

Item 1

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— 3370 0001 —

Report on the
NEW PASS GOLD MINES
for the
REORGANIZED SILVER KING
DIVIDE MINING COMPANY.

3370 0001

158

item 1

REORGANIZED SILVER KING DIVIDE
MINING COMPANY, TONOPAH, NEVADA.

Gentlemen:

Herewith is submitted my report on the properties you hold under contract at New Pass, Lander County, Nevada.

LOCATION

The THOMAS W and NEW PASS gold mines lie in the New Pass or Reese River Mining District, Lander County, Nevada, in Sections 9, 10, 15 and 16, T. 20 N, R. 40 E, Mt. Diablo Meridian, 25 miles westerly from Austin, countyseat of Lander County. The camp is reached over a graveled road running northwesterly from a point on U.S. Highway 50, 12 miles southwest of Austin and 100 miles east of Fallon, Nevada.

PROPERTY AND TITLE

The THOMAS W group includes 8 lode claims; the Thomas W, Thomas W No.1, Thomas W No.2, Sunset, Sundown, Golden Portage, Golden Portage No.1 and Accent claims.

The NEW PASS property embraces 8 patented claims; the Superior lode and millsite, Sur. No. 37 A and B, the Gold Belt No.1, Sur. No. 38; the Golden West, Phil Sheridan, Lander, True Blue, Wild Cat and Gold Medal, Sur. No. 2200, and 9 unpatented lode claims; the Independence No.1, Independence No.2, Superior No.6, Superior No.7, which adjoin the patented claims on the south (see map) and the Superior No.4, Superior No.5, Waterhole, Gold Belt No.1, Gold Belt No.2, located in the vicinity, and the Warm Springs placer claim, adjoining the 5-acre Superior patented millsite in the valley 5 miles southeasterly at the Warm Springs.

TOPOGRAPHY AND CLIMATE

The claims, covering approximately 360 acres, lie on the low rolling hills at the base of New Pass Peak at an elevation of 7200 feet. Nut pine and scrub cedar timber cover scattered areas. The climate is moderate and operations are carried on the year round, with provisions being made to tide over snowstorm periods in the winter months.

HISTORY

The Superior and Gold Belt veins were discovered and located in the '60's and were approved for patent in 1873. Open cuts and short tunnels explored these veins and some work was done on the Lander and True Blue veins. Up to 1900. according to report, about 6,000 tons of one ounce gold ore was reduced in a 3-foot Huntington mill located at the Warm Springs millsite. State Senator Bell owned this operation and is said to have purchased a cattle ranch in Reese River Valley from the proceeds.

Title passed to the New Pass Gold Mining Company and the Gold Belt shaft was sunk to a depth of 350 feet with levels turned at intervals. Nos. 2 and 3 tunnels on the Superior were extended and cross-cut tunnel No.4 was driven to within 300 feet of the vein. In this development work and a small stope in the Superior, 500 tons of ore is said to have been mined and reduced in the Huntington mill, returning \$20. in gold, old price. In 1904 six claims were patented under Survey No. 2200.

In 1913 A. G. Kirby reported 12,840 tons of ore, with an average assay value of \$12.67 per ton, in the Gold Belt and 30,100 tons of ore, with an average assay value of \$10.53 per ton, in the Superior, a gross value of \$479,635.00. W. C. Pitt, of Lovelock, Nevada,

erected a cyanide plant in 1917 to work this ore, but due to the war and other adverse conditions, operations were suspended and the mill dismantled. Only limited portions of the Superior ore body were mined and milled. In 1929 Wayne H. Smith and the writer sampled the accessible faces of the Superior and Gold Belt veins and the results are given on the respective assay maps. It was estimated, from these assays, that the Superior vein would yield 9,500. tons of an average value of \$17.80, in addition to whatever excess tonnage the portions of the vein not sampled would afford. The samples in the Gold Belt were taken to indicate whether or not the Kirby estimates could be relied upon and it was decided they were within a reasonable expectation. Subsequent mining and milling operations from 1930 to 1932, when an amalgamation mill was erected at the Warm Springs, proved the estimate on the Superior to be substantially correct, according to Wayne H. Smith, who had charge of most of the mining and the reduction of the ore. No attempt to develop and explore the ore shoots was made by these operators and work was suspended. Later the present owners acquired the property, opened a small stope in the north drift on the 250 ft. level of the Gold Belt and mined most of the ore in the Superior above the No. 4 tunnel, either on company account or under leases. One of the latter is said to have netted \$25,000. from a block of ground above the north end of No. 3 tunnel.

