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38

Item 1
Mountain House M.D.

REPORT ON THE VETA GRANDE GROUP.

PROPERTY AND LOCATION:

The Veta Grande group consists of six (6) contiguous lode claims, containing approximately 120 acres, lying eleven miles south of Minden, in Eagle Mining District, Douglas County, Nevada. The property lies within 1500 feet of the road to Bodie and Aurora, at an elevation of about 5000 feet. It is only four miles from the power plant on the East fork of the Carson River, and water for milling purposes can be obtained from springs near the property. There is a good growth of pinon pine and jumiper on the ground which will furnish sufficient fuel for the camp and heating the mill and solutions. The climate is the same as that of Reno and Carson City and will permit all mining operations to be carried on during the entire year.

GEOLOGY:

The Eagle District lies on the west slope of the Pine Nut Range, a south continuation of the Virginia Range. It is a region of very heavy flows of Tertiary eruptive volcanic rocks. These rocks have been extensively fissured and intruded by later volcanic dikes, which in turn have caused very large veins of quartz to be formed at intervals along the range. The Comstock Lode, Como District, Eagle District, Bald Mountain and Aurora and Bodie are the main deposits along this zone, and the veins, quartz and general conditions are similar in all these districts. At the Veta Grande Group the country rock is an early andesite. It is intruded by a very large felistic dike, probably a fine grained andesite. The veins are replacement deposits along this dike and are very large masses of white, sugar-quartz containing silver sulphides. They strike Northwest and Southeast and are from 20 to

50 feet in width, for a mile in length on this property.

ORES:

The veins have been developed at one place only on the south end of Elizabeth claim. This was originally attacked by means of an inclined shaft whose direction is approximately at right angles to the walls and is therefore a cross-cut. (See cross section). A tunnel was then run 50 feet below this shaft and was connected by means of a raise and drift to the incline. A drift was run at the tunnel level about 100 feet long, on the footwall side of the vein. A winze was sunk 50 feet from this level and a short cross-cut started southwest, toward the hanging wall. No stopping was attempted, but the good ore was sorted out and shipped. This can be done after one becomes familiar with the ore.

A cross-cut tunnel was then run through the vein at the bottom of the hill. This work has caved in, but the dump shows the same quartz as in the upper levels.

VALUES:

The writer was not equipped to make a thorough sampling, which will take some time. Assays in the vein and of the dumps were taken and are quoted below. They show conditions exactly like those obtaining on Menzel Hill, Rochester Mining District, Nevada, and other places where big mines have been made. The values occur in streaks and spots in low grade material and it is extremely hard to determine the average grade from ordinary sampling operations. These assays lead the writer to estimate the following values:

1. Upper dump, 100 tons, Gold, .03 oz. - Silver 9.50 oz.
2. Lower dump, 300 tons, Gold .02 oz. - Silver 19 oz.
3. The results of the mine samples of the upper and lower drifts and the winze and raise, show an average value of Gold, 45¢ per ton, Silver 10-3/4 ounces, a total value with silver at 80¢ of $9.05 per ton.
4. An average of 21 samples gave Gold 20¢; Silver 13.6 oz. a value of $10.53 per ton with Silver at 80¢ per oz.

These results show a better average by 2 ounces than those obtained from the property of the Rochester Mines Company at the same stage of development by the writer. It is not claimed that any other engineer will be able to check these values, but should obtain similar results. They show that good widths can be broken that will average 10 ounces of silver per ton, which can be improved by simple ore dressing at a small cost per ton.

CONCLUSIONS:

The writer believes that an excellent mine can be developed at moderate cost on this group of claims. That the property will have a long life and pay well. The work done shows up well in point of values and quantity of ore but does not yet show any limit to the ore except the hanging wall of the vein. The Geology indicates a deep seated vein of comparatively recent origin whose surface has probably been leached of some of its values. The richest ore is found in the winze and bodies of rich ore will undoubtedly be found on development. The property is in a region that has produced some of the greatest mines in the United States, is close to power, water and transportation and has a much better surface showing than many large producers in the same region.

The ore is amenable to the cyanide process and can be milled to an extraction exceeding 92% for something less than $2.00 per ton in a mill of 100 tons capacity. Mining, timbering, development and administration under fair management should not exceed $3.50 per ton, thus making a 10 ounce ore produce a profit of about $3.00 per ton, or roughly $180,000.00 per year on a 200 ton capacity. This is 20% on an investment of $900,000.00 .

This prospect will require between ten and twenty thousand dollars for preliminary prospecting within the first six

months. $50,000.00 worth of development work can be done in that time and should develop enough ore to justify a plant if it exists.

