Preliminary Assessment of the REE Potential in the Woodford Shale &

Overview of Cobalt Potential in Western Oklahoma's Stratiform Copper Deposits

Andrew Cullen / Big Hill Adventures

OUTLINE

PART 1 : Woodford Shale

Geochemistry & Usage of REEs Review of REE Production Overview of the Woodford Shale Woodford Shale Phosphate Nodules The Lawrence Uplift Prospect **PART 2 : Flowerpot Shale**

Review of Global Cobalt Production Geochemistry & Usage of Cobalt Central African Copperbelt 70% of Global Cobalt Production Oklahoma's Stratiform Cu Deposits Cobalt Potential of Creta Mine

ACKNOWLEDGMENTS

- Nick Hayman (OGS) for funding Woodford analytical work
- Carl Symcox (OGS) and David Hull (Practical Geoscience) for assistance in the field and guidance.

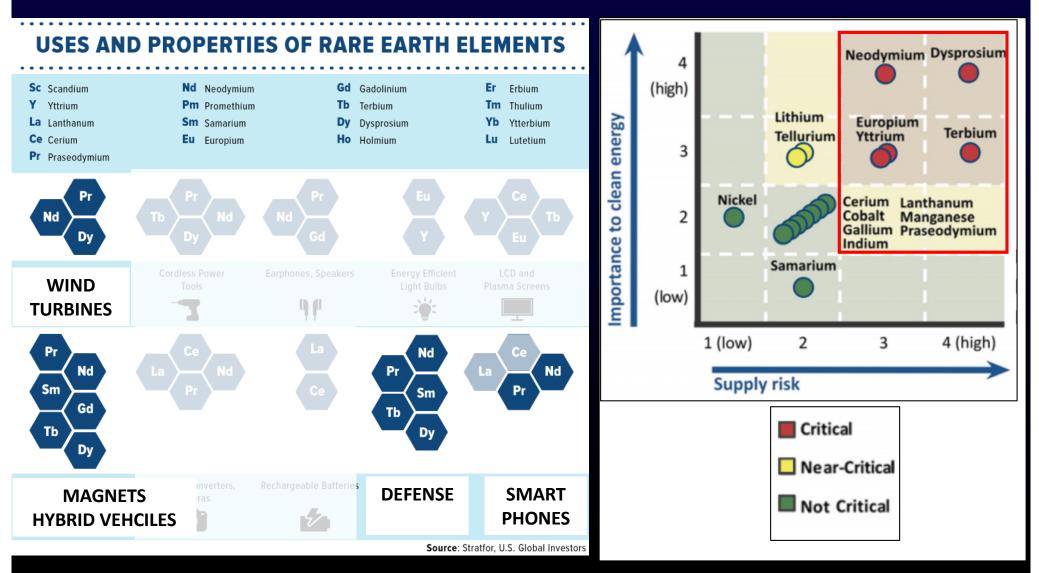
Rare Earth Element Potential of the Phosphate Nodules in the Woodford Shale



- Usage & Geochemistry of REEs
- Review of REE Production
- **REE in Apatite**
- Overview of the Woodford Shale
- Woodford Shale Phosphate Nodules
- The Lawrence Uplift Prospect

Usage of Rare Earth Elements

High Importance and Supply Chain Risk Neodymium, Dysprosium, Terbium Praseodymium Wind Turbine, High-end Magnets, Defense, Smartphones

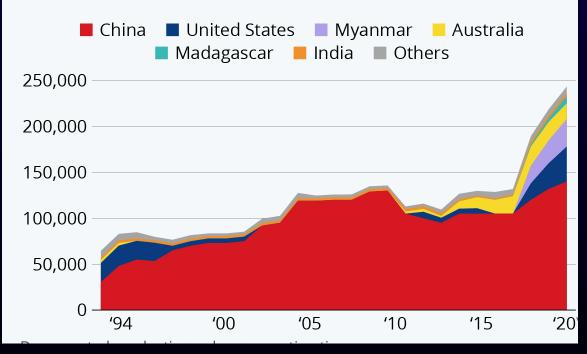


Supply Chain Issues & Threats to US

Mine production numbers are misleading.

China's Rare Earth Monopoly is Diminishing ?

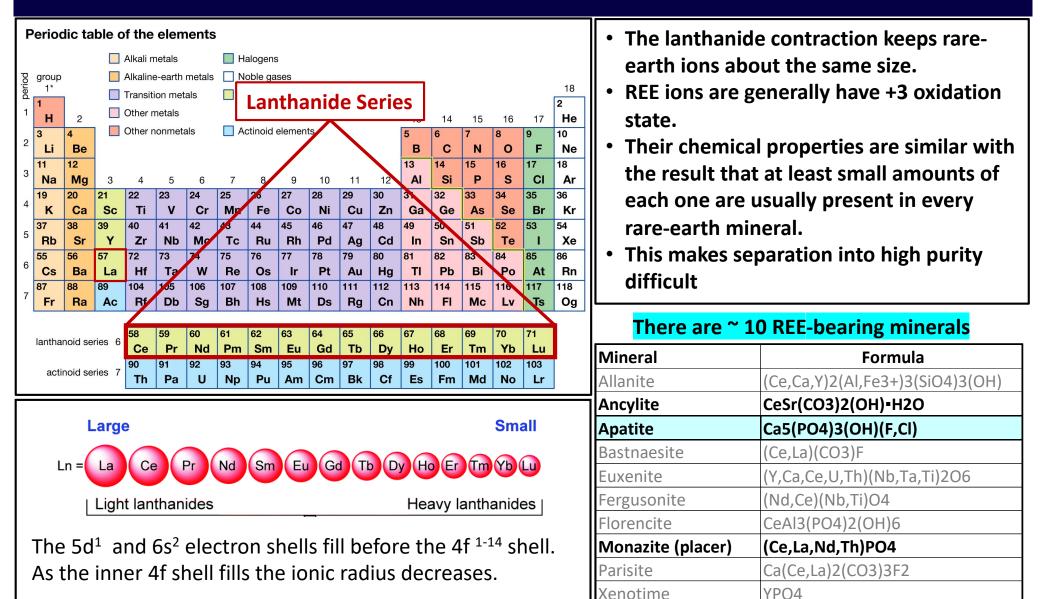
Global mine production of rare earths (in tons)



Ore concentrates from US and Australia are shipped to China for smelting and then exported.



Geochemistry and Mineralogy of Rare Earth Elements



Apatite is the only common REE-bearing mineral formed in the sedimentary environment (precipitated from sea water)

REE in Apatite

There are 3 types of apatite that differ in their F, Cl, and OH content. 1) Chlorapatite 2) Fluorapatite 3) Hydroxyapatite

Substitution of other elements such as rare earth elements (REE), sodium, strontium and manganese the crystal lattice commonly occurs.

There are two processes of REE enrichment in apatite involving coupled substitutions

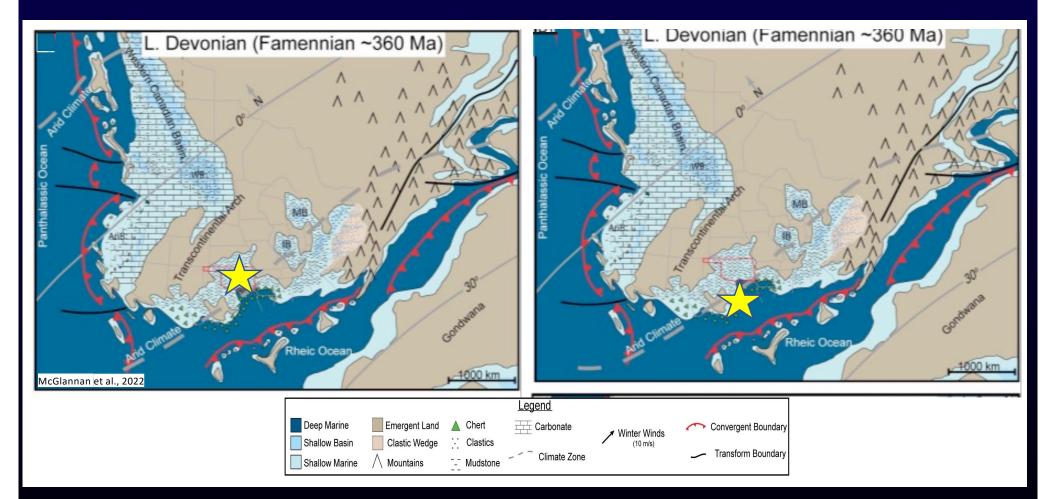
- 1) REE^{3+} \leftarrow Na⁺ + Ca²⁺
- 2) $REE^{3+} + Si^{4+}$

Most global REE recovery is the by-product from other mining operations.

