STUDY OF REPORTS ON THE OHIO MINE

E.J. SCHRADE'S REPORTS (letters Dec, 1924)

These reports are in the form of letters to H.C. Carlisle. They in no way follow the form suggested in Hoover's "Economics of Mining".

He gives a list of results of samples taken, from which he has computed the average value of the dumps. These give a total of $117,138 for 8400 tons, at the present value of gold and silver or an average of $13.95 per ton. The method he used in sampling the dumps, he admits was very poor.

Hoover says, "A poor sample is worse than no sample at all." It would seem, then, that a great deal of unnecessary work was performed. However a rough sampling of the dumps was intended to determine if a more reliable method should be used, in this then it has served its purpose.

FROM NOTES ON OTHER REPORTS? BY J.A. CARPENTER

A report by Donald Ferguson (not a mining engineer) has been exaggerated both in the extend and the value of the ore body.

A letter by Lester F. Scott Jr. (10-13-28) shows but small value to mine, believes Ferguson's report greatly exaggerated, but a "good promotion" mine. From his average values from samples he has shown that the dumps contain $24,273 for 170 tons or $11.18 per ton. (He had not given proportion of gold to silver or the values of silver when his computations were made.

REPORT BY J.A. CARPENTER

This is an excellent report, desidely serving its purpose. The report has followed Hoover's suggested form in general but has not adhered strictly to it. This report was written for the purpose of checking on other reports already on hand, and adding facts overlooked in the other reports. To serve this purpose the "suggested form" would have been of less value had it been strictly adhered to.

CONCLUSIONS

From these reports it can be concluded that this would be a risky mining investment. From the values on the dump it seems to me that two or three leasers could work them at a good profit by leaching, say ten tons per day, provided enough water can be secured from the creek, and the royalties are reasonable. (Perhaps doing development work instead of paying royalties.)
Ferguson Coal claim. 8,800 east, 146 north cut.

Exhibit B - Sale to Ferguson. A, Nors. an under 311

May 17/10 - 10,500 has been paid
5,876 to be paid by May 20/11

except

8,750 as soon as a project can be made.

Ferguson gave Nors option to sell

Esperance co. Nors 1911-1921 - 3,372 sq. acres

"Gold Lateral 200' Ag at 500'

Ferguson Report. No date or place. No E.W.

April 09 - Town & National excitement

4/16/1910 Milwaukee, Wis

Eagle Creek. water only from part of yr.

harm springs in upper end. Badger Draw. 3,000

View. Can be crossed for over 2,000 ft. with Ohio. Scala. in.

Slants 12' NW - 45' to East. Width 2' at surface

12-16' in 200' Level

At center where Ohio. Scala join. one was found by
the original owners. a few feet below surface. A large open cut
showed some thousand tons. a no extraction. A great part of
this 100' below surface. one adhered Mass. 200,000 in value
down that owners. 900 tons. gold one. valued Mass. 200,000 in value
in crude state. 100s. up hill 400' in crude state. gold
in wagons. Average 200'. Max 500'. I expect t obtain another
sheer like this.

Estates h.c. geology. very well. solid vein. later cleaner.
depth. less contact pressure. While gray. gangue. carnegie.
Hematite ore. 9% Au. and a little manganese.
Some places. Rusty brown. while gray. Carrying Ag 70%. Au 30%
Some places. Rusty brown. while gray. Carrying Ag 70%. Au 30%
Values. Ag5% with some bromides and chlorides. Otherwise little for Ag.
Sulphides conc. ore. conc. 8 to 1. (with ext. to?)

Nevada. Open cut. from here a shallow tunnel. 200' north and a F.W.
Breach or split. and an incline shaft run on main vein. Sloping.
from here a depth of 50' to 90' below surface. Several thousand tons
from this tunnel. mined hard rock adits for shippers.

At 50' below the 1st tunnel. a level driven 100' north on vein. In trap rock.
1250' South. Good Valued. index.

A large quantity 6,000 Ton take a 2 good婚姻 now at one Cooked
about the interior.
At 2nd level. 150 5' 3" incline shaft from 1st incline course was sunk in the vein for 100 ft. and an intermediate level driven N 35° E. Shoveling continued 1:1 for over 250 ft. at this pt. the vein will average 10" in width.

From this level a crooked incline, incline course, was sunk for 500 ft. in depth. Another level extended W 75° for an all 250 ft. All this work in one will entail 12x

From this level a flat incline was continued down ward on vein another 400 ft. and a level run south 100 ft.

The vein here is 14 ft. in width.

Value 30 per. A21. Develop another. From curve down 100 ft.

76 average samples. From above. average 3" in line. 8" in Ag.

90' average samples. From above. average 3" in line. 8" in Ag.

