

RENO OFFICE
RECONSTRUCTION FINANCE CORPORATION
MINING SECTION
FIELD REPORT

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Item 64

3060 0006
Docket No. ND-5352

Date Application Received
Date of Field Examination
Date of Report

May 28, 1943
July 14, 1943
July 29, 1943

NAME AND ADDRESS OF APPLICANT

Malachite Gold, Silver & Copper Co., Inc.
Park Station, via Elko
Nevada

NAME AND ADDRESS OF CORRESPONDENT

E. F. Hunter
General Manager and Director
Park Station, via Elko, Nevada

LOCATION OF MINE

Seven miles northwest of Park Station, Elko County, Nevada, which is about 32 miles from Elko, a station on the Southern Pacific Railroad, and Western Pacific Railroad. It is reached from Elko by 25 miles of paved state highway, 5 miles of county road, and 2 miles of mine road.

The mine is situated on the northeast slope of Lone Mountain at a point where the rock formations rise abruptly above the sloping alluvial apron at the base of the mountain.

CHARACTER OF THE PROJECT

The loan is requested to finance the sinking of a 200 foot shaft with drifts and crosscuts to develop some copper, gold, silver showings in some shallow workings.

APPLICANT'S INTEREST IN OR OWNERSHIP OF PROPERTY

Applicant is a corporation and holds the ground by virtue of quitclaim deeds from locators, according to Mr. Hunter.

CHARACTER AND RELIABILITY OF APPLICANT

It appears that Mr. E. F. Hunter and Joseph E. Firth, acting for the company, are applying for the loan. The writer has no information relative to Mr. Firth, but has known Mr. Hunter casually for 25 or more years. During this time he has been promoter, leaser, miner, mechanic, mill man, etc., in various mining districts in Nevada. At present he is operating a road house at Park Station. His outstanding characteristic is his industry. His weakness lies in his exaggerated ego and an overdeveloped imagination. He is incapable of calm, unbiased reasoning. His reliability therefore is, let us say, neutral, neither positive nor negative.

LOAN REQUESTED

\$20,000.00

LOAN RECOMMENDED

None

DESCRIPTION OF PROPERTY

There are eight claims in the group which cover about 2000 feet along the contact between a monzonite porphyry and limestone. The porphyry is part of a large mass intrusive into paleozoic sedimentaries. In the vicinity of the Malachite workings, fragments of limestone,

roof pendants, occur imbedded in the monzonite. These are highly silicified, or completely altered over into garnet. Copper minerals, principally chalcopyrite occur sporadically distributed in small areas, or lenses in these fragments. Oxidation products of the chalcopyrite are found in seams and kidneys, or narrow veinlets, and represent the better grade of ore. This is the type of ore and vein matter noted in the 22 foot shaft and crosscut tunnel.

The 36 foot shaft is in more or less silicified limestone near its contact with the monzonite. Here the ground is greatly shattered, characterized by a number of fractures and cross slips. This contact is probably a major fault zone along the base of the mountain, which would account for the topography of the vicinity, and the shattering of the rock. It would be post-mineral, but host to the migrating oxidized copper minerals deposited in seams and fractures. It is the "24 foot vein" which the Applicant describes as 2000 feet long, and upon which he proposes to sink a 200 foot shaft with drifts and crosscuts, and create an "open pit" mine.

The writer was unable to establish the 24 foot width, but noted the veinlets and seams in the shaft and adjacent workings.

The writer was accompanied to the ground by Mr. Hunter, who was invited to select the points for sampling and examination. The samples taken were at his selected points, over widths, and in a manner satisfactory to him. No samples were taken in the crosscut tunnel, because it was admitted that no ore is exposed there at this time. The writer was not invited to sample the few tons on the dump, and did not do so as the results of previous sampling by an engineer from the Bureau of Mines are available.

It was concurred in by Mr. Hunter that the area examined is the key point of all the company's holdings.

