

138
Item 4

STUDY OF REPORTS ON THE OHIO MINE

E.J. SCHRADER'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 ~~xxxxxx~~ of \$117,188 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 extent 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 has 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, decidedly 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.)

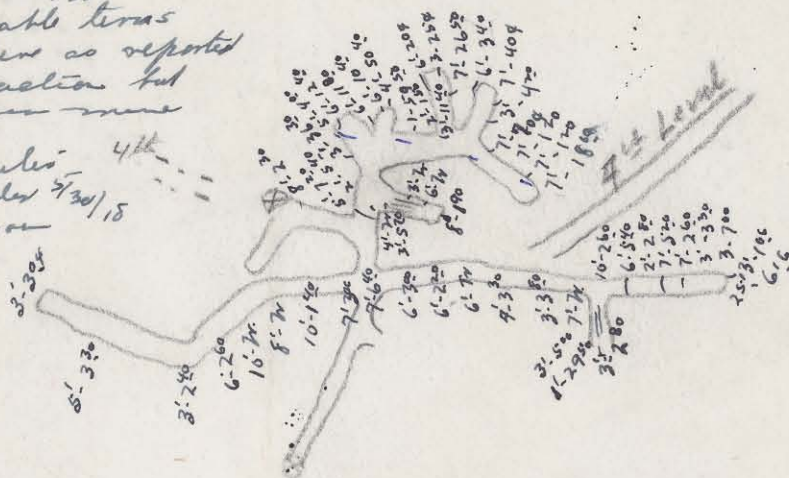
Samples 3'-100 = 3' Cut Value - 100. Av. Ag not given. separately or value Ag on oz.
You will note we confined our sampling entirely to the 3^d level and the dumps
of the Cherry. that if the 3^d level did not indicate the ~~extension~~ ^{existence}
of a commercial body of ore. it was of little ~~value~~ ^{importance}
what ~~value~~ the 1st or 2nd levels had inasmuch as there is
very little ore left above the 3^d level

700-1000 T.
Av. Value 500
recently sold.

100000 on favorable terms
OK if values there as reported
to cash transaction but
put implant open mine

