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Criticism of Report on

BUCKSKIN MINE

Douglas County, Nevada

PURPOSE OF REPORT

The report was dated March 17, 1937, and was made by Jay A. Carpenter of Reno for Paul G. Hoffman and E. R. Carpenter of Los Angeles. The report was the result of a one-day examination of the property, and its main purpose was to report on the economic features of importance to the stockholders.

HISTORY OF PROPERTY

The mine was taken over by the clients in the spring of 1936. The mill was completed as a fifty-ton flotation unit, and only meagre mine equipment was installed, as it was planned to develop and mine the oxidized ore above the No. 1 tunnel. Several thousand tons of this ore was mined, but the ore was not amenable to the flotation process, and a recovery of 60% was made on heads of eight dollars.

Development work uncovered no new oxidized ore bodies, and drifting was started on the 90' level of the No. 2 shaft, just above the water level. This drift went through fifty feet of sulfide ore carrying  $1/3$  oz. of gold per ton.

From 16 February to 28 February 1937, the mill treated 600 tons of ore, partly from the oxidized tunnel material, and partly from the sulfide ore. Gross value of ore in gold and copper was \$11.00/ton, recovery of 70%. Mining costs were estimated by the management at \$3.50--\$3.90 per ton, and milling costs of \$1.25--\$1.50. In addition to these costs were the expenses for marketing, management and royalty, leaving a profit of \$1.00 per ton.



BUCKSKIN MINE

In March, more sulfide ores were treated, and recovery rose to about 80%.

All of the above information was garnered from the report. Mr. Carpenter said in an interview May 1950, that he had no further knowledge of the property, except that it was closed shortly after his report had been received. The newspaper files of the library of the Mackay School of Mines and an interview with Mr. Victor Kral, engineer for the Nevada State Bureau of Mines, revealed no further information on the property. Apparently the mine has been inoperative since 1937. I attempted to contact Mr. E.J. Mattson, of the USEM, which is drilling near the Buckskin, but with no success.

MANAGER'S RECOMMENDATIONS

Mr. Lackay, manager at the time of the examination, had no budget or detailed plan, but his general theory was to purchase sufficient mining and pumping equipment to unwater down to the 130-foot level, develop that level, while continuing to mine and mill enough ore to keep the mill in full operation. He estimated the cost at \$25,000.

RECOMMENDATIONS OF EXAMINING ENGINEER

Mr. Carpenter considers the above plan unwarranted. He pointed out that the plans were based on the report of E.L. Snider, who said that wide widths of \$10--\$15 ores were to be found on the 130-foot level. Snider's report was found to be greatly exaggerated with regards to the oxidized ores, casting doubt on the entire report. Another report by A. Syverson records 15 feet of \$10 per ton material on the



BUCKSKIN MINE

130-foot level. ( There was no information available on Mr. Snider. A. Syverson was listed in the 1936 AIME directory. Syverson became a member of the AIME in 1929, and his address in 1936 was Ensenada, Baja California, Mexico. He was not listed in later issues of the directory).

Mr. Carpenter suggested that only enough equipment be added to allow development on the 130-foot level, and that only that ore be milled which was found during development work or could be mined without interfering with the development work. He felt that four months of development work would either prove or disprove the reports of sufficient ore. If the ore warranted it, he then recommended the enlargement of the mill to handle 100 tons per day, feeling that only by inãreasing the production could the property be made to pay.

If the sampling of the 130 level proved unfavorable, the property should be abandoned.

He also suggestãleasing the property instead of purchase under bond, unless large reserves of ore were found.

CRITICISM

The report was well written, and there are few comments to be made in the fields of English and construction. One sentence is slightly confusing--" The company should at least have a consulting engineer in Indiana that they have confidence in his integrity and ability"..

His recommendations seem sound, and conservative without being timid. As Mr. Carpenter points out, the management was not composed of engineers, placing the operation in greater jeopardy than was necessary.



## BUCKSKIN MINE

At the time of the examination, the mine was patently not paying its way. The oxidized ore was unsuited to the mill, and it was impossible to do further development work on the sulfides until the shafts were unwatered. No mention was made of the possibility of treating the oxidized ores by cyanidation. Mr. Carpenter must have felt that the tonnage of oxidized ore was too small to pay for construction of a plant. Another disadvantage of the cyanide process would be the loss of all the copper, and the chances of a high cyanide loss because of the presence of the copper.

The only chance, therefore, was to unwater and develop the sulfides, and with the reliability of the previous reports in doubt, his conclusion to delay buying equipment until proof had been made, would seem sound engineering practise.

The trouble with the Buckskin seems to have been one common to most mines managed by men unfamiliar with the mining industry--building a mill before the ore is developed, insufficient sampling and development work, and then an attempt to recoup their losses by a frantic expenditure at the last moment hoping to strike something by sheer luck.

## PRESENT OUTLOOK

The mill and equipment has no doubt been sold or stolen by this time, and any attempt to reopen the property would require a considerable capital outlay. Using Syverson's figures of 0.10 oz. Gold and 2.2% copper, the ore would have a present value of about \$12.00 per ton, with gold at \$35 per oz., and copper at 20¢ per pound. At present (1950) costs of equipment and labor this would not seem attractive enough to warrant equipping and developing the Buckskin unless the reports were absolutely reliable--which they apparently are not.