The separation of REEs from host (hard rock minerals) minerals is one of the most challenging processes in solvent extraction and generally involves multiple steps.

Recovery of REE from apatite by acid leaching and concentration as salts is a relatively wellestablished process with recoveries commonly exceeding 60%.

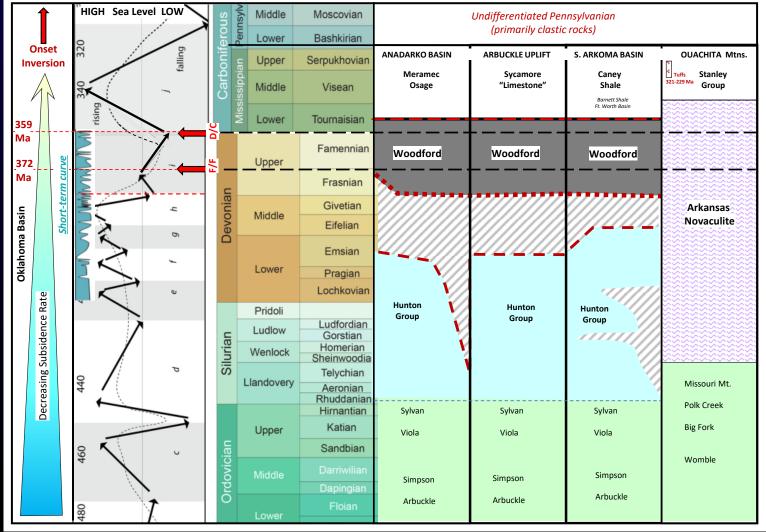
The Woodford Shale was deposited on a south-facing rifted margin on the subducting Laurentian plate during closure of the Rheic Sea



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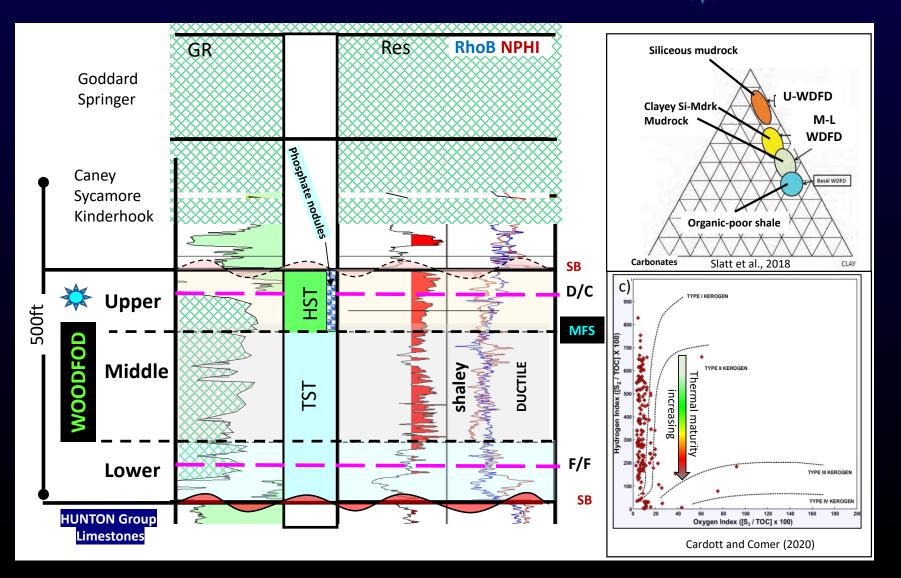
Overview of the Woodford Shale

- Late Devonian to Early Mississippian organic-rich siliceous mudrock and shale.
- Correlative with other North American black shales (e.g., Chattanooga, New Albany)
- Arkansas Novaculite is the correlative deepwater facies
- Deposition spans 2 mass extinctions (Frasnian-Famennian & Devonian-Carboniferous).
- Deposited during the rapid expansion of land plants.

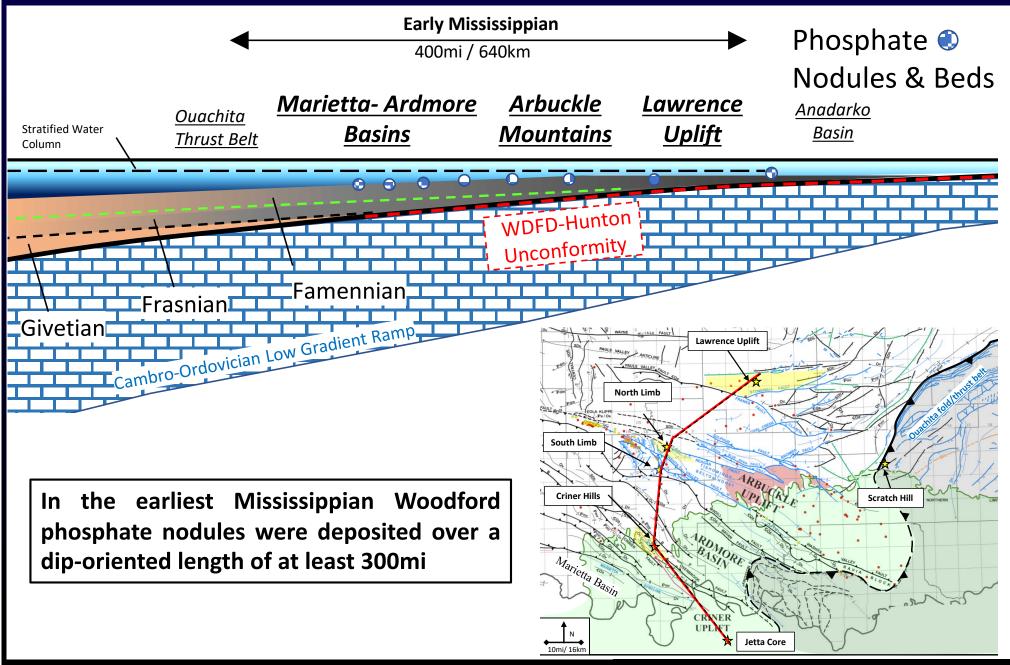


The Woodford Shale is world-class algal petroleum source rock.

