## FOR COMPLETE DOCUMENT SEE FILE

and the



#### YELLOW HORSE MINE

Location: Goodsprings Mining District, about 12 miles northwest of the Town of Goodsprings. May be reached over dirt roads which wind upwards over the hills and through canons. In places the grades are rather steep. Coming out from the mine it is all down hill haul.

According to the information tendered by John Frederickson, in whose company I visited the mine during the summer of 1936, there are two full lode claims extending northeasterly and southwesterly, located side by side in a rectangle. The workings which I examined are located on the northerly claim.

Adjacent to these claims on the north is located the Clementia Patent, which is owned by J. A. Hogle of Salt Lake City. Considerable mining has been done on this claim.

Adjoining the Clementia on the north is the Honduras claim, owned by George Lutz, on which considerable mining has also been done. Adjoining the Honduras on the west is what is known as the Key Stone group of claims. Much mining has been done on the Key Stone. Much of the Key Stone property is located on the intrusive porphry which is the locus for most of the gold mineralization of the district. The Key Stone fault, as it is called, extends through the Yellow Horse claims. It averages about 75 feet wide, and on the Key Stone there is an altered mineralized strike in the porphry which is from three to four feet wide. It is somewhat silicified and is composed of granular brown material ground up as a result of the shearing and containing much The values in this mineralized strate or vein are almost entirely gold, although there is a little silver present.

The workings consist of an incline shaft, inclined at 45 per cent, 40 feet deep along the incline, untimbered but with good ladders. Near the bottom of the incline there is a drift 40 feet to the south. The ore shipments that have been made were taken from this drift. The property is equipped with a small gas engine and hoist. There are no water or timber in the vicinity. The property is located near the famous Chiquita mine, and geological conditions are entirely similar to those at the Chiquita.

One-third interest is owned by Mrs. Theresa Mancha, whose address is 3016 Clay Street, San Francisco. Two-thirds interest are owned by Mrs. Blanche K. Shadle, of 137 West 56th Street, Los Angeles. Book 19 of Deeds, in the County Recorder's office at Las Vegas, Instrument 43626, shows a realty value placed upon Mrs. Mancha's share during the years 1935-1936, of \$167. The tax on this share was \$5.79 for the year 1936, which was paid. Tax Deeds, Book 3, Instrument No. 49549, shows a value of \$333 upon the two thirds interest of Mrs. Shadle, on which a tax of \$11.55 was paid in 1936.

A letter from J. H. Favorite, Supervisor of the General Land Office, San Francisco, dated July 3, 1936, stated that Mrs. Mancha owned one-third of the Yellow Horse claim in the Yellow Pine District, Mineral Survey 4543, and that at one time it was optioned to Homer Black, and that a Mr. A. R. Robbins wanted to buy the cone-third interest for \$5,000, to be paid from the proceeds of the ore extracted and sold.

In the course of an investigation made by A. M. Smith in July, 1936, it was learned that Reynolds Robbins and Harry Jensen, both of Goodsprings, at that time held a bond and lease on the mine from Mrs. Shadle and it did not appear that the interest of Mrs. Mancha was involved in the transaction.

In Book 22 of Deeds, Clark County Records at Las Vegas, is recorded Deed No. 68331, of the quitclaim of A. Homer Black to A. R. Robbins on Patent Survey 4543, which is the Yellow Horse mining claim.

At the time of my visit I learned that Pete Rosentower, assayer at Goodsprings, had just assayed a sample of ore from the Yellow Horse, said to be of very high grade. Not much importance was attached to the report, and at the time of my visit the mine was not operating. Robbins had recently made a small shipment to the Key Stone mill, operated by a Mr. Kinney, located near Goodsprings. Stephen Frederickson, a young man who had hauled the ore, complained that up to that time he had not been paid for his labor, and asked me what steps might be taken toward attachment proceedings upon the ore in order to secure his wages. The following information was obtained from Mr. Kinney, manager of the Key Stone mill, regarding Yellow Horse Lot of ore received from R. Robbins May 13, 1936, ore that he had treated. from Yellow Horse mine; assay, gold, .275 oz. per ton; settlement assay, .275 oz. gold per ton; value per ton at \$28.80, \$7.92; deductions per ton, \$4.00: net proceeds per ton, \$3.92; net weight of shipment, 4699 lbs; moisture, 3.5%, equals 1645 lbs.; dry weight, 4534 lbs.; net settlement, \$88.89.

Shipment May 25, 1936, by A. R. Robbins, Yellow Horse Mine; described as dump ore; gold content upon assay, 12 oz. per ton; settlement assay, 12 oz per ton; value, at \$28.80, \$3.46; deductions, \$4.00 per ton; net loss, \$14.09; gross weight, 55,060 lbs; moisture, 5.2%, equals 2,863 lbs; dry weight, 52,197 lbs.

A third shipment containing 24 tons, dry weight, had been run through the mill and the control sample was being assayed in Salt Lake City at the time of my visit. It was the opinion of Mr. Kinney that the settlement assay would probably be about .275 oz. of gold per ton.

On September 21, 1936, an article was published in the Nevada State Journal stating that a rich strike had been made in the Yellow Horse mine. I clipped the article and sent it to Mrs. Mancha, advising her not to lease or enter into any agreement regarding the mine until investigation could be made. On September 24, 1936, I received a wire from Mrs. Mancha approving my suggestion to investigate the Yellow Horse mine, reading as follows: "You have my approval to investigate Yellow Horse mine. I signed lease and option with James McCoy last July for two-ninths interest, same is recorded in Las Vegas. He evidently has not carried out all the ters of contract. My interest not included in agreement with Robbins." A day or two therefect that she believed McCoy had not carried out his agreement. She also sent me a copy of the said agreement with James McCoy.

On Monday, September 28, 1936, an article was published in the Nevada State Journal, originating in Las Vegas, stating that the Minerals Exploration Company of Nevada had taken over the Yellow Horse mine, where a rich gold strike had been made. The announcement was made by James Donovan, formerly Attorney General of Montana, President of the Company. It stated that at 60 foot depth 10 feet across the face assayed from \$10 to \$15, and that a crasscut on that level had resulted in the sensational strike of bonanza ore.