letter from wonder 2/30/18

No use & exam. of 400
billed price at 250,000

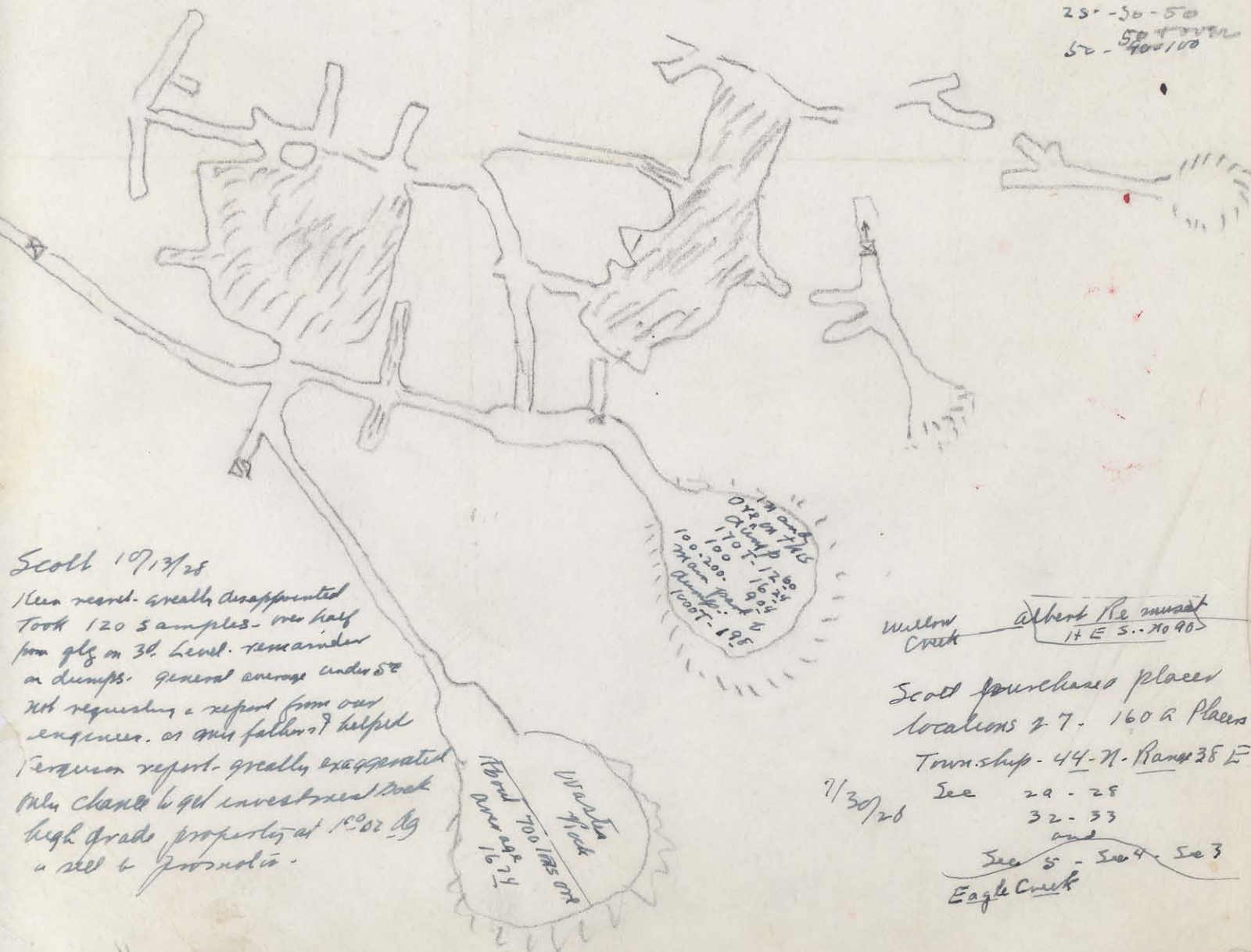


Scott's engineer -
Harry T. Curran
see photo 7

Scott aplan. m '25

20060 - by 11/130
25000 31
25000 32
30000 33
120000

Mayally 109. 1: 20
 15-20 30
 25-30-50
 50-50-100



Willow Creek — Albert Reimus
14 E S. No 90

Scott purchased places
locations 2-7. 160 A Places
Township - 44-N. Range 38 E

See 29 - 28
32 - 33

Sec 5 - Sec 4 - Sec 3
Eagle Creek

Title. (2)

Ferguson estate - claim. 8800 cash, $\frac{1}{4}$ divided into
Exhibit 17. 300 by Ferguson. In Morris. an under 3/4
May 17/10. 10500 has been paid
58860 to be paid. by May 20 '11

except 88801 as soon as profit made

Ferguson gave Morris option to sell

Expense acct. Morris 1911-1921-- 3,372⁵⁸ more

Ferguson Report. No date - or place. no E.M.

About '09. Time of National excitement
4/6/1910 Milwaukee, Wis.

Eagle Creek. water only part of yr.

large springs on upper end. Badger. Grav. 3000' -

Ven. can be traced for over 2000 ft. thru Ohio. Secola. - probably
Strike ^{few} NW 1/4. dip - 35° to East. Width 5' at surface
to 12-16' on 200' level

At center where Ohio. Secola join. one was found by
the original owners. a few feet below ^{then} surface. A large open cut
glory hole. several thousand tons of ore extracted. A great part of
this on dumps. good milling ore. It was out of this chute following at
down that owners. gathering rock ore. shipped nearly ^{\$}200,000 in value
- crude manner. out in sacks. down hill 400' in crude shaft.
to wagon road. Average 200' - max 500' - I expect to obtain smaller
sheets for same. (killed not?)

Slate h. w. porphyry. foot wall. strong vein. later chertose -
deep sealed contact fissure. white gty gangue. carrying
hematite oxide of iron. and a little manganese.

