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(116)
Item 5

REPORT ON

MAGGIE PROPERTY
EUREKA COUNTY, NEVADA

This property was examined on December 21st and 22nd in accordance with memorandum of December 20, 1935. Sampling was continued by Mr. Snedaker until December 26, 1935. This property is about 10 miles northwest of Carlin in the eastern foothills of the Tuscarora Range about 1 mile west of Maggie Creek, at an elevation of approximately 5500 feet. It is reached by 9 miles of good dirt road northward from Carlin and thence by 1 mile of fair road built for a local barite mine and following a local gully. This last mile may be blocked at times by heavy snow but the property could be made accessible at all times by approximately 1 mile of new road on the crest of a local ridge. Winter weather is severe in this region, but the property is situated so that all year operation is practicable without undue expense.

Water supply was not investigated but adequate water is reported to be available in Maggie Creek 1 mile east which is a perennial stream. It is also reported that adequate water is available from spring at a ranch 1 mile south of the property. The power situation was not investigated. However, for the size of the operation contemplated, generation of power by diesel plant at Carlin would be feasible if no local power is available.

The property is owned by a Mr. Burning of Carlin, and consists of 3 mineral locations (Maggie, Maggie No. 4, and Maggie No. 5) adjoining a local barite mine. My attempt to outline these claims in my preliminary survey left some doubt as to their exact boundaries.

The adjoining barite property is operated by the Industrial Minerals and Chemical Company of Berkeley, California, of which Mr. Moretti is manager and Mr. Riggs is local superintendent. A few months ago, Mr. Riggs called Mr. Moretti's attention to this nearby gold property, and, as a result, Moretti and Riggs took a verbal option from the owner, subsequently confirmed by a written option. They subsequently opened a relatively high grade streak in a surface cut and have shipped from this cut approximately 20 tons with the result shown in the attached copy of Smelter settlement sheet. During this operation, the property came to the attention of the Consolidated Copper Mines at Kimberly, Nevada, who made a geologic survey of the ground, did some sampling, subsequently made petrographic studies of the best ore, and made some metallurgical tests. According to Moretti, they showed considerable interest in the property but allowed a 10 day option to lapse. It so happened on the day this option expired I had occasion to call Moretti on another matter and he brought this property to our attention. In view of the fact that the Consolidated Copper had indicated their desire to renew negotiations, Moretti gave us the short option which expired on December 31st, but which he has since extended by verbal arrangement with the consent of his partner, Mr. Riggs. The only production from the general district is that of the barite mine and some small silver production from mines in the volcanics to the northwest.

The only development on the property consists of some pot shots at a few places in the wide outcrop, one open cut about 15 feet deep and 15 feet long from which the recent shipment was made, and a local road to the ore bin at this local cut. This

ore deposit occurs in a belt of shales or slates striking slightly east of north outcropping on both sides of Maggie Creek for a total distance of 3 or 4 miles. This property is near the south end of this shale area. According to U.S.G.S. Bulletin 408 (1910), this shale area is almost completely surrounded by Tertiary eruptives.

The ore exposure is a lense-shaped area of brecciated and silicified shale at least 800 feet long and about 250 feet wide, outcropping boldly on a hillside in striking contrast to the subdued rolling topography characteristic of the unsilicified shale. The highest point of the outcrop is about 300 feet vertically above the lowest point exposed in the local gulch. This silicified outcrop, as shown on the attached 200-scale sketch, terminates abruptly to the south in a bold, straight cliff 10 to 20 feet high, probably representing a fault. The probable continuation of this faulted outcrop southward of the fault is indicated by the isolated outcrop to the southeast. To the northward, the silicified mass is crosscut by the local gully but beyond this is covered by the heavy talus slope (possibly a land slide) that forms the north bank of this gully. It is possible that the ore-bearing silicification may extend considerably beyond the north limit shown on the sketch. Except for a small area approximately in the center of the silicified area, this ore body outcrops in bold, craggy weathered cliffs. The central area of no outcrop indicated on the sketch may represent an area of lesser silicification or an area mantled by the detritus from the higher outcrop. Further trenches or an underground crosscut will be necessary to determine this.