SAMPLES

- No. 386 Taken across a body of crushed material 18 inches wide and about 4 feet long, in the crosscut from the 36 foot shaft. Oxidized ore, heavily iron stained. Au trace, Ag 4.8 oz., Cu 4.8%.
- No. 387 Across 24 inches of garnet in drift which is 11 feet below collar of the 22 foot shaft, and about 8 feet long. Au .04, Ag 4.0 oz., Cu 2.0%.
- No. 388 Across 30 inches garnet in bottom of 22 foot shaft. Au .04 oz., Ag 1.5 oz., Cu 2.8%.
- No. 389 Across 12 inches croppings at 36 foot shaft. Carbonate stained limestone. Au .03 oz., Ag 6.4 oz., Cu 5.5%.

Dump samples by Bureau of Mines:

1. 6 tons sorted ore, Au .012 oz., Ag 11.20 oz., Cu 6.80%
2. 30 tons from which the 6 tons were sorted.
Au .012 oz., Ag 2.1 oz., Cu 1.08%.

CONCLUSION

It is evident that the property offers no promise of developing into a large producer of copper. The type of the deposits, and of the mineralization are not conducive to the formation of large ore bodies of economic importance.

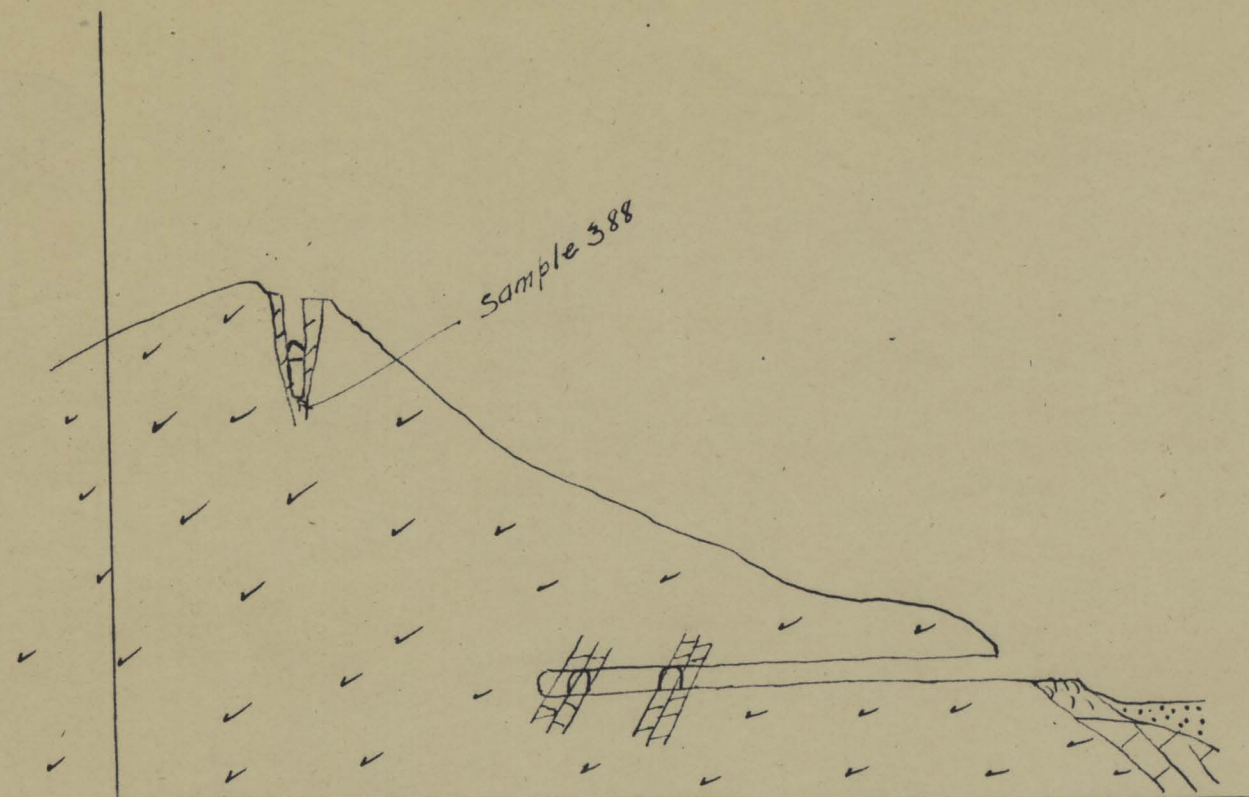
The sporadic occurrence of chalcopyrite in the garnetized and the silicified limestone is the source of the carbonates and silicates of copper in veinlets and fractures near the surface. By intensive selective mining and sorting, a few tons of ore

may be mined that would stand shipment, but would cost more than the metals are worth.

