DMEA Form 9
Rev. 6/57

UNITED STATES
DEPARTMENT OF THE INTERIOR
~~Defense Minerals Exploration Administration~~
GEOLOGICAL SURVEY

OMEE
~~DMEA~~ NO. 6533

OFFICIAL DOCKET FILE

~~Idm-E~~ NO. _____

Application
- [x] Denied
- [x] Withdrawn

Contract
- [ ] Terminated - Not Certified
- [ ] Terminated - Certified
- [ ] Cancelled
- [ ] Royalty Agreement

The records contained in this file are marked (x) and arranged in this order:

Folder No. 1:

Left Side

- [ ] Royalty Audits
- [ ] Certification of Discovery
- [ ] Closing Letter
- [ ] Cost Audits
- [ ] Termination Notice or Agreement
- [ ] Recision Notice
- [ ] Assignment of Contract
- [ ] Contract Amendments
- [ ] Contract with all exhibits and annexes
- [x] Owner's Consent to Lien and Subordination Agreement
- [x] Application and attachments

Right Side

- [ ] Project summary (final)
- [ ] Work Completed analysis (final)

All other material filed in chronological order including the following reports if checked:

- [ ] Field Team Semi-Annual Report for Certified Project
- [ ] Final Field Team Report (Tab)
- [ ] Operator's Final Report (Tab)
- [ ] Interim Field Team Reports
- [ ] Operator's monthly reports and all attachments
- [x] On-site Exam Report (Tab)
- [ ] Settlement Sheets
- [ ] Drill Logs

Additional Folders:

Left Side

Folders No. _____ : Reports

- [ ] Analysis of Semi-Annual Inspection Reports
- [ ] Project Summary (Interim) by DMEA Engineers

Right Side

- [ ] Field Team Semi-Annual Report for Certified Project
- [ ] Field Team Interim Reports
- [ ] Operator's Monthly Reports with transmittal, narrative and maps.

Folders No. _____ : Maps (Use pocket folder or envelope)

Folders No. _____ : Settlement Sheets

Folders No. _____ : Drill Logs

Folders No. _____ : Royalty material

These are re: OME-6533 (Gold)

4-H Group

C.W. Nay
720 W. Octave
Pasco, Washington

OFFICIAL
COPY
O. M. E.
RECEIVED
MAY 26 1956

INITIALS	CODE
	~~120~~ m
KD	~~110~~
Amy	120 8

State of California, } ss.

County of Monterey

On this 15th day of October in the year one thousand nine hundred and Sixty five, before me, John J. Sullivan a Notary Public, State of California, duly commissioned and sworn, personally appeared Carl Nay, Marcelle Smith, Wilton Calkins, Alan Horowitz, and Richard Herland

known to me to be the persons described in and whose names are subscribed to the within instrument, and acknowledged to me that they executed the same.

In Witness Whereof I have hereunto set my hand and affixed my official seal in the County of Monterey the day and year in this certificate first above written.

JOHN J. SULLIVAN, NOTARY PUBLIC

John J. Sullivan

Notary Public, State of California.

JOHN J. SULLIVAN

My Commission expires My Commission Expires Mar. 16, 1968

Power of Attorney (SPECIAL)

TO

Dated 19

State of Oregon } ss.
County of Curry

I hereby certify that the within instrument was filed for record May 10, 1966 at 3:50 o'clock P M. and recorded in book 3 Page 348-349 of Power of Atty

BERNARD I. MATHER, County Clerk

Lynne Johnson, Deputy

Fee Rec'd.

INDEX

Know all Men by these Presents:

That CARL NAY MARCELLE SMITH
WILTON CALKINS ALAN HOROWITZ RICHARD HERLAND

ha VE appointed and do hereby appoint

ROBERT HO

AS attorney in fact

for US and in OUR name S, to

negotiate & enter into an agreement with Joseph C Frederick to placer mine the Canyon Consolidation Claims which begin 90 feet above Wells Gate on the South Fork of the Sixes River & continue down the center of the stream three miles & 1200 feet to Joe Romans claim, the terms of the agreement to include a three year lease renewable another three years & a royalty of 10% gross & any other provisions which are just & equitable for either side.

Giving *unto OUR said attorney authority to do whatever is necessary to be done in and about the aforesaid business as fully as WE could do if personally present,*

hereby ratifying all that OUR said attorney

shall do or cause to be done by virtue of these presents.

In Witness Whereof *have hereunto set hand this day of* 15 October *one thousand nine hundred and* 65

Signed and Delivered in the Presence of

Carl Nay
Wilton Calkins

Marcelle Smith
Richard Herland
[illegible]

INDEX

VOL 21 PAGE 76

I, JANIECE RICE, hereby assign all rights & claims of ownership in the Canyon Consolidation claims, filed in the Curry County Court House, in Vol. 20, page 200, to Joseph C FREDERICK of SIXES Oregon & in doing so relinquish all future claims to the property in whatever way.

22 October 1965

Janice L. Rice

FORM NO. 23 — ACKNOWLEDGMENT
STEVENS-NESS LAW PUB. CO., PORTLAND, ORE.

STATE OF OREGON,
County of Coos } ss.

BE IT REMEMBERED, That on this 6th day of May, 19 66, before me, the undersigned, a Notary Public in and for said County and State, personally appeared the within named Janice L. Rice

known to me to be the identical individual described in and who executed the within instrument and acknowledged to me that she executed the same freely and voluntarily.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my official seal the day and year last above written.

Notary Public for Oregon.
My Commission expires 1-4-1970

State of Oregon,
County of Curry } ss.
I hereby certify that the within instrument was filed for record May 10, 1966 at 3:50 o'clock P. M. and recorded in book 21 Page 76 of Mortgages
BERNARD I. GATHER, County Clerk
Lynne Johnson
Fee Rec'd. Deputy

INDEX

VOL 3 PAGE 350

POWER OF ATTORNEY

The undersigned hereby give Joseph C FREDERICK of Sixes Oregon power of attorney to negotiate & otherwise dispose of the Canyon Consolidation Claims, which claims are on file at the Curry County Courthouse in Vol 20, on page 200.

RACHEL FREDERICK — Rachel Frederick

~~[illegible]~~

CAROL FREDERICK — Carol Frederick

State of Oregon
: ss
County of Curry

Signed before me this 6th day of May, 1966 by Rachel Frederick and Carol Frederick.

THELMA N. MEADE NOTARY PUBLIC STATE OF OREGON

Thelma N. Meade
Notary Public

My commission expires 3/13/70

State of Oregon
County of Curry } ss.

I hereby certify that the within instrument was filed for record May 10, 1966 at 3 50 o'clock P. M. and recorded in book 3 Page 350 of Power of Atty

BERNARD J. MATHER, County Clerk

Lyrene Johnson
Deputy

Fee Rec'd.

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Power of Attorney

The undersigned hereby gives Joseph C Frederick of Sixes Oregon power of attorney to negotiate & otherwise dispose of the Canyon Consolidation Claims, which claims are on file at the Curry County Courthouse in Vol. 20, on page 200,

RICHARD FREDERICK Richard Frederick

State of Oregon
:ss
County of Curry

Signed before me this 6th day of May, 1966, by Richard Frederick.

Thelma N. Meade
Notary Public

My commission expires 3/13/70

THELMA N. MEADE NOTARY PUBLIC STATE OF OREGON

State of Oregon
County of Curry } ss.

I hereby certify that the within instrument was filed for record May 10, 1966 at 3 50 o'clock P M. and recorded in book 3 Page 351 of Power of Attorney

BERNARD F. MATHER, County Clerk

Lynn Johnson
Deputy

Fee Rec'd

State of California, } ss.

County of Monterey

On this 15th day of October in the year one thousand nine hundred and Sixty five, before me, John J. Sullivan a Notary Public, State of California, duly commissioned and sworn, personally appeared Carl Nay, Marcelle Smith, Wilton Calkins, Alan Horowitz, and Richard Herland

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John J. Sullivan

Notary Public, State of California.

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(SPECIAL)

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Marcelle Smith
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[illegible]

also indexed in mining

VOL 3 PAGE 351

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By Lynn Johnson Deputy

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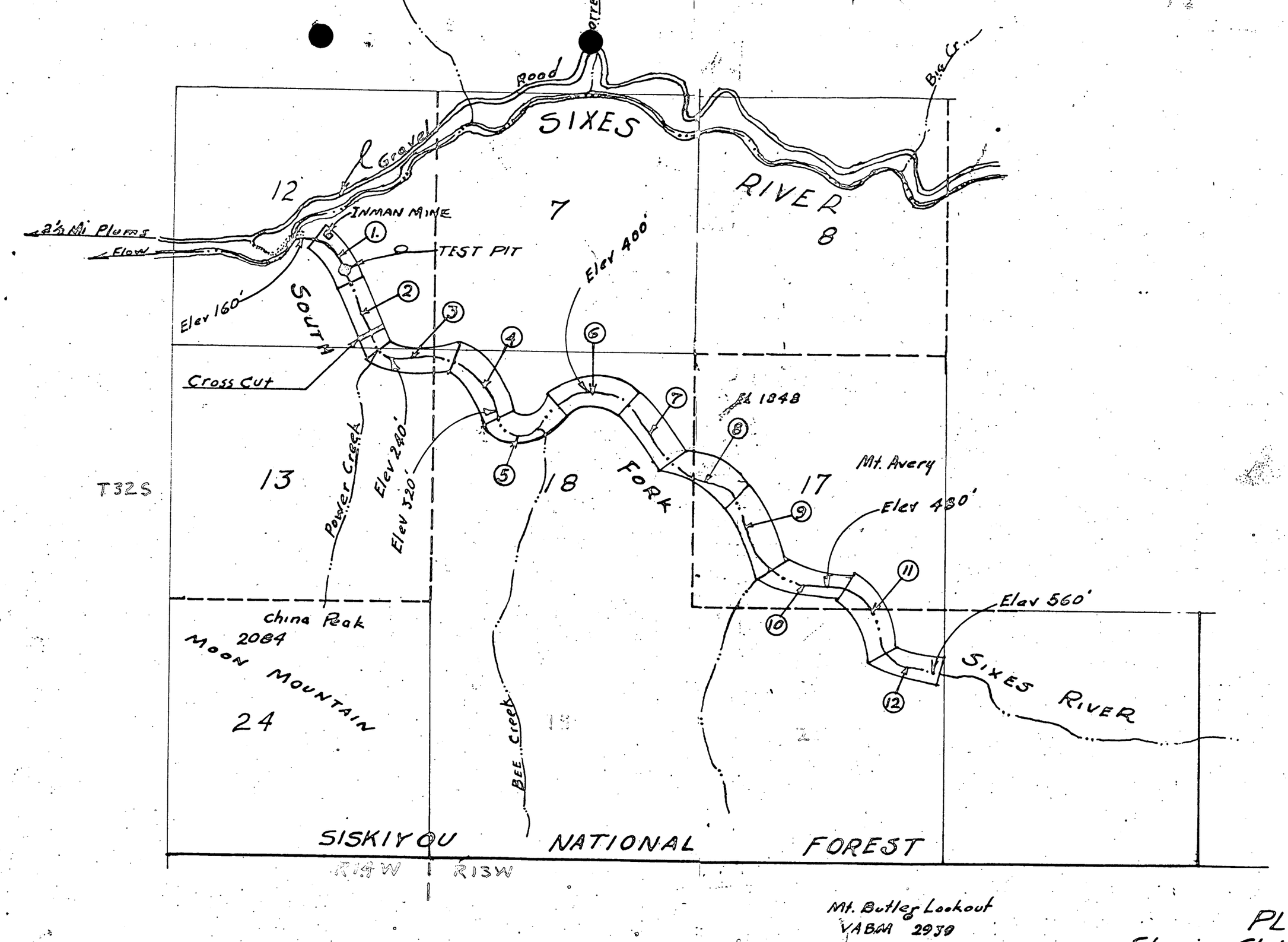
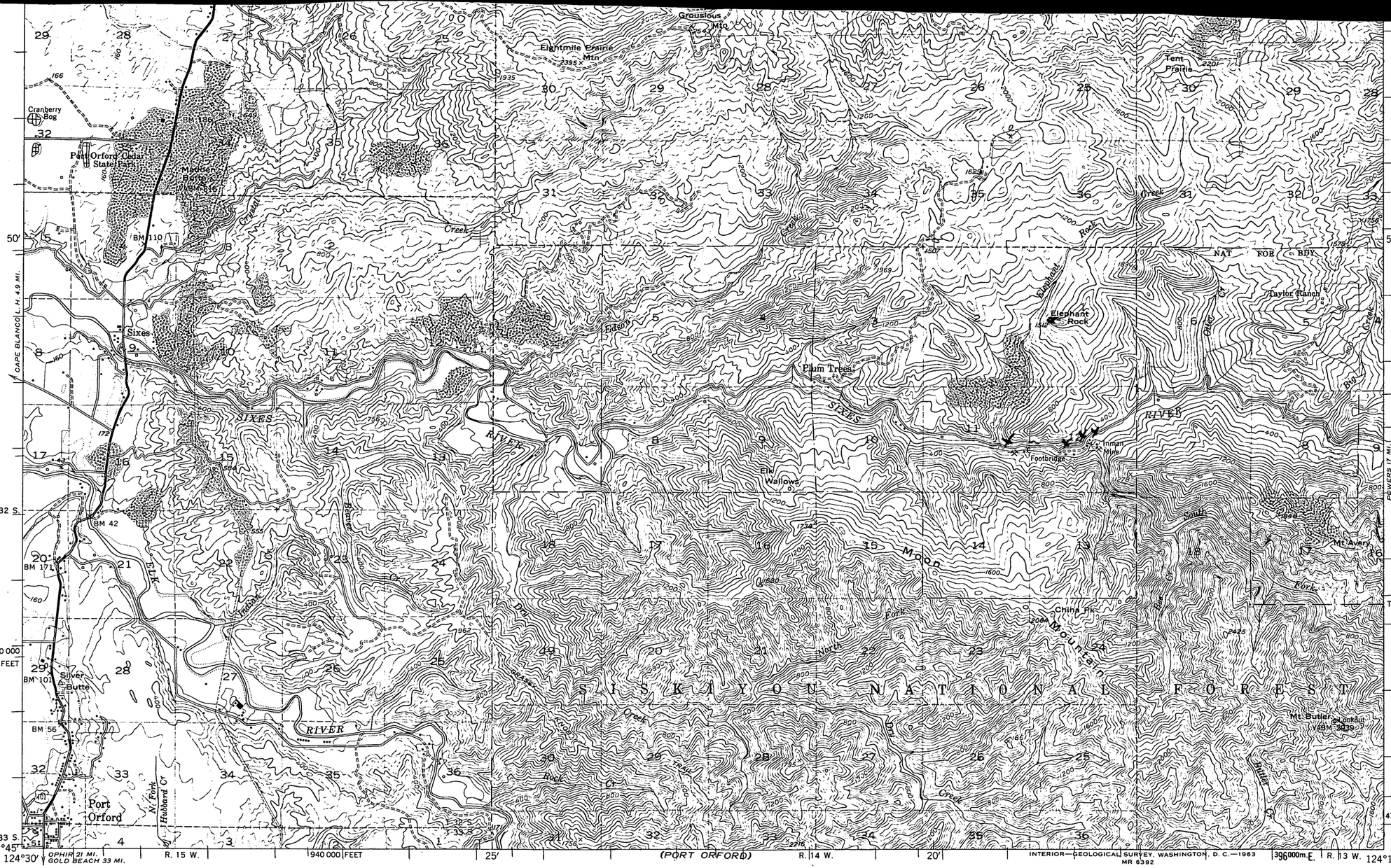
Lynnie Johnson
Fee Rec'd. Deputy



OFFICIAL COPY
O. M. E.
RECEIVED
JAN 24 1955
INITIAL & DATE

PLA
Showing Claims Lo
Roads & General Info
SCALE
2000'=1"



(PORT ORFORD)

Mapped, edited, and published by the Geological Survey

Control by USGS and USC&GS

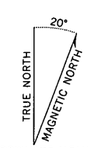
Topography from aerial photographs by multiplex methods
Aerial photographs taken 1952. Field check 1954

Polyconic projection. 1927 North American datum
10,000-foot grid based on Oregon coordinate system, south zone

