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WPKW
Sept. 1979(344)
Item 22

ONETHA

Summary

The Onetha property is within the "lead belt" of the Hamilton Mining District, White Pine County, Nevada. Development work, mostly the result of a 1958 DMEA loan, consists of a 875 foot adit, 160 foot shaft, and a lower 1000 foot drift (140 level), 180 feet beneath the adit level.

A productive 1'-5' wide, 270'-500' long zone of oxide silver-lead-zinc ± copper mineralization occurs with the east-trending Onetha vein which has been prospected about 2000 feet on the surface. As much as 10,000 tons may have been direct-shipped from the 2 levels to various smelters. Sampling by Silver King indicates a maximum inferred reserve above the 140 level (4 foot mining width) of 40,000T of 3 oz Ag, 10% Pb, 8% Zn, and 0.6% Cu.

Pacific Silver Corporation is drilling the vein (angle hole PS0-1) to look for deeper sulfide ore of similar geometry and grade.

Geography

The Hamilton Mining District is located about 30 miles west of Ely in the White Pine Mountains within the Humboldt National Forest. The Onetha property lies about 1 mile due west of Treasure Hill on the east side of Shermantown Canyon, E $\frac{1}{2}$, Sec. 25, T16N, R57E, M.D.B. & M. From Ely, it is reached by driving 40 miles westward on U.S. 50 to the Hamilton turnoff, south 10 miles on graded road to the Hamilton townsite, 3 miles south over the saddle and down Shermantown Canyon, then about $\frac{1}{4}$ mile NE to the Onetha mine. The Shermantown Canyon road is susceptible to wash-outs by flash floods.

At an altitude of 7,900 feet summers are generally mild, windy, and dry. Heavy snow anytime between October and May can prevent access. Water, however, for mining would probably have to be piped in. Vegetation is dominated by sage, weeds, and mountain mahogany.

Ownership

The Isaacs, Jacksons, Umont, and Frank Lewis have interests in claims in the Onetha area.

Isaacs: Silver King Mines, Inc. entered into a lease and option agreement on October 4, 1976, to purchase the following claims of the William E. Isaacs estate from Mrs. Palma Isaacs and Mrs. Betty Riseden, joint owners:

Onetha	Patent No.1662	Patent Survey 50 & 83
West Onetha	Patent No.307309	Patent Survey 4031
Oro	Patent No.1666	Patent Survey 46
Milwaukee	Patent No.1663	Patent Survey 51 & 84
Canyon	Unpatented	
Cedar Ridge	Unpatented	

The Isaacs owned only a 2/3 interest in the Onetha claim; the other 1/3 belongs to Mr. Harry A. Jackson.

Pacific Silver Corporation subsequently obtained a 50% interest in these claims from Silver King. On July 1, 1979 it leased Silver King's remaining $\frac{1}{2}$ interest.

Jacksons: Mr. Harry A. Jackson and/or Grace M. Jackson? own 1/3 interest in the Onetha patent and all of the patented Roanoke claim which adjoins the Onetha to the east. Pacific Silver will have to negotiate an agreement with the Jacksons if it plans to

mine the Onetha ore body. In 1964 the Hamilton Corporation paid a 3 1/3% net smelter royalty to Grace M. Jackson.

Umont: On August 20, 1974, Silver King Mines entered into a lease agreement with Umont Mining Inc. for Umont's 40 unpatented claims known as the Pizarro-Inca-Lad group of 33 claims and the Abe group of 7 claims. Silver King agrees to maintain the claims and pay a 5% royalty on any production. These have not been sub-leased to Pacific Silver. The present drill hole, PSO-1, is collared on the Pizarro claim though it will intersect the Onetha vein beneath the Onetha claim.

Frank Lewis: Mr. Lewis has extensive holdings throughout the Hamilton District. His Black Calcite claims overlap the Pizarro and Inca group of Umont and the Roanoke patent. Umont's claims have priority. Mr. Lewis has placer claims staked over load claims in the area; the location monument for Treasure City Mines Placer No.14 (Oct.30,1977) is 35 feet southwest of the Roanoke adit.

History and Production

Hamilton District

References: Humphrey, Fred L, 1960, Geology of the White Pine mining district, White Pine County, Nevada; Nev. Bur. Mines, Bull.57.

Hose, R.K., Blake, M.C., Jr, and Smith, R.M., 1976, Geology and mineral resources of White Pine County, Nevada; Nev.Bur. Mines and Geology, Bull.85.

Production of close to \$22 million of extremely high grade near surface silver chloride ore (average grade about 89 oz Ag/T) was recorded from the Treasure Hill area between 1867-1886. An additional \$5.6 million of Pb-Ag-Zn ore was produced from the "lead belt", of

which the Onetha is a part, between 1887 and 1901. Small scale operations have continued intermittently to the present. Total recorded production through 1966 is about \$30 million. Estimates which also included unrecorded production often exceed \$40 million.

