

0700 0021

124

ITEM 22

July 15, 1966.

Mr. James Scossa,
Star Route, Box 62,
Winnemucca,
Nevada.

Re: Condition of and damages to
White Peaks Mercury Mine, from
recent operations.

Dear Mr. Scossa:

Your White Peaks mine, under lease and option to Cinnabar Canyon Mines, Inc., since 1964, was examined On July 10 and 11, 1966, by the writer.

Studies of all literature, pertaining to White Peaks, had been made before reaching the property. As you know, plats and sections had been prepared of levels and stoping, as they existed up to the end of 1943, the end of the era of major production. With this background and your guidance, it was then possible to isolate and analyze recent underground work and the results.

In addition to underground observations, an impression of the Cinnabar Canyon mill was gained through a step-by-step examination from bin, through ball-mill, flotation cells, final classification, unwatering and retorting. A Brunton-compass survey of the barren-tailings-covered economic Red Ore tailings, in the pond about 350 feet west of the Scossa cabin, completed the field effort.

This description is accompanied by a series of plan maps and sections to which reference is urged. A report-type of presentation, with major headings, has been employed.

Foreword:

White Peaks total production from stoping above the two upper levels, through 1943, has amounted to 773 flasks of mercury. A consideration of written material, personal observations, and an analysis of plans and sections, are our bases for believing that the property can again be productive.

Basically, the property would have been in excellent condition for further exploration and mining through the White Peaks shaft. But recent mining has jeopardized the shaft area and such will be inoperable unless immediate steps are taken to protect it.

As for the mill, it is now in such condition that only through repairs to present equipment, and adjustment to flow sheet, could mined ore be treated with any chance of economic recovery.

As for developed reserves, immediate and available tonnage consists of about 11,000 tons of tailings, with estimated value of about 3 pounds per ton, of which 8,000 tons have been covered by recent Cinnabar Canyon, barren, mill tailings.

Damages:

Mine: (with reference to Flats C and F)

Damage #1 represents the condition of the shaft above the 62 level. The area has been weakened, should be carefully checked, lagging and timbering replaced and strengthened, and openings between lagging and the solid filled with 'gob'.

Existing open ground behind timber invites trouble if water enters the shaft, during the occasional cloud-burst periods which do occur in the area.

Damages #2, at (a) and (b) on Flat C, are the product of mining in an "un-minerlike fashion". At "b" all but about a foot of the original sill has been destroyed for a distance of about 40 feet, by robbing the underlying pillar. Access to the south face of the 62 level can only be made by (1) filling the underlying stope, (2) trestling across the open space, or (3) driving a new drift west of the damage. The mining of pillars is good mining practice only when a property has been proved to have no future possibilities. The operator in this case, by robbing the pillars and destroying the sill of the level, has seriously damaged a property with a remaining potential, especially on the 160 level and below.

At "a", only a thin remnant of the underlying pillar remains; continued passage over the pillar will destroy it, make access to the north impossible and, with its position 10 to 15 feet from the shaft, greatly weaken the only access to lower levels.

And further: Recent underground operations have reflected an indifference towards the future. The ground, by nature, appears competent and stands well, but hurried recent mining has left the property in such shape that any mine inspector would be justified in closing down the operation until conditions were corrected. The 'barring down' of loose slabs, timbering dangerous 'backs' in open ground, and a clean-up of loose rock from all levels and landings in the shaft, are the responsibility of a lessee who accepted, by contract, the responsibility of operating in a "miner-like fashion".

Tailings Pond: (see Flat "I")

With reference to the plat, note the contrasting colors, the red representing an estimated 7 feet of thickness of cinnabar bearing sand, covered by the umber, an estimated 5 feet of recent sand-tailings with only traces of cinnabar.

The variation in cinnabar content between the two was established by panning. The older tailings, in red, have been estimated at 3 pounds of mercury per ton.

By Brunton-compass survey and an estimated thickness of seven feet, 11,000 tons of mill tailings were available for treatment from the pond. 11,000 tons remain but the operators with recent tailings have covered 8,000 tons of the total.

The blanketing of an asset with a thickness of five feet of barren material is not considered "miner-like" procedure. An asset has been destroyed, unless it is again uncovered.