#### AGREEMENT

THIS AGREEMENT, made and entered into this 16th day of July, 1936, by and between THERESA MANCHA, a widow, of the City and County of San Francisco, State of California, hereinafter called the "First Party", and James MCCOY, of Beverly Hills, Los Angeles County, State of California, hereinafter called the "Second Party",

#### WITNESSETH:

WHEREAS, First Party is the owner of an undivided One-third (I/3rd) interest in that certain patented lode mining claim known as the "Yellow Horse", situate in the Yellow Pine Mining District, Clark County, Nevada (U.S. Survey No. 4543); and

WHEREAS, Second Party desires to acquire the title to One-ninth (I/9th) interest of the said mining claim from the One-third (I/3rd) interest of First Party in said mining claim, upon the terms hereinafter expressed, and if First Party is willing to sell said interest in said claim upon said terms;

NOW, THEREFORE, in consideration of the premises and the sum of One Dollar (I.OO) paid by Second Party to First Party, the receipt whereof is hereby acknowledged, it is hereby agreed by and between the parties hereto as follows, to-wit:

I. First Party hereby gives and grants unto Second Party the exclusive right and privilege of purchasing One-ninth(I/9th) undivided interest of First Party in said mining claim, and all thereof, together with the tenements, hereditaments and appurtenances, for the sum of Two Thousand Five Hundred Dollars (\$2,500), to be paid as hereinafter stated, provided First Party elects to sell.

- right to carry on mining operations upon the afore said claim, including the right to construct and maintain shafts and tunnels thereunder and to explore for and remove any and all precious and valuable minerals and metals in or upon said property during the continuance of this agreement.
- to enter upon said mining claim and Second Party agrees forthwith to commence mining operations upon said property, and thereafter to prosecute the same in good faith and with reasonable
  diligence, performing the work in a miner-like manner and in such
  manner as shall be for the mutual interests of the parties hereto, unless prevented by acts of God, Labor strikes, Lock-outs,
  or other causes beyond his control.
- 4. It is agreed that all improvements attached to the reality, which may be placed thereon during the life of this agreement by the Second Party, such as buildings; pipe lines and tract below the collar of any working shaft, and tract upon the dumps will be deemed fixtures, and in the event of the termination of this agreement prior to the fulfillment, said fixtures shall be the property of said claim and shall remain upon said property. However, all other machinery, equipment, tools and appliances placed thereon by the Second Party shall remain the property of Second Party and may be removed by him within a reasonable time not to exceed ninety (90) days after the termination of this agreement.
  - person of her selection to act as her agent in the inspection of work done by Second Party upon said property during the continuance of this agreement and to act as the agent and representative of First Party in inspecting all reports and

statements of recoveries of gold or other valuable minerals made from said property.

- on said mining property any encumberances, and agrees to indemnify and hold harmless First Party from any and all liability which may arise through the operations of said property by Second Party. The Second Party further agrees to post and keep posted upon said property notices to the effect that said property is under option to Second Party, and that neither First Party nor said property will be responsible for any moneys due any person whomsoever for labor performed or material furnished for use on said property, as provided by the Laws of State of Nevada.
- 7. Second Party agrees to insure and keep insured under the provision of the Workmen's Compensation Insurance and Safety Act of the State of Nevada, as the same now exists or may hereafter be amended, and all persons hired or employed by Second Party upon any part of said premises during the life of this agreement.
- 8. In consideration of said rights, privileges and covenants aforesaid, Second Party agrees to pay to First Party as a royalty and payment upon said purchase price, a sum equal to ten per centum (10%) of the mint, smelter, mill or ore buyer's returns accruing to the One-ninth(I/9th)interest of First Party of all precious or valuable minerals or metals recovered from said property, or any thereof, or from or beneath said land during the life of this agreement; royalties so paid to apply upon said purchase price.
- 9. In case of any dispute between the parties hereto as to the value of the minerals recovered from said land or any other matters pertaining to the operation of the said property or other matters in controversy shall be submitted to a Board of Arbitration consisting of one arbitrator selected by First Party and one arbitrator selected by Second Party and a third arbitrator to be

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agreed upon by those selected by First Party and Second Party, whose decision shall be final on matters under controversy and binding upon the parties hereto.

- 10. All payments of royalty to be made by Second Party to First Party in accordance herewith, shall be made immediately after the receipt by Second Party, of returns on shipments from mint, smelter, mill or ore buyer's returns, upon which said royalties are to be based and computed and shall be sent to First Party at 3016 Clay Street, San Francisco, California, accompanied with a copy of said returns. All payments so made shall be applied on royalty and credited against the purchase price herein stated. Second Party agrees to keep a true and accurate account of the value of all precious minerals and metals recovered from said property, and at all reasonable times to throw open to the inspection of First Party or her authorized agent, such accounts. Upon the payment of Second Party to First Party of said sum of Two Thousand Five Hundred Dollars \$2,500.00), First Party agrees to convey to Second Party or his assigns, an undivided One-ninth (I/9th)interest in and to the title to said mining claim, free and clear of all encumberances suffered to be placed thereon by First Party.
  - II. This agreement shall remain in full force and effect for a period of two and one-half  $(2\frac{1}{2})$  years from the date hereto, unless the same shall have been terminated sooner by First Party by reason of the violation of the terms by Second Party. If, however, First Party elects to retain the above mentioned One-ninth (1/9th) interest in the said mining claim, after the two and one-half  $(2\frac{1}{2})$  year period, Second Party agrees to continue to pay a ten per centum (10%) royalty on all mint, smelter, mill or ore buyer's returns as above specified.
    - 12. If, at the expiration of the said two and one-half  $(2\frac{1}{2})$

year period, said purchase price of Two Thousand Five Hundred Dollars (2,500.00) is accepted by First Party from Second Party, said First Party agrees to convey immediately a good and sufficient, merchantable title in and to the said One-ninth(I/9th) interest in said mining claim to First Party free and clear of all encumberances.

