DMA Form 1

DEFENSE MINERALS ADMINISTRATION
Control Slip

CONTROLLED DOCUMENT

DMA Docket No. 1270X

DO NOT DETACH THIS SLIP

Action on this document is recorded and controlled in Reports and Records Branch. Any movement of this document between divisions or offices of DMA or movement outside DMA must be reported to the Reports and Records Branch. Actions taken that affect status of the case must also be reported.

This document has been recorded as

_____

Any action taken to change the type of request for assistance must be promptly reported to the Reports and Records Branch. Use DMA Form 2 for submitting these reports.

Routing Slip

To:	Mr Lyon	Date	7-31 8-3-51
To:	Reports & Records	Date	8-9-51
To:		Date	
To:		Date	
To:		Date	
To:		Date	
To:		Date	
To:		Date	
To:		Date	
To:		Date	
To:		Date	
To:		Date	
To:		Date	
To:		Date	
To:		Date	

DO NOT DETACH

CONTROLLED DOCUMENT

INT.-DUP. SEC., WASH., D.C. 98868

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

370

~~July 31, 1951~~
Aug 9, 1951

A. E. C.

Memorandum

To: Reports and Records Unit, DMA

From: Chief, Industrial Minerals Branch, DMA

Subject: DMA 1270X - C. E. Lee, King Lode Claim
Commodity: Mica
Amount of loan: $58,408

Denial recommended because:

1. No evidence of strategic mica.

2. Samples of mica submitted to Field Team were found to be heavily mineral stained, ruled and wavy, not of strategic grade.

Attached:

1. Field Team report (preliminary rough draft) Region IV
2. Review of application for exploration assistance.
3. Form MF-103 with attachments.
4. Letters dated July 25, July 18, July 3.

James A. Barr
James A. Barr, Sr.

Approved:
Tom Lyon
Director, Supply Division

FILE COPY
SURNAME:

Barr

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

370

~~July 31, 1951~~
8-9

Memorandum

To: Reports and Records Unit, DMA

From: Chief, Industrial Minerals Branch, DMA

Subject: DMA 1270I - G. M. Lee, King Lode Claim
Commodity: Mica
Amount of loan: $58,408

Denial recommended because:

1. No evidence of strategic mica.

2. Samples of mica submitted to Field Team were found to be heavily mineral stained, ruled and wavy, not of strategic grade.

Attached:

1. Field Team report (preliminary rough draft) Region IV
2. Review of application for exploration assistance.
3. Form MA-103 with attachments.
4. Letters dated July 25, July 18, July 3.

M. P. BJ
8-10

James A. Barr, Sr.

Approved:

Tom Lyon

Director, Supply Division

BWASKEY:mp

cc: Mr. Lyon
Mr. Barr
DMA Files
Field Team, Region IV (2)

FILE COPY
SURNAME:

Barr

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

370

July 31, 1951

Mr. C. H. Lee
Box 305
Albany, Missouri

Dear Mr. Lee:

Subject: DMA 1270X - Mica

Your application for aid for an exploration project on mica deposit located in King Lode, Rahn's Peak District, Colorado, and docketed as DMA-1270X, has been reviewed by this office.

Projects approved by the Defense Minerals Administration must, in its judgment, show definite promise of yielding material of acceptable grade, physical character and specifications, in quantities that will significantly improve the mineral supply position for National Defense.

A very careful study of your proposal revealed the following:

1. Evidence that the deposit may be expected to produce strategic grade mica has not been shown.

2. Mica submitted to Field Team and believed to be representative of high grade and average grade samples from the deposit, were found to be heavily mineral stained, ruled and wavy. While this mica does have commercial value, it does not qualify as strategic grade and therefore does not qualify the deposit for exploration assistance under MO-5, Regulation governing Government Aid in Defense Exploration projects.

Under these circumstances, your application for exploration aid to the extent of 90% of $58,408, is denied. Should additional information become available, we would be glad to have you resubmit your proposal for consideration.

Sincerely yours,

Tom Lyon BJ 8-10

Tom Lyon, Director
Supply Division

RWASKEY:mp
cc: Reports and Records
Mr. Barr, Mr. Lyon
DMA Files Field Team, Region IV (2)

July 31, 1951

Mr. G. E. Lee
Box 305
Albany, Missouri

Dear Mr. Lee:

Subject: DMA 1270X - Mica

Your application for aid for an exploration project on mica deposit located in King Lode, Mohn's Peak District, Colorado, and designated as DMA-1270X, has been reviewed by this office.

Projects approved by the Defense Minerals Administration must, in its judgment, show definite promise of yielding material of acceptable grade, physical character and specifications, in quantities that will significantly improve the mineral supply position for National Defense.

A very careful study of your proposal revealed the following:

1. Evidence that the deposit may be expected to produce sheet grade mica has not been shown.

2. Mica submitted to Field Team and believed to be representative of high grade and average grade samples from the deposit, were found to be heavily mineral stained, ruled and wavy. While this mica does have commercial value, it does not qualify as sheet grade and therefore does not qualify the deposit for exploration assistance under MO-5, Regulation governing Government Aid in Defense Exploration projects.

Under these circumstances, your application for exploration aid to the extent of 90% of $50,000, is denied. Should additional information become available, we would be glad to have you resubmit your proposal for consideration.

Sincerely yours,

Tom Lyon

Tom Lyon, Director
Supply Division

MWASKEY:mp
cc: Reports and Records
Mr. Barr, Mr. Lyon
DMA Files Field Team, Region IV (2)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES

REGION IV

OFFICE OF
REGIONAL DIRECTOR

224 NEW CUSTOMHOUSE
DENVER 2, COLORADO

August 1, 1951

Memorandum

To: Landon Strobel, Executive Secretary
Defense Minerals Administration

From: DMA Field Team, Region IV

Subject: DMA Docket 1270X, King Lode Claim, Mica Basin, Hahn's Peak District, Routt County, Colorado

We are forwarding original and two copies of the completed report on the above docket.

The examining geologist recommends denial of the application and we concur with his recommendation.

The brochure is returned herewith.

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
AUG 2 1951

P. T. Allsman, Alternate

A. H. Koschmann

Enclosure
One copy by Air Mail
Two copies by Regular Mail

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

Defense Minerals Administration
200 New Customhouse
Denver 2, Colorado

August 1, 1951

Memorandum

To: DMA Field Team, Region IV

From: A. H. Koschmann

Subject: DMA Docket 1270X, King Lode Claim, Mica Basin, Hahn's Peak District, Routt County, Colorado

Attached are the original and 7 copies of the report by Truman H. Kuhn, geologist, U. S. Geological Survey, covering the above DMA docket. It is pointed out that the King Lode mica is not of strategic grade. Furthermore, the applicants have formulated no exploration plans, are not experienced operators of a pegmatite deposit, and may not be willing to furnish their share of the exploration costs. Mr. Kuhn therefore recommends that the loan be denied.

I concur with this recommendation.

Attached with the original is a letter from Mr. James A. Barr regarding the grade of mica from this property.

Attached also is the brochure.

A. H. Koschmann
A. H. Koschmann
Supervising Geologist
Colorado-Wyoming

Attachments (10)

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
AUG 6 1951

AUG 3 1981
DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED

GEOLOGICAL SURVEY
DEPARTMENT OF THE INTERIOR
UNITED STATES

KING LODE CLAIM

MICA BASIN, HAHN'S PEAK DISTRICT

ROUTT COUNTY, COLORADO

DMA DOCKET 1270X

Geology

By Truman H. Kuhn
U. S. Geological Survey

TABLE OF CONTENTS

	Page
INTRODUCTION	1
GENERAL GEOLOGY	2
DESCRIPTION OF THE MICA	2
PARTIAL ANSWERS TO SOME QUESTIONS RAISED IN "REVIEW OF APPLICATION FOR EXPLORATION ASSISTANCE"	2
Geologic Probability of Discovery	3
Exploration Plans	3
Accessibility	3
Competency of Applicants	3
Cost of Operations	3
Extent of Workings	4
Organization	4
Applicant's Proposal for Furnishing Share of Cost	4
SUMMARY AND CONCLUSIONS	5

KING LODE CLAIM
MICA BASIN, HAHN'S PEAK DISTRICT
ROUTT COUNTY, COLORADO

INTRODUCTION

The unpatented King Lode claim, located near Mica Lake, Mica Basin, Routt County, Colorado, in T 10 N, R 83 W, is owned in partnership by C. E. Lee of Albany, Missouri, R. C. Spence of Fort Collins, Colorado, and E. C. Ellis of Audubon, Iowa. C. E. Lee, acting for the group, has applied for a loan of $58,408.00 to explore for mica and pitchblende on the Mica Lode claim. Instructions given in "Review of Application for Exploration Assistance" dated June 6, 1951, limit this investigation to mica only.

Because of excessive snow in Mica Basin, the claim was not visited. This report is based on:

1. Statements made by R. C. Spence, Fort Collins, Colorado, one of the owners.
2. Samples of mica furnished by R. C. Spence.
3. A Trace Elements Memorandum Report dated September, 1951, on "The E. C. Spence property near Slavonia, Routt County, Colorado," prepared by Ernest P. Beroni and Francis A. McKeown.

The King Lode is approximately 25 air line miles northeast of Steamboat Springs, Colorado. The property can be reached by way of State Highway 129 to Clark and then east on Routt County Highway 64 to Slavonia from which a 3½ mile trail leads to Mica Basin.

GENERAL GEOLOGY

According to Beroni and McKeown:

"Mica Basin is the topographic expression of a cirque carved into pre-Cambrian granite gneiss, hornblende and biotite schist, and pegmatitic intrusives cutting and following banding of the granite gneiss. The banding of the granite gneiss strikes N 15 W and dips approximately 50° to the southwest."

DESCRIPTION OF THE MICA

R. C. Spence had at his home in Fort Collins several hundred pounds of muscovite which he claimed was from the King Lode and was representative of that found in the deposit. This mica was examined on June 26, 1951, with John W. Adams of the Mineral Deposits Branch, Reconnaissance Group.

The mica was in reeved, grooved and ruled books ranging in size up to 17 inches in width and 4 inches in thickness. Numerous books 6 to 8 inches in width were seen, although the average probably was about 4 inches. Of the mica examined approximately one-third could be cut into sheets varying from No. 6 to No. 1. Only a very small percentage of the sheet mica would trim larger than No. 3. The percentage of scrap would be high.

The mica examined was characteristically black stained and spotted with brown and black iron oxide (?). Only a very small percentage of the mica would be better than good stained.

PARTIAL ANSWERS TO SOME QUESTIONS RAISED IN "REVIEW OF APPLICATION FOR EXPLORATION ASSISTANCE"

Geologic Probability of Discovery

No description of the pegmatite is available and no estimate or sketch can be supplied giving the extent and continuity of the deposit.

Exploration Plans

R. C. Spence was somewhat vague as to exploration plans. He mentioned the possibility of underground prospecting by drifting and by crosscutting. He also thought that open pitting and crosscutting trenches might give information.

Accessibility

It would be necessary to construct a bulldozer road from Slavonia to the property. Estimates as to the length of road necessary vary from 3 to 5 miles. Drilling and blasting would be necessary. No accurate estimate can be given on the cost of building the road.

Competency of Applicants

All three partners have had experience in prospecting and in small mining operations. One, C. E. Lee, has had experience in construction work. The applicants could conduct the proposed work, although there might be some doubt as to their ability to economically and carefully mine a small pegmatite deposit. It is possible they would spoil more mica than necessary, and they may not recognize or be able to recover other possible economic products occurring in the deposit.

Cost of Operations

No information could be obtained relative to the cost of necessary equipment, the cost of necessary installations, or the cost of mining operations. No work, other than prospecting has been done on the property, and no buildings have been erected. Because of snow, work could be carried out only for about 3 or 4 months in the summer.

Extent of Workings

No accurate size of the prospect pit could be obtained. The most reliable estimate indicates a pit with a horizontal floor, 8 to 10 feet wide, extending 10 to 12 feet into the mountain slope. A face 10 to 15 feet high apparently is exposed.

Organization

All three partners are represented by C. E. Lee.

Applicant's Proposal For Furnishing Share of Cost

There is some doubt as to the type of assistance expected. E. C. Spence was of the opinion that the money would be given as a grant for exploration work and not as a loan. He thought that if mineable mica was discovered, a development loan then could be negotiated. He referred to a conversation between C. E. Lee and Mr. Barr of the U. S. B. M. in Washington. Since Mr. Spence was not thinking in terms of a loan, he could offer no information on how they proposed to furnish their share of the cost.

SUMMARY AND CONCLUSIONS

Representative high grade and average grade samples of the King Lode mica have been examined by John W. Adams, Jerry Olson, and Lincoln R. Page, of the U. S. Geological Survey, and by Frank Watts of the Defense Minerals Administration, Washington, D. C., and all are of the opinion that the mica is not of strategic grade.

Since the King Lode mica is not of strategic grade, it is recommended that no further work be done on the application and that the exploration loan be denied.

A letter from James A. Barr, Sr., Chief, Industrial Minerals Branch, Defense Minerals Administration, outlining Mr. Watts' opinion accompanies this report.

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY
Defense Minerals Administration
200 New Customhouse
Denver 2, Colorado

August 1, 1951

Memorandum

To: DMA Field Team, Region IV

From: A. H. Koschmann

Subject: DMA Docket 1270X, King Lode Claim, Mica Basin, Hahn's Peak District, Routt County, Colorado

Attached are the original and 7 copies of the report by Truman H. Kuhn, geologist, U. S. Geological Survey, covering the above DMA docket. It is pointed out that the King Lode mica is not of strategic grade. Furthermore, the applicants have formulated no exploration plans, are not experienced operators of a pegmatite deposit, and may not be willing to furnish their share of the exploration costs. Mr. Kuhn therefore recommends that the loan be denied.

I concur with this recommendation.

Attached with the original is a letter from Mr. James A. Barr regarding the grade of mica from this property.

Attached also is the brochure.

A. H. Koschmann
A. H. Koschmann
Supervising Geologist
Colorado-Wyoming

Attachments (10)

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
AUG 2 1951

JUN 3 1991
RECEIVED
DOCUMENT CONTROL COORDINATOR
DEPARTMENT OF THE INTERIOR

July 31, 1951

Memorandum

To: Reports and Records Unit, DMA

From: Chief, Industrial Minerals Branch, DMA

Subject: DMA 1270X - G. M. Lee, King Lode Claim
Commodity: Mica
Amount of loan: $58,408

Denial recommended because:

1. No evidence of strategic mica.

2. Samples of mica submitted to Field Team were found to be heavily mineral stained, ruled and wavy, not of strategic grade.

Attached:

1. Field Team report (preliminary rough draft) Region IV
2. Review of application for exploration assistance.
3. Form MF-103 with attachments.
4. Letters dated July 25, July 18, July 3.

James A. Barr, Sr.

Approved:

Director, Supply Division

RWASKEY:mp
cc: Mr. Lyon
Mr. Barr
DMA Files
Field Team, Region IV (2)

July 31, 1951

Mr. C. E. Lee
Box 305
Albany, Missouri

Dear Mr. Lee:

Subject: DMA 1270X - Mica

Your application for aid for an exploration project on mica deposit located in King Lode, Mahn's Peak District, Colorado, and docketed as DMA-1270X, has been reviewed by this office.

Projects approved by the Defense Minerals Administration must, in its judgment, show definite promise of yielding material of acceptable grade, physical character and specifications, in quantities that will significantly improve the mineral supply position for National Defense.

A very careful study of your proposal revealed the following:

1. Evidence that the deposit may be expected to produce strategic grade mica has not been shown.

2. Mica submitted to Field Team and believed to be representative of high grade and average grade samples from the deposit, were found to be heavily mineral stained, ruled and wavy. While this mica does have commercial value, it does not qualify as strategic grade and therefore does not qualify the deposit for exploration assistance under MO-5, Regulation governing Government Aid in Defense Exploration projects.

Under these circumstances, your application for exploration aid to the extent of 90% of $58,408, is denied. Should additional information become available, we would be glad to have you resubmit your proposal for consideration.

Sincerely yours,

Tom Lyon, Director
Supply Division

RWASKEY:mp
cc: Reports and Records
Mr. Barr, Mr. Lyon
DMA Files Field Team, Region IV (2)

C. E. LEE
DISTRICT AGENT
1001 SOUTH POLK
ALBANY, MISSOURI P.O. Box 305

July 25th. 1951

Mr. James A. Barr
Chief, Industrials Minerals Branch
U. S. Department Of Interior
Washington D. C.