Dashed land lines indicate approximate locations

Unchecked elevations are shown in brown

1000-meter Universal Transverse Mercator grid ticks, zone 10, shown in blue



APPROXIMATE MEAN DECLINATION, 1954

SCALE 1:62500

1 ½ 0 1 2 3 4 MILES

3000 0 3000 6000 9000 12000 15000 18000 21000 FEET

1 .5 0 1 2 3 4 5 KILOMETERS

CONTOUR INTERVAL 80 FEET
DOTTED LINES REPRESENT HALF-INTERVAL CONTOURS
DATUM IS MEAN SEA LEVEL
SHORELINE SHOWN REPRESENTS THE APPROXIMATE LINE OF MEAN HIGH WATER
THE AVERAGE RANGE OF TIDE IS APPROXIMATELY 5 FEET

QUADRANGLE LOCATION

ROAD CLASSIFICATION
1963

Heavy-duty ——— Light-duty ———

Unimproved dirt - - - - - -

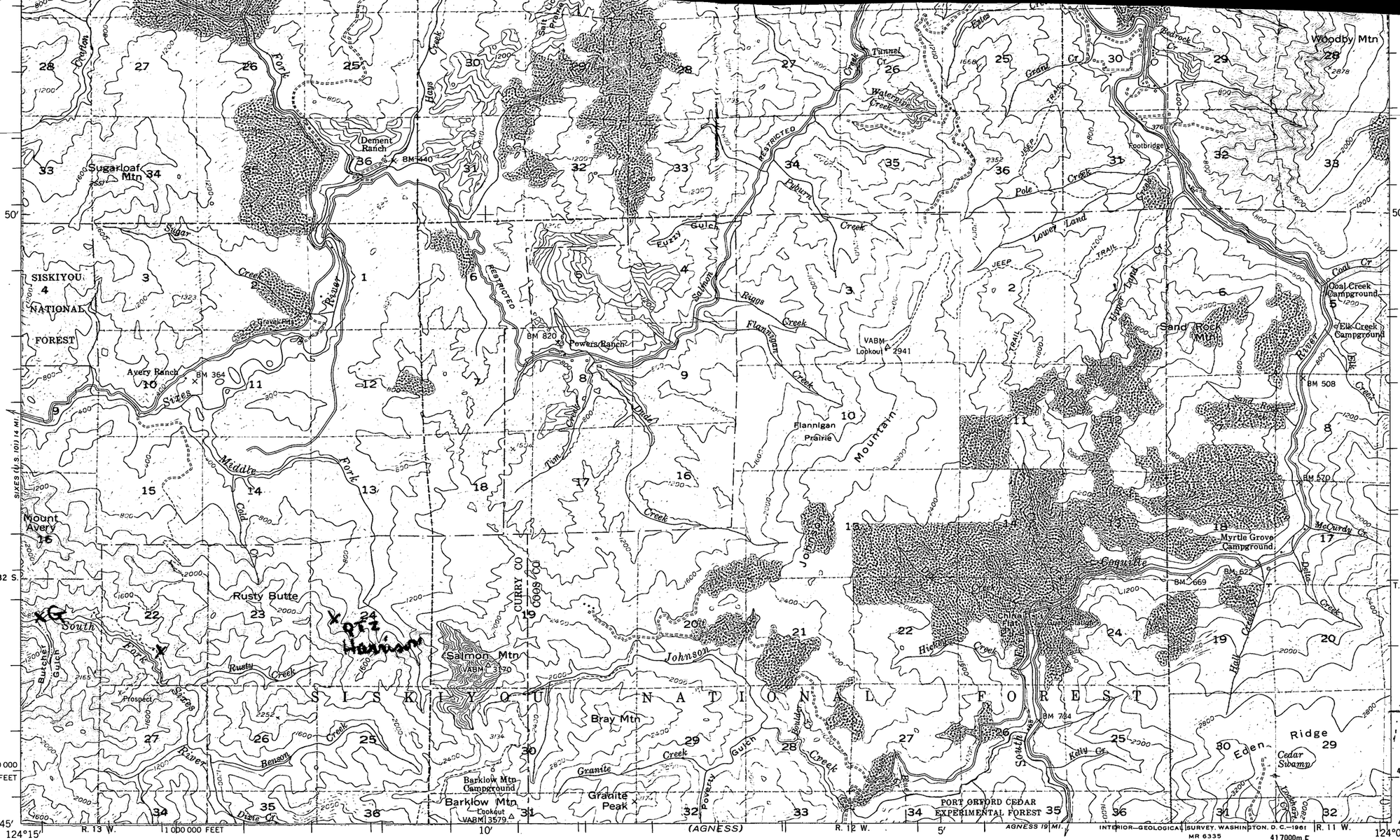
U. S. Route

LANGLOIS, OREG.
N4245—W12415/15

1954

(AGNESS) NAY
720 West Octave
Pasco
Washington

FOR SALE BY U. S. GEOLOGICAL SURVEY, DENVER 25, COLORADO OR WASHINGTON 25, D. C.
A FOLDER DESCRIBING TOPOGRAPHIC MAPS AND SYMBOLS IS AVAILABLE ON REQUEST



OFFICIAL COPY
O. M. E.
24 1966

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1000-meter Universal Transverse Mercator grid ticks, zone 10, shown in blue

TRUE NORTH
MAGNETIC NORTH
20°
APPROXIMATE MEAN DECLINATION, 1954

SCALE 1:62 500

1 ½ 0 1 2 3 4 MILES

3000 0 3000 6000 9000 12000 15000 18000 21000 FEET

1 .5 0 1 2 3 4 5 KILOMETERS

CONTOUR INTERVAL 80 FEET
DATUM IS MEAN SEA LEVEL

OREGON
QUADRANGLE LOCATION

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Medium-duty ——— Light-duty ———

Unimproved dirt - - - - - - - -

POWERS, OREG.
N4245—W12400/15

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A FOLDER DESCRIBING TOPOGRAPHIC MAPS AND SYMBOLS IS AVAILABLE ON REQUEST

NAY
720 WEST OCTAVE
PASCO
WASHINGTON

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION
GEOLOGICAL SURVEY
So. 157 Howard Street
Spokane, Washington 99204
January 21, 1966

OFFICIAL COPY
O. M. E.
RECEIVED
JAN 24 1966
INITIALS CODE

Memorandum

To: Chief, Office of Minerals Exploration

From: Field Officer, Region I

Subject: Transmitting OME application (Gold)
4H Group (Partnership)
Canyon Consolidation Claims
Curry County, Oregon

Enclosed is an OME application for financial assistance to explore for gold in placers along the South Fork of the Sixes River, Curry County, Oregon. The following points which may or may not require clarification are called to your attention.

1. Financial Eligibility.--One of the banks approached by the applicant is situated in Monterey, California; the other is in Moab, Utah. Although neither bank gives it as a reason for denying the request, the applicant's property would seem to be outside their banking area. Moreover, he has asked the banks for $10,000 but is asking OME to put up $17,268.

2. Applicant's Rights to the Land.--The hand-written "lease" may be valid, but there is no documentary evidence that the colocators of the claims have given Joseph C. Frederick the Power of Attorney nor any evidence that the members of the partnership have agreed to accept any obligation that may be incurred for them by Robert Ho. There is no document transferring the Partners' rights to the 4H Group. J. C. Frederick will not execute the Lien and Subordination Agreements.

3. Technical Reports.--The copy of a report by the Oregon Department of Geology and Mineral Industries refers to lode claims and is of value insofar as it indicates a probable source of gold in the stream beds. The Associated Engineers and Geologists' report is almost incoherent in some places and is simply incorrect when the author states that the conglomerates are of Cambrian age; they are a member of the Myrtle formation of Cretaceous age according to the U.S.G.S. Folio 89 and the Oregon State paper cited above. The account of gold values from a pit and a trench given in this report can, therefore, only be considered as of questionable accuracy.

4. Proposed Project.--As nearly as I can tell from the sketches and time chart, the applicant proposes to re-grade and build a total of 1,500 feet of access road along the edge of the canyon bottom, build two diversion dams, excavate two exploratory trenches, respectively 25 and 75 feet long, below the first dam and excavate an unstated number of test trenches below the second dam.

5. Costs.--Several items appear to be out of line. I do not see why labor should require more than a cat skinner and two men, although the time overlap of various job units indicated in the chart might result in a more efficient operation and would require the third man. The cat is apparently being acquired on a rental purchase basis or lease for 24 months, the monthly payments being $900 per month with prepayment of 8 months' rental. The work chart indicates that it will be in use for only 6 months. Should the total cost of the dozer--$15,000 to $20,000--be amortized or the $7,200 total rental price, or should the monthly rental of $900 per month be allowed?

6. Comments.--Although the validity of statements in the Associated Engineers and Geologists' report is open to question, should the section on "Findings at Test Pit and Cross Cut" be approximately accurate, then perhaps the author's statement under "Exploration Possibilities" that "Further exploration is not necessary, etc.," should be taken into account.

D. R. MacLaren

D. R. MacLaren

Enclosure

MME Form 40
Jan. 65

RECEIVED
JAN 13 1966
O.M.E.
SPECIAL EXAMINER

Budget Bureau No. 42-R1308
Approval expires Dec. 31, 1968

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

OFFICIAL COPY
RECEIVED
JAN 24 1966

APPLICATION FOR FINANCIAL ASSISTANCE IN MINERALS EXPLORATION

Pursuant to Public Law 85–701 (72 Stat. 700; 30 U.S.C. 641)

NAME OF APPLICANT *(Full legal name and mailing address as they should appear on contract if one is executed.)*

4H GROUP
% CARL NAY
720 WEST OCTAVE
PASCO
WASHINGTON

APPLICANT DO NOT USE THIS BLOCK

DOCKET NUMBER: 6533
DATE RECEIVED: 1-24-66
REGION: I
DIVISION CODE:

BUSINESS ORGANIZATION *(Check one)*

- INDIVIDUAL [ ]
- CORPORATION [ ]
- PARTNERSHIP [X] ✓
- OTHER *(Specify)* [ ]

STATE IN WHICH FIRM IS ORGANIZED: CALIFORNIA

LIST CORPORATE OFFICERS OR PARTNERS HERE, IF APPLICABLE

NAME	ADDRESS	TITLE
CARL NAY	720 WEST OCTAVE PASCO WASHINGTON	PARTNER
WILTON CALKINS	715 WEST HENRY PASCO WASHINGTON	PARTNER
RICHARD HERLAND	20016 PACIFIC COAST HIGHWAY MALIBU CALIFORNIA	PARTNER
ALAN HOROWITZ	9460 WILSHIRE BLVD BEVERLY HILLS CALIFORNIA	PARTNER
ROBERT HO	31 VIA CASTANADA MONTEREY CALIFORNIA	PARTNER
MARCELLE SMITH	240 NORTH AVE GRAND JUNCTION COLORADO	PARTNER

MINERAL(S) FOR WHICH YOU WISH TO EXPLORE: GOLD

ESTIMATED COST OF PROJECT: $ 34,536

PROPERTY NAME	LOCATION COUNTY	STATE
CANYON CONSOLIDATION CLAIMS	CURRY	OREGON

GENERAL INSTRUCTIONS

Before filling out this application, please read the *OME Regulations for Obtaining Federal Assistance in Financing Explorations for Mineral Reserves* (30 CFR Chap. III). To assure prompt action, your application must provide all applicable material and information specified on the back of this application form. Avoid unnecessary correspondence and delays by submitting complete and accurate information. *Please submit two copies of this application and all accompanying papers* except as otherwise noted. Place your name and address on each sheet. Each item of information, maps, and reports required as a part of this application is described on the back of this form. Identify each attached statement by the item number to which it applies. If an item does not apply to your application, show the item number on your statement and after it write "not applicable." Maps or sketches should be used to supplement narrative descriptions of the property location and boundaries in item 2, existing mine workings and geology in item 3, and the proposed exploration work in item 5. When this information is not too complex, all of it may be shown on one map or sketch. All documents and other attachments submitted as a part of this application, except those in item 3(g) which you mark to be returned, become the property of the Government and will not be returned to the applicant. Send true copies, *not originals*, of leases, contracts, and other documents which are an essential part of your business records. *File this application with the Office of Minerals Exploration, Department of the Interior,* ~~Washington 25, D. C. or with the nearest OME Field Office.~~ Washington, D. C., 20242, or with the nearest OME Field Office.

CERTIFICATION

The undersigned, whether as an individual, corporate officer, partner, or otherwise, both in his own behalf and acting for the applicant, certifies that the information set forth in this form and accompanying papers is correct and complete, to the best of his knowledge and belief, and that he would not ordinarily undertake the proposed exploration under current conditions and circumstances at his sole expense.

15 DECEMBER 1965
DATED

BY *(Signature)*

PARTNER
TITLE

A wilfully false statement or certification to any Department or Agency of the United States Government is a criminal offense. U. S. Code, Title 18, Sec. 1001.

INFORMATION REQUIRED WITH THIS APPLICATION

1. Financial Eligibility:

(a) Submit evidence of efforts made within 90 days preceding the filing of this application to obtain credit from your bank of account and at least one other banking institution or other private source of credit. Such evidence shall include true copies of correspondence which show: (1) date of loan request, (2) amount and terms requested, (3) proposed use of loan funds, and (4) the replies from credit sources. If the loan was offered under terms which you consider unreasonable, state why you consider them so.

(b) List names and addresses of affiliated, parent, or controlling companies or organizations and state extent and nature of their interest.

(c) State how you propose to furnish your share of the cost of the exploration work.

2. Applicant's Rights in Land:

(a) State your interest in the land and mineral rights, whether owner, lessee, purchaser under contract, or other. If you are not the owner, submit one true copy of the lease, contract, or other document (with address of owner) under which you control the property. Describe all liens, mortgages, or other encumbrances on the land and state book and page number and official place where recorded.

(b) State the legal description (section, township, and range; metes and bounds; patent number of claims) of the land upon which you wish to explore and all adjacent land which you own or control. Describe any part of the land or workings which should not be subject to Government royalty and liens. If the land consists of unpatented claims, state book and page number for each recorded location notice, including amended locations, and official place where recorded. State all the names by which you know the property.

(c) For all land or mineral rights encumbered or not owned, submit five copies of Lien and Subordination Agreements on MME Form 52. If the agreements cannot be obtained, state reasons and provide copies of letters of refusal.

3. Physical Description:

(a) Describe in detail and illustrate with maps or sketches all mining or exploration operations which you know have been or are being conducted upon the land. Include existing mine workings and all production facilities.

(b) State your interest, if any, in operations described in (a).

(c) State, if you know, the past and current production, supporting your statement with copies of settlement sheets, mine records, or published data if available.

(d) Describe known ore reserves, giving quantities and grades and sampling methods used. Support your statement with copies of assay certificates and assay maps if available.

(e) Describe by narrative and maps or sketches the geologic features of the property, including ore minerals, geologic formations if known, and type of deposit (vein, bedded, etc.).

(f) State your reasons for expecting to find ore, and if you have sampled the area you propose to explore, show where the samples were taken, describe sampling methods used, and provide copies of assay certificates.

(g) Send with your application at least *two* copies of all geologic or engineering reports, assay maps, or technologic information which you have, indicating whether you require their return.

4. Accessibility of Property:

(a) To aid the OME representative who may examine the property, state name and address of person who will meet him; give directions for reaching the property; and describe accessibility of property and of any mine workings.

(b) Name the shipping and supply points and state the distances to the property.

5. Exploration Work:

(a) Describe fully the proposed exploration work giving individual footages and sizes of openings *for each item of work.* Use narrative, maps, plans, and sections as necessary. Show location of the proposed work as related to geologic features such as veins, ore-bearing beds, contacts of rock formations, etc. Show also the relation of the proposed work to any existing mine workings and to *land boundaries* or to the closest identifiable corner.

(b) If an access road must be built, show the proposed location on the property map and state the length, type and construction methods proposed.

(c) If an OME contract is executed, state how soon thereafter work would be started and finished. State your anticipated average daily or monthly rate of progress for each type of work.

6. Experience:

State your operating experience and background to conduct this exploration work and also that of the person who will supervise the work.

7. Estimate of Costs:

Furnish detailed estimates of the necessary costs *for each item of the work proposed in 5(a)* under the headings listed below with a total for each heading and the estimated total cost of the work. Costs for any work to be performed by an independent contractor should be listed separately under category (a) below. Costs for any work that is not to be performed by an independent contractor should be listed under categories (b) through (g).

(a) Independent contracts. State the total cost of any proposed independent contract for all or any part of the work, and the number of units and the unit cost for each type of work, such as per foot of drilling, per foot of drifting, per hour of bulldozer operations, or per cubic yard of material moved. Cost estimates should be supported by bids from three contractors if possible. (*Note*—If none of the work is to be contracted, write "none" after this item.)

(b) Personal services. The cost of supervision, engineering and geological services, outside consultants, and labor should be itemized by numbers and classes of employees; rates of wages, salaries or fees; and periods of employment. State whether these services are available.

