IMEA Form 9

UNITED STATES
DEPARTMENT OF THE INTERIOR
Defense Minerals Exploration Administration

OFFICIAL DOCKET FILE

DMEA NO. 4623

Application (Denied
(Withdrawn
(After disposition, delete items not applicable)

Contract (Terminated - not Certified
(Cancelled
(Terminated - Certified
(Royalty Agreement

This is the official contract file containing all official records of the project. The records contained in the files are checked and are arranged in this order:

Left Side

Interim Royalty Audits
Reports of Royalty Review
Certification of Discovery
Certificate of Audit (Final)
Interim Audit(s)
Report of Review
Termination Notice or Agreement
Recision Notice
Assignment of Contract
Contract Amendments (latest on top)
Contract with all exhibits and annexes
Owner's Consent to Lien
Subordination Agreement
Leases and assignments of leases
Application and attachments
(3) Envelope for maps

Right Side

Project summary
Work completed analysis
All other material is filed in chronological order with correspondence including the following reports as checked:

Final Field Team Report (Tab)
Operator's Final Report
(2R) Interim Reports
(2R) Operator's monthly reports and all attachments (latest on top)
On-site Exam Report(s) (Tab)
(4) Settlement Sheets

When the volume of records is expected to warrant additional folders, or when convenience of reference warrants separate folders for certain records, they should be set up in this order:

Left Side

Folder No. 2: (In chron. order)
Interim Summary Reports by W. O. Engineers

Right Side

Operator's Semi-Annual Report for Certified Project, Field Team Interim Reports, Operator's Monthly Report with transmittal, narrative, maps, and Field Team review.

Folder No. 3: Maps (Use pocket folder or envelope. Fold maps with title block out and show reference to related document or correspondence.)

Folder No. 4: Settlement Sheets

Folder No. 5: Drill Logs

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

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DMEA
RECEIVED JAN 30 1957

DATE	INITIALS	CODE
January 28, 1957		

224 New Customhouse
Denver 2, Colorado

Memorandum

To: Secretary to the Operating Committee

From: DMEA Field Team, Region III

Subject: Application for DMEA Aid (Uranium) Monument Development Company (Dusty Group) San Juan County, Utah.

Enclosed are two copies of the subject application in the amount of $65,369.84. One copy of the application is being forwarded the Grand Junction Office, DMEA, and one copy is being retained in our file.

DMEA Field Team, Region III

W. M. Traver

By W. M. Traver
Executive Officer

Enclosures

MI-103
(Revised April 1952)

UNITED STATES DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

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

DMEA

DEPARTMENT OF THE INTERIOR
JAN 25 1957
REGION III
DENVER, COLORADO

JAN 30 1957
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DMEA

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. 4623
Metal or Mineral Uranium
Date Received 1-30-57
Estimated Cost $65,369.84
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: Monument Development Company, Box 282, Dove Creek, Colorado
J.B.Sanchez, Lee Ancell, Claude Rhoades & Clyde Sanchez all of Dove Creek, Colo
Joe Teague III, Joe Rhoads, Leon Walston, Don Hatchett all of Slaton, Texas

(*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. Partnership

(*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 See attached sheet--Page 1, for legal Description

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

(*c*) State your interest in the land, whether owner, lessee, purchaser under contract, or otherwise Owned 100%

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

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

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

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

(*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 8 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 January 17, 1957

Monument Development Company
(Applicant)

By J. B. Sanchez
General 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

Mo[illegible]ment Development Company
Box 282
Dove Creek, Colorado

3 a. Legal description of Dusty 1 through 10 Mining Claims.

Dusty 1. Situated in Sec 35, T36S, R25E. This location being 300 ft. due south of the ¼ peg between Sec. 35 and Sec. 26, in San Juan County, Utah. Described as follows: Beginning 600 ft. due east of this point and running 300 ft. N to NE corner #1, thence 1500 ft. W to NW corner of #2, thence 600 ft. S to SW corner #3, thence 1500 ft. E to SE corner #4, thence 300 ft. N to E end center which is the place of beginning.

Dusty 2. Situated in Sec 35, T36S, R25E, this location being 900 ft. due south of the ¼ peg between Sec. 35 and Sec. 26 in San Juan County, Utah. Description as follows: Beginning 600 ft. east of this location monument at the east end center monument and running thence N 300 ft. to NE corner #1, thence W 1500 ft. to NW corner #2, thence S 600 ft. to SW corner #3, thence E 1500 ft to SE corner #4, thence N 300 ft. to place of beginning.

