DMEA Form 9

UNITED STATES
DEPARTMENT OF THE INTERIOR
Defense Minerals Exploration Administration

OFFICIAL DOCKET FILE

DMEA NO. 4716

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(~~Withdrawn~~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 BIDS
(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

224 New Customhouse
Denver 2, Colorado

April 2, 1957

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DMEA
RECEIVED APR 4 1957

DATE	INITIALS	CODE

Memorandum

To: Secretary to the Operating Committee, DMEA

From: Alternate Acting Executive Officer, DMEA Field Team, Region III

Subject: Application for Government assistance in exploration work under the DMEA program (Uranium-Vanadium) Lester Ferley, Agent of a co-ownership composed of Russell Laramie, Arthur Johnson, and Lester Ferley, (Lux Lode claims 1-17 incl., Sec. 24, T 37 N, R 73 W) Converse County, Wyoming

Enclosed are three copies of the subject application. One copy of the application is retained in Region III files.

The applicant proposes a 30,000 foot two stage drilling program on an 8 claim area consisting of 68 Stage I holes on 200 foot centers, and the balance of the footage to be used under Stage II on drilling at 50 foot centers to off-set Stage I holes or to extend favorable areas. All at a total estimated cost of $18,790.00.

The applicant enclosed copies of bids from two independent drilling contractors and copy of a Power of Attorney, designating Lester Ferley as the agent of the co-owners in all matters pertaining to the Lux claims.

J. W. Townsend

J. W. Townsend

Enclosures

Pierre, S.D.
March 35,1957

DMEA
DEPARTMENT OF THE INTERIOR
APR 1 - 1957
REGION III
DENVER, COLORADO

Mr. W.M.Traver
New Customs Bldg.
Denver, Colo.

Dear Mr. Traver:

Enclosed please find our application,(4 sets of copys) for a D.M.E.A. loan on our propertys north of Douglas, Wyo.

I am prepared to drill this at a cost of 50¢ per foot. my partners have agreed to pay me this amount in cash in the event the loan is approved.

With each application copy is included the following enclosurers:

1; Application
2; additional answers to application.
3; copy of power of attorney
4; General map of Douglas, Wyo. area.
5; map of claims to be drilled.
6; surveyers copy and map of all claims in group.
7; Map of mineralized area, discovery hole stake #6 Lux
8; cross section of mineralized area with comments.
9; price for drilling; Western Engineering Co.
10; " " " , Duane Rosenberger.
11; copy of quit claim deed.

I might add that we were unable to get more than 2 drilling contractors to bid.

Sincereley

Lester Ferley

Lester Ferley

P.S.Since making out the application, Laramie, Johnson and myself have bought out Schenegge's 10% intersest

Lester Ferley

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MF-103
(Revised April 1952)

UNITED STATES DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
DEPARTMENT OF THE INTERIOR

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

DMEA
APR 1 - 1957
REGION III

APPLICATION FOR AIDS TO DOMESTIC 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. 4716
Metal or Mineral URANIUM - VANADIUM
Date Received 4-4-57
Estimated Cost $18,790
Participation (Government %)

DMEA APR 4 1957

INSTRUCTIONS

1. *Name of applicant.*—(*a*) State here your full legal name and the form in which you will wish to contract, and your mailing address: Lester Ferley, box 253, Pierre, S.D.

(*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

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

(*c*) State your interest in the land, whether owner, lessee, purchaser under contract, or otherwise quit claim deed, copy enclosed

(*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

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

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 .....

(*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 ..... days and be completed within ..... 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)?

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

[x] Money [x] 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 March 25, 1957, 195...

Lector Forley
(Applicant)

By [signature]

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

2

Lester Ferley, Pierre, S.D.

1- Lester Ferley, box 253, Ferley Jewelers, Pierre, S.D.
d- Russell Laramie, Ft. Pierre, S.D. 30%
Arthur Johnson , Philip, S.D. 30%
Louis Schenegge, Harold, S.D. 10%
3-a- Lux claims
3-f- Quit claim deed, copy enclosed . 17 claims

4-a- all work done so far, except staking the claims, done by me. enclosed ~~2 and 3~~ 7 & 8
b- see #2
c- bedded
d- fair road ½ mile west. Claims are 40 miles north and a little west of Douglas Wyo.
e- water and timber ½ mile N.W. on Reynolds ranch. Equipment and supplys from Douglas.

5-a- Uranium and Vanadium.
d- I have drilled, and hired drilled, over 10,000 foot of hole in 1956 with my own rig. found uranium on 3 different loealitys.
b- plan to drill about 30,000 feet of hole starting at discovery pit, N.W., West, and south, (see plat) on 50 foot centers, to Fort Union, should be from 75 to 100 foot deep.
c start in 30 days, complete in 4 months.
I have contacted Dick McCormick, Douglas, Wyo. to supervise this work. he has agreed to work for us. He has been employed by the A.E.C. and has spent the last 3 or 4 years on Uranium alone. I consider him well qualified.

6-a- None.
b-

Dick McCormick, 100 days @ $20.00	$2,000.00
Drilling 30,000 feet of hole @ 50¢ (see letters)	15,000.00
sample bags, 1000 @ 2¢	20.00
Geologist service 6 days @ $120.00	720.00
Assays 200 @ $3.25	650.00
Partners time 20 days @ $20.00	400.00
	18,790.00

c-all furnished in the 50¢ per foot.
f- we have a used trailer house to be furnished free with the job.
7-a- yes. The net worth of Ferley, Laramie, and Johnson is over $300,000.00
b- I have the equipement, the partners will pay me in cash their 70%.
I have; one 500 foot Lonyear drill mounted on International truck. one hydrolic drill, E.rod, 100 foot mounted on Dodge 4x4. One 105 cubic foot LeRoi compressor; one Gardner Denver 210 compressor; one Ford front end loader tractor.; one willys jeep;

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I certify that the above statements true and complete to the best of my knowlege and belief

Lester Ferley

Lester Ferley

3

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POWER OF ATTORNEY

KNOW ALL MEN BY THESE PRESENTS, That we, Russell Laramie of Fort Pierre, South Dakota, and Arthur Johnson of Philip, South Dakota, being associated with Lester Ferley of Pierre, South Dakota, in the ownership of certain interest in land bearing uranium and other minerals, said lands being located both in the State of Wyoming and South Dakota, and being desirous that the said Ferley has full power to due any and all acts necessary to carry out the business of exploring for, locating, removing and selling of said uranium, we do hereby appoint Lester Ferley of Pierre, South Dakota, our true and lawful attorney to act in, manage, and conduct our affairs, and for that purpose and in our name and on our behalf to do and execute all or any of the following acts, deeds and things, that is to say:

1. To make application for a loan of money from the United States government through that agency known and described as the DMEA and any other appropriate federal agency. To execute assignments, leases, notes, mortgages, or any other instruments of any type whatsoever on our behalf for the purpose of effecting any loan from the said DMEA;

2. To convey, sell, transfer, exchange, lease, mortgage, or enter into any other type of agreement of any kind relating to lands located in the State of Wyoming or the State of South Dakota;

3. To ask, demand, sue for, recover, and receive all sums of monies, debts, or other property of whatever description which may now or hereafter become due owing to us, and to make, sign, execute and deliver such receipts, releases, or other discharges for the same as he shall think fit or be advised, and to satisfy mortgages, notes and to settle account;

4. To borrow money and execute necessary instruments therein, and to employ and dismiss any employees as he sees fit.

5. To pay all expenses and bills necessary and incident to the above purposes, and we do hereby ratify and confirm and promise to ratify and confirm all and whatsoever acts of our attorney here appointed.

Russell Laramie

Arthur J. Johnson

STATE OF SOUTH DAKOTA)
) SS
COUNTY OF STANLEY)

On this 5th day of February, 1957, before me the undersigned, a Notary Public in and for said County and

State, personally appeared Russell Laramie known to me to be the person who is described in and who executed the within instrument and acknowledged to me that he executed the same.

Irwa Warren
Notary Public

(SEAL)

STATE OF SOUTH DAKOTA)
) SS
COUNTY OF HAAKON)

