DMEA Form 9

UNITED STATES
DEPARTMENT OF THE INTERIOR
Defense Minerals Exploration Administration

OFFICIAL DOCKET FILE

DMEA NO. 4609

Application (Denied ✓
(~~Withdrawn~~
(After disposition, delete items not applicable)

Contract (Terminated - not Certified
(Cancelled
(Terminated - Certified
(Royalty Agreement

This is the official contract file containing all official records of the project. The records contained in the files are checked and are arranged in this order:

Left Side

Interim Royalty Audits
Reports of Royalty Review
Certification of Discovery
Certificate of Audit (Final)
Interim Audit(s)
Report of Review
Termination Notice or Agreement
Recision Notice
Assignment of Contract
Contract Amendments (latest on top)
Contract with all exhibits and annexes
Owner's Consent to Lien
Subordination Agreement
Leases and assignments of leases
✓Application and attachments
(3) Envelope for maps

Right Side

Project summary
Work completed analysis
All other material is filed in chronological order with correspondence including the following reports as checked:

Final Field Team Report (Tab)
Operator's Final Report
(2R) Interim Reports
(2R) Operator's monthly reports and all attachments (latest on top)
✓On-site Exam Report(s) (Tab)
(4) Settlement Sheets

When the volume of records is expected to warrant additional folders, or when convenience of reference warrants separate folders for certain records, they should be set up in this order:

Left Side

Folder No. 2: (In chron. order)
Interim Summary Reports by W. O. Engineers

Right Side

Operator's Semi-Annual Report for Certified Project, Field Team Interim Reports, Operator's Monthly Report with transmittal, narrative, maps, and Field Team review.

Folder No. 3: Maps (Use pocket folder or envelope. Fold maps with title block out and show reference to related document or correspondence.)

Folder No. 4: Settlement Sheets

Folder No. 5: Drill Logs

9775

MF-103
(Revised [illegible] 1952)

RECEIVED JAN 24 1957 DMEA

UNITED STATES DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

Form Approved.
Budget Bureau No. 42-R1035.2.

DMEA
DEPARTMENT OF THE INTERIOR
JAN 18 1957
REGION III
DENVER, COLORADO

APPLICATION FOR AID IN AN EXPLORATION PROJECT, PURSUANT TO DMEA ORDER 1, UNDER THE DEFENSE PRODUCTION ACT OF 1950, AS AMENDED

Not to be filled in by applicant

Docket No. 4609
Metal or Mineral Uranium
Date Received 1-24-57
Estimated Cost $25,350
Participation (Government %)

INSTRUCTIONS

1. *Name of applicant.*—(*a*) State here your full legal name, in the form in which you will wish to contract, and your mailing address: Pete D. Schlagel - partner Greeley 0121 J4
Walter M. Schlagel - partner
Kenneth L. Schlagel - partner
Duane A. Schlagel Rte 1, Box 107, Kersey, Colorado

(*b*) If other than an individual, add to your name above whether a corporation, partnership, etc., and the name of the State in which incorporated or otherwise organized.

(*c*) If a corporation, add to above statement, titles, names and addresses of officers.

(*d*) If a partnership, add to the above statement the names and addresses of all partners.

2. *General.*—Read DMEA Order 1, "Government Aid in Defense Exploration Projects," before completing this application. Submit this application and all accompanying papers in quadruplicate (four copies), with your name and address on each sheet of the application and on all accompanying papers. Where sufficient space is not provided on the form for all required information, state it on an accompanying paper, with a reference in each case to the instruction to which it refers by number. Comply with all applicable instructions; or, if not applicable, so state. File the application with Defense Minerals Exploration Administration, Department of the Interior, Washington 25, D. C., or with the nearest field executive officer thereof.

3. *Applicant's property rights.*—(*a*) State the legal description of the land upon which you wish to explore, including all land which you possess or control that may be benefited by the exploration, and excluding any land or interest in land which is not to be included in the exploration project contract 8 claims Larimer County, Colorado 1N Book 1010 Eureka # 1 Pg. 572, Eureka # 2 Pg. 574, Eureka # 3 Pg. 576, Eureka # 4 Pg. 578, Eureka # 5 Pg. 580, Eureka # 6 Pg 582, Eureka # 7 Pg. 584, Eureka # 8 Pg. 586

(*b*) State any mine name by which the property is known. Eureka

(*c*) State your interest in the land, whether owner, lessee, purchaser under contract, or otherwise Owner by discovery on public land

(*d*) If you are not the owner, submit with this application a copy of the lease, contract, or other document under which you control the property.

(*e*) If you own the land, describe any liens or encumbrances on it clear

(*f*) If the land consists of unpatented claims, add to the description above, the book and page numbers for each recorded location notice.

4. *Physical description.*—(*a*) Describe in detail any mining or exploration operations which have been or now are being conducted upon the land, including existing mine workings and production facilities. State your interest, if any, in such operations. Also describe accessibility of mine workings for examination purposes.

(*b*) State past and current production, and ore reserves, if any, giving quantities and grades.

(*c*) Describe the geologic features of the property, including mineralization, type of deposit (vein, bedded, etc.), and your reasons for wishing to explore. Illustrate with maps or sketches. Send with your application (but not necessarily as a part of it) any geologic or engineering report, assay maps, or other technologic information you may have, indicating on each whether you require its return to you.

(*d*) State the facts with respect to the accessibility of the project: Access roads, distances to shipping, supply and residence points.

(*e*) State the availability of manpower, materials, supplies, equipment, water, and power.

5. *The exploration project.*—(*a*) State the mineral or minerals for which you wish to explore Uranium

(*b*) Describe fully the proposed work, including a map or sketch of the property showing a plan (and cross sections if needed) of any present mine workings, and the location of the proposed exploration work as related to such features as contacts, veins, ore-bearing beds, etc.

(*c*) The work will start within 30 days and be completed within 18 months from the date of an exploration project contract.

(*d*) State the operating experience and background of the applicant with relation to the ability to carry out such exploration project, and also that of the person or persons who will supervise the operations.

6. *Estimate of costs.*—Furnish a detailed estimate of the costs of the proposed work (you will have to use a separate sheet), under the following headings. Add the totals under all headings to give the estimated total cost of the project:

(*a*) *Independent contracts.*—(Note.—If the applicant does not intend to let any of the work to contractors, write "none" after this item. To the extent that the work is to be contracted, do not repeat the cost of the contract-work in subsequent items.) State the cost of any proposed independent contracts for the performance of all or any part of the work, expressed in terms of units of work (such as per foot of drilling, per foot of drifting, per hour of bulldozer operations, per cubic yard of material moved, etc.).

(*b*) *Labor, supervision, consultants.*—Include an itemized schedule of numbers, classes and rates of wages, salaries or fees for necessary labor, supervision and engineering and geological consultants.

(*c*) *Operating materials and supplies.*—Furnish an itemized list, including items of equipment costing less than $50 each, and power, water and fuel.

(*d*) *Operating equipment.*—Furnish an itemized list of any operating equipment to be rented, purchased, or which is owned and will be furnished by the Operator, with the estimated rental, purchase price, or suggested use-allowance based on present value, as the case may be.

(*e*) *Rehabilitation and repairs.*—Furnish a detailed list showing the cost of any necessary initial rehabilitation or repairs of existing buildings, installations, fixtures, and movable operating equipment, now owned by the Operator and which will be devoted to the exploration project.

(*f*) *New buildings, improvements, installations.*—Furnish a detailed list showing the cost of any necessary buildings, fixed improvements, or installations to be purchased, installed or constructed for the benefit of the exploration project.