Dear Mr. Barr

I am writing you as to. Subject: DMA-1270X
Re: Exploration Loan King Lode
Whitch was referred to you May 28th 1951
As we havent had any word as to progress on same.would appreciate very much any Information you can give me on this matter.
This Aplication was filed on Advice of Mr. Phil J. Welch Member Congress 3rd. Dist. Mo
We are ready and very anxious to get started on this .
Weather Conditions will permit us to work only a short time each year.
We are Quiet shure these materials are there in large quanaties.
And are needed by our Govsrment, also we could use the income from them.
Please let me know what ever you can as to the progress that has been made on this.

Very Truly Yours

C. E. Lee

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
JUL 26 1951
LANDON F. STROBEL
Executive Secretary

7-20-51
letter to applicant asking for additional information

COPY

July 18, 1951

Mr. Truman H. Kuhn, Geologist
U. S. Geological Survey
200 New Customhouse
Denver, 2, Colorado

Subject: DMA-1270X - Mica

Dear Mr. Kuhn:

Replying to your letter of July 3rd., addressed to Mr. Frank Watts, we have received and examined the mica specimens from the King Lode Claim, Routt County, Colorado. This mica has heavy mineral stain, is ruled and wavy and hence does not qualify as strategic grade; for that reason Exploration Assistance cannot be granted. This mica does, however, have some commercial value and the owner of the prospect should be so informed.

Sincerely yours,

James A. Barr, Sr., Chief
Industrial Minerals Branch

JABARR:mas
cc: Reports and Records unit
Mr. Barr
DMA Files

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

200 New Customhouse
Denver 2, Colorado

DMA 1270X

July 3, 1951

Mr. Frank Watts
c/o Mr. James A. Barr
Defense Minerals Administration
Washington 25, D. C.

Dear Mr. Watts:

As suggested in a memorandum from Mr. J. J. Norton, I am sending to you for examination specimens of mica from the King Lode claim, Routt County, Colorado, (DMA Docket 1270X). I believe that these specimens are representative samples of the high grade and average grade material from the claim.

For your information I am enclosing a preliminary rough copy of my report on this application. Will you please return this preliminary report to me.

Very truly yours,

Truman H. Kuhn

Truman H. Kuhn, Geologist
U. S. Geological Survey

Enclosures

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
JUL 12 1951
LANDON F. STROBEL
Executive Secretary

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

July 18, 1951

Mr. Truman H. Kuhn, Geologist
U. S. Geological Survey
200 New Customhouse
Denver 2, Colorado

Subject: DMA-1270-X
Mica

Dear Mr. Kuhn:

Replying to your letter of July 3rd., addressed to Mr. Frank Watts, we have received and examined the mica specimens from the King Lode Claim, Routt County, Colorado. This mica has heavy mineral stain, is ruled and wavy and hence does not qualify as strategic grade; for that reason Exploration Assistance cannot be granted. This mica does, however, have some commercial value and the owner of the prospect should be so informed.

Sincerely yours,

James A. Barr

James A. Barr, Sr., Chief
Industrial Minerals Branch

KING LODE CLAIM

MICA BASIN, HAHN'S PEAK DISTRICT

ROUTT COUNTY, COLORADO

DMA DOCKET 1270X

Geology

By Truman H. Kuhn
U. S. Geological Survey

TABLE OF CONTENTS

	Page
INTRODUCTION	1
GENERAL GEOLOGY	2
DESCRIPTION OF THE MICA	2
PARTIAL ANSWERS TO SOME QUESTIONS RAISED IN "REVIEW OF APPLICATION FOR EXPLORATION ASSISTANCE"	2
Geologic Probability of Discovery	3
Exploration Plans	3
Accessibility	3
Competency of Applicants	3
Cost of Operations	3
Extent of Workings	4
Organization	4
Applicant's Proposal for Furnishing Share of Cost	4
SUMMARY AND CONCLUSIONS	5

KING LODE CLAIM
MICA BASIN, HAHN'S PEAK DISTRICT
ROUTT COUNTY, COLORADO

INTRODUCTION

The unpatented King Lode claim, located near Mica Lake, Mica Basin, Routt County, Colorado, in T 10 N, R 83 W, is owned in partnership by C. E. Lee of Albany, Missouri, R. C. Spence of Fort Collins, Colorado, and E. C. Ellis of Audumon, Iowa. C. E. Lee, acting for the group, has applied for a loan of $58,408.00 to explore for mica and pitchblende on the Mica Lode claim. Instructions given in "Review of Application for Exploration Assistance" dated June 6, 1951, limit this investigation to mica only.

Because of excessive snow in Mica Basin, the claim was not visited. This report is based on:

1. Statements made by R. C. Spence, Fort Collins, Colorado, one of the owners.
2. Samples of mica furnished by R. C. Spence.
3. A Trace Elements Memorandum Report dated September, 1951, on "The E. C. Spence property near Slavonia, Routt County, Colorado," prepared by Ernest P. Beroni and Francis A. McKeown.

The King Lode is approximately 25 air line miles northeast of Steamboat Springs, Colorado. The property can be reached by way of State Highway 129 to Clark and then east on Routt County Highway 64 to Slavonia from which a $3\frac{1}{2}$ mile trail leads to Mica Basin.

GENERAL GEOLOGY

According to Beroni and McKeown:

"Mica Basin is the topographic expression of a cirque carved into pre-Cambrian granite gneiss, hornblende and biotite schist, and pegmatitic intrusives cutting and following banding of the granite gneiss. The banding of the granite gneiss strikes N 15 W and dips approximately 50° to the southwest."

DESCRIPTION OF THE MICA

R. C. Spence had at his home in Fort Collins several hundred pounds of muscovite which he claimed was from the King Lode and was representative of that found in the deposit. This mica was examined on June 26, 1951, with John W. Adams of the Mineral Deposits Branch, Reconnaissance Group.

The mica was in reeved, grooved and ruled books ranging in size up to 17 inches in width and 4 inches in thickness. Numerous books 6 to 8 inches in width were seen, although the average probably was about 4 inches. Of the mica examined approximately one-third could be cut into sheets varying from No. 6 to No. 1. Only a very small percentage of the sheet mica would trim larger than No. 3. The percentage of scrap would be high.

The mica examined was characteristically black stained and spotted with brown and black iron oxide (?). Only a very small percentage of the mica would be better than good stained.

PARTIAL ANSWERS TO SOME QUESTIONS RAISED IN "REVIEW OF APPLICATION FOR EXPLORATION ASSISTANCE"

Geologic Probability of Discovery

No description of the pegmatite is available and no estimate or sketch can be supplied giving the extent and continuity of the deposit.

Exploration Plans

R. C. Spence was somewhat vague as to exploration plans. He mentioned the possibility of underground prospecting by drifting and by crosscutting. He also thought that open pitting and crosscutting trenches might give information.

Accessibility

It would be necessary to construct a bulldozer road from Slavonia to the property. Estimates as to the length of road necessary vary from 3 to 5 miles. Drilling and blasting would be necessary. No accurate estimate can be given on the cost of building the road.

Competency of Applicants

All three partners have had experience in prospecting and in small mining operations. One, C. E. Lee, has had experience in construction work. The applicants could conduct the proposed work, although there might be some doubt as to their ability to economically and carefully mine a small pegmatite deposit. It is possible they would spoil more mica than necessary, and they may not recognize or be able to recover other possible economic products occurring in the deposit.

Cost of Operations

No information could be obtained relative to the cost of necessary equipment, the cost of necessary installations, or the cost of mining operations. No work, other than prospecting has been done on the property, and no buildings have been erected. Because of snow, work could be carried out only for about 3 or 4 months in the summer.

Extent of Workings

No accurate size of the prospect pit could be obtained. The most reliable estimate indicates a pit with a horizontal floor, 8 to 10 feet wide, extending 10 to 12 feet into the mountain slope. A face 10 to 15 feet high apparently is exposed.

Organization

All three partners are represented by C. E. Lee.

Applicant's Proposal For Furnishing Share of Cost

There is some doubt as to the type of assistance expected. R. C. Spence was of the opinion that the money would be given as a grant for exploration work and not as a loan. He thought that if mineable mica was discovered, a development loan then could be negotiated. He referred to a conversation between C. E. Lee and Mr. Barr of the U. S. B. M. in Washington. Since Mr. Spence was not thinking in terms of a loan, he could offer no information on how they proposed to furnish their share of the cost.

SUMMARY AND CONCLUSIONS

Representative high grade and average grade samples of the King Lode mica have been examined by John W. Adams, Jerry Olson, and Lincoln R. Page, of the U. S. Geological Survey, and by Frank Watts of the Defense Minerals Administration, Washington, D. C., and all are of the opinion that the mica is not of strategic grade.

Since the King Lode mica is not of strategic grade, it is recommended that no further work be done on the application and that the exploration loan be denied.

A letter from James A. Barr, Sr., Chief, Industrial Minerals Branch, Defense Minerals Administration, outlining Mr. Watts' opinion accompanies this report.

FILE COPY
SURNAME:

Barr

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

July 18, 1951
Code 370

Mr. Truman H. Kuhn, Geologist
U. S. Geological Survey
200 New Customhouse
Denver 2, Colorado

Subject: DMA-1270-X
Mica

Dear Mr. Kuhn:

Replying to your letter of July 3rd., addressed to Mr. Frank Watts, we have received and examined the mica specimens from the King Lode Claim, Routt County, Colorado. This mica has heavy mineral stain, is ruled and wavy and hence does not qualify as strategic grade; for that reason Exploration Assistance cannot be granted. This mica does, however, have some commercial value and the owner of the prospect should be so informed.

Sincerely yours,

James Barr
JB

James A. Barr, Jr., Chief
Industrial Minerals Branch

JABJr:mas

cc: Reports and Records Unit
Mr. Barr
DMA Files

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

224 New Customhouse
Denver, Colorado

June 18, 1951

Memorandum

To: P. T. Allsman

A. H. Koschmann (with brochure)

From: DMA Field Team, Region IV

Subject: DMA Dpcket 1270X, C. E. Lee. Commodity, mica

We are attaching the brochure for DMA 1270X, C. E. Lee.

The property is located in the Hahn's Peak District, Colorado.

It is suggested that the Geological Survey make this examination, paying particular attention to J. A. Redden's letter to James A. Barr, dated June 6. Also, you will note that they wish the applicant to submit specimens of good stained or better sheet mica No. 6 or larger size.

J. H. East, Jr.

J. H. East, Jr.

A. H. Koschmann

A. H. Koschmann

Attachments

RECEIVED
JUL 1951
U.S. Geological Survey
Mineral Deposits Branch
Denver

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

June 11, 1951

AIR MAIL

REGIONAL DIRECTOR'S OFFICE
REGION IV
JUN 13 1951
BUREAU OF MINES
DENVER, COLORADO

John H. East, Jr.
224 New Customhouse
Denver 2, Colorado

Dear Jack:

We attach "Review of Application for Exploration Assistance" on:

Docket No.: 1270-X
Commodity : Mica
Applicant : C. E. Lee

Please expedite the consideration of this application with particular reference to the points raised in the attached "Review."

Very truly yours,

Tom Lyon

Tom Lyon, Chairman
Coordinating Committee

Enclosures 2

Approved:

Lowell B. Moon
for, Bureau of Mines

Olaf N Rove
for, Geological Survey dd;

JHE

FILE COPY
SURNAME:

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

AIR MAIL

June 11, 1951

John H. East, Jr.
224 New Customhouse
Denver 2, Colorado

Dear Jack:

We attach "Review of Application for Exploration Assistance" on:

Docket No.: 1270-I
Commodity : Mica
Applicant : C. E. Lee

Please expedite the consideration of this application with particular reference to the points raised in the attached "Review."

Very truly yours,

Tom Lyon
Tom Lyon, Chairman
Coordinating Committee

Enclosures 2
LBMoon:mjw
Approved:

Lowell B. Moon
for, Bureau of Mines

Olaf N. Rove
for, Geological Survey

Copy to: Executive Secretary, DMA
Copper Branch
Coordinating Committee
Mr. Moon

Administrator's Reading File
DMA Commodity Man
Survey Commodity Man
Bureau Commodity Man
Files

Dim R-1270

856

FILE COPY
SURNAME:

Barr

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

June 8, 1951

Memorandum

To: Stanley M. Walker, Acting Chief
Housing and Utilities Branch

From: James A. Barr, Chief, Industrial Minerals Branch

Subject: DMA-1270X

Subject application includes $15,000 for 5½ miles road to the King Lode Claim, Hahn's Peak District, Routt Co., Colorado. Property described as N.E.¼, S.E.¼, Sec. 22, Twp. 10 N., Range 83 W. of 6th P.M., 14 miles N.E. Clark, Colorado, 34 miles N.E. Steamboat Springs, Colorado. Beginning point of road not clearly stated; somewhere near Miss Lake.

Application referred to the Field Team June 8.

James Barr
James A. Barr, Sr.,

JABARR:mp

cc: Mr. Strobel
Mr. Barr
DMA Files

DMA 1270

858

FILE COPY
SURNAME:

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

June 1, 1951

Mr. C. K. Lee
P. O. Box 305
Albany, Missouri

Subject: DMA-1270X
Re: Exploration Loan
King Lode

My dear Mr. Lee:

Receipt is acknowledged of your application and attachments of May 22, 1951 for an exploration loan under the Defense Production Act of 1950.

The application was assigned Docket Number DMA-1270X and was referred to Mr. James A. Barr, Chief, Industrial Minerals Branch on May 28, 1951.

In any future correspondence relating to your application, kindly refer to DMA-1270X.

Sincerely yours,

LANDON F. STROBEL

Landon F. Strobel
Executive Secretary

LFSTROBEL:js
cc: Strobel-2
√Files
Barr
Lyon

DMA 1270

556

Form MF-103
(April 1951)

U. S. DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

Budget Bureau No. 42-R1035.
Approval expires 6-30-51.

APPLICATION FOR AID FOR AN EXPLORATION PROJECT PURSUANT TO MINERAL ORDER 5, UNDER DEFENSE PRODUCTION ACT OF 1950

DO NOT FILL IN THIS BLOCK

Docket No. 1270 X

Date received 5-28-51

Participation

C. E. LEE
P.O. Box 305
ALBANY, MISSOURI

Name and address of applicant

Date 22 May 1951

FILL IN THIS BLOCK

Date of application MAY 22, 1951

Estimated cost $58,408.00

Mineral or metal MICA AND PITCHBLEND

Percentage of Government participation Ninety (90)

Location of mine HAHN'S PEAK DISTRICT
COLORADO

Date of filing MF-100

DMA Docket Number, if available 1270X

INSTRUCTIONS

Read Mineral Order 5, Regulations Governing Government Aid in Defense Projects, before completing this application. Submit four signed copies of the application to Defense Minerals Administration, Department of the Interior, Washington 25, D. C., or to the nearest field executive officer thereof, with your name and address on each sheet of the application and all accompanying papers. If any question is inapplicable, or if you cannot answer it, so state on the form. Where the space provided for answer is insufficient, answer on a separate sheet, annex it to the application form, and refer to it in space for answer. If the application is approved, you will be presented with an exploration project contract on Form MF-200, for your signature.

THE APPLICANT

*1. Is applicant an individual, partnership, or corporation?
*2. If a partnership, state names and addresses of partners.
*3. If a corporation, state names and addresses of officers, directors, and five largest stockholders.
*4. Describe the mining and general business experience of (*a*) the applicant, and (*b*) the person or persons who will manage the project.
*5. Are you the owner or the lessee of the property?
6. If owner, state what claims, liens, or encumbrances, if any, are against the property.
7. If lessee, attach a copy of the lease and state if it is in good standing.

NOTE.—It will be necessary to procure and attach to the exploration project contract agreements of claimants, lienors, encumbrances and lessors subordinating their interests in the property to the interest of the Government under the contract.

8. Furnish current financial statement, showing assets and liabilities, and a profit and loss statement.
9. How much money is applicant prepared to invest in proposed project? Is it sufficient to pay your part of the cost of the project as detailed in question 23 of this application form, in accordance with the regulations on Government participation (Section 9 of Mineral Order 5)?

*If you have already answered these questions on MF-100, you are not required to answer the questions for this application.

16—64067-1

THE PROPERTY

10. (*a*) Give a description of the real property that will be in any way involved in the exploration project, including any existing mine or operating property.

(*b*) Give the legal description of the exact parcel, plot, or area upon which the exploration is to be conducted.

NOTE.—If both areas are the same, so state. The only obligation to repay the Government is from the net earnings from any commercial discovery made in the area specified in (*b*) above in which the exploration is to be conducted, and the expenditure of funds which may be charged as costs of the project must be limited to that area or to work necessary to perform the exploration in that area.