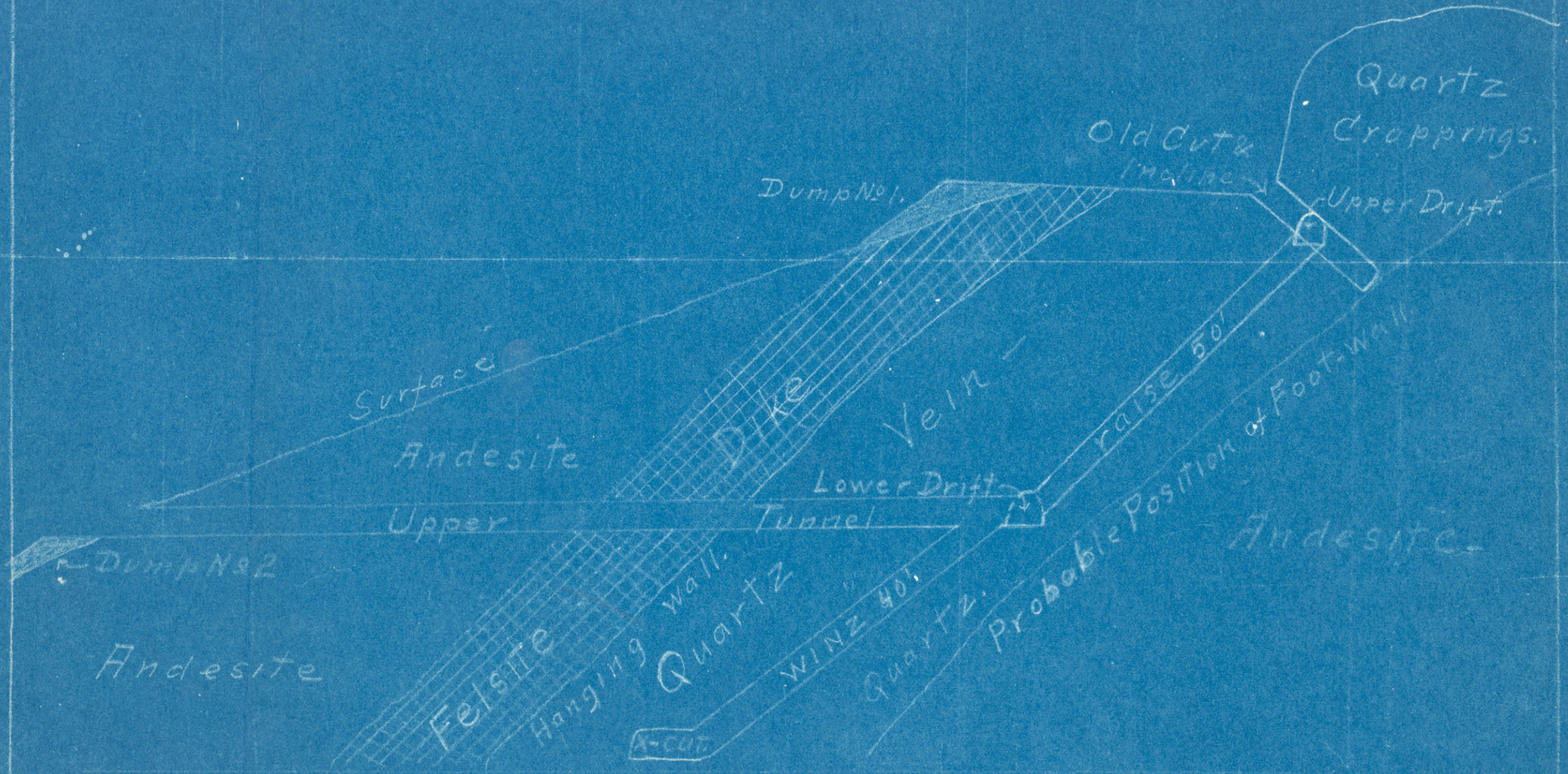
The property can be purchased, developed and placed on a producing basis of 200 tons capacity at a minimum cost.

(Signed) J. CARLTON BRAY, E.M.

ASSAY TABLE.

