

# Charlie Steen

## continued

R. McCormick and Charles A. Steen (country boys). All of these men exercised options to purchase stock in the company for a penny a share prior to the public offering. Joseph Frazer picked up 500,000 shares, and Dad and Bill McCormick divided 750,000 shares. Some people thought it was a good sign when Frazer disclosed that he had laid off 2,000 of his shares on his butler who lived with the Frazer family. After all, a stock promoter wouldn't risk losing a good butler over a bum investment steer.

When Fred Gearheart's investment company offered the public 1,430,000 shares of Standard Uranium at \$1.25 in May, the price hit \$3 and the issue was sold out within hours. The proceeds from this sale were used to make that \$450,000 payment to Adams and Hayes and to open up the Big Buck ore body with a 2,250-foot adit.

Standard Uranium was probably the most successful uranium company that raised its capital from the public during the 1950s. It was the exception not the rule. Most of the stock promotions that followed during the Uranium Boom didn't have half the chance of developing an ore body like the Big Buck. Although things proceeded as planned at the mine, my father and Bill McCormick began to question the expenses being generated by the company offices in New York. I recall some discussion about one of the New York secretaries being paid more than a geologist was making out at the mine. Dad believed that most of the money spent in New York was being wasted and that it should be going into exploration and development.

Things were resolved in February 1955. Charlie Steen bought 400,000 shares of Joseph Frazer's remaining Standard Uranium holdings for more than enough money for Frazer to keep a butler around the brownstone; moved the head office from 40 Wall Street, New York, New York to Center Street, Moab, Utah; and helped vote Bill McCormick in as president of the company. Of the New Yorkers, only Brozan and Holman were asked to stay on with the company. The Mi Vida ore body did extend on to the Big Buck claims, and another ore body was later found on the southern end of the claim group. Standard Uranium made more than enough money to meet its obligations to Dan Hayes and Don Adams and to make a profit of over \$1 million a year for over 10 years from one of the best run mines on the Colorado Plateau.

In March of 1955, Big Indian Mines merged with Standard Uranium in a transaction that was valued at more than \$1.3 million for the closely-held company. This was done in order to give those shareholders in Texas an interest in an operating company, because production from Big Indian mines' claims was delayed while financing plans for



a mill was completed.

One of the largest buyers of Standard Uranium shares on the American Stock Exchange was a famous financier named Floyd Odium. He was planning to conquer the uranium mining industry and he wanted to buy the most famous uranium mine in America. Odium was determined to control the production of the Big Indian mining district. His pockets were deep enough to buy almost any mine he wanted except one in particular. That particular uranium mine was still owned by the prospector-geologist who had discovered it.

The first claims located by anyone outside of Charlie Steen's close circle of friends and associates were the ones staked by the mine cook's son. He asked my Dad if he would show him how to stake a claim, and my father took him to the north end of his claim block and helped the eager young man locate the first of the six mining claims he staked. A year later these claims were optioned and drilled by E. L. Cord and his associ-

ates. Cord was one of the most interesting of the outsiders who saw an opportunity for real money in San Juan County. E. L. Cord was the financier responsible for the stylish Auburn and Cord automobiles; he had made money on Wall Street; in real estate; with cattle ranches; and he had been involved in silver mining in Nevada. The cook and her son were no match for the shrewd financier. They sold out for \$500,000 without retaining a royalty that would have paid them another \$1 million. Nonetheless, it was probably the best payday any mine cook ever had.

The next mine brought into production was managed by one of the most incredible characters who ever owned a radioactive hole in the ground. Merritt K. Ruddock's wealthy family had gotten stuck with some worthless copper and uranium claims after a foreclosure on another deal. The first that the Ruddocks knew that their Small Fry claims way out in southeastern Utah might have some value was when the AEC contacted them about drilling their property. This was in the early part of 1953. The 26 Small Fry claims had been located to cover an outcrop of low-grade uranium mineralization in the Cutler formation similar to the Big Bucks. After a considerable tonnage of ore in the Moss Back was located by the AEC, Merritt Ruddock came out to investigate the family's good fortune. He weighed 240 pounds; stood six feet, eight inches; spoke with a Harvard accent; and he said things like "most unsavory" and "how deplorable" and "fruitful collaboration." Although he dressed in tweeds and was seen using silk handkerchiefs rather than his sleeve, Ruddock managed very well indeed. By the early summer of 1954, the Ruddocks' Cal Uranium Company's 280-foot shaft had reached an ore body and started shipping ore. However, most of the ore deposit was actually covered by the Mamie claim that my father had staked in 1952, and now belonged to Big Indian Mines. But Merritt K. Ruddock hadn't just been watching things happen around the Small Frys. He had already staked the claims on the north end that were later sold by the Ruddock family's Almar Minerals to Floyd Odium's Hidden Splendor Mining Company in a \$10 million transaction in 1955. None of the locals at the Wagon Wheel Bar who made snide remarks about the displaced gentleman ever came close to that much money.

