

55 CONGRESS STREET,
BOSTON.

2960 0053

COPY.

Item 53

For

W. G. Swart, Esq.

Rhyolite, Nevada, Feb. 6, 1911.

Francis E. Young, Esq.,

San Francisco, Calif.

My dear Mr. Young:

I have answered your letter from your brother and have written Galbraith of Arizona as you wished. I am herewith enclosing the papers and letters.

I have only had one day here in the mine but I believe one would be able to figure not to exceed 40,000 tons if he were real generous. From the mill heads for the last six months of last year this would run something like \$6.70 per ton, from which there would be a profit of about \$3.00 under present conditions and possibly \$3.50 if worked with a larger mill. From this I am convinced that no business can be done.

In many ways this is the prettiest mine one could ask to see. The ore body in the lower workings is very large and strong and very regular. The vein is quite flat and will average about 8' thick. It is opened for a length of 240' in the bottom.

I heard a very interesting story from a man who had a tendency to recommend himself very highly, about Manhattan. He tells me that it is going to make a great big camp and that right now he is able to get together an attractive layout on a bond and lease arrangement, with no money for from three to five years. He also tells me that he has a mill just newly erected and that it will be possible to make these properties develop themselves so that but very little money will be required. I asked him to write me a letter in your care, outlining the deal which he is able to offer

55 CONGRESS STREET,
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For.....

and that we would look it over. Should this come before I see you, you had better open it and see what you think of it. I have made various enquiries about Manhattan and everyone seems to think that it is coming to the front in good shape.

With kindest regards,

Sincerely, yours,

(Signed) A. K. McDaniel.

55 CONGRESS STREET,
BOSTON.

COPY.

For

HOTEL ALEXANDRIA
Los Angeles.

February 6, 1911.

Mr. A. K. McDaniel,
17 W. 3rd St.,
San Francisco, Cal.

Dear Sir:

In reply to your request, I will try to give you a slight description of a few of the mines and prospects that I spoke to you about, as well as the mill that I have just finished completing at Manhattan, Nev.

The properties that I have specially in view are in different sections of the camp. In the southeastern part of the camp lie three of the properties that adjoin each other, and the ore is more or less refractory. One of these properties consists of about four full claims, and has a splendid surface showing, ledges cropping with values from a few dollars to \$25. or \$30. These are in widths from a few feet to ten or fifteen. This property was worked to a depth of about 250 feet, and now has a steam hoist, boilers, pumps and everything necessary to operate it with. While the shaft is not in the best of condition, that is due to the fact of inexperienced operators. There was at least 1500 tons of ore mined and milled from this property. At the time this was done, the milling facilities being very poor, about 53% extraction was all that could be obtained. Since I have built a new mill at Manhattan, have tested this ore, and am sure that I could save 92% or 93%. There is a little zinc and arsenic

For

in these ores, which could be easily overcome by fine grinding and long agitation. While I cannot say exactly what ore is blocked out in this property, I am confident that there is at least 50,000 to 60,000 tons that will average in the neighborhood of \$17.00, and I think a little better.

The adjoining property to the east has a shaft only 120 feet, with drifts on the ledge each way of about 200 feet, and this ledge is from 9 to 18 feet wide, and the ore is averaging from \$12 to \$15. There is also a drift at about 90 feet, and the end of this drift is in \$17 ore. These are average samples. This ore is also refractory, and has shown a disposition to become more oxidized at depth and less refractory.

To the west of these properties is another property consisting of three or four claims with a shaft 200 feet deep, small gasoline hoist installed. There has been about \$30,000 worth of ore produced from this shaft, and this ore gives an average of \$21 in 100 ton lots at mill, and is breaking from 5 to 9 feet. There has been very little work done on this property, and in the bottom of the shaft and drifts of this property the ore shows a disposition to widen out and increase in value, and running from \$25 to \$30 per ton.

I can obtain a bond and lease on this group of claims, which can be worked at a profit in the mill that I have just built, and I am positive can be made pay its own way. Two of these

COPY.

