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my desk Item 16

2020 El Cerrito Place.
Hollywood, California.

Oct. 21, 1915.

Mr. J. E. Spurr,
Tonopah, Nevada.

Dear Sir:-

It is my intention to undertake the sale of Round Mountain. This has been a purpose of mine for sometime, but not until lately has the physical and other conditions relating to this property made it seem desirable to present it.

I am not sure to what extent your own present knowledge of the mine goes, but something of its claims and reputation cannot have failed to reach your notice, I do not feel therefore that I am approaching you as a stranger to myself or the business.

In this instance it will be only necessary to inquire if the matter would interest the Tonopah Mining, and if so, we can then go into some detail. Lest, however, you are not fully advised of the present mine status, I will say here that, the well-known, long continued and expensive litigation is all settled; that the settlement has resulted in the ownership of about 800 acres, practically the entire zone of value, over 240 acres patented; that the Company has no debts; has a fairly substantial and steadily growing treasury fund; treats 170 tons of \$5 to \$7 ore daily, saving 86%; has recently perfected and put into successful operation an hydraulic mining feature for its surface dirt, at a cost of \$145,000, that breaks down 1000 yards per day; that the placer ground so far tested shows a gold value ~~at~~ in excess of \$1,500,000; that the lower levels of the mine show increased volumes of ore--the 900 ft. level showing 40 ft. of \$7 ore; that the mine has to date produced in excess of \$2,500,000, to which about \$400,000 placer product should be added making a total approximately \$3,000,000, and has paid in dividends approximately \$400,000.

It is my own conviction that the time is now to enter upon the sale of this property, and I venture to approach your people, through yourself as their representative, confident that the property will stand up to its claims and reputation on investigation. Certainly I would not think of coming to you if I did not think this.

That you might more intelligently think on other features would add that the property is capitalized at \$1,500,000, (recently increased from \$1,000,000), less than 1,200,000 issued, chiefly in large blocks; that the property, nor a control cannot be had on the commonly quoted market, value of the stock 40¢ to 45¢, but I will undertake to deliver a control on the entire property on a basis which the mine conditions and the evident possibilities will justify. No business can be entered upon ^{on} any basis less than 75¢, with ample

time for examination; should, however, results of examination not seem to justify the figure, it is not unlikely that a satisfactory adjustment could be reached.

In conclusion, I would say, that after more than eight years of continuous operation the property, mine and placer, shows a promise of ten to fifteen years of life; in the known placer ground alone, there is eight to ten years business.

As to myself, it is ^{in any way} hardly more than ~~xxx~~ that my connection with the property dates from its origin, being one of the three principal owners, though for the past two years retired from a share in its ownership or active direction in its affairs.

I am mailing this to Tonopah and a copy to Philadelphia. I will appreciate an early reply, should the matter at all interest you.

Very truly yours,

L. R. Ziegler

NYE

Philadelphia, December 29, 1915.

Subject: Round Mountain Property, Nye Co., Nevada.

Mr. J. P. Loftus,
2020 El Cerrito Place,
Hollywood, California.

Dear Sir:

Yours of October 21st has not received attention on account of my being absent for several months in the field, and I have only just gotten around to it.

Regarding the Round Mountain property, I doubt whether our company would be interested in it along the lines you mention.

Thanking you, I am,

Yours very truly,

ORIGINAL SIGNED
J. E. SPURR

Vice President

JES-C