Some places. rusty brown. white gty. carrying Ag 70% Au 30%
Values. Ag 5. with some bromide chlorides. occasionally a little free Ag
Splendid conc. ore. conc 8 to 1 - (with ext. 90%) -

Develop. Open cut. from here. a shallow tunnel. 200' north on a f.w.
sloak or split. and an incline shaft sunk in main vein. sloping
down to a depth of 50 ft. to 90 ft. below surface. Several thousand tons
from this incline. mined to get rich streaks for shipping.
at 50' below No. 1 tunnel. a level driven 100' north on vein. to low for milling
250' south. good values.
- widens

A large quantity 6000 Ton \pm of good milling ore left in Crocker
above this tunnel.

At 2nd level. 150 s. of incline shaft from No. 1. incline wing
was sunk in the vein for 40 ft. and an intermediate level
driven N. S. - showing continuous ore for over 250 ft. - at
this pt. the vein will average 10' in width.

From this level a crooked irreg. incline wing. was sunk
for 50 ft. in depth. another level extended N. S. for an
all 250 ft. All this work in one. will average 12'.

From this level a flat incline was continued down
ward on vein another 40 ft. and a level run south 100 ft.

The vein here is 14 ft in width.

Value & Ore. All develop describ: from run down in ore.

16 average samples. from above. average $3\frac{1}{2}\%$ in Au. 8% in Ag

50' Level down. block 7 ore. 200' deep. 250' in length. 9' thick

$\div 13 = 34450$ lbs. add $25' \times 50'$ bench faces. 60,000 Ton

call it 50,000 - at 1100 - Allow 5% mill. profit 250,000

8,000 on dumps. 1200 11 recover. 4%

All at 250 ft level. another tunnel 250' lower. 3 times the ore

Pride & Valley vein - 10-12' wide. several holes. cuts.

descrip. old Tunnel. I have now described mine down to the 150' level.
vert. or 250' incline. on dip.

Another tunnel on Ohio. driven south for 325 ft. here at
forks. one branch. North easterly. for 125 to where called
other west of north. 200 ft. at end here?

It was then ascertained that these tunnels were in foot wall
and under the vein. a raise 26 ft. was made, connected
with a level at 150 ft in depth. here vein 12' wide.

Some ore from upper slopes dropped thru this chute. transmed

Suggests 2 or 3 more raises.

Letter from L. Rebel Creek for power.

6 Nov National. 20 miles north of Ohio - producing 350,000 a month narrow
vein

11/30/10

12/14/12 Report of S. S. Curry. From Wood Mech. to Harris. 1. S. F. Nov.

Careful exam. with Mr F. his report so faithful
checked his samples. samples. 1 to 7 - grabs - 6.7 picked.

Matter of mill tests - an 80 lb mill - no venture
a far as proportion

10/4/19
Richardson. Au. 26.12
Wp. Ag. 54.22.

Assays for Ferguson

59-

odd to Bida Kadish Co L.A. 1-21- 175' Level

23- 55- Intermediate

57- 59 Surface.

Average 396 Au 896 Ag. 1278

Even. A. / Largentum Goldfield

2- 22 175' Intermediate

24- 34 Intermediate

Average 306 Au 944 Ag 1246

Specials. No assays. 1-9

1-12

men

1-8

high

18-47.

Blocked on 5000 at 1278

No 61- North Blump.	2500 ton.	280 in Au.	850 Ag.	1110
62. Middle ..	3000 -	360	1180	1540
63 South ..	3000 -	200	620	820
64. Broken in mine		340	10	1340
9500 ton				1204

4818
1204



Title ①

Report of Donald Ferguson - Gold field Wells Blanner Bros.

Ohio - $54\frac{1}{2}$ mi. due north of Hannesmussen. n Eagle Creek.
1 mi east from its mouth & 1 mi from edge Queen River
Valley. Western slope of Cullerwood Range. Humboldt Co.

Amended to Surv. Gen. as Vol 37

Location Ohio Lode. 1500' x 600'. n 27 179 J L Snapp
Secolo " 27 179 J L Snapp
Valley Lode Co. 21 17 179 F P, J L Snapp
J L McCollin.

