# ROUTING AND TRANSMITTAL SLIP

| | | ACTION |
|---|---|---|
| 1 TO (Name, office symbol or location)<br>Chief, OME | INITIALS<br>DATE | CIRCULATE<br>COORDINATION |
| 2 Re: OME-6835 (Silver)<br>Hominex Silver Mines<br>Jefferson County, Oregon<br>Contract 2299 | INITIALS<br>DATE | FILE<br>INFORMATION |
| 3 | INITIALS<br>DATE | NOTE AND RETURN<br>PER CONVERSATION |
| 4 | INITIALS<br>DATE | SEE ME<br>SIGNATURE |

REMARKS Attached are the Government's and the Budget and Finance copies of the subject signed by the Operator.

ORIGINAL COPY
RECEIVED
JUL 6 1971

| INITIALS | CODE |
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| Cac | 120 |
| glo | 120 |
| HK | 120 |

Do NOT use this form as a RECORD of approvals, concurrences, disapprovals, clearances, and similar actions.

FROM (Name, office symbol or location)
Willard P. Puffett
Field Officer, Region I

WPP

DATE 7/1/71

PHONE

OPTIONAL FORM 41
AUGUST 1967
GSA FPMR (41CFR) 100-11.206

GPO : 1967 O—300-455 (8-H) 5041-101

MME Form 9
Rev. Nov. 65

UNITED STATES
DEPARTMENT OF THE INTERIOR
Geological Survey

OFFICIAL DOCKET FILE

Contract No. 2299 Docket No. 6835

Application
- [ ] Denied
- [ ] Withdrawn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
- [x] Cost Audits
- [ ] Termination Notice or Agreement
- [ ] Recision Notice
- [ ] Assignment of Contract
- [ ] Contract Amendments
- [x] Contract with all exhibits and annexes
- [ ] Owner's Consent to Lien and Subordination Agreement
- [x] Application and Attachments
  Supplement Form 40 recd. 5/14/71

**Right Side**

- [ ] Project Summary (final)
- [ ] Work Completed Analysis (final)
- All other material filed in chronological order including the following reports if checked:
- [ ] Field Team Semiannual Report for Certified Project
- [x] Final Field Team Report (Tab)
- [x] Operator's Final Report (Tab)
- [x] Interim Field Team Reports
- [x] Operator's monthly reports and all attachments
- [x] On-site Exam. Report (Tab) 3/12/71
- [ ] Settlement Sheets
- [ ] Drill Logs

Additional Folders:

**Left Side**

Folders No. _____: Reports
- [ ] Analysis of Semiannual Inspection Reports
- [ ] Project Summary (Interim) by MME Engineers

**Right Side**

- [ ] Field Team Semiannual 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

72195-65

I-C-DC-OME-1(d)-72

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# UNITED STATES
# DEPARTMENT OF THE INTERIOR

## Office of Survey and Review

## Audit Operations

OFFICIAL
COPY
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Report of Review-Contract 2299
Docket No. OME-6835 (Silver)
David James Hoare d/b/a
Hominex Silver Mines
Jefferson County, Oregon

Washington, D.C.
June 1972

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF THE SECRETARY
OFFICE OF SURVEY AND REVIEW
Audit Operations, Region I
801 19th Street, N.W., Room 1115
Washington, D.C. 20240

JUN 20 1972

Memorandum

To: Director, Geological Survey

From: Regional Director, Region I

Subject: Review of Contract No. 2299
Docket No. OME-6835 (Silver)
David James Hoare d/b/a
Hominex Silver Mines
Jefferson County, Oregon

As requested by the Chief, Office of Minerals Exploration, we made a cost review of contract No. 2299. The results of our review are shown in the attached report.

C. D. Baer

Attachment

A final review has been made of the contract files of the Office of Minerals Exploration (OME) pertaining to the mineral exploration Contract 2299 with David James Hoare d/b/a Hominex Silver Mines (Operator), made under Public Law 85-701, and an examination of the related disbursement records in the Branch of Budget and Finance, Administrative Division, Geological Survey. The review was made during May and June 1972 at Washington, D.C.

The contract was awarded June 23, 1971, for $28,200, the total estimated cost of the project, with OME participation on a 75-percent basis or not in excess of $21,150.

Work on the contract was to begin on or before August 15, 1971, and was to be completed within 6 months from the date of the contract or by December 23, 1971.

The purpose of the project was to explore by diamond core drilling from a prepared surface site for silver-bearing ore bodies in and along a shear zone cutting volcanic rocks of the Clarno Formation of Eocene age. The work was to be completed in two stages with the approval of Stage II based upon the results of Stage I. Stage I consisted of diamond drilling three inclined core holes downward from a single surface site prepared in advance at the Operator's expense. Stage II, if approved, was to consist of diamond drilling two additional inclined core holes downward from the Stage I surface site.

Repayment of disbursed Federal funds plus simple interest at 8¼ percent was to be made on the basis of established royalties on all the minerals and metals produced from the land during the exploration operations, and, in the event a certification of possible production is issued by OME, for a period of 10 years from the date of the contract or until the total net amount contributed by the Government is fully repaid with interest, whichever occurs first.

Assays from samples taken from drill holes number one and two indicated no silver in the cores. Drill hole number three was not drilled as specified in the contract but, instead drilled to test the downward extension of a vein. Prior to the work on this hole the Region I Field Officer denied the Operator permission to do the job. Thus, reimbursement was denied.

A contract termination date was not indicated in the contract file, however, an October 28, 1971, memorandum to the Chief, OME, from the Region I Field Officer stated that the project was unsuccessful and recommended that the Government notify the Operator that it does not expect to issue a Certification of Possible Production.

One interim inspection was made after the first drill hole and a final inspection was made at the completion of the project. Two (2) vouchers submitted by the Operator were approved by the OME Region I Office.

The units of work authorized and approved under Contract 2299 are summarized on Exhibit I. We believe that the claimed and accepted costs incurred of $10,410.21 and the OME participation on a 75 percent basis of $7,807.67 were proper under the terms of the Act and the contract.

C. D. Ba

Regional Director

## Summary of Contract Terms and Costs

| Actual Costs | Authorized Amounts | Costs Paid | Unexpended Balance |
|---|---|---|---|
| **Stage I** | | | |
| **Category (1) Independent Contracts** | | | |
| Mobilization and demobilization, one drill unit | $ 750.00 | $ 750.00 | $ -0- |
| Diamond drilling, including overburden, 1050 feet | 8,260.00 | 6,507.00 | 1,753.00 |
| Cementing, 30 hrs. at $20.00/hour | 600.00 | 40.00 | 560.00 |
| Reaming or drilling cement, 100 feet at $4.00/foot | 400.00 | 244.00 | 156.00 |
| Placing and pulling casing, 50 hours at $16.00/hour | 800.00 | 96.00 | 704.00 |
| Lost casing in completed holes, 100 feet at $2.00/foot | 200.00 | 81.00 | 119.00 |
| Water truck rental, including driver, 2 months at $350.00/month | 700.00 | 373.00 | 327.00 |
| Total Category (1) | 11,710.00 | 8,091.00 | 3,619.00 |
| **Category (2) Personnel Services** | | | |
| 1 Supervisor-Engineer-Geologist, 2 months at $1,000.00/month | 2,000.00 | 2,000.00 | -0- |
| Total Category (2) | 2,000.00 | 2,000.00 | -0- |
| **Category (3) Operating Materials & Supplies** | | | |
| 100 core boxes at $1.15/box | 115.00 | 101.00 | 14.00 |
| 30 sample sacks at $.50/sack | 15.00 | 3.00 | 12.00 |
| Sludge catching and sampling supplies | 50.00 | -0- | 50.00 |
| Cement, drill muds, additives 12 sacks materials listed, or equivalent | 100.00 | 65.00 | 35.00 |
| Cement at $8.00/100 lb. sack | | | |
| Drill mud at $2.50/50 lb. sack | | | |
| Additives, | | | |
| Caustic soda at $20.00/50 lb. sack | | | |
| Cellex at $65.00/50 lb. sack | | | |
| Total Category (3) | 280.00 | 169.00 | 111.00 |

## Summary of Contract Terms and Costs

| Actual Costs | Authorized Amounts | Costs Paid | Unexpended Balance |
|---|---|---|---|
| Category (7) Miscellaneous | | | |
| Office and accounting expense, 2 months at $50.00/month | $ 100.00 | $ 100.00 | $ -0- |
| Assaying for gold and silver 30 samples at $5.00/sample | 150.00 | 50.00 | 100.00 |
| Total Category (7) | 250.00 | 150.00 | 100.00 |
| Total Estimated Costs of Stage I | 14,240.00 | 10,410.00 | 3,830.00 |
| Total Estimated Costs of Stage II | 13,960.00 | -0- | 13,960.00 |
| Total Estimated Costs of Project | 28,200.00 | 10,410.00 | 17,790.00 |
| Government Participation @ 75% | 21,150.00 | 7,808.00 | 13,342.00 |

Government's copy

MME Form 50
July 1965

UNITED STATES OF AMERICA
DEPARTMENT OF THE INTERIOR
U. S. GEOLOGICAL SURVEY

EXPLORATION CONTRACT
(Long Form)

| Docket No. | Commodity | Contract No. | County | State |
|---|---|---|---|---|
| OME _6835 | Silver | 2238 | Jefferson | Oregon |

It is agreed JUN 23 1971 (Date), between the United States of America, acting through the Department of the Interior, U. S. Geological Survey, hereinafter called the "Government," and

David James Hoare d/b/a Hominex Silver Mines

whose mailing address is P. O. Box 36, Ashwood, Oregon 97711, hereinafter called the "Operator," as follows:

ARTICLE 1. Authority and scope.--(a) This contract entered into under the authority of Public Law 701, 85th Cong., 2d sess. (72 Stat. 700; 30 U.S.C. § 641 - 646), consists of this form, the attached Annex I (land description), Exhibit A (work and costs), and the maps and documents listed. The work is a search for new or unexplored deposits of the commodity designated above. The Operator shall begin the work on or before Aug. 15, 1971 (Date), and, subject to the provisions of Article 9 and Exhibit A, shall either have completed the work within 6 months from the date of the contract or shall have incurred allowable costs (see Article 6) in a sum not less than the total cost set forth in Exhibit A.

(b) The total allowable cost of the work set forth in Exhibit A is $28,200.00. The Government will contribute 75 percent of the allowable costs as they are incurred, in a total sum not in excess of $21,150.00 in accordance with the provisions of Articles 3, 4, 5, and 6. "Costs incurred" means costs that have been paid or have become due and payable, or that the Government determines have become obligations.

(c) Interest computation.--Simple interest at the rate of 8¼ percent shall accrue from the dates Federal funds are made available until the period specified for payment of royalty expires, or until the amount of Federal funds contributed is fully repaid with interest.

(d) The Operator shall not transfer or assign this contract or any right or obligation thereunder without the written consent of the Government.

