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**ASSEMBLING A FIRST CLASS  
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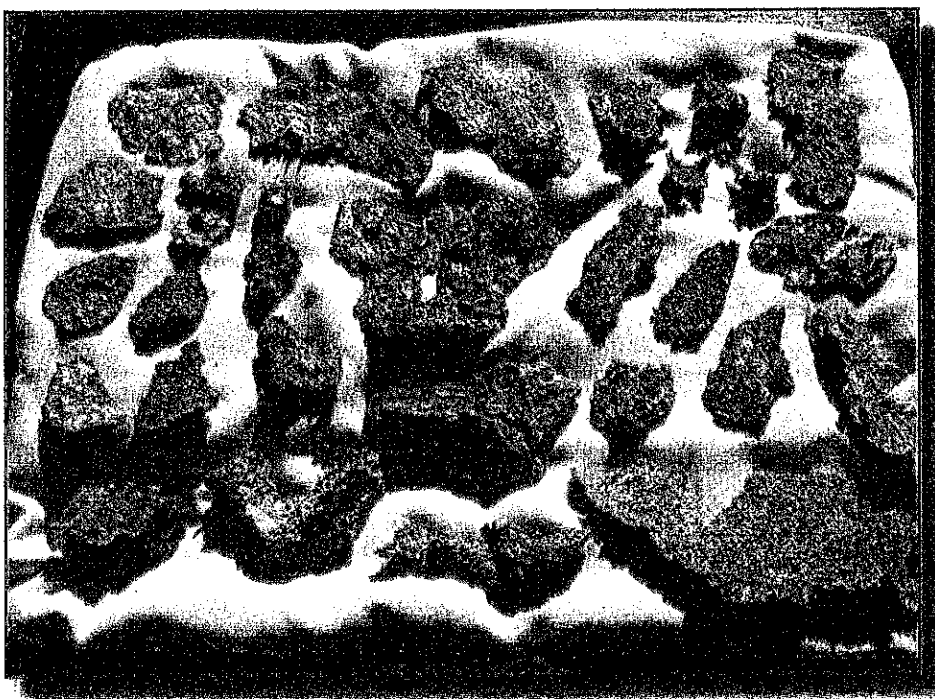
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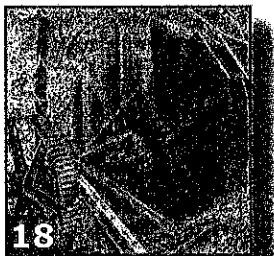
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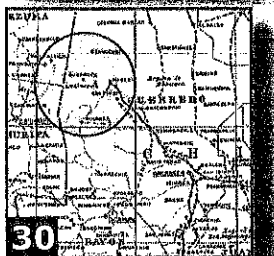
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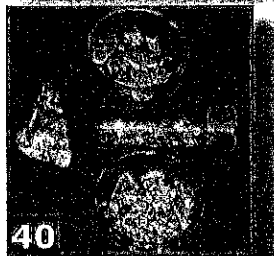
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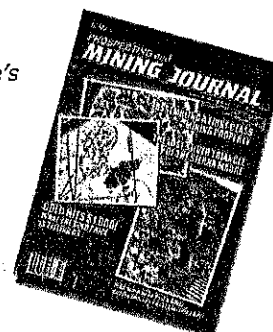
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# ASSEMBLING A FIRST CLASS MINING PROPERTY

by Chris Ralph

In the old days, each miner staked his claim, and in lode prospecting, the end result was often that one mining company grew up out of each of those individual claims and several different mining companies would often be working on one individual vein or geologic structure along its length. This was very inefficient. Each company needed its own shaft or adit for access; each had to build its own expensive mill for ore treatment; and each supported the costs of having its own Board of Directors, supervisors and other management. There is little wonder that even in rich deposits, many early day mining companies had huge overhead costs and often spent more to mine and treat their ore than the value of the precious metals they got out of it!