For

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properties are now under lease that we could buy at the right figure. I think the bond on the three, running from three to five years, would not exceed \$150,000, and with a few hours spent on the properties you could well see that this ore could be produced easily with the showing in sight, and the mill to handle it yourself.

The other three properties are about one mile west of these properties, and are very large bodies of low grade ore, one of them consisting of a full claim and a fraction; while I cannot give the width or length of this ore chute, I think that it will run for nearly 1000 feet in length and about 300 feet in width. This large dike lies between Lime and Quartzite, and has a shale formation with porphyries or rhyolites through it. Any place that this is opened up you could easily pan the free gold from any of the material, and in some places there are very rich stringers. This property I am very much enthused over, and past development in the ~~camp~~, in the placer way as well as quartz mining, has thoroughly proven to me that this is one of the biggest things in Nevada. On this claim, and at the lower edge of it, very high grade placer has been taken out, and at the upper end of this claim many holes have been sunk and no placer found. Consequently, it came from this property and this large shale belt is a large low grade proposition that could be worked with an open cut and steam shovel.

For

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The other two properties lie to the south of this property, and run into the hill, or big dikes of quartzite and lime, where you will find many fissures of milling ore, as well as some high grade. There is practically no development on these properties, although on the west end of one of them is a shaft now down 200 feet, and \$35,000 worth of ore was taken out and milled, and as I remember, ran about \$33 to the ton.

Just a short way to the southeast of these properties, in fact, joining these properties, are the three best properties in Manhattan, and active work has just begun on them in the past few months and they are all producing quantities of mill and rich ore. One of them has now 30 inches of \$300 ore, while another has about 30 feet of ore running \$17. I think the three above mentioned properties could be leased and bonded for \$80,000.

While my talk was short with you, and it is useless for me to try and go into full details about these properties, I can assure you that they are A1, and that I have been in all the prominent mining camps in the United States and know that you cannot find the same showing nor anything like it for the small amounts of money that it will cost to open up these properties. My business here, as I told you, was to raise money to buy out my partners in the mill that we have just finished constructing at Manhattan. If your people could see fit to join me in these propositions or any of them that we should determine would justify development,

COPY.

For

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it would be a capital idea to purchase an interest in the mill with me, and I will assure you that we could mill sufficient ore to develop all of these properties and find out just the extent of the ore bodies with very little cost to your people. The mill will handle at least fifty tons per day, and at an expense of \$8,000 it can be made to handle from 90 to 100 tons per day, which it is my intention to do this spring. Every dollar that would be required is \$30,000 for a half interest in this mill. This mill has cost us \$70,000, and I have obtained an option from my partners, running a short time, as I told you, for their interest on a \$60,000 basis. This includes four big ore wagons and ten head of heavy draft horses, together with all equipment and a splendid stable. These teams could haul all of the ore, and do most of the hauling from Tonopah to Manhattan of such material as would be needed. There is plenty of timber on most of these properties for stulls and lagging.

After my return to Tonopah and Manhattan, I could write you more exact figures as to acreage, depth of shafts, and all workings, but this is useless. I think on receipt of this letter, it is best for you to make arrangements to come to Manhattan at once, as there is no time to be lost in getting these properties under bond and lease at the right price. Manhattan is a camp that has been lying idle for four or five years, owing to the fact that there were no milling facilities and for the lack of mining

COPY.

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For.....

interest shown by the general public; also that the local people who did have any money lost most of theirs by the failure of about twenty-eight banks in the mining camps of southern Nevada. In the past three or four months, since I have completed the mill, leases have begun work in many sections of this camp, and I can frankly say out of at least thirty sets of them I do not know of anyone but that has a good showing and are working on ore. In less than three months there was \$60,000 taken out of one lease and they only had a whim to do their hoisting with. There are four or five other similar leases that have taken out nearly a like amount.

