MF-500

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

REFERENCE SLIP

DATE 10-6-53

REFERRED TO:

1. Code 230, Rm. 4070
2.
3.
4.

FOR:

____ Action	____ Recommendation
____ Approval	____ Record of ____
____ Comment	____ Referring to ____
____ Conference	____ Reply for signature of ____
____ Consideration	____ Rewriting
X Filing	____ Signature
____ Instructions	____ Suggestions
____ Investigation	____ Your information
____ Initials	
____ Mailing	
____ Previous correspondence	

REMARKS: Denial by Region IV under delegated authority. This material is to be placed in the file for reference purposes.

Check (X) before the items needing attention.

gla *Initials of sender.*

GPO 16—63815-1

10/5/53

Mr. Ellis:

Operating Committee believes no point would be gained by sending proposed letter. This is a marginal case and the Field team after numerous conferences with Hospital officials points out we would make no headway thereby against the drug application. Operating suggests that we let the dental stand matters concerned to Field team.

FCR.

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

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

Re: Docket No. DMEA-3065 (Uranium)
Nielson, Keele and Nielson
Buckskin Claim
San Juan County, Utah

Dear Mr. King:

Reference is made to the report of the field examination on the proposed captioned project and the letter of denial to the Applicants enclosed with the Field Team's memorandum of September 17, 1953, to the Administrator.

The report and letter of denial were reviewed by the Operating Committee and referred to the Commodity Committee. Enclosed are copies of memoranda by H. D. Keiser and Arthur P. Butler, Jr., on the subject.

You will note that Mr. Butler concurs with the action taken by the Field Team in denying the application while Mr. Keiser would like a further explanation regarding the decision to deny the application.

It appears that the Field Team's decision to deny the application is based largely on Mr. R. P. Fischer's memorandum of July 9 which neither opposes nor approves the work recommended by the examiners. On the other hand four men who examined the property (Newman, Hazen, McLellan, and Reinhardt) and Traver, all agree that a limited program of wagon drilling is justified.

It is suggested that the subject application be further reviewed and that the basis for the denial be further enlarged upon.

Sincerely yours,

Enclosures

Chairman, Operating Committee

APPROVED:

Member, Bureau of Mines

Member, Geological Survey

Not Sent

FILE COPY
SURNAME:

Ching
Ellis

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

Mr. W. R. King
Executive Officer
DMEA Field Team, Region IV
22h New Customhouse Building
Denver 2, Colorado

Re: Docket No. DMA-3065 (Uranium)
Nielson, Keele and Nielson
Buckskin Claim
San Juan County, Utah

Mr. Ellis
Mr. Ching

Dear Mr. King:

Reference is made to the report of the field examination on the proposed captioned project and the letter of denial to the Applicants enclosed with the Field Team's memorandum of September 17, 1953, to the Administrator.

The report and letter of denial were reviewed by the Operating Committee and referred to the Commodity Committee. Enclosed are copies of memoranda by R. D. Keiser and Arthur P. Butler, Jr., on the subject.

You will note that Mr. Butler concurs with the action taken by the Field Team in denying the application while Mr. Keiser would like a further explanation regarding the decision to deny the application.

It appears that the Field Team's decision to deny the application is based largely on Mr. R. P. Nischar's memorandum of July 9 which neither opposes nor approves the work recommended by the examiners. On the other hand four men who examined the property (Newman, Hansen, McLallan, and Reinhardt) and Traver, all agree that a limited program of wagon drilling is justified.

It is suggested that the subject application be further reviewed and that the basis for the denial be further enlarged upon.

Sincerely yours,

Enclosures

Chairman, Operating Committee

APPROVED:

Member, Bureau of Mines

Member, Geological Survey

Not sent

Operating Committee
Docket
Messrs. R. D. Keiser, Rm. 3641
A. P. Butler, Jr., Rm. 3212, GSA

MChing/db
10-2-53
cc to: Adm. Reading File

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES
WASHINGTON 25, D. C.

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
SEP 29 1953

September 29, 1953

Memorandum

To: Ernest William Ellis, DMEA Member
Uranium Commodity Committee, Room 4640

From: H. D. Keiser, Bureau of Mines Member
Uranium Commodity Committee

Subject: Report of Examination, DMEA Docket 3065, Nielson, Keele and Nielson, Buckskin Claim, San Juan County, Utah

I have reviewed the subject report and have discussed it with Joseph O. Hosted, representative of the Atomic Energy Commission, who has indicated that he would recommend that the loan of $1,450 be granted if he were asked to make a recommendation in this instance.

The docket indicates that the examiners (W. L. Newman, of the Geological Survey, and Russell L. McLellan, of the Bureau of Mines) and the local representative of the Atomic Energy Commission (E. V. Reinhardt) concurred in a recommendation that a loan of $1,450 be granted.

The decision of the Field Team to deny the loan of $1,450 would appear to be based on the memorandum of July 9 by R. P. Fischer who "will not oppose the recommended work, without personal appraisal, based on a field examination" and who "will not endorse approval of the recommended work".

It is recommended that an explanation be requested of the Field Team as to its decision to deny the loan of $1,450.

The report has been forwarded to the Chief, Minerals Division, Bureau of Mines, in accord with the routing slip attached thereto.

H. D. Keiser

H. D. Keiser

STANDARD FORM NO. 64

Office Memorandum • UNITED STATES GOVERNMENT

TO : E. Wm. Ellis, DMEA Member, Uranium Commodity Committee

DATE: September 28, 1953

FROM : Arthur P. Butler, Jr., USGS Member, Uranium Commodity Committee

SUBJECT: Final Field Team Report, DMEA Docket 3065 (uranium), J. R. Nielson, T. E. Keele, and L. D. Nielson, applicants, Blanding, Utah; Buckskin claim or claims Sec. 14, T. 36 S., R. 21 E., San Juan Co., Utah.

The Field Team report concerning Government assistance for exploration at the property identified in the subject above has been reviewed and discussed with H. D. Keiser, Bureau of Mines Member, Uranium Commodity Committee, and J. O. Hosted, Atomic Energy Commission.

The application was denied by the Field Team in Region IV.

Comment

The Field Team examiners inspected the property in company with a representative of the Grand Junction staff, Atomic Energy Commission. They recommended a small project of diamond drilling instead of the applicants proposal to explore showings of uranium ore in the Morrison formation by driving adits.

R. P. Fischer, Acting District Supervisor, Geological Survey for the Colorado Plateau district, believed that he could not endorse approval of the alternative proposal for reasons set forth in his covering memorandum transmitting the geologic report to the Field Team. I believe that Fischer's points are well taken. The available evidence suggests that any deposits are likely to be small, and of nearly marginal grade. The costs of exploration appear excessive for the amount that the available evidence suggests is likely to be found. Fischer's close contact with exploration for deposits of this kind furnish him with an exceptionally good basis for appraising factors of the kind mentioned.

Conclusions

I concur with the points raised by Fischer, and the recommendation of the Field Team in denying the application.

Copies to: E. Wm. Ellis (2)

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

224 New Customhouse
Denver 2, Colorado

September 17, 1953.