Onetha

References: 1. Erickson, E.C., 1968, Preliminary report, Onetha lead-silver mine, White Pine County, Nevada: submitted to International Energy, Inc., Denver, Colorado. 2. Bida, Sam, 1961, Mining engineer's report, the Hamilton Corporation mines: submitted to Mr. Morris Engel, President, Hamilton Corporation. 3. Umont Mining, various reports. 4. Silver King Mines, Inc., various reports. 5. Accompanying map and cross sections.

Discovery of, and early production from the Onetha vein evidently began prior to Feb. 10, 1876, the Onetha patent date, and ceased around 1885. Probably less than a thousand tons of ore were mined from the adit level and processed in local smelters.

Mr. Hal Jensen reportedly shipped ore from the adit level in 1952 and 1953.

In 1956 the "Hamilton Corporation", involving Sam Bida, Fred Anderson, and L. Beloustagi, obtained control of some 32 patented and unpatented claims including the William Isaacs group. They received a DMEA loan on August 30, 1958 for about \$35,000 to develop the Onetha vein. Development included the present 160 foot shaft and 750 feet of drift on the 140 level. Production, at least through March 1961 (the date of Sam Bida's report), was at the rate of about one carload per week of ore, which was shipped to the

"Salt Lake City Smelter". It was operated on a split-check leasing basis.

Leasors and their production, as outlined from Erickson, are listed below:

1959-60 Blaine Steel, stoped back end of 140 level

1963-64 Bill Gergen and associates; 140 level?, known production of 283 tons shipped to USSRAM Co., Salt Lake City averaged 4 oz Ag, 18% Pb, 9% Zn; for \$34 per ton

1964-66 Glen Smart; extended and stoped adit level

1964-66 Nyes and Osmond; subleased 140 level

Industrial Uranium Corporation acquired a working interest in the Onetha in 1966. Work contracted to the Jensens and Glaphorn, resulted in extending the adit "several hundred feet to its present 875 point". About 1000 tons of ore averaging 7 oz Ag, 12% Pb and 11% Zn were reportedly mined and stockpiled prior to Christmas day, 1976. There has been no subsequent recorded production, though it appears that the "ore stockpile" was shipped or generously designated as such, since only about 150 tons of what looks like "ore" remain on the property.

Present development includes the 875' adit level, the 160 foot 1½ compartment shaft, and 1000' of drift on the 140 level.

All equipment and structures, except for a delapidated tool shed at the adit portal, have been removed. Some concrete slabs remain.

Reserves

Sam Bida, 1961, had estimated reserves of 13,000 T valued at \$700,000: 2,500T of "direct shipping ore" which averaged 6 oz Ag,

20% Pb, and 2.5% Zn; plus 10,500T of "low grade" which averaged 5 oz Ag, 10% Pb, and 10% Zn. Most of the "direct shipping ore" was probably that which was mined in the 1960's.

Results of Silver King's sampling and ore projections are summarized below and in Figure 1.

Level	# of ore samples	average vein width	length	Ag oz/T	Pb%	Zn%	Cu%
Adit	6	51"	500 Ft.	4.27	13.33	8.56	0.58
140	8	28"	270 Ft.	2.97	5.45	10.08	1.22
140 recomputed to 4' mining width				1.77	3.25	6.01	0.73

Ore remaining above the 140 level (minimum 4 foot width)
 40,000T=3.33-9.55-7.60-0.64

All the "ore" is in the form of oxide minerals historically suitable only for direct smelting. In November 1975, the Galigher Company lab tested a bulk sample (Lot No. 2193-C) of Onetha ore which assayed 7 oz Ag, 10% Pb and 12% Zn. They obtained a 15% recovery for the lead and silver in a standard sulfide concentrate and a +50% recovery for lead and silver in a lead carbonate concentrate.

Geology

Rocks of the Hamilton district consist of some 18,000 feet of Paleozoic strata; two Cretaceous(?) intrusives-the Monte Cristo and Seligman stocks; and more than 5,000 ft. of Cretaceous(?) and Tertiary sedimentary and volcanic rocks. Ore deposition, which is related to these Laramide igneous intrusions, occurred after early periods of faulting and a period of mild folding. Later Basin and Range faulting has left the district in a series of north-trending horsts and grabens.

Three "belts" of mineralization have been recognized; from W to E:

1. Copper belt: minor copper, tungsten, gold and molybdenum, related to the weakly altered Seligman and Monte Cristo stocks, occur as dissemination and replacement in the surrounding metamorphosed Cambrian sediments. Phillips Petroleum and Union Carbide Corporation are currently drilling for tungsten.

