

SUPERVISING ENGINEER
RENO OFFICE
RECONSTRUCTION FINANCE CORPORATION
MINING SECTION
MEMORANDUM REPORT

278
Item 12

Docket No. ND-8158
Date of Examination
Date of Memorandum Report

No Examination
April 22, 1943

NAME AND ADDRESS OF APPLICANT

Louis Gruwell
Box 127
Lovelock, Nevada

Please see my letter transmitting loan application of the above captioned Applicant. I have gone through the files of the local station of the Federal Bureau of Mines, and find that this property was examined by an engineer for the Bureau of Mines in September, 1942.

Complete text of summary report is as follows:

"Sept. 1942

Summary

REPORT OF THE BUREAU OF MINES TO
HON. HAROLD L. ICKES, SECRETARY OF THE INTERIOR

Louis Gruwell
Valmy Silver-Lead Property
Pershing County, Nevada

-Lead - Silver -

This property was worked in the last century and Oscar Hershey, an eminent and nationally known mining engineer reports: 'Some Galena and lead carbonates were sorted out and shipped'.

The former owner abandoned the property and about 1925 it was again located by Louis Gruwell, the present owner. About 1931 it was optioned to L. A. Friedman who, according to Louis Gruwell, spent about \$150,000.00 and then abandoned his option after removing machinery, rail and equipment. Later, according to the same authority, Hon. Herbert Hoover and Associates, sank the winze on No. 2 vein 70 feet deeper, to a depth of 120 feet, and cross-cut what was reported to be the mineralized area 40 feet wide. That operation ended their adventure. Since that time a few intermittent shipments have been made by Lessees.

Only a small amount of low grade ore was developed by the expenditure of large sums of money, apparently under intelligent supervision, and there is now no commercial ore exposed in the workings.

It is recommended that no further consideration be given this property."

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In the text of the report itself, this statement is made:

"The ore occurs in pockets in limonite replacements in the limestone. It is principally galena, carrying fair silver values. Some pyrite and, in surface workings, cerussite is found. The limonite replacements occur along fracture zones, sometimes giving the appearance of veins, with a definite strike and dip.

The formation is principally limestone interbedded with shales, conglomerates, sandstone and one measure of quartzite which shows as a bold outcrop about a hundred feet in width high up on the mountain.***there are a number of intrusive porphyry dikes cutting the formation. These undoubtedly have a bearing

on the ore deposits which are found adjacent to and sometimes quite a distance away from the dikes".

The following samples were noted:

	Au.	Ag.	Pb.	Cu.
1. An average of dump at portal of 75 foot tunnel	.03	1.4	2.1	
2. 4' above bottom of incline shaft	0	5.6	5.9	
3. Across 4' in vein No. 2, 15' south of main tunnel		6.6	0.5	
4. Across 20', 15' north of sample 3		1.5	0.8	
5. A general sample from an open cut alongside road 600' south of portal of the tunnel	.04	17.6	0	
6. On a ridge running northerly from a point about 2000' southerly from the camp a number of open cuts have exposed small seams of copper ore. A sample of the best pieces found assayed		.03	1.2	7.6

In view of the above it is my recommendation that the loan application be declined.

Respectfully submitted,

L. D. GORDON
Supervising Engineer