13. This agreement shall be binding upon and shall inure to the benefit of the parties hereto, their heirs, successors and assigns. Time is expressly made of the essence of this agreement, and should Second Party fail to make the royalty payments herein specified, and after thirty (30) days' written notice has been given within which to cure the default complained of, this agreement shall, at the option of First Party, terminate and First Party may in such event re-enter upon said premises, re-possess the same as in its former estate and remove all persons therefrom, using necessary force to do so.

14. It is understood and agreed that this agreement relates only to One-ninth (I/9th)interest of the said mining claim from the One-third interest of First Party in said mining claim and that the remaining Two-thirds (2/3rds) interest in said mining claim is owned by other parties. Second Party agrees that no agreement shall be made with the owner of said Two-thirds (2/3rds) interest in said mining claim inconsistent with the provisions hereof, or which shall in any way interfere with, impede or hinder the rights of First Party herein.

IN WITNESS WHEREOF' the parties hereto have hereunto set their hands the day and year first above written.

THERESA MANCHA "First Party"

JAMES MCCOY
"Second Party"

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#### AGREEMENT

THIS AGREEMENT, made and entered into this \_\_\_\_\_\_day of July, 1936, by and between THERESA MANCHA, a widow, of the City and County of San Francisco, State of California, hereinafter called the "First Party", and JAMES MCCOY, of Beverly Hills, Los Angeles County, State of California, hereinafter called the "Second Party",

#### WITNESSETH:

WHEREAS, First Party is the owner of an undivided One-third(I/3rd) interest in that certain patented lode mining claim known as the "Yellow Horse", situate in the Yellow Pine Mining District, Clark County, Nevada (U.S.Survey No. 4543); and

WHEREAS, Second Party desires to acquire the title to Two-ninths(2/9ths)interest of the said mining claim from the One-third(I/3rd) interest of First Party in said mining claim, upon the terms hereinafter expressed, and First Party is willing to sell said interest in said claim upon said terms;

NOW, THEREFORE, in consideration of the premises and the sum of One Dollar(\$1.00) paid by Second Party to First Party, the receipt whereof is hereby acknowledged, it is hereby agreed by and between the parties hereto as follows, to-wit:

I. First Party hereby gives and grants unto Second Party the exclusive right and privilege of purchasing the Two-ninths(2/9ths) undivided interest of First Party in said mining claim, and all thereof, together with the tenements, hereditements and appurtenances, for the sum of Five Thousand Dollars (\$5,000.00), to be paid as hereinafter stated.

- 2. First Party hereby grants to Second Party the exclusive right to carry on mining operations upon the aforesaid claim, including the right to construct and maintain shafts and tunnels thereunder and to explore for and remove all precious and valuable metals and minerals in or upon said property during the continuance of this agreement.
- right to enter upon said mining claim and Second Party agrees forthwith to commence mining operations upon said property, and thereafter to prosecute the same in good faith and with reasonable diligence, performing the work in a miner-like manner and in such manner as shall be for the mutual interests of the parties hereto. Second Party agrees to perform at least an average of thirty(30) shifts of work upon said mining property for each and every month that this agreement shall be in force and effect unless prevented by acts of God, labor strikes, lock-outs, or other causes beyond his control. Failure of Second Party to perform said amount of work shall work a forfeiture to all rights of Second Party hereunder.
- 4. It is agreed that all improvements attached to the reality which may be placed thereon during the life of this agreement by the Second Party, such as buildings; pipe lines and tract below the collar of any working shaft, and tract upon the dumps will be deemed fixtures, and in the event of the termination of this agreement prior to its fulfillment, said fixtures shall be the property of said claim and shall remain upon said property. However, all other machinery, equipment, tools and appliances placed thereon by the Second Party shall remain the property of Second Party and may be removed by him within a reasonable time not to exceed minety

- (90) days after the termination of this agreement.
- person of her selection to act as her agent in the inspection of work done by Second Party upon said property during the continuance of this agreement and to act as the agent and representative of First Party in inspecting all reports and statements of recoveries of gold or other valuable minerals made from said property.
- 6. Second Party agrees not to place or suffer to be placed on said mining property any encumberances, and agrees to indemnify and hold harmless First Party from any and all liability which may arise through the operation of said property by Second Party. The Second Party further agrees to post and keep posted upon said property, notices to the effect that said property is under option to Second Party, and that neither First Party nor said property will be responsible for any moneys due any person whomsoever for labor performed or material furnished for use on said property, as provided by the Laws of the State of Nevada.
- 7. Second Party agrees to insure and keep insured under the provision of the Workmen's Compensation Insurance and Safety Act of the State of Nevada, as the same now exists or may hereafter be amended, and all persons hired or employed by Second Party upon any part of said premises during the life of this agreement.
- 8. In consideration of said rights, privileges and covenants aforesaid, Second Party agrees to pay to First Party as a royalty and payment upon said purchase price, a sum equal to ten per centum(10%) of the mint, smelter, mill or ore buyer's returns accruing to the Two-ninths(2/9ths) interest of First

Party of all precious or valuable minerals or metals recovered from said property, or any thereof, or from or beneath said land during the life of this agreement; royalties so paid to apply upon said purchase price. The minimum royalty to be paid hereunder is a sum equal to Twenty Five Dollars(\$25.00) per month: said minimum royalty to be paid quarterly in advance and dating from this date. First Party does hereby acknowledge receipt of the sum of One Hundred Dollars(\$100.00), being the first four months royalty payment hereinunder.

- 9. In case of any dispute between the parties hereto as to the value of the minerals recovered from said land or any other matters pertaining to the operation of the said property or other matters in controversy shall be submitted to a Board of Arbitration consisting of one arbitrator selected by First Party and one arbitrator selected by Second Party and a third arbitrator to be agreed upon by those selected by First Party and Second Party, whose decision shall be final on matters under controversy and binding upon the parties hereto.
- Party in accordance herewith, shall be made immediately after the receipt by Second Party, of returns on shipments from mint, smelter, mill, or ore buyer's returns, upon which said royalties are to be based and computed and shall be sent to First Party at 3016 Clay Street, San Francisco, California, accompanied with a copy of said returns. All payments so made shall be applied on royalty and credited against the purchase price herein stated and upon each payment as and when it becomes due and payable. Second Party agrees to keep a true and accurate account of the value of all precious minerals and metals recovered from said property, and at all reasonable

times to throw open to the inspection of Fire Party, or her authorized agent, such accounts. Upon the payment of Second Party to First Party of said sum of Five Thousand Dollars (\$5,000.00), First Party agrees to convey by merchantable deed to Second Party, or his assigns, an undivided Two-ninths (2/9ths) interest in and to the title to said mining claim, free and clear of all encumberances suffered to be placed thereon by First Party.