(c) Operating materials and supplies. List items of material and supplies giving quantity and cost of each. Include under this heading power, water, and fuel, and units of equipment and tools costing less than $50 each.

(d) Operating equipment. List items of equipment and tools costing $50 or more per unit. Give specifications and indicate how each item is to be acquired—i.e., rented, purchased or provided by the applicant. If rented or purchased, state the estimated rental or purchase price. If furnished by the applicant, state condition and present fair market value.

(e) Initial rehabilitation and repairs. Describe the type and the cost of *initial* rehabilitation or repair of existing buildings, fixtures, installations (exclusive of mine workings), and movable operating equipment now owned by the applicant which will be used in the exploration work.

(f) New buildings, fixtures, installations. Describe each building, fixed improvement, and installation to be purchased, constructed, or installed for the exploration work, stating specifications and cost including labor, materials, and supervision.

(g) Miscellaneous. Describe the type and estimate the cost of repairs and maintenance of the operating equipment listed in 7(d). Do not repeat initial repairs listed in 7(e). Show also the costs of analytical work, accounting, workmen's compensation and employees' liability insurance, payroll taxes, and other required costs that do not fall within the previous categories. [*Note*—The Government will not contribute to costs incurred before the date of the contract, or to costs of or incident to: (1) acquiring, using, or possessing land and any existing improvements, facilities, buildings, installations, and appurtenances, or the depreciation and depletion thereof; (2) general overhead, corporate management, interest and taxes (other than payroll and sales taxes); (3) insurance (other than employees' liability insurance); and (4). damages to persons or property (other than authorized repair to or replacement of equipment or other property used in the work).]

1. Financial Eligibility

a. Attached.

b. None

c. We propose to furnish cash as well as contribute equipment such as trucks, pumps, & pipe which must be obtained in advance.

WAY 720 WEST OCTAVE
PASCO WASHINGTON

NOTES

(1) Carl Nay of Pasco, Washington is a heavy equipment operator who is a specialist in earth moving, road & dam building. Marcelle Smith of Grand Junction, Colorado was a project engineer for the AEC, then mill superintendent for Western Nuclear, currently an independent consultant. Richard Herland of Los Angeles is business manager for Graham Productions, a film animation company in Van Nuys. I was with Micro Copper Corp., Moab, Utah until this summer. Before that I was in the Commodity Deparment of JR Williston & Beane, of NY, a brokereage house, for four years. I give a brief description of these partners because these are the ones who will take a direct hand in operations.

(2) Five of us spent most of October hand sampling the lower end of the Canyon Consolidation Claims, which could only be reached by back packing. The claims are laid end to end for roughly three miles of a narrow canyon of the South Fork. Average width of the canyon is about 100 feet at bottom & average height of walls about 1200 feet. In effect the South Fork stream bed is the canyon floor. It is heavily strewn with boulders. From observation & inference we estimate bedrock to be 12 to 15 feet down. Our test pits & trenches were stopped about three feet down at most. However our recovery of gold even from that depth was most encouraging: flour gold, flakes of finger nail paring size, and one pumpkin seed nugget. Black sands assayed 4 Oz. per ton.

From this experience we propose to return with heavy equipment. We will need one Caterpillar tractor model 977, five hundred feet of 30 inch pipe, hydraulic hose, portable gas-powered rock drills, blasting powder & necessary support & maintenance equipment. Essentially it is a water diversion-access road plan. We would build the road on the north side of the canyon out of boulders already on the site, build a temporary dam & divert the water through the 30 inch pipe. With an area thus accessible & water free we would sink shafts & cut trenches to bedrock, blasting boulders where appropriate. Hydraulic hose would be attached to the water diversion pipes by valved tap-offs & the excavants washed out through a system of riffled sluices, screens & finally undercurrents to catch the black sands. We would need a crew of between 4 to 6 men. We would start sometime after the winter rains let us start work in the Spring when the water goes down.

(3) The principal costs are labor & tractor rental. Estimated wages for 5 men at $2.-/hr 40 hrs/wk & overtime at $3.-/hr 16 hrs/wk for 15 weeks is $9600.- Tractor rental will be for a used model 977 type selling for between $15-20,000.- Based on a lease with option to buy with a minimum of 4 months advance equals $8,000.- These two items total $17,600.-

(1A)
NAY 720 WEST OCTAVE
PASCO WASHINGTON

31, via Castanada
Monterey, California
23 November 1965

Mr John A Kern
Wells Fargo Bank
Monterey California

Dear Mr Kern,
The following is a summary of our conversation of last week. Explanatory notes follow on page two.

We are a partnership, composed of two majority partners in California responsible for management & money raising and four limited partners. (1)

We propose to explore the Canyon Consolidation Claims, on the South Fork of the Sixes River in Curry County, Oregon, for feasibility of a gold placer operation. Our object would be to obtain a gold per cubic yard figure, for recoveries, and for costs, from significant & sufficient cross sections of the canyon gravels. (2)

So far we have spent $3,000.- on preliminary exploration. The partnership has raised an additional $10,000.- for further work but we will need another $10,000.- fpr a total of $20,000.- (3)
?
Therefore we ask a loan of $10,000.- for one year, for an interest rate of your choosing; and secured by the credit of our partnership.

Thank you for your help and cordial interest.

sincerely yours

Robert Ho

Robert Ho

(1A)

NAY 720 WEST OCTAVE
PASCO WASHINGTON

Since 1852

WELLS FARGO BANK

MONTEREY OFFICE
399 ALVARADO STREET
MONTEREY, CALIFORNIA

November 26, 1965

Mr. Robert Ho
31 Via Castanada
Monterey, California

Dear Mr. Ho:

We regret it is necessary for us to decline your recent request for a $10,000.00 loan. We do this without the benefit of financial statements being submitted; however, as you explained, any net worth of the individuals would be very limited. Bank policy does not permit loans of this nature without financial substance to support it in the event your new venture is not successful.

Sincerely,

John A. Kern
Assistant Vice President
and Manager

JAK:mra

(1A)
NAY 720 WEST OCTAVE
PASCO WASHINGTON

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31, via Castanada
Monterey, California
93940
23 November 1965

Mr Ralph Osborne
Moab National Bank
Moab, Utah

Dear Mr Osborne,

I am writing on behalf of our partnership, the 4H Group, which began with opening an account at Moab National. The partnership was formed for the purpose of exploring a gold placer in Oregon, the Canyon Consolidation Claims, on the South Fork of the Sixes River, in Curry County. To date we have spent or committed a total of $3,000.-.

We found this was not enough. Consequently we applied to the Interior Department, Office of Minerals Exploration for an exploration loan only to find we must first exhaust all normal commercial sources of credit, including our bank of account, in this case Moab National.

While I realize a loan of this kind is not normal to your Bank we are not without attractions. Our preliminary work was most encouraging. We were unable to reach bedrock because of extreme boulder conditions, and penetrated less than an estimated one fourth of the distance to bedrock. Yet we recovered flour gold, flake gold, one pumpkin seed nugget and the black sand assayed 4 oz. per ton. We feel this is an extremely rich placer and gold recovered from the exploraation program will go far toward defraying costs and early production will quickly repay the balance of the loan. In addition we are raising $10,000.- from our own resources over & above the $3,000.- already spent.

We ask a loan of $10,000.- for one year, at an interest rate of your choosing and secured by the credit of our partnership.

Thank you for your help and cordial interest.

sincerely yours,

Robert Ho

Robert Ho

(1A)
NAY
720 WEST OCTAVE
PASCO WASHINGTON

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MOAB NATIONAL BANK

MOAB, UTAH

RALPH OSBORNE
VICE PRESIDENT

November 26, 1965

Robert Ho
31, via Castanada
Monterey, California 93940

Dear Mr. Ho:

Thank you very much for your interesting letter with regard to the gold prospect you are working on in Oregon. As you may be aware one member of our Board of Directors has had considerable experience in gold mining and while the board feels this sounds quite interesting, they feel that the risk is far too great for our bank to become involved in it.

I regret that we are unable to help you with this, but hope that you will be able to obtain satisfactory financing elsewhere.

Yours very truly,

Ralph Osborne

RO/er

MNB

(1A)
WAY 720 WEST OCTAVE
PASCO WASHINGTON

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STATE OF OREGON
COUNTY OF CURRY } ss.

I, J. C. Frederick of Sixes, Oregon

being duly sworn, deposes and say that I have done all the required work to THE CANYON CONSOLIDATION CLAIM

as required by Section 3 of the Act og 1901, knowe as H. B. No 1

J. C. Frederick

Subscribed and sworn to before me this 2nd day of October, 1963

Arthur F. Niemann

Notary Public for Oregon
My commission expires 8/8/67

ARTHUR F. NIEMANN NOTARY PUBLIC STATE OF OREGON

Notice of Location of
PLACER CLAIMS

The Canyon Consolidation

STATE OF OREGON, } ss.
County of Curry

I certify that the within instrument was received for record on the 8th day of October, 1963, at 10:00 o'clock A.M. and recorded in book 20 on page 200 - 201 Record of Mining of said County.

Witness my hand and seal of County affixed.

Bernice Dunn
County Clerk—Recorder.

By 25c FEE REC'D Deputy.

COUNTY OF CURRY STATE OF OREGON

"Association Placer"

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(2B)
WAY 720 WEST OCTAVE
PASCO WASHINGTON

VOL 28 PAGE 288

Notice of Location of Placer Claim

INDEX

Notice is hereby given that the undersigned, a citizen of the United States (or who has declared intention to become such), over the age of twenty-one years, J.C. Frederick & wife Neil Frederick & wife Richard Frederick & wife &Janiece Rice

did, on the 1 day of September, 1963, locate a Placer Claim of gravel bearing gold and other metals of 109 acers moorecor less acres, situate in the County of Curry, State of Oregon and more particularly described as follows:* Starting at A point 90 ft.above what is known as hells gate on the south fork of sixes river in sec.21 T 32 R 13 w.w.m Continuing down center of the stream three miles and 1200 ft. to Joe Romans Claim Claims running through secs.20.17.18.13.ending in sec.12 Holding 150 on the south side of the stream and 150 ft. on the north side of the stream

These claims shall be known as The Canyon Consolidation

and that we intend to hold and work said above described claim as provided by the local laws and regulations, and the customs and rules of mines and mining statutes and laws of the United States.

Dated at Sixes, this 1 day of september, 1963.

~~X Recorder of the property~~

J.C. Frederick (seal) Richard Frederick (Seal)

Rachel Frederick (seal) Carol Frederick (Seal)

Neil D. Frederick (seal) Janiece L. Rice (Seal)

Shelma Frederick (seal (Seal)

*If located on surveyed lands, descriptions must conform to legal subdivisions — otherwise described fully so that claim can be identified.

(2B) NAY 720 WEST OCTAVE PASCO WASHINGTON

3. Physical Description

a. Last operation to our knoledge is the Inman Mine, closed in the South Fork Canyon by 1931 though some work was done on upper benches by lessees later.

Inman operation consisted of a dam about one mile up stream from the end of the present road into the canyon, water pipe returning from the dam to the area of the present road end, water pressure to wash gravel to bed rock & sluiced through 6' deep 3' wide sluice boxes with riffles shod in iron. Of this operation an iron gate remains at the site of the dam, now broken, much iron bar of $\frac{1}{4}$" diameter & 2-3' long used to support the pipe, now removed, the remains of an old sluice box section about 450' upstream from road end and 600' on the ~~xxxxx~~ south bank of the stream which has been sluiced to bedrock. Of this 600', measured from road end & proceeding upstream, 200' is on the Joe Roman claim & does notapply here.

b. None

c. No reliable information of Inman production.

d. Attached copies of reports merely suggest presence of gold in the canyon by inference. USGS Folio 89 describes placer workings above the canyon, in Buthher Gulch & Rusty Creek, upstream tributaries, as well as placer workings down stream, in the Sixes River itself.

The State Department of Geology and Mineral Industries(of Oregon) report of 1June 1950 is about a hard rock claim on Rusty Creek, on the South Fork water shed and a presumed source of placer gold.

e. From the end of the existing road the canyon walls vary from about 60 to 80 degrees steep and above 1000 feet high. The canyon floor averages 100 feet wide. The South Fork flows over half the floor during low water and all the canyon floor in high water in winter. There are frquent slide areas & the stream bed itself is filled with boulders ranging from one foot to 30 feet in diameter. The gravel beds are mixed in with the boulders. By observation & inference bedrock is between 10-15 feet down from surface.

f. Rour of us sampled by hand the lower end of the claims in October 1965 in an attempt to verify the attached Associated Engineers & Geologists report. Two test pits were started but in both cases we were stopped by buried boulders. We had to leave because of rising water from the beginning of the winter rains. Our recoveries were from a maximum of 3 feet of gravel & are significant only as type rather than as quantity: flakes of finger nail paring size; one pumpkin seed size nugget; black sand assay, attached, showing 4 oz Au per ton. Location of sample pits noted on map for 5a.

NAY 720 WEST OCTAVE
PASCO WASHINGTON

US Geological Survey
Port Orford Oregon
Folio number 89 JS Diller 1903

pages 4-5
Economic Geology: Gold

Nearly all of the gold which has thus far been obtained in the Port Orford Quadrangle has come from placer mines, some of which are along beaches in marine deposits & the rest in river gravels, especially along South Fork of the Sixes River & at the heads of Salmon & Johnson Creeks with a smaller area at the head of Boulder & Rock Creeks near the South end of Iron Mountain. There is one quartz mill in the region.

****

The (gold) belt runs approximately N 70-80 W from the mouth of Johnson Creek on the South Fork of the Coquille & has a width of several miles. West of Johnson Creek it crosses head of ~~the~~ Salmon Creek, passes along the South Fork of the Sixes, reaches the coastall plaiin south of Denmark. On this belt the principal formation is the Myrtle, composed of more or less altered sandstones & shales which locally contain veins of quartz. It is penetrated by serpentine gabbro, basalt, & dacite porphry, & it is probable that the mineralization of the belt occurred in connection with one or more of these igneous intrusions. Some of the dacite porphyry dikes are too small to be represented on the map.

****

Passing westward from the head of Salmon Creek in Coos County, the gold belt enters Curry County on the head waters of the South Fork of the Sixes River, ~~xx~~ in the vicinity of Rusty Butte, where interesting discoveries have been made recently. Many years ago there was great activity along the Sixes, in mining the benches, which rise to about 50 feet above the river. The Mines were most abundant from the Forks westward and are represented by a number of cabins long since deserted. The bedrock is generally Cretaceous conglomerate, sandstone & shales & the gravel is composed of pebbles of the same material. At the mouth of Elephant Creek the terrace mined exposes about 25 feet of gravel, of which about an acre has been removed. Above the junction on the Middle Fork there has been but little mining, the regions being covered largely by Eocene sediments. On the South Fork mining in a small way is still carried on, but is confined to the present stream beds during the low water of summer. Some of the earlier mines were in gravel benches as high as 130 feet above the present stream. The Guerin Brothers were ground sluicing just above the mouth of Butcher Gulch, & the Wagner Claim, about a mile below, worked by Mr JLSearle & others from the state of Washington, was operated on a larger scale. The whole stream was dammed to a height of about 5 feet & two lines of sluice boxes were suspended on numerous logs felled across the stream. A steam pump & 9 men were employed. The bed of Butcher Gulch, on the NE slope of Mt Butler, has been washed for a long distance from its mouth. Above the mouth of Rusty Gulch the bed & benches of the South Fork have not been found productive.

For 5 or 6 miles below the Forks of the Sixes the placer mines have been idle for many years, but before reaching Edson Creek four active mines are found, one operated by Mr Corbin, & the others by the Messrs Divelbiss.

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The most extensive, operated by NC Divelbiss, is on the left bank, in the sharp bend 2 miles above the mouth of Edson Creek, & covers a large part of an acre. The gravel bank, worked by water under pressure, is 50 feet high & rests on Cretaceous sedimentary rocks. Farther west, near the mouth of Edson Creek, on the right bank, is an upper terrace of large extent whch has been mined on the edge, but with scancely sufficient success to warrant the extensive fluming necessary to supply the water that is needed to do the work satisfactorily. The Sixes, especially in its lower course, is overloaded by the large amounts of debris brought in by the great slide of February, 1890. One slide, 200 by 150 feet in extent, covered a house & other buildings & killed 3 persons & 21 head of stock.

