360.000 Silver Carryon Putrist	AURUM DIST
approx Log of Lucky Reposit	(322)
Plavidson	Item 30
Chroholm shale ± 60	•
Prince la ±600 Proche shak	4
10010 G1100-1. to	
Intermediate dark slater + 550	0
Lower quartite ± 700	8
Forver quartite ± 700 Pre-Cambrian Ochisto, slater. blk sh + 1200 (or lower Cambrian) = + 11200	<u>u</u>
± 4300	

From: L.G. Thomas, Combined Metals Reduction Company

COMBINED METALS REDUCTION COMPANY

Lucky Deposit, White Pine County, Nevada

October 31, 1951

Mr. E. H. Snyder

L.G. Thomas - E.B. Young - C.R. Hagen - L.K. Requa

On October 24 and 25, Messers. Thomas, Hagen and Requa visited the Lucky Deposit property. Snow had not fallen and the weather was favorable for an examination.

Under date of June 13, 1951, Mr. Thomas made a very complete report on the property and had staked additional claims. Mr. Young had visited and mapped the various workings several years ago, and Mr. Hagen had previously straightened out some of the titles.

This is a joint report by all concerned and the conclusions have been fully discussed and agreed to in a group meeting.

It is considered that the report by Mr. Thomas is ample and that no further mapping of geology is necessary at this time.

The claims were found to be well staked and cover all of the development possibilities, with the exception of three or four claims that should be staked to the south if the Sanford area is to be developed.

The ore exposures on the property were found to be as follows:

1. The upper Copper Workings

At this location a limited amount of about 7% oxidized copper ore was mined from an outcrop in the shale above the basal Cambrian quartzite. This bed was under cut by a lower tunnel 500 feet in length. This tunnel cut an ore bed, which was 14 feet wide and the copper ore was sulphide running 2% in copper with 1.5 oz. silver.

The ore bed is mineralized by a regional east-west fault fissure containing quartz porphyry, but there are no north-south faults of consequence in the immediate vicinity of the ore.

2. The Copper Ore in the Cabin Incline Shaft Area

This old incline was sunk on or near the frontal fault close to the base of the range. It shows a strong gossan, about 1 to 4 feet wide, which carries some copper. On the strength of this showing Mr. Thomas put down a drill hole and under 138 feet of alluvium encountered 64 feet of limestone, porphyry and white quartz that assayed about .6% copper for this interval.

Mr. E.H. Snyder, No. -2-

3. The Sanford Silver-Lead Area

These deposits occur in limestone on the hanging wall side of the frontal fault and were mined years ago for high grade oxidized silver-lead ores. A character sample we took ran 30 oz. silver, 3.4% lead and 1.1% zinc. The east-west fault, associated with the upper copper workings, cuts and dislocates the frontal fault just south of Sanford workings.

Other mines in the vicinity are located on, or near, this frontal fault and they seem to occur at places where this fault is cut and dislocated by eastwest faults. The prospects within the body of the Shell Creek range have not been of much importance, while these along the frontal fault have some moderately good production records.

CONCLUSIONS

- 1. The copper possibilities of the Lucky Deposit, as exposed, are less attractive than the silver-lead deposits.
- 2. The upper copper workings occur in a bed which is nearly in the C.M. bed position. The ore mined was oxidized and probably enriched by secondary action. The oxidized ore now exposed runs about 1% copper and 3 oz. silver. The ore exposed in the lower tunnel is sulphide and primary ore. It is too low grade to mine and ship at a profit.

The chances of finding higher grade sulphide ore are limited to the possibility of another bed, which is suspected a short distance above the exposed low grade sulphide ore. This possibility could be proven, or disproven, by several short drill holes underground. It is the concensus of opinion that this objective is of less importance than other objectives described herein.

3. At the Cabin incline the gossan exposed led Mr. Thomas to put down a drill hole which, after passing through 138 feet of overburden, encountered low grade copper sulphide ore in a 64 foot interval.

The greater part of the surrounding area is covered with alluvium and further study and exploration will be required to determine the ore possibilities. Porphyry, granite and limestone float plus the copper showing in the drill hole lend hope that a larger and higher grade body of copper ore might be found.

4. The oxidized silver-lead ores found in the Sanford workings in the limestone near the intersection of the north-south frontal fault and the prominent east-west fault(which is the same one that is associated with the copper in the upper workings) constitute the most encouraging ore showings.

