

UNITED STATES ATOMIC ENERGY COMMISSION

DOMESTIC URANIUM PROGRAM

CIRCULAR NO. 1

TEN YEAR GUARANTEED MINIMUM PRICE

§ 60.1 *Ten year guaranteed minimum price*—(a) *Guarantee*. To stimulate domestic production of uranium and in the interest of the common defense and security the United States Atomic Energy Commission hereby establishes the guaranteed minimum prices specified in paragraph (b) of this section, for the delivery to the Commission, in accordance with the terms of this section during the ten calendar years following its effective date, of domestic refined uranium, high-grade uranium-bearing ores and mechanical concentrates, in not less than the quantity and grade specified in paragraph (e) of this section. This guarantee does not apply to uranium-bearing ores of the Colorado Plateau area, commonly known as carnotite-type or roscoelite-type ores, prices for which are established by § 60.3.

NOTE: The term "domestic" in this section, referring to uranium, uranium-bearing ores and mechanical concentrates, means such uranium, ores, and concentrates produced from deposits within the United States, its territories, possessions and the Canal Zone.

(b) *Guaranteed minimum prices*. The following minimum prices are established:

(1) For uranium-bearing ores and mechanical concentrates, \$3.50 per pound of U_3O_8 (uranium oxide) determined by the Commission to be recoverable, less cost per pound of refining such ores or concentrates to standards of purity required for the Commission's operations, to be determined by the Commission after assay of a representative sample.

(2) For refined uranium products, \$3.50 per pound contained U_3O_8 (uranium oxide).

Prices are f. o. b. railroad cars or trucks at shipping point designated by the Commission convenient to mine, mill, or refinery. Weights are avoirdupois dry weight.

(c) *Making an offer*. Anyone who has domestic refined uranium, high-grade uranium-bearing ores, or mechanical concentrates of the quantity and grade

specified in paragraph (e) of this section, may offer it for delivery to the Commission by sending a letter or telegram addressed as follows:

United States Atomic Energy Commission,
Post Office Box 30, Ansonia Station,
New York 23, N. Y.
Attention: Division of Raw Materials.

With each offer there should be furnished a representative ten-pound sample and the following information:

- (1) Location of property;
- (2) Character of material offered for delivery (state whether refined uranium, mechanical concentrates, or uranium-bearing ores, indicating approximate composition);
- (3) Amount of material offered;
- (4) Location of material offered;
- (5) Origin of material if offered by other than producer;
- (6) If material is owned, in whole or in part, by any person other than the person making the offer, the name of each person having such ownership and nature of his rights; and
- (7) Name and address of person making the offer.

NOTE: The reporting requirements hereof have been approved by the Bureau of the Budget pursuant to the Federal Reports Act of 1942.

(d) *Purchase contract*. Upon receipt of an offer and sample, an analysis of the sample will be made. If the sample and the information furnished are determined by the Commission to meet the conditions of this section, the Commission will forward to the person making the offer a form of contract containing applicable terms and conditions ready for his acceptance. Prices will be not less than the applicable prices of paragraph (b) of this section.

(e) *Minimum quantity and grade*. No delivery will be accepted under this section of less than ten short tons (2,000 pounds per ton) of ores or mechanical concentrates, nor of ore or mechanical concentrates which assay less than 10 per cent U_3O_8 by weight. No delivery will

be accepted under this section of less than one short ton of refined uranium, nor of refined uranium which contains by weight less than 97 per cent U_3O_8 , in black uranium oxide or 87 per cent U_3O_8 in sodium uranate. However, the Commission will be interested in negotiating reasonable terms with respect to deliveries of high-grade ores and refined products in lesser quantities and grades than those specified in this section.

(f) *Large quantities or special conditions*. The prices established in paragraph (b) of this section are minimum prices. The Commission may by negotiations establish higher prices for guaranteed delivery of lots of ores or mechanical concentrates substantially in excess of ten short tons, or for lots of refined uranium substantially in excess of one short ton. The Commission also may by negotiation establish higher prices for delivery of ores, mechanical concentrates, or refined uranium under other special conditions, taking into consideration such factors as refining and milling costs, transportation costs, and other applicable factors.

(g) *Other valuable minerals*. In making payment for material delivered to it in accordance with this section, the Commission will give consideration to the existence of recoverable gold, silver, radium, thorium, or any other valuable constituent in the light of the cost of recovery.

(h) *Licenses*. Arrangements will be made by the Commission for the issuance of licenses, pursuant to the Atomic Energy Act of 1946, covering deliveries of source material to the Commission under this section. (Sec. 5 (b), 60 Stat. 761)

Effective date. This circular will become effective at midnight, April 11, 1948.

Dated at Washington, D. C., this 9th day of April 1948.

By order of the Commission.

WALTER J. WILLIAMS,
Acting General Manager.

UNITED STATES ATOMIC ENERGY COMMISSION

DOMESTIC URANIUM PROGRAM

CIRCULAR NO. 2

BONUS FOR THE DISCOVERY AND PRODUCTION OF HIGH-GRADE DOMESTIC URANIUM ORE

§ 60.2 *Bonus for the discovery and production of high-grade domestic uranium ore*—(a) *Discovery and production bonus.* To stimulate prospecting for, discovery of, and production from new high-grade domestic uranium deposits and in the interest of the common defense and security the United States Atomic Energy Commission will pay, in addition to the guaranteed minimum price established in § 60.1, a bonus of \$10,000 for delivery to the Commission, after the effective date of this section, of the first 20 short tons (2,000 pounds avoirdupois dry weight per ton) of uranium-bearing ores or mechanical concentrates assaying 20 percent or more U₃O₈ by weight from any single mining location, lode or placer, which has not previously been worked for uranium (or in the case of production from lands not covered by such a mining location, from an area comparable thereto, as determined by the Commission). This bonus offer does not apply to delivery of ores of the Colorado Plateau area commonly known as carnotite-type or roscoelite-type ores; under § 60.3, the Commission has established guaranteed minimum prices for delivery of such ores including a development allowance and premiums for better grade.

NOTE: The term "domestic" in this section, referring to uranium, uranium-bearing ores and mechanical concentrates, means such uranium, ores and concentrates produced from deposits within the United States, its territories, possessions and the Canal Zone.

(b) *Nature of bonus.* The bonus of \$10,000 offered in this section is a bonus to encourage the discovery of new uranium resources. However, it will be paid, not for discovery alone, but only in connection with delivery to the Commission, pursuant to § 60.1, of ores produced from the location, as an independent and additional part of the price established by the Commission under that section.

(c) *Who may claim.* The person lawfully entitled to deliver ore to the Commission pursuant to § 60.1, may claim

the bonus offered in paragraph (a) of this section. A bonus will be paid only once for production of ores from any single lode or placer location (or, in the case of production from lands not covered by such a location, from an area comparable thereto, as determined by the Commission). The Commission expressly reserves the right to determine whether production from a given location is the first production from such location for the purposes of this section or whether such location or property has previously been worked for uranium, whether production is such as to which a bonus has already been paid, or whether for any other reason a bonus is not payable. In making this determination the Commission will be guided by the mining laws of the United States which provide, generally, that lode locations may extend in lode or vein formation up to 1,500 feet along the vein and in width 300 feet on each side of the middle of the vein, the end lines of the location being parallel to each other; and that placer locations may not be greater than 20 acres for each location or 160 acres in a single location for up to eight locators. The fact that a bonus has already been received will not prevent the payment of another bonus to the same person with respect to production from a different location.

(d) *Notice of discovery and production.* Notice of the discovery of a uranium deposit and of production therefrom believed to meet the requirements of paragraph (a) of this section should be forwarded to the Commission by letter or telegram, to the address specified in paragraph (f) of this section, together with an offer to deliver such ore to the Commission under § 60.1. In addition to the information and the 10-pound sample required under § 60.1, the following must be furnished:

(1) A brief description of the location or property indicating its size and relationship to mineral monuments or the public land surveys;

(2) Name of owner of record of property;

(3) Location of Recorder's Office where ownership is recorded.

NOTE: The reporting requirements hereof have been approved by the Bureau of the Budget pursuant to the Federal Reports Act of 1942.

(e) *Inspection of claim.* Upon receipt of a notice of discovery and sample, forwarded as required in § 60.1, an analysis of the sample will be made. If the sample and supporting data indicate the claim is likely to meet the requirements of paragraph (a) of this section, an inspection of the property and verification of the weights and assays of material produced will be undertaken by the Commission. On the basis of a report of such inspection and verification, if favorable, the Commission will determine the quantity of ore produced. If this determination indicates that the production requirements established in paragraph (a) of this section have been met, the Commission will pay the bonus in addition to the price established under § 60.1, when delivery of such ore is completed.

(f) *Inquiries and communications.* Inquiries about this section and all other communications should be addressed as follows:

United States Atomic Energy Commission,
Post Office Box 30, Ansonia Station,
New York 23, N. Y.
Attention: Division of Raw Materials.

(g) *Licenses.* Arrangements will be made by the Commission for the issuance of licenses, pursuant to the Atomic Energy Act of 1946, covering deliveries of source material to the Commission under this section. (Sec. 5 (b), 60 Stat. 761)

Effective date. This circular will be made effective at midnight, April 11, 1948.

Dated at Washington, D. C., this 9th day of April 1948.

By order of the Commission.

WALTER J. WILLIAMS,
Acting General Manager.

UNITED STATES ATOMIC ENERGY COMMISSION

DOMESTIC URANIUM PROGRAM

CIRCULAR NO. 3

GUARANTEED THREE YEAR MINIMUM PRICE FOR URANIUM-BEARING CARNOTITE-TYPE OR ROSCOELITE-TYPE ORES OF THE COLORADO PLATEAU AREA

§ 60.3 *Guaranteed three year minimum price for uranium-bearing carnotite-type or roscoelite-type ores of the Colorado Plateau area*—(a) *Guarantee.* To stimulate domestic production of uranium-bearing ores of the Colorado Plateau area, commonly known as carnotite-type or roscoelite-type ores, and in the interest of the common defense and security the United States Atomic Energy Commission hereby establishes the guaranteed minimum prices specified in Schedule I of this section, for the delivery of such ores to the Commission, at Monticello, Utah, and Durango, Colorado, in accordance with the terms of this section during the three calendar years following its effective date.

NOTE: In §§ 60.1 and 60.2 (Domestic Uranium Program, Circulars No. 1 and 2), the Commission has established guaranteed prices for other domestic uranium-bearing ores, mechanical concentrates, and refined uranium products.

(b) *Definitions.* As used herein, the term "buyer" refers to the U. S. Atomic Energy Commission, or its authorized purchasing agent. The term "seller" refers to any person offering uranium ores for delivery to the Commission. Weights are avoirdupois dry weight.

(c) *Deliveries of not to exceed 1,000 tons per year.* To aid small producers, any one seller may deliver without a written contract but otherwise in accordance with this section up to, but not exceeding, 1,000 short tons (2,000 pounds per ton) of ores during any calendar year.

(d) *Deliveries in excess of 1,000 tons per year.* Sellers desiring to deliver in excess of 1,000 short tons (2,000 pounds per ton) of ores during any calendar year will be required to execute a contract with the Commission. Buyer is not obligated to purchase in excess of 5,000 short tons of ores from any one seller during any calendar year, although buyer may elect to do so.