73' level down. Then 200' deep 250' in length. 13' + 25-25' 60' section. 600,000 Tons. 13 x 34' 95' cons. add 25-160' beam faces. 60,000 tons

Call 1.500,000. at 1100. Allow 50' in mill. 111 ft. 250,000. 50' 111 ft. 500,000. on chutes. 12' 11 wires. 5' 2.36

all atorn 250 ft. level. another tunnel 250' lower. 3 lines 16X16.

2nd Valley Min. 10-12' wide. Several holes, cuts.

Deserve. Old Tunnel. New has now descended more down. to 150' level. West of 250 inclination on dip.

Another tunnel on other. Down south for 325 ft. here at forks. One branch. North eastly for 125 to eastern card, other west 75° north 200 ft. 11 east here. K"

It was then ascended that there was more in footwall and under the vein. A range 26 ft. was made, connected with a level at 150' in depth. Here vein 12" wide. Some ore from upper-steps dropped thru this chute. Conducted suggests 2X3 more space.

Letter 4 from D. H. Steel for power. Would 20 miles north of Ohio. Producing 350,000 or month. Have

11/11/10

12/14/12 Robert 3. 5. Curry. Iron wood with 2 houses. 1. 3. E. 9000.

Sound full examination with Mr. F. his report so far good. Checked his samples. Samples. 1-5' jack. 6. 7. Jacked. 1-5' fan samples. 2X2 mill rolls. 40 ton mill. No ventilation as far as proposed.
Assays for Ferguson
59-0dd 1 Bella Kadosh Co. Ltd. 1-21 175' Level
23 85 Intermediate
37-54 Surface
Average 39 Au 84 Ag 12 Hg

Even. A. Kargholin Goldfield
775
2-22 175' Depth
24-67 Surface
Average 30 94V 12 06
Blocked on 5000 13 29

Specials. No assay. 1-9
1-12
Total
1-15

No 61. North Dump 2500 ton 250 Au 84 Ag 11 10
62. Middle 3000 3 11 15 100
63. South 3000 2 2 6 13 13
64. Broken-in Mine 3 8 10 12 04

Total 7500 ton
Report of Donald Ferguson
Goldfield
Mark Blommer Bros.

Ohio. 54.5 mi. due north of Winamac. 8 mi. Eagle Creek. 1.5 mi east from its mouth. 1 mi from edge of Smokey River Valley. Western slope of Collinwood Range. Hendricks Co.

Location: Ohio lands. 1500' x 600'. 27/7/79. J. X. Snapp
scored "
Valley lands. 27/7/79. 1 P., 0 X. Snapp
scored."

3/26/79. Signed Joseph C. Torley, the Ballmen for 30,000.


11/27/00. Location. (A.)—Noisy.

1/27/06. Vandalia 22. T. F. Melody, J. P. Snapp


May 2/10. Snapp & Ferguson.

5/24/11. Ferguson to Charles W. Norris (son of Wells.

5/24/11. 3 patents. 4 mi. north.

Book 53. 4. A. P. 533. 6. Charles Norris


1/27/06. Vandalia 17 9/12.


Underside - Samples from various places.

Average 3/4" width - 3' Au 2.3 oz Ag.

Situated grade ore on h. W. 10" + below a hard white quartz, toward, shales. When masses left on slope, relatively plains, runs even.

Unsorted "run & mine" at on dump. 1% Au 2.5 oz Ag.

Ground hand & well. No. water & pump no hazards.

193. Viv. slope. Santa Rosa Range. 2 m from Shelter. 0.

Willow Creek Sta.

Rounded hills. Slate & clay schist - cut off slaty fissures vein dipping rather flat, lacking.

Work 40 yrs ago.

Upper work. Shallower adit. with 2 short XCs. 1 surfacce.

Wings & second level. Then another crossed during 3rd level. Total depth on vein 300'.

Vein has faulted Normally along strikes. At least line - 300' no short at least - maybe were there.

Average width 1 qly. 5' X.

At 300' X. - when cut, to a XC 11 = 26'. wide.

Finally, 50% in channel about 300' in slipped.

At 150' above adit - bottom adit planted in vein. X.

At 600' - 1000' on dip. Alumni croppings as upper workings.

Vein faulted almost at entrance. Tunnel in W. for 300' 400'; then X C. east to vein. Caved here now.

But raised from tunnel with vent on faces.
Ohio. Co.

To Mr. X ren. No work on it.
Croppings look barren, no does the float.
"array. Speared along mtake barren portions.
Ememal bafum. Count couleps.
Above one shoot. No large masses 1 q.".

40 Samples.

Worhins are crooked. Would like 2-3 days to
make a Brumton survey.
C. may have complete maps. Old survey plus.

Hard edible q. Shows some galena. Ag sulphide.
But most of values printable in q.
Considerable qub. In sulphie but probably, low grade.
No doubt but large portions flat shoot are culdusk.
See no reason to say much as follow.
30 lb shows one in bottom 1 no indication
of plopens below.

Assays: Aq. in gold. to 11.20
202 Aq. to 19.82 for Ag sulphide.

7 oz. 15 oz. 25 oz. 30 oz. 40 oz. Aq

Aq. in Aq.