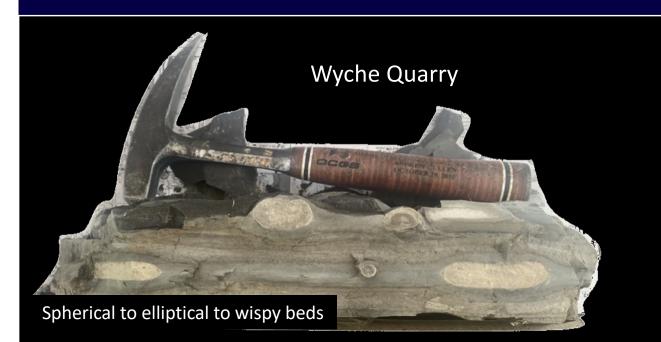
- The Woodford is divided into Lower, Middle and Upper units that were deposited during a progressive rise and subsequent fall in global sea level.
- The Upper Woodford is rich in phosphate (apatite) nodules



Woodford Phosphate Nodules: A basinward transect from the Lawrence Uplift through the Arbuckle Mountains to the Ardmore-Marietta Basins



Phosphate Nodules of the Lawrence Uplift (western Arkoma Basin)

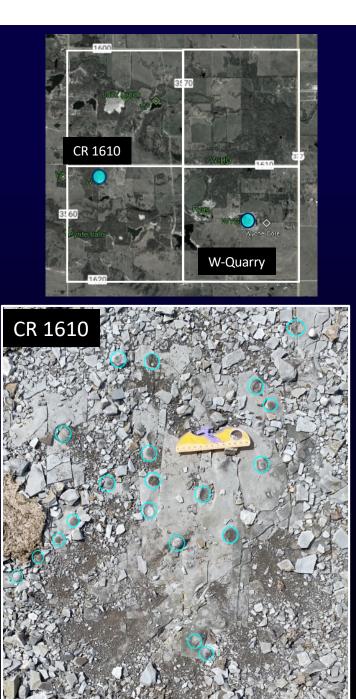




Spherical-concentric with pyrite compaction



Spherical-concentric



Phosphate nodules on the north and south limbs of Arbuckle Anticline

South limb- spherical nodules





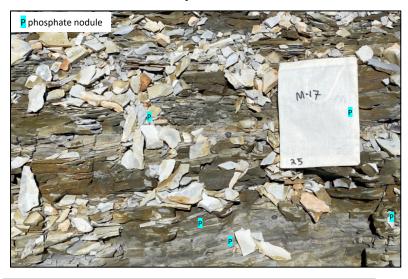
North limb- spherical to oblate nodules



Nodule lag deposit (?) at top Woodford disconformity

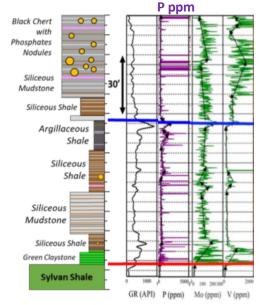
Phosphate nodules in the Ardmore and Marietta Basins

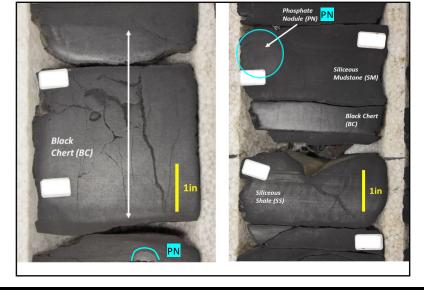
McAlister Cemetery Quarry / Criner Uplift, Ardmore Basin. Spherical nodules, some elliptical nodules





Jetta Operating Co. / Cored well, Grayson Co. TX Marietta Basin. Spherical nodules





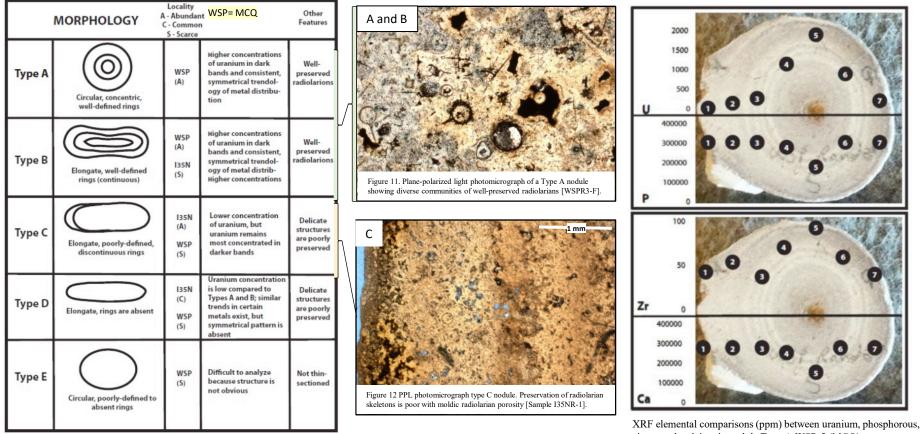
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Phosphate nodules in the Arkansas Novaculite at Scratch Hill, Atoka OK.



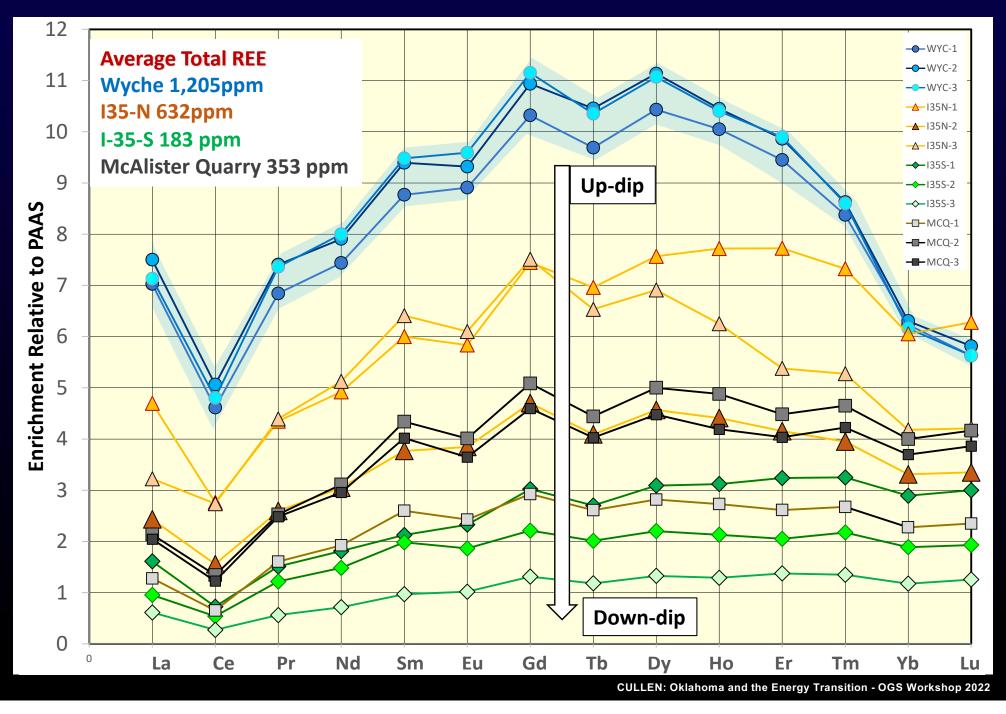
Formation of Woodford phosphate nodules: 3 studies* show the following:

- Carbonate-fluorapatite precipitated at or near seafloor under anoxic conditions.
- Phosphorus was release by anerobic decay of phytoplankton
- Nodules commonly contain radiolaria tests and sponge spicules
- Diverse morphologies and internal variations show distinct geographic trends.
- Spherical, concentric, well-organized nodules are prevalent down-dip (I35-S McAlister Cemetery). ۲
- Oblate to elliptical nodules with little internal organization are more prevalent up-dip (I-35N).
- Dark concentric rings have higher metal (U, Zr) contents- possible redox changes. ٠