****

Oregon gold was first discovered along the beach at Gold Beach, Port Orford, & the mouth of Whiskey Run, where work was commenced in 1852. Four years later the gravels of Johnson Creek & the Sixes were prospected; & work on the elevaated beaches at the eastern edge of the coastaal plain, the Blanco & the Sixes mines, followed in 1871. The beach mines were very rich in places & were extensively mined, but within the last few years they have received little attention.

The originaal source of the gold is in the quartz veins of the Myrtle Formation. The supply for the stream gravels has been direct, but at least some of that on the beach is derived from Tertiary beds by wave action on the beach, & this indicates that the auriferous quartz veins in the Myrtle formation were formed before the beginning of the Tertiaary.

Quartz mining.---Attempts have been made to trace the placer gold to the veins from which it came, & some of the efforts have been successful. A good 5-stamp mill was early erected in connection with the Divelbiss mine in Poverty Gulch. It is generally idle, so that its output is very small. *** Mr Ira Buzan & several associates operated the mill for a short time in the summer of 1900.

*****

Other prospects have been opened up within the drainage of Poverty Gulch & Sucker Creeks but none have proved to be promising. Throughout the region there is considerable low grade ore, which in course of time renders the stream gravels rich enough to pay for mining, but the quantity of gold is not sufficient to encourage the hope of finding vein deposits that can at present be mined with profit.

*****

Greater success has attended the efforts of prospectors on Rusty Butte where the Harrisons & others have discovered some promising but small ore bodies which occur partly in sedimentary but mostly in igneous.

The first discovery was made at St. Patricks, nearly 1000 feet below the suummit of Rusty Butte, on the southern slope, in slaty rocks but not far below the contact with the overlying igneous rock which has altered the slates. Both walls are of slate, & strike N45E, with a dip of 65NW. The ore in the small irregular vein is usually quartz full of pyrite, whch by

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its decomposition liberates the free gold, stains the rock with oxide of iron, & softens the mass. Other portions contain calcite instead of quartz & associated with the pyrite are small quantities of bluish gray mineral which from its cubical cleavage is regarded as galena. Tellurium is said to be present, but a test by Dr WF Hillebrand for that element in the most promising specimens the writer obtained at the mine showed no trace of it. Instead , however, Dr Hillebrand found considerable arsenic & some lead, indicating that part of what looks like pyrite is arrsenopyrite & that the gray mineral is galena.

The Golden Fleece & other openings near the summit of Rusty Butte are wholly within igneous rock, which where best developed is an altered gabbro composed of plagioclase, feldspar & greenish hornblende. In places near the mines the rock is decidedly porphyritic with dark crystals of augite which are changing to hornblende. Quartz is not one of the original constituents of the rock here, but it is permeated with small veinlets of quartz of secondary origin.

These minute veins are altogether irregular as to size, direction, & distribution. The deepest openings examined were at the Mountain Daisy & Golden Fleece, where the open cut & shaft reach 15 feet into decomposed gabbro. Small irregular cavities occur in it without order, here & there containing BLACK to reddish brown powdery material which is generally rich in fine gold. Much of the gold is wiry & cross striated in various directions, as if from contact with striated quartz crystals, with which it is associated in the seams. The powdery material is a mixture of black oxide of manganese & reddish brown oxide of iron resulting from the alteration of the pyrite.

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Bulletin 285 US Geological Survey
Contributions to Economic Geology 1905 pages 150-163
Investigation of Black Sands from Placer Mines. Day, DT; Richards, RH.

page 155

sample #/ton	magnetite	chromite	garnet	olivine	monazite	zircon	quartz	Mix	gold $/ton
P87a Port Orford	26.37	24.59	197.03	217.87	-	-	1299.99	304 77	0.30
P87b	259.08	66.80	1,104.50	276.50	0.07	2.99	289.84	-	0.18
P88 Port Orford beach	31.62	71.79	54.56	919.53	-	2.91	914.97	-	1.04

Evident from results that a great majority of the black sands are sufficiently valuable to justify separation into their various mineral constituents by concentratinng tables of the Wilfley, Pinder, Woodbury & Christensen types; & it is evident also that the effective operation of these tables is comparatively independent of the fineness of the gold, since in many sands gold as fine as 200- mesh is readily saved on the tables, frquently from 95-98% of total assay value.

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NAY 720 WEST OCTAVE
PASCO WASHINGTON

State Department of Geology and Mineral Industries

702 Woodlark Building
Portland 5, Oregon

BIG BEN CLAIMS (Au)

Sixes River District
Curry County

Old names: These claims are sometimes referred to as Divelbiss' Rusty Smith properties. At one time they were owned by Bob and Bert Harrison.

Owners: Ed Divelbiss
Sixes, Oregon

A. G. MacDonald
Port Orford, Oregon

Area: Two adjoining claims, all held by location.

The claim owned by Mr. MacDonald adjoins and lies west of the southernmost claim of two owned by Mr. Divelbiss.

Location: In the SE¼ of sec. 23, T. 32 S., R. 13 W. Near the head of Rusty Creek, a tributary of the South Fork of the Sixes River.

Access: The area is by graveled road up the Sixes River to just below the forks of the River and then by steep mountain trail for approximately 3 miles. The elevation near the Avery Ranch is around 300' and on the ridge between the Sixes River and the South Fork it varies from 1,850' to 2,000'. Approximately 2 miles of the trail follows a narrow ridge.

Workings: The main workings of these claims are on both sides and just above a small creek that joins Rusty Creek from the north. Near the junction of the creeks is a small flat on which a cabin was built, otherwise the area is all steep slopes.

Relief: The relief in the surrounding area is on the order of 1,500'-2,000'. According to the topographic map of the Port Orford quadrangle, the highest peaks are 2,400'- 3,000' and the ridges are from 1,800'-2,000'. The elevation of the claims, according to the topographic map, is about 1,300'.

Physiography: The topography indicates that this area is in the early maturity or late youthful stage of dissection.

Geology: According to the Port Orford folio (U. S. Geol. Survey Geologic Atlas No.) these claims are in sediments of the Myrtle formation near a contact with gabbro. The gabbro is intrusive into the Myrtle formation and both are considered to be Cretaceous in age.

Mineralization: Mineralization is in shear zones in argillite. Minerals in the area are gold, silver, galena, pyrite, and chalcopyrite. Gangue minerals are quartz and calcite.

Workings: The workings on MacDonald's claim and the southernmost claim of Divelbiss' are within a few hundred feet of each other and are situated on the same shear or within a mineral zone of shearing. The exposure in the cut above the level

REPORT
STATE DEPT OF MINES
& MINERAL INDUSTRIES
OREGON

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PASCO WASHINGTON

tunnel on MacDonald's property shows a zone of shearing about 12' wide. The footwall at this point strikes N. 60° E. and dips 60° N.W.

The drift on Divelbiss' claim which is approximately 50' lower and 100'-150' southwest of the exposure on MacDonald's claim trends N. 75° E. into the hill. Across the creek to the west of these exposures is another drift that has well defined walls about 3'- 4' apart. The strike of the shear zone here is S. 75° W. and the dip is vertical.

White massive calcite with sulphides is found in 2"-8" veins in the shear zone on MacDonald's property. Calcite is also prominent in the 40', S. 75° W. drift on Divelbiss' claim. Small quartz veins and quartz intergrown with calcite are also common in both of these exposures.

Development: There is a drift whose portal is caved near the center of the west end line on MacDonald's property. It was reported that this drift trends N. 45° E. and is approximately 125' long. Above the caved portal is a cut 15'- 20' wide and the same high.

Divelbiss has a drift on his property a short distance below and to the northwest of the above drift. This drift is 40' long and trends N. 75° E. At the end of the drift is a 20' crosscut to the left. Across the creek to the west and a short distance below this drift is a small cut in sheared argillite that is 6' wide, 6' high and 4' deep. About 30' above and 150' to the west of this small cut is a 40' drift that trends S. 75° W. The first 10'- 20' of this drift has been stoped to the surface and at the portal there is a 15'- 20' trench more than 100 feet deep that follows the mineralized zone down the hill. It was reported that a few thousand dollars in gold had been taken from this breakthrough.

Just below all these workings and in the small creek that runs through Divelbiss' property is a shed that has a small Gibson elliptical roll mill. The capacity of this mill is reported to be around 1200 #s in 8 hours.

Results: At the time of the inspection seven samples were taken. Samples 1 through 3 are from MacDonald's property and Samples 4 through 7 are from Divelbiss' property. Below are the results of the assays.

Sample #	Description	Results
1 (P[illegible])	From a 6" calcite vein on the right wall in the cut over the caved portal. Sample length - 1'.	Au - 0.30 oz. Ag - 0.20 oz.
2 (P[illegible])	On the right side of the shear zone exposed over the caved portal. Sample in brecciated argillite cemented with quartz and calcite. Sulphides, dominantly pyrite, prominent. Sample length - 5'.	Au - 0.32 Ag - Trace
3 (P[illegible])	Continuation of Sample #2 across the shear zone. Sample in sheared argillite containing pyrite and occasional quartz and calcite veinlets. Sample length - 5'.	Au - 0.03 Ag - Trace

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Sample #	Description	Results
4 (P-9393)	Across the right wall of the 30' crosscut at the end of the 80' drift. Sample in sheared, badly fractured argillite. Sample length - 30'.	Au - Nil Ag - Nil
5 (P-9394)	From the face of the small cut on the west side of the creek. Sample in sheared argillite; included in the sample was a ½" seam of pyrite. Sample length - 4'.	Au - Trace Ag - Trace
6 (P-9395)	From the bottom end on the right side of the small open cut. Chip sample from 8" wide streak containing abundant pyrite. Seam cuts across open cut S. 75° W. Sample length - 1'.	Au - 0.10 oz. Ag - Trace
7 (P-9396)	From face of 40' drift above and to the west of open cut. Sample in sheared argillite cemented by quartz and calcite. Sulphides prominent. Sample length - 4'.	Au - 0.14 oz. Ag - Trace

Report by: H. M. Dole
Date of visit: May 20, 1950
Date of report: June 2, 1950
Visited by: [illegible] Libbey, H. D. Wolf, H. M. Dole
Informant: [illegible] Wolfood
References: U. S. Geol. Survey Geologic Atlas 89, Port Orford folio, by J. S. Diller

Supplementary Report on the Sky Run Claims

Silver River District, Curry County

Note:

Mr. Ed Kivolbies has informed the Department (Oct. 1950) that the mine report of June 2, 1950 on the Sky Run claims does not cover all the major development work that has been done. It appears that the guide who took the Department investigators in was not familiar with the whole property. As a result only most of the workings were shown. Because of this, it is thought that the June 2, 1950 report should be considered as an incomplete report on the property.

H. M. Dole

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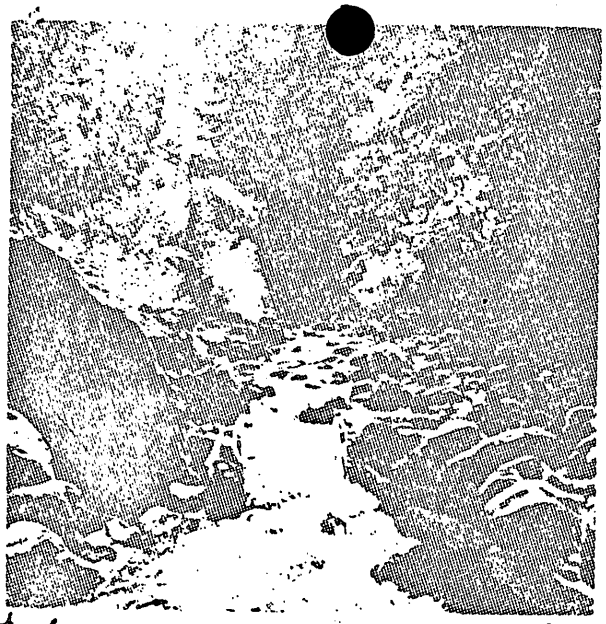

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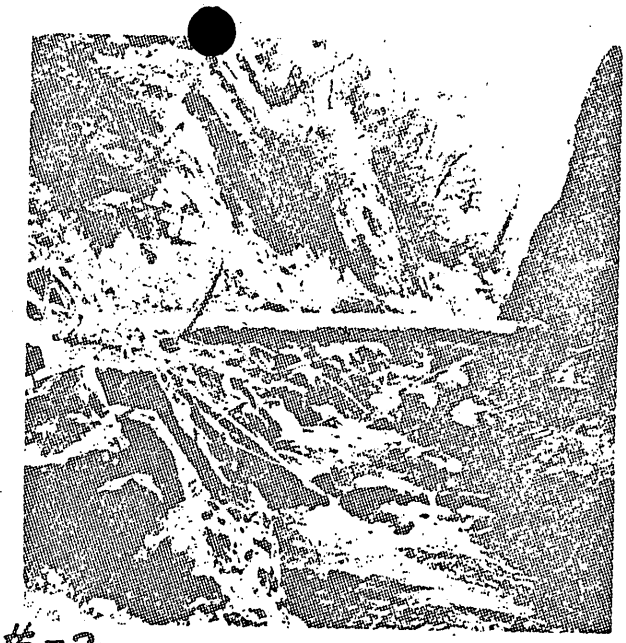

#-2-

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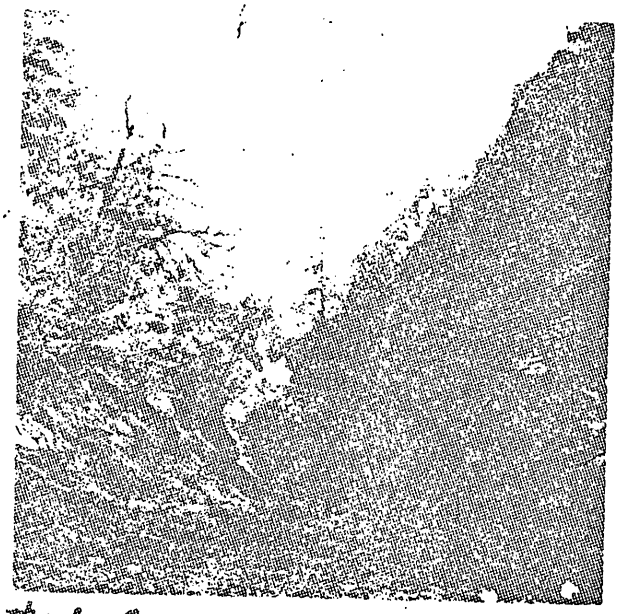
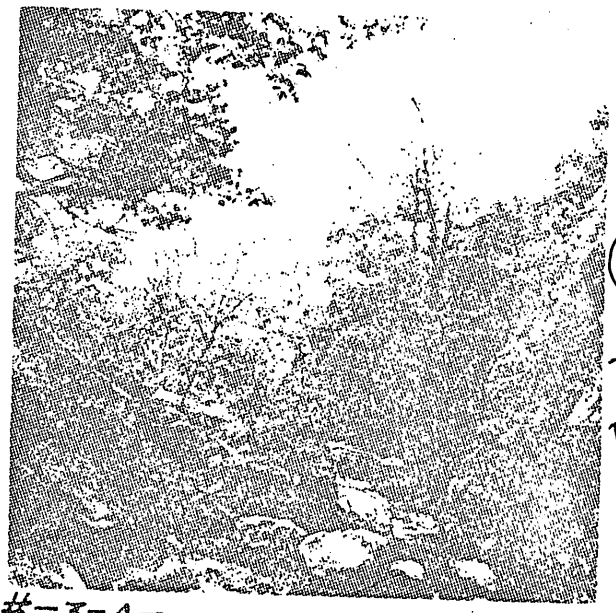


#-1-A-

#-2-A-



#-3-A-

(3E)
NAY
720 WEST
OCTANE
PASCO
WASHINGTON

18

Date 10/26/65

Minerals Assay Laboratory

549 Noland Avenue -:- Grand Junction, Colorado

Phone 242-8021

NAME Mr.Marcelle Smith ADDRESS 240 North Ave. City

LAB. NO.	10/25/65	SAMPLE RECEIVED	Oz.Platinum Per Tone Oz.Pt. Per Ton	PERCENT URANIUM % U_3O_8	PERCENT VANADIUM % V_2O_5	OZ. GOLD PER TON	OZ. SILVER PER TON	PERCENT COPPER % Cu
1700	Sample Black Sand	10/25/65	None Detectable			4.24	0.20	

TOTAL CHARGES $

R. E. Morris

SPECTROCHEMICAL ANALYSIS
with Estimated Percentages

SUBMITTED BY Mr. Marcelle Smith

ADDRESS 240 North Ave. Grand Jct. Colorado

DATE RECEIVED 10/25/65

SAMPLE OF Black Sand

DATE REPORTED 10/26/65

MINERALS ASSAY LAB.
549 NOLAND AVE.
GRAND JUNCTION, COLO.

