JAN 4 1952

Mr. Charles A. McKay
P.O. Box 1044
Eureka, Nevada

Re: Docket No. DMA 1320X - Nickel
The Nickel Mine
Churchill County, Nevada

Dear Mr. McKay:

We now have reviewed your application for an exploration loan in conjunction with additional information available to us.

The data show that the nickel concentration was confined to a small area of limited width, which has been mined, and samples of the large, green-stained area assayed little more than traces of nickel or cobalt. The green stain is due to very low grade, secondary copper mineralization instead of nickel. Nowhere did the geologic data suggest a possibility of making a significant ore discovery.

We regret, therefore, to inform you that your application is denied.

We thank you for your interest in the Defense Minerals Program and for your patience with respect to the application.

Sincerely yours,

C. O. Mittendorf

Acting Administrator
Defense Minerals Exploration
Administration

GCSelfridge:lm
12/28/51

cc: Adm. Reading File
Mail and Files Br.
C. O. Mittendorf
E. F. Davis
T. T. Thayer
Field Team Reg. XII
Docket
G. C. Selfridge

400

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION
WASHINGTON 25, D. C.

December 28, 1951

Memorandum

To: Acting Administrator, Defense Minerals Exploration Administration

From: Ferro-Alloy Division, Defense Minerals Exploration Administration

Subject: Denial of application for exploration ~~loan~~.
Docket No. DMA 1320X
The Nickel Mine
Churchill County, Nevada

The subject application was denied for the following reasons:

1. The nickel mineralization occurs in discontinuous fissures in the upper level in and near two 4-inch veins 60 and 100 feet in length respectively.

2. Nickel mineralization is completely absent on the lower level 110 feet below.

3. No geologic evidence was noted that suggested the presence of ore at depth.

4. Samples of a large green-stained area assayed less than 0.01 percent Ni and Co and only a few hundredths of 1.0 percent Cu with one exception.

G. C. Selfridge, Acting Chief
Iron and Ferro-Alloy Division

GCSelfridge/lm/hmj
12-28-51
cc to: Adm. Reading File
Mails and Files Br.
Docket
Mr. Selfridge

George C. Selfridge December 19, 1951

T. P. Thayer

DMA 1320-X Nickel mine. Churchill Co., Nevada

The assay values listed by Rinehart indicate that hopes for significant production of copper, nickel, or cobalt from these occurrences are futile, and the dismal affair should be wound up. There is no reason to expect significant concentrations of secondary minerals, as the mine workings show none. Work in the Idaho cobalt deposits has indicated that cobalt does not form significant secondary deposits. If significant amounts of cobalt had been present, pink erythrite should be present on the outcrop.

The application should be denied.

T.Thayer:gt

P. E. Pesonen October 15, 1951

T. P. Thayer

DMA 1320-X Nickel Mine, Churchill Co., Nevada

I agree with the field team that the present proposal of the applicant should be rejected, on the grounds of extremely small probability of a significant geologic target.

The unsampled nickel showings present a somewhat sticky problem. The field teams are swamped now, and the situation is getting worse. The nearby deposit should have been sampled in a preliminary way, we all agree, but I wonder if the deposit would make any real difference to the war effort? The answer to our nickel problems does not lie in Nevada, and why try to kid ourselves?

I would recommend that the deposit be put on the docket of the field team for attention when opportunity affords. The applicant might also be advised of the desirability of some sampling, if he was not told at the time of the field inspection.

TPThayer:gt