(e) *Delivery.* Seller, at his own expense, shall deliver and unload all ores at the buyer's depots at Monticello, Utah, or Durango, Colorado. (Additional depots may be established at later dates.) Deliveries shall be in lots of not less than 10 short tons (2,000 pounds per ton), but such lots may be delivered in more than one load. Days and hours during which ore may be delivered to a depot will be posted at the depot. The exact date on which ore buying will commence at the two depots mentioned will be announced later; no deliveries will be accepted prior to this announced date. It is expected that the Monticello depot

will be ready to receive ore during the month of July 1948, and that the Durango depot will be in operation shortly thereafter.

(f) *Weighing, sampling and assaying.* Buyer will bear the cost of weighing, sampling and assaying. The net weight of each load will be determined by the buyer's weighmaster on scales which will be provided by the buyer at or in the vicinity of the purchase depot and such weight will be accepted as final. A weight ticket will be furnished seller or his representative for each load. Each lot of ores will be sampled promptly by the buyer according to standard practice and such sampling will be accepted as final. Seller or his representative may be present at the sampling at his own expense. The absence of seller or his representative shall be deemed a waiver of this right. Buyer will make moisture determinations according to standard practices in ore sampling. All final samples will be divided into four pulps and distributed as follows: (1) the seller, or his representative, will receive one pulp; (2) the buyer will retain one pulp; (3) the other two pulps will be reserved for possible umpire analysis. The buyer's pulp will be assayed by the buyer. The seller may, if he desires, and at his own expense, have his pulp assayed by an independent assayer. In case of disagreement on assays as to any constituent of the ores, an umpire shall be selected in rotation from a list of umpires approved by the buyer whose assays shall be final if within the limits of the assays of the two parties; if not, the assay which is nearer to that of the umpire shall prevail. The party whose assay is the farther from that of the umpire will pay the cost of the umpire's assay for the constituent of the ores which is in dispute. In the event that the umpire's assay is equally distant from the assay of each party, costs will be split equally. In case of seller's failure to make or submit assays, buyer's assays shall govern. After sampling, the ores may be placed in process, commingled, or otherwise disposed of by buyer.

(g) *Payment.* Buyer will make payment promptly on payment dates to be posted at depots. Payment will not be made until an entire minimum lot of ten short tons (2,000 pounds per ton) has been delivered and accepted, unless special arrangements have been agreed upon by buyer, in which case there may be an extra charge for assaying and sampling. The analysis of any one lot consisting of more than one load will be based

on a composite of the samples taken. Moisture determinations, analyses and settlement sheets, together with the check in payment, will be mailed to seller.

(h) *Inquiries.* All inquiries concerning the provisions of this section, offers to deliver ores, or questions about the Commission's uranium program in the Colorado Plateau area should be addressed to:

United States Atomic Energy Commission,
Post Office Box 270,
Grand Junction, Colorado.
Telephone: Grand Junction 3000.

(i) *Licenses.* Arrangements will be made by the Commission for the issuance of licenses, pursuant to the Atomic Energy Act of 1946, covering deliveries of source material to the Commission under this section.

SCHEDULE I—MINIMUM PRICES, SPECIFICATIONS, AND CONDITIONS

1. *Quality and size.* Ores will not be accepted by buyer under this section which, in buyer's judgment at time of acceptance:

- Contain less than 0.10% U_3O_8 ;
- Contain more than three parts of lime ($CaCO_3$) to one part of V_2O_5 , or a total of more than 6% lime in the ore;
- Contain other impurities deleterious to buyer's extraction process;
- Contain lumps in excess of 12 inches in size.

2. *Prices.* Payment for delivery of the ores will be computed on the following basis:

(a) *Vanadium.* V_2O_5 at \$0.31 per pound up to, but not exceeding, ten pounds of V_2O_5 for each pound of U_3O_8 contained in ores. No factor will be included for V_2O_5 in excess of ten pounds for each pound of U_3O_8 . (Example: For an ore containing two pounds of U_3O_8 and twenty-five pounds of V_2O_5 , payment would be made for twenty pounds of V_2O_5 at \$0.31 per pound, but no payment would be made for the additional five pounds.) Such excess V_2O_5 shall be deemed to be buyer's property.

(b) *Uranium.* (1) Ores assaying less than 0.10% U_3O_8 : no payment. Any such ores which are delivered to the purchase depot shall become the property of the buyer as liquidated damages for buyer's expense of weighing, sampling and assaying, and after sampling may be placed in process, commingled, or otherwise disposed of by buyer. If seller has any question as to the quality of his ore, it is suggested that before shipment and delivery to the purchase depot a representative sample be submitted to the buyer or to one of the umpires for assay at seller's expense. The buyer at his discretion may assay a limited number of samples without charge.

(2) Ores assaying 0.10% U_3O_8 up to 0.15%: price of \$0.30 per pound of contained U_3O_8 for 0.10% ore, plus \$0.30 per pound for each 0.01% above 0.10% U_3O_8 up to (but not in-

cluding) 0.15%. (Example: The contained U_3O_8 in an ore assaying 0.13% U_3O_8 per ton would be paid for at $\$0.30 + (3 \times 0.30) = \1.20 per pound.)

(3) Ores assaying 0.15% U_3O_8 and more: base price of \$1.50 per pound U_3O_8 content, plus a "development allowance" (at seller's option) of \$0.50 per pound, or a total of \$2.00 per pound U_3O_8 content.

(4) Premiums: \$0.25 per pound for each pound of U_3O_8 in excess of 4 pounds U_3O_8 per short ton (2,000 pounds per ton) and an additional premium of \$0.25 per pound for each pound in excess of ten pounds U_3O_8 per ton of ore.

(Example: U_3O_8 payments for a short ton of ores assaying 0.6% U_3O_8 would be as follows:

Base price 12 lbs. @ \$1.50-----	\$18.00
Development allowance 12 lbs. @ \$0.50-----	6.00
Premium 8 lbs. (12-4) @ \$0.25-----	2.00
Additional Premium 2 lbs. (12-10) @ \$0.25-----	.50
Total U_3O_8 Payments-----	26.50

(c) Assays shall be adjusted to the nearest 0.01% for purposes of payment.

NOTES: 1. The "development allowance" of \$0.50 per pound of U_3O_8 contained in ores assaying 0.15% U_3O_8 or more, is offered by buyer in recognition of the expenditures necessary for maintaining and increasing the developed reserves of uranium ores. Sellers accepting this allowance are deemed to agree to spend such funds for the development or exploration of their properties. Sellers delivering less than 1,000 short tons per calendar year will not be required to submit an accounting record of expenditures for development or exploration pursuant to this agreement but sellers delivering in excess of 1,000 short tons per calendar year will be required, under the terms of their contracts, to submit proof satisfactory to the Commission that funds equivalent to the amount received as development allowance have been spent for development or exploration during the contract period or within six months thereafter.

2. Commitments by the Commission to accept delivery of ores are limited to the provisions of this section, as amended from time to time, or to written contracts between the Commission and sellers. Other commitments purporting to be made by the Commission's field personnel or other agents of the Commission will not bind the Commission unless they are in accord with the provisions of this circular or other official circulars.

3. Weights are avoirdupois dry weight; tons are short tons (2,000 pounds per ton).

(Sec. 5 (b), 60 Stat. 761)

Effective date. This circular will become effective at midnight, April 11, 1948.

Dated at Washington, D. C., this 9th day of April 1948.

By order of the Commission.

WALTER J. WILLIAMS,
Acting General Manager.

TITLE 11—ATOMIC ENERGY

Chapter I—Atomic Energy Commission

[Circular 4]

PART 60—DOMESTIC URANIUM PROGRAM

TEMPORARY ADDITIONAL ALLOWANCES, COLORADO PLATEAU AREA CARNOTITE-TYPE AND ROSCOELITE-TYPE ORES

§ 60.4 *Temporary additional allowances, Colorado Plateau area carnotite-type and roscoelite-type ores—(a) Additional allowances.* In addition to the guaranteed minimum prices specified in § 60.3 (Circular No. 3) issued April 9, 1948, the relevant terms and conditions of which are hereby incorporated in this section by reference, the Commission will pay the allowances specified in paragraph (b) of this section in connection with the delivery of carnotite-type or roscoelite-type uranium-bearing ores at the Commission's established purchase depots in the Colorado Plateau area.

(b) *Allowances specified.* The following allowances are specified:

(1) A haulage allowance of 6¢ per ton mile for transportation of ore from the mine where produced to the purchase depot specified by the Commission, up to a maximum of 100 miles. The haulage distance from the mine to the purchase depot will be determined by the Commission and its decision will be final.

(2) An allowance of 50¢ per pound for uranium oxide (U_3O_8) contained in ores assaying 0.20% or more U_3O_8 , in addition to the development allowance provided for in Schedule I of § 60.3.

(c) *Inquiries.* All inquiries concerning the provisions of this section, offers to deliver ores, or questions about the Commission's uranium program in the Colorado Plateau area should be addressed to:

United States Atomic Energy Commission,
Post Office Box 270,
Grand Junction, Colorado,
Telephone: Grand Junction* 3000.

(d) *Effective date.* The allowances provided for in this section will become effective June 1, 1948 and will be in effect until July 1, 1949, and shall, during this period, constitute guaranteed minimum prices in addition to those specified in § 60.3. (Sec. 5 (b), 60 Stat. 761)

Dated at Washington, D. C., this 15th day of June 1948.

By order of the Commission.

CARROLL L. WILSON,
General Manager.

[F. R. Doc. 48-5526; Filed, June 21, 1948;
8:47 a. m.]

ATOMIC ENERGY COMMISSION

TITLE 10—ATOMIC ENERGY

Chapter I—Atomic Energy Commission

[Domestic Uranium Program Circular 5, Revised]

PART 60—DOMESTIC URANIUM PROGRAM

GUARANTEED MINIMUM PRICE FOR URANIUM-BEARING CARNOTITE-TYPE OR ROSCOELITE-TYPE ORES OF COLORADO PLATEAU AREA

Section 60.5 and § 60.5a of Title 10, Code of Federal Regulations, are amended by increasing the prices and premiums to be paid after March 1, 1951, for uranium ores, so that § 60.5 and § 60.5a, as amended, shall read as follows:

§ 60.5 *Guaranteed minimum price for uranium-bearing carnotite-type or roscoelite-type ores of the Colorado Plateau area—(a) Guarantee.* To stimulate domestic production of uranium-bearing ores of the Colorado Plateau area, commonly known as carnotite-type or roscoelite-type ores, and in the interest of the common defense and security, the United States Atomic Energy Commission hereby establishes the guaranteed minimum prices specified in § 60.5a effective during the period, March 1, 1951, through March 31, 1958, for the delivery of such ores to the Commission at Monticello, Utah, in accordance with the terms of this section and § 60.5a.

NOTE: In §§ 60.1 and 60.2 (Domestic Uranium Program, Circulars No. 1 and 2), the Commission established guaranteed prices for other domestic uranium-bearing ores, mechanical concentrates, and refined uranium products.