50% gold. 26 oz. Aq
400 . . . 246 . .
61 oz. . . 15.6
6 oz. 13
1 oz. 14
3 oz. 9
1 oz. 9 oz
4 oz. 9 oz
<table>
<thead>
<tr>
<th>Sample</th>
<th>Cut</th>
<th>Description</th>
<th>V. Ounces</th>
<th>Gold Ounces</th>
<th>Silver Ounces</th>
<th>Value</th>
<th>Level</th>
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<tbody>
<tr>
<td>No 1</td>
<td>48&quot;</td>
<td>Full width of vein, raise</td>
<td>0.06</td>
<td>1.20</td>
<td>2.52</td>
<td>2nd</td>
<td></td>
</tr>
<tr>
<td>2</td>
<td>42&quot;</td>
<td>``</td>
<td>0.3</td>
<td>1.20</td>
<td>1.81</td>
<td>2nd</td>
<td></td>
</tr>
<tr>
<td>3</td>
<td>46&quot;</td>
<td>``</td>
<td>0.2</td>
<td>1.20</td>
<td>1.99</td>
<td>2nd</td>
<td></td>
</tr>
<tr>
<td>4</td>
<td>72&quot;</td>
<td>Full width - roof of drift</td>
<td>8.30</td>
<td>14.46</td>
<td>1.04</td>
<td></td>
<td></td>
</tr>
<tr>
<td>5</td>
<td>3o&quot;</td>
<td>Next to hanging wall, slope</td>
<td>2.9</td>
<td>2.30</td>
<td>11.64</td>
<td>1st</td>
<td></td>
</tr>
<tr>
<td>6</td>
<td>66&quot;</td>
<td>Full width, flat minute</td>
<td>1.2</td>
<td>22.00</td>
<td>18.39</td>
<td>2nd</td>
<td></td>
</tr>
<tr>
<td>7</td>
<td>72&quot;</td>
<td>``</td>
<td>0.6</td>
<td>0.60</td>
<td>2.49</td>
<td>3rd</td>
<td></td>
</tr>
<tr>
<td>8</td>
<td>38&quot;</td>
<td>Next to hanging wall, raise</td>
<td>0.3</td>
<td>7.60</td>
<td>3.86</td>
<td>3rd</td>
<td></td>
</tr>
<tr>
<td>9</td>
<td>60&quot;</td>
<td>Side of drift</td>
<td>0.1</td>
<td>0.80</td>
<td>0.87</td>
<td>3rd</td>
<td></td>
</tr>
<tr>
<td>10</td>
<td></td>
<td>Two samples of igneous intrusive, both, Trace</td>
<td>Trace</td>
<td>Trace</td>
<td>Trace</td>
<td>Trace</td>
<td></td>
</tr>
<tr>
<td>11</td>
<td>60&quot;</td>
<td>Face in prospect shaft</td>
<td>0.9</td>
<td>19.20</td>
<td>15.53</td>
<td>Surface</td>
<td></td>
</tr>
<tr>
<td>12</td>
<td>72&quot;</td>
<td>``</td>
<td>0.9</td>
<td>6.20</td>
<td>7.16</td>
<td>Surface</td>
<td></td>
</tr>
<tr>
<td>13</td>
<td>72&quot;</td>
<td>Side of drift</td>
<td>0.7</td>
<td>10.60</td>
<td>9.29</td>
<td>Surface</td>
<td></td>
</tr>
<tr>
<td>14</td>
<td></td>
<td>Picketed, Iron oxide, copper stained ore</td>
<td>0.4</td>
<td>44.60</td>
<td>30.16</td>
<td>Surface</td>
<td></td>
</tr>
<tr>
<td>15</td>
<td></td>
<td>Outcrop, Pride of Valley Vein</td>
<td>0.1</td>
<td>0.30</td>
<td>0.55</td>
<td></td>
<td></td>
</tr>
<tr>
<td>16</td>
<td>96&quot;</td>
<td>``</td>
<td>0.1</td>
<td>0.90</td>
<td>0.93</td>
<td></td>
<td></td>
</tr>
<tr>
<td>17</td>
<td>36&quot;</td>
<td>Surface Cut - Ajax Claim</td>
<td>0.1</td>
<td>0.80</td>
<td>0.87</td>
<td></td>
<td></td>
</tr>
<tr>
<td>18</td>
<td>45&quot;</td>
<td>Slope face - below 1st level</td>
<td>0.1</td>
<td>2.20</td>
<td>1.77</td>
<td></td>
<td></td>
</tr>
<tr>
<td>19</td>
<td>48&quot;</td>
<td>``</td>
<td>0.2</td>
<td>1.80</td>
<td>1.87</td>
<td></td>
<td></td>
</tr>
<tr>
<td>20</td>
<td>48&quot;</td>
<td>``</td>
<td>0.4</td>
<td>2.60</td>
<td>3.08</td>
<td></td>
<td></td>
</tr>
<tr>
<td>21</td>
<td>60&quot;</td>
<td>Raise, South end, 2nd</td>
<td>1.2</td>
<td>12.30</td>
<td>12.26</td>
<td></td>
<td></td>
</tr>
<tr>
<td>22</td>
<td>42&quot;</td>
<td>Drift face between 2nd, 3rd level</td>
<td>0.1</td>
<td>2.00</td>
<td>1.64</td>
<td></td>
<td></td>
</tr>
<tr>
<td>23</td>
<td>72&quot;</td>
<td>``</td>
<td>0.8</td>
<td>6.50</td>
<td>7.00</td>
<td></td>
<td></td>
</tr>
<tr>
<td>24</td>
<td>48&quot;</td>
<td>Copper stained quartz, 3rd level</td>
<td>0.6</td>
<td>30.10</td>
<td>35.51</td>
<td></td>
<td></td>
</tr>
<tr>
<td>25</td>
<td>36&quot;</td>
<td>Surface Cut above lower tunnel</td>
<td>0.1</td>
<td>16.60</td>
<td>11.06</td>
<td></td>
<td></td>
</tr>
<tr>
<td>26</td>
<td></td>
<td>Two grabs, surface showings, both, Trace</td>
<td>Trace</td>
<td>Trace</td>
<td>Trace</td>
<td>Trace</td>
<td></td>
</tr>
</tbody>
</table>
Report on Richardson File.