Mr. E.H. Snyder

Silver usually represents an upper end point of ore deposition and may be a leak from a lower body of lead and zinc ores. These ores could occur in a lower limestone horizon, or they might occur as fissure deposits on either the frontal fault or the intersecting east-west fault.

RECOMMENTATIONS

Next spring the Sanford silver area should be explored for bedded lead-zinc ores and for fissure ores by drilling. Some bulldozer work might also be done.

Additional drilling should be done near the Cabin incline to see if better copper ore could be encountered.

At this same time the short holes could be drilled in the upper copper tunnel.

The limestone along the hanging wall side of the frontal fault should be correlated. Mr. Hagen believes this upper Cambrian but Mr. Thomas thinks it is higher.

The Shell Creek range between the Lucky Deposit and McGill contains all of the geological elements that could make one or more good mines. It is within easy shipping distances of Pioche and a reconnaissance of this area should be made.

White we cannot stress the potentialities of the upper copper workings very strongly, we do feel that the lower workings along the frontal fault have excellent chances of containing substantial orebodies.

	/s/	L.	G.	Thomas
•				Thomas
		E.	В.	Young
				Hagen
		L.	Κ.	Requa

COMBINED METALS REDUCTION COMPANY

P. C. BOX 150

SALT LAKE CITY 10, UTAH

Lucky Deposit Mine - Silver Canyon District, Nevada Subject:

Date June 18, 1951

To Mr. E. H. Snyder, General Manager

From L. G. Thomas

Dear Mr. Snyder:

The claim staking at Silver Canyon has been discontinued for the time being. C.M.R.Co. now has thirty-six new mining lodes which form a contiguous group about the thirteen Merrimack claims. The survey party has returned to Pioche and expenditures should cease at the property until further authorization is approved by you.

Ideas regarding the fissuring on the property have changed somewhat since we began staking the ground and studying the structure.

Major fissuring seems to consist of two prominent mineralized fault fracture zones which intersect about one-half mile South of the mouth of Silver Canyon. They are -

- 1st The flat South dipping East-Wester along which are located: The Upper Copper Workings, the Lower Workings of lead-silver diggings at old Sanford claims and the other old mines at the head of Silver Canyon.
- The North-East frontal fault fissure which traverses the base of the range, placing Mississippian limestones over pre-Cambrian slates and schists. This fault is well mineralized at various points along its length, especially at intersections with East-West zones similar to the most prominent one mentioned above.

This zone was drilled to a depth of 255 feet on CMR Claim No. 36 near the "Cabin Incline" and showed 64 feet of low grade copper averaging from .4 to 1.2% in the limestone hangingwall.

"Lower Workings" at old Sanford claims are on our CMR Nos. 29 and 30. Since about four different limestone replacement beds have been mined for lead-silver at this point, a few more company claims should be staked and the area drilled. Operations would be shallow to begin with and much less costly than at the higher "Upper Workings".

"Upper Workings" in the Pioche shales appear along the major East-West fissure. It is not possible at this time to present any new features regarding this copper deposit, except to say that the ore bed has not been fully exposed in the present adit and to register the belief that the better grade copper lies in a higher horizon (80 to 140 ft.) than the one which

E.H. Snyder No. -2-

followed down dip.

Work, such as opening the 500 foot adit to further explore the partially exposed ore, and drifting or drilling for the possible higher bed, should be considered here.

The present grade of copper ore now exposed at the Upper Workings is insufficient for mining at a profit, but probabilities of developing larger tonnages and higher grade ores in quantity, at reasonable cost, are very favorable.

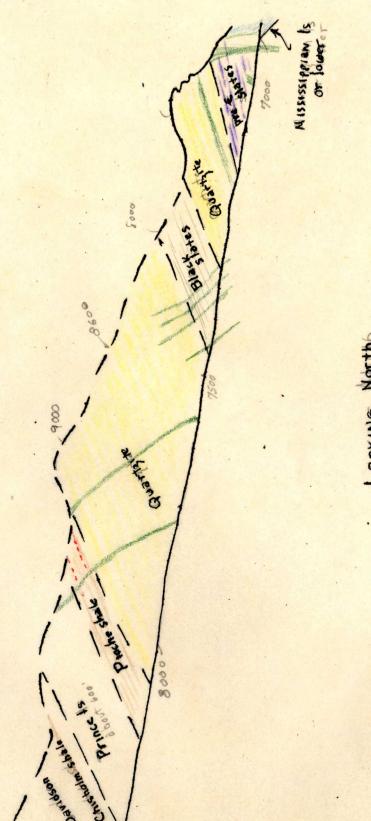
The general region of this part of the Schell Creek Range contains numerous prospective mines, none of which have been developed at depth, or explored by extensive drilling. The "Frontal" fault-fissure coupled with Cambrian sediments and the East-West intersections, seem to have regional implications. The large slump or subsidence areas shown on the aerial photographs by Mr. Laylander, have not been investigated to date owing to the difficult terrain.