Memorandum

To: Administrator, Defense Minerals Exploration Administration
Attention: 200

From: Field Team, Region IV

Subject: Report of Examination, DMEA Docket 3065 (Uranium), Nielson, Keele, and Nielson, Buckskin Claim, San Juan County, Utah.

Enclosed are four copies of the report of examination on the subject docket, a copy of the letter of denial to the applicants, and two copies of Form 3b.

W. H. King
W. H. King

A. H. Koschmann
A. H. Koschmann

Enclosures

DENIED

Reviewed by
DMEA OPERATING COMMITTEE
9-25-53
(date)

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

224 New Customhouse
Denver 2, Colorado

September 17, 1953.

Mr. Joseph Rex Nielson
Mr. Thomas Edward Keele
Mr. Lyman De Reese Nielson
Blanding
Utah

Re: Docket DMEA-3063

Gentlemen:

Reference is made to your application for Government aid on the Buckskin Mining Claim.

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

A careful study of your property and data available to this agency reveals that the probability of disclosing mineable reserves of uranium is not considered sufficiently promising to justify Government participation. Under these circumstances, we regret to advise that your application for exploration aid is denied.

Very truly yours,

W. H. King
W. H. King
Field Team, Region IV

HMC:cwm

cc: Subject
Administrator, DMEA
WMTraver
ERGordon
RPFischer
AHKoschmann (2)
Chron.

A. H. Koschmann
A. H. Koschmann
Field Team, Region IV

Reviewed by
DMEA OPERATING COMMITTEE
9-25-53
(date)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES

Mining Division
Region IV

September 17, 1953.

Memorandum

To: Field Team, Region IV

From: Chief, Mining Division, Region IV

Subject: Report of Examination, DMEA Docket 3065 (Uranium), Nielson, Keele and Nielson, Buckskin Claim, San Juan County, Utah.

Enclosed are ten copies of the report of examination on the subject docket.

The applicant requested $5,000.00 for access road and drifting. The examining engineer recommends 1,000 feet of wagon drilling at a total cost of $1,450.00 but we believe that this work is not justified and therefore recommend that the application be denied.

W. H. King
W. H. King

Enclosures

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES

Region IV

Building 20, Room 137
Denver Federal Center
Denver 14, Colorado
August 17, 1953

Memorandum

To: Executive Officer, Field Team, Region IV

From: Chief, Mineral Resources Branch, Mining Division, Region IV

Subject: DMEA 3065, Nielson, Keele, and Nielson (Uranium), Buckskin Mining Claim, San Juan County, Utah

Enclosed please find the original and ten copies of the "Summary, Conclusions, and Recommendations," by W. L. Newman and Russell R. McLellan and of McLellan's engineering report on the subject docket.

McLellan concludes that the Buckskin claim shows sufficient mineralization to justify a limited program of wagon drilling. He recommends 550 feet of such holes in a preliminary phase that will involve approximately 11 wagon drill holes with a maximum depth estimated as 50 feet. If results of Phase I are encouraging, a second phase to include 450 feet of offset wagon drill holes with locations designated by Defense Minerals Exploration Administration representatives is recommended. A short-form unit-cost contract is suggested.

This program estimated to cost $1,450.00 for 1,000 feet of wagon drilling at $1.45 per foot, is substituted with the applicants' consent for their request for a 300-foot crosscut with the favorable rim exposure.

While Dick Fischer withheld approval of the project, I am willing to go along with the geologist and engineer and concur with McLellan's conclusions and recommendations.

The brochure submitted with your memorandum of June 5, 1953, instructing preparation of a suitable report and the geologic report and transmittal thereof, are returned herewith.

W. M. Traver

W. M. Traver

enclosures

cc 10, DMEA 3065, DMEA Chron.

WMT/pam

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
WASHINGTON 25, D. C.
200 New Customhouse
Denver 2, Colorado

July 13, 1953

Memorandum

To: DMEA Field Team, Region IV

From: A. H. Koschmann

Subject: DMEA Docket 3065, Neilson, Keel, and Nellson, San Juan County, Utah

Enclosed are 10 copies of the geologic report by William L. Newman of the U. S. Geological Survey covering the above docket.

As a result of the field examination, it has been recommended that the applicants' proposal be denied but the report recommends instead 1000 feet of wagon drilling; however, R. P. Fischer recommends that the application be denied.

A. H. Koschmann
Supervising Geologist
Colorado-Wyoming

Enclosures (10)

UNITED STATES DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY
P. O. BOX 360
GRAND JUNCTION, COLORADO

July 9, 1953

Memorandum

To: A. H. Koschmann
Field Team, Region IV

From: R. P. Fischer
Colorado Plateau District

Subject: DMEA Docket 3065, Neilson, Keel, and Neilson, San Juan County, Utah

Transmitted herewith are ten copies of the geologic report on the Buckskin claim (or claims) of Neilson, Keel, and Neilson, San Juan County, Utah.

The report was prepared by W. L. Newman and is based on a joint examination by S. W. Hazen, Jr., and R. R. McLellan, USBM; E. V. Reinhardt, AEC; and L. D. Neilson, representing the applicants.

In the area examined, one small deposit has been mined at the outcrop. Minable ore might also be found and developed behind showings at the outcrop about 1,000 ft south of the mine workings. There is also the possibility of finding hidden deposits with shallow drilling from the bench behind the outcrop.

The application proposed 300 ft of drifting from the present workings. Although this exploration could yield discoveries, it seems to be relatively costly exploration to test a relatively small part of the ground that might be favorable. For that reason the report recommends denial of the applicants' proposal, but recommends instead 1,000 ft of wagon drilling to test the shallow ground behind the mine workings and the mineralized outcrop to the south. Hazen, McLellan, and Reinhardt are in general agreement with this alternative plan, and it was acceptable to Neilson.

Although I will not oppose the recommended work, without personal appraisal, based on a field examination, I will not endorse approval of the recommended work for the following reasons: 1) the likelihood of finding anything better than small deposits of marginal size and grade appears poor; 2) wagon drilling commonly does not yield satisfactory samples of low-grade material unless the samples are taken with care and by experienced people - the size of the proposed project does not justify elaborate sampling techniques; 3) of the estimated total cost of $1450.00, nearly half ($700.00) is to be charged against road building, technical supervision, and assaying, which seems inappropriately large in amount; and 4) the unresolved confusion and discrepancies regarding the property (one claim vs. seven) and the production record suggests that the applicants have not displayed enthusiastic interest in their property during the past years.