(b) *Effect on §§ 60.3 and 60.3a.* Sections 60.3 and 60.3a, which also apply to carnotite and roscoelite ores, are not revoked by the issuance of this section and § 60.5a and sellers may elect to deliver ore under the provisions of §§ 60.3 and 60.3a rather than under this section and 60.5a, at their option, during the unexpired terms of §§ 60.3 and 60.3a (through April 11, 1951). It is believed, however, that in most cases the provisions of this section and § 60.5a will be more favorable to producers.

(c) *Definitions.* As used in this section and in § 60.5a, the term "buyer" refers to the U. S. Atomic Energy Commission, or its authorized purchasing agent. The term "ore" does not include mill tailings or other mill products. The term "seller" refers to any person offering uranium ores for delivery to the Commission. Weights are avoirdupois dry weights, unless otherwise specifically provided.

(d) *Deliveries of not to exceed 1,000 tons per year.* To aid small producers, any one seller may deliver without a written contract but otherwise in accordance with this circular up to, but not exceeding, 1,000 short tons (2,000 pounds

per ton) of ores during any calendar year.

(e) *Deliveries in excess of 1,000 tons per year.* Sellers desiring to deliver in excess of 1,000 short tons (2,000 pounds per ton) of ores during any calendar year will be required to enter into a contract with the Commission providing for, among other things, a rate of delivery and the total quantity of ore to be delivered.

(f) *Delivery.* Seller, at his own expense, shall deliver and unload all ores at the buyer's depot at Monticello, Utah. Deliveries shall be in lots of not less than 10 short tons (2,000 pounds per ton) unless special arrangements have been agreed upon by buyer, but such lots may be delivered in more than one load. Days and hours during which ore may be delivered will be posted at the depot.

(g) *Weighing, sampling and assaying.* Buyer will bear the cost of weighing, sampling, and assaying. The net weight of each load will be determined by the buyer's weighmaster on scales which will be provided by the buyer at or in the vicinity of the purchase depot and such weight will be accepted as final. A weight ticket will be furnished seller or his representative for each load. Each lot of ores will be sampled promptly by the buyer according to standard practice and such sampling will be accepted as final. Seller or his representative may be present at the sampling at his own expense. The absence of seller or his representative shall be deemed a waiver of this right. Buyer will make moisture determinations according to standard practices in ore sampling. All final samples will be divided into four pulps and distributed as follows: (1) The seller, or his representative, will receive one pulp; (2) the buyer will retain one pulp; (3) the other two pulps will be reserved for possible umpire analysis. The buyer's pulp will be assayed by the buyer. The seller may, if he desires, and at his own expense, have his pulp assayed by an independent assayer. In case of disagreement on assays as to any constituent of the ores, an umpire shall be selected in rotation from a list of umpires approved by the buyer whose assays shall be final if within the limits of the assays of the two parties; if not, the assay which is nearer to that of the umpire shall prevail. The party whose assay is the farther from that of the umpire shall pay the cost of the umpire's assay for the constituent of the ores which is in dispute. In the event that the umpire's assay is equally distant from the assay of each party, costs will be split equally. In case of seller's failure to make or submit assays, buyer's assays shall govern. After sampling, the ores may be placed in process, commingled, or otherwise disposed of by buyer.

(h) *Payment.* Buyer will make payment promptly but payment will not be made until an entire minimum lot of ten short tons (2,000 pounds per ton) has

been delivered and accepted, unless special arrangements have been agreed upon by buyer, in which case there may be an extra charge for assaying and sampling. Moisture determinations, analyses and settlement sheets, together with the check in payment, will be mailed to seller.

(i) *Inquiries.* All inquiries concerning the provisions of this section and § 60.5a, offers to deliver ores, or questions about the Commission's domestic uranium program in the Colorado Plateau area should be addressed to:

United States Atomic Energy Commission, Post Office Box 270, Grand Junction, Colorado; Telephone: Grand Junction 3000.

(j) *Licenses.* Arrangements will be made by the Commission for the issuance of licenses, pursuant to the Atomic Energy Act of 1946, covering deliveries of source material to the Commission under this section and § 60.5a.

(k) *Limitation of commitment.* Commitments by the Commission to accept delivery of ores are limited to the provisions of this section and § 60.5a as amended from time to time, or to written contracts between the Commission and sellers. Other commitments purporting to be made by the Commission's field personnel or other agents of the Commission will not bind the Commission unless they are in accord with the provisions of this section and § 60.5a or other official circulars.

§ 60.5a. *Schedule I; minimum prices, specifications, and conditions—(a) Prices.* Payment for delivery of the ores will be computed on the following basis:

(1) *Uranium.* (i) Ores assaying less than 0.10 percent: no payment. Any such ores which are delivered to the purchase depot shall, unless otherwise specifically agreed to by buyer, become the property of the buyer as liquidated damages for buyer's expense of weighing, sampling, and assaying, and after sampling may be placed in process, commingled, or otherwise disposed of by buyer. If seller has any question as to the quality of his ore, it is suggested that before shipment and delivery to the purchase depot a representative sample be submitted to the buyer or to one of the umpires for assay at seller's expense. The buyer at its discretion may assay a limited number of samples without charge.

(ii) Ores assaying 0.10 percent U₃O₈ and more, as follows:

U ₃ O ₈ assay:	Payment per pound U ₃ O ₈
0.10 percent.....	\$1.50
0.11 percent.....	1.70
0.12 percent.....	1.90
0.13 percent.....	2.10
0.14 percent.....	2.30
0.15 percent.....	2.50
0.16 percent.....	2.70
0.17 percent.....	2.90
0.18 percent.....	3.10
0.19 percent.....	3.30
0.20 percent and more.....	3.50

(iii) Premiums on uranium: \$0.75 per pound for each pound of U_3O_8 in excess of 4 pounds U_3O_8 per short ton (2,000 pounds per ton) of ore and an additional premium of \$0.25 per pound for each pound in excess of ten pounds U_3O_8 per short ton. Fractional parts of a pound will be paid for on a pro rata basis to the nearest cent.

(2) *Vanadium.* V_2O_5 at \$0.31 per pound up to, but not exceeding, ten pounds of V_2O_5 for each pound of U_3O_8 contained in ores. No factor will be included for V_2O_5 in excess of ten pounds for each pound of U_3O_8 , although buyer may, from time to time, publicly announce that, for limited periods by written agreements with individual producers, V_2O_5 in excess of ten-to-one will be paid for. Any such announcement will be made by posting a notice to this effect at the Monticello depot and through such other channels as are deemed suitable to achieve maximum dissemination among producers. Excess V_2O_5 shall be deemed to be buyer's property.

(3) *Allowances.* (i) A development allowance of \$0.50 per pound U_3O_8 contained in ores assaying 0.10 percent U_3O_8 or more in recognition of the expenditures necessary for maintaining and increasing developed reserves of uranium ores. Fractional parts of a pound will be paid for on a pro rata basis to the nearest cent. Sellers accepting

this allowance are deemed to agree to spend such funds for the development or exploration of their properties. Sellers delivering less than 1,000 short tons per calendar year will not be required to submit an accounting record of expenditures for development or exploration pursuant to this agreement but sellers delivering in excess of 1,000 short tons per calendar year will be required, under the terms of their contracts, to submit proof satisfactory to the Commission that funds equivalent to the amount received as development allowance have been spent for development or exploration either during the contract period or within six months thereafter, unless otherwise provided in the contract.

(ii) A haulage allowance of 6¢ per ton mile for transportation of ore paid for under §§ 60.5 and 60.5a from the mine where produced to the purchase depot specified by the Commission, up to a maximum of 100 miles. The haulage distance from the mine to the purchase depot will be determined by the Commission and its decision will be final. Tonnages for purposes of this allowance shall be calculated on the basis of natural weights rather than dry weights.

(4) *Adjustment of assays.* Assays shall be adjusted to the nearest 0.01 percent for purposes of payment.

(b) *Quality and size.* Ores will not

be accepted by buyer under §§ 60.5 and 60.5a which, in buyer's judgment:

(1) Contain less than 0.10 percent U_3O_8 ;

(2) Contain more than three parts of lime ($CaCO_3$) to one part of V_2O_5 , or a total of more than 6 percent lime in the ore;

(3) Contain impurities deleterious to buyer's extraction process or for any other reason are not amenable to it;

(4) Contain lumps in excess of twelve inches in size.

NOTE: The Commission will be interested in discussing arrangements for delivery to it of types of uranium-bearing materials other than those for which guaranteed prices have been established, such as tailings, mill products, and ores of types not acceptable under §§ 60.5 and 60.5a.

(60 Stat. 755-775; 42 U. S. C. 1801-1819. Interpret or apply sec. 5, 60 Stat. 761, 42 U. S. C. 1805)

Effective March 1, 1951 through March 31, 1958.

Dated at Washington, D. C., this 26th day of February 1951.

By order of the Commission.

M. W. BOYER,
General Manager.

[F. R. Doc. 51-3190; Filed, Mar. 12, 1951;
3:45 a. m.]

TITLE 10—ATOMIC ENERGY Chapter I—Atomic Energy Commission

[Domestic Uranium Program Circular 5, Revised] PART 60—DOMESTIC URANIUM PROGRAM

GUARANTEED MINIMUM PRICE FOR URANIUM-BEARING CARNOTITE-TYPE OR ROSCOELITE-TYPE ORES OF COLORADO PLATEAU AREA

§ 60.5 *Guaranteed minimum price for uranium-bearing carnotite-type or roscoelite-type ores of the Colorado Plateau area—(a) Guarantee.* To stimulate domestic production of uranium-bearing ores of the Colorado Plateau area, commonly known as carnotite-type or roscoelite-type ores, and in the interest of the common defense and security, the United States Atomic Energy Commission hereby establishes the guaranteed minimum prices specified in § 60.5a effective during the period March 1, 1951, through March 31, 1962, for the delivery of such ores to the Commission at Monticello, Utah, in accordance with the terms of this section and § 60.5a.

Note: In §§ 60.1 and 60.2 (Domestic Uranium Program, Circulars No. 1 and 2), the Commission established guaranteed prices for other domestic uranium-bearing ores, mechanical concentrates, and refined uranium products.

(b) *Effect on §§ 60.3 and 60.3a.* Sections 60.3 and 60.3a, which also apply to carnotite and roscoelite ores, are not revoked by the issuance of this section and § 60.5a and sellers may elect to deliver ore under the provisions of §§ 60.3 and 60.3a rather than under this section and § 60.5a, at their option, during the unexpired terms of §§ 60.3 and 60.3a (through April 11, 1951). It is believed, however, that in most cases the provisions of this section and § 60.5a will be more favorable to producers.

(c) *Definitions.* As used in this section and in § 60.5a, the term "buyer" refers to the U. S. Atomic Energy Commission, or its authorized purchasing agent. The term "ore" does not include mill tailings or other mill products. The term "seller" refers to any person offering uranium ores for delivery to the Commission. Weights are avoirdupois dry weights, unless otherwise specifically provided.

(d) *Deliveries of not to exceed 1,000 tons per year.* To aid small producers, any one seller may deliver without a written contract but otherwise in accordance with this circular up to, but not exceeding, 1,000 short tons (2,000 pounds per ton) of ores during any calendar year.