Recommended Procedures
and Estimated Costs:

Mine:

Competent miners should be put to work in the White Peaks shaft to (1) repair the shaft above the 62 level where needed, (2) bridge over the 40 feet of open ground at (b) with solid timbering and a trestle (a temporary expedient since the void should be filled) and (3) with stulls from below supporting a mat of timber and the remainder of the pillar, the pillar, itself, might be saved.

This plus the a general cleanup and timbering, with two men working for a month, should be accomplished for about \$2500.

Tailings Pond:

The removal of 5500 to 6000 tons of loose barren sand from the tailings pond, without diluting the underlying cinnabar sand may require ingenuity. The use of a bulldozer has been suggested, but the weight of a D-7, on such a soft surface, invites only partial removal with perhaps 40% of the waste, ground into the material to be saved. It is believed that the standard scraper, tied to an anchor on the north side of the pond, with tugger hoist placed on the south side, would do the clean job desired. \$1500 is estimated as the cost of this remedial work.

Conclusions:

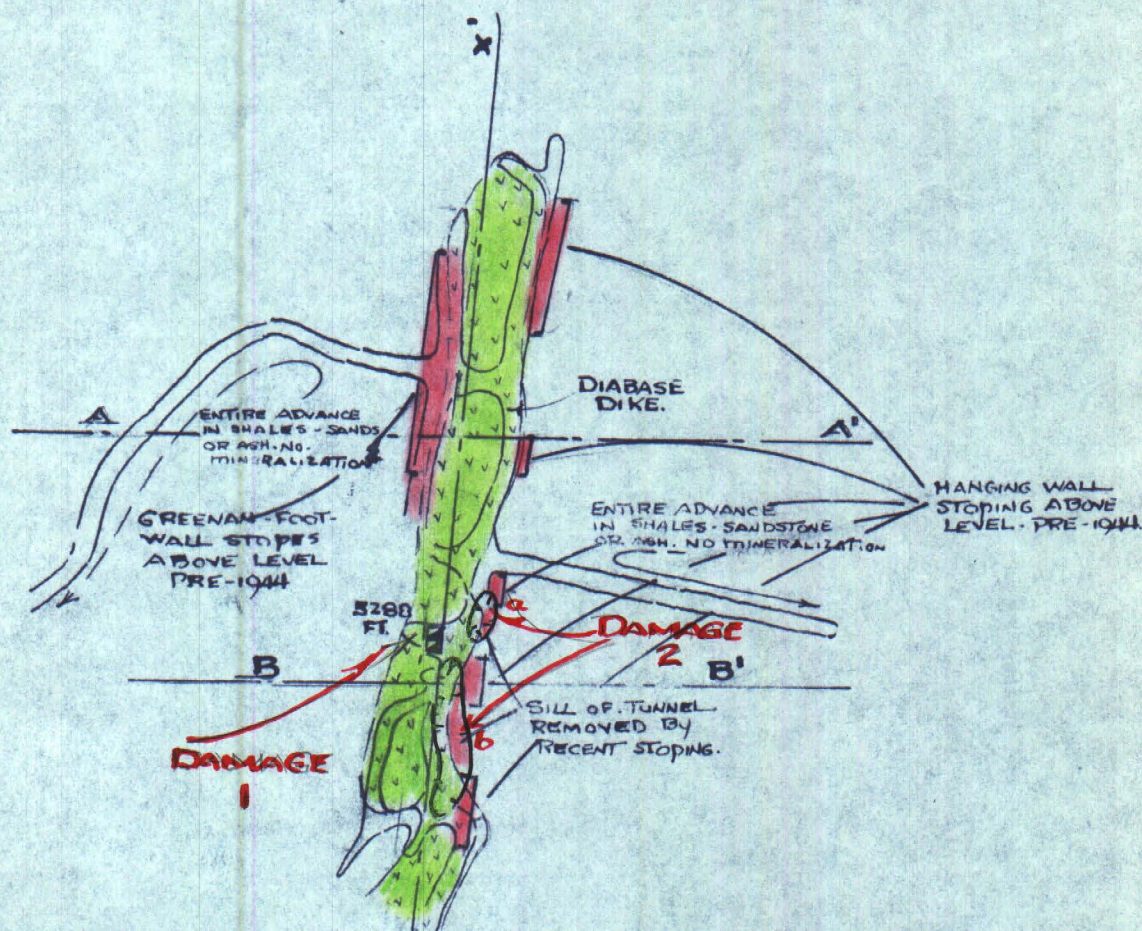
It is concluded that you are entitled to the above efforts, to repair damages to your property, which were the result of poor underground mining practice which the lessee could have avoided with competent personnel and intelligent planning; and, in your tailings area, the result of intent or complete thoughtlessness.

