From: James Paone, Bureau of Mines Alternate Member
Uranium Commodity Committee

Subject: Report of Examination, DMEA Docket 4031, Luckytex Uranium Company, (Little Jim, Bear Point, Big Ben and Don T. claims), Grand County, Utah

I have reviewed the report of examination, Luckytex Uranium Company, Docket 4031, dated March 28 and received in this office April 4, 1956. I have also discussed it with Joseph O. Hosted, Washington representative of the Atomic Energy Commission.

The applicant requested Federal assistance to explore for uranium in the lower rim of the Salt Wash member of the Jurassic Morrison formation. Upon examination of the subject property by DMEA personnel, it was found that the proposed exploration is not based on any evidence indicating the presence of conditions favorable for the occurrence of ore in the Salt Wash member which underlies the claims and is of a prospecting nature rather than exploration.

The field examiners recommend denial of the application, and we concur in the recommendation.

James Paone

James Paone

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

RECEIVED
APR 11 1956

April 10, 1956

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The applicant requested Federal assistance to explore for uranium in the lower rim of the Salt Wash member of the Jurassic Morrison formation. Upon examination of the subject property by DMEA personnel, it was found that the proposed exploration is not based on any evidence indicating the presence of conditions favorable for the occurrence of ore in the Salt Wash member which underlies the claims and is of a prospecting nature rather than exploration.

The field examiners recommend denial of the application, and we concur in the recommendation.

James Paone

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

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APR 1 1956

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The field examiners recommend denial of the application, and we concur in the recommendation.

James Paone

4-5-56

IN REPLY REFER TO:

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

RECEIVED
APR 5 - 1956

April 4, 1956

Re: DMEA 4031
The Luckytex Uranium Corp.
Bear Point, etc., claims
Grand County, Utah
$23,336.96 - 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 applicant requested assistance in doing non-core and core drilling of a property already prospected by 128 drill holes. From a small ore body on the property 82.61 tons of ore, containing 0.289% U_3O_8 and 2.1% V_2O_5, has been produced.

The ore body occurs in the Brushy Basin member of the Morrison formation probably several tens of feet above the more favorably regarded and much more productive Salt Wash member. The Salt Wash rocks outcrop on and underlie the property. The outcrops are obscured by talus and brush and no ore has been found in that member. The drilling proposed would prospect both the Brushy Basin and Salt Wash beds.

Because only one small ore body has been found in the Brushy Basin member and none in the Salt Wash no trend has been indicated and only a general "formation" target is offered. Such drilling, in this case, the examiners consider prospecting, a reasonable conclusion. The information afforded by the 128 holes already drilled was poorly kept, is of questionable value, and fails to support the application.

The property is several miles from a producing locality; hence, until proven, similarity to nearby favorable conditions cannot be inferred for this property.

The conclusions and recommendations of the examiners and the Field Team are reasonable. I concur with the recommendation of denial of the application.

N. E. Nelson

N. E. Nelson

IN REPLY REFER TO:

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

RECEIVED
APR 5 - 1956

April 4, 1956

Re: DMEA 4031
The Luckytex Uranium Corp.
Bear Point, etc., claims
Grand County, Utah
$23,336.96 - Uranium

Memorandum

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

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

Subject: Review of Field Team report.

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The ore body occurs in the Brushy Basin member of the Morrison formation probably several tens of feet above the more favorably regarded and much more productive Salt Wash member. The Salt Wash rocks outcrop on and underlie the property. The outcrops are obscured by talus and brush and no ore has been found in that member. The drilling proposed would prospect both the Brushy Basin and Salt Wash beds.

Because only one small ore body has been found in the Brushy Basin member and none in the Salt Wash no trend has been indicated and only a general "formation" target is offered. Such drilling, in this case, the examiners consider prospecting, a reasonable conclusion. The information afforded by the 128 holes already drilled was poorly kept, is of questionable value, and fails to support the application.

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The conclusions and recommendations of the examiners and the Field Team are reasonable. I concur with the recommendation of denial of the application.

NENelson:iml
G-4/4/56
cc: Director's reading, 4212
Branch reading, 4212
DMEA (3); Docket file
J. E. Crawford, 3641; J. O. Hosted, 3210

N. E. Nelson

N. E. Nelson

IN REPLY REFER TO:

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

RECEIVED
APR 5 - 1956

April 4, 1956

Re: DMEA 4031
The Luckytex Uranium Corp.
Bear Point, etc., claims
Grand County, Utah
$23,336.96 - 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 applicant requested assistance in doing non-core and core drilling of a property already prospected by 126 drill holes. From a small ore body on the property 82.61 tons of ore, containing 0.269% U_3O_8 and 2.1% V_2O_5, has been produced.

The ore body occurs in the Brushy Basin member of the Morrison formation probably several tens of feet above the more favorably regarded and much more productive Salt Wash member. The Salt Wash rocks outcrop on and underlie the property. The outcrops are obscured by talus and brush and no ore has been found in that member. The drilling proposed would prospect both the Brushy Basin and Salt Wash beds.

Because only one small ore body has been found in the Brushy Basin member and none in the Salt Wash no trend has been indicated and only a general "formation" target is offered. Such drilling, in this case, the examiners consider prospecting, a reasonable conclusion. The information afforded by the 126 holes already drilled was poorly kept, is of questionable value, and fails to support the application.

The property is several miles from a producing locality; hence, until proven, similarity to nearby favorable conditions cannot be inferred for this property.

The conclusions and recommendations of the examiners and the Field Team are reasonable. I concur with the recommendation of denial of the application.

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G-4/4/56
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N. E. Nelson

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IN REPLY REFER TO:

UNITED STATES
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GEOLOGICAL SURVEY
WASHINGTON 25, D. C.

RECEIVED
APR 5 - 1956

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Memorandum

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

Subject: Review of Field Team report.

The applicant requested assistance in doing non-core and core drilling of a property already prospected by 126 drill holes. From a small ore body on the property 82.61 tons of ore, containing 0.239% U_3O_8 and 2.1% V_2O_5, has been produced.

The ore body occurs in the Brushy Basin member of the Morrison formation probably several tens of feet above the more favorably regarded and much more productive Salt Wash member. The Salt Wash rocks outcrop on and underlie the property. The outcrops are obscured by talus and brush and no ore has been found in that member. The drilling proposed would prospect both the Brushy Basin and Salt Wash beds.

Because only one small ore body has been found in the Brushy Basin member and none in the Salt Wash no trend has been indicated and only a general "formation" target is offered. Such drilling, in this case, the examiners consider prospecting, a reasonable conclusion. The information afforded by the 126 holes already drilled was poorly kept, is of questionable value, and fails to support the application.

The property is several miles from a producing locality; hence, until proven, similarity to nearby favorable conditions cannot be inferred for this property.

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NENelson:iml
G-4/4/56
cc: Director's reading, 4212
Branch reading, 4212
DMEA (3); Docket file
J. E. Crawford, 3641; J. O. Hosted, 3210

N. E. Nelson

N. E. Nelson

4-5-56

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

224 New Customhouse
Denver 2, Colorado

March 28, 1956

Memorandum

To: Secretary to the Operating Committee, DMEA

From: Field Team, Region III

Subject: Joint Report of Examination, Docket DMEA 4031 (Uranium), Luckytex Uranium Company, (Little Jim, Bear Point, Big Ben and Don T. claims), Grand County, Utah

Enclosed are the original and three copies of a joint engineering and geologic report of a field examination on the subject property.

The field examiners conclude that there is no evidence to show that the Salt Wash sandstone underlying the unit is favorable for ore, and because additional exploration in the vicinity of Brushy Basin occurrence is not likely to result in a significant discovery, they concur that further exploration on this property is not justified. They recommend that the application be denied, and we concur in this recommendation.

DMEA Field Team, Region III

Wm. Traver

By W. M. Traver
Executive Officer

Enclosures

RECEIVED
MAR 30 1956

Reviewed by
DMEA OPERATING COMMITTEE
4-4-56
(date)

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

P. O. Box 360
Grand Junction, Colorado

DMEA
Rec'd.
MAR 27 1956
BUREAU OF MINES
Denver, Colorado

MINERAL DEPOSITS
MAR 16 1956
U. S.
GEOLOGICAL SURVEY
DENVER, COLORADO

March 15, 1956

Memorandum

To: Executive Officer, DMEA Field Team, Region III

From: J. William Hasler

Through: E. N. Harshman
J. F. Shaw

TRANSMITTED
MAR 28 1956

Subject: DMEA docket 4031, Luckytex Uranium Company (Uranium), Little Jim, Bear Point, Big Ben and Don T. claims, Grand County, Utah.

Transmitted herewith are 10 copies of a joint engineering and geologic report of a field examination on the subject property, by M. H. Salsbury, U. S. Bureau of Mines, and H. F. Albee, U. S. Geological Survey.

The Luckytex Uranium Company, Moab County, Utah, applied for a Defense Minerals Exploration Administration loan to explore a group of leased claims in the north Beaver Mesa area, Grand County, Utah. The application was referred to the field for an examination, which was made on January 20, 1956.

The claims lie on the northern flank of the La Sal mountains, near the crest of the Sinbad-Fisher Valley anticline. Rocks underlying the area consist of sandstone, mudstone, and conglomerate of Cretaceous and Jurassic age, as well as considerable Quaternary landslide material.

The known ore-producing beds in the area are those of the upper Salt Wash sandstone member of the Jurassic Morrison formation.

Reviewed by
DMEA OPERATING COMMITTEE
4-4-56
(date)

The Salt Wash member of the Morrison formation is near the surface only at the north end of the property, but is concealed by considerable overburden. The property has been explored by a short tunnel in the overlying Brushy Basin sandstone unit a short distance above the top of the Salt Wash member. The Brushy Basin workings disclosed a pod of ore about 15 x 30 feet in lateral dimensions and up to 3 feet in thickness. This pod contained 82.16 tons of ore which averaged 0.82 percent U_3O_8 and 2.1 percent V_2O_5. No ore-grade material remains exposed in these workings. The Salt Wash member of the Morrison formation has not been explored anywhere in the vicinity of the applicant's claims. Producing mines on Polar and Beaver Mesas northwest of a fault zone are 6 to 10 miles away and projection of any mineralized trends in the area is not feasible due to excessive faulting.

The applicant's drilling program was not based on known trends, or exposures, and is of a prospecting nature rather than exploration. He also proposes to drill the entire Salt Wash member, although the ore is confined only to the upper sandstone units.

Because there is no evidence to show that the Salt Wash sandstone underlying the unit are favorable for ore, and because additional exploration in the vicinity of Brushy Basin occurrence is not likely to result in a worthwhile discovery, it is not believed that further exploration is justified. It is, therefore, recommended that the application be denied. I concur with the conclusions and recommendations of the examining team.

The Atomic Energy Commission was consulted concerning the appraisal of this property.

Enclosed are 10 copies of Figure 2 for inclusion in the joint engineering and geologic report.

J. William Hasler

J. William Hasler,
Geologist

JWH/mlr

Enclosures

UNITED STATES
DEPARTMENT OF THE INTERIOR
DOUGLAS McKAY, SECRETARY

DEFENSE MINERALS EXPLORATION ADMINISTRATION

REPORT OF EXAMINATION BY FIELD TEAM
REGION III

TRANSMITTED

MAR 28 1956

DMEA 4031

Luckytex Uranium Company

Little Jim, Bear Point, Big Ben, and Don T. claims

Grand County, Utah

Uranium

Joint Engineering and Geologic Report

by

M. H. Salsbury
Bureau of Mines

H. F. Albee
Geological Survey

March 26, 1956

Reviewed by
DMEA OPERATING COMMITTEE
4-4-56
(date)

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DMEA 4031

LUCKYTEX URANIUM COMPANY
Little Jim, Bear Point, Big Ben, and Don T. claims
Grand County, Utah

INTRODUCTION AND SUMMARY

The Luckytex Uranium Company, P. O. Box 502, Moab, Utah, applied for Defense Minerals Exploration Administration assistance to explore leased claims on North Beaver Mesa, Grand County, Utah. The application was referred to the field, and a field examination was made on January 20, 1956, in company with K. D. Wahlquist, manager for the applicant. L. J. Eicher, project geologist for the Geological Survey on Beaver Mesa, and his assistant, G. A. Miller, participated.

The property consists of ten claims, part of a larger group which was located by J. Wesley Oliver and Gladys Oliver, Moab, Utah, and leased to the Old Texas Mining Company, 3301 Worth Street, Dallas, Texas. The ten claims were assigned to the Lucky Tex Uranium Company on July 11, 1955. No evidence of conflicting locations was found and the claims appear to be valid.

The claims lie on the northern flank of the La Sal Mountains near the crest of the Sinbad-Fisher Valley anticline.

The formations exposed on the claim are, from oldest to youngest, the Upper Jurassic Morrison formation, the Lower Cretaceous Burro Canyon formation, and the Cretaceous Dakota formation. Much of the surface is covered by Quaternary landslide material.

The known potential ore-bearing beds of the region are the upper sandstone units of the Salt Wash member of the Morrison formation which are near surface only at the north end of the property, but heavy brush and soil cover prevents good exposures.

Reconnaissance from the surface is handicapped by these poor exposures and by a series of northwesterly-trending parallel faults which cross the northeast corner of the property and have a stratigraphic displacement as much as 1,400 feet downward on the southwest. The beds southwest of the fault have been disturbed and tilted and now have a strike of about N. 65° W., dipping 14° to the southwest in the vicinity of the only mine workings on the property. Thus the depth from the surface to the Salt Wash member is an unknown variable and appears to increase to the southwest.

The property has been explored by a short adit tunnel in what appears to be a Brushy Basin sandstone unit a short distance above the top of the Salt Wash, and by more than 10,000 feet of drilling in 128 holes, of which only 13 exceeded 100 feet in depth and only one was cored.

The Brushy Basin workings disclosed a pod about 15 by 30 feet in lateral dimension and up to 3 feet in thickness, which contained 82.61 tons of ore with an average content of 0.289 percent U_3O_8 and 2.1 percent V_2O_5. No ore-grade material remains exposed in the workings. The occurrence appears to be typical of the occasional small Brushy Basin deposits which have been found in the Beaver and Polar mesa areas.

The applicant's manager states that none of the drill holes, which were all drilled by the Old Texas Mining Company, penetrated the Salt Wash member, although one hole on the Little Jim No. 2 claim should certainly have done so, unless there is a concealed fault, as it was 395 feet in depth. The applicant did not have any record of the location of drill holes and had only very scanty data on drilling results. It was therefore impossible to make an evaluation of the work other than that results appear to have been negative except for shallow mineralization in a Brushy Basin unit behind the adit workings on the Bear Point No. 1 claim.

The Salt Wash member of the Morrison formation has not been explored anywhere in the vicinity of the applicant's claims. The ore potential is, therefore, unknown. The producing mines on Polar and Beaver Mesas northwest of the fault are 6 to 10 miles away, and projection of any mineralized trends into the area of the applicant's claims is not feasible due to excessive faulting.

The proposed drilling plan consists of a staggered pattern of holes on 500-foot centers blanketing the property. It is not based on any known exposures or trends of mineralization and is of a prospecting nature rather than exploration. The applicant proposed to drill the entire Salt Wash member, although only the upper units are known to be productive on Beaver and Polar Mesas.

Because there is no evidence to show that the Salt Wash sandstone units underlying the property are favorable for uranium ore occurrences, and, further, because additional exploration in the

vicinity of the one minor Brushy Basin ore occurrences is not likely to result in a worthwhile discovery in this member of the Morrison formation, it is not believed that further exploration is justified.

Denial of the application under DMEA 4031 is recommended.

ACKNOWLEDGEMENTS

The applicant presented a drilling plan with a map showing proposed drill sites, and a cost estimate for first-stage drilling. The drilling footages quoted are rough estimates.

Louis Garbrecht of the Atomic Energy Commission was consulted but furnished no additional information on the area. Production figures were verified by Atomic Energy Commission records.

Geologic and topographic maps of the area have recently been completed and were used in the examination. Valuable assistance in appraising the property was given by Geological Survey personnel who have been active in the Beaver Mesa area.

LOCATION, TOPOGRAPHY, AND PHYSICAL FEATURES

The Little Jim, Bear Point, Big Ben, and Don T. claims are in secs. 21 and 28, T. 25 S., R. 25 E., Salt Lake Meridian, Grand County, Utah (fig. 1). They are 38 miles east of Moab, Utah, and may be reached by travelling over Utah State graveled highway 128 along the Colorado River, the Castle Valley county road, and 8 miles of the Beaver Mesa access road. Mining supplies are available in Moab, Utah. More complete stocks are found at Grand Junction, Colorado, 118 miles from Moab over hard surfaced highways.