(e) *Deliveries in excess of 1,000 tons per year.* Sellers desiring to deliver in excess of 1,000 short tons (2,000 pounds per ton) of ores during any calendar year will be required to enter into a contract with the Commission providing for, among other things, a rate of delivery and the total quantity of ore to be delivered.

(f) *Delivery.* Seller, at his own expense, shall deliver and unload all ores at the buyer's depot at Monticello, Utah. Deliveries shall be in lots of not less than 10 short tons (2,000 pounds per ton) unless special arrangements have been agreed upon by buyer, but such lots may be delivered in more than one load. Days and hours during which ore may be delivered will be posted at the depot.

(g) *Weighing, sampling and assaying.* Buyer will bear the cost of weighing, sampling, and assaying. The net weight of each load will be determined by the buyer's weighmaster on scales which will be provided by the buyer at or in the vicinity of the purchase depot and such weight will be accepted as final. A weight ticket will be furnished seller or his representative for each load. Each lot of ores will be sampled promptly by the buyer according to standard practice and such sampling will be accepted as final. Seller or his representative may be present at the sampling at his own expense. The absence of seller or his representative shall be deemed a waiver of this right. Buyer will make moisture determinations according to standard practices in ore sampling. All final samples will be divided into four pulps and distributed as follows: (1) The seller, or his representative, will receive one pulp; (2) the buyer will retain one pulp; (3) the other two pulps will be reserved for possible umpire analysis. The buyer's pulp will be assayed by the buyer. The seller may, if he desires, and at his own expense, have his pulp assayed by an independent assayer. In case of disagreement on assays as to any constituent of the ores, an umpire shall be selected in rotation from a list of umpires approved by the buyer whose assays shall be final if within the limits of the assays of the two parties; if not, the assay which is nearer to that of the umpire shall prevail. The party whose assay is the farther from that of the umpire shall pay the cost of the umpire's assay for the constituent of the ores which is in dispute. In the event that the umpire's assay is equally distant from the assay of each party, costs will be split equally. In case of seller's failure to make or submit assays, buyer's assays shall govern. After sampling, the ores may be placed in process, commingled, or otherwise disposed of by buyer.

(h) *Payment.* Buyer will make payment promptly but payment will not be made until an entire minimum lot of ten short tons (2,000 pounds per ton) has been delivered and accepted, unless special arrangements have been agreed upon by buyer, in which case there may be an extra charge for assaying and sampling. Moisture determinations, analyses and settlement sheets, together with the check in payment, will be mailed to seller.

(i) *Inquiries.* All inquiries concerning the provisions of this section and § 60.5a, offers to deliver ores, or questions about the Commission's domestic uranium program in the Colorado Plateau area should be addressed to:

United States Atomic Energy Commission, Post Office Box 270, Grand Junction, Colorado; Telephone: Grand Junction 3000.

(j) *Licenses.* Arrangements will be made by the Commission for the issuance of licenses, pursuant to the Atomic Energy Act of 1946, covering deliveries of source material to the Commission under this section and § 60.5a.

(k) *Limitation of commitment.* Commitments by the Commission to accept delivery of ores are limited to the provisions of this section and § 60.5a as amended from time to time, or to written contracts between the Commission and sellers. Other commitments purporting to be made by the Commission's field personnel or other agents of the Commission will not bind the Commission unless they are in accord with the provisions of this section and § 60.5a or other official circulars.

§ 60.5a. *Schedule I; minimum prices, specifications, and conditions—(a) Prices.* Payment for delivery of the ores will be computed on the following basis:

(1) *Uranium.* (i) Ores assaying less than 0.10 percent: no payment. Any such ores which are delivered to the purchase depot shall, unless otherwise specifically agreed to by buyer, become the property of the buyer as liquidated damages for buyer's expense of weighing, sampling, and assaying, and after sampling may be placed in process, commingled, or otherwise disposed of by buyer. If seller has any question as to the quality of his ore, it is suggested that before shipment and delivery to the purchase depot a representative sample be submitted to the buyer or to one of the umpires for assay at seller's expense. The buyer at its discretion may assay a limited number of samples without charge.

(ii) Ores assaying 0.10 percent U₃O₈ and more, as follows:

U ₃ O ₈ assay:	Payment per pound U ₃ O ₈
0.10 percent.....	\$1.50
0.11 percent.....	1.70
0.12 percent.....	1.90
0.13 percent.....	2.10
0.14 percent.....	2.30
0.15 percent.....	2.50
0.16 percent.....	2.70
0.17 percent.....	2.90
0.18 percent.....	3.10
0.19 percent.....	3.30
0.20 percent and more.....	3.50

(iii) *Premiums on uranium:* \$0.75 per pound for each pound of U₃O₈ in excess of 4 pounds U₃O₈ per short ton (2,000 pounds per ton) of ore and an additional premium of \$0.25 per pound for each pound in excess of ten pounds U₃O₈ per short ton. Fractional parts of a pound will be paid for on a pro rata basis to the nearest cent.

(2) *Vanadium.* V₂O₅ at \$0.31 per pound up to, but not exceeding, ten pounds of V₂O₅ for each pound of U₃O₈ contained in ores. No factor will be included for V₂O₅ in excess of ten pounds for each pound of U₃O₈, although buyer may, from time to time, publicly announce that, for limited periods by written agreements with individual producers, V₂O₅ in excess of ten-to-one will be paid for. Any such announcement will be made by posting a notice to this effect at the Monticello depot and through such other channels as are deemed suitable to achieve maximum dissemination among producers. Excess V₂O₅ shall be deemed to be buyer's property.

(3) Allowances. (i) A development allowance of \$0.50 per pound U₃O₈ contained in ores assaying 0.10 percent U₃O₈ or more in recognition of the expenditures necessary for maintaining and increasing developed reserves of uranium ores. Fractional parts of a pound will be paid for on a pro rata basis to the nearest cent. Sellers accepting this allowance are deemed to agree to spend such funds for the development or exploration of their properties. Sellers delivering less than 1,000 short tons per calendar year will not be required to submit an accounting record of expenditures for development or exploration pursuant to this agreement but sellers delivering in excess of 1,000 short tons per calendar year will be required, under the terms of their contracts, to submit proof satisfactory to the Commission that funds equivalent to the amount received as development allowance have been spent for development or exploration either during the contract period or within six months thereafter, unless otherwise provided in the contract.

(ii) A haulage allowance of 8¢ per ton mile for transportation of ore paid for under §§ 60.5 and 60.5a from the mine where produced to the purchase depot specified by the Commission, up to a maximum of 100 miles. The haulage distance from the mine to the purchase depot will be determined by the Commission and its decision will be final. Tonnages for purposes of this allowance shall be calculated on the basis of natural weights rather than dry weights.

(4) Adjustment of assays. Assays shall be adjusted to the nearest 0.01 percent for purposes of payment.

(b) Quality and size. Ores will not be accepted by buyer under §§ 60.5 and 60.5a which, in buyer's judgment:

(1) Contain less than 0.10 percent U₃O₈;

(2) Contain more than three parts of lime (CaCO₃) to one part of V₂O₅, or a total of more than 6 percent lime in the ore;

(3) Contain impurities deleterious to buyer's extraction process or for any other reason are not amenable to it;

(4) Contain lumps in excess of twelve inches in size.

Note: The Commission will be interested in discussing arrangements for delivery to it of types of uranium-bearing materials other than those for which guaranteed prices have been established, such as tailings, mill products, and ores of types not acceptable under §§ 60.5 and 60.5a.

(60 Stat. 755-775; 42 U. S. C. 1801-1819. Interpret or apply sec. 5, 60 Stat. 761, 42 U. S. C. 1805)

Effective March 1, 1951 through March 31, 1962.

Dated at Washington, D. C., this 26th day of February 1951.

By order of the Commission.

M. W. BOYER,
General Manager.

[F. R. Doc. 51-3190; Filed, Mar. 12, 1951;
3:45 a. m.]

Amended - F. R. Doc. 53-8782;
Filed, Oct. 15, 1953; 8:45 a.m.

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Amended - F.R. Doc. 56-6751;
Filed, Aug. 21, 1956; 8:45 a.m.

(3) Allowances. (i) A development allowance of \$0.50 per pound U₃O₈ in ores assaying 0.10 percent U₃O₈ or more in recognition of expenditures incurred or likely to be incurred in the development or exploration necessary for maintaining and increasing developed reserves of uranium ores. Fractional parts of a pound will be paid for on a pro rata basis to the nearest cent.

TITLE 10—ATOMIC ENERGY— Chapter I—Atomic Energy Commission

[Domestic Uranium Program Circular 6] PART 60—DOMESTIC URANIUM PROGRAM

BONUS FOR INITIAL PRODUCTION OF URANIUM ORES FROM DOMESTIC MINES

§ 60.6 Bonus for initial production of uranium ores from new domestic mines—

(a) *What this section does.* This section provides for bonus payments for initial and certain other production of uranium-bearing ores. It is intended to encourage and assist the development of new sources of domestic uranium production in the interest of the common defense and security.

(b) *Production bonus established.* The U. S. Atomic Energy Commission will pay a bonus under the conditions set forth in this section for delivery to a Commission ore-buying station or a qualified uranium mill (hereafter called station or mill) of uranium ores from an eligible mining property up to the maximum quantities specified in this section.

(c) *Term of this section.* This section will apply to deliveries made under its terms between March 1, 1951, and February 28, 1957, inclusive.

(d) *Payment of the bonus.* Bonus payments will be computed on the following basis:

Ores assaying less than 0.10 percent U₃O₈: no payment.
Ores assaying 0.10 percent U₃O₈ and more, as follows:

U ₃ O ₈ assay:	Payment per pound of U ₃ O ₈
0.10 percent.....	\$1.50
0.11 percent.....	1.70
0.12 percent.....	1.80
0.13 percent.....	2.10
0.14 percent.....	2.30
0.15 percent.....	2.50
0.16 percent.....	2.70
0.17 percent.....	2.90
0.18 percent.....	3.10
0.19 percent.....	3.30
0.20 percent and more.....	3.50

Fractional parts of a pound will be paid for on a pro rata basis to the nearest cent. Assays will be adjusted to the nearest 0.01 percent for purposes of payment. Weights are avoirdupois dry weights. Bonus payments made under this section will be in addition to any other payments for delivery of the ore. They will be paid directly by the Commission and not by the station or mill.

(e) *Maximum quantity of uranium ores for which bonus payments will be made.* Subject to the conditions of this section, bonus payments will be made on deliveries of uranium ore from an eligible mining property to a station or mill until bonus payments have been made on 10,000 pounds of contained uranium oxide less the number of pounds, if any, accepted by stations or mills (or any other uranium ore processing plants) from that mining property between April 9, 1948 and February 28, 1951, inclusive.

(f) *Ores for which bonus payments will be made.* Ores for which bonus payments will be made must have been delivered to and paid for by either a station or mill. However, in special cases, bonus payments may be made for ores which have been accepted by the station or mill but for which payment is still pending. Bonus payments will not be made for ores which a station or mill refuses to accept. The weights and final

assays made to ascertain the amount of payment due from the station or mill shall be used to determine the amount of bonus payments under this section.