Authentic records and bullion returns of the different operations are not available but the independent sampling and estimates would indicate that approximately 20,000. tons of one ounce gold ore has been produced to date, mostly from the Superior vein above the No. 4 tunnel.

Wayne H. Smith and Tom W. Byers acquired the ground on the north end of the patented claims in 1932 and later and uncovered the extension of the Gold Belt vein system, which they named the Thomas W mine. Howard C. Snyder succeeded Mr. Byers as part owner of the mine and Smith and Snyder have developed the vein to a depth of 340 feet with drifts on different levels.

GEOLOGY

Limestone, with the remnants of shale beds showing, occur along the west boundry of the property. From the Gold Belt No. 1 east, the formation is a massive intrusive diorite, with signs of contact metamorphism. This diorite was later shattered along parallel north and south lines and intruded by a lighter rock, often shistose in character, in which the veins are now formed. Blocks of limestone are found along the Thomas W and Superior veins. The ore is hard ribbon quartz of the California banded structure and the veins are fissures of remarkable strength and continuity, with only minor faulting or displacement. Some lead and copper is occasionally found in the ore, both in the oxidised and sulphide form. The gold is free and the silver amounts to less than three per cent of the value.

DEVELOPMENT

THOMAS W.

Active development work is now being carried on in the Thomas W mine and the results obtained are most encouraging. A plan and elevation of these workings, showing their relative position to the Gold Belt workings, is appended hereto. An assay map, showing the former samples taken in the Gold Belt and the recent samples taken in the Thomas W, is also attached.

The ore shoot and vein were first found at a depth of 20 feet under the surface overburden. An incline shaft, dipping at an angle of 71 degrees to the east, was sunk on the vein and levels turned at, 80, 140, 240 and 340 feet on the incline. Short drifts north and south on the 80 ft. level disclosed some good ore and drifts on the 140 ft. level opened medium grade ore 55 ft. to the south and the north drift exposed good ore for over a hundred feet, where a fault moved the vein to the northwest about 40 ft. The drift then continued on the vein for 80 feet.. A sample across 2.5 ft. of quartz at this point assayed \$7.20.

A five stamp mill was built on the property to treat the ore taken out in development and to provide funds for further development. The fact that Mr. Smith and Mr. Snyder were able to finance the work entirely out of the proceeds of a five stamp mill is a high recommendation for both the value of the ore and for their efficient management. On the 240 ft. level drifts were extended 300 ft. to the north and 170 ft. to the south, this being 70 ft. beyond the endline into Gold Belt ground. The ore on this level is continuous except for two short distances where the north extension of the vein is moved to the northwest diagonally 9 feet and 40 feet, respectively. Both faces are in good ore.

In sinking from the 240 to the 340 level, the 71 degree incline shaft passed into the hanging wall of the vein, for in drifting north on the 340 level a parallel east vein was exposed and drifted on for a distance of 135 feet, where a vertical raise to the 240 level was found to be 18 feet to the east of the 240 level drift. Continued drifting to the north on the 340 ft. level exposed the main vein beyond the fault and the last 60 ft. of the drift is in good ore almost vertically under the north end of the 240 ft.

level. The vein along this 60 feet averages 2.7 ft. in width and \$20.50 in value, mostly gold. The drift to the south on the 340 ft level is out 70 feet and the last sample from the face assayed \$16.05 across 2.6 feet. This drift should be continued to further expose the ore, but in this vicinity a cross-cut should be driven to the west some 20 to 30 feet, proving the downward extension of the ore vein exposed in the south drift on the 240 ft. level.

A total of 2,655. tons of ore came from the development work and several small stopes above the 240 and 140 ft. levels. This was reduced in the five stamp mill and \$47,485. returned in bullion, giving a recovery of \$17.82 per ton, or 89%. The heads averaged \$20.06 and the tailing \$2.24 per ton.

All samples taken from the different faces were taken with care and, as nearly as possible, normal to the plane of the vein so that the widths given represent the true and actual width of the vein.