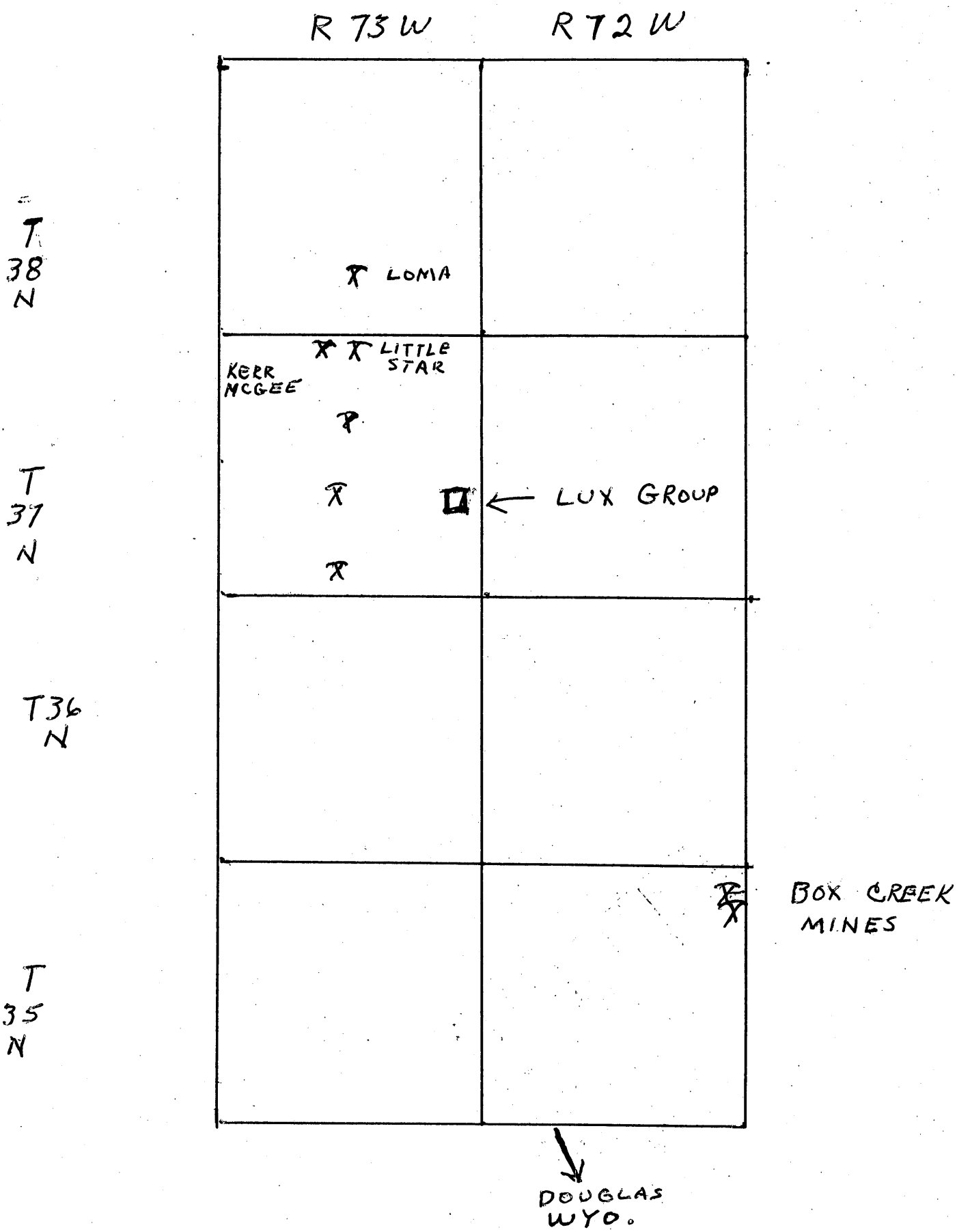
On this 5th day of February, 1957, before me the undersigned, a Notary Public in and for said County and State, personally appeared Arthur Johnson known to me to be the person who is described in and who executed the within instrument and acknowledged to me that he executed the same.

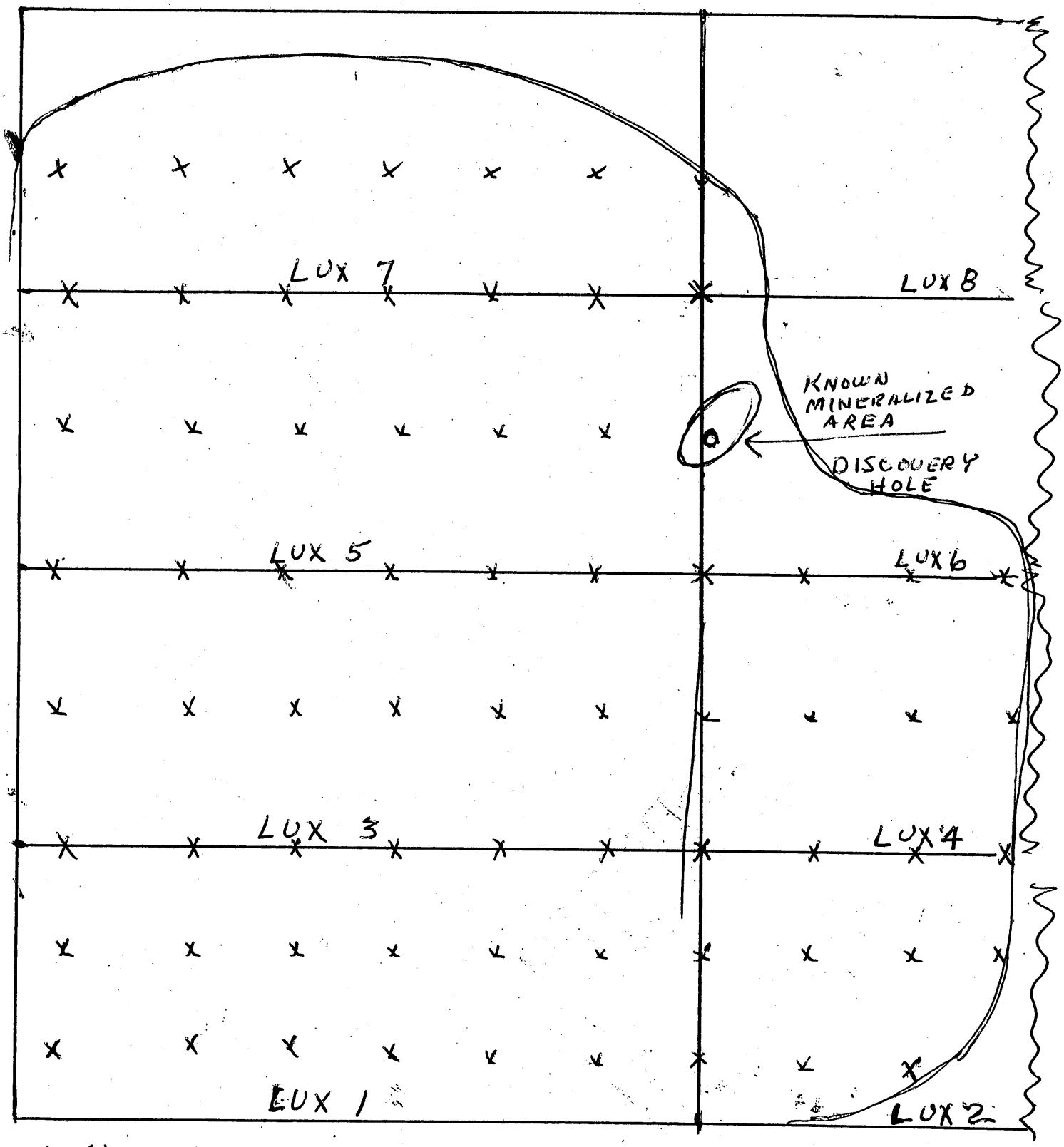
Notary Public

(SEAL)

4

FILE COPY


R 73 W
R 72 W
T 38 N
T 37 N
T36 N
T 35 N
LOMA
LITTLE STAR
KERR MCGEE
LUX GROUP
BOX CREEK MINES
DOUGLAS WYO.



X 68 holes, stage #1, 75 to 100 foot deep, 200 foot centers East-West, 300 foor centers North South.

Stage 2; Balance of 23200 feet to be drilled on 50 foot centers where ore in hole or surface anomaly warrant.

BY A.B.R. DATE 7/9/56 SUBJECT LODE MINING CLAIMS SHEET NO. ..... OF .....

CHKD. BY ..... DATE ..... LW, Numbered 1 Through 17 JOB NO. .....

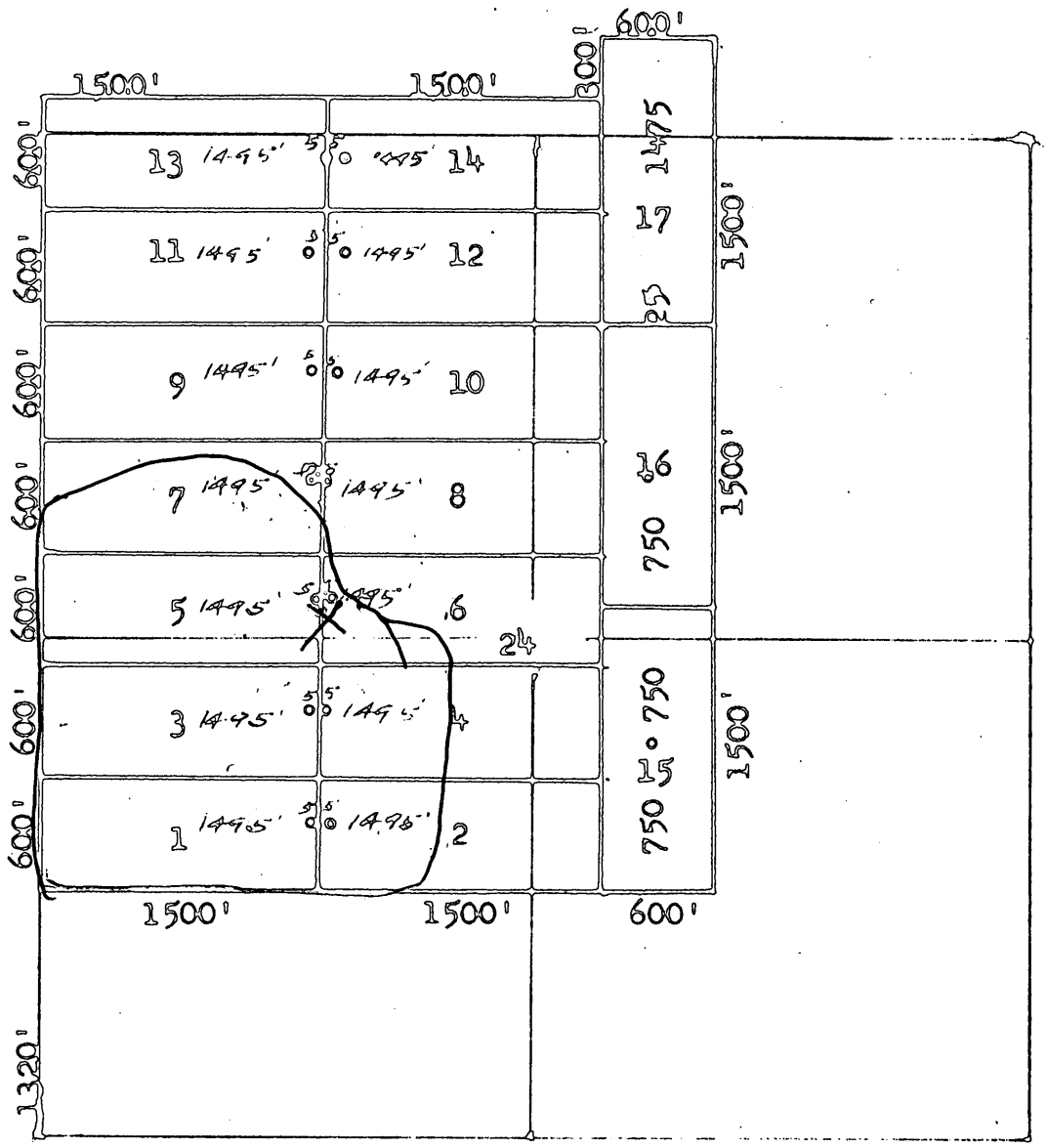
Section 24, T 37 N R 73 W Scale 1" = 1,000'