Yours very truly,


David LeCount Evans.

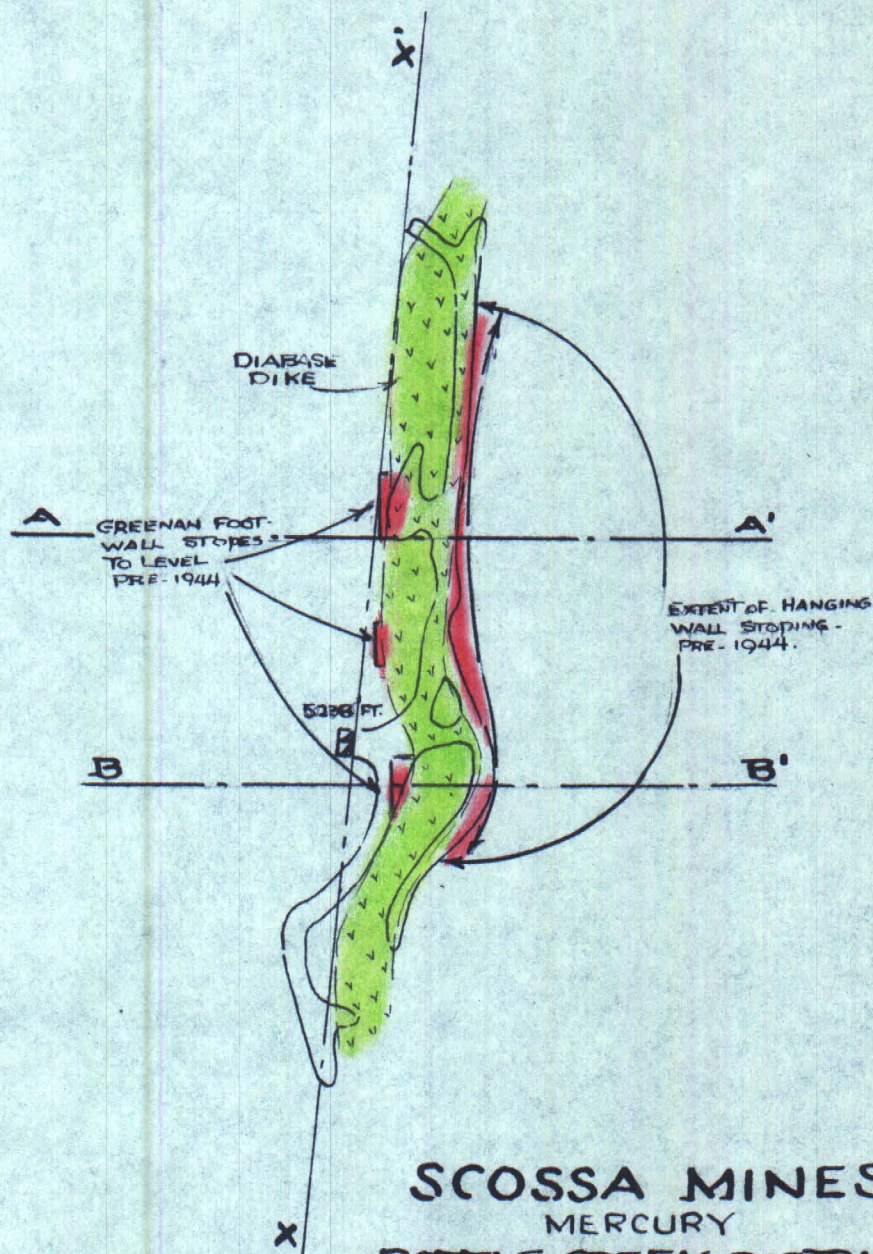
Consulting Geologist,
1700 Royal Drive,
Reno, Nevada.

