3760 0016

25 July 1955 (290) Item 16

TO: Mr. L. E. Damon, Vice President,
Nev-Tah Oil and Mining Co.

FROM: John H. Uhalde

SUBJECT: REPORT ON TOULON MILL AND TUNGSTEN PROPERTIES

The data for this reconnaisance were obtained from my personal observation of the Pumerton-Countiss Property, the Toulon Mill, the Nightengale Mine, the Clausen and the Bottomly Mines.

The Toulon Mill must be coordinated into the overall mining plan.

Nev-Tah will have the Stormy Day ore; the Pumerton-Countiss ore, the Nightengale ore and Nightengale tailings coming into the Toulon Mill.

Nev-Tah will move these ores from the various sites in accumulative tonnages.

The Stormy Day ore will be a continuous tons per day flow.

The Pumerton-Countiss ore will move on an accumulative schedule of 200 tons per day, on 15 day schedules.

The Nightengale ore will move on an accumulative schedule of 200 tons per day, on 15 day schedules.

The Nightengale tails should move at 400 tons per day.

Nev-Tah has direct control over the Stormy Day and Pumerton-Countiss ores and these ores can be co-mingled in the milling process.

The Nightengale ore and the Nightengale tails have to be milled on an exclusive schedule. Therefore, a millyard stock pile plan must be in force.

I feel Nev-Tah's plan of operation should include the direct mining of all ores at the various mines.

The mining equipment will consist of 2 each portable compressors, 315 cmf, 2 each wagon drills, 2 each Jackleg mounted machines, 1 or 2 HD 5, front-end loaders and one caterpillar HD 14 or D-8.

The first order of Mining should be a mill test run on the Pumerton and Countiss ore. This test will be on 1000 tons and consume one week's time. Should this test prove satisfactory, the mill will switch over to running Nightengale ore. The Nightengale ore will be run for 30 days. During this 30 day period, Nev-Tah will have accumulated some six thousand tons of Pumerton-Countiss ore and approximately 1500 to 1800 tons of Stormy Day ore.

The mill will process Stormy Day ore for twelve days. At the end of twelve days, the mill will switch over to the Pumerton-Countiss stock pile and process this one for 30 days.

At the end of this cycle of approximately 60 days, the new hydraulic sizer and spring adjusted regrind rolls should be functioning in the gravity plant and the flotation plant should be ready for millfeed.

With these changes, it appears very likely the gravity plant will regrind and process from 350-400 tons per day of Nightengale tails.

The Nightengale tails should be processed at this time, interrupted only by Stormy Day runs.

This period allows preparation of the Nightengale Mine for mining.

I noticed approximately 60 to 80 tons of 5-to-10% flotation concentrates behind the old acid bath.

In my opinion, for some immediate and fast income, this material should be picked up, put in box cars and shipped to Salt Lake Tungsten or put on trucks and shipped to U. S. Vanadium at Bishop. It is very possible to net $200.00 per ton on this material - in a very fast payoff.

I do not concur in mining these deposits by independent contractors:

1. Friction always occurs between the mine and mill. This mill is receiving feed from several mines. Consequently, you multiply the friction.

2. Each independent contractor demands a minimum of (x) number of tons per day - Nev-Tah has to blend and vary these tons.

3. Each independent contractor requires his pay on a 15-day basis - moneywise and bookkeeping wise; this is a small headache.

4. Each independent contractor's bid requires the going rentals for his equipment. If Nev-Tah is going to buy equipment on a rental basis, it should be for its own ownership - do not equip several independent contractors.

5. Even with voluminuous contracts, friction, over grade, benches to maintain, waste to move always occurs.

6. Supervision over independent contractors cannot always be positive.

7. Mining under independent contractors is not flexible and certainly under this milling arrangement, Nev-Tah needs flexibility in its mining plan.

I feel Nev-Tah's best arrangement for mining these properties is labor on the incentive basis, under the supervision and execution of Nev-Tah's mining department.

