

4280 0004

Hom 4

Hawk Mine

R e p o r t

o n

T H E D E L A W A R E M I N E

Vernon, Seven Troughs District,

H u m b o l d t C o u n t y

N e v a d a

Examination - May 29/13
Report June 20/13
By W.H.Sirdevan.

R e p o r t

o n

T H E D E L A W A R E M I N E

The Delaware Mine is located at Vernon, in the Seven Troughs District, Humboldt County, Nevada, about thirty miles north west of Lovelock, a station on the Southern Pacific Railroad.

The ore is a soft, altered rhyolite, heavily iron stained in places. There is some quartz present as stringers. The vein is about three feet in width, strikes about north, dips 72 to the east, and has a fairly well defined footwall. The vein has been developed to about 100 feet in depth, and about 150 feet in lateral extent. The ore is free milling and pans readily.

Seventeen samples were taken. See the accompanying sketch for their location and the assay results.

Price asked for the Property.

The Delaware Mining and Leasing Company is a stock company with 740,000 shares of stock issued at a par value of \$1. About 400,000 shares are controlled by Ed. Hawk - the present manager of the company. When this examination was made the price asked was 30 cents per share. H. G. Walker - who brought this property to the company's attention - thought that this price could be very much reduced. After the examination the price submitted to Walker by Mr. Hawk for his 400,000 shares was 40 cents per share, 25% cash, and the balance in 60-day payments until the total of \$160,000 was paid.

Conclusions.

The property is but a fair prospect, and is not worth the price asked for it.

Assay Results.

The seventeen samples taken at the Delaware Mine were assayed by H.G. Walker at Lovelock, and the pulps sent to Tonopah for check assay. The results obtained by the two assayers differ considerably. Those obtained by the Tonopah Mining Company assayer were taken as correct, since many of them were re-checked by Mr. Loker. It was found necessary to regrind all of the pulps. Those that were not reground gave widely varying results on re-assay probably due to the tendency of the free gold to concentrate during rolling.

NO.	Width	G O L D				S I L V E R				T O T A L	
		Ounces		Value		Ounces		Value		W.	L.
		Walker	Loker	W.	L.	W.	L.	W.	L.		
1	3'3"	1.08	.54	\$32.60	\$10.80	4.16	3.78	\$2.50	\$2.27	\$24.10	\$13.07
2	3'6"	.14	.04	\$ 2.80	\$.80	1.04	.04	\$.62	\$ ---	\$ 3.42	\$.80
3	3'7"	.24	.36	\$ 4.80	\$ 7.20	1.76	.92	\$1.06	\$.55	\$5.86	\$ 7.75
4	3'2"	.48	.08	\$ 9.60	\$ 1.60	1.32	.04	\$.79	\$ ---	\$10.39	\$ 1.60
5	3'3"	1.08	.28	\$21.60	\$ 5.60	1.50	1.72	\$.90	\$1.03	\$22.50	\$ 6.63
6	1'3"	.36	.06	\$ 7.20	\$ 1.20	1.00	.10	\$.60	\$.06	\$ 7.80	\$ 1.26
7	4'0"	1.04	1.20	\$20.80	\$24.00	1.20	1.24	\$.72	\$.74	\$21.52	\$24.74
8	7'9"	.52	.10	\$10.40	\$ 2.00	4.32	1.22	\$2.58	\$.73	\$12.99	\$ 2.73
9	2'6"	.60	.56	\$12.00	\$11.20	1.40	.56	\$.84	\$.33	\$12.84	\$11.53
10	3'3"	.04	.04	\$.80	\$.80	1.76	.20	\$1.06	\$.12	\$ 1.86	\$.92
11	1'9"	.48	.14	\$ 9.60	\$ 2.80	3.12	1.02	\$2.17	\$.61	\$12.77	\$ 3.41
12	3'3"	.64	.40	\$12.80	\$ 8.00	1.48	.52	\$.90	\$.31	\$13.70	\$ 8.31
13	5'0"	.80	.42	\$16.00	\$ 8.40	1.60	.70	\$.96	\$.42	\$16.96	\$ 8.82
14	2'10"	.80	.72	\$16.00	\$14.40	1.36	1.12	\$.84	\$.67	\$16.84	\$15.07
15	4'4"	3.44	1.68	\$68.80	\$33.60	7.00	5.72	\$4.20	\$3.44	\$73.00	\$37.04
16	Grab	1.24	.76	\$24.80	\$15.20	1.00	.60	\$.60	\$.36	\$25.40	\$15.56
17	Grab	.96	.24	\$19.20	\$ 4.80	1.04	.68	\$.62	\$.41	\$19.82	\$ 5.21

Report on the property of
THE DELAWARE MINING CO., Vernon, Seven Troughs District, Nev..

