Report of Investigation

KOLCHECK MINE

Cleve Creek District

White Pine County, Nevada

by

Joseph V. Tingley

Reno, Nevada

October 18, 1970

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INTRODUCTION

An examination of the Kolcheck Mine area (Steve K claims) was made on September 16, 1970. The examination was made at the request of Mr. Michael Phifer for Vukasovich Incorporated, Watsonville, California. Mr. Phifer and Mr. John Ruso were present during the examination.

LOCATION

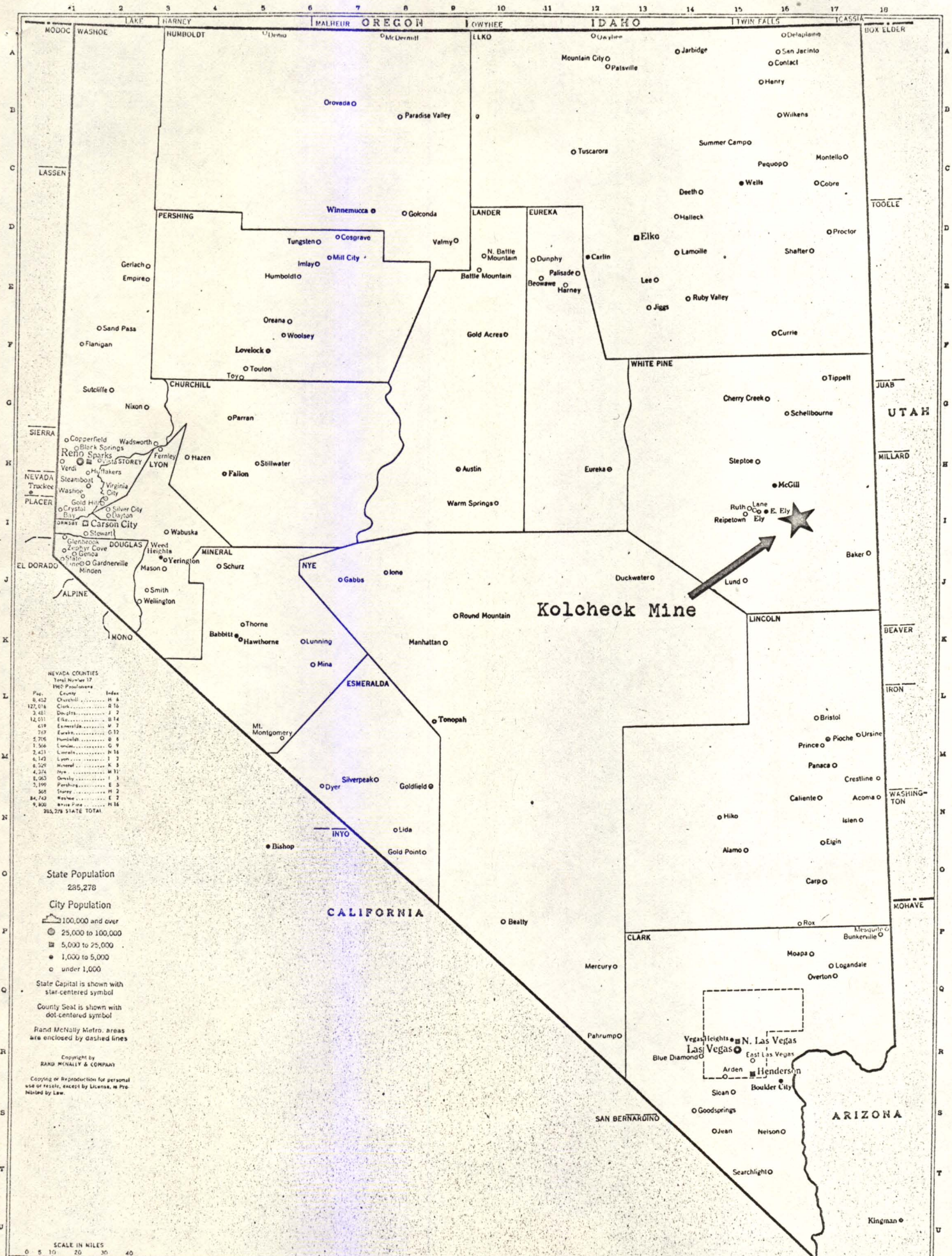
The Kolcheck Mine is situated on the eastern slope of the Schell Creek Range about fifteen airline miles due east of the town of Ely. The property covers portions of a rugged mountain spur north of Kolcheck Basin and lies in parts of Sections 14 and 23 (unsurveyed), Township 16 North, Range 65 East, White Pine County, Nevada.