- II. This agreement shall remain in full force and effect for a period of two and one-half (2½) years from the date here-to, unless the same shall have been terminated sooner by First Party by reason of the violation of the terms hereof by Second Party. If, within said two and one-half(2½) years, Second Party has paid to First Party said purchase price, conveyance of the said Two-ninths(2/9ths)interest in said mining claim shall be made immediately. If, at the expiration of the said two and one-half(2½) year period, said purchase price has not been paid in full, all payments theretofore made by Second Party to First Party shall be forfeited as liquidated damages and as compensation for the use and occupation of said property, and Second Party agrees to immediately surrender and deliver to First Party said property, and all thereof, free and clear of any encumberances suffered to be placed thereon by Second Party.
- to the benefit of the parties hereto, their heirs, successors and assigns. Time is expressly made of the essence of this agreement, and should Second Party fail to make the payments herein specified or fail to keep and perform any of the covenants herein contained by him to be kept and performed, and after thirty(30)days' written notice has been given him

within which to cure the default complained of, this agreement shall, at the option of First Party, terminate and First Party may in such event re-enter upon said premises, repossess the same as in its former estate and remove all persons therefrom, using necessary force so to do.

13. It is understood and agreed that this agreement relates to the Two-ninths(2/9ths) interest of First Party in said mining claim and that the other One-ninth(I/9th) interest is to be retained by her and that the remaining Two-thirds(2/3rds) interest in said mining claim is owned by other parties. Second Party agrees that no agreement shall be made with the owner of said Two-thirds(2/3rds) interest in said mining claim inconsistent with the provisions hereof, or which shall in any way interfere with, impede or hinder the rights of First Party herein.

IN WITNESS WHEREOF, the parties hereto have hereunto set their hands the day and year first above written.

THERESA MANCHA "First Party"

JAMES MC COY "Second Party"

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November 7th, 1936.

Mrs. Theresa Mancha, 3016 Clay Street, San Francisco, Galifornia.

Dear Mrs. Mancha:

I have your telegram of Movember 6th. I am very sorry that I was unable, because of an unexpected press of work, to make the trip to Los Angeles and return via Goodsprings as I had expected to do last October. Since then I have also been very busy and I must confess that the Yellow Morse Mine passed completely out of my mind for the time being. It is my present intention to again leafe for Las Vegas on November 16th, at which time I will not fail to visit the Yellow Horse property, providing you have not made other arrangements. I am very sorry that I was compelled to neglect this work for you.

I have not heard anything new with the exception of a brief paragraph published in the Reno Journal not long ago to the effect that the "Minerals Exploration Company of Nevada" had opened up a very wide body of high grade ore. I am really quite anxious to find out what the facts are down there and what is being done. I am sure that it will not be long now before I can visit the property.

With kind regards,

Very truly yours,

Alfred Merritt Smith

AMS:a

September 28th, 1936.

Mrs. Theresa Mancha, 3016 Clay Street, San Francisco, California.

Dear Mrs. Mancha:

I have your letter of the 27th inst., enclosing a copy of the agreement made between you and James McCoy relative to the Yellow Horse mine. I am trying to get my affairs in shape to make a trip to Los Angeles on the 7th of October, and will endeavor to investigate the Yellow Horse situation either on the way down or on my return.

With kind regards,

Very truly yours,

Alfred Merritt Smith

AMS: a

CLASS OF SERVICE

This is a full-rate Telegram or Cablegram unless its deferred character is indicated by a suitable sign above or preceding the address.

# WESTERN UNION 844A. NEWCOMB CARLTON GRAIMAN OF THE BOARD J. G. WILLEYER PRESIDENT

SIGNS

DL = Day Letter

NM = Night Message

NL = Night Letter

LC = Deferred Cable

NLT = Cable Night Letter

Ship Radiogram

The filing time shown in the date line on telegrams and day letters is Standard Time at point of origin. Time of receipt is Standard Time at point of destination.

#### Received at

VZ 12 8=SANFRANCISCO CALIF NOV 14 821A

ALFRED MERRITT SMITH=

STATE ENGINEER (

EXPECT TO BE IN LASVEGAS MONDAY HOTEL SALSAGEV=

CLASS OF SE	ERVICE DESIRED					
DOMESTIC	CABLE					
TELEGRAM	FULL RATE					
DAY LETTER	DEFERRED					
NIGHT MESSAGE	NIGHT LETTER					
NIGHT LETTER	SHIP RADIOGRAM					
Patrons should check class of service desired; otherwise message will be transmitted as a full-rate						

communication.

# VESTERN R. B. WHITE

CHAIRMAN OF THE BOARD

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	ACCT'G INFMN.	
	TIME FILED	$\frac{1}{1}$
\		۱.

PRESIDENT Send the following message, subject to the terms on back hereof, which are hereby agreed to

CARSON CITY, NEVADA. NOV. 7, 1936

MRS. THERESA MANCHA, 3016 CLAY STREET, SAN FRANCISCO, CALIFORNIA

AS YET UNABLE TO VISIT GOODSPRINGS STOP LETTER FOLLOWS ALPRED MERRITT SMITH

PREPAID

#### ALL MESSAGES TAKEN BY THIS COMPANY ARE SUBJECT TO THE FOLLOWING TERMS:

To guard against mistakes or delays, the sender of a message should order it repeated, that is, telegraphed back to the originating office for comparison. For this, one-half the unrepeated message rate is charged in addition. Unless otherwise indicated on its face, this is an unrepeated message and paid for as such, in consideration whereof it is agreed between the sender of the message and this company as follows:

1. The company shall not be liable for mistakes or delays in the transmission or delivery, of any message received for transmission at the sum of five hundred deliars; nor for mistakes or delays in the transmission or delivery, or for non-delivery, of any message received for transmission at the repeated-message rate beyond the sum of five thousand deliars, unless specially valued; nor in any case for delays arising from unavoidable interruption in the working of the lines nor for across is closed to the company as the property of t

transmission at the repeated-message rate beyond the sum of five thousand voltage, whether thou in the working of its lines; nor for errors in cipher or obscure messages.