GOLD BELT

The early operators mined most of the easy ore near the surface and stoped limited portions of the vein to a depth of 100 feet, but evidently found the harder ores of the lower levels unsuited for hand steel and primitive milling equipment. The incline shaft, now inaccessible, dipping 80 degrees to the east, is 350 ft. deep and levels turned at 50, 100, 150, 175, 250 and 350 foot depths, as given on the former company maps, in reports, and as stated by persons who have been down the mine when the workings were open. Mr. Bert Acree, County Recorder of Lander County, who at one time held an option on the New Pass mine, handed me a piece of ore which he took from the bottom level of the Gold Belt.

It panned well and showed specks of galena. Wm. A. Farrish sampled the mine in 1900 and he estimated 11,944. tons of an average value of \$15.23, a gross of \$181,927.66. This ore is still in place, except for a small stope in the north drift on the 250 ft. level, which some leasers are reported to have mined in 1937.

SUPERIOR

The vein on the Superior claim, Sur. No. 37A, is parallel to and about 1450 feet east of the Thomas W and Gold Belt vein, striking N 14°W and dipping 85° to the west. Tunnels Nos. 1, 2 and 3 were run on the vein at intervals of 90, 140 and 220 feet and the cross-cut tunnel No. 4 reached the vein about 800 feet from the portal and entered the ore shoot about 1180 feet from the mouth, with a depth of 300 feet below the surface. No. 2 tunnel exposed the vein for 850 feet in length and No. 3 for 1050 ft. The Wild Cat incline connected No. 2 tunnel with the surface and numerous raises and ore chutes connected the different levels. The ore shoot was mined from the lower tunnel to the surface and extended for a distance of over 300 feet. For about 200 ft. beyond this area, under a surface ravine, the vein was broken and the value decreased, then resumed its continuity and the gold content increased materially, as shown by the assays taken in No. 3 tunnel. This is the area mined by the leaser with such good results. Continued drifting on the No. 3 and No. 4 tunnels, with raises at proper intervals would be amply warranted but the downward extension of the main ore shoot should be given first consideration, as samples taken in the floor of No. 4 tunnel toward the south end of the ore shoot and in a winze 12 ft. deep at the north end give an average of approximately \$25.00 across 2.0 ft.

TRUE BLUE

The True Blue vein is parallel to and about 175 feet to the west of the Superior vein. An old shaft about 40 ft. deep exposes a two-foot vein of quartz. A grab sample from the dump assayed .02 in gold and a trace of silver; Farrish, however, reports that, at the bottom of this shaft 10 inches of quartz assayed \$8.20 in gold and 0.8 of an ounce in silver. A cross-cut from No. 3 tunnel was driven to cut this vein.

LANDER

The Lander vein strikes N 10°W and is about 600 feet west of the Superior vein. An old shaft, said to be 70 ft. deep and dipping to the east, exposes 18 inches of quartz. A picked sample from the dump assayed 0.20 gold and 6.70 oz. silver or \$11.76. Ore assaying \$224. mostly in silver is reported to have been shipped from this vein.

GOLD FLOAT

It is worth noting that two large bouldres of gold float were found some 300 feet northeast of the Thomas W shaft on the south slope above a ravine. These boulders panned well and could have come only from a parallel vein to the east of the Thomas W or from the continuation of the ore shoot on the Thomas W vein.

WATER

The supply of water for household purposes and the five stamp mill comes through a 2 inch pipe line from a well 4280 ft. northeast of the Thomas W. The capacity of this well has never been determined, although Mr. Smith states that in continuous daily running of the mill the supply has never failed them. Two other wells within 3/4 of a mile of the Superior are said to have reached water.

The Warm Springs at the Superior patented mill site, Sur. No. 37B, five miles to the southeast in the valley has ample water for any and all purposes. Gilbert Creek, $3\frac{1}{2}$ miles to the northeast, is a flowing spring of excellent water and a generous supply.

ORE RESERVES

The ore exposed in the different mine workings has never been 'blocked out' in a strict sense, however, where the ore has been found on successive levels, subsequent raises and ore-passes have proven the ore to be continuous, and where mining was done on the Superior vein the estimated value and tonnages were proven to be essentially correct.

