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INTERIM REPORT

Docket No.: DMEA-2448 (Mercury)

March 6, 1956

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Name and address of operator: John L. Jonas and John E. Johnson,
co-partners, Assigness for Ronnie B. Smith
166 Los Robles Drive
Burlingame, California

Name and location of property: Mt. Diablo Quicksilver Mine
Contra Costa County, California

Contract No.: Idm-E544

INTRODUCTION

Pursuant to the Operating Committee's, DMEA, request of February 13, 1956, for information regarding equipment and supplies and for information regarding exploration work conducted by Cordero Mining Company, the property was inspected February 28, 1956 by B. H. Sheahan and Walter Bank of the Bureau of Mines. Recent exploration operations were discussed with Mr. H. A. Peterson, who was foreman for Cordero Mining Company and with Mr. Vic Blomberg, a resident stockholder at the Mt. Diablo Quicksilver mine.

A conference was held with Mr. Roscoe M. Smith of the Geological Survey, who had interviewed both Messrs. S. H. Williston, president and J. Eldon Gilbert, manager of Cordero Mining Co.

The property was idle when inspected. Water from intense rain storms during December 1955 increased the flow of underground water which flooded the mine to the 130-foot level. No work was done

EXHIBIT

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after this period, and negotiations are now being made by the owners to interest either Sonoma Quicksilver Mining Company or Nevada Scheelite Corporation in the mine.

STATEMENT OF OPERATIONS

Cordero Mining Company expended over \$60,000 on their exploration operation. The main shaft was dewatered and reconditioned, and 1,017 feet of drifts and crosscuts were driven on the 300-foot level. A connection with old workings was made by raising about 15 feet to an old incline winze. The existing furnace plant was repaired, and a trestle was constructed from the shaft to the ore bin. Most of the drifts were timbered.

Sample S-430, taken from the dump and believed to represent the approximate grade of the material, contained 2.6 lbs. mercury per ton. Sample S-431, taken from the last few tons deposited on the end of the dump, contained 3.5 lbs. mercury per ton.

Water from the 300 level was pumped to the surface and conveyed through two transite pipe lines to land northwest of the mine. Both the water line and ventilation tube are disconnected at this time. New equipment installed by the Cordero Mining Company included a 330 cfm air compressor, a ventilation blower, a pump, pipe lines, two mine cars and an air receiver. Mine timber was the main supply item at the property and was more than equivalent to the amount when the property was previously inspected April 4, 1955.

The Cordero Mining Company reached the objective and target of the work, originally planned by contract Idm-E544.

CONCLUSIONS

There is now sufficient information compiled to prepare a final report on the property. The ore body discovered by Cordero Mining Company in the target area was not large enough to encourage them to continue operations. It is not known when the mine will be reopened, but it will require at least three months time to dewater the mine and reopen workings.

Mr. Roscoe Smith had interviewed S. H. Williston and J. Eldon Gilbert, Cordero Mining Company on February 27, 1956 and makes the following comments:

"Cordero explored the target area without DMEA participation. A few small showings of cinnabar and a few tons of ore averaging 3 to 10 pounds per ton were discovered.

"The accompanying map was prepared by Wisser and Cox, consulting geologists, 55 New Montgomery Street, San Francisco, for Cordero. Reserves were not calculated in tons but the map reveals that the ore bodies are too small to interest Cordero. The mine is now closed and has filled with water.

"Judging from the ore occurrences shown on the map, a few hundred tons of ore containing from 3 to 10 pounds of quicksilver per ton is indicated above the 360-foot level in the winze area. Wisser

and Cox recommended additional exploration to the west and also to the east along the main shear zone. Edgar Bailey recommends exploration along the hanging wall contact to the east in the area where a 40° dip is shown. Cordero Mining Co. has no plans to continue exploration at the property or to mine the ore showings that were found. They report that Sonoma Quicksilver Mining Co. and Nevada Scheelite Corp. are both interested in obtaining a lease on the property and are now negotiating for it. *from whom?*

"Mr. Williston reported that the Cordero Mining Co. did not use materials or supplies that were the property of Jonas and Johnson. All materials and supplies that were on the property at the time Cordero entered the premises are still there, although some may have disappeared earlier. According to Williston, the lease that Jonas and Johnson had with the Mt. Diablo Mining Co. provided that Jonas and Johnson had 90 days in which to remove all of their equipment and supplies from the property after work had been stopped. After the 90-day period had expired, and after the Government had been asked to remove the equipment but failed to do so, Cordero repaired and used the hoist. Jonas and Johnson locked the hoist house sometime during the course of Cordero's work, Cordero removed the locks.

"Prior to entering the premises, Cordero Mining Co. employed an independent machinery company to appraise the equipment

owned jointly by the Government, Jonas and Johnson, and Ronnie B. Smith. The total appraisal was \$2,600.

"The work done under the DMEA contract (see map) did not discover any ore nor did it reach the target area. The work done by Cordero Mining Co. explored the target area with a number of crosscuts and with several test holes drilled from the crosscuts, and significant ore bodies were not discovered. Inasmuch as a lien against this property would discourage any operator from additional exploration and because the work with Government funds did not find any ore, I recommend that no certification be issued. Edgar Bailey concurs in this recommendation.

"A major contribution to the value of the property was the discovery by Cordero Mining Co. of a means for disposing of acid mine waters to the satisfaction of the State Water Pollution Board."


Benjamin H. Sheahan
Mining Engineer