Dusty 3. Situated in Sec 35, T36S, R25E. This location being 1500 ft. S of the ¼ peg between Sec 35 and Sec 26, in San Juan County, Utah. Description as follows: Beginning 600 ft. E of location monument at the E end center monument and running thence N 300 ft. to NE corner #1, thence W 1500 ft. to NW corner #2, thence, S 600 ft. to SW corner #3, thence E 1500 ft. to SE corner #4, thence N 300 ft. to place of beginning.

Dusty 4. Situated in Sec 26, T36S, R25E, this location being 300 ft. due N of the ¼ peg between Sec. 35 and Sec. 26 and joining Dusty 1 on the N in San Juan County, Utah. Description as follows: Beginning 600 ft. E of this location and running 300 ft. N to NE corner #1, thence 1500 ft. W to to NW forner #2, thence 600 ft. S to SW corner #3, thence 1500 Ft. E to SE corner #4, thence 300 ft. N to E end center post which is place of beginning.

Dusty 5. Situated in SE¼ Sec 26, T36S, R25E. This location being 900 ft E, thence 25 Ft. N of ¼ peg between Sec 26 and Sec 35, in San Juan County, Utah. Description as follows: Beginning at the S end center stake 25 Ft. S of this location and running 300 ft. E to SE corner #1, thence 1500 ft. N to NE corner #2, thence 600 ft. W to NW corner #3, thence 1500 ft. S to SW corner #4, thence 300 ft. E to S end center which is place of beginning.

Dusty 6. Situated in NE½ Sec. 35, T36S, R25E. This location being 900 ft. E thence 25 ft. S of ¼ peg between Sec 26 and Sec 35. Description as follows: Beginning at N end center stake 25 ft. N of this location and running 300 ft. W to NW corner #1, thence 1500 ft. S to SW corner #2, thence 600 ft. E to SE corner #3, thence 1500 ft. N to NE corner #4, thence 300 ft. W to N end center stake which is place of beginning.

Dusty 7. Situated in SE¼ S26, T36S, R25E, this location being 1200 ft. E, thence 300 ft. N of the ¼ peg between Sec 26 and Sec 35 in San Juan County, Utah. Description as follows; Beginning at this location and running 300 ft. S to SW corner #1, thence 1500 ft. E to SE corner #2, thence 600 ft. N to NE conner #3, thence 1500 ft. W to NW corner #4, thence 300 ft. S to this location which is place of beginning.

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Monument Development Company
Box 282
Dove Creek, Colorado

3 a. Cont.

Dusty 8. Situated in SE¼ of S26, T36S, R25E, this location being 1200 ft. E, thence 900 ft. N of ¼ peg between Sec. 26 and Sec. 35, in San Juan County, Utah. Description as follows: Beginning at his location and running 300 ft. S to SW corner #1, thence 1500 ft. E to SE corner #2, thence 600 ft. N to NE corner #3, thence 1500 ft. W to NW corner #4, thence 300 ft. S to this location which is point of beginning.

Dusty 9. Situated in NE¼ S35, T36S, R25E, this location being 1140 ft. due W of Sec corners 26, 25, 35 and 36. Description as follows: Beginning at this location and running 300 ft. W to NW corner #1, thence 1500 ft. S to SW corner #2, thence 600 ft. E to SE corner #3, thence 1500 ft. N to NE corner #4, thence 300 ft. W to this location which is place of beginning.

Dusty 10. Situated in NE¼ S35, T36S, R25E, this location being 540 ft. due W of Sec corners 26, 25, 35 and 36. Description as follows: Beginning at this location and running 300 ft. W to NW corner #1, thence 1500 ft. S to SW corner #2, thence 600 ft. E to SE corner #3, thence 1500 ft. N to NE corner #4, thence 300 ft. W to this point which is place of beginning.

3 f. Book and Page numbers for each recorded location notice.