In the Thomas W vein the value has been proven to a depth of 340 ft. and a length of nearly 500 ft. on the 240 level. The development work and small stopes above the 240 level have yielded 2,655. tons of \$20.00 ore. The 350 ft. level of the Gold Belt is in ore, at a depth approximately 200 feet below the 340 ft. level of the Thomas W. The area between the Thomas W and the Gold Belt can be counted on to yield a good tonnage of ore, for the drift south on the 240 ft. level is 70 feet into Gold Belt ground with the face showing 3.0 ft. of \$18.40 ore and an open cut on the surface 150 ft. north of the Gold Belt shaft assayed \$17.70 across 2.5 ft. It is entirely reasonable to assume that this area will give a tonnage approximately equal to the tonnage extracted from the Superior vein.

From the type of these veins and the deep-seated nature of the enclosing volcanic rock, I believe the ore shoots will penetrate to great depth and be productive for a long period of time.

RECOMMENDATIONS

The Thomas W is now in operation and has the equipment for

further development. Miners are on the ground to contract raises from the 240 ft. level to the south end of the 140 ft. level, and from the 340 ft. level to the north end of the 240 ft. level. The miners are also planning to contract sinking the Thomas W. shaft an additional 200 feet, to the 540 ft. level, where a drift should be run southerly to connect with the bottom level of the Gold Belt by a short raise. These raises and the connection with the Gold Belt would insure proper ventilation of the whole mine system, would provide the necessary exits required by law, and permit the easy restoration of the Gold Belt shaft and drifts to operating conditions, and, of course, would contribute to the further development and blocking out of the ore.

A drift to the north on the 540 ft. level would be opposite the main ore shoot on the Superior vein, with the True Blue and Lander veins between. Horizontal diamond drill holes to the east would cut the whole formation and the different veins at an additional depth of 375 feet and would furnish valuable information.

MILLING

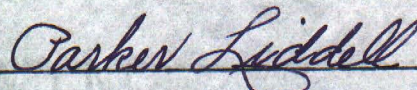
The amalgamation process has been used to recover the value in the ore and an extraction of 85 to 90% has been made. There is a small amount of lead and copper sulphides, 1 to 1½%, contained in the ore and it is probable that these account for most of the value not recovered by amalgamation. After greater depth is attained and the character of the ore at the lower levels determined, tests should be made to decide the best milling practice. In the meantime it would seem that the amalgamation process should be followed, for this allows the intermittent operation of the milling plant without difficulty.

COSTS

Under present conditions costs will have to be determined as operations proceed and special attention given to contracting the work and using mechanical aids wherever possible.

MINING

Smith and Snyder have found that the ore can be saved clean by the cut and fill method of mining and that this method is imperative in most of the ground opened to date, for the walls are shaley and several stopes have been lost by trying to shrink them. The former method has the added advantage of using less timber and permitting the miners to work on a solid base.