(g) *Which mining properties are eligible.* In order for a mining property to be eligible for bonus payments under this section,

(1) As required by paragraph (e) of this section, the total quantity of uranium oxide as contained in ore accepted by stations or mills (or any other uranium ore processing plants) from that property between April 9, 1948 and February 28, 1951, inclusive, must have been less than 10,000 pounds; and

(2) The property must be within the United States, its territories, possessions or the Canal Zone; and

(3) The property must be certified by the Commission as eligible using the following criteria as guides:

(i) *Purpose of the bonus.* The purpose of the bonus is to encourage and assist the development of new sources of domestic uranium production.

(ii) *Character of mining property.* The mining property may consist of a placer or lode location, or if not covered by location, a tract which the Commission finds to be comparable or otherwise appropriate. However, an entire holding consisting of contiguous locations or tracts will be regarded as only a single eligible unit of mining property if the locations or tracts are held in common in the manner set forth in the following paragraph.

(iii) *Title or interest of the holder of the property.* The title or interest in the mining property should be one of ownership or lawful possession of mining rights. This type of holding will generally be that of an owner or leaser (lessee). It is recognized that there are various arrangements such as split check leases, piece rate contracts and the like whereby persons either as employees or independent contractors conduct mining operations on designated areas of property held by another who also supplies certain of the mining services or equipment or both and who receives in return a percentage of the proceeds of the ore produced. In the case of such arrangements, the person who grants the right to conduct these mining operations will be considered as the holder of the mining property although others perform mining operations on it.

(iv) *Minimum size of mining property.* The mining property, if it is made up of a location or locations, should contain at least 15 acres. The minimum size of lands on Indian reservations will be established by the Commission after consultation with the Bureau of Indian Affairs of the Department of Interior. The minimum size of other mining properties will be established by the Commission in individual cases in the light of the purpose of the bonus.

(v) *Subdivision or consolidation of property.* Since the division of existing mining properties into smaller units might have the effect of increasing bonus payments without advancing the purpose of the bonus program, division of a single unit of mining property on or after March 1, 1951, will not be recognized in

determining its eligibility for bonus payments under this section. In addition, consolidation or merger of contiguous mining properties on or after March 1, 1951, will not affect the eligibility of the separate properties for bonus payments.

(vi) *Special cases.* Since the above criteria are merely guides to assist the Commission in its decisions, areas which fail to meet all of the criteria may be certified by the Commission as eligible in special cases where it is determined that the deviations are not substantial or that their disqualification would cause serious inequities. In determining whether or not serious inequities would result, the physical characteristics and location of the deposit may be a factor. Under appropriate circumstances, a segment of a certified property may itself be certified as eligible. On the other hand, technical compliance with all the above criteria will not necessarily make a property eligible.

Properties leased to private operators by the Commission will not be eligible for bonus payments except under special circumstances and as provided for in the lease.

(h) *Determination by the Commission.* The Commission expressly reserves the right to decide the amount of any bonus payments to be made, whether the property should be certified as an eligible mining property, the person to whom the bonus should be paid and whether for any reason a bonus is not payable. These decisions shall rest in the sole discretion of the Commission and shall be final and conclusive. The Commission further reserves the right to establish procedures to carry out the bonus program. Any bonus payments made hereunder with respect to particular ores shall be the only such bonus payments made for those ores. The Commission will not consider any other application for bonus payments on those ores.

(i) *Application for certification.* Applications for certification of a property as eligible should be made to:

U. S. Atomic Energy Commission, 1/
Grand Junction Operations Office
P. O. Box 270,
Grand Junction, Colorado.

The application should include a description of the mining property indicating its size, location, ownership, interest of the applicant and public recording. There should also be included a statement by the applicant that to the best of his knowledge the total quantity of uranium oxide contained in ore accepted by stations or mills (or any other uranium ore processing plants) from that property between April 9, 1948, and February 28, 1951, inclusive, was less than 10,000 pounds. A form prescribed by the Commission and obtainable at a station or mill should be used for supplying the above information. Certification by the Commission will be a prerequisite to payment of the bonus, but after certification, payments will be made for ores which are delivered before certification and which meet the requirements of this section. Normally certification will not be made before uranium deposits have been discovered on the property, but the Commission may issue certifications prior to

discovery in special cases. The Commission reserves the right to revoke a certification if it determines that its issuance was based on fraud, misrepresentation or mistake or if the requirements of this section are not complied with. The Commission may require such information and right to make such inspections of the mining property as it finds necessary for the purpose of determining its eligibility for bonus payments and the amounts to be paid.

NOTE: Misrepresentation or falsification of facts in an application for certification or for bonus payments may subject the offender to criminal penalties under pertinent provisions of the United States Code including section 1001 of Title 18. Any such offenses also will disqualify the offender from receiving bonus payments.

(j) *Application for bonus payment.* Application for a bonus payment should be made on a prescribed form (obtainable at a station or mill) at intervals not more frequent than once a month during a period when ore deliveries from the property are believed to meet the requirements of this section. Applications may be addressed as follows:

U. S. Atomic Energy Commission,
Grand Junction Operations Office
P. O. Box 270,
Grand Junction, Colorado.

In addition to the application, the Commission may require such other information as it finds necessary.

(k) *Who may apply for bonus payments.* The person (other than a royalty payee or the like) who has lawfully received payment from a station or mill for the delivery of ore from a certified mining property may apply for bonus payments under this section. However, in special cases, the applications of persons whose ores have been accepted by the station or mill but for which payment is still pending will be considered.

(1) *Mill processing ores from its own mines.* In the event that an operator of a mill processes in the mill ores which it obtains from mining properties operated by it, the Commission will pay the bonus, under the conditions set forth in this section to the same extent as if the mining properties were operated by another person who delivered ore to the mill and received payment for it from the mill. In such case, however, the weights and assays used to fix the amount of payment due as a bonus under this section shall be determined in accordance with practices satisfactory to the Commission.

(m) *Definitions.* As used in this section,

(1) "Commission" means the Atomic Energy Commission created by the Atomic Energy Act of 1946, or its duly authorized representative.

(2) "Person" means any individual, corporation, partnership, firm, association, trust, estate, public or private institution, group, or combination thereof. The term "person" shall not include the U. S. or any agency thereof or any officer or employee of the Commission.

(n) *Commission ore-buying stations and qualified uranium mills.* (1) *Stations.* The following are Commission ore-buying stations (that is, ore-buying stations operated on behalf of the Commission):

American Smelting & Refining Co., Monticello, Utah.
American Smelting & Refining Co., Marysville, Utah.

(2) *Mills.* The following are qualified uranium mills:

United States Vanadium Company, Uravan, Colo.
United States Vanadium Company, Rifle, Colo.
Climax Uranium Co., Grand Junction, Colo.
Vanadium Corporation of America, Durango, Colo.

Vanadium Corporation of America, Natavita, Colo.
Vanadium Corporation of America, Hite, Utah.
Vitro Chemical Co., 600 West 33d St. South, Salt Lake City, Utah.

(3) *Modifications.* These lists may be modified from time to time by public announcement of the Commission.

(o) *Inquiries and communications.* Inquiries about this section and all other communications should be addressed as follows:

U. S. Atomic Energy Commission,
Grand Junction Operations Office
P. O. Box 270,
Grand Junction, Colo.

(p) *Records, rules and regulations.* The Commission may require applicants for bonus payments under this section to keep for Commission inspection such records concerning production and deliveries of uranium ores for which application is made as it finds proper and may issue such additional rules and regulations relating to bonus payments as it finds necessary or desirable.

(60 Stat. 755-775; 42 U. S. C. 1801-1819)

Dated at Washington, D. C., this 27th day of June 1951.

By order of the Commission.

M. W. BOYER,
General Manager.

[F. R. Doc. 51-7522; Filed, June 29, 1951;
8:53 a. m.]

(Amended F. R. Doc. 53-8783;
filed Oct. 15, 1953; 8:45 a.m.)

1/ Appears in Federal Register as Colorado Raw Materials Office.

2/ Additional ore-buying stations as follows:

American Smelting and Refining Co., Edgemont, So. Dakota
American Smelting and Refining Co., Shiprock, New Mexico

3/ Additional qualified uranium mill as follows:

Anaconda Copper Mining Co., Grants (Bluewater), New Mexico

Delete following qualified mill:

Vanadium Corporation of America Hite, Utah

SCHEDULE OF PRICES FOR URANIUM ORE
(As Specified in Circ. 5 Revised, and Circ. 6)

