

BRETZ

Cinnabar

NAME

OLD NAMES

PRINCIPAL ORE

MINOR MINERALS

41 S

41 E

3

T

R

S

Malheur

COUNTY

AREA

5500 - 5700

ELEVATION

Gravel -- county and Private

ROAD OR HIGHWAY

13 to McDermitt

DISTANCE TO SHIPPING POINT

PUBLISHED REFERENCES

DOGAMI Bulletin No. 4, Schuette
USGS Bulletin No. 931-N, Yates

MISCELLANEOUS RECORDS

PRESENT LEGAL OWNER (S)

John Ruiz

Address

P. O. Box 48, McDermitt, Nevada

OPERATOR

Shawano Development Corporation

Sante Fe, New Mexico

Name of claims

Area

Pat.

Unpat.

Name of claims

Area

Pat.

Unpat.

EQUIPMENT ON PROPERTY

State Department of Geology and Mineral Industries

RECEIVED
APR 18 1956

1069 State Office Building
Portland 1, Oregon

Malheur County

STATE DEPT. OF GEOLOGY
& MINERAL INDS.

BRETZ MINE

Location: T. 41 S, R. 41 E, Section 3.

Owner: John Ruiz, P. O. Box 48, McDermitt, Nevada.

Foreward: The Bretz is one of Oregon's more noted quicksilver producers and its geology and operational history is well documented to 1941 in reports by Schuette and Yates.* The reader is referred to these earlier reports for geologic background as this report is intended primarily as a record of recent development activities.

General: The property was leased by the U. S. Mercury Corporation of Reno, Nevada in October, 1954. The corporation's address is 245 University Terrace, Reno; Robert L. Scheiman, president, and John H. Ball, secretary. Other members of the corporation include Morris Levine, treasurer, Robert E. Rich and Joseph H. Amy, directors, and J. P. Hart, superintendent.

In May of 1955 the U. S. Mercury Corporation* "traded" its lease and assets for stock in the Shawano Development Corporation; Alexander Guterma, New York, president, and Louis Avant, Santa Fe, New Mexico, mine manager. With Hart as superintendent, the Shawano Company completed a considerable amount of trench and drill prospecting, and a press report understood to be based on a mine report prepared by Jay A. Carpenter, consulting mining engineer for the Shawano Corporation, is appended hereto as a record of the discoveries made to July, 1955.*

Drill prospecting was continued by the company throughout the remainder of 1955, and according to the prospect owner, John Ruiz, the indicated ore reserves were increased considerably over those described in the appended

press report. Two ore bodies were demarked, one about 97 feet wide by 280 feet long and the other approximately 14 feet wide by 345 feet long. Most holes were around 60 to 65 or so feet deep and the deepest was 105 feet. Ore thickness and overburden was variable but corresponded with that described in the appended report.

Construction of plant was scheduled for this spring but at the time of the writer's visit to McDermitt there was no activity along this line, nor had there been any recent word from the Shawano management relative to any impending date for commencement of construction. In fact, the property was being examined by interested parties who were understood to be entertaining the idea of sub-leasing the property from the Shawano Company.

According to Mr. Ruiz, the Shawano Company holds the property on a sub-lease scheduled to expire September 1, 1956. How this ties in with the "trade" of U. S. Mercury Company assets for Shawano stock as described in the Humboldt Starr-Carpenter report is not altogether clear, unless the trade was predicated on Shawano acceptance within specified time limit.

Report by: N. S. Wagner, April 4, 1956.

Date of visitation: March 20, 1956.

Informants: John Ruiz, Bretz owner
Vern Hass, Cordero Sup't.
Phillips, State Oregon Industrial Accident Commission.

* DOGAMI Bulletin No. 4, Schuette, 1938.
USGS Bulletin No 931-N, Yates, 1942.
Press report: Humboldt Starr, July 1955 (appended)

QUICKSILVER ORE BONANZA STRUCK
AT BRETZ MERCURY MINE

-- an article from the
Humboldt Starr, July 1955.

