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item 3

(See map files
3 maps)

REPORT
ON
MONITOR RESCUE MINING COMPANY
BROAD CANYON, NYE COUNTY, NEVADA

Examination August 29-31, 1916
Report Sept. 8, 1916.
By H. W. Statesbury.

R E P O R T
O N
MONITOR-RESCUE MINING COMPANY
BROAD CANYON, NYE COUNTY, NEVADA

LOCATION:

The property of the Monitor-Rescue Mining Company consists of eight claims, all unsurveyed, and located in the Toyabe Range on the south slope of Broad Canyon, about nine miles ^{east?} west of Round Mountain, Nye County, Nevada.

CHARACTER OF DEPOSITS:

There are two deposits of different character on the property, one being a quartz vein carrying silver and lead, and the other an irregular deposit of lead, zinc and iron. Both these deposits are in limestone which outcrops near the summit of the range and extends for approximately two thousand feet down the mountain side, the width and length being about equal. Underlying the limestone and adjoining it on the ends is a body of diorite which in turn is in contact with granite at the bottom of the canyon.

SILVER-LEAD DEPOSIT:

The silver-lead vein lies entirely within the limestone, and apparently fills a small fissure or fault zone which has been mineralized irregularly. Part of the fissure is filled with crushed limestone, gouge and calcite, and part is occupied by a narrow quartz vein varying in width and at times splitting into two veins. This vein can be traced along the surface for several hundred feet and is exposed in several open cuts and in two tunnels on the vein. It is shown at the highest point in cut No. 2. where there are two quartz veins in limestone, separated by a crushed zone about three feet in width. The face of this cut is about ten feet in height and is in quartz, the vein not having been quite cut through. The quartz here is for the most part barren or contains scattered particles of galena. Sample No. 2 was taken across the hanging wall streak of the vein, Sample No. 3 across the crushed zone, and Sample No. 4 across the foot-

wall streak of the vein.

Cut No. 3 connects with a small raise driven from the tunnel below, and only a small barren vein consisting principally of calcite shows in this cut, there being no vein present at the top of the raise which was evidently driven at one side of the vein. This cut is about 150 feet to the north-west of Cut No. 1, and the outcrop of the vein is not visible between the cuts because of the loose rock and soil which covers it.

Cut No. 4, a short distance north-west from Cut No. 3, shows a quartz vein about 10" in width with 6" of high grade galena on the foot-wall side, grading gradually into limestone on the hanging-wall side. The opposite side of the cut at a distance of about 10 feet shows no vein. Sample No. 4 was taken across the high-grade streak.

Cut No. 5, still farther to the north-west, shows 3 feet of quartz, sample No. 7 being a picked sample from the dump where the quartz from the cut had been thrown to one side.

The hillside is very steep beyond Cut No. 5 and at a point about 30 ft. vertically below here a tunnel has been driven on the vein for a distance of 200 feet, following the fissure in the limestone the entire distance. The first 40 feet of tunnel shows a weak quartz vein and a considerable amount of crushed limestone, beyond which the quartz cuts out entirely and the tunnel follows the soft streak in the limestone. At a distance of 150 feet from the mouth of the tunnel a raise has been driven to the surface, but there is very little quartz showing at any point in the raise. Samples 8-15 inclusive were taken across the vein where exposed in the tunnel.

The lower tunnel is evidently driven on the same fissure, although it is not recognized as such by the owner, who calls it a water course at this point. There is no evidence of mineralization at this depth (150 ft.) other than the presence in the fissure of oxidized material and calcite. This tunnel is 340 feet in length, and at a distance of about 240 feet from the portal a short cross-cut to the right shows the presence of a bunch of Zn and Pb sulphide ore in the limestone, while at a distance of 260 feet a short cross-cut to the left passed

through a soft oxidized zone in the limestone from which it was stated a high gold assay had been obtained. This is considered by the owner to be the downward continuation of the vein exposed in the workings above. Sample No. 16 was taken across this soft streak, while Sample No. 17 was taken across the Zinc-lead ore exposed in the first cross-cut.

ZINC-LEAD DEPOSIT:

Cropping through the limestone in a wide band varying from a few feet to approximately 120 feet in width, and having a variable course, is a dark outcrop of what is probably altered limestone. At several points along this outcrop, shallow cuts have been broken into bunches of a very heavy zinc-lead ore carrying considerable iron. The ore is overlaid by several feet of so-called "capping" which is barren and may account for the fact that practically the only ore to be seen on the outcrop is at the points where it is exposed in the cuts. The ore can be traced to only short distances in any direction from the cuts, and has the appearance of being deposited in small bodies or lenses. There has been no other work done than running a few shallow cuts on the outcrop, although the deposit has been located for the past nine years.