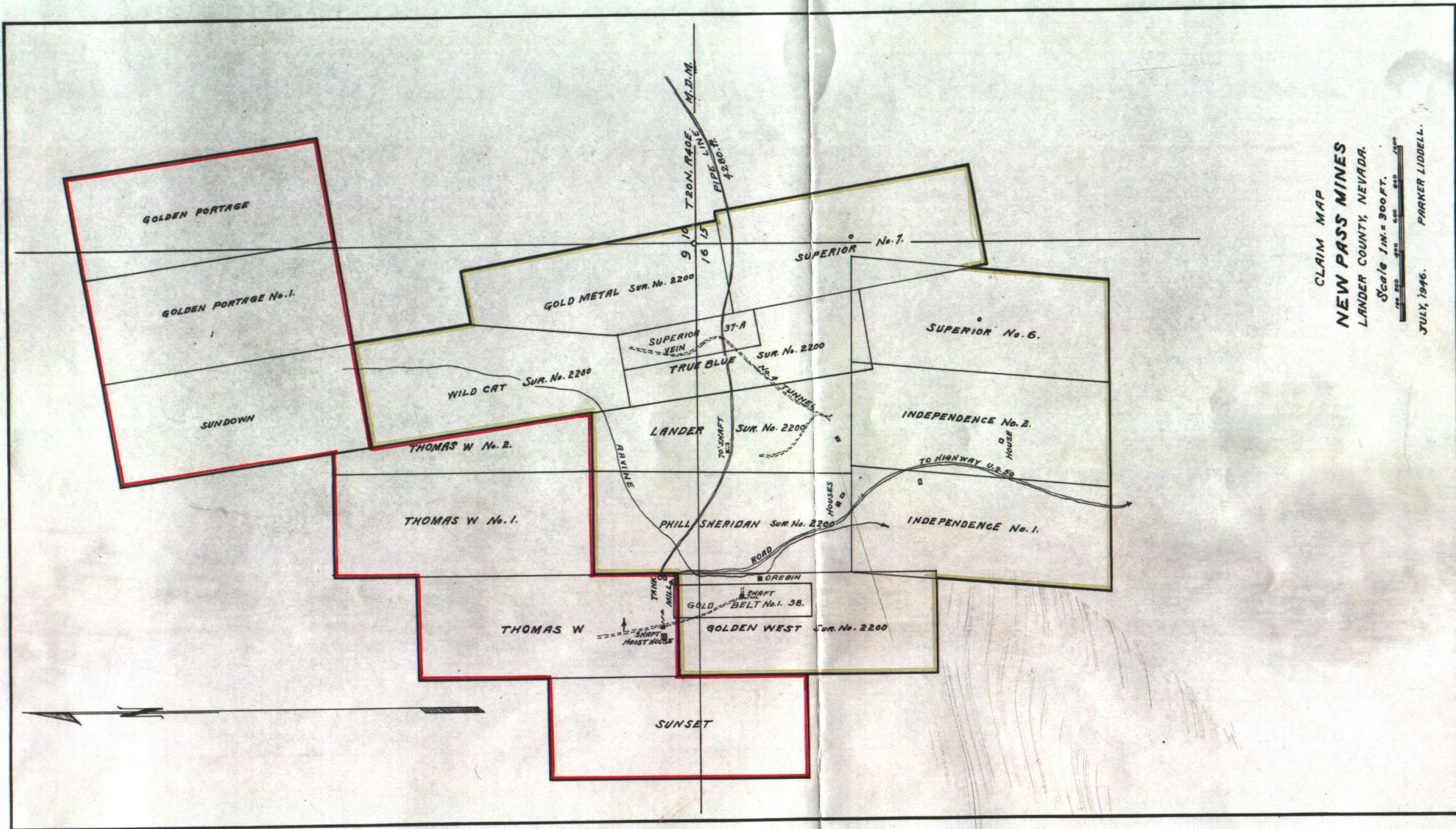
PARKER LIDDELL, E.M.

Reno, Nevada.
July 25, 1946.