2. In any event the company shall not be liable for damages for mistakes or delays in the transmission or delivery, or for the non-delivery, of any message, whether caused by the negligence of its servants or otherwise, beyond the sum of five thousand dollars, at which amount each message is deemed to be valued, unless a greater value is stated in writing by the sender thereof at the time the message is tendered for transmission, and unless the repeated-message rate is paid or agreed to be paid, and an additional charge equal to one-tenth of one percent of the amount by which such valuation shall exceed five thousand dollars.

3. The company is hereby made the agent of the sender, without liability, to forward this message over the lines of any other company when necessary to reach

its destination.

4. Domestic messages and incoming cable messages will be delivered free within one-half mile of the company's office in towns of 5,000 population or less, and within one mile of such office in other cities or towns. Beyond these limits the company does not undertake to make delivery, but will, without liability, at the sender's request, as his agent and at his expense, endeavor to contract for him for such delivery at a reasonable price.

5. No responsibility attaches to this company concerning messages until the same are accepted at one of its transmitting offices; and if a message is sent to such

office by one of the company's messengers, he acts for that purpose as the agent of the sender.

6. The company will not be liable for damages or statutory penalties in any case where the claim is not presented in writing within sixty days after the message is filed with the company for transmission.

7. It is agreed that in any action by the company to recover the tolls for any message or messages the prompt and correct transmission and delivery thereof shall be

presumed, subject to rebuttal by competent evidence.

8. Special terms governing the transmission of messages according to their classes, as enumerated below, shall apply to messages in each of such respective classes in addition to all the foregoing terms.

9. No employee of the company is authorized to vary the foregoing.

#### THE WESTERN UNION TELEGRAPH COMPANY

INCORPORATED R. B. WHITE, PRESIDENT

#### CLASSES OF SERVICE

#### TELEGRAMS

A full-rate expedited service.

#### NIGHT MESSAGES

Accepted up to 2:00 A.M. at reduced rates to be sent during the night and delivered not earlier than the morning of the ensuing business day.

Night Messages may at the option of the Telegraph Company be mailed at destination to the addressees, and the Company shall be deemed to have discharged its obligation in such cases with respect to delivery by mailing such night messages at destination, postage prepaid.

#### DAY LETTERS

A deferred day service at rates lower than the standard telegram rates as foilows: One and one-half times the standard night letter rate for the transmission of 50 words or less and one-fifth of the initial rates for each additional 10 words or less.

#### SPECIAL TERMS APPLYING TO DAY LETTERS:

In further consideration of the reduced rate for this special Day Letter service, the following special terms in addition to those enumerated above are hereby

A. Day Letters may be forwarded by the Telegraph Company as a deferred service and the transmission and delivery of such Day Letters is, in all respects, subordinate to the priority of transmission and delivery of regular telegrams.

B. This Day Letter is received subject to the express understanding and agreement that the Company does not undertake that a Day Letter shall be delivered on the day of its date absolutely, and at all events; but that the Company's obligation in this respect is subject to the condition that there shall remain sufficient time for the transmission and delivery of such Day Letter on the day of its date during regular office hours, subject to the priority of the transmission of regular telegrams under the conditions named above.

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#### NIGHT LETTERS

Accepted up to 2:00 A.M. for delivery on the morning of the ensuing business day, at rates still lower than standard night message rates, as follows: The standard telegram rate for 10 words shall be charged for the transmission of 50 words or less, and one-fifth of such standard telegram rate for 10 words shall be charged for each additional 10 words or less.

#### SPECIAL TERMS APPLYING TO NIGHT LETTERS:

In further consideration of the reduced rates for this special Night Letter service, the following special terms in addition to those enumerated above are hereby agreed to:

Night Letters may at the option of the Telegraph Company be mailed at destination to the addressees, and the Company shall be deemed to have discharged its obligation in such cases with respect to delivery by mailing such Night Letters at destination, postage prepaid.

#### FULL RATE CABLES

An expedited service throughout. Code language permitted.

#### DEFERRED HALF-RATE CABLES

Half-rate messages are subject to being deferred in favor of full rate messages for not exceeding 24 hours. Must be written in plain language.

#### CABLE NIGHT LETTERS

An overnight service for plain language communications, at one-third the full rate, or less. Minimum of 25 words charged for. Subject to delivery at the convenience of the Company within 24 hours.

#### SHIP RADIOGRAMS

A service to and from ships at sea, in all parts of the world. Plain language or code language may be used.

CLASS OF SERVICE

This is a full-rate Telegram or Cablegram unless its deferred character is indicated by a suitable symbol above or preceding the address.

SYMBOLS

DL = Day Letter

NM = Night Message NL = Night Letter

LC = Deferred Cable

Cable Night Letter Ship Radiogram

The filing time shown in the date line on telegrams and day letters is STANDARD TIME at point of origin. Time of receipt is STANDARD TIME at point of destination.

Received at CARSON CITY. NEV.

NL=SANFRANCISCO CALIF NOV 6

ALFRED MERRITT SMITH=

STATE ENGINEER

YOUR LAST LETTER STATED YOU EXPECTED TO LEAVE FOR LOSANGELES 7 AND WOULD PROBABLY STOP IN LASVEGAS ENROUTE OR BACK LEAVING SF NEXT WEEK TO BE GONE WOULD APPRECIATE HEARING BEFORE I LEAVE IF YOU HAVE HAD FURTHER NEWS FROM GOODSPRINGS= :UNSIGNED.

3016 Clay Street, San Francisco, California, Jan. 7th, 1937.

Alfred Smith, State Engineer, Carson City. Nevada.

Dear Mr. Smith:

I am indeed ashamed to be answering your letter at this late date. Your letter came while I was in Los Angeles and my folks did not forwardit to me. Sometime after I returned, found it in my desk. I am very sorry too, that I did not meet you Las Vegas. Perhaps at some other time.