C



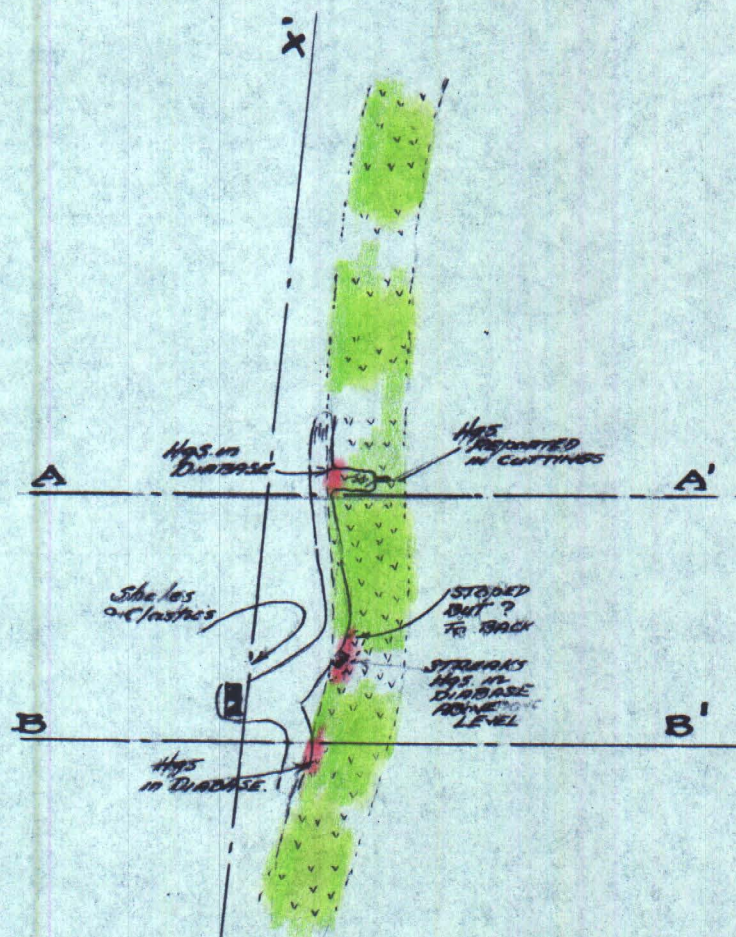
SCOSSA MINES
MERCURY
BOTTLE CREEK DISTRICT
HUMBOLDT CO., NEVADA
WHITE PEAK MINE
62 LEVEL
1" = 50 FT.

DAVID LECOUNT EVANS, RENO, NEVADA
CONS. GEOLOGIST JULY 18, 1966



SCOSSA MINES
 MERCURY
 BOTTLE CREEK DISTRICT
 HUMBOLDT CO., NEVADA
WHITE PEAK MINE
112 LEVEL
 1" = 50 FT.

DAVID LECOUNT EVANS; RENO, NEVADA -
 CONS. GEOLOGIST JULY 18, 1966.



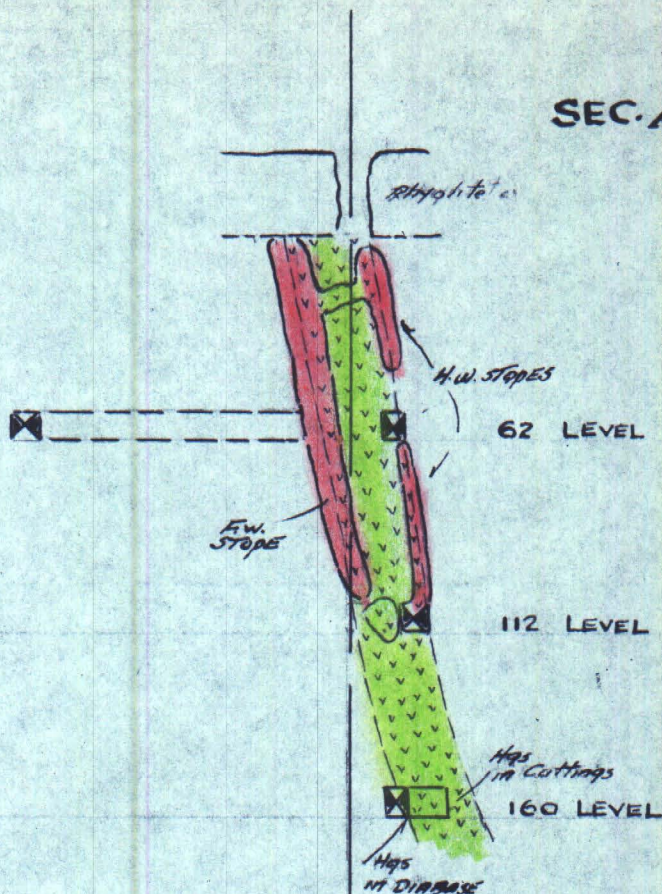
SCOSSA MINES
MERCURY
BOTTLE CREEK DISTRICT
HUMBOLDT CO., NEVADA
WHITE PEAK MINE
160 LEVEL

