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Item 7

EUREKA HAMILTON MINES COMPANY  
WHITE PINE DISTRICT, WHITE PINE COUNTY,  
NEVADA.

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Report August 31, 1921,  
By - W. H. Blackburn.



## EUREKA HAMILTON MINES COMPANY.

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### LOCATION

The nearest postoffice is Hamilton, lying about one mile to the north of the property. At Hamilton <sup>are</sup> ~~is~~ located two small general merchandise stores. The nearest railroad points are Ely and Eureka, both on branch lines running south from the Southern Pacific Railroad and each of these towns lying about thirty miles from the property. Freight rates on both local lines are high.

### CLAIMS AND AREA

The Eureka Hamilton Mines Company claims ownership in four patented claims - Argyle, Mahogany, Cocopah and Pocotillo. They also hold by location the following claims:

Mammoth No. 1	Pocotillo No. 46
Argyle Extension	Pocotillo No. 47
East Eberhardt Extension	Emeresley
Golden Eagle	Ruby
Pocotillo No. 43	Pocotillo No. 42
Pocotillo No. 45	Tunnel

and three recent locations in the vicinity of the Tunnel Claim, a total of about 250 acres.

The Eureka Hamilton is a Nevada corporation of 1,500,000 shares, of which 389,299 shares is in the treasury, 475,000 held by promoters and 635,701 shares scattered. There are probably some current bills due and also about \$5,000.00 due the original owner. The condition of the property financially is not of the best and this condition, as well as the title, will have to be further investigated.

### HISTORY

The Mahogany, Argyle and Pocotillo claims are very old locations and date back to the Sixties. The operations by previous owners on these three claims were small, due to not finding



high grade ore that would carry the working expense of that time. The other claims are more recent locations.

#### ADJOINING AND NEARBY PROPERTIES

None in operation at the present time. The South Aurora, North Aurora, Ward Beecher, Edgar and Hidden Treasure lie about 2,000 feet to the west of the Pocotillo claim and have been idle for many years, the rich surface ore having been exhausted at a depth of not over 300 feet. The old Eberhardt, a famous high grade producer in its day, lies to the west and between the Argyle and Pocotillo. The pay ores in the Eberhardt were exhausted before a depth of 300 feet was reached, and the mine has been idle since 1878, as in fact has been the case in all this portion of the district.

After suspension of ore production in 1878 the Eberhardt tunnel was run under the Eberhardt and Aurora, and was completed and shut down about 1884. An inspection of this tunnel was made on two occasions and the development by its workings is not encouraging.

Some work in the White Pine District is going on in the Base Ore Belt lying several miles to the west, but never on a large scale.

The Eberhardt, Aurora and the Eberhardt Tunnel are shown on the accompanying surface map.

#### FACILITIES

Transportation: The railroad facilities have already been mentioned. The condition of the roads between Eureka and Ely in the summer months is good, but snow blocks them at Hamilton during three months of the winter. Of the two, the Eureka road is the best.

Power: None, and no water power available. Fuel oil engines would be necessary.



Water: Enough for domestic purposes and milling can be obtained in the district.

Timber: None; it would have to be imported.

Labor: None in the district. The Eureka scale of a \$4.50 minimum and \$5.00 for machine miners prevails.

Climate: Good during spring, summer and fall months but disagreeable during the winter.

### TOPOGRAPHY

Elevation at the Pocotillo is about 8,500 feet above sea level. In a general way the topography is not rugged and is not against the proper location of works. At the Pocotillo tunnels can be used for development. At the Argyle tunnels would gain a depth of 300 feet vertically in a medium length of tunnel. Roads can be built to locations not already covered at moderate expense.