*11. State the present and former names of the property, if any.

*12. State, in detail, the location of the property with reference to towns, railroads, roads, shipping points, including distances and directions and kinds and conditions of roads.

*13. State source and quantity of water available for operations and its sufficiency at all seasons.
State amount of power to be used, rate per hour or other cost, and source.

*14. Describe any existing useable facilities, equipment, buildings, or structure now on the property that will be devoted to the exploration work.

15. State in detail how the ore could be shipped and how and where milled.

*16. History:

(*a*) Give a statement, as complete as possible, of previous exploration, development, operation, and production of property, with reasons for any past suspensions of operations.

(*b*) State briefly the known history and production of adjoining and neighboring properties.

(*c*) Furnish any available (private) reports that may apply to this application, including results of mine examinations, recommended exploration and development, and metallurgical investigations.

*17. Production:

(*a*) If mine is in production, furnish the following information:

	Tons per day	*Grade or analysis*	*Cost per ton*	*Net value per ton*
(1) Mining				
(2) Milling				
(3) Shipped or sold				

*18. Ore or mineral reserves: (If property is or has been operating.)

(*a*) Describe the ore or mineral deposits briefly.

(*b*) Submit available maps and assay data.

(*c*) Give estimated tonnage and grade of each class of ore reserves.

19. State any conditions or circumstances regarding the property not sufficiently brought out by the foregoing questions.

THE EXPLORATION

20. For what mineral or minerals and for what types of deposits and ores will the exploration be conducted?

21. Describe briefly, but concisely, the proposed work and the estimated time required to complete it.

NOTE.—The Government will not participate in a project that will require more than 2 years to complete.

22. Furnish statement of the geological basis of the project with particular emphasis on factors leading the operator to expect the finding of commercial ore bodies. This statement should be accompanied by supporting maps such as geological maps, maps of the proposed openings and assay maps, sample lists, and other pertinent data.

THE REQUIREMENTS AND COSTS

23. Tabulate in the form of an itemized statement with a sum for each item the estimated requirements and costs of the project so that the total will give the estimated cost of the project in which the Government will participate, as follows:

(*a*) Labor, by numbers and classes (miners, muckers, millmen, etc.), with wages of each.

(*b*) Supervisors, by numbers and positions, with salaries of each.

(*c*) Cost of necessary repairs to existing facilities, structures, and buildings.

(*d*) Cost of necessary installation or construction of additional facilities, structures, and buildings.

(*e*) Cost of items of equipment, not now owned by the applicant which must be purchased for operations at a cost of $50 or more each.

(*f*) Cost of rental for equipment which the operator proposes to rent.

(*g*) Rental value of items of equipment which the operator now owns and which will be devoted to the work.

(*h*) Cost of materials and supplies, including items of equipment costing less than $50 each.

(*i*) Cost of power, water, utilities, and any other items not provided for above.

24. Furnish a time schedule of the project, stated in terms of months after project is approved, showing progress expected to be accomplished and the money expected to be spent.

CERTIFICATION

The undersigned company, and the official executing this certification on its behalf, hereby certify that the information contained in this form and accompanying papers is correct and complete to the best of their knowledge and belief.

KING LODE MINE
(Name of company)

By C. E. Lee
C. E. LEE
(Signature of authorized official)

MAY 22, 1951
(Date)

SUPERINTENDENT
(Title)

Title 18, U. S. Code (Crimes), Section 1001, makes it a criminal offense to make a willfully false statement or representation to any department or agency of the United States as to any matter within its jurisdiction.

*Same as footnote on page 1.

16—64067-1 U. S. GOVERNMENT PRINTING OFFICE

EXHIBIT "A" #1, THE APPLICANT - a Partnership

EXHIBIT "A" #2 - THE APPLICANT:

C. E. Lee, Albany, Missouri
R. C. Spence, Fort Collins, Colorado
E. C. Ellis, Audumon, Iowa.

EXHIBIT A #4 - THE APPLICANT:

C. E. Lee, 20 years Construction; 5 years Mining
R. C. Spence, 10 yrs. Oil Fields, 5 yrs. Mining, 15 yrs. Mechanic.
E. C. Ellis, 40 years Mining and Oil field experience.

EXHIBIT A #5 - APPLICANT -

OWNERS

EXHIBIT A #6 - THE APPLICANT.

None-- Claim is clear-- also, our equipment is clear.

EXHIBIT A #9, THE APPLICANT

Equipment, Labor and Cash up to $5,000.00

EXHIBIT A#10A (THE PROPERTY)

Just one claim. The KING LODE claim 1500 ft. x 600 ft.
No other property.

EXHIBIT A #10B (THE PROPERTY)

Hahn's Peak District, Routt County, Colo., King Lode Claim N.E.¼, S.E.¼, Sec.22- Twp. 10 N., Range 83W. of 6th P.M.

True copy of original -- filing, recording.

EXHIBIT "A" #11 (THE PROPERTY)

KING LODE CLAIM -- the only name ever used.

EXHIBIT "A" #12 (THE PROPERTY)

14 Mi. N.E. Clark, Colo., 34 mi. N.E., Steamboat Springs, Col.,

Railroad at Steamboat Springs, 350 mi. east of Salt Lake

City, Utah; 5½ mile road to build with Bull Dozers-- all other roads are good.

EXHIBIT A#13 (THE PROPERTY)

Abundant water supply near at hand the year round or any workable season; power mill will have to be Gasoline and Diesel and portable - 110 Volt, 1750 watt Light Plant -- Estimated cost of project for Gasoline, Diesel, Oils, Greases, plus transportation from Steamboat Springs, Colorado.....$2,000.00

EXHIBIT A #14 (THE PROPERTY)

NONE. There is no road for 5½ miles so we have not been able to move anything in; have some equipment to take in as soon as a road can be built.

EXHIBIT A #15 (THE PROPERTY)

This mica can be shipped most anywhere by railroad or truck. Several samples have been shipped to different Mica firms, including General Electric; all have expressed their desire to buy, and all have rated it a very good grade. The lowest price that we received was on 90 lbs. Scrap sold to General Electric Co., for which they surprised us by sending a check for $57.60. Pitchblend will be shipped to Salt Lake City, Utah, by railroad or truck.

EXHIBIT A-16A HISTORY (THE PROPERTY)

Opened by hand a Face 8' high, 12' wide x 6 to 8 ft. into hill, taking out about 4 tons of saleable or commercial mica, and about 300 lbs. Pitch Blend, running from 68.4%, 74.2% to 87% -- It is too distant to carry out in packs, which is at present the only way to get products out or supplies brought in.

EXHIBIT A #16B - HISTORY (THE PROPERTY)

The Hahn's Peak District is a known and proven Productive District for several different mining projects. It is recognized a a very highly productive district; we do not hesitate to show anyone we really have these products.

EXHIBIT A #16C HISTORY (THE PROPERTY)

Mr. Stuart Fergusen, Engineer from Mica Processing Plant of Custer, So. Dakota and Mr. Roy G. Coffin, Geologist, Fort Collins, both looked the property over and both reported a good grade of Mica and Pitchblend in commercial quantities to warrant more exploration. Pitchblend was sent to the Atomic Energy Commission, New York, Grand Junction, Col., Colorado School of Mines, Rifle, Colo., Remington-Rand, and several others; all rated our product very highly -- in fact, the highest known; The mica samples have been shipped to several Mica buyers; all expressed their desire to buy, and rated our product as a Very Good Grade.

EXHIBIT A #18A (THE PROPERTY)

A very large Pegmetite Dyke is what the engineer and Geologists claim; quantities unknown, but apparently Plentiful.

EXHIBIT A #20 (THE EXPLORATION)

Mica and Pitchblend in huge Pegmetite Dyke, to prove quantity which is there beyond doubt on our part.

EXHIBIT A#21 (THE EXPLORATION)

Drift or tunnel into mountain and cross-cut, each 50 ft. 1 shift, 6 months, 2 shifts, 3 months --,about 3 months is all the season will permit, working, so 1 shift would take about 16 months from now.

EXHIBIT A#22 (THE EXPLORATION)

Sufficient Mica and Pitchblend taken out and exposed, plus other outcrops to warrant further exploration; sufficient supply in sight at present time, and real possibilities of a very great project in both products. Both show on both sides; also the top and bottom or what we call the bottom which is the bottom of where we went into Mountain; there is Mica and Pitchblend below-- we do not know how far. With this will be white prints showing map of mine and proposed tunnels-- also proposed road. Samples shipped, mailed and taken direct. All rate very high in Mica. The Pitchblend, everywhere we have sent or taken it is rated the Highest known grade anywhere; no one admits ever before seeing any of this product of such a high quality.

EXHIBIT A#23E (REQUIREMENTS AND COSTS)

300 cu. ft. Compressor	$6,000.00
1 Jack Hammer, 55 lbs.	400.00
100 ft. H.D. air hose for hammer	150.00
Powder Caps and fuse for road and mining	1,000.00
1 Electric Welder complete with motor and leads, etc.	1,000.00
Welding Rods, Gasses and supplies	150.00
Heavy Duty Tools for repairs & Maintenance	250.00
Gasoline, Diesel fuel, oils, greases, plus transportation costs	2,000.00
3-in. Cent. Pumps, with motor complete	1,000.00
3-in. Plastic Pipe and connections	750.00
Wiring & Fixtures for lights	250.00
Groceries	1,000.00
Mine cars and track	500.00
Miscellaneous Repair parts, etc.,	3,000.00
TOTAL...	$17,450.00

EXHIBIT A #23A (THE REQUIREMENTS AND COSTS)

2 Drillers, $2.50 per hr., 1, 8-hr. shift, 6 months, or 2, 8-hr. shifts, 3 months,	$2,880.00
2 Muckers, $2.00 per hr., 1, 8-hr. shift, 6 months, or 2, 8-hr. shifts, 3 months	2,304.00
1 Cat. and Dozer Operator $2.50 per hr., 1,8-hr. shift, 6 months, or 2, 8-hr. shifts, 3 months	2,880.00
1 Truck Driver, $2.00 per hr., 1,8-hr.shift, 6 mos., or 2, 8-hr. shifts, 3 months	2,304.00
1 Cook, $1.50 per hr., 1,8-hr. shift,6 mos., or 2, 8-hr. shifts, 3 months	1,728.00
1 Bookkeeper and stenographer, $1.50 per hr., 1, 8-hr. shift, 6 mos., or 2, 8-hr. shifts, 3 months	1,728.00
1 all-round man $1.50 hr., 1,8-hr. shift, 6 months, or 2, 8-hr. shifts, 3 months,	1,728.00
	$15,552.00

EXHIBIT A #23G (The requirements and costs)

1, 1950 Ford, 1 ton-truck, extra good.

1, 55-Lb. Jack Hammer

100 ft. Heavy Duty air hose for Hammer

1 Light Plant, 110 V., 1750 Watt.

1 Oxygen Avetylene Welding and Burning outfit; 50 ft. Hose and Gages complete.

$500.00 in tools for repairs and maintenance

$1,000. Drill Steel and Heads

1 large Trailer for Caterpillar, 20-ton capacity, Rental Value $4,950.00

1 Cat & Dozer on road already included.

EXHIBIT "A" #24 (The requirements and costs)

By using 2 shifts we expect to complete the exploration in 3 to 4 months or this season, provided we can get started in June this year, if not within 16 months-- money to be spent as outlined in the foregoing for equipment, buildings, road, labor, groceries, powder, etc.

EXHIBIT "A" #23 H (The requirements and costs)

None other than already included.

Exhibit A #23F (The requirements and costs)

Caterpillars and Dozers for building road, as stated previously. $15,000.00

EXHIBIT A#23B (The requirements and costs)

1 - General foreman and timekeeper, $3.00 per hour, 18-hr. shift, 6 months, -- 2,8-hour shifts, 3 months $3,456.00

EXHIBIT A#23C (The requirements and costs)

5½ miles of road to be built with Caterpillars and Dozers plus a small amount of Dozer work on 4 miles logging road to connect to main road-- Smallest estimate on this road job..... $15,000.00

(There is no building on property as there is no way into property except on foot).

EXHIBIT A#23D. (The requirements and costs)

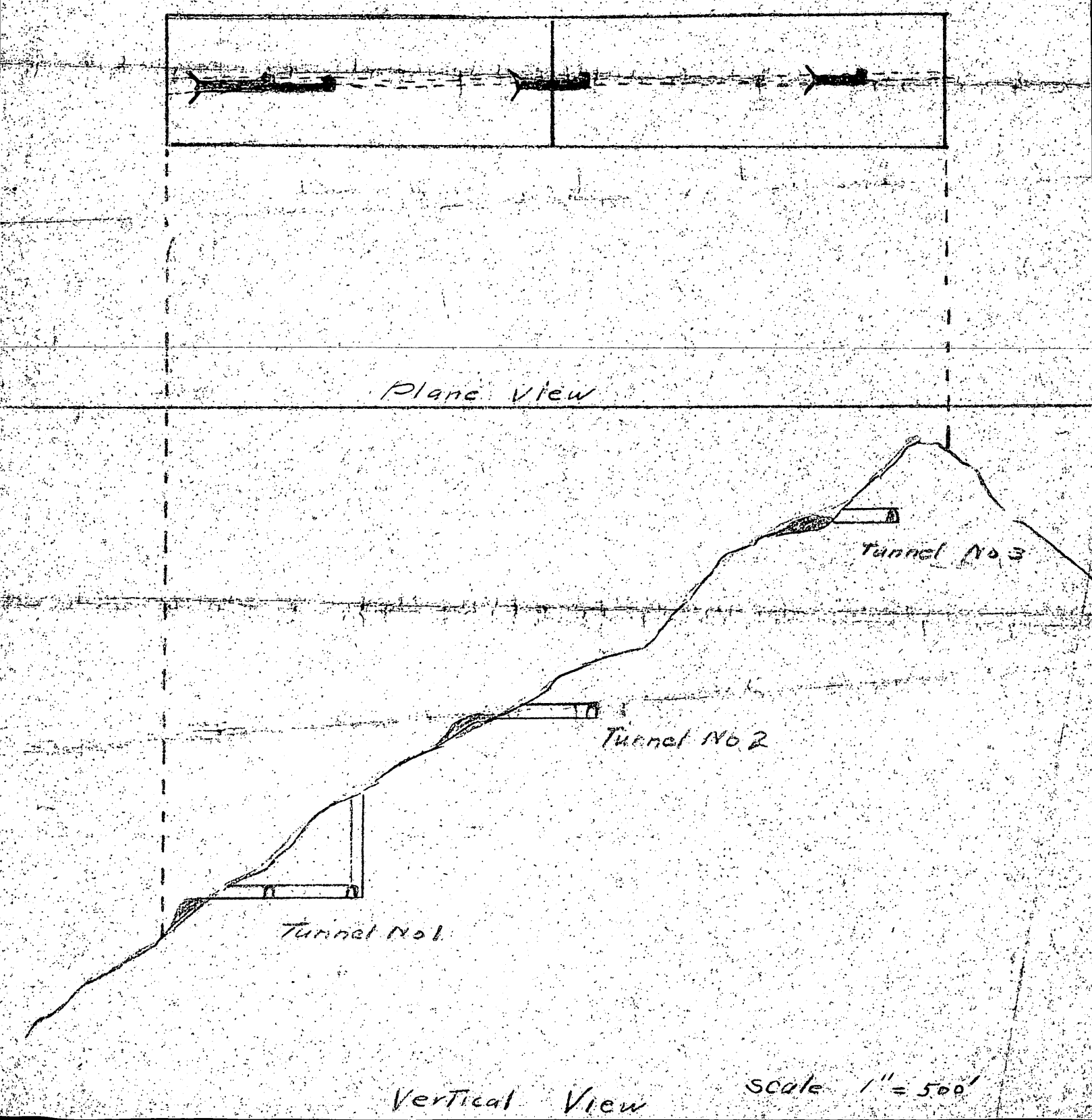
1 Cook and mess Building
1 small office building
3 Living Quarters
1 Bunk House
1 Ore Bin and Loading shute
Utensils, furniture, and furnishings,bedding, etc., $2,000.00

(Can contract entire job if they use logs on location for buildings).

Proposed exploration of Mica and pitchblend Pegmatite dike. King Lode

May 11-1915
Roy. G. Corbin
Geologist

No. 1/4 Se 1/4 - Section 22 - Township 1 Ion
Range 93 W. of The 6th P.M.



NE 1/4 SE 1/4 Section 27-
Township 10N - Range 83W.
of The 6th P.M.

King
Lode

elevation
11500 FT.