LABORATORY NO. 1700

Aluminum	0.2-0.8 %	Europium				Silver	0.2 oz/ton
Antimony		Gadolinium		Neodymium		Sodium	0.1 %
Arsenic		Gallium				Strontium	
Barium	.001 %	Germanium		Nickel	.01-.05 %	Tantalum	
Beryllium		Gold	4.2 Oz/ton	Osmium		Tellurium	
Bismuth		Hafnium		Palladium		Terbium	
Boron		Holmium		Phosphorous		Thallium	
Caesium		Indium		Platinum	not detected	Thorium	
Cadmium		Iridium		Potassium	.005%	Thulium	
Calcium	0.1 %	Iron	20-40 %	Praseodymium		Tin	trace
Carbon		Lanthanum		Rhenium		Titanium	.05 %
Cerium		Lead	.001 %	Rhodium		Tungsten	
Chromium		Lithium		Rubidium		Uranium	
Cobalt	.005 %	Lutetium		Ruthenium		Vanadium	
Columbium		Magnesium	0.1-0.5 %	Samarium		Yittrium	
Copper	.002 %	Manganese	0.1 %	Scandium		Ytterbium	
Didymium		Mercury		Selenium		Zinc	
Erbium		Molybdenum		Silicon	20-30 %	Zirconium	

Reported by R. E. Morris

SPECTROCHEMICAL ANALYSIS
with Estimated Percentages

SUBMITTED BY Mr. Marcelle Smith

ADDRESS Grand Jct. Colorado

DATE RECEIVED 10/25/65

SAMPLE OF Black Sand Concentrate

DATE REPORTED 10/27/65 LABORATORY NO. 1700

Aluminum	0.2-0.8 %	Europium				Silver	0.2 oz/ton
Antimony		Gadolinium		Neodymium		Sodium	0.1 %
Arsenic		Gallium				Strontium	
Barium	.001 %	Germanium		Nickel	.01-.05 %	Tantalum	
Beryllium		Gold	4.2 oz/ton	Osmium		Tellurium	
Bismuth		Hafnium		Palladium		Terbium	
Boron		Holmium		Phosphorous		Thallium	
Caesium		Indium		Platinum	not detected	Thorium	
Cadmium		Iridium		Potassium	.005%	Thulium	
Calcium	0.1 %	Iron	20-40 %	Praseodymium		Tin	trace
Carbon		Lanthanum		Rhenium		Titanium	.05%
Cerium		Lead	.001 %	Rhodium		Tungsten	
Chromium		Lithium		Rubidium		Uranium	
Cobalt	.005 %	Lutetium		Ruthenium		Vanadium	
Columbium		Magnesium	0.1-0.5 %	Samarium		Yittrium	
Copper	.002 %	Manganese	0.1 %	Scandium		Ytterbium	
Didymium		Mercury		Selenium		Zinc	.05%
Erbium		Molybdenum		Silicon	20-30 %	Zirconium	

The Iron Would Be Worth About $7.20 Per Ton
Gold 148.40 Per Ton
Silver 0.26 Per Ton
Total Value $155.86 Per Ton

Reported by R. E. Morris

Date 10/26/65

Minerals Assay Laboratory

549 Noland Avenue -:- Grand Junction, Colorado

Phone 242-8021

NAME Mr. Marcelle Smith ADDRESS City

LAB. NO.	SAMPLE RECEIVED 10/25/65	OZ. Platimum Per Ton	PERCENT URANIUM % U_3O_8	PERCENT VANADIUM % V_2O_5	OZ. GOLD PER TON	OZ. SILVER PER TON	PERCENT COPPER % Cu
1700	Sample Black Sand Concentrate	None Detectable			4.24	0.20	

Gold Value Per Ton. $ 148.40
Silver Value Per Ton 0 0.26

3F
NAY

720 WEST OCTAVE
PASCO
WASHINGTON

TOTAL CHARGES $

R. E. Morris

ASSOCIATED ENGINEERS & GEOLOGISTS

611 So. 6th Ave. TUCSON, ARIZONA Phone 4-3163

ASSOCIATED ENGINEERS CONSULTING SERVICE & GEOLOGISTS

OFFICIAL COPY
O. M. E.
RECEIVED
MAY 24 1966

GEOLOGY
PETROLOGY
HYDROLOGY

ENGINEERING
MINE
PETROLOGICAL
CIVIL
MECHANICAL
ELECTRICAL
STRUCTURAL

LEGAL

COST ACCOUNTING

REPORT OF FINDINGS
SOUTH FORK GROUP
CLAIMS

SIXES RIVER,

SISKIYOU NATIONAL FOREST AREA

CURRY COUNTY, OREGON

Note: This report was paid for by the owner of the claims & completed sometime after 1956. We were unable to contact Associated at the above address, our letter was returned marked address unknown.

signed

4H Group Partnership
15 December 1965

3G
NAY 720 WEST OCTAVE
PASCO
WASHINGTON

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These claims on the South Fork of the Sixes River starting at Section 12, Range 14 West, Township 32 South in Curry County, Oregon. See Plate No. 1 for details.

Starting at the South Fork junction of the Sixes River and ending at Hall's Gate as shown on Plate No. 1.

This is a box canyon with a total length of seven and one-half miles. Three miles plus one thousand two hundred fifty are included in the South Fork Group of mining claims.

The canyon walls rise at a seventy degree angle and rise approximately twelve hundred feet. The country rock both walls are cemented conglomerate.

This massive conglomerate ends at Hall's Gate on a direct dyke, its contact with serpentine. The area has very few slide areas, reference Photo 2-A, showing a slide at the portal. The steep canyon walls other than the bottom faulting at the base hold. Due to undercutting of the stream, these faults let down boulders. Also due to the type of conglomerate breaks easily with jar. This breaks very readily with a minimum of powder.

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NAY 720 WEST OCTAVE
PASCO WASHINGTON

DISTRICT GEOLOGY

Placer mining on small and large scales has continued on the Sixes River for the last century. Very meager information is available. Practically nothing is known of the hard rock in this area. The South Fork conglomerate a recementation is the country rock both sides of canyon walls which has a contact against rylite at a dirite contact. The age group of the conglomerate is Cambrian.

MINE GEOLOGY

Mine Geology in this area is illustrated by the contacts of dykes above the conglomerate contact at serpentine. These dykes in past ages have been the main feeders for heavies in specific gravity due to cross faulting at expansion time. The gold values are illustrated in specific gravities by previous mining on Butcher Gulch, Dixie Creek and Rusty Creek.

ORE RESERVES

It can be seen from the above analyses that each sub-surface movement would bring additional heavies or metals from the same source as depicted above.

EXPLORATION POSSIBILITIES

Further exploration is not necessary on the South Fork of the Sixes River of the South Fork Group claims.

CONCLUSION BY EXAMINING ENGINEER

This gravel is proved to be one of the few remaining gravels that is very productive. With the box canyon acting as a concentrating unit and with natural rippling, this canyon would have to retain all heavies.

(3G) NAY 720 WEST OCTAVE
PASCO WASHINGTON

FINDINGS AT TEST PIT AND CROSS CUT

History of the Inman's Mine operations at the portal of the South Fork Group claims is meager. The information herein was given by a former employee and substantiated by evidence shown to this author.

The mine was set in at the portal and gravel was worked for six-hundred feet upstream with cubic yards unknown, and only distance can now be measured to illustrate what has been done.

Inman produced $190,000 in this six hundred feet. This was with a three inch Giant and a delivery from a eleven foot dam upstream approximately one thousand feet. No machinery was used for handling bouldors and the ripples were placed with the curvature of the stream, so there must have been much loss.

The test pit shown on Plate No. 1 was sunk in the old workings to a depth of eight feet and a boulder stopped further depth at this point. The measured cubic yards removed was twenty-three cubic yards. There was fine gold at the surface. Three feet down flakes. And up to $2 nuggets on top of the rock mentioned above. The net gold in the test pit was $122 of pannable gold. The total of concentrates $229. A total of $350 for the twenty-three cubic yards removed from the test pit.

Since bed-rock could not be reached at this pit further work was abandoned. Findings in the cross cut to bed-rock is used for values herein. The cross cut was dug upstream approximately one thousand feet and a hand winch employed for bouldors. See Plate No. 1. The cross cut fifty-eight feet long and reaching a depth of sixteen feet at one point, three feet wide. A measured one hundred three cubic yards excavated. $1000 in pannable gold recovered. $95 extracted with mercury. The total

36
WAY 720 WEST
OCTAVE
PASCO
WASHINGTON

concentrate weight two thousand three hundred and eight pounds and assayed at $450 a ton equaling $450 brings the total gravel value to $15 per yard, straight run. This value is used for the total estimate. Using a depth of twelve feet average

Using a width of seventy feet average

And the length of sixteen thousand nine hundred and ninety feet, we then find twelve times seventy equals eight hundred forty, times sixteen thousand nine hundred and ninety, equals fourteen million two hundred seventy-one thousand six hundred cubic feet, divided by twenty-seven, equals five hundred twenty-eight thousand five hundred seventy-eight cubic yards. Times $12 per cubic yards equals six million three hundred forty-two thousand nine hundred thirty-six dollars in panning gold. At eighteen pounds concentrates per cubic yard nine million five hundred fourteen thousand four hundred four pounds of concentrates. This divided by two thousand equals four thousand two hundred seven tons. At assays of four hundred fifty dollars per ton, equals one million eight hundred ninety-three thousand one hundred fifty dollars. This plus above, a total value of the claims recoverable equals eight million two hundred thirty-six thousand one hundred eighty-six dollars. As shown above fifteen dollars estimated values per cubic yard is used herein at twelve dollars per cubic yard.

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PASCO WASHINGTON

CONCLUSIONS

Based upon the tests and the examination of this box canyon, this canyon is a natural concentrate unit. Due to its steep walls and natural ripples into a sharp pit like crevass, carved by many centuries of water flowing across cemented conglomerate. Has become an ideal catch basin for all heavy materials, with a specific gravity greater than itself. This tight box canyon fed from Dixie Creek which produced four million dollars, and Butcher Gulch which produced two million dollars and Rusty Creek produced two million dollars, for centuries has been concentrating heavies, therefore my conclusions are with the evidence herein given, to be, the South Fork River should produce heavies comparable to the heaviest gold ever found in this area with the possibility of heavier gold at the upper end due to the additional rippling at that end.

The method projected herein (See Plate No. 2) is a practical method for recovery with a minimum of expenditure of not more than one hundred fifty thousand dollars. With a five man crew the cost of production should not exceed three thousand dollars for six hundred feet of clean-up and should net one hundred thousand dollars each six hundred feet at the lowest estimate.

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PASCO WASHINGTON

ADDITIONAL INFORMATION

Mining in right-of-way agreement by holders of claim of the South Fork Group. This agreement by Fredrick's Mining Company to Joseph V. Hamm.

State of Oregon, County of Curry; Notary Public unknown. April 1936. Can be checked in Curry County Court House and is applicable to the properties herein aforesaid in which no bearing upon the report of these claims is illustrated in manner or form.

FOOTNOTE

There is at present time a corporation set up by Joseph O. Fredrick and Rachael L. Fredrick and Quinton B. Retell, 103 South First Street, Silverton, Oregon under the general laws of the State of Oregon for a purpose of corporation. The name of this corporation is Fredrick Mining Company.

Facts and information pertaining to these things can be procured through the State of Oregon Laws of Corporation.

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NAY 720 WEST OCTAVE
PASCO WASHINGTON

The articles above mentioned are of no concern of this geological report as representation herein is only to the properties, the land and its values.

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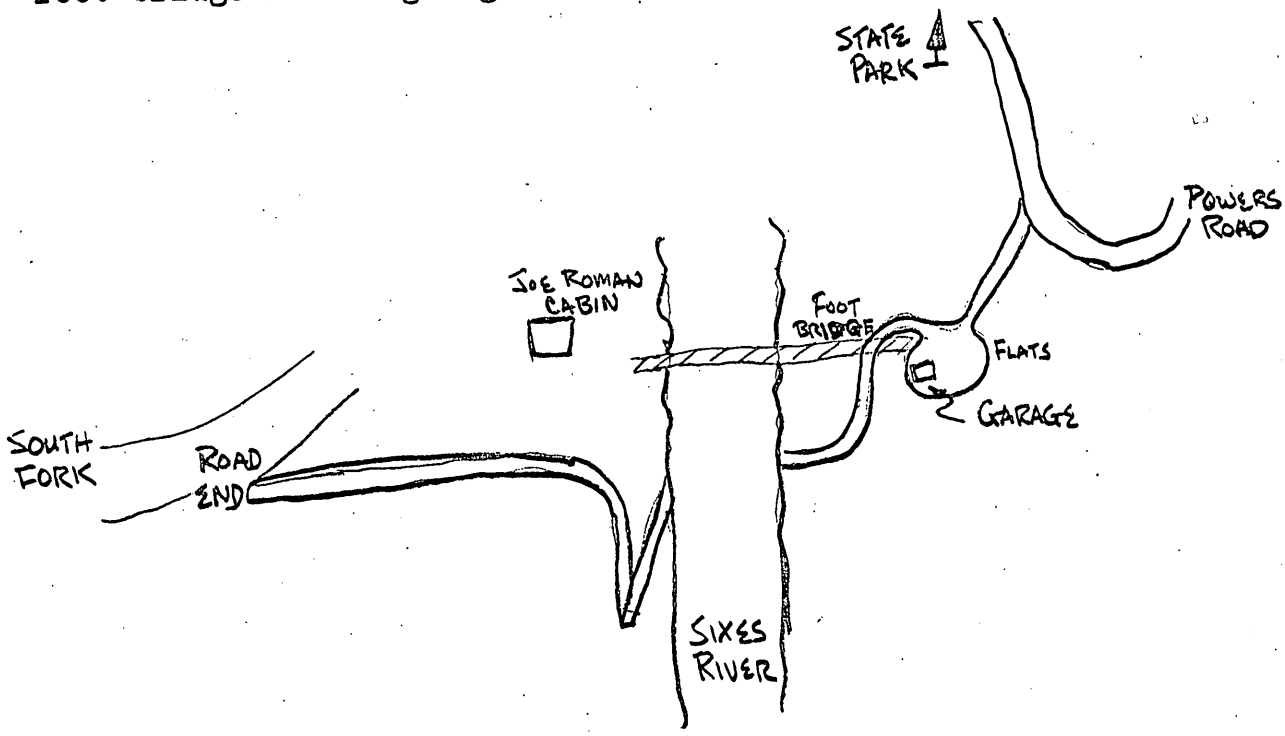
4. Accessibility of Property:

a. Joseph Frederick Sixes, Oregon

A graded dirt road runs east from Sixes Post Office on US 101 and ends at Powers, Oregon, 35 miles away. The turn off to the South Fork canyon is ½ mile beyond the State Park, and about 12 miles from US 101. It is unmarked and continues to the Sixes River about 200 yards to the Southwest & 100 feet below the Powers road. The turnoff fords the Sixes River, climbs the opposite bank by means of a sharp cut back & ends at the canyon mouth about 1000 feet beyond. Joe Roman's cabin is nearby & can be reached from the Powers road side by means of a suspended foot bridge near a garage off the turnoff road.

