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REPORT

ON

LONE STAR GROUP.

This group consists of four full claims known as the Lone Star, Lone Star No. 1, Lone Star No. 2 and Lone Star National, all situated in the Fairplay Mining District, Nye County, Nevada.

GEOGRAPHY:

The District is what is known as old Atwood town about 1-1/2 miles northwest of the new town of Atwood. It is reached from Tonopah by rail to Mina and thence by team thirty miles distant, or directly by team or automobile from Tonopah by way of Cloverdale, a distance of about 75 miles.

TITLES:

Titles are of a possessory nature, and the work has been done for 1906. They are some of the earliest locations, are recorded, and I believe title to be perfectly clear.

GEOLOGY:

The veins are running north and south (nearly) and dip east. They are quartz showing good values, some iron, and one of them shows considerable fracturing. This fractured vein carries the best values. The other vein cut in the east crosscut of the 100' level is a harder and more massive quartz, showing a good deal of cloudiness, which, from its low values is probably iron. Values are both in silver and gold.

The country rock is andesite. This andesite shows no faulting and little alteration, and the veins are well defined in it. A little west of this main surface vein is a large dyke of rhyolite, the entire width of which is said to assay a small amount. This dyke stands up boldly from 25' to 30' above the

surrounding surface of the ground. The vein carrying the best values trends toward this dyke, but the effect of it upon the vein has not yet been determined as they have not drifted to its intersection.

DEVELOPMENTS:

Development work consists of a vertical shaft 100' deep in the center of the Lone Star claim. From this shaft levels have been established at the 50' and 100' depths. On the 50' level a north drift has been run on the wein 30', and at the face a shallow (4') winze has been sunk. On the 100' level a crosscut east has been run about 60'. This has shown the same vein as on the 50' level, and has also encountered another vein farther to the east. This is a larger vein but carries lower values and is hard, white and glassy. A short north drift from this crosscut has been run in the foot wall of the larger vein, and near the north face has been turned west to come back to the vein nearer the shaft, and on which the drifting was done on the 50' level. A Davis horse whim is the equipment on this shaft.

MINING FACILITIES, ETC.

Wages and cost of living are about the same as at Tonopah. The ground here should be driven at from \$5.00 to \$10.00 per foot on contract. Scrub timber covers the immediate claims, and larger timbers for mining purposes are obtainable at a distance of about ten miles.

WATER;

Water for power is wanting. Water for domestic purposes is furnished by a fine large spring. Water for steam and mill purposes would have to be developed by wells, but this I think could be done without great expense in some of the draws between hills.

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ORE IN SIGHT:

There is no ore blocked out in the mine, but I believe that a small amount of fair grade ore could be taken out as development progressed.

ASSAYS:

#41 2' wide in winze on 50' level in north drift from the vertical shaft.

AU. 0.84 oz. 16.80

AG. 27.86 oz. 18.11

#42 Crab sample of small pile at shaft. This ore was taken from the 50' level.

AU. 0.82 oz. 16.40

AG. 54.38 oz. 35.35

Gold is figured at \$20.00 per oz. and Silver at 65¢ per oz.

No shipments have as yet been made from the property.

The property is owned by Mr. Frank Everett and one or two associates, but the disposal of the property is entirely in Mr. Everett's hands.

The terms are as follows:

Total price \$50,000.00; \$5000.00 to be paid in cash and the balance in four months, eight months and twelve months in equal payments, and the purchasers proceeding with the development during the life of the option.

CONCLUSIONS:

TERMS OF SALE:

This property is well worthy of further development, with good prospects of becoming a producer. The formation is favorable, values are very encouraging, and faultings, displacements etc., of the vein are, from present developments, few. The price and terms of the option are I consider very fair considering the amount of work already done by owners.

Tonopah, Nevada, Sept. 21, 1906. Respectfully submitted, Alexander T. Johnson