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## CONSOLIDATED WIRGINIA & ANDES CORPORATION

1320 ALASKA COMMERCIAL BUILDING 310 SANSOME STREET SAN FRANCISCO

C. G. Clifton 2

Please reply to 810 Butler Bldg.

Dec. 7, 1933.

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Mr.Ralph Arnold. 120 Broadway. New York.

Dear Mr. Arnold;

Replying to yours of the 4th inst., I very much regret that I have not now in my posession a map of the Woodville-Justice workings. I thought I had left a photostat of the large original map with you in Los Angeles, but apparently not. I did leave one with Harley Sill which he still has, and another is in the hands of W.J.Loring in Virginia City.

This map shows the original workings of the old company way back in the seventies, and to it had been added the work done in the nineties at which time the ore block mentioned in the report was developed between the 490 and the 822 levels. This is the block which contains some 57,000 tons of ore, and lies in what is otherwise virgin ground. This virgin ground extends north of the Woodville shaft for about 1600 feet. Development ore taken from the drifts which were run at the time this block was developed was put through the company mill and yielded an average of \$20.18. Winzes and raises connect the 490, 622, 767, and 822 levels, and a raise put up from the 490 for 50 feet was entirely in \$30 ore.

The returns from this operation are to be found in the original bullion book which is in Virginia City. The work was abandoned because costs of the work were about \$26.50, a little too high for a profit.

All the original company work prior to 1878 was done in the southern 500 feet of the property, and company maps show stopes as wide as 50 feet. These stopes are now filled with what was then low grade ore, and samplings from the 490 level indicate an average of \$18.75. Windish, a leasor mined and milled 4000 tons of fills from the 370 level a few years ago and paid royalty on an average grade of about \$17. From one new ore body on the 370 he paid royalty on about \$159,000 in bullion recovered.

The Woodville shaft has been retimbered to the 240 level. At the 426 we will encounter what was one of the principle early day levels and will finds fills accessable. The same is true o 450. of the 490. These fills lie to the south west of the shaft. The ore block mentioned lies to the north. Nothing has been done on the property since 1904 except by leasors, and all their work was confined to the 370 and above in the old south-west territory.

Today we need about \$150,000 to insure adequate funds for continuing the work of retimbering the shaft, the erection of a change house and timber house, opening up the ore, and building a 100 ton mill. Actual expense of putting the mine on production will amount to a little less than \$100,000, including the mill. Many a poorly financed mine has failed because of this alone; but with \$50,000 over and above actual necessities there is no question in my mind that the property will pay well after about \$100,000 has been expended. W.J.Loring says it is one of the "plums" on the Comstock.

The present equipment consists of a new head frame, hoist house containing a 50 H.P. single drum hoist with 1000 feet of new cable, and an office and warehouse. The hoist is geared so as to handle work to the 822 level; but as developement goes on we will probably replace this with a 100 H.P. double drum for expediency. The shaft is a standard size three compartment, - two cages and a man-way. Justice ground is hard and stands well. This hard, drill ground is the only reason why we find the fills we do because it was cheaper in the early days to throw away their low grade than it would have been to drill for waste. As a consequence of this hard ground there will be little timbering as compared to the conditions existing in the middle and north end mines of the Comstock.

Harley Sill and his associate, Mr.M.N.Shinn of Los Angeles, with whom, as you know, I was in consultation while in that city, have been delayed in coming to a definite conclusion on their deal for the reason that one of Shinn's business associates died suddenly just after my return to San Francisco. Following that Shinn became ill and is only now convalescing. That was unfortunate for both sides, but I cannot wait indefinitely for their conclusion. Therefore, I am prepared to negotiate with others on a basis of a half interest in the property for the sum of \$150,000, in the necessary installments, provided the parties to the deal are reliable. This I am sure would be the case if they are associates of yours, and I shall be glad to hear from you accordingly.

E.P.Spalding, H.W.Squires, W.J.Loring, C.E.Eagan, and J.L. Dobbins put a net worth on what we believe we have in ore blocked and in sight of about \$2,500,000. As you know it is not now possible to walk right into these ore reserves. The levels under discussion have not been entered since 1904; but our information is based entirely on the old company reports, on one original assay book, and the bullion book of the original company. We know nothing has been done on the property since 1904 because since that time the mine has been in the possession of the Leonards from we whom we are purchasing. The company still owes on its purchase contract \$14,500 without interest, and notes payable to the extent of about \$7,500. Payments on the purchase contract are \$2,500 a quarter, the next one being due February 16, 1934.

In the past the Woodville and Justice, which were merged in 1876, have paid in dividends about \$8,500,000, and there is every reason to believe that under the present attractive conditions they will again become fine producers.

Hoping to hear from you in the near future, I remain, with kindest regards, Yours very truly,