At Cut No. 8, which is the lowest point at which the zinc-lead ore has been exposed, a ten foot cut shows ore on one side, and on the other a smooth limestone wall against which the outcrop terminates. The face of the cut is in limestone, and above the body of zinc ore are several feet of the black barren "capping".

The outcrop can be traced on the surface from Cut 8 to Cut 7, a distance of about 170 feet, but no zinc ore can be seen until Cut No. 7 is reached. At this point there is considerable ore on the dump, but the face of the cut does not show ore of as good a grade as that on the dump.

From this point on the outcrop turns to the south and follows up the slope of the hill and there was no more work to be seen other than one more shallow cut (Cut No. 6) a short distance to the south-west.

There was a small amount of ore on the dump at this place also, (Sample No. 18) and considerable ore of the same appearance showed in the face of the cut. This ore, however, is not in evidence anywhere except in the face of the cut. The body of zinc ore showing in the lower tunnel, mentioned in connection with the silver-lead vein, is considered to be a part of this same vein continuing downward from the outcrop on the hill above the tunnel.

Just west of Cut No. 6 the cropping is stained a decided yellowish green, and Sample No. 19 was taken from this green colored rock as it was said to contain zinc.

IRON ORE DEPOSIT:

The only other work to be seen on the property is at the extreme west end of the "Key" Claim, where there is a shallow cut on some yellow stained croppings of what is evidently an iron ore. (Sample No. 24). This cropping can be traced from this point easterly for a considerable distance and occasional bunches of zinc and iron ore can be found. What the owner considered a new "strike" had been opened up about 500 feet distant along the outcrop from the last mentioned cut, where several stringers of a very heavy dark mineral had been exposed, and which proved to be principally iron. (Sample 22-23).

SAMPLING RESULTS:

Sample No. 1 in the hanging wall of the silver-lead vein is a streak entirely independent of the main vein, and the principal values are in zinc and lead, only a small amount of silver being present.

The samples taken on the "silver-lead" vein show the presence of only a small amount of lead and an occasional spot of commercial ore. High sample No. 7 is a picked sample taken from the best ore at this point, and Sample No. 6 is also taken on the best ore, in an endeavor to find out what the "high grade" would run.

By referring to the assays from the zinc deposit, it will be seen that the highest percent zinc obtained was from Sample No. 18, which showed the presence of 15.64% Zn. It is very doubtful if this would make a commercial grade of zinc ore, but in figuring the value of the samples the total value of the zinc was figured at 8-1/2¢ per

pound. All of this ore contains a considerable amount of iron, that shown by Sample No. 21 (13.70%) probably being a fair average, and the value of the iron was not taken into consideration in calculating the value of the ore. Samples Nos. 17, 18, 20, 21 are from the so-called "zinc vein", and the average zinc content of the four samples is 11.99% and the lead 5.07%, with an average value of \$6.09 for the gold and silver.

Samples Nos. 22, 23, 24 were taken from the iron outcrop on the "Key" Claim, which is regarded as of no commercial value.

TERMS:

The Monitor-Rescue Mining Company is incorporated under the laws of Nevada, with a capitalization of 1,000,000 shares, par value \$1.00. Of this amount, 668,000 shares are in escrow, or under the control of Mr. W. D. Higginbotham, 74,000 shares are unissued, and the remaining 258,000 shares are on the market.

The price asked for the property is \$100,000.00, with a cash payment of \$25,000.00, the balance to be paid in equal installments of \$25,000.00 at the end of each 90 days. A discount of 10% will be given for a cash payment of \$100,000.00.

Mr. Higginbotham also states that in order to prove up the property, he will allow "an amount of the first payment not to exceed \$10,000.00 to be put into development work, which should not be charged against him in case the property were not taken over." Just what he means by this is not very clear.

CONCLUSIONS:

Sampling results show the "silver-lead" vein to be of little value where exposed. Not enough work has been done on the "zinc vein" to prove its continuity in any direction, and to do this would require the expenditure of several thousand dollars. From surface appearances the zinc ore occurs in irregular lenses in the limestone, and its value as a commercial ore is doubtful. Under these conditions, a cash payment of the amount asked is not recommended.

As a matter of interest, Mr. Higginbotham states that this

property has already been sampled 24 times, this sampling being the twenty-fifth, and that two more examinations are now pending.

A table of assay values, assay plans and maps are attached.