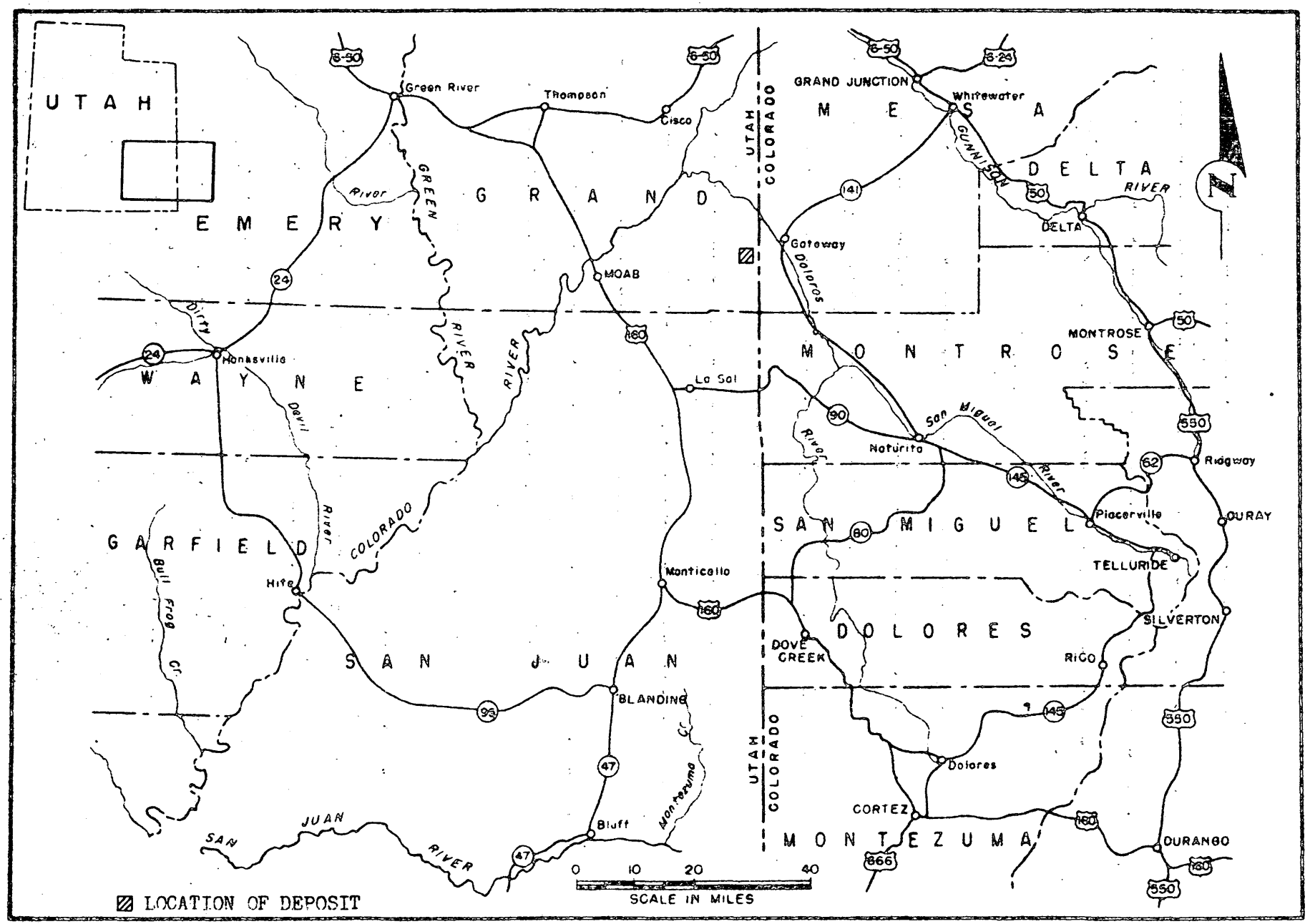

FIGURE 1 - LOCATION MAP, LITTLE JIM, BEAR POINT, BIG BEN AND DON T CLAIMS, LUCKYTEX URANIUM COMPANY, GRAND COUNTY, UTAH. DMEA 4031

The claims are at an altitude of 7,400 to 7,800 feet. The surface has a thick mantle of soil and landslide material with heavy underbrush. Most of the drill roads which would be needed for the proposed project have been constructed.

The most accessible ore buying station is at Moab, Utah. Ore from the area might be routed instead to Grand Junction, Colorado, or Monticello, Utah, 60 miles south of Moab.

There are no unusual problems of supply, water, transportation, or labor. The climate is moderate with heavy precipitation in brief storms summer and winter. Winter surface operations are feasible, but not necessarily economical unless the season is unusually open.

Establishment of a field camp would be necessary to carry on exploration.

HISTORY, PRODUCTION, AND OWNERSHIP

Mining operations in the known productive areas of Polar and Beaver Mesas date from before World War I, but in the vicinity of the applicant's claims limited exploration has been carried on since 1951.

The only known production was in the first half of 1955 coming from the Brushy Basin workings on the applicant's Bear Point No. 1 claim. As verified by Atomic Energy Commission records, this amounted to 82.61 tons averaging 0.289 percent U_3O_8 and 2.1 percent V_2O_5.

The ten claims, shown in figure 2, are included in the proposed DMEA project and as part of a larger group located by James Wesley Oliver and his wife Gladys Oliver of Moab, Utah, and leased to the Old Texas Mining Company, 3301 Worth Street, Dallas, Texas. Recording data on the claims subsequently assigned to the applicant company were furnished as follows:

Claim	Location date	Recorded in Grand County Courthouse, Moab, Utah	
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Big Ben Fraction	November 12, 1954	55	56
Little Jim No. 1	September 22, 1952	9-N	18
Little Jim No. 2	September 20, 1952	9-N	19
Little Jim No. 3	October 2, 1952	9-N	20

The lease from the Olivers to the Old Texas Mining Company is dated July 29, 1954, and runs indefinitely so long as operations are not suspended for a period of more than 60 days. The royalty rate provided is 10 percent. No additional overriding royalty is stipulated in the assignment of the lease from Old Texas Mining Company to the Luckytex Uranium Company. The Big Ben Fraction claim is not mentioned in the lease or in the assignment. It was located in November 1954 to cover some open ground which was discovered in making a re-survey of the claims. The applicant's manager states that they control the claim.

The claims were resurveyed because they had been laid out inaccurately. The corner posts were moved so that the claims did not exceed standard dimensions. Some of the old corner posts were left in so that there are now unidentified posts standing. No location notices were found at the four discovery monuments erected. The applicant's manager stated that they had been posted. However, no evidence of conflicting locations were found. The applicant was to furnish the examining team with survey data showing a tie to a section corner, but it has not been received in Grand Junction. The claims, as shown in figure 2, have been located with reference to a Forest Service fence which marks the boundary of patented land adjoining the property on the south.

At the discovery monument for the Bear Point No. 1 claim, a copy of an affidavit of assessment and improvements for the list of claims in the original lease to lhe Old Texas Mining Company for the year ending June 30, 1955, was posted.

The applicant did not furnish data on any amended locations which normally follow a resurvey. In view of the probable decision on the project, ownership was not checked further.

PRESENT STATUS

Exploration and development

Exploration to date has consisted of underground openings totaling 80 feet driven from a rim exposure of the Brushy Basin member at the north end of the Bear Point No. 1 claim, and a reported total of more than 10,000 feet of drilling in 128 holes on the property. The applicant does not have a record of hole locations and only a few in the vicinity of the Bear Point workings can be identified. The only records of what was found in the holes were driller's logs which were incomplete and unsatisfactory. Only one hole, drilled into the ore which was afterwards mined, was cored. Mineralization in other holes was indicated as "none," "slight," "low," "fair," and "good." The applicant lists four holes with "good" mineralization, five "fair," two "low," and one "slight." All but 13 holes were under 100 feet in depth and most of the mineralization reported was at depths of less than 45 feet, so must have been in Brushy Basin units. In hole No. 18, 210 feet deep, "some" mineralization was reported at 185 feet, and in hole No. 44, 120 feet deep "fair" mineralization was reported at 65 feet and 100 feet. In the absence of lithologic logs, hole locations, collar elevations, and formation depths, evaluation of these results is not possible.

Mining and milling equipment and other facilities

Drill roads have been bulldozed to the various sites, and there is an ore bin, mine car, track, and a tool shed at the mine on the Bear Point No. 1 claim.

GEOLOGY AND ORE DEPOSITS

The claims lie on the northern flank of the La Sal Mountains near the crest of the Sinbad-Fisher Valley anticline. A series of parallel faults, with a stratigraphic displacement greater than 1,400 feet, trends northwesterly across the northeast corner of the property.

The area is underlain by sediments that consist, from oldest to youngest, of the Upper Jurassic Morrison formation, the Lower Cretaceous Burro Canyon formation, the Lower and Upper Cretaceous Dakota sandstone, and Quaternary landslide material. The Morrison formation is divided into the Salt Wash member, composed dominantly of interstratified units of sandstone and mudstone, and the overlying Brushy Basin member composed primarily of variegated red and gray shale and clay and sparse lenses of sandstone and conglomeratic sandstone. The Brushy Basin rocks at the mine portal strike N. 65° W., and dip 14° southwesterly. The Burro Canyon formation and the Dakota sandstone, respectively, overlie the Morrison formation. They are composed dominantly of sandstone and conglomeratic sandstone interbedded with lenses of shale. The nearest known measured section is about 4 miles northerly in sec. 3, T. 25 S., R. 25 E., on Polar Mesa, measured by L. C. Craig and others in 1950. In section 3 the Salt

Wash is 359 feet thick and the Brushy Basin is 323 feet thick. The Morrison varies regionally in thickness but has a fairly constant thickness in the Polar-Beaver Mesa area. About 4 miles south of Polar Mesa, near the crest of a salt anticline, the Morrison appears to have thinned somewhat, but is probably over 500 feet thick.

The production of about 82 tons of ore from the property was from the Brushy Basin formation. The Salt Wash-Brushy Basin contact is covered near the mine; however, the mine appears to be several tens of feet above the Salt Wash and no scouring or thickening of strata is evident. Very little mineralized material can be found in the mine, and that which can be found is in a mudstone and is associated with small amounts of copper oxide. A sandstone bed about 3 feet thick that forms the hanging wall is barren. The mine has no reserves and there are no observable trends with which to encourage further work. Minor occurrences of mineralized material in the Brushy Basin have been reported on both Beaver Mesa and Polar Mesa. Only one other mine in the Brushy Basin is known in the area. It is about 6 or 7 miles north of the claims and is in a Brushy Basin conglomeratic sandstone that has scoured into the Salt Wash. Most of the production has been from the Salt Wash, but some workings extend into the Brushy Basin.

The Salt Wash underlies the group of claims, but exposed outcrops are rare. It comprises the bed rock under the northern end of the claims, but a brush and soil cover prevent good exposures. No mineralization is known in the Salt Wash on the claims.

The applicant has drilled about 10,000 feet in 128 holes of which 13 exceeded 100 feet in depth. The applicant states that the deepest hole, 395 feet, was collared on a hill on the Little Jim No. 2 claim but did not reach Salt Wash. The location of the hole within the claim is not known, but the Salt Wash should have been intersected at less than 395 feet unless a concealed fault crosses the claim.

The applicant believes that ore will be found in the lower rim of the Salt Wash and has proposed a drill program based on that belief. Substantial production from the upper rim only on Polar and Beaver Mesas to the north and northeast does not bear out this belief.

The applicant estimates the drilling depths at about 200 feet on the Little Jim No. 2 and No. 3 even though a hole 395 feet deep on Little Jim No. 2 did not reach the Salt Wash. On some parts of these two claims 200 feet per hole would be more than adequate. Drilling depths of about 400 feet were estimated on Little Jim No. 1, Bear Point No. 2, and Big Ben claims. The topography, however, rises as much as 350 feet, whereas the rocks dip as much as 14° southwesterly under these claims. Such a rise in topography together with the dip of the strata would place the potential ore horizons at more than double the estimated 400-foot depth.

ORE RESERVES

There are no ore reserves on the property.

PROPOSED EXPLORATION

The applicant has proposed a drilling project in two stages with 10,000 feet of drilling in 40 holes averaging 250 feet deep in each stage. Holes were to be drilled through the Salt Wash member of the Morrison formation and cored throughout the Salt Wash interval. The estimated cost of first-stage drilling was $23,336.96. The footage in the second stage was the same, so presumably the over-all cost of the applicant's program would be $46,673.92. Government participation at 75 percent would be $35,005.44. The applicant proposed to do the work with their own crew and equipment leased from the Old Texas Mining Company. The calculated over-all unit cost of $2.33 per foot of drilling appears to be low.

The drilling place consists of a pattern of holes on 500-foot centers in the first stage. The holes blanket the claim area and are not spotted with reference to any specific geologic conditions or trends of mineralization. They are actually for the purpose of prospecting an area which is practically untouched to date. The average depth of hole of 250 feet estimated by the applicant is not based on a careful reconnaissance of the topography and calculation of required drilling depths.

The depth to the dipping Salt Wash beds increases rather rapidly in the direction of dip because the surface is rising in the same direction. The Salt Wash alone is probably over 300 feet thick on the claims, so probably a minimum of 300 feet of coring per hole would be required.

The applicant's proposal to explore the entire Salt Wash section cannot be justified on the basis of past experience on the occurrence of the ore deposits.

A cost extimate was not prepared because of the probable denial on geologic grounds.

CONCLUSIONS AND RECOMMENDATIONS

The proposed exploration is not based on any evidence indicating the presence of conditions favorable for ore occurrences in the Salt Wash member of the Jurassic Morrison formation underlying the claims and is of a prospecting nature. While there may be more small occurrences in the Brushy Basin member similar to the one which has been mined, the probable frequency and size of such occurrences, as evidenced by other known Brushy Basin deposits, does not indicate that significant amounts of ore are present. The examining team is unable to suggest an alternate exploration plan which would be likely to find significant ore bodies.

Denial of the application under DMEA 4031 is recommended.

4/2/56

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

224 New Customhouse
Denver 2, Colorado

March 28, 1956

Memorandum

To: Secretary to the Operating Committee, DMEA

From: Field Team, Region III

Subject: Joint Report of Examination, Docket DMEA 4031 (Uranium), Luckytex Uranium Company, (Little Jim, Bear Point, Big Ben and Don T. claims), Grand County, Utah

Enclosed are the original and three copies of a joint engineering and geologic report of a field examination on the subject property.

The field examiners conclude that there is no evidence to show that the Salt Wash sandstone underlying the unit is favorable for ore, and because additional exploration in the vicinity of Brushy Basin occurrence is not likely to result in a significant discovery, they concur that further exploration on this property is not justified. They recommend that the application be denied, and we concur in this recommendation.

DMEA Field Team, Region III

Wm. Traver

By W. M. Traver
Executive Officer

Enclosures

Reviewed by
DMEA OPERATING COMMITTEE
4-4-56
(date)

DMEA
Date Rec'd
MAR 27 1956
BUREAU OF MI
Denver, Colorado

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

P. O. Box 360
Grand Junction, Colorado

MINERAL DEPOSITS
DATA
RECEIVED
MAR 16 1956
GEOLOGICAL SURVEY
DENVER, COLORADO

March 15, 1956

Memorandum

To: Executive Officer, DMEA Field Team, Region III

From: J. William Basler

Through: E. N. Harshman
J. F. Shaw

TRANSMITTED
MAR 28 1956

Subject: DMEA docket 4031, Luckytex Uranium Company (Uranium), Little Jim, Bear Point, Big Ben and Don T. claims, Grand County, Utah.

Transmitted herewith are 10 copies of a joint engineering and geologic report of a field examination on the subject property, by M. H. Salsbury, U. S. Bureau of Mines, and H. F. Albee, U. S. Geological Survey.

The Luckytex Uranium Company, Moab County, Utah, applied for a Defense Minerals Exploration Administration loan to explore a group of leased claims in the north Beaver Mesa area, Grand County, Utah. The application was referred to the field for an examination, which was made on January 20, 1956.

The claims lie on the northern flank of the La Sal mountains, near the crest of the Sinbad-Fisher Valley anticline. Rocks underlying the area consist of sandstone, mudstone, and conglomerate of Cretaceous and Jurassic age, as well as considerable Quaternary landslide material.

The known ore-producing beds in the area are those of the upper Salt Wash sandstone member of the Jurassic Morrison formation.

Reviewed by
DMEA OPERATING COMMITTEE
4-4-56
(date)

The Salt Wash member of the Morrison formation is near the surface only at the north end of the property, but is concealed by considerable overburden. The property has been explored by a short tunnel in the overlying Brushy Basin sandstone unit a short distance above the top of the Salt Wash member. The Brushy Basin workings disclosed a pod of ore about 15 x 30 feet in lateral dimensions and up to 3 feet in thickness. This pod contained 82.16 tons of ore which averaged 0.82 percent U_3O_8 and 2.1 percent V_2O_5. No ore-grade material remains exposed in these workings. The Salt Wash member of the Morrison formation has not been explored anywhere in the vicinity of the applicant's claims. Producing mines on Polar and Beaver Mesas northwest of a fault zone are 6 to 10 miles away and projection of any mineralized trends in the area is not feasible due to excessive faulting.

The applicant's drilling program was not based on known trends, or exposures, and is of a prospecting nature rather than exploration. He also proposes to drill the entire Salt Wash member, although the ore is confined only to the upper sandstone units.

Because there is no evidence to show that the Salt Wash sandstone underlying the unit are favorable for ore, and because additional exploration in the vicinity of Brushy Basin occurrence is not likely to result in a worthwhile discovery, it is not believed that further exploration is justified. It is, therefore, recommended that the application be denied. I concur with the conclusions and recommendations of the examining team.

The Atomic Energy Commission was consulted concerning the appraisal of this property.

Enclosed are 10 copies of Figure 2 for inclusion in the joint engineering and geologic report.

J. William Hasler

J. William Hasler,
Geologist

JWH/mlr

Enclosures

UNITED STATES
DEPARTMENT OF THE INTERIOR
DOUGLAS McKAY, SECRETARY

DEFENSE MINERALS EXPLORATION ADMINISTRATION

REPORT OF EXAMINATION BY FIELD TEAM
REGION III

TRANSMITTED

MAR 28 1956

DMEA 4031

Luckytex Uranium Company

Little Jim, Bear Point, Big Ben, and Ben T. claims

Grand County, Utah

Uranium

Joint Engineering and Geologic Report

by

M. H. Salsbury
Bureau of Mines

H. F. Albee
Geological Survey

Reviewed by
DMEA OPERATING COMMITTEE
4-4-56
(date)

March 26, 1956

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DMEA 4031

LUCKYTEX URANIUM COMPANY
Little Jim, Bear Point, Big Ben, and Don T. claims
Grand County, Utah

INTRODUCTION AND SUMMARY

The Luckytex Uranium Company, P. O. Box 502, Moab, Utah, applied for Defense Minerals Exploration Administration assistance to explore leased claims on North Beaver Mesa, Grand County, Utah. The application was referred to the field, and a field examination was made on January 20, 1956, in company with K. B. Wahlquist, manager for the applicant. L. J. Eicher, project geologist for the Geological Survey on Beaver Mesa, and his assistant, G. A. Miller, participated.

The property consists of ten claims, part of a larger group which was located by J. Wesley Oliver and Gladys Oliver, Moab, Utah, and leased to the Old Texas Mining Company, 3301 Worth Street, Dallas, Texas. The ten claims were assigned to the Lucky Tex Uranium Company on July 11, 1955. No evidence of conflicting locations was found and the claims appear to be valid.

The claims lie on the northern flank of the La Sal Mountains near the crest of the Sinbad-Fisher Valley anticline.

The formations exposed on the claim are, from oldest to youngest, the Upper Jurassic Morrison formation, the Lower Cretaceous Burro Canyon formation, and the Cretaceous Dakota formation. Much of the surface is covered by Quaternary landslide material.

The known potential ore-bearing beds of the region are the upper sandstone units of the Salt Wash member of the Morrison formation which are near surface only at the north end of the property, but heavy brush and soil cover prevents good exposures.