ARTICLE 2. Operator's right in land.--(a) The Operator represents and undertakes that Annex I correctly describes the land which is the subject of this contract and the nature of the Operator's right of property and possession therein (whether as owner, lessee, or otherwise), and that such right, title, or interest is subject only to the following claims, liens, or encumbrances:

SEE ANNEX I

(b) The Subordination Agreement of the holder of any claim, lien, or encumbrance listed above and (if the Operator does not hold the legal title) the lien agreement of any holder of the legal title of the land (lessor, seller, optionor, etc.) are attached as follows:

SEE ANNEX I

(c) The Operator shall preserve and maintain his right, title, or interest in the land and his right to the possession thereof for the purposes of this contract, and shall devote the land and all existing improvements, facilities, buildings, installations, and appurtenances to the purposes of this contract. The Operator shall neither transfer, convey, nor surrender the land nor any right, title, or interest therein, nor permit nor suffer any claim, lien, or encumbrance thereon, without expressly referring to and providing in the instrument of conveyance, lien, or encumbrance for the preservation of the Government's right to a royalty on production and liens for the payment thereof. Two true copies of such instrument shall be furnished to the Government. If the Government's rights to royalty as provided in Article 7 have been terminated, the provisions of this paragraph (c) shall become inapplicable.

ARTICLE 3. Performance of the work.--(a) Operator's responsibility.--The work shall be performed diligently, efficiently, in a workmanlike manner in accordance with good mining standards, and in compliance with State laws governing health, safety, and liability insurance covering employment. The Operator shall provide suitable and adequate equipment, facilities, materials, supplies, and labor to complete the work as specified in Article 1(a).

(b) Independent contracts.--To the extent that the allowable costs are estimated in Exhibit A with express reference to performance by independent contractors on a unit-price basis (such as per foot of drilling, per foot of drifting, per hour of bulldozer operations), the work may be so performed (see Article 6(a), Category (1)). Any such independent contract shall refer to some specific and identifiable part of the work, and shall be subject to all of the pertinent terms and conditions of this exploration contract; but the Government shall not be considered a party thereto, and its rights under this contract, including the right to terminate its contributions, shall not be affected thereby. Regardless of the provisions of any such independent contract, the Government will participate in payments to the independent contractor only as to work performed in accordance with the provisions of this exploration contract, and only to the extent that the Government deems the unit prices for the work under the independent contract to be reasonable.

(c) Government may inspect.--The Operator shall consult with and inform the Government on all phases of the work as it progresses. The Government may enter at all reasonable times to inspect the work under the contract and production operations during the period that royalty is payable to the Government. The Operator shall provide the Government with all reasonable means of access for such inspections.

ARTICLE 4. Contribution by the Government.-- The Government will make its contribution on the basis of the monthly vouchers referred to in Article 5(b), but all payments by the Government are provisional only, subject to audit. Until the account between the Operator and the Government is finally audited and settled and the Operator's final report has been received, the Government may withhold such sums as are necessary to protect its interests. The Government may make payments for the account of the Operator directly to independent contractors and suppliers rather than to the Operator.

ARTICLE 5. Reports, accounts, audits.--(a) Operator's records.--The Operator shall keep suitable records and accounts of the work performed and of any production in which the Government may have an interest; and shall preserve those with respect to work performed for at least three years after final payment by the Government, and those with respect to production for at least three years after any obligation to pay royalties to the Government has terminated. The Government may inspect and audit said records and accounts at any time, either by itself or by a certified public accountant. The Comptroller General of the United States or his representative, until the expiration of said three-year periods, shall have access to and the right to examine all pertinent books, documents, papers, and records of the Operator. If work under this contract is carried on in conjunction with any other operations, or if labor, supervision, services, materials, supplies, equipment, facilities, or other requirements for carrying on the work are also used in connection with other operations, the costs shall be segregated and accounted for on a basis and by methods and accounts that are satisfactory to and approved by the Government.

(b) Monthly reports.--The Operator shall provide the Government with four copies of monthly reports in three sections as follows:

(1) Operator's Monthly Voucher claiming costs for work performed;

(2) Operator's Progress Report showing the number of units of the various types of work performed; and

(3) a narrative report of the work performed during the reporting period, including adequate engineering-geological maps or sketches, drill hole logs and locations, and assay reports on samples taken concurrently with advance in mineralized ground.

(Forms for reporting under (1) and (2) above will be provided by the Government; however, the original of the Operator's Monthly Voucher shall be supported by documentary evidence, such as certified copies or transcripts of payrolls and invoices, for all costs claimed under Article 6 (a) (1).)

(c) Final report.--Upon completion of the work or termination of the Government's obligation to contribute to costs, the Operator shall furnish the Government with three copies of a final report (in addition to the final monthly report). This final report shall include a geological and engineering evaluation of the results of the work performed under the contract with an estimate of the ore reserves resulting from such work, complete assay data, adequate geological and engineering maps or sketches, and a summary of the work performed and the related costs.

(d) Report of sales.--The Operator shall provide the Government with suitable accounting and documentary evidence covering all production to which the Government's royalty relates, such as two copies of smelter or concentrator settlement sheets and certified accounts of production and sale or other disposition of production.

(e) Compliance with requirements.--If the Government determines that any of the Operator's reports, records, or accounts are insufficient or incomplete, or if the Operator fails to make them, the Government may procure the preparation or completion of the same with suitable attachments as an expense of the work to which the Operator shall contribute. The Government may withhold approval and payment of any vouchers relating to insufficient or incomplete reports, records, or accounts.

ARTICLE 6. Costs.--(a) Allowable costs.--The allowable costs of the work to which the Government will contribute are limited to:

(1) the necessary, reasonable, and direct actual costs that are estimated in Exhibit A by categories as specified in this article; and

(2) fixed costs for units of work to be performed (per foot, per hour, etc.) agreed upon in lieu of actual costs and set forth in Exhibit A.

The Government will not contribute to costs under any category or subcategory omitted from the estimate of costs in Exhibit A. Any excess over any estimate which is indicated as the maximum of any category, subcategory, or item, either as to requirement or related cost; any excess over a fixed unit cost; and any excess over the total allowable cost of the work are not allowable. The Operator shall incur such excesses for his own account without contribution by the Government, but the Operator is not obligated to incur more than his agreed percentage of the total allowable cost of the work.

Any category or subcategory or element thereof not designated as a maximum in this article, or in Exhibit A may be exceeded, provided that the total allowable cost of the work, which is a maximum, is not exceeded.

CATEGORY (1)--INDEPENDENT CONTRACTS.--(See Article 3(b)). The total of this category and the average unit cost estimated for each type of work to be performed under an independent contract are maximums.

CATEGORY (2)--PERSONAL SERVICES.

Subcategory (a)--Supervision and Technical Services--All elements of this subcategory (number of supervisors, technicians, outside consultants, periods of employment, rates of pay, and total) are maximums.

Subcategory (b)--Labor.

CATEGORY (3)--OPERATING MATERIALS AND SUPPLIES.--Includes such items as drill bits and steel, explosives, fuel, pipe, power, timber, rail, and small tools costing less than $50 each.

CATEGORY (4)--OPERATING EQUIPMENT.

Subcategory (a)--Rental.--The number of each rented item [6 mine cars, 1 truck], the rate of rental [$100 per month, $5 per hour], and the total of this subcategory are maximums.

Subcategory (b)--Purchases.--The total of this subcategory is a maximum.

Subcategory (c)--Depreciation.--All elements of this subcategory (time periods, rate of depreciation, and subcategory total) are maximums.

CATEGORY (5)--INITIAL REHABILITATION AND REPAIRS.--Costs of items listed under this category include all requirements, such as labor, materials and supplies, and supervision at a rate not higher than provided for in Category (2), and shall not be duplicated under any other category. The total of this category is a maximum.

Subcategory (a)--Initial rehabilitation and repairs of existing buildings, fixtures, and installations (exclusive of mine workings).--The total of this subcategory is a maximum.

Subcategory (b)--Initial rehabilitation and repairs of operating equipment.--The total of this subcategory is a maximum.

CATEGORY (6)--NEW BUILDINGS, FIXTURES, AND INSTALLATIONS (EXCLUSIVE OF MINE WORKINGS).--Costs of items listed under this category include all requirements, such as labor, materials and supplies, and supervision at a rate not higher than provided for in Category (2), and shall not be duplicated under any other category. The total of this category is a maximum.

CATEGORY (7)--MISCELLANEOUS.--Includes requirements and costs that do not fall within any of the first six categories, such as repairs other than initial and maintenance of operating equipment, analytical work, prints and other reproductions, accounting, Operator's share of payroll taxes, liability insurance covering employment, travel, and communications.

(b) Nonallowable costs.--In addition to the limitations imposed by paragraph (a) of this Article 6 the Government will not contribute to the following costs:

(1) Costs of the land, such as rental, depreciation, depletion, or other costs of acquiring, owning, or holding possession;

(2) Indirect costs, such as general overhead, corporate management, interest, taxes (other than payroll and sales taxes), insurance (other than liability insurance covering employment), damages to persons, damages to property (other than necessary repairs or replacements of equipment or other property used in the work);

(3) Previous work performed or costs incurred before the date of this contract; and

(4) Deferred payments.--Any costs incurred by the Operator under any rental-purchase agreement, installment-purchase agreement, or any agreement for the purchase of goods under the provisions of which payment of the full purchase price is deferred more than 90 days from the delivery of the goods, unless the purchase agreement is approved by the Government in writing.

(c) Reductions in costs.--The Operator shall account for and give the Government credit for any incidental benefits, credits, or money received in the ordinary course of business in prosecuting the work (as by salvage or sale of materials or equipment, furnishing of room or board, furnishing of power or services to third persons, rebates or discounts on purchases, etc.), in the same ratio in which the Government contributes to costs; and such amounts shall be treated as a reduction in costs incurred so that they are available for use within the limit of the original total cost. The provision does not apply to receipts from production which are subject to the Government's royalty under the provisions of Article 7.

ARTICLE 7. Repayment by Operator.--(a) Certification.--If the Government considers that mineral or metal production from the land covered by the contract may be possible as a result of the exploration work, it shall so certify in writing to the Operator at any time not later than six months after a sufficient final report and final accounting (see Article 5) have been furnished.

(b) Royalty on production.--The Operator, whether or not the producer (for example, if the Operator either transfers or does not retains his interest in the land), shall pay to the Government a royalty on all minerals and metals mined or produced from the land as follows:

(1) irrespective of any certification of possible production--from the date of the contract until the lapse of the time within which the government may issue such certification or until the total net amount contributed by the Government is fully repaid with interest, whichever occurs first; or

(2) if the Government issues a certification of possible production--for a period of ten years from the date of the contract, or until the total net amount contributed by the Government is fully repaid with interest, whichever occurs first.