Converse County, Wyoming.

6

Survey by Albert O. Bartlett Wyoming Engineer's License No. 91.

Wheatland, Wyo.



X discovery hole

enclosure area we wish to drill

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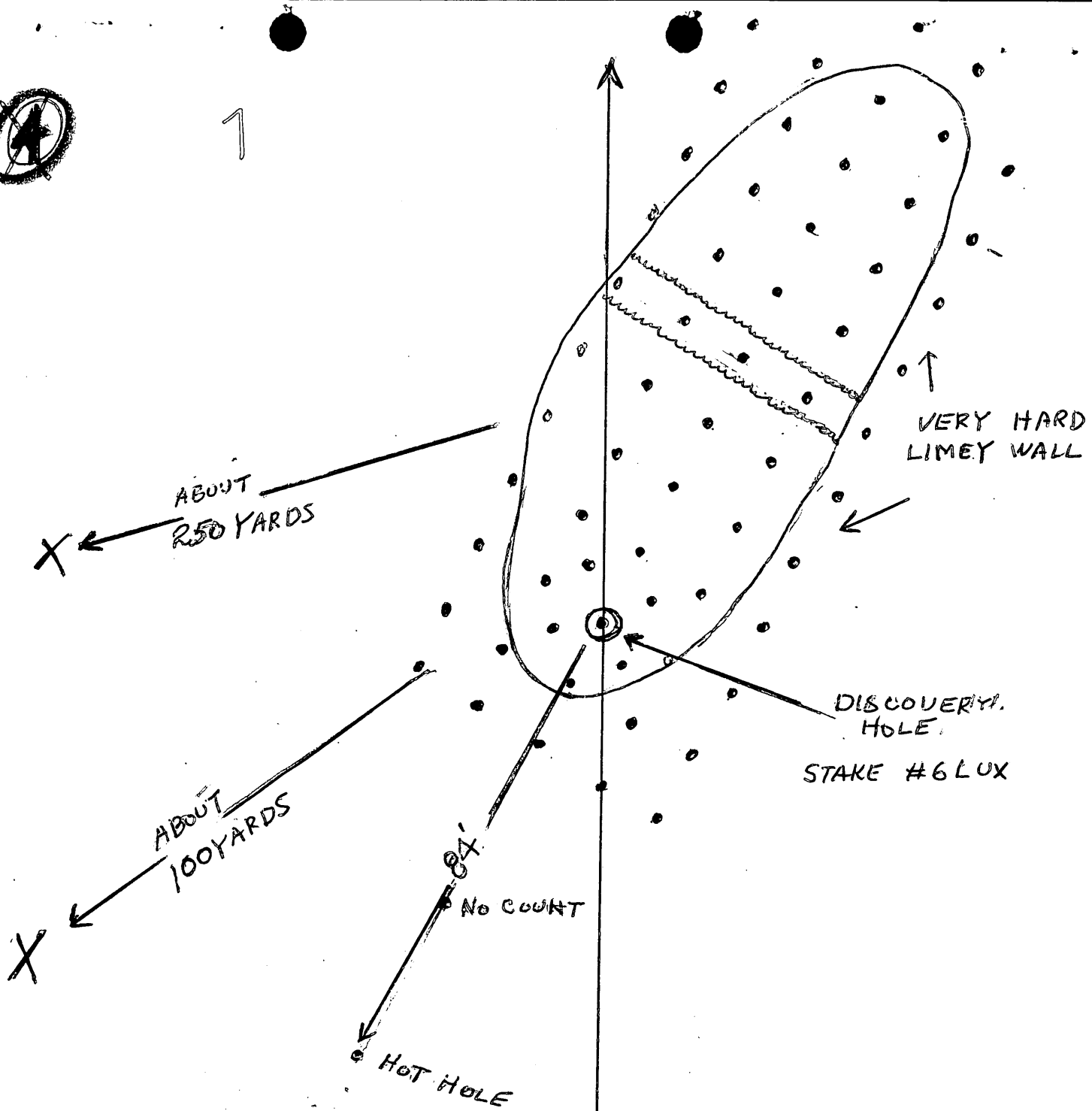

⊙ Discovery hole Lux #6

• Drill hole

X High surface anomoly

Bulldozer cut into, but not through, limey layer covering ore.

one inch equals 50 feet (scale)

#6 claim is nearly in the center of the group of 1 through 17.

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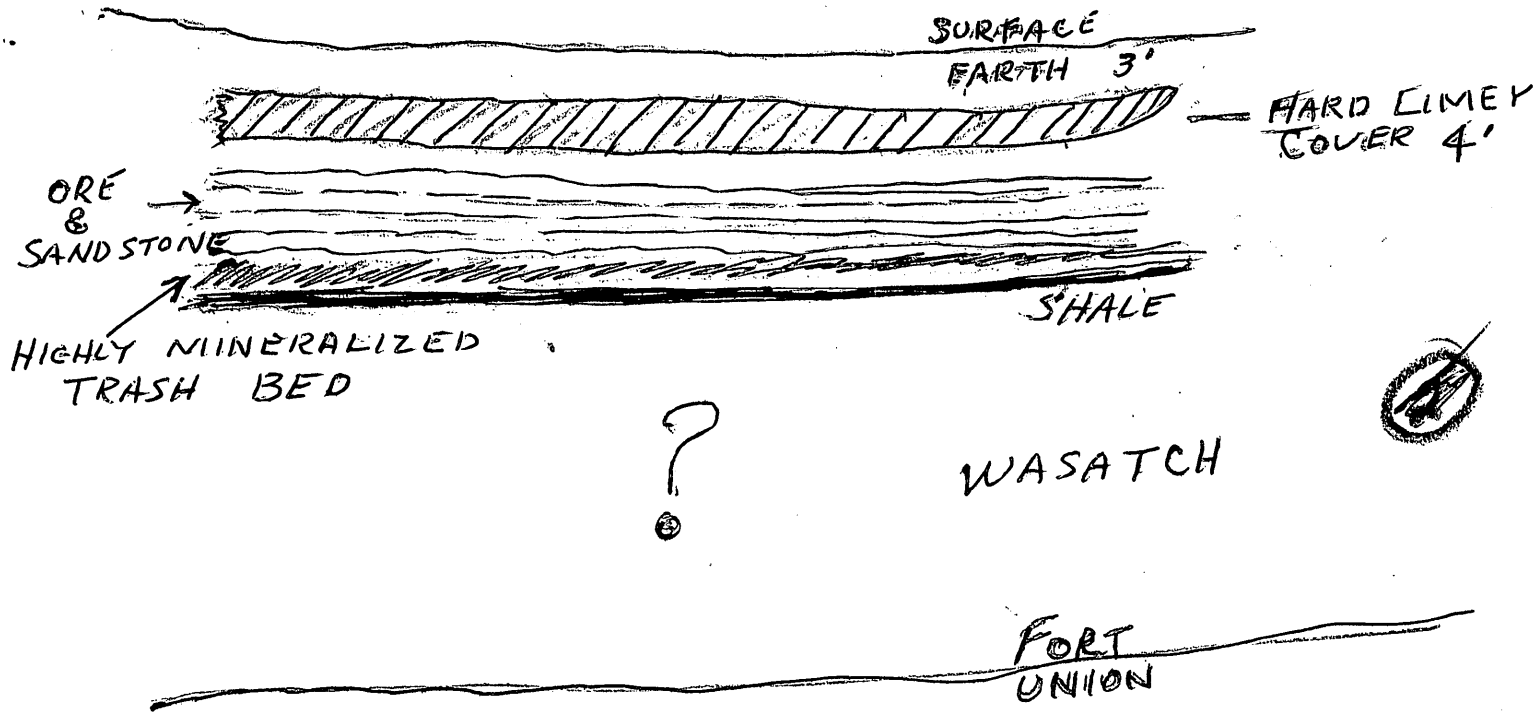

Ore appears to run as follows: a five foot sand section which has intermitant layers of mineralized sandstone running the full depth. On the bottom is a six to eighteen inch highly mineralized trash bed which assayed 1.848 U308 and .66 vanadium with shale directly below.

