Building 20 - Federal Center
Denver 25, Colorado

July 5, 1961

Memorandum

To: George C. Selfridge, Chief
Division of Field Operations, OME
Washington 25, D.C.

From: Hugh M. Connors, Acting Field Officer, OME, Region III

Subject: OME-6109 (Lead-Zinc)
Monon Leasing Company
(Monon Claim Group)
Saguache County, Colorado

Enclosed are the original and two copies of the examination report dated June 1961 by T. M. Rumelo, Mining Engineer, covering the examination of the subject property.

I concur with the field examiner that the application for OME aid should be denied.

Original signed by

Hugh M. Connors

HMC/lm
cc Chief, Division of Field Operations (Orig & 2)
DMR/DFC
Docket 6109
Chron

UNITED STATES
DEPARTMENT OF THE INTERIOR
STEWART L. UDALL, SECRETARY

OFFICE OF MINERALS EXPLORATION
REGION III

OME-6109

Monon Leasing Company

Monon Claim Group

Saguache County, Colorado

Lead-Zinc

Examination Report

by

T. M. Romslo, Mining Engineer, Bureau of Mines

June 1961

CMB-6109
Mamon Leasing Company
Saguache County, Colorado

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INTRODUCTION, SUMMARY AND RECOMMENDATION

The Monon Leasing Company applied for Governmental financial aid in exploration for lead and zinc on the Monon claims in Saguache County, Colorado. The application was assigned docket number OME-6109. Its proposed exploration consisted of sinking a 300-foot deep winze from an adit and drifting 125 feet from the winze on each the 150-foot level and the 300-foot level. The total cost of the proposed work was an estimated $27,587.50.

The writer examined the property in the company of Mr. Ivan Weaver, a partner of the Monon Leasing Company, May 9, 1961.

The Monon claims lie along the eastern border of the extensive field of Teritary volcanic rocks of the San Juan Mountains. The claims were probably first prospected for gold and silver before 1900. They are believed to have been inactive from than to 1941, when Mr. Wade War, located the property and drove the present upper adit. He abandoned the property in 1942 after exploring a mineralized zone near the face of the adit. The property then was idle to 1958 when the Monon Leasing Company relocated the claims and started driving an adit to intersect the known mineralized zone at a lower level. The company has since completed the adit, explored the mineralized zone encountered by the adit, and tested a mineralized outcrop by trenching. Drifting from the lower adit to test for the latter mineralized zone at depth, is presently in progress. In early 1960, the F. F. Milling Company erected a 25-ton concentrator on the property. The concentrator has

been idle except for a few days in August 1960, when about 30 tons of stockpiled material was milled. No marketable concentrate was produced. At the present time, the Monon Leasing Company is reportedly suing the milling company for failing to operate the mill as called for in a contract.

Production from the claims is probably confined to an estimated 258 tons of material containing about 1.6 percent lead, 1.8 percent lead, 0.04 percent copper, and 0.01 ounce gold, and 4.0 ounces silver a ton. All the material was produced by the Monon Leasing Company from exploratory workings in the two mineralized zones. Two tons of the material was shipped to a smelter and the remaining 256 is stockpiled on the property.

Bed rocks exposed on the Monon claims consist of rhyolite porphyry and andesite. They are cut by fairly strong, steeply dipping shears that strike mainly eastward and westward. Probably the most extensive of the claim's two known lead and zinc deposits, occupies a zone of fractured andesite at the intersection of the shears. It has been explored and partially developed by underground workings. The other deposit occurs in fractured porphyry, and is similarly localized.

The property's total indicated and inferred reserves of lead and zinc bearing material is not considered significant.

The principal objective of the work proposed by the applicant is to develop a known deposit.

The application is recommended for denial because the purpose of the proposed work is not to search for new or unexplored mineral deposits.