7/26/84. Option to Joseph J O'Toole of the 3 claims for 30000-
12/27/80. Used in same
Muff. O'Toole to Ohio Mining, Milling Co of Kentucky
Same Sales for Pres. Alfred Clark Sect.

2/15/88 Used in Ohio - Grover Cleveland Mineral Certificate n 344
Pride of the Valley. 345-
Secolo Variation 17° E

3/31/93. With attachment for 1087- Judas Cheaney

6/17/93. Sold to John E Morley. for 1227³⁰

7/14/02. Sold to Morley & Wells Fargo Co for 100

11/27/00 Location of (Ajax) - Morley
Relocation by T F Melody, F P Snapp

2/27/07 Badger to Melody

3/15/10 Snicker

" Buckeye

May 6/10 - Snapp & Ferguson
Wells Fargo to Donald Ferguson.

5/14/11 Ferguson to Charles W Morris (son of Wells & Milwaukee) 4
3 patents. 4 unpat.

Book 53 & depts. Patent No 580533 - to Charles Morris
& Ajax. Snicker Buckeye

10/9/17 Relocation estate, Morris by wife Fannell Morris
Richardson. Admin. in Nevada

12/14/17 Appraisal. W J Bell. 4m Blalner, R S Bolam
Underd. 344. 6 patented. 2 unpatented. - 10,000

Ohio

6000
6700 190
3360
84 1606 190 200
26000
42000
37000
115000
137000
120200

Schrader 12/4/24.

Dump #1.	4000 tons.	1 ⁵⁸ gold	9 oz Ag.	fine.
2	2800	2 ⁴⁰	15 "	"
3	1600	2 ¹⁰	23	"

90% in fine

Underground. Samples from various places.

Average 34" width - 3' Au 23 oz Ag.

Higher grade ore on h. w. 10" +. below a hard white quartz, coarse, shattered. When massive, left in slope. but of stains, runs well.

Unsorted "run & mine" at on dump. 1' Au 25 oz Ag
Ground stands well. no water pump - no hoisting.

12 1/2. West slope - Santa Rosa range. 2 mi from Platora P. C.
on Willson Creek Sta.

Rounded hills - shale or clay schist -
cut by a strong fissure vein - dipping rather flatly, easterly.
Work 40 yrs ago

Upper work. shallow adit. with 2 short XCs to surface.
Wings to second level. then another crooked wing
to 30' level. total depth on vein. 300 ft.

Vein has faulted ~~normal~~ by along strike. at least once.
300' or so short at least - maybe twice then.

Average width of gld. 5 ft.

On 300' L. - where cut - by a XC it is 20' wide

Probably 50% or material above 300 is sloped.

At 150' ^{put} above creek. lowest adit ^{1000' south of upper workings.} started on vein. ^{at 600' - 1000' on dip.}
at 600' - 1000' on dip. below croppings at upper workings.
Vein faulted almost at entrance. tunnel in f.w. for
300-400'. then X.C. east to vein. caved here now.
But raises from tunnel with vent. ore passes.

Ohio - Cont.

To H a X vein - no work on it.

Croppings look barren - so does the float.

" irreg. spaced along strike - barren portions?

Erosion before cycled outcrop.

Above on shoot - no large masses of gld.

40 Samples.

Workings are crooked. would take 2-3 days to

make a Brunton survey.

Co. may have complete maps. Old survey pluss.

Hard white gld. shows some galena & Ag sulphide.

but most of values probably in fl.

Considerable gob. in slopes but probably low grade.

No doubt but large portions of ore shoot are culled.

See no reason to say mine is followed.

300 ft shows ore in bottom & no indications

of slopes below.

Assays. ^{Aug.}

20% in gold. to 1120

.202 Ag - to 19802 for Ag sulphide.