2. Lead belt: Silver-lead-zinc-copper vein, including the Onetha vein, in Upper Cambrian to Lower Devonian dolomites.

3. Silver belt: the silver chloride ores in brecciated zones at the top of the Devonian Guilmette formation on Treasure Hill.

This progression from the Seligman and Monte Cristo stocks has been interpreted as lateral zoning from an igneous point source. However, aeromagnetic data for the western part of the district and a ground magnetic traverse up Shermantown Canyon indicate an east-trending igneous lobe which extends as far east as the West Onetha area. Lloyd A. Hewitt, Umont, postulated the presence of a "buried stock less than 5000 feet below the surface". Umont's drilling, however, was not deep enough (1176' in DH#4) to confirm this.

Zoning may simply reflect an upward decrease in pressure-temperature away from a widespread igneous mass that apexes within the lower to middle Cambrian Strata. The "belts", then, can be uniformly correlated to stratigraphy district-wide.

Lead-belt

Lead-silver-zinc mineralization occurs over the stratigraphic range from the Upper Cambrian Goodwin formation to the lower portion of the Devonian Nevada formation, an interval of 7000 feet. Ore generally occurs in lens-shaped pods in early north-or east-trending faults or fracture zones where they are hosted by dolomite or

quartzite. Dolomite beds may be replaced at or near quartzite contacts or the quartzite itself may be replaced. In the Cedar Ridge workings, 1000 feet northeast of the Roanoke mine, a one foot thick quartzite bed in member 3 of the Lone Mountain dolomite is completely replaced as much as 10 feet from the contactive vein while the surrounding dolomite is barren. Quartzite/dolomite contacts are prime targets.

Argentiferous galena is the only primary ore mineral preserved within the Lone Mountain, Hanson Creek, and Eureka horizons. Tetrahedrite, instead of galena, occurs within the deeper Goodwin formation. All other sulfides have been completely oxidized to depths as great as 1170 feet below the surface (limonite after pyrite in Umont's DH#4). Mr. Frank Lewis reports essentially oxide mineralization to a depth of 900 ft. in a drill hole in the Zadow area. Common oxide ore minerals include anglesite, cerussite, malachite, and smithsonite.

Onetha

The Onetha vein is an east-trending fracture zone with a reverse vertical displacement of about 30 feet. It strikes about N80°E and dips 82° north (map). It can be traced from the East Boundary (Shermantown) fault about 2000 feet eastward to the Hamilton fault. Mineralization is apparently not continuous. A 500 foot gap exists between the eastern end of the workings and the Roanoke adit.

Strata of the Lone Mountain dolomite strike north to north east and dip 15°-35° to the east. The productive adit level is

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within the dark-gray fine-grained dolomite of member 2 while the more weakly mineralized 140 level is in the white sugary dolomite of member 1. Member 3, which contains the productive quartzite horizons of the Fay, Rocco-Homestake, and Ne plus Ultra mines to the north, hosts the productive portion of the vein on the Roanoke claim.

The east-looking cross-section shows the downward projection of the Onetha vein. The top of the Hanson Creek dolomite is projected at about 600 feet below the surface, the top of the Eureka quartzite at 1500 ft., and the top of the 20 foot thick dolomite of the Pogonip formation at 2000 feet. This entire 1400 foot section is potentially productive.

Depth to sulfides is unknown but may be very deep. Umont's DH#4, located about 700 feet west of PSO-1, found only limonite after sparse pyrite to its final depth of 1176 feet. (DH#4 did not intersect the Onetha or, evidently any other vein). Remnant galena nodules were found in the 140 level--a few even in the adit level.

Drilling Proposal

Pacific Silver's angle drill hole, PSO-1 was collared on Aug. 30 at a point 400 feet north of the center of the "ore" zone of the Onetha vein (map). It was collared S30°E at -63° (cross sections). It is projected to intersect the Onetha vein at 760 feet down the hole or 700 feet below the adit level and 150 feet below the top of the Hanson Creek dolomite. Steepening of the vein to -90° below the 140 level would place their intersection at a down-the-hole depth of 910 feet.

Because of the demonstrated lensing and grade variation of the ore zone, it may be beneficial to wedge-off and redrill the vein a second time. A $1\frac{1}{2}^{\circ}$ wedge placed 100 feet up from the vein intersection would give a second intercept about 5-10 feet from the first at a cost of about \$3,000.

Encouraging results should be followed by at least 2 more holes: one to intersect the vein 100-200 feet to the west, a second 100-200 feet deeper. Winter snows could interrupt the program this year.

The deeper but highly attractive contact zone between the Eureka quartzite and Hanson Creek dolomite should also be tested. A -80° angle hole collared at the same site as PSO-1 should intersect the vein at this stratigraphic horizon at 1450 feet.

