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RENO OFFICE
RECONSTRUCTION FINANCE CORPORATION
MINING SECTION
INSPECTION REPORT NO. I

Docket No. C-ND-7637
Date Loans Approved - September 28, 1942
November 23, 1942
February 17, 1943

Date of Inspection - April 16 - 19, 1943
Date of Report - April 30, 1943

NAME AND ADDRESS OF APPLICANT

Stanley F. O'Leary
Battle Mountain, Nevada

NAME OF PROPERTY

Midland and Northland claims of Stanley F. O'Leary, near Battle Mountain, Nevada.

UNWATERING PROJECT

The Applicant started unwatering the shaft early in January -, 1943. He was hampered considerably by washouts and bad weather, but completed the project by April 9, 1943.

GENERAL

The property is located about 10 miles south of Battle Mountain, Lander County, Nevada, in the Battle Mountain Range. It consists of a group of claims which were once part of the holdings of the Buckingham Mining Company. A shaft and tunnel had been dug upon the Midland claim of the group and all of the operations involved in this application are located on that claim, with the possible exception of the Northland claim which adjoins it by end lines on the north.

At the time the dewatering operations commenced the water stood 18 feet below the collar of the vertical main shaft. There were known to be two levels driven from the shaft. The first level was found at 37 feet, and the second at 85 feet below the collar. The unwatering was done with a No. 3 Cameron sinker, capacity about 25 gallons per minute, using compressed air furnished by an Ingersol-Rand portable compressor, capacity 310 cu. feet per minute.

This examination was made as soon as the second level (85 feet) was clear and made accessible. A Brunton and tape survey was made and samples taken, as shown on the accompanying map. The objective in the unwatering project was to make available ores containing gold, silver, lead, zinc, and copper, supposed to exist on the submerged levels. The adit, about 200 feet in length, exposes a vein in a steeply dipping fissure striking N. 10° W. The collar of the shaft is just outside the portal of the tunnel, at the same elevation, in footwall territory.

GEOLOGY

The country rock consists of a series of impure sandstones and shales partly schistose and partly silicified, with pyrite impregnation in the vicinity of the fissures. A quartzite reef outcrops about 1000 feet northwest, with an area of monzonite beyond. Pennsylvanian limestone overlies the formation, but is not exposed in this vicinity.

Fissuring and faulting has been intensive in the area, the locus of which is the N. 10° W. bearing fissure which dips westerly from 80° to 90°. The adit driven along this, exposes a vein in which short lenses of ore composed of galena, sphalerite and chalcopyrite

occur. A series of secondary fissures and fractures intersecting at acute angles and flatter dips seem to have defined the location and extent of the ore shoots. These factors are not so evident on the adit level but are clearly shown on the 37 foot level and the sub-level above it.

The main fissure was not picked up on the 85 foot level, but the cross cuts east and west exposed strong southwesterly bearing fissures with the flatter dips (53° - 63°). No ore of importance was found on this level. Sample Nos. 312 to 319.

MINING AND SAMPLING

On the 37 foot level stoping was done at four points, and raises put through to the adit level at two points. The stopes were lagged over completely so were not open for inspection. A winze was sunk about 35 feet below the 37 foot level, measured on the incline (73°). At 25 feet down, a cross fissure was cut and drifted upon for about 6 feet, exposing a face of ore 1.2 feet wide of good shipping grade. Sample 301. It is conceivable that the southerly extension of this is responsible for the high grade shoot exposed in the adit level near Station 5. Sample No. 318.

The spaces between the stopes on the 37 foot level were sampled. Sample Nos. 309 to 311. Vein width is about 6 inches. Five samples were taken on the sub-level above the 37 foot, where some ore was stoped and a small tonnage remains. Samples 304 to 308.

- - TONNAGE ESTIMATES - -

Block 1 - Winze below 37 foot level
10 x 10 x 1 = 100 cu. ft. = 10 tons.
It is proposed to drive ahead here as the possibilities are fair that this ore will continue some distance southerly. Sample 301.

Block 2 - Sub-level
6 x 20 x 1/2 = 60 cu. ft. = 6 tons.
Samples 304 to 307

Block 3 - 37 foot level, at Sample 309
6 x 10 x 1/2 = 30 cu. ft. = 3 tons

Block 4 - 37 foot level at Sample 310
20 x 20 x1/2 = 200 cu. ft. = 20 tons

Block 5 - 37 foot level at Sample 311
20 x 30 x 1/2 = 300 cu. ft. = 30 tons.

Block 6 - Adit level at Sample 318
10 x 10 x 1/2 = 50 cu. ft. = 5 tons.