(*g*) *Miscellaneous.*—Furnish a detailed list showing the cost of repairs to and maintenance of operating equipment (not including initial rehabilitation or repairs of the Operator's equipment), analytical work, accounting, workmen's compensation and employers' liability insurance, and payroll taxes.

(*h*) *Contingencies.*—Give an estimate of any necessary allowances for contingencies not included in the costs stated above.

NOTE.—No items of general overhead, corporate management, interest, taxes (other than payroll and sales taxes), or any other indirect costs, or work performed or costs incurred before the date of the contract, should be included in the estimate of costs.

7. (*a*) Are you prepared to furnish your share of the cost of the proposed project in accordance with the regulations on Government participation (Sec. 7, DMEA No. 1)?

(*b*) How do you propose to furnish your share of the costs?

[X] Money [X] Use of equipment owned by you [ ] Other

Explain in detail on acompanying paper.

CERTIFICATION

The undersigned, whether as an individual, corporate officer, partner, or otherwise, both in his own behalf and acting for the applicant, certifies that the information set forth in this form and accompanying papers is correct and complete, to the best of his knowledge and belief.

Dated Jan. 17, 1957

Peter D Schlagel
(Applicant)

By

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.

U. S. GOVERNMENT PRINTING OFFICE 16—66551-1

4. a. The mining property is located 33 miles North West of Loveland, Colorado. Highway map attached. Mining road indicated by broken line, which is accessable by car in good weather and by truck at any time.

A great deal of exploration has been done. In dollars about $15,000.00. Ore has been uncovered in six different places which has produced 50 tons. This has been shipped to Vitro Corp., Salt Lake City, Utah. No final returns available as yet. Expecting about January 15, 1957. Our interests in this work is
b. 100% owners.

b. Assays

1.	Vitro Corporation	Jul. 18, 1956	U_3O_8	0.66%
2.	Charles O. Parker	10/3/56	"	1.90
3.	" "	11/29/55	"	0.251
4.	" "	11/7/55	"	0.654
5.	" "	11/7/55	"	0.143
6.	" "	3/2/56	"	0.350
7.	" "	3/2/56	"	0.790
8.	" "	11/29/55	"	0.377

Ore reserves are not well enough developed to calculate.

c. This is an enormous pegmatitic deposit and the host rock is granite with a schist contact wall. Primary ores have been classified as autunite and torbernite. The dyke is about 2500' long and 300' wide.

Mr. Charles O. Parker, Colorado's leading geologist and assayer, visited the property and made the following statements: "The original source of the uranium should be searched for, and an attempt made to determine if this is from a magmatic course deposited by ascending magmatic mineralizing solutions. I believe it to be that type of deposition".

On one occasion, Mr. Parker declared this formation to be far superior in size and quality to his Denver Golden Schultzwalter mine.

d. These claims lie within 300 feet of the Buckhorn highway as indicated on the map attached. The closest railroad is 27 miles distant also indicated on the map. The supply point would be Loveland and Denver, Colorado and also the resident point. Personnel owning trailer houses could reside at Masonville, Colorado (shown on map)

e. We do not consider man power any problem. The seasonal farm worker will be abailable 7 months and the release of student power will provide additional in the summer months. The Buckhorn River runs within 300' of the property for a water supply. We found portable power was quite adequate for all of our requirements.

5. a. Uranium, Alumina

b. 10 holes shown on map.

d. The principal operator, Mr. Pete D. Schlagel has developed this property from the time of discovery. He had previously worked

as a miner for two years. He has had experience handling large equipment and some repair experiences too. He has had sufficient experience to realize the need of technical assistance. He will utilize the mining experience of Kenneth L. Schlagel, his son, a geological student, and will hire the services of a qualified mining engineer who will be acceptable to the A.E.C.

6. a. (1) 2000' core drilling. Bids enclosed $14,000. Low bid at $7.00 per ft.

b.

Numbers	class	rates	estimate	
3	Labor	at 2.00	1800 hrs.	$3,600.
	Supervision	5.00 per	400 hrs.	2,000.
	Engineering	a10.00 per	50 hrs.	500.
	Geological	10.00 per	50 hrs.	500.
	Water hauling (not included in bid)			1,700.

c. Operating materials, supplies
water for human consumption 100.
Gasoline & oil (for company pickup and truck) 150.

d. 1 - 2 ton truck rental 60 days at $20.00 per day 1200.
1 - ½ ton truck rental 90 days at 5.00 per day 450.

e. None

f. None

g. 1. Analytical work - 5 consultations at $50.00 ea 450.
2. Accounting 2 months at $100 per no. 200.
3. Workman's Compensation (none)

h. Contingencies 500.

7. a. Money

$25,350.00

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RECEIVED JAN 24 1957

DATE	INITIALS	CODE
October 3, 1956		

Golden Drilling Company
2301 East Street
Golden, Colorado

Pete Schlagle
Route # 1, Box 107
Kersey, Colorado

The Golden Drilling Company agrees to deamond core drill the estimated two thousand (2000) feet of exploration drilling to be done on the Eureka Mine being developed by Pete Schlagle located on Buckhorn Creek in Larimer county, Colorado at $7.00 per foot. Holes to be drilled approximately 200 ft.

In case of caving ground and cementing required, cementing will be done and drilled at $2.00 per ft.

This price included the approximate 2 mile water haul.

GOLDEN DRILLING COMPANY

W. E. Matthews

*******COPY *******

1/2/57
Box 264
Loveland, Colorado

Dear Mr. Schlagel

We - Harris, Mettles and I after inspecting your property, hereby submit our bid of $11.00 per foot for the 2000 Ft. of drilling to be done on your property.

By: L. Vernon Rider

for Harris, Mettlen & Rider

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DATE	INITIALS	CODE

*****COPY********

Livingston & Wilson Exploration Drilling

Longmont, Colorado

October 5, 1956

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Mr. Pete Schlagel
Route 1
P. O. Box 107
Kersey, Colorado

Dear Mr. Schlagel:

Relative to your phone conversation about the drilling you propose to do up on the Buckhorn, we would like to submit the following proposal.

Minimum drilling 2000 feet holes approximately 200', $7.50 per foot.

We thank you for the opportunity of submit this proposal.

Very truly yours,

Livingston & Wilson Exploration Drilling

Fred L. Livingston

FLL:dfo

TELEPHONE MAIN 3-1852
2114 CURTIS STREET
DENVER 5, COLORADO

Jan. 17, 1957.

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DATE	INITIALS	CODE

Mr. P. D. Schlagel,
Route 1, Box 107,
Kersey, Colorado.

Dear Mr. Schlagel:

Having made several reconnaisance visits to your property situated twenty seven miles northwest of Loveland, in T. 72 N, R. 7 N., Larimer County, Colorado known as the Eureka Mine, I am pleased to give you the following:

The area is one of pre-Cambrian metamorphic rocks which have been intruded by numerous pegmatite dikes. In many instances enrichment of secondary uranium minerals is visible in the pegmatite dikes adjacent to the contact with the shists. This enrichment is quite wide-spread, and appears to be from alteration of hydrothermal uranium minerals. It is possible that some syngenetic uranium minerals may be present but this was not posibively identified. There is evidence in the area of considerable faulting along the contact zones and in the shist areas away from the contact zones.

Because of the wide-spread uranium occurrences and the general faulted condition, I recommend that a program of exploration be performed to determine the possibility of hydrothermal uranium deposition, and the extent of such deposition. In my opinion, this exploration could best be performed by diamond drilling.

Very truly yours,

Charles O Parker.