Jay A. Carpenter, consulting engineer for the Shawano Development Corporation, returned last week from an examination of the ore bodies disclosed recently at the Bretz Mercury Mine by superintendent J. P. Hart.

The mine is just over the Oregon line westerly from McDermitt, Nevada. It was discovered by William Bretz, who leased it in 1931 to the Bradley Mining Company. This company mined from its Opalite Mine to 1937 -- 152,000 tons of hard opalized ore, recovering 5.6 lbs. of mercury per ton or a total of 11,300 flasks; and mined and hauled 11 miles from the Bretz 33,058 tons, recovering from the softer shale ore 17.8 lbs. of mercury per ton, for a total of 7,751 flasks.

A new discovery was made at the Bretz in 1940, over 2,000 feet north-westerly along the line of the main fault, resulting in a total production from the mine, by the Bradley records, of 40,000 tons of ore of 18.8 lbs. mercury per ton recovered as 10,019 flasks. This, at the present guaranteed government price of \$225 a flask, or approximately \$3.00 a pound, totals over \$2,250,000, making the Bretz one of the past large high grade mercury mines of the country.

Claims Relocated

The claims were relocated in recent years by John Ruiz, of McDermitt, who, in October of last year, gave a long-time lease to the United States Mercury Corporation, of New York, with Mr. Carpenter as the intermediary and the manager.

The mineralizing solutions rising up on steep faults deposited cinnabar close to the surface in certain adjacent beds of the flat-dipping old "lake beds", being a white to brown to black shale, fairly soft and clayey. The main fault and many auxiliary faults are difficult to distinguish, except where outlined by surface chalcidony.

The mine is an imposing sight of a half mile of large cuts and dumps. When the snow melted in late spring of this year, Hart had his crew trenching for new ore showings while he studied the faulting system, he having had long experience on the fault problems at the Extension Mine in Tonopah and the Gaines Mine in California.

Completes Application

Carpenter, in April, completed an application to the Defense Minerals Exploration Administration (D. M. E. A.) for a loan for 4,000 ft. of churn drilling. In May, the U. S. Mercury traded all its assets of cash and mercury properties for stock in the rapidly expanding Shawano Development Corporation, of New York. This company, starting in Florida with cotton, dairy and hotel interests, then took over phosphate, uranium and oil companies in rapid succession, for diversification of interests, with Alexander L. Guterma as president,

and Louis Avant, of Santa Fe, New Mexico, as the mine manager. NEWSWEEK issue of September 19, under "Top Personnel News" gives data on Guterma, and states that he, as president of Shawano, a holding company, has, in one year's time, boosted its total assets from \$1.3 million to \$11.7 million.

Hart remained at the Bretz as superintendent, and in July the company sent out to him a dry-drilling caterpillar-mounted rotary drill, with its compressor for blowing the cuttings to the surface. For his first holes Hart chose a presumed fault intersection area only distinguishable to him.

First Hole

In the first hole the drill cut through ore from 30 foot depth to 46 feet in 32 lb. mercury ore! The second hole cut ore at only 5 ft. depth, and averaged for the next 37 feet, 11 lbs, mercury to the ton. Continuous drilling gave also, low grade or barren holes, but 10 successful holes, over an area of 7,000 square feet of rectangular shape, with no other holes within the area, averaged a 25 ft. thickness of ore, of an average of 22 lbs. mercury to the ton. This shale ore weighs only 100 lbs. to the cu. ft., giving an approximate estimate of nearly 200,000 lbs. of mercury under this area. The average depth of overburden from the surface to the ore in these holes is 30 ft., with the deepest overburden of 55 ft. The deepest hole in ore was 40 ft. thick, being from 55 ft. to 95 ft., of an 18.6 mercury content per ton. The ore is apparently in a flat dipping bed to the north. The cuttings from each 5 ft. of 4½ inch hole, being from fines to fingernail size, are rolled and sampled. A panning is taken and an estimate of the mercury content is made. If estimated at above 3 lb. to the ton, the samples are sent to reliable assaying firms. The low cut-off point in estimating thickness of ore is figured at a 5 lb. content. Most of the holes have low grade ore either above or below the assumed widths of profitable ore to be mined. The removal of the cuttings from the bottom of the hole appears to be quite complete, as, for example, a 5 ft. sample of 16 lb. ore is followed by one of only a pound or two. This is the type of drill used by Anaconda at Yerington for combined sampling and blasting purposes.