### GEOLOGY:

The predominating country rock is limestone. Rather thin beds of shale are interspersed in the lime. No igneous rocks were observed. Locally the limestone is folded into an anticline whose axis is located nearly in the direction and under the East Eberhardt Extension and Golden Eagle claims. This folding has caused fracturing which allowed mineral solutions to circulate and according to Arnold Hague, who visited the district in 1869, these solutions deposited their minerals near the limestone-shale contact, as the shale was not fractured in the folding. Where the ores are exposed to the surface in limestone, the shale has been eroded. The Eberhardt, North and South Aurora, Ward Beecher and Edgar are examples of exposed ore bodies, while the Hidden Treasures are examples of the limestone-shale contact in place.

The minerals are silver as chloride, copper as azurite and malichite, manganese, calcite and quartz. The gangue is



quartz and calcite. These minerals in the Pecotillo are distributed in the east-west breaks and in the lime bedding planes crossed by the breaks. The sample map shows this condition. No faulting of ore or cross fracturing. The ores are all oxidized and no indication of secondary enrichment or primary veins were observed in this portion of the district.

#### DEVELOPMENT

The amount of development is relatively small and can be easily followed on the sample map. Very little stoping was done and practically no ore production made. The face of the tunnel is entirely in lime, while the winze started in small values, the break followed became weak and the winze is now in barren lime. The statement by the owners that this winze exposed other bedding planes carrying from 20 to 30 ounces of silver led to the recommendation that a thorough examination be made. The highest assay obtained in the winze was 13.0 ounces of silver. ~~and~~ The average of sixteen samples <sup>from other parts of the mine</sup> that ran over 6 ounces of silver was 17.5 ounces. Of 38 samples taken, 22 were very low grade. Two short raises did again cut a bedding plane formerly known to exist, but a short winze cutting the same plane failed to show pay.

Another feature, the ores contain copper in the form of oxides up to 3 percent, which would make cyanide milling out of the question. It is also doubtful if concentration would be effective. also, there is no shipping ore available.

At the Argyle some values are present. Cut sampling gave three assays of over 20 ounce silver. A sketch of the Argyle workings is shown on the assay plan. The values at this shaft occur along a north-south break in lime that pitches to the east, and the occurrence of values is under conditions similar to those in the Auroras and Ward Beecher where the ore comes in as chambers along a break of similar strike and dip and at its intersection with east-west fractures.



The Mahogany Open Cut returned one assay of 31.9 ounces of silver. The occurrence is similar to the Argyle. The Eberhardt Tunnel passed nearly under the Mahogany open cut and failed to show any ore bodies.

#### EQUIPMENT

Very little. Blacksmith tools for hand sharpening and a rough building for protection in summer. A small compressor driven by a 4 cylinder gas engine that might furnish compressed air for two jackhammer rock drills is housed for summer service only. The air hoist is a "tugger timber hoist" and of very small capacity. A small combination boarding and bunk house accommodates about four men.

#### PRODUCTION

None in the past. It is doubtful if a shipping grade in any quantity can be made.

#### ORE RESERVES

Practically none.

#### PRICES AND TERMS

R. G. Ward, the original owner, was asked to consider a \$5,000.00 cash payment and a \$65,000.00 total purchase price on terms, which he refused. He wanted \$10,000.00 down, \$10,000.00 in three months and a total of \$45,000.00 in one year.

The present owners have suggested a cash payment of \$5,000.00 which will be used to complete cash to be paid Ward, then a 70 or 75 percent interest to the Tonopah Mining Company on the Company's usual development proposition.

#### CONCLUSIONS

While this property is not entirely without merit, the new work done since the writer's visit two years ago has failed to show an increased worth as represented by its present owner.



Had the winze work shown other bedding planes making out from the east-west breaks, the outlook would be much more favorable. The work at the Argyle is also further supplemented by a considerable amount of work on the Copper Glance claim, which did not show any shipping ore in quantity. The Mahogany Open Cut is a prospect that cannot be accurately gauged, and only contains spotted values.

I cannot recommend expenditure of money in development of this property on any basis where we would have to split the profit. If we had entire ownership I would say that a small amount of development work would be justified.

*W. H. Blackburn*

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General Superintendent.