Approximate Costs:

The Pumerton-Countiss ore:

Per Ton:	To mine	$1.00
	To load	.40
	To haul	1.05
		$2.45 F.O.B. Mill

The Clausen and Bottomly ore:

Per Ton:	To mine	$1.00
	To strip & prepare	.35
	To load	.40
	To haul	1.45
		$3.20 F.O.B. Mill

The Nightengale Tails:

Based on a movement of 350 to 400 tons per/day

Per ton:	To haul	$1.87
	To load	.20
		$2.07 F.O.B. Mill

The Stormy Day ore:

Per Ton:	To mine	$4.60
	To haul	3.60
	To tram	.25
		$8.45 F.O.B. Mill

The Nightengale ore (pit

Per Ton:	to strip	$0.27
	to load	.77
	to mine	1.21
	to haul	2.72
		$4.97 F.O.B. Mill

The Nightengale ore (underground)

Per Ton:	to mine	$3.93
	to slush & tram	.73
	to load	.37
	to haul	2.72
	to develop	(1.60) "optional"
		$9.35 F.O.B. Mill

I estimate some 32,000 tons of 5 lb. ore on the Pumerton-Countiss Sheby claim.

This ore can be mined open pit (see cost figures). I figure the gross value at $15.00 per ton with a net after milling of $7.63 per ton. With the changes in the gravity plant, I feel the gravity mill will process 200 tons of this ore _ per 24 hours.

I estimate 9,000 tons of 6.3 lb.'s of ore on the Clausen Bottomly property to be mined by open cut methods.

I figure the net after milling this ore will be $6.80 per ton.

The other properties I have already submitted estimates on tonnages and dollars.

A Recap of the Nightengale Tails:

I estimate 15,000 tons of Nightengale tails in an economic position to move.

These tails should do well in the gravity plant, after the regrind changes. The tails appear to have about six pounds of WO_3 content. By regrind and proper classification, the Toulon Mill should handle 350-400 tons in 24 hrs.

The gravity mill should recover about 3#s or $9.45 per ton. The cost against these tails should be about $4.45, leaving a net of $5.00 per/ton.

John H. Uhalde,
Stormy Day Mine

EXHIBIT NO. 3

Clawson-Bottomly Property.

Location: - Seventeen miles west of Toulon, approximately ten miles north of highway 40. It consists of seven patented mining claims. This property is under lease on option from Messrs. Clawson and Bottomly by the Nev-Tah Oil and Mining Co.

History. - This property was originally worked for copper. The Cordero Mining Company did some preliminary development for tungsten in 1952 and shipped 754.16 tons with a mill recovery of 0.6% of 1% WO_3.

Geology: Granite-Limestone contact with disseminated scheelite occurring in garnetized tactite.

Ore Reserves:

	Tons	% WO_3	Gross Value
Positive	9,000	.32	19.25
Probable			
Possible			

Note: Additional reserve data is being compiled and that information will add and be supplemental to above tonnage.

Exploration and Development: -Open channel easterly and westerly some 80' long and 6' wide x 20' deep and open channel some 40' long x 12' wide x 20' deep running northerly and southerly. Sparse scheelite shown in 80' deep 35° incline shaft on westerly side of property. Several hundred cu. yds. surface stripping and road access built to property.

Economics:

Estimated:

To mine --------	$1.00 per ton.
To strip and prepare production tnnge --	.35 per ton.
To load ---------	.40
To haul ---------	1.45
	$3.20 per ton F.O.B. Mill

Gravity concentration and marketing	$ 3.00	
	$ 6.20	per ton - mining, hauling & milling.
Gross Value Per Ton	$19.25	

E. J. Mayhew
Consulting Geologist

July 30, 1955 (290)

Item 16

PEMBERTON-COUNTISS PROPERTY:

LOCATION: The Pemberton-Countiss property is located 3 miles from the railroad and 7 miles from the Toulon Mill, Humboldt County, Nevada. It consists of two lode claims originally located by Mr. Pemberton and Mr. Countiss of Lovelock, Nevada and is now held under lease with option to purchase from the foregoing mentioned individuals by the Nev-Tah Oil And Mining Co. of 430 Gazette Bldg., Reno, Nevada.

HISTORY: After proving up on the location work of the above claims, Pemberton-Countiss leased the property in 1952 to a California group, who did some development and road building. A mill's construction was commenced and the California group's finances ran out before production could be commenced.

GEOLOGY: Scheelite mineralization occurrences is in a contact metamorphic zone of variable width between granite, limestone and slate, with several granite "tongues" extending into the sedimentary works.

ORE RESERVES:

Ore in Place:

Classification:	Tons	Percent WO_3	Gross Value
Positive			
Probable	50,000	.25	$787,500
Possible			

Note: A 1,000 ton mill test will, upon favorable results, automatically move the above probable ore into the positive column.