Charles Yetter
10/3/40

Letter to E. L.R. March 6, 1940, from J. A. C.

Knowing Mr. Johnson personally I can readily agree with the statement that he is a very fluent talker but not very exact in his statements. His intentions are good, and there is no doubt of his sincerity, but his hopes and ambitions are too often transmitted into actuality by his subconscious mind.

I am very surprised that the lease was not submitted to Mr. Carpenter for perusal, in view of the complete confidence that they have in him. It appears that the Lessor was a bit anxious to get the lease signed without any clauses that would frighten the Lessee away.

The suggestion of no financial assistance due to possible partnership liabilities is rare good judgement.

Extracts from Nevada newspapers concerning Ohio mine.

As the Nevada papers are prone to print any mining news without previous investigation, these extracts are exactly as Mr. Johnson wished them to appear in print. They would bear careful investigation.

Letter from Mr. J. A. C. to Mr. E. L. R. March 11, 1940

Recommendation that Mr. Johnson be accountable to a local agent of Mr. E. L. R. should have been incorporated in the lease and bond. In lieu of this, some arrangements to keep a more careful check of fulfillment of terms of lease are in order.

Letter from Mr. J. A. C. to Mr. E. L. R. March 18, 1940.

This letter proves most conclusively that the desire to be helpful to a friend is too often conducive to embarrassment to the helpful one.

Letter from Mr. J. A. C. to Mr. E. L. R. March 22, 1940.

In phone conversation to Mr. Carpenter, Mr. Johnson states that he has
shipped 1,250 tons of ore to the smelter, from which the royalty would be $576.00. This would amount to about $4.40 per ton return from the smelter. This does not seem to agree with the optimistic report of $25.00 ore being shipped to the smelter. Shipping and treatment would not cut the net returns down that low. Non-payment of pay-rolls is further proof that a small black boy lurks in the muck pile.

Mr. Johnson's story of the rich ore in back of a caved area is evidently some more of the ore that Mrs. Love, Mr. Johnson's favorite clairvoyant "Geologist", has seen in her deck of fortune playing cards.

Possibility of leasing the now opened property to a more responsible lessee is a good point.

Deduction of auto truck haul, when paid by the smelter, is included in smelter costs to derive the net return. One must admit that when a lease and bond is drawn up without the perusal of an experienced Mining Engineer, there are apt to be just such loop-holes that a conniving person will take advantage of. Strictly speaking, Mr. Johnson is cutting the legal limits quite closely.

Report of Mr. J. A. C. to Mr. E. L. R. on Ohio Mine.

When experienced business men can be so gullible as to invest their money in an option, on a promoters recommendation only, and find the venture a failure, and then turn around and take on an option on another property, with the same promoters recommendation, without an experienced mining engineer's report, one begins to have more respect for Mr. Barnum. At least these men paid $5,000.00 at the time the lease was signed, which is more than Mr. Johnson was willing to do. Of course this deal could not have been consummated with Mr. Norris in the first place. The smelter returns, that is, the first smelter returns of Mr. Johnson was probably the bait held out to Messrs. Dent and Gould.

According to the terms that Mr. Johnson made with Dent and Gould, he placed a higher valuation on his lease than the owners themselves. This
again brings up the idea that Mr. Norris would have been wiser to have had his own Engineer, one familiar with the property and Mr. Johnson, either draw up the lease or revise it as necessary, before presentation to Mr. Johnson for signing.