Reconnaissance from the surface is handicapped by these poor exposures and by a series of northwesterly-trending parallel faults which cross the northeast corner of the property and have a stratigraphic displacement as much as 1,400 feet downward on the southwest. The beds southwest of the fault have been disturbed and tilted and now have a strike of about N. 65° W., dipping 14° to the southwest in the vicinity of the only mine workings on the property. Thus the depth from the surface to the Salt Wash member is an unknown variable and appears to increase to the southwest.

The property has been explored by a short adit tunnel in what appears to be a Brushy Basin sandstone unit a short distance above the top of the Salt Wash, and by more than 10,000 feet of drilling in 128 holes, of which only 13 exceeded 100 feet in depth and only one was cored.

The Brushy Basin workings disclosed a pod about 15 by 30 feet in lateral dimension and up to 3 feet in thickness, which contained 82.61 tons of ore with an average content of 0.289 percent U_3O_8 and 2.1 percent V_2O_5. No ore-grade material remains exposed in the workings. The occurrence appears to be typical of the occasional small Brushy Basin deposits which have been found in the Beaver and Polar mesa areas.

The applicant's manager states that none of the drill holes, which were all drilled by the Old Texas Mining Company, penetrated the Salt Wash member, although one hole on the Little Jim No. 2 claim should certainly have done so, unless there is a concealed fault, as it was 395 feet in depth. The applicant did not have any record of the location of drill holes and had only very scanty data on drilling results. It was therefore impossible to make an evaluation of the work other than that results appear to have been negative except for shallow mineralization in a Brushy Basin unit behind the adit workings on the Bear Point No. 1 claim.

The Salt Wash member of the Morrison formation has not been explored anywhere in the vicinity of the applicant's claims. The ore potential is, therefore, unknown. The producing mines on Polar and Beaver Mesas northwest of the fault are 6 to 10 miles away, and projection of any mineralized trends into the area of the applicant's claims is not feasible due to excessive faulting.

The proposed drilling plan consists of a staggered pattern of holes on 500-foot centers blanketing the property. It is not based on any known exposures or trends of mineralization and is of a prospecting nature rather than exploration. The applicant proposed to drill the entire Salt Wash member, although only the upper units are known to be productive on Beaver and Polar Mesas.

Because there is no evidence to show that the Salt Wash sandstone units underlying the property are favorable for uranium ore occurrences, and, further, because additional exploration in the

vicinity of the one minor Brushy Basin ore occurrences is not likely to result in a worthwhile discovery in this member of the Morrison formation, it is not believed that further exploration is justified.

Denial of the application under DMEA 4031 is recommended.

ACKNOWLEDGEMENTS

The applicant presented a drilling plan with a map showing proposed drill sites, and a cost estimate for first-stage drilling. The drilling footages quoted are rough estimates.

Louis Garbrecht of the Atomic Energy Commission was consulted but furnished no additional information on the area. Production figures were verified by Atomic Energy Commission records.

Geologic and topographic maps of the area have recently been completed and were used in the examination. Valuable assistance in appraising the property was given by Geological Survey personnel who have been active in the Beaver Mesa area.

LOCATION, TOPOGRAPHY, AND PHYSICAL FEATURES

The Little Jim, Bear Point, Big Ben, and Don T. claims are in secs. 21 and 28, T. 25 S., R. 25 E., Salt Lake Meridian, Grand County, Utah (fig. 1). They are 38 miles east of Moab, Utah, and may be reached by travelling over Utah State graveled highway 128 along the Colorado River, the Castle Valley county road, and 8 miles of the Beaver Mesa access road. Mining supplies are available in Moab, Utah. More complete stocks are found at Grand Junction, Colorado, 118 miles from Moab over hard surfaced highways.

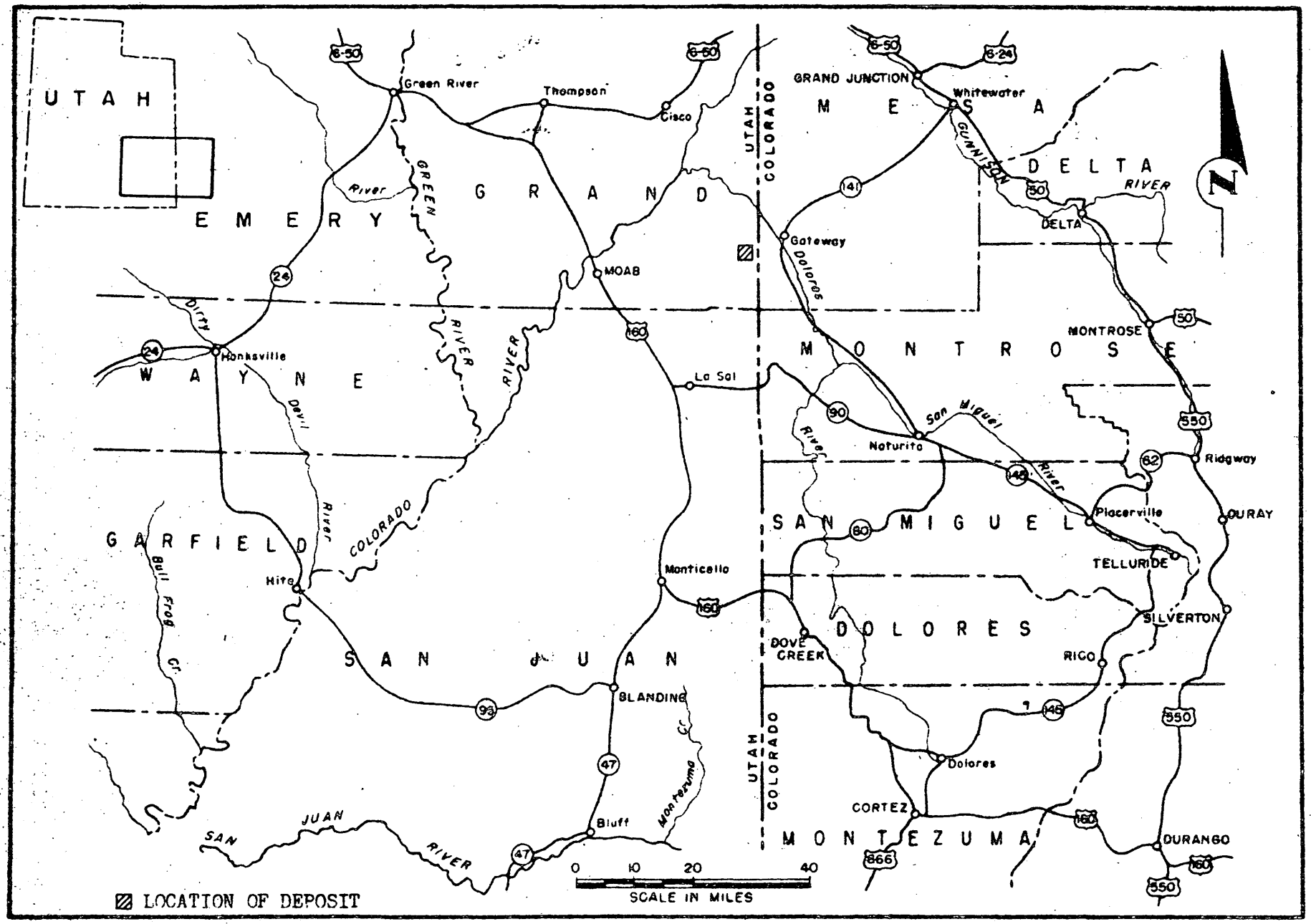

FIGURE 1 - LOCATION MAP, LITTLE JIM, BEAR POINT, BIG BEN AND DON T CLAIMS, LUCKYTEX URANIUM COMPANY, GRAND COUNTY, UTAH. DMEA 4031

The claims are at an altitude of 7,400 to 7,800 feet. The surface has a thick mantle of soil and landslide material with heavy underbrush. Most of the drill roads which would be needed for the proposed project have been constructed.

The most accessible ore buying station is at Moab, Utah. Ore from the area might be routed instead to Grand Junction, Colorado, or Monticello, Utah, 60 miles south of Moab.

There are no unusual problems of supply, water, transportation, or labor. The climate is moderate with heavy precipitation in brief storms summer and winter. Winter surface operations are feasible, but not necessarily economical unless the season is unusually open.

Establishment of a field camp would be necessary to carry on exploration.

HISTORY, PRODUCTION, AND OWNERSHIP

Mining operations in the known productive areas of Polar and Beaver Mesas date from before World War I, but in the vicinity of the applicant's claims limited exploration has been carried on since 1951.

The only known production was in the first half of 1955 coming from the Brushy Basin workings on the applicant's Bear Point No. 1 claim. As verified by Atomic Energy Commission records, this amounted to 82.61 tons averaging 0.289 percent U_3O_8 and 2.1 percent V_2O_5.

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PRESENT STATUS

Exploration and development

Exploration to date has consisted of underground openings totaling 80 feet driven from a rim exposure of the Brushy Basin member at the north end of the Bear Point No. 1 claim, and a reported total of more than 10,000 feet of drilling in 128 holes on the property. The applicant does not have a record of hole locations and only a few in the vicinity of the Bear Point workings can be identified. The only records of what was found in the holes were driller's logs which were incomplete and unsatisfactory. Only one hole, drilled into the ore which was afterwards mined, was cored. Mineralization in other holes was indicated as "none," "slight," "low," "fair," and "good." The applicant lists four holes with "good" mineralization, five "fair," two "low," and one "slight." All but 13 holes were under 100 feet in depth and most of the mineralization reported was at depths of less than 45 feet, so must have been in Brushy Basin units. In hole No. 18, 210 feet deep, "some" mineralization was reported at 185 feet, and in hole No. 44, 120 feet deep "fair" mineralization was reported at 65 feet and 100 feet. In the absence of lithologic logs, hole locations, collar elevations, and formation depths, evaluation of these results is not possible.

!! Why?

Could have been in Jm SW according to Figure 2.

Mining and milling equipment and other facilities

Drill roads have been bulldozed to the various sites, and there is an ore bin, mine car, track, and a tool shed at the mine on the Bear Point No. 1 claim.

GEOLOGY AND ORE DEPOSITS

The claims lie on the northern flank of the La Sal Mountains near the crest of the Sinbad-Fisher Valley anticline. A series of parallel faults, with a stratigraphic displacement greater than 1,400 feet, trends northwesterly across the northeast corner of the property.

The area is underlain by sediments that consist, from oldest to youngest, of the Upper Jurassic Morrison formation, the Lower Cretaceous Burro Canyon formation, the Lower and Upper Cretaceous Dakota sandstone, and Quaternary landslide material. The Morrison formation is divided into the Salt Wash member, composed dominantly of interstratified units of sandstone and mudstone, and the overlying Brushy Basin member composed primarily of variegated red and gray shale and clay and sparse lenses of sandstone and conglomeratic sandstone. The Brushy Basin rocks at the mine portal strike N. 65° W., and dip 14° southwesterly. The Burro Canyon formation and the Dakota sandstone, respectively, overlie the Morrison formation. They are composed dominantly of sandstone and conglomeratic sandstone interbedded with lenses of shale. The nearest known measured section is about 4 miles northerly in sec. 3, T. 25 S., R. 25 E., on Polar Mesa, measured by L. C. Craig and others in 1950. In section 3 the Salt

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The applicant believes that ore will be found in the lower rim of the Salt Wash and has proposed a drill program based on that belief. Substantial production from the upper rim only on Polar and Beaver Mesas to the north and northeast does not bear out this belief.

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How!! see map JMSW exposed!!

ORE RESERVES

There are no ore reserves on the property.

PROPOSED EXPLORATION

The applicant has proposed a drilling project in two stages with 10,000 feet of drilling in 40 holes averaging 250 feet deep in each stage. Holes were to be drilled through the Salt Wash member of the Morrison formation and cored throughout the Salt Wash interval. The estimated cost of first-stage drilling was $23,336.96. The footage in the second stage was the same, so presumably the over-all cost of the applicant's program would be $46,673.92. Government participation at 75 percent would be $35,005.44. The applicant proposed to do the work with their own crew and equipment leased from the Old Texas Mining Company. The calculated over-all unit cost of $2.33 per foot of drilling appears to be low.

The drilling place consists of a pattern of holes on 500-foot centers in the first stage. The holes blanket the claim area and are not spotted with reference to any specific geologic conditions or trends of mineralization. They are actually for the purpose of prospecting an area which is practically untouched to date. The average depth of hole of 250 feet estimated by the applicant is not based on a careful reconnaissance of the topography and calculation of required drilling depths.

The depth to the dipping Salt Wash beds increases rather rapidly in the direction of dip because the surface is rising in the same direction. The Salt Wash alone is probably over 300 feet thick on the claims, so probably a minimum of 300 feet of coring per hole would be required.

The applicant's proposal to explore the entire Salt Wash section cannot be justified on the basis of past experience on the occurrence of the ore deposits.

O.K. this part

A cost extimate was not prepared because of the probable denial on geologic grounds.

CONCLUSIONS AND RECOMMENDATIONS

The proposed exploration is not based on any evidence indicating the presence of conditions favorable for ore occurrences in the Salt Wash member of the Jurassic Morrison formation underlying the claims and is of a prospecting nature. While there may be more small occurrences in the Brushy Basin member similar to the one which has been mined, the probable frequency and size of such occurrences, as evidenced by other known Brushy Basin deposits, does not indicate that significant amounts of ore are present. The examining team is unable to suggest an alternate exploration plan which would be likely to find significant ore bodies.

Denial of the application under DMEA 4031 is recommended.

11-17-55 zm

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

RECEIVED
NOV 17 1955

November 15, 1955

224 New Customhouse
Denver 2, Colorado

Mr. Kenneth B. Wahlquist II
Assistant Secretary and Manager
The Luckytex Uranium Company
Box 502
Moab, Utah

Re: Docket DMEA 4031 (Uranium),
Bear Point #1, et al., claims,
Grand County, Utah

Dear Mr. Wahlquist:

We note in Exhibit "C" and the Claim Map submitted with the application, Big Ben Fraction claim is mentioned and its location shown. However, the claim is not mentioned in the Mining Lease or Assignment of Mining Lease. Will you please clarify this discrepancy and show by what token you have the right to mine and remove ore from the Big Ben Fraction claim.

When we receive this information, we will continue to process your application.

Very truly yours,

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

By J. W. Townsend
J. W. Townsend

HMC:ab
cc: Chair. Op. Comm. (2)

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

RECEIVED
NOV 17 1955

November 15, 1955

224 New Customhouse
Denver 2, Colorado

Mr. Kenneth D. Wahlquist II
Assistant Secretary and Manager
The Luckytex Uranium Company
Box 502
Moab, Utah

Re: Docket DMEA 4031 (Uranium),
Bear Point #1, et al., claims,
Grand County, Utah

Dear Mr. Wahlquist:

We note in Exhibit "C" and the Claim Map submitted with the application, Big Ben Fraction claim is mentioned and its location shown. However, the claim is not mentioned in the Mining Lease or Assignment of Mining Lease. Will you please clarify this discrepancy and show by what token you have the right to mine and remove ore from the Big Ben Fraction claim.

When we receive this information, we will continue to process your application.

Very truly yours,

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

By J. W. Townsend

HMC:ab
cc: Chair. Op. Comm. (2)

Surname Copy
700
Murphy
Ellis
Selfridge
Hjelmeson

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

Mr. W. M. Traver
Executive Officer
DMEA, Field Team, Region III
22d New Customhouse Building
Denver 2, Colorado

NOV 1 0 1955

Re: Docket No. DMEA-4031 (Uranium)
The Lucky-Lex Uranium Company
Bear Point #1, et al., Claims
Grand County, Utah

Dear Mr. Traver:

This is to acknowledge your memorandum, dated October 27, 1955, and attached joint memorandum from J. W. Hasler, USGS, and M. H. Salsbury, USBM, recommending a field examination of the subject property.

Enclosed are copies of memoranda dated November 4 and 7, 1955, by H. E. Nelson, USGS, and J. E. Crawford, USBM, respectively, relating to the above-docketed application.

In the event the Field Team recommends a project on the subject property, it should advise the Applicant that we will require six copies each of the following documents:

1. Owner's Consent to Lien, signed by J. Wesley Oliver and Gladys Oliver, his wife.

2. If an overriding royalty exists under the assignment of the mining lease of the subject property from Old Texas Mining Company to the Applicant Company, we will require a Subordination Agreement signed by the sub-lessor.

We note in Exhibit "C" and the Claim Map submitted with the application, Big Bear Fraction claim is mentioned and its location shown. However, the claim is not mentioned in the Mining Lease or Assignment of Mining Lease. Will you kindly have the Applicant clarify this discrepancy.

Sincerely yours,

George C. Selfridge
Chairman, Operating Committee

Enclosures
APPROVED:

/s/ Robert W. Geehan
Member, Bureau of Mines

Thor H. Kilsgaard
Member, Geological Survey

FMMurphy/izm 11-8-55
cc to: Admr.'s Reading File
Operating Committee
Docket
Code 700
Mr. Murphy

Messrs. JECrawford, Rm. 3641
THKiilsgaard, Rm. 5224
JOHsted, Rm. 3210, GSA

Surname Copy
700
Murphy
Ellis
Keehan
Kilbgaard
Selfridge
H. Johnson

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

NOV 1 0 1955

Mr. Kenneth D. Wahlquist, II
Assistant Secretary and Manager
The Luckytex Uranium Company
Box 502
Moab, Utah

Re: Docket No. DMEA-4031 (Uranium)
Bear Point #1, et al., Claims
Grand County, Utah

Dear Mr. Wahlquist:

The application for assistance in exploring the subject property under the captioned docket number has been reviewed by the Rare and Miscellaneous Metals Division.

The DMEA Field Team, Region III, Mr. W. M. Traver, Executive Officer, 224 New Customhouse Building, Denver 2, Colorado, will schedule a field examination of your property in the near future if it has not already been done so.

Any assistance you may give the members of the Field Team during the examination will be appreciated.

Sincerely yours,

[illegible] (for)

Administrator

FMMurphy/izm
11/8/55
cc to: Admr.'s Reading File
Operating Committee
Docket
Code 700
Mr. Murphy
DMEA Field Team, Region III (2)
Messrs. JECrawford, Rm. 3641
THKiilsgaard, Rm. 5224
JOHosted, Rm. 3210, GSA

R.C.S.