TOTAL - - 74 tons.

These figures are believed conservative enough to assume that by some underhand stoping a total of 80 tons may be mined.

The following table gives the value of the samples included in the above blocks. It is not the assay value, but is the amount that will be paid for each metal by the International Smelting and Refining Co.'s plant at International, Utah, according to their schedule on file in this office. It, however, includes the government bonus. The "net" column is the total minus $18.50, estimated cost, the breakdown of which is shown. The mining cost is based upon a production of plus 1-1/2 tons per day per miner.

No.	Tons	Pb	Zn	Ag	Au	Total	Net
301	10	17.95	7.30	11.05	1.71	38.01	19.51
304)		14.00	5.40	11.00	2.70	30.80	12.30
305)	6	11.00	9.90	7.97	1.71	30.58	12.08
306)		13.20	8.90	8.76	1.22	32.08	13.58
307)		13.40	10.80	7.18	1.22	32.60	14.10
309	3	7.20	14.20	5.82	.75	27.35	8.85
310	20	14.50	11.70	10.35	1.22	37.77	19.27
311	30	13.40	6.80	11.00	1.71	32.91	14.41
318	5	35.50	15.50	35.10	2.20	88.30	69.80

Average $37.10

Truck	$ 1.50
RR Frt.	4.00
Mining	10.00
Milling	3.00
	$18.50

18.50

NET - $18.60

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ASSAY CERTIFICATE

No.	Gold Ozs. Per Ton	Value Gold	Silver Ozs. Per ton	Lead % Wet	Copper %	Zinc %
301	.08	$2.80	19.2	16.0	1.24	8.2
302	.06	2.10	4.8	7.7	.60	1.1
303	.02	.70	.8	1.4	-- -	0.7
304	.12	4.20	20.0	12.6	trace	8.1
305	.08	2.80	14.6	9.8	-- -	11.0
306	.06	2.10	16.0	11.8	-- -	9.77
307	.06	2.10	13.2	11.9	2.43	13.54
308	.04	1.40	9.2	6.7	-- -	2.2
309	.04	1.40	10.8	6.6	-- -	15.76
310	.06	2.10	18.8	13.0	- --	12.99
311	.08	2.80	20.0	12.0	-- -	7.55
312	.16	5.60	.8	1.1	-- -	trace
313	.12	4.20	.8	trace	-- -	none
314	.08	2.80	.8	trace	-- -	2.2
315	.08	2.80	.4	.2	-- -	1.6
316	.08	2.80	.4	none	-- -	1.4
317	.08	2.80	none	none	-- -	trace
318	.04	1.40	62.4	39.6	2.0	17.32
319	.10	3.50	none	.4	-- -	none

COSTS

Operating costs for 30 days are estimated as follows:

Management (O'Leary)	$ 200
2 Miners @ $7.50 per day	450
1 Top man @ $7.50 per day	225
Powder, Rentals, Gas, Steel, etc.	300
	$1175

Net returns from 80 tons @ $18.00 per ton $1440.

The entire operation should be concluded in the 30 day period. It is estimated that it will take about 80 days for the water to rise again to the 37 foot level, so no pumping expense is considered.

The lead production from the 80 tons should be about 11 tons and the zinc about 7 tons.

The Applicant has sufficient miscellaneous equipment and tools on hand to supplement the pump and compressor furnished by the R. F. C. except the two drills, which he says he can rent for $1 per day each, and a tugger hoist which he can also rent.

A review of the whole set-up here shows that the government has already advanced $5000 as a preliminary development loan. All but

about $700 of this has been expended in dewatering the shaft. Inspection of the lower level fails to find any ore of minable grade thereon.

Remnants of ore bodies were found on the intermediate levels, which are estimated to contain 80 tons of ore that normally should net about $18.00 per ton, or $1440. It therefore appears, at least to the writer, that it would be beneficial to the war effort to add a few more tons of lead and zinc to the national supply, by getting this ore to the smelters. This will require an additional development loan of $1500.

No further development is recommended, except where it can be done in ore. It is realized that the tonnage estimates made here are not intended to show positive, or even probable ore, but under the orthodox definition may be classed as possible ore.

Carl Stoddard

CARL STODDARD
Engineer

J. BENJ. PARKER, Manager

NEVADA MINERAL LABORATORIES

233 E. PLAZA ST. PHONE RENO 21001
RENO, NEVADA

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ASSAY CERTIFICATE

M Reconstruction Finance Corporation 4-27-43

By Carl Stoddard Eng.