702 - 1502 - 2502 - 30 - 4002 Ag

Ans to Ag

80% gold - 2602 Ag

400 " 246 " "

160 15.6

80 13

120 14

320 9

160 9.02

400 9.02

Sampling Chart			Ounces		\$35 ⁰⁰ au 16 ⁰⁰ 24 ⁰⁰ 49 ⁰⁰	Level
Sample No	Cut	Description	Gold	Silver		
1	42"	Full width of vein, raise	0.06	1.20	2.52	2 nd
2	42"	" " " raise	.03	1.20	1.81	2 nd
3	46"	" " " winze	.02	2.00	1.99	2 nd
4	72"	Full width-roof of drift	.26	8.30	14.46	1 st
5	30"	Next to hanging wall, slope	.29	2.30	11.64	1 st
6	66"	Full width-flat winze	.12	22.00	18.39	2 nd
7	72"	" height of face, drift	.06	0.60	2.49	3 ^d
8	18"	Next to hanging wall-raise	.03	7.60	5.96	3 ^d
9	60"	Side of drift	.01	0.80	0.87	3 ^d
10	Two grabs of igneous intrusive-both		Trace	Trace		1 st , 4 th
11	60"	Face in prospect shaft	.09	19.20	15.53	Surface
12	72"	Drift face in " "	.09	6.20	7.15	"
13	72"	Side of drift	.07	10.60	9.29	1 st
14	Picked-Iron oxide-copper stained ore		.04	44.60	30.16	Surface
15	Outcrop-Pride of Valley Vein		.01	0.30	0.55	"
16	96"	" " " Tunnel	.01	0.90	0.93	"
17	36"	Surface Cut-Ajax Claim	.01	0.80	0.87	"
18	45"	Slope face-below 1 st Level	.01	2.20	1.77	
19	48"	" " " " "	.02	1.80	1.87	
20	48"	" " " " "	.04	2.60	3.08	
21	60"	Raise, south end 2 nd "	.12	12.50	12.26	
22	42"	Drift face between 2 nd , 3 ^d L.	.01	2.00	1.64	
23	72"	" " " " "	.08	6.50	7.00	
24	48"	Copper stained quartz, 3 ^d Level	.46	30.10	35.51	
25	36"	Surface Cut above Lower Tunnel	.01	16.60	11.06	
26	Two grabs surface showings-both		Trace	Trace		

19920

Sampling Map
 of
 Jay A Carpenter, F.M.
 (November, '34)
 of

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 excerpts 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 "Geolagist", has seen in her deck of fortune playing cards.

Possibility of leasing the now opened property to a more responsible leaser 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 therefor loath to be hasty as long as there is any possibility of financial return of any nature.

Letter from Mr. J. 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 Jumbo 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.

Report on Carpenter File

Charles Yetter
10/10/40

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 of. 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 indefiniteness and looseness of the lease does not make for very much definite action. Practically everything is left to the discretion 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-leasee, 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 .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.

Mr. David Morris.
Milwaukee, Wis.

4/28/42.

Dear Sir.

Following are my suggestions of improvements of various clauses of the lease and bond between yourself and Mr. Alex Johnson of Reno, Nev. on the matter of the Ohio 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 four years.

2. The recommended development in previous engineer's reports has been ignored and instead development on the 3rd level has been substituted.

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

4. Places of posting of non-liability notices and mode of displaying said non-liability notices 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 protected much more than in the lease and bond as it at present reads and is interpreted.

Yours very truly,
W. G. Bigho, 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 assururity 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 possibly 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 Professor Carpenter, who is in Washington, and who will probably 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/HAJ