Los Angeles parties who are now interested in the camp have been trying to close a deal with me for an interest in the mill. Since seeing you, I feel that I would be foolish to close with them until I hear from you, as this mill is all completed, and will earn more than enough to take up these operations if you should see fit, and would be the main tool in your scheme. Therefore, I will wait until I hear from you. Wish you would wire me in care of the Hotel Alexandria as soon as possible. I can meet you at any point and go right into camp and take these matters up at once, and as I did impress upon your mind on the train, this is what has to be done to take advantage of the great opportunities that are there. Thanking you for a very early reply, and hoping that we can meet in Tonopah and proceed to Manhattan to go over this ground thoroughly together, as I know we can open up one of the largest properties in the State.

Very truly yours,

(Signed) J. V. PRIEST.

55 CONGRESS STREET,
BOSTON.

COPY.

For.....

The New
Porter's Hotel
San Juan De Letran No. 12
Mexico, D. F.

Mar 9, 1911.

Edw. A. Clark, Esq.,

Boston, Mass.

My dear Mr. Clark:

I am enclosing herewith a letter which is self-explanatory regarding opportunities in the Manhattan, Nevada district.

I met the writer for a short time while en route to Rhyolite from Los Angeles, and while he gave himself every recommendation, still I would expect to find his statements in regard to ore in sight, etc., rather generous.

Aside, however, from his statements, I heard much favorable comment on Manhattan during my recent stay in Nevada. Should you be interested in this, write Priest direct, at Manhattan, Nevada.

Yours very truly,

(Signed) A. K. McDaniel.

55 CONGRESS STREET,
BOSTON.

COPY.

For.....

March 18th, 1911.

Mr. A. K. McDaniel,
111 West 4th Ave.,
Denver, Colo.

Dear Mac:

Regarding the Manhattan proposition. This situation seems interesting to us here. I got a little off the trail in regard to this Manhattan business when your friend Priest telephoned me from Sacramento. He ⁱⁿ was/a great hurry for money and, not having read his letter in reference to the possibilities of amalgamating the adjoining properties, I looked at it entirely as a milling proposition. As he had not time to wait and I could not see the possibilities from our standpoint, I advised him not to return to Frisco.

I also, have heard good stories regarding the Manhattan and it would seem to me advisable to follow up Priest, for I doubt his ability to secure the funds necessary to start this custom mill, and believe it is still open. We will take this matter up by correspondence, except that before doing so I would like to know if he has approached you, as I left the matters in such a way that he had better see you or write you at Denver on his way East. Please advise me regarding this at the earliest possible moment as I have an idea that Priest is in New York, and if so, you had better wire his address.

Yours very sincerely,
F. E. Y.

55 CONGRESS STREET,
BOSTON.

COPY.

For

March 21st, 1911.

Mr. J. V. Priest,
Manhattan, Nevada.

Dear Sir:

At the time of receiving your telephone message from Sacramento in reference to a milling proposition at Manhattan, I had not been informed by Mr. McDaniel that you were considering the amalgamation of the Manhattan camp in conjunction with this milling proposition. We have just received a letter from Mr. McDaniel from Mexico City, where he is at present located, that this was the idea that you had in mind.

I understood from your telephone message that you were considering coming East, and while I cannot hold out to you any strong inducements, yet if the matters which you have in mind are adaptable to moderate terms and conditions, I should be very glad to hear from you further, and to receive such data as you may be able to furnish regarding the camp and its possibilities.

Of course if the matter demands immediate decision, it would be impossible for us to enter into the project with you, but if it can be worked out on favorable terms and time, and we could be shown that it is a proposition worthy of our association, we should be very glad to hear from you further.

Yours very truly,

F. E. Y.

*WGS.
no answer received
up to April 11/11
JH*

EDWARD A CLARK
55 CONGRESS STREET
BOSTON

CABLE ADDRESS "PLACER"
CODE: BEDFORD McNEILL

April 7th, 1911

Mr. W. G. Swart,
1118 Foster Bldg.,
Denver, Colo.

File Under	<i>J. E. Young</i>
Subject	<i>Manhattan</i>

My dear Swart:

As you are likely to go to Nevada to meet King, I will send you some data which we collected some weeks ago relating to the Manhattan Camp. If you go near Manhattan after finishing this work, it might be well to wire Priest and see if there is anything in it, that is of course, if it interests you. I judge that you have talked this matter over with McDaniel and know considerable about it.