(c) Payment of royalty.--(1) The Government's royalty shall be five percent of the gross proceeds (including any bonuses, premiums, allowances, or other benefits) from the production sold, in the form sold (ore, concentrate, metal or equivalent), at the point of delivery (the f.o.b. point); except, that charges of the buyer arising in the regular course of business and shown as deductions on the buyer's settlement sheets (such as treatment processes performed by the buyer, sampling and assaying to determine the value of the production sold, and freight payable by the buyer to a carrier (not the Operator or producer)), shall be allowed as deductions in arriving at the "gross proceeds" as that term is used herein. No costs of the Operator or Producer are deductible in arriving at the "gross proceeds" as that term is here used.

The term "treatment processes" means those processes (such as milling, concentrating, smelting, refining, or equivalent, but excluding fabricating or manufacturing) applied to the crude ore or other production after it is extracted from the ground to put it into a commercially marketable form.

(2) The Government's royalty shall be computed and paid currently upon each lot sold, held, or used in integrated operations, as the case may be.

(d) Unsold production.--If any production (ore, concentrate, metal, or equivalent), after the lapse of six months from the date the ore was extracted from the ground, remains neither sold nor used in integrated manufacturing or fabricating operations (for instance, if it is stockpiled), the Government, at its option, as long as it so remains, may require the computation and payment of its royalty on the value of such production in the form (ore, concentrate, metal, or equivalent) it is in when the Government elects to require computation and payment. If any production is used in integrated manufacturing or fabricating operations before the Government makes its election, the Government's royalty on such production shall be computed on the value thereof in the form in which and at the time it is so used. "Value" as here used means what is or would be gross income from mining operations for percentage depletion purposes in Federal income tax determination or the market value, whichever is greater.

(e) Lien for payment.--To secure the payment of royalty (see Article 7(b)), the Operator hereby grants to the Government a lien upon his interest in the land and upon any production of minerals and metals therefrom until the royalty claim is extinguished by lapse of time or is fully paid.

(f) Notice to purchasers.--The Operator or producer shall give notice of the Government's claim for royalty to any purchaser of the production, and shall authorize and direct such purchaser to pay the royalty directly to the Government and to furnish the Government with copies of the settlement sheets. If the records of any production and sales or other disposition of production, whether the production is by the Operator or by others, are not made available to the Government, the amount of the royalty may be estimated by the Government, and this estimate shall be final and binding upon the Operator or producer.

(g) No obligation to produce.--Nothing in this contract shall be construed as imposing any obligation on the Operator or the Operator's successor in interest to engage in any production operations.

(h) Government not obligated to buy.--Nothing in this contract shall be construed as imposing any obligation on the Government to purchase any minerals and metals mined or produced from the land.

ARTICLE 8. Interests in purchased property.--(a) Title and ownership.--All costs under this contract shall be incurred by the Operator in the Operator's own name and for the Operator's own account; but any property acquired to the cost of which the Government contributes shall belong to the Operator and the Government jointly in proportion to their respective contributions although title thereto shall be taken in the name of the Operator.

(b) Preservation of property.--Until the final disposal of any property in which the Government has an interest, the Operator shall preserve and protect same for the best interest of the Government, and any reasonable and necessary cost thereof will be treated as an allowable cost of the exploration. After the completion of the work, termination of the Government's obligation to contribute, or when such property is not being used for the work, the Operator shall not use it elsewhere without the written consent of the Government and without paying a reasonable rental to be fixed by the Government for its proportionate interest.

(c) Disposal of property.--Upon the completion of the work, termination of the Government's obligation to contribute to costs, or when the property is no longer needed for the work, the Operator shall promptly dispose of salable or salvageable property in which the Government has an interest for the joint account of the Government and the Operator, either by return to the vendor, sale to others, purchase by the Operator, or sale or transfer to the Government at a price at least as high as could be obtained from others, unless the Government in writing waives its interest in any such property. Without advance approval of the sales price by the Government, the Operator shall not sell at any price any item of property that cost more than $500, and shall not sell at less than 25 percent of the purchase price any item of property that cost $500 or less. The Government, in lieu of approving the sales price for any such item, may itself purchase the item at the best price which the Operator is able to obtain or offers. Property remaining upon any termination of the work shall be considered in groups or categories (such as drill steel, explosives, pipe, or rail), and if the original cost of the remaining unexpended portion of any such group or category is less than $50, the Government waives its interest therein. If necessary to accomplish the disposal of any item, the Operator shall dismantle and sever it from the land, the cost thereof to be treated as a cost of the exploration.

(d) Default of the Operator re disposal.--If within 90 days after the completion of the work, termination of the Government's obligation to contribute to costs, or after the property is no longer needed for the work, the Operator has failed to sell or otherwise liquidate or dispose of any property in which the Government has an interest, the Government, at any time prior to final settlement under the contract, may:

(1) in writing extend the time within which the Operator must dispose of or liquidate the property;

(2) by written notice to the Operator, place upon such property what it determines to be a fair valuation thereof, not in excess of the cost less 1.66 percent per month from the date such property was purchased under this contract to the termination of said 90-day period; and such property shall thereupon be considered and accounted for as having been purchased by the Operator at the valuation so fixed by the Government; and

(3) enter and take possession of such property wherever it may be found, and remove and dispose of it for the joint account of the parties.

ARTICLE 9. Termination of the Government's obligations.--(a) If the Government determines that operations at any time have failed to achieve anticipated results and further work is not justified, the Government may give the Operator written notice thereof, and thereupon:

(1) the Government shall be free of all obligation to contribute to costs not then incurred other than such as may be allowable under the provisions of the contract as necessary and incidental to final accounting and reporting; and

(2) the Operator shall be free of all obligation to prosecute the work other than such as may be necessary and incidental to final accounting and reporting.

(b) If the Government determines that the Operator is in default under the terms of the contract, the Government may give the Operator written notice of such default with a specification of reasonable time within which the default must be cured; and if the Operator fails to cure such default as required, thereupon:

(1) the Government shall be relieved of all obligation to contribute to costs not incurred when the notice was given, other than such as may be allowable by the provisions of the contract as necessary and incidental to final accounting and reporting; and

(2) the Operator shall be free of all obligation to prosecute the work other than such as may be necessary and incidental to final accounting and reporting.

The Government may also avail itself of any other remedy the law may provide for breach of contract, including the right to rescind the contract and to demand repayment of all moneys contributed by the Government under the contract.

(c) The giving of any notice by the Government under the provisions of this Article 9 shall not affect the Government's rights as provided for in the contract with respect to royalty and liens to secure the payment thereof, and such rights shall be fully preserved.

(d) The determinations of the Government are subject to appeal under Article 13.

ARTICLE 10. Notices to be given by the Government may be delivered to the Operator, or may be sent by certified mail addressed to the Operator at his mailing address stated in this contract. If mailed, notices are deemed to have been delivered five days after the date of mailing.

ARTICLE 11. Officials not to benefit.--No member of or delegate to Congress or resident commissioner shall be admitted to any share or part of this contract or to any benefit that may arise therefrom; but this provision shall not be construed to extend to this contract if made with a corporation for its general benefit.

ARTICLE 12. Nondiscrimination in Employment. The provisions respecting nondiscrimination in employment which are required by section 301 of Executive Order 10925, dated March 6, 1961 as amended and supplemented are attached hereto as Exhibit B and are hereby incorporated in and made a part of this contract.

ARTICLE 13. Disputes.--Any dispute arising under this contract which is not disposed of by agreement shall be decided by the Director, U. S. Geological Survey, who shall reduce his decision to writing and mail or otherwise furnish a copy thereof to the Operator. The decision of the Director, U. S. Geological Survey, shall be final and conclusive unless, within 30 days from the date of receipt of such copy, the Operator mails or otherwise furnishes to the Director, U. S. Geological Survey, a written appeal addressed to the Secretary of the Interior. The decision of the Secretary or his duly authorized representative for the determination of such appeals shall be final and conclusive unless determined by a court of competent jurisdiction to have been fraudulent, or capricious, or arbitrary, or so grossly erroneous as necessarily to imply bad faith, or not supported by substantial evidence.

The term "Director, U. S. Geological Survey," as used herein includes his duly authorized representative.

ARTICLE 14. Work Hours Act of 1962 - Overtime Compensation.--This contract, to the extent that it is of a character specified in the Work Hours Act of 1962 (Public Law 87-581, 76 Stat. 357-360) and is not covered by the Walsh-Healey Public Contracts Act (41 U.S.C. 35-45), is subject to the following provisions and to all other provisions and exceptions of said Work Hours Act of 1962.

(a) Overtime requirements.--No Operator or subcontractor contracting for any part of the contract work which may require or involve the employment of laborers or mechanics shall require or permit any laborer or mechanic to be employed on such work in excess of eight hours in any calendar day or in excess of forty hours in any workweek unless such laborer or mechanic receives compensation at a rate of not less than one and one-half times his basic rate of pay for all hours worked in excess of eight hours in any such calendar day or in excess of forty hours in any such workweek, as the case may be.

(b) Violations; liability for unpaid wages; liquidated damages.--In the event of any violation of the clause set forth in subparagraph (a) of this paragraph, the Operator and any subcontractor responsible therefor shall be liable to any affected employee for his unpaid wages. In addition, such Operator and subcontractor shall be liable to the United States (in the case of work done under contract for the District of Columbia or a territory, to such District or to such territory), for

liquidated damages. Such liquidated damages shall be computed, with respect to each individual laborer or mechanic employed in violation of the clause set forth in subparagraph (a) of this paragraph, in the sum of $10 for each calendar day on which such employee was required or permitted to work in excess of eight hours or in excess of the standard workweek of forty hours without payment of the overtime wages required by the clause set forth in subparagraph (a) of this paragraph.

(c) Withholding for unpaid wages and liquidated damages.--The U. S. Geological Survey may withhold or cause to be withheld, from any moneys payable on account of work performed by the Operator or subcontractor, such sums as may administratively be determined to be necessary to satisfy any liabilities of such Operator or subcontractor for unpaid wages and liquidated damages as provided in the clause set forth in subparagraph (b) of this paragraph.

ARTICLE 15. Copeland (Anti-Kickback) Act--Nonrebate of wages.--The regulations of the Secretary of Labor applicable to contractors and subcontractors (29 CFR, Part 3), made pursuant to the Copeland Act, as amended (40 U. S. C. 276c) and to aid in the enforcement of the Anti-Kickback Act (18 U. S. C. 874) are made a part of this contract by reference. The Operator will comply with these regulations and any amendments or modifications thereof and will be responsible for the submission of affidavits required of independent contractors thereunder. The foregoing shall apply except as the Secretary of Labor may specifically provide for reasonable limitations, variations, tolerances, and exemptions.

ARTICLE 16. Changes and added provision.--

Executed in ~~quintuplicate~~ quadruplicate the day and year first above written.