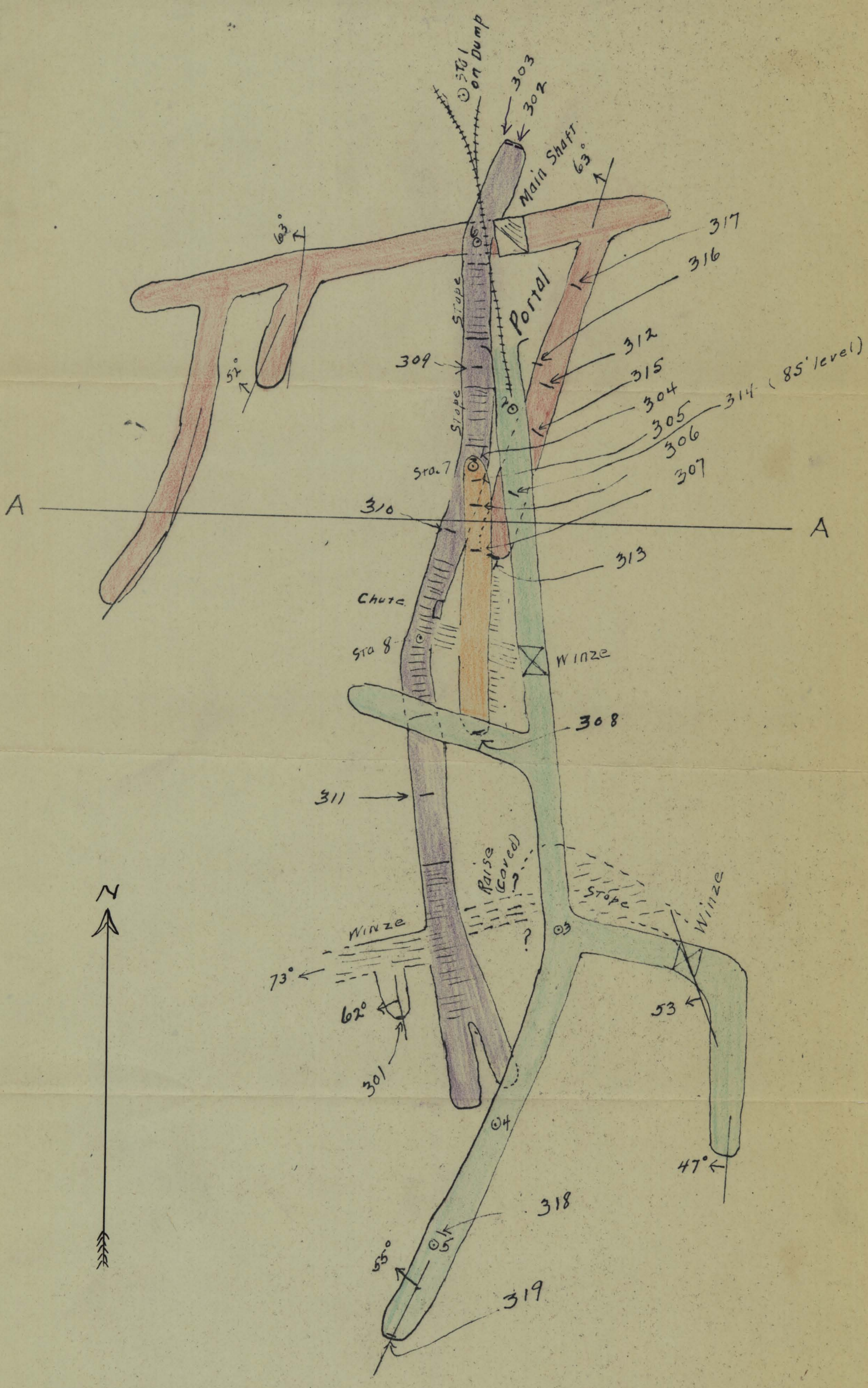
WE HAVE ASSAYED YOUR SAMPLES AND FIND CONTAINS: (PER TON OF 2000 LBS.)