Grade of Ore, Percent U ₃ O ₈	Pounds of U ₃ O ₈ per Ton of Ore	Price per Ton of Ore							
		Base Price		Grade Premium		Mine Develop. Allowance .50/lb.	Price Before Initial Prod. Bonus & Haulage Allowance	Initial Prod. Bonus on 10,000 lbs.	Price Before Haulage Allowance
		Pound U ₃ O ₈	Ton of Ore	75¢ a lb. Over 4-lb.	25¢ a lb. Over 10-lb.				
0.10	2.00	\$1.50	\$ 3.00	\$ -	\$ -	\$ 1.00	\$ 4.00	\$ 3.00	\$ 7.00
0.11	2.20	1.70	3.74	-	-	1.10	4.84	3.74	8.58
0.12	2.40	1.90	4.56	-	-	1.20	5.76	4.56	10.32
0.13	2.60	2.10	5.46	-	-	1.30	6.76	5.46	12.22
0.14	2.80	2.30	6.44	-	-	1.40	7.84	6.44	14.28
0.15	3.00	2.50	7.50	-	-	1.50	9.00	7.50	16.50
0.16	3.20	2.70	8.64	-	-	1.60	10.24	8.64	18.88
0.17	3.40	2.90	9.86	-	-	1.70	11.56	9.86	21.42
0.18	3.60	3.10	11.16	-	-	1.80	12.96	11.16	24.12
0.19	3.80	3.30	12.54	-	-	1.90	14.44	12.54	26.98
0.20	4.00	3.50	14.00	-	-	2.00	16.00	14.00	30.00
0.21	4.20	do	14.70	0.15	-	2.10	16.95	14.70	31.65
0.22	4.40	do	15.40	0.30	-	2.20	17.90	15.40	33.30
0.23	4.60	do	16.10	0.45	-	2.30	18.85	16.10	34.95
0.24	4.80	do	16.80	0.60	-	2.40	19.80	16.80	36.60
0.25	5.00	3.50	17.50	0.75	-	2.50	20.75	17.50	38.25
0.26	5.20	do	18.20	0.90	-	2.60	21.70	18.20	39.90
0.27	5.40	do	18.90	1.05	-	2.70	22.65	18.90	41.55
0.28	5.60	do	19.60	1.20	-	2.80	23.60	19.60	43.20
0.29	5.80	do	20.30	1.35	-	2.90	24.55	20.30	44.85
0.30	6.00	3.50	21.00	1.50	-	3.00	25.50	21.00	46.50
0.31	6.20	do	21.70	1.65	-	3.10	26.45	21.70	48.15
0.32	6.40	do	22.40	1.80	-	3.20	27.40	22.40	49.80
0.33	6.60	do	23.10	1.95	-	3.30	28.35	23.10	51.45
0.34	6.80	do	23.80	2.10	-	3.40	29.30	23.80	53.10
0.35	7.00	3.50	24.50	2.25	-	3.50	30.25	24.50	54.75
0.36	7.20	do	25.20	2.40	-	3.60	31.20	25.20	56.40
0.37	7.40	do	25.90	2.55	-	3.70	32.15	25.90	58.05
0.38	7.60	do	26.60	2.70	-	3.80	33.10	26.60	59.70
0.39	7.80	do	27.30	2.85	-	3.90	34.05	27.30	61.35
0.40	8.00	3.50	28.00	3.00	-	4.00	35.00	28.00	63.00
0.41	8.20	do	28.70	3.15	-	4.10	35.95	28.70	64.65
0.42	8.40	do	29.40	3.30	-	4.20	36.90	29.40	66.30
0.43	8.60	do	30.10	3.45	-	4.30	37.85	30.10	67.95
0.44	8.80	do	30.80	3.60	-	4.40	38.80	30.80	69.60
0.45	9.00	3.50	31.50	3.75	-	4.50	39.75	31.50	71.25
0.46	9.20	do	32.20	3.90	-	4.60	40.70	32.20	72.90
0.47	9.40	do	32.90	4.05	-	4.70	41.65	32.90	74.55
0.48	9.60	do	33.60	4.20	-	4.80	42.60	33.60	76.20
0.49	9.80	do	34.30	4.35	-	4.90	43.55	34.30	77.85
0.50	10.00	3.50	35.00	4.50	-	5.00	44.50	35.00	79.50
0.60	12.00	do	42.00	6.00	0.50	6.00	54.50	42.00	96.50
0.70	14.00	do	49.00	7.50	1.00	7.00	64.50	49.00	113.50
0.80	16.00	do	56.00	9.00	1.50	8.00	74.50	56.00	130.50
0.90	18.00	do	63.00	10.50	2.00	9.00	84.50	63.00	147.50
1.00	20.00	3.50	70.00	12.00	2.50	10.00	94.50	70.00	164.50
2.00	40.00	do	140.00	27.00	7.50	20.00	194.50	140.00	334.50
3.00	60.00	do	210.00	42.00	12.50	30.00	294.50	210.00	504.50
4.00	80.00	do	280.00	57.00	17.50	40.00	394.50	280.00	674.50
5.00	100.00	do	350.00	72.00	22.50	50.00	494.50	350.00	844.50
6.00	120.00	3.50	420.00	87.00	27.50	60.00	594.50	420.00	1,014.50
7.00	140.00	do	490.00	102.00	32.50	70.00	694.50	490.00	1,184.50
8.00	160.00	do	560.00	117.00	37.50	80.00	794.50	560.00	1,354.50
9.00	180.00	do	630.00	132.00	42.50	90.00	894.50	630.00	1,524.50
10.00	200.00	do	700.00	147.00	47.50	100.00	994.50	700.00	1,694.50

ATOMIC ENERGY COMMISSION

[Reprinted from FEDERAL REGISTER of February 10, 1954]

TITLE 10—ATOMIC ENERGY

Chapter I—Atomic Energy Commission

[Domestic Uranium Program Circular 7]

PART 60—DOMESTIC URANIUM PROGRAM URANIUM LEASES ON LANDS AFFECTED BY FEDERAL MINERAL LEASING LAWS

§ 60.7 *Uranium leases on lands affected by Federal mineral leasing laws—*

(a) *What this section does.* This section provides for the issuance of leases by the United States Atomic Energy Commission to make certain public lands available for uranium mining purposes. It is designed to encourage the search for, development and production of uranium-bearing ores. It is intended to apply to public lands which at the time of leasing for uranium are not subject to location of mining claims under the United States mining laws because such lands are embraced within an offer, application, permit, or lease under the Mineral Leasing Act of 1920 (41 Stat. 437; 30 U. S. C. 181 et seq.), as amended, or because such lands are known to be valuable for minerals leasable under that act.

(b) *Statutory authority.* The Atomic Energy Act of 1946, as amended (60 Stat. 755-775; 67 Stat. 240; 42 U. S. C. 1801-1819) is authority for this section.

(c) *Procedure for acquiring a lease.* (1) The lands as to which a lease is sought must be in tracts, preferably rectangular, not to exceed 1,500 feet in length by 600 feet in width, which must be distinctly identified and marked on the ground by suitable monuments at each corner so that the surface boundaries thereof may be readily found and traced. When the true point for a tract corner falls upon an inaccessible place, a witness corner should be established. Monuments should be posts not less than 4 inches in diameter or stone monuments at least 18 inches high and must be marked with the name of the tract and the designation of the corner, either by number or cardinal point.

(2) There must be posted conspicuously at one of the corner monuments for each tract of land so marked, a written or printed "Notice of Lease Application" containing the name(s) of the applicant(s), the name of the tract, the date of posting, the length and general course of the boundary lines of the tract and the position of the tract referenced to a corner of the public land survey or, if there is no public land survey, a natural object or permanent monument.

(3) The applicant or applicants shall record the "Notice of Lease Application" for each tract in the office of the county recorder of the county in which such tract is situated within thirty days after the identification, marking and posting

of such tract on the ground as provided for in subparagraphs (1) and (2) of this paragraph.

(4) An application for a lease provided for by this section must be filed with the Atomic Energy Commission, Grand Junction Operations Office, P. O. Box 270, Grand Junction, Colorado, on a form prescribed for this purpose, within sixty days after the recordation required by subparagraph (3) of this paragraph, and must be accompanied by a certified copy or copies of the recorded "Notice of Lease Application", the rental required by paragraph (f) of this section, and a map satisfactory to the Commission on which one inch equals 500 feet or less, showing (i) land subdivision if surveyed, (ii) tract pattern with courses and distances of the boundary lines, and reference to a corner of the public land survey, if surveyed, or reference to a natural object or permanent monument, if unsurveyed, by which the location of the tract(s) on the ground can be readily and accurately ascertained, and (iii) position of conflicting claims of which the applicant or applicants are aware. The Commission may require additional information in connection with consideration of the application.

(d) *Eligibility of applicants.* Uranium mining leases under this section will be issued only to qualified applicants who are (1) citizens of the United States, (2) associations of such citizens, or (3) corporations organized under the laws of the United States or of any state or territory thereof. A uranium mining lease will not be issued to anyone under 21 years of age.

(e) *Commission decisions.* All matters connected with issuance and administration of leases will be determined by the Commission, using the provisions of this section as criteria. Although priority in posting a tract, provided there is timely compliance with the other provisions of paragraph (c) of this section, will normally be the controlling criterion in cases where more than one application has been filed for part or all of a particular tract, consideration may be given to other factors. The Commission reserves the right to refuse to issue a lease as to any or all the tracts included in an application even though there has been compliance with the terms of this section if it believes such refusal is desirable in the national interest.

NOTE: Misrepresentation or falsification of facts in a notice of application for lease or in the application may subject the offender to criminal penalties under pertinent provisions of the United States Code including section 1001 of Title 18. Any such offenses also will disqualify the offender from receiving a lease.

(f) *Royalty and rentals.* Leases un-

der this section will be on a royalty-free basis. Rental shall be ten dollars (\$10) per lease year per tract of 1,500 feet by 600 feet, or fraction thereof, payable in advance by certified check or money order made payable to Treasurer of United States, at the time of application for a lease and prior to the beginning of each lease year thereafter. No refund of rental will be made by the Commission to the lessee or lessees should the lease be relinquished or canceled as provided for in paragraphs (k) and (l) of this section. If an insufficient rental payment is made, the Commission may, at its discretion, select the tracts under the lease to which the payment is applicable.

(g) *Work requirements.* A condition of every lease entered into under this section will be the conduct on the leased premises of exploration, development or mining activities with reasonable diligence, skill and care for the purpose of achieving and maintaining maximum production of uranium ore consistent with good mining practice and the size of the deposit, unless other arrangements are specified in writing by the Commission. In any event, but not in limitation of the lease condition set forth in the preceding sentence, such activities must include for each 1,500 feet by 600 feet tract, or fraction thereof constituting a tract, one hundred dollars (\$100) worth of labor performed or improvements made on or beneath the surface of the leased premises during each lease year. Labor performed or expenditures made in marking or posting the tract or tracts comprising the leased premises, expenditures attributable to travel of personnel to and from the premises and acquisition cost of equipment may not be applied to satisfy work requirements of the lease. A statement signed by the lessee or lessees must be submitted to the Commission within fifteen (15) days after the close of each lease year listing the work performed under the lease as measured in lineal feet of each type of drilling, cubic yards of surface excavation in rock, gravel, earth or other material, cubic feet of underground excavation, indicated by type, or other work performed or improvements made on the leased premises. Whenever cost of labor is used as a measure of work performed, the statement must include the name or names of the workmen performing the labor, date or dates on which work was performed and a description of the work performed. In determining the cost of labor, actual wage rates shall be used unless they are in excess of rates prevailing in the area for similar work at the time the work was done, in which case the prevailing rates shall be used for the purposes of this computation. Labor performed or im-

provements made on any one tract may be applied to not more than nine (9) additional contiguous tracts under the same lease in the order designated by the lessees. Labor performed or improvements made under one lease may not be applied to satisfy work requirements under any other lease issued under this section.

(h) *Size of lease.* Ordinarily no lease containing in excess of 100 tracts will be issued.

(i) *Lands to be in a reasonably compact body.* The area covered by a lease under this section should be in a reasonably compact body and will ordinarily consist of adjoining tracts or tracts closely situated to each other. No lease under this section shall convey extralateral rights.

(j) *Term of lease.* A lease issued under this section ordinarily will be for a term of five (5) years and renewable as to any or all of the tracts for not more than five (5) additional periods of three (3) years each upon written application made by a lessee or lessees in good standing within sixty (60) days prior to expiration of the lease or any extension thereof. If a tract leased under this section becomes open in whole or in part to location of mining claims under the United States mining laws during the lease term, the Commission may refrain from thereafter extending such lease as to the land so opened to such entry.

(k) *Relinquishment.* A lease or any of the tracts under a lease may be relinquished by the lessee or lessees by written notification sent to the Commission at its Grand Junction, Colorado, office. Relinquishment shall take effect on the date such notification is received by the Commission as evidenced by the written acknowledgement of the Commission. The lessee or lessees within fifteen (15) days of receipt of the Commission's acknowledgement of relinquishment shall file the acknowledgement in the office of the county recorder for the county in which such leased tracts are located.

(l) *Cancellation.* Should the lessee or lessees fail to comply with any of the terms and conditions of the lease within thirty (30) days after receipt of written notice from the Commission specifying such failure and requesting compliance, or should there be any falsification or misrepresentation of a material fact, whether or not intentional, in the notice of lease application or in the application for uranium mining lease, the Commission shall have the right to terminate such lease in whole or in part and the Commission shall then be entitled and authorized to take immediate possession of the affected land and dispossess all persons occupying the same under the authority of the lease.

(m) *Effective date of lease.* A lease issued under this section will ordinarily

be effective as of the date it is signed by the Commission.