LOCATION, TOPOGRAPHY AND PHYSICAL FEATURES

The Monon claims are located in Secs. 9 and 16, T. 41 N., R. 4 E., Saguache County, Colorado (fig. 1). They are about nine miles northwest of Del Norte, Colorado, a town on U. S. Highway No. 160 and the Denver and Rio Grande Western railroad. They lie in an area of rolling hills at the southeastern foot of the La Garita Mountains. Altitude of the claims ranges from about 9000 feet to 9500 feet above sea level.

The claims are accessible from Del Norte by traveling 9.0 miles west on U. S. Highway No. 160, and thence 9.2 miles northward on graveled roads. A log of the trip follows:

	Miles
Del Norte	0.0
Junction highway with 'Granger Siding' road	9.0
North on 'Granger Siding' road	1.3
East on country road	0.4
Northeasterly on signed U. S. Forestry 'Embargo Creek' road	7.2
Northeasterly on access road to mine	0.3
Total	18.2

HISTORY AND PRODUCTION

The property was probably first worked before 1900 when a few shallow pits were dug in a search for gold and silver ores. No additional work is believed to have been done until 1941, when Mr. Wade War, located the property and drove the present upper adit. He abandoned the property in 1942 after exploring a mineralized zone

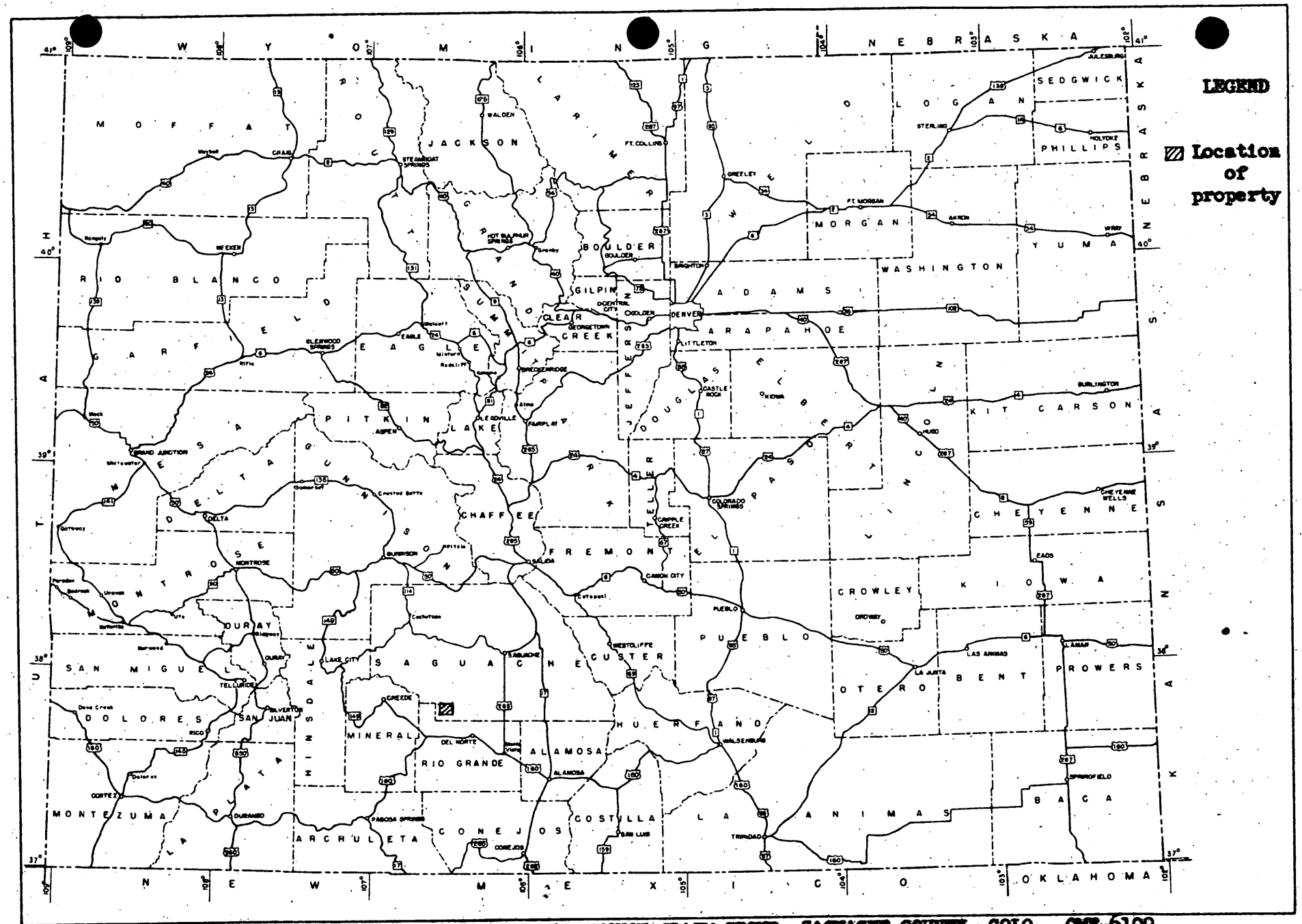

Fig. 1 - LOCATION MAP, MONON LEASING CO., MONON CLAIM GROUP, SAGUACHE COUNTY, COLO., OMP-6109

at the end of the adit.

The property was inactive from 1942 to 1958, when the Monon Leasing Company relocated the claims and started driving the present lower adit. The company has since completed the adit, explored a mineralized zone cut by the adit, and exposed another mineralized zone by trenching with a bulldozer. At the present time, a drift is being driven from the lower adit to test for an extension of the trenched mineralized zone.

Total production from the property, all by the Monon Leasing Company, consists of an estimated 256 tons of material stockpiled on the property, and two tons of ore shipped in June 1960 to the Arkansas Valley Smelter, Leadville, Colorado.

During early 1960, the F. F. Milling Company erected on the property, a 25-ton per day gravity concentrator. The concentrator was operated only for several days in August 1960 when about 30 tons of the stockpiled material was milled. No marketable concentrate was produced. At the present time, the Monon Leasing Company is reportedly suing the milling company for failure to carry out the provisions of a contract under which the mill was constructed.

EXTENT AND OWNERSHIP OF THE PROPERTY

The Monon Leasing Company, the applicant, is the sole owner of the property that comprises a group of four unpatented lode mining claims (fig. 2). The claims are reportedly filed and recorded in Saguache County, Colorado, as follows:

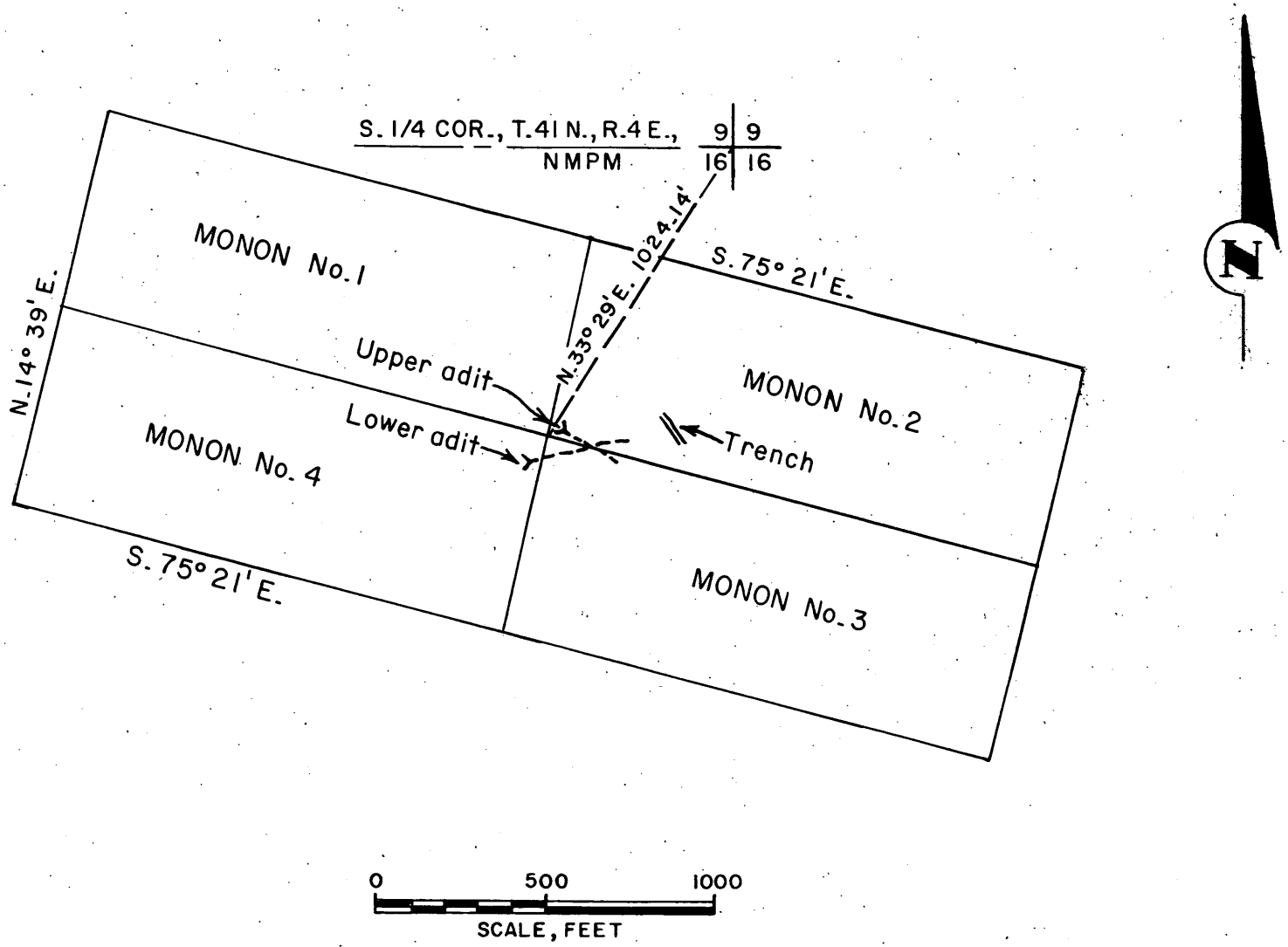

Figure 2.- CLAIM MAP, MONON LEASING COMPANY, SAGUACHE COUNTY, COLO., OME-6109

	Claim	Book	Page
Monon	No. 1	294	360
Monon	No. 2	294	358
Monon	No. 3	294	364
Monon	No. 4	294	362

The Monon Leasing Company, is a partnership composed of Mr. J. J. Williams, Alamosa, Colorado, and Mr. W. Wallace Wright, Mr. Harry J. Hoselkus, Mr. Gordon E. Hoselkus, and Mr. Ivan Weaver, of Creede, Colorado. The company's mailing address is Creede, Colorado.

PRESENT STATUS

Present activity is confined to drifting from the lower adit to test for an extension of the mineralized zone exposed by trenching. The drifting operation is carried out 2 shifts daily and 6 days weekly by 4 men, 3 of whom are owners of the Monon claims. Equipment in use includes a 315 C.F.M. air compressor, a jackleg drill, a shovel loader, and 16 mine cars.

Buildings on the property, in addition to the F. F. Milling Company's concentrator, consist of a sorting shed, a 30-ton ore bin, an auto-trailer house used for living quarters, and a school-bus body used for storage of oils and greases.

The mill is equipped with an electric-power generator, a cone crusher, a jig, and two concentration tables.

GEOLOGY

The Mason claims lie along the eastern border of the extensive field of Tertiary volcanic rocks of the San Juan Mountains. In the claim area, numerous andesite dikes intrude the bed rock that is made up almost entirely of Rhyolite porphyry.