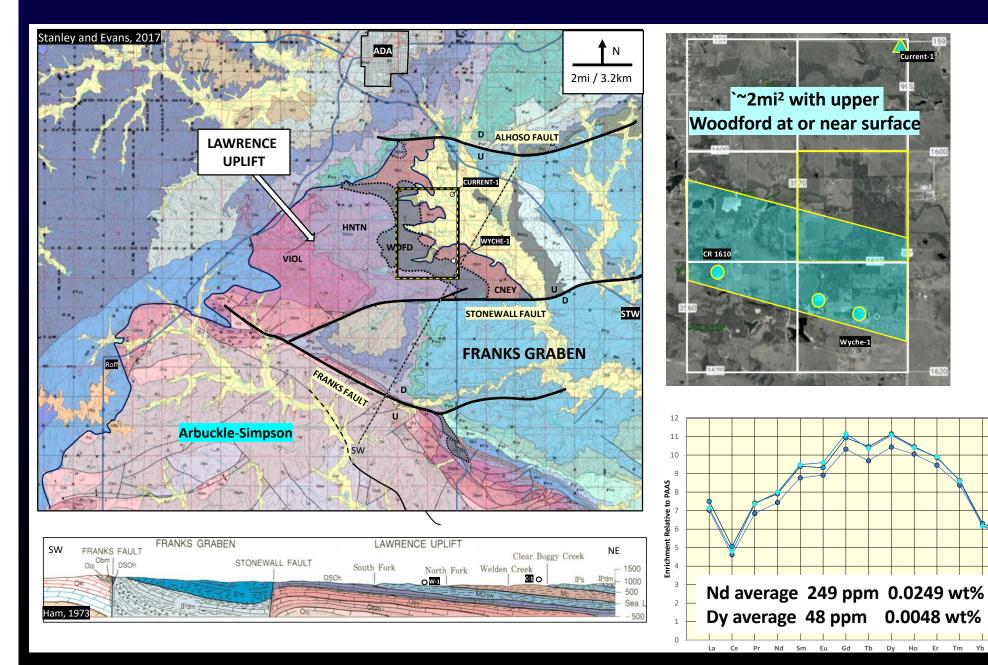


zircon and calcium in nodule Type A.WSP-5 (MCQ).

REEs in phosphate nodules Wyche nodules are strongly enriched. I35-N modestly enriched. Data indicate basinward decrease in REE enrichment

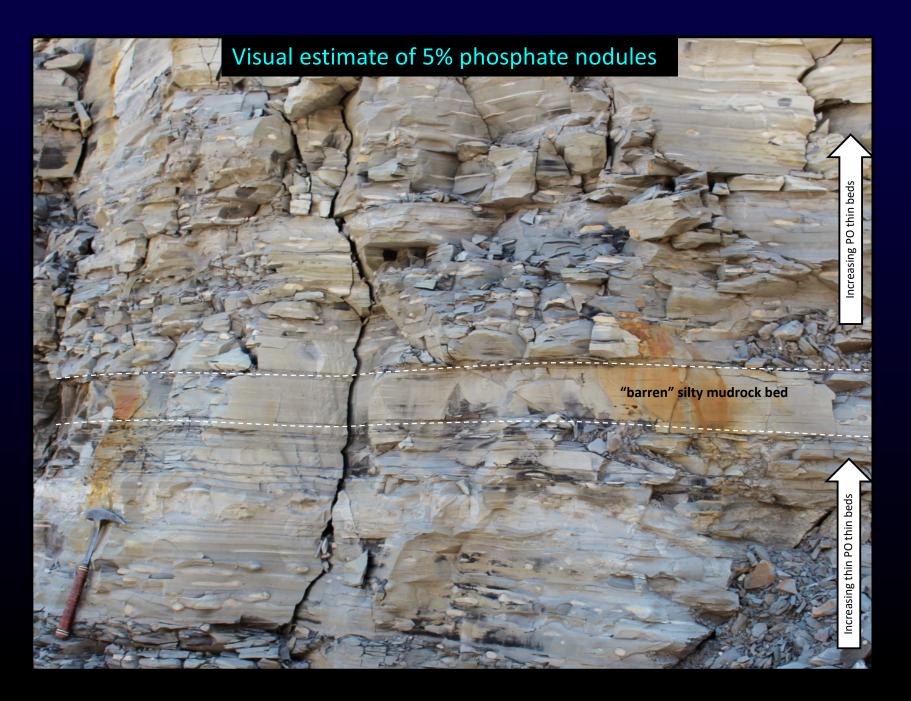


Lawrence Uplift REE Prospect: 1) Strong REE enrichment in PNs 2) Simple structure very low dip 3) Large area with minimal overburden 4) Active Woodford Quarry

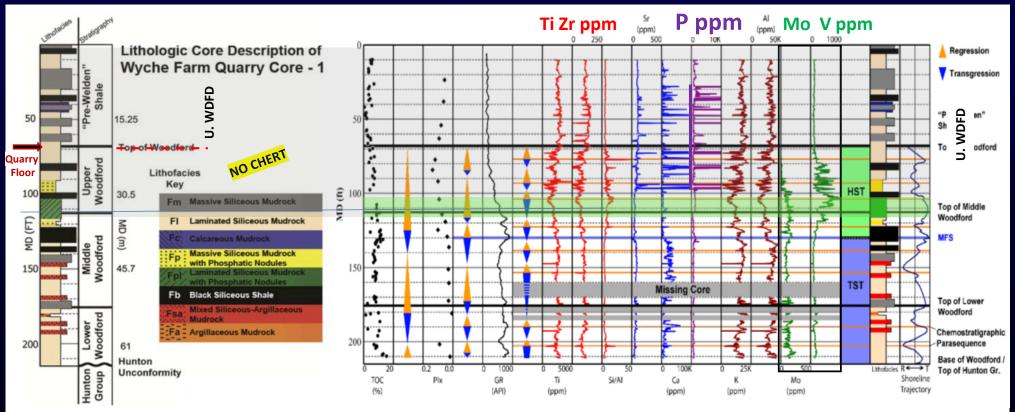


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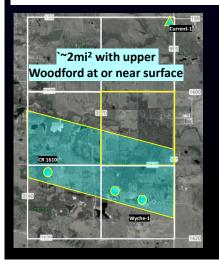
Lawrence Uplift: REE Potential Phosphate Nodules in the Woodford Shale



Core XRF elemental data indicate 21m of phosphate nodules. Surface geology indicates ~1280 acres w/ shallow overburden.



from Turner et al., 2016 Chemostratigraphic, palynostratigraphic, and sequence stratigraphic analysis of the Woodford Shale, Wyche Farm Quarry, Pontotoc County, Oklahoma, SEG Interpretations.



"Of particular significance to REE exploration, however, is the consistency of REE abundances within individual time horizons and that these may identify time periods, like the Late Mississippian, **Devonian**, and Ordovician, that were favorable for the formation of phosphorites with high-REE abundances." (Emsbo et al., 2015)

CONCLUSIONS

- 1. Woodford phosphate nodules show spatial changes in REE enrichment.
- 2. Up-dip area appears more enriched in REE.
- 3. The Lawrence Uplift shows the strongest enrichment in RREs.
- 4. Simple structure and minimal overburden are favorable for strip mining.
- 5. Further appraisal work is underway to consider commerciality.