A description of the district may be obtained from bulletin 414 of the U.S.G.S. and while much has been accomplished since that report was published, it will serve the purpose for a report of this preliminary nature.

The mine in question is in close proximity to the town of Vernon, about 3 miles S.W. from Seven Troughs and 30 miles N.W. from the town of Lovelock on the S.P.Ry. It is easily accessible by auto or wagon road in excellent condition. It is well within the mineralized belt which includes the productive Fairview, Mazuma Hills and Seven Troughs Coalition Mines. The property owned by the company comprises 13 locations of which some are fractions only. There is approximately 200 acres in all and the extent of the ground is 3800 feet on the strike of the vein system north and south by 1900 feet east and west.

The present ownership is vested in the stockholders of the Delaware mining Co. of which there are five or six who own all but 2000 shares. The capitalization is for 1,000,000 shares of a par value of \$1.00 each. The mine is being operated at present under the direction of Mr. Edw. Hawke, who is himself the owner of a quarter of the stock of the company.

Geology.

The rocks in the immediate vicinity of the mine are all tertiary lavas, mainly flows of rhyolite and andesite which have been more or less deformed by folding and faulting along a north and south axis. The main mass of the hill in which the mine is being developed consists of a light yellowish rhyolite and this forms the west or footwall of the lode. It is overlain to the south and east by a reddish brown andesite and these two rocks make up the greater portion of the low hills through which the main ore zone passes. A very important feature is the intrusion of numerous black basalt dykes of varying thicknesses, strikes and dips throughout the whole district. These dykes have considerable significance as will be seen later. To the north at a distance of a few miles is a granite belt of some magnitude and recent flows of basalt popularly designated as malpai are common.

(Development. (See accompanying sketch map.))

The main workings are located about 1600 feet from the south boundary of the property. A main adit (crosscut) tunnel is driven west 400 feet to the footwall of the lode intersecting same at a depth of about 185 feet. Here a Station is cut and drifts are turned north and south along the footwall of the lode. The north drift is extended 75 feet and the south drift 135 feet. A raise is being put up from the south drift and is now up 65 feet. From the north drift 35 feet from the station, a raise is now up 25 feet. From the south raise, 30 feet above the main level, there is a short south drift and a north drift now in 35 feet, with a crosscut 9 feet to the east across the orebody. From the south drift, main level a winze is down 40 feet and at the end of south drift is a 25 foot stope. In the main adit tunnel, 25 feet before reaching the station, a diagonal crosscut was run all in material which is gold bearing and seems to be a part of the lode.

The main adit cuts a wide basalt dyke which seems to form the hanging wall of the ore bearing zone, 40 feet from the foot. All of this width of material is more or less intensely crushed and altered and contains numerous lenses and aggregates of quartz. All of this crushed material yields gold on testing with the pan. As the west or footwall is approached the ore lenses are more pronounced and there is considerable high grade ore. The hanging wall basalt is in itself seamed and sheared and carries stringers of ore throughout. 75 feet north of the station, a black dyke is encountered by the drift north. This dyke rock is less altered and appears fresh. Its relation to the hanging wall basalt as exposed in the main adit is as yet unknown. The west wall of this drift in the face shows rich ore at the contact of the dyke. It may be said here that throughout the entire Seven Troughs District the best ore is associated with the intrusions of basalt, forming contact deposits, replacements in both the basalt itself and the rock with which it comes in contact and as stringers and lenses running off into the basalt. Further development alone will demonstrate whether this condition holds for this property but it is to be supposed that it will here, as elsewhere..

Ore Values.

A recent shipment of 22.5 tons of ore gave returns at the smelter of 8.83 oz. gold and 8.78 oz. silver. This ore came from the stope and winze in the south drift. So far as known this stope seems to be the south limit of the known ore shoot. The following list of assay results shows

Lovelock, Nev.,
May 3rd, 1913.

