

Mr. Warden TURTON, Greymouth, to the UNDER-SECRETARY, Mines Department, Wellington.

SIR,—

Warden's Office, Greymouth, 19th April, 1909.

I have the honour to forward herewith my report for the past year upon the mining district under my administration.

GREY SUBDISTRICT.

There is little to report on the mining near Greymouth. The dredge at work upon the North Beach was idle for some months at the beginning of the year, owing to the long spell of dry weather. Operations have been resumed, and the returns, regular but not large, are sufficient to give a good result, over and above working-expenses, to the holder, Mr. Joseph Taylor.

At Barrytown McKay's sluicing claim is in full working-order, and the prospects ahead of this party are very promising. During the year the holder took up another special claim of about 100 acres adjoining the previous workings.

OIL INDUSTRY.

An enterprise which has been watched with considerable interest is that of oil boring at Kotuku. Here there are two holdings, that of the Lake Brunner Oil Company and that of Mr. Joseph Taylor.

The Lake Brunner Company has been working for some years prospecting its holding, and has spent some £7,000 or £8,000 in putting down bores, one of which was sunk to a depth of 900 ft. and another to about 760 ft. At present their operations are suspended.

On adjoining ground Mr. Taylor has been prosecuting vigorous boring operations for some two years and a half or three years. Eleven bores have been put down on the area (about 600 acres), but the holder was unfortunate with the last bore, in that after a depth of 320 ft. had been reached the gas-pressure became too strong for work, and some ten or fourteen days later the salt water came through, and a gusher formed, sending the water to a height varying from 70 ft. to 100 ft. This gusher, though diminishing in power, is still active. A new bore has now reached a depth of 415 ft., and it is expected that after another 20 ft. a change to softer country will be experienced.

Application has been made by Mr. Taylor for a larger area of this country, which, in the opinion of Dr. Bell and Mr. Morgan, presents features indicating the existence of oil.

From the surface gravel—a depth of 80 ft. to 100 ft.—a certain amount of oil has been obtained and sent away. This is of a fine and superior quality, useful for both lubricating and for lighting purposes.

AHAURA SUBDISTRICT.

Nelson Creek.—About July last a rush took place in this locality, and between fifteen and twenty special and extended alluvial claims were taken up near Gow's Creek. What has hitherto been looked upon as the "Old-man Bottom" has been fully proved to be wash with streaks all through it carrying gold. Several prospecting-tunnels have been driven into the range, and in Coll's tunnel about 40 ft. to 50 ft. of wash was struck, showing very good prospects. Owing to the shortage of water in the locality and the depth of the ground, it will take some time to thoroughly prove the value of this new ground.

About two miles of the bed of Gow's Creek has been taken up with a view of constructing tunnel tail-races from the left-hand branch of Nelson Creek to work the wash right down to the "Old-man Bottom." This is intended to be done by a small company with a capital of about £2,000, and the speculation is considered to be one of the best in the district, inasmuch as the Donnellan brothers during the year have been working their claim lower down the creek by lifting their wash with a water-balance and making excellent returns, and it is evident that, where sluicing out of an open tail-race can be carried on, no method for alluvial mining has its equal.

There are four dredges working in the Nelson Creek district, and the results through the year have been very satisfactory.

Alluvial mining in this district during the year 1908 has been the means of employing a considerable number of men, and the results have been good.

Ahaura River.—This locality has not received the attention it should have received during the year, as the few miners working on the north and south banks of the river have met with good results.

Some time past a party took up a water-right of 40 heads from Lake Hochstetter, and endeavoured to obtain the necessary capital to construct the race to the south bank of the Ahaura River. There is a large extent of rich alluvial ground on the south bank of the river at Sullivan's Creek, German Gully, Irishman's, and Big Boxes Creek that would give employment to a large body of men if the water-race from Lake Hochstetter was constructed.

The flotation of a company has been in hand, but so far without success. The party have recently decided to try and float it locally on as small a capital as possible.

Moonlight Creek.—During the year 1908 a considerable amount of work was carried on in this locality. Mitchell and party were engaged driving their prospecting-tunnel, and the country passed through looks promising, but no quartz reef has been struck yet.

The Shetland Terrace Sluicing Company have their claim at Shetland Terrace opened up, and during the year considerably improved their water-supply, which will enable them to work the claim at a greater advantage. The prospects of the company are considered very good.

In Garden Gully about the same number of alluvial miners worked through the year with fair results.

In Moonlight Creek the dredge owned by C. Passmore and party has worked continually through the year, and the party are said to have made good wages.

Blackball and Healey's Gully.—The number of miners in this locality increased during the year and active operations have been carried on.