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PART 2 : Cobalt Potential of the Flowerpot Shale, Jackson Co. OK*

- Review of Global Cobalt Production
- Geochemistry & Usage of Cobalt
- Central African Copperbelt 70% of Global Cobalt Production
- Oklahoma's Stratiform Cu Deposits
- Cobalt Potential of Creta Mine



Cobalt Global Production and Reserves

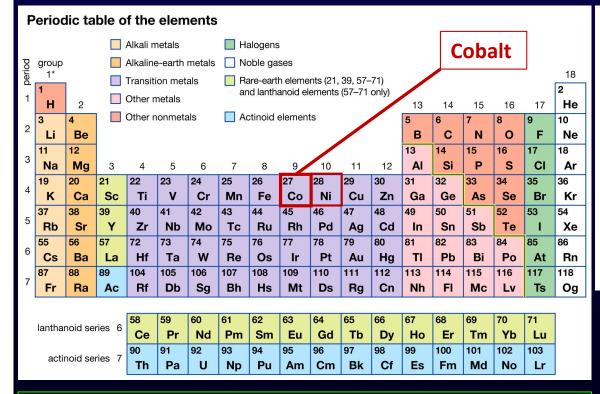
Top 10 Countries	Prod. metric tons/yr	Global %	Reserves	Туре	4 Modes of occurrence 1.Sediment hosted, sulfate-reduction
D.R. Congo	120,000	71%	3,500,000	Stratiform Copper	in shallow marine setting (0.1 to
Russia	7,600	4%	250,000	Hydrothermal mafic host	0.4%)
Australia	5,600	3%	1,200,000	Lateric nickel deposits	,
Philippines	4,500	3%	280,000	Lateric nickel deposits	2. Hydrothermal alteration of host
Canada	4,300	3%	250,000	By-product Ni production	rock (0.1%)
Cuba	3,900	2%	500,000	Lateric nickel deposits	3. Magmatic sulfide – immiscible
Papua New Guinea	3,000	2%	51,000	Lateric nickel deposits	phase (0.1%)
Magagascar	2,500	1%	150,000	Lateric nickel deposits	4. Nickle-bearing laterites on
Morocco	2,300	1%	14,000	Epithermal sulfide	ultramafic rocks (0.05 to 0.15%)
China	2,200	1%	80,000	Magmatic massive sulfide	
Rest of World	14,530		6,275,000		Manganese seabed nodules (2.5%).
World Total	170,000		7,100,000	<u>USGS estimates</u>	-
USA	650	0.4%	69,000		Not currently economic

 Cobalt is a "critical mineral" defined as a non-fuel material essential to the economic or national security of the U.S. and which has a supply chain vulnerable to disruption.

- Although nickel-bearing laterites and ultramafic igneous rocks are the most common hosts.
- Stratiform copper deposits in Central Africa account 71% of global cobalt production.

The Flowerpot Shale in western Oklahoma hosts stratiform copper deposits. The talk considers the cobalt of the Flowerpot Shale in the Creta Mine, Jackson Co. OK.

Geochemistry and Uses of Cobalt

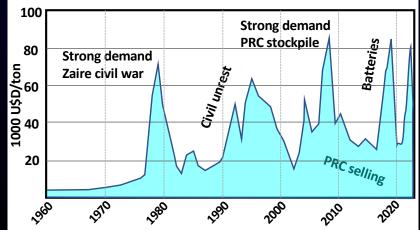


Cobalt, like nickel, is a transition metal that almost exclusively occurs in alloys of with iron and sulfur.

Cobalt-bearing ores occur in nickel-bearing laterites, hydrothermal massive sulfides, and copper-bearing red beds.

Cobalt ores must be smelted to produce usable metal.

Since 2005 480% swings in price
Demand, civil unrest, dumping COVID



Current spot price ~\$52,000/ton

- Lithium-ion batteries in EVs. Demand for will keep rising as the shift toward "clean technologies" continues.
- Metal alloys for turbines & prosthetic limbs
- Also used as a catalyst and in pigments & coloring

Cobalt Potential of the Flowerpot Shale

- Review of Global Cobalt Production
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- Cobalt Potential of Creta Mine

The Central African Copperbelt, CACB, 📩 is the only sedimentary rock-hosted stratiform copper district that contains economic cobalt resources.

Cobalt—Sedimentary Rock-Hosted Stratiform Copper



The CACB is composed of two separate sub-belts

- The Congo Copperbelt- hosted by Neoproterozoic carbonate-rich evaporitic rocks
- □ The **Zambian Copperbelt** hosted in slightly younger rift facies siliciclastic rocks.
- Complex multi-stage ore-paragenesis involves
 replacement of early formed pyrite.
- Pyrite sulfur isotopes indicate crystallization is related to bacterial sulfate reduction.

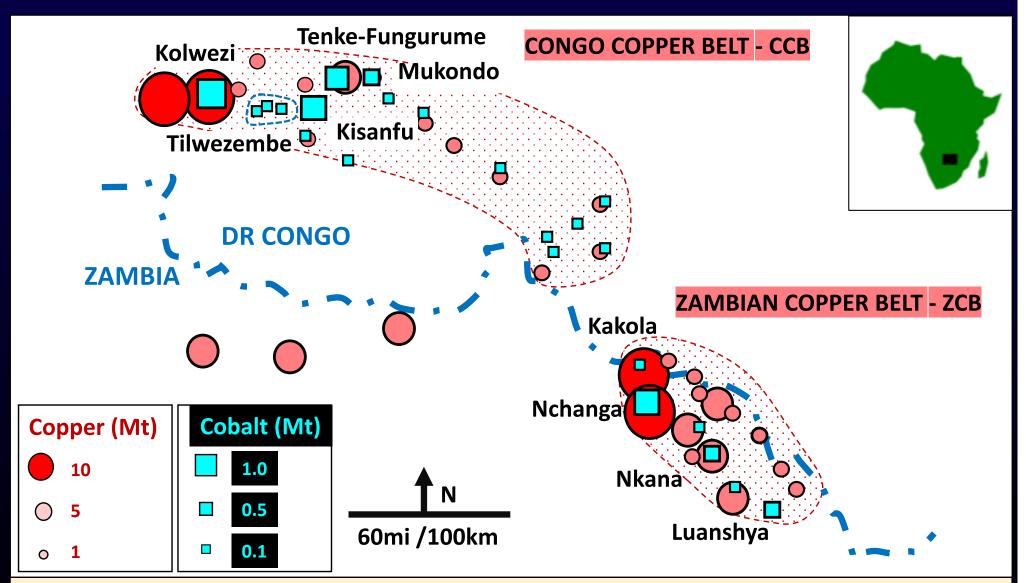
Cobalt grades > 0.6% Sufficient to support primay production

		- 🔺
Kisanfu	1.1%	
Mukondo	0.7%	
Tilwezembe	0.6%	
Nchanga	0.4%	
Kolwezi	0.4%	
Tenke	0.3%	
Luanshya	0.2%	
Nkana	0.1%	



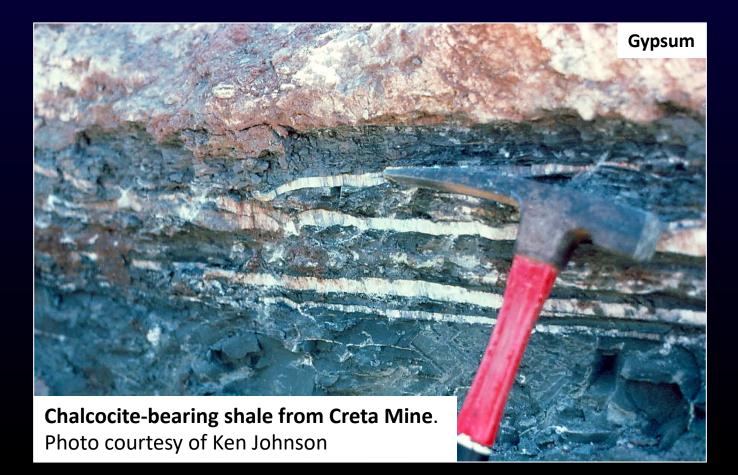
Carrollite (CuCo₂S₄,) primary cobalt ore