Bed rocks exposed by the Mason mine workings consist of rhyolite porphyry and andesite (Fig.3). The contact between the porphyry and the probably intrusive andesite is abrupt and irregular. Although conspicuous shears in both rocks are fairly strong they seem to lack continuity. They dip steeply and strike either northeast or westerst.

Probably the most extensive of the two mineralized deposits exposed on the property, has been explored and partially developed by the underground workings. The deposit is confined to a zone of fractured andesite near the andesite-porphyry contact. It is localized at the intersection of two fairly strong shears. The other deposit occurs in fractured porphyry, and is similarly localized.

Sphalerite and galena are the principal minerals in both deposits. They occur sporadically as pods and veinlets beneath a shallow zone of oxidation.

The average grade of mineralized rock in each deposit is believed to be similar to that of the stockpiled material. Assays of the writer's grab samples of the stockpiled material follow:

Source of Stockpiled Material	Est'd Tons	Percent Lead	Percent Zinc	Percent Copper	Oz.T. Gold	Oz.T. Silver
Deposit developed by drift	250	1.60	1.85	0.04	0.01	4.0
Deposit exposed by open pit	6	2.65	1.75	0.05	0.01	3.0

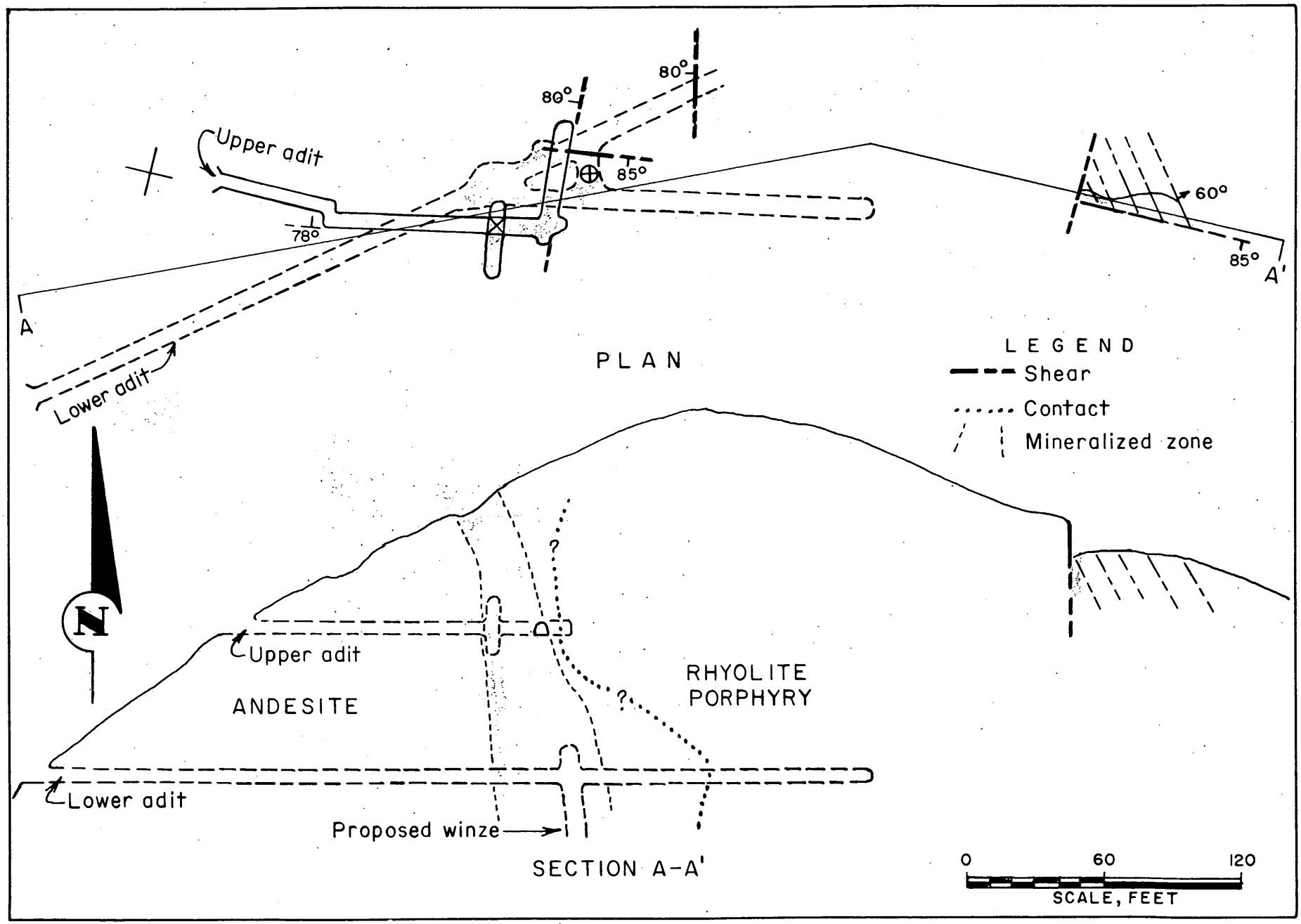

Figure 3.- GEOLOGIC MAP, MONON LEASING COMPANY, MONON CLAIM GROUP, SAGUACHE COUNTY, COLO., OME-6109

ORE RESERVES

Measured reserves consist of the estimated 256 tons of stockpiled material containing about 1.62 percent lead, 1.85 percent zinc, 0.04 percent copper, and 0.01 ounce gold, and 4.0 ounces silver a ton.

The indicated reserves in the two deposits is an estimated 11,500 tons of material similar in grade to that of the measured reserves. The principal deposit, which accounts for about 11,300 tons of the indicated reserves, has a well-delineated area averaging about 20 feet by 40 feet. Its indicated depth of 170 feet is from the surface to 50 feet below the lower adit. The approximate 200 tons of indicated reserves in the other deposit occurs in a zone about 4 feet by 6 feet by 50 feet deep.