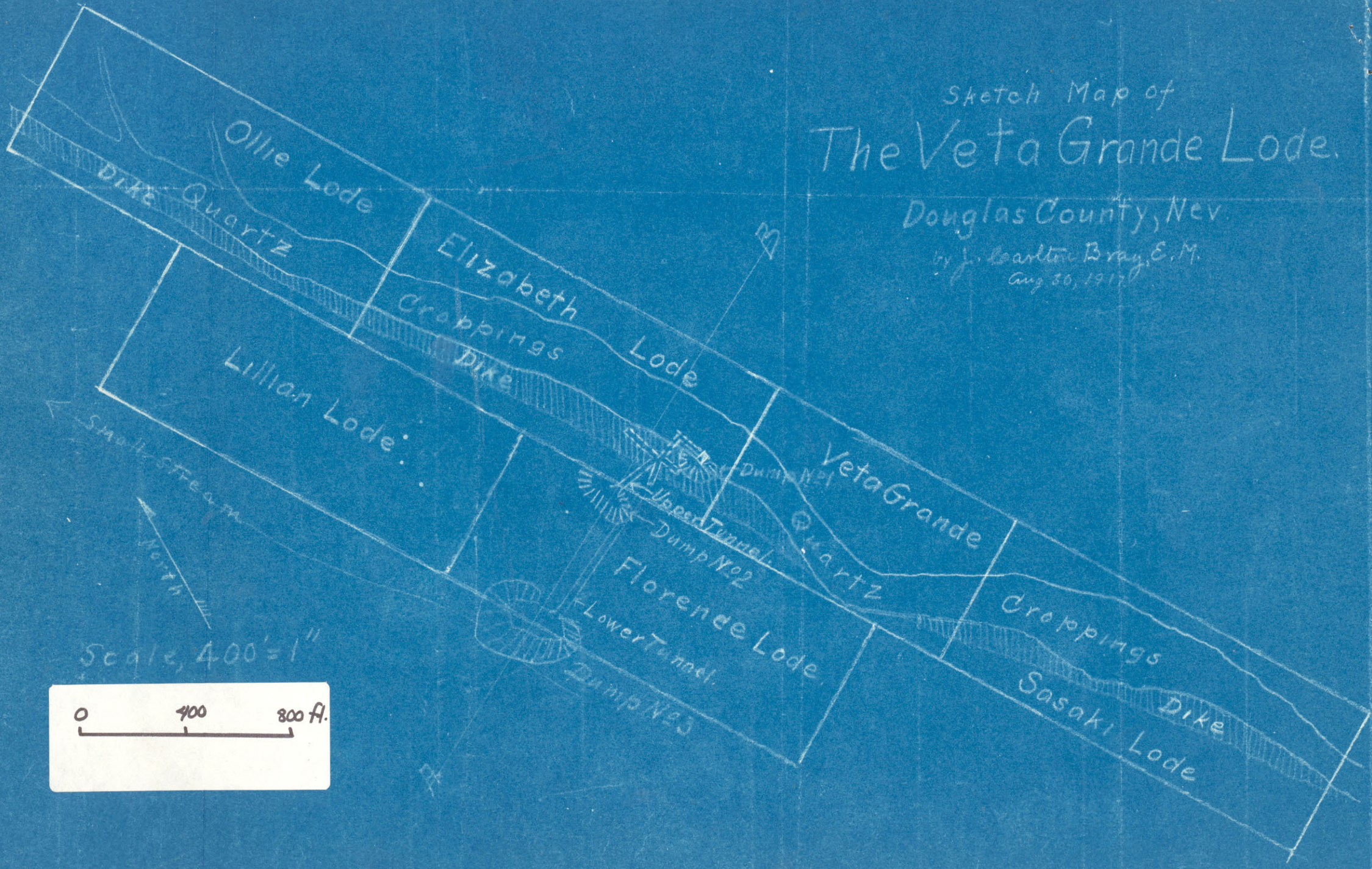
LOCALITY	GOLD. Oz.	GOLD. Val.	SILVER. oz.	SILVER. Val.	ASSAYER	REMARKS.
Dump # 1 E.	Tr.	$ .00	4.24	$3.39	D.H.Updike	Same ore.
do.	Tr.	.00	7.30	5.84	McCulloms Co.	
Dump # 1 W.	.03	.62	17.30	13.84	D.H.Updike	Same ore.
do	Tr.	.00	22.00	17.60	McCulloms Co.	
Dump #2	.02	.40	22.40	17.92	W.W.Young	Same ore.
do.	Tr.	.00	19.10	15.28	McColloms Co.	
Winze	.01	.20	20.20	16.16	McColloms Co.	2 ft.
"	.03	.63	18.22	14.57	D.H.Updike	3 ft.
"	Tr.	.00	4.36	3.49	D.H.Updike	4 ft.
Tunnel #1	Tr.	.00	0.90	.72	McColloms Co.	Across 45 ft
Tunnel #1 West drift	.04	.83	16.70	13.36	D.H.Updike	3 ft.
Sorted Ore	.01	.20	25.70	20.06	McColloms Co.	2 tons
" "	.04	.83	32.14	25.71	D.H.Updike	1 ton
" "	.02	.40	57.20	45.76	H.W.Young	10 lbs from winze.
Ollie C.	Tr.	.00	4.60	3.68	H.W.Young	Bottom of Dis. shaft.
Sasaki, C.	Tr.	.00	1.80	1.44	H. W. Young	Surface.
" "	Tr.	.00	.80	.64	H. W. Young	"
Float surface,	Tr	.00	Tr.	.00	D.H.Updike	1500 ft.north
do.	Tr.	.00	.72	.57	D.H.Updike	800 ft. "
Dump Inn #3	Tr.	.00	.40	.32	D.H.Updike	Same ore.
do.	Tr.	.00	.30	.24	McColloms Co.	
Average	.01	.20	13.16	10.32		Per ton $10.53

Silver at 80¢ per ounce.



Geological Cross-Section, Veta-Grande Lode,

Scale, 20' to 1"


Sketch Map of
The Veta Grande Lode.
Douglas County, Nev.
by J. Carlton Bray, E.M.
Aug 30, 1917
Ollie Lode
Dike
Quartz
Elizabeth Lode
Croppings
Dike
Lillian Lode
Small Stream
North
Scale, 400'=1"
0
400
800 ft.
Upper Tunnel
Dump No 1
Veta Grande
Quartz
Dump No 2
Florence Lode
Lower Tunnel
Dump No 3
Croppings
Dike
Sasaki Lode