Two sketches are attached to this letter which indicate the general arrangement of claims and their geologic structure. Mr. Kenneth Anderson is preparing a larger scale map which will be presented to you upon completion, together with more detailed plans for development with past costs and future estimates.

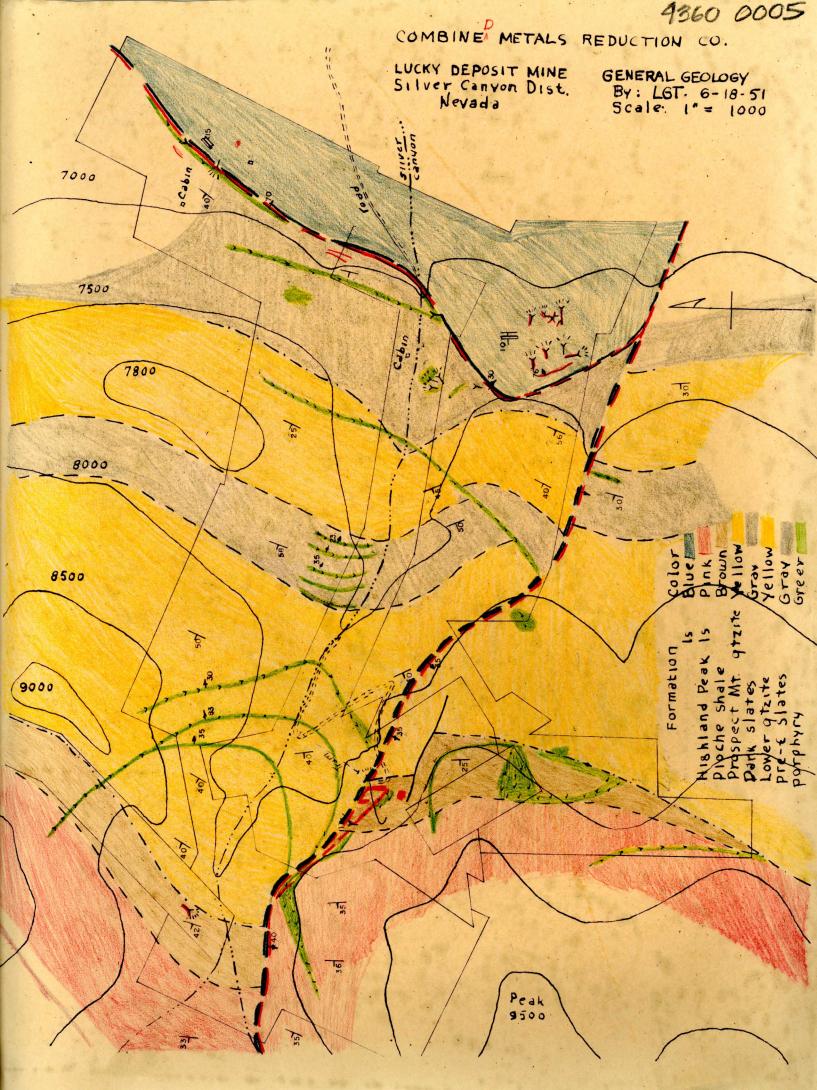
Assessment work for this year has been filed and recorded for the Merrimack claims. All location and discovery work has been completed and recorded for the thirty-six new company claims, thereby covering requirements for 1951.