1" = 50 FT.

DAVID LECOUNT EVANS, RENO, NEVADA
CONS. GEOLOGIST JULY 18, 1966

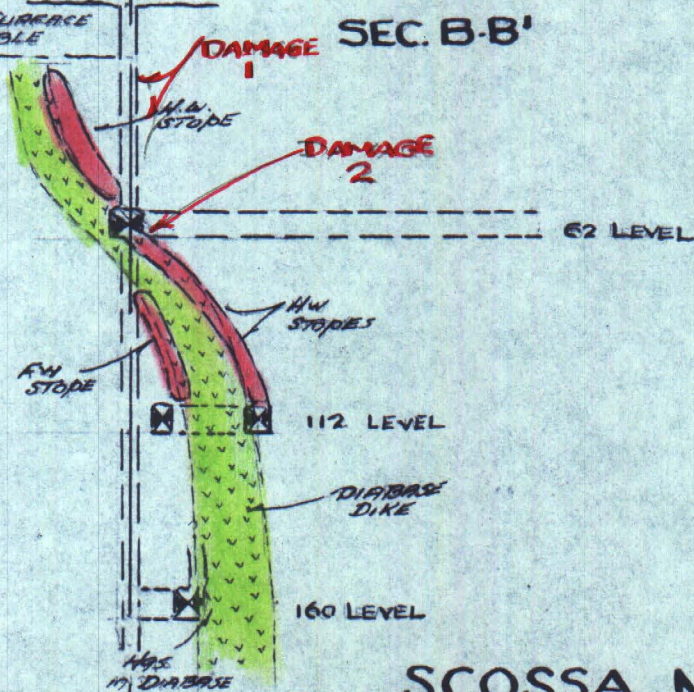
F

SEC. A-A'



PROB. SURFACE
RUBBLE

SEC. B-B'