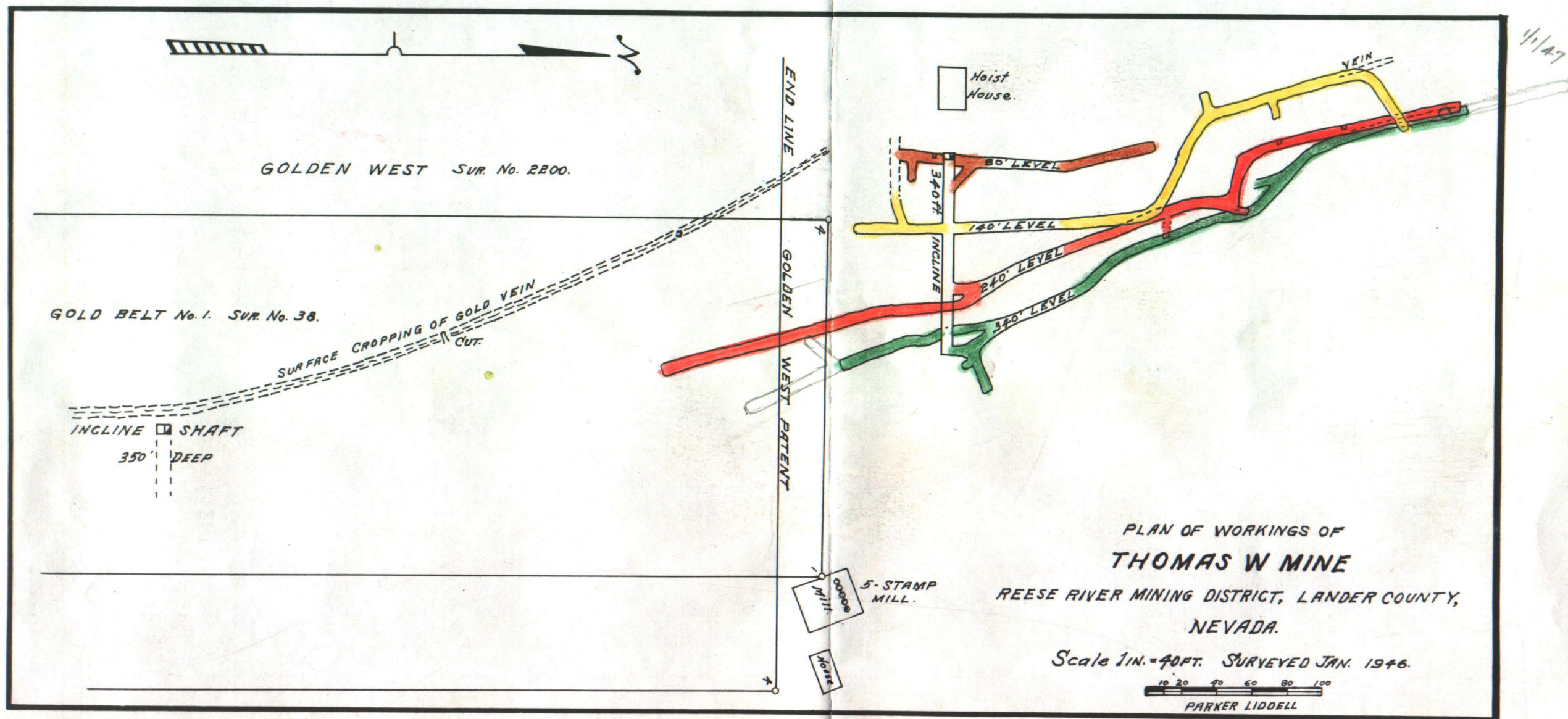
ASSAYS ON THOMAS W VEIN

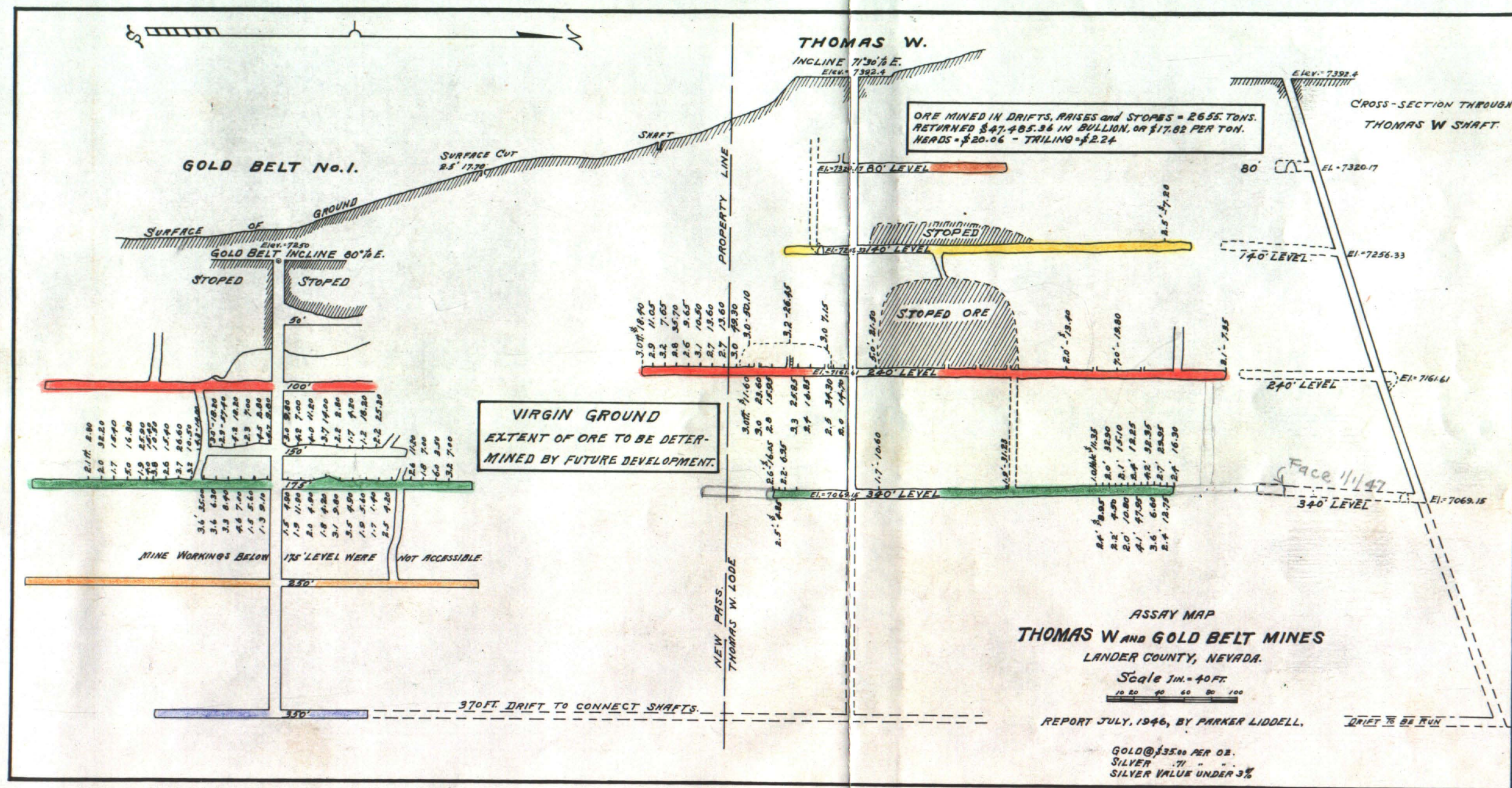
Place.	Width	OZ. AU.	OZ. AG.	Total Value.
140 Level N End	2.5 ft.	0.20	0.30	\$ 7.21
240 N End	2.0	0.64	0.30	22.61
" 115' N of Sft	7.0	0.56	0.30	19.81
" 15' S of #3	2.0	0.38	0.20	13.44
" 15' N of Sft	5.0	0.61	0.36	21.56
" Ore Pass	2.0	0.40	1.00	14.70
" 10' South	2.5	0.96	1.00	34.30
" 20' S	2.4	0.46	1.10	16.85
" 40' S	3.3	0.72	0.90	25.85
" 50' S	2.8	0.44	0.80	15.95
" 70' S	3.0	0.66	0.70	23.60
" 80' S	3.0	0.31	1.10	11.60
" 90' S	3.0	1.38	1.40	49.50
" 100' S	2.7	0.38	0.40	13.60
" 110' S	3.1	0.28	1.00	10.50
" 120' S	2.6	0.25	1.30	9.65
" 130' S	2.8	0.98	2.00	35.70
" 140' S	3.2	0.20	0.90	7.65
" 150' S	2.9	0.30	0.65	11.05
" 160' S Face	3.0	0.51	0.80	18.42
" S End Stope	3.0	1.40	1.60	50.10
" Center "	3.2	0.74	0.80	26.45
" N End "	3.0	0.19	0.50	7.15
340 S End	2.6	0.44	0.90	16.05
" 5' from face	2.5	0.13	0.40	4.85
" 10' " "	2.2	0.18	0.90	6.95
" N End	2.4	0.45	0.80	16.30
" 5' from Face	2.4	0.34	1.20	12.75
" 10' " "	2.7	0.84	0.80	29.95
" 15' " "	3.6	0.18	0.40	6.60
" 20' " "	4.2	0.91	0.60	32.35
" 25' " "	4.1	1.36	0.50	47.95
" 30' " "	2.4	0.34	0.50	12.25
" 35' " "	2.0	0.30	0.40	10.80
" 40' " "	2.1	0.42	0.60	15.10
" 45' " "	2.2	0.10	1.40	4.50
" 50' " "	2.0	0.92	1.00	32.90
" 54' " "	2.4	0.24	0.80	8.95
" 60' " "	1.0 hole	0.31	0.70	11.35

