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Item 23

A BRIEF HISTORY OF THE GOLD CANYON DISTRICT

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The Gold Canyon District, also known as the Chinatown, Silver City, Devil Gate, or Dayton District, is in Gold Canyon on the East slope of the Virginia Range in western Lyon County. Placer gold was discovered by Abner Blackburn in 1849 in the sands of the Carson River at the mouth of Gold Canyon near Dayton. This was the first recorded discovery of placer gold in Nevada.

From 1850 to 1857 a band of placer miners, whose number varied from 20 to 200, washed gold from the Gold Canyon placers with rockers and long toms. The average wage made from this work was reported to have been about $5.00 per day per man. Water for working the placers was available during only a few months of the year.

The Gold Canyon placers resulted from the disintegration of the lodes of the Comstock and Silver City Districts. North of Dayton Gold Canyon spreads out into an alluvial fan, in which considerable gold has been found at varying depths up to 50 feet.

In 1920 a dredge was built in the district by the Gold Canyon Dredging Company, a subsidiary of the Metals Exploration Company, which at that time was working mines on the Comstock Lode. The placer holdings of the company lay between Silver City and Dayton and consisted of the Manuel King ground of 300 acres below Silver City and the Rae ground of 720 acres west of Dayton. The dredge began work on September 5, 1920, on a site two miles below Silver City, and it ran until April 5, 1923. About three million cubic yards of gravel were treated and, according to Mineral Resources of the United States, the gross production of bullion for the period was 14,625.3 fine ounces of gold and

7,482 fine ounces of silver, having a gross value of $309,750. According to J. H. Rae Jr., of Dayton, 900,000 cubic yards were dredged on his holdings, from which about $105,000 in bullion was recovered, the rest was taken from the Manuel King ground. Considerable trouble was encountered in operating the dredge because of large boulders and loss of water from the dredge pond. In addition, the grade of the canyon is steep and it was necessary to construct a system of levees to hold the water. Large boulders encountered during dredging also proved a handicap, due to the fact that the dredge pitched violently in digging, causing a loss of gold on the riffles.

The dredge was the close-connected bucket type designed to handle 5000 cubic yards per day. Each bucket held 9 cubic feet and the digging depth was 40 feet. The total weight of the dredge was 900 tons and the cost of constructing it was $250,000.

In 1923 the dredge was dismantled, and several years later it was sold to California interests that were going to use it near Sacramento.

The Rae placer ground is on a terrace southwest of Gold Canyon, sloping towards the Carson River. This ground has been tested by numerous shafts 28 to 90 feet in depth. None of the shafts have been sunk to bedrock as the gold values diminish beyond an average depth of 40 feet. According to J. H. Rae Jr., past sampling by several companies indicate that the average value of the ground is about 24¢ per cubic yard. The fineness of the gold averages 661.*1

In 1936, 1937, and 1939 the J. H. Rae ground was sampled by different mining interests. Finally in August 1940, work began on the construction of a large Dragline Type dredge to work the Rae ground. This dredge was expected to handle about

3000 cubic yards per day. The name of the firm was the Calif. Dredging Company which was later to be known as the Ore Neva Dreging Company. The ground this dredge worked was below Silver City and just adjoining the ground worked by the bucketline dredge in the early twenties. In October 1941 this dredge was reported to be handling 90,000 cubic yards per month and extracting about 24¢ per cubic yard.

Late in 1940 another dredge was constructed to work the ground adjoining the town of Dayton. This was a very large Dragline Type dredge capable of handling 6000 tons per day. The digging depth was 120 feet, the hull dimentions were 50' by 106' by 7', and the stacker was 190 feet long. The trommel was 9' in diameter and 60' long of which 36' were perforated. For recovery of the gold, jigs, amalgamators, riffles, and a ball mill were used. The shovel was a 15 cubic yard Bucyrus Eirie model with a 185 ft. boom. This dredge worked until about February 1943 when it was dismantled due to the wartime restrictions on gold mining. It is estimated that the dredge handled approximately 1,000,000 cubic yards in this time. Early in December 1946 this dredge resumed operations. However, at this time a 6 cubic yard bucket was being used and it was estimated that the dredge was handling only about 3300 yards per day. It has been reported that the entire townsite of Dayton will someday be dredged by this operation.

The Ore Neva Dredging Company worked out the profitable ground and moved the dredge away sometime in 1942. This was probably the most successful placer operation in Gold Canyon to date. The dredge handled between 2500 and 3000 cubic yards per day with an initial investment of about $100,000. The larger dredge owned by the Dayton Dredging Company handles

about 3000 to 4000 cubic yards per day with an initial investment of probably over $500,000.

There have been several attempts to recover gold from the sands of the Carson river above and below the town of Dayton. It is known that the various mills which operated along the river in the Comstock days were inneficient and lost a large amount of quicksilver, silver, and gold in their tailings which emptied into the Carson river. So far any attempt to recover these values commercially has met with failure. However, it is quite possible that some day these values will be recovered by special machinery and processes.*2

*1 Placer Mining In Nevada by William O. Vandenburg, University of Nevada Bulletin Vol. 30 No. 4, May 15, 1936.

*2 Newspaper Clippings from the Nevada State Journal on file in the Mackay School of Mines.