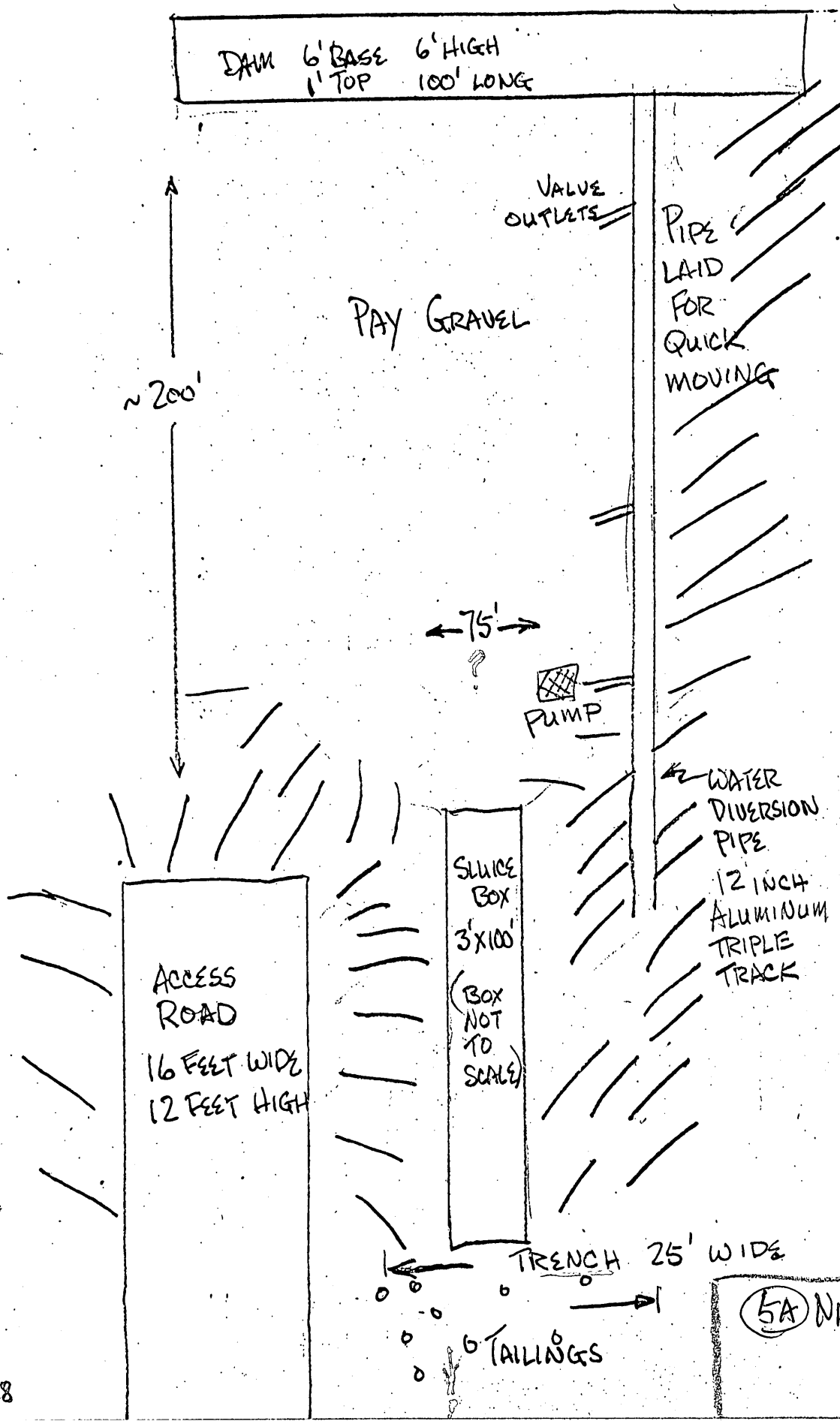


b. Port Orford is the main town nearby. About 2000 people. Greyhound Bus connection. Dock area with 65 feet of draft at dockside but no ~~regular~~ regular ships of call. Port Orford is 6 miles south of Sixes on US101 and 50 miles south of Coos Bay & North Bend. US 101 is the main access. Port Orford is therefore about 20 miles to South Fork Canyon.

NAY 720 WEST OCTAVE
PASCO WASHINGTON

5A.

FIGURE 1



DAM TO BE BUILT WITH SAND BAGS & ROCK, BY HAND.

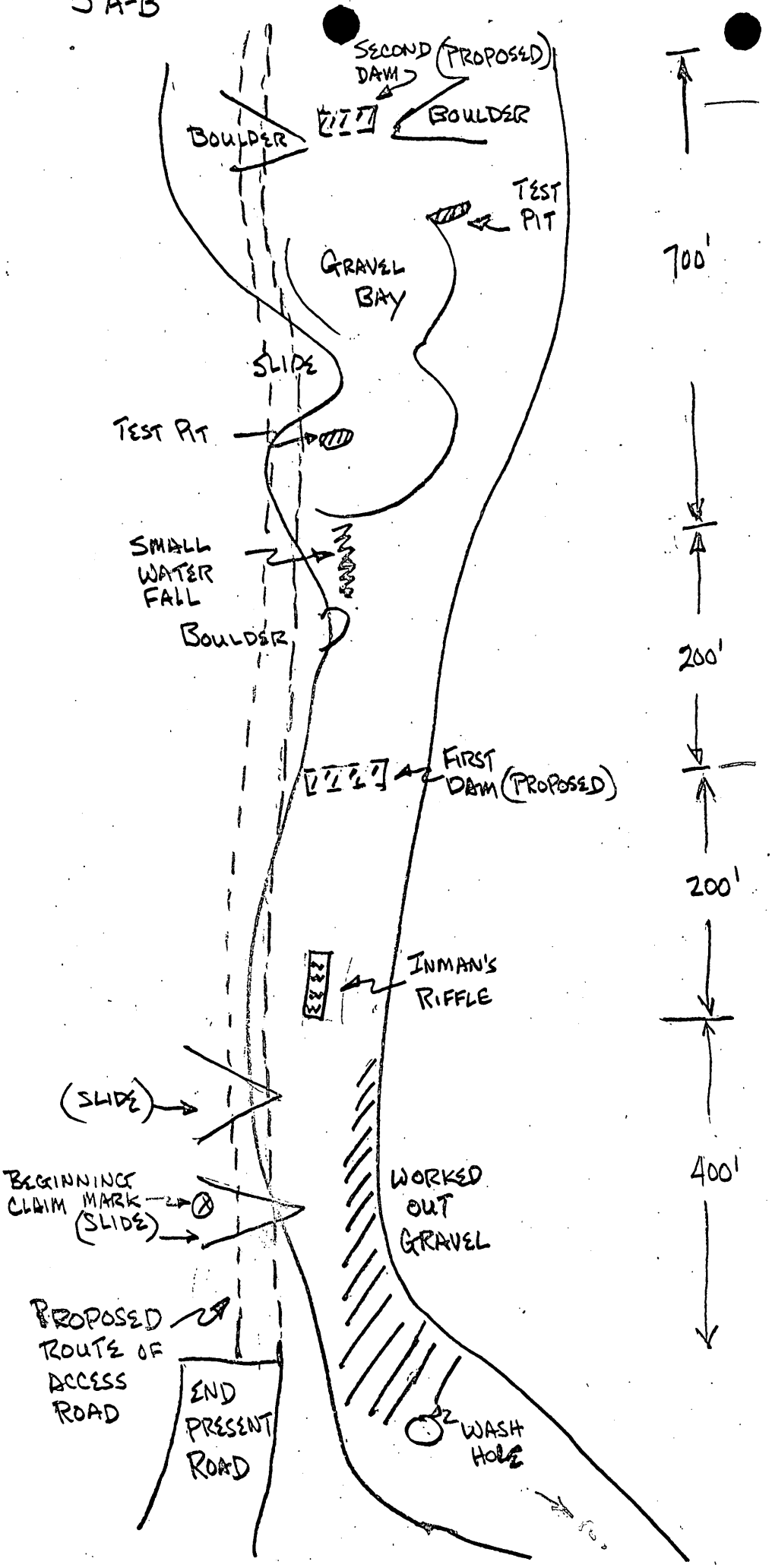
~15' DEEP.

977H LOADER WILL SORT & SIZE & REMOVE LARGE ROCK. AS WELL AS BREAK LOOSE BURIED BOULDERS. REMAINING GRAVEL & ROCK TO BE WASHED THROUGH SLUICE BOX UNTIL BED ROCK IS REACHED. PUMP & MOTOR ON SKIDS FOR MOVING. ENTIRE PROCESS REPEATED FOR EACH SUCCEEDING SEGMENT PROCEEDING UPSTREAM

(5A) NAY 720 WEST OCTAVE
PASCO
WASHINGTON

5A-B

FIG 2



5B

ACCESS ROAD TO BE BUILT BY 977H LOADER PLACING LARGE BOULDERS ON OUTSIDE, SMALLER ROCK FOR ROAD BED. VERY LARGE BOULDERS IN SLIDE AREAS TO BE BLASTED WITH DYNAMITE. ROAD 16' WIDE 12' HIGH TO BE RUN ALONG NORTH WALL OF CANYON

5A 5B
NAY 720 WEST OCTAVE
PASCO
WASHINGTON

	APR 3-9	10-16	17-23	24-30	MAY 1-7	8-14	15-21	22-28	JUN 29-4	5-11	12-18	19-25	JUL 26-2	3-9	JUL 10-16	17-23	24-30	AUG 31-6	7-13	14-20	21-27	SEP 28-3	4-10	11-17	18-24	OCT 25-1	2-8
SET UP & BREAK CAMP	MAN (1)																										UTILITY MAN
			MAN (2)																								
ROAD		CAT 977H RE-GRADE													CAT (5 WEEKS)												
				CAT FIRST	BUILD 500	RD FT										FINAL	1000	FT									
			MAN (1)												UTILITY MAN												
					UTILITY	MAN																					
DAM						MAN (1)											MAN (1)										
				MAN (2)																							
							UTILITY	MAN									MAN (2)										
																	UTILITY	MAN									
LINING							CAT	(7 WEEKS)											CAT	(6 WEEKS)							
									MAN (1)	(8 WEEKS)																	
																				MAN (1)	(8 WEEKS)						
									MAN (2)																		
																				MAN (2)							
									UTILITY	MAN	(6 WEEKS)																
																				UTILITY	MAN	(5 WEEKS)					

(5C)
NAY 720 WEST OCTAVE
PASCO
WASHINGTON

6. Experience

The following partners will either consult, manage or work directly in the project.

Carl Nay. Pasco, Washington. 1945-1957 independent contractor, earth & rock moving for levees, dams, & roads. 1960- with Floyd Williams Inc., Pasco. Nay is an experienced operator of loaders, graders, bulldozers & specifically the Caterpillar 977H. He will be the 977H operator in the project.

Marcelle Smith Grand Junction, Colorado. AEC project engineer until 1953. American Cyanamid 1953-1957 in Research & Developement for uranium milling. Western Nuclear Corp 1957-1962. Mill superintendant. 1962 independent consultant. Smith & Nay devised the mining program for the exploration.

Wilton Calkins Pasco, Washington. Retired. Former dragline operator.

Richard Herland Malibu, California. 1963- Ed Graham Productions a film animation company. Herland is treasurer, responsible for cost control at the Graham studios. Herland is also continuing associate of Butler-Maggin Corp., NYNY, management consulting firm.

Robert Ho Monterey, California. 1963 commodity department of Goodbody & Co. NY NY, a brokerage house. 1964-1965 Micro Copper Corp., Moab, Utah. Currently on leave of absence.

NAY 720 WEST OCTAVE
PASCO WASHINGTON

7, Estimate of Costs

a. None

b. All weeks referred to are 48 hour weeks. Wage figures include time & half overtime. All personnel listed available.

Man 1 @ 3.00/hr	25 weeks		$3900.-
Man 2 2.50	24		3120.-
Utility Man 1.50	21		1638.-
Cat Man 4.50	23		5382.-
Benefits @ 18%			2527.-
		Total	16567.-
Engineering & consulting			400.-

c.

Powder fuses & detonators		$ 300.-
Lumber & supplies		400.-
Fuel, supplies & repairs (ex Cat 977H)		2000.-
Angle iron		150.-
Burlap bags, Corduroy		300.-
Fire hose 300'		300.-
Aluminum pipe, 12" diam. 600' @ 3.75/ft delivered		2250.-
	Total	5700.-

d.

Caterpillar 977H leased for 24 months, downpayment of first month & last three, plus payments for 6 months at $900.-/month		$9000.-
Jeep applicant furnish		1000.-
Truck applicant furnich		1500,-
Electric Jack hammer, purchase		270.-
Hand tools, furnish		200.-
Light plant, purchase		500.-
Pump, purchase		1500.-
	Total	13970.-

e. Repair roof & walls of shed & work shop next to Joe Roman's cabin. $100.-

f. Extension to Joe Roman's cabin for sleeping quarters $400.-

g.

Reserve for 977H repairs		$2000.-
Camp rent 25 weeks @ $20		500.-
Employment benefits @18% (repeat of item in 7b above)		(2527.-)
Accounting @2.50/hr16hrs/wk25 wks		1000.-
Assays		500.-
	Total	4000.-

(7) Nay 720 West Octave
Pasco
Washington

Exploration Costs

20,000 sq.? yds gravel with boulders removed by Caterpillar 977H, others blasted by drill & powder, & remainder sluiced down to bed rock by high water pressure through a three foot wide sluice box:

Cat, operator, supplies (ex fringe benefits) 624 hours @ $15.00	$9360	0.468/yd
Man @ 3.- 48 hr. week, 22 weeks	3432	0.171
Man @ 2.50 " 24 "	3120	0.156
Man @ 1.50 " 17 "	1326	0.066
Benefits & insurance @ 18% X $10920	1965	0.098
Powder, fuses, detonators	200	0.01
Lumber	400	0.02
Fuel, supplies & repairs	2000	0.10
Angle iron	150	0.008
Sand bags, burlap & corduroy	300	0.016
Rental & repair of housing: 500& 500	1000	0.05
Accounting @ $2.50/hr 16 hours/week 25 wks	1000	0.05
Engineering	400	0.02
Assays for?	500	0.025
Rental as below*	741	0.037
	$25894	
		1.289

$1.29 per cubic yard gravel

*Rentals

Electric jack hammer	$ 270
Jeep 4-wheel	1000
Truck	1500
Tools	200
Light plant	500
Pump	1500
Hose 300'	300
Pipe 600 ft 12 in Aluminum @ $375 delivered	2250
	$7410

Monthly rental- $\frac{\$7410}{60}$ = $123.50 X 6 month rental equals $741.-

3000 feet Road: Re-grade & repair 1500 ft; Build 1500 ft of 16' wide & 12' high.

Caterpillar 977H, operator (ex fringes) supplies, repairs 480 hrs @ $15.-/hr	$7200
Man @ $3.- 48 hr week 3 weeks	468
Man @ $1.50 " 4 "	312
Fringe benefits & insurance @ 18%	562
Powder, fuses & detonators	100
	$8642

Equals $2.88 per foot of road overall

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20,000 yards @ $1.29 per yard	$25,894.-
3000 feet of road @ 2.88 per foot	8,642.-
	$34,536.- Total cost.

(17)

NAY 720 WEST OCTAVE
PASCO WASHINGTON

Sexes Oregon
Jan. 3-1966

Carl May
4H Group Partnerships
720 West Octave
Pasco Wash

Dear sirs--
I have been advised by my attorney not to sign the papers for the Government Loan.

Yours
J C Frederick

MME Form 52
Jan. 1959

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION

FOR GOVERNMENT USE ONLY
Operator
Docket No. OME –
Contract No. 14-23-090 –
Contract Date

LIEN AND SUBORDINATION AGREEMENTS[1]

To the United States of America:

That certain land in the County of CURRY, State of OREGON,

described as follows:[2] STARTING 90 FT FROM HELLS GATE ON SOUTH FORK OF SIXES RIVER in SEC. 21 T32 R13 WWN CONTINUING DOWN CENTER OF THE STREAM 3 MILES & 1200 FT. TO JOE ROMANS CLAIM, CLAIMS RUNNING THRU SECS. 20, 17, 18, 13 ENDING IN SEC. 12 AND HOLDING 150 FT ON THE SOUTH SIDE OF THE STREAM AND 150 FT. ON THE NORTH SIDE OF THE STREAM, THESE CLAIMS ARE KNOWN AS THE CANYON CONSOLIDATION,

hereinafter called the "land", is the subject of a proposed exploration contract, hereinafter called the "Contract", between the United States of America, hereinafter called the "Government" and

THE 4H GROUP[3],

hereinafter called the "Operator". In consideration for and as an inducement to the Government executing the Contract, the undersigned:

1. (a) Being the owner of an interest in the land, hereby grants to the Government a lien upon all of his right, title, and interest in the land and upon any production of minerals therefrom to secure the payment to the Government of the royalty on production provided for by the Contract, and agrees if the Operator's interest should be surrendered or terminated at any time prior to the expiration of the rights of the United States under said Contract to pay royalty to the Government according to the terms of said Contract; or

(b) Being the holder of a claim, lien, or encumbrance against the land, hereby subordinates his claim, lien, or encumbrance in or against the land and in any production therefrom to the rights of the Government under the Contract with respect to royalty on production and liens to secure same.[4]

2. Undertakes and agrees that property in which the Government may acquire an interest or equity under the Contract may be dismantled, severed from the land, and removed as may be provided in the Contract; and the Government's interest and equity in such property shall be prior and superior to any adverse right or claim of the undersigned.

3. Represents and undertakes that there is no claim, lien, or encumbrance upon the undersigned's right, title, claim, or interest in or against the land other than the following: (If "none" insert the word "none". Do not leave blank.)

_____

_____

_____

1/ Production from the land is not required, and in the absence of production there is no obligation to pay royalty to the Government.