The Tonopah Mining Co., of Nevada,
Mr. J.S. Austin, President,
Bullitt Bldg., Phila., Pa.

Dear Sir;-

In several communications to the writer, Mr. Spurr has expressed his willingness to consider any likely investment proposition which I might bring to your attention, and a recent letter from you expresses a like attitude. I am therefore submitting herewith a preliminary report on the property of The Delaware Mining Co., Seven Troughs District, Nevada, Together with optional terms upon which the property may be acquired. To the data contained seperately in the enclosed report, I need only add that this mine needs the attention of a competent geologist and to a company maintaining a staff of men in this capacity it appears to me a very attractive proposition.

The directors, some of whom are residents of the eastern part of the state, and some of California are to meet here tomorrow, May 4th, with the express purpose of coming to an agreement on terms of option to me. Your letter suggesting that I secure an option came just in time to enable me to get in ahead of two other parties one of whom is the English syndicate now in control of Stratton's Independence and other properties. Mr. Hawke has shown me considerable courtesy in giving me a hearing ahead of these other people, but does not want very much of a delay. I am not urging undue haste but hope you will see fit to give this your immediate attention. I am sending this report in advance of the option in order that time may be saved and will wire you terms of the option as soon as signatures are obtained here which will be within two or three days.

In the last few days a lense of \$700.00 to \$800.00 ore has been opened up in the north raise and the property is in splendid condition. I do not hesitate to say that it is bound to change hands in the very near future.

please let me hear from you as soon after the receipt of my wire, containing terms of option, as is possible.

Respectfully yours,

H. G. Walker

Mining Engineer,
Lovelock, Nev.

April 21, 1913.

Mr. H. G. Walker,

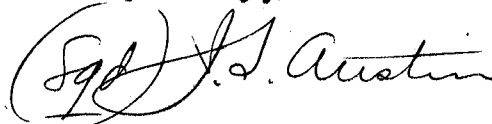
Lovelock, Nevada.

Dear Sir:

Yours of April 10th to Mr. J. E. Spurr, has been referred to me for reply, so far as it refers to the Hawk Mine.

I note what you say regarding the Hawk Mine, known locally as the Delaware Mining Company, situated at Vernon, in the Seven Troughs district. If you can first secure an option on this property in your own name, with power of assignment, we will be glad to investigate it. We never authorize anyone to secure options on properties for us, but are always glad to consider options that are offered to us. If you succeed in getting an option at a reasonable figure on this property and offer it to us, please state when offering it what compensation you will ask in case we decide to buy the property, and we will then consider the price of the property plus your commission as the cost of the property to us and will investigate the proposition on that basis.

Yours very truly,



JSA-C

President

TONOPAH MINING CO. OF NEVADA	
MINING AND EXPLORATION DEPARTMENTS	
REC'D APR 21 1913	
SEEN	Mr. J. E. Spurr
ANS'D	Bullitt Bldg. Philadelphia, Pa.

APR 21 1913
REFERRED TO PRESIDENT'S OFFICE FOR REPLY

APR 10th 1913
APR 12 1913
REFERRED TO PRESIDENT'S OFFICE FOR REPLY

Dear Sir;

I am sending you a copy of a map of this district which may be of some interest to you. It was made primarily for my own use but I have found it to be of value to mining men interested in this locality. On it I have marked the locations of a number of mines which have at some time made a profitable production. The list includes several properties of real merit which I believe could not fail to interest you.

I would like to call to your attention the Hawk mine, known locally as the Delaware Mining Co. situated at Vernon in the Seven Troughs District. This property is shipping on a moderate scale at present and while the owners show no inclination to sell, I have reason to believe they could be approached as all is not harmony in the directorate. The ore is characteristic Seven Troughs ore and runs from \$75.00 to \$200.00 to the ton. They hold the property at a very high figure, I know, but I think it is well worth investigating.

I do not wish to emphasize the promotion end of the mining game in connection with my business and do not wish these suggestions to be understood in that light as I mean to follow strictly consulting work. They are offered merely from the standpoint that I know you must be at all times pleased to learn of properties of merit throughout the state.

Is it worth anything to you to have, in this locality, a man of reliability on whom you may call at any time for information relative to mining properties. If so, I would like to become associated with you definitely in some such capacity. I am making such field work my specialty, my laboratory and milling plant being auxiliary to this feature. I am now equipped thoroughly for research work along the lines of chemical analysis, mineralogy, petrography and metallurgy. My college training and practical experience in field work and mining have been liberal and my associations in such work always of the best.

