NBM file 15

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(203)
Item 8

RENO OFFICE
RECONSTRUCTION FINANCE CORPORATION
MINING SECTION
FIELD REPORT

Docket No. ND-8457

Date of Examination — October 2, 1943
Date of Report — October 20, 1943

NAME AND ADDRESS OF APPLICANTS

L. E. Cornelius, C. E. Noble and Charles F. Noble
Mina
Nevada

Correspondent

L. E. Cornelius
Mina
Nevada

CHARACTER OF PROJECT

The Applicants propose to purchase equipment to mine an isolated outcrop of cuprite ore exposed in a shallow surface cut on the Dunlap property.

This is the third application for funds to operate this property. The former Applicants, Max E. and Dan A. Nippell, had a leasehold on this property at the time loans were requested as follows:

Docket B-ND-4056 for $20,000	Declined
Docket C-ND-7624 for $5,000	Declined

LOCATION OF MINE

This property, locally known as the Dunlap Copper Mine, is located in the Silver Star Mining District. It is 12 miles by improved county road from Mina, Nevada, on the Mina Branch of the Southern Pacific Railroad. With the exception of short storm periods the mine is accessible throughout the year.

APPLICANTS

L. E. Cornelius is the local butcher shop proprietor; C. E. Noble is an elderly prospector, and his son Charles F. Noble has been connected with several small promotions of local prospects with Southern California capital.

The Applicants' chief experience in mining has been locating mineral claims or acquiring them through county tax sale, and by small mine promotion deals.

LOAN REQUESTED

$5,000.00.

LOAN RECOMMENDED

A loan is not recommended.

DESCRIPTION OF PROJECT

The Dunlap Copper property consists of nine mineral claims and one mill site, all patented under U. S. Mineral Survey No. 2611 A and B.

The Applicants state that the Tonopah Mining Company made an unsuccessful attempt to test this property at depth by driving an adit under the surface outcrop. This adit was driven from the Independence Claim southwest approximately 1150 feet where it encountered a fault and considerable water and heavy ground. As a result, the adit was flooded and filled with debris to be abandoned after two unsuccessful attempts to drive around the caved heading.

Two additional adits explore the ground south of the fault by entering the area from the drainages both east and west of the main lower adit. The development muck from these adits shows no indication of secondary copper sulphides. Both adits are inaccessible due to their caved condition, but both dumps indicate extensive development work.

GEOLOGY

The rocks exposed on this property are thin bedded silicified cherts and quartzites probably of Jurassic age. These sediments strike northeasterly and dip steeply to the northwest. The only igneous rock observed is a small dike of Monzonite, whose outcrop extends north 75° west from the east drainage ravine. An extensive fault zone and stress sheeting of the sediments strikes north 85° east and dips from 45 to 70 degrees south, which is the principal mineralized area.

While there are certain possibilities for an enriched zone of secondary copper sulphide behind the main fault structure, the fact remains that the principal mineral in the outcrop is cuprite with lesser amounts of Malachite and Azurite. This cuprite occurs only as thin seams along the fracturing of the dense cherts and quartzite members.

The outcrop occurs near the top of the hill constituting the main topographic feature within the property boundaries, and consequently has been subjected to deep erosion. In my opinion the secondary zone has been reached & partially destroyed by erosion. This observation is further substantiated by the fact that the cuprite mineralization occurs within a few inches of the present erosion surface without a gossan mantle. It was also noted that a monzonite dike which outcrops approximately 300 feet south of the fault zone contains kaolinized feldspar phenocrysts tinted light green with secondary copper minerals, but no vugs of limonite or other indication could be found which would indicate that this igneous rock had ever contained disseminated chalcopyrite.

During the spring of 1935 I visited this property with Mr. C. F. Noble, at that time and during this current examination the water issuing from the adit was studied. During both visits the water was palatable and free of acid or other strong mineral salts. There is no evidence of copper precipitate on the iron pipe, rail, and old cans at the portal. Mr. Noble recently recovered approximately 500 feet of the track from the adit which is rusted, but still serviceable after being exposed to this water for approximately 35 years.

If the Applicants supposition is true that a body of secondary copper sulphides exists behind the fault, it seems evident that the water would be more corrosive and some evidence of reprecipitated copper would show on the rail recently removed from the adit. Furthermore, if the monzonite is the source of copper mineralization, it would naturally contain evidence of primary copper mineralization.

It is concluded that the present surface exposures are residual secondary copper which is too low grade to mine profitably in a 17 cents copper market.

The numerous open pits left by the Chaffee operation in 1918, none of which exceed 25 feet in depth, would lead one to conclude the grade of copper ore does not improve with depth.

SAMPLING AND EVALUATION

The extensive surface cuts expose many weak faces of mineral, but the only minable width of possible ore is in the east end of the Chaffee cut.

Three samples were cut at this exposure which are as follows:

No.	Width in Feet	Description	% Copper	% x Feet
424	5.0	Horizontal cut fault zone east end Chaffee cut	5.64	28.2
425	2.0	Horizontal cut hanging wall vein section, 5' below No.424	4.00	8.0
426	5.0	Horizontal cut foot wall vein section 5' below No. 424	6.43	32.2
	12.0			68.4
Average		- - - - - - - - - - - - - - - - -	5.7	

Other unimportant samples are indicated on the accompanying sketch.

American Smelting and Refining Company Schedule by Kuno Doerr, Jr. December 24, 1942.

