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Esmeralda (104)
Item 8

UNITED STATES GOVERNMENT

Memorandum

Take Canyon?

3010
1120.2
(N-053)

DATE: January 5, 1973

Sylvana

TO : State Director, Nevada

FROM : District Manager, Las Vegas

SUBJECT: Inquiry from the Natural Resource Defense Council

On December 26, 1972, we received a letter from Mr. John D. Leshy of the Natural Resource Defense Council Inc. inquiring about the status of several shacks and cabins located in the "Big Moly" area of Esmeralda County.

In this letter, Mr. Leshy asked about mineral leases in the area, the status of the cabins and any action we have taken concerning this occupancy of the surface.

In response to this inquiry we have reviewed our records and have ascertained the following information:

1. No mineral leases or exploration permits have been issued for the "Big Moly" area of Esmeralda County.
2. The area, however, has been more or less continuously prospected for minerals, and a number of mining claims have been located.
3. Several of the mining claim locators have built cabins etc. on their claims. Such cabins if used in conjunction with mining or mineral exploration constitute a valid use of the surface. We know of no "summer cabin" types of occupancy in the area.

We are enclosing a report on the "Big Moly" area that was done by Mr. Thomas Schessler in 1968.

Attachment: Report



Natural Resources Defense Council, Inc.

664 Hamilton Avenue
Palo Alto, California 94301
415 327-1080

New York Office
36 West 44th Street
New York, New York 10036
212 986-8310

December 21, 1972

Washington Office
1710 N Street, N.W.
Washington, D.C. 2003
202 783-5710



District Manager
Las Vegas District
Bureau of Land Management
Room 301, 301 E. Stewart Avenue
Las Vegas, Nevada 89101

Dear Sir:

I write on behalf of the Natural Resources Defense Council, a nationwide environmental law firm and citizens' organization with a western office here in Palo Alto, California.

We have been informed that several individuals are in violation of the federal mineral leasing acts and regulations in the area in your district known as "Big Moly" or "Death Valley Overlook" in Esmeralda County. Specifically, we have been told that many people are occupying cabins as weekend or vacation retreats under mining permits while not actually engaging in mining exploration or mineral removal.

In this connection I would appreciate a listing of all individuals and firms which hold exploration permits or mineral leases in this area, including the date granted, the area covered, the duration, the minerals for which removal or exploration is conducted, and the terms of the permits or leases. (Copies may be furnished if more convenient.)

I would also like to know whether your office has undertaken to investigate the activities of those operating under such leases or permits in this area, and whether you have taken or contemplate taking any action to protect the ecology of this area.

I appreciate your assistance in this matter, and best wishes for the holiday season.

Sincerely,

John D. Leschy
John D. Leschy

JDL/jcs
cc: E.I. Rowland

- (6) Big Moly (Death Valley Overlook) in Esmeralda County is a scenic area weathered into a colorful "badlands" topography. It is cool, has pinyon-juniper trees and provides an excellent overlook of Death Valley.

The area has been explored for many years by a host of companies for molybdenum for use in making alloys, chemicals and lubricants. A northwest-trending zone of weakness, a thousand feet wide and several miles long, and the presence of intrusive rocks (quartz monzonites) and metamorphosed sedimentary rocks provide a hospitable environment for mineralization. Mineralization is present throughout the area and is evidenced by wide spread alteration and the presence of molybdenite (MoS_2) and pyrite.

Among the legitimate mining companies that have examined the mineralization are Freeport Sulfur Company, American Metal Climax Inc. (the world's largest molybdenum producer) and Siskon Corporation (which still holds many claims in the area).

In 1960 Bear Creek Mining Company (The exploration subsidiary of Kennecott Copper Corporation) made a geological and geochemical reconnaissance of the area and identified a number of molybdenum anomalies. In 1961 and 1962 the company drilled thirteen holes averaging 1,000 feet each. The company released its option on the claims in 1963 because they had not discovered a mineable deposit and elected to employ their limited personnel and exploration funds on other prospects. The company is still interested in the area and expects, at some future date, to examine some of the anomalies that were not drilled. This is probably the "Pine Creek Division" activity that N.O.R.A. refers to.

