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ITEM

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(90)

Nevada Gold, Inc

Gold Range Dist.

S. of Goldfield

Esmer. Co.

TELEGRAM

January 23, 1935.

E. S. Chafey
St. Francis Hotel
Reno, Nevada.

New gold
Esmeralda Co. -

18535

Will be in Los Angeles end of this week return here
Monday stop Suggest you get favorable deal on Nevada
Gold incorporated before we make examination.

W. V. DeCamp

San Francisco

Jan 29-35

Mr W. V. McCamp

Bishop Cal

Mr McCamp

Your wire of 12/23 reached me yesterday - Some
one told me that they had forwarded it from Reno -
I had it up to R. L. Richards 140 N. Virginia St. Reno
to get the Nurse gold bar - and asked him to
get in touch with you. If you have time to
come to Reno an acceptable deal can be arranged
for the property - that is part of the stock - It
is not possible to do anything interstate where
stock is involved and of the high percentage
I wrote Mr Richards that he could
not do anything about the matter as
the stock is in the hands of the
state of Nevada - But I am sure if anything
can be done I will try to get it done - I am
sure if anything can be done for Nevada
by any chance you are coming up
the way. We can cover the situation
on Saturday I could get the gold from the
state of Nevada - Truly

W. V. McCamp

Reno Nev Jan 21-35

Mr W V Delaney
Bishop Cal

I am enclosing herein a short digest of Reports
on the Tolaposa Mining property. The Engineers
consulted are William Sharp and J F Micheljohn
and the owner - Mr Brokey.

This property is open for trial and inspection
as there is no ~~error~~ to bathe there.

I am going to San Francisco tomorrow
and if you should find time to come before
my return to Reno. Colonel Brokey 622
California St. across will show you over
the mine. Also J F Micheljohn O Delaney
and will show you the mine property at
Hottel and E D Richards 1900 Virginia
St. Reno will tell you about the Nevada
gold mine.

Yours Truly

W V Delaney

San Francisco Water Reno

Reno, Nevada
October 1, 1934.

Mr. R. W. Varnon, General Manager
Nevada Gold, Inc.
Reno, Nevada.

Dear Sir:

Pursuant to your request, I have made two visits to your property of Nevada Gold, Inc. On my first trip, as you know, I stayed there six days, and the last time one day. On my first visit, I sampled the ore body on the main level very thoroughly; and on my last trip there, I sampled the new work done during the interval between visits.

I will not go into any great detail and bore you and your stockholders with a lot of phraseology that would mean nothing, except to puzzle your stockholders; hence, this report, or statement, will be rather short, and I hope, to the point.

The property of Nevada Gold, Inc. located in the Gold Range District, five miles south-west of Goldfield, consists of five lode mining claims, and is connected with Goldpoint and outside points by a very excellent dirt road. This property is located in the west-central part of Esmeralda County, and about thirty-five miles south-west of Goldfield, the shipping and supply point for this section.

Geology: The property of this company covers a section of a sedimentary belt consisting of slates and shales, intruded by dykes of intrusive rock, seeming of both basic and acid origin. Your property lies near the west end of these sedimentary beds, which extend about seven miles east and west. Throughout the entire length of these sedimentaries, showings of ore are found, sometimes of exceptionally high-grade. The sedimentaries are flanked on the north by a ridge of alaskite; the foot-wall, or south side of the shale body is granite. The vein, as shown in your workings, cuts across the formation at a rather flat angle, dipping to the north toward the alaskite. The dip of the shales and slates is to the south and westward.

Development Work: Consisting of an inclined shaft to a depth of 125 feet, with cross-cut to the north of 263 feet; then the drift turned to the north-west, and after some exploration work, the vein was eventually picked up at a point about 113 feet west of the main cross-cut, and has been drifted on for a distance of about 350 feet, while three raises were put up at different points along the cross-cut to prove the existence of the vein on its downward dip from its apex. These raises encountered the ore, showing a perfect alignment from the out-crop to where the vein has been explored in the west drift-- a section sampling of the main level, west of the cross-cut, showing a continuous ore body of about 300 feet, of which 250 feet, by sectional sampling, assays \$22.50 per ton, over an average width of 3.1 feet. The last samples taken, where the drift turned away from the vein, assayed over \$30.00 per ton in gold. The management began the sinking of a winze at the easterly end of the ore shoot, about 113 feet from the cross-cut, while on my first visit to the property. On my second visit, two weeks later,