R P Fischer

R. P. Fischer
Acting District Supervisor

Enclosures 10

DMEA 3065

NIELSON, KEELE, AND NIELSON
BUCKSKIN MINING CLAIM
SAN JUAN COUNTY, UTAH

Summary, Conclusions, and Recommendations

By W. L. Newman
Geologist
Geological Survey

Russell R. McLellan
Mining Engineer
Bureau of Mines

UNITED STATES
DEPARTMENT OF THE INTERIOR
DOUGLAS McKAY, SECRETARY

DEFENSE MINERALS EXPLORATION ADMINISTRATION

REPORT OF EXAMINATION BY FIELD TEAM
REGION IV

DMEA 3065, Nielson, Keele, and Nielson

Buckskin Mining Claim

San Juan County, Utah

Uranium

W. L. Newman, Geologist
Geological Survey

Russell R. McLellan, Mining Engineer
Bureau of Mines

August 17, 1953

DMEA 3065

NIELSON, KEELE, AND NIELSON
BUCKSKIN MINING CLAIM
SAN JUAN COUNTY, UTAH

SUMMARY, CONCLUSIONS, AND RECOMMENDATIONS

By W. L. Newman and Russell R. McLellan

J. R. Nielson, T. E. Keele, and L. D. Nielson of Blanding, Utah, have applied to the Defense Minerals Exploration Administration for assistance to explore for uranium on the Buckskin claim, San Juan County, Utah. At a cost of approximately $5,000.00, the applicants originally proposed to drive a 300-foot crosscut into a rim exposure of uranium and vanadium mineralization. An examination of the property by Defense Minerals Exploration Administration representatives revealed that although exploration is justified, a limited program of 1,000 feet of wagon drilling would explore the deposit more thoroughly and at a considerable saving of time and money.

The exposed rocks on the Buckskin mining claim consist of the Salt Wash and Westwater Canyon members of the Jurassic Morrison formation. The top sandstone lens of the Salt Wash is known as the "ore-bearing sandstone" in the area. Mineralized rock occurs in the upper one-third of the ore-bearing sandstone as thin lenticular bodies ranging from 0.1 to 2 feet in thickness and up to 80 feet in length. The property has produced about 100 tons of ore, although the grade of rock shipped has been marginal. There is a chance for the discovery of small ore bodies with a limited program of wagon drilling.

It is recommended that a total of 1,000 feet of wagon drilling in two phases be approved, as follows:

Phase I - Drill 550 feet of wagon drill holes back from known exposures. The maximum depth should not exceed 50 feet.

Phase II - Drill 450 feet of offset wagon drill holes in the event mineralization is encountered in the drilling of Phase I. The location and drilling of offset holes should have prior approval from Defense Minerals Exploration Administration representatives.

It is further recommended that the program be set up on a short-form contract authorizing a unit cost per foot of $1.45 for a total expenditure of $1,450.00--Government participation 90 percent, or $1,305.00.

UNITED STATES DEPARTMENT OF THE INTERIOR

DOUGLAS McKAY, SECRETARY

DEFENSE MINERALS EXPLORATION ADMINISTRATION

REPORT OF EXAMINATION BY FIELD TEAM

REGION IV

DMEA 3065 (Uranium)

Buckskin mining claim, Monticello mining district, San Juan County, Utah

William L. Newman, Geologist
U. S. Geological Survey

July 1953

DMEA 3065 (Uranium)

NIELSON, KEELE, AND NIELSON, BUCKSKIN MINING CLAIM, MONTICELLO DISTRICT, SAN JUAN COUNTY, UTAH

INTRODUCTION AND SUMMARY

Messrs. J. R. Nielson, T. E. Keele, and L. D. Nielson, owners of the Buckskin mining claim, have applied (DMEA 3065) to the Defense Minerals Exploration Administration for a loan to explore for uranium on this property, which is in sec. 14, T. 36 S., R. 21 E., Salt Lake Meridian, Monticello mining district, San Juan County, Utah. (fig.1)

The property was examined by the author on June 19, 1953, in company with S. W. Hazen, Jr., and R. R. McLellan of the Bureau of Mines, and L. D. Nielson, one of the applicants.

The applicants proposed to drive 300 feet of exploratory drift at an estimated cost of $5,000.00.

As a result of the field examination, it is recommended that the applicants' proposal be denied, but a program of wagon drilling is recommended. This alternative program was agreed upon by Hazen and McLellan and was acceptable to Nielson. The recommended program is described in this report and estimated costs are summarized. It consists of 1,000 feet of wagon drilling to be done in two stages, and preparatory bulldozer work.