Proposed Trail to Build

5 1/2 Miles

Mica
Lake

elevation of lake
Aprox. 11,000 FT

5 1/2 Miles Total Road
To Build with Bulldozer
Plus Small amount of work
of work with Bulldozer on 4 Miles
Logging Road To connect with
Main Road

May 11-1951
Roy G. Corrin
Geologist

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
MAY 2 2 1951
LANDON F. STROBEL
Executive Secretary

Defense Minerals Administration

Review of Application for Exploration Assistance

Docket No. 1270-X

Commodity Mica, Pitchblend

Total Amount $58,408

Govt. Participation 90%

1. Name and Address of Applicant C.E. Lee P.O. Box 305 Albany, Missouri

2. Location of Property Hahn's Peak District, Colorado King Lode Claim NE¼ SE¼ Sec. 22 - Twp. 10 N R 83 W 6th P.M. Routt Co., Colo.

3. Mineral or metal Mica Is it listed in Section 9 of MO-5? YES

If not, application will be rejected.

4. Geologic probability of discovery -- based on data in application (question #16, 17, 18, 20 and 22).*

Mines or Survey reports, etc., do you rate chances:

a) Good

b) Poor Attached from Reddon

c) None SEE MEMO

d) Don't know --- needs field examination ✓

e) Is there an alternative and favorable project? (If so, attach an explanation)

5. Is the applicant's right to the property clearly stated? Yes, owner (question 5, 6, 7)

6. If applicant is a lessee, is a copy of the lease attached? Not Applicable

Does the lease have sufficient time to run to cover a future productive period? Not Applicable

*Question numbers are those of MF-103

Process for Mica only per verbal instruction from Bourrett

1270-X

7. Are subordination agreements necessary? NO

a) IF-201?

b) IF-202

8. From the data presented, does the proposed project appear feasible from the point of view of:

a) Available manpower Yes

b) Equipment and supplies Yes
(question 14 plus general knowledge of availability)

c) Accessibility (question 12) NO

d) Water (question 13) Yes

e) Power (question 13) Yes

Is a field check needed on any of these points? Need for Access Road & cost of same - Will Tractor trail do?

9. Does the experience of the applicant appear to be adequate to assure that he can properly conduct the proposed project? (question 4) Insufficient data presented

Is a field check needed on this point? Yes

10. Exhibit A. (questions 21 and 22)

a) Is the project adequately described? NO - No dimensions given

If not, are there sufficient data given so that you can describe the project? No If so, attach a draft.

b) Is there an adequate map or sketch of the proposed work? Sketch furnished is inadequate

c) Is the proposed work "exploration" under the definition of Section 8, ID-5? To a limited extent - it is mostly Development

If not, what part of it is? 3 tunnels are proposed - one might be justified but best to alter program to preliminary cross-cut trenching before doing underground work -

Is this part a worthwhile exploration project? Yes, Subject to Field Exam.

d) Are the cost estimates detailed? Not on a footage basis

Can they be summarized, as on page 2 of Procedural Instruction 5-A, from the available data? NO If so, attach a draft.

e) Are the cost estimates reasonable? Appear too high

f) Should more information be requested from applicant? Yes

g) Is a field examination necessary to complete Exhibit A? Yes

11. Exhibit B (question 23-d)

a) Is it applicable? Yes

b) If so, are sufficient data furnished? NO If so, attach a draft.

c) Is a field check needed? Yes

12. Exhibit C (question 23-e, f and g)

a) Is it applicable? Yes

b) Sufficient data? NO If so, attach a draft.

c) Are rents and charges reasonable? NO-too high-too much equipment

d) Is a field check needed? Yes

13. Exhibit D (question 23-a,b)

a) Are there sufficient data? Yes

b) Is the schedule adequate for the work proposed? Yes

c) Is the schedule excessive for the work proposed? Yes

d) Are the proposed wages and salaries reasonable? Appear too high

e) Is a field check needed? Yes

14. Exhibit E (question 23-c)

a) Is it applicable? Not Applicable

b) Sufficient data?

c) Reasonable?

d) Field check needed?

15. In your judgment, can the proposed work be done in the proposed time? Yes

(All exploration must be completed within two years.)

16. If field examination is not needed, attach your recommendation.

17. If field examination is needed, do you have any special instructions for the field team not indicated by your answers to the foregoing questions? Secure Mica Specimens—Check if all three partners are included & represented by Lee—Check on exactly how applicant proposes to furnish his share of cost.

Reviewed by: [illegible]

OK.

[illegible]

Date 6/7

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

G-MD-JAB

June 6, 1951

Memorandum

To: James A. Barr

From: J. A. Redden

Subject: Application DMA-1270X from C. E. Lee, Box 305, Albany, Missouri, requesting a $52,568 loan to explore the King Lode Mine, near Hahn's Peak, Colorado.

This application requests aid in developing a mica- and pitchblende-bearing pegmatite.

The Survey has no records or sources of information on this pegmatite. The extensive, war time pegmatite investigations in Colorado did not include work on this pegmatite.

There are several questionable features in the application. These are:

(1) The applicant shows no evidence that his property can produce strategic mica, and it is inferred from his descriptions that scrap mica has been the sole product.

(2) He states that his property has produced 300 pounds of pitchblende, and that samples have been sent to AEC and to other organizations. He does not submit evidence of their confirmation of the pitchblende occurrence.

The applicant does state that Mr. Stewart Ferguson of Custer, South Dakota has examined the property and reported "A good grade of mica and pitchblende of commercial quantities." If this statement is true the property may very definitely warrant serious consideration, inasmuch as Mr. Ferguson was at one time in charge of the Custer office of the Colonial Mica Corporation.

It is recommended that DMA ask the applicant to submit specimens of good stained or better sheet mica No. 6 or larger size. A definition of good stained and No. 6 size should be included in the letter.

A check should be made to see if the results of Lee's pitchblende samples can be obtained from Atomic Energy Commission. In addition, we are not sure whether pitchblende is to be included in the exploration program.

J. A. Redden

JARedden:jeh
G-6/6/51

copy to: Director's Reading file, 4212
Branch Reading file, 4212
JARedden
DMA files

June 1, 1951

Mr. C. E. Lee
P. O. Box 305
Albany, Missouri

Subject: DMA-1270X
Re: Exploration Loan
King Lode

My dear Mr. Lee:

Receipt is acknowledged of your application and attachments of May 22, 1951 for an exploration loan under the Defense Production Act of 1950.

The application was assigned Docket Number DMA-1270X and was referred to Mr. James A. Barr, Chief, Industrial Minerals Branch on May 28, 1951.

In any future correspondence relating to your application, kindly refer to DMA-1270X.

Sincerely yours,

LANDON F. STROBEL
Landon F. Strobel
Executive Secretary

LFSTROBEL:js
cc: Strobel-2
Files
√Barr
Lyon

Form MF-103
(April 1951)

U. S. DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

Budget Bureau No. 42-R1035.
Approval expires 6-30-51.

APPLICATION FOR AID FOR AN EXPLORATION PROJECT PURSUANT TO MINERAL ORDER 5, UNDER DEFENSE PRODUCTION ACT OF 1950

DO NOT FILL IN THIS BLOCK

Docket No. 1270 X

Date received 5-28-51

Participation

C. E. LEE
P.O. Box 305
ALBANY, MISSOURI

Name and address of applicant

Date 22 May 1951

FILL IN THIS BLOCK

Date of application MAY 22, 1951

Estimated cost $58,408.00

Mineral or metal MICA AND PITCHBLEND

Percentage of Government participation Ninety (90)

Location of mine HAHN'S PEAK DISTRICT
COLORADO

Date of filing MF-100

DMA Docket Number, if available 1270 X

INSTRUCTIONS

Read Mineral Order 5, Regulations Governing Government Aid in Defense Projects, before completing this application. Submit four signed copies of the application to Defense Minerals Administration, Department of the Interior, Washington 25, D. C., or to the nearest field executive officer thereof, with your name and address on each sheet of the application and all accompanying papers. If any question is inapplicable, or if you cannot answer it, so state on the form. Where the space provided for answer is insufficient, answer on a separate sheet, annex it to the application form, and refer to it in space for answer. If the application is approved, you will be presented with an exploration project contract on Form MF-200, for your signature.

THE APPLICANT

*1. Is applicant an individual, partnership, or corporation?
*2. If a partnership, state names and addresses of partners.
*3. If a corporation, state names and addresses of officers, directors, and five largest stockholders.
*4. Describe the mining and general business experience of (*a*) the applicant, and (*b*) the person or persons who will manage the project.
*5. Are you the owner or the lessee of the property?
6. If owner, state what claims, liens, or encumbrances, if any, are against the property.
7. If lessee, attach a copy of the lease and state if it is in good standing.

NOTE.—It will be necessary to procure and attach to the exploration project contract agreements of claimants, lienors, encumbrances and lessors subordinating their interests in the property to the interest of the Government under the contract.

8. Furnish current financial statement, showing assets and liabilities, and a profit and loss statement.
9. How much money is applicant prepared to invest in proposed project? Is it sufficient to pay your part of the cost of the project as detailed in question 23 of this application form, in accordance with the regulations on Government participation (Section 9 of Mineral Order 5)?

*If you have already answered these questions on MF-100, you are not required to answer the questions for this application.

16—64067-1

THE PROPERTY

10. (*a*) Give a description of the real property that will be in any way involved in the exploration project, including any existing mine or operating property.
    (*b*) Give the legal description of the exact parcel, plot, or area upon which the exploration is to be conducted.

    NOTE.—If both areas are the same, so state. The only obligation to repay the Government is from the net earnings from any commercial discovery made in the area specified in (*b*) above in which the exploration is to be conducted, and the expenditure of funds which may be charged as costs of the project must be limited to that area or to work necessary to perform the exploration in that area.

*11. State the present and former names of the property, if any.

*12. State, in detail, the location of the property with reference to towns, railroads, roads, shipping points, including distances and directions and kinds and conditions of roads.

*13. State source and quantity of water available for operations and its sufficiency at all seasons.
State amount of power to be used, rate per hour or other cost, and source.

*14. Describe any existing useable facilities, equipment, buildings, or structure now on the property that will be devoted to the exploration work.

15. State in detail how the ore could be shipped and how and where milled.

*16. History:
    (*a*) Give a statement, as complete as possible, of previous exploration, development, operation, and production of property, with reasons for any past suspensions of operations.
    (*b*) State briefly the known history and production of adjoining and neighboring properties.
    (*c*) Furnish any available (private) reports that may apply to this application, including results of mine examinations, recommended exploration and development, and metallurgical investigations.

*17. Production:
    (*a*) If mine is in production, furnish the following information:

	Tons per day	*Grade or analysis*	*Cost per ton*	*Net value per ton*
(1) Mining				
(2) Milling				
(3) Shipped or sold				

*18. Ore or mineral reserves: (If property is or has been operating.)
    (*a*) Describe the ore or mineral deposits briefly.
    (*b*) Submit available maps and assay data.
    (*c*) Give estimated tonnage and grade of each class of ore reserves.

19. State any conditions or circumstances regarding the property not sufficiently brought out by the foregoing questions.

THE EXPLORATION

20. For what mineral or minerals and for what types of deposits and ores will the exploration be conducted?

21. Describe briefly, but concisely, the proposed work and the estimated time required to complete it.

    NOTE.—The Government will not participate in a project that will require more than 2 years to complete.

22. Furnish statement of the geological basis of the project with particular emphasis on factors leading the operator to expect the finding of commercial ore bodies. This statement should be accompanied by supporting maps such as geological maps, maps of the proposed openings and assay maps, sample lists, and other pertinent data.

THE REQUIREMENTS AND COSTS

23. Tabulate in the form of an itemized statement with a sum for each item the estimated requirements and costs of the project so that the total will give the estimated cost of the project in which the Government will participate, as follows:
    (*a*) Labor, by numbers and classes (miners, muckers, millmen, etc.), with wages of each.
    (*b*) Supervisors, by numbers and positions, with salaries of each.
    (*c*) Cost of necessary repairs to existing facilities, structures, and buildings.
    (*d*) Cost of necessary installation or construction of additional facilities, structures, and buildings.
    (*e*) Cost of items of equipment, not now owned by the applicant which must be purchased for operations at a cost of $50 or more each.
    (*f*) Cost of rental for equipment which the operator proposes to rent.
    (*g*) Rental value of items of equipment which the operator now owns and which will be devoted to the work.
    (*h*) Cost of materials and supplies, including items of equipment costing less than $50 each.
    (*i*) Cost of power, water, utilities, and any other items not provided for above.

24. Furnish a time schedule of the project, stated in terms of months after project is approved, showing progress expected to be accomplished and the money expected to be spent.

CERTIFICATION

The undersigned company, and the official executing this certification on its behalf, hereby certify that the information contained in this form and accompanying papers is correct and complete to the best of their knowledge and belief.

KING LODE MINE
(Name of company)

By C. E. Lee
C. E. LEE
(Signature of authorized official)

MAY 22, 1951
(Date)

SUPERINTENDENT
(Title)

Title 18, U. S. Code (Crimes), Section 1001, makes it a criminal offense to make a willfully false statement or representation to any department or agency of the United States as to any matter within its jurisdiction.

*Same as footnote on page 1.

16—64067-1 U. S. GOVERNMENT PRINTING OFFICE

EXHIBIT "A" #1, THE APPLICANT - a Partnership

EXHIBIT "A" #2 - THE APPLICANT:

C. E. Lee, Albany, Missouri
R. C. Spence, Fort Collins, Colorado
E. C. Ellis, Audumon, Iowa.

EXHIBIT A #4 - THE APPLICANT:

C. E. Lee, 20 years Construction; 5 years Mining
R. C. Spence, 10 yrs. Oil Fields, 5 yrs. Mining, 15 yrs. Mechanic.
E. C. Ellis, 40 years Mining and Oil field experience.

EXHIBIT A #5 - APPLICANT -

OWNERS

EXHIBIT A #6 - THE APPLICANT.

None-- Claim is clear-- also, our equipment is clear.

EXHIBIT A #9, THE APPLICANT

Equipment, Labor and Cash up to $5,000.00

EXHIBIT A#10A (THE PROPERTY)

Just one claim. The KING LODE claim 1500 ft. x 600 ft.
No other property.

EXHIBIT A #10B (THE PROPERTY)

Hahn's Peak District, Routt County, Colo., King Lode Claim N.E.¼, S.E.¼, Sec.22- Twp. 10 N., Range 83W, of 6th P.M.

True copy of original -- filing, recording,

EXHIBIT "A" #11 (THE PROPERTY)

KING LODE CLAIM -- the only name ever used.

EXHIBIT "A" #12 (THE PROPERTY)

14 Mi. N.E. Clark, Colo., 34 mi. N.E., Steamboat Springs, Col., Railroad at Steamboat Springs, 350 mi. east of Salt Lake City, Utah; 5½ mile road to build with Bull Dozers-- all other roads are good.

EXHIBIT A#13 (THE PROPERTY)

Abundant water supply near at hand the year round or any workable season; power mill will have to be Gasoline and Diesel and portable - 110 Volt, 1750 watt Light Plant -- Estimated cost of project for Gasoline, Diesel, Oils, Greases, plus transportation from Steamboat Springs, Colorado.....$2,000.00

EXHIBIT A #14 (THE PROPERTY)

NONE. There is no road for 5½ miles so we have not been able to move anything in; have some equipment to take in as soon as a road can be built.

EXHIBIT A #15 (THE PROPERTY)

This mica can be shipped most anywhere by railroad or truck. Several samples have been shipped to different Mica firms, including General Electric; all have expressed their desire to buy, and all have rated it a very good grade. The lowest price that we received was on 90 lbs. Scrap sold to General Electric Co., for which they surprised us by sending a check for $57.60. Pitchblend will be shipped to Salt Lake City, Utah, by railroad or truck.

EXHIBIT A-16A HISTORY (THE PROPERTY)

Opened by hand a Face 8' high, 12' wide x 6 to 8 ft. into hill, taking out about 4 tons of saleable or commercial mica, and about 300 lbs. Pitch Blend, running from 68.4%, 74.2% to 87% -- It is too distant to carry out in packs, which is at present the only way to get products out or supplies brought in.

EXHIBIT A #16B - HISTORY (THE PROPERTY)

The Hahn's Peak District is a known and proven Productive District for several different mining projects. It is recognized a a very highly productive district; we do not hesitate to show anyone we really have these products.