A few days after the Mi Vida mine began hoisting the first of its high-grade uranium ore to the surface in December 1952, William T. Hudson came down from Casper, Wyoming to see what his \$5,000 investment in Utex Exploration Company had brought him. Bill Hudson became the most enthusiastic and energetic of all of the original Utex insiders. Hudson leased several claims from Bob Barrett near the Mi Vida claim group with money he borrowed from his brothers. These claims, the Bobtail, Bobcat, and Skunkovich, were placed into a company Hudson named the Little Beaver Mining Company. They were later brought into production by the Homestake Mining Company.

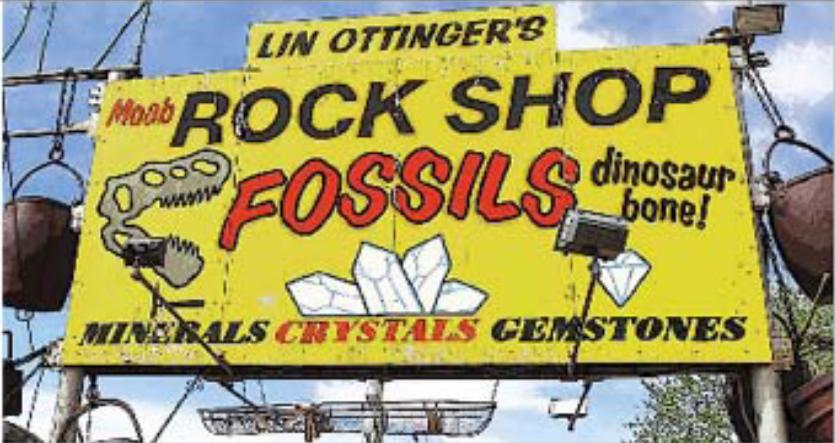
Hudson's brother, Thomas C. Hudson, was a successful oil wildcatter from Oklahoma and he sensed that he was onto something big. Hudson contacted a trusted friend named Frank Richardson in Ouray, Colorado and informed him of what was happening in the Big Indian area. Frank Richardson was a hard rock miner who had not been able to work underground because of an eye injury from a mining accident. But he sure knew how to stake a mining claim. Richardson was in San Juan County by March of 1953, staking the first of 150 claims on the north end. Hudson and several associates grubstaked Richardson and raised enough money to explore the ground that Richardson located. T. C. Hudson formed the La Sal Mining and Development Company to hold 59 claims situated west of the Cal Uranium holdings owned by the Ruddock family. T. C. Hudson owned 50 percent of the stock with Frank Richardson holding 30 percent. The other 20 percent was divided between Hudson's partners from Oklahoma and his brother, Bill Hudson.

Hudson followed my father's lead and purchased one of Charlie Mayhew's rotary rigs. He brought his teenaged sons out from Oklahoma to work on the rig, and commenced drilling for uranium. All four of the first holes they drilled hit very high-grade uranium ore at a depth of approximately 500 feet. When they moved their rig over to the other claims called the North Alice claim group, they hit even more uranium. Hudson and Richardson and their partners eventually sold out to the Homestake Mining Company, who operated the La Sal and North Alice mines for more than a decade. Hudson took his winnings back to Oklahoma and successfully invested in numerous businesses. Frank Richardson was a true prospector to the end of his life; and a prospector never quits prospecting. Richardson used a good portion of his uranium money pursuing his goal of finding a fortune in gold and silver ore in the Red Mountain district between Ouray and Silverton, Colorado. Hudson and Richardson were outstanding examples of the type of men who seized the opportunity presented them when Charlie Steen announced that his million-dollar drill hole had come in on the Mi Vida claim.

Of course, there were other people and more deals than anyone can remember. Millions were gambled on goat pasture, and tens of millions were spent acquiring and developing the prospects that became mines on the Lisbon Valley anticline. An entire region was opened up because of the Uranium Boom that was ignited at the Mi Vida mine.

In 1954, my Dad stood on a prominent ridge high above the bustling Mi Vida and Big Buck mines and waved an arm around the horizon, west towards the canyonlands of the Colorado River, north to the La Sal mountains, east to the Paradox Basin, and south towards the Abajo mountains. There were literally thousands of prospectors, geologists, mining engineers, surveyors, miners, drillers and truckers working in what had been one of the most remote areas in America.

Nothing has ever been as it was before Charlie Steen drilled into the Mi Vida uranium ore deposit and unlocked the location of over one billion dollars worth of one of the most sought-after minerals in history.



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