August 1, 1951

Memorandum

To: Louis Merdal, Executive Secretary
Uranium Minerals Administration

From: BLM Field Team, Region IV

Subject: BLM Project 1-7502, King Lode Claim, Pine Ranch, Ruby's Dude District, Routt County, Colorado

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

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

The involvement is returned herewith.

F. T. Allen, Attorney

A. H. Koschmann

A. H. Koschmann

Enclosure
One copy by Air Mail
Two copies by Regular Mail

Ld

cc: BLM

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)

KING LODE CLAIM

MICA BASIN, HAHN'S PEAK DISTRICT

ROUTT COUNTY, COLORADO

DMA DOCKET 1270X

Geology

By Truman H. Kuhn
U. S. Geological Survey

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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 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. 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.

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

DMA

370

~~July 31, 1951~~
8-9

REGIONAL DIRECTOR'S OFFICE
REGION IV
AUG 13 1951
BUREAU OF MINES
DENVER, COLO.

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 Barr
M.P.
James A. Barr, Sr.

Approved:

Tom Lyon

Director, Supply Division

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

FWO
8-17-51

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

370

July 31, 1951

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

Mr. C. B. 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, Hahn'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

Tom Lyon, Director
Supply Division

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

Fwd 8-17-57

D.M.M. - 1270

May 10, 1951.
Ft.Collins, Colo.

Mr. Stuart Ferguson from the mica processing plant of Custer, South Dakota and I examined the mica mine at Mica Lake in the Hahns Peak District and found that the mine contained marketable muscovite mica, some of which Mr. Ferguson indicated could be considered as of very good quality.

While the pegmatites of this district seem to enclose a considerable quantity of mica the limited amount of work which had been done at the mine did not expose sufficient area to allow a definite estimate of the quantity available at the site.

Roy G. Coffin

Roy G. Coffin

Geologist.

August 1, 1953

Memorandum

To: [illegible], Executive Secretary
Defense Minerals Administration

From: DMEA Field Team, Region IV

Subject: [illegible], [illegible] Lode Claim, [illegible], [illegible] County, Colorado

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

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

The docket is returned herewith.

E. T. [illegible], Geologist

A. E. [illegible]

Enclosures
[illegible]
[illegible]

[illegible]

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 Docket 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.

A. H. Koschmann

Attachments
JHE/el
cc-dma files
Koschmann
Allsman

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

June 11, 1951

AIR

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, Chairman
Coordinating Committee

Enclosures 2

Approved:

_____
for, Bureau of Mines

_____
for, Geological Survey