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

RECEIVED
NOV - 7 1955

November 7, 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 4031, Luckytex Uranium Company, Beaver, Don T., Little Jim, Big Ben and Bear Point claims, Grand County, Utah

I have reviewed the attached application, DMEA Docket 4031, dated October 15, 1955, and received in this office November 1. I have discussed it with Joseph O. Hosted, Washington representative of the Atomic Energy Commission.

The Luckytex Uranium Co. mined uranium on the Bear Point No. 1 claim until the deposit was apparently exhausted in July 1955.

Drilling was conducted on the claims by the company, but while more than 100 holes consisting of a total of 10,000 feet were drilled, only 15 showed any indication of uranium mineralization. Results of drilling are incomplete and it is not possible to interpret the significance of the work.

There is insufficient evidence provided by the company to properly evaluate their request for DMEA assistance; however, we note that W. M. Traver, in his memorandum of October 25 to W. H. King and J. W. Hasler regarding the application, requests the field examiners to make an examination of the property. Therefore, we shall withhold further comment until the Field Team report of examination is made available to us.

John E. Crawford

John E. Crawford

Attachment

11/7/55 [illegible]

IN REPLY REFER TO:

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

RECEIVED
NOV - 4 1955

November 4, 1955

Re: DMEA 4031
The Luckytex Uranium Corp.
Bear Point #1
Grand County, Utah
$23,336.96 - Uranium

Memorandum

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

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

Subject: Review of application

The application was received by the field office and an examination recommended, following which a field examination and suitable report was required.

The location with respect to producing mines, the general geologic conditions as set forth in the application, and the proven presence of some ore as shown by the small production, suggest that this property warrants a field examination. Apparently the 128 holes drilled for the applicant are of little use in appraising the application since no maps were made (or preserved) showing the locations of some holes, the drill records were sloppily kept, and, due to lack of engineering and geologic control, the holes may not have been deep enough.

I agree with the conclusions of the field office that an examination is warranted.

N. E. Nelson

N. E. Nelson

IN REPLY REFER TO:

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

November 4, 1955

Re: DMEA 4031
The Luckytex Uranium Corp.
Bear Point #1
Grand County, Utah
$23,336.96 - Uranium

Memorandum

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

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

Subject: Review of application

The application was received by the field office and an examination recommended, following which a field examination and suitable report was required.

The location with respect to producing mines, the general geologic conditions as set forth in the application, and the proven presence of ores are as shown by the small production, suggest that this property warrants a field examination. Apparently the 128 holes drilled for the applicant are of little use in appraising the application since no maps were made (or preserved) showing the locations of some holes, the drill records were sloppily kept, and, due to lack of engineering and geologic control, the holes may not have been deep enough.

I agree with the conclusions of the field office that an examination is warranted.

M. E. Nelson

M. E. Nelson

MENelson:iml
G-11/4/55
cc: Director's reading, 4212
Branch reading, 4212
DMEA (3)
Docket file
J. E. Crawford, 3641
J. O. Hosted, 3210

11/7/55 [illegible]

RECEIVED
NOV 2 1955
BUREAU OF MINES
DENVER, COLORADO

November 1, 1955

Memorandum

To: W. M. Traver, Executive Officer

From: John F. Shaw, Acting Superintendent, Denver Experiment Station

Subject: Docket DMEA-4031 (Uranium), The Luckytex Uranium Company, Beaver, Dom T., Little Jim, Big Ben, and Bear Point Claims, Grand County, Utah

The above application was received in this office on October 31, 1955. A field examination will be made and suitable report prepared by an engineer from the Denver or Grand Junction office.

JOHN F. SHAW

John F. Shaw

cc: 2 w/orig.
E. N. Marshman
J. W. Kasler
Sec. Op. Com.

RECEIVED
NOV - 4 1955
DMEA

November 1, 1955

Memorandum

To: W. M. Traver, Executive Officer

From: John F. Shaw, Acting Superintendent, Denver Experiment Station

Subject: Docket DMEA-4031 (Uranium), The Luckytex Uranium Company, Beaver, Don T., Little Jim, Big Ben, and Bear Point Claims, Grand County, Utah

The above application was received in this office on October 31, 1955. A field examination will be made and suitable report prepared by an engineer from the Denver or Grand Junction office.

John F. Shaw

cc: 2 w/orig.
E. H. Harshman
J. W. Hasler

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

RECEIVED
OCT 31 1955

224 New Customhouse
Denver 2, Colorado

October 27, 1955

Memorandum

To: Secretary to the Operating Committee, DMEA

From: Executive Officer, DMEA Field Team, Region III

Subject: Application for DMEA aid (Uranium), Luckytex Uranium Company, Beaver, Don T., Little Jim, Big Ben and Bear Point claims, Grand County, Utah

Enclosed are four copies of a joint memorandum from J. William Hasler, U. S. Geological Survey, and M. H. Salsbury, U. S. Bureau of Mines, recommending a field examination of the subject property.

W. M. Traver

By J. W. Townsend
J. W. Townsend

Enclosures

IN REPLY REFER TO:

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

DMEA
Date Rec'd.

OCT 26 1955

BUREAU OF MINES
Denver, Colorado

October 25, 1955

Memorandum

RECEIVED
OCT 31 1955

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

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

Subject: Application for DMEA aid (Uranium), Luckytex Uranium Company; Beaver, Don T., Little Jim, Big Ben, and Bear Point claims, Grand County, Utah

This memo is in reply to your request for a recommendation regarding a field examination of the subject property. The material submitted by the Luckytex Uranium Company has been reviewed and it is recommended that a field examination be made on the property in view of the fact the property has had a small amount of production and some drilling has been done, although the drilling was not of sufficient depth to reach the Salt Wash member of the Morrison formation.

A field examination will be scheduled as soon as possible and we are retaining a copy of the application.

J. William Hasler
J. William Hasler,
Geologist, USGS

M H Salsbury by JWH
M. H. Salsbury
Engineer, USBM

JWH/mlr
Enclosures

cc: E. N. Harshman

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

RECEIVED
OCT 31 1955

224 New Customhouse
Denver 2, Colorado

October 28, 1955

Memorandum

To: W. H. King (with brochure)
J. W. Hasler

From: Executive Officer, DMEA Field Team, Region III

Subject: Docket DMEA-4031 (Uranium), The Luckytex Uranium Company, Beaver, Don T., Little Jim, Big Ben, and Bear Point Claims, Grand County, Utah

Enclosed is one copy of the subject application which consists of the following:

(a) Form MF-103 and supplemental answer sheets
(b) Two maps
(c) Exhibit "A" - Mining lease between J. Wesley Oliver (Lessor) and Old Texas Mining Company (Lessee)
(d) Exhibit "B" - Assignment of Mining Lease from Old Texas Mining Company to Luckytex Uranium Company
(e) Exhibit "C" - Recording data for mining claims

A field examination and suitable report are required.

W. M. Traver

By J W Townsend
J. W. Townsend

Enclosures
JDC:jy
cc: Docket DMEA 4031
Sec. Op. Comm. (4)
Harshman
Chron.

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

RECEIVED
OCT 24 1955

October 21, 1955

224 New Customhouse
Denver 2, Colorado

Memorandum

To: Secretary of the Operating Committee, DMEA

From: Executive Officer, DMEA Field Team, Region III

Subject: Application for DMEA aid, (Uranium), The Luckytex Uranium Company, Beaver, Don T., Little Jim, Big Ben, and Bear Point claims, Grand County, Utah

Enclosed are two copies of the subject application in the amount of $23,336.96. The application consists of the following:

a. Form MV-103 and supplemental answer sheets

b. Two maps

c. Exhibit "A" - Mining lease between J. Wesley Oliver, Lessor, and Old Texas Mining Company, Lessee.

d. Exhibit "B" - Assignment of Mining Lease between Old Texas Mining Company, Assignor, and Luckytex Uranium Company, Assignee

e. Exhibit "C" - Recording data for mining claims

One copy of the application has been forwarded to the Grand Junction office of the U. S. Geological Survey for joint study and recommendations relative to a field examination, and one copy is retained in our files.

Four copies of our letter to the applicant requesting additional data are also enclosed herewith.

W. M. Traver

W. M. Traver

Enclosures

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

RECEIVED
OCT 24 1955

224 New Customhouse
Denver 2, Colorado

October 21, 1955

Mr. Kenneth D. Wahlquist II
Assistant Secretary and Manager
The Luckytex Uranium Company
Box 502
Moab, Utah

Dear Mr. Wahlquist:

In order to further process your application which was received October 19, 1955, we will need four each of the following items.

(a) All available lithologic and radiometric logs for your drilling to date

(b) Map showing locations of all drill holes as well as any other exploration to date

It appears from your application that the work is of a prospecting nature, for which DMEA participation is not available. You propose to drill through the Salt Wash member of the Morrison formation even though the lower portion of this member apparently has not been prospected to any significant extent in the area. If you have any evidence that there are uranium values in the lower Salt Wash horizons in the immediate area of proposed drilling, you should also submit this data in quadruplicate.

Yours very truly,

W. M. Traver

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

JDC:jy
cc: Sec. Op. Comm. (4)
Docket
Hasler
Shaw (2) Chron.

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

RECEIVED
OCT 24 1955

October 20, 1955

[redacted]
Denver 2, Colorado

[redacted]

To: J. W. Zeller

From: Executive Officer, DMEA Field Team, Region III

Subject: Application for DMEA aid (Uranium), The Lackyton Uranium Company; Beaver, Dan T., Little Jim, Big Ben and Bear Point claims, Grand County, Utah

Enclosed is one copy of the subject application in the amount of $23,136.96.

Please study and discuss the application with the Bureau of Mines and AEC officials at Grand Junction and promptly forward this office your recommendation regarding a field examination of the property.

W. M. Traver

W. M. Traver

[redacted]

JC:ab
cc: Docket
Sec. Op. Comm. (4)
Kurshman
Shaw (2)
Chron.

MF-103
(Revised April 1952)

UNITED STATES DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

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

RECEIVED
OCT 24 1955

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

Not to be filled in by applicant

Docket No. 4031
Metal or Mineral Uranium
Date Received 10-24-55
Estimated Cost 23,336.96
Participation (Government %)

INSTRUCTIONS

1. *Name of applicant.*—(*a*) State here your full legal name, in the form in which you will wish to contract, and your mailing address: The Luckytex Uranium Company, a corporation of Delaware
P.O. Box 502, Moab, Utah

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

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

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

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

3. *Applicant's property rights.*—(*a*) State the legal description of the land upon which you wish to explore, including all land which you possess or control that may be benefited by the exploration, and excluding any land or interest in land which is not to be included in the exploration project contract Boundaries include nine mining claims and one fractional claim, all unpatented, in Sec. 21 & 28, T 25 S, R 25 E, Salt Lake meridian, in Grand County, Utah. See claim map inclosed. Claims are listed in abstract under 3(f) below.

(*b*) State any mine name by which the property is known. Bear Point # 1

(*c*) State your interest in the land, whether owner, lessee, purchaser under contract, or otherwise Luckytex Uranium Co. holds a lease from the original staker, J. Wesley Oliver of Moab.

(*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 NOT APPLICABLE

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

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.

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

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

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

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

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

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

(*c*) The work will start within 30 days and be completed within 4 months from the date of an exploration project contract.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Explain in detail on acompanying paper.

CERTIFICATION

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

Dated October 15, 1955

(Applicant)

By

Kenneth D. Wahlquist II,

Assistant Secretary and Manager

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

W. R. BURFORD
PRESIDENT

EARL BEYER
VICE-PRESIDENT

LUCKYTEX URANIUM COMPANY

3301 WORTH STREET :: VICTOR 3409
DALLAS, TEXAS

RECEIVED
OCT 24 1955

1.(c) W.R.Burford, President
6218 Malcolm Drive
Dallas, Texas

Jim W.Crofford, Vice President
6566 Bob-o-Links Drive
Dallas, Texas

Walter R. Smith, Vice President
1001 Main Street
Henderson, Texas

Earl E. Beyer, Vice President
Yale Club, New York City, N.Y.

Blanton W. Burford, Treasurer
6712 Bob-o-Links Drive
Dallas, Texas

Harold Helm, Secretary
3301 Worth Street,
Dallas, Texas

Kenneth D. Wahlquist II, Assistant Secretary and Manager
Box 502, Moab, Utah

3.(d) See attached photostats, Exhibits "A" and "B" for the lease contract to Old Texas Mining Company and the lease assignment to the Luckytex Uranium Company.

4.(a) Luckytex has operated a mine on these claims for a total of some four non-continuous months. This mine, located on Bear Point # 1 Claim (see Map # 3) is a single drift running west from the portal about forty feet where a "Y" leads to the southwest about twenty feet and to the northeast about forty feet. The excavation was opened in December of 1954, after extensive drilling on the claim proved out an ore body of sufficient size. Mining was conducted in a faulted and broken zone in the upper Morrison strata by a mine car and track system which was left intact when the exhaustion of the apparent ore body curtailed production in July, 1955.

COPY

W. R. BURFORD
PRESIDENT

EARL BEYER
VICE-PRESIDENT

LUCKYTEX URANIUM COMPANY
3301 WORTH STREET :: VICTOR 3409
DALLAS, TEXAS

There is available on the site an ore bin, the track, and an ore car, and just to the north of the portal is a tool shed.

The drilling was conducted for Luckytex by Old Texas Mining Company on a contract basis. Although this drilling was of an intensive nature, totaling some 10,000 feet, none of the holes were drilled to a sufficient depth to reach the Salt Wash member of the Morrison. It was suggested by Walter R. Smith, Ph.D., Vice President of the Company and a graduate geologist and mining engineer, that the ore body mined was evidently a "squeeze" which had occurred concurrently with the extensive faulting in the area.

The following drill record was taken from the drillers' logs and the grade or degree of count or value is unknown.

Ommitted numbers mean no report available.

Hole	Depth in feet	Drillers' value
Log 1	75	slight count
2	60	none in bottom
3	45	none
4	135	fair
5	170	6' good at 41'
6	45	fair at 25'
7	45	fair 20'-30'
8	45	" 23'-29'
9	45	low grade at 25'
10	45	" " 30'-45'
11	45	good at 14'
12	45	low 29'-34'
18	210	some at 185'
44	120	fair at 65' & 100'
2A (cored)	45	good ore

The report continues for 128 holes, omitting those in which no significant mineralization was encountered. Only 13 of these holes exceeded 100 feet in depth, and the deepest one, drilled from the top of a hill on Little Jim # 2 claim, was 395 feet. The drilling of this property was supervised by a man since released and no plat is available of the non-mineralized holes.

The mine workings are easily accessible for inspection purposes, although in accordance with Sec. 9 of the General Safety orders of the Utah Industrial Commission, it is a Company policy that any visitors to the mine must be accompanied on their tour by an officer of the Company or a duly authorized representative. Such a tour can be arranged by appointment through the Moab, Utah office, Box 502, Telephone Alpine 3-4397.

4. (b) 82.62 dry tons of carnotite ore have been shipped from the Bear Point # 1 Claim prior to closing the mine. An average of the ore settlement sheets on all shipments 0.289% Uranium Oxide, 2.1% Vanadium Oxide, and 10.0 % Calcium Carbonate. There are no known ore reserves.

4.(c) This group of claims lie on the northeast flank of the La Sal Mountains, about ten miles west east and a little south of the town of Gateway, Colorado. The claims lie in Sec. 21 and 28, T25S, R25E, S.L.M., on South Beaver Mesa, Grand County, Utah.

The Little Jim # 3 and the central and northern parts of Little Jim # 2 lie on a Jurrassic Morrison. The north one-third (about) of the Little Jim # 1, Bear Point 1,2, and 3, Big Ben and Big Ben Fraction show Cretaceous Burro Canyon and Dakota sandstone outcrop, while the southern two-thirds (about) of Bear Point 1, 2, 3, and all of the Ben T 1 and 2 are covered by alluvium. The local dip is S 45 deg W at 11 degrees. This puts the whole group probably underlain by the Morrison formation.

The mining and production of 82 tons of ore came from the Bear Point # 1 Claim, and from above the Salt Wash member of the Morrison Formation. Extensive drilling has been done at shallow depths but very little was done to explore the whole thickness of the Salt Wash. It is believed that values will be in the lower rims of the Salt Wash.

Polar Mesa, about four miles to the north, has produced for several years from the top of the Salt Wash. Beaver Mesa and areas to the east (as the Lumsden group-the Corvusite mine) have produced for several years. The ore bodies on these properties are fairly large in areal extent, but nothing is known of ore bodies on the southwest side of the NW-SE trending fault system that cuts the east side of this group of claims. The purpose of this exploration is to determine if this group has the same ore bodies as appear on the NE

side of this fault system. Structurally, these claims have merit as a drilling project and ore has been produced from the Bear Point # 1. Ore has been produced from the Salt Wash in areas to the north and east and the Beaver Mesa Mining Company is at present going into production on Beaver Mesa. The ore body on Bear Point # 1 was of a bedded type, of carnotite-tyuyamunite mineralization, but probably the deeper mineralization would be the unoxidized type commonly called "black ore", as the significant mineralization on Beaver Mesa is uraninite and coffinite, with the vanadium ores being lumsdenite and doloresite.

4.(d) The property is accessible by taking Highway 160 north from Moab, Utah to the river bridge, and turning right on highway 128 (also known as the river road) continuing toward Cisco for a distance of 15.5 miles to the Castle Valley-Gateway, Colo. road. After taking this road for a distance of 18.8 miles, turn right for 0.5 miles and go through the cattle guard. Immediately past the guard, turn left on the access road for a distance of 1.5 miles to the mine. The total distance is 36.4 miles from Moab, most of it on county roads which are kept open all year. Only two miles of the distance would have to be maintained by the operator. Moab is the recognized supply center for the area, with all drilling supplies readily available there. Men engaged in the exploration project would live on the property in trailers. Ore haulage distance to Moab would be 36.4 miles or 96 miles to Monticello, plus or minus one half mile.

4.(e) Manpower, materials, and supplies are all available at Moab Utah. Water for domestic and drilling uses is obtainable from several all year creeks and springs at distances of one to five miles from the claims.