2/ Either (a) insert the legal description of the land, or (b) strike out the words "as follows" and insert "in a lease /or contract, deed, or other document/ dated _____, and recorded in Book _____, Page ____, official records of said county". If (b) is used, the book and page of recordation must be inserted above. If the space provided is insufficient, use an Annex and refer to the Annex in the space.

3/ Insert name exactly as it appears in the Application MME Form 40.

4/ Subparagraph 1(a) does not apply to the holder of a claim, lien, or encumbrance.

4. Undertakes and agrees (a) neither to commit any act nor assert any claim in conflict with the provisions of this Agreement; and (b) to give advance notice of the Government's rights under this agreement to any subsequent transferee, mortgagee, encumbrancer, or lessee of any of the undersigned's right, title, claim, or interest in or against the land or any production therefrom, furnishing the Government with two true copies of such notice; and

5. Consents to all amendments (including an agreement of termination) and assignments of the Contract without notice thereof, and undertakes and agrees that this agreement shall extend and apply thereto.

6. Added provisions _____ (State "None" or "See Annex No._____".)

Dated this_____day of_____, 19____.

_____ (Street)
_____ (City & State)
X _____ (Seal)

_____ (Street)
_____ (City & State)
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_____ (Seal)

I, _____ (Name), certify that I am the _____ (Title—Secretary, etc.) of the corporation named herein; that _____ (Name), who signed this agreement was then _____ (Title—Pres., Vice-Pres., etc.) of said corporation; that said agreement was duly signed for and in behalf of said corporation by authority of its governing body, and was within the scope of its corporate powers.

_____
(Corporate Seal)

INT.-DUP. SEC., WASH., D.C. 21103

Lease Agreement 22 October 1

(1) This Agreement states the terms of a lease on the below described group of claims between Joseph C Frederick who has power of attorney to negotiate on behalf of all interested parties in the below described claims for disposition of above claims, and known collectively as Fredericks and

Robert Ho who has authority to negotiate on behalf of the Partnership consisting of Marcelle Smith, Wilton Calkins, Carl Nay, Richard Herland, Alan Horowitz and known as the Partnership.

(2) The Canyon Consolidation Claims start at a point ~~point~~ 90 feet above Hells Gate on the South Fork of Sixes River in Sec 21 T32R13WWN continuing down center of the stream three miles & 1200 ft to Joe Romans claim, claims running thru sec 20, 17-18, 13 ending in Sec 12. Holding 150 ft on the south side of the stream & 150 ft on the North side of the stream

(3) The Partnership hereby commits itself to begin placer operations in South Fork of the Sixes River in May 1966 or as soon as water conditions permit, operations to be continuous, again subject to water.
This commitment is subject to Acts of God & Clearance from all agencies of the US Government which may have jurisdiction over placer mining at the above mentioned sites

(4) Fredericks hereby commits to lease the Canyon Consolidation claims to the Partnership under the following terms:

(A) 10% of gross recoveries of free gold in cash or kind.
(B) 5% of gross of ~~smelter~~ returns of other minerals
(C) Umpires for both sides present at clean up.
(D) Lease for a term of three years renewable at expiration for another three years.

Witnessed

Richard C. Herland
Rachel Frederick

J. C. Frederick
Robert Ho

(2A)
NAY 720 WEST OCTAVE
PASCO WASHINGTON

orm 7
3)

OFFICIAL FILE COPY

Date	Surname	Code
8/30	[illegible]	120 S
8/31/66	Kirkham	120 K
		110
		220
		120 M

AUG 3 1 1966

4H Group
c/o Mr. Carl May
720 West Octave
Pasco, Washington

Re: OME-6533 (Gold)
4H Group
Canyon Consolidation Claims
Curry County, Oregon

Gentlemen:

Your application for financial assistance in exploring the referenced claims and the report of Mr. MacLaren, OME Field Officer, Region I, have been carefully reviewed.

We note that part of the work proposed in the application has already been completed, and that a revised project about a mile upstream may be requested next year. For administrative and fiscal reasons this office does not hold an application for that length of time. Therefore, we shall consider the application as having been withdrawn and place it in our inactive files.

If you wish to reopen this case at any time in the future, you may do so by filing a new application, referring to this OME docket number, and furnishing the information requested in the application form pertinent to the new proposal. This information should include new bank letters dated within 90 days of the filing of the new application, and other data as discussed with Mr. MacLaren. Information already submitted need not be repeated.

Sincerely yours,

FRANK E. JOHNSON

Frank E. Johnson
Chief, Office of
Minerals Exploration

cc: Director's Reading File
Division File
Economic Geology File
OME Reading File
Region I
Mr. Smith

RMSmith/mm (8/30/66)

23263

OME

4H Partnership
Sixes
28 August 1966

Mr DR MacLaren
Region I USGS
Office of Minerals Exploration
South 157 Howard St
Spokane, Washington
99204

COPY
O. M. E.
RECEIVED
SEP 1
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120 M
JED 110
RMA 120 8 224

M. 6533 (gold)

Dear Mr MacLaren,

This letter is to ~~state that~~ the 4H Partnership wishes to withdraw its application for help in exploring the Canyon Consolidation Claims on the South Fork of the Sixes River.

The summary of our conversation at the time of your 20 July visit:

1) Technically the Partnership is not working the claim. The Partnership is now the Humbug Mountain Mining Co. Inc. Even though the main partners are the same people, legally the operator is Humbug, not 4H.

2) By 20 July we had finished about two thirds of the work as projected in the original application. As you pointed out the OME can only give help within the terms of the original application. Nor can OME give money for work done before application is approved.

Therefore for these reasons we withdraw our application as it stands. Request for help for further work will be under a new application to be submitted by Humbug Mountain Mining Co. Inc.

yours truly

4H Partnership

AUG 30 1966

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION
GEOLOGICAL SURVEY
So. 157 Howard Street
Spokane, Washington 99204
August 26, 1966

OFFICIAL COPY
O. M. E.
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Memorandum

To: Chief, Office of Minerals Exploration

From: Field Officer, Region I

Subject: Application Examination Report
OME-6533 (Gold)
4H Group
Canyon Consolidated Claims
Curry County, Oregon

INTRODUCTION

The 4H Group, comprising six partners represented by Robert Ho, applied for OME aid to explore for gold along the South Fork of the Sixes River, Curry County, Oregon.

The applicant proposed to construct two dams about 900 feet apart across the canyon floor and to bulldoze all gravel and sand from this area into a sluice box, after removing the larger boulders. He estimated that the total cost of this proposal would be $34,536.00, of which the Government would furnish $17,268.00.

The property was visited July 20, 1966, and after inspecting that part of the canyon it was proposed to explore, the proposal and its several problems were discussed with Mr. Ho. It was agreed that it would be impractical to set up a satisfactory project involving test pitting or trenching across the canyon bed. He was frankly advised that the proposed work would probably have to be considered as production. He said that another section of the canyon about a mile upstream was wider with little, if any, boulders, where two or three cross trenches could be excavated and suggested that the work proposed in this application, part of which had been completed, be carried out by the partners this season and requested OME to consider trenching in the new area next year. He was told that if that was the desire of the 4H Group he should withdraw this application and after the results of this year's work become available, he should submit a new application giving the yards of material moved and the amount of gold and black sands recovered, the assay report of the grade of the black sands, along with a sketch of the new area to be explored showing the proposed location of the trenches and other pertinent new information. Mr. Ho agreed to do this, but as yet he has not requested the withdrawal.

FIELD EXAM. REPT.

DISCUSSION

During 1965, approximately 1,100 cubic yards of sand and gravel was removed from an area 75 feet long by 45 feet wide having an average depth of 9 feet. The entire volume of material was run through a sluice box from which an estimated 300 grams or 9.645 ounces gold and 250 pounds black sands, concentrated by panning, were recovered. A sample of the concentrate taken by the examiner assayed 2.65 ounces gold and 3.9 ounces silver per ton; a sample of the same material taken by the applicant assayed 4.24 ounces gold and 0.20 ounce silver per ton. The average grade of the concentrates is 3.45 ounces gold and 2.1 ounces silver per ton. A part of the concentrates was further panned to a 5-pound concentrate, a sample of which taken by the examiner, assayed 38.17 ounces gold, 7.65 ounces silver, and 0.29 ounce platinum per ton. A third sample, taken by the examiner from the tails of the sluice pannings, assayed trace gold and trace silver per ton, indicating that essentially all the gold was caught in the concentrates.

From the 1,100 cubic yards of sand and gravel which was sluiced 9.645 ounces gold in flakes and small nuggets were recovered, indicating a value of:

$$\frac{9.645 \text{ oz}}{1100 \text{ yds}} = 0.009 \text{ ounce of } \$0.315 \text{ per cubic yard}$$

To this, the gold contained in the black sands must be added. This has an indicated value of:

$$\frac{250}{2000} \text{ lbs of concentrates} = 0.125 \text{ T} \times 3.45 \text{ oz/T} = 0.43 \text{ oz or } \$15.05$$

$$\frac{\$15.05}{1100 \text{ yds}} = \$0.014 \text{ per cubic yard}$$

Thus, the sand and gravel in this lower portion of the stream bed is worth $0.329 a cubic yard plus a small amount of silver and less platinum.

The nearest known source of the gold and black sands is in a zone that starts about 2 miles upstream where the Myrtle Formation has been cut by quartz veins. In Geologic Atlas of the United States Port Orford Folio No. 89, J. S. Diller mentions some early mines in this zone that worked gravel benches as high as 130 feet above the present stream, but he does not record the production. These old workings are from 2 to 4 miles above the area in which the applicant has been working in. It is reasonable to conclude that other placer ground of similar or possibly better grade may be found within the next 2 miles upstream.

The problem of exploring the stream segment proposed in the application is the rather large number of boulders roughly 3 to 6 feet in diameter that block cutting trenches across the 50- to 100-foot wide stream bottom. They would also make it virtually impossible to sink test pits on any regular pattern. The applicant has set up a sluice box and bulldozes the larger boulders, some of which must first be drilled and blasted, to one side, then he bulldozes as much of the remaining sand and gravel as possible into the sluice box. There is also evidence of ridges and valleys with several feet of relief in the stream bed in this area. This operation, which is the only feasible method of "sampling" this portion of the stream, is difficult to consider as anything other than actually mining. The applicant intends to leave the sluice box in the canyon bed all winter to see how much gold is being carried down stream during the winter and spring runoff. This is a practice followed by Inman in the past and reported to have been successful.

CONCLUSIONS

It is concluded that the only feasible method of sampling an area 300 feet long, averaging 75 feet wide and 10 feet deep is by excavating the entire volume, and that this could only be considered as placer mining. It is also concluded that, because of boulders, the volume of sand and gravel would be in the order of not more that 75 percent of the indicated 8,300 cubic yards, say 6,200 cubic yards. At the presently indicated grade of $0.33 per yard the sands and gravel would contain gold worth $2,046.00, a not too significant amount. However, a segment of stream 2 miles, say 10,000 feet long with an average width of 100 feet and depth of 10 feet would, at the same grade, contain some 300,000 cubic yards, allowing for boulders in some segments, and would be worth $99,000.00. The question is whether, as one proceeds toward the source of the gold, the values might increase. It is concluded that they might.

RECOMMENDATIONS

It is recommended that this application be denied without prejudice to the property and that the applicant be advised that, when the results of this year's work are available, if he wishes to apply for a project to excavate three or four trenches at portions of the stream believed to be boulder free, and at intervals of not less than 500 feet, it will be given every consideration.

D. R. MacLaren

D. R. MacLaren

Distribution:
OME(Orig.&1) Docket
USGS(SRO) MacLaren

GEOLOGICAL SURVEY
So. 157 Howard Street
Spokane, Washington 99204
July 8, 1966

OFFICIAL
COPY
O. M. E.
RECEIVED
JUL 11 1966
INITIALS | CODE
120 8

Mr. Joseph C. Frederick

Sixes, Oregon

Re: OME-6533 (Gold)
4H Group
Canyon Consolidation Claims
Curry County, Oregon

Dear Mr. Frederick:

An application for OME exploration assistance has designated you as the person who will accompany the OME representative on an examination of the Canyon Consolidation Claims.

I plan to arrive at Port Orford in the late afternoon of July 19, 1966, and to make an inspection of the property the following day.

It is most desirable that someone who is familiar with the property and who is authorized to discuss costs be present. Therefore, kindly advise me by return mail whether or not it will be convenient for you to meet me at the Post Office in Sixes about 8:30 a.m. on July 20.

Sincerely yours,

D. R. MacLaren
Field Officer, OME
Region I

cc: 4H Group
c/o Mr. Carl May
720 West Octave
Pasco, Washington

OME

Director's Reading File

DRMacLaren/mls

MME Form 7
(2/63)

OFFICIAL FILE COPY

Date	Surname	Code
5/11	RMSmith	120
5/11	Simberno	130 K
		110
		320
		130 m

AIRMAIL

Memorandum

To: Field Officer, Region I

From: Chief, Office of Minerals Exploration

Subject: OME-6533 (Gold)
AH Group
Canyon Consolidation Claims
Curry County, Oregon

The application is referred to Region I for a field examination and recommendations.

Enclosed are copies of the Applicant's reply of May 1, 1966, and two more pencil sketches which indicate that the proposed work is a bulk sampling project at the lower end of the canyon. The results of the two proposed samples, each about 250 feet long and 100 feet wide, are evidently expected to be indicative of values that might be found up the canyon for 16,000 feet to the southeast end of the claims.

As pointed out in your memo of Jan. 21, several points in the application need clarification. Most of these are at least partly clarified by the enclosures but the main question--the probability of a significant discovery--is still to be answered. Considering the Applicant's report of coarse gold and auriferous black sand near the surface, and in view of the statement "Further exploration is not necessary . . ." quoted under Item 6 in your memo, a field examination is warranted.

If you recommend a project, the questions of method and costs of the work should be discussed with the Applicant. We can accept the bank letters but we will require the Power of Attorney promised by the Applicant.

FRANK E. JOHNSON

Frank E. Johnson

Enclosures 1 Sketch map; 1 Sketch Section; Ltr. dated May 1

cc: Director's Reading File
Division File
Economic Geology File
OME Docket
OME Reading File
130
Smith RMSmith/mm (5/11/66)

23263

MME Form 7
(2/63)

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		220
		120m

AIRMAIL

MAY 1 1 1966

4H Group
c/o Mr. Carl May
720 West Octave
Pasco, Washington

Re: GME-6533 (Gold)
4H Group
Canyon Consolidation Claims
Curry County, Oregon

Gentlemen:

Thank you for your letter of May 1, 1966, which furnishes the information we requested on February 8.

The application has now been referred to Mr. D. K. MacLaren, Field Officer, Region I, U. S. Geological Survey, Office of Minerals Exploration, South 157 Howard Street, Spokane, Washington 99204.

The Regional Office will notify you if additional information is needed.