October 8, 1979

To: Mr. K. L. Stoker
From: Mr. W. R. Wilson
Subject: Onetha Drilling Summary

Pacific Silver's angle core hole, PSO-1, was collared on Aug. 30, 1979. It was rock bitted to 30 feet and cored to 803 feet. Acid etch tests every 100 feet (to 600') show the dip steepening from -63° to 65° . Fairly complete circulation was held till 652'; partial since then. The rock is moderately well fractured to 653 feet but relatively unfractured below. Core recover is about 95 %.

Major units include:

- 0-201: member 2, Lone Mountain dolomite
- 201-576: member 1, Lone Mountain dolomite
- 576-803: Hanson Creek dolomite

Iron oxides (no sulfides) are common in the Lone Mountain formation but surprisingly scarce in the Hanson Creek. The Pimero vein was intersected from 342-359 feet at a dip of -81° . The upper 7' (4' true thickness) averaged 0.83 oz per ton silver, 0.36% lead, and 3.69% zinc.

The intersection with the Onetha vein was projected at 760 feet. Failure to intersect it prior to the present 803 feet probably reflects either a steepening of the vein, drill hole, or both. A cumulative 5° steepening would place the intersection below 850 feet. A -90° dip of the vein would put it at 910 feet. A down-the-hole camera survey may be necessary; cost about \$500.

Mr. K. L. Stoker

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Total cost to 803 feet should be about \$20,000 or \$25. per foot. Drilling costs, excluding the one-time mobilization, rig-up, and rock bitting, is about \$23.65 per foot.

William R. Wilson
W. R. Wilson

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Item 22

PACIFIC SILVER CORPORATION
P.O. Box 324
East Ely NV 89315
November 2, 1979

TO: Mr. K. L. Stoker

FROM: W. R. Wilson

SUBJECT: Pacific Silver Corporation monthly report for October 1979

The Onetha drill hole was completed. The Tybo mine level compilation was begun.

Onetha

PSO-1 advanced 393 feet in the Hanson Creek dolomite, from 654 to 1047 feet, where it was bottomed on November 1. The hole was surveyed with a down hole Eastman camera to 960 feet on November 22 and 23. Two oxide vein systems were intersected, neither appears to be more than slightly mineralized; assays are not yet available.

885'-905' (20'; 4' true thickness); mostly clay cemented dolomite breccia with minor to abundant iron oxides.

960'-1018' (58'; 11' true thickness); alternating 2'-5' zones of clay or calcite cemented dolomite breccia, iron oxide veining, and barren fractured dolomite. If the Onetha vein has, in fact been intersected, I would guess that this would be it.

Dips on the veins are generally within 0° - 15° of the core axis (nearly parallel to the hole) which indicates that the veins rolled from their projected northward dips at the surface to southerly dips - 67° - 82° S - at depth. Therefore, the hole has not cross cut the vein system as anticipated.

The Onetha vein may yet lie to the south of the drill hole. However, continued drilling at this unfavorable angle of intersection, threatening weather, and limited capability of the drill rig at deeper depths warranted its termination.

J.H. Kleinfelder and Associates, under the National Uranium Resource Evaluation Program of the D.O.E., has indicated their intention to geophysically log the hole during the week of November 15-12. This would include electrical logs which are capable of detecting nearby sulfides. If a positive anomaly is indicated it would provide strong argument for redrilling the Onetha target next year at a shallower angle.

Mr. K. L. Stoker

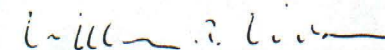
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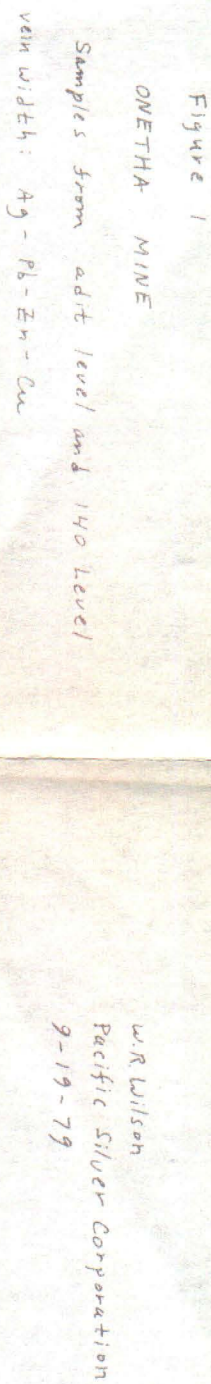
PSO-1 will be capped and the 30' feet of casing left.
The hole should remain in good condition to be deepend,
if desired.

Tybo

Available information for the 1310 and 1160 levels have
been compiled on 1"=20' level maps.



William R. Wilson



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Cross Section through PSO-1 and Onetha Vein

Section 10,420 E Looking E

1" = 100'

Nov 12, 1979

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