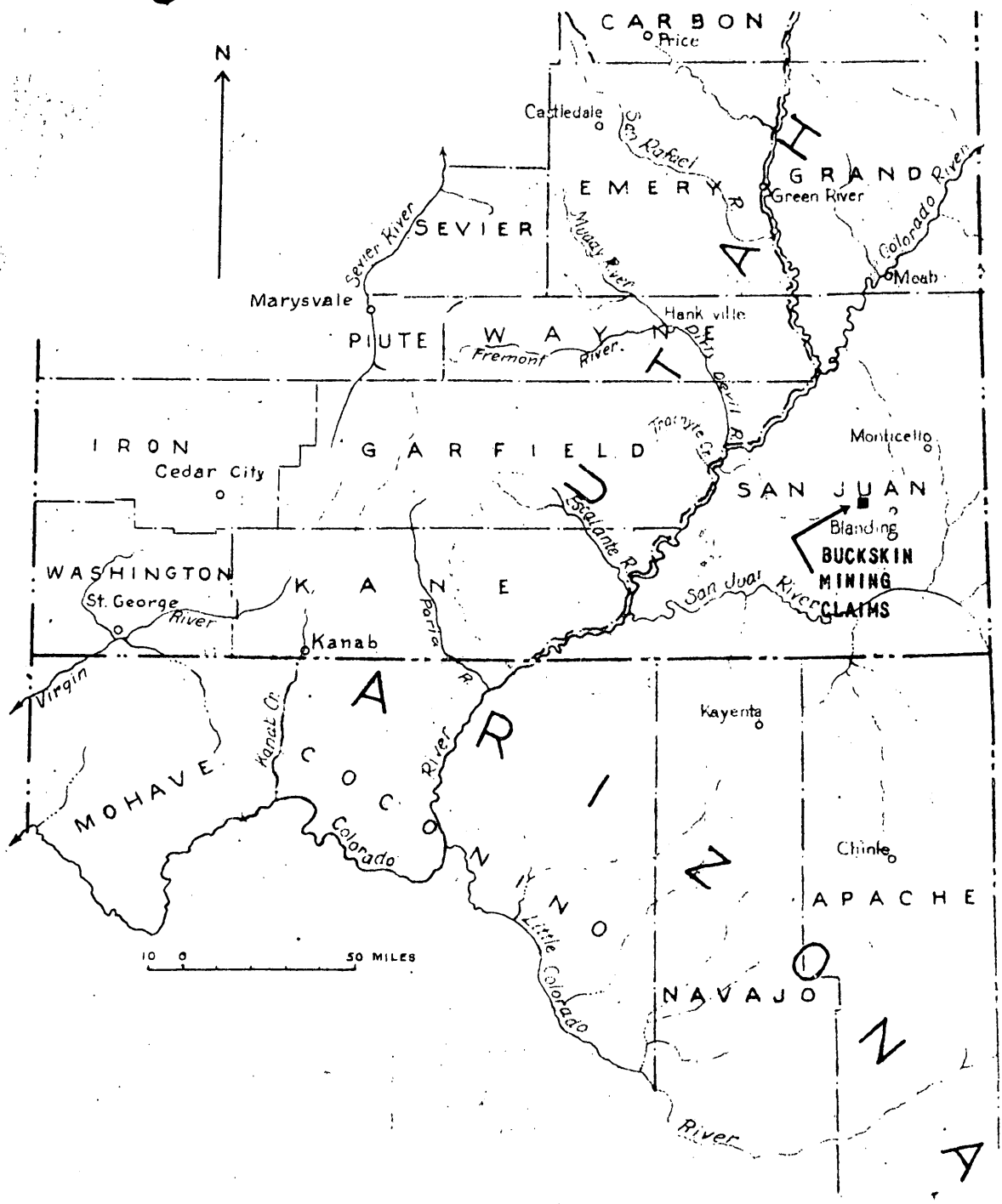

Figure 1. INDEX MAP SHOWING APPROXIMATE LOCATION OF THE BUCKSKIN MINING CLAIMS, SAN JUAN COUNTY, UTAH

GEOLOGY

The exposed rocks on the Buckskin mining claim consist of the Salt Wash and Westwater Canyon members of the Jurassic Morrison formation. The Salt Wash member is about 200 feet thick and consists of a sequence of discontinuous sandstone beds which range in thickness from a few feet to as much as 30 feet thick. These beds are separated by mudstone beds up to 40 feet thick, but the sandstone units are generally thicker than the intervening mudstone units. The mudstone is commonly red-brown, but some gray-green mudstone is present directly under the sandstone lenses. These ledge-forming sandstones are medium-grained, moderately calcareous, and contain clay pebbles and thin mudstone partings. Cross-bedding, including festoon-bedding, is common. The exposed rocks dip about 4° S. The top sandstone lens of the Salt Wash is known as the "ore-bearing sandstone", as most of the mineralized material occurs in this lens in the area.

The Westwater Canyon member, which overlies the Salt Wash member, consists of medium-bedded to massive, light-gray, coarse-grained sandstone, intercalated with thin units of greenish shale. The Westwater is about 150 feet thick.

The ore-bearing sandstone is well exposed in the area and forms a long narrow bench along Brushy Basin Wash (fig.2).

ORE DEPOSITS

The known uranium deposits in the Monticello mining district are in the Salt Wash member of the Jurassic Morrison formation. Most of the minable deposits are in the ore-bearing sandstone, though some of the deposits are in the lowest sandstone, and a few are in intervening beds. Most of the ore bodies are in or near the thicker or central parts of the sandstone lenses.

The ore deposits consist of uranium and vanadium minerals impregnating sandstone. They range in size from small masses of irregular shape only a few feet across to large masses a few hundred feet across.

On the Buckskin property several deposits, one of which has been partially developed by 2 short drifts, occur along a narrow bench that is about 1,000 feet long within the area of the claims. The applicants' representative stated that the area examined by the DMEA field team was covered by seven claims. None of the claims could be identified, however, and only two claim corners were found. A claim map covering the area shown on figure 2 could not be furnished by the applicants.

Data on production in 1941 from the mine workings shown on figure 2 are not complete, but approximately 30 to 40 tons of ore were produced and which were estimated to average about 1.5 percent V_2O_5. No record of the grade of uranium is available. In 1947 one "load" of mineralized rock was shipped which averaged 0.08 percent U_3O_8 and 0.52 percent V_2O_5. In the application no statement is made concerning ore shipped later than 1947. However, mill records indicate that in the years of 1949 and 1950, a total of 77.4 tons of ore were shipped by T. E. Keele from the Buckskin claim, San Juan County, Utah, that averaged 0.15 percent U_3O_8 and about 2.0 percent V_2O_5. The applicants' representative had no knowledge of these recent shipments, and could not indicate the source of this ore at the claim.

Mineralized rock occurs in the upper one-third of the ore-bearing sandstone as thin lenticular bodies ranging from 0.1 to 2 feet in thickness and up to 80 feet in length. This mineralized rock, generally associated with vegetal material and fragments of wood and bone, appears to be localized chiefly in two areas: one in the vicinity of the mine workings, and the second in the southern part of the bench shown on figure 2. Slight abnormal radioactivity was detected between these two mineralized areas.

The sandstone lens containing the mineralized rock and mine workings is about 30 feet thick but gradually thins westward.

Gray-green mudstone, ranging from .1 to .5 of a foot thick occurs as discontinuous seams beneath the ore-bearing sandstone.

PROPOSED EXPLORATION

The applicants have proposed exploration by drifting from the old workings to a channel, a distance of about 300 feet. They estimate the cost at $15.00 per foot.

An ill-defined channel is roughly outlined at the outcrop by festoon-bedding, scour and fill features, and a general thinkening of the sandstone lens. This channel, which contains mineralized material, has been partially explored by the mine workings shown in figure 2, but it is not known if this channel is the one described in the application. A drift from the old workings, as proposed by the applicants' representative during the field examination, would not explore the southern portion of the bench that also contains exposed mineralized material. Therefore, it is recommended that a limited program of wagon drilling be undertaken. This method of exploration would test ground near known mineralized rock, both along the outcrop and behind the mine workings. It is expected that any ore bodies discovered will be small but may range from 50 to 100 feet across. The exploration program should be divided into two stages. Stage 1 should be completed before stage 2 starts, as stage 2 is dependent on stage 1.

Stage 1. Wagon drilling should be carried out within the most favorable ground in the central and southern part of the bench. Holes should be spaced about 50 feet apart to test for bodies of mineralized rock which may qualify as ore. (see fig. 2) Ore, as defined here, is mineralized material that is at least one foot thick and which will average at least 0.1 percent equivalent U_3O_8 as determined on a Geiger-Muller Counter or a scintillation counter. Stage 1 drilling will require 11 holes.

Stage 2. Holes should be drilled on 30-foot centers to extend any ore discovered by stage 1 drilling. About nine holes should be planned for this stage.

The depths of the holes to be drilled in both stage 1 and 2 will average about 50 feet. This will require a total of 1,000 feet of drilling. A duclone sample collector should be used to collect the samples from this drilling, and samples should be taken at 1.0 foot intervals. Samples containing 0.1 percent or more equivalent U_3O_8, as determined on a Geiger-Muller Counter or a scintillation counter, should be assayed for their U_3O_8 content.

In addition, about 30 hours of bulldozer work should be planned to regrade about 1 1/2 miles of access road to the property and to prepare the area for drilling.

CONCLUSIONS AND RECOMMENDATIONS

Uranium-bearing rock in the area of the Buckskin mining claim is in the top sandstone bed of the Salt Wash member of the Morrison formation. The property has produced about 100 tons of ore, although the grade of rock shipped has been marginal. There is a chance for the discovery of small ore bodies with a limited program of wagon drilling.

It is recommended that the applicants' proposal of drifting be denied, but a program of wagon drilling is proposed instead.