EXPLORATION & DEVELOPMENT:

The ore zone is opened up for a length of 450' with an approximate width of 100' by a definitely known depth of 15' to 18' with the probability, according to road cuts of it being at least 30' in depth. This work was accomplished by surface channeling with tractor bulldozers and jackhammer work. Further surface development is contemplated by exposing the contact further along the depth and strike by earth-moving equipment. Approximately 40,000 dollars have been spent building roads and on the above-mentioned stripping. This work was done by previous operators.

ECONOMICS:

Estimated 32,000 tons of 5# WO_3 ore

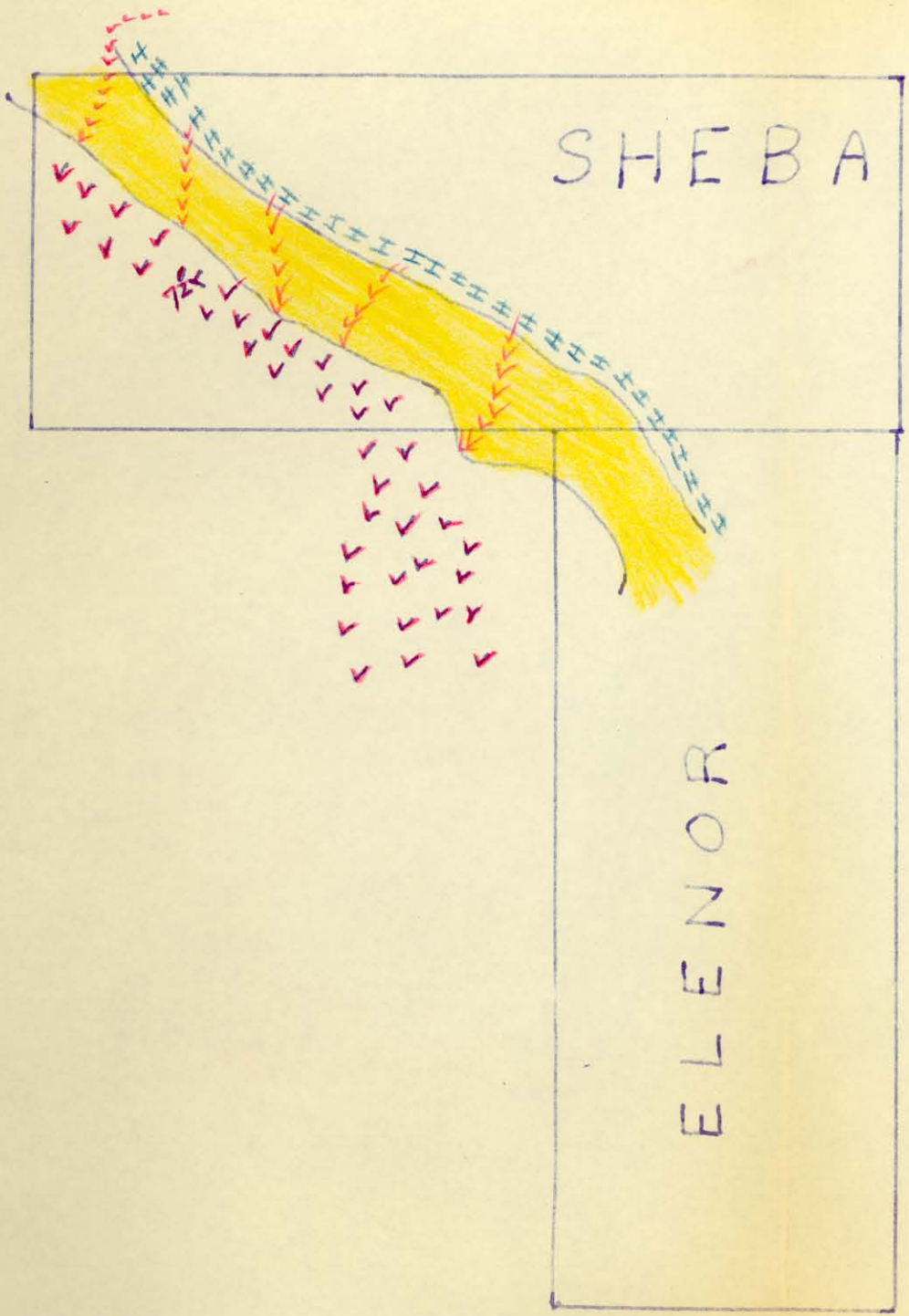
Per ton -	to mine	$1.00
	to load	.40
	to haul	$1.05
		$2.45 F.O.B. mill