CP-a

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

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DATE	INITIALS	CODE

224 New Customhouse
Denver 2, Colorado

January 21, 1957

Memorandum

To: Secretary to the Operating Committee

From: DMEA Field Team, Region III

Subject: Application for DMEA Aid (Uranium) Schlagel, Schlagel & Schlagel (Eureka claims) Larimer County, Colorado.

Enclosed are the original and two copies of the subject application in the amount of $25,350.00. One copy of the application is being retained in our file.

Three bids for the proposed drilling have been included with the application.

DMEA Field Team, Region III

W. M. Traver

By W. M. Traver
Executive Officer

Enclosures

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C Withington	RUN		RUN
~~5022~~ Int 5222	STOP		STOP
E.W. Ellis	RUN		RUN
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Miss J. Sue White Bureau of Labor Statistics Room 2402 Labor Building	RUN STOP	Mrs [illegible] Rm. 2211	RUN STOP
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[illegible] [illegible] Personnel	RUN STOP	Mrs. Shaw Room 4513	RUN STOP
[illegible] Margaret E. Thomas BLS [illegible] Bldg - Room 1083	RUN STOP	Library	RUN STOP
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[illegible]urplus envelopes to room for reissue.

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6/13	Murphy	700
6/13	[illegible]	700
6/14	Selfridge	130
6/14	[illegible]	130
6/14	Nelson	130
"	[illegible]	110
"	Mittendorf	100
		220
		700

JUN 14 1957

Mr. Pete D. Schlagel
Rt. 1, Box 107
Kersey, Colorado

Re: Docket No. DMEA-4609 (Uranium)
Pete D. Schlagel, et al.
Eureka Claims
Larimer County, Colorado

Dear Mr. Schlagel:

Your application for aid in an exploration project and other information available to us in Washington concerning the above-named property have been reviewed.

Projects approved by the Defense Minerals Exploration Administration must, in its judgment, show definite promise of yielding materials of acceptable grade in quantities that will significantly improve the mineral supply position for the National Defense Program.

Careful study of all our information, although noting some uranium mineralization on your property, indicates that the probability of disclosing significant ore reserves is not sufficiently promising to justify Government participation. We regret to advise you that, under these circumstances, your application for exploration assistance is denied. Such denial, however, is made without prejudice to the property. In the event further work on your part discloses new and more favorable evidence of ore deposition on the property, we shall be pleased to consider a new application.

We wish to thank you for your interest in the Defense Minerals Exploration Program and for bringing your property to our attention.

Sincerely yours,

C. O. Mittendorf

Administrator

FMMurphy/izm 6-12-57
cc to: Mr. Murphy
Admr.'s Reading File
Operating Committee
THKiilsgaard, 5224
DMEA FT REg. 3 (2)

8623

Docket

June 12, 1957

Ellis Murphy

Summary of Proposed Project

Object: Denial of application for exploration aid.

Docket No.: DMEA-4609

Commodity: Uranium

Amount of Application: $25,350

Applicant: Pete D., Walter M., Kenneth L., and Duane A. Schlagel
Rt. 1, Box 107
Kersey, Colorado

Property: Owner Eureka Nos. 1 through 8 claims, situated in sec. 14, T. 7 N., R. 72 W., 6th P.M., Larimer County, Colorado

Date of Application: Jan. 17, 1957

Referred to Region III: Feb. 6, 1957

Field Examination made: May 7, 1957

Field Team Report received: May 29, 1957

Work Proposed: Ten core drill holes, aggregating 2,000 feet of drilling.

Estimate Costs:

2,000 ft. drilling @ $7/ft.	$14,000.00	
Labor, supervision, consultants	6,600.00	
Water for drilling & camp use	1,800.00	
Trucks & gas	1,800.00	
Analyses	450.00	
Accounting & contingencies	700.00	
TOTAL		$25,350.00

Excerpts from Field Team Report:

A pegmatite dike, as much as 250 feet wide, intrudes a quartz biotite schist of the Precambrian Idaho Springs formation over a distance of about 3,000 feet of the claim area, and is reported to be traceable westward for one-half mile beyond the claims.

Eight pits have been dug along the north contact of the dike and schist. At irregular intervals along the north contact the dike contains small quantities of secondary uranium minerals. Maximum radioactivity is likewise concentrated in a zone 2 to 10 feet from the contact. A grab sample of the highly shattered pegmatite from pit No. 6, about at the center of the claims, contained 0.332% U_3O_8.

Twenty feet west of pit 6, the schist shows a radioactivity intensity of 0.15 mr/hr compared to 0.05 mr/hr for the pegmatite.

In conclusion the field examiners note that:

1/ Small, erratically distributed pockets of ore-grade uranium occur in a zone of shattering near the north contact of the dike;

2/ No significant rock alteration indicative of hydrothermal activity is evident; and

3/ No primary minerals that would indicate a syngenetic origin of the uranium present was found; however,

4/ Although the possibility of significant vein type uranium deposits is poor, the possibility of deeper buried deposits is not denied.

The examiners and Field Team recommend the application be denied without prejudice as further prospecting might provide the information now lacking.

Commodity Member's Comments: (excerpts)

USGS, N. E. Nelson, May 31, 1957:

Mr. Nelson concurs in the Field Team's recommendation because of the apparent present lack of an ore-making structure.

USBM, James Paone, June 3, 1957:

Mr. Paone concurs in the Field Team's recommendation.

Division of Rare and Miscellaneous Metals, F.M. Murphy, June 12, 1957:

The data submitted by the field examiners indicate that the ore-grade mineralization found on the north contact of the pegmatite dike is of epigene origin. The lack of any primary minerals or significant alteration in the contact zone certainly indicates that there is little hope of finding primary ores at depth.

Conclusion and Recommendation:

The field examiners evidently feel that not enough preliminary prospecting has been completed to definitely prove the ore is not of syngenetic origin, therefore, they recommend that the application be denied without prejudice. This Division agrees with this recommendation.

Ernest Wm. Ellis

Ernest Wm. Ellis, Director
Div. of Rare and Miscellaneous Metals

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DATE	INITIALS	CODE
6/4	C	220
6/4	Murphy	700

Date June 3, 1957

DMEA Project No. 4609

DMEA Contract No.

Commodity Uranium

Name of applicant Pete D. Schlagel, et al,

Name of property Eureka Claims

Location of property Larimer County, Colorado

Estimated cost of project $25,350

Ernest William Ellis, DMEA Member
Uranium Commodity Committee
James Paone, Bureau of Mines Member
Uranium Commodity Committee

Report of examination

(Explain briefly, with back of form if necessary)

1. Date of field examination: 5/27/57 2. Date received by advisor: 5/31/57

3. Is this project on the priority list as sent to advisor: Yes [ ] No [ ]

4. Is this project on monthly report as sent to advisor: Yes [ ] No [ ]

5. Information available on this project: Yes [ ] No [ ]

6. Other pertinent factors known to advisor: Yes [ ] No [ ]

7. Explain items marked yes above:

8. Factors meeting general consideration:
   a. Location [ ]
   b. Commodity [ ]
   c. Evidence of mineralization [ ]
   d. Geology [ ]
   e. Prepared exploration method [ ]
   f. Alternate exploration method [ ]
   g. Costs [ ]
   h. _____ [ ]

9. Action advised:
   a. Obtain information from applicant [ ]
   b. Refer to Field Team [ ]
   c. Denial [X]
   d. Agree with Field Team [X]
      e. Consult with Mr. _____ at _____ AEC office.
   f. Disagree with Field Team [ ]
   g. Suggest alternate plan [ ]
   h. Request another examination [ ]
   i. Approval [ ]

10. Remarks: (Use back of page if necessary)

IN REPLY REFER TO:

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DATE	INITIALS	CODE
6/3	C	220
6/4	Murphy	700

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

May 31, 1957
Re: DMEA 4609
Pete D. Schlagel, et al
Eureka Claims
Larimer County, Colo.
$23,350 - Uranium

Memorandum

To: E. W. Ellis, Defense Minerals Exploration Administration

From: N. E. Nelson, U. S. Geological Survey

Subject: Review of Field Team Report

The applicants requested assistance in exploring a large uranium-bearing (autunite and torbernite) pegmatite dike by core drilling. The dike intrudes rocks of the Precambriam Idaho Springs formation.