Yours very truly,

Frank E. Young

Enc.
FEY/M

DAY LETTER

THE WESTERN UNION TELEGRAPH COMPANY

Form 2589J.

25,000 OFFICES IN AMERICA CABLE SERVICE TO ALL THE WORLD
THEO. N. VAIL, PRESIDENT BELVIDERE BROOKS, GENERAL MANAGER

RECEIVER'S No.	TIME FILED	CHECK

SEND the following DAY LETTER subject to the terms on back hereof, which are hereby agreed to } April 11, 1911. 191

To F. E. Young,
55 Congress Street, Boston, Mass.

Yours April seventh received with memorandum regarding
Manhattan Nevada. Who is J. V. Priest and what is his
address?

W. G. SWART

File Under *F. E. Young*
Subject *Manhattan Nevada*

FILE EARLY TO ENSURE DELIVERY DURING THE DAY

EDWARD A. CLARK
55 CONGRESS STREET
BOSTON

CABLE ADDRESS "PLACER"
CODE: BEDFORD McNEILL

PLEASE FORWARD.

April 12th, 1911

File Under

Subject

Mr. W. G. Swart,
1118 Foster Bldg.,
Denver, Colo.

My dear Swart:

Enclosed you will find copies of the correspondence in reference to Priest's Manhattan consolidation. If we hear anything further from Priest, we will wire you. McDaniel may be able to give you some further information regarding Priest's whereabouts, but the best address I have is Manhattan, Nevada.

Yours truly,

Francis Young

Incs.
FEY/H

File Under *R*
Subject *Property*

550

San Francisco, May 16th, 1911.

Mrs. Hattie Roosq,

Care H.W. Young,

Reno, Nevada,

Dear Madam:-

My engineer who was going to Manhattan has given the trip up for the present, due chiefly to the fact that we could not get hold of Mr. Priest, with whom our deal was arranged. I do not think any of us will be in Manhattan now for some time to come, so it hardly seems likely we can do anything with your property. I am sorry for this, but it cannot be helped. I hope you will be successful in placing the property with others, and that you will make a lot of money out of it.

Yours Very Truly,

WGS

Liberty Claim Apr 1911

Manhattan Nev

Sec. 7 Pecos River

1 Claim 18 acres

3/4 mile South of Manhattan, In
consolidated and litigation
this does not

Pearson shale quartzite and
altered lava.

Small amount of new work
Some small finds.

Surrounding by good quality
limestone and sandstone.

Property 2 years

Lower Edge of Quartz Spine

Wentley

Miles. 3.6 miles from base

1/4 mile S.W. of Wentley

35' thick. 40' across. Quartzite, whole for 1/2 mile and a few lines.

