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Item 33

RECONSTRUCTION FINANCE CORPORATION
MINING DIVISION
REPORT OF SUPERVISING ENGINEER

Docket No. Reno N-1 - ND-5317
Date of Authorization to Examine
Date of Examination
Date of Report

February 17, 1943
February 20, 1943
March 16, 1943

NAME AND ADDRESS OF APPLICANT

Fred Peterson
Tonopah, Nevada

CHARACTER OF PROJECT

To purchase machinery, tools, lumber, timber, etc. to equip one or more shallow shafts, construct housing, etc. To deepen shafts, and run drifts and cross cuts in the expectation of finding pay ore. To either construct a mill later, or ship product to McCall smelter 183 miles via truck over highway.

APPLICANT

Applicant is a man about 70 years of age, a carpenter by trade. He has worked as such last 25 years; he has had no experience in actual mining but has prospected in the vicinity. He would not be capable of taking complete charge of a mining operation; is honest and sincere, but not mentally efficient.

LOAN REQUESTED

Loan requested is \$10,000.00

DESCRIPTION OF PROJECT

The property is located about 5 miles in an air line north of Tonopah, Nye County, Nevada. It is reached by a fairly good desert road which winds about for approximately 10 miles. It covers the summit ridge of the San Antonio Range, at an elevation of about 7000 feet.

There are eight lode claims in the group, the main workings being upon the Extension No. 4 claim. The ground was located during the boom days of Tonopah and incorporated as the Tonopah Jupiter Mining Co. When the boom collapsed the company abandoned the property and it was relocated by the applicant.

The areal geology here is entirely different from that at Tonopah, 5 miles away. Here is an area covering several square miles of what is apparently a pre-tertiary intrusive rock, probably granodiorite. The veins within it show the typical high temperature characteristics, the glassy quartz, epidote, garnet, etc., together with occasional spot of chalcopyrite. The veins are small, short, gashes or fissures, and are of no economic importance. The shaft on the Mermaid claim merely established the presence of one of these veins. The work on the Venus exposed a vein 12 to 16 inches in width and 15 to 20 feet long, with quartz and a spattering of chalcopyrite, to a depth of about 10 feet. The shaft at the Jupiter claim was sunk on a fracture. No ore is visible.

This brings us to the main workings on the Extension No. 4 claim where an incline shaft has been sunk on a contact between rhyolite and the granodiorite. The rhyolite is on the foot-wall side of the contact, which dips southerly about 30°. The rhyolite appears to be the surface rock covering an area of 3 or 4 square miles north of the contact. It shows the flow structure, with small quartz phenocrysts and aphanitic ground mass, typical of the tertiary rhyolites common to this range. If this conception of geology is

the correct one, the contact is a thrust fault.