A 12 foot hole was dug by hand on discovery drill hole, the balance of the holes also had radiometric readings. We dug a five foot cross section with a bull-dozer, but could not dig through the limey layer cocering the ore. We had intended to blast through this layer, but due to inclement weather we were unable to proceed.

In drilling through the shale, there was enough water to cause swelling--so we did not drill any hole more than 20 feet deep. Our original intention was to block out the ore body only, before winter set in, so we were not to concerned about getting through this shale at that time.

Our hopes are that we will encounter ore at a greater depth as evidenced by the Lomas properties. We have the same indications as the other mines in this area, such as, calcium carbonate, shales, hemitite ore, iron oxides, also red and tan sandstones.

A few hundred feet to the east we observed an exposed fault running parallel to the ore body as seen from the air. Also Fort Union formation exposes on contacts near the east edge of our claims.

Greater surface anomalies are south and west of our discovery pit, the dip is down to the west. We expect to hit Fort Union at less than 75 feet.

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9

AAA LABORATORIES
P. O. BOX 1726
FARMINGTON, NEW MEXICO

ANALYSIS REPORT SHEET

CUSTOMER Lester Ferley DATE July 20, 1956

OUR NUMBER	YOUR NUMBER	SAMPLE DESCRIPTION	U_3O_8	V_2O_5		
730	1	Lux Top of block	1.848	0.66		
731	2	Lux Mixture	0.107			
732	3	Meng	0.035			
733	4	Meng White wall	0.020			
734	5	Meng	0.985			

Samples 732 & 733 must contain thorium as the uranium content does not check with the high count on the geiger.

AEC
APPROVED
UMPIRE LABORATORY
APPROVAL BASED ON ACCURACY

REMARKS:

Charges: 5 uranium assays-Paid
1 vanadium " -$1.50

SIGNED Charles Lindley

[35] Douglas 11, 270, 297

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DATE	INITIALS	CODE

Casper, Wyoming
November 5, 1956

Mr. Lester Ferley
Box 543
Pierre, S. Dak.

Dear Sir:

This is my submittal of bid on 10,000 feet of rotary non-core drilling in the north Douglas area, Converse County, Wyoming.

I will do this drilling at the rate of 50 cents per foot and take samples every two feet or however you specify. I can recover ninety to ninety-five per-cent of the cuttings.

I have two drilling rigs, one new Mayhew 200, equipped with a 315 CPM air-compressor which drills a three and a half inch hole; also a 1955 model Mayhew 1,000 with a 580 CPM air-compressor. Both rigs are combination air-water.

Shoulc this be the successful bid I will be able to start drilling immediately or whenever you are ready to start.

Yours very truly,

Duane Rosenberger

Duane Rosenberger
302 Wyo. Blvd.
Casper, Wyoming.

Phone: 2-3138
Casper, Wyo.

Western Engineering Corp.

P. O. Box [illegible]
DOUGLAS, WYOMING

October 29, 1956

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Mr. Lester Forley
Box 253
Pierre, South Dakota

Dear Mr. Forley:

I submit the following bid for proposed drilling on claims approximately 25 miles north of Douglas, Wyo. The drilling would be done by rotary and with air and the maximum depth of hole would be 135 feet, drilling below this depth will cost an additional 10¢ per foot.

Amount of drilling	Price per foot
Between 500 ft. and 1000 ft.	75¢ per foot
" 1000 ft. and 5000 ft.	60¢ per foot
More than 5000 feet	50¢ per foot

Very truly yours,

Richard L. Peterson

By
Western Engineering Corp.

RLP/pjo

QUITCLAIM DEED—FORM NO. 8 12

Book 301 page 492

QUITCLAIM DEED

KNOW ALL MEN BY THESE PRESENTS, That Richard H. McCormick, Albert B. Bartlett and Glenn K. Rogers

of the County of Converse State of Wyoming in consideration of the sum of

One Dollar and other considerations DOLLARS

to them in hand paid by Lester Farley

the receipt whereof is hereby confessed and acknowledged, has remised, released, and forever quitclaimed and by these presents do for their heirs, executors and administrators, remise, release and forever quitclaim unto the said Lester Farley

heirs and assigns, forever, all such right, title, interest, property, possession, claim and demand, as they have or ought to have, in or to all the following described premises, to-wit:

Claim	Recorded	Book	Page	Sec.	Twp.	Range
Lux # 1	July 16, 1956	297	81	24	37	73
Lux # 2	July 16, 1956	297	82	24	37	73
Lux # 3	July 16, 1956	297	83	24	37	73
Lux # 4	July 16, 1956	297	84	24	37	73
Lux # 5	July 16, 1956	297	85	24	37	73
Lux # 6	July 16, 1956	297	86	24	37	73
Lux # 7	July 16, 1956	297	87	24	37	73
Lux # 8	July 16, 1956	297	80	24	37	73
Lux # 9	July 16, 1956	297	88	24	37	73
Lux # 10	July 16, 1956	297	89	24	37	73
Lux # 11	July 16, 1956	297	90	24	37	73
Lux # 12	July 16, 1956	297	91	24	37	73
Lux # 13	July 16, 1956	297	92	13 & 24	37	73
Lux # 14	July 16, 1956	297	93	13 & 24	37	73
Lux # 15	July 16, 1956	297	94	24	37	73
Lux # 16	July 16, 1956	297	95	24	37	73
Lux # 17	July 16, 1956	297	79	13 & 24	37	73

Converse County Clerk's Signature

Subject to 10% of gross proceeds of sale of ore and other stipulations and agreements included in OPTION pretaining to said claims.

Hereby releasing and waiving all rights under and by virtue of the homestead exemption laws of the State of Wyoming.

TO HAVE AND TO HOLD the said premises unto the said Lester Farley

heirs and assigns, to his and their own proper use and behoof forever. So that neither Richard H. McCormick, Albert B. Bartlett or Glenn K. Rogers

nor any other person in his name or behalf, or either of us or any other person in our or either of our names or behalf shall or will hereafter claim or demand any right or title to the premises or any part thereof, but they and every one of them shall by these presents be excluded and forever barred.

In Witness Whereof, we have hereunto set our hand and seal this day of A. D., 19

Signed, sealed and delivered in the presence of:

Albert B. Bartlett (SEAL)

Glenn K. Rogers (SEAL)

Richard H. McCormick (SEAL)

(SEAL)

THE STATE OF WYOMING,
County of Converse } ss.

On this 24th day of October, 1955, before me personally appeared Albert E. Bartlett, Glenn K. Rogers and Richard H. McCormick

to me known to be the persons described in and who executed the foregoing instrument and acknowledged that they executed the same as their free act and deed, including the release and waiver of the right of homestead, the said wife having been by me fully apprised of her right and the effect of signing and acknowledging the said instrument.

Given under my hand and Notarial seal, this 24th day of October A. D., 19 55

Pearl J. Lightharne
Notary Public

My commission expires on the 9th day of July A. D., 19 58

CORPORATION ACKNOWLEDGMENT

THE STATE OF WYOMING
County of } ss.

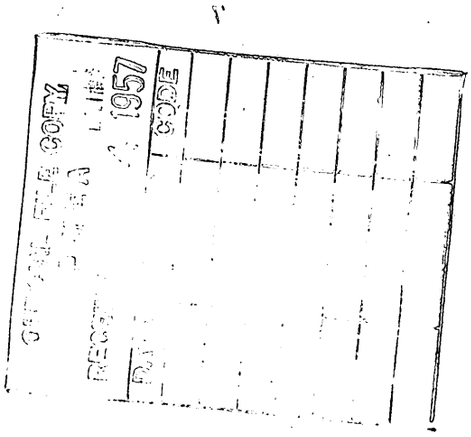
On this day of, A. D., 19 , before me personally appeared

to me personally known, who, having been by me first duly sworn, did say: That he is the of , the Corporation described in and which executed the foregoing instrument; that the seal affixed to said instrument is the corporate seal of said Corporation; and that said instrument was signed and sealed in behalf of said Corporation by authority of its Board of Directors; and said acknowledged said instrument to be the free act and deed of said Corporation.

IN WITNESS WHEREOF I have hereunto set my hand and affixed my notarial seal on the day and year in this certificate first above written.

Notary Public.

