2120 0012

(129) Item 17 H-5

Jay Carpenter

RECONSTRUCTION FINANCE CORPORATION
MINING SECTION
REPORT OF ENGINEER

Docket No. ND-8037
Date of Authorization for Exam. Rec'd — March 23, 1943
Date of Examination — March 29, 1943
Date of Report — April 8, 1943

NAME AND ADDRESS OF APPLICANT

C. L. Allen
P. O. Box 694
Winnemucca, Nevada

CHARACTER OF PROJECT

The project is the development of a prospect held under option agreement by the Applicant and his associates. Some small 1½ inch seams of quartz containing molybdenum, tungsten, copper, and a little gold and silver, have been exposed by a small 30 foot inclined shaft.

LOCATION OF MINE

The property, known as the Nevada Climax Mineral Claims, consists of four unpatented contiguous lode claims, named the Molly No. 1, Molly No. 2, Molly No. 3 and Molly No. 4. It is located in the Gold Run Mining District some 10 miles south of Golconda, Nevada, a station on the Southern Pacific Railroad. It lies within T. 34 N., R. 40 E., M.D.B.&B. The elevation of the mine is 4600 feet, and that at Golconda is 4400 feet. The road from Golconda to the mine is over a relatively level gravel road. The accessibility and seasonal operating conditions are very good.

APPLICANT

The application is made by C. L. Allen in behalf of a partnership of the following individuals.

William A. Hutton, Babbit Branch, Hawthorne, Nevada

C. L. Allen, Box 694, Winnemucca, Nevada

Harold E. Reed, Hawthorne, Nevada

Mrs. O. B. Grauvogel, Winnemucca, Nevada

Guy McNabney, 533 California Street, Reno, Nevada

Mr. Allen is a railway telegraph operator, and Mr. Hutton, a mining engineer. The latter now employed as an inspector at the Naval Ammunition Plant at Hawthorne, Nevada. Both these men accompanied the writer on the examination. The Applicant and his associates appear to be a representative group of dependable people engaged in various occupations in this State. Mr. Hutton has had mining experience, and apparently is one of the guiding spirits behind this project.

LOAN REQUESTED

The loan requested is for $5,000.00.

DESCRIPTION OF PROJECT

The underground work consists of a single inclined shaft, 30 feet in length or depth. (It is so flat that it is almost a tunnel). The bottom of the incline is only about 6 feet lower than the portal at the surface. This work has evidently been done by hand steel. A windlass, with the use of a tiny skip, has been used to hoist the broken rock. The mine can be considered an undeveloped prospect. (See

attached map for plan and sections).

GEOLOGY AND ORE OCCURRENCE

The predominant rocks are a granite and a hornblende basalt, and it is close to the contact of these two rocks that the incline was put down, following a few flat-dipping quartz stringers in the granite.

The contact has a northeast-southwest strike. All ground to northwest of the contact is granite, and the entire hill to the southeast is a large area of hornblende basalt. (The Applicant has designated it a limestone but such is not the case). The hornblende basalt is black, massive, and coarse grained, with much interlocking hornblende. The granite has an outstanding bedded appearance due to a parallelism of parting, or sheeting. These parting planes in the granite dip about 20° to the northwest, and split the granite mass in a layer-like structure, each layer being three to four feet thick.

It is in some of the partings of the granite that very thin quartz seams have been developed. (They are about 1½ inches thick). It is on a series of these quartz seams, near the contact, that the owners have prospected by means of the small incline. The 1½ inch ore seams are separated by 3 feet to 4 feet of barren granite; there is no vertical or diagonal fracturing such as in a typical stock-work. Therefore, the quantity of ore in the narrow quartz veins compared to the whole formation is very small.

The quartz seams carry some primary minerals, a scattering of pyrite, some blebs of chalcopyrite, some streaks of molybdenite, and an occasional grain of scheelite. The seams are mostly quartz. Molybdenite is the most abundant sulphide, followed by chalcopyrite. There is slight oxidation - the sulphides being apparent at the surface.