Additionally, where rich ore was found, if it went across the boundaries of the adjoining claim, there were commonly expensive apex lawsuits as the claim owners fought to determine who would have the right to mine the rich ore. This problem was very common. In fact, on the famous Comstock Lode, there were over 100 claimants with legal rights to at least a small section of the lode in the early days, soon after its discovery. Some of them had rights to as little as 20 feet of the five-mile length. This problem was common all across the western United States. From Butte, Montana, to the Mother Lode to the deserts of Arizona, too many companies working the same vein resulted in lost profits, less exploration and fewer discoveries.

In a few cases claims were consolidated, and sometimes the results were very favorable. A group led by John Mackey consolidated a large number of small claims toward the northern end of the Comstock Lode and was able to create the Consolidated Virginia and California block, which then allowed Mackey and his partners to raise sufficient capital to properly explore a section of the Comstock that had previously been found barren in limited near surface exploration. The result was the dis-

covery of the "Great Bonanza"—one of the richest ore bodies ever mined in the United States.

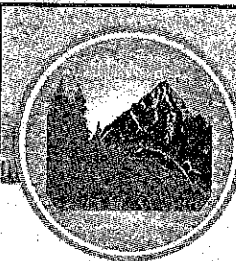
However, early day consolidation

was very much the exception to the rule. As a result, many promising properties in the US have never been properly explored. One of the best opportunities available to miners and mining companies today is to assemble, consolidate and explore some of the old mining properties that have always been separate claims, just as John Mackey and his partners did long ago at Virginia City.



(Above) The quartz vein outcrops at the site of these old workings contain sufficient free gold to set off a metal detector every few feet.

(Right) Some of the larger nuggets Ben has detected at the Beehive mine. These beautiful nuggets are normally housed in a safety deposit box.



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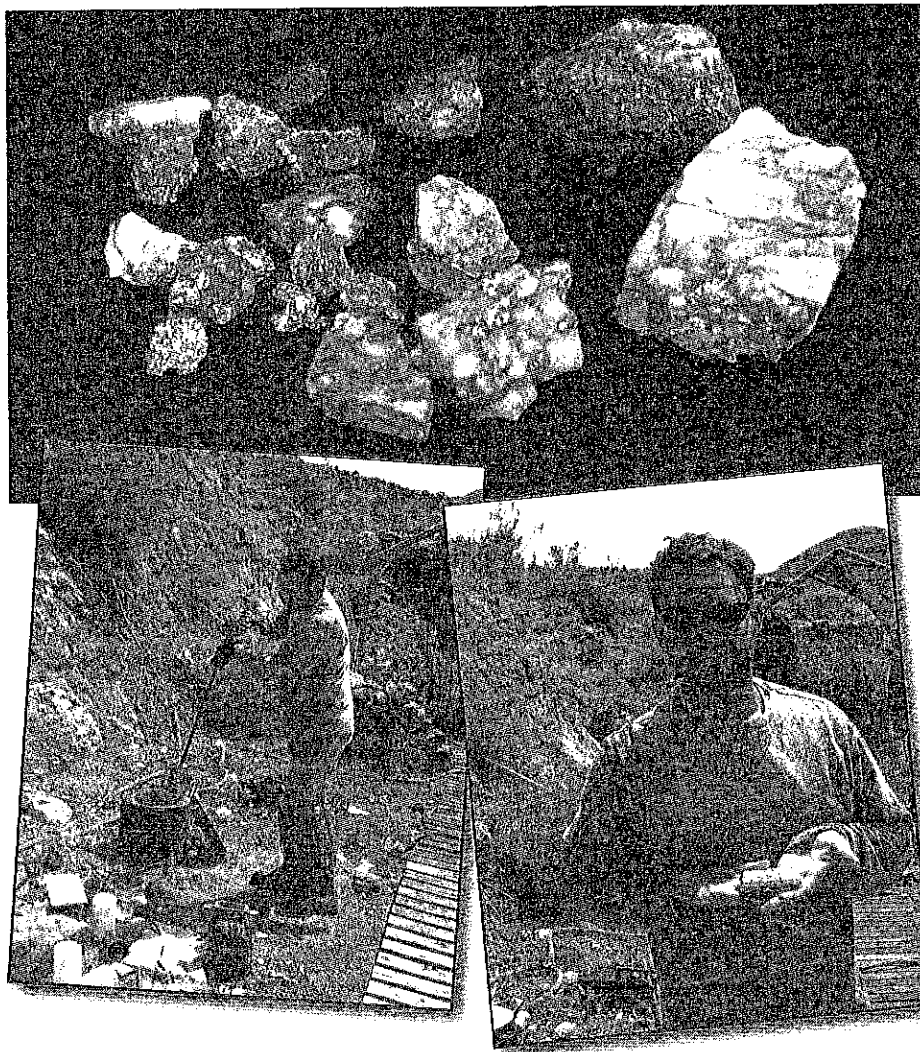
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*Some of the gold Ben finds gets melted down into small bars. Here he pulls a red hot crucible out of a small furnace. Here Ben shows off a nice bar of gold made from the material he has mined on his claims.*