The examiners found small pods or lenses of ore-grade material in a shattered zone near the wall of the pegmatite. The quantity of ore is small and there appears to be no indication that other than scattered pockets are to be expected.

In view of the apparent present lack of an ore-making structure, the examiners and the Field Team recommend that the application be denied without prejudice. I concur with the recommendation.

N. E. Nelson

N. E. Nelson

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

224 New Customhouse
Denver 2, Colorado

May 27, 1957

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RECEIVED MAY 29 1957

DATE	INITIALS	CODE
5/29	C	220
		130
6/3	C	220
6/4	Murphy	700

Memorandum

To: Secretary to the Operating Committee, DMEA

From: DMEA Field Team, Region III

Subject: Docket DMEA 4609 (Uranium) Pete D. Schlagel, et al, (Eureka Claims) Larimer County, Colorado - Joint Report of Examination

Enclosed are the original and three copies of the Joint Report of Examination on the subject property by D. E. Redmon, USBM, and R. U. King, USGS.

The field examiners conclude that the probability for making a significant discovery is not sufficiently promising to justify Government participation. Accordingly they recommend that the Applicant's work proposal be denied to which the Field Team concurs.

E. N. Harshman

E. N. Harshman
Acting Executive Officer

Reviewed by
DMEA OPERATING COMMITTEE
5-31-57
(date)

ON-SITE EXAM. REPORT

IN REPLY REFER TO:

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY
Defense Minerals Exploration Administration
Denver Federal Center
Denver, Colorado

DMEA
DEPARTMENT OF THE INTERIOR
MAY 24 1957
REGION III
DENVER, COLORADO

May 24, 1957

Memorandum

To: Acting Executive Officer, DMEA Field Team, Region III

From: A. S. Konselman
E. N. Harshman

Subject: DMEA Docket 4609 (Uranium), Pete D. Schlagel et al. (Eureka claims), Larimer County, Colorado

Enclosed are the original and nine copies of a joint report by R. U. King, U. S. Geological Survey, and D. E. Redmon, U. S. Bureau of Mines, covering their examination of the subject property.

The applicant requested DMEA assistance in exploring for uranium in a large pegmatite dike exposed on the Eureka claims in Larimer County, Colorado. The proposed program consisted of 2,000 feet of core drilling (10 holes) estimated to cost $25,350.

Although the examiners confirm the presence of uranium in the pegmatite dike, they conclude that prospecting to date has not uncovered geologic structures that might contain significant amounts of uranium ore.

The examiners recommend, and we concur, that the application be denied without prejudice. Should further prospecting reveal geologic conditions conducive to the formation of significant uranium ore deposits, a re-evaluation of the property would be appropriate.

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A. S. Konselman
Mining Engineer

E. N. Harshman
Member, Field Team

Enclosures (10)
ENHarshman:mp

TRANSMITTED
MAY 27 1957

Reviewed by
DMEA OPERATING COMMITTEE
5-31-57
(date)

FOR UNITED STATES GOVERNMENT USE ONLY

DMEA
DEPARTMENT OF THE INTERIOR
MAY 24 1957
REGION III
DENVER, COLORADO

UNITED STATES
DEPARTMENT OF THE INTERIOR
FRED A. SEATON, SECRETARY

DEFENSE MINERALS EXPLORATION ADMINISTRATION

REPORT OF EXAMINATION BY FIELD TEAM
REGION III

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DMEA 4609

Pete D. Schlagel et al.

Eureka claims

Larimer County, Colorado

Uranium

Joint Engineering and Geological Report

by

R. U. King, Geologist
Geological Survey

D. E. Redmon, Mining Engineer
Bureau of Mines

Reviewed by May 23, 1957
DMEA OPERATING COMMITTEE
5-31-57
(date)

TRANSMITTED
MAY 27 1957

CONTENTS

Page

Introduction and summary..... 1

Acknowledgments..... 2

Property, location, physical features..... 2

Ownership, history, and production..... 3

Present status..... 3

Geology..... 4

Applicant's proposal and cost estimate..... 6

Conclusions and recommendations..... 7

ILLUSTRATIONS

Figure — Follows page

1. General area map, Pete D. Schlagel et al., Eureka claims, Larimer County, Colorado. DMEA 4609..... 2

2. Local area map, Pete D. Schlagel et al., Eureka claims, Larimer County, Colorado. DMEA 4609..... 2

3. Geologic sketch map Eureka claims, Pete D. Schlagel, et al., Larimer County, Colorado. DMEA 4609..... 4

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DMEA 4609

PETE D. SCHLAGEL et al.
EUREKA CLAIMS
LARIMER COUNTY, COLORADO

INTRODUCTION AND SUMMARY

Pete D. Schlagel et al., a partnership, Route No. 1, Box 107, Kersey, Colorado, applied for DMEA assistance to explore for uranium on eight unpatented mining claims in Larimer County, Colorado. The application was submitted January 18, 1957, and referred to the Field Team on February 8, 1957. A field examination was made May 7, 1957, by R. U. King, U. S. Geological Survey, and D. E. Redmon, U. S. Bureau of Mines, accompanied by Pete D. Schlagel and W. M. Schlagel partners in the enterprise.

The Eureka claims are on the north side of Buckhorn Canyon about 35 miles northwest of Loveland, Colorado.

The applicant proposes to explore for uranium deposits in a large pegmatite dike that has been intruded into Precambrian schist of the Idaho Springs formation. The bold outcrops of pegmatite can be traced for at least 3,000 feet, trending generally westward across the claim group.

The applicant's proposed program consists of 2,000 feet of core drilling in 10 holes. The estimated cost of the project is $25,350.

Although ore grade uranium-bearing material does occur on the property, the prospecting to date has not revealed any significantly favorable geologic structures, zones of hydrothermal alteration, or persistent mineralization.

It is recommended therefore that the application be denied without prejudice.

ACKNOWLEDGMENTS

Personnel from the Denver office of the AEC were consulted and they concurred with the examiners conclusions.

PROPERTY, LOCATION, PHYSICAL FEATURES

The property consists of eight unpatented mining claims in sec. 14, T. 7 N., R. 72 W., 6th P. M., Larimer County, Colorado (figs. 1 and 2). The claims are filed at the office of the County Clerk in Fort Collins, Colorado, as follows:

Eureka claims Nos. 1-8 inclusive, Book 1010, Consecutive even numbered pages 572-586 inclusive.

The climate is moderate, but occasional heavy snowfalls during winter months would stop open pit mining activities.

A substantial growth of pine and spruce would provide adequate timber for mining use.

Water can be obtained from Buckhorn Creek which crosses the southern part of the claim group.