In August 1967 a mineral examination of the area was made by Bureau employees to determine whether the area should be segregated in the Esmeralda County Classification. At that time Molybdenum Corporation of America (a leading producer of molybdenum products) was actively engaged in drilling and exploring parts of the area. Representatives of the company indicated that they had built 75 miles of new roads and drill sites and were extending their project because ore had been found during the initial phase of exploration.

Most new mineral deposits are discovered in areas with a past history of mineral exploration. The majority of new deposits have been examined and turned down by legitimate, experienced mining companies several times before economic shifts, technological advances, or new approaches allow some companies to turn them into profitable enterprises. This is recognized by all mining companies and they abandon one project in favor of another not because they have exhausted all possibilities on the one, but rather because they feel that the other offers better odds. As all exploration companies



operate on limited budgets, they must apply their resources on the sites their experts believe will most likely yield a mineral deposit for the lowest exploration cost. Thus many companies may look over the same area and some may return to it for additional exploration.

Dr. John H. Schilling of the Nevada Bureau of Mines examined the area for the Nevada Bureau of Mines Report 2, An Inventory of Molybdenum Occurrences in Nevada, which he authored in 1962. Dr. Schilling believes that the "Big Moly" area (called the "Cucamongo Deposit" in the publication) is the second most attractive molybdenum exploration target in Nevada. The most attractive area is the "Hall" property north of Tonopah which is held by the Anaconda Company and reportedly a commercial deposit has been found there.

In light of the past and present exploration activity (over a million dollars has been spent by the various companies) segregation from mining would not be in order. If a mineable deposit is found, areas not now considered commercial might become so as mining and processing facilities are built. The Bureau of Land Management therefore contemplates no segregative action now or in the future until the area has been fully explored. If a mineral deposit is developed it might be possible to identify a small non-mineral area for use as a view and picnic site with a view of both the mining operation and Death Valley.

Tom Schessler
1968

UNITED STATES GOVERNMENT

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3400

Memorandum

TO : The File

FROM : T. E. Schessler, Mining Engineer

DATE: 10-9-67

SUBJECT: "Big Moly" Recreation Inventory Area - Mining Claims

At the request of A. E. Tower, District Recreation Representative, I reconnoitered, on August 22, 1967, the "Big Moly" area for evidence of mining claims, mineral character, and prospecting or mining activities.

Molybdenum Corporation of America has an active exploration drilling program under way in the area at the present time.

I spoke with Mr. Dick Wilcox at the company's camp in Sec. 34, S $\frac{1}{2}$, T. 6 S., R. 39 E., M.D.M. The initial project was to have been completed at the end of August, 1967. However, ore was found during that phase of exploration and the project was extended through February, 1968. The ore was apparently found in metasediments on the northeast flank of a highly altered and bleached alaskite intrusive, perhaps elsewhere as well. I learned nothing more specific. I did see secondary copper and molybdenum minerals, both in the sediments and in the altered alaskite.

Numerous old drill roads and sites exist in the area. The company has built 75 miles of new roads, with drill sites, for their exploration program. Most of the activity observed is in Sec. 34, T. 6 S., R. 39 E., M.D.M., and Sections 2, 3, 10 and 11, T. 7 S., R. 39 E. Activity in Section 10 of the latter township appears to be confined to the NE $\frac{1}{4}$ and there is no activity in Sec. 14. I did not get into Sec. 4.

No recreation development should be planned for the near future in the "Big Moly" area as inventoried. Should a mine eventually be developed in the area, it might well be utilized, in cooperation with the owner, as an attraction related to public recreational development.

For the present, however, and for sometime to come, the area must be considered mineral in character. The possibility of major future mining development must be considered. The area in which indications of hydrothermal alteration were seen is outlined in blue on the accompanying Magruder Mountain topographic map. Within this area, and a broader surrounding area not covered, exists the potential for development of mineral deposits. The blue line surrounds only the area in which alteration was observed and is not to be taken as the limits of the lands with mineral potential. The map indicates prospects and old mines scattered over a much larger acreage.

T.E.S.



5010-108

Buy U.S. Savings Bonds Regularly on the Payroll Savings Plan

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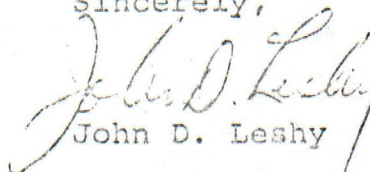
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John D. Lesby

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cc: E.I. Rowland

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