Frankly, I believe my services in this field would be of value to you and I would be pleased if my suggestion in this respect meets with your approval.

Respectfully yours,

H. G. Walker

the other locations of ore in the present workings.

- Sample No. 1 represents 12 - 16 inches ore on footwall at station.
 2 " 12 - 14 " " " " north drift f
 from raise.
 3 represents same as #2 nearer raise.
 4 " 9 feet, the full width of ore as exposed in cross-
 cut from north drift including the face which is
 still in ore.
 5 represents a 16 inch streak at top of 65 ft. raise.
 6 " a general sample of all rock as broken from this raise

The north raise pans free gold all the way up.
 The diagonal crosscut is in material all of which pans and this
 represents a large pillar of mill ore.
 There is a rich bunch of ore in the face of north drift, also.

I believe there to be about 2500 tons ready for breaking and there
 are 1300 mine cars or 900 tons on the dump which was not assayed but pans
 well and the ore being dumped there at time of visit assayed \$25.88 per ton

4 a

H. G. WALKER ASSAYER

LOVELOCK, NEVADA, *April 24* 1913

Mr. D. H. Skea

NO.	MARKED	GOLD		SILVER		TOTAL	LEAD	COPPER		
		Oz's	Per Ton	Value Per Ton	Oz's	Per Ton	Value Per Ton	Per Ton	Per Cent	Per Cent
1291	#1	8.68		\$173.60	9.88		\$5.93	\$179.53		
1292	#2	1.04		\$20.80	1.76		\$1.06	\$21.86		
1293	#3	15.32		\$306.40	17.08		\$10.25	\$316.65		
1294	#4	1.12		\$22.40	1.44		\$.84	\$23.24		
1295	#5	2.04		\$40.80	2.68		\$1.61	\$42.41		
1296	#6	1.24		\$24.80	1.80		\$1.08	\$25.88		

GOLD *60* \$20.87 Per Oz.

SILVER *60* Per Oz.

LEAD Per lb.

COPPER Per lb.

H. G. Walker

ASSAYER

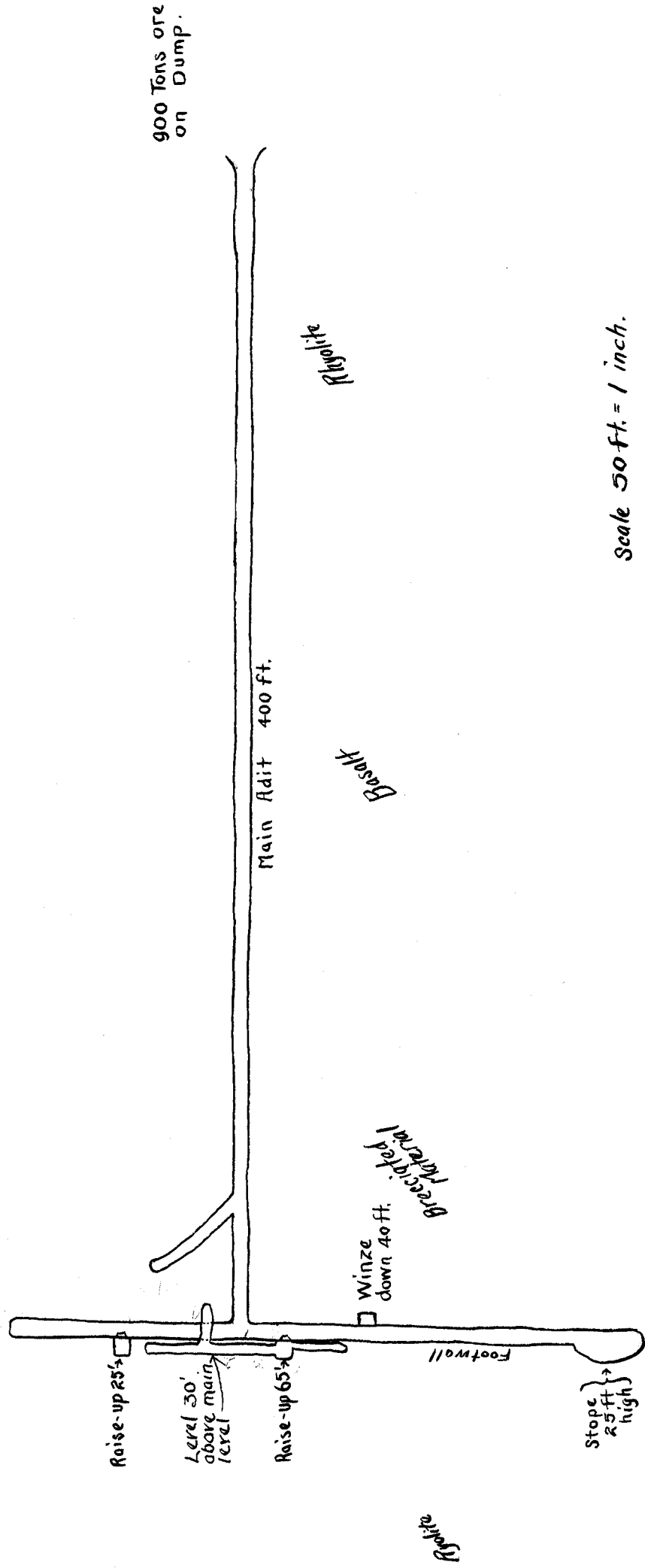
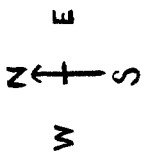
It is the opinion of the writer that a winze put down from the north drift with a few hundred feet of drifts and crosscuts would develop ore in quantity sufficient to make an important addition to that already known between the main level and the surface..