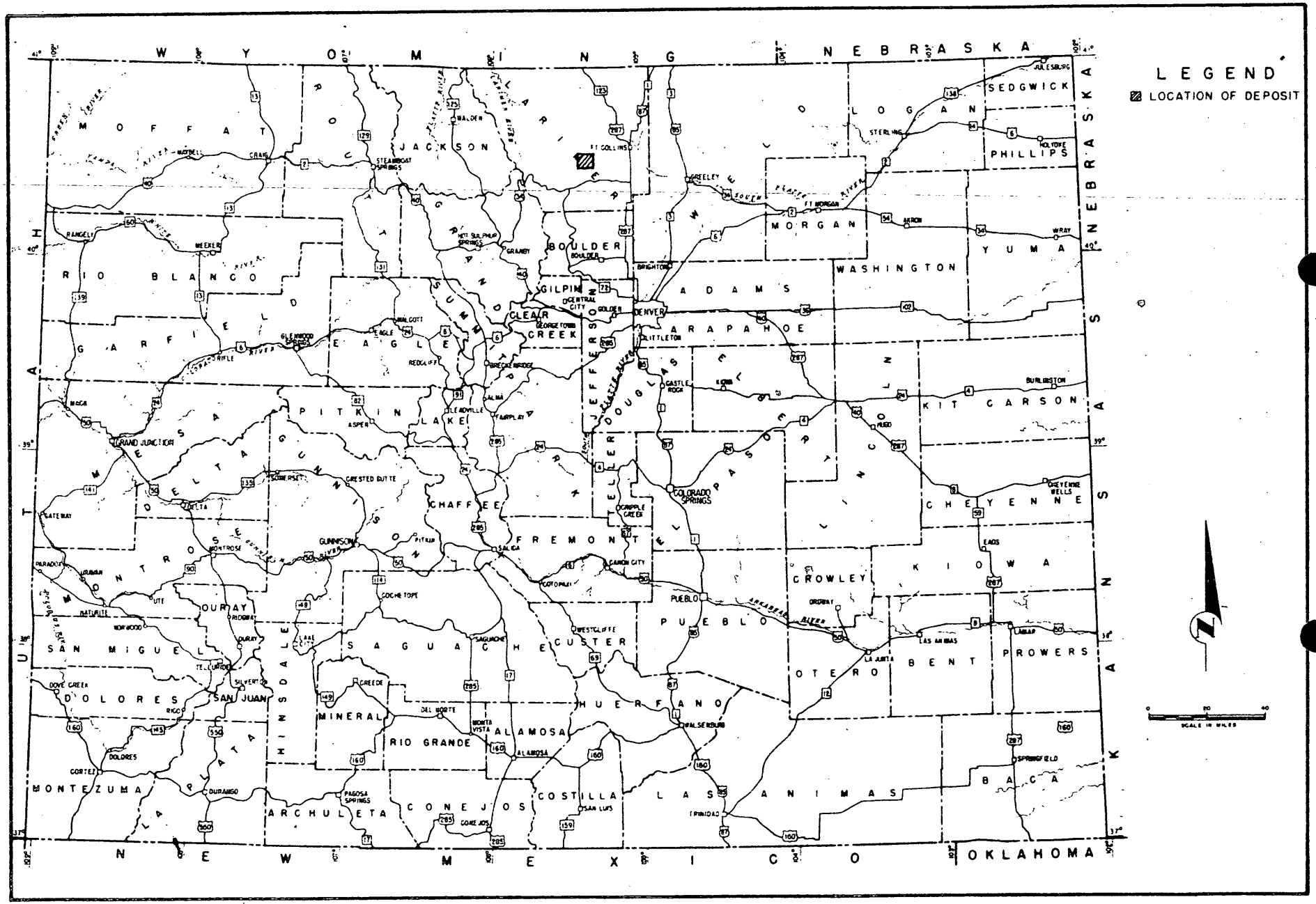


FIGURE 1 - GENERAL AREA MAP, PETE D. SCHLAGEL ET AL., EUREKA CLAIMS, LARIMER COUNTY, COLORADO. DMEA 4609

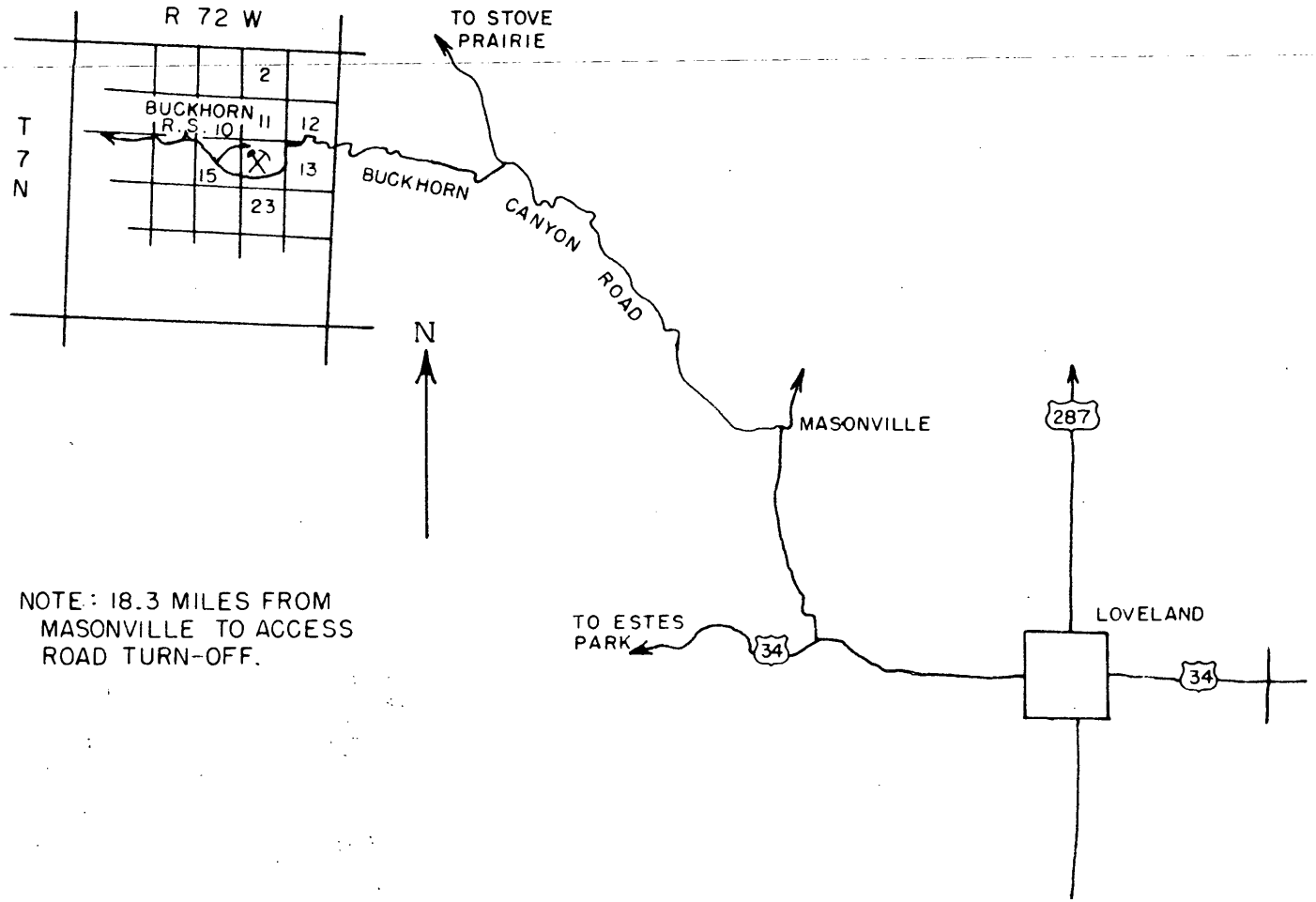


FIGURE 2 — LOCAL AREA MAP, PETE D. SCHLAGEL, ET AL., EUREKA CLAIMS, LARIMER COUNTY, COLORADO.
DMEA 4609

Supplies, manpower, and living accommodations are available in nearby communities.