DAVID JAMES HOARE d/b/a
HOMINEX SILVER MINES
(Operator)

By D. J. Hoare

Title PRESIDENT

THE UNITED STATES OF AMERICA

Acting By [signature]
Assistant Director, U. S. Geological Survey
for Administration

Martin Inglis 6/16
App'd. Sol. Off.
Kirbamo Kilagaard

I, Jack H Paulson (Name), certify that I am the SECRETARY secretary of the corporation named as Operator herein; that DAVID JAMES HOARE (Name), who signed this contract on behalf of the Operator, was then PRESIDENT (Title) of said corporation; that said contract was duly signed for and in behalf of said corporation by authority of its governing body, and is within the scope of its corporate powers.

[ CORPORATE SEAL ]

EXPLORATION CONTRACT
DAVID JAMES HOARE d/b/a
HOMINEX SILVER MINES
OME-6835

ANNEX I

The land, including all rights thereto, referred to in Article 2 of the contract consists of nine (9) patented lode mining claims and two (2) unpatented lode mining claims in secs. 30 and 31, T. 9 S., R. 17 E. W.M., and sec. 25, T. 9 S., R. 16 E. W. M., Jefferson County, Oregon. These claims are shown on Figure 1, entitled "Property map, Hominex Silver Mines, Jefferson County, Oregon," attached and made part hereof.

The patented lode mining claims are as follows:

| Claim Name | Survey No. | Patent No. |
|---|---|---|
| Perry | 678 | 46463 |
| Union | 678 | 46463 |
| Crook | 678 | 46463 |
| Triangle | 677 | 46464 |
| Orie | 446 | 36028 |
| Roy | 446 | 36028 |
| Now or Never | 446 | 36028 |
| Poorman | 446 | 36028 |
| Gold Standard | 446 | 36028 |

The unpatented lode mining claims were located by David James Hoare and are recorded in the Office of the County Clerk, Jefferson County, Oregon, as follows:

| Claim Name | Book | Page |
|---|---|---|
| Gudrun Silver | 4 | 283 |
| Royal Silver | 4 | 281 |

Interest in the two unpatented lode mining claims was conveyed on March 4, 1971, from David Hoare to Hominex Silver Mines.

The Operator is in possession of the patented lode mining claims under an Assignment of Mining lease dated March 7, 1971, between Roy Mining Company and David Hoare, d/b/a Hominex Silver Mines. This document assigned a Mining Lease and Option to Purchase agreement dated November 27, 1970, between Roy Mining Company, the owner and lessor, and David Hoare, lessee.

Lien and Subordination Agreements executed by the owner of the patented lode mining claims are attached and made a part hereof.

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 – 225 |
| Contract Date JUN 23 1971 |

LIEN AND SUBORDINATION AGREEMENTS[1]

To the United States of America:

That certain land in the County of JEFFERSON, State of OREGON, described as follows:[2] MS446 THE POORMAN, THE GOLD STANDARD, ORIE, THE NOW OR NEVER, AND ROY, MS 678 UNION, CROOK, THE PERRY MS667 TRIANGLE. LOCATED IN SECTIONS 30 & 31, TWP 9 SOUTH, RANGE 17 EAST OF THE WILLIAMETE MERIDIAN.

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

HOMINEX SILVER MINES, (DAVID JAMES HOARE)[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.)

NONE

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 NONE (State "None" or "See Annex No. ____".)

Dated this 7th day of March, 19 71.

W. S. Rees (Seal) — Route 5 Box 425 (Street); Pleasant Hill, Oregon 97401 (City & State)

ROY MINING COMPANY
AN OREGON CORPORATION

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

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

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

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

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

I, Ardis Rees (Name), certify that I am the Secretary (Title—Secretary, etc.) of the corporation named herein; that W. S. Rees (Name), who signed this agreement was then President (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.

Ardis Rees (Corporate Seal)

EXPLORATION CONTRACT
DAVID JAMES HOARE d/b/a
HOMINEX SILVER MINES
OME-6835

## EXHIBIT A

The purpose of the project is to explore by diamond core drilling from a prepared surface site for silver-bearing ore bodies in and along a shear zone cutting volcanic rocks of the Clarno Formation of Eocene age.

## GENERAL PROVISIONS

No drilling shall be done within 100 feet of the exterior boundaries of the land outlined on Figure 1.

Drill holes shall be cased through overburden and completed not less than standard BX (nominal diameter 1-5/8 inches) core size or equivalent wire line size equipment. The Government will not contribute to the cost of casing left in a hole at the Operator's request or to the costs incurred for incomplete drill holes.

Facilities shall be provided for recovering drill sludge, and such sludge shall be retained when drilling in significantly mineralized rock.

All drill core shall be logged and significantly mineralized core shall be split and one split assayed for gold and silver. Whenever core recovery is less than 60 percent, a split of the corresponding retained sludge shall be assayed separately. The remaining core shall be stored in proper sequence with the unsampled core, and the remaining sludge shall be stored in suitable containers properly identified as to hole number and depth.

True copies of assay certificates, copies of drill logs, and maps and sketches showing the work completed during the reporting period, the location, width, and assay value of all samples assayed and the geological formations and structures traversed by the drill holes shall be furnished monthly to the Government.

Stored samples shall be made available for Government inspection and possible use, and may be disposed of only with prior Government approval.

The Operator shall provide such supervision, labor, and technical services as may be required to perform the work in a satisfactory manner.

The location, direction, and extent of each work item shall be subject to Government approval.

The work shall be divided into two stages. The Operator shall complete all of Stage I and as much of Stage II as is authorized in advance by the prior written approval of the Government. Approval of Stage II work shall depend upon the Government's examination of the results obtained in Stage I.

## DESCRIPTION OF THE WORK

### STAGE I

The work shall consist of diamond drilling three inclined core holes downward from a single surface site prepared in advance at the Operator's expense.

The bearing, inclination, and depth of the three holes shall be as follows:

| Hole No. | Inclination | Bearing | Approximate length (feet) 1/ |
|---|---|---|---|
| 1 | -40° | S. 40° W. | 350 |
| 2 | -40° | S. 10°W | 350 |
| 3 | -40° | S. 70° W. | 350 |
| | | Total | 1,050 |

1/ No hole shall be drilled more than 20 feet beyond a vein zone correlative with the Roy vein.

### STAGE II

The work, if approved, shall consist of diamond drilling two additional inclined core holes downward from the same surface site as Stage I.

The bearing, inclination, and depth of the two holes shall be as follows:

| Hole No. | Inclination | Bearing | Approximate length (feet) 1/ |
|---|---|---|---|
| 4 | -75° | S. 50° W | 500 |
| 5 | -75° | S. 25° W | 500 |
| | | Total | 1,000 |

1/ See footnote under Stage I.

The approximate location of the drill site and the five drill holes is shown on Figure 2 entitled "Proposed diamond drill holes, Hominex Silver Mines, Jefferson County, Oregon," attached and made part hereof.

## ESTIMATED COSTS OF THE PROJECT

### STAGE I

**Actual Costs**

Category (1) Independent Contracts

| | | |
|---|---|---|
| Mobilization and demobilization, one drill unit | $ 750.00 | |
| Diamond drilling, including overburden, 1,050 feet | 8,260.00 | |

| Depth (feet) | Price per foot Ob. | NC | NX | BX |
|---|---|---|---|---|
| 0-500 | $10.50 | $8.75 | $7.75 | $7.50 |

| | | |
|---|---|---|
| Cementing, 30 hours at $20.00/hour | 600.00 | |
| Reaming or drilling cement, 100 feet at $4.00/foot | 400.00 | |
| Placing and pulling casing, 50 hours at $16.00/hour | 800.00 | |
| Lost casing in completed holes, 100 feet at $2.00/foot | 200.00 | |
| Water truck rental, including driver, 2 months at $350.00/month | 700.00 | |
| Total Category (1) | | $11,710.00 |

Category (2) Personal Services

None except:

| | | |
|---|---|---|
| 1 Supervisor-Engineer-Geologist, 2 months at $1,000.00/month | 2,000.00 | |
| Total Category (2) | | $ 2,000.00 |

Category (3) Operating Materials and Supplies

None except:

| | | |
|---|---|---|
| 100 core boxes at $1.15/box | $ 115.00 | |

| | | |
|---|---|---|
| 30 sample sacks at $0.50/sack | $ 15.00 | |
| Sludge catching and sampling supplies | 50.00 | |
| Cement, drill muds, additives<br>12 sacks materials listed, or equivalent<br>Cement at $8.00/100-lb. sack<br>Drill mud at $2.50/50-lb. sack<br>Additives,<br>Caustic soda at $20.00/50-lb. sack<br>Cellex at $65.00/50-lb. sack | 100.00 | |
| Total Category (3) | | $ 280.00 |

Category (7) Miscellaneous

None except:

| | | |
|---|---|---|
| Office and accounting expense,<br>2 months at $50.00/month | $ 100.00 | |
| Assaying for gold and silver,<br>30 samples at $5.00/sample | 150.00 | |
| Total Category (7) | | $ 250.00 |
| Total Estimated Cost, Stage I | | $ 14,240.00 |
| Government Participation at 75% | | $10,680.00 |

STAGE II

Actual Costs

Category (1) Independent Contracts

Diamond drilling, including overburden,
1,000 feet $ 8,160.00

| Depth (feet) | Price Per Foot Ob. | NC | NX | BX |
|---|---|---|---|---|
| 0-500 | $10.50 | $8.75 | $7.75 | $7.50 |
| 500-1,000 | | | 8.25 | 8.00 |

| | |
|---|---|
| Cementing, 30 hours at $20.00/hour | 600.00 |
| Reaming or drilling cement,<br>200 feet at $4.00/foot | 800.00 |

| | | |
|---|---|---|
| Placing and pulling casing, 50 hours at $16.00/hour | $ 800.00 | |
| Lost casing in completed holes, 200 feet at $2.00/foot | 400.00 | |
| Water truck rental, including driver, 2 months at $350.00/month | 700.00 | |
| Total Category (1) | | $11,460.00 |

Category (2) Personal Services

None except:

| | | |
|---|---|---|
| 1 Supervisory-Engineer-Geologist 2 months at $1,000.00/month | $2,000.00 | |
| Total Category (2) | | $ 2,000.00 |

Category (3) Operating Materials and Supplies

None except:

| | | |
|---|---|---|
| 100 core boxes at $1.15/box | 115.00 | |
| 20 sample sacks at $0.50/sack | 10.00 | |
| Sludge catching and sampling supplies | 50.00 | |
| Cement, drill muds, additives, 15 sacks materials listed, or equivalents<br>Cement at $8.00/100-lb. sack<br>Drill mud at $2.50/50-lb. sack<br>Additives,<br>Caustic soda at $20.00/50-lb. sack<br>Cellex at $65.00/50-lb. sack | 125.00 | |
| Total Category (3) | | $ 300.00 |

Category (7) Miscellaneous

None except:

| | | |
|---|---|---|
| Office and accounting expense, 2 months at $50.00/month | 100.00 | |
| Assaying for gold and silver, 20 samples at $5.00/sample | 100.00 | |
| Total Category (7) | | $ 200.00 |

| | |
|---|---|
| Total Estimated Cost of Stage II | $13,960.00 |
| Government Participation at 75% | $10,470.00 |

## SUMMARY

| | |
|---|---|
| Total Estimated Cost of Stage I . . . . . | $14,240.00 |
| Government Participation at 75% . . . . . | $10,680.00 |
| Total Estimated Cost of Stage II . . . . . | $13,960.00 |
| Government Participation at 75% . . . . . | $10,470.00 |
| Total Estimated Cost of the Project . . . . . | $28,200.00 |
| Government Participation at 75% . . . . . | $21,150.00 |

EXHIBIT B

NONDISCRIMINATION IN EMPLOYMENT

(Section 202, Executive Order 11246, September 24, 1965)

"During the performance of this contract, the contractor agrees as follows:

'(1) The contractor will not discriminate against any employee or applicant for employment because of race, creed, color, or national origin. The contractor will take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without regard to their race, creed, color, or national origin. Such action shall include, but not be limited to the following: employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by the contracting officer setting forth the provisions of this nondiscrimination clause.