LAND STATUS AND OWNERSHIP

The Kolcheck property consists of ten unpatented lode mining claims. The ten claims, Steve K and Steve K One through Nine, were staked on May 16, 1970 by Fred Farnsworth,

INDEX MAP

NEVADA



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SALT LAKE CITY, UTAH 84110

REPORT OF ASSAY

September 25, 1970

Joseph V. Tingley

WE HAVE ASSAYED YOUR three SAMPLES AND FIND them TO CONTAIN AS FOLLOWS:

DESCRIPTION	NO.	OZS. GOLD PER TON	OZS. SILVER PER TON	PER CENT LEAD	PER CENT COPPER	PER CENT ZINC	PER CENT INSOL.	PER CENT IRON	PER CENT Tungsten Tri-Oxide (WO_3)	VALUE OF GOLD PER TON
	K-1	0.02	3.60	2.15					0.04	
	K-2	Trace	0.30						0.03	
	K-3	0.02	3.20						0.37	

REMARKS: This is the work we were refering to. A copy was sent to Michael Phifer c/o Arthur Anderson & Co.- 111 West St. John Street, San Jose, California, 95113 - Thanks.

CHARGES $ 34.00

CRISMON & NICHOLS

BY Crismon

Box 1173, Ely, Nevada.

The claims appear to be properly monumented, but no evidence was seen of the required $1000 worth of discovery work needed to validate the locations. This work would have to have been done by August 14, 1970 (90 days following the date of location).

HISTORY

Steve Kolcheck, the original locator of the property, produced a small tonnage of tungsten ore from the mine in the early 1950's. The only record is of 32 tons of ore assaying 3.15 percent tungsten trioxide which was shipped in 1953.

Kolcheck is said to have leased the property to a major company (name unknown) who conducted a limited program of trenching and diamond drilling. This work stopped abruptly with the fall of tungsten prices in 1955.

GEOLOGY AND MINERALIZATION

Rocks exposed in the Kolcheck mine area are massive limestone units of the Cambrian Pole Canyon formation. Within the immediate mine area, the formation strikes North 60° West and dips 65° to 75° to the northeast. A major shear zone, bearing North 60° East, cuts the limestone in the mine area and forms the control for the limited mineralization present.

Mineralization was seen at three areas on the claim group, each area near the intersection of the northeast-trending shear zone with the limestone bedding.

In the small adit on Steve K #1, pods of silver-bearing galena occur along a narrow North 60° East fault which separates limestone from a thin-bedded shale unit.

In the Kolcheck mine, scheelite occurs as thin coatings and disseminations along North 60° East fractures. Pods of calcite with scheelite and oxide copper minerals occur in marbeliezed limestone near the fracture intersections.

Further to the east, on the Steve K #3 claim, the strike of

the limestone has turned to almost due north. Mineralization occurs here where the North 60° East shear cuts a north-trending limestone-shale contact.

The shale unit, present in the short adit on Steve K #1, in the western end of the Kolcheck mine, and exposed on Steve K #3, is a thin unit thought to be part of the Pole Canyon limestone. The lower part of this formation is described as being made up of thick lime members with thin interbedded shale lenses.

CONCLUSIONS AND RECOMMENDATIONS

Weak, erratic silver-lead and tungsten mineralization occur at three points within the Kolcheck or Steve K. claim group. Silver-lead mineralization, seen only on the Steve K #1 claim, occurs as small pods of silver-bearing galena along a narrow fault zone. The width and grade of the mineralization are not sufficient to warrent mining, and there is no reason to expect better values at any other point along the zone.

Tungsten ore occured as irregular pod-like masses in the

Kolcheck Mine itself. As is usual in this type of tungsten occurrence, these pods were relatively high-grade, but were small. They would not contain enough tonnage to be of value today even if they were still in place waiting to be mined. There could be other pods to be found along the main structure, but the small tonnages possible would not warrent mining.

The claim map, prepared in July, shows two "veins" cross-cutting the claims. These "veins" do not exist as such on the ground, but have been mapped by connecting unrelated structures into two simple structures and labeling them as "veins".

Mineralization on the Kolcheck property is extremely weak and erratic. There is little chance for the development of sufficient tonnages of ore to justify a mining venture. No additional work is recommended for this property.