ESTIMATED COST
(compiled by Hazen, McLellan, and Newman)

Wagon drilling (Maximum of 20 holes, average depth 50 feet) 1,000 ft. at 75¢ per foot	$ 750.00
30 hours bulldozer work at $10.00 per hr.	300.00
Technical supervision and assay charges	400.00
	$1,450.00

DMEA 3065

NIELSON, KEELE, AND NIELSON
BUCKSKIN MINING CLAIM
SAN JUAN COUNTY, UTAH

Engineering Report

By Russell R. McLellan
Mining Engineer
Bureau of Mines

DMEA 3065

NIELSON, KEELE, AND NIELSON
BUCKSKIN MINING CLAIM
SAN JUAN COUNTY, UTAH

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ILLUSTRATIONS

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2. Sketch map showing drilling area and proposed holes, Buckskin mining claim, Monticello Mining District, San Juan County, Utah	*

* See figure with geologic report

DMEA 3065

NIELSON, KEELE, AND NIELSON
BUCKSKIN MINING CLAIM
SAN JUAN COUNTY, UTAH

ENGINEERING REPORT

By

Russell R. McLellan

INTRODUCTION

J. R. Neilson, T. E. Keele, and L. D. Neilson of Blanding, Utah, have applied to the Defense Minerals Exploration Administration for assistance to explore for uranium on the Buckskin mining claim, San Juan County, Utah. The applicants propose to crosscut approximately 300 feet into an ore-bearing channel at a cost of $5,000.00--Government participation 90 percent, or $4,500.00.

The property was examined on June 19, 1953, by a Defense Minerals Exploration Administration examining team with a representative of the Atomic Energy Commission and L. D. Nielson, one of the applicants.

It was concluded that the claim showed sufficient uranium and vanadium mineralization to justify a modified exploration program to consist of wagon drilling in place of crosscutting. The ore-bearing sandstone is so near the ground surface that a comparatively large area can be explored quickly and economically by wagon drilling. With the applicants' approval, a program is recommended consisting of 1,000 feet of wagon drilling at a total cost of $1,450.00--Government participation 90 percent, or $1,305.00.

ACKNOWLEDGEMENTS

L. D. Nielson guided the engineers and geologists over the property and provided general information concerning the deposit and past operations.

LOCATION, TOPOGRAPHY, AND PHYSICAL FEATURES

The Buckskin claim is in Brushy Basin Wash 11.0 miles by road northwest of Blanding, Utah (fig. 1). The mine access road, 1.7 miles in length, joins Utah State Highway 95 at a point 9.3 miles from Blanding. With a minor amount of bulldozer work on this mine road, the claims could be made easily accessible for year around operation. The ore-bearing sandstone forms a comparatively flat bench 40 to 50 feet above the floor of the wash. The access road was constructed to the top of the bench, thus eliminating any need for additional road construction. A few hours of bulldozer work will be sufficient to repair the road and prepare drill sites. Sufficient water for mining flows most of the year in Brushy Basin Wash. The area is within commuting distance of Blanding, Utah. Supplies and equipment may be obtained at Blanding or at Monticello, Utah, a distance of 33 miles, where milling facilities are also available.

HISTORY AND PRODUCTION

Apparently no work was done on the Buckskin property prior to 1941. Small-scale mining operations were carried on in 1941 and again in 1947; however, the total tonnage produced is unknown. One load shipped in 1947 assayed 0.08 percent U_3O_8 and 0.52 percent V_2O_5. No mining has been done on the property since 1947.

OWNERSHIP

The claim is owned by the applicants and is recorded in book 19, page 204, at the county courthouse in Monticello, Utah.

DESCRIPTION OF THE DEPOSIT

Exploration and development of the property has been so limited that the nature of the deposit can be inferred only by the unusually extensive exposure of uranium and vanadium mineralization in the sandstone rim of the wash. It is possible to trace almost continuous mineralization for approximately 800 feet along the sandstone rim. The higher grade spots have been mined by open cuts and by two short adits. The average thickness of the mineralized exposure probably does not exceed 1 foot. Since no holes of any type have been drilled along the bench, the width of the deposit is unknown; however, it is reasonable to assume that mineralization will extend back some distance from the rim and that possible rolls or thickening of the deposit may occur. The deposit appears to be nearly horizontal and for a considerable area is within a few feet of the surface, particularly near the rim of the wash where in places the deposit actually forms the ground surface.

MINEABLE ORE RESERVES

Although the exposure is extensive, none of it can be classified as ore. The higher grade portions have been mined; consequently, there is no basis for estimating a mineable reserve.

PRESENT STATUS

Exploration and Development

Exploration and development to date consist of two adits, one 15 feet in length and one 20 feet in length, and several small open cuts (fig. 2, with the geologic report).

Mining and Milling Equipment and Other Facilities

No mining or milling equipment was on the property at the examination date. Any ore discovered as a result of the exploration would have to be transmitted to Monticello, Utah, for processing.

PROJECT PROPOSALS, WITH COSTS

The applicants proposed to crosscut approximately 300 feet into the deposit at a total cost of $5,000.00. Upon examining the property, it was noted that the area is ideally suited for a limited amount of exploration by wagon drilling. Lyman Nielson indicated that the applicants would favor drilling in place of crosscutting if a revision in the application could be made.

The following program of exploration (shown on fig. 2,with the geologic report) is recommended for approval:

Contract wagon drilling

Phase I: 550 feet of wagon drilling at $0.75 per foot - $412.50

The above drilling will consist of approximately 11 holes averaging 40 feet in depth with a maximum depth of 50 feet. They will be drilled on 50-foot centers

Phase II: 450 feet of offset wagon drilling at $0.75 per foot - $337.50

The above drilling will be utilized only if mineralization is encountered in any holes of the first phase. The drilling of offset holes should have prior approval from Defense Minerals Exploration Administration representatives.

Total cost of wagon drilling		$750.00
Bulldozer work		
Three days to rehabilitate access road and to prepare drill sites at $100.00 per day -		300.00
Labor and Supervision		
1 engineer-geologist, part time, for supervision, mapping, and for progress and final report preparation -	200.00	
1 sampler, full time, 1 week at $100.00 per week -	100.00	
Total labor and supervision		300.00
Materials and Supplies		
None		
Operating Equipment		
Furnished by drill contractor		
Miscellaneous		
Analyses -		100.00
Total cost of project		$1,450.00

Two weeks time will be necessary to complete the project.

SUMMARY OF COSTS

Contract wagon drilling, 1,000 feet at $0.75 per foot	$ 750.00
Bulldozer work, 3 days at $100.00 per day	300.00
Labor and supervision	300.00
Miscellaneous (Analyses)	100.00
Total cost of project	$1,450.00
Government participation at 90 percent	1,305.00
Unit cost per foot of drilling	1.45

A supervising engineer and a drilling contractor will have to be brought into the area as none are available at Blanding, Utah. Since the program has a small amount of footage and will be of short duration, the unit cost per foot of drilling will be comparatively high.