Congo and Zambian Copperbelts

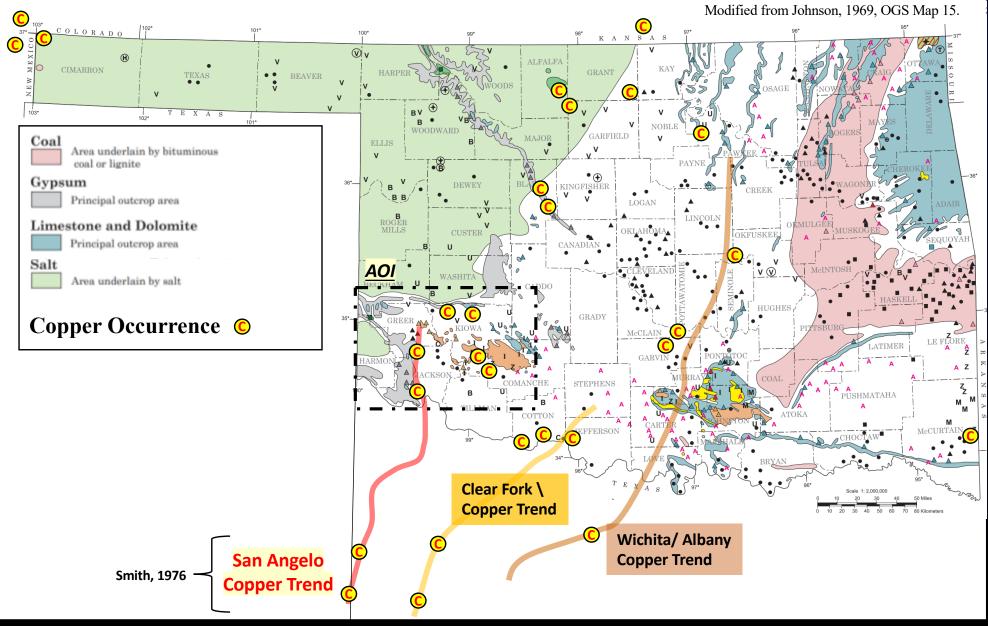


- The CCB has more copper deposits, but fewer giants (40% of endowment).
- Cobalt does not always accompany copper.
- The CCB has a much richer cobalt endowment.
- Cobalt in the ZCB is restricted to the western side- associated with mafic intrusions.

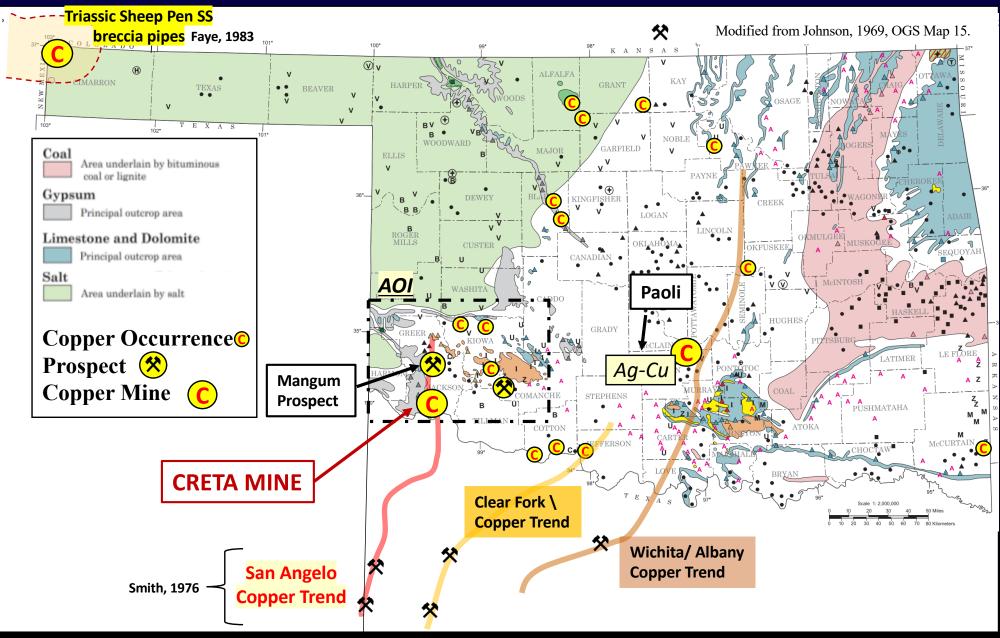
Review of Global Cobalt Production Geochemistry and Uses of Cobalt Central African Copperbelt – World's Largest Cobalt Production Oklahoma's Stratiform Copper Deposits Cobalt Potential in Western Oklahoma's Stratiform Copper Deposits



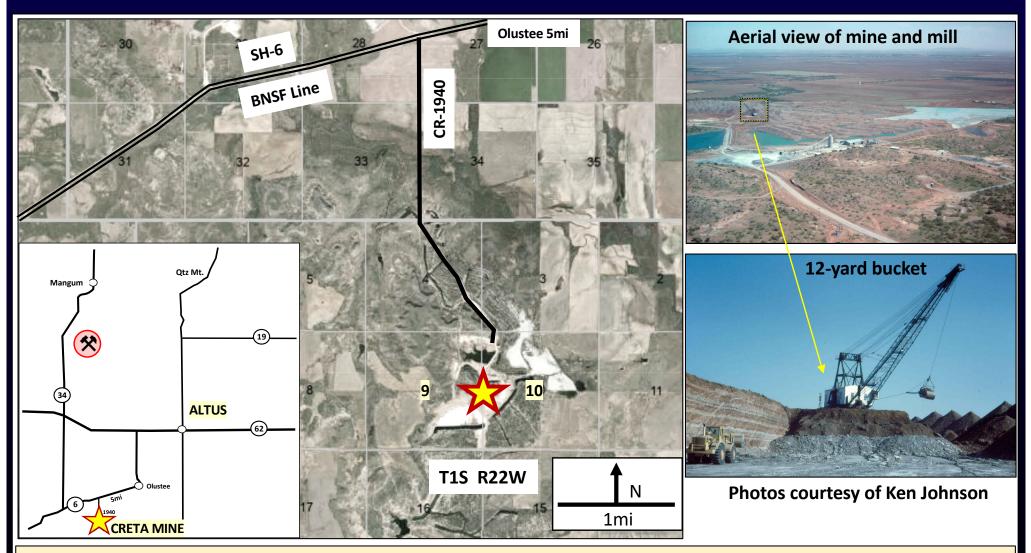
Cu-bearing Permo-Triassic sediments in Oklahoma & adjacent states are widespread Chalcocite [Cu₂S] & Malachite [Cu₂CO₃(OH)₂] are the most common minerals. Copper mineralization occurs in distinct trends extending from Texas.



Cimarron County – copper, silver, minor gold, brecciated sandstone & pipes. Paoli- silver-copper, roll front deposit in sandstone (Avg. 4.7 oz/ton silver Cu/Ag 40:1) Only the Creta deposit (Jackson Co.) was mined strictly for copper (Avg. 2.3% Cu)

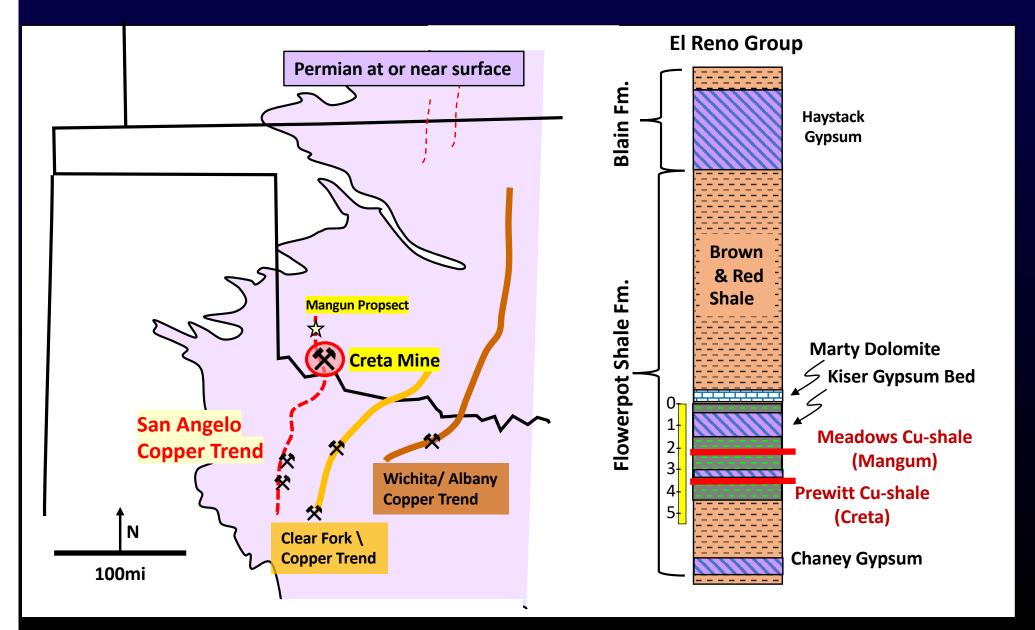


The Creta Mine: Jackson County OK (14mi / 21km SW of Altus)

