(194)

Item 2

0780 0003

RENO OFFICE
RECONSTRUCTION FINANCE CORPORATION
Mining Section
MEMORANDUM REPORT OF SUPERVISING ENGINEER

Docket No. Reno M-54
Date Application Received — September 18, 1943
No Field Examination
Date of Report — September 25, 1943

NAME AND ADDRESS OF APPLICANT

Jesse C. Richards
5961 Overhill Drive
Inglewood, California

Correspondent:

Same

CHARACTER OF PROJECT AND ESTIMATED COST THEREOF

Applicant states in Exhibit A-11:

"Putting in 300' tunnel and trackage	$ 3600.00
Blocking out ore by stoping	2000.00
Rebuilding retort	4000.00
Labor and incidentals	400.00"
TOTAL	$10000.00

Buena Vista =

LOCATION OF PROPERTY

In Oneota Mining District; Sections 31 and 36, Township 1 N., Range 33 and 34 E., M.D.B.&M., Esmeralda County, Nevada. The nearest railroad point is Coaldale on the Tonopah & Goldfield Railroad, extending from Mina to Goldfield. Coaldale is a small station on the last named Railroad, and consists of a loading platform, a gasoline station, and a few houses. It is 27 miles from the subject property; 16 miles of the road are surfaced, but the last eleven miles are almost impassable during certain seasons of the year. The nearest town of any consequence is Tonopah, 66 miles from the mine.

The altitude at the property is approximately 8,000 feet above sea level.

APPLICANT'S INTEREST IN OR OWNERSHIP OF PROPERTY

Applicant claims to be owner by virtue of deed from former owners. However deed, nor copy of same, was not submitted.

LOAN REQUESTED

$10,000.00.

LOAN RECOMMENDED

None.

COMMENTS

Assay map prepared by the U. S. Bureau of Mines, and submitted by Applicant, indicates that an examination of the property is not warranted.

The weighted average of 58 samples taken by the Bureau of Mines, and shown on the map in question, is .62 lbs. of mercury per ton.

Attached to this report are the following:

1. Copy of report by Ellsworth Y. Dougherty, Engineer in

OFFICE MEMORANDUM

From: T. D. Overton

To : L. D. Gordon

Re: Jesse C. Richards
Docket No. Reno M-54

The F. & L., or Richards Quicksilver Claims appear to be a sub-marginal mercury deposit. In addition to their unfavorable mineral character, they also suffer by an unfavorable geographic location, and the fact that they will be inaccessible during winter storms. As I recall, the claims are above 8000 feet in elevation, and six miles east of Boundary Peak which is over 13,000 feet in elevation.

Mr. Thompson of the U.S. Bureau of Mines informed me the Bureau had approved an access road for the B & B Quicksilver Mine, an adjacent property to the Richards Claims, but the WPB has passed unfavorably upon the project, not withstanding the fact that the B & B Mine is amply financed and presumably directed by a competent engineer.

Enclosed is copy of Edgar Bailey's U.S.G.S. report and a supplemental report by Mr. E. Y. Dougherty, U.S. Bureau of Mines engineer, both furnished through the courtesy of Mr. Thompson of the Bureau.

The best sample listed by Mr. Dougherty is 2.5 ft., 2.3 pounds of mercury per ton, cut from trench No. 9.

My weighted average computed from the data listed on the U.S. Bureau of Mines assay map filed with the application is 0.62 pound mercury per ton for the 58 samples cut. The highest grade sample listed on the map is No. 119 - which is 6 feet of 2.9 pounds of mercury per ton.

It is concluded from the consistently low value of the samples cut by the Bureau of Mines that this property does not warrant the use of loan funds to prospect at greater depth a deposit which has been conclusively proven sub-marginal.

T. D. OVERTON
Engineer

September 20, 1943

charge of the sampling project for the Bureau of Mines.