(n) *Assignment.* Leases issued under this section may be assigned as to all or any of the leased tracts subject to approval by the Commission. To procure such approval, all instruments of transfer of the lease must be filed at the Commission's Grand Junction, Colorado, office and must contain all of the terms and conditions agreed upon by the parties thereto. The application for approval of assignment must be accompanied by a statement of the assignee or assignees setting forth his or their qualifications to hold a lease and that he or they accept and agree to be bound by the terms and conditions of the lease, provided the assignment is approved by the Commission. No assignment of a lease will be approved which provides for royalties on uranium-bearing ore production from the leased premises which amount to more than fifteen percent (15%) of gross ore receipts, or which when added to royalties already created amount to more than fifteen percent (15%) of gross ore receipts. In calculating gross ore receipts for the purpose of this paragraph, development and haulage allowances payable pursuant to § 60.5 (Commission's Domestic Uranium Program Circular 5, Revised) or any further revision thereof or equivalent allowances will be first excluded. With the approval of the Commission, less than all the tracts described in the lease may be assigned. In such an event the Commission may require the execution of a new lease by the assignor or assignee or both. The Commission will not grant approval if it determines that the terms and conditions of the proposed assignment do not embody terms and conditions equivalent to those of the original lease to the extent applicable. After the effective date of approval, the assignee or assignees will be responsible for the performance of all such obligations.

(o) *Designation of representative.* When leases are issued or assigned under this section to a group of two or more persons or legal entities, they shall designate one person to represent them for the receipt of communications or notices or to make reports or statements on their behalf, together with the address of the representative. This designation shall be binding on the lessees until the Commission has received notice in writing from the lessees of a new designee and his address.

(p) *Initial production bonus.* The provisions of § 60.6 (Domestic Uranium Program Circular 6) shall be applicable to ores produced from the leased premises.

(q) *Form of lease.* Leases will be issued on forms prescribed by the Atomic Energy Commission.

(r) *Recording of lease.* The holder or holders of a lease or assignment under this section shall, unless otherwise authorized by the Commission, record the lease or assignment within fifteen (15) days of the date thereof in the office wherein the "Notice of Lease Application", required by paragraph (c) (3) of this section, is recorded.

(s) *Withdrawn lands.* Lands withdrawn from mineral entry by the Secretary of the Interior for the use of the Atomic Energy Commission or embraced within an Atomic Energy Commission application for such land withdrawal are not available for leasing under this section. However, tracts situated on lands not open to location of mining claims under the United States mining laws because of the existence of a lease, permit, application, or offer under the Mineral Leasing Act of 1920 as amended, or because such lands are known to be valuable for minerals leasable under that act, which lands are subsequently withdrawn by the Secretary of the Interior and reserved for the use of the Atomic Energy Commission, or included in an application for withdrawal filed by the Commission, will be eligible for this type of lease provided that such tracts have been identified and marked on the ground and the "Notice of Lease Application" posted and recorded as required by paragraph (c) of this section, prior to the effective date of the withdrawal or segregation, and further provided there is compliance with the other provisions of this section.

(t) *Multiple use of lands.* Leases issued under this section will also provide that operations under them will be conducted in such manner as not to interfere with the lawful operations of any third party having a lease, permit, easement or any other right or interest in the premises.

(u) *Reservation of rights.* The right is reserved by the Commission to revise, modify or terminate the regulations in this section at any time without prejudice to rights of leaseholders established under existing leases.

(v) *Definitions as used in this section.*

(1) "Commission" means the Atomic Energy Commission created by the Atomic Energy Act of 1946, or its duly authorized representative.

(2) "Lease Year" shall be the annual period commencing on the date of the lease or any anniversary thereof during the lease term.

(60 Stat. 755-775, 67 Stat. 240; 42 U. S. C. 1801-1819)

Dated at Washington, D. C., this 29th day of January 1954.

By order of the Commission.

K. D. NICHOLS,
General Manager.

TITLE 10—ATOMIC ENERGY— Chapter I—Atomic Energy Commission

[Domestic Uranium Program Circular 8] PART 60—DOMESTIC URANIUM PROGRAM

URANIUM LEASES ON LANDS CONTROLLED BY COMMISSION

Notice is hereby given that the following regulations have been adopted by the Atomic Energy Commission, effective upon publication in the FEDERAL REGISTER:

§ 60.8 *Uranium leases on lands controlled by the Commission*—(a) *What this section does.* This section sets forth regulations governing the issuance of leases for mining deposits of uranium in public lands withdrawn from entry and location under the general mining laws for the use of the Commission, and in certain other lands under Commission control.

(b) *Statutory authority.* The Atomic Energy Act of 1954 (68 Stat. 919) is the authority for this section.

(c) *Who may hold leases.* Only parties who are (1) citizens of the United States; (2) associations of such citizens; or (3) corporations organized under the laws of the United States or territories thereof, are eligible lessees under this section. Persons under 21 years of age or employees of the Commission are not eligible.

(d) *Issuance of leases through competitive bidding.* Except under special circumstances as provided in this section a lease will be issued only to the acceptable bidder offering the highest cash bonus. Before any lease is awarded the Commission may require high bidders to submit a detailed statement of the facts as to such matters as their experience, organization and financial resources. The Commission reserves the right to reject any and all bids.

(e) *Solicitation of bids.* Invitation to bid for a lease will be publicly posted and published. Copies will also be mailed to parties who submit to the Commission's Grand Junction, Colorado, Operations Office written request that their names be placed on a mailing list for the receipt of such invitations. The invitation will set forth the location of the land or deposits to be leased, the term, royalty rate, work requirements and certain other conditions which will become a part of the lease. The invitation will specify a period following notice of award during which the successful bidder may explore the land or deposit, and will also specify the percentage of the bonus offered which must be transmitted with the bid and set the place and time the bids will be publicly opened. A detailed statement of the terms of the invitation and the factual data pertinent to the land or deposit obtained from Commission exploration will be available for public inspection at offices listed in the invitation and upon payment of a nominal charge copies of these statements and data may be acquired from the Grand Junction Operations Office.

(f) *Bidding requirements; deposits.* All bids must be filed at the place and prior to the time set in the invitation.

Each bid must be sealed and accompanied by a deposit, in the form of a certified check, cashier's check, bank draft or cash, equal to the specified percentage of the bonus offered. Deposits of unsuccessful bidders will be returned. If the bidder is an individual he must submit with his bid a statement of his citizenship and age. If the bidder is an association (including a partnership), the bid shall be accompanied by a certified copy of the articles of association together with a statement as to the citizenship and age of its members. If the bidder is a corporation, evidence that the officer signing the bid had authority to do so and a statement as to the state of incorporation shall also be submitted.

(g) *Award of lease.* Following public opening of the bids the Commission, subject to the right to reject any and all bids, will determine the successful bidder. In the event the highest acceptable bids are tie bids, a public drawing will be held by the Commission to determine the successful bidder. After notice of award and prior to expiration of the period prescribed in the invitation, the successful bidder may explore the land or deposit, shall execute and return to the Commission three (3) copies of the lease and shall pay the balance of the bonus unless the bidder chooses to forfeit his deposit. Should the successful bidder fail to execute the lease and pay the balance of the bonus within the time specified in the invitation, or fail to otherwise comply with applicable regulations, he will also forfeit his deposit. In such event the Commission may offer the lease to the second highest acceptable bidder. If the awarded lease is executed by the bidder through an agent, evidence of authorization must be submitted.

(h) *Dating of lease.* A lease issued under this section will ordinarily be effective as of the date it is signed by the Commission.

(i) *Term of lease.* A lease shall be for the period specified in the invitation to bid. When deemed desirable by the Commission it will state in the invitation that the lease term may be extended for a specified period and upon stipulated conditions at the option of the lessee. In such event the lease will include this option.

(j) *Royalty.* Royalty shall be at the rate specified in the invitation to bid.

(k) *Direction of ore shipments.* The lessee shall ship all ore with reasonable diligence to such uranium ore receiving station or purchaser within the United States as the Commission may designate, and shipment shall be at lessee's own expense up to 100 miles. The Commission reserves the right to take and remove all ores not so shipped with reasonable diligence, and to credit the lessee with the value of such ores less sums due the Government from the lessee, including the cost of such taking

and removal. The Commission also reserves the property and right to property in and to all ores not shipped within sixty (60) days after the expiration or other termination of the lease. Unless the Commission directs otherwise, all ores which are of too low a grade to be acceptable under the Commission's published price schedule applicable to such ore shall remain on the leased premises and be kept separate from and not mixed with waste.

(l) *Initial production bonus.* Bonus payments under Domestic Uranium Program Circular 6 will not be made on ores produced from properties leased to private operators by the Commission except under special circumstances and as provided for in the lease.

(m) *Work requirements.* A condition of every lease entered into under these regulations will be the conduct on the leased premises of exploration, development, and mining activities with reasonable diligence, and the skill and care required to achieve and maintain maximum production of uranium ore consistent with good and safe mining practice. A lease may require a minimum number of man-shifts during a designated period.

(n) *Lessee's records.* Leases shall provide that the lessee keep proper records of (1) shifts worked; (2) wages and salaries paid; (3) expenditures for supplies and services and costs of operation of every kind; (4) tonnage and grade of ore mined; (5) development work and drilling performed; and (6) such other matters as in the Commission's opinion would be of assistance to it in determining the cost of the operation.

(o) *Rights of Commission.* The Commission reserves the right to enter upon the leased property and into all parts of the mine for inspection and other purposes. The Commission and its contractors shall have free access to the property for conducting exploratory work. The Commission also reserves the right to grant to other persons easements or rights of way upon, through, or in the leased premises. The Commission and the Comptroller General of the United States or any of his duly authorized representatives shall, until the expiration of three years after termination or expiration of the lease, have access to and the right to examine any directly pertinent books, documents, papers, and records of the lessee involving transactions related to the lease.

(p) *Relinquishment of leases.* A lease may be surrendered by the lessee upon filing with and approval by the Commission of a written application for relinquishment. Approval of the application shall be contingent upon the delivery of the leased premises to the Commission in good condition and the continued liability of the lessee to make payment of all royalty and other debts due the Commission.

(q) *Assignment of leases.* Any transfer of a lease, or of any interest therein or claim thereunder, by assignment, sublease, operating agreement or otherwise, will not be recognized unless and until approved by the Commission in writing. Ordinarily the Commission will not approve any transfer of a lease which involves over-riding royalties or deferred payments of any kind.

(r) *Cancellation.* Any lease may be canceled by the Commission whenever the lessee fails to comply with the provisions of the lease. Failure of the Commission to exercise its right to cancel shall not be deemed a waiver thereof.

(s) *Form of lease.* Leases will be issued on forms prescribed by the Commission.

(t) *Non-competitive leases.* Under special circumstances, where the Commission believes it is to the best interest of the Government or where the use of competitive bidding may be impracticable, the Commission at its discretion may award or extend leases on the basis of negotiation.

(u) *Commission decisions.* All matters connected with the issuance and administration of leases will be determined by the Commission whose decisions shall be final and conclusive.

(v) *Definitions.* "Commission" as used in this section means the Atomic Energy Commission established by the Atomic Energy Act of 1954 or its duly authorized representative or representatives.