CONCLUSIONS

It is concluded that the Buckskin claim shows sufficient mineralization to justify a limited program of wagon drilling. The exposed mineralization is marginal to submarginal; however, the outcrop is so extensive that there is a good possibility that ore may occur back from the rim of Brushy Basin Wash. The area is topographically favorable for wagon drilling and can be explored quickly and economically.

RECOMMENDATIONS

The following exploration program is recommended for the Buckskin claim:

I. Wagon drill 550 feet of holes spaced on 50-foot centers back from the rim exposure (fig. 2, with geologic report). Approximately 11 holes will be necessary to complete this phase. The maximum depth should not exceed 50 feet in any hole.

II. Allow 450 feet for offset wagon drill holes in the event mineralization is encountered in holes drilled in Phase I. The location and drilling of offset holes should have prior approval of Defense Minerals Exploration Administration representatives.

It is further recommended that the program be set up on a short-form contract authorizing 1,000 feet of wagon drilling at an over-all unit cost of $1.45 per foot for a total expenditure of $1,450.00--Government participation 90 percent, or $1,305.00.

pam

MF-103
(Revised April 1952)

UNITED STATES DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

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

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. 3065
Metal or Mineral
Date Received 6/8/53
Estimated Cost
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: Mr. Joseph Rex Nielson
Mr. Thomas Edward Keele PARTNERSHIP
Mr. Lyman DeNeese Nielson

(*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 Taking Utah Highway #95, west of Blanding Utah to where the road crosses what is known as BrushyBasin Wash, then it is one and one-half miles North of the road to the discovery of the claim. Refer to my sketch map concerning #4-c. (San Juan County, State of UTAH)

(*b*) State any mine name by which the property is known. BUCKSKIN MINING CLAIM

(*c*) State your interest in the land, whether owner, lessee, purchaser under contract, or otherwise Owners

(*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

(*f*) If the land consists of unpatented claims, add to the description above, the book and page numbers for each recorded location notice. BOOK 19 PAGE 206

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. Refer to sketch map.

(*c*) The work will start within 10 days and be completed within 6 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. Refer to explanation sheet #4

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.). None-- We should be allowed $15.00 per foot for drifting

(*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?

☐ Money ☒ 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 April 13, 1953

Joseph Ref Nielson
(Applicant)

By Thomas Edward Reele

Lyman De Reese Nielson

PARTNERSHIP

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) Mining explorations were carried on in this claim in 1941, at this time the only thing they were mining for was the vanadium contents, it was taken from the two tunnels you will see on my map answering 4(c). it run from 75/100 to 2% in vanadium but as you can see in both tunnels the showings were all mined out. This operation was carried on by the men we purchased the claim from, after purchasing the claims we (the partnership) mined one load of Uranium ore from the surface of the south end of claim from where the tunnels are located, this was done in 1947 and

(b) this assay report was 52/100 in vanadium and 8/100 in Uranium it was shipped to the Vanidum Corp. Of Am. in Durango, Colorado,

(c) This ore was to low of a grade to receive payment on, but the indications are good for 1,000 ft. along the rim if we could get the aid for an exploration project such as drifting in the hill. The claim is located in a big producing area this is the Cottonwood area, controlled VCA (Vanadium Corp of America) and has been producing since 1941 or there-abouts. Our claim is located about 4 miles north of the cottonwood area, the small surface showings are very similiar to the cottonwood discoveries.

(d) We have a road right to the claim and could be examined very easily, is about 30 minute drive from Blanding Ut. The nearest shipping point would be to Monticello, Utah which would be about 35 miles, supply and residence point would be Blanding, Ut.

(e) We will have enough manpower in the partnership to operate the project and can furnish the equipment if we can get the aid for development purposes.

5 (d) The partnership will supervise the operation also do the the work, we have had enough experience to carry out this operation.

6 Estimate of cost will have to be determined by the cost per foot for drifting, we may only have to go a few feet until we hit ore or it may be never, we are not able to answer this question until the property has been examined by you.

6 (abcde) We will have to purchase the necessary equipment for the project, but will be able to do this if we can get the aid for drifting.

7 (a) yes we are prepared to furnish our share of the proposed project.

(b) We propose to furnish our share of the costs by purchasing equipment on our own for the project.

Joseph Rex Nielson
applicant

Thomas Edward Keele

Lyman DeReese Nielson
Partnership

3-(a) This claim is located in San Juan County, State of Utah.

5-(b) The loan will be used to run a cross cut drift into the channel, will probably be about 300 feet from the surface to the channel.

6- We wish to furnish the necessary equipment to run the drift such as compressor, jackhammer, powder, caps, and fuse, we are applying for ~~for~~ a straight footage loan. The estimate of cost will be about $5000.00, we would like to apply for this amount, figured at $15.00 per foot for drifting. The original cost of equipment is:

Compressor----------	$2858.80
Jackhammer----------	$250.00
Jackleg----------	$125.00

We think we can use this equipment furnish ~~xxx~~ the labor powder and fuse and what ever else is necessary and drive this tunnel for $15.00 per foot.

