

0780 0023

194

ITEM 22

QUICKSILVER PRO.

35 mi. from Blair Junction
NW of Fish Lake Valley

Esmeralda County

(Nevada)

Assay for Au

Mercury

PLAYERS CORPORATION
SUITE 1
6344 E. INDIAN SCHOOL RD.,
PHOENIX, ARIZONA

THE TONOPAH MINING COMPANY OF NEVADA

EASTERN OFFICE.
570 BULLITT BUILDING, PHILADELPHIA, PA.

PLEASE ADDRESS ALL COMMUNICATIONS
TO THE COMPANY, TONOPAH, NEVADA

TONOPAH, NEVADA, Sept. 11, 1926.

SEP 16 1926

Mr. W. L. Hachnlen, President,
The Tonopah Mining Company of Nevada,
Philadelphia, Pennsylvania.

Dear Sir:

About two weeks ago we finished the furnace on the quicksilver property and made a trial run. The furnace failed to stand up against the heat which was necessary for retorting the fine material, and rather than go to any further expense in trying to make what would necessarily be only a small profit, I concluded to cease operations and accordingly shut the property down.

The extraction on the first run was very low - about 50 percent, and while I feel that this extraction could be varied considerably owing to the fact that the first run always holds up a considerable portion in absorption, I do not feel that an extraction of over 75 percent could be hoped for.

Mr. Carlisle has been notified and agrees with me that we should not continue with this operation at this time.

Yours very truly,

H. A. Johnson

Superintendent.

THE TONOPAH MINING COMPANY OF NEVADA

EASTERN OFFICE
570 BULLITT BUILDING, PHILADELPHIA, PA.

1601 CALIF. COMMERCIAL UNION BLDG.

SAN FRANCISCO, CALIF.

June 4, 1926.

Tonopah Mining Company of Nevada,
572 Bullitt Building,
Philadelphia, Pa.

Re: Chrysler Quicksilver.

Dear Sirs:

General: The results of two weeks trenching at the Chrysler property show quite a considerable tonnage of 1% quicksilver ore. There is now indicated, but not developed, about 6,000 tons in an area 250 x 100 feet and 5 feet deep. This is not enough to justify a furnace but is a very encouraging result for the amount of work done. The character of the material is such that we will have to do some investigating to find the proper treatment of this ore.

Tonnage: The inclosed map and assays show trenches and sampling to date. In many cases where trenches are not sampled it means that all of overburden was not removed down to the orebody. It is quite probable that the width will be about 100 feet and about 250 feet of length was indicated. Depth is not determined as yet, but it is evidently 5 feet as a low estimate. Taking 20 cubic feet to the ton this would give about 6,000 tons.

Character of Ore: The ore is extremely light in weight and consists of sand, a few small sized boulders, and a light fluffy material similar to wood ashes. Probably only 20 or 25% of the material is in lumps. It is evidently a blanket deposit practically flat and underlying from one to seven feet of barren overburden.

Grade of Ore: The top one foot of ore is usually the richest part and below this the average is quite uniform and apparently one percent. The top one foot has bunches that will run from 4 to 11%, but they are not important in effecting the grade of the ore to any considerable extent.

Trenches: In two weeks time about 570 feet of trenching was done arranging from 2 to 7 feet in depth, and two holes sunk to a depth of 12 feet. These were arranged parallel and at right angles to the apparent strike of the cropings at about 50 foot intervals.

Depth of Ore: The original Chrysler trench shows about 8 feet of depth in ore. The two deeper holes recently sunk had 5 or 7 feet of overburden

respectively and showed 5 or 7 feet of ore. The bottom in each case was in a material resembling wood ashes and lower in grade. Whether or not this is the bottom of the deposit cannot be told until these holes are sunk deeper. Windlasses will soon be taken to the property and the depth of the deposit determined. If it will go 5 or 10 feet deeper, it will make a considerable tonnage on the area already developed, but if not the area will have to be quite considerably enlarged in order to justify a furnace.

Future Development: Trenches this week will be dug to the North at #7 and 50 feet further North at #8. This area appears the best for rapid extension of the orebody. A windless will be kept going sinking holes deep enough to determine the depth of the ore and also some of the trenches extended to find the limit. About 50 feet to the East of trenches 1 to 6 appear to have a good chance for continuous ore.

Overburden: The whole hillside is covered with from 1 to 7 feet of overburden which is of a similar character to the ore except that it is white and carries little or no quicksilver. It will possibly average 3 or 4 feet in depth and will have to be scraped off or removed in mining the ore. In trenches 1, 2 and 4 the overburden is deeper in the center which makes the ore appear only at each end of the trench. It is probable that a number of places which do not show ore merely mean that the trenches are not deep enough to get through the overburden.

Road: It is about certain that the present road to the Chrysler ranch will have to be used for future hauling, and a connection made from there. For the past 10 days a buckboard and team have been hauling direct to the camp below the orebody by going across country without a road. This will be about the location of a future road and it now looks as if \$1000 or \$1500 would be all the expense necessary to provide a road to the mine.

Camp: Five men have been employed and a camp consisting of three tents has been erected. It is advisable to increase this slightly due to the favorable results obtained.