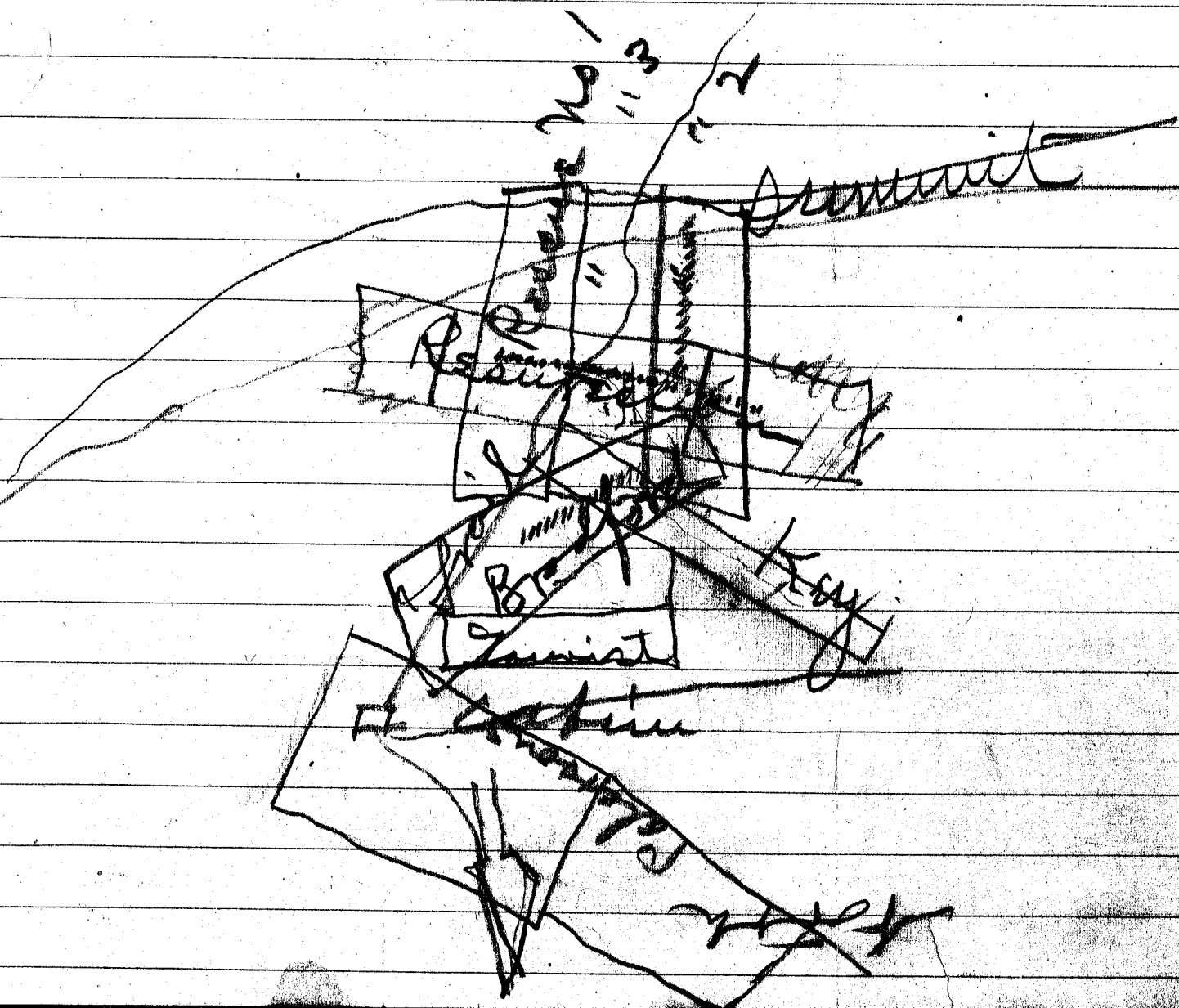
Expl. Sample

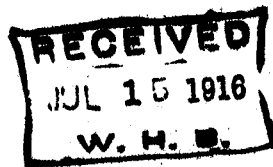
H. W. S.

<u>No.</u>	<u>Assay for</u>
1	An. Ag. Pb. Zn
2	An Ag Pb
3	An Ag Pb
4	An Ag Pb
5	An Ag Pb
6	An Ag Pb
7	An Ag Pb
8-9-10-11-12-13-14-15	- An Ag Pb
16	An Ag Pb
17	An Ag Pb Zn - Sulfide
18	" " " " - Sulfide
19	Zn. Fe.
20	An Ag Pb Zn } Sulfide
21	An Ag Pb Zn Fe }
22 } 23 }	Zn Pb Fe - What is it?
24	An Ag Zn Fe Pb
25-26-27-28-29	- An. Ag. Pb.