EXHIBIT A #16C HISTORY (THE PROPERTY)

Mr. Stuart Ferguson, Engineer from Mica Processing Plant of Custer, So. Dakota and Mr. Roy G. Coffin, Geologist, Fort Collins, both looked the property over and both reported a good grade of Mica and Pitchblend in commercial quantities to warrant more exploration. Pitchblend was sent to the Atomic Energy Commission, New York, Grand Junction, Col., Colorado School of Mines, Rifle, Colo., Remington-Rand, and several others; all rated our product very highly -- in fact, the highest known; The mica samples have been shipped to several Mica buyers; all expressed their desire to buy, and rated our product as a Very Good Grade.

EXHIBIT A #18A (THE PROPERTY)

A very large Pegmetite Dyke is what the engineer and Geologists claim; quantities unknown, but apparently Plentiful.

EXHIBIT A #20 (THE EXPLORATION)

Mica and Pitchblend in huge Pegmetite Dyke, to prove quantity which is there beyond doubt on our part.

EXHIBIT A#21 (THE EXPLORATION)

Drift or tunnel into mountain and cross-cut, each 50 ft. 1 shift, 6 months, 2 shifts, 3 months --,about 3 months is all the season will permit, working, so 1 shift would take about 16 months from now.

EXHIBIT A#22 (THE EXPLORATION)

Sufficient Mica and Pitchblend taken out and exposed, plus other outcrops to warrant further exploration; sufficient supply in sight at present time, and real possibilities of a very great project in both products. Both show on both sides; also the top and bottom or what we call the bottom which is the bottom of where we went into Mountain; there is Mica and Pitchblend below-- we do not know how far. With this will be white prings showing map of mine and proposed tunnels-- also proposed road. Samples shipped, mailed and taken direct. All rate very high in Mica. The Pitchblend, everywhere we have sent or taken it is rated the Highest known grade anywhere; no one admits ever before seeing any of this product of such a high quality.

EXHIBIT A#23E (REQUIREMENTS AND COSTS)

300 cu. ft. Compressor	$6,000.00
1 Jack Hammer, 55 lbs.	400.00
100 ft. H.D. air hose for hammer	150.00
Powder Caps and fuse for road and mining	1,000.00
1 Electric Welder complete with motor and leads, etc.	1,000.00
Welding Rods, Gasses and supplies	150.00
Heavy Duty Tools for repairs & Maintenance	250.00
Gasoline, Diesel fuel, oils, greases, plus transportation costs	2,000.00
3-in. Cent. Pumps, with motor complete	1,000.00
3-in. Plastic Pipe and connections	750.00
Wiring & Fixtures for lights	250.00
Groceries	1,000.00
Mine cars and track	500.00
Miscellaneous Repair parts, etc.,	3,000.00
TOTAL...	$17,450.00

EXHIBIT A #23A (THE REQUIREMENTS AND COSTS)

2 Drillers, $2.50 per hr., 1, 8-hr. shift, 6 months, or 2, 8-hr. shifts, 3 months,	$2,880.00
2 Muckers, $2.00 per hr., 1, 8-hr. shift, 6 months, or 2, 8-hr. shifts, 3 months	2,304.00
1 Cat. and Dozer Operator $2.50 per hr., 1,8-hr. shift, 6 months, or 2, 8-hr. shifts, 3 months	2,880.00
1 Truck Driver, $2.00 per hr., 1,8-hr.shift, 6 mos., or 2, 8-hr. shifts, 3 months	2,304.00
1 Cook, $1.50 per hr., 1,8-hr. shift,6 mos., or 2, 8-hr. shifts, 3 months	1,728.00
1 Bookkeeper and stenographer, $1.50 per hr., 1, 8-hr. shift, 6 mos., or 2, 8-hr. shifts, 3 months	1,728.00
1 all-round man $1.50 hr., 1,8-hr. shift, 6 months, or 2, 8-hr. shifts, 3 months,	1,728.00
	$15,552.00

EXHIBIT A #23G (The requirements and costs)

1, 1950 Ford, 1 ton-truck, extra good.

1, 55-Lb. Jack Hammer

100 ft. Heavy Duty air hose for Hammer

1 Light Plant, 110 V., 1750 Watt.

1 Oxygen Avetylene Welding and Burning outfit; 50 ft. Hose and Gages complete.

$500.00 in tools for repairs and maintenance

$1,000. Drill Steel and Heads

1 large Trailer for Caterpillar, 20-ton capacity, Rental Value $4,950.00

1 Cat & Dozer on road already included.

EXHIBIT "A" #24 (The requirements and costs)

By using 2 shifts we expect to complete the exploration in 3 to 4 months or this season, provided we can get started in June this year, if not within 16 months-- money to be spent as outlined in the foregoing for equipment, buildings, road, labor, groceries, powder, etc.

EXHIBIT "A" #23 H (The requirements and costs)

None other than already included.

Exhibit A #23F (The requirements and costs)

Caterpillars and Dozers for building road, as stated previously. $15,000.00

EXHIBIT A#23B (The requirements and costs)

1 - General foreman and timekeeper, $3.00 per hour, 18-hr. shift, 6 months, -- 2,8-hour shifts, 3 months $3,456.00

EXHIBIT A#23C (The requirements and costs)

5½ miles of road to be built with Caterpillars and Dozers plus a small amount of Dozer work on 4 miles logging road to connect to main road-- Smallest estimate on this road job..... $15,000.00

(There is no building on property as there is no way into property except on foot).

EXHIBIT A#23D. (The requirements and costs)

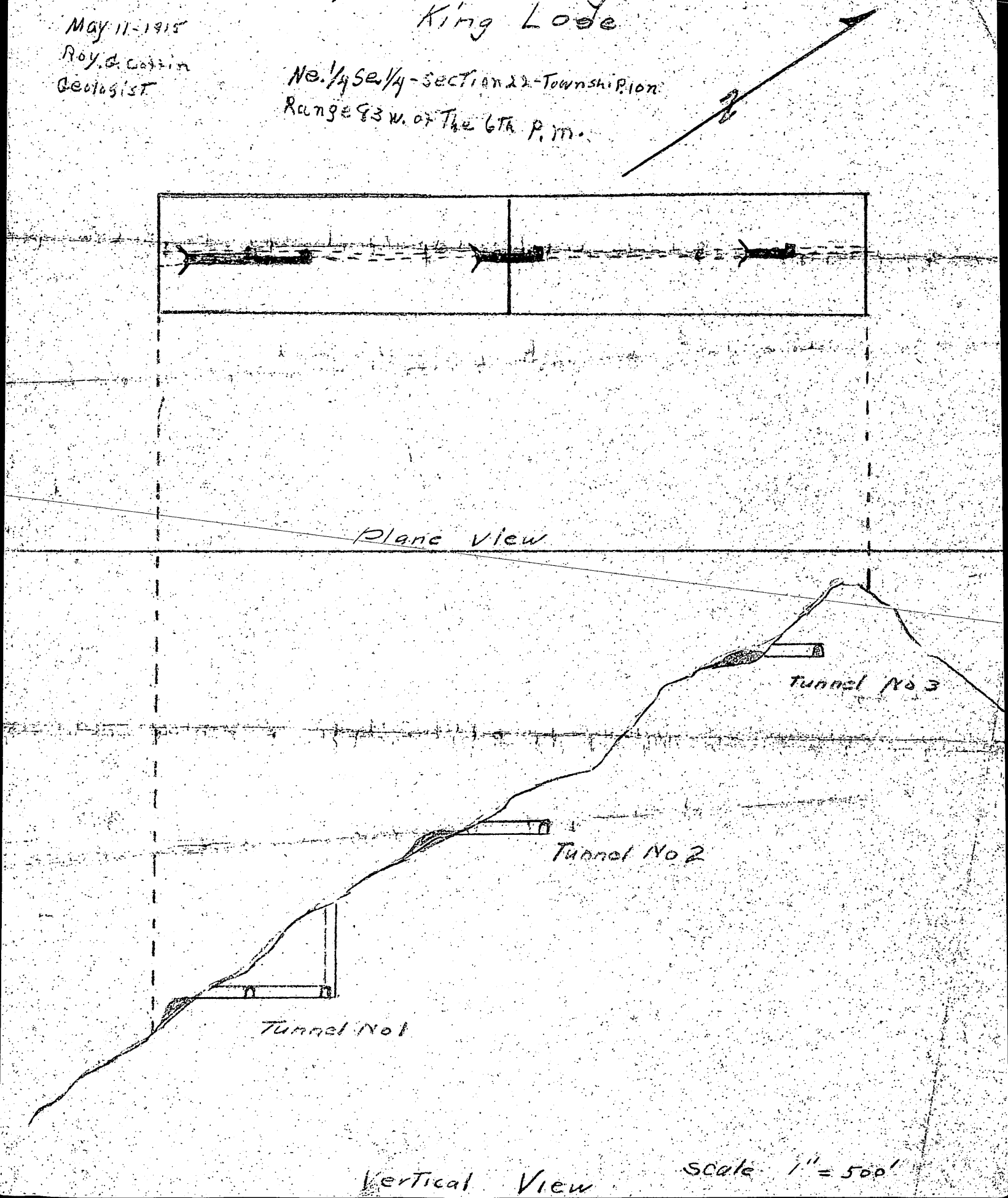
1 Cook and mess Building
1 small office building
3 Living Quarters
1 Bunk House
1 Ore Bin and Loading shute
Utensils, furniture, and furnishings,bedding, etc., $2,000.00

(Can contract entire job if they use logs on location for buildings).

Proposed exploration of Mica and pitchblend Pegmitite dike.
King Lode

May 11-1915
Roy. A. Cassin
Geologist

NE. 1/4 SE 1/4 - Section 22 - Township 10 N.
Range 83 W. of The 6TH P. M.



NE 1/4 SE 1/4 Section 27-
Township 10N - Range 83W.
of The 6TH P.M.

King
Lode

elevation
11500 ft.

Proposed trail to build

5 1/2 Miles

Mica
Lake

elevation of lake
Approx. 11,000 ft.

5 1/2 Miles Total Road
To Build with Bulldozer
PLUS Small amount of work
of work with Bulldozer on 4 Miles of
Logging Road To connect with
Main Road

May 11 - 1951
Roy G. Corrin
Geologist

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
MAY 22 1951
LANDON F. STROBEL
Executive Secretary

Preliminary Rough Draft

KING LODE CLAIM
MICA BASIN, HAHN'S PEAK DISTRICT
ROUTT COUNTY, COLORADO

DMA Docket 1270X

Geology

by Truman H. Kuhn
U. S. Geological Survey

Preliminary Rough Draft

TABLE OF CONTENTS

	Page
INTRODUCTION	1
GENERAL GEOLOGY	2
DESCRIPTION OF THE MICA	2
PARTIAL ANSWERS TO SOME QUESTIONS RAISED IN "REVIEW OF APPLICATION FOR EXPLORATION ASSISTANCE"	2
Geologic Probability of Discovery	2
Exploration Plans	3
Accessibility	3
Competency of Applicants	3
Cost of Operations	3
Extent of Workings	4
Organization	4
Applicant's Proposal for Furnishing Share of Cost	4
SUMMARY AND CONCLUSIONS	5

Preliminary Rough Draft

KING LODE CLAIM
MICA BASIN, HAHN'S PEAK DISTRICT
ROUTT COUNTY, COLORADO

INTRODUCTION

The unpatented King Lode claim, located near Mica Lake, Mica Basin, Routt County, Colorado, in T10N, R83W, is owned in partnership by C. E. Lee of Albany, Missouri, R. C. Spence of Fort Collins, Colorado, and E. C. Ellis of Audumon, Iowa. C. E. Lee, acting for the group, has applied for a loan of $58,408.00 to explore for mica and pitchblende on the Mica Lode claim. Instructions given in "Review of Application for Exploration Assistance" dated June 6, 1951, limit this investigation to mica only.

Because of excessive snow in Mica Basin, the claim was not visited. This report is based on:

1. Statements made by R. C. Spence, Fort Collins, Colorado, one of the owners.

2. Samples of mica furnished by R. C. Spence.

3. A Trace Elements Memorandum Report dated September, 1951, on "The E. C. Spence property near Slavonia, Routt County, Colorado," prepared by Ernest P. Beroni and Francis A. McKeown.

The King Lode is approximately 25 airline mines northeast of Steamboat Springs, Colorado. The property can be reached by way of state highway 129 to Clark and then east on Routt County highway 64 to Slavonia from which a 3½ mile trail leads to Mica Basin.

GENERAL GEOLOGY

According to Beroni and McKeown:

"Mica Basin is the topographic expression of a cirque carved into pre-Cambrian granite gneiss, hornblende and biotite schist, and pegmatitic intrusives cutting and following banding of the granite gneiss. The banding of the granite gneiss strikes N15W and dips approximately 50 degrees to the southwest."

DESCRIPTION OF THE MICA

R. C. Spence had at his home in Fort Collins several hundred pounds of muscovite that he claimed was from the King Lode and was representative of that found in the deposit. This mica was examined on June 26, 1951, with John W. Adams of the Mineral Deposits Branch, Reconnaissance Group.

The mica was in reeved, grooved and ruled books ranging in size up to 17 inches in width and 4 inches in thickness. Numerous books 6 to 8 inches in width were seen, although the average width probably was about 4 inches. Of the mica examined approximately one-third could be cut into sheets varying from No. 6 to No. 1. Only a very small percentage of the sheet mica would trim larger than No. 3. The percentage of scrap would be high.

The mica examined was characteristically black stained and spotted with brown and black iron oxide (?). Only a very small percentage of the mica would be better than good stained.

PARTIAL ANSWERS TO SOME QUESTIONS RAISED IN "REVIEW OF APPLICATION FOR EXPLORATION ASSISTANCE"

Geologic Probability of Discovery

No description of the pegmatite is available and no estimate or sketch can be supplied giving the extent and continuity of the deposit.

Exploration Plans

R. C. Spence was somewhat vague as to exploration plans. He mentioned the possibility of underground prospecting by drifting and by crosscutting. He also thought that continued open pitting and crosscutting trenches might give information.

Accessibility

It would be necessary to construct a bulldozer road from Slovinia to the property. Estimates as to the length of road necessary vary from 3 to 5 miles. Drilling and blasting would be necessary. No accurate estimate can be given on the cost of building the road.

Competency of Applicants

All three partners have had experience in prospecting and in small mining operations. One, C. E. Lee, has had experience in construction work. The applicants could conduct the proposed work, although there might be some doubt as to their ability to economically and carefully mine a small pegmatite deposit. It is possible they would spoil more mica than necessary, and they may not recognize or be able to recover other possible economic products occurring in the deposit.

Cost of Operations

No information could be obtained relative to the cost of necessary equipment, the cost of necessary installations, or the cost of mining operations. No work, other than prospecting has been done on the property, and no buildings have been erected. Because of snow, work could be carried out only for about 3 or 4 months in the summer.

Extent of Workings

No accurate size of the prospect pit could be obtained. The most reliable estimate indicates a pit with a horizontal floor, 8 to 10 feet wide, extending 10 to 12 feet into the mountain slope. A face 10 to 15 feet high apparently is exposed.

Organization

All three partners are represented by C. E. Lee.

Applicant's Proposal For Furnishing Share of Cost

There is some doubt as to the type of assistance expected. R. C. Spence was of the opinion that the money would be given as a grant for exploration work and not as a loan. He thought that if mineable mica was discovered, a development loan then could be negotiated. He referred to a conversation between C. E. Lee and Mr. Barr of the U. S. B. M. in Washington. Since Mr. Spence was not thinking in terms of a loan, he could offer no information on how they proposed to furnish their share of the cost.

PRELIMINARY SUMMARY AND CONCLUSIONS

Samples of the King Lode mica were examined by Adams, Olson, and Page, all of the U. S. Geological Survey, and they were of the opinion that the mica was not of strategic grade. As a check the samples were sent to Mr. Frank Watts, in care of Mr. James A. Barr, Defence Minerals Administration, Washington 25, D. C., for examination and grading.

If Mr. Watts agrees that the mica is not of strategic grade, the final "Conclusions and Recommendations" will be:

Representative high grade and average grade samples of the King Lode mica have been examined by John W. Adams, Jerry Olson, and Lincoln R. Page, of the U. S. Geological Survey and by Frank Watts of the Defense Minerals Administration, Washington, D. C., and all are of the opinion that the mica is too highly stained to be of strategic grade.

Since the King Lode mica is not of strategic grade, it is recommended that no further work be done on the application and that the exploration loan be denied.

If Mr. Watts reports that strategic mica might be obtained from the King Lode, it is recommended that the property in Mica Basin be examined and more information be obtained from the owners of the claim. If more work is done on the application, portions of this report will be changed and expanded and another "Conclusions and Recommendations" written.