'(2) The contractor will, in all solicitations or advertisements for employees placed by or on behalf of the contractor, state that all qualified applicants will receive consideration for employment without regard to race, creed, color, or national origin.

'(3) The contractor will send to each labor union or representative of workers with which he has a collective bargaining agreement or other contract or understanding, a notice, to be provided by the agency contracting officer, advising the labor union or workers' representative of the contractor's commitments under Section 202 of Executive Order No. 11246 of September 24, 1965, and shall post copies of the notice in conspicuous places available to employees and applicants for employment.

'(4) The contractor will comply with all provisions of Executive Order No. 11246 of September 24, 1965, and of the rules, regulations, and relevant orders of the Secretary of Labor.

'(5) The contractor will furnish all information and reports required by Executive Order No. 11246 of September 24, 1965, and by the rules, regulations, and orders of the Secretary of Labor, or pursuant thereto, and will permit access to his books, records, and accounts by the contracting agency and the Secretary of Labor for purposes of investigation to ascertain compliance with such rules, regulations, and orders.

'(6) In the event of the contractor's noncompliance with the nondiscrimination clauses of this contract or with any of such rules, regulations, or orders, this contract may be cancelled, terminated, or suspended in whole or in part and the contractor may be declared ineligible for further Government contracts in accordance with procedures authorized in Executive Order No. 11246 of September 24, 1965, and such other sanctions may be imposed and remedies invoked as provided in Executive Order No. 11246 of September 24, 1965, or by rule, regulation, or order of the Secretary of Labor, or as otherwise provided by law.

'(7) The contractor will include the provisions of Paragraphs (1) through (7) in every subcontract or purchase order unless exempted by rules, regulations, or orders of the Secretary of Labor issued pursuant to Section 204 of Executive Order No. 11246 of September 24, 1965, so that such provisions will be binding upon each subcontractor or vendor. The contractor will take such action with respect to any subcontract or purchase order as the contracting agency may direct as a means of enforcing such provisions including sanctions for noncompliance: Provided, however, That in the event the contractor becomes involved in, or is threatened with, litigation with a subcontractor or vendor as a result of such direction by the contracting agency, the contractor may request the United States to enter into such litigation to protect the interests of the United States.'"

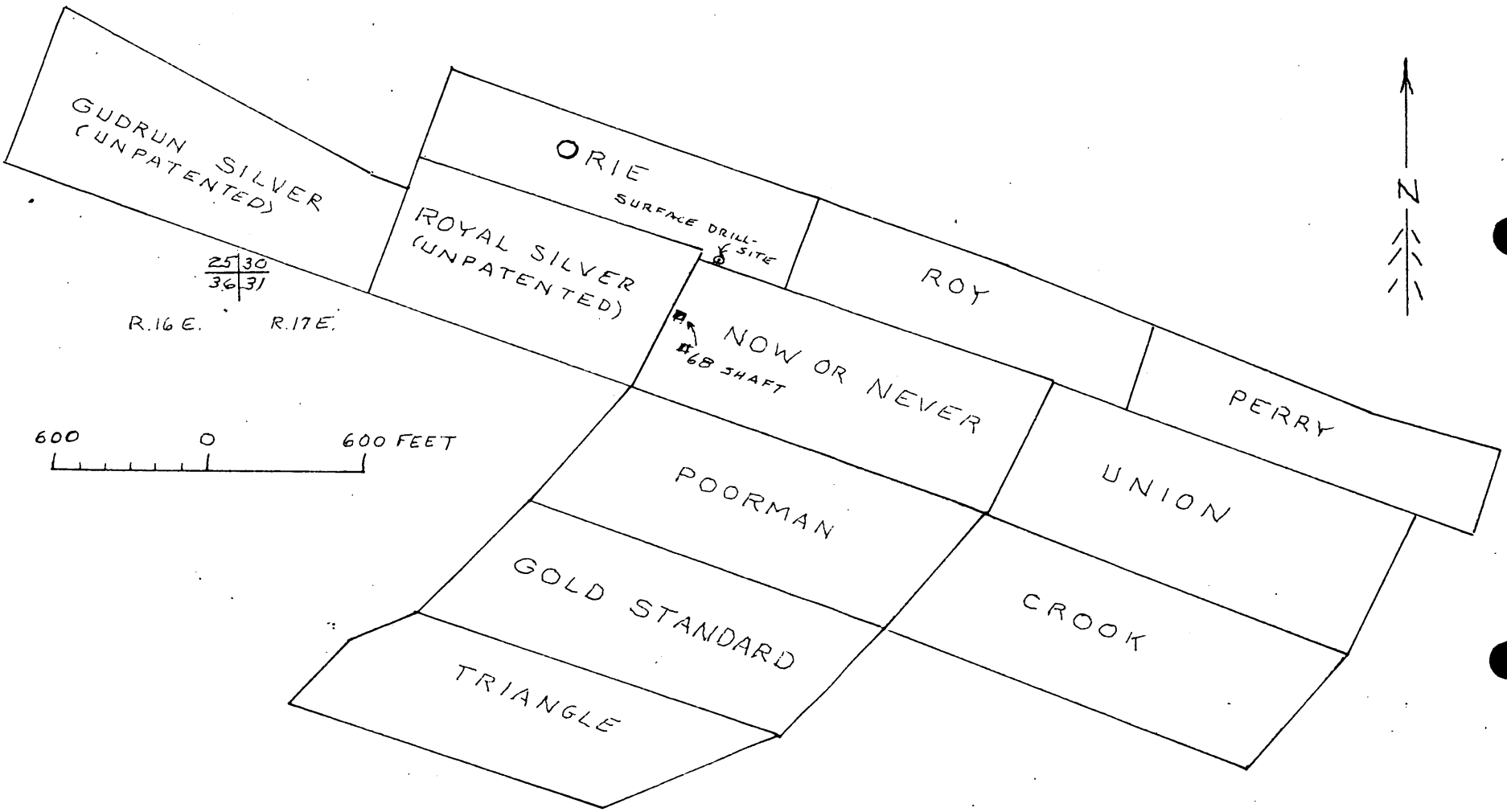


FIGURE 1- PROPERTY MAP, HOMINEX SILVER MINES, JEFFERSON COUNTY, OREGON

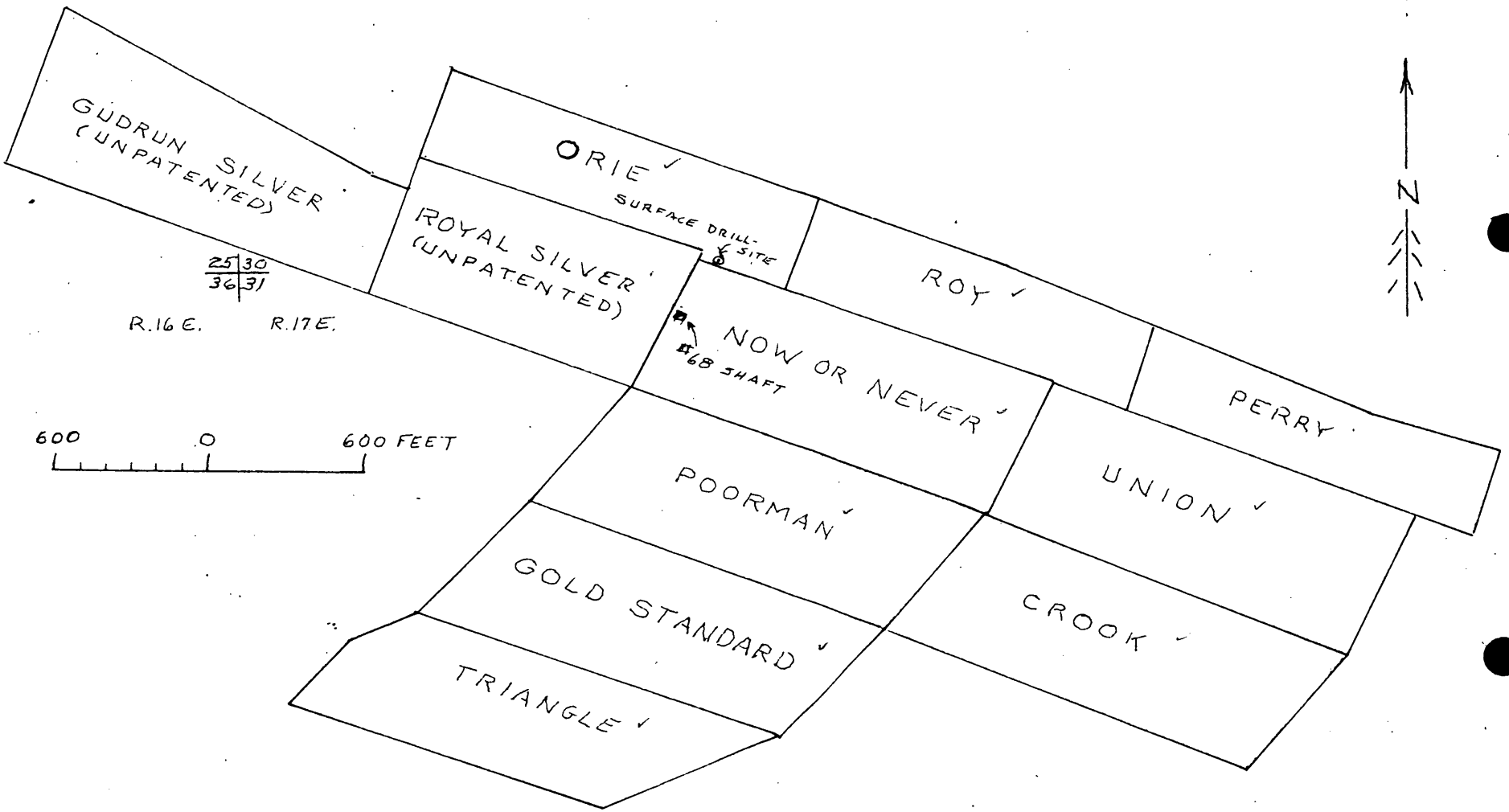


FIGURE 1- PROPERTY MAP, HOMINEX SILVER MINES, JEFFERSON COUNTY, OREGON

U.S. GEOLOGICAL SURVEY
OFFICE OF MINERALS EXPLORATION

OME 6835 (SILVER)