My cousin wanted to see Boulder Dam and expected to go by train. When she learned I was going south, she suggested I drive her to Las Vegas. It was very nice for both of us and

gave me an opportunity to see the famous Yellow Horse.

Mr. McCoy happened to be in Las Vegas at the same time. He took me out to the mine. It is difficult for a woman to make a satisfactory investigation of a mine. I really do not know much more about it than before I went, only that I know just where it is and that they have an 85 foot shaft there.

The road to Goodsprings is so bad, I would not want you to take the trip out there for me until I am in a position to compensate you. They told the road had been washed out early

in the fall by a heavy storm.

When they develope the mine further and there are indications of a real strike, I feel that I should have someone looking after my interests. If I got a real fair deal, considerings some of the interested parties, I would be surprised.

I have not made any arrangements with anyone else to represent me, and do not know of anyone I would rather have

than you.

The Fredericksons said they would let mekknow if any worth while strike was made at the mine. If there should be, and you would like to represent me, I would be more than glad to have you.

I appreciate very much what you have already done for me, and only hope the mine brings in some good ore so that I shall be able to pay you.

Very truly yours, Theresa Mancha -



November 28th, 1936.

Mrs. Theresa Mancha, 3016 Clay Street, San Francisco, California.

Dear Mrs. Mancha:

I am sorry indeed that I could not have met you in Las Vegas. Upon my return from Los Angeles I found your telegram here and was obliged to leave almost immediately for Spokane to attend a conference there. You will understand of course that my official trips were imperative and could not be put off for anything of a private nature.

It may be that by this time you may have made your own investigation or have had someone else do it for you. Will you please let me know about this, for it is possible that I may be able to get down to Las Vegas some time during the coming month. I do not, however, want to make the trip out to Goodsprings if you have already made such investigations and taken such steps as are satisfactory to you at this time. Will you kindly advise me?

Very truly yours.

Alfred Merritt Smith

AMS:a

O ypelan Kerse Mine

3016 Clay Street. San Francisco, California, Sept. 27th, 1936.

Alfred Merritt Smith, State Engineer, Carson City. Nevada.

Dear Mr. Smith: -

Your letter of Sept. 25th received yesterday and I

thank you for it, also the telegram.

Your other letter containing the clipping about the Yellow Horse came Thursday. It was very interesting and at first was very much excited. I only hope it is true, but being born and raised in a mining camp, I know you can not be too sure about striking a vein of gold. It disappears so quickly sometimes.

I am enclosing a copy of the agreement to sell the 2/9ths,

also of the 1/9th.

After I had signed the agreements, I realized that I should have stated a definite time in which he should start operations. It does state on page 2. of the agreement to sell the 2/9th that he will commence mining operations forthwith, and that he will perform at least an average of 30 shifts a month for each and every month that this agreement shall be in force and effect.

If Mr. McCoy has not started operations there and let Mr. Robbins go ahead and make the strike, it appears to me

that he has not lived up to his agreement with me.

Mr. Robbins has a quit claim deed from Mr. Davis for the 2/3rds interest. Mr. McCoy told me in July that Mr. Robbins knows the deed is worthless, and that since he had this agreement with me, that Mr. Robbins had ceased operations on the Yellow Horse.

You know a great deal more about these things than I do.

so shall abide by your advise.
I want to take this letter to the Ferry post office so that You will be sure to get it Monday, so shall not write more at this time.

I am enclosing a dollar bill to pay for the telegram you sent. I hope the old Yellow Horse does come in with a good strike so that I can really compensate you for your kindness.

With Sincere thanks and kind regards.

Very truly yours.
Theresa Mancha -

September 25th, 1936.

Mrs. Theresa Mancha, 5016 Clay Street, San Francisco, California.

Dear Mrs. Mancha:

I have your telegram received this morning, and am glad that my wire reached you before you had entered into any additional lease agreements. Will you kindly send me at this address a copy of the lease and option you entered into with James McCoy last July, and I will then be able to check up as to whether he has properly carried out the terms of his contract with you. I will try to postpone my trip to les Vegas on other matters until hearing from you.

With kind personal regards,

Very truly yours,

AMS:a

Alfred Merritt Smith

CLASS OF SERVICE

This is a full-rate Telegram or Cablegram unless its deferred character is indicated by a suitable symbol above or preceding the address.

The company will appreciate suggestions from its patrions concerning its service.

SYMBOLS

DL = Day Letter

NM = Night Message

NL = Night Letter

LC = Deferred Cable

NLT = Cable Night Letter

Ship Radiogram

The filing time shown in the date line on telegrams and day letters is STANDARD TIME at point of origin. Time of receipt is STANDARD TIME at point of destination.

Received at CARSON CITY, NEV.

V7 11 48 NI = SANFRANCISCO CALIF SEP 24

ALEBET MERRITT SMITH=

STATE ENGINEERS OFFICE

YOU HAVE MY APPROVAL TO INVESTIGATE YELLOW HORSE I SIGNED

LEASE AND OPTION WITH JAMES MCCOY LAST JULY FOR 2/9 INTERE

SAME IS RECORDED AT LASVEGAS HE EVIDENTLY HAS NOT CARRIED

OUT ALL THE TERMS OF CONTRACT MY INTEREST NOT INCLUDED AGREEMENT WITH ROBBINS WRITING

THERESA MANCHA.

WESTERN UNION GIFT ORDERS ARE APPROPRIATE GIFTS FOR ALL OCCASIONS

September 21st, 1936.

Mrs. Therese Mancha, 3016 Clay Street, San Francisco, California.

Dear Mrs. Mancha:

In the Nevada State Journal of this date I noticed an article stating that a rich strike had been made in the Yellow Horse mine in the Goodsprings district. I clipped the article and herewith enclose the clipping. Of course you cannot be sure regarding the source of information that gets into newspapers, but it is certainly worth in-With this in mind I this morning wired you to not lease vestigating. your interest in the property prior to an investigation. If a good strike has been made the figure of \$30,000 on a lease and bond offered by Mr. John Frederickson is too low. Of course it is possible that acting upon the advice of my recent letter you have already entered into an agreement with Mr. Frederickson, but if you have not done so I would suggest holding it up until the facts are known. I expect to return to Las Vegas again during the next few days and at that time, if it meets with your approval, I will look into the matter again, visit the mine and learn definitely what has been found and what is going on.