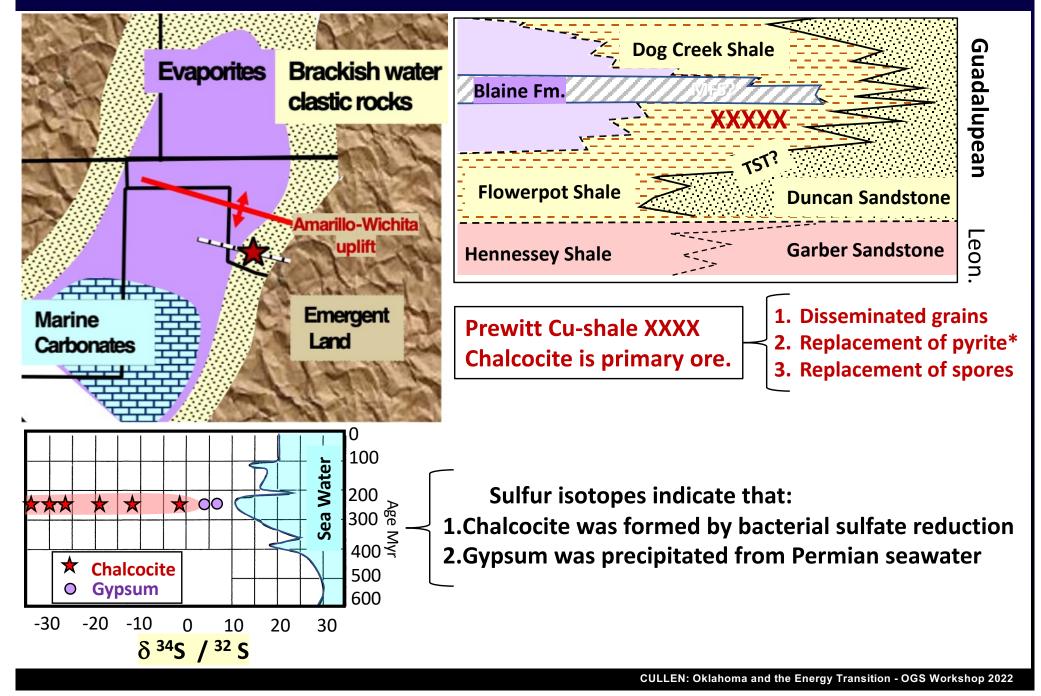


- The Creta Mine was operated by Eagle Picher from 1964 to 1975.
- •1.9 million tons of copper ore was strip mined from a thin copper-bearing shale.
- On-site mill with concentrates railroaded to El Paso (515mi) to ASARCO smelter
- The Mangum deposit (15mi /25km) north of Creta has never been developed

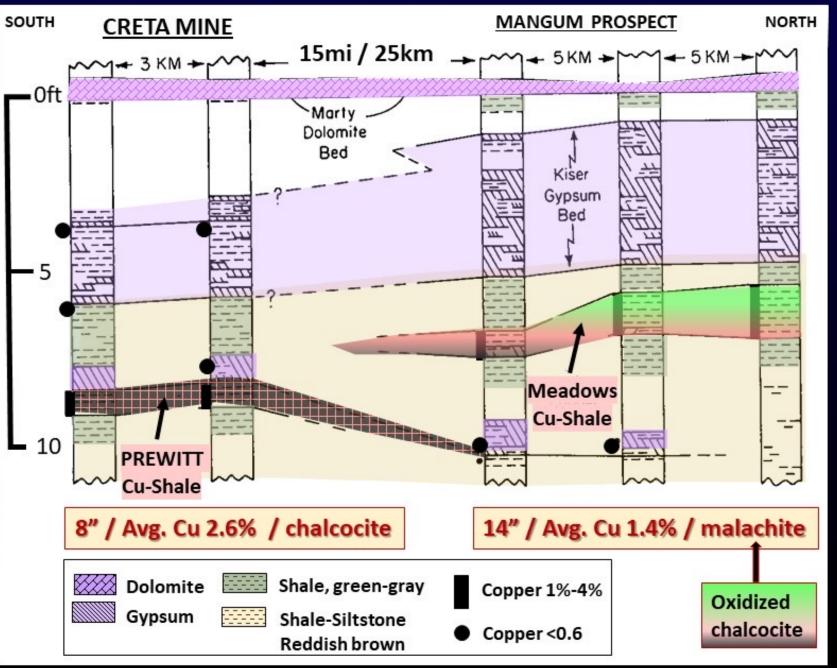
The Creta and Mangum deposits occur in the San Angelo Copper trend. Ores are hosted in the lower Flowerpot Shale below the Marty Dolomite.



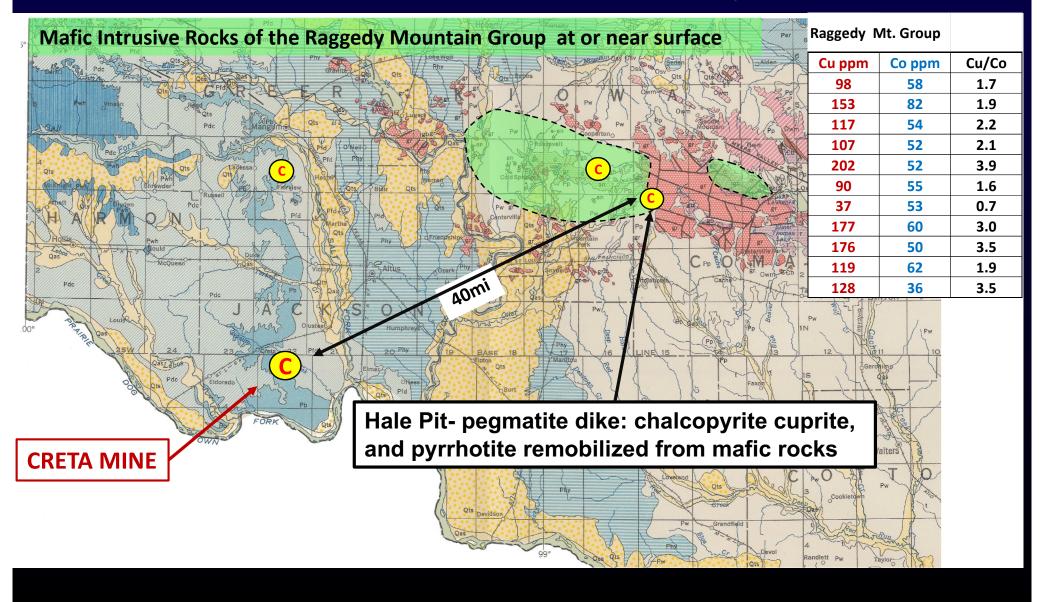
The Flowerpot Shale of Permian (Guadalupean) age was deposited in brackish water in a restricted marine embayment on the east side of the Permian Basin.