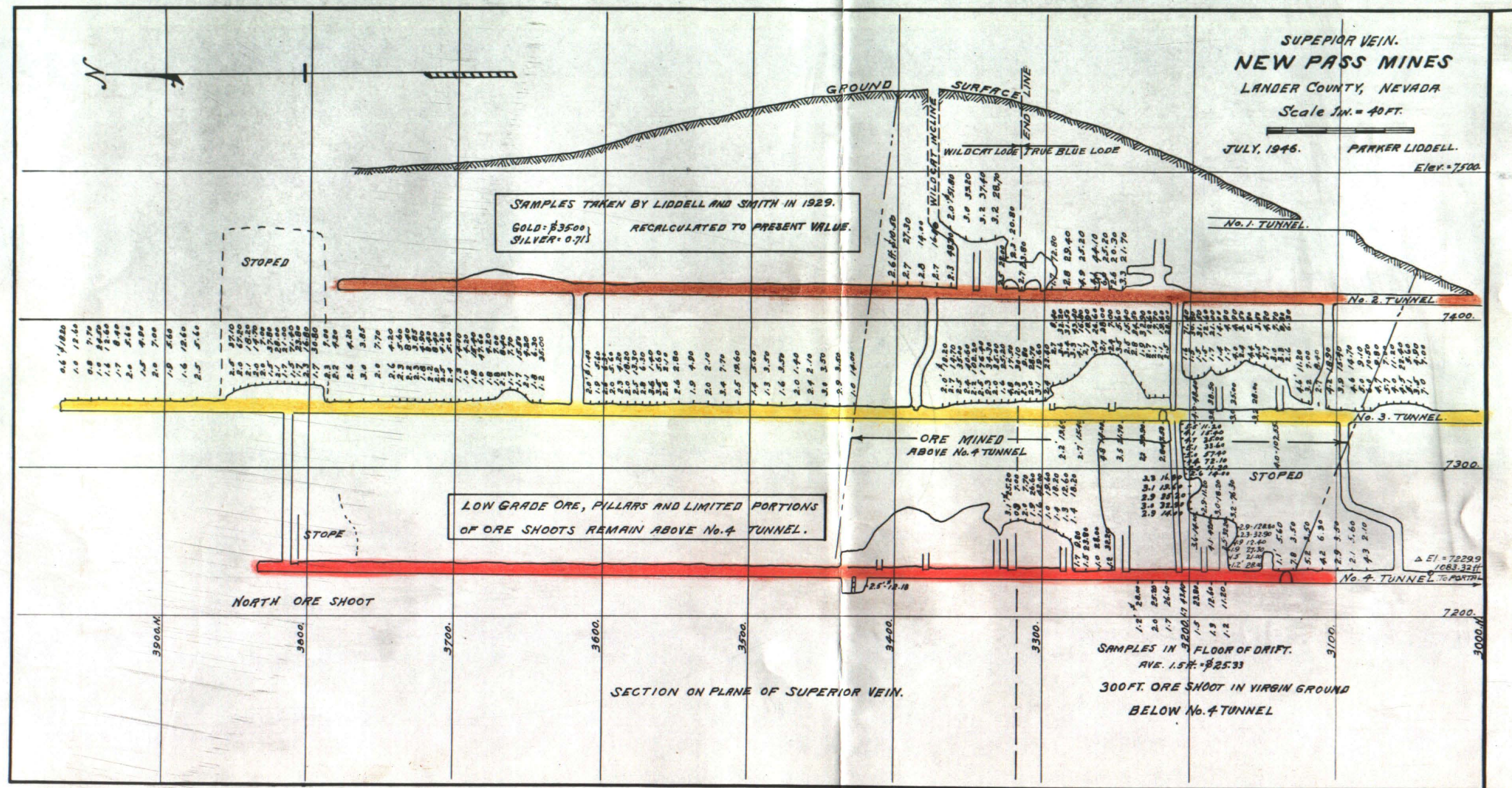
Average width of vein for 38 samples is 2.89 feet.



CLAIM MAP
NEW PASS MINES
LANDER COUNTY, NEVADA.
Scale 1 in. = 300 FT.
JULY, 1946. PARKER LIDDELL.









LARGE BOULDERS OF
ORE FOUND

THOMAS W SHAFT

No. 4 TUNNEL - SUPERIOR

GOLD BELT SHAFT.

THOMAS W SHAFT AND HOIST HOUSE, LOOKING EAST.



THOMAS W SHAFT

5-STAMP MILL

GOLD BELT SHAFT

LANDER VEIN

TRUE BLUE VEIN

SUPERIOR VEIN

No. 2 TUNNEL

No. 4 TUNNEL

No. 3 TUNNEL

THOMAS W, GOLD BELT, LANDER, TRUE BLUE AND SUPERIOR VEINS
LOOKING NORTH.