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Item 4

MINE AT DEEP CREEK,
ELKO COUNTY, NEVADA
OFFICE AT **RENO**
NEVADA

ELKO LIME MOUNTAIN CO.

381

A. D. NASH, TRUSTEE

Reno, Nevada,
November 17, 1930.

Mr. John B. Haley,
925 South Virginia Street,
RENO, Nevada.

SUBJECT: Gold Park Mine.

My dear Sir:

In furtherance of our conversation of today and answering your questions in the order as asked:

Describing the at present assured ore on the "Star of the West" in detail, between surface and southerly extension of the upper tunnel (No. 1) and over known ore the vein area is about 26,500 sq. ft. At four sq. ft. of vein area per ton will make 6,600 tons. Above the middle tunnel (No. 2) and below the level of an extension of the upper tunnel (No. 1) the vein area is 33,400 sq. ft., or 8,350 tons, a total of about 15,000 tons in upstope ground above the known ore of the middle tunnel (No. 2) and the surface. This is considered by me as better than "probable" ore on account of full development in the middle tunnel (No. 2) on the bottom and for one-half of the horizontal distance across this block in the upper tunnel, (No. 1).

An added asset is the so-called parallel back vein, developed by two cross-cuts from the middle tunnel (#2) level and about 100 feet of connecting drift. This separate vein has been disclosed to date only on this level (#2), but will probably make more than 10,000 tons of ore with adequate development.

Additional ore can be logically expected from exploration and development both north and south of the known ore on these two veins, owing to the geological conditions, the intersecting dikes being "post mineral."

My recommendation for 500 ft. of the development work during this winter season on the "front vein" is detailed as follows:

Advance the lower or mill level (#3) drift about 300 ft. southerly, then connect with the 55 ft. winze below the middle tunnel (#2) for ventilation, advance about 100 ft. southerly and raise about 280 ft. from the mill or lower (#3) level to connect with the southerly extension of the upper tunnel (#2) level. This would develop an added 11,000 tons of ore above the mill level tunnel (#3) to the 15,000 tons of "probable" ore above the middle tunnel level (#2) will enable eventual cheap and efficient ore extraction and transportation, a "positive" 24,000 -, a "probable" 40,000, and

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plus a "Possible" 100,000 or more tons for transport direct to the mill without re-handling or dewatering and with natural ventilation.

To advise more fully as to my methods used for determining the value of this property, I have had access to and made a study

- (a) the resident partner owner's assay results while developing during the last four years.
- (b) the non-resident partner owner's check sampling by non-interested but individually employed skilled help.
- (c) the sampling results by an intending purchaser last year, who eventually failed to finance his operations; this caused by the financial slump.
- (d) check sampling done by an employee of mine last May.
- (e) pilot check sampling done by me individually within the last 45 days. My tonnage estimates from the resident owner's mine maps checked by personal inspection of the underground, but to date without a personal instrumental survey.

I further advise that I have had 35 years actual experience in mine operations, material moving in railroad and highway contracting construction, which includes 22 years field work in reconnaissance, examination and mine valuation for acquisition purposes, in which over 1,400 mine properties have been visited, inspected or examined by me personally. I actually know by practice "mine valuation" and "operating costs."

The expense of making a check examination of this property if considered necessary would cost me about \$900.00. I do not care to estimate any other engineer's costs.

I actually know by field experience the difficulty in finding any gold property sufficiently developed and improved to the stage where any outlay can be made except with risk of loss. When I find a property with the physical conditions of the Gold Park, fully \$40,000 worth of surface improvements added to a present net mine value of \$140,000, a development future of potential value that promises to exceed the present net value several times over, and acquirable for \$65,000, \$60,000 of which is to be spent in improvements that increase its immediate value over 100% for the benefit of the acquirer, I logically can determine this a favorable opportunity.

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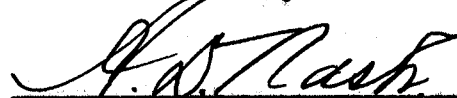
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My contract of purchase that you have seen requires me "to commence active and continuous work on or before December 15th on or for the benefit of the property." To protect myself it is requisite that any deal with you must be closed on or before December 5th. As time saving is always of importance in these matters, a few days saved now may mean important economies in completing the essential outside work before the inclement weather comes, that will ordinarily mean decreased efficiency.

I have made arrangements with some competent miners of long acquaintance that have my full confidence to do the work as recommended in my report of October 4th on a semi-contract and bonus basis that will keep within my cost estimate of ten dollars per foot, and may save much time.

Hoping this gives you the desired information, I am,

Yours sincerely


A. D. NASH.

AD/X.