Au no pay
Ag no pay
Cu 5.7% less 0.75 unit deduction = 4.95 units
Base 4.95 x 1.855 = $9.18 per ton
5¢ Premium 5.7 x 1.00 = 5.70

Total gross value per ton - - $14.88

Estimated cost of production:

Treatment A.S.& R. Co.	$3.75 per ton	
Freight Mina to Salt Lake plant	4.00 " "	
Trucking mine to Mina (12 miles)	1.50	
		9.25
Worth per ton at the mine - -	$	5.63

Estimated cost of mining per ton by following the supposed ore shoot in fault zone - filled or stulled stope - will be approximately - - - - - - - - - - - - - 7.00

Probable loss per ton - - - - -$ 1.37

OBJECTIONS TO PROJECT

1. Assured ore of proven grade is completely lacking. The Applicants alleged secondary copper deposit is possible, but not supported with convincing data.

2. The Applicants are more imbued with the idea of a large leaching plant operation than with practical ore proving mine development.

3. It appears the Applicants are not experienced mine operators

and not prepared to successfully operate a marginal mineral deposit during a period when mine labor is both scarce and ineffective.

4. The nature of this mineralization is not amenable to sorting as a means of improving the grade of ore.

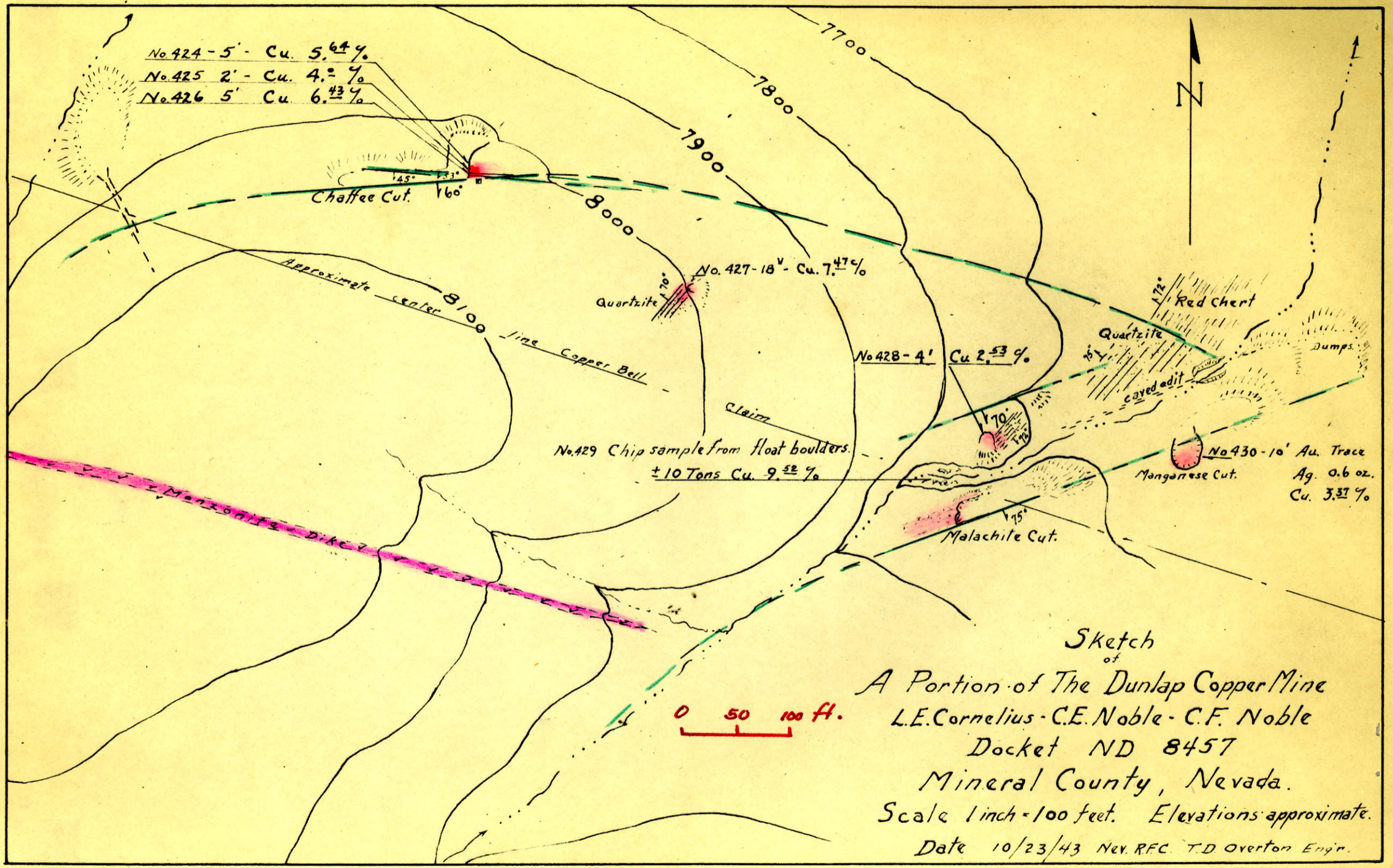
COMMENTS

This project seems ill-advised as there is not sufficient quantity of ore of sufficient grade to be of material aid to the war effort, nor does the project give promise of being a sustained operation.

RECOMMENDATION

It is recommended that this application for a mining development loan be declined.

T. D. OVERTON
Engineer



Sketch
of
A Portion of The Dunlap Copper Mine
L.E. Cornelius - C.E. Noble - C.F. Noble
Docket ND 8457
Mineral County, Nevada.
Scale 1 inch = 100 feet. Elevations approximate.
Date 10/23/43 Nev. RFC. T.D Overton Engr.


UNSURVEYED LAND
SUR. No. 2611 A
BUSTER
SUR. No. 2611 A MALACHITE
COPPER KING
SUR. No. 2611 B
FRANKLIN
COPPER BELL
COR. No. 2
COR. No. 3
COR. No. 4
AZURITE
HOMESTEAD
U.S.L.M. No. 178
Scale 1/4" = 100'
2611
0 200 400 600 ft.
4410 0008