2. Copy of report by Edgar H. Bailey, Junior Geologist, U. S. Geological Survey.

3. Memorandum re: Loan application, by T. D. Overton, of this office, dated September 18, 1943.

4. Office memorandum by T. D. Overton to the undersigned, dated September 20, 1943.

It will be noted in Mr. Overton's office memorandum dated September 20, 1943, that the War Production Board has passed unfavorably upon a project to build a road to the B & B Mine, an adjoining property - notwithstanding the fact that the B & B Mine is apparently well financed, and presumably directed by a competent engineer.

Applicant, judging from his letterhead, is a physician and surgeon, residing in Inglewood, California.

The statement is made in the application that the total production to date from the subject property is 15 flasks of quicksilver.

An alleged report is submitted by Richard Charles King, to which reference is hereby specifically made. Under the sub-division "ORE", he states:

> "Assay made by Smith, Emery and by Lweis & Walker indicate a fair average of .75% or about 15 lbs per ton. The size of the exposed ore body would reasonably indicate a strong showing for more ore with depth (until the ore was bottomed)."

He also states:

> "The facilities for a camp are good. The view would make this spot very attractive for summer homes."

Under the same caption, the statement is made:

> "The high point, where the ore bodies are strong, is a spot selected for the camp site."

I presume this would strengthen the view.

He further states:

> "The grade on the road is steep. It would require resurveying to lower it."

Under remarks, Mr. King really says something, to-wit:

> "The most difficult thing in mining is to find the ore."

He further states:

> "***the only difference between money in the bank and ore in the ground is a matter of extraction and processing."

A LOAN IS NOT RECOMMENDED.

Respectfully submitted,

L. D. GORDON
Supervising Engineer

RENO OFFICE, MINING SECTION
RECONSTRUCTION FINANCE CORPORATION
Memorandum re: Loan Application

Date September 18 1943.

Applicant Jesse C. Richards, M.D. Address 5961 Overhill Drive, Englewood, Cal.

Correspondent " Address ".

Address of all partners, if a partnership none.

Temporary Docket No. Reno N-54, Washington Docket No. ____.

Location of property: County Esmeralda Section 36 31 Township 1 N Range 33 34 E.

Mining District Oneota.

Metal or mineral to be produced Cinnabar. Nearest Town or City Coaldale Nev. Is town, or city on Railroad Yes. Which one Tonopah & Goldfield Is above town or city shipping and receiving point for mine. Yes. If not, what is shipping and receiving point ____. Distance from mine to shipping and receiving point 27 miles. Condition of roads from town or city to mine Good surfaced road 16 miles, but last 11 miles seasonal truck trail.

Were copies of maps submitted Yes. Reports No. Settlement Sheets No. Water No. Power No. Timber No.

Available labor supply local and U.S.E.S. Available mining supplies in nearest town or city, or nearby Tonopah, Nevada -- 66 miles.

Is property owned by Applicant or leased Dr. Richards has acquired deed.

If leased what is term of lease -.

Royalty - Per Cent -. Are any payments provided during the term of the lease, other than royalty payments which may be applied on purchase price, or minimum royalty payments No.

If so, outline such payments -.

Number of patented claims none. Number of unpatented claims 3.

Based upon representations made by Applicant and examination of data submitted, does title seem to be good Apparently good, but no proof of title presented.

What is value of assets over liabilities, without regard to value placed on mining claims by Applicant no statement except "No Liabilities"

Amount and type of debts, if any None.

Name and address of Creditors and amounts -

(OVER)

Is statement made that debts will be subordinated to RFC loan No.

If a corporation, were copies of Articles of Incorporation submitted -.

By-Laws -.Certificate to do business in the State of Nevada -.

If a partnership, were copies of partnership agreement submitted -.

In your opinion does property justify an examination No. If additional information is necessary, what is it None

The USBM assay map shows 56 samples from which I compute a weighted average of 0.62 pounds of mercury per ton.

Does the property give promise of being beneficial to the War effort No.

Is a sustained operation and production indicated No.

Any information needed, not covered above, and brief description of property This property appears to be sub-marginal in character, with unfavorable geology, geographic position, and unlikely to produce commercial ore in appreciable quantities.

J. D. Overton