Ore Treatment: Mr. Johnson and I plan doing as much work as possible in looking up the best treatment for this ore. The fact that it is all small size and some of it sand or dust makes it necessary to make sure how we stand before erecting a furnace. In the present quicksilver furnaces the tonnage is cut down on fine ore. And the amount of soot produced is increased. I do not expect this will be prohibitive in any manner, but means a careful consideration of the best means of operation in the treatment of the ore. It will be best to make trips to the several mines in California where a Gould furnace is in operation and get ideas from the managers by taking a representative sample of this particular ore. Mr. Johnson has made some tests on a new wet process which would work well on the California ores but it gave negative results on the Chrysler ore. In talking to Mr. Gould today he does not have any fear of the excessive amount of fine ore except that tonnage will not be as good in a given sized furnace as if it had the usual amount of lumps.

Retorts: With a $2\frac{1}{2}\%$ grade or higher considerable money could be made with a small plant treating 3 tons per day and operated by 4 men. If a 5% average could be kept something like \$6,000 a month could be made on a plant that would cost about \$3,000. It is quite possible that another 2 or 4 weeks trenching will show enough ore to make this retort installation worth while. Retorts are also necessary in burning soot from a regular furnace. Mr. Johnson is going to take a single 12 inch diameter pipe from Hillers and erect at the property just as an experiment on how the ore burns.

Development Cost: Mr. Johnson expects the first month's work will come within the \$1300 estimate. If results continue favorable for another week I believe the number of men should be increased and expenditure raised to possibly \$2000 a month.

Recommendations: Mr. Johnson is going to make his next trip to the property on Wednesday June 9th and will telephone me here on return in the evening. If the trenches to the north have shown a larger area of ore and the windless hole in #2 trench shows that there is more ore below the rather low grade present bottom I plan to recommend that we expand the work as follows:

Increase the crew to 6 or 8 men as above stated.

Purchase a second hand Dodge truck for approximately \$600. As the Winton is entirely worn out this could be used in other developments as well.

Hiring 4 horses and a V plow to make possible getting a machine to the camp along the present wagon tracks from the Chrysler ranch to the mine. Sufficient work to allow an automobile to reach the mine could probably be done for about \$400. We should not do more than this until sure that sufficient tonnage was developed.

As stated above if Mr. Johnson finds favorable results on June 9th on the northern extension and the depth of the deposit, I shall recommend the above increase in the estimate for work planned.

Yours very truly,



THE TONOPAH MINING COMPANY OF NEVADA

EASTERN OFFICE
570 BULLITT BUILDING, PHILADELPHIA, PA.

1601 CALIF. COMMERCIAL UNION BLDG.

SAN FRANCISCO, CALIF.

May 11, 1926.

Tonopah Mining Company of Nevada,
Philadelphia, Pa.

Dear Sirs:-

Re- Chrysler Quicksilver property.

The following is a short report on the Chrysler Quicksilver property in Esmeralda County, Nevada:

LOCATION: The property is 35 miles by automobile road from Blair Junction, and some six miles south from the narrow gauge railroad into Owens Valley over a high mountain range. It is in the northwest corner of Esmeralda County, or northwest of Fish Lake Valley.

ROADS: The present road from Blair Junction goes to within a mile and a half of the property. It would probably ^{cost} something less than \$5,000 to make this last mile and a half suitable for truck hauling. This same amount or a little more is supposed to be sufficient to make connection with the road to Coaldale and cut down the distance from the mine to the railroad to about 25 miles.

GENERAL: The property is a new prospect located in February of this year, and has only development to the extent of two or three trenches cutting into a blanket formation. Six claims cover a side hill and all the known quicksilver showings. Water available for part of the year is found in a creek about 1,000 feet below the best showings, and also could be procured from the Candelaria pipe line, which is some half mile distant and at an elevation above the good showings.

GEOLOGY: An area equal to about the six locations consists of a prominent light colored porphyry or breccia in the large pieces of float on the surface. A few feet below the surface a soft material resembling decomposed sandstone is found. This will probably be found to be the residue from weathering of some igneous rock.] ?

ORE SHOWINGS: Two trenches with 8 to 12 feet of depth on the deep end show quicksilver value to be nearly uniform over whole length of each trench. One of these trenches sampled in two places and in the dump averaged 1% quicksilver, and is quite reddish in color.

The other trench located 100 feet distant, was very low grade, but uniform in value. Other small pits indicate that over a certain area this sandy material will be found under the large float, and in part will probably contain quicksilver. From the work done this probable area cannot be estimated.

VEIN: There is apparently a vein running up the hillside and cutting this soft material. This is indicated by large pieces of float which can be traced for about 1,000 feet. The float resembles jasper or opalite, is very hard, and uniform in quicksilver contents. A sample of the chips from this float over 200 feet gave .83% quicksilver and it looked to be of that good grade for about 600 feet in all. From the looks of the float the vein probably has some commercial width, and is the cause of the quicksilver permeating the sandy material on either side of this vein. *

PROBABLE TONNAGE: I believe the deposit will be found to be richer near the supposed vein and feather out on either side to a distance of from 20 to perhaps 75 feet, where values will be of little account. It is quite possible that a width of 50 or 100 feet on either side of the vein will have some quicksilver and the width which will be commercial cannot be estimated. As all quicksilver mines are irregular and spotty in mineralization, I do not expect any regular enrichment for a long distance. As to depth, one trench showed 10 or 12 feet of depth in the soft material with no change. As it is a blanket deposit on either side of the vein I do not plan on over 15 feet or perhaps 20 feet as the average depth of this blanket. If we can develop the blanket for a distance of 400 feet and find it to be 60 feet wide by 15 feet deep, it will be sufficient to erect a plant.