It is the writer's unqualified opinion that a loan granted here would not result in the production of a strategic metal in quantity or time to assist our war effort, and that any operation or development undertaken would result in a total loss.

Carl Stoddard

CARL STODDARD
Engineer

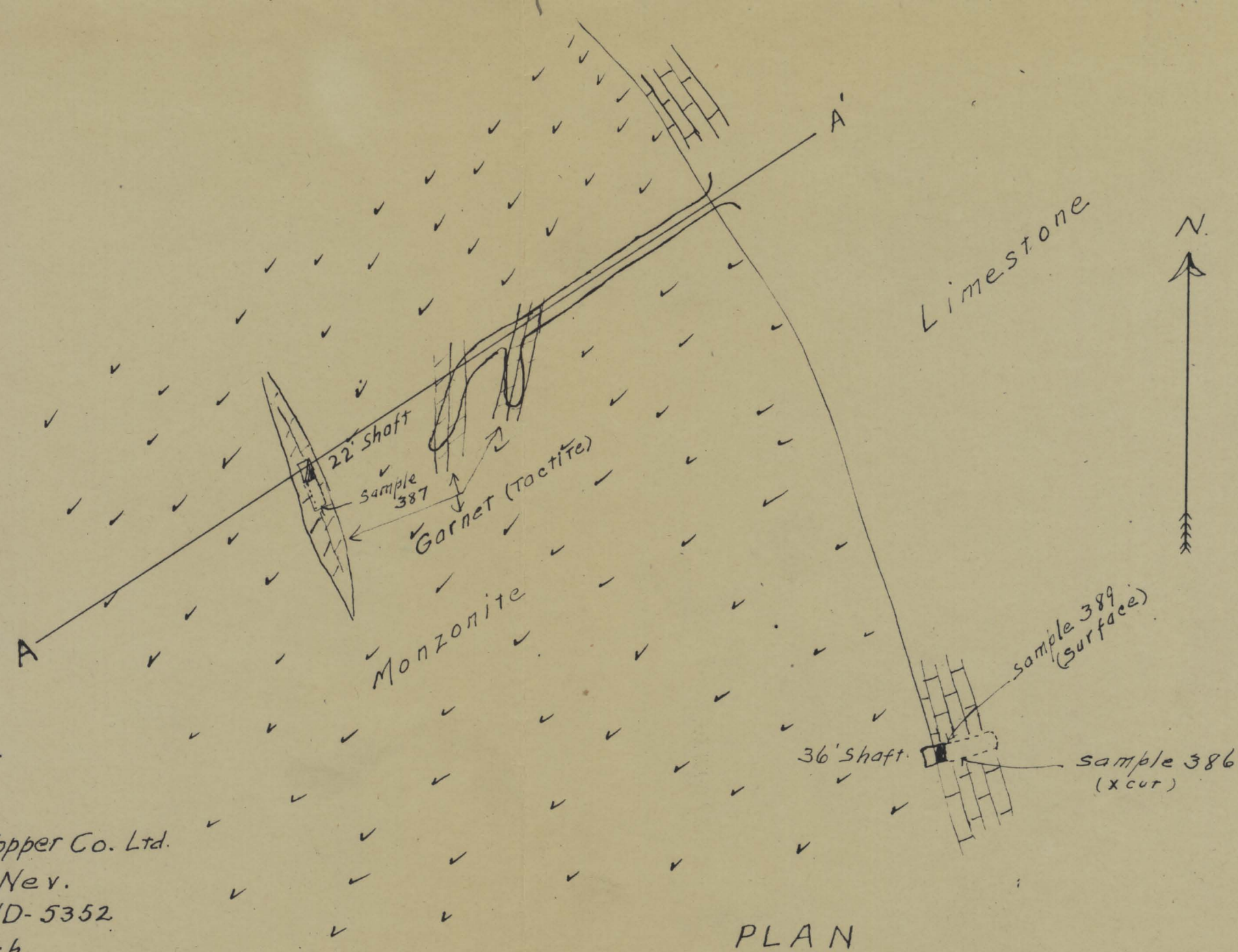


SECTION A-A'