My Commission expires , 19



QUITCLAIM DEED

FROM
Richard H. McCormick et al

TO
Lester Jolley

Affix Revenue Stamps Here

THE STATE OF WYOMING, } ss.
County of Converse

This instrument was filed for record at 9:00 o'clock A. M., and the day of Dec 13 A. D., 1955, and duly recorded in Book 301 on Page 492

(Signed) Floyd Faggott
County Clerk and Ex-Officio Register of Deeds

By Deputy Clerk

No. 273482 Fees $

DMEA Form 7
(12-56)

OFFICIAL FILE COPY

Date	Surname	Code
6/7	Ching	700
"	Elly	700
6/10	Selfridge	130
6/10	Lamb	130
6/10	Kiilsgaard	130
6/10	Johnson	110
"	Cutterson	100
		220

JUN 11 1957

Mr. Lester Ferley
Box 253
Pierre, South Dakota

Re: Docket No. DMEA-4716 (Uranium)
Lux Claims
Converse County, Wyoming

Dear Mr. Ferley:

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

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

Careful study of all our information, although noting some uranium mineralization on your property, indicates that the probability of disclosing significant ore reserves is not sufficiently promising to justify Government participation. 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 Exploration Program and for bringing your property to our attention.

Sincerely yours,

(for)

Administrator

MChing/gla
6-7-57
cc to: Admr.'s Reading File
Operating Committee
Code 700, Mr. Ching
THKiilsgaard, Rm. 5224
DMEA Field Team, Region III (2)

8623

June 7, 1957

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Chiang
Ellis

SUMMARY OF PROPOSED PROJECT

Object: Denial of application for an exploration project.

Docket No.: DMEA-4716

Commodity: Uranium

Applicant: Lester Ferley
Box 253
Pierre, South Dakota

Property: Lux claims 1 through 17, unpatented lode mining claims, located in secs. 13 and 24, T. 37 N., R. 73 W., 6th P.M.& B., Converse County, Wyoming. Applicant is the owner through a Quitclaim Deed but has two partners, Russell Laramie and Arthur Johnson, who each have a 33-1/3% interest in the property.

Date of application: March 25, 1957

Amount of application: $18,790.00

Referred to Region III: April 12, 1957
Field Examination made: April 30, 1957
Field Team Report received: May 27, 1957

Work proposed: 30,000 feet of rotary non-core drilling in two stages to explore all or parts of seven claims. Estimated costs follow:

30,000 feet non-core drilling @ $0.50/ft.	$15,000.00
Supervision and technical services	3,120.00
Miscellaneous	670.00
Total	$18,790.00
Government participation @ 75%	$14,092.50

Field Team Report: May 15, 1957 - D. H. Richter, USGS
H. M. Connors, USBM

The property is in the southern Powder River Basin and is underlain by about 200 feet of red and drab colored fluvial clastic rocks of the Eocene Wasatch formation. Uranium mineralization in the general area is generally restricted to a narrow zone of red coloration and is

concentrated in economic deposits along the red-drab color contact. The favorable red beds are well exposed through natural erosion in and around the subject property.

A discovery pit, 12 feet deep, on the Lux 6 claim encountered a small carbonaceous trash and clay lens 1.5 feet long and 3 to 4 inches thick, in drab sandstone, which was uranium-bearing. The Applicant presented assays of 1.85 and 0.11% U_3O_8 on selected samples from this lens. A representative 4-inch channel sample taken across the lens by the examiners assayed 0.28% U_3O_8 and 0.09% V_2O_5. The Applicant had drilled about 60 holes on 25-foot centers around the discovery pit in an attempt to delineate an ore body. No records as to depths, lithology, or radioactivity were available and the assumption was made that nothing of interest was encountered in the holes.

The strongest of two radioactivity anomalies reported by the Applicant was investigated and found to contain not more than two times background radioactivity. No other radioactive or mineralized areas were observed in the favorable red sandstone.

The nearest known uranium deposits lie along a western red-drab color contact extending from the D-7 mine, three miles to the southwest, to the Loma mine, 5.5 miles to the northwest. The D-7 mine has 6,000 tons of reserves. The Loma mine has shipped 20,000 tons of ore and has 50,000 tons of inferred and indicated reserves running 0.22% U_3O_8. The Globe mine, between the D-7 and Loma, has 20,000 tons of reserves.

Natural exposures and drilling by the Applicant have failed to disclose significant amounts of uranium mineralization. It is recommended that the application be denied.

Commodity Group Comments:

U. S. Geological Survey - N. E. Nelson - May 29, 1957

Although not conclusive, the drilling by the Applicant and lack of occurrences in natural exposures tend to sustain the opinion and the recommendation that the application be denied.

U. S. Bureau of Mines - James Paone - May 29, 1957

Agrees with the Field Team and advises denial of the application.

Division of Rare and Miscellaneous Metals - Michael Ching, June 3, 1957

The property appears to lie west of the eroded eastern red-drab color contact and east of the western contact where several large ore bodies have been found. Natural and man-made exposures on the property are not encouraging.

Conclusions and Recommendations:

The chances of making a significant discovery on the property are not good. It is recommended that the application be denied.

Ernest Wm. Ellis

Ernest Wm. Ellis, Director
Division of Rare and
Miscellaneous Metals

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MAY 31 1957

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"	Ching	700

IN REPLY REFER TO:

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

May 29, 1957
Re: DMEA 4716
Lester Ferley
Lux Claims
Converse County, Wyoming
$18,790 - 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 exploring, by non-core drilling, an area believed to be underlain at shallow depth by a uranium-bearing bed of the Wasatch formation.

The applicant claims 10,000 feet of drilling has been done on the property. No good records were kept and the drilling lends little or no support to the application. No ore has been produced, but pits have been gouged out to expose the bed from which samples of ore grade material are said to have been taken. A 4-inch channel sample taken across the lens by the examiners assayed:-

0.28% U_3O_8 and 0.09% V_2O_5

About 60 drill holes on 25-foot centers failed to extend the showing.

Work in the area, the Powder River Basin, has indicated that the uranium deposits are practically confined to and related to a color (red-drab) contact zone. In the opinion of the examiners and the Field Team, the referenced claims (Lux) probably lie west of the now-eroded eastern red-drab contact. Although not conclusive, the drilling by the applicant and lack of occurrences in natural exposures tend to sustain the opinion and the recommendation that the application be denied.

I concur with the recommendation.

N. E. Nelson

N. E. Nelson

Date May 29, 1957

DMEA Project No. 4716
DMEA Contract No.
Commodity Uranium
Name of applicant Lester Ferley
Name of property Lux claims
Location of property Converse County, Wyoming
Estimated cost of project $18,790.00

Memorandum

To: Ernest William Ellis, DMEA Member
Uranium Commodity Committee

From: James Paone, Bureau of Mines Member
UrNium Commodity Committee

Subject: Review of joint report of examination
(Application, joint exp. report, etc.)

1. Date of application: 5/22/57 2. Date received by reviewer: 5/28/57

3. Field reports on this property need to review: Yes [ ] No [ ]

4. Field reports on nearby properties need to review: Yes [ ] No [ ]

5. Information available on mine production: Yes [ ] No [ ]

6. Other pertinent factors need to review: Yes [ ] No [ ]

7. Explain field method you have:

8. Factors needing special consideration:
a. Location [ ]
b. Ownership [ ]
c. Evidence of mineralization [ ]
d. Geology [ ]
e. Proposed exploration method [ ]
f. Alternate exploration method [ ]
g. Costs [ ]
h. [ ]

9. Action taken:
a. Obtain further data from applicant [ ]
b. Refer to Field Team [ ]
c. Postpone [x]
d. Agree with Field Team [x]
e. Consult with Mr. [ ] at [ ] ARE office.
f. Disagree with Field Team [ ]
g. Suggest alternate plan [ ]
h. Recommend continuance [ ]
i. Approval [ ]

10. Remarks: (Use back of page if necessary)

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UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
224 New Customhouse
Denver 2, Colorado

May 22, 1957

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DMEA
RECEIVED MAY 27 1957

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		130
5/29	C.	220
"	Cheney	700

Memorandum

To: Secretary to the Operating Committee, DMEA

From: DMEA Field Team, Region III

Subject: Joint Report of Examination, Docket DMEA 4716 (Uranium)
Lester Ferley (Lux Claims) Converse County, Wyoming

Enclosed are the original and three copies of the Joint Report of Examination on the subject property by H. M. Connors, USBM, and D. H. Richter, USGS.

The field examiners conclude that the probability for making a significant discovery is not usfficiently promising to justify Government participation. Accordingly they recommend that the Applicant's work proposal be denied to which the Field Team concurs.

E. N. Harshman

E. N. Harshman
Acting Executive Officer

Reviewed by
DMEA OPERATING COMMITTEE
5-29-57
(date)

ON-SITE EXAM. REPORT

IN REPLY REFER TO:

DMEA
DEPARTMENT OF THE INTERIOR
MAY 21 1957
REGION III
DENVER, COLORADO

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

May 20, 1957

Memorandum

To: Acting Executive Officer, DMEA Field Team, Region III

From: A. S. Konselman
E. N. Harshman

Subject: DMEA Docket 4716 (Uranium), Lester Ferley (Lux claims), Converse County, Wyoming

Enclosed are the original and nine copies of a joint report by D. H. Richter, U. S. Geological Survey, and H. M. Connors, U. S. Bureau of Mines, covering their examination of the subject property.

The applicant requested Government assistance to explore for uranium on the Lux group of claims by a drilling program estimated to cost $18,790.

The property lies in the Powder River Basin of Wyoming where the known uranium deposits are found in red sandstone along or very near the contact with drab colored sandstone.

The examiners conclude the claims lie west of the eastern red-drab color contact and thus outside the zone favorable for significant uranium deposits. They recommend that the application for exploration assistance be denied.

We concur with the conclusions and recommendations.