The values are chiefly an alloy of equal parts of gold and silver, free milling. The whole vein filling is soft and easily mined and milled.

Development and installation of a water supply system will be required but this should present no difficulties.

H. G. Walker

Mining Engineer, Lovelock.



SKETCH MAP OF WORKINGS OF
THE DELAWARE MINING CO'S. PROPERTY
Seven Troughs District, Humboldt Co., Nevada.

H.G. 1913

THE WESTERN UNION TELEGRAPH COMPANY

INCORPORATED

25,000 OFFICES IN AMERICA.

CABLE SERVICE TO ALL THE WORLD

THEO N. VAIL, PRESIDENT

BELVIDERE BROOKS, GENERAL MANAGER

RECEIVER'S No.

TIME FILED

CHECK

SEND the following message subject to the terms
on back hereof, which are hereby agreed to

Philadelphia, June 5, 1913.

J. E. Spurr,
c/o Warwick M. Downing,
Equitable Building,
Denver, Colorado.

Sirdevan wires from Lovelock Walker proposition not worth
price asked.

R. B. Conrad

Chge: Tonopah Mining Co.

Form 1864

THE WESTERN UNION TELEGRAPH COMPANY

INCORPORATED

25,000 OFFICES IN AMERICA.

CABLE SERVICE TO ALL THE WORLD

This Company TRANSMITS and DELIVERS messages only on conditions limiting its liability, which have been assented to by the sender of the following message. Errors can be guarded against only by repeating a message back to the sending station for comparison, and the Company is not responsible for errors in transmission or delivery of repeated messages, beyond the amount of tolls paid thereon, nor in any case beyond the sum of Fifty Dollars, at which, unless otherwise stated below, this message has been valued by the sender thereof, nor in any case where the claim is not presented in writing within sixty days after the message is filed with the Company for transmission. This is an UNREPEATED MESSAGE, and is delivered by request of the sender, under the conditions named above.

THEO N. VAIL, PRESIDENT

BELVIDERE BROOKS, GENERAL MANAGER

RECEIVED AT

BULLITT BUILDING

REC'D JUN -4 1913

SEEN

ANS'D

Lovelock Nev June 4

J. E. Spurr

572 Bullitt

monopetala Walker's proposition licensed
report later

W. H. Purdevan

Translation: With reference to Walker's proposition, it
is not worth price asked. Report later.

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Hank West
Delaware Mfg Co

LOVELOCK, NEVADA.

May 21-1913

Mr. V. E. Spurr:
Tonopah, Nev.
Dear Sir.