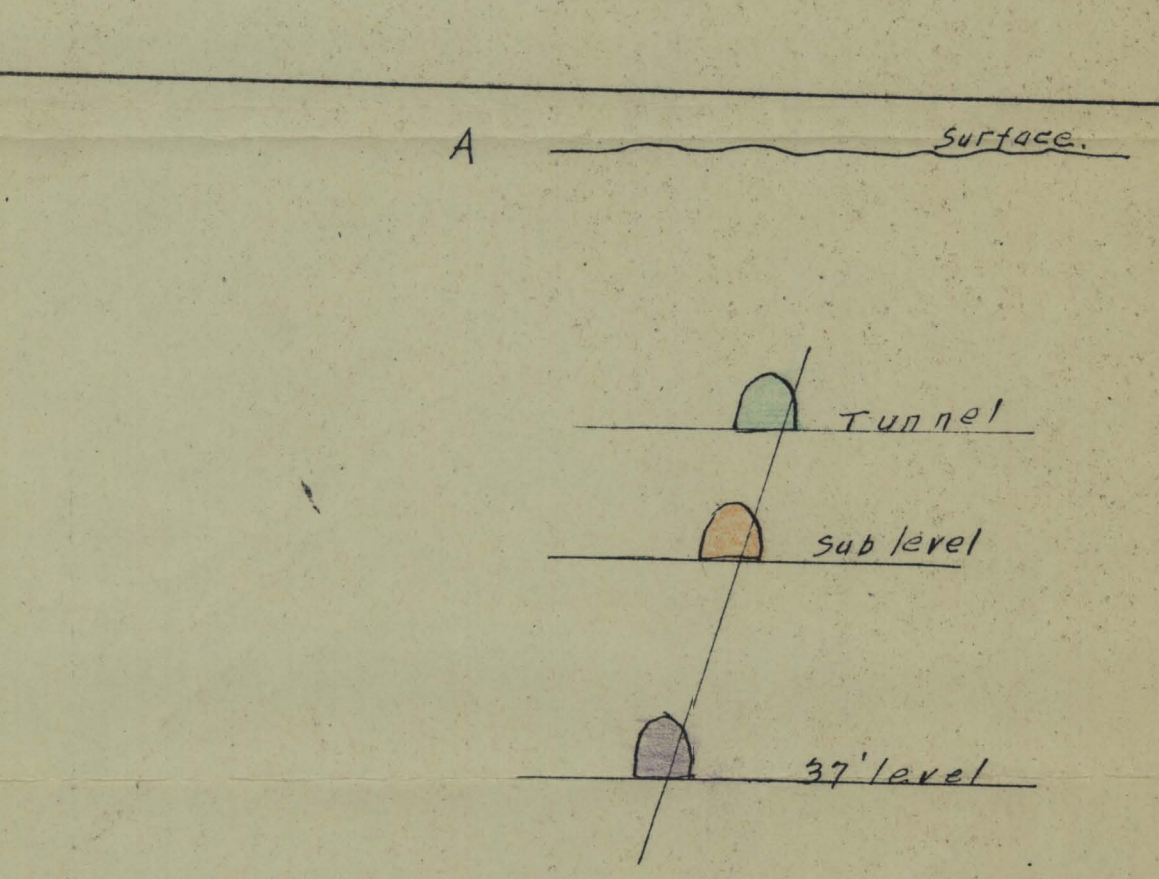
NO.	CLASS	GOLD Ozs. per Ton	VALUE GOLD	SILVER Ozs. per Ton	LEAD Per Cent Wet	COPPER Per Cent	INSOL. Per Cent	ZINC Per Cent	SULPHUR Per Cent	IRON Per Cent	LIME Per Cent	Per Cent
301		.08	$2.80	19.2	16.0	1.24		8.2				
302		.06	2.10	4.8	1.1	.60		1.1				
303		.02	70¢	.8	1.4	----		0.7				
304		.12	4.20	20.0	12.6	trace		6.1				
305		.08	2.80	14.6	9.8	-----		11.0				
306		.06	2.10	16.0	11.8	-----		9.77				
307		.06	2.10	13.2	11.9	2.43		13.54				
308		.04	1.40	9.2	6.7	----		2.2				
309		.04	1.40	10.8	6.6	-----		15.76				
310		.06	2.10	18.8	13.0	-----		12.99				
311		.08	2.80	20.0	12.0	-----		7.55				
312		.16	5.60	.8	1.1	--1.0		trace				
313		.12	4.20	.8	trace	-----		none				
314		.08	2.80	.8	trace	-none-		2.2				
315		.08	2.80	.4	.2	-none		1.6				
316		.08	2.80	.4	none	-----		1.4				
317		.08	2.80	none	none	-----		trace				
318		.04	1.40	62.4	39.6	2.0		17.32				
319		.10	3.50	none	.4	-----		none				

$.....

J. Benj. Parker
ASSAYER

PLAN
O'LEARY MINE
Lander County Nevada.
DOCKET No. C-ND-7637
Scale: 1 inch = 20 ft.
4/20/43





Cross Section Thru A-A
Looking North
scale 1 inch = 20 ft.