COST OF DEVELOPMENT: In the options prepared, a payment of \$1,000 is necessary before work starts, and in the simple trenching operation it is planned to spend about \$1,300 the first month and if area of mineralization is small work could be stopped then. It is probable, however, that a second month will be necessary at about the same figure. Should, however, the property prove very attractive on the first work, it would pay to increase the number of men and try and develop sufficient tonnage in a short period of time.

I believe this is a very likely prospect for a certain tonnage of good grade ore, but due to its geology it is very uncertain whether sufficient can be developed for a large furnace. Perhaps pipe retorts will be justified even if only a few hundred tons are found. In any event, it seems well worth trenching and trying for a large enough area to warrant some installation.

Yours very truly,

H. Carlisle

vein float"
looks barren.

200 ft. along vein
chip sample of float
ran 0.84% Hg.

3 foot pit in
red sandy material
Average 2.46% Hg.

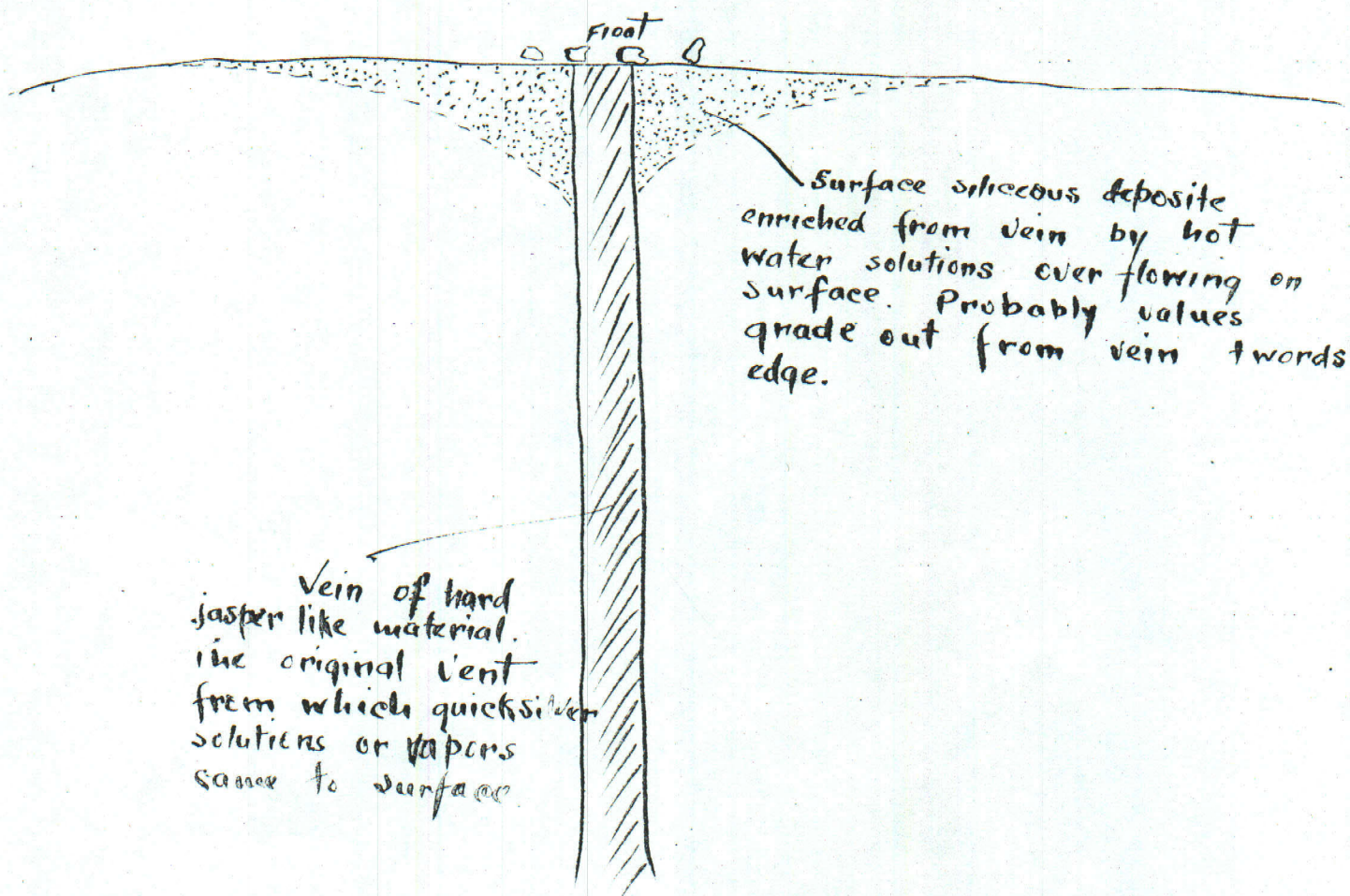
Trench with 8 ft. face
All material removed
uniform. Average 0.97% Hg.

