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item 8

Ione, Nevada
Jan. 21, 1946

Major Otis Kettle
1045 Riverside Street
Reno, Nevada

Dear Major Kettle:

The other day when I was in to see Mr. Carpenter we called and found you were leaving the city for a few days. I am sorry because I would have liked very much to have seen you at that time, so at Mr. Carpenters suggestion I am enclosing herwith a brief report on the Richmond mine along with my past record.

I hope you will consider this and at the first oportunity pay me a visite at the mine. I suggest if you are coming out this way to consult Mr. Carpenter first as I am sure he can direct you. I feel sure that you will find the mine exactly as I have tried to state it with no exceptions. I have looked at to many mines in my time to find them lacking and I would not want to turn around and do the same thing to anyone else at this time.

Hoping to hear from you very shortly

Very truly yours

Harold P. Newman
Harold P. Newman

Milling cont.

reputation and if they recommend the mill as being O.K. in construction I would feel quite safe in going ahead without improvements.

In trying to arrive at some conclusion as to what milling the ore would save I have compared the cost of treating the ore at the mill and sending it directly to the smelter. From the smelter returns from the five shipments that have been sent I have obtained the following costs: Haulage \$20.00 per ton. Freight \$13.00 per ton, Smelting ~~\$15.00~~ \$10.50 per ton, sampling \$1.00 per ton, assaying .50 per ton. Adding \$5.00 per ton to this for mining and the total is \$50.00.

The estimated cost of handling the ore at the mill figured on the basis of crude ore is as follows: Mining \$5.00 per ton, hauling to mill \$1.00, milling \$4.00 per ton, making a total of \$13.50 per ton or a saving of \$36.50 per ton, so it can be seen that the most successful way of running the property is to mill all but the very ~~highest~~ ~~greater~~ highest grade of ore that you mine.

SUMMARY:

In summing up the reasons which I consider have been responsible for the mine's not paying I will site the following: lack of competent management, lack of experienced superintendent, and lack of miners, ore not cleanly sorted, which has resulted in tons of ore going over the dump, development costs too high, no definite goal for development, loss of ore at fault, due to ignorance of men who have examined property, too much stress put on dumps, too much guess work about value, tunnel started several hundred feet high, accommodations poor, and efficiency everywhere at a minimum. These items are very serious but you must admit that they can be easily remedied, if the whole system is changed. In the report I have suggested the remedy for each of these conditions and I believe it can be remedied without loss of time or money.

In my opinion the property has great possibilities and although I do not think that we will ever be able to encounter stopes of this high grade ore, which are comparable to some of our stopes in Bingham, Tintic or Park City, still I believe that the mine can be made to pay dividends on the stock, and the deeper operations will open up more valuable ore bodies than have yet been found. So I recommend that the changes which I have suggested be made with all possible speed, for if they are carried out I am sure that the mine will be able to run at a profit.

Respectfully submitted

R.D. Gardiner