Inferred reserves are an estimated 7500 tons of material mineralized to about the same degree as the indicated reserves. The estimate is based on an inferred additional 100-foot depth extension of each deposit.

PROPOSED EXPLORATIONS

Work proposed by the applicant would be done in 2 stages. Stage I work would consist of sinking a 150-foot deep winze from the lower adit, and drifting 125 feet from the bottom of the winze. Under Stage II, the winze would be deepened 125 feet to a 300-foot level where a 125-foot drift would be driven.

The applicant's estimated cost of the project follows:

Stage I

Winze, 150 feet at $57.00/ft.	$ 8,550.00	
Drift, 125 feet at $28.50/ft.	3,562.50	
Estimated cost of Stage I		$ 12,112.50

Stage II

Winze, 150 feet at $76.00/ft.	$11,400.00	
Drift, 125 feet at $32.00/ft.	4,075.00	
Estimated cost of Stage II		$ 15,475.00
Estimated total cost of project		$ 27,587.50

During the field investigations, Mr. Weaver furnished the following information concerning the Monon Leasing Company's application for financial aid, and the company's current exploration. The company realizes that the main objective of its proposed program is to develop the principal deposit. Believing the mine can be profitably exploited upon completion of necessary development work, the company feels that further exploration of the principal deposit is not warranted. Also, no aid is needed to complete the drift now being driven to explore the other known mineralized zone on the property.

CONCLUSIONS AND RECOMMENDATION

It is concluded from field investigations that the total reserves of lead and zinc bearing material on the Monon claims is not significant. All except a minor portion of the potential reserves occur in an explored and partially developed deposit which the applicant wishes to further develop with Governmental financial aid. The applicant has not requested Governmental aid in current exploration of the other known deposit, nor would such aid be warranted because the deposit's indicated lead and zinc reserves are not significant.

Denial of the application is recommended because the Office of Minerals Exploration is not authorized to participate in the development of known mineral deposits.