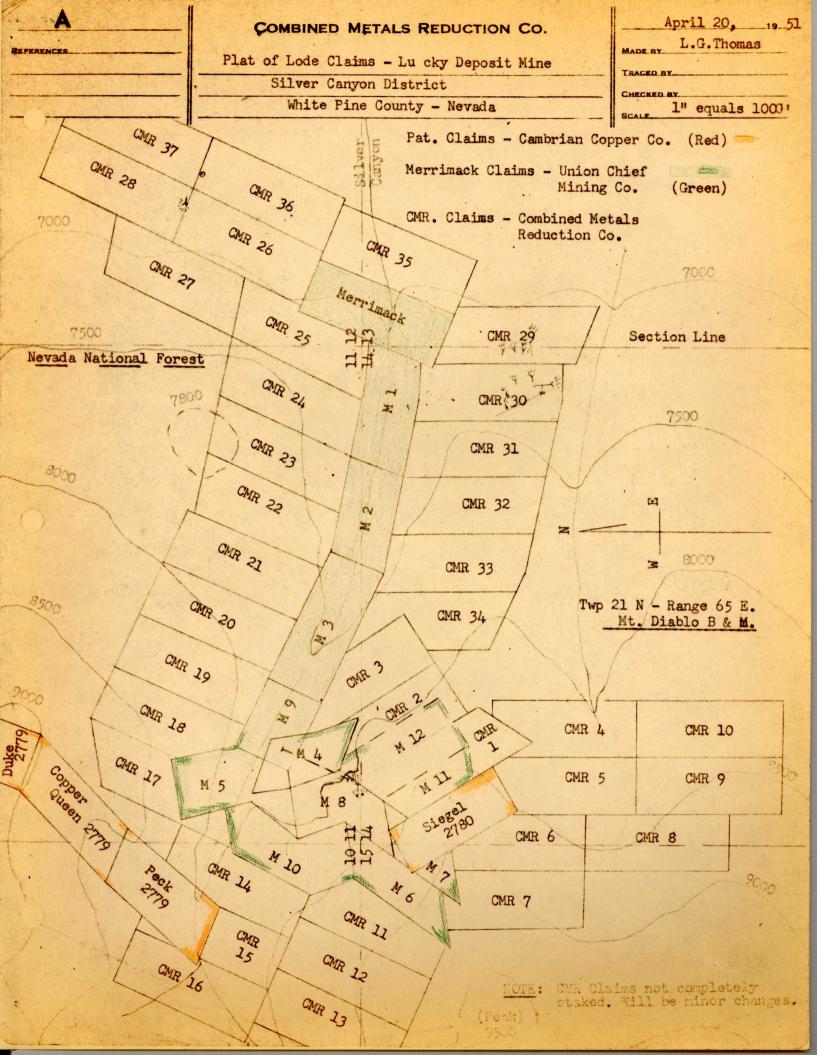
Respectfully submitted.