So much barren granite intervenes between the parallel-spaced ore seams that the mining of them profitably would not be possible. The narrow veins follow the flat joint planes of the granite. There is no strong vein structure, or contact zone structure, and there is slight chance of opening a vein of sufficient width to provide profitable mining.

SAMPLING

Four samples were taken of the seams exposed in the incline tunnel (See map) with assay results as follows:

	DESCRIPTION	%Copper	%WO_3	%$Mo.S_2$
No. 1	Sample of 12 ft. length of 1½ in. seam.	0.86	0.05	2.33
No. 2	Sample of 12 ft. length of 1½ in. seam.	0.81	2.57	5.33
No. 3	Sample of 12 ft. length of 1½ in. seam.	0.33	None	1.34
No. 4	Sample 10 ft. length of 1½ in. seam.	0.30	None	0.51

PLANT AND EQUIPMENT

Other than a small 10' x 12' shack, with a dirt floor, there is no buildings. A few hand tools and a windlass completes the equipment.

COMMENTS

The Applicants have no doubt been lead to the development of this prospect by the evidence of the molybdenite and chalcopyrite showing in the small quartz seams. Some nice hand specimens of these minerals

are obtainable, but the property lacks sufficient vein structure, and the seams are too small, and not abundant enough to offer encouragement for profitable mining.

RECOMMENDATION

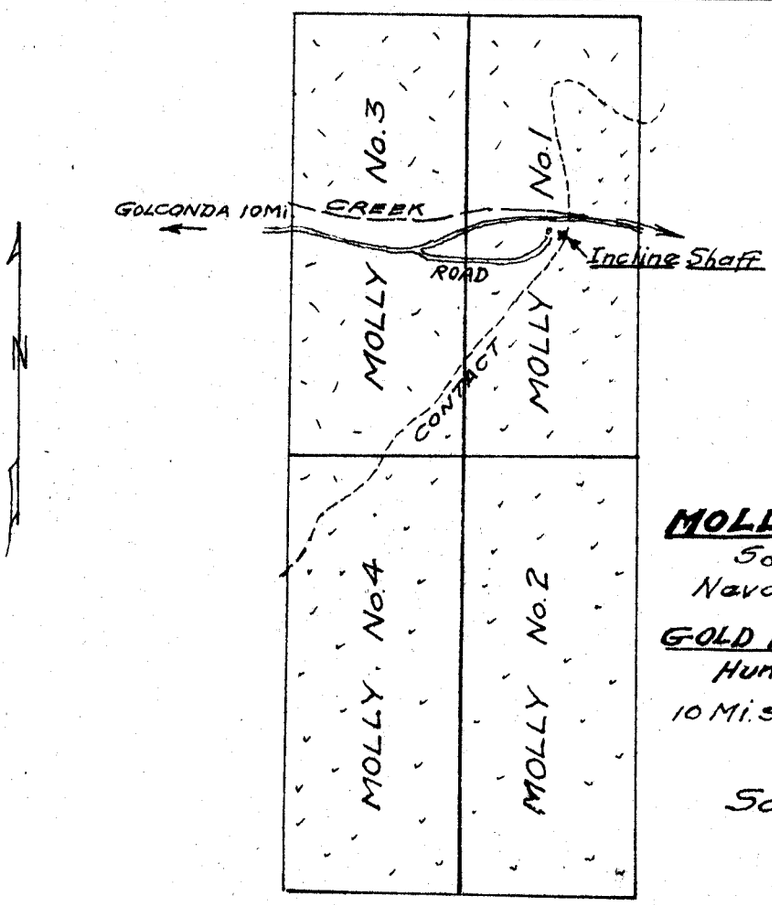
It is recommended that a loan on this project should be declined.