Your letter of May 19th at hand. Will say that I am afraid the impression you received from my early report on the Hawk mine does not do justice to the property. As the ground is soft much has been accomplished since that time & it is showing up better now than ever. The two veins are connected 65 feet above the main level as well as at 35 feet & show excellent shipping ore in several places of better than \$100 grade. There are several exposures of a 10 foot width of \$10 ore & the workings are now in such shape that 90 days work with a liberal crew of men would prove much as to the continuity. I believe now that the property could be taken over for a few months with a smaller payment down providing considerable work is done before a second payment is required & again wish to urge that you examine this mine at once as I am certain it will prove attractive to you. Awaiting an early reply, I am very truly yours,
H. G. Walker

LOVELOCK, NEVADA. May 19-1913

Hawk mine
DeLaware M Co

Mr. J. E. Spur or
Mr. J. S. Austin:-

Pouepah Mining Co.
Pouepah, Nevada.

My dear Sir:-

Relative to the Hawk mine, I wired you a few days ago that I had secured an option on their property ahead of two other prospective buyers, the terms of which are as follows:-

30¢ per share for the outstanding 670,000 shares of stock, 15% cash, the balance in three payments extending over a period of one year. I have recently run some sixty assays covering the entire workings at frequent intervals + am convinced that there is a very large quantity of ore developed at present.

I believe an offer from you after examination would be considered even if it were on a smaller basis than the above, but wish to urge some action on your part as soon as you can find it convenient, as I cannot expect to hold this option very long.
Hoping to hear from you soon, I am
Very truly yours
H. G. Walker.

Hawk Mine
Delaware Mining Co

May 24th, 1913.

Mr. H. G. Walker,
Lovelock, Nevada.

Dear Sir:-

I have yours of May 19th and 21st, relative to the Hawk Mines, and in reply would say that I will have Mr. Sirdevan, whom you met - I think - at Lovelock, come up and make, at least, a preliminary examination of the property. I am writing in the same mail to Mr. Sirdevan, who is at Tonopah and you will hear from him or Mr. Blackburn direct.

Yours very truly,

JCS

POSTAL TELEGRAPH



CLARENCE H. MACKAY.

TELEGRAPH

REGISTERED TRADE-MARK. DESIGN

The Postal Telegraph-Cable Company (Incorporated) transmits and delivers this message

2 SFQ 50 4 Ex, Filed 920Am

Lovelock Nev May 15 13

J S Austin,

Or J E Spurr Care W H Blair

Have secured option on all outstanding and seventy thousand shares at thirty cash balance three payments six nine follows advise that you come at once make offer for same if attractive.

H

May 24th, 1923.

Mr. W.H. Blackburn, Superintendent,
Tonopah Mining Company,
Tonopah, Nevada.

Dear Sir:-

Mr. H.G. Walker, the Mining Engineer at Lovelock, has submitted to me the Hawk Mines in the Seven Troughs District on a basis, which he can explain to our engineer. Please have Mr. Sirdevan make a preliminary examination of this property as soon as possible, giving it preference over the other properties that I have referred to you, and advising me promptly of his impression.

Yours very truly,

J. E. S.

Denver, Colorado, June 5, 1913.

Mr. H. G. Walker,

Lovelock, Nevada.

Dear Sir:

I have a telegram from Mr. Sirdevan saying the Hawke property (Delaware Mining Company) at Seven Troughs is not worth the price asked, thus confirming my first impression. I await his full report.

Yours very truly,

ORIGINAL FILED
J. E. SPURR

Vice President

JMS-C

cc

JSA

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item 4

Denver, Colorado, June 6, 1913.

SUBJECT: Delaware Mining Company, Seven Troughs, Nevada.

Mr. James B. Austin, President,
Tonopah Mining Co. of Nevada,
Bullitt Building, Phila, Pa.

Dear Sir:

Regarding the Delaware Mining Company's property, submitted to us by Mr. H. G. Walker of Lovelock, Nevada, Mr. Sirdevan wires me after examination that the property is not worth the price asked. I have written Mr. Walker so advising him, and await Mr. Sirdevan's detailed report.