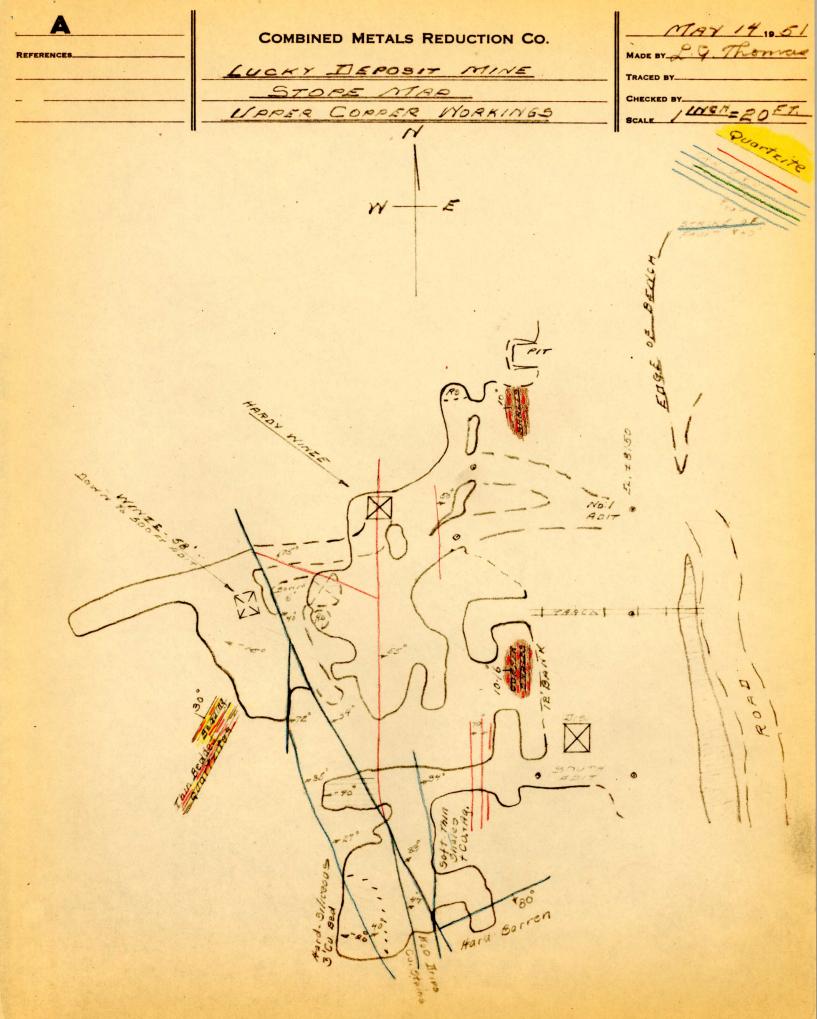
L. G. Thomas



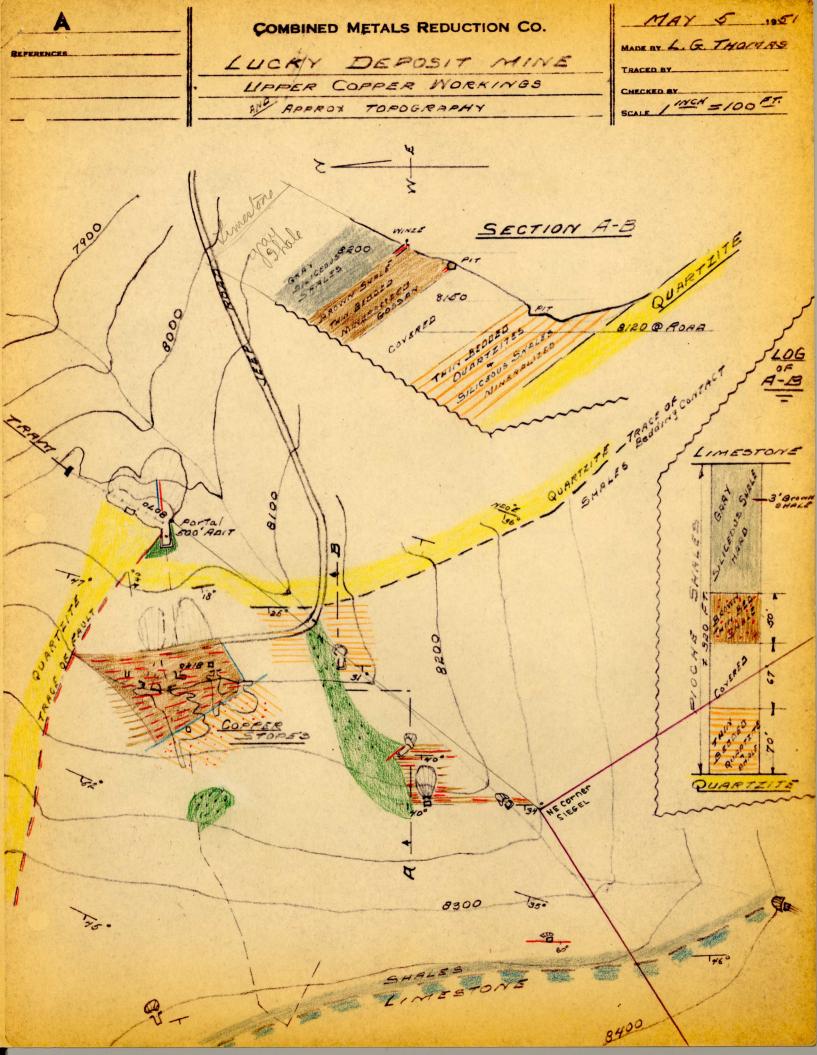
From Silver Canyon 1" = 100 "







MAY 14 1051 COMBINED METALS REDUCTION CO. LUCKY DEPOSIT MINE Failing No 314-C SECTION- 5642 THRU CABIN INCLINE AND DRILL Hole Not on EMANO 36 (Looking NE) Storted: 4-23-61 Completed: 5-9-01 M.W. COR CMR No. 36 No Cores CABIN INCLINE E1. \$6800 Collar = 6755 Hematite Limonite 5,00 to or Cu. Best Copper Assays Depth Thick Cu. 149-153 140-125 POCENTLY 10 160' Hematite 248-255 Recemented quartz 27FT White & clay. Probably sediments 220 Puari and not vein 256- 5-9-51



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