(w) *Multiple use of lands.* Leases issued under this section shall provide that operations under them will be conducted so as not to interfere with the lawful operations of any third party having a lease, permit, easement, or other right or interest in the premises.

(60 Stat. 755-775; 42 U. S. C. 1801-1819)

Dated at Washington, D. C., this 21st day of June 1956.

K. E. FIELDS,
General Manager.

[F. R. Doc. 56-5607; Filed, July 13, 1956;
8:48 a. m.]

TITLE 10—ATOMIC ENERGY— Chapter I—Atomic Energy Commission

[Domestic Uranium Program Circular 9] PART 60—DOMESTIC URANIUM PROGRAM

URANIUM PROSPECTING PERMITS AND MINING LEASES ON LANDS ADMINISTERED BY FEDERAL AGENCIES WHICH DO NOT HAVE AUTHORITY TO LEASE SUCH LANDS

Notice is hereby given that the following regulations have been adopted by the Atomic Energy Commission, effective upon publication in the FEDERAL REGISTER.

§ 60.9 *Uranium prospecting permits and mining leases on lands administered by Federal agencies which do not have the authority to lease such lands—(a) What this section does.* This section provides for the issuance by the United States Atomic Energy Commission of uranium prospecting permits and mining leases covering certain lands of the United States which are not open to the location of mining claims under the United States mining laws and which are not subject to lease for prospecting or mining purposes by the Federal agencies administering such lands or by the Department of the Interior. The program for which provision is made in this section will be administered by the Atomic Energy Commission with the assistance and cooperation of the Bureau of Land Management of the Department of the Interior.

NOTE: Permits or leases will not be issued under this section for lands administered by the United States for national park, monument or wildlife purposes. (See section 67, Public Law 703, 83d Congress.)

(b) *Statutory authority.* The Atomic Energy Act of 1954 (68 Stat. 919) is authority for this section.

(c) *Eligibility of applicants.* Uranium prospecting permits and mining leases under this section will be issued only to (1) citizens of the United States, (2) associations of such citizens, (3) corporations organized under the laws of the United States or of any State or Territory thereof. Uranium prospecting permits and mining leases under this section will not be issued to persons under twenty-one (21) years of age nor to employees of the Commission or the Department of the Interior.

(d) *Applications.* There is no required form of application for a permit or lease under this section but the application should:

(1) Name the Government agency administering the land and, where practicable, the particular unit thereof concerned.

(2) Contain an accurate description of the land.

In the States under the public land rectangular system, if surveyed, the description should be by legal subdivision, section, township, and range; if unsurveyed, by a similar description based upon the premise of its location when surveyed and by courses and distances connected to a corner of the public land rectangular system. In those States not covered by the public land rectangular system, the description should be the description in the deed of conveyance of the tract to the United States, or, if a portion of such tract, by courses and distances connected with an identifiable and established corner of an existing survey

recognized by the laws of the State. Upon request, applicant must submit satisfactory evidence that the Government has title to the minerals in said land and the right to their removal.

(3) Include an accurate map or plan of the lands prepared from the survey thereof or other reliable map source, unless the lands are surveyed under the public land system of surveys.

(4) Contain a statement of applicant's name, address and citizenship (if a corporation, the State of incorporation and a statement of the applicant's authority to hold a prospecting permit or mining lease under its corporate powers) and a statement of applicant's interests, direct or indirect, in prospecting permits and mining leases and application for such permits and leases under these regulations for uranium in Federal lands in the same State. No permit or lease will be issued where such interests exceed 1920 acres.

(5) The application shall be filed in triplicate in the land office of the Bureau of Land Management for the State where the land is situated. In States in which there are no land officers applications shall be forwarded to the Director, Bureau of Land Management, Washington 25, D. C., except that applications covering lands in the following States should be forwarded to the land offices named: North and South Dakota, land office at Billings, Montana; Nebraska and Kansas, at Cheyenne, Wyoming; Oklahoma and Texas, at Santa Fe, New Mexico. Applications must be accompanied by a filing fee of \$10 which is not returnable.

(e) *Issuance and supervision of permits and leases.* Permits and leases will be executed by the Commission. Although priority in filing an application will normally be the controlling factor where more than one application has been filed for a permit or lease, consideration may be given to equities and right is reserved to offer the lands competitively in appropriate cases. The right is also reserved to refuse to issue a permit or lease or extension thereof. It is the objective under this section to issue permits and leases containing uniform terms and conditions. However, since the lands affected by this section are administered by other Government agencies having responsibilities in connection with the administration of the land, it probably will be necessary to include in particular permits and leases additional terms and conditions designed to permit the agencies involved to fulfill appropriately their functions and obligations or to refrain from issuing permits or leases or extensions thereof where it is concluded that issuance is contrary to the interests of the United States. The term of each permit or lease and extensions thereof will also be subject to such considerations.*

(f) *Prospecting permits terms and conditions.* (1) Prospecting permits will be issued for a period not exceeding two years (see paragraph (e) of this section) and will grant the permittee the right to prospect on the lands described therein

to determine the existence of, or workability of, uranium deposits. Only such material may be removed from the land as is necessary to demonstrate the existence of uranium in commercial quantities. The permittee may sell such quantities of uranium-bearing material as may be approved by the Commission.

(2) A prospecting permit may not include more than 1920 acres of land which must be reasonably compact.

(3) Payment of an annual rental of 25 cents per acre of land or fraction thereof covered by the permit will be required. Such rental will be payable annually in advance; payment of the first full year's rental will be required with the filing of the application and the balance of the rental will be payable on or before the first anniversary of the effective date of the permit. Failure to pay such rental when due will result in automatic termination of the permit. The permittee may also be required to furnish a performance bond.

(4) Permits issued under this section may be assigned to those eligible under paragraph (c) of this section, subject to approval of the Commission as to all or any of the lands subject to permit. To procure such approval all instruments of transfer of the permit must be filed at the proper land office of the Bureau of Land Management within 90 days after execution and must contain all of the terms and conditions agreed upon by the parties thereto. The application for approval of assignment must be accompanied by (i) a statement of the proposed assignee setting forth his qualifications to hold a permit and his agreement to be bound by the terms and conditions of the permit, (ii) a filing fee of \$10 which is not returnable.

(g) *Extension of permit.* (1) Subject to the provisions of paragraph (e) of this section, a prospecting permit may be extended for one additional term not exceeding two years upon written application made by the permittee and filed in triplicate in the proper land office of the Bureau of Land Management at least 90 days prior to the expiration date of the permit. Such application must be accompanied by a filing fee of \$10 which is not returnable, and the third year's rental. In support of application for extension of a prospecting permit, the permittee must show that he has diligently performed prospecting activities on the land during the period for which the permit was issued or that any failure to do so arose from conditions beyond the permittee's control.

(2) Upon failure of the permittee to file an application for extension within the specified period, the permit will expire at the end of its primary term without notice to the permittee and the land will thereupon become subject to new application for prospecting permits.

(h) *Preference right lease; terms and conditions.* (1) Upon discovery of a valuable deposit of uranium by a permittee, subject to paragraph (e) of this section, he shall be entitled to a preference right lease covering any or all of the lands in the permit. (Issuance of a

prospecting permit must precede an application for a preference right lease.) An application for a preference right lease must be filed in accordance with paragraph (d) (5) of this section not later than 30 days after the expiration date of the permit and must describe the lands, disclose any change in the information contained in the application for the permit, specify fully the extent and mode of occurrence of the mineral deposit as disclosed by prospecting and show that a valuable deposit of uranium was discovered before the expiration of the permit.

(2) Leases will be issued subject to royalty and rental payments as set forth in subdivisions (i) and (ii) of this subparagraph and to such other terms and conditions for protection of the surface of the land as may be required.

(i) Royalty shall be at the rate of 10 percent of gross receipts, including initial production bonus paid pursuant to § 60.6 (Domestic Uranium Program Circular 6), but exclusive of any haulage and development allowances paid pursuant to §§ 60.5 and 60.5a (Domestic Uranium Program Circular 5, Revised), or equivalent haulage and development allowances from the sale of uranium-bearing ore produced from the leased premises.

(ii) Rental shall be at the rate of \$1.50 per acre per year payable annually in advance. Such advance rentals shall be credited on the royalty due from the sale of uranium-bearing ore during that lease year.

(3) A lease issued under this section will be for a term not exceeding 5 years (see paragraph (e) of this section) and will be renewable in the discretion of the Commission as to any and all tracts for not more than 3 additional periods of not exceeding 3 years each upon written application therefor by the lessee at least 90 days prior to the expiration of the lease or any extension thereof. The application for renewal must be accompanied by a filing fee of \$10.00 which is not returnable. Renewals may include such revisions of or additions to the lease terms as may be required.

(4) Leases issued under this section will become effective when signed on behalf of the Commission.

(5) A lease or any of the tracts under a lease may be relinquished by the lessee by written notification sent to the proper land office of the Bureau of Land Management subject to continued liability to the United States for any payments then due and subject to compliance with the terms of the lease. Relinquishment shall take effect on the date such notification is received by the Bureau of Land Management, as evidenced by the written acknowledgment of the Bureau of Land Management.

(6) Should the lessee fail to comply with any of the terms and conditions of the lease within 30 days after receipt of written notice specifying such failure and requesting compliance, the Commission shall have the right to terminate the lease.

(7) Leases issued under this section may be assigned to those eligible under paragraph (c) of this section, subject to approval of the Commission as to all or any of the leased tracts. To process such approval, all instruments of transfer of the lease must be filed at the proper land office of the Bureau of Land Management within 90 days after execution and must contain all of the terms and conditions agreed upon by the parties thereto. The application for approval of assignment must be accompanied by (i) a statement of the proposed assignee setting forth his qualifications to hold a lease and his agreement to be bound by the terms and condition of the lease, (ii) a filing fee of \$10.00 which is not returnable.

(l) *Initial production bonus.* Leases issued under this section shall provide that lessees otherwise meeting the requirements of § 60.6 (Domestic Uranium Program Circular 6) shall be eligible for initial production bonus payments under that section notwithstanding the reference to properties leased by the Commission in paragraph (g) (3) (vi) thereof.

(j) *Reservation of rights.* The right is reserved to the Commission to revise, modify or terminate these regulations at any time without prejudice to rights of permit holders or lease holders established under existing permits or leases.

(k) *Definition used in this section.* "Commission" means the Atomic Energy Commission created by the Atomic Energy Act of 1954, as amended, or its duly authorized representative.

(l) *Decisions.* The Atomic Energy Commission has duly authorized the Bureau of Land Management to assist it in the administration of this program and, ordinarily, the decisions of the Director of the Bureau of Land Management will be final, but the Atomic Energy Commission may choose to give further consideration to any matter.

(60 Stat. 755-775; 42 U. S. C. 1801-1819)

Dated at Washington, D. C., this 4th day of February 1957.

K. E. FIELDS,
General Manager.

I concur.

Dated at Washington, D. C., this 15th day of February 1957.

FRED A. SEATON,
Secretary of the Interior.

[F. R. Doc. 57-1649; Filed, Mar. 4, 1957;
9:00 a. m.]