Defense Minerals Administration

Review of Application for Exploration Assistance

Docket No. 1270-X

Commodity Mica, *Pitchblend

Total Amount $58,408

Govt. Participation 90%

1. Name and Address of Applicant C.E. Lee P.O. Box 305 Albany, Missouri

2. Location of Property Hahns Peak District, Colorado King Lode Claim NE¼ SE¼ Sec. 22 - Twp. 10 N R 83 W 6th P.M. Routt Co., Colo.

3. Mineral or metal Mica Is it listed in Section 9 of MO-5? YES

If not, application will be rejected.

4. Geologic probability of discovery -- based on data in application (question #16, 17, 18, 20 and 22).*

Mines or Survey reports, etc., do you rate chances:

a) Good

b) Poor

c) None SEE Attached memo from Reddon

d) Don't know --- needs field examination ✓

e) Is there an alternative and favorable project? (If so, attach an explanation)

5. Is the applicant's right to the property clearly stated? Yes, owner (question 5, 6, 7)

6. If applicant is a lessee, is a copy of the lease attached? Not Applicable

Does the lease have sufficient time to run to cover a future productive period? Not Applicable

*Question numbers are those of MF-103

* Process for Mica only per verbal instruction from Bourret

12-72-7

7. Are subordination agreements necessary? NO

a) MF-201?

b) MF-202

8. From the data presented, does the proposed project appear feasible from the point of view of:

a) Available manpower Yes

b) Equipment and supplies Yes
(question 14 plus general knowledge of availability)

c) Accessibility (question 12) NO

d) Water (question 13) Yes

e) Power (question 13) Yes

Is a field check needed on any of these points? Need for Access Road & cost of same - will Tractor trail do?

9. Does the experience of the applicant appear to be adequate to assure that he can properly conduct the proposed project? (question 4) Insufficient data presented

Is a field check needed on this point? Yes

10. Exhibit A. (questions 21 and 22)

a) Is the project adequately described? NO - No dimensions given

If not, are there sufficient data given so that you can describe the project? No If so, attach a draft.

b) Is there an adequate map or sketch of the proposed work? Sketch furnished is inadequate

c) Is the proposed work "exploration" under the definition of Section 8, MO-5? To a limited extent - it is mostly development

If not, what part of it is? 3 tunnels are proposed - one might be justified but best to alter program to preliminary cross-cut trenching before doing underground work -

Is this part a worthwhile exploration project? Yes, subject to Field Ex

d) Are the cost estimates detailed? Not on a footage basis

Can they be summarized, as on page 2 of Procedural Instruction 5-A, from the available data? NO If so, attach a draft.

e) Are the cost estimates reasonable? Appear too high

f) Should more information be requested from applicant? Yes

g) Is a field examination necessary to complete Exhibit A? Yes

11. Exhibit B (question 23-d)

a) Is it applicable? Yes

b) If so, are sufficient data furnished? NO If so, attach a draft.

c) Is a field check needed? Yes

12. Exhibit C (question 23-e, f and g)

a) Is it applicable? Yes

b) Sufficient data? NO If so, attach a draft.

c) Are rents and charges reasonable? No - too high - too much equipment

d) Is a field check needed? Yes

13. Exhibit D (question 23-a,b)

a) Are there sufficient data? Yes

b) Is the schedule adequate for the work proposed? Yes

c) Is the schedule excessive for the work proposed? Yes

d) Are the proposed wages and salaries reasonable? Appear too high

e) Is a field check needed? Yes

14. Exhibit E (question 23-c)

a) Is it applicable? Not Applicable

b) Sufficient data?

c) Reasonable?

d) Field check needed?

15. In your judgment, can the proposed work be done in the proposed time? Yes

(All exploration must be completed within two years.)

16. If field examination is not needed, attach your recommendation.

17. If field examination is needed, do you have any special instructions for the field team not indicated by your answers to the foregoing questions? Secure Mica Specimens—Check if all three partners are included & represented by Lee—Check on exactly how applicant proposes to furnish his share of costs

Reviewed by: [illegible]

Date 6/7

IN REPLY REFER TO:

G-MD-JAR

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

June 6, 1951

Memorandum

To: James A. Barr

From: J. A. Redden

Subject: Application DMA-1270X from C. E. Lee, Box 305, Albany, Missouri, requesting a $52,568 loan to explore the King Lode Mine, near Hahn's Peak, Colorado.

This application requests aid in developing a mica- and pitchblende-bearing pegmatite.

The Survey has no records or sources of information on this pegmatite. The extensive, war time pegmatite investigations in Colorado did not include work on this pegmatite.

There are several questionable features in the application. These are:

(1) The applicant shows no evidence that his property can produce strategic mica, and it is inferred from his descriptions that scrap mica has been the sole product.

(2) He states that his property has produced 300 pounds of pitchblende, and that samples have been sent to AEC and to other organizations. He does not submit evidence of their confirmation of the pitchblende occurrence.

The applicant does state that Mr. Stewart Ferguson of Custer, South Dakota has examined the property and reported "A good grade of mica and pitchblende of commercial quantities." If this statement is true the property may very definitely warrant serious consideration, inasmuch as Mr. Ferguson was at one time in charge of the Custer office of the Colonial Mica Corporation.

It is recommended that DMA ask the applicant to submit specimens of good stained or better sheet mica No. 6 or larger size. A definition of good stained and No. 6 size should be included in the letter.

A check should be made to see if the results of Lee's pitchblende samples can be obtained from Atomic Energy Commission. In addition, we are not sure whether pitchblende is to be included in the exploration program.

J. A. Redden

J. A. Redden

Form MF-103
(April 1951)

U. DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

Budget Bureau No. 42-R1035.
Approval expires 6-30-51.

APPLICATION FOR AID FOR AN EXPLORATION PROJECT PURSUANT TO MINERAL ORDER 5, UNDER DEFENSE PRODUCTION ACT OF 1950

DO NOT FILL IN THIS BLOCK

Docket No. 1270 X

Date received 5-28-51

Participation

C. E. LEE
P.O. Box 305
ALBANY, MISSOURI

Name and address of applicant

Date 22 May 1951

FILL IN THIS BLOCK

Date of application MAY 22, 1951

Estimated cost $58,408.00

Mineral or metal MICA AND PITCHBLEND

Percentage of Government participation Ninety (90)

Location of mine HAHN'S PEAK DISTRICT
COLORADO

Date of filing MF-100

DMA Docket Number, if available 1270 X

INSTRUCTIONS

Read Mineral Order 5, Regulations Governing Government Aid in Defense Projects, before completing this application. Submit four signed copies of the application to Defense Minerals Administration, Department of the Interior, Washington 25, D. C., or to the nearest field executive officer thereof, with your name and address on each sheet of the application and all accompanying papers. If any question is inapplicable, or if you cannot answer it, so state on the form. Where the space provided for answer is insufficient, answer on a separate sheet, annex it to the application form, and refer to it in space for answer. If the application is approved, you will be presented with an exploration project contract on Form MF-200, for your signature.

THE APPLICANT

*1. Is applicant an individual, partnership, or corporation?
*2. If a partnership, state names and addresses of partners.
*3. If a corporation, state names and addresses of officers, directors, and five largest stockholders.
*4. Describe the mining and general business experience of (*a*) the applicant, and (*b*) the person or persons who will manage the project.
*5. Are you the owner or the lessee of the property?
6. If owner, state what claims, liens, or encumbrances, if any, are against the property.
7. If lessee, attach a copy of the lease and state if it is in good standing.

NOTE.—It will be necessary to procure and attach to the exploration project contract agreements of claimants, lienors, encumbrances and lessors subordinating their interests in the property to the interest of the Government under the contract.

8. Furnish current financial statement, showing assets and liabilities, and a profit and loss statement.
9. How much money is applicant prepared to invest in proposed project? Is it sufficient to pay your part of the cost of the project as detailed in question 23 of this application form, in accordance with the regulations on Government participation (Section 9 of Mineral Order 5)?

*If you have already answered these questions on MF-100, you are not required to answer the questions for this application.

16—64067-1

THE PROPERTY

10. (*a*) Give a description of the real property that will be in any way involved in the exploration project, including any existing mine or operating property.
    (*b*) Give the legal description of the exact parcel, plot, or area upon which the exploration is to be conducted.

    NOTE.—If both areas are the same, so state. The only obligation to repay the Government is from the net earnings from any commercial discovery made in the area specified in (*b*) above in which the exploration is to be conducted, and the expenditure of funds which may be charged as costs of the project must be limited to that area or to work necessary to perform the exploration in that area.

*11. State the present and former names of the property, if any.
*12. State, in detail, the location of the property with reference to towns, railroads, roads, shipping points, including distances and directions and kinds and conditions of roads.
*13. State source and quantity of water available for operations and its sufficiency at all seasons. State amount of power to be used, rate per hour or other cost, and source.
*14. Describe any existing useable facilities, equipment, buildings, or structure now on the property that will be devoted to the exploration work.
15. State in detail how the ore could be shipped and how and where milled.
*16. History:
    (*a*) Give a statement, as complete as possible, of previous exploration, development, operation, and production of property, with reasons for any past suspensions of operations.
    (*b*) State briefly the known history and production of adjoining and neighboring properties.
    (*c*) Furnish any available (private) reports that may apply to this application, including results of mine examinations, recommended exploration and development, and metallurgical investigations.
*17. Production:
    (*a*) If mine is in production, furnish the following information:

	Tons per day	*Grade or analysis*	*Cost per ton*	*Net value per ton*
(1) Mining				
(2) Milling				
(3) Shipped or sold				

*18. Ore or mineral reserves: (If property is or has been operating.)
    (*a*) Describe the ore or mineral deposits briefly.
    (*b*) Submit available maps and assay data.
    (*c*) Give estimated tonnage and grade of each class of ore reserves.
19. State any conditions or circumstances regarding the property not sufficiently brought out by the foregoing questions.

THE EXPLORATION

20. For what mineral or minerals and for what types of deposits and ores will the exploration be conducted?
21. Describe briefly, but concisely, the proposed work and the estimated time required to complete it.

    NOTE.—The Government will not participate in a project that will require more than 2 years to complete.
22. Furnish statement of the geological basis of the project with particular emphasis on factors leading the operator to expect the finding of commercial ore bodies. This statement should be accompanied by supporting maps such as geological maps, maps of the proposed openings and assay maps, sample lists, and other pertinent data.

THE REQUIREMENTS AND COSTS

23. Tabulate in the form of an itemized statement with a sum for each item the estimated requirements and costs of the project so that the total will give the estimated cost of the project in which the Government will participate, as follows:
    (*a*) Labor, by numbers and classes (miners, muckers, millmen, etc.), with wages of each.
    (*b*) Supervisors, by numbers and positions, with salaries of each.
    (*c*) Cost of necessary repairs to existing facilities, structures, and buildings.
    (*d*) Cost of necessary installation or construction of additional facilities, structures, and buildings.
    (*e*) Cost of items of equipment, not now owned by the applicant which must be purchased for operations at a cost of $50 or more each.
    (*f*) Cost of rental for equipment which the operator proposes to rent.
    (*g*) Rental value of items of equipment which the operator now owns and which will be devoted to the work.
    (*h*) Cost of materials and supplies, including items of equipment costing less than $50 each.
    (*i*) Cost of power, water, utilities, and any other items not provided for above.
24. Furnish a time schedule of the project, stated in terms of months after project is approved, showing progress expected to be accomplished and the money expected to be spent.

CERTIFICATION

The undersigned company, and the official executing this certification on its behalf, hereby certify that the information contained in this form and accompanying papers is correct and complete to the best of their knowledge and belief.

KING LODE MINE
(Name of company)

By C. E. Lee
C. E. LEE
(Signature of authorized official)

MAY 22, 1951
(Date)

SUPERINTENDENT
(Title)

Title 18, U. S. Code (Crimes), Section 1001, makes it a criminal offense to make a willfully false statement or representation to any department or agency of the United States as to any matter within its jurisdiction.

*Same as footnote on page 1.

16—64067-1 U. S. GOVERNMENT PRINTING OFFICE

EXHIBIT "A" #1, THE APPLICANT - a Partnership

EXHIBIT "A" #2 - THE APPLICANT:

C. E. Lee, Albany, Missouri
R. C. Spence, Fort Collins, Colorado
E. C. Ellis, Audumon, Iowa.

EXHIBIT A #4 - THE APPLICANT:

C. E. Lee, 20 years Construction; 5 years Mining
R. C. Spence, 10 yrs. Oil Fields, 5 yrs. Mining, 15 yrs. Mechanic.
E. C. Ellis, 40 years Mining and Oil field experience.

EXHIBIT A #5 - APPLICANT -

OWNERS

EXHIBIT A #6 - THE APPLICANT.

None-- Claim is clear-- also, our equipment is clear.

EXHIBIT A #9, THE APPLICANT

Equipment, Labor and Cash up to $5,000.00

EXHIBIT A#10A (THE PROPERTY)

Just one claim. The KING LODE claim 1500 ft. x 600 ft.
No other property.

EXHIBIT A #10B (THE PROPERTY)

Hahn's Peak District, Routt County, Colo., King Lode Claim N.E.$\frac{1}{4}$, S.E.$\frac{1}{4}$, Sec. 22- Twp. 10 N., Range 83W. of 6th P.M.

True copy of original -- filing, recording.

EXHIBIT "A" #11 (THE PROPERTY)

KING LODE CLAIM -- the only name ever used.

EXHIBIT "A" #12 (THE PROPERTY)

14 Mi. N.E. Clark, Colo., 34 mi. N.E., Steamboat Springs, Col., Railroad at Steamboat Springs, 350 mi. east of Salt Lake City, Utah; 5½ mile road to build with Bull Dozers-- all other roads are good.

EXHIBIT A#13 (THE PROPERTY)

Abundant water supply near at hand the year round or any workable season; power mill will have to be Gasoline and Diesel and portable - 110 Volt, 1750 watt Light Plant -- Estimated cost of project for Gasoline, Diesel, Oils, Greases, plus transportation from Steamboat Springs, Colorado.....$2,000.00

EXHIBIT A #14 (THE PROPERTY)

NONE. There is no road for 5½ miles so we have not been able to move anything in; have some equipment to take in as soon as a road can be built.

EXHIBIT A #15 (THE PROPERTY)

This mica can be shipped most anywhere by railroad or truck. Several samples have been shipped to different Mica firms, including General Electric; all have expressed their desire to buy, and all have rated it a very good grade. The lowest price that we received was on 90 lbs. Scrap sold to General Electric Co., for which they surprised us by sending a check for $57.60. Pitchblend will be shipped to Salt Lake City, Utah, by railroad or truck.

EXHIBIT A-16A HISTORY (THE PROPERTY)

Opened by hand a Face 8' high, 12' wide x 6 to 8 ft. into hill, taking out about 4 tons of saleable or commercial mica, and about 300 lbs. Pitch Blend, running from 68.4%, 74.2% to 87% -- It is too distant to carry out in packs, which is at present the only way to get products out or supplies brought in.

EXHIBIT A #16B - HISTORY (THE PROPERTY)

The Hahn's Peak District is a known and proven Productive District for several different mining projects. It is recognized a a very highly productive district; we do not hesitate to show anyone we really have these products.

EXHIBIT A #16C HISTORY (THE PROPERTY)

Mr. Stuart Ferguson, Engineer from Mica Processing Plant of Custer, So. Dakota and Mr. Roy G. Coffin, Geologist, Fort Collins, both looked the property over and both reported a good grade of Mica and Pitchblend in commercial quantities to warrant more exploration. Pitchblend was sent to the Atomic Energy Commission, New York, Grand Junction, Col., Colorado School of Mines, Rifle, Colo., Remington-Rand, and several others; all rated our product very highly -- in fact, the highest known; The mica samples have been shipped to several Mica buyers; all expressed their desire to buy, and rated our product as a Very Good Grade.

EXHIBIT A #18A (THE PROPERTY)

A very large Pegmetite Dyke is what the engineer and Geologists claim; quantities unknown, but apparently Plentiful.

EXHIBIT A #20 (THE EXPLORATION)

Mica and Pitchblend in huge Pegmetite Dyke, to prove quantity which is there beyond doubt on our part.

EXHIBIT A#21 (THE EXPLORATION)

Drift or tunnel into mountain and cross-cut, each 50 ft. 1 shift, 6 months, 2 shifts, 3 months --,about 3 months is all the season will permit, working, so 1 shift would take about 16 months from now.