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A. S. Konselman
Mining Engineer

E. N. Harshman
Member, Field Team

Enclosures (10)
ENHarshman:mp

Reviewed by
DMEA OPERATING COMMITTEE
5-29-57
(Date)

TRANSMITTED
MAY 22 1957

FOR OFFICIAL GOVERNMENT USE ONLY

DMEA
DEPARTMENT OF THE INTERIOR
MAY 21 1957
REGION III
DENVER, COLORADO

UNITED STATES
DEPARTMENT OF THE INTERIOR
FRED A. SEATON, SECRETARY

DEFENSE MINERALS EXPLORATION ADMINISTRATION

JOINT REPORT OF EXAMINATION BY EXAMINING TEAM
REGION III

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RECEIVED MAY 1957

DATE		CODE
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DMEA 4716

Lester Ferley

Lux Claims

Converse County, Wyoming

Uranium

Joint Engineering and Geologic Report

by

D. H. Richter, Geologist
Geological Survey

H. M. Connors, Mining Engineer
Bureau of Mines

Reviewed by
DMEA OPERATING COMMITTEE
5-29-57
(Date)

TRANSMITTED
MAY 22 1957

May 15, 1957

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	Page
Introduction and summary	1
Acknowledgments	2
Location, topography, and climate	2
History and production	3
Ownership and extent	4
Present status	5
Exploration and development	5
Equipment	5
Geology	6
General statement	6
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Proposed exploration with costs	10
Conclusions and recommendations	11

ILLUSTRATIONS

Figure	Follows page
1. Location map, Lux claims, Lester Ferley, Converse County, Wyoming - DMEA 4716	2
2. Geology and location map, Lux claims, Converse County, Wyoming	11

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DMEA 4716

LESTER FERLEY
LUX CLAIMS
CONVERSE COUNTY, WYOMING

INTRODUCTION AND SUMMARY

Lester B. Ferley, Box 253, Pierre, South Dakota, on April 4, 1957, made application to the Defense Minerals Exploration Administration for aid in an uranium exploration program on the Lux claim group in Converse County, Wyoming. The proposed program consists of 30,000 feet of drilling to cost an estimated $18,790.

The property was examined on April 30, 1957, by H. M. Connors, U. S. Bureau of Mines, and D. H. Richter, U. S. Geological Survey.

The Lux group consists of 17 unpatented claims in secs. 13 and 24, T. 37 N., R. 73 W., 6th P. M., Converse County, Wyoming. The claims are approximately 40 miles north of Douglas, Wyoming, and 10 miles northwest of the Box claims (DMEA 4026). Elevations range from approximately 5,190 to 5,290 feet.

The Lux claims are in the southern Powder River Basin, a large, broad asymmetrical syncline, and are underlain by approximately 200 feet of red- and drab-colored fluvial clastic rocks of the Eocene Wasatch formation. Uranium mineralization is generally restricted to a narrow zone of red coloration that extends the length of the southern portion of the basin and is concentrated locally in economic deposits

along the red-drab color contact. The Lux claims probably lie west of the now-eroded eastern red-drab contact. Drilling by the applicant around a small mineralized trash and clay lens in a drab sandstone apparently failed to disclose any significant radioactivity or mineralization. Furthermore, natural erosion has explored the favorable red beds for many miles throughout and around the claim area.

No production has been made from the property, and there are no reserves.

The examiners believe that the information available does not justify further exploration and recommend that the application be denied.

ACKNOWLEDGMENTS

Richard McCormick, locator of the claims and the applicant's representative, accompanied the examiners.

Representatives of the AEC in Casper, Wyoming, and W. N. Sharp, U. S. G. S., were consulted in regard to the geology and ore deposits of the Lux claim area.

LOCATION, TOPOGRAPHY, AND CLIMATE

The property concerned in the application consists of 17 unpatented lode mining claims located in secs. 13 and 24, T. 37 N., R. 73 W., 6th P. M., Converse County, Wyoming (figs. 1 and 2).

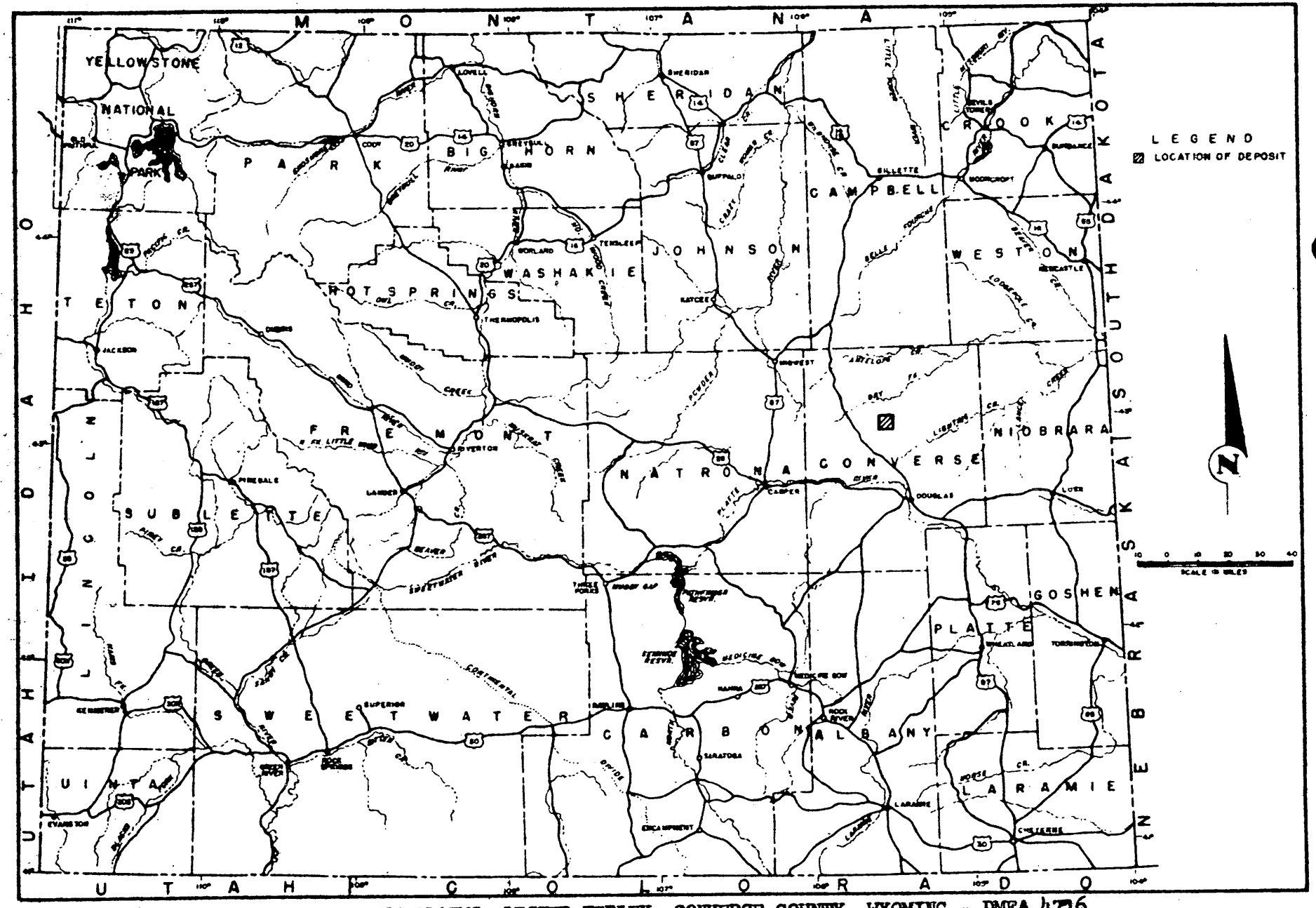

FIGURE 1 - LOCATION MAP, LUX CLAIMS, LESTER FERLEY, CONVERSE COUNTY, WYOMING - DMEA 4716

A 40-mile road, known as the Highland Loop Road, connects the property with Douglas, the county seat of Converse County, which is on U. S. Highway 87. The Lux claims lie about 10 miles northwest of the Box claims (DMEA 4026). The Lux 2 claim is the highest with an altitude of 5,290 feet. The Lux 14 claim is the lowest claim in the group and is about 100 feet lower than the highest part of the Lux 2 claim.

Rainfall is light, and although winters are cold and windy, mining operations can proceed the year round. The claims are covered with sagebrush and no timber grows near the property. Labor and supplies can be procured at Douglas. Water for drilling and mining use can be obtained from the Reynolds ranch 1-1/2 miles west of the Lux claims. An ore-buying depot is at Edgemont, South Dakota, 165 miles distant. Two railroads, the Chicago, Burlington, & Quincy and the Chicago & North Western, serve Douglas.

HISTORY AND PRODUCTION

The Lux claims were located by Richard H. McCormick, Albert B. Bartlett, and Glenn K. Rogers and recorded July 16, 1956. The property was transferred from the locators to Lester Ferley by quitclaim deed dated October 24, 1956.

The application states that more than 10,000 feet of drilling has been done on the property. However, no records were kept of the

location or depth of the holes. Many holes were seen near the discovery hole on Lux 6, which indicated considerable drilling on 25-foot centers had been done in that area.

No ore has been produced from the Lux claims.