Estimated milling marketing of gravity circuit treatment in Toulon Mill, direct cost 3.00 per ton

$5.45

Gross value of 5# WO_3 ore.....$15.75

E. J. Mayhew



GRANITE
LIME
ORE

PEMBERTON-COUNTISS

EXHIBIT NO. 3

Item 16
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N PEW JR
PRESIDENT

S. H. WILLISTON
VICE PRESIDENT

JOHN C. AGNEW
SECRETARY-TREASURER

CORDERO MINING COMPANY

703 MECHANICS' INSTITUTE BLDG.
57 POST STREET
SAN FRANCISCO 4, CALIFORNIA

June 6, 1952

Mrs. Ed. J. Bottomley, Lovelock, Nevada
Mr. J. H. Clawson, Lovelock, Nevada
Mr. R. S. Clawson, Fallon, Nevada

Dear Madam and Sir:

In accordance with our agreement of August 27, 1951 with you on the Copper King Mining Claims located in Copper Valley Mining District, we are submitting the following as settlement for all minerals produced and sold up to June 1, 1952. These concentrates were sold to the General Services Administration.

Tons of Ore			754.165
Net Dry Pounds			16916.3062
containing 72.65% WO_3 = 12289.6979 lbs. WO_3			
or 614.4849 units WO_3			
Penalties			None
Price	$63.00 per unit		$38,712.55
Minus Transportation -			
754.165 tons at $2.00		1,508.33	
3% Transportation Tax		45.25	
14½ hrs. Labor @ 2.50		36.25	1,589.83
			$37,122.72

5% of $37,122.72 = $1,856.14

Our check in the amount of $1,856.14 is being sent to the First National Bank of Lovelock to be credited to your account.

Very truly yours,

J. Eldon Gilbert
Manager

JEG:L
Enc.

cc - Mr. D. P. Jones
Mr. M. L. Webster
Mr. J. J. Boyle

CORDERO MINING COMPANY
57 POST STREET
SAN FRANCISCO 4, CALIF.

June 6, 1952

First National Bank of Lovelock
Lovelock, Nevada

Dear Sirs:

In accordance with our agreement of August 27, 1951, we enclose our check in the amount of $1,830.14 to cover the sale of concentrates from the mining property of Mrs. Ed. J. Bottomley, Mr. J. H. Clawson and Mr. H. S. Clawson.

Will you kindly arrange to credit their accounts.

Very truly yours,

J. Eldon Gilbert
Manager

JEG:l

Enc.

cc - Mrs. Ed. J. Bottomley, Lovelock, Nevada
Mr. J. H. Clawson, Lovelock, Nevada
Mr. H. S. Clawson, Fallon, Nevada
Mr. D. P. Jones, Philadelphia
Mr. N. L. Webster, Philadelphia
Mr. J. J. Boyle, Philadelphia

CORDERO MINING COMPANY
SAN FRANCISCO, CALIFORNIA

5/20/52

SOLD TO: GENERAL SERVICES ADMINISTRATION
SAN FRANCISCO

One lot tungsten (Type D Natural Scheelite) per weight certificate and assay report attached.

		WEIGHT
Gross Weight		18959.5 lbs.
Tare Weight		2041.5 "
Net Weight		16918. "
Moisture	0.01	1.6918 lbs.
Net dry pounds		16916.3082
	or	8.4582 S.T.

ANALYSIS

Tungsten Trioxide (WO_3)		72.65 %
Tin	Sn	None
Copper	Cu	0.03 %
Arsenic	As	Trace
Antimony	Sb	None
Bismuth	Bi	0.03 %
Molybdenum	Mo	0.75 "
Phosphorus	P	0.005 "
Sulphur	S	0.006 "
Manganese	Mn	0.11 "
Lead	Pb	0.02 "
Zinc	Zn	None

Net dry pounds 16916.3082 containing 72.65% WO_3 =
12289.6979 lbs. WO_3 or 614.4849 S.T.U. WO_3

BASIC PRICE: (60% WO_3) $63.00

PENALTIES: NONE

614.4849 S.T.U.'s X $63.00 = $38,712.55

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