Respectfully submitted,

Joseph V. Tingley
Mining Geologist

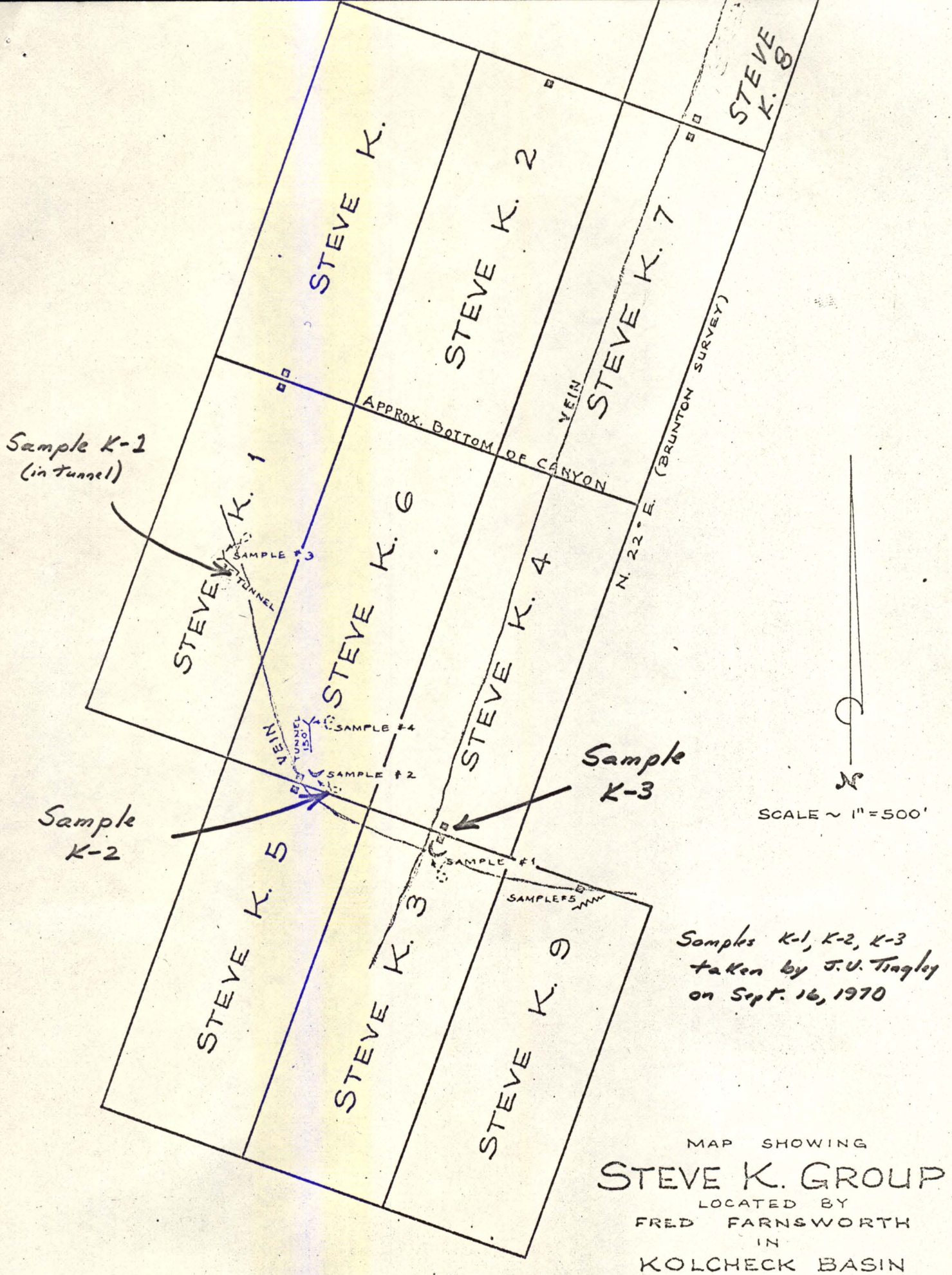
Appendix

SAMPLE DATA SHEET

Collector J.V. Tingley Area Kolcheck Mine Map Steve K Group Map Date Sept 16, 1970

Sample No.	TYPE	Location	Sample Enviroment	Sample Description	Geological notes & remarks	Analytical Results
K-1	R	Center Steve K #1	Mine tunnel	Fault Gouge	4' chip sample across N50°E fault structure, grey limestone on west, soft red shale on east.	(see attached sheet.)
					Red-brown, limonite & hematite along structure	
K-2	R	Southend Steve K #6	Outcrop	Quartzite	Iron-stained, silicified quartzite	
K-3	R	South end Steve K #4	Outcrop	Quartzite	Iron-stained, silicified quartzite immediately beneath shale contact; brecciated, minor copper stain	

	Au (oz)	Ag (oz)	Pb (%)	WO_3 (%)
K-1	0.02	3.60	2.15	0.04
K-2	Tr	0.30	—	0.03
K-3	0.02	3.20	—	0.37



Samples K-1, K-2, K-3
taken by J. U. Tingley
on Sept. 16, 1970

MAP SHOWING

STEVE K. GROUP

LOCATED BY
FRED FARNSWORTH
IN
KOLCHECK BASIN
T. 16 N., R. 65 E., UNSURVEYED

SAMPLE LOCATION MAP

AK

S. of 336

Item 5

3590 0005

LEX

REET

RAMBO

7800

7900

8000

8100

8200

8300

8400

CASH

CASH NO. 3

CASH NO. 2

BILL

EAGLE

TOM

CLARE

8700

8600

8500

SURFACE GEOLOGY AND CLAIMS, KOLCHEK

SCALE - 1"=200'