The Creta and Mangum deposits occur in 2 different shale units, Prewitt & Meadows The Meadows deposit near Mangum is thicker but is oxidized and ~1/2 the grade.



Copper in the Creta Mine ores was probably sourced from the mafic-ultramafic intrusive rocks of the Cambrian-age Raggedy Mountain Group. *Recall cobalt in the Zambian CB is associated with mafic intrusions*



Geochemistry and Uses of Cobalt Review of Global Cobalt Production Central African Copperbelt – World's Largest Cobalt Production Geology of Western Oklahoma's Stratiform Copper Deposits Cobalt Potential in Western Oklahoma's Stratiform Copper Deposits

Key Analyses from Creta and Mangum Deposits*

CRETA wt	Cu-Shales	Gray	Red	Maroon	Avg	MANGUM	Cu- Shales	Gray	Red	Maroon	Avg
%		shales	shales	shales	Shale	wt %		shales	shales	shales	Shale
Quartz	19.2	25.7	24.7	29.8	26.73	Quartz	27.0	26.2	26.9	23.6	25.57
Gypsum	15.7	10.2	5	1.6	5.60	Gypsum	13.2	13	16.3	17.4	15.57
Illite	47.9	51.6	47.3	56.4	51.77	Illite	48.5	47.9	43.6	45.7	45.73
Chlorite	16.7	11.8	23	12	15.60	Chlorite	8.80	11.2	12.4	1.9	8.50
Chalcocite	3.00	1	0	0	0.33	Malachite	1.70	1.7	0.1	0	0.60
CuO	3.17	1.26	0.16	0.15	0.52	CuO	2.59	1.29	1.29	0.19	1.03
тос	1.29	1.48	0.99	1.83	1.43	ТОС	1.75	1.71	1.69	1.45	1.62
Ag ppm	26	41.5	23	41.5	35.33	Ag ppm	31	34.7	25.9	33.1	31.23
Pb ppm	97	55.5	28	16.5	33.33	Pb ppm	87.8	52	21.1	19.3	30.80
V ppm	93.9	113	106	130.9	116.6	V ppm	124	119.3	107.3	115	113.87
CuO ppm	31700	12600	1600	1500	5233	CuO	25900	12900	1800	1900	5533.0
Co ppm	19.6	19.5	30	24.7	24.73	Co ppm	24	19.1	18.6	18	18.57
Ni ppm	48	48.5	31.7	45.8	42	Ni ppm	55.3	51.2	38.5	44	44.57
		Average	shale gra	ay-red-mare	oon			Average sh	ale gray-	red-marooi	า
	* from Lockwood, 1972 1976								1972 1976		
Afri	ca Co				_						
		CRE	TA <mark>Cu</mark> -	Gra Shales	-		MANG	iUM Cu-Sha	les Gra	•	Maroon
Kisanfu	1.1%	Сом	∧/†% 0	shal 0020 0.00			Co w	rt% 0.002	shale 4 0.001		shales 0.0018
Mukondo	0.7%										0.0018
Tilwezembe	0.6%	Neither Creta nor Mangum have ore grade cobalt.									
Nchanga	0.4%	It's not even close.									
Kolwezi	0.4%										
Tenke	0.3%										
Luanshya	0.2%		Oklahoma and the Energy Transition - OGS Workshop 202								

Creta and Mangum Enrichment Factors

Creta Mine							
Enrichment	Cu Shale/	Gray/	Red /	Maroon /			
>1	Avg	Avg.	Avg.	Avg.			
Ag	0.74	1.17	0.65	1.17			
Pb	2.91	1.67	0.84	0.50			
V	0.81	0.97	0.91	1.12			
Со	0.79	0.79	1.21	1.00			
Ni	1.14	1.15	0.75	1.09			

Enrichment factors represent normalization the average of the gray, red, and maroon shales of each respective area.

Creta copper shales are depleted in cobalt, vanadium and silver.

Only the red shales show cobalt enrichment.

Mangum Prospect						
Enrichment	Cu shale/ Avg	Gray/ Avg.	Red / Avg.	Maroon / Avg.		
Ag	0.99	1.11	0.83	1.06		
Pb	2.85	1.69	0.69	0.63		
V	1.09	1.05	0.94	1.01		
Со	1.29	1.03	1.05	0.97		
Ni	1.24	1.15	0.86	0.99		

Mangum copper shales- enriched in cobalt, vanadium, but slightly depleted in silver.

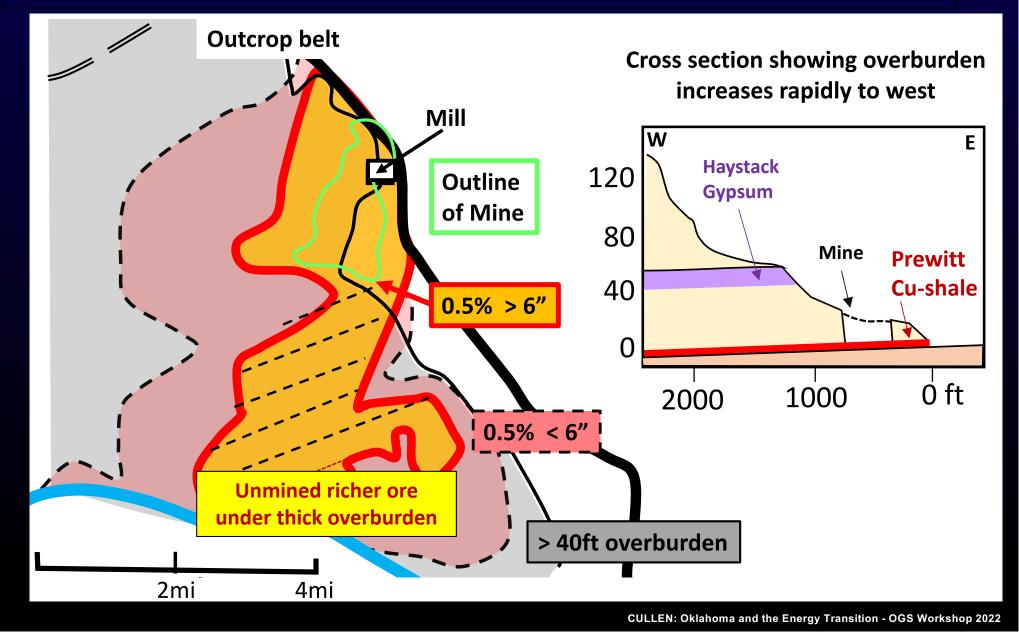
The gray shales are enriched in all elements. The red shales have slight cobalt enrichment.

- The Creta Mine shut down in 1975 owing to low copper prices and increased smelting costs from pollution regulations.
- Although lacking cobalt potential, the current copper price is now 670% higher. Is it worth considering re-opening the Creta Mine for copper?



SUMMARY

- Geological studies have defined isopach of ore grade cutoffs and overburden.
- These data are sufficient for an assessment of commerciality.
- The richest ore with thinnest overburden has already been mine.



CONCLUSIONS

Creta holds NO cobalt potential.

Thicker overburden is a negative factors, but

Creta might have remaining commercial copper ore at current copper prices.

The abandoned Creta mine still holds mysteries.

Who built the Creta Cannon and why?



One-eyed, One Barrel'd, Flyin' Purple Pumpkin Chucker



Thank You

SPECIAL ACKNOWLEDGMENT

Dr. Ken Johnson



Oklahoma Geological Foundation: Living Legend Award, 2015

More than 60 years of sustained research on Oklahoma's geology with an emphasis on the Permian System and he's still publishing and teaching.

Key References

KEY REFERENCES

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