EXHIBIT A#22 (THE EXPLORATION)

Sufficient Mica and Pitchblend taken out and exposed, plus other outcrops to warrant further exploration; sufficient supply in sight at present time, and real possibilities of a very great project in both products. Both show on both sides; also the top and bottom or what we call the bottom which is the bottom of where we went into Mountain; there is Mica and Pitchblend below-- we do not know how far. With this will be white prints showing map of mine and proposed tunnels-- also proposed road. Samples shipped, mailed and taken direct. All rate very high in Mica. The Pitchblend, everywhere we have sent or taken it is rated the Highest known grade anywhere; no one admits ever before seeing any of this product of such a high quality.

EXHIBIT A#23E (REQUIREMENTS AND COSTS)

300 cu. ft. Compressor	$6,000.00
1 Jack Hammer, 55 lbs.	400.00
100 ft. H.D. air hose for hammer	150.00
Powder Caps and fuse for road and mining	1,000.00
1 Electric Welder complete with motor and leads, etc.	1,000.00
Welding Rods, Gasses and supplies	150.00
Heavy Duty Tools for repairs & Maintenance	250.00
Gasoline, Diesel fuel, oils, greases, plus transportation costs	2,000.00
3-in. Cent. Pumps, with motor complete	1,000.00
3-in. Plastic Pipe and connections	750.00
Wiring & Fixtures for lights	250.00
Groceries	1,000.00
Mine cars and track	500.00
Miscellaneous Repair parts, etc.,	3,000.00
TOTAL...	$17,450.00

EXHIBIT A #23A (THE REQUIREMENTS AND COSTS)

2 Drillers, $2.50 per hr., 1, 8-hr. shift, 6 months, or 2, 8-hr. shifts, 3 months,	$2,880.00
2 Muckers, $2.00 per hr., 1, 8-hr. shift, 6 months, or 2, 8-hr. shifts, 3 months	2,304.00
1 Cat. and Dozer Operator $2.50 per hr., 1,8-hr. shift, 6 months, or 2, 8-hr. shifts, 3 months	2,880.00
1 Truck Driver, $2.00 per hr., 1,8-hr.shift, 6 mos., or 2, 8-hr. shifts, 3 months	2,304.00
1 Cook, $1.50 per hr., 1,8-hr. shift,6 mos., or 2, 8-hr. shifts, 3 months	1,728.00
1 Bookkeeper and stenographer, $1.50 per hr., 1, 8-hr. shift, 6 mos., or 2, 8-hr. shifts, 3 months	1,728.00
1 all-round man $1.50 hr., 1,8-hr. shift, 6 months, or 2, 8-hr. shifts, 3 months,	1,728.00
	$15,552.00

EXHIBIT A #23G (The requirements and costs)

1, 1950 Ford, 1 ton-truck, extra good.

1, 55-Lb. Jack Hammer

100 ft. Heavy Duty air hose for Hammer

1 Light Plant, 110 V., 1750 Watt.

1 Oxygen Avetylene Welding and Burning outfit; 50 ft. Hose and Gages complete.

$500.00 in tools for repairs and maintenance

$1,000. Drill Steel and Heads

1 large Trailer for Caterpillar, 20-ton capacity, Rental Value $4,950.00

1 Cat & Dozer on road already included.

EXHIBIT "A" #24 (The requirements and costs)

By using 2 shifts we expect to complete the exploration in 3 to 4 months or this season, provided we can get started in June this year, if not within 16 months-- money tombe spent as outlined in the foregoing for equipment, buildings, road, labor, groceries, powder, etc.

EXHIBIT "A" #23 H (The requirements and costs)

None other than already included.

Exhibit A #23F (The requirements and costs)

Caterpillars and Dozers for building road, as stated previously. $15,000.00

EXHIBIT A#23B (The requirements and costs)

1 - General foreman and timekeeper, $3.00 per hour, 18-hr. shift, 6 months, -- 2,8-hour shifts, 3 months $3,456.00

EXHIBIT A#23C (The requirements and costs)

5½ miles of road to be built with Caterpillars and Dozers plus a small amount of Dozer work on 4 miles logging road to connect to main road-- Smallest estimate on this road job..... $15,000.00

(There is no building on property as there is no way into property except on foot).

EXHIBIT A#23D. (The requirements and costs)

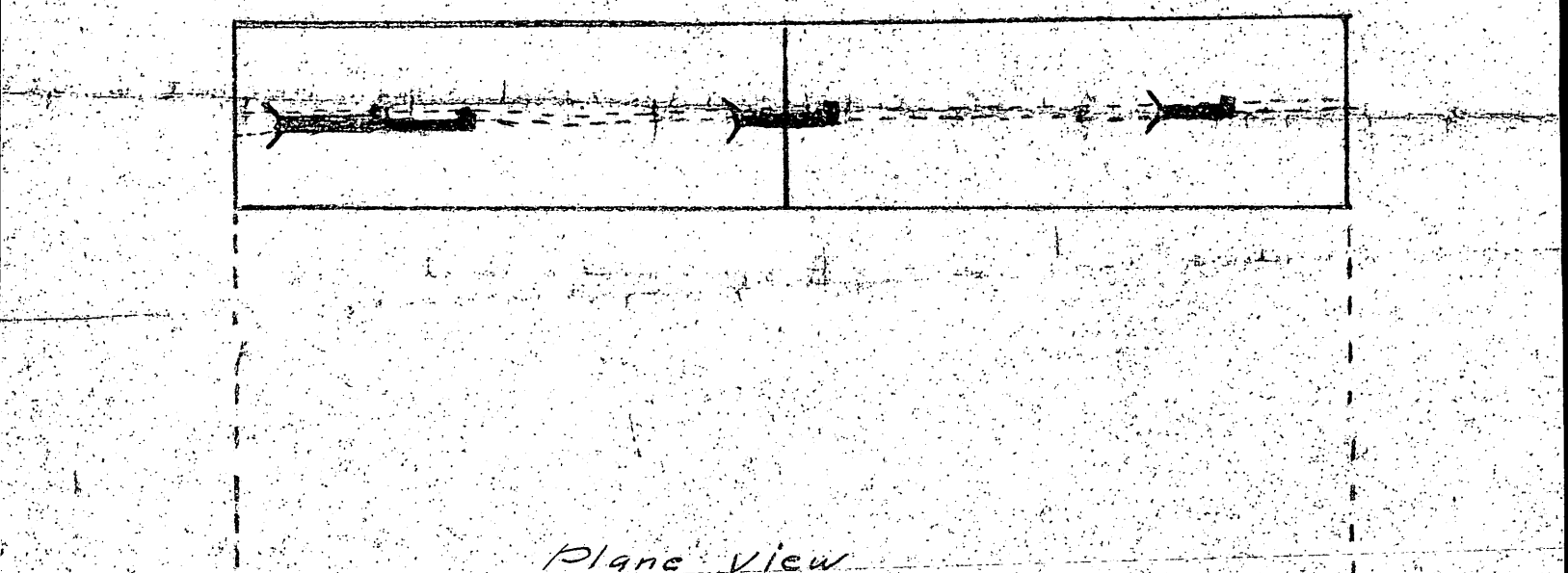
1 Cook and mess Building
1 small office building
3 Living Quarters
1 Bunk House
1 Ore Bin and Loading shute
Utensils, furniture, and furnishings,bedding, etc., $2,000.00

(Can contract entire job if they use logs on location for buildings).

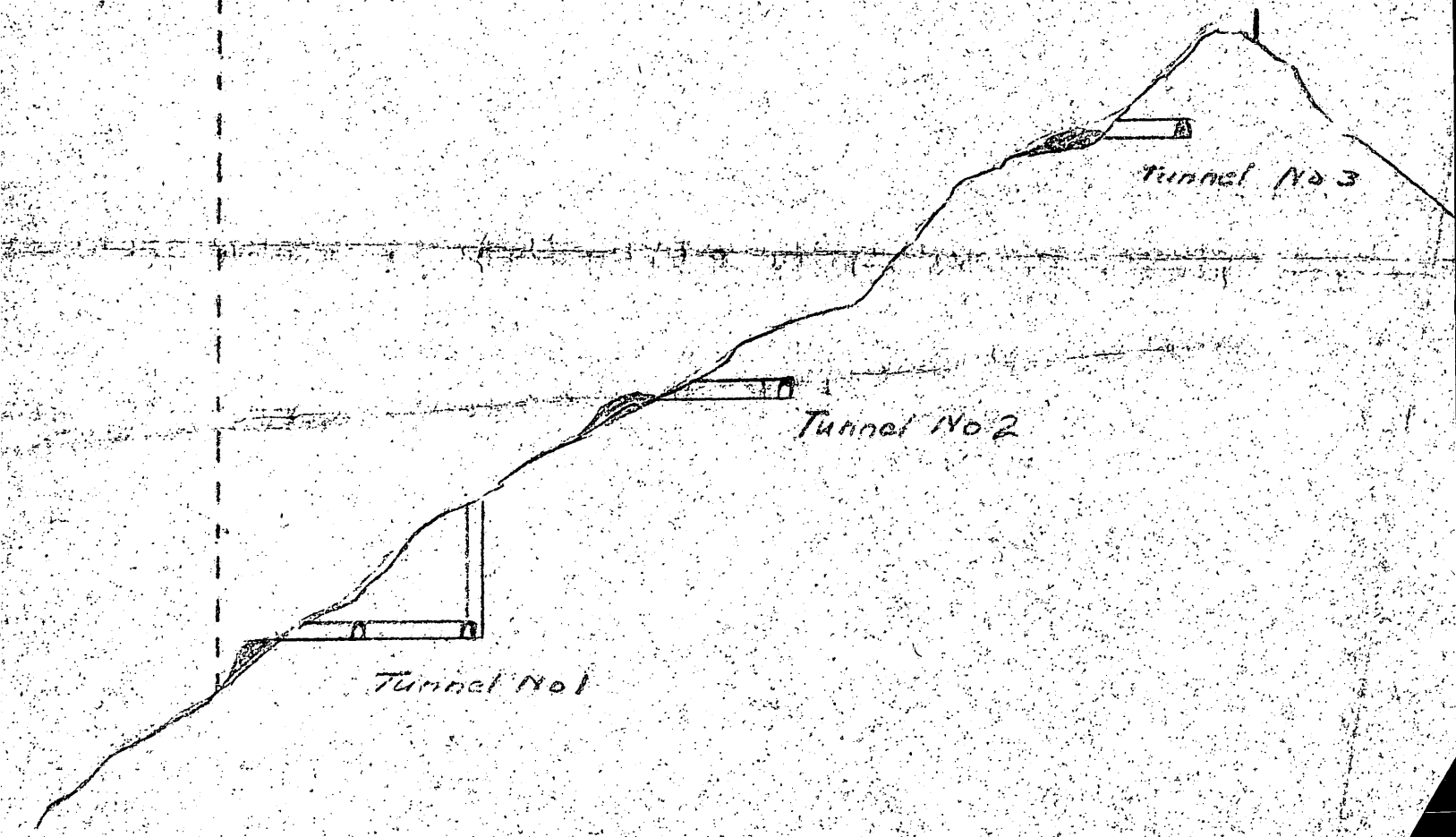
Proposed exploration of Mica and pitchblend Pegmitite dike.
King Lode

May 11-1915
Roy. G. Corrin
Geologist

NE. 1/4 SE 1/4 - Section 22 - Township 1 Ion
Range 93 W. of The 6th P.M.



Plane View



Vertical View

Scale 1" = 500'

NE 1/4 SE 1/4 Section 22-
Township 10N - Range 83W.
of The 6th P.M.

elevation
11500 FT.

Proposed trail to Build

5 1/2 Miles

Mica
Lake

elevation of lake
Approx. 11,000 FT

5 1/2 Miles Total Road
To Build with Bulldozer
PLUS Small amount of work
of work with Bulldozer on 4 Miles
Logging Road To connect with
Main Road.

May 11 - 1951
Roy. G. Corrin
Geologist

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
MAY 22 1951
LANDON F. STROBEL
Executive Secretary

a.E.C.

June 8, 1951

C. E. Fee

Memorandum

To: Stanley M. Walker, Acting Chief
Housing and Utilities Branch

From: James A. Barr, Chief, Industrial Minerals Branch

Subject: DMA-1278X

Subject application includes $15,000 for 5½ miles road to the King Lode Claim, Rahn's Peak District, Routt Co., Colorado. Property described as N.E.¼, S.E.¼, Sec. 22, Twp. 10 N., Range 83 W. of 6th P.M., 14 miles N.E. Clark, Colorado, 34 miles N.E. Steamboat Springs, Colorado. Beginning point of road not clearly stated; somewhere near Miss Lake.

Application referred to the Field Team June 8.

James Barr

James A. Barr, Sr.,

JABARR:mp

cc: Mr. Strobel
Mr. Barr
DMA Files

June 1, 1951

Mr. C. E. Lee
P. O. Box 305
Albany, Missouri

Subject: DMA-1270X
Re: Exploration Loan
King Lode

My dear Mr. Lee:

Receipt is acknowledged of your application and attachments of May 22, 1951 for an exploration loan under the Defense Production Act of 1950.

The application was assigned Docket Number DMA-1270X and was referred to Mr. James A. Barr, Chief, Industrial Minerals Branch on May 28, 1951.

In any future correspondence relating to your application, kindly refer to DMA-1270X.

Sincerely yours,

LANDON F. STROBEL
Landon F. Strobel
Executive Secretary

LFSTROBEL:js
cc: ✓Strobel-2
Files
Barr
Lyon

Form MF-103
(April 1951)

U. S. DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

Budget Bureau No. 42-R1035.
Approval expires 6-30-51.

APPLICATION FOR AID FOR AN EXPLORATION PROJECT PURSUANT TO MINERAL ORDER 5, UNDER DEFENSE PRODUCTION ACT OF 1950

DO NOT FILL IN THIS BLOCK

Docket No. 1270 X

Date received 5-28-51

Participation

C. E. LEE
P.O. Box 305
ALBANY, MISSOURI

Name and address of applicant

Date 22 May 1951

FILL IN THIS BLOCK

Date of application MAY 22, 1951

Estimated cost $58,408.00

Mineral or metal MICA AND PITCHBLEND

Percentage of Government participation Ninety (90)

Location of mine HAHN'S PEAK DISTRICT
COLORADO

Date of filing MF-100

DMA Docket Number, if available 1270 X

INSTRUCTIONS

Read Mineral Order 5, Regulations Governing Government Aid in Defense Projects, before completing this application. Submit four signed copies of the application to Defense Minerals Administration, Department of the Interior, Washington 25, D. C., or to the nearest field executive officer thereof, with your name and address on each sheet of the application and all accompanying papers. If any question is inapplicable, or if you cannot answer it, so state on the form. Where the space provided for answer is insufficient, answer on a separate sheet, annex it to the application form, and refer to it in space for answer. If the application is approved, you will be presented with an exploration project contract on Form MF-200, for your signature.

THE APPLICANT

*1. Is applicant an individual, partnership, or corporation?
*2. If a partnership, state names and addresses of partners.
*3. If a corporation, state names and addresses of officers, directors, and five largest stockholders.
*4. Describe the mining and general business experience of (*a*) the applicant, and (*b*) the person or persons who will manage the project.
*5. Are you the owner or the lessee of the property?
6. If owner, state what claims, liens, or encumbrances, if any, are against the property.
7. If lessee, attach a copy of the lease and state if it is in good standing.

NOTE.—It will be necessary to procure and attach to the exploration project contract agreements of claimants, lienors, encumbrances and lessors subordinating their interests in the property to the interest of the Government under the contract.

8. Furnish current financial statement, showing assets and liabilities, and a profit and loss statement.
9. How much money is applicant prepared to invest in proposed project? Is it sufficient to pay your part of the cost of the project as detailed in question 23 of this application form, in accordance with the regulations on Government participation (Section 9 of Mineral Order 5)?

*If you have already answered these questions on MF-100, you are not required to answer the questions for this application.

16—64067-1

THE PROPERTY

10. (*a*) Give a description of the real property that will be in any way involved in the exploration project, including any existing mine or operating property.
    (*b*) Give the legal description of the exact parcel, plot, or area upon which the exploration is to be conducted.

    NOTE.—If both areas are the same, so state. The only obligation to repay the Government is from the net earnings from any commercial discovery made in the area specified in (*b*) above in which the exploration is to be conducted, and the expenditure of funds which may be charged as costs of the project must be limited to that area or to work necessary to perform the exploration in that area.

*11. State the present and former names of the property, if any.

*12. State, in detail, the location of the property with reference to towns, railroads, roads, shipping points, including distances and directions and kinds and conditions of roads.

*13. State source and quantity of water available for operations and its sufficiency at all seasons.
State amount of power to be used, rate per hour or other cost, and source.

*14. Describe any existing useable facilities, equipment, buildings, or structure now on the property that will be devoted to the exploration work.

