

GEO. H. SHORT
MINING
CONTINENTAL BANK BUILDING
SALT LAKE CITY 1, UTAH

June 9, 1945.

Mr. R. M. Adams,
Duluth, Minn.

Dear Mr. Adams:-

WAGNER PROPERTY.

LOCATION: The location of this property is described in one of the location notices as being in section 17, township 24 N, range 57 E, being in the Bald Mountain Mining District, Whitepine County, Nevada. The location is remote from any settlements, being 66 miles from the small mining town of Eureka, 85 miles south of Elko and 112 miles northwest of Ely, Nevada the nearest towns. The property is best reached from the Ely- Eureka paved hiway, being 51 miles north of this hiway.

OWNERSHIP & TITLE: The property consists of 16 unpatented mining claims, located in June 1944, by Mr. Homer Black and recorded in August, 1944. While the locations are in the name of Homer Black, I believe that Edward R. Wagner of Ely, Nevada is the real and sole owner of the property. The reason therefor was fully explained to me by Mr. Wagner and I believe is true.

I read over each recorded location notice and think that in all probability an attorney would find some technical errors and omissions in fully complying with the rules and regulations governing the location of mining claims, nevertheless, it is my opinion, in view of the past attitude of the courts in such matters that these locations are good as against all third parties. Later they may be amended if that seems desirable.

Wagner bears a very good reputation in Ely.

GEOLOGY:

Because of the size of the area involved, its apparent structure, the time required to even make a preliminary mapping, I cannot write anything with certainty concerning the geology and structure of the region. In a very broad way this is covered in U.S.G.S. Bulletin No. 648, pages 153-160, but even here the important details are lacking.

However, the property appears to be situated in a region of sedimentaries that have been intruded by porphyries and monzonites. The actual ore bearing area appears to be a quartz monzonite dyke, some 1800 feet in width by several thousand feet in length. In any event an extensive igneous intrusive formation of large extent is the ore carrier. This formation in large part is covered with soil and sage brush but does prominently outcrop in places. Sampling was necessarily confined to the prominent outcroppings.

SAMPLING: I only sampled the prominent outcrops on the south end of the property. The samples were taken without any plan and without any regard for ore indications. The samples do represent what the outcrop contains at the places where taken on the south end of the property. Details of the sampling are as follows:

- No. 1 Chip samples across 10 feet near corner No. 11 claim
- No. 2 Chip sample across 80 feet outcropping on No. 11 claim. See Photo No. 1
- No. 3 Across 14 feet of east side wall of pit. See photo No. 3
- No. 4 Chip sample over and area 30 x 30 feet on prominent outcrop. Photo No. 2
- No. 5 Along 14 feet of west wall of cut above Oddie Tunnel.
- No. 6 20 grabs from fine dump below No. 4 150 feet.
- No. 7 Specimen sample of quartz outcrop on north side canyon for 40 feet.
- No. 8 Composite along outcrop from No. 1 to No. 4 taken separately by Mr. Wagner.

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<u>Assay Results;</u>	<u>Gold</u>	<u>Value</u>	<u>Silver</u>	<u>Copper</u>	<u>Silica Insoluble.</u>
No.1	0.140	\$ 4.90	0.1		
No.2	0.050	1.95	0.2		
No.3	0.100	3.50	0.7		
No.4	0.010	.35	0.2		
No.5	0.010	.35	0.4		
No.6	0.055	1.92	0.1		
No.7	0.005	.175	0.1		
No.8	0.090	3.15	0.7	0.05%	76.7%

In averageing values, I have eliminated No.7 for the reason that it is somewhat at one side of the ore dyke and was taken by me as a curiosity sample. Then, the average of the first six samples gives a value of \$2.13 per ton of outcropping.

The average of the first 4 samples gives a value of \$2.62 per ton as compared with the value of No.8 sample of \$3.15 per ton. This wide spread in values is easily accounted for in the method of sampling and size of the samples.

Certainly the method of sampling and size of the samples gave the property none the best of it and perhaps was a little unfair. I should have preferred to have taken much larger samples. The samples fairly represent the outcrop of several hundred feet and represent a very large tonnage, provided the formation goes to any depth.