Re. statement that "If Dent and Gould fail to maintain their lease terms and you (Mr. Richardson) cancel the lease on them, then Mr. Johnson will sue them for damages." Why do "smart" men lay themselves open to such distress? Failure of Mr. Johnson to do any development work to look for new ore is proof that he was hoping for a quick clean-up on the ore in sight and a possible quick turn-over to another buyer. This failure should be ample reason for cancelling the lease on the original Lessee. But, it begins to seem evident that the owners are realizing their first returns from this property for many years, and are therefore loath to be hasty as long as there is any possibility of financial return of any nature.

Letter from Mr. J.C.A. C. to Mr. E. L.R. July 25, 1940.

In this letter, as in practically all of the previous correspondence, there runs the thread of competent development work should be done in the Ohio mine. Doesn't this recommendation make an impression on anyone? Certainly someone connected with the owners should realize by now that there is sound logic in this statement.

Letter from Mr. J. A. C. to Mr. E. L. R. July 30, 1940

In this letter Mr. Johnson is stated as having included $25.00 as royalty from the ore shipped to the Jungo Extension mill, in the final royalty check of $862.12. One wonders if this shipment to the Jungo mill would have been mentioned, by Mr. Johnson, if it had not been brought to light by unbiased investigation?

Letter from Mr. J. A. C. to Mr. E. L. R. August 15, 1940

Mention is made in this letter of Mr. Eskridge's examination of Ohio mine, his study of lower levels for possible development of ore should be quite instructive.
From looking over the correspondence in this file, it strikes me that the law firm that drew up the Johnson Lease and Bond had not had very much experience in drawing up Mining Leases. This one is so full of loopholes and so vague in so many phases that a lessee could do almost anything that he wished to and get away with it legally. The lack of penalties for non-conformance to the lease provisions is certainly surprising.
Report on Johnson File

Charles Yetter
10/10/40

From copies of the Nevada Industrial Commission, in regards to Industrial insurance on Mr. Johnson's employees at the Ohio Mines, it is noted that several employees were not included in the report to the State Commission. These names were included in, in pencil later. Possibly to bring up the number of man-hours to the level specified in the Lease. Unless Mr. Johnson had a written agreement from these men stating that they did not want to come under the state Industrial insurance, he was certainly laying himself open to severe civil action, possibly criminal also, had any of these men been injured.

Along this same line, the lease does not state whether the man-hours of work are cumulative or not. Mr. Johnson seems to think that they are, but perusal of the lease would seem to indicate that they were to be 100 man-hours per month.

Ore shipments from the Ohio Mine during 1939

Beginning with the first shipments of $27.00 gross to the last of $4.70 gross, the shipments have steadily dwindled to the low figure indicated. This would certainly lead one to believe that some very careful sorting had been done on the old dumps. Evidently the pickings were getting leaner.

Letter from Mr. H. A. J. to Mr. E. L. R. Feb. 19, 1940

In this letter Mr. Johnson mentioned that he had done considerable work in getting the old drifts cleaned and stilled up. This seems rather strange when one remembers that in Mr. Carpenter's report he mentioned the fact that the drift were standing in perfect condition, without the use of much timber, since the early miners opened them.

This letter also makes a statement in regards to money being sent from Mr. Horace Dodge. Knowing Mr. Johnson and also knowing that he had made unsuccessful overtures to Mr. Dodge before, cannot reconcile me to Mr.
Dodge's callousness in going off to Europe without sending money to Mr. Johnson.

This same letter expresses his woes in regard to his men taking action when he missed the first payroll in four years. Just how were these men to know that this was the first payroll missed in this time. They had given their labor and were entitled to their pay. Had he been in their shoes, he would have done the same thing.

Letter from Mr. H. A. J. to Mr. E. L. R. Feb. 27, 1940

Here we note that Mr. Johnson ran into some of the $250 to $1,500 ore of the old-timers, without getting excited. How much was there of it? Even a carload would be enough to work up a slight amount of excitement.

In this letter we see that Mr. Johnson states that he has sunk $30,000 of his money into this mine. A later letter will have more to say about this. This letter also invites Mr. Richardson and Mr. Norris to invest in the operation of the mine. It is my opinion that this paragraph is one of the smoothest and cleverest that I have seen Mr. Johnson write yet. It also looks like a build-up to possible disposal of the lease to another party. Mr. Johnson can always state that he gave the Lessors the first opportunity.

Letter from Mr. H. A. J. to Mr. E. L. R. May 6, 1940

Mr. Johnson sends $825.12 as royalty from cars 1 to 32, making no statement in regards to the money received from the Jumbe Extension Mill for the ore run thru it.

He also admits now that he had real trouble on his hands getting shipping, or even milling ore. This is a bit different from former letters and articles in the newspapers.

He also states that he has spent about $18,000 on the property. The letter of Feb. 27, 1940 says $30,000 ???.