Ben Jaffe has been working on just such a consolidation project for some years in the Rich Hill area of Arizona. Ben originally bought one of the old patented lode mining claims simply as a place to live. He appreciated the beauty of this remote location, and he had a strong desire to really get away from the bustle of the city. However, living on top of an old gold mine did eventually get the best of his curiosity. By residing in a historic gold mining area, he met folks who were making some spectacular gold finds with metal detectors near Rich Hill. In fact, the whole Rich Hill area is well known for large quantities of nuggets that have been found with detectors in recent years.

Ben purchased a metal detector for himself and began to explore the area. It took a while to get used to prospecting and learn what to look for, but with some help from friends, in time he found his first nice little gold-quartz specimen. He soon began making more regular and substantial nugget finds. He was bit by the gold bug and caught the fever.

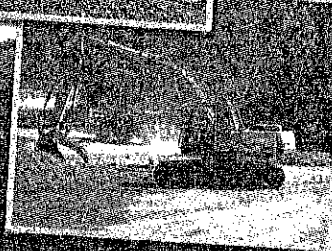
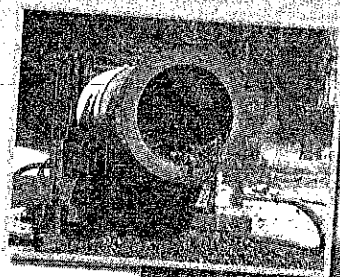
When some adjoining old mining property came up for sale, he bought it. The Beehive Mine was located on the same geologic vein structure as his property, and while it had not been a large producer, it had produced some very high-grade gold-quartz ore. The vein there is accessed by a long adit, and while a mill was built to process ore from the mine, very little material was treated before the early day owners went bankrupt. Several vein exposures exist on the property, and some contain sufficient free gold to sound off on a metal detector every few feet.

Ben has dug gold from a large number of locations on the property and the Beehive Mine property has been very productive for him.

The Beehive was noted for some rich gold nuggets that were found in the sheared schist rock adjoining the vein. Ben knew that prospectors had found nuggets with metal detectors in that area, so when the property was his, he began doing some dozer work to see if he could find that nugget bearing zone in the schist. Some of the results of this exploration have been nothing short of spectacular. He has recovered a good number of multi ounce gold nuggets right out of the schist. Most of them come out of the ground heavily coated in iron oxide

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and also contain a small amount of quartz. After treating them in acid to remove the gangue materials, the pure gold shows its beauty.