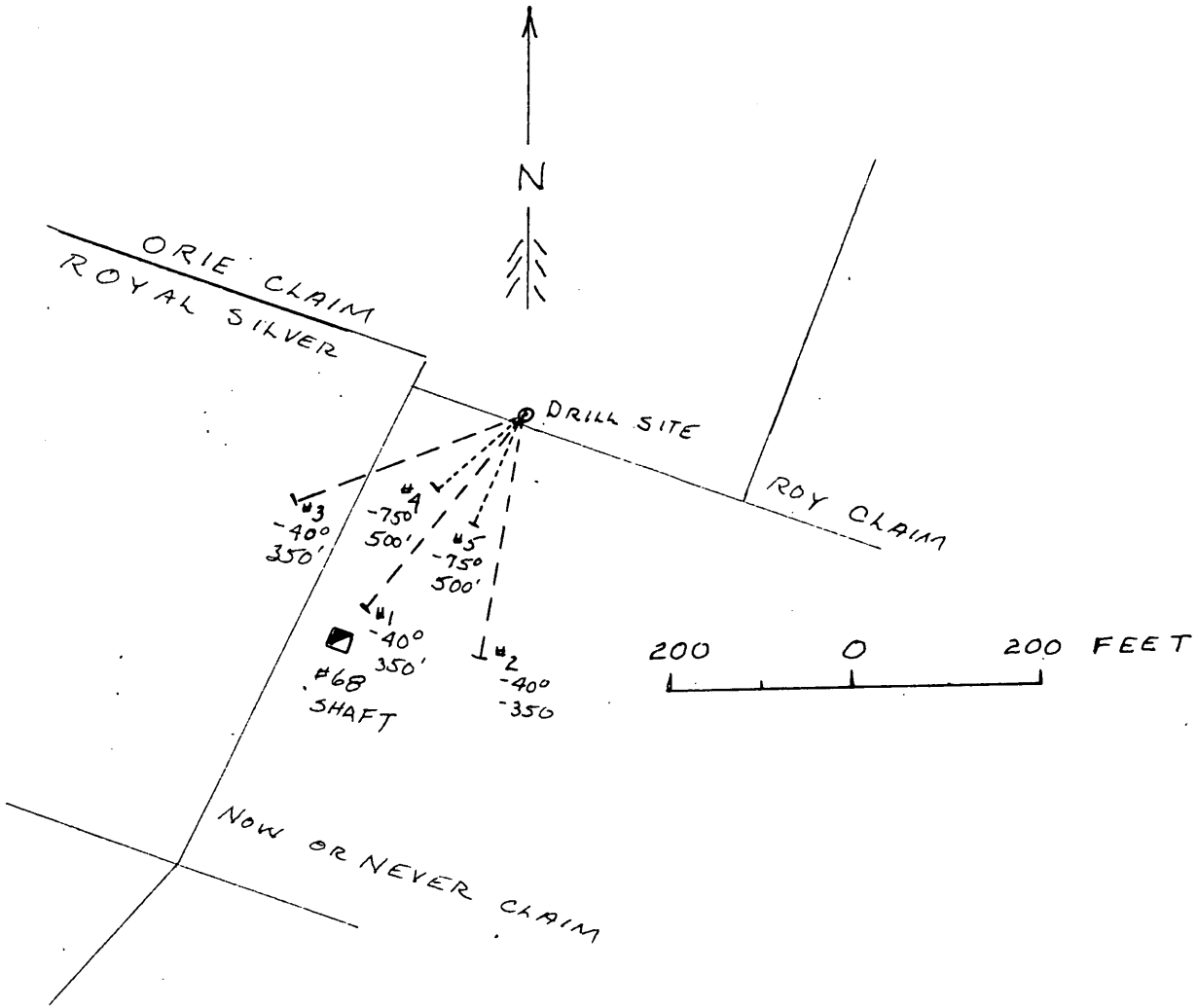


FIGURE 2- PROPOSED DIAMOND DRILL HOLES, HOMINEX SILVER MINES, JEFFERSON COUNTY, OREGON

MME Form 40
(Revised Nov. 68)

Budget Bureau No. 42-R1368
Approval expires Dec. 1971

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

# 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.)*

Hominex Silver Mines
( David James Hoare )
P.O.Box 36, Ashwood,
Oregon, 97711.

APPLICANT DO NOT USE THIS BLOCK

DOCKET NUMBER 6835

DATE RECEIVED 5/14/7 Supplemental to one recd. 12/21/70

REGION R-I

DIVISION CODE

BUSINESS ORGANIZATION *(Check one)*

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

STATE IN WHICH FIRM IS ORGANIZED Oregon

LIST CORPORATE OFFICERS OR PARTNERS HERE, IF APPLICABLE

| NAME | ADDRESS | TITLE |
|---|---|---|
| David J.Hoare, | Box 36, Ashwood, Oregon, 97711. | President. |
| R. Dixon, | 2540 Severn Dr. Reno, Nevada. | Director |
| Frank Allstrom, | c/o Box 36, Ashwood, Oregon. | Dir.& V.P. |
| G. Forstner, | 3045 Franklin St. San Francisco. | Secretary. |
| R. Cesped, | 350 Vernon St.#204, Oakland, Cal. | Director |
| J. Paulsen, | Route 2, W. de Pere, Wisconsin. | Director |

MINERAL(S) FOR WHICH YOU WISH TO EXPLORE
Silver, Gold.

ESTIMATED COST OF PROJECT
$ 47,560.00

| PROPERTY NAME | LOCATION COUNTY | STATE |
|---|---|---|
| Roy Mining Property. | Jefferson | 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. II). 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 Department of the Interior, U.S. Geological Survey, Office of Minerals Exploration, 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.

Hominex Silver Mines, David James Hoare,

December 17, 1970
DATED

D J Hoare
BY *(Signature)*

President
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.

Chamber Citizens National Bank,
Marina Office,
San Francisco
California.

Hominex Silver Mines(David J.Hoare,)
Box 36,
Ashwood,
Oregon 97711.

27 ~~23~~ April 1971

Dear Sir,

I would like to formally apply for a loan of $11900°° for the purpose of mineral exploration on the Roy Mining Companys silver claims in Oregon.

I have a lease purchase option on these 145 patented acres of silver claims and the geological reports along with my own exploration work show the likelihood of commercial ore existing to be very high and hence an attractive venture.

Your standard interest rates will apply for this loan to be repaid in three years.

Very truly yours,

D.J. Hoare.

David J. Hoare
President

STATEMENT

The undersigned does hereby certify and guarantees to make available by personal loan a sum of money up to a total amount but not exceeding $3000.00, through Crocker-Citizens National Bank, 625 Battery St., San Francisco, Ca.94111, from individual personal funds towards the applicant operator's share of the proposed exploration project, should a contract be executed between Hominex Silver Mines ( David James Hoare ) and the United States of America under the Office of Mineral Exploration, application No. OME-6835.

Gudrun F. Forstner

Gudrun Forstner

Subscribed and Sworn to before me this
26 day of APRIL 19 71
Rosetta Buccieri NOTARY PUBLIC
In and for the City and County of San Francisco, State of California

ROSETTA BUCCIERI
My Commission Expires April 19, 1973

STATEMENT

The undersigned does hereby certify and guarantees to make available by personal loan a sum of money up to a total amount, but not exceeding $3000.00, through his bank, Naval Air Station Credit Union, Alameda, California, from his individual, personal funds towards the applicant operator's share of the proposed exploration project, should a contract be executed between Hominex Silver Mines, (David James Hoare) and the United States of America under the Office of Minerals Exploration, application No. OME-6835.

Edward P. Estrella

Edward P. Estrella.

Subscribed and sworn to before me this 7th day of April 1971

Geneva Dunn

NOTARY PUBLIC IN AND FOR THE STATE OF CALIFORNIA

OFFICIAL SEAL
GENEVA DUNN
NOTARY PUBLIC - CALIFORNIA
COUNTY OF ALAMEDA
My Commission Expires October 18, 1974

STATEMENT

The undersigned does hereby certify and guarantees to make available by personal loan up to a total amount but not exceeding $3000.00, through his bank, the First National Bank of Seymour, Wis.,

from his individual, personal funds towards the applicant operators share of the proposed exploration project, should a contract be executed between Hominex Silver Mines, (David James Hoare) and the United States of America under the Office of Minerals Exploration, application No. OME-6835.

Jack Paulsen

Jack Paulsen

Subscribed and sworn to by me this 10th day of May, 1971

Lillian Leisgang

Lillian Leisgang, Notary Public

My commission expires Nov. 28, 1971

OFFICIAL COPY
O. M. E.
RECEIVED
MAY 12 1971

| INITIALS | CODE |
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R-I copy mailed

MME Form 40
(Revised Nov. 68)

Budget Bureau No. 42-R1368
Approval expires Dec. 1971

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UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

# 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.)*

Hominex Silver Mines
David James Hoaré
P.O. Box 36
Ashwood, Oregon, 977II

APPLICANT DO NOT USE THIS BLOCK

DOCKET NUMBER 6835

DATE RECEIVED 12-21-70

REGION I

DIVISION CODE

BUSINESS ORGANIZATION *(Check one)*

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

STATE IN WHICH FIRM IS ORGANIZED: Oregon

LIST CORPORATE OFFICERS OR PARTNERS HERE, IF APPLICABLE

| NAME | ADDRESS | TITLE |
|---|---|---|
| David James Hoaré | 3045 Franklin St. San Francisco, California, 94I23 | President |

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

ESTIMATED COST OF PROJECT: $ 47,560.00

| PROPERTY NAME | LOCATION COUNTY | STATE |
|---|---|---|
| Roy Mining Property | Jefferson | 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. II). 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 Department of the Interior, U.S. Geological Survey, Office of Minerals Exploration, 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.

December, I7. 1970
DATED

Hominex Silver Mines
D. J. Hoaré
BY *(Signature)*
David James Hoaré
TITLE
President

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 (1) true copies of your letters to credit sources which show date of loan request, amount and terms requested, and proposed use of loan funds and (2) true copies of 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 signed by owner on MME Form 52. If the agreements cannot be obtained, state reasons and whether you can furnish a performance bond.

## 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.

(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) 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. State your reasons for expecting to find ore.