Power would be supplied by internal combustion engines.

OWNERSHIP, HISTORY, AND PRODUCTION

The contiguous group of eight unpatented standard lode claims comprising the Eureka group (Nos. 1-8) are held as a family partnership by Pete D., Walter W., Kenneth L., and Duane A. Schlagel of Route 1 (Box 107), Kersey, Colorado.

Radioactivity anomalies were reported to have been discovered by Pete D. Schlagel early in 1955, and a 100 percent ownership to the mineral rights is claimed by the partnership.

Assays submitted with the application ranged from 0.143 to 1.90 percent U_3O_8 but a shipment to Vitro Corporation, Salt Lake City, Utah, consisting of about 44 tons of uraniferous material assayed only 0.07 percent U_3O_8. In 1956 the Atomic Energy Commission sampled 175 tons of stockpiled material and found it to contain 0.06 percent eU_3O_8.

PRESENT STATUS

No mining equipment or improvements were noted on the property at the time of the examination.

COPY

GEOLOGY

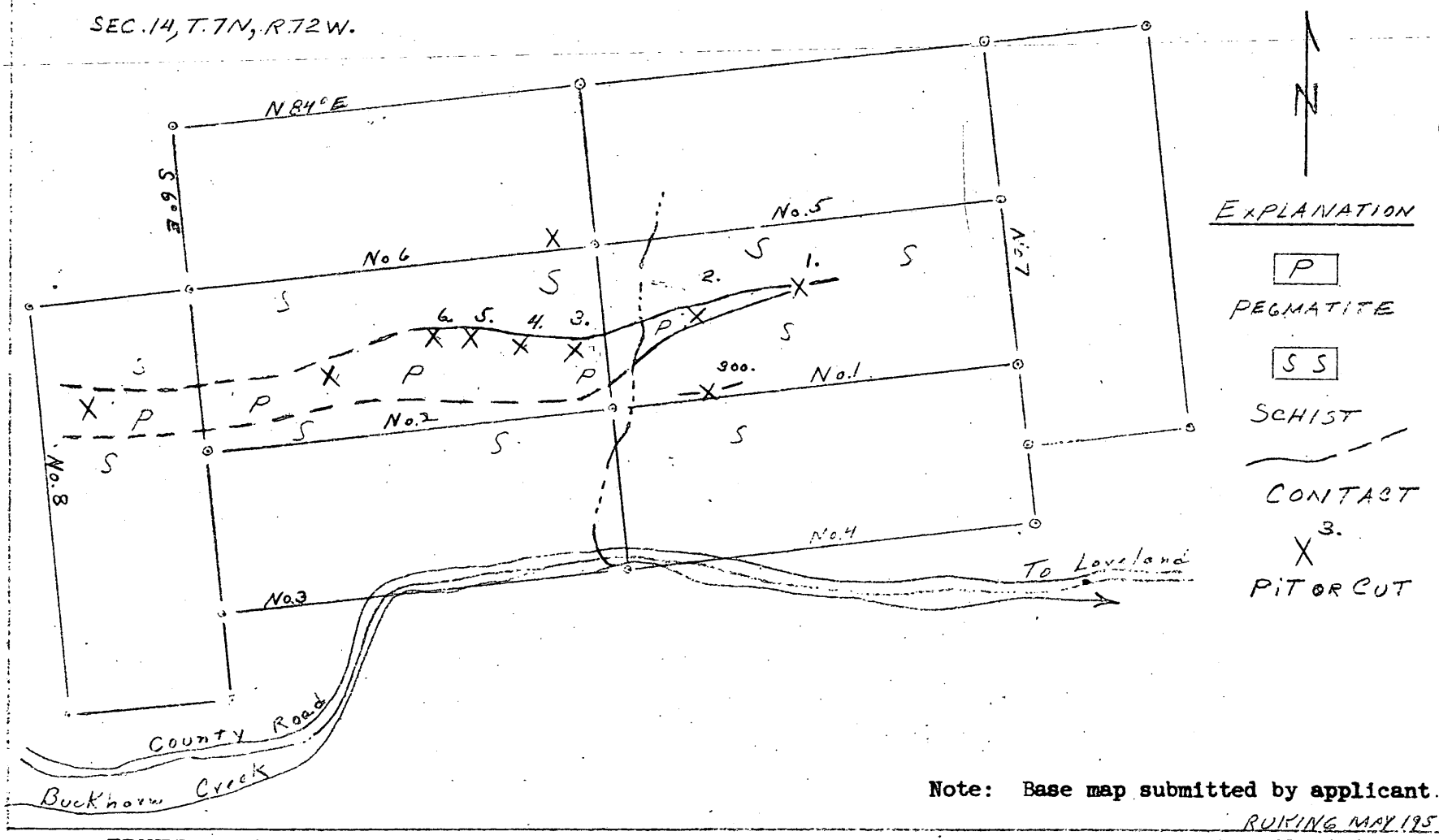
Quartz biotite schist of the Precambrian Idaho Springs formation that has been intruded by pegmatite underlies the Eureka claims (fig. 3).

The foliation of the schist trends about N. 80° E. and dips steeply south to vertical.

A pegmatite dike that is roughly concordant with the enclosing schist trends eastward across the middle of the claim group. The dike has been traced along the surface for more than 3,000 feet. About midway along claim No. 1 the dike pinches to less than 10 feet in width, and pinches out or disappears beneath the soil cover 50 feet east of pit 1. In the vicinity of pits 3 to 6 the dike is as much as 250 feet wide and is reported to traceable westward for one-half mile beyond the claims.

The pegmatite dike is highly fractured and shattered, and where weathering has penetrated fracture zones, much iron stained rubble has accumulated. The dike strikes N. 80° E. and dips vertically to steeply north.

The dike is composed of coarse quartz, feldspar, and mica and contains, at irregular intervals along the northern border, small quantities of secondary uranium minerals and unidentified black radioactive minerals. Films of yellow and green secondary uranium minerals tentatively identified as uranophane, autunite, and



Note: Base map submitted by applicant.

RUKING MAY 1957

FIGURE 3 GEOLOGIC SKETCH MAP EUREKA CLAIMS, PETE D. SCHLAGEL, ET AL., LARIMER COUNTY, COLORADO.

600 0 600 FEET

torbernite, coat fracture surfaces, in places near the north contact of the dike. Maximum radioactivity is likewise concentrated in a zone from 2 to 10 feet from the north contact. In the bottom of pit 6, which is about 6 feet deep, radioactivity ranges from 1 to 2.5 mr/hr. A grab sample (DER-16) of the highly radioactive shattered pegmatite from this locality contained 0.36 percent eU_3O_8, and 0.332 percent U_3O_8. No radioactive minerals were visible in place, but a half ton of material stockpiled nearby showed sparse yellow radioactive mineral coatings on pegmatite.

Twenty feet west of pit 6, the pegmatite-schist contact is exposed in natural outcrop. Compared with a background radioactivity intensity of 0.015 mr/hr in the schist, a 100-square-foot area of pegmatite measured 0.05 mr/hr. Maximum radioactivity at this locality, 3 feet from the contact, was 1 mr/hr.

In cut 2 radioactivity amounting to 1 mr/hr is associated with scattered stringers of reddish-brown quartz, and irregular masses of biotite-rich pegmatite. A small mass or bleb of a yellow radioactive gummite-like mineral is exposed in the face of the cut. A 5-foot channel sample collected at this locality in 1956 by the AEC contained 0.08 percent eU_3O_8.

Radioactivity amounting to about 1 mr/hr is associated with iron-stained rubble that has filled two 4-inch wide shears in the

pegmatite at cut 1. The radioactive rubble contains 0.04 percent eU_3O_8 and 0.039 percent U_3O_8 (sample DER-18).