SAMPLES

NO	WIDTH	OZ AU	OZ AG	% CU	REMARKS
386	18"	T.	4.8	4.8	
387	24"	.04	4.0	2.0	
388	30"	.04	1.6	2.8	
389	12"	.03	6.4	5.5	

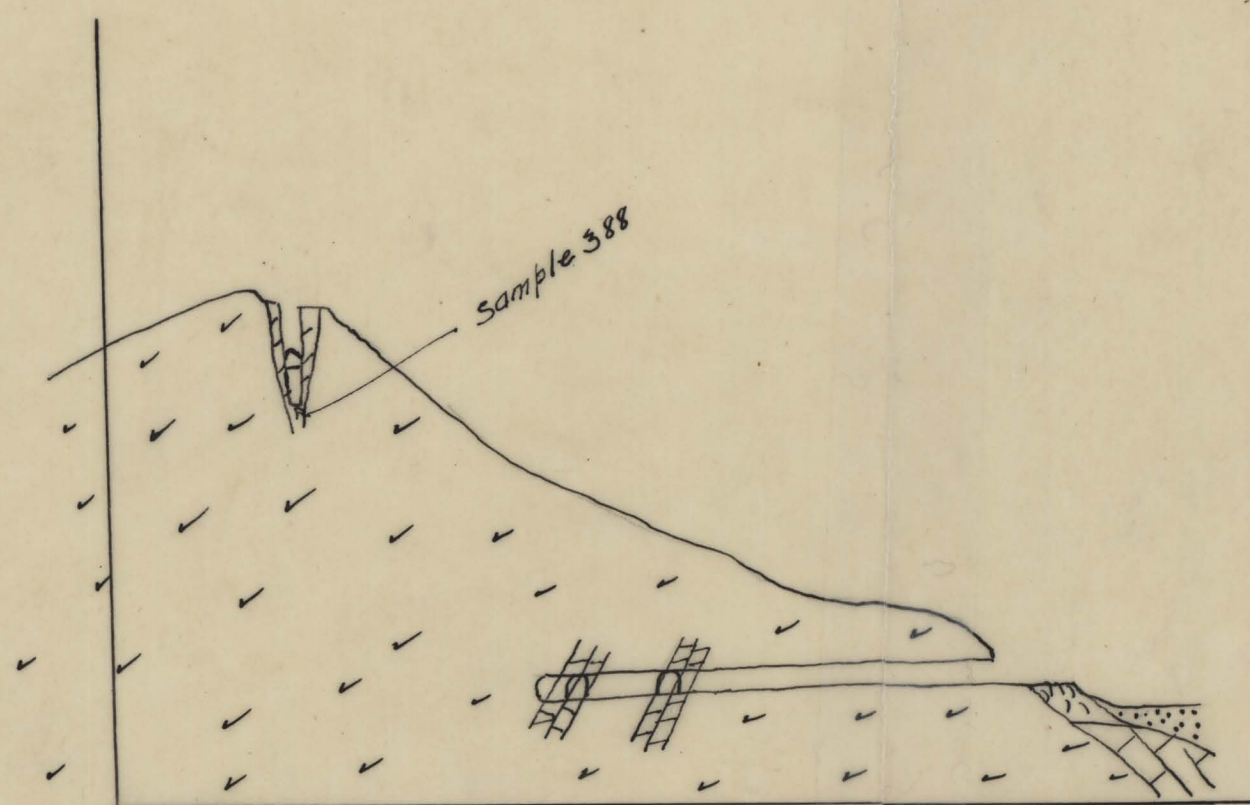
Malachite Gold, Silver & Copper Co. Ltd.
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 Scale 50' = 1 inch



