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WP-1
White Pine Co.
(67m. 332+174)RECONSTRUCTION FINANCE CORPORATION
MINING SECTION
REPORT OF ENGINEER EXAMINER

Item 2

	<u>Field</u>	<u>Washington</u>
Docket No.	N-42	ND-5692
Date application received	July 31, 1943	August 5, 1943
Date Supervising Engineer's report received		Oct. 4, 1943
Date of report	Sept. 29, 1943	Oct. 9, 1943

NATIONAL DEFENSE1. NAME AND ADDRESS OF APPLICANTDeer Trail Tungsten Company
Ely, NevadaCorrespondent: Arthur De Melik
Hotel Nevada
Ely, Nevada.2. CHARACTER OF PROJECT

To develop applicant's leased tungsten property.

3. LOCATION OF PROPERTYIn T. 10 N., R. 66 E., White Pine County, Nevada, 53 miles from the Union Pacific Railway at Pioche.4. ESTIMATED COST OF PROJECT

Below is shown a summary of the nature and cost of the proposed expenditures as estimated by the applicant:

Tunneling 500 ft. @ \$12 per ft.	\$6,000
Raise and manway, 400 ft. @ \$10 per ft.	4,000
Compressor and drill, prospecting	7,200
Mine cars, pipe and pick up truck	1,400
Camp construction	2,500
Compressor house and blacksmith equipment	1,400
Road work, insurance, miscellaneous	<u>2,350</u>

T o t a l

\$24,850

5. APPLICANT

A corporation, organized May 25, 1943 under the laws of the state of Nevada, applies for a mining loan under Section 5d of the RFC Act, as amended.

6. LOAN REQUESTED \$24,850.7. LOAN RECOMMENDED A loan is not recommended.8. COMMENTS OF ENGINEER EXAMINER

The subject property is located in a deep, steep-walled canyon at elevations of 8,000 ft. to 8,300 ft. This is a timbered area drained by Sheep Creek, which flows easterly through the property at an estimated rate of about $\frac{1}{2}$ cu. ft. per second. Ore occurs as hubnerite in the form of small crystals disseminated through the quartz that occupies a fissure trending northwest. This structure occurs within a series of sediments believed to be of Cambrian age. A cut and a short tunnel explore a 30-inch vertical vein for a length of about 50 ft. Surface prospecting in overburden up to 6 ft. in thickness has exposed the vein at intervals along a strike length of about 350 ft. Not only is the property at some distance from a highway, but the limited occurrence of low-grade tungsten-bearing material indicates the absence of any commercial possibilities. Supervising Engineer sampled mineralized showings at four key points, where samples over considerably narrower widths had been taken previously by applicant's engineer. These samples show a tungsten content

ranging from 0.13% across 1.3 ft. to 0.52% across 3.7 ft. Engineer Examiner concurs in the Supervising Engineer's opinion that a loan is not warranted.

9. CONCLUSIONS

A loan is not recommended because a study of all the information at our disposal indicates that the proposed work would be unlikely to develop enough tungsten ore to be deemed advantageous to the national defense.

10. RECOMMENDATION

It is recommended that this application for a loan be declined.

The report and recommendation above are based on information furnished and representations made by the applicant, an examination of the statements as they appear in the application and supporting data and the report of this Corporation's Supervising Engineer.

John B. De Mille /signed /
JOHN B. DEMILLE
Engineer Examiner

RECOMMENDATION APPROVED:

Morton Macartney /signed.
MORTON MACARTNEY
Chief, Self-Liquidating Division