(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, address, and telephone number 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 time and materials *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 price 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).]

I

## I. Financial Eligibility

(a) Within 90 days preceding the filing of this application, efforts have been made to borrow funds for exploration from the bank with which the company has done business, the First National Bank of Nevada, the Main Office, Reno Nevada, and from another Banking institution, the Pioneer Citizens Bank of Nevada, Main Office, Reno, Nevada.

(I) The applications for loan are dated Nov.30.1970
(2) The amount of the loan requested was $47,560.00
(3) The proposed use of the funds was to finance exploration of the Roy Mining Corporation silver claims in Oregon.

(b) Hominex Industries has no affiliates, parents, or controlling companies or organizations.

Appendix I - Certificate of Business.

Hominex Silver Mines is an assumed business name registered in Oregon, by David J.Hoare.

(c) The company proposes to finance its share of the cost of the exploration work through privately invested funds & use of its own assets.

Appendix II - Application for loan to the First National Bank of Nevada, Nov.30.1970

Appendix III- Rejection of application for loan by First National Bank of Nevada, Dec.3.1970

Appendix IV - Application for loan to Pioneer Citizens Bank of Nevada, Nov.30.1970

Appendix V - Rejection by Pioneer Citizens Bank, Dec.3.1970

Hominex Industries
Box 8724
Oakland
California 94608.

November 30, 1970

First National Bank
Loan Department
P. O. Box 2230
Reno, Nevada 89505

Gentlemen:

I would like to formally apply for a loan of $47,560.00 for the purpose fo mineral exploration on the Roy Mining Corporation silver claims in Oregon.

I have a lease/purchase option on these 145 acres of patented claims and the geological reports, along with my own exploration works and evaluation, show the likelihood of commercial ore present to be very high and hence an attractive venture.

Your standard interest rates will apply for this loan, to be repaid in three years.

Yours sincerely,

D. Hoare
President

DH/MM

# FIRST NATIONAL BANK
OF NEVADA

C. E. CLARK
SENIOR VICE PRESIDENT

December 3, 1970

Mr. D. Hoare, President
Hominex Industries
Box 8724
Oakland, California 94608

Dear Mr. Hoare:

This will acknowledge your letter of November 30 in which you applied for a loan of $46, 560 for the purpose of mineral exploration on Oregon silver claims.

Loans of this type, which are for mining exploration, do not qualify for a bank loan.

We regret our inability to assist you.

Sincerely,

CEC:gec

Hominex Industries
Box 8724
Oakland CA 94608

November 30, 1970

Mr. Joe G. Du Plantis
Pioneer Citizens Bank
P. O. Box 2351
Reno, Nevada 89505.

Gentlemen:

I wish to formally apply for a loan of $47,560.00, for the purpose of mineral exploration on the Roy Mining Corporation silver claims in Oregon.

I have a lease/purchase option on these 145 acres of patented claims and the geological reports, along with my own exploration works and evaluation, show the likelihood of commercial ore present to be very high and hence an attractive venture.

Your standard interest rates will apply for this loan to be repaid in three years.

Yours sincerely,

D. Hoare
President

DH/MM

PIONEER CITIZENS BANK
OF NEVADA

December 3, 1970

Hominex Industries
Box 8724
Oakland, Calif. 94608

Attention Mr. D. Hoare, President

Dear Mr. Hoare:

Thank you for your letter of November 30, 1970. The Pioneer Citizens Bank of Nevada is not looking for loans of this nature.

Very truly yours,

Joe G. DuPlantis

Joe G. DuPlantis
Assistant Vice President

JGD:lr

CENTER AND STATE STREETS • P.O. BOX 2351 • RENO, NEVADA 89505 • TELEPHONE 786-3443

II

## 2. Applicants Rights in Land

(a) On November 27 1970, Mr. W.I.Rees President of the Roy Mining Company, an Oregon Corporation, granted to David J.Hoare a Mining Lease and Option to Purchase 9 patented lode claims. The lease is for 2 years with a 5% Royalty on the net smelter returns applied against the purchase price of $150,000.00 The option may be exercised at any time during the lease by written notice. The lessee agreed to perform exploration and development work having a value of at least $20,000.00 including diamond core drilling. The Roy Mining Property comprises 146.4 acres of patented lode claims.

(b) The legal description of the Roy Mining Claims is as follows: The Poorman , Gold Standard, Orie, Now or Never and Roy, Mineral Survey Number 446; The Perry Union, Crook, Mineral Survey Number 678; The Triangle, Mineral Survey Number 677, all of which are situated in Sections 30 & 9 S R7E W.M. Jefferson County, Oregon. None of the claims should be subject to Government royalty and liens, except the Roy and Now or Never lode claims, Mineral Survey Number 446. T9S R 17 E W.M. Jefferson County, Oregon

Lien & subordination Agreement covers all claims

(c) David J.Hoare, lessee will submit under seperate cover five copies of Lien and Subordination Agreements on MME Form 52 signed by lessor, or lesse will exercise his option and thus own the legal and equitable titles and will enter into an indemnity agreement with the Government to guarantee the repayment of the Governments share of the exploration funds.

Appendix VI - Lease Option Agreement

Appendix VII- Patent Maps.

SAN FRANCISCO
LOS ANGELES

LAW OFFICES
LONG & LEVIT
465 CALIFORNIA STREET
SAN FRANCISCO, CALIFORNIA 94104
TELEPHONE (415) 397-2222

COPY

23 November 1970

David Hoaré
Mining Lease

Mr. William Rees
Rees Real Estate Company
358 West 8th Avenue
Eugene, Oregon 97401

Dear Mr. Rees:

At Mr. Hoaré's request I have prepared and enclose a form of mining lease and option to purchase. He has asked me to send it to you together with his letter of 23 November 1970.

We would welcome your comments.

Yours very truly,

Allan R. Moltzen

ARM/kd

Enclosure

# MINING LEASE AND OPTION TO PURCHASE

This Agreement entered into this 27 day of NOVEMBER, 1970, by and between ROY MINING COMPANY, an Oregon corporation, hereafter called ROY or Lessor, and DAVID HOARÉ, hereafter called HOARÉ or Lessee,

WITNESSETH:

In consideration of the mutual covenants and conditions and for other valuable consideration, Lessor does hereby lease to Lessee, his heirs and assigns, the following described patented mining claims situated in the Trout Creek Mining District, Jefferson County, Oregon:

| | | | |
|---|---|---|---|
| MS 446 | The Poorman, | MS 678 | THE PERRY |
| MS 446 | The Gold Standard, | MS 667 | TRIANGLE |
| MS 446 | Orie, | MS 678 | UNION |
| MS 446 | The Now or Never, and | MS 678 | CROOK |
| MS 446 | Roy. | | |

Located in Sections 30 & 31, Twp 9, South, Range 17 East of theWilliamete Meridian

Said lease is made upon the following terms and conditions:

1. Said lease is for the period of two (2) years from and after the date hereof, subject to change as hereinafter provided.

2. Lessee agrees that during the term of the lease he will perform exploration or development work having a value of at least Twenty Thousand ($20,000.00) Dollars, it being understood that such work shall include diamond core drilling to determine the presence or absence of silver in commercially marketable quantities and qualities.

3. All work done upon the premises will be performed in a good and miner-like manner in accordance with good mining practice.

4. Lessee will at his own expense apply for and obtain insurance against injury to person and property, including industrial accident insurance, and that he will indemnify and hold Lessor harmless of and from any claims for injury to person or property arising out of Lessee's operations under this lease.

5. Lessee will pay all taxes and assessments which during the term may be lawfully levied or assessed against the subject property and upon all structures and improvements thereon.

6. Lessee will not do or permit to be done anything which will subject Lessor to any liability as a result of the operations carried on hereunder and he will not suffer or permit the placing of any liens against said premises as the result of failure on his part to pay for labor, equipment or materials expended or used upon said premises.

7. Lessee will cause to be posted upon said premises a notice to the effect that he solely is responsible for the operation of said premises.

8. Lessee will permit Lessor or his authorized agent at any and all reasonable times to enter the premises and inspect the same.

9. Lessee will pay Lessor royalties based upon net smelter returns in the amount of five (5%) percent of the net smelter returns of all ores mined, extracted or removed from said premises. By net smelter returns is meant the amount received for such ores after deducting therefrom the cost of smelting and freight charges from the mine to the smelter.

10. If by reason of causes beyond Lessee's control he has been unable to expend Twenty Thousand ($20,000.00) Dollars in work as hereinabove provided during the two (2) year term of the lease, he may, by written notice mailed or delivered to Lessor at least thirty (30) days before the end of the initial term, extend said term for one (1) additional year.

11. The Lessee shall have the right to remove from the premises any machinery, equipment or improvements placed upon the premises by him within ninety (90) days after the expiration of the original or extended term hereof.

12. If Lessee shall be in default hereunder and shall continue in default for thirty (30) days after written notice by Lessor to Lessee of said default, Lessor may elect to declare this agreement forfeited.

13. In consideration of the foregoing covenants and agreements of Lessee, and for other valuable consideration, Lessor hereby gives and grants to Lessee the right and privilege to purchase all of the above described mining property and premises upon the following terms:

thousand(?) A. The purchase price shall be the sum of One Hundred Fifty ($150,000.00) Dollars, payable by paying to Lessor five (5%) percent of all net smelter returns as hereinabove described. All payments of royalty made by Lessee to Lessor as rental for the lease shall be applied against the purchase price.

B. Lessee may exercise this option by written notice mailed or delivered to Lessor at any time prior to the expiration of the original or extended term of the Lease. Upon such exercise Lessor will execute and deliver to Lessee a good and sufficient deed conveying said property to Lessee free and clear from all encumbrances.

14. Lessee may suspend operations under either the lease or purchase portions of this agreement and shall have no obligation to pay royalty during any period when production or sale becomes impossible for causes beyond Lessee's control or uneconomical in Lessee's opinion. If Lessee ceases production and sale because in his opinion it is uneconomical then if Lessor does not receive royalties for any two (2) consecutive twelve (12) month periods after exercise of the option Lessor may demand and receive from Lessee a reconveyance of the property. Lessee will not transfer, assign, or sublet this lease. D.H. W.D.R.

Both parties agreed to assignment Nov. 27, 1970 see "Assignment of Mining Lease" following this document M. Richards

15. So long as Lessor is entitled to royalties or other payments hereunder, Lessee will furnish to Lessor ~~upon request~~ D.H. W.D.R. copies of all smelter returns and other data relating to the production and sale of ore.

16. This agreement shall bind and benefit the successors and assigns of the respective parties.

IN WITNESS WHEREOF we have hereunder signed our names the day and year first above written.

ROY MINING COMPANY

By W. D. Rees

By

D. J. Hoare

STATE OF Oregon )
) SS
COUNTY OF Lane )

On this 27th day of November, 1970, before me a Notary Public, State of Oregon, duly commissioned and sworn, personally appeared W. L. Ross, Pres. and _____, officers of Roy Mining company, known to me to be the persons whose names they subscribed to the within Mining Lease and Option to Purchase and acknowledged to me that they executed the same.