Trench with 12'
face. low grade.
Average 0.13%

About 500 ft. along vein
looks same grade as .84% sample.

2 ft. face
small cut.
Float 0.61%

CHRYSLER PROSPECT
EMERALDA CO.
NEVADA.



PROBABLE GEOLOGY OF CHRYSLER PROSPECT.
 VERTICAL SECTION THROUGH VEIN.

THE TONOPAH MINING COMPANY OF NEVADAEASTERN OFFICE
570 BULLITT BUILDING, PHILADELPHIA, PA.

1601 CALIF. COMMERCIAL UNION BLDG.

SAN FRANCISCO, CALIF.

July 3, 1926.

Tonopah Mining Company of Nevada,
572 Bullitt Bldg.,
Philadelphia, Pa.Re. Chrysler Quicksilver.

Dear Sirs:

Since last sending report on the Chrysler property no further ore has been developed, and small pits outside the proven area which showed ore later proved to be only spots which cuts down the indicated tonnage to something like 4000 tons.

Shafts sunk to depth of 50 feet show that it is only a surface layer, and outside showings prove to be of no value. There is no chance of sufficient profit to warrant installation of retorts, and work on this has been stopped. The only possibility for treatment of present tonnage would be a 2 foot rotary furnace with a capacity of 10 tons per day, which could probably make a profit of \$3,000 per month while the tonnage lasted. Installation costs on this would be about \$12,000, and it seems too small an ultimate profit to risk the treatment of this sandy material which would have operating difficulties.

The advantage in putting in such a furnace would be the possibility of some enlargement in size, and to try and find the vent which is probably under the area somewhere from which the solutions come up, and this vent might prove to be a high grade vein or chimney.

To make sure that we even had the 4000 tons closer trenching would be required.

On account of the uncertainty of treating this finely sized ore I do not recommend risking an installation on the small scale, but do believe there is a good chance that we can sell our option for \$4,000 or \$5,000 each and recover ^{what} we have sent. Have been lead to believe from a party here in the city that this can be done through his connections, and Mr. Johnson also thinks it could be done to some small stock company in Nevada.

Please write saying if you approve of this method of disposing of the property.

Yours very truly,

A handwritten signature in dark ink, appearing to read "W. L. Haehnlen".

CLASS OF SERVICE

This is a full-rate telegram or Cablegram unless its character is indicated by a symbol in the check or in the address.

WESTERN UNION

NEWCOMB CARLTON, PRESIDENT

J. C. WILLEVER, FIRST VICE-PRESIDENT

SYMBOLS

| | |
|------|-----------------|
| BLU | Day Letter |
| NITE | Night Message |
| NL | Night Letter |
| LCO | Deferred |
| CLT | Cable Letter |
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1926 JUN 28 AM 5 20 PM

JUN 28 1926

L. H.

CB106 43 COLLECT NL

BG BOISE IDA 27

TONOPAH MINING CO

W

572 BULLITT BLDG PHILADELPHIA PENN

LEAVING TONIGHT FOR SANFRANCISCO FALK PROPERTY TOO LIMITED IN
POSSIBILITIES STOP CHRYSLER QUICKSILVER APPARENTLY DEVELOPED TO
LIMITS OF ORE NOT ENOUGH FOR FURNACE SHALL CONSULT GOULD TO

DETERMINE IF PROBABLE PROFIT FROM HOME MADE RETORTS JOHNSON
HAS READY BUT HOLDING AT MILLERS

H C CARLISLE

THE TONOPAH MINING COMPANY OF NEVADA

June 17, 1926.

Mr. H. C. Carlisle,
1601 Commercial Union Building,
San Francisco, California.

Dear Henry:

I made a trip to the quicksilver property on Tuesday and conditions have not changed very much since our telephone conversation last week.

No. 1 and No. 2 shafts were sunk to 51 and 52 ft. respectively. Sampling of every three feet in depth shows there is no ore of commercial value below 13 ft. in either shaft.

A shaft was started on Trench No. 7 at the point where we obtained an assay of 1.7 percent. This shaft went through about 4 ft. of ore, a cut sample from the top to the bottom running .82 of 1 percent. This shaft was down 16 ft. when I got there and I discontinued it.

Another shaft has been started on Trench No. 5 about 30 ft. east of where we found the highgrade streak, and at a depth of 14 ft. nothing of value had been encountered. I gave orders to continue sinking this shaft for another day and if nothing had been struck, to discontinue. In the shaft on Trench No. 7, as soon as the ore had been gone through, the same loose material appeared as was in Shafts Nos. 1 and 2. A hole 10 ft. deep in Trench No. 7 and at about the center line

THE TONOPAH MINING COMPANY OF NEVADA

Mr. H. C. Carlisle - #2.

June 17, 1926.

gave assays of .09 of 1 percent. A hole sunk about 8 ft. deep in Trench No. 1 on the east end and about 25 ft. from where it was when you saw it, gave an assay of .07 percent. A hole at the west end of Trench No. 1 about 10 ft. deep gave an assay of .46 of 1 percent.