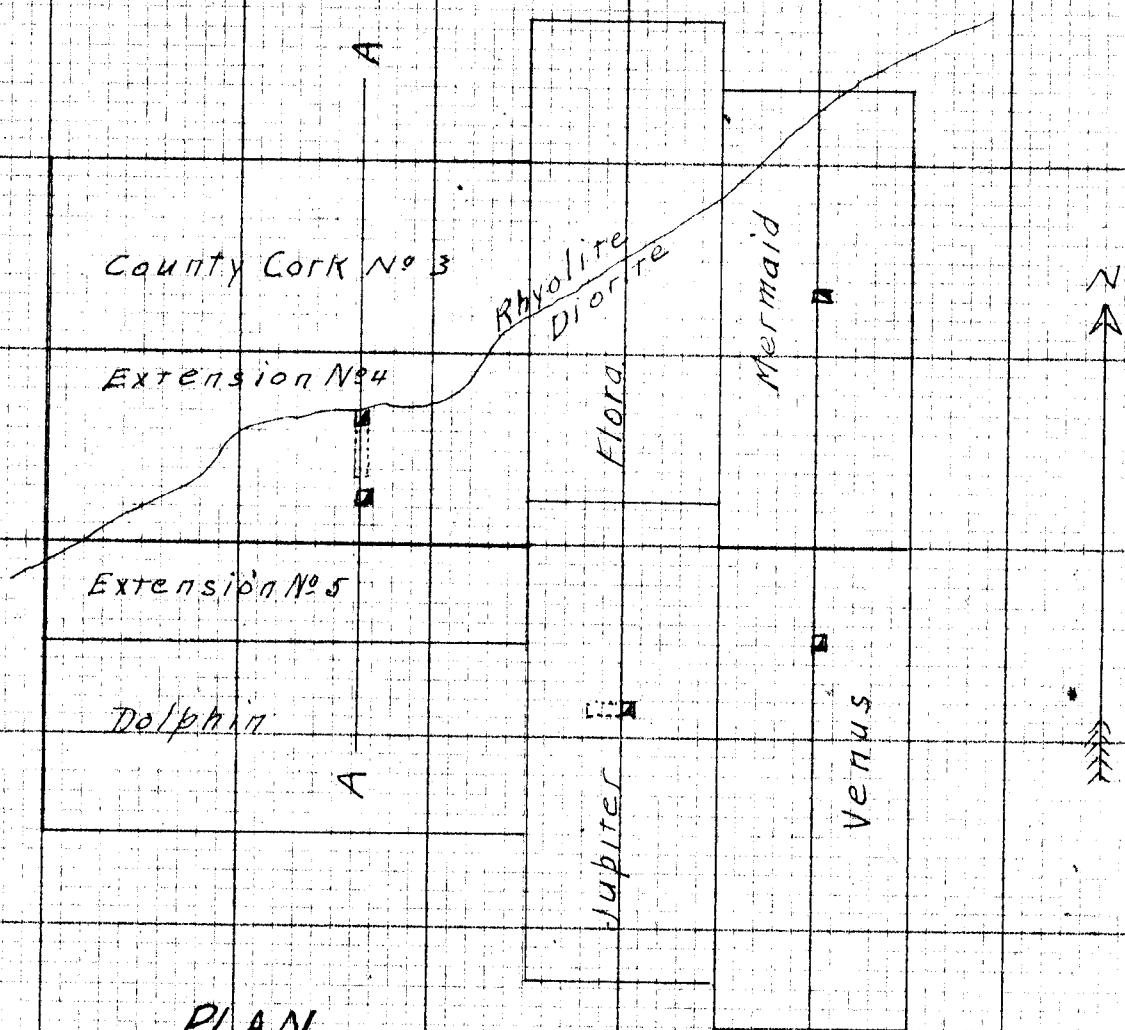
However, the shaft was not open for inspection, having no collar sets in place, but the vein could be examined in the open cut at the collar. The vein matter is about 4 feet thick in which are nodules of quartz spaced at irregular intervals. The vein matter is composed of more or less disintegrated particles of the wall rocks. The applicant's description, together with the engineer's report indicate that small quantities of quartz were found as the shaft was sunk to its ultimate depth of 140 feet, where water began to appear.

There was no opportunity to sample ore in place, and the few pounds lying about on the dump indicated the character and content of that which had been extracted, so no samples were taken. In fact, the entire project appeared to offer little encouragement for even a highly speculative investment.

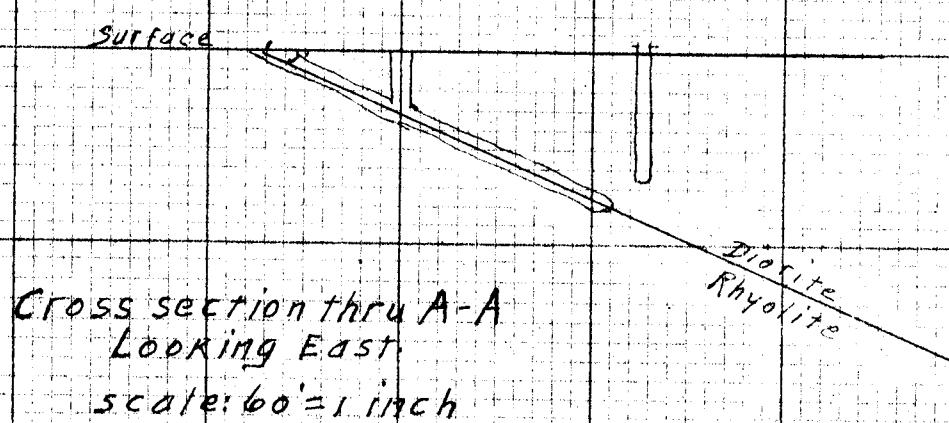
It is obvious to the writer that there would be practically no chance for the borrower to repay any part of the loan, if granted, much less to produce a paying mine, and that the National Defense would in no way be promoted by granting the loan.

Carl Stoddard
Carl Stoddard
Associate Engineer

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PLAN
scale: 600' = 1 inch



CROSS SECTION thru A-A
LOOKING EAST.
scale: 60' = 1 inch

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