	Date of record	County	State	Book No.	Page No.
Dusty 1	7-9-56	San Juan	Utah	128	148
Dusty 2	7-9-56	San Juan	Utah	128	148
Dusty 3	7-9-56	San Juan	Utah	128	149
Dusty 4	7-9-56	San Juan	Utah	128	149
Dusty 5	7-25-56	San Juan	Utah	132	9
Dusty 6	7-25-56	San Juan	Utah	132	9
Dusty 7	7-26-56	San Juan	Utah	132	38
Dusty 8	7-26-56	San Juan	Utah	132	38
Dusty 9	8-15-56	San Juan	Utah	136	167
Dusty 10	8-15-56	San Juan	Utah	136	167

4 a. Description of Mining and Exploration operations past and present. Monument Development Company has drilled 174 holes for exploration purposes totaling 4,061.4 feet on Dusty #4 claim. Drill holes shown on detailed map of Dusty #4 claim. These were all shallow holes (20' to 50') as the outcrops are on a bench of the canyon rim and the holes were all started in the top of the Saltwash. We have extended 245 feet of drift including cross-cuts into the ore body shown on map and at present are engaged in further penetrating the ore body and shipping a few loads of ore. We are using a 125 Worthington compressor, Scoot Crete Diesel Shuttle car, G.D. hammer and leg and are hand mucking. Monument Development Company owns 100 percent of this ground and equipment and is the sole operator.

b. Past and current production and ore reserves including grade and quanity. Monument Development Company has shipped since Oct. 1956, 22.97 Tons of ore to Climax Uranium at Grand Junction, Colorado. Average grade was .13 U308 and 1.94 V205. Our grade of ore is increasing as we extend our drifts under the heavier overburden so we expect to ship a greater tonnage

Monument Development Company
Box 282
Dove Creek, Colorado

4 b. Cont.
of higher grade ore in the future. We have 200 tons of ore stockpiled at the mine at present. Which is a grade of app. .09 U308 and 2.00 V205. According to our calculations we have 4,000 tons plus in our blocked out ore body (see map and drill hole logs) which is an average grade of .11 U308 and 2.00 V205. ? low grade

c. Geologic features, mineralization, type of deposit, reasons for wishing to explore.
The Dusty group of mining claims are in the Morrison formation. Ore beds and outcrops are in the Salt wash member. Averave overburden is app. 200. ft. There are three major channels and outcrops on the group, lettered A, B, and C on the large map. These are what we intend to develop.

The ore showings on these outcrops range in thickness from 1' to 8' with some mineralized beds as high as 15 ft. in thickness and from 50 to 100 ft. in width. There is commercial uranium showing in all three of the main outcrops .15 to .30 in grade and from 1' to 4' thick. There is very much vanadium on these outcrops and is as high as 8' thick of a commercial grade.

Monument Development Co. to date has spent $13,000.00 in roads, wagon-drilling and drifting and has developed the 4000 ton ore body described herein. As a result we have good reason for wishing to explore this group of claims more extensively. We firmly believe there is a large tonnage of uranium awaiting development. We do not have a geologic or engineering report or any other information except as contained in this application.

d. Accessibility of roads, distances to shipping, supply and residence.
Access to operations is very good. Road to our operations on Dusty #4 crosses several of the claims. Details on large map. The shipping points are: Monticello, Utah, 50 miles. Uravan and Naturita, Colo., 106 & 89½ miles. Durango, Colo., 108 miles. Grand Junction Colo., 229 miles. Residences are at Dove Creek, Colorado, a distance of 25 miles, with supply points being Dove Creek, and Grand Junction, Colorado and Monticello, Utah.

e. Availability of manpower, materials, supplies, equip., water and power.
Manpower, materials, supplies, equipment and water are all easily available. There is no electrical power.

5 b. Proposed work described.
The proposed work shall consist of three blocks of rotary and core drilling behind the three major outcrops on the Dusty claim group. At least 50% of the holes will be cored thru the ore bearing sands. We have a planned drilling program plotted on the large map outlined in two stages. The black outlined holes are stage 1 and are more or less fixed holes to be drilled as shown for determination of and direction of ore beds and channels. The spacing of these holes shall be 100', 150' and 200'. The red outlined drill hoes constitute stage 2 of our program and are not

Monument Development Company
Box 282
Dove Creek, Colorado

5b. Cont.
fixed holes. They are shown as an illustration. They are intended to determine width, length and thickness of ore channels and beds encountered in stage 1 of our program, and shall be drilled on 50' to 100' spacing and in relation to favorable holes of the stage 1 holes. There will be app. 17,500' of drilling in stage 1 when finished. The footage of stage 2 will be determined by the favorability of stage 1. Our estimate of stage 2 is at least 10,000', which would be a total of app. 27,500'.