The brecciation and silicification are general throughout the area indicated on the sketch, although differing in degree and character. Much of the silicification is flinty or jaspery producing a typical hornfels. In some places there is a definite concentration of quartz but for the most part the silicification is essentially a cementation of the brecciated shale by a silicious ground mass. One hand specimen of particularly dark silicified shale shows by contrasting colors a very fine net work of hair-like quartz seams which may possibly account for the uniform distribution of values in this large mass. I believe this silicification will extend to sufficient depth to produce the tonnage necessary for handling this low-grade material.

Due to the wide spread brecciation and silicification, the structure of the ore body is not definitely discernible at the surface. The southerly outcrop discloses a series of prominent cracks striking roughly parallel to the longer axis of the body and dipping steeply eastward. The presence of bold cliffs at the west side of the outcrop, together with the absence of such cliffs on the east side, suggests a pronounced easterly dip, possibly even flatter than that indicated by the above mentioned cracks. Stripping of the soft shale in the hanging wall east of this ore body would be a relatively simple matter, and since the terrain slopes eastward from the outcrop into a local gully, the ratio of ore exposed to the material stripped might be relatively high.

Fifty-nine samples were cut during this examination from the outcrop of this ore body in an attempt to get 4 complete cross-cuts across the short axis of the body in so far as the character of the outcrop would permit. These samples are all plotted on the attached 100-scale sketch. Due to the bold, craggy nature of this

outcrop, it was realized that a complete sampling was impossible and that no accurate estimates could be made from such sampling. This is due to the fact that samples consisted only of chips from the sharp corners wherever available, and, therefore, represented only the dense more flinty material and did not include softer brecciated streaks that might carry better values. The principal purpose of this sampling was to determine whether or not measurable quantities of gold were general in this silicified mass. Most of the samples represent 10 foot cuts, each sample being made up of about 50 pounds of chips broken from the outcrop with single jacks. Three samples were taken from the high-grade open cut, the highest of these running $25.90 in gold. The arithmetical average of 56 samples, omitting the special samples in the high-grade cuts, is $1.40 in gold and .33 ounces silver. It is my belief that a proper sampling of this ore body, i.e. by underground crosscuts, would reveal higher average value, possibly approaching $3, not because of a surface improvishment of values but because of unavoidable inaccuracies in surface sampling. Further sampling should be accomplished by underground crosscuts, using the entire muck from such crosscuts for sampling and metallurgical tests.

This ore body is so situated that open pit mining by steam shovels is possible at a probable cost of 25 or 30 cents per ton in the ore bins. Due to the flinty character of much of the silicified ore, cost of grinding this ore may be high, but it is also possible that the crushing may develop partially healed fractures to such an extent that fine grinding costs would not be as high as a visual examination would indicate. It, therefore, seems reasonable to hope that this ore body can be mined and milled in a large operation for less than $1.50 per ton. The fact that about 2 million tons are available

above the local gully and that possibly as much more might be made available by stripping gives sufficient tonnage to warrant a large installation. Hearsay data on metallurgical tests by the Consolidated Copper indicate that without excessively fine grinding a relatively high and rapid extraction can be made by cyanide.

This property appeals to me strongly as a possible low cost producer of gold in which a considerable tonnage of profitable ore may exist, particularly since the cost of proving or disproving this ore body would be relatively small. I, therefore, recommend that this ore body be explored by one or more underground crosscuts as above outlined. The first crosscut should be run under the area of no outcrop in order to determine its significance.

Should further work be authorized on this property, I suggest the following procedure:

1. Negotiate a new written option on more favorable terms with Moretti and Riggs.

2. Make an immediate survey of the claims under option, followed by location of all fractions indicated, and of such additional ground as may be desirable and open for location, also the optioning of such adjoining ground as may be desirable but already located by others.

3. The placing under option of the water right 1 mile southward, and investigation of other sources of water supply in the general region.

4. Further geologic study and prospecting of the general area in search of extensions of ore-bearing zone, particularly to the northward.

5. Contracting with Mr. Riggs or others for the driving of the exploratory crosscuts.

Respectfully submitted,

San Francisco, California
January 6, 1936