It would now appear that our only hopes of developing sufficient tonnage would be to extend the area to the west and east if possible. The work which I have outlined to them this week consists in sinking shallow shafts about 50 ft. east and 50 ft. west at the end of the present trenches, and if ore is struck to continue sinking until it is passed through and then stop.

The first load for the furnace went out on June 15th and there will probably be three more loads to follow. I intend building a 5 retort furnace which should treat approximately one and one-half tons per day, running the furnace two shifts of 12 hours each. The actual cost of the furnace will probably be \$500.00, but a great deal of this will be labor at the mine and mill which will show in this cost but will not really represent money out of pocket. There will be two 12 inch retorts, three 10 inch retorts 7 ft. long, and the furnace will be built on the plan of Johnson-McKay furnace.

I am enclosing a statement of the total cost of operations on the property for the period from May 15th to June 15th. Total operations show a cost of \$1381.63. This includes the large order for boarding house supplies which we sent out shortly after

THE TONOPAH MINING COMPANY OF NEVADA

Mr. H. C. Carlisle - #3.

June 17, 1926.

you left here and of which a considerable portion still remains. There also appears \$58.18 as labor in machine shop, which represents labor in getting the furnace ready. This labor is just the regular mine labor which has been utilized in getting this material ready.

It is going to be quite a job getting the furnace on the property and erected, but if everything goes all right I believe it will be in operation shortly after the first of July.

I am enclosing a sketch showing the assays on Shafts Nos. 1 and 2. If you have any recommendations to make I would be pleased to have them as soon as possible, since if no results are obtained from sinking at the ends of the trenches I would conclude that we are very nearly through with the prospecting which would be done.

Yours very truly,

H. A. Johnson
Superintendent.

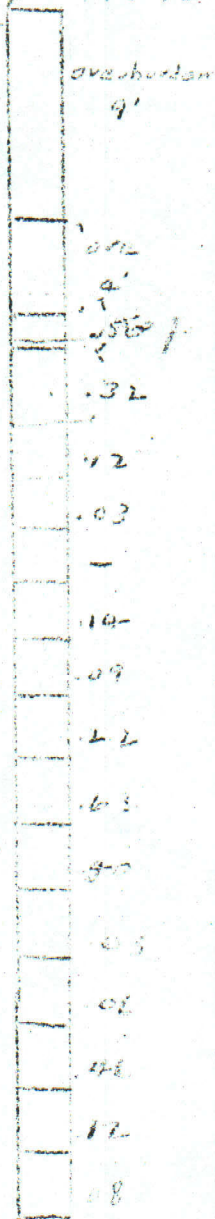
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encl. (2)

CC- Mr. C. R. Miller.

Shaft Trench #2

Dump
3.07%

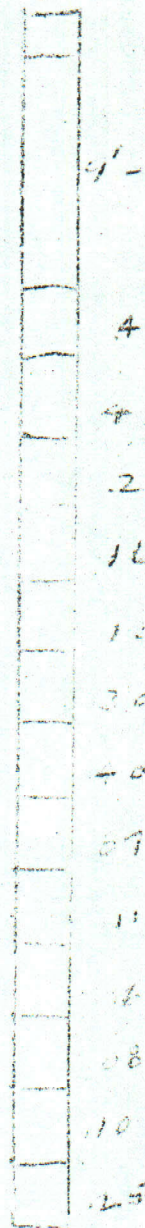


Average shaft 0.34%

52' Deep

Shaft Trench #1

4' - 1.23%



Average shaft 40%

51' Deep

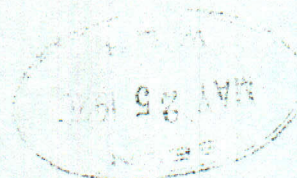
THE TONOPAH MINING COMPANY OF NEVADA

EASTERN OFFICE
570 BULLITT BUILDING, PHILADELPHIA, PA.

PLEASE ADDRESS ALL COMMUNICATIONS
TO THE COMPANY, TONOPAH, NEVADA

Chapman

TONOPAH, NEVADA, May 21, 1926.



Mr. Chas. R. Miller, Chairman of Board,
The Tonopah Mining Company of Nevada,
Philadelphia, Pennsylvania.

Dear Sir:

I am enclosing copy of a letter to
Mr. Carlisle which explains in detail what has
been done at the quicksilver property. The
prospect looks very encouraging and it should
not take very long to determine whether or not
we have a property of real merit.

Yours very truly,

H. A. Johnson
Superintendent.

H.AJ:M

encl.

THE TONOPAH MINING COMPANY OF NEVADA

May 21, 1926.

Mr. H. C. Carlisle,
Room 1601 Commercial Union Building,
San Francisco, California.

Dear Henry:

I will try to give you an outline of what has been done on the Crysler quicksilver operations.

Upon my return to Tonopah from San Francisco on May 10th, I learned that the Crysler brothers had been in Tonopah Saturday and that they were extremely anxious to know what we were going to do, as they had some other party in view in case we were not going ahead with it. I accordingly went out to the mine Monday afternoon and told them we were going to go thru with the deal. It appears that somebody had been over the ground and had told them that their locations were not strictly in accordance with the law, they having placed their location monument on the end center for two claims, they claiming 1500 ft. each way from this monument. They accordingly changed their location monuments so that each location monument was on the individual claim which it represented and claimed 50 ft. one way and 1450 feet the other. They then filed notices of amendment on these several claims. I waited until this had been done before having them sign the option. I had a talk with Attorney Rowson on this matter and he said that the original locations would hold in any

Mr. H. C. Carlisle - #2.