A radioactive band of biotite-quartz gneiss 6 inches to 1 foot wide is exposed in cut 3 which is about 300 feet south of cut 2. The radioactive zone is traceable for not over 50 feet along the surface east of the cut. It is characterized by iron oxide staining along a persistent east-trending fracture zone. A grab sample (DER-17) of radioactive gneiss from the face of the cut contained 0.22 percent eU_3O_8 and 0.192 percent U_3O_8.

APPLICANT'S PROPOSAL AND COST ESTIMATE

The applicant proposed to core-drill 10 holes, aggregating 2,000 feet of drilling, estimated to cost $25,350, as follows:

a.	(1) 2,000 feet core drilling at $7.00 per foot	$14,000.00
b.	(1) Labor, 1,800 hours at $2.00 per hour	3,600.00
	(2) Supervision, 400 hours at $5.00 per hour	2,000.00
	(3) Engineering 50 hours at $10.00 per hour	500.00
	(4) Geological, 50 hours at $10.00 per hour	500.00
	(5) Water hauling	1,700.00
c.	Operating materials, supplies	
	(1) Water, for human consumption	100.00
	(2) Gasoline and oil for pickup and truck	150.00

d.	1-2 ton truck rental, 60 days at $20.00 per day	$ 1,200.00
	1-1/2 ton truck rental, 90 days at $5.00 per day	450.00
e.	none	
f.	none	
g.	(1) Analytical work - 5 consultations at $50.00 each	450.000
	(2) Accounting, 2 months at $100.00 per month	200.00
	(3) Workman's Compensation (none)	
h.	Contingencies	500.00
	Total estimated cost	$25,350.00

Three bids for diamond drilling from independent contractors were included with the application.

It is noted that the low bid of $7.00 per foot, included hauling of water for drilling. Under item g., the term analytical work is apparently misunderstood and also includes an error of $200. Charges for supervision, drinking water and rental for a 2 ton truck are not realistic.

CONCLUSIONS AND RECOMMENDATIONS

The pegmatite dike contains small, erratically distributed pockets of ore-grade uranium that are apparently related to a zone of shattering near one contact with the enclosing wall rocks. But no persistent mineralization occurs along this zone, nor is there

any significant rock alteration indicative of hydrothermal activity. No crystals or masses of uraninite were found and none have been reported to occur in the dike that would indicate a syngenetic origin of the uranium present. The probability of the occurrence of significant vein type uranium deposits is poor, yet the possibility of deeper buried deposits is not denied; further prospecting might provide the information now lacking.

It is therefore recommended that the application be denied without prejudice.

DMEA
DEPARTMENT OF THE INTERIOR

FEB 13 1957
REGION III
DENVER, COLORADO

February 13, 1957

Memorandum

To: W. M. Traver, Executive Officer, DMEA Field Team, Reg. III

From: Superintendent, Denver Experiment Station, Reg. III

Subject: Docket DMEA 4609 (Uranium) Pete D. Schlagel, et al, (Eureka claims) Larimer County, Colorado

The application for Pete D Schlagel, et al, Docket DMEA 4609 in the amount of $25,350.00 was received in this office on February 13, 1957.

A field examination will be made and suitable report prepared by an engineer from the Denver office.

W. H. King

W. H. King

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DMEA
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DATE	INITIALS	CODE
2/18	C	220
2-18	Murphy	700

cc: W. M. Traver (2)
R. N. Harshman
J. F. Shaw

Sec. Op. Comm. (2)

OFFICIAL FILE COPY DMEA RECEIVED FEB 15 1957		
DATE	INITIALS	CODE
2/18	C	220
"	Murphy	700

224 New Customhouse
Denver 2, Colorado

February 12, 1957

Memorandum

To: E. N. Harshman) w/e Appl., Chmn. ~~Letter &~~
W. H. King (2)) Review Memoranda

From: DMEA Field Team, Region III

Subject: Docket DMEA 4609 (Uranium) Pete D. Schlagel, et al. (Eureka claims) Larimer County, Colorado

Enclosed are a copy of the subject application in the amount of $25,350.00, its transmittal to the Executive Officer from the Chairman, Operating Committee, DMEA, for referral to the field and Memoranda of Review by J. E. Crawford, USBM, and N. E. Nelson, USGS. A field examination and suitable report are requested.

You will note the Chairman's comment regarding the high drilling costs; however, it may be well to establish the grade of ore stated to have been shipped by the applicant before a conclusive decision is reached.

Please return the Bureau of Mines' copy to this office with your examination.

DMEA Field Team, Region III

Original signed by
W. M. TRAVER

By W. M. Traver
Executive Officer

Enclosures
MBM:eh
cc: Chmn. Op. Comm. (2)
Docket 4609
Chron.

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

224 New Customhouse
Denver 2, Colorado

January 21, 1957

Memorandum

To: Secretary to the Operating Committee

From: DMEA Field Team, Region III

Subject: Application for DMEA Aid (Uranium) Schlagel, Schlagel & Schlagel (Eureka claims) Larimer County, Colorado.

Enclosed are the original and two copies of the subject application in the amount of $25,350.00. One copy of the application is being retained in our file.

Three bids for the proposed drilling have been included with the application.

DMEA Field Team, Region III

Original signed by
W. M. TRAVER

By W. M. Traver
Executive Officer

Enclosures

HMC:ytl
cc
Harshman
Shaw (2)
Subject
Chron.

EXTRA COPY
DMEA
RECEIVED JAN 24 1957

DATE	INITIALS	CODE

DMEA Form 7
(12-56)

700

OFFICIAL FILE COPY

Date	Surname	Code
2-6	Murphy	700
2-6	Eldridge	700
2/6	Selfridge	130
"	Johnson	100
"	Mittendorf	100
		220

FEB 6 1957

Mr. Pete D. Schlagel
Rt. 1, Box 107
Kersey, Colorado

Re: Docket No. DMEA-4609 (Uranium)
Pete D. Schlagel, et al.
Eureka Claims
Larimer County, Colorado

Lamb
Pete Schlagel

Dear Mr. Schlagel:

The application for assistance in exploring your property, under the captioned docket number, has been reviewed by the Rare and Miscellaneous Metals Division of the Defense Minerals Exploration Administration. It has been referred for a field examination to:

Mr. W. M. Traver
Executive Officer
DMEA Field Team, Region III
224 New Customhouse Building
Denver 2, Colorado

The Regional Office will contact you at the earliest opportunity in regard to your project.

Sincerely yours,

C. O. Mittendorf (for)

Administrator

FMMurphy/izm 2-6-57
cc to: Code 700
Mr. Murphy
Admr.'s Reading File
DMEA FT Reg. 3 (2)

R.S.

8623

700

DMEA Form 7
(12-56)

OFFICIAL FILE COPY

Date	Surname	Code
2-6	Murphy	200
2-6	[illegible]	700
2/6	Selfridge	130
"	[illegible]	110
"	[illegible]	100
2/8	C	220

FEB 6 1957

Mr. W. H. Traver
Executive Officer
DMEA Field Team, Region III
224 New Customhouse Building
Denver 2, Colorado

Re: Docket No. DMEA-4609 (Uranium)
Pete D. Schlagel, et al.
Euroka Claims
Larimer County, Colorado

Lamb

700

Dear Mr. Traver:

The captioned application is referred to Region III Field Team for investigation, a field examination, and recommendations.

Enclosed are copies of memoranda, dated January 30 and February 1, 1957, by J. E. Crawford, USBM, and N. E. Nelson, USGS, respectively, relating to the application. Also enclosed for Field Team use are two copies of the application.