5.(b) The proposed exploration is a drilling program with the grid arrangement shown on the accompanying map # 2. The ore bodies in this area are relatively small in areal extent and a 500 foot grid system is believed to be about the maximum spacing. The program will therefore be set up in two stages, with the second stage being four holes offset at 100 feet around any mineralized holes found in the first stage. Drilling depths will run from 200 feet on the east and northeast to about 400 feet on the west and southwest. The drilling on the Little Jim 2 and Little Jim 3 will be about 200 feet, as the Salt Wash member of the Morrison outcrops here.

The first stage will be 40 holes at an average depth of 250 feet or 10,000 feet of drilling. Assuming about one fourth of the holes as being mineralized, the second stage would be another 40 holes at supposedly the same average depth. The second stage will, of course, be carried out only on mineralized holes of sufficient value to warrant further exploration, and should not be considered until the first stage has been concluded. Most of the drill sites and roads are in place. It is proposed that samples be taken every two feet during the drilling.

5.(c) The Luckytex Uranium Company is presently operating the La Sal Junction mine; operating personnel of the Old Texas Mining Co. which is the operating agency for Luckytex, discovered and developed the Rattlesnake Mine. They have been operating drill rigs on the Colorado Plateau for two years. Bill Mc Dougald, a graduate geologist, of Moab, Utah, will direct drilling and sampling of the claims.

6. Estimate of costs: STAGE ONE ONLY

(a) Independent contracts: none

			Drilling	Road
(b) Labor:	Driller	4 mo. @ 450.00	1800.00	
	Helper	4 mo.x 24 da.x 1.75 x 8		
		4 mo.x 24 da.x 2.625 x1	1596.00	
	Supervision & Geology	4 mo.x 650.00	2600.00	
	*Dozer operator	30 hrs.x2.00		60.00
		SubTotals	5996.00	60.00

(c) Materials and supplies:

Drill bits	20 x 50.00	1000.00	
Gas	96 da.x 50 gal x.28	1372.00	
Oil	96 " x 5 qts. x.45	220.50	
Grease	96 " x 5 lbs. x.35	168.00	
Drill mud	96 " x 1/10T x 46.00	441.60	
Circulation Material	32 " x 1 bag x 10.00	320.00	
Diesel Fuel	190 gal x .175		33.25
	SubTotals	3522.10	33.25

6. Estimate of costs (continued)

(d) Operating equipment : rental on an established basis from The Old Texas Mining Company.

		Drilling	Roads
Mayhew 1000 drill rig with Water Truck	96 da x 8 hrs.x 13.00	9984.00	
Pick-up truck (3/4 T)	4 mo x 85.00	340.00	
Counter, probe, & reel	4 mo x 100.00	400.00	
TD-18A Crawler with 'dozer	30 hrs.x 13.00		390.00
Moving crawler	8 hrs.x 16.00		128.00
	SubTotals	10,724.00	518.00

(e) None

(f) None

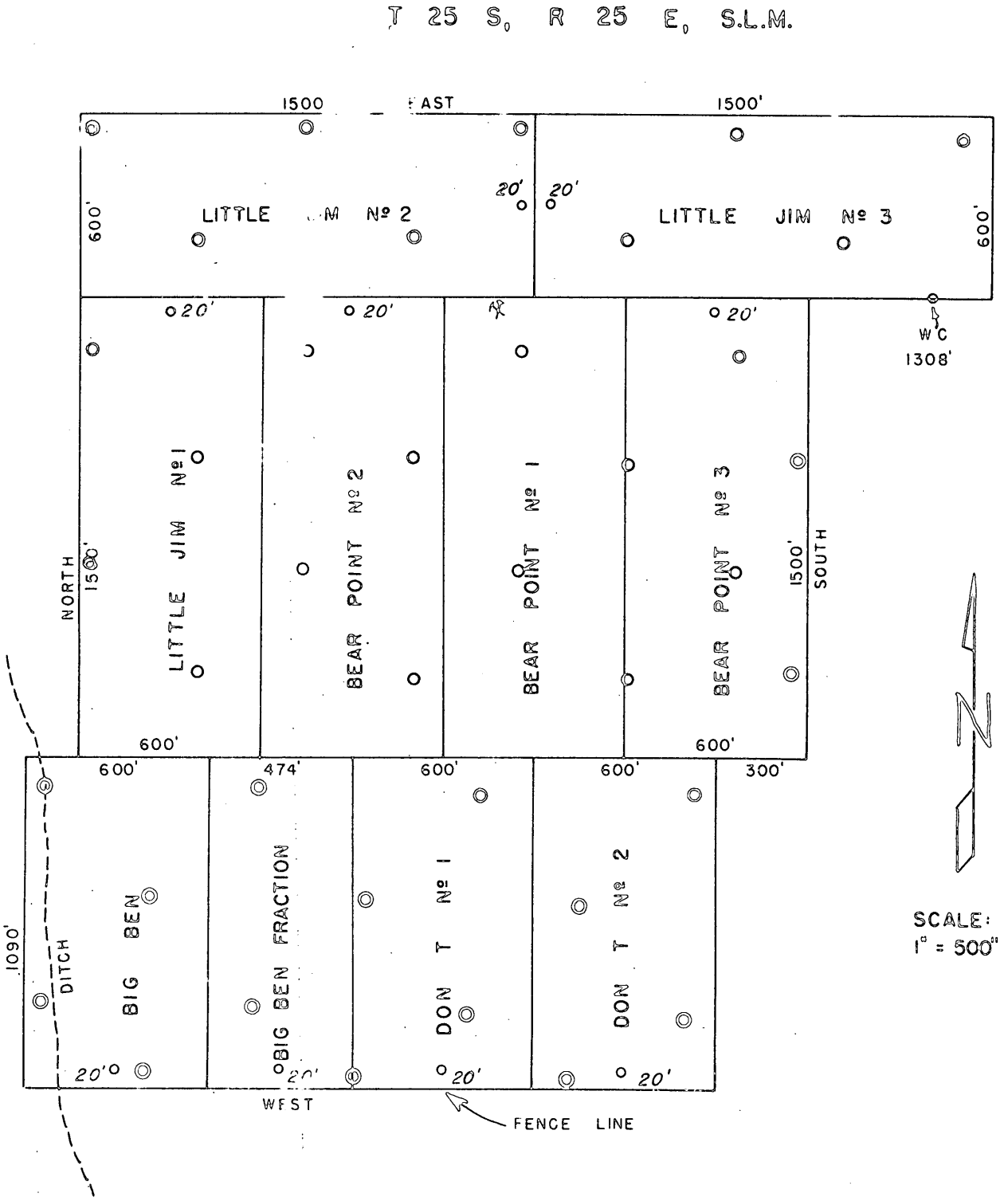
(g) Miscellaneous

Repairs

Mayhew rig & truck	96 da x 10.00	960.00	
Pick-up truck		100.00	
Workmens' compensation & Social Security Tax 5 % of Labor (6-b above)		299.80	3.00
	SubTotals	1359.80	3.00
	Totals	21,601.90	614.25
(h) Contingencies 5 % of Totals		1,080.10	30.71
	Grand Totals	$22,682.00	644.96

Drilling cost proposed : $2.27 per foot

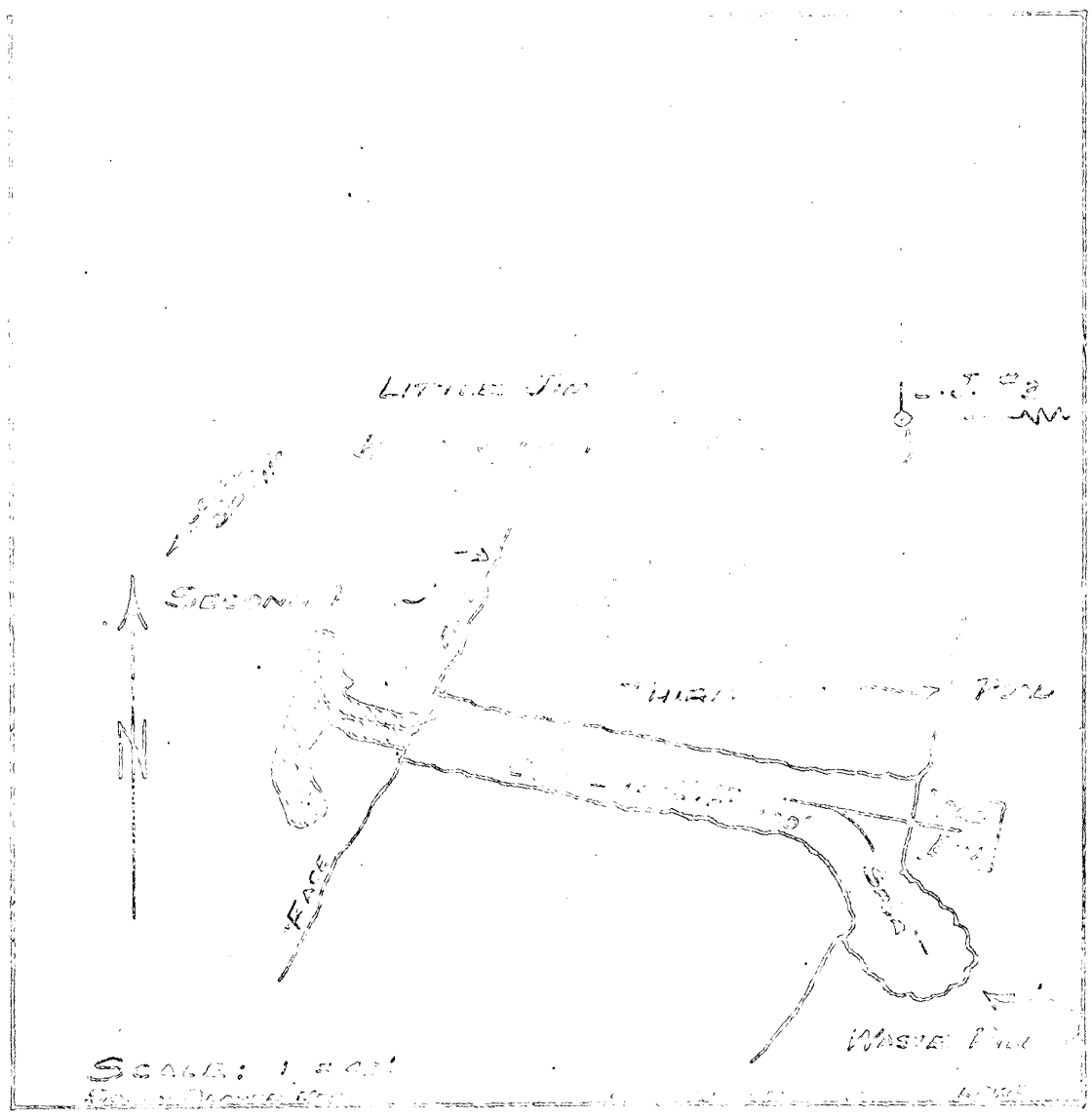
Total drilling and road work $23,336.96



CLAIM MAP FOR
OLD TEXAS MINING COMPANY
Grand County, Utah

Surv. by WINSTON BOYER

OCT 24 1983



Atted. orig lease on file in Moab Dated Jan 1, 1955

RECEIVED
OCT 24 1955

MINING LEASE

THIS AGREEMENT made and entered into in duplicate as of July 24, 1954, between James Wesley Oliver, also known as J. Wesley Oliver and Gladys Oliver, his wife, of Moab, Utah hereinafter called Lessors and Old Texas Mining Co., a corporation of the state of Texas whose address is 3301 Worth St., Dallas, Texas, hereinafter called Lessee; WITNESSETH:

In the event it should be determined that the land covered by the below described mining claims, or any of them, should not be open to location under the United States mining laws either because (a) it is included in an offer, application, permit or lease under the Mineral Leasing Act of 1920 as amended, or (b) said lands are reserved, classified or known to be valuable for minerals, leasable under that act, then in such event, Lessor shall timely comply with the requirements of A. E. C. Domestic Uranium Program, Circular 7 in applying for and securing a lease, as provided in said Circular 7, and upon securing said lease, Lessor shall immediately assign said lease to Lessee herein, its successors and assigns, and said new lease shall be in lieu of and shall be substituted for this existing lease.

IT IS MUTUALLY AGREED BETWEEN THE PARTIES HERETO:

The Lessors hereby warrant that the said mining claims were located pursuant to the laws of the United States of America and of the State of Utah, and that there are no valid prior locations covering or conflicting with the same, except that on claims "John L 1 through 5" there may be prior claims, but Lessors give all their right and title to said "John L 1 through 5" claims. Lessors, in consideration of the royalties to be paid and the covenants to be kept and performed, do hereby lease unto Lessee the following described mining claims situate in the County of Grand, State of Utah, the location notices thereof being recorded in the office of the County Recorder of said County as follows:

Name of Claim	Book	Page
Oliver #1	20	368
Oliver #2	20	369
Oliver #5	20	369
Oliver #6	20	370
Beaver #1	9-0	471
Beaver #2	9-0	472
Beaver #3	27	445
Beaver #4	27	445
Beaver #5	27	446
Beaver #6	27	446
Beaver #7	27	447
Beaver #8	27	447
John L #1	20	62
John L #2	9N	54
John L #3	9N	55
John L.#4	20	61
John L #5	20	62
E. M.	9N	617
M. E.	9N	618
Don T. #1	9N	616
Don T. #2	9N	616
Bud H. #1	9N	619
Bud H. #2	9N	620
Little Jim #1	20	63

EXHIBIT "A"

Name of Claim	Book	Page
Little Jim #2	9N	613
Little Jim #3	9N	614
Big Ben	27	448
Bear Point #1	9N	610
Bear Point #2	9N	611
Bear Point #3	9N	612

TO HAVE AND TO HOLD unto Lessee so long as commercial ores may be mined and sold by Lessee at a profit and so long as Lessee shall keep and perform each and all of the covenants and agreements required to be kept and performed by Lessee as hereinafter set forth unless sooner forfeited through the violation of any covenant herein required to be performed by Lessee, with the right to surrender this lease as hereinafter set forth. But this lease shall continue so long as Lessee may be performing exploration work for the discovery of ores without cessation of more than sixty (60) consecutive days.

In consideration of such lease, Lessee covenants and agrees with Lessors as follows:

1. To cause any ore purchaser to pay Lessors a royalty of Ten (10%) percent of the proceeds of ores mined and sold from any of said claims less haulage and development allowances and to furnish Lessors with settlement sheets of all ores so sold.

2. In the event of the receipt of any bonus payment from the Atomic Energy Commission paid to Lessee, Lessee shall pay Ten (10%) percent thereof to Lessors within Ten (10) days after such receipt, together with a true copy of the notice of such bonus payment.

3. To carry on all mining operations steadily and continuously so as to take out the greatest amount of ore possible.

4. To do and perform within the time prescribed by law the annual labor required for the retention of possessory rights upon said mining claims and to make and file affidavits so stating prior to June 1st of each year in which this lease shall be in effect.

5. To keep full and accurate records at an office reasonably accessible to Lessors, of all operations carried on hereunder including drilling records, maps, and assays open to the inspection of Lessors at all reasonable times, and to permit Lessors or their Agent full and free access to said claims for the purpose of inspection.

6. To carry on all mining operations in strict conformity with all laws and regulations pertaining to such operations; to carry Workmen's Compensation Insurance and to pay all State and Federal taxes and exactions under operations hereunder, including any production taxes, and to save and keep harmless Lessors from any and all liability of every kind and character arising out of Lessee's mining operations hereunder.

Lessors and Lessee agree that J. Wesley Oliver shall have the prior right to contract with Lessee for the hauling of any ore that may be mined from the premises, such hauling contract to be fair and at competitive rates with other licensed ore haulers in the area under approved posted rights.

MUTUAL COVENANTS

IT IS MUTUALLY AGREED BY THE PARTIES HERETO:

1. That Lessee may at any time surrender this lease by mailing a release thereof to any one of Lessors or by placing such release of record in the office of the County Recorder of said County.

2. Lessee shall have the right to assign this lease in whole or in part without previously obtaining Lessors' consent thereto.

3. Whenever the performance by Lessee of any covenant herein required to be kept and performed by it, except the payment of money, is hindered, prevented or delayed by reason of law, regulation or act of any governmental authority, inability to obtain labor, equipment, materials or supplies in the open market, or by reason of fires, floods, strikes, walkouts, acts of God, force, major or any other causes or conditions beyond Lessee's control, then the time for the performance of any such covenant hereunder shall be extended for the period of such delay.

4. That upon violation by Lessee of any of the covenants in this lease the term thereof shall at the option of Lessor expire and the same and said mining claims shall become forfeited to Lessors and Lessors may thereupon enter upon said mining claims and dispossess all persons occupying the same; provided, however, that if said lease is forfeited upon the election of Lessors by reason of the failure of Lessee to perform the covenants, Lessors shall give Lessee notice in writing by registered mail sent to it at it's above address notifying it of such failure to perform and setting out in such notice the substantial facts as to any such default or breach, and, upon failure or refusal by Lessee to cure and correct such default within Thirty (30) days from the receipt of such notice, Lessee shall surrender and deliver up possession of all of said mining claims and it's rights under this lease shall thereupon cease and determine.

This lease is given in lieu of and in substitution for that lease dated July 15, 1954 and option to lease dated November 30, 1953 between the parties hereto covering the claims described herein.

IT IS FINALLY AGREED that each of the terms and conditions herein shall inure to and be binding upon the successors and assigns of Lessor and Lessee.

WITNESS Their Names.

J. Wesley Oliver
J. Wesley Oliver

Gladys Oliver
Gladys Oliver

OLD TEXAS MINING COMPANY

BY B. W. Burford
Thereunto duly authorized

State of Texas)
) ss.
County of Dallas)

On the 29th day of July, 1954, personally appeared before me B. W. Burford who being by me duly sworn, did say that he is the President of the Old Texas Mining Company, and that said instrument was signed in behalf of said corporation by authority of its by-laws and said B. W. Burford acknowledged to me that said corporation executed the same

Louise B. Martin, Louise B. MARTIN
Notary Public, residing at Dallas Texas

My commission expires 6-1-55

State of Utah)
County of Grand) ss.

On the 16th day of August, 1954, personally appeared before me J. Wesley Oliver and Gladys Oliver, wife, the signers of the attached instrument who duly acknowledges to me that they executed the same.