May 21, 1926.

court, but there was a possibility that locations made in this manner might cause some trouble and that it was better to have the amended locations made. So far as I could find, and so far as the Crysler brothers could find, no subsequent locations had been made on the ground so I do not think there is any question about the title.

The option was signed on May 12th, and on the 13th we sent our truck out with complete equipment for prospecting purposes. We were depending upon the Crysler brothers to transport the equipment from the end of the road to the mine, but unfortunately they were delayed in Tonopah until May 16th on account of automobile trouble. The equipment was brought over to the camp on May 17th, and camp established and actual trenching operations started on the afternoon of May 18th. The water hole was dug to a depth of about 5 feet and there is an ample supply of very good water there at the present time. The camp was located close to the water hole and it is very comfortable.

I went out to the property yesterday, and for the two days in which they had been working a total of 65 feet of trenching has been done. The trenches range from 2 to 5 feet in depth. Three trenches have been started - one at the place where we dug the hole while we were out there together, one 50 feet north and one 50 ft. south, the southerly one being at the portal of the open cut on which we got an assay of 1 percent. In the northerly trench there is about 7 ft. of mineral, the cut having gone out of the mineral bearing rock on both ends. At this point it appears that

Mr. H. C. Carlisle - #3.

May 21, 1926.

the mineral bearing rock lies in the form of a vein which is dipping about 45 degrees to the west. The angle of ~~dip~~ is very plainly seen on both the hanging and footwall sides. A sample taken from this cut in the bottom of the trench over a distance of 7 feet, went .98 of one percent; cutting a sample from the sides from the top to the bottom and which included some 8 or 10 inches of surface overburden, went .99 of one percent. In the middle trench, or the trench at the place where we dug the hole when you were out there, a sample of the bottom over a distance of 18 ft. went 1.09 percent; cutting the sides from top to bottom at about two foot intervals over a distance of 18 ft., went 1.58 percent. In the southerly trench a sample taken from the bottom over a distance of 34 ft. went 1.05 percent.

In the middle trench there appears to be the same condition on the west as there was in the northerly trench - that is, the vein appears to be dipping into the hill to the west at about a 45 degree angle. In the southerly trench the mineral bearing material is still in the west ^{end} ~~way~~ and I think will continue over to the west open cut which the Crysler brothers dug. I am going to continue the middle trench to the west until we pass all the outcrop which we saw on the hill.

In digging out for the blacksmith forge about 50 ft. north of the northerly trench, we dug into the mineral bearing formation and a trench will be dug at this point and also further north until we pass out of the mineral bearing formation. The same will be done to the south. I am enclosing a pencil sketch which will probably give you a better idea.

Mr. H. C. Carlisle - #4.

May 21, 1926.

Taking it altogether, it certainly looks as tho we were going to develop a considerable tonnage of ore. I shall make another trip out there Tuesday and will write you as to what the developments are at that time.

Instead of packing the material into camp, we were able to get in there with two horses and a buckboard, and I believe we have already gotten a start for a future road in case it should be needed.

With kind regards, I am

Yours very truly,

H. A. Johnson
Superintendent.

HAJ:M

encl.

looks like good ore here
Tranches 50' apart

at trench

12' 7" wide

12' 7" wide - 5' 7" deep

99%

92%

22'

at trench cut sample sides

15' 7" deep

15' 7" deep

105%

105%

105%

W open cut

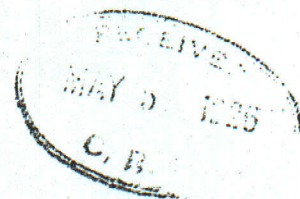
Sketch work done

Chrysler up to May 21-26

THE TONOPAH MINING COMPANY OF NEVADAEASTERN OFFICE
570 BULLITT BUILDING, PHILADELPHIA, PA.

1601 CALIF. COMMERCIAL UNION BLDG.

SAN FRANCISCO, CALIF.



May 1, 1926.

Tonopah Mining Company of Nevada,
572 Bullitt Building,
Philadelphia, Pa.

Dear Sirs:

RE: Chrysler Quicksilver Property, Nevada.

The following are preliminary estimated costs of a quicksilver furnace, operating costs and probable profits from an operation on a certain grade ore with reference to the Chrysler Quicksilver prospect:

ESTIMATED COST OF GETTING PROPERTY IN PRODUCTION ON 60 TONS PER DAY.

| | |
|--|-----------------|
| Furnace installed including condensers & crusher | \$30,000 |
| Development | 9,000 |
| Road construction | 8,000 |
| Water connection | 3,000 |
| Camp buildings | 10,000 |
| Miscellaneous | 5,000 |
| Total, | <u>\$65,000</u> |

ESTIMATED OPERATING COST.

| | |
|------------------------|---------------|
| Mining - surface | \$1.50 |
| Furnace charge per ton | 2.00 |
| Overhead and misc., | 1.00 |
| | <u>\$4.50</u> |

Assuming a 16 pound recovery per ton at \$75. per flask net selling price at above costs there would be a profit of \$11.50 per ton of ore, and after the royalty of 10% it would leave \$9.90 per ton. This would be \$594. per day on a 60 ton production or \$17,820. profit per month.