the winze was down about forty (40) feet, and the vein seemed to be increasing in width and was more massive, looking much better than it did where exposed on the main level, and I firmly believe, when you reach a point of fifty or more feet in depth, where you are planning to drift to the west, a larger and richer ore body will be encountered than that shown on the main level. The presence of Sylvanite and bismuth tellurides makes the expectation of high grade ore a reasonable one. A special sample of quartz, showing these telluride minerals, assayed \$239.00 per ton in gold. The main level drifts, as mentioned at about 350 feet, seems to be at a point where the main ore body has been considerably disturbed by a breaking of the vein by a horizontal movement; consequently, considerable oxidization and leaching is evident, but a corresponding enrichment at a short distance below seems justified. There seems to be no doubt that a commercial ore body, large enough to warrant the construction of a milling plant will be developed with but very little more work. As far as I am able to observe without tests, there should be no trouble in extracting the values from this ore. This main level is 275 feet on the incline of the vein from the out-crop, and with the 40 feet of ~~xxxxxxxxxxxx~~ winze now accomplished, makes over 300 feet of stoping ground on the ledge, and with wider and richer ore bodies in prospect, as depth is gained, and that high grade ore, such as the special sample, will be encountered, seems very evident, which should raise the average grade of the ore, as herein given, to a much higher value. No work has been done east on this ore body, and drifts from the present winze, both east and west, should be carried on to open up and put the ore in shape for stoping. I thoroughly approve of the development plans now being conducted and contemplated by your company, and that you have a real mine seems to be beyond a question of a doubt.

Equipment: While the equipment is inadequate for very much more work, what you have is very efficiently placed, and has served its purpose very well. I know of no better arranged prospecting plant than you have at your mine. I consider your management has shown very remarkable results; almost all development work has proven to have been done in the right place and in the right manner, and you certainly have accomplished an immense amount of development work during the time you have been working the property, aggregating some 1600 feet.

I unhesitatingly recommend this property, and believe without a question, that you will have a paying mine with but very little additional work.

For further understanding, reference is made to the maps, which I have made for you, which you have in your possession.

Hoping this letter will convey the information you desire,
I am

Very truly yours,

E. S. CHAFEY.

Reno, Nevada
December 3, 1934.

Mr. R. W. Varnon, General Manager
Nevada Gold, Inc.
Reno, Nevada.

Dear Sir:

Since making my report of October 1, 1934, considerable development work has been done, and I have the following to report:

The winze from the 125 foot level has been sunk to a point 60 feet below and 50 feet of development work has been done to the west. Samples have been taken at intervals of ten feet by drilling holes and raising across the vein, and show values equally as good as on the 125 foot level above, with the vein wider and better. The cross-cut raise mentioned above, shows 8 feet of solid ore assaying \$23.00 per ton.

On the 125 foot level, the north-south vein that shows on the surface, was encountered in the west drift, and the drift was turned to the north, following the vein, where 6 feet of \$30.00 ore has been drifted upon for a distance of 40 feet. This is of a very great importance to your property, as it is without a doubt an entirely new vein--one that was never worked upon the surface. This vein has a flat dip to the east, and should be encountered on the sixty foot winze level at about half the distance required to reach it on the 125 foot level. If this continues to develop as it has in the 40 foot drift, it should double the probable tonnage of your property. It is a much softer ore than the east-west, or principal vein of your operations, and can be mined and milled at a very small expense. I would advise your company to install a larger compressor -- say a three drill machine, and sink the main winze down at least another hundred feet, where a considerable amount of drifting, both east and west on the vein, should be done, as well as development work on the north and south, or cross-vein on the 125 foot level.

From a point one hundred feet deeper than the bottom of the present winze, it should be only a short distance to the west until the cross-vein is encountered, where drifting should be done, which would develop about 10,000 tons between each 100 foot level.

When the above outlined development work is accomplished, a vertical working shaft should be raised to the surface, thereby greatly simplifying the operation of the property and the cost of handling the ore.

I consider that your property now has fully 30,000 tons of ore safely in sight, and after metallurgical tests are made, a mill should be planned for your property as soon as possible, and a mill of fifty ton capacity is fully justified.

Very truly yours,

E. C. SHARPEY.

18537

E. J. SCHRADER
ENGINEER OF MINES

ADDRESS MAIL TO
P. O. BOX 244
RENO, NEVADA

November 21, 1935.

Mr. W. V. DeCamp,
Bishop, California.

Dear Val;-

Your letter of November 6th received. I have been hearing of the Goldfield Eagle for 15 to 20 years. Various people have operated there and then quit. I think the last time was during the time of the Pittman Act when silver was \$1.00 or more per ounce. I am told that last year some people did a little work there and then stopped. A local man told me that one reason was that the owner had always made rather stiff terms and that the first payment was usually a large one but did not come until several months after work started. When an extension was asked for he refused it and then the property reverted to him.

Mr. Wm. Sirbeck, formerly an operator in Goldfield, told me that he was in the mine in 1924 with Chas. Wilkinson. There are three levels from a vertical shaft 100 ft. apart. The two upper levels have an air connection so that the air is good. The lowest level is over 1000 ft. long on the vein with very bad air. A candle would not burn. The ore occurs in shoot which swell out from a seam to the width of the drift. The longest shoot was about 150 ft. long. They were able to get into about 1000 ft. of drifts on the 300 ft. level but were all sick from the gas. They took 9 samples just as an indication and the average was about \$12.00 old price of gold. Obviously these samples were taken in the best looking places. Mr. Giles informs me that this last summer a man from Butte named Fryer looked at the mine and said that he thought it could be made to pay. He failed to raise the money needed. I understand that the ore is very base but Sirbeck said it did not contain copper, lead or zinc. Perhaps it is arsenic.

Sincerely yours,

E. J. Schrader
E. J. Schrader.