Building 20 - Federal Center
Denver 25, Colorado

July 19, 1962

Memorandum

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

From: Acting Field Officer, OME, Region III

Subject: OME-6238 (Uranium)
Lone Butte Mining Company
(Lone Butte, et al., Claims)
San Juan County, Utah

Enclosed are the original and two copies of my report of examination on the subject property in which I recommend that the application be denied.

Original signed by

Hugh M. Connors

Attachments

HMC/lm
cc OME-6238
Chron
Division of Mineral Resources DFC

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION
WASHINGTON 25, D. C.

JUL 27 1962

OME
DEPARTMENT OF THE INTERIOR
REGION III
DENVER, COLORADO

Mr. R. J. Noonan,
d/b/a Lone Butte Mining Company
P. O. Box 143
Blanding, Utah

Re: OME-6238 (Uranium)
Lone Butte Mining Company
Lone Butte, et al., Claims
San Juan County, Utah

Dear Mr. Noonan:

Your application for financial assistance in exploring your property in San Juan County, Utah, and other information available to us have been reviewed.

Careful study of all this information indicates that the probability of disclosing significant ore reserves on your property is not sufficiently promising to justify Government participation in the proposed exploration. We regret to advise you that, under these circumstances, your application for exploration assistance is denied.

Sincerely yours,

George Fumich, Jr.

Director

GLAult/a
7-25-62
cc to: Director's Reading File
Review Committee
Region III (2)
Docket
Code 500

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

OFFICE OF MINERALS EXPLORATION

REPORT OF EXAMINATION
REGION III

OME-6238

LONE BUTTE MINING COMPANY

Lone Butte, et al., Claims

SAN JUAN COUNTY, UTAH

Uranium

Examination Report

By

Hugh M. Connors, Mining Engineer

July 1962

CME-6238
LONE BUTTE MINING COMPANY
Lone Butte, et al., Claims
SAN JUAN COUNTY, UTAH

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OME-6238
LONE BUTTE MINING COMPANY
Lone Butte, et al., Claims
SAN JUAN COUNTY, UTAH

INTRODUCTION AND SUMMARY

Mr. R. J. Moenan, dba Lone Butte Mining Company applied for exploration aid on the mining claims covering the Lone Butte or Cheesebox Mesa in the White Canyon Area of Utah. The proposed work was to consist of drifting, road repair, and road maintenance at a total estimated cost of $51,000.00. The application was dated September 15, 1961 but was not received until April 16, 1962.

The property was examined on July 11, 1962 in the company of the Applicant.

The uranium mineralization on these claims occurs, as elsewhere in the area, in channel scours in the top of the Moenkopi formation at the base of the Shinarump conglomerate. Three such channel scour outcroppings have been found on the property but no mineralization of ore grade has been encountered in the exploration work to date. Drill holes ahead of the mine workings have shown no promise of higher mineralization or thicker possible ore-bearing beds in the channel.

The field examiner believes that further exploration on this property is not warranted and he recommends that the application be denied.

LOCATION, ACCESSIBILITY, AND PHYSICAL FEATURES

The Applicant's claims cover the entire top of Lone Butte, or Cheesebox Mesa, which is a prominent landmark in the area about 100

miles west of Blanding, Utah. The unpatented claims are in the White Canyon Mining District, in Secs. 8, 17, and 18; T. 36 S.; R. 18 E., SLBM, San Juan County, Utah.

The property is accessible by way of the Hideout mine on Deer Flat, or by a Forest Service road over Elk Ridge to Deer Flat. From Deer Flat, the Lone Butte appears to be no more than a mile away but because of the deep canyons the Applicant's access road winds around and extends 18 miles from Deer Flat to the property. This access road is in very poor condition and it required two hours driving to complete the 18 miles.

The top of Lone Butte or Cheesebox Mesa is elliptical in shape with a long axis of about 6,000 feet and it is about 3,000 feet wide. Except for a small strip at the north end of the butte there is an almost sheer drop of 1,000 feet to the bottom of White, Cheesebox, and Hideout Canyons, on the south, west, and east.

HISTORY AND PRODUCTION

Work on the claims was started in 1954. An access road was built from Deer Flat and the Shinarump outcrop was rim stripped with a bulldozer around the east, south, and part of the west perimeter of the mesa, along the Moenkopi-Shinarump contact. Three exposures of low-grade uranium mineralization were found as a result of this work. These uranium exposures were in channel scours.

A short adit of about 35 feet was driven on the northeasterly exposure and no mineralization of ore grade was encountered. No work

has been done on the southeasterly exposure.

The work was concentrated on the southwesterly exposure of uranium mineralization. Here, parallel adits, 20 feet apart, were driven along the channel. A large clay roll was encountered and the Operator tried to get around it but failed. The mineral mined ahead of the clay roll was not ore grade. The total production, 1412 tons, averaged .182% U_3O_8 and, to be of ore grade, would require a minimum of .27% U_3O_8 at this location.

OWNERSHIP AND EXTENT

The five Lone Butte claims are owned by Texstar, a Delaware corporation, which also holds under lease, 19 other claims consisting of the Big Rocky and Rainbow groups. Texstar, also holds an interest in other mining claims which cover the entire Cheesebox Mesa, consisting of the Raven, Happy Surprise, Texstar, Payday, First Notch, Second Notch, and John Groups of claims.

All of the Texstar interests have been assigned to the Applicant.

PRESENT STATUS

The property has not been worked for several years and the access road is almost impassable. No buildings or equipment of any kind are on the property. The annual assessment work is due on all of these claims.

GEOLOGY AND ORE DEPOSITS

Rocks in the White Canyon area consist of sedimentary formations

ranging in age from Carboniferous to Jurassic; the entire section is more than 2,000 feet thick. These beds are on the southeast flank of the Elk Ridge anticline and have a regional dip of 2° to 3° SW. The nearest exposures of igneous rocks are in the Henry Mountains, about 7 miles to the west.

The lower unit of the Chinle formation covers the top of Lone Butte and is approximately 100 feet thick and consists of variegated gray bentonitic clay, and lenticular beds of sandstone and conglomerate. Underlying the Chinle is the Shinarump conglomerate composed of interbedded yellowish-gray sandstone and gray clay and siltstone. The conglomerate of the formation contains reworked siltstone fragments of the Moenkopi formation, clay balls, and carbonized wood. Low-grade uranium mineralization occurs in the three exposures of channel scours in the top of the Moenkopi formation at the base of the Shinarump conglomerate. The uranium mineralization is not continuous and appears not to exceed one foot in thickness.

PROPOSED EXPLORATION & COSTS

The Applicant proposes a total of 2,400 feet of drifting and crosscutting and 300 hours of bulldozer or patrol work on the access road at a total cost of $51,000.00.

The Applicant's estimated costs are reasonable if not actually low. Drifting at $20.00 a foot and the use of a D-8 dozer at $10.00 per hour are considered cheap at that location.

CONCLUSION AND RECOMMENDATIONS

There are three known channel exposures on the property, two of which have had some exploration work. The channels have not been found to be well mineralized at any point, in the work done to date, and there is no evidence to indicate that any improvement could be anticipated. Drill holes ahead of the mine workings show no mineralization of ore grade. It is recommended that the application be denied.

The merits of the property were discussed with an AEC mining engineer in Grand Junction who has known the property for years and he believes that further exploration on Lone Butte is not warranted.