The present consumption of quicksilver in the United States is about 40,000 flasks per year and the U.S. production is 9,000 flasks. The difference comes from Italy, Spain and Austria and pays a duty of \$18.75 per flask of 75 pounds. The present price is about \$90. per flask but this is high for future estimates. It is thought that as long as the duty remains in effect the cost of foreign production plus the duty will keep the price above \$65. per flask.

ESTIMATED COST OF PRELIMINARY DEVELOPMENT ON CHRYSLER PROPERTY.

| | | |
|--------------------|---------------------|-----------------|
| First months work. | Labor | \$1,000. |
| | Packing in supplies | 50. |
| | Camp outfit | 150. |
| | Mining equipment | 100. |
| | Total | <u>\$1,300.</u> |

The second months expense - if good results are obtained - would be about \$2000.

with increased number of men. If good results are not obtained during the first month a second month at the lower figure of \$1300. should do enough trenching to determine the prospect. With the property payment of \$1,000. this would be a total of \$4600. if development is not a success.

If good results are obtained the cost of development will depend on how uniform the ore proves to be in order to develop a tonnage of say 20,000 tons. This would be one years ore at about 60 tons per day. In the estimate I have figured four months and \$9,000. as cost of development of sufficient ore to justify a furnace.

If we can prove a width of 100 feet, length of 400 feet and depth of 10 feet this will make about 20,000 tons or approximately a years ore at 60 tons per day. This tonnage at 16 pounds recovery or .80% mercury will allow a profit of about \$120,000. after paying cost of installation and royalty. The same tonnage of ore at ten pounds per ton would pay back the cost of installation and a small profit.

As in California most of the mines work on 5 to 7 pounds per ton the 16 pound average now indicated on the Chrysler would be a high grade ore for quicksilver.

The above figures were requested by Mr. Miller to give some idea of costs and possible profits on the Chrysler property. When a few trenches have been dug on the property the grade will be better known and a closer estimate can be made.

Yours very truly,



P.S. Enclosed is option form on the Chrysler sent for your approval. If it is thought that this option is satisfactory Mr. Johnson can be instructed by wire to have it executed as I am sending him two copies.

H.C.C.

cc-H.A.J. Tonopah, Nev.

8'
0.142

YSLER QUICKSILVER PROPERTY

CHERALDA COUNTY

NEVADA

SCALE 1 in. = 20 ft.

TRENCH #5

5'
11.96
AT
6' DEEP
11.71%
AT
2' DEEP

88'
SHIPPING
HIGH GRADE.

TRENCH #9

3'
0.4%

8'
0.14%

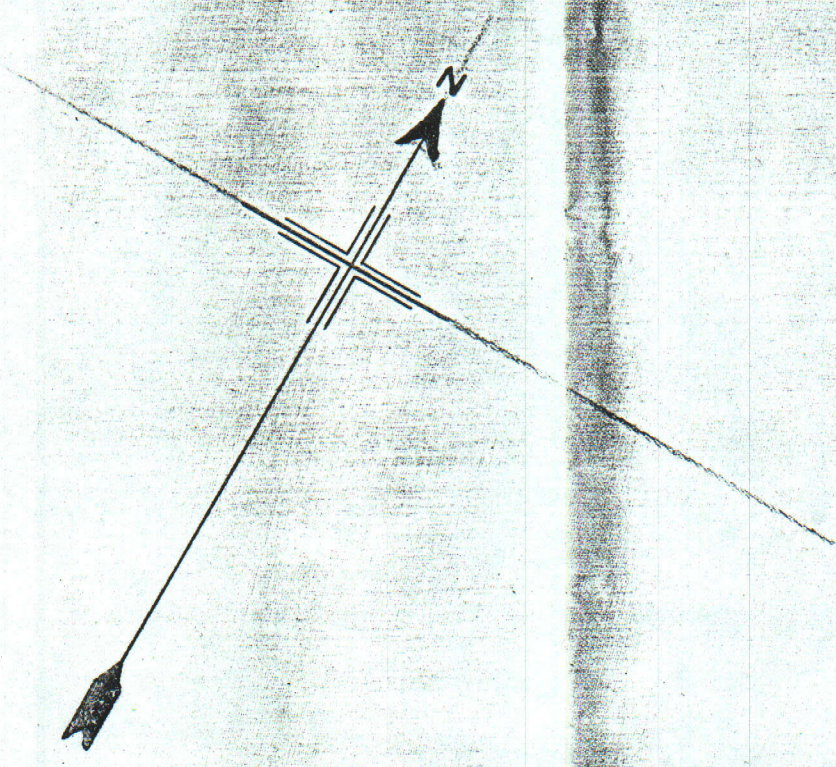
CHRYSLER QUICKSILVER PR

ESMERALDA COUNTY

SCALE 1 in. = 20 FT.

| TRENCH #5 | |
|-----------|---------|
| 6' | 5' |
| 0.49 | 11.98 |
| | AT |
| | 6' DEEP |
| | 11.71 |
| | AT |
| | 2' DEEP |