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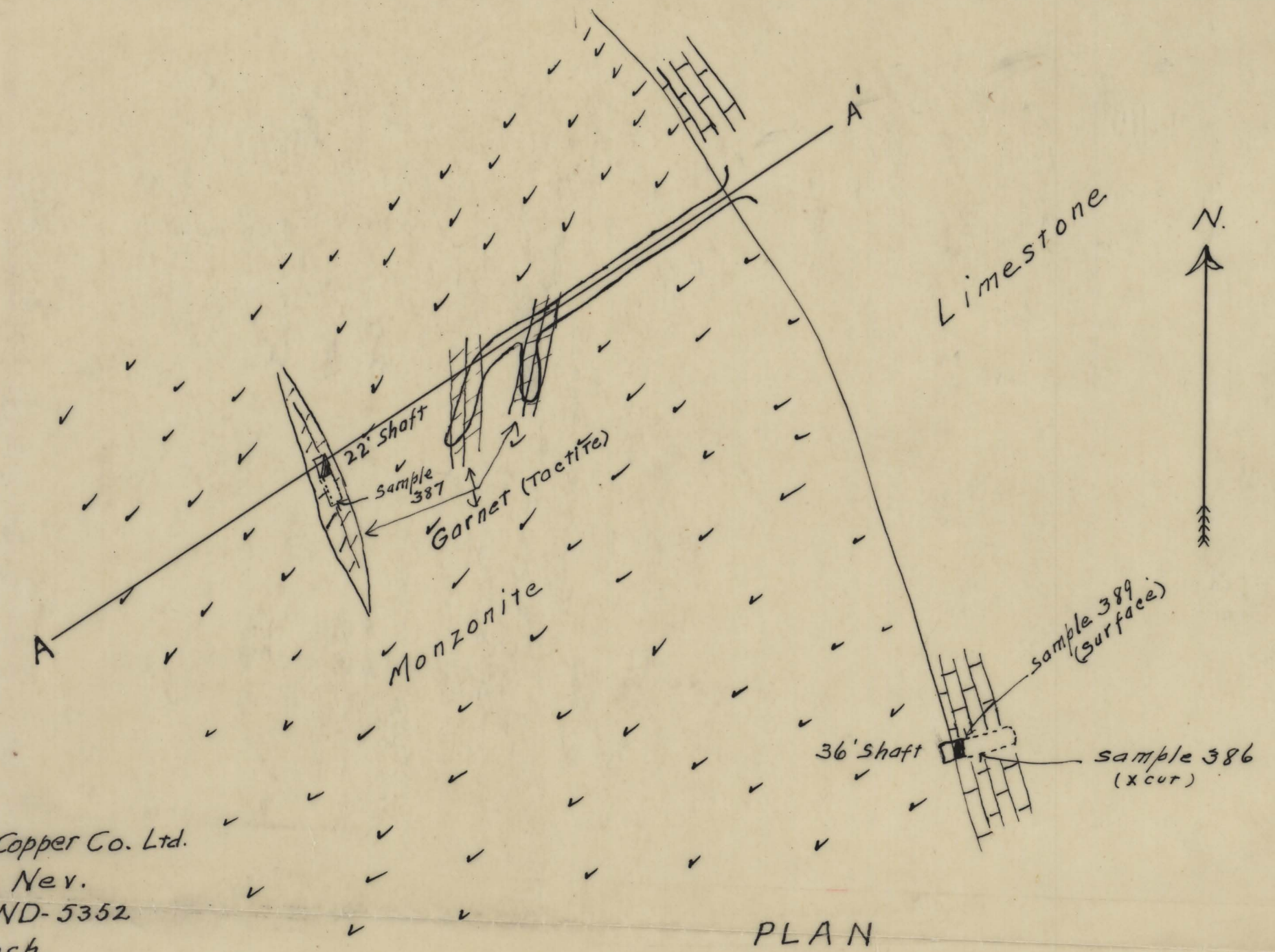


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