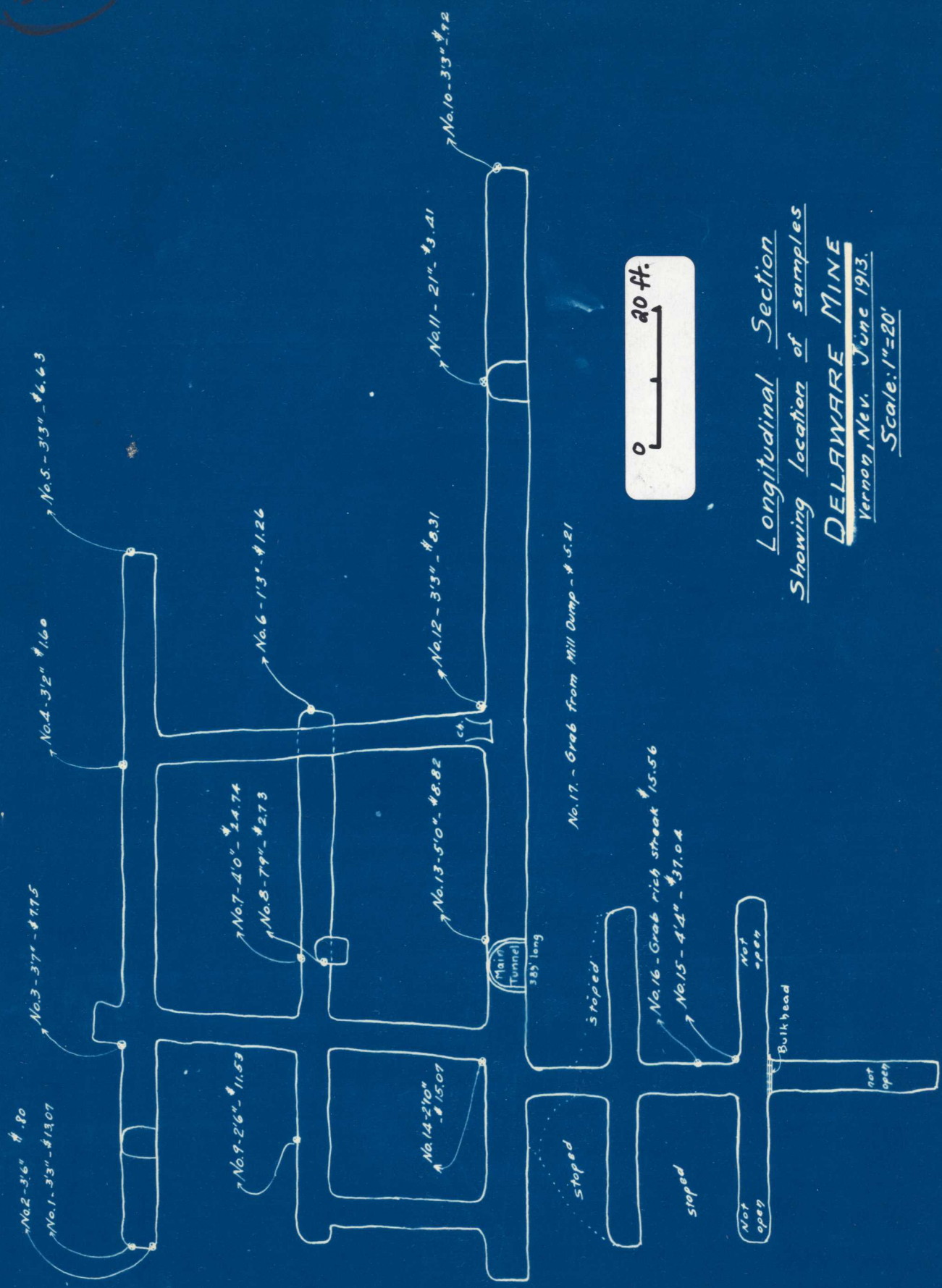
Yours very truly,

ORIGINAL SIGNED
J. E. SPURR

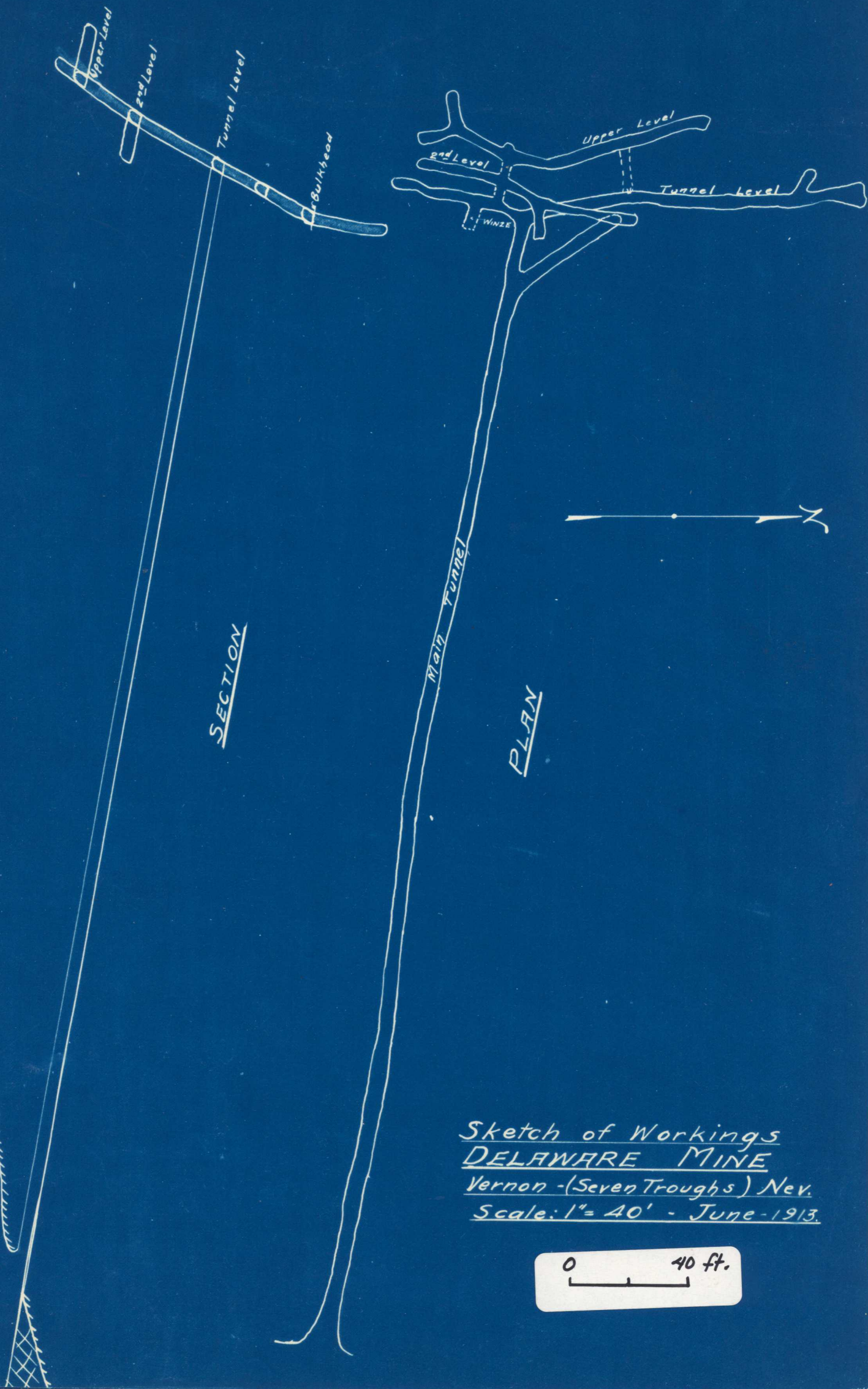
Vice President and Advising Engineer

JES-C

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Longitudinal Section
Showing location of samples
DELAWARE MINE
Vernon, Nev. June 1913.
Scale: 1"=20'



Sketch of Workings
DELAWARE MINE
 Vernon - (Seven Troughs) Nev.
 Scale: 1" = 40' - June - 1913.



THE TONOPAH MINING COMPANY OF NEVADA

572 BULLITT BUILDING, PHILADELPHIA, PA.

PLEASE ADDRESS ALL COMMUNICATIONS
TO THE COMPANY

TONOPAH, NEVADA,

Tonopah, Nev., May 19, 1913.

Mr. H. G. Walker,
Lovelock, Nevada.

Dear Sir:

Your telegram of May 15th was duly received.
It states, however, that a letter was following your
telegram and for this I have been waiting but have re-
ceived none.

In general, it seems to me that this proposi-
tion is not a very attractive one, but I may look at it
differently on receiving the letter.

The report which you sent shows existence of
a small amount of ore of moderate grade in sight, but
nothing, I should judge, which should justify the price
the owners are asking for the property.

Yours truly,

ORIGINAL SIGNED
J. E. SPURD

JES-S.

Vice President.