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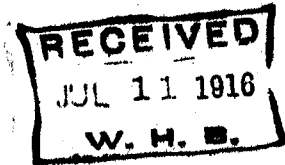
Round Mountain Nevada 7-12-16
Mr W H Blackburn Supt Tonopah Mining Co
Tonopah - Nevada.

Dear Sir

yours of The 10th recd
Mr Statesburgs report is O.K. Except
for one thing that was gone into thoroughly
by Mr Carpenter and I in the presence
of Mr Lunningham It is this after an
examination if it was deemed necessary
to do some development in order to
determine the continuity of the ore
body a certain amount of the first
payment not to exceed \$10000.00 could
be put into said development which
should not be a charge against me
in the event of your taking the property
(Hastely to catch a car)

Respectly yours

W.D. Higginbotham



Round Mountain New July 8th 1916
Mr W.H Blackburn Supt T. Mining Co.
Tonopah, Nevada.

Dear Sir

Mr Stotesbury and I met
last evening as per your arrangement
He stated that his instructions were to
find out wheather or not a proposition
to equip the mine and turn over 60% of
the stock would be agreeable to me
I of course declined to consider such a
proposition (This property is not a "wild
cat") I should have been pleased to
have him examine it but he said it was
not worth while. If you are looking for
a really good property and a deal along
the lines talked of between Mr Carpenter
and I at Wouders I shall be glad to see
you and show you what I have if you
are in a position to make a cash payment
Thanking you I am respatly W.D. Higinbotham

THE TONOPAH MINING COMPANY OF NEVADA

572 BULLITT BUILDING, PHILADELPHIA, PA.

PLEASE ADDRESS ALL COMMUNICATIONS
TO THE COMPANY

TONOPAH, NEVADA.

July 10, 1916.

Mr. W. D. Higginbotham,
Darrough Hot Springs,
Via Round Mountain, Nevada.

Dear Sir:

Our Mr. Statesbury reports that in an interview with you at Darrough Hot Springs the other day, you would not consider any proposition for your zinc-lead property except on a basis of \$25000.00 down and \$100,000.00 total for your interest of 668000 shares.

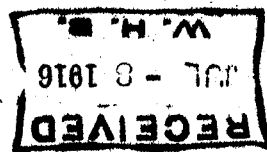
I do not believe our Company will be interested in such a proposition, and therefore will send a copy of this letter to Mr. Spurr, to ascertain if he will still wish to examine the property.

Yours truly,

Superintendent.

WHB/M

Mr W.H. Blackburn, Addressed
Tonopah,
Nev.



Barrough Hot Springs Nev. July 6th 1916

Dear Sir

Yours of The 2nd inst recd
I shall be glad to meet your Mr Stotesbury
and give him all The information possible.
Will you if possible kindly state when he
will be at Hot Springs so as to enable me
to be here to meet him and thereby save delay

Very resptly yours

W.D. Higginbotham

PLEASE ADDRESS ALL COMMUNICATIONS
TO THE COMPANY

TONOPAH, NEVADA,

July 2, 1916.

Mr. W. D. Higginbotham,
c/o Darrough Hot Springs,
via Round Mountain, Nevada.

Dear Sir:

Mr. Carpenter has written us about your property that is located 9 miles west of Round Mountain.

Mr. Statesbury will be passing through Darrough Hot Springs soon after the Fourth of July and will inquire for you and discuss the proposition further along the lines of making examination.

Yours truly,

Superintendent.

WHD/M

Dictated

Zimmerman
June 15, 1916.

PROSPECT

Mr. W. H. Blackburn, Gen. Supt.,
Tonopah Mining Company,
Tonopah, Nevada.

Dear Mr. Blackburn:

Mr. W. D. Higginbotham, of Round Mountain, Nevada, has been here to present a mining proposition which he owns, nine miles west of Round Mountain. From what Mr. Higginbotham has told me concerning the property, it is evidently worthy of inspection, and Mr. Higginbotham would like to get in touch with you and make an engagement to show you the property.

As near as we can determine, this will be a lead, zinc, and silver property. I will not go into detail as that can be better done by the owner. The only draw back that I know of for consideration of the Tonopah Mining Company is that Mr. Higginbotham demands a cash payment, however, you are better posted on terms than I am. Mr. Higginbotham will be in Round Mountain in a few days and would like very much to hear from you, making an engagement to examine the property. His address is c/o Darrough Hot Springs, Via Round Mountain.