15. State in detail how the ore could be shipped and how and where milled.

*16. History:
    (*a*) Give a statement, as complete as possible, of previous exploration, development, operation, and production of property, with reasons for any past suspensions of operations.
    (*b*) State briefly the known history and production of adjoining and neighboring properties.
    (*c*) Furnish any available (private) reports that may apply to this application, including results of mine examinations, recommended exploration and development, and metallurgical investigations.

*17. Production:
    (*a*) If mine is in production, furnish the following information:

	Tons per day	*Grade or analysis*	*Cost per ton*	*Net value per ton*
(1) Mining				
(2) Milling				
(3) Shipped or sold				

*18. Ore or mineral reserves: (If property is or has been operating.)
    (*a*) Describe the ore or mineral deposits briefly.
    (*b*) Submit available maps and assay data.
    (*c*) Give estimated tonnage and grade of each class of ore reserves.

19. State any conditions or circumstances regarding the property not sufficiently brought out by the foregoing questions.

THE EXPLORATION

20. For what mineral or minerals and for what types of deposits and ores will the exploration be conducted?

21. Describe briefly, but concisely, the proposed work and the estimated time required to complete it.

    NOTE.—The Government will not participate in a project that will require more than 2 years to complete.

22. Furnish statement of the geological basis of the project with particular emphasis on factors leading the operator to expect the finding of commercial ore bodies. This statement should be accompanied by supporting maps such as geological maps, maps of the proposed openings and assay maps, sample lists, and other pertinent data.

THE REQUIREMENTS AND COSTS

23. Tabulate in the form of an itemized statement with a sum for each item the estimated requirements and costs of the project so that the total will give the estimated cost of the project in which the Government will participate, as follows:
    (*a*) Labor, by numbers and classes (miners, muckers, millmen, etc.), with wages of each.
    (*b*) Supervisors, by numbers and positions, with salaries of each.
    (*c*) Cost of necessary repairs to existing facilities, structures, and buildings.
    (*d*) Cost of necessary installation or construction of additional facilities, structures, and buildings.
    (*e*) Cost of items of equipment, not now owned by the applicant which must be purchased for operations at a cost of $50 or more each.
    (*f*) Cost of rental for equipment which the operator proposes to rent.
    (*g*) Rental value of items of equipment which the operator now owns and which will be devoted to the work.
    (*h*) Cost of materials and supplies, including items of equipment costing less than $50 each.
    (*i*) Cost of power, water, utilities, and any other items not provided for above.

24. Furnish a time schedule of the project, stated in terms of months after project is approved, showing progress expected to be accomplished and the money expected to be spent.

CERTIFICATION

The undersigned company, and the official executing this certification on its behalf, hereby certify that the information contained in this form and accompanying papers is correct and complete to the best of their knowledge and belief.

KING LODE MINE
(Name of company)

By C. E. Lee
(Signature of authorized official)
C. E. LEE

MAY 22, 1951
(Date)

SUPERINTENDENT
(Title)

Title 18, U. S. Code (Crimes), Section 1001, makes it a criminal offense to make a willfully false statement or representation to any department or agency of the United States as to any matter within its jurisdiction.

*Same as footnote on page 1.

16—64067-1 U. S. GOVERNMENT PRINTING OFFICE

EXHIBIT "A" #1, THE APBLICANT - a Partnership

EXHIBIT "A" #2 - THE APPLICANT:

C. E. Lee, Albany, Missouri
R. C. Spence, Fort Collins, Colorado
E. C. Ellis, Audumon, Iowa.

EXHIBIT A #4 - THE APPLICANT:

C. E. Lee, 20 years Construction; 5 years Mining
R. C. Spence, 10 yrs. Oil Fields, 5 yrs. Mining, 15 yrs. Mechanic.
E. C. Ellis, 40 years Mining and Oil field experience.

EXHIBIT A #5 - APPLICANT -

OWNERS

EXHIBIT A #6 - THE APPLICANT.

None-- Claim is clear-- also, our equipment is clear.

EXHIBIT A #9, THE APPLICANT

Equipment, Labor and Cash up to $5,000.00

EXHIBIT A#10A (THE PROPERTY)

Just one claim. The KING LODE claim 1500 ft. x 600 ft.
No other property.

EXHIBIT A #10B (THE PROPERTY)

Hahn's Peak District, Routt County, Colo., King Lode Claim
N.E.¼, S.E.¼, Sec.22- Twp. 10 N., Range 83W. of 6th P.M.

True copy of original -- filing, recording.

EXHIBIT "A" #11 (THE PROPERTY)

KING LODE CLAIM -- the only name ever used.

EXHIBIT "A" #12 (THE PROPERTY)

14 Mi. N.E. Clark, Colo., 34 mi. N.E., Steamboat Springs, Col., Railroad at Steamboat Springs, 350 mi. east of Salt Lake City, Utah; 5½ mile road to build with Bull Dozers-- all other roads are good.

EXHIBIT A#13 (THE PROPERTY)

Abundant water supply near at hand the year round or any workable season; power mill will have to be Gasoline and Diesel and portable - 110 Volt, 1750 watt Light Plant -- Estimated cost of project for Gasoline, Diesel, Oils, Greases, plus transportation from Steamboat Springs, Colorado.....$2,000.00

EXHIBIT A #14 (THE PROPERTY)

NONE. There is no road for 5½ miles so we have not been able to move anything in; have some equipment to take in as soon as a road can be built.

EXHIBIT A #15 (THE PROPERTY)

This mica can be shipped most anywhere by railroad or truck. Several samples have been shipped to different Mica firms, including General Electric; all have expressed their desire to buy, and all have rated it a very good grade. The lowest price that we received was on 90 lbs. Scrap sold to General Electric Co., for which they surprised us by sending a check for $57.60. Pitchblend will be shipped to Salt Lake City, Utah, by railroad or truck.

EXHIBIT A-16A HISTORY (THE PROPERTY)

Opened by hand a Face 8' high, 12' wide x 6 to 8 ft. into hill, taking out about 4 tons of saleable or commercial mica, and about 300 lbs. Pitch Blend, running from 68.4%, 74.2% to 87% -- It is too distant to carry out in packs, which is at present the only way to get products out or supplies brought in.

EXHIBIT A #16B - HISTORY (THE PROPERTY)

The Hahn's Peak District is a known and proven Productive District for several different mining projects. It is recognized a a very highly productive district; we do not hesitate to show anyone we really have these products.

EXHIBIT A #16C HISTORY (THE PROPERTY)

Mr. Stuart Ferguson, Engineer from Mica Processing Plant of Custer, So. Dakota and Mr. Roy G. Coffin, Geologist, Fort Collins, both looked the property over and both reported a good grade of Mica and Pitchblend in commercial quantities to warrant more exploration. Pitchblend was sent to the Atomic Energy Commission, New York, Grand Junction, Col., Colorado School of Mines, Rifle, Colo., Remington-Rand, and several others; all rated our product very highly -- in fact, the highest known; The mica samples have been shipped to several Mica buyers; all expressed their desire to buy, and rated our product as a Very Good Grade.

EXHIBIT A #18A (THE PROPERTY)

A very large Pegmetite Dyke is what the engineer and Geologists claim; quantities unknown, but apparently Plentiful.

EXHIBIT A #20 (THE EXPLORATION)

Mica and Pitchblend in huge Pegmetite Dyke, to prove quantity which is there beyond doubt on our part.

EXHIBIT A#21 (THE EXPLORATION)

Drift or tunnel into mountain and cross-cut, each 50 ft. 1 shift, 6 months, 2 shifts, 3 months --,about 3 months is all the season will permit, working, so 1 shift would take about 16 months from now.

EXHIBIT A#22 (THE EXPLORATION)

Sufficient Mica and Pitchblend taken out and exposed, plus other outcrops to warrant further exploration; sufficient supply in sight at present time, and real possibilities of a very great project in both products. Both show on both sides; also the top and bottom or what we call the bottom which is the bottom of where we went into Mountain; there is Mica and Pitchblend below-- we do not know how far. With this will be white prints showing map of mine and proposed tunnels-- also proposed road. Samples shipped, mailed and taken direct. All rate very high in Mica. The Pitchblend, everywhere we have sent or taken it is rated the Highest known grade anywhere; no one admits ever before seeing any of this product of such a high quality.

EXHIBIT A#23B (REQUIREMENTS AND COSTS)

300 cu. ft. Compressor	$6,000.00
1 Jack Hammer, 55 lbs.	400.00
100 ft. H.D. air hose for hammer	150.00
Powder Caps and fuse for road and mining	1,000.00
1 Electric Welder complete with motor and leads, etc.	1,000.00
Welding Rods, Gasses and supplies	150.00
Heavy Duty Tools for repairs & Maintenance	250.00
Gasoline, Diesel fuel, oils, greases, plus transportation costs	2,000.00
3-in. Cent. Pumps, with motor complete	1,000.00
3-in. Plastic Pipe and connections	750.00
Wiring & Fixtures for lights	250.00
Groceries	1,000.00
Mine cars and track	500.00
Miscellaneous Repair parts, etc.,	3,000.00
TOTAL...	$17,450.00

EXHIBIT A #23A (THE REQUIREMENTS AND COSTS)

2 Drillers, $2.50 per hr., 1, 8-hr. shift, 6 months, or 2, 8-hr. shifts, 3 months,	$2,880.00
2 Muckers, $2.00 per hr., 1, 8-hr. shift, 6 months, or 2, 8-hr. shifts, 3 months	2,304.00
1 Cat. and Dozer Operator $2.50 per hr., 1,8-hr. shift, 6 months, or 2, 8-hr. shifts, 3 months	2,880.00
1 Truck Driver, $2.00 per hr., 1,8-hr.shift, 6 mos., or 2, 8-hr. shifts, 3 months	2,304.00
1 Cook, $1.50 per hr., 1,8-hr. shift,6 mos., or 2, 8-hr. shifts, 3 months	1,728.00
1 Bookkeeper and stenographer, $1.50 per hr., 1, 8-hr. shift, 6 mos., or 2, 8-hr. shifts, 3 months	1,728.00
1 all-round man $1.50 hr., 1,8-hr. shift, 6 months, or 2, 8-hr. shifts, 3 months,	1,728.00
	$15,552.00

EXHIBIT A #23G (The requirements and costs)

1, 1950 Ford, 1 ton-truck, extra good.

1, 55-Lb. Jack Hammer

100 ft. Heavy Duty air hose for Hammer

1 Light Plant, 110 V., 1750 Watt.

1 Oxygen Avetylene Welding and Burning outfit; 50 ft. Hose and Gages complete.

$500.00 in tools for repairs and maintenance

$1,000. Drill Steel and Heads

1 large Trailer for Caterpillar, 20-ton capacity, Rental Value $4,950.00

1 Cat & Dozer on road already included.

EXHIBIT "A" #24 (The requirements and costs)

By using 2 shifts we expect to complete the exploration in 3 to 4 months or this season, provided we can get started in June this year, if not within 16 months-- money to be spent as outlined in the foregoing for equipment, buildings, road, labor, groceries, powder, etc.

EXHIBIT "A" #23 H (The requirements and costs)

None other than already included.

Exhibit A #23F (The requirements and costs)

Caterpillars and Dozers for building road, as stated previously. $15,000.00

EXHIBIT A#23B (The requirements and costs)

1 - General foreman and timekeeper, $3.00 per hour, 18-hr. shift, 6 months, -- 2,8-hour shifts, 3 months $3,456.00

EXHIBIT A#23C (The requirements and costs)

5½ miles of road to be built with Caterpillars and Dozers plus a small amount of Dozer work on 4 miles logging road to connect to main road-- Smallest estimate on this road job..... $15,000.00

(There is no building on property as there is no way into property except on foot).

EXHIBIT A#23D. (The requirements and costs)

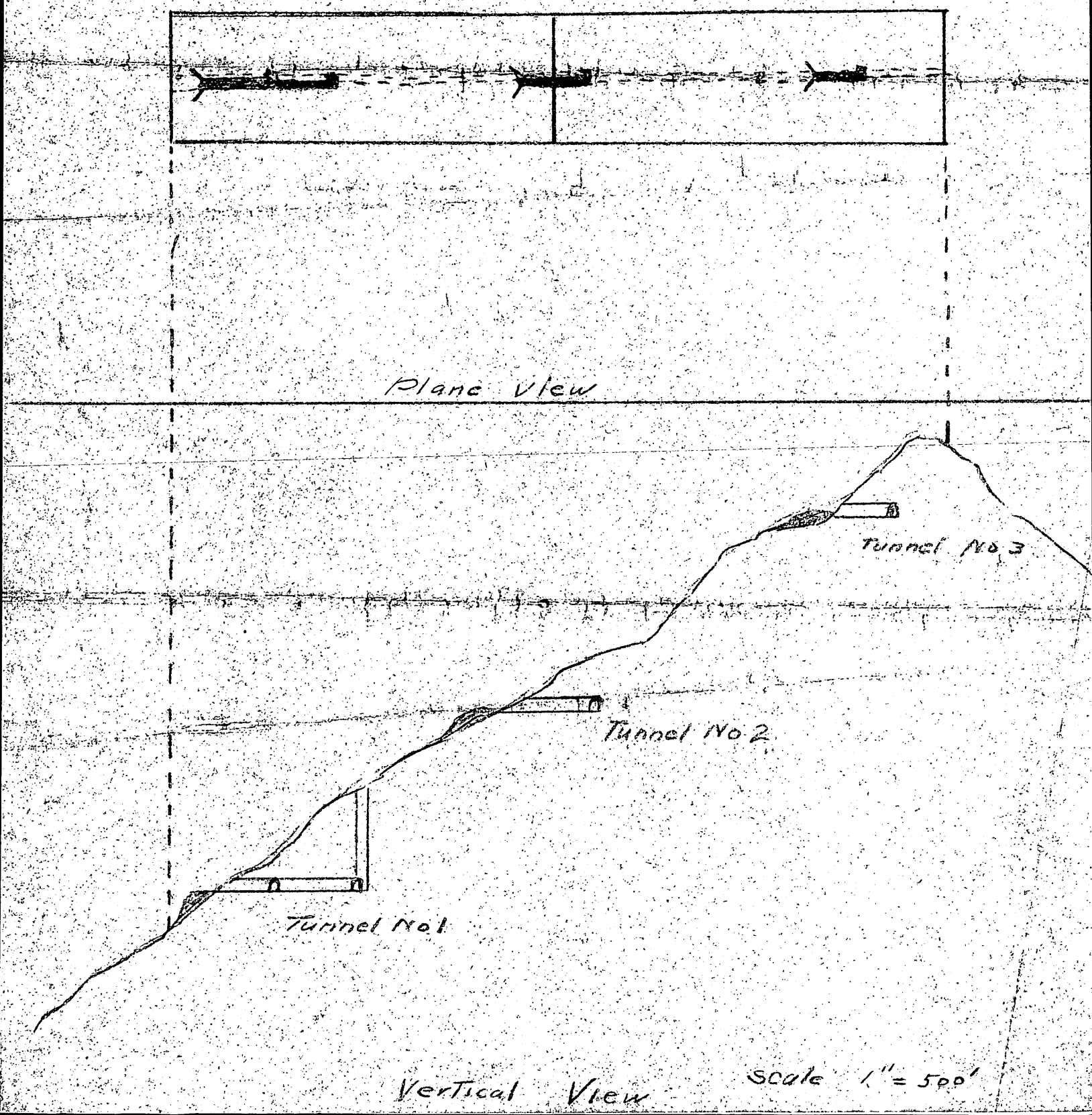
1 Cook and mess Building
1 small office building
3 Living Quarters
1 Bunk House
1 Ore Bin and Loading shute
Utensils, furniture, and furnishings,bedding, etc., $2,000.00

(Can contract entire job if they use logs on location for buildings).

Proposed exploration of Mica and pitchblend Pegmatite dike. King Lode

May 11-1915
Roy. G. Cottin
Geologist

NE. 1/4 SE. 1/4 - Section 22 - Township 10 N.
Range 83 W. of The 6th P. M.



NE 1/4 SE 1/4 Section 22-
Township 10n - Range 83w.
of The 6th P.M.

King
Lode

elevation
11500 ft.

Proposed trail to build

5 1/2 Miles

Mica
Lake

elevation of lake
approx. 11,000 ft

5 1/2 Miles Total Road
To Build with Bulldozer
PLUS Small amount of work
of work with Bulldozer on 4 Miles
Logging Road To connect with
Main Road.

May 11 - 1951
Roy. G. Corrin
Geologist

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
MAY 22 1951
LANDON F. STROBEL
Executive Secretary