Ore Area

The area of good ore is farther to the northwest of any ore mined previously, and illustrates how easily a good ore body can be missed, as an old ore hauling road crosses the north end of the area; an exploration shovel cut across the south end, and with an open cut in a bed of low grade white ore in the center of the area, all being above the bed of the good brown ore below.

At the present time drilling is proceeding to the north of the above area in good ore, but of considerable narrower width, and also in opalized ore 1,000 ft. to the east and 80 ft. higher. By coincidence, a total of 4,000 feet had been completed last week, with the good ore discovery made, when Carpenter received, after four and one-half months interval, a signed D. M. E. A. contract for 4,000 feet of drilling at 75 percent government expense, based upon his April application report.

Whether a mercury recovery plant will now be authorized by the Shawano directors will depend upon Mr. Avant's recommendation after receiving Mr. Carpenter's report.

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State Department of Geology and Mineral Industries

1069 State Office Building
Portland 1, Oregon

BRETZ CINNABAR PROSPECT

Malheur County

Owners: John Ruiz, who staked the original claims. Shawano Development Corporation leased original claims from Ruiz, and staked an additional 12 of its own.

Operator: S. S. Arentz, on a 50-50 share of the net profits with ^h Sawano Development Corporation.
1

Location: 13 miles west of McDermitt, Nevada and approximately 8 miles east of the abandoned Opalite cinnabar mine. Near the common corner of secs. 33, 34, 3 and 4, Ts. 40 and 41 S., R. 41 E., Malheur County, Oregon. The pit now being opened up lies approximately 200 feet northwest of the "1940 Bretz pit" mentioned by Yates (1942).

Area: 17 unpatented claims: Yuletide 1 through 4 and Cliff originally staked by Ruiz. Ramona and Ramona 1 through 11, more or less surrounding those staked by Ruiz, owned by Shawano Development Corporation.

Equipment: Three 5-ton Ford dump trucks, 1 shovel, air compressor and drill.

Development: One large cut approximately 300 feet long, 150 feet wide, and 20-30 feet high.

Geology: The geology and mineralization in the vicinity of the old Bretz workings has been adequately described by Yates (1942) and nothing seen at the new workings shows anything new or different. The cinnabar exposed in the cut occurs as thin veinlets disseminated through clayey tuffaceous lake beds and also in a silicified tuff that apparently marks a fault zone having a trend N. 55° W. According to Ruiz, the ore occurs at

the intersection of the main fault and one trending approximately N. 25° W. (not seen by the writer) and beneath an overburden or barren zone approximately 20-30 feet thick. The ore body, based largely on the results of drilling, is supposed to be approximately 300 feet long, 200 feet wide and over 100 feet deep and is said to average better than 15 pounds mercury per ton of rock.

The work being done now consists of clearing off the overburden and doing further exploratory drilling. Some material apparently in the ore zone is also being stockpiled until the furnace can be built to smelt the ore. According to Ruiz, Arentz has entered into an agreement with Comstock Uranium Company for the latter to build a furnace just south of the pit. A space has been bulldozed for the plant and construction was supposed to begin July 11. The furnace is to be completed by October 1956 and have an initial capacity of 100 tons per day.

Report by: R. E. Corcoran

Date of Examination: July 7, 1956

Date of Report: July 19, 1956

Reference: Yates, R. G., Quicksilver deposits of the Opalite district, Malheur County, Oregon, and Humboldt County, Nevada: U.S. Geol. Survey Bull. 931-N, 1942.