The bit of sugar at the end of the letter about the unlocated fraction is very nicely done. As the old showman said, "Always leave them happy when you say good-bye".
Letter from Mr. H. A. J. to Mr. J. A. C.  July 2, 1940

Mr. Johnson says in this letter that the people at the Cain Springs mill were using amalgamation and flotation. According to the smelter assays, the highest gold content in any shipment was $5.73 and this fell down in the final cars to $.80 and $1.27. With gold ore of this value, amalgamation does not seem to be indicated. By flotation, practically all of the gold would have been recovered before all of the silver was out of the ore. In later reports it is indicated that the mill had a certain number of sacks of concentrate, but no mention is made of any amalgam or pure gold.

Mr. Johnson says that the heads of all the cars that he shipped to the smelter averaged about $13.00. If he would carefully total these shipments up he would find that the heads of all these cars averaged $10.90.
Letter to Mr. J. A. C. from Mr. E.L.R. March 8, 1940

This letter reveals once again the folly of getting mixed up with a business deal in which one is not cognizant of the technicalities off. Mr. Richardson would certainly not amputate his own leg. Why then blindly turn over a lease to a lessee without making sure that the lessor was adequately protected. Of course any reflections on Mr. Richardson's ability to execute an adequate lease, previous to his own admittance of hind-sight, would have been deeply resented.

Letter from Mr. E. L.R. to Mr. J. A. C. July 24, 1940

Mr. Richardson states that he is certainly getting a liberal education in the method business is conducted and obligations discharged in the mining world. This castigation of the mining fraternity is a bit unfair, inasmuch as the indefitiveness and looseness of the lease does not make for very much definite action. Practically everything is left to the disgression of the lessee.

Letter from Mr. E. L. R. to Alabama Nevada Gold Co. July 29, 1940.

In notifying this company that they had cancelled Mr. Johnson's lease but were undecided as yet as to what to do about the sub-lessee, seems rather strange. If the original lease is cancelled, doesn't this automatically cancel any subsequent deals made under this same lease?

Letter to Alabama Nevada Gold Corp. from Mr. E. L. R. July 29, 1940

This letter states that the lease to Mr. Johnson has been cancelled, but that they would be glad to execute a new lease with the above company. It certainly would seem to have been a better idea to have drawn up a new lease in the above company's name, said lease having the approval of Mr. Carpenter, and included this new lease along with the letter notifying of cancellation of the original lease to Mr. Johnson. Then if the Alabama Nevada Gold Co. wanted to continue the leasing of the property they could have signed the
new lease, continuing on in business without any possibility of shut-down or legal complications during the execution of a new lease.

Letter from Mr. J. A. C. to Mr. E. L. R. October 4, 1940
Suggestion by Mr. Carpenter that the equipment of Mr. Johnson's be acquired in some inexpensive manner, for the future promulgation of the Ohio property, is good common sense. With this equipment, several miners satisfied with wages only might do enough good development and recovery work, in the manner of Mr. George Austin in the Jungo district, to warrant more than their wages.

Letter from Mr. E. L. R. to Mr. J. A. C. October 8, 1940
In this letter no mention is made about the return of Mr. Johnson's equipment as mentioned by Mr. Carpenter. Not knowing what to do about the matter for the time being, Mr. Richardson possibly thinks that it is best to keep silent.

This same letter gives a resume of the accounts received and those paid out in connection with the Ohio mine. Receipts are $1,321.16 while disbursements are $175.76. In spite of all the complications and voluminous correspondence, the Lessors have not fared too badly. With a profit of $1,145.40 from the transaction it is no wonder that they were loath to take any hasty action in cancelling their lease. One must admit though that Messrs. Dent and Gould were the angels to every one concerned in this deal.

Copy of U. S. Smelting & Refining Co. July 2, 1940
In this report I notice that the net weight of amalgam sponge is 15.71 troy ounces. The smelter has paid for 0.977 troy oz. of Au and 14.24 troy oz. of Ag. This totals 15.217 troy oz. If the difference, or .5 troy oz. should be Au several dollars are missing!!
Report on Eskridge File.

Charles Yetter
10/12/40

Letter from Mr. R. S. E. to Mr. J. A. C. Sept. 4, 1940

Mr. Eskridge mentions a very interesting piece of rock that may explain why certain barren looking rock is really high grade. It would be most interesting to see this particular specimen, if it does solve anything the old stope fills may have unsuspected values in them.

Letter from Mr. R. S. E. to Mr. J. A. C. August 13, 1940

This letter, and several others, have made allusions to considerable high grade ore in a caved section, or in back of a caved section, of the old workings. What justifies this idea? Merely the statement of Mr. Johnson that he went into some stopes that were too dangerous for anyone else to go into? If Mr. Johnson had really found this reported high grade, the old maps show that he would not have had to have driven very far to get to this supposed high grade.

In all of Mr. Eskridge's correspondence I am considerably impressed with his accuracy of detail and completeness of reports. All of his efforts seem to be in the direction of adhering to the terms of the contract to the greatest detail.

