

118 item 1

OFFICE MEMORANDUM

MODARELLI IRON DEPOSIT
Eureka County, Nevada

3130 0001

Location

The Modarelli iron deposit is in sec. 30, T. 29 N., R. 51 E., M.D.M., Eureka County, Nevada, approximately 25 miles south of Palisade, which is on the Southern Pacific and Western Pacific railways. The property may be reached by automobile leaving Highway 40 at Carlin, Nevada, proceeding south for about 25 miles on Highway 20, then west for 7 miles. The Eureka-Palisade narrow gauge railroad, now abandoned, parallels Highway 20.

Description of the Property

This property comprises a group of 7 patented claims, formerly held by Mark L. Requa and purchased recently for delinquent taxes by Wick Modarelli and sons of Beowawe, Nevada. The ore, comprised of hematite and some magnetite, occurs possibly as a replacement deposit in andesite. No ore has ever been shipped. Exploration work consists of a 260-foot adit and scattered test pits and trenches. Geophysical tests on this ore show that the deposit is one which would give definite results with a magnetometer.

Physical Features

These claims lie along the east side of the Cortex Range at an altitude of about 5500 feet. From the mine there is a long, gentle slope east down to Highway 20 and the old railroad bed; no steep grades occur in this distance. An adequate supply of water is available from Pine Creek which flows through the valley to Palisade. No electric power is available in this region. The closest housing facilities are at Battle Mountain, 70 miles northwest, and Elko, 50 miles northeast of the property.

1/ See letter No. 48, Requa Iron Deposit, Eureka, Nevada, by Paul E. Pesonen, mining engineer.

Transportation

Production of iron ore from this mine would require construction of a 7-mile road from the property east to Highway 20 to permit transportation by truck. From this point to Palisade, a distance of approximately 18 miles, ore could be hauled to the Southern Pacific and Western Pacific railways. Consideration should be given to reconditioning the abandoned Eureka-Palisade narrow gauge railroad.

Tonnage and Grade

Estimates by Paul E. Pesonen, Mining Engineer, are six to seven million tons of ore that will average 56 percent Fe, 0.9 percent P, and 0.11 percent S. The high phosphorus content makes it a penalty ore, due to this objectionable factor in blast furnace operation.