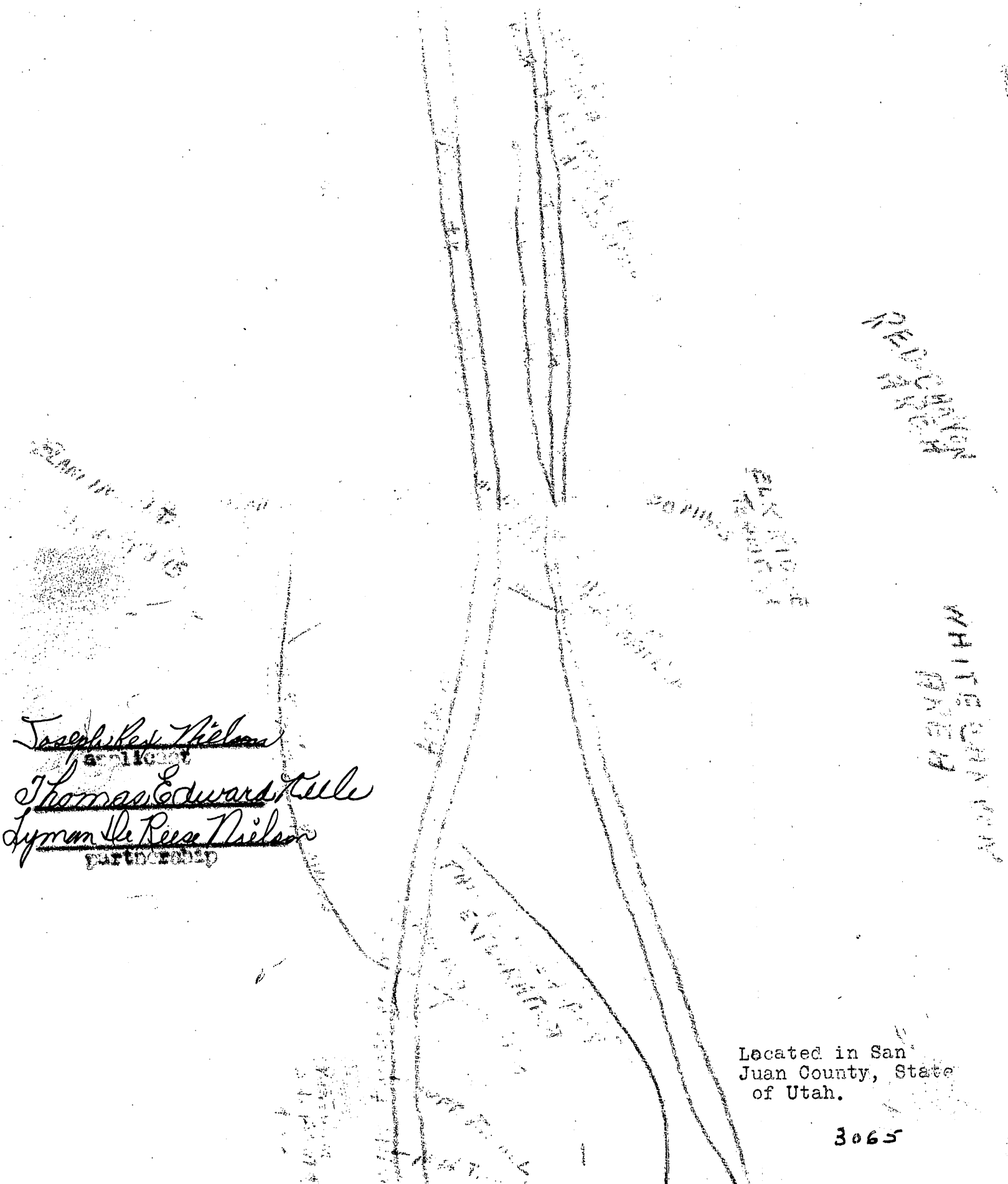
Joseph Rex Nielson
applicant

Thomas Edward Nielson

Lyman De Reese Nielson
Partnership

2

This map is sketched concerning 06 6 65 on form SF-103



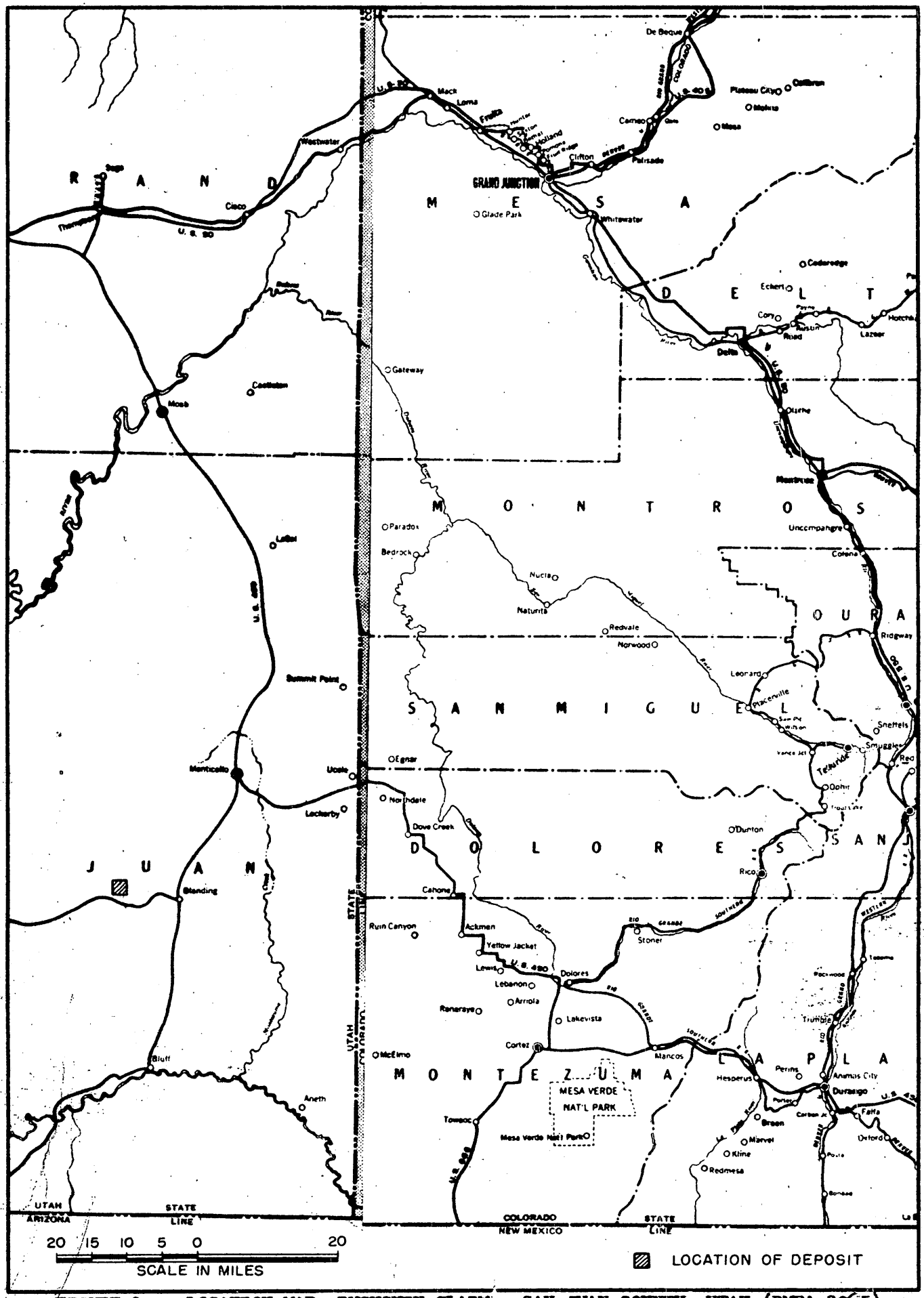


FIGURE 1. - LOCATION MAP, BUCKSKIN CLAIM , SAN JUAN COUNTY, UTAH (DMEA 3065).