Many of the points in the Eskridge file are the same as those enumerated before, and should not be enumerated here again.
4/26/42.

Mr. Daniel Hodges,
Milwaukee, Wis.

Dear Sir,

Following are my suggestions of improvements of various claims of the lease and bond between yourself and Mr. John Johnson of Reno, Nev., on the matter of the Child mine in Humboldt County, Nevada.

1. In the first paragraph, no statement is made of any regular payments or rate of paying off amount of indebtedness other than a final payment due at the end of the lease.

2. The recommended development in previous engineers reports has been ignored and instead development on the 3rd level has been initiated.

3. I recommend that in addition, the development should progress at a rate in proportion to the rate of extraction.

4. Placement of posted and liability notice and mode of displaying said non-liability notice should be stipulated.

I believe that if the above changes are made in the lease and bond, your and your capital investment in Nevada will be increased much more than in the lease and bond as it is at present made and is interpreted.

Yours very truly,

[Signature]
H.G. Kiger, Jr.
H. ALEX JOHNSON  
AND AFFILIATED MINING PROPERTIES  
RENO, NEVADA.

June 27, 1939

Mr. E. L. Richardson,  
927 Wells Building,  
Milwaukee, Wis.

Dear Sir:

As per our telephone conversation Professor Carpenter  
told us of your property and as I have just closed down  
the Silver Queen at Jungo and have my equipment all ready  
to move, he thought that your property would be suitable  
for a small operation.

The uncertainty of the silver situation gives us only  
assurity of maintaining the present price for two years,  
a large operation is therefore out of the question and  
I am interested in your property through the professor's  
statement that there is a possibility of opening some ore  
on the third level.

As you know, the value of your property can only be based  
on the visual amount of ore there, and you know this possi-  
ably better than I do. And on this basis I will make you  
the following firm offer subject to our sampling.

A total purchase price of $25,000 payable by royalty of  
10% of the net smelter or mint returns, which of course,  
gives you the edge as I am giving you 10% of my production  
cost. I will do a minimum of one hundred shifts of work  
per month and carry the usual compensation on all employees  
and keep the property posted as a non-liability on your  
part. Payments to be completed within four years from the  
date of the contract.

I am sending a copy of this letter and proposal to Pro-  
fessor Carpenter, who is in Washington, and who will proba-  
bly write you his comments or approval.

As my equipment and organization are awaiting orders to move  
your prompt attention will be appreciated.

Yours very truly,

H. Alex Johnson

EM/HAI

[Signature]
In Santa Rosa Range on Horse Creek.

Horse Creek
Small amount of water

west of Rose Mt.
Northern Claim + Liberty Loan 7/6/20

County records show that the northern was located May 12th, 1919, 300 ft. northly and 1,200 ft. southerly, 600 x 1500.

3 miles from Rock Creek Ranch, calls it New Goldfield Mining Dist. Locators B, A. Goldsworthy + W. J. Critchfield.

Liberty Loan or Liberty Bond claim is recorded as Liberty Bond, while notice on claim reads Liberty Loan. Date of location does not agree on the ground it is given as May 4th, 1918.

Record shows Liberty Bond to be in New Goldfield Mining Dist. 600 x 1500. Length of tord line each way from the 'net omitted. Located May 5th, 1918. Locators W. J. Critchfield + Sami Arindon.

S. H. Crittenden transfers 1/2 interest in Liberty Loan to Critchfield on July 18, 1918. No acknowledgment to Quit Claim deed.

Reader says exemption filed for 1919 but did not look it up.
Northern Claim

#153
Au tr
Ag 0.3v

#154
Au tr
Ag 0.10

#155
Au tr
Ag 13.3
Pb 1.5%

6 ft quartz to end of 2nd X C west

2.2 ft in drift south from 2nd X C

Test of white quartz containing pyrites & a dark metal. Possibly

There may be quartz beyond the end of the crosscuts as layers of shale alter-

mate with the quartz.
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</tr>
<tr>
<td>Cu t</td>
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</tr>
<tr>
<td>Cu t</td>
<td></td>
<td></td>
<td>contains about 1 ft of soft blue + 1 ft of soft white</td>
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<tr>
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<tr>
<td>Cu t</td>
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<tr>
<td>Ag</td>
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<td></td>
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</tr>
<tr>
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<tr>
<td>Cu t</td>
<td></td>
<td></td>
<td>across back main tunnel</td>
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<tr>
<td>Ag</td>
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<td></td>
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</tr>
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</tr>
<tr>
<td>Cu t</td>
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<tr>
<td>Ag</td>
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Liberty Loan

Liberty Loan claim located May 4th, 1918
by S. H. Canty and W. J. Critchfield.
About 4 miles south of Rebel Creek.
500 ft. northerly by 1000 ft. southerly from dis.
covery monument.
Claim 600 x 1500
Located in an unknown mining district.
Humboldt County, Nev.

This ground was originally located by John O'Keeffe
in 1907. Now dead but let it lapse. Then
Scott put notice that deed from location.