TRENCH #9



CHUCK

CENTER

#6

#4

9
4.76%

SHEET #2

TRENCH #2

13'
0.94%

DEPTH
6'-10"
2.20%
DUMP
3.07%
12'
0.42%

TRENCH #1

9'
0.61%

20'
0.97%

TRENCH #3

52'
0.86%

CHUCKLER CUT
Rt. 0.13%

CENTER

#6

#4

8'
1.22%

SHIFT #2

TRENCH #2

13'
0.94%

DEPTH 6'-10'
2.20%
DUMP 3.07%
12'
0.42%

8'
1.05%

SHIFT #1

TRENCH #1

20'
0.97%

DEPTH 18' BOTTOM
8' 1.09%
1.22% 18' SIDES
10' 1.58%
1.38%
12'
0.57%
4 to 12'
1.23%

CHUTE CUT
BY 0.73%

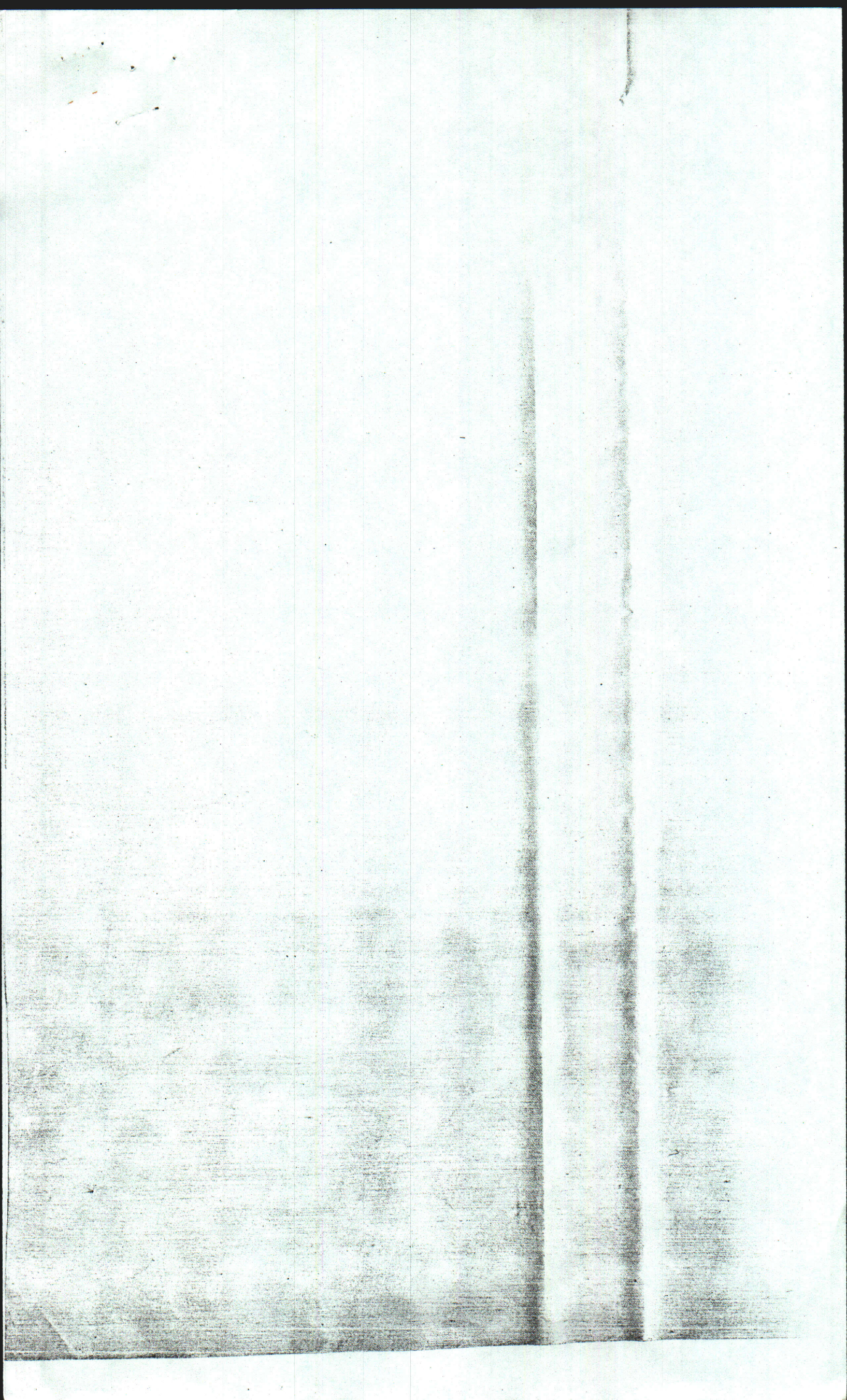
TRENCH #3

52'
0.86%

5' 7' 13' 9' 19' 10' 7'
2.28 0.63 0.70% 0.95% 0.31% 0.43% 0.17

CHUTE CUT
1.00%

7
0.17



CENTER LINE FROM WHICH TRENCHES AND SAMPLES ARE MEASURED. N32°15'W

PLH
37
TRENCH
1

M. 51.221