5 d. Operating experience and background of applicant and person who will supervise operations.
Monument Development Co is a Limited Partnership formed in August, 1956 for the purpose of developing and mining uranium properties, all the work performed on the Dusty Group has been done since that date. Our company is controlled by one General Manager of Seven years mining and development experience, in bedded Uranium deposits on the Colorado Plateau in the Morrison formation. J. B. Sanchez is General Manager of Monument Development Co. and shall supervise our Exploratory and Mining operations. He is a General Partner in the orginazation.

Monume[illegible] Development Company
Box 282
Dove Creek, Colorado

6. Estimate of Costs: Enlosed are three bids on the drilling from three independent contractors. We are figuring our cost on the lowest bid, which is $1.50 per foot on plugging and $4.00 per foot on coring. Our estimate of costs are as follows for the completed program:

6a. Independent Contracts:

Drilling Contract:

Stage 1 plugging	15,400 ft @ $1.50 per ft	$23,100.00
Stage 1 Coring	2,100 ft.@ 4.00 per ft	8,400.00
Stage 2 plugging	7,600 ft @ 1.50 per ft	11,400.00
Stage 2 Coring	2,400 ft @ 4.00 per ft	9,600.00
	Total drilling	$52,500.00

Bulldozer Contract:

100 hours	@ $14.00 per hour	1,400.00
	Total of Independent Contracts	$53,900.00

6b. Supervision and Consultants:

Supervision	@ $650.00 per mo.	8 months	5,200.00
Consultants	@ 100.00 per mo.	8 months	800.00
	Total of Supervision and Consultants		6,000.00

6c. Operating materials and supplies:

Capping of holes	@ $2.00 per hole	110 holes	220.00
Mapping & Surveying Supplies			100.00
	Total of operating sup. & mat.		$ 320.00

6d. Operating Equipment:

Pickup Truck for supervision, handling of cores & radiometric loggine equip.	@ $100.00 per mo. for 8 months	$ 800.00
Core Boxes		300.00
Babbel Counter with Probing Unit	@ $25.00 per mo. for 8 months	200.00
	Total operating equipment	$ 1,300.00

6e. None

6f. New buildings, etc.

Field Office	$ 300.00

6g. Miscellaneous:

Analytical work 110 hls.	2 assays per hole @$3.00 assay	600.00
Accounting	@ $300.00 per month for 8 months	2,400.00
Workmens Comp & Lia. Ins.		90.84
Pay roll Taxes		399.00
	Total Misc.	$ 3,549.84

Monument Development Company
Box 282
Dove Creek, Colorado

6h. None

Total Costs $65,369.84

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D.M.E.A.

THE FRITZ-ERICKSON MINING CO.
DRILLING CONTRACTORS
Phone 2042 Box 365
DOVE CREEK, COLORADO

January 15, 1957

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DATE	INITIALS	CODE

Monument Development Co.
P. O. Box 282
Dove Creek, Colo

Gentlemen:

Following is our Bid for Exploration drilling.

Plug Bit Drilling $2.00 per foot.

Core Drilling (NX) $5.00 per foot.

Sincerely

Clyde C. Fritz

Clyde C. Fritz
President
Fritz-Erickson Mining Co.

Mollohan Drilling Co.

Seismograph Contractor

January 7, 1957
Box 1574
Cortez, Colorado

Monument Development Co.
Box 282
Dove Creek, Colorado

Dear Sirs:

I am submitting this bid for the Monument Canyon Area, Dusty Group.
25,000 feet of plugging and coring.

Plugging ------$1.65 per ft.
Coring --------$5.00 per ft.
Reaming -------$15.00 per hr.
Stand-by ------$15.00 per hr.

Guarantee 85% dust or dry samples.
Guarantee 85% core recovery.

we have sufficient equipment to do your job.

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DATE	INITIALS	CODE

Mollohan Drilling Co.
L. S. Mollohan.

P. O. BOX 98

PHONE 82M

LEE ANCELL

EXPLORATION DRILLING CONTRACTOR

DOVE CREEK, COLORADO

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DATE	INITIALS	CODE

January 15, 1956

Monument Development Company
Box 282
Dove Creek, Colorado

I do hereby submit a bid for Exploration Drilling and Coring on Dusty Group - Monument Canyon area as follows:

Plug drilling	$1.50 per ft.
Coring	4.00 per ft.

85% Core recovery
85% Dust samples recovery

Lee Ancell Exploration Contractor
Box 98
Dove Creek, Colorado

Signed Lee Ancell