MINE

DATE

5/4/20

Northern

Horse Creek
Small amount
of water

Northern

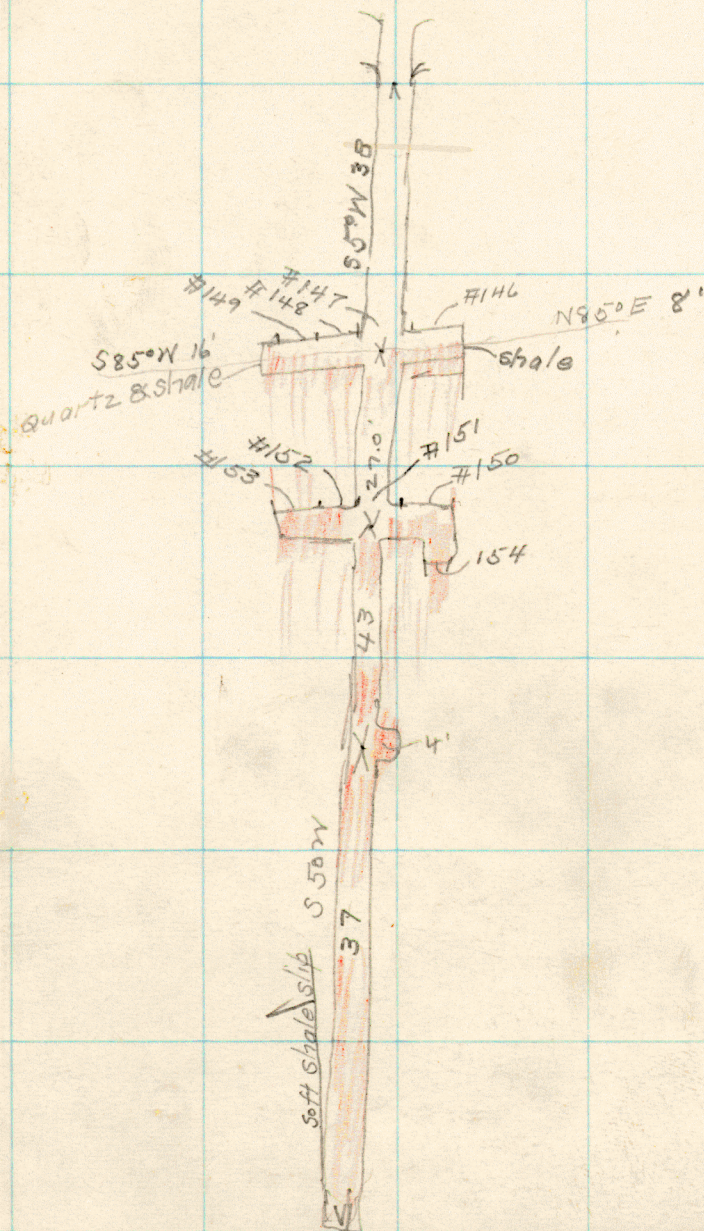
In Santa Rosa Range west of Rose Mt.
on Horse Creek.

MINE

Northern Claim

DATE

5/4/20



MINE

Northern Claim + Liberty Loan

DATE

5/6/20

County records show that the Northern was located May 12th 1919 300ft northerly & 1200ft southerly. 600x1500.

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. 600x1500. Length of lode line each way from loc. mon. omitted. Located May 5th 1918. Locators W. J. Critchfield & Sam Brittenden.

S. H. Brittenden transfers $\frac{1}{2}$ interest in Liberty Loan to Critchfield on July 18-1918. No acknowledgement to Quit Claim deed.

Recorder says exemption filed for 1919 but did not look it up.

MINE

Northern Claim

DATE

5/4/20

#153

6 ft quartz to end of 2nd XC west

Am tr

Ag 0.32

#154

2.2 ft in drift south from 2nd east XC

Am tr

Ag 0.10

#155

Test of white quartz containing pyrites & a
dark matrix. Galena?

Am tr

Ag 13.3

Pb 1.5%

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

MINE

Northern

DATE

5/4/20

#146 5 ft quartz pitch 60° to west with shale
An tr
Ag 0.16
shale

#147 5 ft quartz over tunnel
An tr
Ag 2.48

#148 5 ft quartz
An tr
Ag 0.12

#149 5 ft quartz contains about 1 ft of soft
blue & 1 ft of soft white
An tr
Ag 0.32