From what I learned when I was there before Robbins did not seem to have very good standing in the community. Stephen Frederickson, a young son of John Frederickson who applied for the lease, had not been paid for hauling the ore from the Yellow Horse to the Keystone mill. Of course the values recovered from the ore that was milled up to that time were very low, but that fact should not have prevented Robbins from paying his help.

At the time I was there I was told that Reynolds Robbins and Harry Jensen held a bond and lease on the property from Mrs. Blanche K. Shadle. I did not learn whether that included your interest or not. I hope that it does not, and if your interest is not tied up with Mrs. Shadle's in that transaction it may be possible for you to make some money out of the property if there has been a bona fide discovery at the mine.

With best wishes,

Very truly yours,

Alfred Merritt Smith

September 8th, 1936.

Mrs. Theresa Mancha, 3016 Clay Street, Han Francisco, California.

Dear Mrs. Mancha:

I am enclosing herewith a letter received from Mr. J. A. Fredrickson, of Goodsprings, Nevada, who wishes a lease and bond upon the Yellow Horse mine.

Having, as you know, examined the property. I believe that the terms he suggests are fair enough and if it were my property I would not hesitate to enter into a contract with him. Mr. Fredrickson is an experienced miner and bears a good reputation and his work there might upon up a mine. In any case whatever he would do there would be additional development and help to take the property out of the prospect stage. I suggest that you deal with Mr. Fredrickson direct.

Very truly yours,

AMS:a

Alfred Merritt Smith

September 8th, 1936.

Mr. J. A. Fredrickson, Goodsprings, Nevada.

Dear Mr. Fredrickson:

I have your letter of August 30th, in which you express the desire to secure a lease and bond on the Yellow Horse mine, owned by Mrs. Mancha and Mrs. Shadle. I am sending your communication on to Mrs. Mancha for her direct action.

I think that the terms you suggest are fair enough, to-wit, a price of \$30,000 and a royalty of ten per cent on ore up to \$50 per ton in value and of fifteen per cent on or above \$50. I shall make no suggestions as to additional terms, such as the term of the contract and amounts of payments, preferring to leave that with Mrs. Mancha.

Very truly yours.

AMS:a

Alfred Merritt Smith

Goodsprings, Nev. Aug. 30, 1936.

Dear Mr. Smith:

Since you were here, Robbins has suspended work on the "Yellow Horse." I am rather interested and would like to take a crack at it. Would it be possible for you to secure for me a bond and lease from Mrs. Mancha. The bond price should not exceed \$30,000 and a royalty of 10% up to \$50 ore, and 15% royalty above \$50. ore.

Rather than take the matter up myself with Mrs. Shadle who owns the other interest, would much prefer that Mrs. Mancha try to handle Mrs. Shadle's interest.

I believe that with careful, intelligent work a mine can be made there.

Best wishes from all of us to you and Mrs. Smith.

Very truly,

J. A. Fredrickson

July 31st. 1936.

Mrs. Theresa Mancha, 3016 Clay Street, San Francisco, California.

Dear Mrs. Mancha:

I have your letter dated July 25th, relative to the Yellow Horse Mine in the Goodsprings District. I have read it with interest, and note that you have signed an option disposing of two-ninths interest for \$5000, to be paid at the rate of \$25 a month for two and one-half years. The arrangement sounds to me like a very good one, providing the people are all right and do not try to take advantage of you. It is my opinion that your contract with McCoy should include a royalty charge of at least ten per cent on all ore taken out and either shipped or milled. This royalty should apply upon the purchase price, and would help you to get your money more quickly in case an ore body of importance should be opened up. However, if there is no such a clause in your contract it is probably too late to do anything about it now.

I appreciate your offer to pay me for what I have done in this matter, but there is no charge. I am very glad to do this for the widow of Mr. Mancha, for whom I had the highest regard. At the time I knew him I was a Mineral Land Examiner for Southern Pacific Railroad Company, while Mr. Mancha represented the General Land Office. We had some lively tilts at mineral land hearings, which I recall with pleasure. There was nothing personal in these hearings and no malice was engendered. I think in fact that better friendship often results by being on opposite sides of the fence in a legal battle.

My duties occasionally take me down into the southern part of the State, and at such times I shall make inquiry regarding your mine and what has been going on there, and will advise you.

You should secure a statement from Robbins as to tonnage, values and net returns upon ore he has milled, and check it against

Mrs. Theresa Mancha July 31st, 1936 Bage two

the figures I sent Mr. Favorite. The ore taken out so far has been of very low grade, and although you might get a few dollars out of it, the amount will be very small. In fact one lot of ore was milled at a loss.

With kind regards.

Very truly yours;

AMS:a

Alfred Merritt Smith

3016 Clay Street. San Francisco, California, July 25th.1936.

Mr. A.M.Smith, State Engneer, Carson City. Nevada.

Dear Mr. Smith:

Mr. Favorite sent me the letter you wrote him from Las Vegas concerning the Wellow Horse Mine, and I want you to know that I am deeply grateful to you. If you will kindly let me know what I owe you for your trouble, I shall remit promptly.

I have signed an option with Mr. James McCoy of Beverly Hills, to sell 2/9 interest for \$5000.00. The option to run for 21 years. I reserved the right to hold the 1/9 interest. If I should want to sell the 1/9 interest, and they want it, I am to get an additional \$2500.00. I am to receive \$25.00 a month for the 2½ years, the amount to apply on the purchase price.

I met Mr. McCoy in Los Angeles last April. I do not k

know him very well. The lady who owns the other two-thirds introduced him to me.

If Mr. Mancha were living, he would know how to handle the situation, but it is awfully hard for a woman to do anything with a mine. My father was in the mining business all his life, and I know a little about it, but not enough to know just what to do.

Your letter was a great help to me. If they know at Goodsprings that someone might drop in on them at any time, they will probably be careful how they treat me.