OWNERSHIP AND EXTENT

The property consists of 17 contiguous claims, named Lux 1 to 17, inclusive. According to the application, the property is owned by the following partnership:

Lester Ferley	30 percent
Russell Laramie	30 do.
Arthur Johnson	30 do.
Louis Schenegge	10 do.

A quitclaim deed to the property, dated October 24, 1956, was granted to Lester Ferley, "subject to 10% of gross proceeds of sale of ore and other stipulations and agreements included in OPTION pertaining to said claims." The application did not reveal the nature of the stipulations and agreements, nor is it known by the examiners how Lester Ferley conveyed interests in the property to Russell Laramie, Arthur Johnson and Louis Schenegge.

The following recording information was furnished by the applicant and was verified by the examiners in the official records of Converse County:

Claims	Date recorded	Book	Pages
Lux 1 to 17 (incl.)	July 16, 1956	297	79 to 95 (incl.)

No conflicting stakes were found on the property and the applicant's representative stated that there were no claims in conflict with the Lux group.

PRESENT STATUS

Exploration and Development

A few shallow bulldozer pits were noted which had been dug as discovery holes. The deepest pit on the property is the 12-foot discovery hole on Lux 6. The application states that more than 10,000 feet of drilling has been done on the property, but no records of hole locations or depths were submitted. The applicant's representative said no drilling records were saved.

Equipment

There is no equipment on the property. The applicant states that he owns the following equipment which is available for his proposed exploration program:

1 - 500-foot Longyear truck-mounted drill.

1 - 100-foot hydraulic truck-mounted drill.

1 - Le Roi 105 c.f.m. gasoline-driven compressor.

1 - Gardner-Denver 210 c.f.m. gasoline-driven compressor.

1 - Ford front-end loader tractor.

1 - Willys jeep.

GEOLOGY

General statement

The Lux claims are in the southern Powder River Basin, a long, broad northwest-trending asymmetrical syncline in northeast Wyoming. The basin is underlain by fluvial clastic rocks consisting predominantly of semi-consolidated and consolidated sandstones, siltstones, claystones and minor lignites of the Eocene Wasatch formation. The rocks range in color from drab, tan, light brown, and gray to bright hues of red and pink, mottled with white. The red coloration, confined primarily to sandstones, is restricted to a relatively narrow zone, averaging 10 miles wide and approximately 65 miles long, that roughly parallels the axis of the basin. This contact between red and drab rocks is not stratigraphic, but is generally very sharp, transecting differences in lithology and sedimentary structural features within individual sandstone units.

Uranium-mineral deposits occur in a number of localities in the basin, almost invariably in sandstone within the zone of red coloration. Moreover, the larger minable deposits are all apparently along, or very near, the color contact and, according to Sharp 1/, are not only spatially related to the red sandstones, but have a common genesis as well.

1/ Sharp, W. N., Trace Elements Investigations Report 540, USGS, 1955, p. 118-119.

Lux claims

The Lux claims overlie a small bluff above Willow Creek and are underlain by a maximum of 200 feet of Wasatch rocks (fig. 2). A well-exposed section from the topographic high in Lux 2 (el. 5,290 ft.) to the bottom of the creek shows the following lithology:

Description	Approx. thickness (feet)
SS_1 - Sandstone, mottled red, white, and tan, crossbedded.	10-15
Lignite.	0.5
Claystones, drab, with lenses of brown siltstone and a thick, tan crossbedded sandstone unit.	50
SS_2 - Sandstone, mottled red and white, crossbedded.	15-20
Claystone, gray and tan, with minor drab siltstone and sandstone lenses.	20
SS_3 - Sandstone, mottled pink and gray, crossbedded.	20
Claystone, gray, tan, brown, with 1 foot lignite bed within 5 feet of top.	30
Sandstone, tan, crossbedded.	15
Claystone, gray, tan, with lenses of drab siltstone.	35
Fort Union formation.	

The rocks in the area are essentially flat-lying, possibly having a very slight dip to the northwest.

Uranium mineralization was observed in only one very restricted area in Lux 6. The uranium occurs as yellow coatings and possibly as uraninite in a small carbonaceous trash and clay lens at a depth of 12 feet in a drab sandstone. The uranium-bearing lens, 1-1/2 feet long and 3 to 4 inches thick, was discovered in a hole drilled by the applicant and subsequently exposed by a small pit. Two samples, probably highly selective, taken by the applicant, assayed 1.85 and 0.11 percent U_3O_8; a 4-inch channel sample taken across the lens by the examiners assayed 0.280 percent U_3O_8 and 0.09 percent V_2O_5.

At the time of the examination approximately 60 holes on 25-foot centers had been drilled by the applicant around the "discovery" hole in an attempt to delineate an ore body or mineralized area (fig. 2). Unfortunately, however, no records pertaining to depth, lithology, or radioactivity were available, and apparently none were kept. Under the circumstances, therefore, the natural assumption is that nothing of interest was encountered in the holes.

The strongest of two "high" radioactivity anomalies reported by the applicant was investigated by the examiners (fig. 2) and not more than 2X background radioactivity was measured. Two holes, also without record, were drilled by the applicant in the anomalous area. The other anomaly was reported to be "not as strong" and was consequently not visited.

No other uranium mineralization or radioactive areas were observed, or have been reported, in the favorable red sandstones that are so well exposed on and near the claims. Although the lower SS_3 red sandstone unit is exposed only over a length of a mile south of the claims, erosion has ideally explored miles of the SS_2 red sandstone unit and has left only small remnants of the SS_1 unit capping higher elevations on the bluff. Apparently, the area lies within the zone of red coloration, and slightly west of the eastern red-drab contact, that is now eroded away.

The closest uranium deposits to the Lux claims lie along the western red-drab color contact extending from the D-7 mine, 3 miles southwest of the Lux property, northward to the Loma mine, 5-1/2 miles northwest of the Lux claims. The Loma mine, largest producer and potential producer in the Powder River Basin, has shipped about 20,000 tons of ore and has approximately 50,000 tons of inferred and indicated ore reserves running 0.22 percent U_3O_8.[1/] The D-7 and Globe mines (between the D-7 and Loma) are smaller with 6,000 and 20,000 tons, respectively, of reserves.

1/ Ore reserve figures from the AEC.

PROPOSED EXPLORATION WITH COSTS

The applicant proposed the following exploration program:

Drilling 30,000 feet at 50¢ a foot	$15,000.00
Supervisor, 100 days at $20.00 per day	2,000.00
Geologist, 6 days at $120.00 per day	720.00
Partners time, 20 days at $20.00 per day	400.00
Sample bags, 1,000 at 2¢ each	20.00
Assays, 200 samples at $3.25 each	650.00
Total	$18,790.00

All of the applicant's proposed drilling is to be done on the southwest portion of the property and is on the Lux claims 1 to 7, inclusive. The applicant's representative stated that it was the applicant's intent to subordinate all of the Lux claims in the event the application resulted in a contract.

The applicant's proposed exploration program is divided into two stages as follows:

Stage I.

Drill 68 holes, 75 to 100 feet deep, on 200-foot centers east-west, and on 300-foot centers north-south.

Stage II.

Balance of 23,200 feet to be drilled on 50-foot centers "where ore in hole or surface anomaly warrant."

The examiners found no evidence to justify the proposed exploration program of the applicant.

CONCLUSIONS AND RECOMMENDATIONS

Natural erosion and drilling have explored the Lux claim area both randomly and systematically without any apparent success in disclosing significant amounts of uranium minerals. Although the easternmost claims may be in a possibly favorable area, further exploration cannot be justified on the information gathered to date. The examiners conclude that the chance of discovering significant uranium ore by the proposed exploration program is remote and recommend that the application for exploration assistance be denied.

DMEA
DEPARTMENT OF THE INTERIOR
APR 17 1957
REGION III
DENVER, COLORADO

April 16, 1957

Memorandum

To: Executive Officer, DMEA Field Team, Reg. III

From: Superintendent, Denver Experiment Station, Reg. III

Subject: Docket DMEA-4716 (Uranium) Lester Ferley (Lux Claims), Converse County, Wyoming

The application for Lester Ferley, Docket DMEA 4716, in the amount of $18,790.00 was received in this office on April 16.

A field examination will be made and suitable report prepared by an engineer from the Denver office.

W. H. KING

W. H. King

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cc: Executive Officer
B. M. Burshman
J. F. Shaw

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224 New Customhouse
Denver 2, Colorado

April 15, 1957

Memorandum

To: W. H. King) W/enclosures, Items 1 - 5 Below
E. N. Harshman)

From: DMEA Field Team, Region III

Subject: Docket DMEA-4716 (Uranium) Lester Perley
(Lux claims)
Converse County, Wyoming

Enclosed is the following material relating to the subject docket.

1. Copy of application for Government assistance in exploration work under the DMEA program.
2. Memorandum of Review by James Paone, USBM.
3. Memorandum of Review by N. E. Nelson, USGS.
4. Letter of transmittal of the foregoing to this office, dated April 12, 1957, from the Chairman, Operating Committee, DMEA.
5. Routing control sheet.

A joint report of recommendations based on available information or a joint report of findings and recommendations based on a field examination is requested.

If a contract appears likely the applicant is to be informed that we will require Consent to Lien and Subordination Agreements from Richard H. McCormick, Albert B. Bartlett, and Glenn K. Rogers. At the same time advise this office of the action so that we may have the necessary forms prepared for future execution.