#150 5 ft quartz, some iron sulphide
An tr
Ag 0.34

#151 5 ft quartz across back main tunnel
An tr
Ag 0.80

#152 5 ft quartz
An tr
Ag 1.26

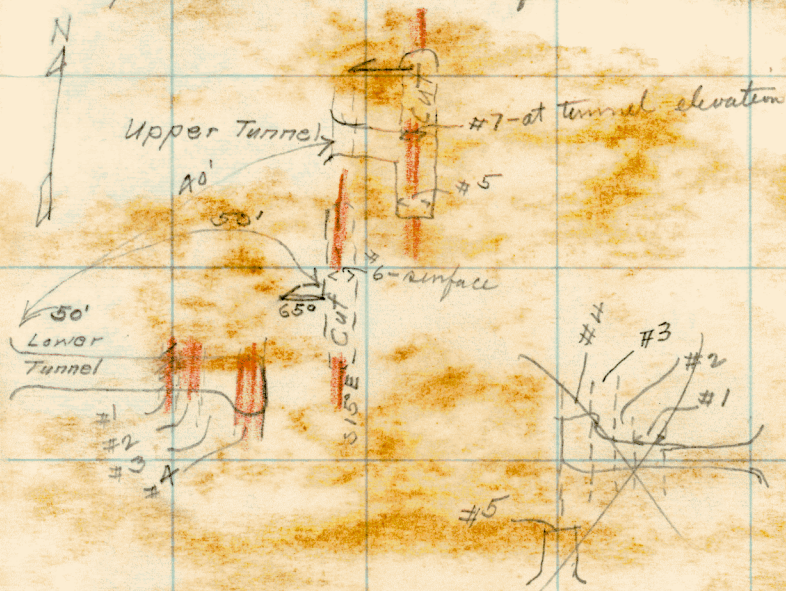
MINE Liberty Loan

DATE May 3^d 1920

Liberty Loan claim located May 4th 1918
by S. H. Crittenden & W. J. Critchfield,
about 4 miles south of Rebel Creek
500ft northerly by 1000ft 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'Hara in 1907 now dead but let it lapse, then Scott put notice but did finish location



Two ledges at surface are the shale or slate that come nearer together in the lower tunnel

MINE

DATE

Liberty Loan

5/3/20

#1 1
An to
Ag 0.58

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

#2
An to
Ag 1.7

lower tunnel

3 ft - quartz lies east of no 1. Slight
pitch to east. Strike north-south

#3
An to
Ag 0.84

2.5 mostly shale

#4
An to
Ag 2.72

2.0 ft - quartz - shows signs of
narrower at bottom

✓
#5
An to
Ag 4.06

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

#6
An to
Ag 3.64
Pb 1.4%

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

#7
An to
Ag 3.90
Pb 1.3%

14" Quartz at end of open cut to
upper tunnel.

ASSAY CERTIFICATE

THE TONOPAH MINING COMPANY OF NEVADA

TONOPAH, NEV.,

5/9

1920

Exploration - W. H. B.

MPLE No.	SAMPLES TAKEN FROM	GOLD			SILVER			TOTAL VALUE PER TON	PERCENTAGE OF			
		OZS. PER TON	VALUE PER TON		OZS. PER TON	VALUE PER TON			COP'R	IRON	SILICA	LEAD
1	<i>Liberty Loan</i>		<i>Fr</i>		0	58						0
2	" "		<i>Fr</i>		1	70						0.4
3	" "		<i>Fr</i>		0	84						0.2
4	" "		<i>Fr</i>		2	72						0.5
5	" "		<i>Fr</i>		4	46						0.3
6	" "		<i>Fr</i>		3	64						1.40
7	" "		<i>Fr</i>		3	90						1.30
146			<i>Fr</i>		0	16						0
147			<i>Fr</i>		2	48						<i>Fr</i>
148			<i>Fr</i>		0	12						0
149			<i>Fr</i>		0	32						0
150			<i>Fr</i>		0	34						0
151			<i>Fr</i>		0	80						0
152			<i>Fr</i>		1	26						<i>Fr</i>
153			<i>Fr</i>		0	32						0
154			<i>Fr</i>		0	10						0
155			<i>Fr</i>		13	30						1.50


 ASSAYER

GOLD CIRCLE CONSOLIDATED MINES

FREIGHT ADDRESS: RED HOUSE, NEVADA

MAIL ADDRESS: MIDAS, NEVADA

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.

