Nev-Hist-Soc. 5/82

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C O P Y

(98)

I50--Morago Road,
Piedmont, California,
Dec. 5th. I932

ITEM 21
check.

Mr. I.C.Bateman,
437--Mills Bldg.
San Francisco, Calif.

Palmetto Mtns, near Cida.

Dear Mr. Bateman,--

Pursuant to your inquiry, relative to my examination of the Pidgeon Springs Mine in Nevada, and my reference to the report of W.J.Rule, permit me to advise you the Mr. Rule was a man of excellent reputation. Before making my examination of the property, I read Mr. Rules report very carefully. While I could not get down in the mine, to examine that part of the mine, in which Mr. Rule stated there was I8,000 tons of ore available, of an everage value (gross) of $33.53 per ton, I believe that statement to be correct, for the reason, that I was able to check up other statements made by Mr. Rule and found then to be correct.

As per my report, I believe the mine has exceptional merit, if handled by men who understand the mining business.

Very truly yours,

Signed McClure Gregory

PIDGEON SPRINGS MINING PROPERTY

BY MC.CLURE GREGORY

The subject matter of this report is compiled from personal observations made during a recent trip, to the property; from Government bulletins, and sworn statements of the late W.J.Rule, an engineer of Southern Nevada, and formerly of Tuolumne Co. California, who made an exhaustive examination of the property and reported on it.

The property is situated in the Palmetto Mountains, at the Southern end of the Silver Peak Range, about I4 miles West of the town of Lida, Esmeralda Co. Nevada. It is reached over a good auto road, from Goldfield 40 miles distant. The road is a good portion of the Midland Trail. The nearest point for freight shipments, Stonewall Siding, on the T.& T. R.R. 25 miles from the mine, over a good road.

Property consists of Two patented mining claims, at an elevation of 7500 feet above sea level, and a patented ranch of 80 acres, 4½ miles from the mine, at an elevation of 6800 feet, containing the mill site and water rights;,a good road connects.

The predominating rock, overlying the whole district, is Limestone, which lies in almost horizontal beds and was noted at elevations, fully 2000 feet lower than the mine. It is cut by intrusive dykes, of more or less prominent out-crop, giving the topography a rugged aspect. On the Two claims are Two igneous dykes, that can be traced for 8000 feet, thru the full length of both claims; The larger, or main dyke, is from 25 to 40 feet in width, strike 75 East, dipping 50 deg. to the South. It traverses the center line of the Two claims. The other dyke lies about I00-feet to the North and parallel, for the entire length. It is from 4-to I0-feet wide. Both dykes carry ore of good value.

The ore occurs in quartz veins in the dykes and on contacts between the dykes and Lime stone country rock and in the altered dykes themselves. The metals are Gold and Silver, with some lead, in part of the mine. The values predominate in the ratio of about 4 to I in favor of the Gold. The lead when found, occurs in the form of Galena and where present varies from 3% to I5%.

Almost all the mining has been done on the main dyke and the veins associated with it. The only work on the small dyke, consists of Two shafts, on the Proutt Claim, one 30-feet deep and the other I5-feet deep and a short tunnel on the Fortunatis claim; All three of these openings, exposed good ore; The result of my sampling on this vein, follow.

30-foot shaft,	width	I8	inches	Gold	$I9.0I	Silver	$I.28
I5-foot shaft	"	30	"	"	#I7.77	"	2.94
Tunnel	"	4	"	"	3I.62	"	5.87

The development on the main dyke consists of a working shaft I85-feet deep, sunk about the center of the Fortunatis claim. Three levels are opened from the shaft, at 75--I25-- and I75 feet, containing about 2,000 feet of drifts. High grade ores have been stoped from Two large stopes on the first level and from one stope on the second level, but none has been stoped from the bottom level of the mine. W.J.Rule, in his report referred too, notes larger and higher grade ore bodies, on the third

level, than on either of those above.

Theequipment, at the mine, consists of a 25 H.P. F.M. gasoline hoist, cage, mine cars,rails,20-ft. head-frame, ore bin etc. Buildings consist of Blacksmith shop, hoist house,of corrugated steel, 3 room house, stable and small bldgs. for storage purposes. The equipment at the ranch, consists of an up to date, IO stamp mill, with concentrators and Cyanide equipment. 80 H.P. return tubular boiler and 50 H.P. corliss engine, tables and vanners. The spring furnishes sufficient water to mill 75 tons of ore daily, without recourse to its re-use. Water comes to the mill by gravity, thru II50 feet of 4 inch pipe. The mill is housed in a steel bldg. Besides the mill, there is a blacksmith shop, cyanide plant, a 50 H.P. slide-valve engine, which was used to operate Two arastras, large barn, boarding house and bunk house.

The claims were discovered and located in I879. From time of discovery, the mine was worked for several years in a primitive way. The high grade was stoped and hoisted, by horse-whim, hauled to the ranch, where it was worked by Two steam Arastras, producing bullion valued at $200,000.00 from 8,000 tons of ore. The ore was sorted underground, only high grade, thoroughly oxidized, was milled. In I905, during the boom in Tonopah and Goldfield, the present owners obtained possession, and spent about $II5,000.00, straightening and timbering the shaft, cleaning up and repairing the old drifts, replacing the whim with a hoist, constructing roads and erecting the mill at the ranch. No money was spent underground, in an attempt to develope the ore, on the third level, or to develope new ore. When the money in the treasury was about exhausted, they made an attempt to recoup, by milling from the old stope. After about 30 days run, they discontinued milling and shut down the mine. With the exception of some work done by leasers, in working the arastra tailings in I9I0, the mine and mill have been idle ever since.

From a study of the geological conditions--from the statements of Mr. Rule--and the fact, that the mine has produced $200,000.00 from a small section of the vein. It is my opinion that the mine has great potential value and many seasons of productive life ahead of it, if properly managed and with modern methods. The geology is very simple, all the ores so far found, lying either within the dykes, or on the contact between the dykes and Limestone; There are no transverse faults. I was unable to find any indications which should limit the ore-body as far as depth is concerned. It is unreasonable to believe that the mine contains only high grade; There must also be considerabl bodies of lower grade ore, which will pay when worked by modern methods

In his report, Rule estimated I8,000 tons of ore standing in the mine. having an average assay value of $33.53 per ton, gross. This estimate is supported by a series of assay returns, giving widths sampled and the values of the ore in Gold and Silver, and in some cases Lead. These values check with those shown by my sampling. Most of the Arastra tailings have been washed away, during a cloud burst, but the average value of those remaining (3,000-tons) was $8.48 per ton.

If Mr. Rules estimate of tonnage in sight, is cut in half, it still leaves 9,000 tons of high grade ore--a respectable showing. Total costs should not exceed $7.00, for mining, milling, transferring etc., which with a block of 9,000 tons, would return a profit of $238,000.00, to say nothing of ores to be developed.

Signed;McClure Gregory