

THOMPSON & COMPANY
MINES

106 STATE STREET

P. O. BOX 857

RENO, NEVADA

September 16, 1937

Mr. E. L. Blanck
Maricopa, California

Dear Ernie:

It has occurred to me that you will be asking yourself the question if this property is as per the terms of my wire, how could these people have failed miserably with this property and be forced to shut down owing \$15,000?

In this connection, their entire operation was based upon the available dump ore thrown away in early day operations by former operators, as at that time the ores were sorted sufficiently to maintain values that would pay overhead cost of hauling by ox and wagon team to Sacramento, and from there to Swansea, Wales, England for treatment.

Therefore, this company's findings as to dump values were \$12.50 up, running rather uniform, but owing to the peculiarities of the ore and the long period of oxidization, there was a re-agent set up, whereby, when the material was pulped ready for flotation about four fifths of the values were soluble, and therefore all of their efforts, costs, mill construction, camp facilities and equipment, including the \$15,000 deficit was incurred by the management trying to whip this difficult problem.

At the time, they became hopelessly involved, they appealed to the International Smelter for assistance, resulting in D. C. Gilbert, Chief of Staff, being dispatched to the property, resulting in his detailing the property as of January 10, 1936, which was at a time inclement weather plus water difficulties forced a shut-down from which they never recovered.

Mr. Gilbert recommended they discontinue milling from the dumps and break new ore inside the mine, which they did for three days only, recovering \$1,760.00 daily from Block K, using these funds to pay current labor. No one connected with the property ever had any mining experience, therefore many costly mistakes

Sincerely yours *W. Thompson*