Yours very truly,

CC to Mr. W. D. Higginbotham.

EEC-O

E. E. Carpenter

SAMPLING RESULTS

<u>NO.</u>	<u>WIDTH</u>	<u>OZ.AU.</u>	<u>OZ.AG.</u>	<u>% Fe</u>	<u>% Zn</u>	<u>%Pb</u>	<u>Value</u>	<u>DESCRIPTION</u>
1	2.8'	tr	4.20	-	8.90	5.20	\$25.27	H. W. Vein
<u>Ag-Pb Vein</u>								
2	1.4	tr	.90	-	-	0	0.58	H.W.Streak Cut No. 2
3	3.5	tr	.24	-	-	0	0.15	Crushed Zone " " "
4	1.8	tr	tr	-	-	0	0.00	F.W.Streak, Cut No. 2
5	3.0	tr	4.20	-	-	1.50	4.68	Picked Sample Dump "
6	10"	tr	11.40	-	-	3.70	12.22	F.W.Streak Cut #4
7	3.0	.02	33.20	-	-	4.50	27.43	Picked Sample Dump Cut #5
8	3.7	tr	1.50	-	-	0	.97	Vein Upper Tunnel
9	1.2	tr	.40	-	-	.0	.26	"
10	1.0	tr	.28	-	-	.0	.18	"
11	1.3	tr	2.00	-	-	0	1.30	"
12	1.3	tr	.30	-	-	0	.19	"
13	1.6	tr	.40	-	-	0	.26	"
14	1.3	tr	.16	-	-	0	.10	"
15	2.3	tr	.20	-	-	0	.13	" Face
16	2.5	tr	2.30	-	-	.40	1.97	Vein Lower Tunnel
<u>Zinc Vein</u>								
17	1.8	tr	16.30	-	10.55	7.90	37.79	X-C from Lower Tunnel
18	4.0	tr	7.80	-	15.64	7.90	41.93	Picked Sample Dump Cut #6
19	4.0	-	-	6.50	0.95	-	1.61	Green stain rock Cut #6
20	8.2	tr	9.10	-	7.69	4.00	24.18	Cut Sample Cut #8
21	4.0	tr	4.30	13.70	14.10	0.50	27.42	Picked Sample Cut #9
<u>Iron Ore</u>								
22	4"	-	-	57.35	2.34	0	3.98	Picked Sample
23	6"	-	-	41.85	0.74	0	1.34	" "
24	4"	tr	1.10	41.00	0.74	0	2.05	" "

Light-Claims - locations - non surveyed
recorded. All in good shape - Work for 1911
Location: Broad Canon, Nye Co. Nevada
Toiyabe Range. Durr went 9 miles from Rd. Mtn.

Upper tunnel - 212 ft. - 60-70 ft under hill.
run on vein - 5 ft. Resurrection vein. Lead silver
not pay.

Lower Tunnel. 410 ft. x cut tunnel. Cross vein @ 300 ft.
Resurrection vein.

$$\begin{array}{r} 37\frac{1}{2} \\ 2 \end{array} \overline{) 710} \times$$

Leads 550' long zinc vein.

Width 12' narrow. width 120 ft.

Water at base of Mtn. - 150 minus inches water -

Vert fall - in $1\frac{1}{4}$ mile of 1012 ft. - Fall - 158 ft plus.

1 - agricultural right - cold spring tract.

Length of apra covered 4000 ft - length at
600 ft - width.

Zone - 25% - 38% Lead 10% - 12% Ag. 32 - 50⁰⁰ Avg 1³⁰ 2⁰⁰

Ground is blank.

House - 12' x 24'

Deed - Key - claim - \$1,00 - 5 ft vein.

Ground open for mill site.

W.D. Higginbottom

W.D. Higginbotham. -

Monitor-Reserve Mining Co. -

Inc. laws of Tex., 1907 -

Cap. 1000 000 shares; par value \$100 -

In Texas. 200,000.

Buys & Sells. 800,000.

Corp. still in exist.

J.C. Jacobs. - New York -

Fund M.H. Bk of S.Hs. Treas.

Hig. deliver 668,000 shares.

Texas. insured. 74,000. " } 742 - 258

258 000 shares on the market.

Hig. - 668000 - \$100,000. - - M.D.G. 10%

25% - 25% every 3 months.

10% off for cash.

258000 shares out. -

100000 shares in escrow @ same terms
158000 shares in hands Buys & Sells
New York.