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Item 4

JAMES A. JOHNSTONE  
2674 BELLAIRE STREET  
DENVER, COLORADO

Dec. 14th, 1934

Robert M. Adams Co.

Duluth, Minn.

Gentlemen:-

I returned last week having been away from Denver since July. Before leaving I wrote you that Mr. McNeece, owner of the Fortune mine in Leadville would send you a report on his mine. I saw him the other day and he told me he had not sent the report as after I left he had changed his mind and decided not to sell. He has shipped dump all summer which paid very well, he received as much as \$800 per car. He is about 90 years old and the original locator.

There is a Nevada mine that I know the owners will sell. It is owned by the Vulcan M & S & R Co., controlling interest held in Denver. I was there four years ago with Mr. Walter Rock, a mining man of Denver who had a bond and lease on the mine. He died before we began work.

Mr. Burton Russell of White Plains, New York acquired the lease, but owing to the drop in price of lead, silver, copper he failed to do anything.

The mine is located in White Pine Co., Nevada, about 50 miles north of Ely. Cherry Creek is the nearest railroad point.

There are 16 patented claims and a water right with a pipe line three miles long. The mine is on the west slope of the mountain. The lime beds tilted to about 47° about the slope of the mountain. There are two dykes of porphyritic rock, one rhyolite and the other a later monzonite, and are both about 100 feet across and 100 feet apart and parallel.

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There are three veins, the Hunter vein being the original location and was worked in the early 80s. They had a matt smelter hauling the matt to Salt Lake by team. It was high grade silver, lead carbonates, the shaft is on the crest of the ridge and was worked down to 285 feet.

This vein is a fault fissure which faults both of the dykes. There is a crosscut tunnel driven in 800 feet which cuts the Hunter vein at about 500 feet depth, also the Crown Point vein. These veins are both practically worked out above the tunnel level. On the Crown Point there is a stope 150 feet below the tunnel level. From this stope there is a crosscut back to the Copper Head vein which is a contact vein.

On the monzonite dyke this work was done some time after the Co. had quit work. It was during the war when copper was high by a Mr. Walker and partner. They shipped a car that run 28% copper, 18% lead, 50 oz silver and .02 gold. They had no lease, just went in and took it. The Co. has had no representative there since 1914, any one could go and help themselves to anything they wished. The buildings have all been hauled away and no equipment except a steam boiler left which no one wanted.

Mr Russell planned to put in a turbine water wheel <sup>and</sup> a electric generator at the lowest point on the pipe line which he said would furnish power to operate air compressor and two hoists to sink on the contact of the monzonite and back in the end of the tunnel to sink on the Hunter vein. There must be at least 800 feet more of the lime underlaying, the lime is a shale or schist and then the quartzite. The formation is exposed in Egan canyon a few miles north of Hunter.

Mr. Gustave Ornaur, and attorney, who is secretary of the company and who has paid the taxes for several years has no reports plans or any

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data in regards to the mines, nothing of the kind was ever brought to Denver, but Mr. Russell has a report made by F.A. Brown of Salt Lake, also plat showing survey of tunnel and connections to old workings and a surface plat showing patented corners. Last week Ornaur wrote Russell asking him to send them on here, but I do not think he will comply for I know he feels he was mistreated when they canceled his lease as it was impossible for him to get the money at that time to begin operations, but if he does I will send them on to you.

The property can be had on easy terms \$150,000, five years lease, on all ore under \$50 per ton 10% royalty, over \$50 per ton 15% royalties to apply on purchase price, no other payments to be made until the end of the five years, and will give time required for the examination.

The corporation is a Wyoming company so in order to place a deed in escrow it will be necessary to hold stockholders meeting in that state. Ornaur and Mr. Brooks, officers of the company hold proxies for the stock. You would have to pay the expenses of holding that meeting when you call on them for the deed.

I can not see any reason why this property can not be made into a paying mine and I feel it is well worth investigating.

Very truly yours,

A handwritten signature in cursive script, reading "J A Johnstone". The signature is written in dark ink and is positioned below the typed name "James A. Johnstone".