W T McConkie
Notary Public Residing at

My commission expires 2-23-55

4

RECEIVED
OCT 24 1956

ASSIGNMENT OF MINING LEASE

KNOW ALL MEN BY THESE PRESENTS:

That the undersigned, OLD TEXAS MINING COMPANY, a Texas corporation, whose address is 3301 Worth Street, Dallas, Texas, (hereinafter called "Assignor"), for and in consideration of One Dollar ($1.00) and other good and valuable consideration, the receipt of which is hereby acknowledged, does hereby bargain, sell, transfer, assign and convey unto LUCKYTEX URANIUM CO., a Delaware corporation, whose address is Moab, Utah, (hereinafter called "Assignee"), that certain mining lease made and entered into as of July 24, 1954, between James Wesley Oliver, also known as J. Wesley Oliver, and Gladys Oliver, his wife, and Assignor insofar as said mining lease covers the following described mining claims situated in the County of Grand, State of Utah, the location notices thereof being recorded in the Office of the County Recorder of said County, as follows:

Name	Book	Page
Beaver #1	9-0	471
Beaver #2	9-0	472
Beaver #3	27	445
Beaver #7	27	447
Don T. #1	9N	616
Don T. #2	9N	616
Little Jim #1	20	63
Little Jim #2	9N	613
Little Jim #3	9N	614
Big Ben	27	448
Bear Point #1	9N	610
Bear Point #2	9N	611
Bear Point #3	9N	612

In further consideration of such assignment Assignee covenants and agrees with Assignor as follows:

(1) To work these claims in a proper and customary and miner-like fashion and to comply with all the covenants in the above-described lease;

EXHIBIT "B"

(2) To carry on all mining operations in strict conformity with all laws and regulations pertaining to such operations; and to save and keep harmless Assignor from any and all liability of any and every kind and character arising out of Assignee's operations under said mining lease;

(3) To post on each claim where mining is being carried on, a sign or notice showing the ownership of said claims by Assignee in order to furnish notice that persons heretofore furnishing services and supplies to Assignor must look to Assignee for payment of any future services or supplies.

Executed this 11th day of July, 1955.

OLD TEXAS MINING COMPANY

By B. H. Burford
President

Attest: Kenneth D. Wahlquist
ASS'T. Secretary

ASSIGNOR

LUCKYTEX URANIUM CO.

By B. H. Burford
President

Attest: Harold Helm
Secretary

Kenneth D. Wahlquist
~~ASS'T. Secretary~~

ASSIGNEE

STATE OF TEXAS)
COUNTY OF DALLAS)

On this 11th day of July, 1955, personally appeared before me B. H. Burford, who being by me duly sworn says that he is the President of Old Texas Mining Company, and that the instrument was signed by him on behalf of said corporation by authority of its By-laws and said B. H. Burford acknowledged to me that said corporation executed the same.

Frances M. Cooper
Notary Public in and for
Dallas County, Texas

FRANCES COOPER, Notary Public
in and for Dallas County, Texas

STATE OF TEXAS)
COUNTY OF DALLAS)

On this 11th day of July, 1955, personally appeared before me B. H. Burford, who being by me duly sworn says that he is the President of Luckytex Uranium Co., and that the instrument was signed by him on behalf of said corporation by authority of its By-laws and said B. H. Burford acknowledged to me that said corporation executed the same.

Frances M. Cooper
Notary Public in and for
Dallas County, Texas

FRANCES COOPER, Notary Public
in and for Dallas County, Texas

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OCT 24 1955

EXHIBIT "C" - Abstract

Claim	Location date	Recorded Book	Page
Don T. # 1	3-10-53	9-N	615
Don T. # 2	3-10-53	9-N	616
Bear Point # 1	6-10-52	9-M	163
Bear Point # 2	6-10-52	9-M	164
Bear Point # 3	6-10-52	9-M	165
Big Ben	5-21-54	27	448
Big Ben Fraction	11-12-54	55	56
Little Jim # 1	9-22-52	9-N	18
Little Jim # 2	9-20-52	9-N	19
Little Jim # 3	10-2-52	9-N	20

References to recording data above indicate appropriate records of the County Recorder, Grand County, Utah. (County seat, Moab, Utah)

10/31/55 gla

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

RECEIVED
OCT 31 1955

224 New Customhouse
Denver 2, Colorado

October 27, 1955

Memorandum

To: Secretary to the Operating Committee, DMEA

From: Executive Officer, DMEA Field Team, Region III

DMEA-4031

Subject: Application for DMEA aid (Uranium), Luckytex Uranium Company, Beaver, Don T., Little Jim, Big Ben and Bear Point claims, Grand County, Utah

Enclosed are four copies of a joint memorandum from J. William Hasler, U. S. Geological Survey, and M. H. Salsbury, U. S. Bureau of Mines, recommending a field examination of the subject property.

W. M. Traver

By J. W. Townsend
J. W. Townsend

Enclosures

IN REPLY REFER TO:

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

DMEA
Date Rec'd.
OCT 26 1955
BUREAU OF
Denver, Colo

October 25, 1955

RECEIVED
OCT 31 1955

Memorandum

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

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

Subject: Application for DMEA aid (Uranium), Luckytex Uranium Company; Beaver, Don T., Little Jim, Big Ben, and Bear Point claims, Grand County, Utah DMEA-4031

This memo is in reply to your request for a recommendation regarding a field examination of the subject property. The material submitted by the Luckytex Uranium Company has been reviewed and it is recommended that a field examination be made on the property in view of the fact the property has had a small amount of production and some drilling has been done, although the drilling was not of sufficient depth to reach the Salt Wash member of the Morrison formation.

A field examination will be scheduled as soon as possible and we are retaining a copy of the application.

J. William Hasler
J. William Hasler,
Geologist, USGS

M. H. Salsbury by JWH
M. H. Salsbury
Engineer, USBM

JWH/mlr
Enclosures

cc: E. N. Harshman

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

wtra

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OCT 31 1955

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DMEA-4031

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J. W. Townsend

Enclosures

IN REPLY REFER TO:

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Date Rec'd.

OCT 26

BUREAU OF
Denver, Co

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

October 25, 1955

Memorandum

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OCT 31 1955

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

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

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Enclosures

cc: E. N. Harshman

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

RECEIVED
OCT 31 1955

224 New Customhouse
Denver 2, Colorado

October 28, 1955

Memorandum

To: W. H. King (with brochure)
J. W. Hasler

From: Executive Officer, DMEA Field Team, Region III

Subject: Docket DMEA-4031 (Uranium), The Luckytex Uranium Company, Beaver, Don T., Little Jim, Big Bea, and Bear Point Claims, Grand County, Utah

Enclosed is one copy of the subject application which consists of the following:

(a) Form MF-103 and supplemental answer sheets
(b) Two maps
(c) Exhibit "A" - Mining lease between J. Wesley Oliver (Lessor) and Old Texas Mining Company (Lessee)
(d) Exhibit "B" - Assignment of Mining Lease from Old Texas Mining Company to Luckytex Uranium Company
(e) Exhibit "C" - Recording data for mining claims

A field examination and suitable report are required.

W. M. Traver

By J. W. Townsend
J. W. Townsend

Enclosures
JDC:jy
cc: Docket DMEA 4031
Sec. Op. Comm. (4)
Harshman
Chron.

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

RECEIVED
OCT 31 1955

224 New Custemhouse
Denver 2, Colorado

October 28, 1955

Memorandum

To: W. H. King (with brochure)
J. W. Hasler

From: Executive Officer, DMEA Field Team, Region III

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By J. W. Townsend
J. W. Townsend

Enclosures
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UNITED STATES
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DEFENSE MINERALS EXPLORATION ADMINISTRATION
WASHINGTON 25, D. C.

RECEIVED
OCT 31 1955

224 New Customhouse
Denver 2, Colorado

October 27, 1955

DMEA-4031

Memorandum

To: Secretary to the Operating Committee, DMEA

From: Executive Officer, DMEA Field Team, Region III

Subject: Application for DMEA aid (Uranium), Luckytex Uranium Company, Beaver, Don T., Little Jim, Big Ben and Bear Point claims, Grand County, Utah

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W. M. Traver

By J. W. Townsend
J. W. Townsend

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DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

DMEA
Date R
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Den OCT 31 1955

October 25, 1955

Memorandum

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

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

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JWH/mlr
Enclosures

cc: E. N. Harshman

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

RECEIVED
OCT 31 1955

224 New Customhouse
Denver 2, Colorado

October 28, 1955

Memorandum

To: W. H. King (with brochure)
J. W. Hasler

From: Executive Officer, DMEA Field Team, Region III

Subject: Docket DMEA-4031 (Uranium), The Luckytex Uranium Company, Beaver, Don T., Little Jim, Big Ben, and Bear Paint Claims, Grand County, Utah

Enclosed is one copy of the subject application which consists of the following:

(a) Form MF-103 and supplemental answer sheets
(b) Two maps
(c) Exhibit "A" - Mining lease between J. Wesley Oliver (Lessor) and Old Texas Mining Company (Lessee)
(d) Exhibit "B" - Assignment of Mining Lease from Old Texas Mining Company to Luckytex Uranium Company
(e) Exhibit "C" - Recording data for mining claims

A field examination and suitable report are required.

W. M. Traver

By J. W. Townsend

Enclosures
JDC:jy
cc: Docket DMEA 4031
Sec. Op. Comm. (4)
Harshman
Chron.

October 25, 1955

Subject: DMEA-4031
Re: Bear Point No. 1

The Luckytex Uranium Co.
P.O. Box 502
Moab, Utah

Gentlemen:

The receipt of your application dated October 15, 1955 for exploration assistance under the Defense Production Act of 1950, as amended, is hereby acknowledged.

Your application has been assigned Docket Number DMEA-4031 and referred to the Rare & Miscellaneous Metals Division.

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

Sincerely yours,

Robert E. Adams, Chief
Operations Control and
Statistics Division

October 25, 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-4031 The Luckytex Uranium Co.

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

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

RECEIVED
OCT 24 1955

October 21, 1955

224 New Customhouse
Denver 2, Colorado

Memorandum

To: Secretary of the Operating Committee, DMEA

From: Executive Officer, DMEA Field Team, Region III

Subject: Application for DMEA aid, (Uranium), The Luckytex Uranium Company, Beaver, Don T., Little Jim, Big Ben, and Bear Point claims, Grand County, Utah

Enclosed are two copies of the subject application in the amount of $23,336.96. The application consists of the following:

a. Form MF-103 and supplemental answer sheets

b. Two maps

c. Exhibit "A" - Mining lease between J. Wesley Oliver, Lessor, and Old Texas Mining Company, Lessee.

d. Exhibit "B" - Assignment of Mining Lease between Old Texas Mining Company, Assignor, and Luckytex Uranium Company, Assignee

e. Exhibit "C" - Recording data for minig claims

One copy of the application has been forwarded to the Grand Junction office of the U. S. Geological Survey for joint study and recommendations relative to a field examination, and one copy is retained in our files.

Four copies of our letter to the applicant requesting additional data are also enclosed herewith.

W. M. Traver

W. M. Traver

Enclosures

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

RECEIVED
OCT 24 1955

October 21, 1955

224 New Customhouse
Denver 2, Colorado

Memorandum

To: Secretary of the Operating Committee, DMEA

From: Executive Officer, DMEA Field Team, Region III

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W. M. Traver

W. M. Traver

Enclosures

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

RECEIVED
OCT 24 1955

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224 New Customhouse
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Memorandum

To: Secretary of the Operating Committee, DMEA

From: Executive Officer, DMEA Field Team, Region III

Subject: Application for DMEA aid, (Uranium), The Luckytex Uranium Company, Beaver, Bon T., Little Jim, Big Ben, and Bear Point claims, Grand County, Utah

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Wm. Traver
W. M. Traver

Enclosures

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

RECEIVED
OCT 24 1955

October 20, 1955

224 New Customhouse
Denver 2, Colorado

Memorandum

To: J. W. Kasler

From: Executive Officer, DMEA Field Team, Region III

Subject: Application for DMEA aid (Uranium), The Luckyboy Uranium Company; Beaver, Don T., Little Jim, Big Ben and Bear Point claims, Grand County, Utah

Enclosed is one copy of the subject application in the amount of $23,336.96.

Please study and discuss the application with the Bureau of Mines and AEC officials at Grand Junction and promptly forward this office your recommendation regarding a field examination of the property.

W. M. Traver
W. M. Traver

Enclosure

JC:ab
cc: Docket
Sec. Op. Comm. (4)
Marshman
Shaw (2)
Chron.

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

RECEIVED
OCT 24 1955

October 20, 1955

224 New Customhouse
Denver 2, Colorado

Memorandum

To: J. W. Easler

From: Executive Officer, DMEA Field Team, Region III

Subject: Application for DMEA aid (Uranium), The Luckytex Uranium Company; Beaver, Don T., Little Jim, Big Ben and Bear Point claims, Grand County, Utah

Enclosed is one copy of the subject application in the amount of $23,336.96.

Please study and discuss the application with the Bureau of Mines and AEC officials at Grand Junction and promptly forward this office your recommendation regarding a field examination of the property.

W. M. Trawer

W. M. Trawer

Enclosure

JC:ab
cc: Docket
Sec. Op. Comm. (4)
Harshman
Shaw (2)
Chron.

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

October 20, 1955

224 New Customhouse
Denver 2, Colorado

Memorandum

To: J. W. Hasler

From: Executive Officer, DMEA Field Team, Region III

Subject: Application for DMEA aid (Uranium), The Luckytex Uranium Company; Beaver, Don T., Little Jim, Big Ben and Bear Point claims, Grand County, Utah

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W. M. Traver

W. M. Traver

Enclosure

JC:ab
cc: Docket
Sec. Op. Comm. (4)
Harshman
Shaw (2)
Chron.

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

RECEIVED
OCT 24 1955

224 New Customhouse
Denver 2, Colorado

October 21, 1955

Mr. Kenneth D. Wahlquist II
Assistant Secretary and Manager
The Luckytex Uranium Company
Box 502
Moab, Utah

Dear Mr. Wahlquist:

In order to further process your application which was received October 19, 1955, we will need four each of the following items.

(a) All available lithologic and radiometric logs for your drilling to date

(b) Map showing locations of all drill holes as well as any other exploration to date

It appears from your application that the work is of a prospecting nature, for which DMEA participation is not available. You propose to drill through the Salt Wash member of the Morrison formation even though the lower portion of this member apparently has not been prospected to any significant extent in the area. If you have any evidence that there are uranium values in the lower Salt Wash horizons in the immediate area of proposed drilling, you should also submit this data in quadruplicate.

Yours very truly,

W. M. Traver

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

JDC:jy
cc: Sec. Op. Comm. (4)
Docket
Hasler
Shaw (2) Chron.
Hershman

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

RECEIVED
OCT 24 1955

224 New Customhouse
Denver 2, Colorado

October 21, 1955

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The Luckytex Uranium Company
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Moab, Utah

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Yours very truly,

W. M. Traver

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

JDC:jy
cc: Sec. Op. Comm. (4)
Docket
Hasler
Shaw (2) Chron.
Harshman

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

224 New Customhouse
Denver 2, Colorado

October 21, 1955

Mr. Kenneth D. Wahlquist II
Assistant Secretary and Manager
The Luckytex Uranium Company
Box 582
Moab, Utah

Dear Mr. Wahlquist:

In order to further process your application which was received October 19, 1955, we will need four each of the following items.

(a) All available lithologic and radiometric logs for your drilling to date

(b) Map showing locations of all drill holes as well as any other exploration to date

It appears from your application that the work is of a prospecting nature, for which DMEA participation is not available. You propose to drill through the Salt Wash member of the Morrison formation even though the lower portion of this member apparently has not been prospected to any significant extent in the area. If you have any evidence that there are uranium values in the lower Salt Wash horizons in the immediate area of proposed drilling, you should also submit this data in quadruplicate.

Yours very truly,

W. M. Traver

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

JDC:jy
cc: Sec. Op. Comm. (4)
Docket
Hasler
Shaw (2) Chron.
Harshman

MF-103
(Revised April 1952)

UNITED STATES DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

Form Approved.
Budget Bureau No. 41-R1035.2.

RECEIVED
OCT 24 1955

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

Not to be filled in by applicant

Docket No. 4031
Metal or Mineral Uranium
Date Received 10-24-55
Estimated Cost 23,336.96
Participation (Government %)

INSTRUCTIONS

1. *Name of applicant.*—(*a*) State here your full legal name, in the form in which you will wish to contract, and your mailing address: The Luckytex Uranium Company, a corporation of Delaware
P.O. Box 502, Moab, Utah

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

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

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

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

3. *Applicant's property rights.*—(*a*) State the legal description of the land upon which you wish to explore, including all land which you possess or control that may be benefited by the exploration, and excluding any land or interest in land which is not to be included in the exploration project contract Boundaries include nine mining claims and one fractional claim, all unpatented, in Sec. 21 & 28, T 25 S;R 25 E, Salt Lake meridian, in Grand County, Utah. See claim map inclosed. Claims are listed in abstract under 3(f) below.

(*b*) State any mine name by which the property is known. Bear Point # 1

(*c*) State your interest in the land, whether owner, lessee, purchaser under contract, or otherwise Luckytex Uranium Co. holds a lease from the original staker, J.Wesley Oliver of Moab.

(*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 NOT APPLICABLE

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

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.

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

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

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

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

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

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

(*c*) The work will start within 30 days and be completed within 4 months from the date of an exploration project contract.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Explain in detail on acompanying paper.

CERTIFICATION

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

Dated October 15, 195-5

(Applicant)

By

Kenneth D. Jahlquist II,

Assistant Secretary and Manager

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

THE Luckytex URANIUM CO.

RECEIVED
OCT 24 1955

- P. O. BOX 502
- PHONE 3-4397
- MOAB, UTAH

1.(c) W.R.Burford, President
6218 Malcolm Drive
Dallas, Texas

Jim W.Crofford, Vice President
6566 Bob-o-Links Drive
Dallas, Texas

Walter R. Smith, Vice President
1001 Main Street
Henderson, Texas

Earl E. Beyer, Vice President
Yale Club, New York City, N.Y.

Blanton W. Burford, Treasurer
6712 Bob-o-Links Drive
Dallas, Texas

Harold Helm, Secretary
3301 Worth Street,
Dallas, Texas

Kenneth D. Wahlquist II, Assistant Secretary and Manager
Box 502, Moab, Utah

3.(d) See attached photostats, Exhibits "A" and "B" for the lease contract to Old Texas Mining Company and the lease assignment to the Luckytex Uranium Company.