Mr.Robbins sent me an option sometime ago with a cashier's check for \$25.00 enclosed. I did not answer for a time as I was negotiating with Mr. McCoy. Mr. McCoy made two trips here within a month. I think he is associated with Mr. Kinney, who is General Manager of the mill. I think their idea is to take up all the claims around there. If they do this and send the ore to their own mill. I am wondering how I will be able to get a correct accounting of what really comes from the Yellow Horse.

Since Mr. Robbins has worked the mine without saying anything to me and received money for the ore, would you give me your opiniona as to whether you think I am entitled to any of the money. I am not familiar with the rules and regulations on this.

Did I understand Mor. Favorite to say you knew my husband? We knew a John Smith who was in the Service in Denver.

My uncle, J.W.Gaughan, was a Deputy Mining Inspector in Nevada for many years. He and my father and my husband all having passed away, leaves me in the dark in matters of this kind and I have had to call on some good friends for advise. Mr. Favorite has been so wonderful to me in mo many things that have come up.

With sincere thanks.

Very truly yours, there a Mancha

#### UNITED STATES

#### DEPARTMENT OF THE INTERIOR

**DIVISION OF INVESTIGATIONS** 

P. 0. Box 468

253 Federal Office Bldg., San Francisco, Calif., July 18, 1936.

Mr. A. M. Smith, State Engineer, Carson City, Nevada.

Dear Tom:

Please accept my sincere thanks for the valuable information that you have given in connection with the mining claim in which Mrs. Mancha has an interest. I phoned her about this several days ago when I received your first letter and she expressed her deep gratitude for the interest you have taken, and I am sure that the information contained in your last letter will be of considerable value to her.

Thanks again, and sincere regards.

Sery truly yours,

Mr. J. H. Favorite, Chief of Division of Investigations, General Land Office, Custon House, San Francisco, California.

#### Dear Joe:

Referring again to your letter of July 3, 1936, making inquiry as to the status of Mrs. Mancha's interest in the Yellow Horse Mine, Yellow Pine Mining District, Goodsprings, Nevada:

I made a special trip out to Goodsprings last Sunday for the purpose of looking into the matter, and was fortunate enough to come in contact with Mr. John Fredrickson, an old friend and mining operator in the District, who not only gave me pretty much the whole story, but who also accompanied me to the mine, of which I made a brief examination.

The mine has recently been worked by Reynolds Robbins and Harry Jensen, both of Goodsprings, Nevada. Reynolds has recently made three shipments of ore to the Kinney Keystone Mill, which is located on the edge of a desert valley about fifteen miles West of Goodsprings. Following is the data relative to these shipments, which was kindly given to me by Mr. Kinney, General Manager of the mill, upon my showing him your letter and explaining the purpose of my visit. The following is the record regarding the shipments:

Shipped by R. Robbins May 13, 1936: Gross weight 46999#, moisture 3.5 - 1645, net dry weight 45354#. Gold assay value .275 ounces per ton ore, settlement assay value .275 ounces per ton. Value of ore per ton at \$28.80 - \$7.92. Deductions per ton \$4.00. Settlement value per ton \$3.92. Net settlement \$88.89.

Shipment May 25, 1936: Net dry weight 52197#. Gold assay value .12, settlement value .12. Value of ore per ton at \$28.80 - \$3.46. Deductions \$4.00 per ton. Net loss on shipment \$14.09.

A third shipment of twenty-four tons dry weight has

just been milled, but has not been settled for. The assays are being made in Salt Lake City, and settlement will be made when they are received. From information Mr. Kinney has, he is of the opinion that it will not run more than about .2 or .3 ounces gold per ton.

Records in the Assessor's office show that Theresa Mancha has paid one-third of the taxes on the property continuously, same being one patented mining claim valued at \$500.00; the other two-thirds are paid by Blanche Schadle, whose address is 137 West 56th Street, Los Angeles, California.

I am of the opinion that it is a very good prospect, but can not be classed as more than that. If Mrs. Mancha can obtain a contract whereby she will be paid at regular intervals about \$5,000.00 for her share, it should be a fair deal for all concerned. The mine workings consist of a 45 ft. inclined shaft, and a drift to the West of about 40 ft. The vein is about two feet wide, is an altered streak in a porphyry inclusion in a paleozoic limestone, and is located on what is locally known as the Keystone Fault. Several mines of considerable value, on which much development work has been done, are adjacent to the property.

Local information leads me to believe that Mrs.

Mancha should be very careful in the matter of having a proper contract drawn up if she makes a sale of her interest, and also should look after her interests there quite carefully. I would be pleased to answer any further questions in regard to the matter, so far as my information goes.

With kind personal regards,

Very truly yours,

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### UNITED STATES DEPARTMENT OF THE INTERIOR

DIVISION OF INVESTIGATIONS

OFFICE OF SPECIAL AGENT IN CHARGE

San Francisco, California

July 3, 1 9 3 6

Dear Tom:

As you probably know, Cash has gone to Montana for the summer months, so I am having to write you for some information that he probably could have gotten for me.

You may remember Special Agent Mancha who tried cases here quite a number of years ago, and who later went blind and has since died. His wife was in to see me today and tells me that as a result of some work that Mancha did for a woman who had an interest in a mining claim in Nevada, Mrs. Mancha now owns 1/3d interest in the Yellow Horse Claim in the Yellow Pine Mining District in Clark County, Mineral Survey #4543. She states that something over a year ago a man by the name of Homer Black secured an option from her which has now expired; that she is now being urged by a man named A. R. Robbins to give him an agreement to sell her 1/3d interest in this claim for \$5,000.00 on an option which provides that she will be paid from the proceeds of the ore sold.

She has no information concerning the property and is not in a position to employ an engineer to report on it for her, and Mancha having been one of our old employees I have always tried to help her when she has come to me for assistance. It occurred to me that through your connections in Nevada you may have some information that I can turn over to her. She would like to realize some money from the claim but of course does not want to agree to sell her interest for \$5,000.00 if the claim is worth a great deal more than that.

I shall appreciate it very much if you will write me what you know about the property, and if you do not know anything about it yourself, if you will see if you can get some information concerning it from some of your associates.

Very truly yours,

Mr. Alfred M. Smith 229 Maple St., Reno, Nevada.

& Favorite