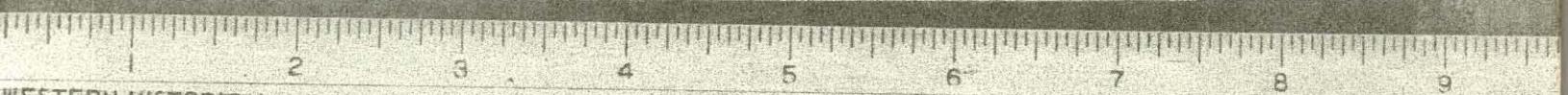
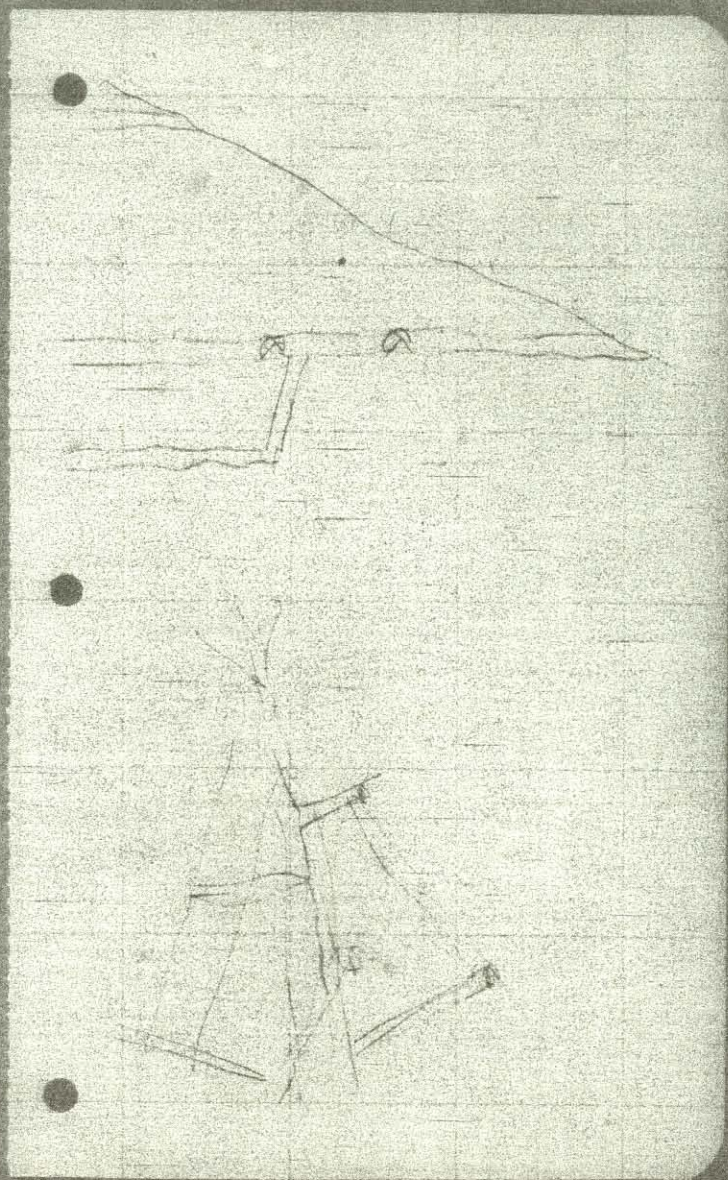
Surface shows big layers.

860' for base of bed.

Top is weathered

2 1/2 miles

20' thick.



Swart's Claim 1911
Marquette, Mich.
Notes of 3 claims, Reno, Nev.

550

1 claim - 20 acres
This is the same as Marquette
District & Marquette & Thompson
Claims

In the 1st Marquette Claim
the same as the 1st Marquette
claim. This one is the same
as the 1st Marquette claim
no other claim.

Swart's
This is the same as the 1st
Marquette claim.



MEMORANDUM.

MANHATTAN, NEVADA.

J. V. Priest met McDaniel on the train enroute to Los Angeles and interested him in the Manhattan camp. Priest claims that the Manhattan Camp has been lying idle for the past four or five years, owing to the fact that there were no milling facilities and that the local people lost their money in the failure of the twenty-eight banks.

He in conjunction with some Philadelphia parties have just finished a custom mill with a capacity of fifty tons per day, which can be readily increased to ninety tons per day by an expenditure of about \$8000.00. For some unknown reason, his partners have gotten cold feet. He has an option to purchase this mill for \$50,000, and this, with his half, controls the situation.

The mill cost \$70,000, and includes the necessary equipment, ore wagons and ten head of heavy draft horses.

I judge that his option is a short one and from his telephone message to me in San Francisco he needed immediate cash to secure it.

He claims that there are in the vicinity of this mill many interesting properties carrying high values and that these properties can be amalgamated with this mill, assuming through combination a large mining proposition. The values claimed are high and the ore bodies range from 2 to 100' in width.

The proposition in its entirety seems to be worthy of investigation and if it can be secured on a long time option, and the various properties can be amalgamated under favorable terms, we should investigate the same.

I am writing to Mr. Priest that if the matters which he has

in mind are adaptable to ^{McDaniel} moderate terms and conditions, I
should be very glad to hear from him further and to receive such
data as he may be able to furnish regarding the camp and its
possibilities. *no answer*

(See letter of February 6th addressed to Mr. McDaniel in
files.)