4.(a) Luckytex has operated a mine on these claims for a total of some four non-continuous months. This mine, located on Bear Point # 1 Claim (see Map # 3) is a single drift running west from the portal about forty feet where a "Y" leads to the southwest about twenty feet and to the northeast about forty feet. The excavation was opened in December of 1954, after extensive drilling on the claim proved out an ore body of sufficient size. Mining was conducted in a faulted and broken zone in the upper Morrison strata by a mine car and track system which was left intact when the exhaustion of the apparent ore body curtailed production in July, 1955.

3301 WORTH ST. PHONE VIctor 3409 DALLAS, TEXAS

THE Luckytex URANIUM CO.

P. O. BOX 502
PHONE 3-4397
MOAB, UTAH

There is available on the site an ore bin, the track, and an ore car, and just to the north of the portal is a tool shed.

The drilling was conducted for Luckytex by Old Texas Mining Company on a contract basis. Although this drilling was of an intensive nature, totaling some 10,000 feet, none of the holes were drilled to a sufficient depth to reach the Salt Wash member of the Morrison. It was suggested by Walter R. Smith, Ph.D., Vice President of the Company and a graduate geologist and mining engineer, that the ore body mined was evidently a "squeeze" which had occurred concurrently with the extensive faulting in the area.

The following drill record was taken from the drillers' logs and the grade or degree of count or value is unknown.

Ommitted numbers mean no report available.

Hole	Depth in feet	Drillers' value
Log 1	75	slight count
2	60	none in bottom
3	45	none
4	135	fair
5	170	6' good at 41'
6	45	fair at 25'
7	45	fair 20'-30'
8	45	" 23'-29'
9	45	low grade at 25'
10	45	" " 30'-45'
11	45	good at 14'
12	45	low 29'-34'
18	210	some at 185'
44	120	fair at 65' & 100'
2A (cored)	45	good ore

The report continues for 128 holes, omitting those in which no significant mineralization was encountered. Only 13 of these holes exceeded 100 feet in depth, and the deepest one, drilled from the top of a hill on Little Jim # 2 claim, was 395 feet. The drilling of this property was supervised by a man since released and no plat is available of the non-mineralized holes.

3301 WORTH ST. PHONE VICTOR 3409 DALLAS, TEXAS

THE Luckytex URANIUM CO.

P. O. BOX 502
PHONE 3-4397
MOAB, UTAH

The mine workings are easily accessible for inspection purposes, although in accordance with Sec. 9 of the General Safety orders of the Utah Industrial Commission, it is a Company policy that any visitors to the mine must be accompanied on their tour by an officer of the Company or a duly authorized representative. Such a tour can be arranged by appointment through the Moab, Utah office, Box 502, Telephone Alpine 3-4397.

4. (b) 82.62 dry tons of carnotite ore have been shipped from the Bear Point # 1 Claim prior to closing the mine. An average of the Ore Settlement sheets on all shipments 0.289% Uranium Oxide, 2.1% Vanadium Oxide, and 10.0 % Calcium Carbonate. There are no known ore reserves.

4.(c) This group of claims is on the northeast flank of the La Sal Mountains, about ten miles east and a little south of the town of Gateway, Colorado. The claims lie in Sec. 21 and 28, T25S, R25E, S.L.M., on South Beaver Mesa, Grand County, Utah.

The Little Jim # 3 and the central and northern parts of Little Jim # 2 lie on a Jurrassic Morrison. The north one-third (about) of the Little Jim # 1, Bear Point 1,2,and 3, Big Ben and Big Ben Fraction show Cretaceous Burro Canyon and Dakota sandstone outcrop, while the southern two-thirds (about) of Bear Point 1, 2, 3, and all of the Don T 1 and 2 are covered by alluvium. The local dip is S 45 deg W at 11 degrees. This puts the whole group probably underlain by the Morrison formation.

The mining and production of 82 tons of ore came from the Bear Point # 1 Claim, and from above the Salt Wash member of the Morrison formation. Extensive drilling has been done at shallow depths but very little was done to explore the whole thickness of the Salt Wash. It is believed that values will be in the lower rims of the Salt Wash.

Polar Mesa, about four miles to the north, has produced for several years from the top of the Salt Wash. Beaver Mesa and areas to the east (as the Lumsden group-the Corvusite mine) have produced for several years. The ore bodies on these properties are fairly large in areal extent, but nothing is known of ore bodies on the southwest side of the NW-SE trending fault system that cuts the east side of this group of claims. The purpose of this exploration is to determine if this group has the same ore bodies as appear on the NE

3301 WORTH ST. PHONE VIctor 3409 DALLAS, TEXAS

THE Luckytex URANIUM CO.

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P. O. BOX 502
PHONE 3-4397
MOAB, UTAH

side of this fault system. Structurally, these claims have merit as a drilling project and ore has been produced from the Bear Point # 1. Ore has been produced from the Salt Wash in areas to the north and east and the Beaver Mesa Mining Company is at present going into production on Beaver Mesa. The ore body on Bear Point # 1 was of a bedded type, of carnotite-tyuyaminite mineralization, but probably the deeper mineralization would be the unoxidized type commonly called "black ore", as the significant mineralization on Beaver Mesa is uraninite and coffinite, with the vanadium ores being lumsdenite and doloresite.

4.(d) The property is accessible by taking Highway 160 north from Moab, Utah to the river bridge, and turning right on highway 128 (also known as the river road) continuing toward Cisco for a distance of 15.5 miles to the Castle Valley-Gateway, Colo. road. After taking this road for a distance of 18.8 miles, turn right for 0.5 miles and go through the cattle guard. Immediately past the guard, turn left on the access road for a distance of 1.5 miles to the mine. The total distance is 36.4 miles from Moab, most of it on county roads which are kept open all year. Only two miles of the distance would have to be maintained by the operator. Moab is the recognized supply center for the area, with all drilling supplies readily available there. Men engaged in the exploration project would live on the property in trailers. Ore haulage distance to Moab would be 36.4 miles or 96 miles to Monticello, plus or minus one half mile.

4.(e) Manpower, materials, and supplies are all available at Moab Utah. Water for domestic and drilling uses is obtainable from several all year creeks and springs at distances of one to five miles from the claims.

5.(b) The proposed exploration is a drilling program with the grid arrangement shown on the accompanying map # 2. The ore bodies in this area are relatively small in areal extent and a 500 foot grid system is believed to be about the maximum spacing. The program will therefore be set up in two stages, with the second stage being four holes offset at 100 feet around any mineralized holes found in the first stage. Drilling depths will run from 200 feet on the east and northeast to about 400 feet on the west and southwest. The drilling on the Little Jim 2 and Little Jim 3 will be about 200 feet, as the Salt Wash member of the Morrison outcrops here.

3301 WORTH ST. PHONE VIctor 3409 DALLAS, TEXAS

THE Luckytex URANIUM CO.

- P. O. BOX 502
- PHONE 3-4397
- MOAB, UTAH

The first stage will be 40 holes at an average depth of 250 feet or 10,000 feet of drilling. Assuming about one fourth of the holes as being mineralized, the second stage would be another 40 holes at supposedly the same average depth. The second stage will, of course, be carried out only on mineralized holes of sufficient value to warrant further exploration, and should not be considered until the first stage has been concluded. Most of the drill sites and roads are in place. It is proposed that samples be taken every two feet during the drilling.

5.(c) The Luckytex Uranium Company is presently operating the La Sal Junction mine; operating personnel of the Old Texas Mining Co. which is the operating agency for Luckytex, discovered and developed the Rattlesnake Mine. They have been operating drill rigs on the Colorado Plateau for two years. Bill Mc Dougald, a graduate geologist, of Moab, Utah, will direct drilling and sampling of the claims.

6. Estimate of costs: STAGE ONE ONLY

(a) Independent contracts: none

			Drilling	Road
(b) Labor:	Driller	4 mo. @ 450.00	1800.00	
	Helper	4 mo.x 24 da.x 1.75 x 8		
		4 mo.x 24 da.x 2.625 x1	1596.00	
	Supervision & Geology	4 mo.x 650.00	2600.00	
	'Dozer operator	30 hrs.x2.00		60.00
		SubTotals	5996.00	60.00

(c) Materials and supplies:

Drill bits	20 x 50.00	1000.00	
Gas	96 da.x 50 gal x.28	1372.00	
Oil	96 " x 5 qts. x.45	220.50	
Grease	96 " x 5 lbs. x.35	168.00	
Drill mud	96 " x 1/10T x 46.00	441.60	
Circulation Material	32 " x 1 bag x 10.00	320.00	
Diesel Fuel	190 gal x .175		33.25
	SubTotals	3522.10	33.25

THE Luckytex URANIUM CO.

- P. O. BOX 502
- PHONE 3-4397
- MOAB, UTAH

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6. Estimate of costs (continued)

(d) Operating equipment : rental on an established basis from The Old Texas Mining Company.

		Drilling	Roads
Mayhew 1000 drill rig with Water Truck	96 da x 8 hrs.x 13.00	9984.00	
Pick-up truck (3/4 T)	4 mo x 85.00	340.00	
Counter, probe, & reel	4 mo x 100.00	400.00	
TD-18A Crawler with 'dozer	30 hrs.x 13.00		390.00
Moving crawler	8 hrs.x 16.00		128.00
	SubTotals	10,724.00	518.00

(e) None

(f) None

(g) Miscellaneous

Repairs

Mayhew rig & truck	96 da x 10.00	960.00	
Pick-up truck		100.00	
Workmens' compensation & Social Security Tax 5 % of Labor (6-b above)		299.80	3.00
	SubTotals	1359.80	3.00
	Totals	21,601.90	614.25
(h) Contingencies 5 % of Totals		1,080.10	30.71
	Grand Totals	$22,682.00	644.96

Drilling cost proposed : $2.27 per foot
Total drilling and road work $23,336.96

THE Luckytex URANIUM CO.

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EXHIBIT "C" - Abstract

Claim	Location date	Recorded Book	Page
Don T. # 1	3-10-53	9-N	615
Don T. # 2	3-10-53	9-N	616
Bear Point # 1	6-10-52	9-M	163
Bear Point # 2	6-10-52	9-M	164
Bear Point # 3	6-10-52	9-M	165
Big Ben	5-21-54	27	448
Big Ben Fraction	11-12-54	55	56
Little Jim # 1	9-22-52	9-N	18
Little Jim # 2	9-20-52	9-N	19
Little Jim # 3	10-2-52	9-N	20

References to recording data above indicate appropriate records of the County Recorder, Grand County, Utah. (County seat, Moab, Utah)

3301 WORTH ST. PHONE VIctor 3409 DALLAS, TEXAS

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

OFFICIAL BUSINESS

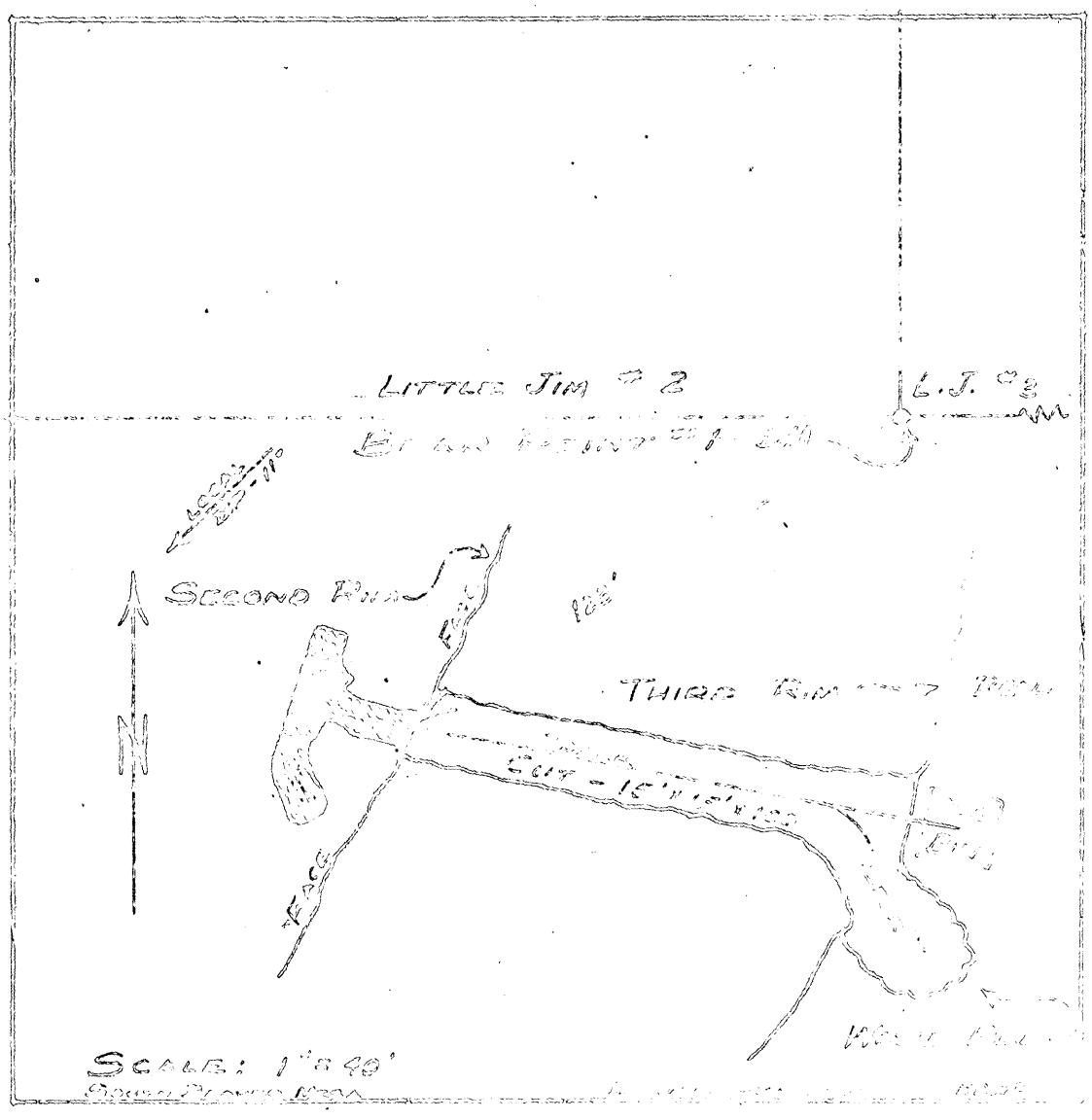
KNOXVILLE, TENN. SE 14 6 30 PM

KNOXVILLE, TENN. SE 13 6 30 PM

Mr. George C. Selfridge, Chairman
Operating Committee - DMEA.
Dept. of the Interior
Washington 25, D. C.

OCT 24 1955

MAP #3 - EXISTING MINE



ASSIGNMENT OF MINING LEASE

RECEIVED
OCT 24 1955

KNOW ALL MEN BY THESE PRESENTS:

That the undersigned, OLD TEXAS MINING COMPANY, a Texas corporation, whose address is 3301 Worth Street, Dallas, Texas, (hereinafter called "Assignor"), for and in consideration of One Dollar ($1.00) and other good and valuable consideration, the receipt of which is hereby acknowledged, does hereby bargain, sell, transfer, assign and convey unto LUCKYTEX URANIUM CO., a Delaware corporation, whose address is Moab, Utah, (hereinafter called "Assignee"), that certain mining lease made and entered into as of July 24, 1954, between James Wesley Oliver, also known as J. Wesley Oliver, and Gladys Oliver, his wife, and Assignor insofar as said mining lease covers the following described mining claims situated in the County of Grand, State of Utah, the location notices thereof being recorded in the Office of the County Recorder of said County, as follows:

Name	Book	Page
Beaver #1	9-0	471
Beaver #2	9-0	472
Beaver #3	27	445
Beaver #7	27	447
Don T. #1	9N	616
Don T. #2	9N	616
Little Jim #1	20	63
Little Jim #2	9N	613
Little Jim #3	9N	614
Big Ben	27	448
Bear Point #1	9N	610
Bear Point #2	9N	611
Bear Point #3	9N	612

In further consideration of such assignment Assignee covenants and agrees with Assignor as follows:

(1) To work these claims in a proper and customary and miner-like fashion and to comply with all the covenants in the above-described lease;

EXHIBIT "B"

(2) To carry on all mining operations in strict conformity with all laws and regulations pertaining to such operations; and to save and keep harmless Assignor from any and all liability of any and every kind and character arising out of Assignee's operations under said mining lease;

(3) To post on each claim where mining is being carried on, a sign or notice showing the ownership of said claims by Assignee in order to furnish notice that persons heretofore furnishing services and supplies to Assignor must look to Assignee for payment of any future services or supplies.

Executed this 11th day of July, 1955.

OLD TEXAS MINING COMPANY

By B. H. Burford
President

Attest: Kenneth D. Wahlquist
ASS'T. Secretary

ASSIGNOR

LUCKYTEX URANIUM CO.

By B. H. Burford
President

Attest: Harold Helm
Secretary

Kenneth D. Wahlquist
~~ASS'T. Secretary~~

ASSIGNEE

STATE OF TEXAS)
COUNTY OF DALLAS)

On this 11th day of July, 1955, personally appeared before me B. H. Burford, who being by me duly sworn says that he is the President of Old Texas Mining Company, and that the instrument was signed by him on behalf of said corporation by authority of its By-laws and said B. H. Burford acknowledged to me that said corporation executed the same.

Frances M. Cooper
Notary Public in and for
Dallas County, Texas

FRANCES COOPER, Notary Public
in and for Dallas County, Texas

STATE OF TEXAS)
COUNTY OF DALLAS)

On this 11th day of July, 1955, personally appeared before me B. H. Burford, who being by me duly sworn says that he is the President of Luckytex Uranium Co., and that the instrument was signed by him on behalf of said corporation by authority of its By-laws and said B. H. Burford acknowledged to me that said corporation executed the same.

Frances M. Cooper
Notary Public in and for
Dallas County, Texas

FRANCES COOPER, Notary Public
in and for Dallas County, Texas

Lateral, orig lease or Polan Mo in Dated [illegible]

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MINING LEASE

THIS AGREEMENT made and entered into in duplicate as of July 24, 1954, between James Wesley Oliver, also known as J. Wesley Oliver and Gladys Oliver, his wife, of Moab, Utah hereinafter called Lessors and Old Texas Mining Co., a corporation of the state of Texas whose address is 3301 Worth St., Dallas, Texas, hereinafter called Lessee; WITNESSETH:

In the event it should be determined that the land covered by the below described mining claims, or any of them, should not be open to location under the United States mining laws either because (a) it is included in an offer, application, permit or lease under the Mineral Leasing Act of 1920 as amended, or (b) said lands are reserved, classified or known to be valuable for minerals, leasable under that act, then in such event, Lessor shall timely comply with the requirements of A. E. C. Domestic Uranium Program, Circular 7 in applying for and securing a lease, as provided in said Circular 7, and upon securing said lease, Lessor shall immediately assign said lease to Lessee herein, its successors and assigns, and said new lease shall be in lieu of and shall be substituted for this existing lease.