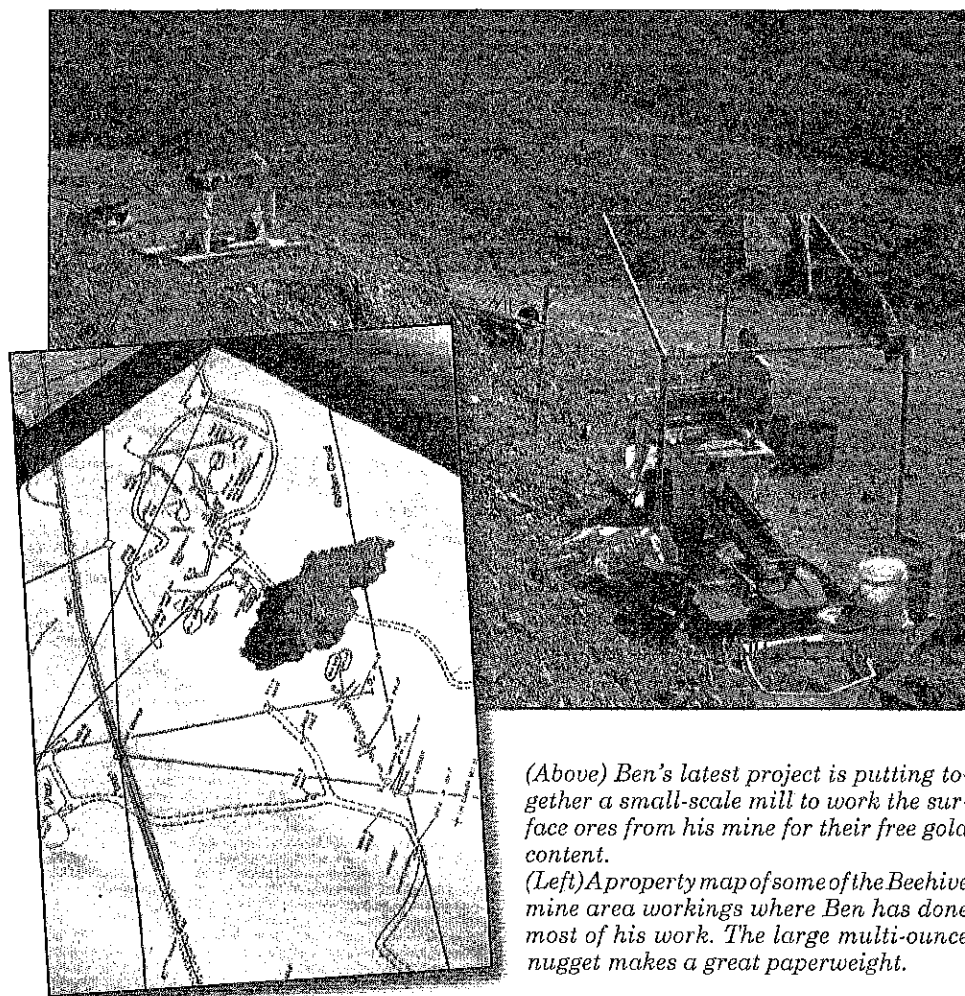
Most of the gold from this zone

consists of tiny wires and crystals attached together as a mossy, porous mesh. While such valuable specimens are normally kept safely in a bank vault, special arrangements

had been made in advance of my visit and these spectacular pieces had been brought out for the day.

In addition, some spectacular gold in quartz has also been found, and Ben and his wife have fashioned some of this material into beautiful gem quality cabochons. Ben has also melted some of the gold and poured it into rough doré bars.

Mining gold from the sheared schist zone is relatively easy. The material mined so far is weathered and is easily moved with a bulldozer. The gold occurs dispersed in a fairly random manner within the zone and is located with a metal detector.



(Above) Ben's latest project is putting together a small-scale mill to work the surface ores from his mine for their free gold content.

(Left) A property map of some of the Beehive mine area workings where Ben has done most of his work. The large multi-ounce nugget makes a great paperweight.



Looking down one of the old dangerous adits into the Octave Mine. A good place to stay out of.

Ben intends to continue exploring and working the surface ores and placers on his property. His latest project is to add the capacity to crush and table ores that contain significant free gold.

The final piece of Ben's consolidated mining property was the addition of the Octave Mine. The Octave was the most productive mine in the Rich Hill district, and the addition of this property gives him over two and a half miles on this same northeast-trending mineralized fault zone/vein system, most of which has been only slightly explored. The vein zone dips at a fairly flat angle and was likely originally formed as a thrust fault. Intrusive dikes of diabase as well as pegmatite and aplite are present in the area. This is the first time all of these contiguous mining properties have been united under the control of a single owner.

The Rich Hill district was originally a placer district and famous for the "potato patch" of coarse nuggets that were found on top of Rich Hill itself. Many large nuggets roughly the size of a potato were recovered. The Rich Hill area yielded over 100,000

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ounces of placer gold, and was the most productive placer district in Arizona. However, it was not too many years before those valuable deposits of coarse placer gold played out, and most prospectors left the area for new locations.