SCOSSA MINES
MERCURY

BOTTLE CREEK DISTRICT
HUMBOLDT CO., NEVADA

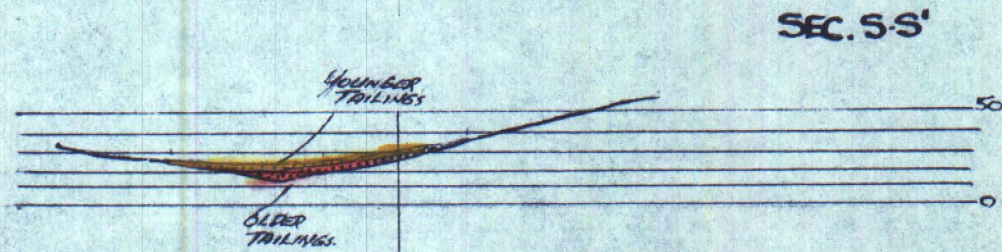
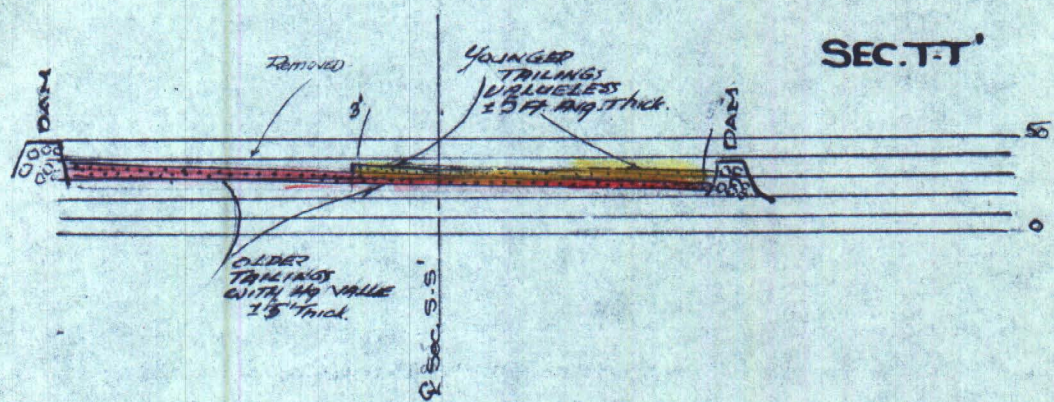
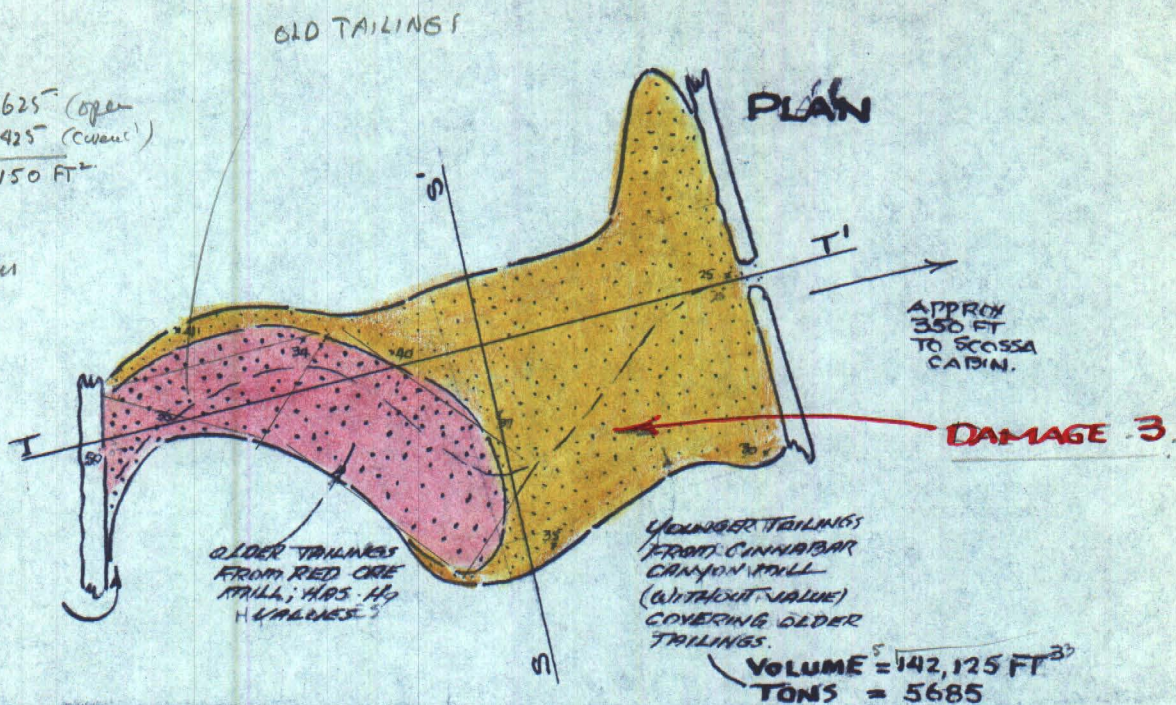
WHITE PEAK MINE
SECTIONS
1" = 50 FT.

DAVID LECOUNT EVANS, RENO, NEVADA
CONS. GEOLOGIST JULY 18, 1966

125 x 60 7500
65 x 45 2925
30 x 40 1200
11625

11625 (open)
28425 (cume)
40150 FT²

$$\frac{7 \times 40150}{25} = 11,250 \text{ Tons}$$



SCOSSA MINES
MERCURY
BOTTLE CREEK DISTRICT
HUMBOLDT CO., NEVADA

TAILINGS
WHITE PEAK NO. 3
1" = 100'

DAVID LECOUNT EVANS, RENO, NEVADA
CONS. GEOLOGIST JULY 18, 1966.