So far as I could determine, there is no reason to believe that the outcrop is any better or any worse than the whole. In fact there is no reason to believe that it is even an average of the whole dyke for the reason that the small area sampled, both in area and depth, is much too small in comparison with the whole. What effect, if any, surface exposure over a long period of centuries has had can only be determined by some sub-surface work.

TONNAGE: Such as it is, the dyke contains many millions of tons. The question is: "what does the dyke contain in the way of commercial ore"? There is only one way of finding the answer and that is to drill the property. In view of the assay results this is worth considering. Should the price of gold be increased, as many well informed people expect and seems likely to say \$60.00 per ounce then the average values would be \$3.65 instead of \$2.13.

FACILITIES: The topography is such that drill equipment, either diamond or churn, can be placed and moved from point to point without too much effort. A small "cat" with dozer to repair the road leading to the property and to facilitate moving equipment would be helpful but not absolutely necessary.

In the event that drilling should prove the property to be commercially valuable, the set-up for steam shovel operations is almost ideal.

The property is so remote that every facility for drilling the property and for later operations has got to be brought in, with the exception of water. There is available on the property ample water for domestic and drilling purposes. Water for large scale operations is abundant, in the valley 4 or 5 miles from the property

CONCLUSIONS: The purpose of my examination was to determine whether or not a further investigation of the property should be undertaken. Considering the large extent of the presumed mineralized area, the small area sampled, the possibility of an enriched area or ore channels within the larger area, the average value of the ore as shown by my samples, together with the possibility of an increased price for gold in the not too remote future, I feel that a further and

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complete sampling job be undertaken. One suggestion is to sample the property by a series of shallow diamond drill holes, say 50 holes of 50 foot depth with a few holes going to 200 or 300 feet in depth. Perhaps as a precautionary measure a further sampling of the outcrops be undertaken by taking 50 very large samples of a minimum of 50 pound each. If such sampling proves commercial ore then drill the property as suggested above.

As the property stands to-day, it is merely a prospect that is somewhat enticing. It is going to cost \$10,000 to find out what is in the ground.

It is my opinion and my recommendation that a further and complete sampling job be undertaken.

Very truly yours,

Geo. H. Short

Enclosures:

- ✓ 4 photos
- ✓ copy of claim map as recorded in recorder's office
- ✓ assay certificate from Union Assay Office.
- ✓ copy of recorded location notice for No. 1 claim

