

2320 0002

153
Item 2

RENO OFFICE
RECONSTRUCTION FINANCE CORPORATION
MINING SECTION
REPORT OF SUPERVISING ENGINEER

Docket No. ND-8367

Date Application received

Date of Field Examination

Date of Report

June 7, 1943

No Field Examination by RFC
September 15, 1943

NAME AND ADDRESS OF APPLICANT

Chris J. Nelson
346 South Warren Street
Monmouth, Oregon

Correspondent:

Same.

LOCATION OF PROPERTY

In the ~~Hill Top~~ Mining District, Lander County, Nevada, Township 44 N., Range 45 W., Section 30, 2 1/2 miles southeast of Battle Mountain, Nevada. Battle Mountain is a station on the main line of the Southern Pacific Railroad passing through Nevada. Twenty miles of the road is said to be graveled and in good condition; the last two miles is a steep, narrow mountain road with a difference in elevation of 3000 feet in two miles. From the end of the road a trail extends 2 1/2 miles to the mine. The mine is at an elevation of 9000 feet. It is my thought that at this elevation entry to the mine would be prevented for at least four months of every year.

CHARACTER OF PROJECT AND ESTIMATED COST THEREOF

Applicant states that he proposes to spend \$1100.00 for building a road 1-3/4 miles, \$1900.00 for compressor, drills, hose, and pipe, \$350.00 for ore chute and bins, and \$650.00 for "Reserve while taking out ore", a total of \$4,000.00.

In a report by Mr. Herbert M. Fay, Supervising Engineer for the Salt Lake City office of the Mining Section, the distance from the end of the road to the mine is stated to be 2 1/2 miles, with a difference in elevation of 1500 feet.

Applicant gives the distance of the proposed road as 1-3/4 miles.

It is the thought of the undersigned that it might take all of the loan applied for, possibly more, to build a road 1-3/4 to 2 1/2 miles long in such a terrain and at such an altitude.

APPLICANT'S INTEREST IN OR OWNERSHIP OF PROPERTY

No statement is made as to this in the subject application, but in a prior application by the same applicant (B-ND-3972), which is also on behalf of C. J. Nelson, the statement is made in Exhibit A-11 that the application is on behalf of a partnership consisting of C. J. Nelson, William P. Nelson, and Eugene W. Kinnicutt.

In a letter to the Corporation dated April 10, 1942, Applicant states: "The mine was located again by the original owner

February 28, 1939, recorded May 11, 1939, etc." He then goes on to state that assessment work was done for 1939-40 and 1940-41. I am, therefore, assuming that title is vested in C. J. Nelson, but that he has a partnership agreement with the other Nelson and Mr. Kinnicutt.

LOAN REQUESTED

\$4,000.00.

LOAN RECOMMENDED

None.

COMMENTS

Inasmuch as all data pertaining to Docket B-ND-3972 has been made available to me, as well as a report by a geologist for the United States Geological Survey, I did not deem an examination of this property advisable or necessary in order to make a recommendation, especially in view of the assay results of the samples taken by Mr. Fay, which show a weighted average of 10.5 Antimony over a width of 22 inches. The last circular received from Metals Reserve Company states that ores or concentrates containing less than 20 per cent Antimony will not be purchased.

It is conceivable that, by carefully selective mining and cobbing, a small tonnage of acceptable Antimony might be made available, but in my opinion so many tons would have to be mined, sorted, and cobbled to produce one ton of salable Antimony ore that the cost would be prohibitive, especially in view of the altitude and location of the property.

My experience with Antimony deposits in this state is that they are erratic, superficial, and should be approached with considerable caution. This property, as I see it, would not justify a loan even though it had the advantage of a better climate, altitude, and location.

I am attaching a report on the property by Donald E. White, of the United States Geological Survey, made in November, 1942, which states, "From 1939 to 1941, 108 tons of sorted ore containing an average of 30 per cent in antimony were produced. The deposits probably contain 200 tons of shipping ore of a similar grade, and in addition several thousand tons of mill ore containing 3 to 5 per cent ***. In addition, the old dumps constitute at least 2000 tons of material which probably contain 3 to 5 per cent in antimony."

In closing the report, Mr. White says, "The deposit is one of the best in Nevada, although much of the ore is low grade." As a long time resident of this state, I view this last statement with regret and astonishment.

CONCLUSIONS

Were the property open to location, I would not locate it. There is no promise of a worth while production or a sustained operation. I fail to see how it could be beneficial to the war effort, and labor and materials would be diverted from a great many more worthy projects.

A loan, in any amount, is not recommended.

Respectfully submitted,



L. D. GORDON
Supervising Engineer