We note that the Applicant's estimates for the proposed project amount to an average of about $12.67 per foot of hole drilled, the incidental costs representing over 40 percent of the total. These figures are high even for a low footage drilling project.

Sincerely yours,

George C. Selfridge

Chairman, Operating Committee (GHB)

Enclosures

APPROVED:

Frank D. Lamb (GHB)
Member, Bureau of Mines

Thor H. Kiilsgaard (GHB)
Member, Geological Survey

FMMurphy/izm 2-6-57
cc to: Code 700
Mr. Murphy
Admr.'s Reading File
Operating Committee
Messrs. THKiilsgaard, 5224
JKratchman, AEC

R.C.S.

8623

IN REPLY REFER TO:

OFFICIAL FILE COPY
D M E A
RECEIVED FEB 5 1957

DATE	INITIALS	CODE
2-5	C	220
2-5	~~Ellis~~ Murphy	700

Comments complete

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

February 1, 1957

Re: DMEA 4609
Schlagel, Schlagel & Schlagel
Eureka Claims
Larimer Co., Colo.
$23,350.00 - Uranium

~~Memorandum~~

To: E. W. Ellis, Defense Minerals Exploration Administration

From: N. E. Nelson, U. S. Geological Survey

Subject: Review of application.

The applicants request assistance in exploring a uranium-bearing(autunite and torbernite) pegmatite dike 300 feet wide and 2,500 feet long, by drilling. About $15,000 has been spent in work by the applicants and 50 tons of ore has been shipped, but the grade of the shipment was not known when the application was filed.

The assays of 8 samples show from 0.143 to 1.90% U_3O_8 but no widths or other particulars are given.

If the shipment, returns on which were expected Jan. 15, '57, was of ore grade an examination is indicated.

Referral of the application to the Field Team is recommended.

N. E. Nelson

N. E. Nelson

OFFICIAL FILE COPY
DMEA
RECEIVED JAN 31 1957

DATE	INITIALS	CODE
1-31	C	220
1-31	Ellis	700

January 30, 1957

4609

Uranium

Schlagel, Schlagel & Schlagel
Eureka claims
Larimer Co., Colorado
$25,350.00

Ernest William Ellis, DMEA Member
Uranium Commodity Committee
John E. Crawford, Bureau of Mines Member
Uranium Commodity Committee

Application

1/17/57 1/24/57

Does not appear sufficiently promising. Referral to field team for probable denial.

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

January 24, 1957

Mr. Pete D. Schlagel
Rt. 1, P. O. Box 107
Korsey, Colorado

Subject: DMEA-4609

Dear Mr. Schlagel

Your application for exploration assistance, dated January 17, 1957 submitted to our office at Denver, has been assigned Docket Number DMEA-4609 and referred to the Rare and Miscellaneous Metals Division in the Washington office. Kindly identify all future correspondence relating to your application by this Docket Number.

Sincerely yours,

(Sgd) Allen S. Dakan

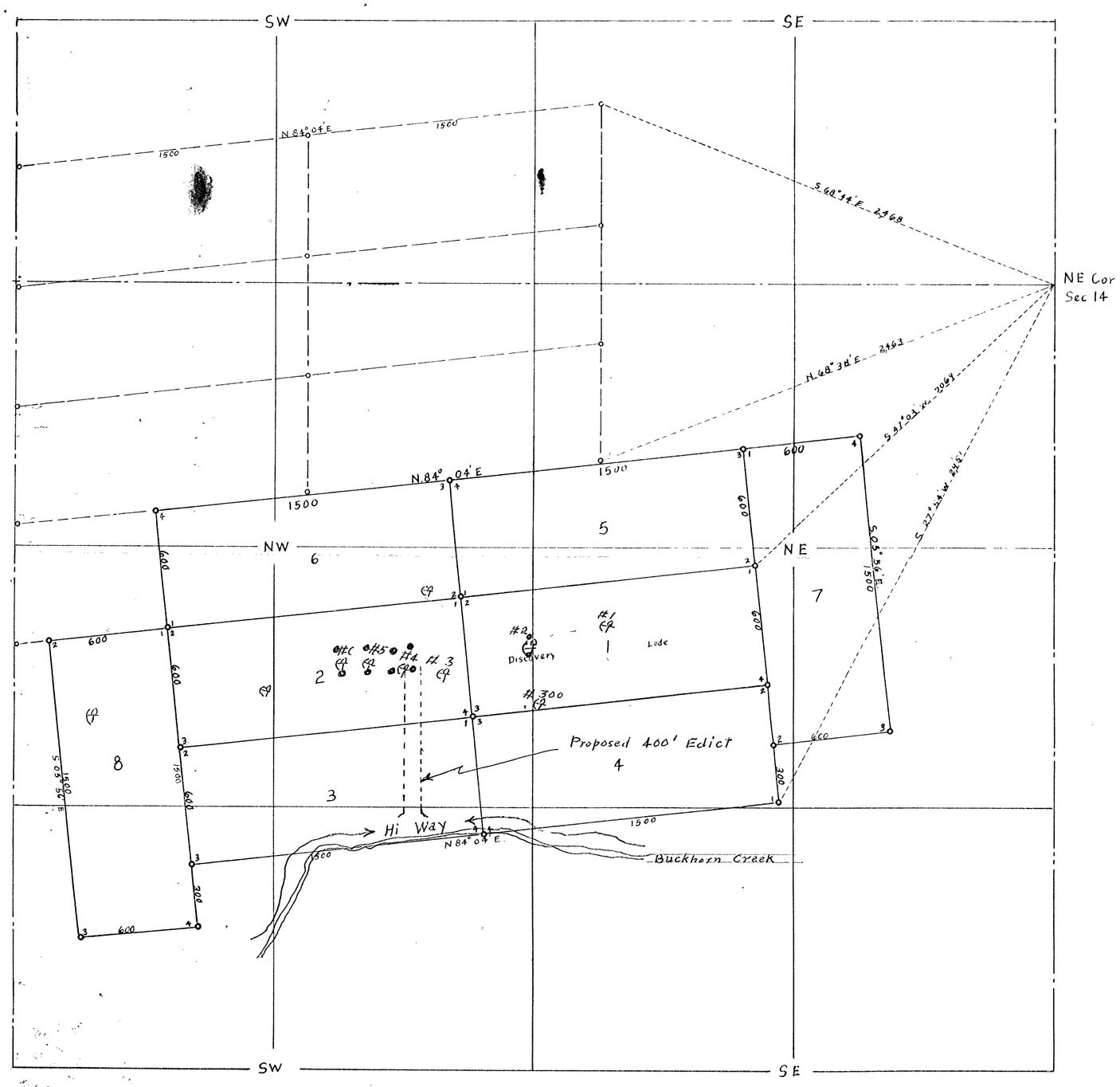
Allen S. Dakan, Director
Operations Control and
Statistics Division

Copy to:

Region III. Denver, Colorado

Code 700

6416



MAP

of the

EUREKA MINING CLAIMS

Nos. 1, 2, 3, 4, 5, 6, 7, and 8

Sec. 14, T. 7 N., R 72 W. of the 6th. P.M.

and of

Ammended Location

JOHNNIEREST MINING CLAIMS

Nos. 1, 2, 3, 4, 5, 6 and 7

Secs. 11 and 14 T. 7 N., R 72 W. of the 6th P.M.

LARIMER COUNTY, COLORADO

Crystal Mountain Mining District

Scale: 1" = 400'

Public Land North

- • Drilling Locations
- ———— Eureka Claim Boundaries
- — — — — Johnnierest Claim Boundaries

Fred J. Humphrey