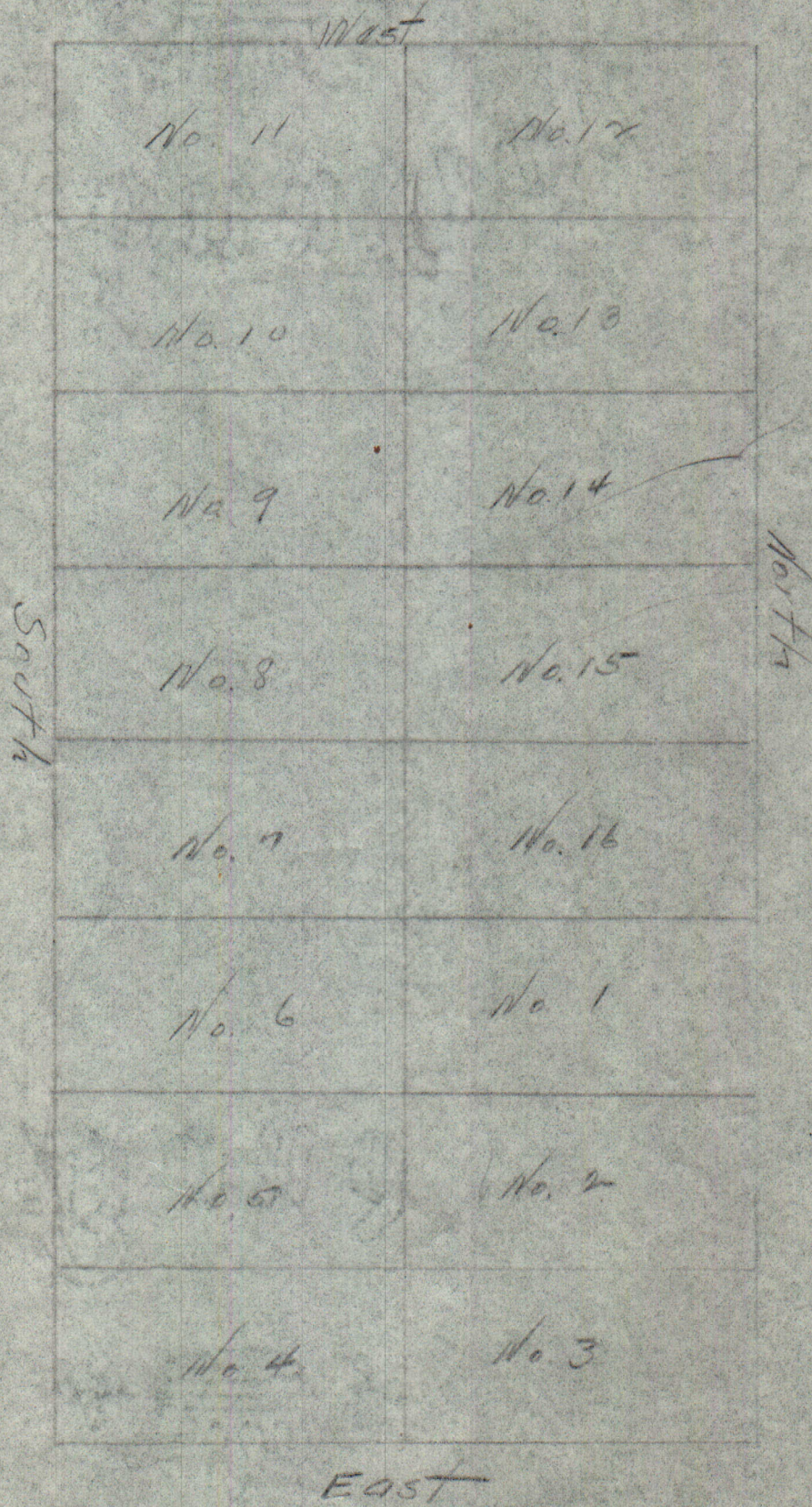
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Claim map of Homstake group of claims as recorded.

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Wagner Property



Claim map of Homstake group of claims as recorded.

Wagner Property

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West	
No. 11	No. 12
No. 10	No. 13
No. 9	No. 14
No. 8	No. 15
No. 7	No. 16
No. 6	No. 1
No. 5	No. 2
No. 4	No. 3
East	

South

North

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Telephone 3-3302

Hand
Sample Serial 56159-66

ASSAY CERTIFICATE

UNION ASSAY OFFICE, Inc.

J. V. SADLER, President
A. C. SELBY, Vice-Pres. & Treas.
A. C. SELBY, Jr., Secretary

Salt Lake City, Utah

Mine Geo. H. Short

RESULTS PER TON OF 2000 POUNDS

June 4, 1945

NO.	CLASS	GOLD Oz. per Ton	VALUE GOLD	SILVER Oz. per Ton	LEAD Per Cent Wet	COPPER Per Cent	INSOL. Per Cent	ZINC Per Cent	SULPHUR Per Cent	IRON Per Cent	LIME Per Cent	Per Cent
1		0.140	4.90	0.1				SiO ₂				
2		0.050	1.75	0.2				76.7				
3		0.100	2.50	0.7								
4		0.010	.35	0.2								
5		0.010	.35	0.4								
6		0.055	1.92	0.1								
7		0.005	.175	0.1								
8		0.090	3.15	0.7		0.05		76.7				

Remarks

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Charges \$ 11.00 Paid 975.

J. V. Sadler

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56158

UNION ASSAY OFFICE, Inc.

Salt Lake City, Utah

Bar valley rev. plaster.

June 4, 1945

Remarks.....

Handwritten signature: J. B. Allen



Looking north across canyon from outcrops sampled.
This area supposed to be part of mineralized zone

Not
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General character of outcrop on south side canyon

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Old cut-sample No.3 taken across 14' on East wall

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Sample No. 4 taken in this area 30 x 30Ft

Wagner Report 1



Lookin East- up canyo along outcrop
Sample No. 2 along 80' taken here

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No 1