Two ledges at surface run the shale or slate
that come nearer together in the lower tunnel.
#1  
Au ± 1  
Ag 0.58

#2  
Au ±
Ag 1.7

#3  
Au ±
Ag 0.84

#4  
Au ± 1  
Ag 2.77

#5  
Au ±
Ag 4.06

#6  
Au ±  
Ag 3.64  
Pb 1.4%

#7  
Au ±
Ag 3.90  
Pb 1.3%

Liberty loan
3 ft - west side of vein, mostly shale 
but contains some quartz.

3 ft - quartz lies east of No 1. slight 
pitch to east. Strike north-south.

2.5 Mostly shale

2.0 ft - quartz - shows signs of 

narrower at bottom

2.7 ft. Quartz with small amount of 
shale. Upper tunnel

1.5 ft. Quartz from open cut, pitches 65 to 
west

14" Quartz at end of open cut to 
Upper tunnel.
# ASSAY CERTIFICATE

THE TONOPAH MINING COMPANY OF NEVADA

TONOPAH, NEV., 5/9 1930

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ASSAYER
August 24, 1929.

THE MELODY PROPERTY.

Hon. N.H. Getchell,
Betty O’Neal, Nevada.

Dear Senator:—

This property is located about 50 miles north of Winnemucca in Cottonwood Canyon, 3 miles east of Rebel Creek post-office. This portion of the Santa Rosa range is composed of Triassic slates and clay schists or shales which are only slightly tilted but which are usually much distorted locally. The mine is about a mile above the mouth of the canyon. The road is not passable at present but could be repaired for a few hundred dollars. There is no timber on the ground. There is no water in the close vicinity except a spring in an adjacent draw which might furnish enough water for domestic purposes.

The vein is exposed on the north side of the gulch and has been explored by a number of short drifts. The vein is almost flat, possibly the average dip is around 15°.

The strike appears to be about north and south. The vein matter consists usually of white quartz but locally and erratically it is crushed and contains some hematite and limonite and in such places values are found. Panning the fine pulp from the four samples taken showed a few colors of very fine gold. The enclosed sketch will show the nature of the deposit and this erratic mineralization is typical of the vein. The average width is not over 18" but none of the quartz lenses are continuous and usually they end abruptly in a very few feet. Considerable work has been done and from several hundred feet of drifting and sinking a very small tonnage of gold ore has been shipped. The history of similar deposits in such clay schists has been that they do not pay, that there is a small amount of erratic enrichment near the surface, and that the tonnage of ore is usually small.

The property did not impress me favorably for the reasons given.

I am sending four samples by parcel post. Final decision would depend on the results of the assays but panning this pulp did not show it to carry much free gold.

Very truly yours,

E. J. Schrader.

1 encl.
August 21, 1929.

Hon. N. H. Getchell,
Betty O'Neal, Nevada.

Dear Senator:-

We returned today from our trip and I found your letter.

I wrote the agent at Red House about stopping his salary as long as we are shut down here.

The Melody property did not impress me. The vein is a narrow one, almost flat, in a soft, fissile clay-shale. It is very erratic in size. I will send you a more detailed description within the next few days. I will crush, grind, and cut down the samples here and send them over all ready for fire-assay. Smith came back and stayed two days and assayed the bullion and matte. We sent out one bar and will also have quite a bunch of matte to send with it. Now Smith has left.

We took a drive up to the new mercury strike on the top of Buckskin Mt. above Melody's place. There is a very large deposit of opalite most of which is very low grade or blank but there may be good layers in it. It would take a very large amount of capital to prove it up and by people who are in the mercury game. It does not at all correspond to the description given in the press. I don't want to knock but give you this for your private information. I presume someone interested in mercury will dig on it but as it is now it is an out and out gamble. For people who are in that business it might warrant a chance.

The head-frame is making good progress. My idea is that when it is up you may want a man whom you will not have to pay so much to, to do the timber framing and who can also do other work around there. We have all the spare parts for the hoist now and that will be assembled and set up as soon as the head-frame is up.

I am sorry you have not heard from Boston again but I think that it will come out all right. I do not think it possible that they will fall down now. In the meantime about all we can do is to sit tight.

Sincerely yours,

E. J. Schrader.
typical exposure in drifts
Mellody prospect
Aug 23, 1929

[Diagram of geological strata with annotations: "Barren Clay shale" and "Quartz"]
Description.

Assays on Meddy Property.

#3415-KA*

In #3 tunnel. Place where quartz swells to 40" looks very low grade. Value 40 cents.

#3415-KB.

In #3 tunnel. Quartz at head of winze 4 ft. wide. Value 20 cts.

#3416-KA.

in #1 tunnel where small shipment was made. Ore 42" wide under raise looks fairly good. Value $4.65.

#3416-KB.

in #1 tunnel in bottom winze, this is place where previous sample for Getchell was taken. Looks to be about 24" wide. Value $11.25