Sincerely yours,

FRANK E. JOHNSON

(RH)

Frank E. Johnson
Chief, Office of
Minerals Exploration

cc: Director's Reading File
Division File
Economic Geology File
OME Docket
OME Reading File
Region I
Mr. Smith

RMSmith/mm (5/11/66)

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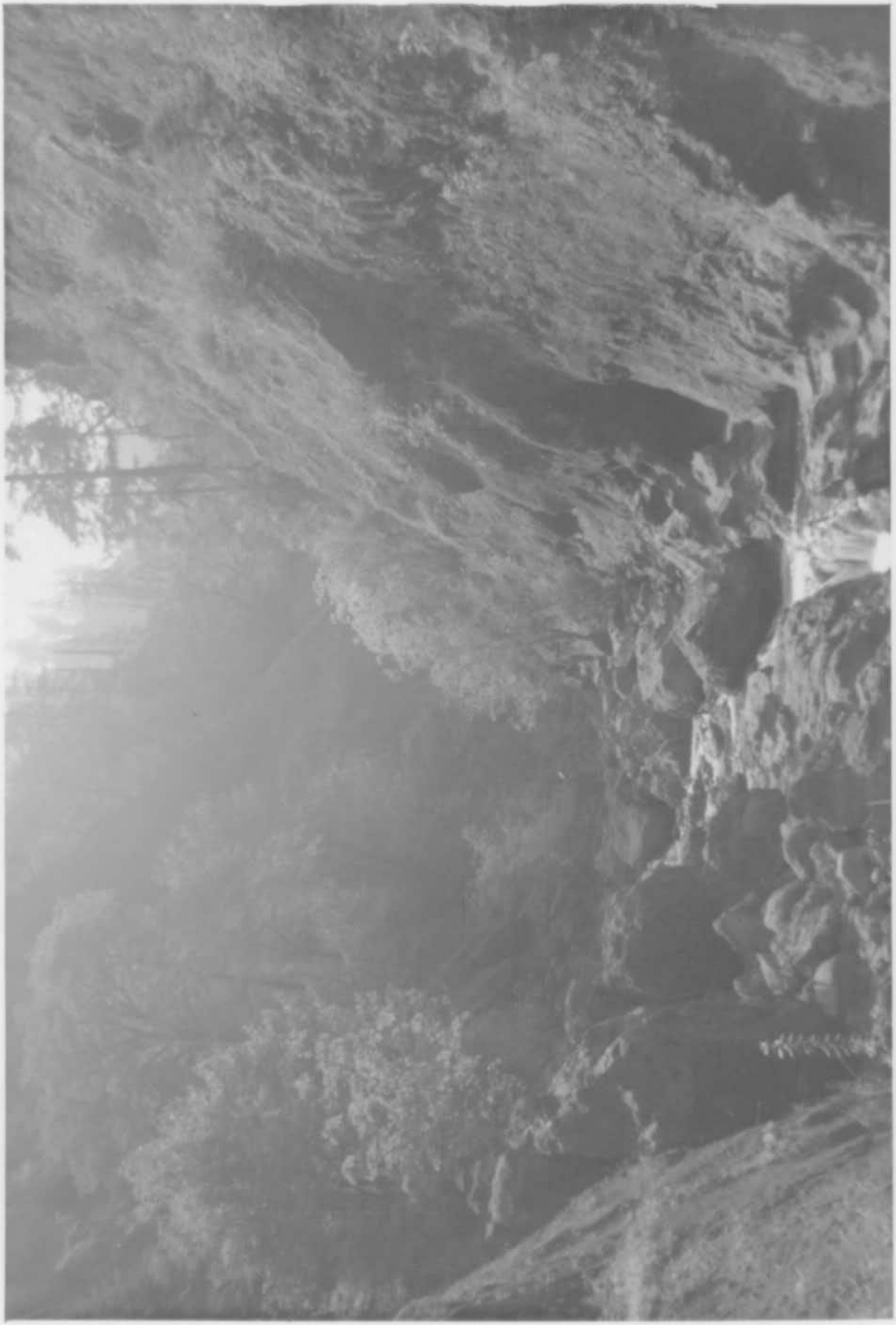

1 MAY 1966
OME 6533 (GOLD)
C.W. NAY
720 WEST OCTAVE
PASCO WASHINGTON

(B)

VIEW OF CANYON of SOUTH FORK OF SIXES FROM END PRESENT ROAD. LOW WATER.

1 MAY 1966
OME 6533 (GOLD)
C.W. NAY
720 WEST OCTAVE
PASCO WASHINGTON

(A)

SAME VIEW
AS (B) TAKEN
AT DIFFERENT
ANGLE.

NOTE:
AVERAGE HIGH WATER LINE MARKED BY
MOSS ON RIGHT CANYON WALL

2 coloured Photos accompanying letter
dated 5/1/66 from Applicant.

Miss Anne Gabor
Branch of Budget and Finance
Room 5410, Interior Bldg.

OFFICIAL
COPY
O. M. E.
RECEIVED
MAY 5 1966

CW Nay
720 West Octave
Pasco Washington
1 May 1966

Mr Frank E Johnson
Office of Minerals Exploration
Geological Survey
US Department of Interior
Washington 25, DC

re: OME 6533(gold)

Dear Mr. Johnson,

Thank you for your letters of 8 February & 18 April.

We believe we are exploring rather than mining. Because of the extreme boulder conditions it would be impossible to drive test pits & trenches without overlapping into space already opened. Because of the narrowness of the work area--average 100 feet wide--overlaps almost mean the major area between two successive dam sites is cleaned out. That is, in order to expose a 3 foot wide trench bottom at bedrock 15 feet down it maybe necessary to make a 10 foot wide cut at the surface. This is because overlapping boulders of three foot diameter, as example, can only be removed by exposing them completely rather than cutting them off at a theoretic trench line, as a trenching machine might cut in soil. Technically of course the 977H would work better over an area rather than down a trench.

On such assumptions & on our experience working by hand in October we propose to clean out an entire section between successive dams. Seen another way the complete group of claims is a single trench 16,000 feet long, 100 feet wide with an average of 12 feet gravel to bedrock. We propose tosample the lower end of this 16,000 feet by removing to bedrock two sections, each of 100 foot width, 250 foot average length.

(2) We are obtaining Mr Frederick's power of attorney. The partnership has sufficient net worth to obtain a performance bond & will in fact do so should a contract be granted.

(6) Carl Nay will supervise as well as operate. Marcelle Smith will consult.

(7) Purchase price of 977H as quoted by Pape Caterpillar of Eugene, Oregon is $36,000.- FOB Coos Bay. The partnership is taking a 5 month lease with option to buy at $1800.- plus per month. Crew will be 977H operator, truck driver, pump & hydraulic man, dymamite & sluice man. Members of crew will double up as required since this is non union.

sincerely yours,

Carl W Nay

Carl W Nay

1 MAY 1966
OME 6533 (GOLD)
C.W. NAY
720 W. OCTAVE
PASCO, WASHINGTON

OFFICIAL COPY
O. M. E.
RECEIVED
MAY 5 1966
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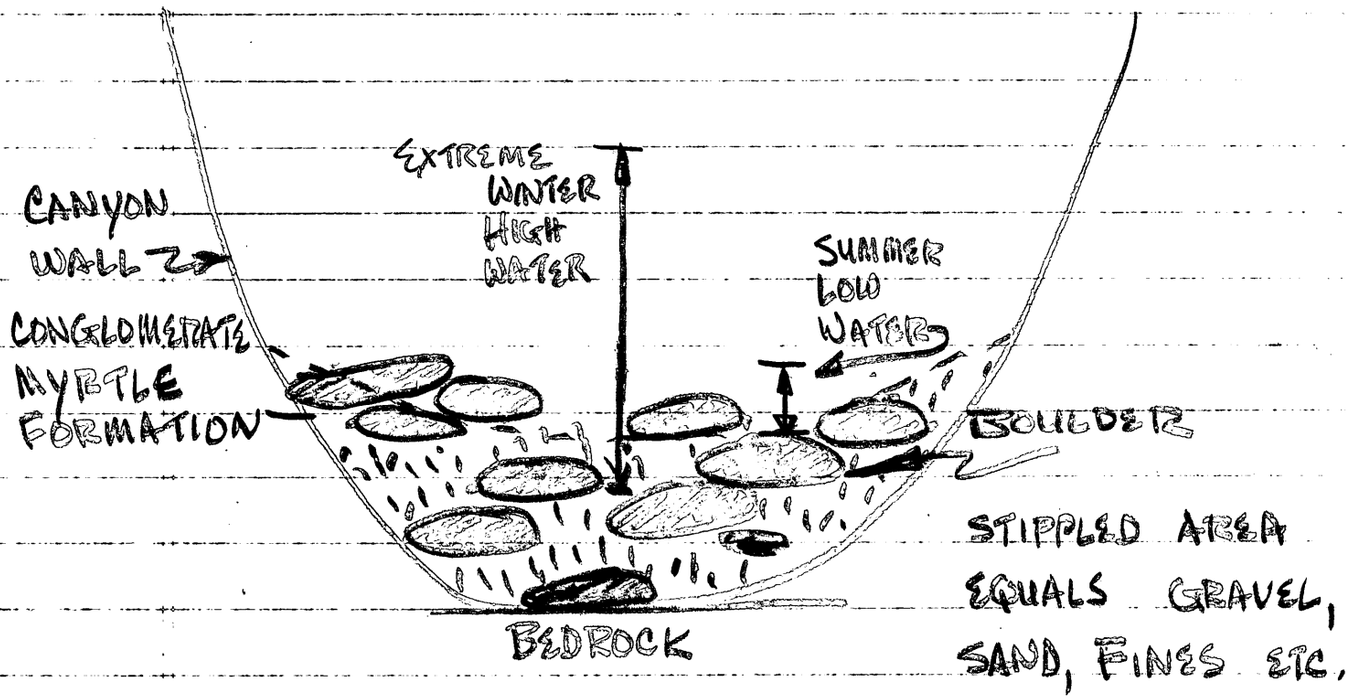
[COLOR PHOTOGRAPHS (A) & (B) ENCLOSED]

A: Same view as B taken at different angle (shows foreground, not skyline)

B: View of canyon of South Fork of Sixes from end present road.
Low water – May 1, 1966 (Print dated Sept., 1965)

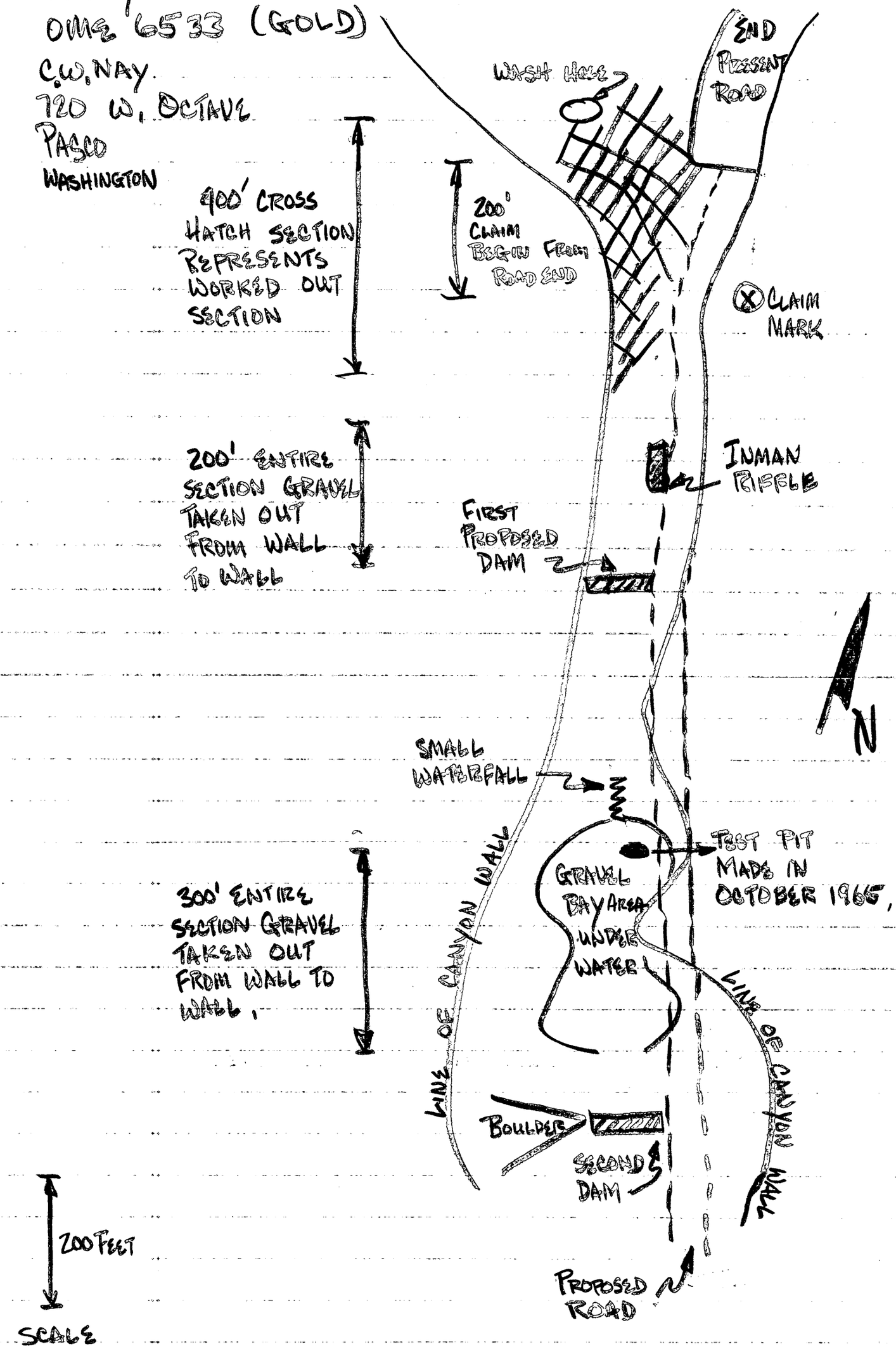


IDEALIZED CROSS SECTION OF SOUTH FORK OF THE SIXES CANYON-STREAM BED FORMATION.

5 FOOT
SCALE

[WIDTH OF CANYON-STREAMBED NOT DRAWN TO SCALE]

1 MAY 1966
OMS 6533 (GOLD)
C.W. NAY
720 W. OCTAVE
PASCO
WASHINGTON



MME Form 7
(2/63)

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4/18	R M Smith	120
"	Kirkham	120
		110
4/25	Case	220
		120M

APR 18 1966

4M Group
c/o Mr. Carl May
720 West Octave
Pasco, Washington

Re: OME-6533 (Gold)
4M Group
Canyon Consolidation Claims
Curry County, Oregon

Gentlemen:

We have not received a reply to our letter of February 8, 1966, requesting additional information necessary to continue the processing of your application.

Will you please inform us when we may expect the necessary data.

Sincerely yours,

FRANK E. JOHNSON

Frank E. Johnson
Chief, Office of
Minerals Exploration

(RM)

cc: Director's Reading File
Division File
Economic Geology File
OME File
OME Region I
OME Reading File

RMSmith/gla 4-18-66

23263

MME Form 7
(2/63)

OFFICIAL FILE COPY

Date	Surname	Code
2/8	RMSmith	120
	Selfridge	120
		110
2/8	Cal	320
		120

48 Group
c/o Mr. Carl May
720 West Gatewe
Pasco, Washington

FEB 8 1966

Re: OME-8533 (Gold)
48 Group
Canyon Consolidation Claims
Curry County, Oregon

Gentlemen:

Preliminary review of your application for exploration assistance indicates that the work you propose to do may be mining rather than exploration and may not be eligible for Government assistance under the OME program. It is not clear from the application whether you plan to mine the entire area of the pay gravel between the two proposed dams or to sample the No. 2 claim by trenching, but the allowance for more than 20,000 cubic yards of excavation indicates that the proposed work is mining.

Unless the proposed project is exploration, such as systematic sampling by trenching, test pitting, or drilling, we would have no choice but to deny the application. Please inform us of your plans and wishes with respect to the type of work proposed.

If an exploration project is proposed, this office will need the following additional information item for item as requested in the application form.

2. Applicant's Rights to Land:

Please submit a true copy of the Power of Attorney which authorized Mr. Frederick to act for the other owners of the claims. In lieu of a Lien and Subordination Agreements signed by the owners, it will be necessary that we have assurance that a Performance Bond would be furnished by the partnership in case a contract would be granted.

3.(B) Physical Description:

Please illustrate on a map or sketch drawn to scale the boundaries of the alluvial fill in the Canyon, the approximate boundaries of the

23263

gravel (if they are different), the size and location of existing excavations, and the locations of past production or samples. The sketch that was submitted with your application may be suitable for this purpose if all the lines are labelled. A north-arrow would also be helpful.

5. (a) Exploration Work:

On the map or sketch used for Item 3. (a) illustrate the approximate location of each item of proposed work, such as trenches, pits, drill holes, etc., in addition to the proposed dams and roads. Also show the claim lines or corners. Be sure to distinguish between proposed and existing excavations.

6. Experience:

Please specify who will supervise the work and who will do the engineering and consulting.

7. Estimate of Costs:

Please list the total purchase price of the bulldozer and the duties of each employee during those periods when four men are employed. If any of the proposed work is to be contracted or if any exploratory drilling is proposed, please submit bids from at least two independent contractors for such work.

This request for additional information should not be construed as a commitment by the Government to grant an exploration contract. We shall hold the further processing of your application in abeyance until the requested data are received.

Sincerely yours,

(signed) FRANK E. JOHNSON

Frank E. Johnson
Chief, Office of
Minerals Exploration

cc: Director's Reading File
Division File
Economic Geology File
OME File
OME Reading File
Region I
Mr. Smith

RMSmith/mm (2/8/66)

January 24, 1966

4H Group
c/o Mr. Carl Nay
720 West Octave
Pasco, Washington

Subject: OME-6533

Gentlemen:

Your application for exploration assistance, dated December 15, 1965, submitted to our office at Spokane, Washington, has been assigned Docket No. OME-6533.

Please identify all future correspondence relating to your application by this docket number.

Sincerely yours,

Frank E. Johnson
Chief, Office of
Minerals Exploration

Copy to Region I