Respectfully submitted,

Jasper Robertson

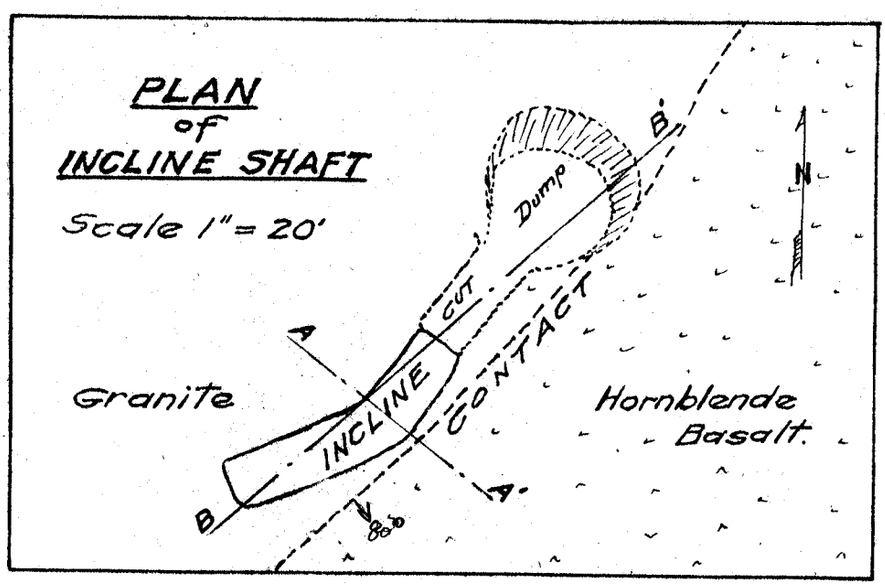
JASPER T. ROBERTSON
Engineer

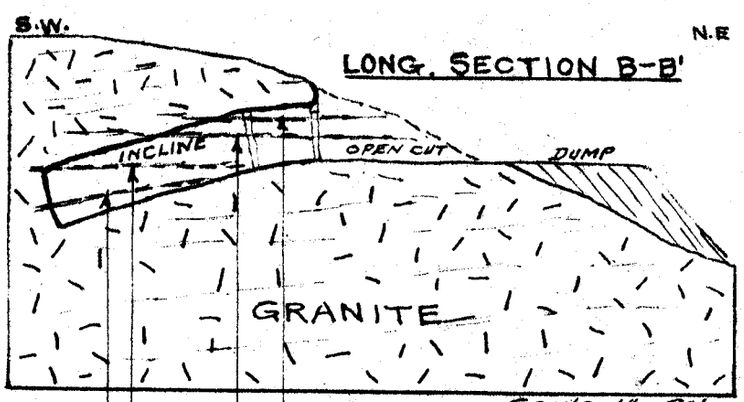
ND-8037.

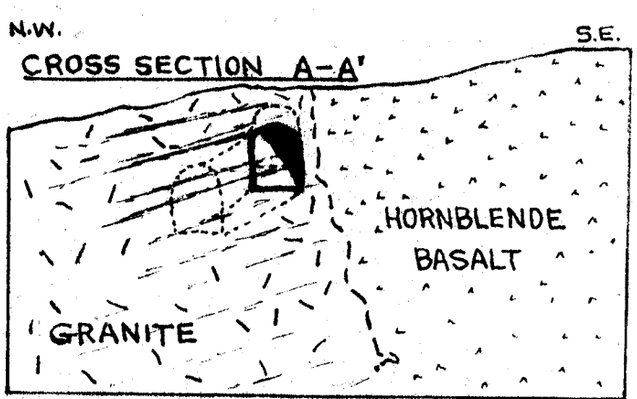


MOLLY GROUP of CLAIMS
Sometimes called
Nevada Climax Mineral Claims
GOLD RUN MINING DISTRICT.
Humboldt County, Nev.
10 Mi. south of Golconda, Nev.

Scale 1" = 600'







		MoS_2	WO_3	Cu.
SAMP. #1.	1½" streak of quartz	2.38%	0.05%	0.86%
SAMP. #2	" " " "	5.33	2.57	0.81
SAMP. #3	" " " "	1.34	None	0.33
SAMP. #4	" " " "	0.51	None	0.30

NOTE: The ore occurs in narrow quartz streaks (about 1½") at intervals in parting or sheeting in the granite. The sheeting dips about 20° to N.W. No ore in intervening granite. Streaks are 3 to 4 ft. apart and contain small amounts of Molybdenite, chalcopyrite & scheelite, a little gold & silver.

(129)
Item 14
March 1943
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