GOLD CIRCLE CONSOLIDATED MINES

FREIGHT ADDRESS: RED HOUSE, NEVADA

MAIL ADDRESS: MIDAS, NEVADA

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.

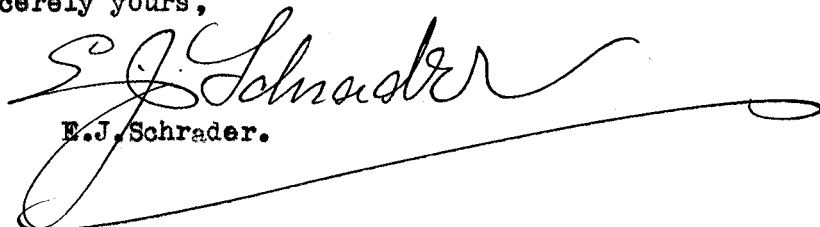
The Melody property did not impress me. The vein is a narrow one, almost flat, in a soft, fissile clay-shale. It is very erratic in size. I will send you a more detailed description within the next few days. I will crush, grind, and cut down the samples here and send them over all ready for fire-assay. 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.

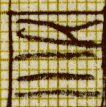
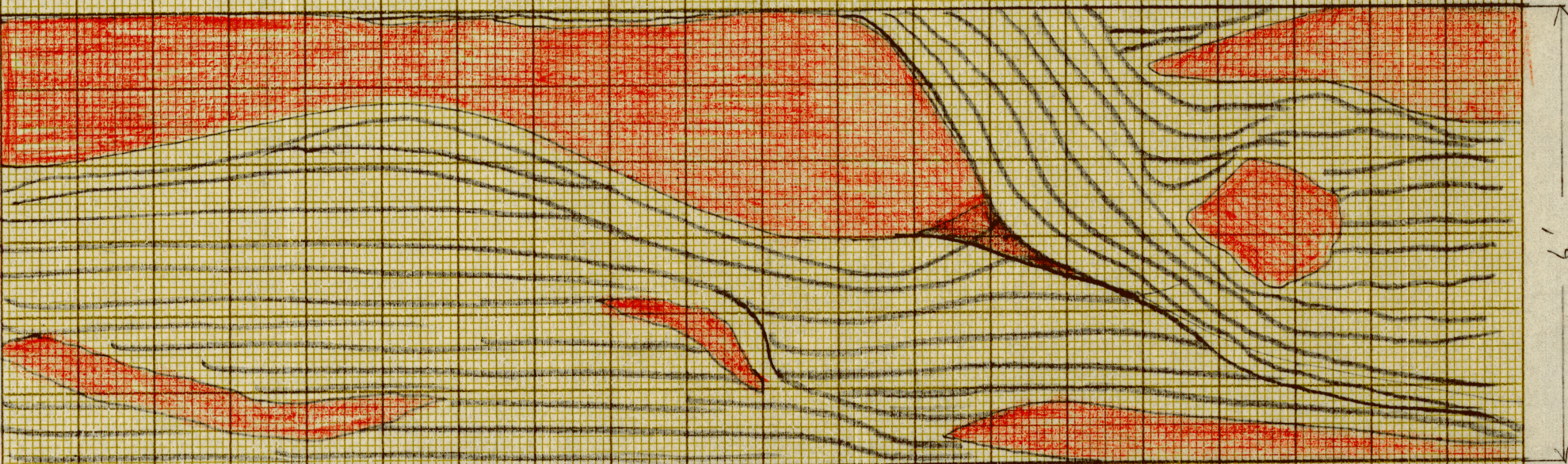
The head-frame is making good progress. My idea is that when it is up you may want a man whom you will not have to pay so much to, to do the timber framing and who can also do other work around there. We have all the spare parts for the hoist now and that will be assembled and set up as soon as the head-frame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

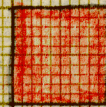
Sincerely yours,


E. J. Schrader.

side
of
drift



Barren
Clay shale



Quartz

Typical exposure in drifts
Melody prospect
Aug. 23-1929

J. Schnader

Description.

Assays on Meedy 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