IT IS MUTUALLY AGREED BETWEEN THE PARTIES HERETO:

The Lessors hereby warrant that the said mining claims were located pursuant to the laws of the United States of America and of the State of Utah, and that there are no valid prior locations covering or conflicting with the same, except that on claims "John L 1 through 5" there may be prior claims, but Lessors give all their right and title to said "John L 1 through 5" claims. Lessors, in consideration of the royalties to be paid and the covenants to be kept and performed, do hereby lease unto Lessee the following described mining claims situate in the County of Grand, State of Utah, the location notices thereof being recorded in the office of the County Recorder of said County as follows:

Name of Claim	Book	Page
Oliver #1	20	368
Oliver #2	20	369
Oliver #5	20	369
Oliver #6	20	370
Beaver #1	9-0	471
Beaver #2	9-0	472
Beaver #3	27	445
Beaver #4	27	445
Beaver #5	27	446
Beaver #6	27	446
Beaver #7	27	447
Beaver #8	27	447
John L #1	20	62
John L #2	9N	54
John L #3	9N	55
John L.#4	20	61
John L #5	20	62
E.M.	9N	617
M.E.	9N	618
Don T. #1	9N	616
Don T. #2	9N	616
Bud H. #1	9N	619
Bud H. #2	9N	620
Little Jim #1	20	63

EXHIBIT "A"

Name of Claim	Book	Page
Little Jim #2	9N	613
Little Jim #3	9N	614
Big Ben	27	448
Bear Point #1	9N	610
Bear Point #2	9N	611
Bear Point #3	9N	612

TO HAVE AND TO HOLD unto Lessee so long as commercial ores may be mined and sold by Lessee at a profit and so long as Lessee shall keep and perform each and all of the covenants and agreements required to be kept and performed by Lessee as hereinafter set forth unless sooner forfeited through the violation of any covenant herein required to be performed by Lessee, with the right to surrender this lease as hereinafter set forth. But this lease shall continue so long as Lessee may be performing exploration work for the discovery of ores without cessation of more than sixty (60) consecutive days.

In consideration of such lease, Lessee covenants and agrees with Lessors as follows:

1. To cause any ore purchaser to pay Lessors a royalty of Ten (10%) percent of the proceeds of ores mined and sold from any of said claims less haulage and development allowances and to furnish Lessors with settlement sheets of all ores so sold.

2. In the event of the receipt of any bonus payment from the Atomic Energy Commission paid to Lessee, Lessee shall pay Ten (10%) percent thereof to Lessors within Ten (10) days after such receipt, together with a true copy of the notice of such bonus payment.

3. To carry on all mining operations steadily and continuously so as to take out the greatest amount of ore possible.

4. To do and perform within the time prescribed by law the annual labor required for the retention of possessory rights upon said mining claims and to make and file affidavits so stating prior to June 1st of each year in which this lease shall be in effect.

5. To keep full and accurate records at an office reasonably accessible to Lessors, of all operations carried on hereunder including drilling records, maps and assays open to the inspection of Lessors at all reasonable times, and to permit Lessors or their Agent full and free access to said claims for the purpose of inspection.

6. To carry on all mining operations in strict conformity with all laws and regulations pertaining to such operations; to carry Workmen's Compensation Insurance and to pay all State and Federal taxes and exactions under operations hereunder, including any production taxes, and to save and keep harmless Lessors from any and all liability of every kind and character arising out of Lessee's mining operations hereunder.

Lessors and Lessee agree that J. Wesley Oliver shall have the prior right to contract with Lessee for the hauling of any ore that may be mined from the premises, such hauling contract to be fair and at competitive rates with other licensed ore haulers in the area under approved posted rights.

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OCT 24 1955

MUTUAL COVENANTS

IT IS MUTUALLY AGREED BY THE PARTIES HERETO:

1. That Lessee may at any time surrender this lease by mailing a release thereof to any one of Lessors or by placing such release of record in the office of the County Recorder of said County.

2. Lessee shall have the right to assign this lease in whole or in part without previously obtaining Lessors' consent thereto.

3. Whenever the performance by Lessee of any covenant herein required to be kept and performed by it, except the payment of money, is hindered, prevented or delayed by reason of law, regulation or act of any governmental authority, inability to obtain labor, equipment, materials or supplies in the open market, or by reason of fires, floods, strikes, walkouts, acts of God, force, major or any other causes or conditions beyond Lessee's control, then the time for the performance of any such covenant hereunder shall be extended for the period of such delay.

4. That upon violation by Lessee of any of the covenants in this lease the term thereof shall at the option of Lessor expire and the same and said mining claims shall become forfeited to Lessors and Lessors may thereupon enter upon said mining claims and dispossess all persons occupying the same; provided, however, that if said lease is forfeited upon the election of Lessors by reason of the failure of Lessee to perform the covenants, Lessors shall give Lessee notice in writing by registered mail sent to it at it's above address notifying it of such failure to perform and setting out in such notice the substantial facts as to any such default or breach, and, upon failure or refusal by Lessee to cure and correct such default within Thirty (30) days from the receipt of such notice, Lessee shall surrender and deliver up possession of all of said mining claims and it's rights under this lease shall thereupon cease and determine.

This lease is given in lieu of and in substitution for that lease dated July 15, 1954 and option to lease dated November 30, 1953 between the parties hereto covering the claims described herein.

IT IS FINALLY AGREED that each of the terms and conditions herein shall inure to and be binding upon the successors and assigns of Lessor and Lessee.

WITNESS Their Names.

J. Wesley Oliver
J. Wesley Oliver

Gladys Oliver
Gladys Oliver

OLD TEXAS MINING COMPANY

BY B. N. Burford
Thereunto duly authorized

State of Texas)
) ss.
County of Dallas)

On the 29th day of July, 1954, personally appeared before me B. N. Burford who being by me duly sworn, did say that he is the President of the Old Texas Mining Company, and that said instrument was signed in behalf of said corporation by authority of its by-laws and said B. N. Burford acknowledged to me that said corporation executed the same

Louise B. Martin, Louise B. Martin
Notary Public, residing at Dallas Texas

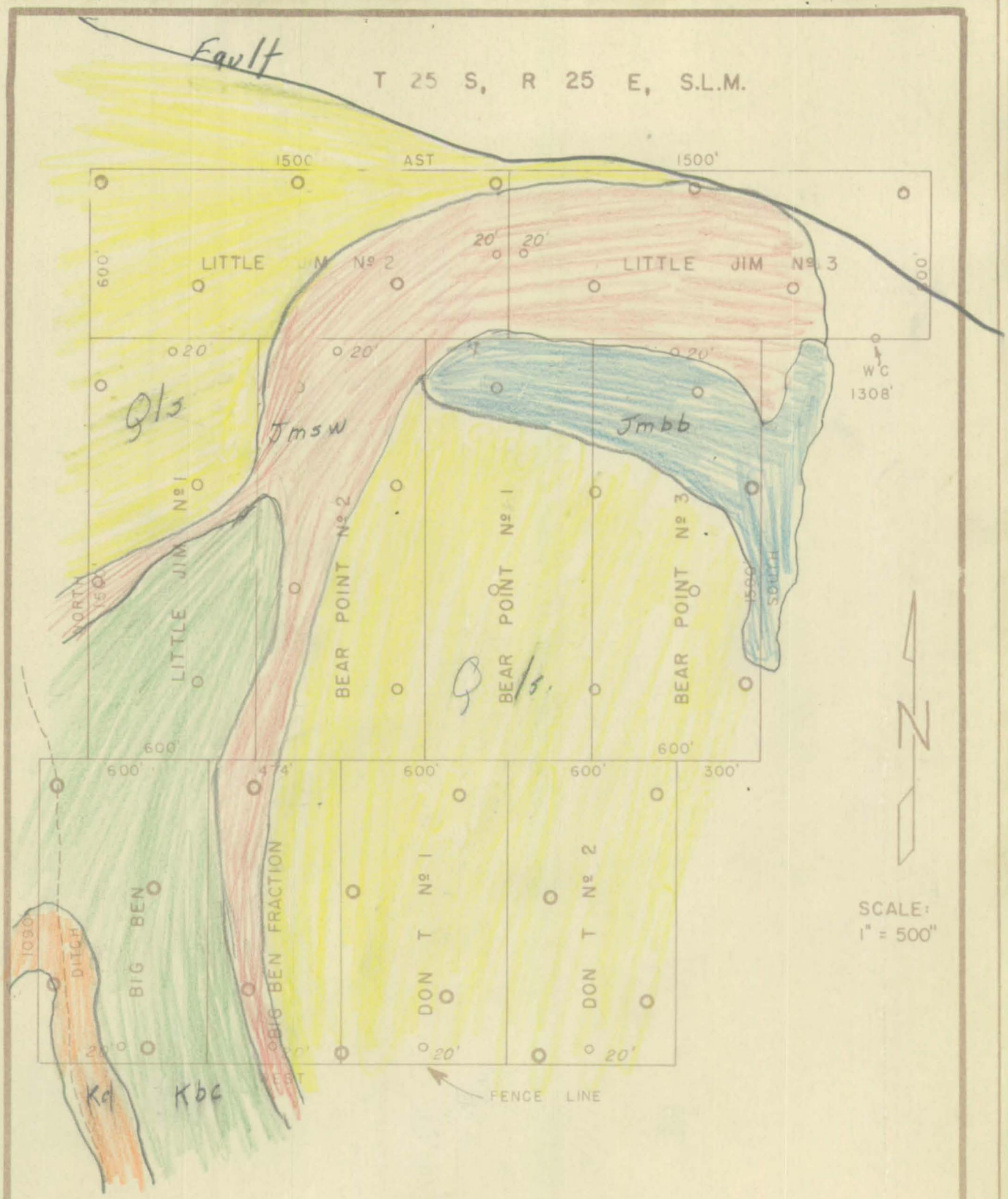
My commission expires 6-1-55

State of Utah)
County of Grand) ss.
)

On the 16th day of August, 1954, personally appeared before me J. Wesley Oliver and Gladys Oliver, wife, the signers of the attached instrument who duly acknowledges to me that they executed the same.

W T McCombs
Notary Public Re siding at

My commission expires 2-23-58



Geol. noted by Murphy, DMEA, from Field Team map Figure 2.

- Mar. Salt Wash
- " Brushy Basin
- cret. Burro Canyon
- cret. Dakota s.s.
- Quat. Alluvium; Landslide

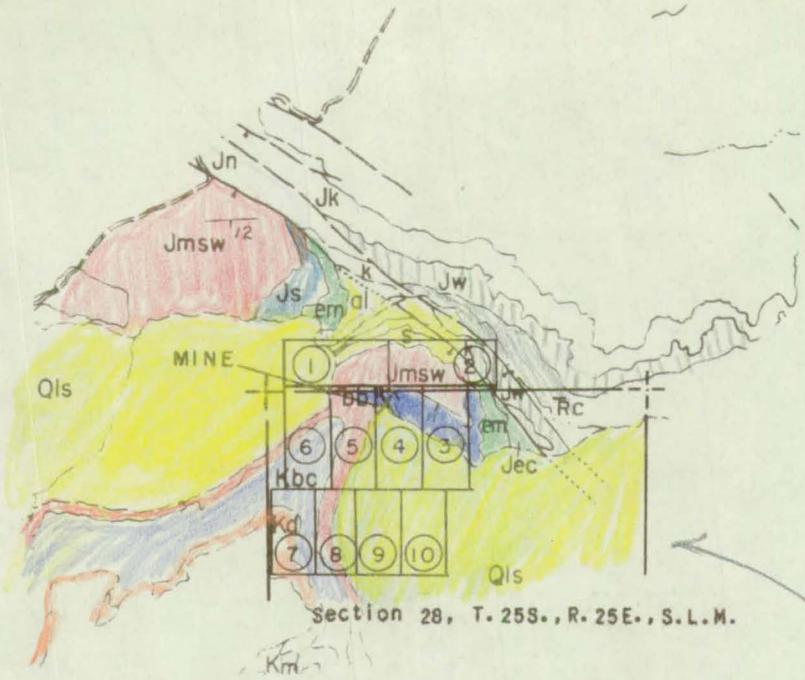
MAP

CLAIM MAP FOR

OLD TEXAS MINING COMPANY

Grand County, Utah

Surv. by WINSTON BOYER



CLAIM INDEX

1 LITTLE JIM NO. 2
2 LITTLE JIM NO. 3
3 BEAR POINT NO. 3
4 BEAR POINT NO. 1
5 BEAR POINT NO. 2
6 LITTLE JIM NO. 1
7 BIG BEN
8 BIG BEN FRACTION
9 DON T. NO. 1
10 DON T. NO. 2

N

Colored by [illegible]

Kbc = Cret. Burro Canyon

EXPLANATION

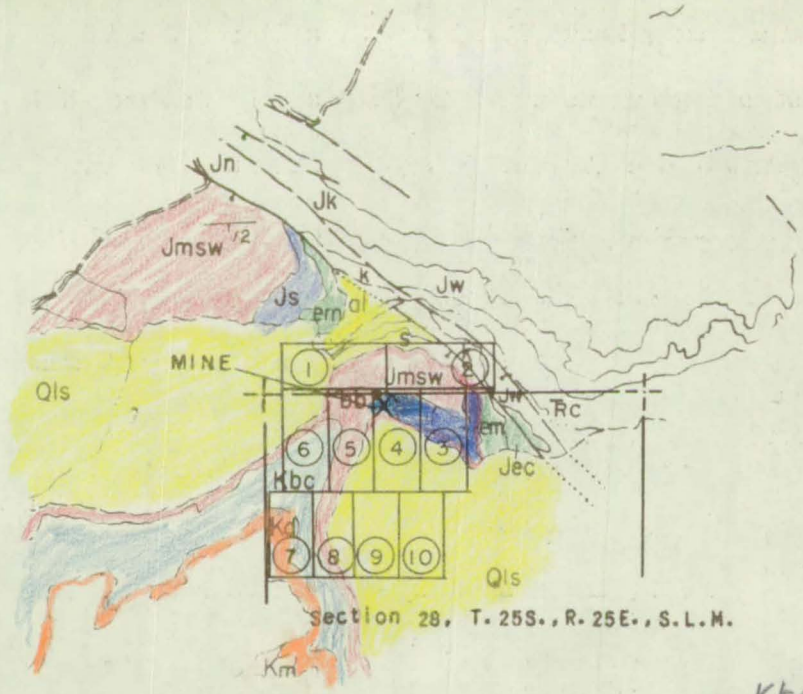
Qal Qls	QUATERNARY ALLUVIUM; LANDSLIDE
Km	CRETACEOUS MANCOS SHALE
Kd	CRETACEOUS DAKOTA SANDSTONE
Jmbb Jmsw	JURASSIC MORRISON FORMATION: Jmbb, Brushy Basin member; Jmsw, Salt wash member.
Js	JURASSIC SUMMERVILLE FORMATION
Jem Jec Je	JURASSIC ENTRADA SANDSTONE: Jem, Moab tongue; Jec, Entrada sandstone and Carmel undivided; Je, Entrada-Carmel with Moab tongue undivided.
Jn	JURASSIC NAVAJO SANDSTONE
Jk	JURASSIC KAYENTA FORMATION
Jw	JURASSIC WINGATE SANDSTONE
	NORMAL FAULT, DOT INDICATES DOWNTHROWN SIDE
12	STRIKE AND DIP OF BEDS
	SECTION CORNER, APPROXIMATELY LOCATED

Rc - chinle

Note: BASE FROM GEOLOGIC MAP OF SINBAD VALLEY-FISHER VALLEY ANTICLINE BY E.M. SHOEMAKER, 1949-50. CLAIM BOUNDARIES FROM APPLICANTS MAP.

1 0 2 MILES

FIGURE 2. GEOLOGIC MAP SHOWING LITTLE JIM, BEAR POINT, BIG BEN, AND DON T. CLAIMS, LUCKYTEX URANIUM COMPANY, GRAND COUNTY, UTAH.



CLAIM INDEX

1 LITTLE JIM NO. 2
2 LITTLE JIM NO. 3
3 BEAR POINT NO. 3
4 BEAR POINT NO. 1
5 BEAR POINT NO. 2
6 LITTLE JIM NO. 1
7 BIG BEN
8 BIG BEN FRACTION
9 DON T. NO. 1
10 DON T. NO. 2

N

colored by Fagan

Kbc - Cret. Burro Canyon

EXPLANATION

Qal Qls	QUATERNARY ALLUVIUM; LANDSLIDE
Km	CRETACEOUS MANCOS SHALE
Kd	CRETACEOUS DAKOTA SANDSTONE
Jmbb Jmsw	JURASSIC MORRISON FORMATION: Jmbb, Brushy Basin member; Jmsw, Salt wash member.
Js	JURASSIC SUMMERVILLE FORMATION
Jem Jec Je	JURASSIC ENTRADA SANDSTONE: Jem, Moab tongue; Jec, Entrada sandstone and Carmel undivided; Je, Entrada-Carmel with Moab tongue undivided.
Jn	JURASSIC NAVAJO SANDSTONE
Jk	JURASSIC KAYENTA FORMATION
Jw	JURASSIC WINGATE SANDSTONE
	NORMAL FAULT, DOT INDICATES DOWNTHROWN SIDE
12	STRIKE AND DIP OF BEDS
	SECTION CORNER, APPROXIMATELY LOCATED

Note: BASE FROM GEOLOGIC MAP OF SINBAD VALLEY-FISHER VALLEY ANTICLINE BY E.M. SHOEMAKER, 1949-50. CLAIM BOUNDARIES FROM APPLICANTS MAP.

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FIGURE 2. GEOLOGIC MAP SHOWING LITTLE JIM, BEAR POINT, BIG BEN, AND DON T. CLAIMS, LUCKYTEX URANIUM COMPANY, GRAND COUNTY, UTAH.