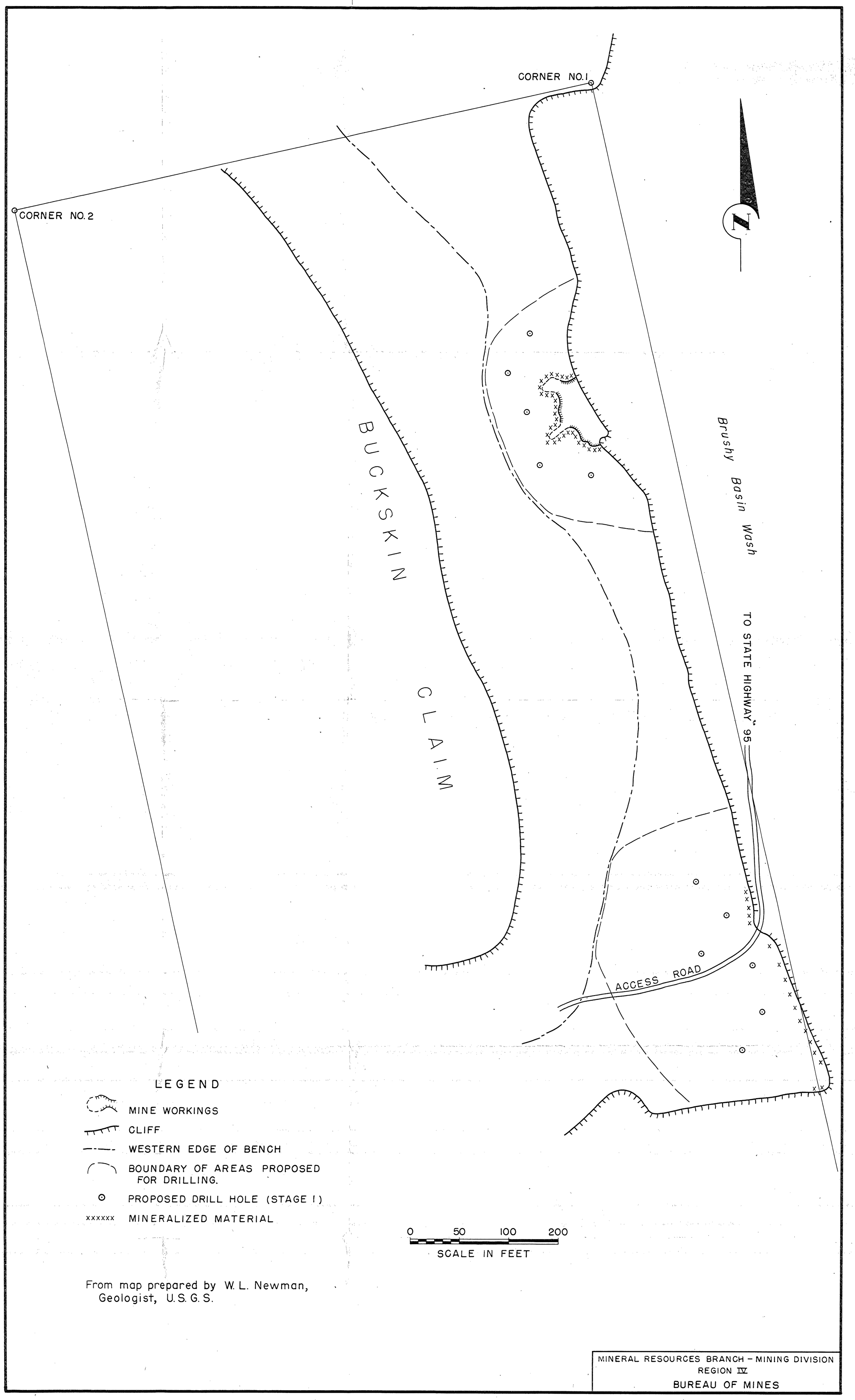


FIGURE 2 - CLAIM MAP SHOWING STAGE I OF PROPOSED EXPLORATION, BUCKSKIN CLAIM, SAN JUAN COUNTY, UTAH. (DMEA 3065)

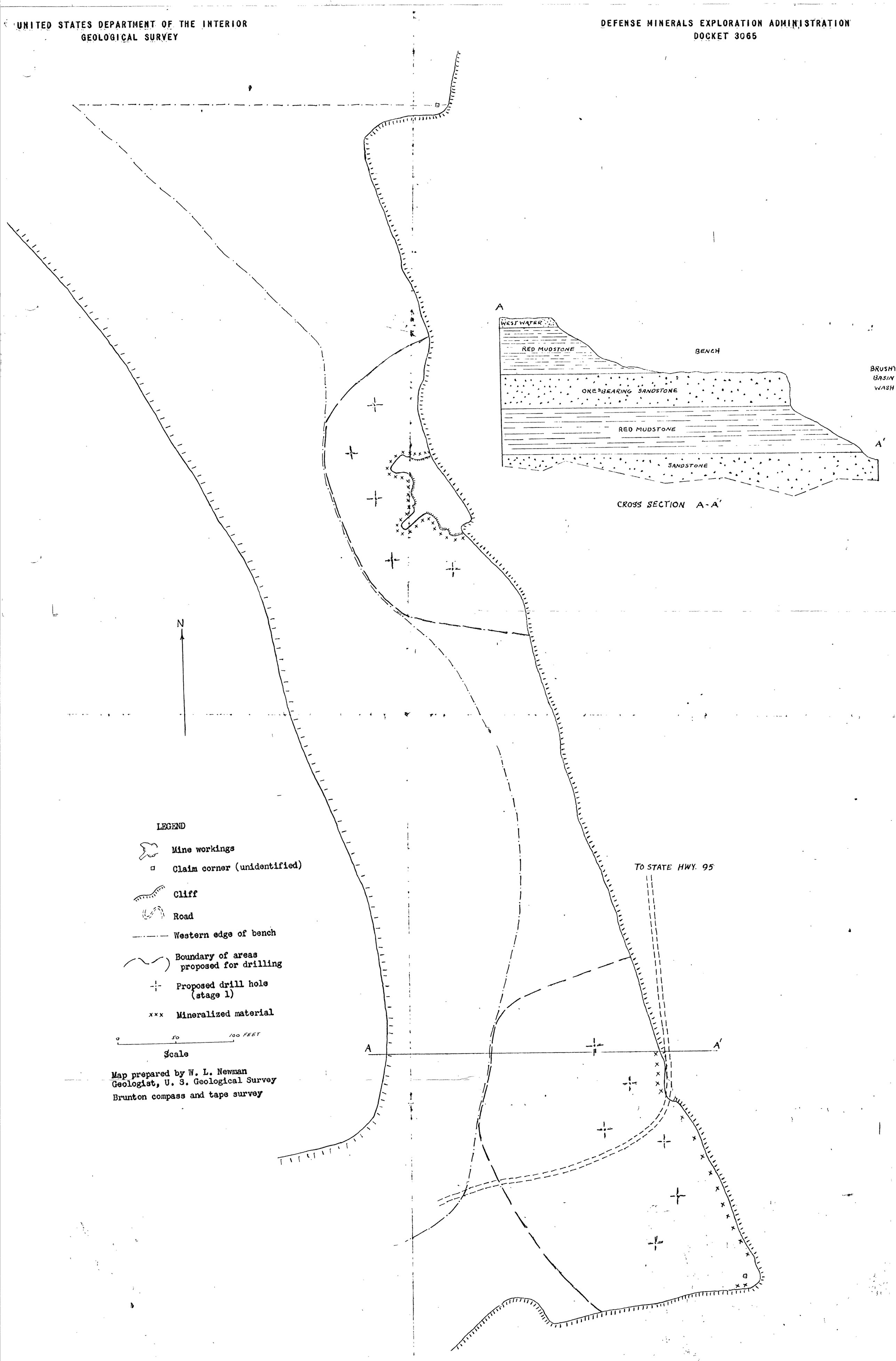


Figure 2. SKETCH MAP SHOWING DRILLING AREA AND PROPOSED HOLES, BUCKSKIN MINING CLAIM, MONTICELLO MINING DISTRICT, SAN JUAN COUNTY, UTAH