The Octave-Beehive lode zone was first discovered during those early years of placer mining, but unlike the placers, lode mining presented a problem. The veins contained sufficient gold and silver for underground mining to be worthwhile, but very little of the gold was free milling, so most of it could not be recovered by the amalgamation-based ore treatment methods of the time. The gold is tied up mostly in galena (lead sulfide) and also in the pyrites. Since the gold could not easily be extracted from the rock, the lode mines sat idle, waiting for some new method or technology that could capture the gold.

In the late 1890s the method of cyanide treatment of ores revolutionized gold mining across the planet. It was found that gold that could not be captured by amalgamation could often be captured by dissolving it into a weak solution of cyanide, and the ores of the Octave vein system were easily treated with cyanide. A group of eight men came together to purchase this property, giving their operation the name Octave Mining Company, in reference to a group of eight notes on the standard western musical scale.

Their operations were a success and the mine produced nearly 100,000 ounces of gold between 1900 and 1905. The property was sold to a company financed through the sale of stock shares, and electric power was brought to the mine in 1907. These later operations were not profitable and the mine was shut down. Several smaller operators mined various parts of the Octave property on a small scale from 1907 to 1934 with mixed success. Operations on the Beehive and other properties now under Ben's ownership were also mined during this time, also with mixed results.

In 1934, the Octave property was acquired by the American Smelting and Refining Company (ASARCO), a company that is still active today. From 1934 to 1942, the mine was operated profitably and produced additional gold amounting to over 100,000 ounces. Finally, a WWII government order in 1942 that shut

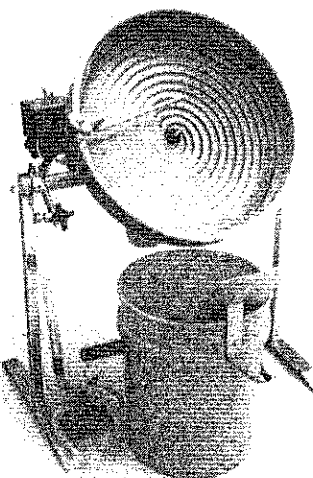

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down all US gold mines caused the closure of the property. It had produced over 200,000 ounces of gold during its active life. The mine also produces silver in about equal weight to the amount of gold mined, but because of the much higher price of gold, the value of production is principally in the gold.

Most of the Octave Mine operations after 1920 were focused on areas north of the Joker Shaft, at the northern end of the property. Virtually all of ASARCO's mining was done on ore bodies north of the Joker Shaft, indicating that the areas north of the

Joker workings probably contain the greatest potential for future underground explorations. The areas beyond the north end of the claim were not part of the Octave property at that time, so they received very little exploration work. They are now part of Ben's consolidated property and certainly hold significant potential for future underground mining, especially in light of higher gold and silver prices. However, the cost to drill the test holes will require a mining exploration company with some significant financial resources.

The Octave Mine area also likely contains some of the same mineralized schist shear zones as the Beehive, since large nuggets of a mossy, crystalline character, similar to the ones Ben has found near the Beehive workings, have also been found near the Octave. These are reported both in the old historical accounts as well as being reported as the finds of modern prospectors armed with metal detectors. Ben's mining property certainly has some significant commercial potential.

The Rich Hill area is heavily

claimed and there is much private property—both mining and ranching varieties—where prospectors are not allowed to trespass. Any prospectors visiting there should be absolutely sure they have permission to search for gold on the ground they are working. While access can be difficult, there are a large number of club claims in the area, including claims owned by the GPAA, 24K Gold Hunters, Roadrunners, and the Weaver Mining District Club. Joining one or more of these clubs can give the prospector access to various areas at Rich Hill.

Associate Editor Chris Ralph has a degree in Mining Engineering from the Mackay School of Mines in Reno. He has worked for precious metal mining companies conducting both surface and underground operations. After working in the mining industry, he has continued his interest in mining as an individual prospector, and recently joined our staff as Associate Editor. He can be reached via email at [chrisralph@icmj.com](mailto:chrisralph@icmj.com)

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