Twelve extra copies of each map used in the joint report which show the land to be subordinated and the location and extent

of recommended work, relative to property boundaries, should be submitted if Government participation is recommended.

The Bureau of Mines' copy of the application should be returned to this office with the joint report of examination. Mr. Harshman will forward the Survey's copy of the application to the Washington office.

Original signed by
By E. N. HARSHMAN
Acting Executive Officer

Enclosures
MHM:hh
cc: Sec. Op. Comm. (2)
King
Docket
Chron.

DMEA Form 7
(12-56)

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Date	Surname	Code
4-12	Ching	700
4-12	Phillips	700
4/12	Selfridge	130
"	Johnson	110
"	Chittenden	100
		700
4/15	C	220

APR 12 1957

Mr. E. N. Harshman
Acting Executive Officer
DMEA Field Team, Region III
224 New Customhouse Building
Denver 2, Colorado

Re: Docket No. DMEA-4716 (Uranium)
Lester Ferley
Lux Claims
Converse County, Wyoming

Dear Mr. Harshman:

The subject application is being referred to you for investigation, a field examination if warranted, and recommendations.

Enclosed for your information are memoranda, dated April 8 and 9, 1957, by James Paone, USBM, and N. E. Nelson, USGS, respectively, relating to the application. Also enclosed are two copies of the application for the use of the Field Team.

If a contract appears likely, Consent to Lien and Subordination Agreements should be obtained from Richard H. McCormick, Albert B. Bartlett, and Glenn K. Rogers.

Sincerely yours,

George C. Selfridge

Chairman, Operating Committee (DB)

Enclosures

APPROVED:

Frank D. Lamb (DB)
Member, Bureau of Mines

Thor H. Kiilsgaard (DB)
Member, Geological Survey

MChing/izm 4-11-57
cc to: Mr. Ching
Admr.'s Reading File
Operating Committee
THKiilsgaard, 5224

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(12-56)

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Date	Surname	Code
4-12	Ching	700
4-12	Eldy	700
4/12	Selfridge	130
"	Jordan	110
"	Mattendorf	100
		1/3
		220

Lamb
Kilgoard

APR 12 1957

Mr. Lester Ferley
Box 253
Pierre, South Dakota

Re: Docket No. DMEA-4716 (Uranium)
Lux Claims
Converse County, Wyoming

Dear Mr. Ferley:

The application for assistance in exploring your claims, under the captioned docket number, has been reviewed by the Rare and Miscellaneous Metals Division of the Defense Minerals Exploration Administration. It has been referred to:

Mr. E. N. Harshman
Acting Executive Officer
DMEA Field Team, Region III
224 New Customhouse Building
Denver 2, Colorado

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

Sincerely yours,

C. O. Mittendorf
Administrator

MCHing/dlm
cc to : Mr. Ching
Admr's Reading File
DMEA Field Team, Region III (2)

8623

IN REPLY REFER TO:

OFFICIAL FILE COPY

D M E

RECEIVED APR 10 1957

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

DATE	INITIALS	CODE
4/10	JWB	220
4/10	~~EBB~~	700
	~~Copying~~	

Comment Complete

April 9, 1957
Re: DMEA 4716
Lester Ferley, et al
Lux Group
Converse County, Wyoming
$18,790.00 - uranium

Memorandum

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

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

Subject: Review of application

The applicants request assistance in exploring by non-core drilling an area believed to underlain by a uranium-bearing bed of the Wasatch formation.

The information is not explicit but it appears one drill hole encountered a mineralized sandstone with a highly mineralized 'trash' layer at the bottom. This layer appears to be about 12 feet below the surface. The drill hole was dug out and 2 samples were taken which assayed:

Sample No.	Description	U_3O_8	V_2O_5
		%	%
730	Lux, top of block	1.848	0.66
731	" mixture	0.107	--

A hole 84 feet from the discovery hole is labeled as "hot" but an intervening hole is labeled "no account". Except that there are mines (?) about a mile to the west and high surface anomalies, 100 yards to 250 yards to the southwest and west southwest respectively, information in support of the application is lacking.

If the mines and prospects shown on the map are producers, the assumption may be within reason. Confirmation is called for.

Referral of the application to the Field Team is recommended.

N. E. Nelson

N. E. Nelson

OFFICIAL FILE COPY DMEA RECEIVED APR 8 1957		
DATE	INITIALS	CODE
4/8	C	220
"	Ellis	700

April 8, 1957

4716

Uranium
Lester Ferley
Lux Lode claims
Converse County, Wyoming
$18,790.00

~~Ernest William Ellis~~, DMEA Member
Uranium Commodity Committee
James Paone, Bureau of Mines Alternate Member
Uranium Commodity Committee

Application

4/1/57 4/5/57

UNITED STATES
DEPARTMENT OF THE INTERIOR
Defense Minerals Exploration Administration
Washington 25, D. C.

April 5, 1957

Mr. Lester Perley, Agent
Box 253
Pierre, South Dakota

Subject: DMEA-4716
Re: Exploration Assistance

Dear Mr. Perley:

Your application for exploration assistance, dated March 25, 1957 submitted to our office at Denver, Colorado has been assigned Docket Number DMEA-4716 and referred to the Rare & Miscellaneous Metals Division in the Washington office. Kindly identify all future correspondence relating to your application by this Docket Number.

Sincerely yours,

Allen S. Dakan, Chief
Operations Control and
Statistics Division

Copy to: Region XII

3571

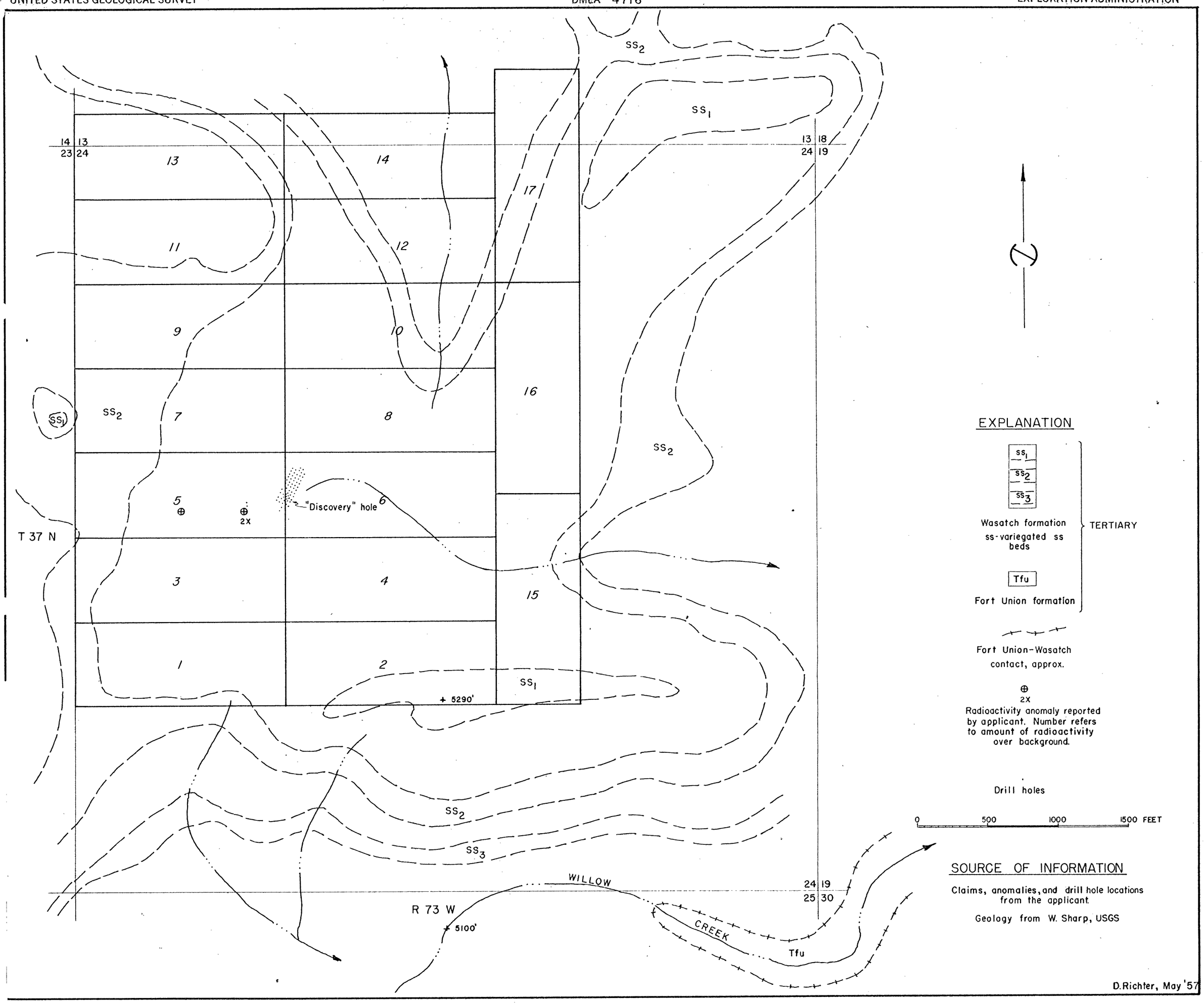

FIGURE 2. GEOLOGY AND LOCATION MAP, LUX CLAIMS, CONVERSE COUNTY, WYOMING.