Arlin Rice
Notary Public in and for said County and State
My Commission Expires: 3-14-71

STATE OF Oregon )
) SS
COUNTY OF Lane )

On this 27th day of November, 1970, before me a Notary Public, State of Oregon, duly commissioned and sworn, personally appeared DAVID HOARÉ known to me to be the person whose name he subscribed to the within Mining Lease and Option to Purchase and acknowledged to me that he executed the same.

Arlin Rice
Notary Public in and for said County and State
My Commission Expires: 3-14-71

OME 6825

ASSIGNMENT OF MINING LEASE :

This is to assign the mining lease and option to purchase dated 27 th day of November 1970, by and between Roy Mining Company an Oregon corporation, and David Hoare, and covering the following described patented mining claims situated in the Trout Creek Mining District, Jefferson County, Oregon.

| | |
|---|---|
| MS446 The Poorman | MS678 THE PERRY |
| MS446 The Gold Standard | MS667 Triangle |
| MS446 Orie | MS678 Union |
| MS446 The Now or Never | MS678 Crook |
| MS446 Roy | |

Located in Sections 30 & 31, Twp 9, South, Range 17 East of the Williamete Meridian,

to David Hoare doing business as Hominex Silver Mines.

Consent to Assignment dated at Eugene, Oregon this 7th day of March 1971

D. Hoare

David Hoare DBA Hominex Silver Mines

ROY MINING COMPANY by;

W. I. Rees

W. I. Rees, President

Ardis Rees, Secretary/Treasurer

HOMES — RANCHES
BUSINESS OPPORTUNITIES
SALES — TRADES
GENERAL INSURANCE

Rees Real Estate Company
358 WEST EIGHTH AVENUE • PHONE 345-8503
EUGENE, OREGON 97401

December 8, 1970

Mr. David Hoare
Box 8724
Oakland, California 94698

Dear Dave:

We are sorry to be so slow in getting this Mining Lease mailed out, but I have been in Portland taking some Real Estate Classes and did not return until late Saturday afternoon. Of course on Monday, when I got to the office, my desk was piled high and I am just now getting out letters and mail I should have gotten out last week.

Our attorney did not like article No. 10, but Bill said to go ahead. He also wanted to be sure that the reports are sent to us direct from the smelter. I am sure you can arrange this when you get to work on the property.

I am glad you feel like the trip to Ashwood was successful and hope they do not trap the big cat. I am sure if there is very much activity around there the cat will go away.

Merry Christmas and Happy New Year.

ROY MINING COMPANY

By Ardis Rees

Ardis Rees, Secretary

AR
encls.

III

## 3.Physical Description

(a) Mining and Exploration Operations.

The Roy Mining Company, with E.P. Marshall President obtained patent No.36028 issued Nov.I7.I902 for the following lode claims,"Roy, Orie, Now or Never, Poorman, Gold Standard", consolidated as 80.64 acre under mineral survey # 446. Patents were also issued on Jan.23.I908 for the lode claims known as "Triangle" as I5.5 acres, and "Roy Extension" which was a consolidation of the Crook, Union and Perry claims, as 50.3 acres.

The early exploration work involved shallow pits and trenches. From I904 to I929 mining operations were suspended on the adjacent Oregon King mine to litigation and the Roy mining claims apparently were likewise affected and there was no activity.

The following leases were executed:

I) May I930 with J.C.Bowen,Baker Oregon.

2) Sept.I934 Furnish and McDowell, Portland Oregon.

3) July I945 H.Anderegg but no work was done invalidating the lease.

4) Nov.27.I970 David J. Hoare, obtained a lease purchase agreement following field examinations of the area, in Oct.and Nov.

During leases No.I and 2, various exploratory shafts were sunk along the outcrop of the Roy vein to depths of 30 to 40 feet. However at the higher elevation of the Roy outcrop compared to the Oregon King vein due to erosion, the Roy vein so far as explored, did not widen so the early miners who were looking for high grade ore gave up through lack of knowledge of the type of deposit. In shaft 68 the quartz vein is 2 inches wide.

Present exploration work in progres involves geochemical surveying using mercury analysis in parts per million as an indicator of silver to locate other possible ore shoots and extensions. The instrument used is a mercury detector using atomic absorption techniques, manufactured by Lemaire Instruments of Reno, Nevada. Production facilities exist as a 50 ton flotation plant, at the Oregon King Mine,and Hominex owns a 25 ton mill if needed.

(b) The lessee is performing the present exploration operation described in (a)

(c) No past production for shipment to a smelter was made.

(d) Ore reserves are not known

(e) Geology

General. Tertiary volcanic rocks of the Clarno formation constitute the bedrock being extrusive andesites with some intrusive andesite and rhyolite dikes. These rocks have been studied extensively by G.Ojala including thin sections and abstracts from his thesis appear in this proposal.

The Roy Veins

The Roy vein and Oregon King vein are the only two persistent veins in the area. Refer to the map and tabulation of exploration openings. They strike NW to W. and have steep dips. The Roy vein maybe traced for a distance of about 1200ft and outcrops about 800ft. South of the Oregon King vein, and roughly parallels it.

The Roy vein resembles the Oregon King vein in strength, width, length, structure and mineral make up, according to Dr.Lee Armstrong of The Longyear Company, whose report is included under section 3(g)

The veins were deposited along faulted shear zones with some quartz and sulphide replacement.

The geology of the area has been studied and documented in different aspects by the following geologists within the past 10 years.

1962 Libby and Corcoran of state of Oregon Dept. of Geology. (Short Report No.23)
1963 Arthur Radtke in OME application by Oregon King mines.
1964 G.Ojala for M.S.Degree of University of Kansas. (Thesis)
1965 Dr.Lee Armstrong of Longyear Company.

Summary of rock types by G.Ojala.

The bedded rocks of the Oregon King area are divisible into six major units and one subunit which are distinct and recognizeable in the field.

The oldest unit is poorly exposed,occurs in two limited areas, and consists of greenish-to brownish-gray andesite porphyries.

Above this are bluish-gray to nearly black andesite porphyries generally lacking in mafic phenocrysts.

The next higher units is the most distinctive, and consists of greenish-to brownish-gray,abundantly porphyritic andeites characterized by platy jointing and distinctive soil covers.

Above this is another unit of mostly fresh, dark bluish-gray to black andesites with abundant small mafic phenocrysts, and abundant but comparatively indistinct phenocrysts of plagioclase.

A subunit is distinguished in which the groundmass has been altered green.

The highest unit stratigraphically consists of several rock types,including more acidic extrusives and at least one interbed of conglomerate.

The two remaining units are greatly bleached and otherwise altered rocks of the preceding units,and dike rocks.

(f) The pits and shafts in the whole area have been sampled at the surface by G.Ojala and abstracts from his report, with assays by E.Hoagland the State assayer, follow.
Also, assays were taken by D.J. Hoare at selected shafts on the Roy property. Shaft 68 was sampled from the quartz vein 20 ft. down the shaft, and assayed as I72 oz silver. The shaft numbers refer to numbers on the map.

It is to be noted that shaft 48 is on the Perry claim.
Shafts 6I, 62, 59, 58 and 60 are on the Roy claim.
Shafts 70, 69, 68 and 64 are on the Now or Never claim.
Pits 49 and 50 are on the Union claim.
Pits 67, 66, 65, 93, 94 are on the Poorman claim.
Pit 92 is on the Gold Standard claim.

The Oregon King mine has produced up to I965, a total of I5,329 tons of ore with a smelter value of $ 348,I50.00. Between I899 and I904, I78.4 tons of shipped crude ore had average assay values of II8.9 oz silver and 2.55 oz gold per ton.

This production occurred I200 ft. away from the proposed exploration area in a generally highly mineralised locality. This, coupled with the assay results and recommendations of the geologists referred to previously, are reasons for expecting to find ore at depth.
Libby and Corcoran in I962 Short paper #23 mention that the mineralisation on the Roy Group of claims bordering the Oregon King mine, appears to be similar. This opinion was subsequently reinforced by the work of G.Ojala and in a I965 report Dr. Lee Armstrong recommended the Roy vein as a first rate exploration target.

(g) The only report which is required to be returned is Short paper # 23 which is now nearly out of print.

# LEGEND OF GEOLOGIC MAP

CLARNO FORMATION

INTRUSIVE ROCKS

Unit 7: Andesite dikes.

LAYERED ROCKS

Unit 6: Pink, yellow, and gray acidic extrusives with some andesite and some mudflow conglomerate

Unit 5: Hydrothermally bleached rocks of non distinct lithology. Some altered and unaltered andesites.

Unit 4a: Light to dark green. dense andesites, with few plagioclase phenocrysts but abundant small mafic phenocrysts. Differentiated or altered from Unit 4.

Unit 4: Relatively fresh dark bluish gray to black porphyritic andesite with abundant small mafic phenocrysts.

Unit 3: Greenish to brownish gray abundantly porphyritic andesite characterized by platey jointing and locally distinctive soil cover.

Unit 2: Bluish gray to nearly black andesite porphyry generally lacking in mafic phenocrysts, relatively fresh.

Unit I: Greenish to brownish gray andesite porphyries with aphanitic, vitreous and highly irregular fracture surfaces.

# APPENDIX II

## Exploration Openings

1.) Adit, striking approximately N 3 W, with caved portal. The vein which is exposed at the portal consists of comb quartz stringers, most less than 3 mm wide, and abundant calcite, hematite, and limonite, within a zone about 2 feet wide. This larger zone has, in part, the appearance of claystone and siltstone, some parts even showing bedding. Within a foot or two in either direction, there occurs altered and bleached andesite porphyry, stained red and brown.

The dump consists predominantly of gray, altered andesite porphyry. There is abundant calcite on the dump, however, some having a bladelike habit which resembles a true boxwork. No sulfides were observed.

2.) Pit, approximately 5 feet deep and 15 feet in diameter. The rock exposed is highly bleached and much iron-stained. There is no vein quartz or sulfides, but a "vein" of altered rock is poorly exposed.

3.) Pit, approximately 8 feet deep and 15 feet in diameter. The dump consists of medium bluish-gray porphyry, some altered to nearly white. The rock is moderately iron-stained. No quartz vein is present; some pyrite is disseminated in the rock.

4.) Caved adit, driven along a bleached zone having a trend of about N 65 W. Very little quartz and no sulfides were observed on the dump.

5.) Pit, approximately 5 feet deep and 10 feet in diameter, in brown andesite. No vein material is exposed.

6.) Pit, approximately 6 feet deep and 10 feet in diameter, in brown andesite porphyry. No vein material is exposed.

7.) Pit, approximately 4 feet deep and 10 feet in diameter, in brown andesite porphyry. Some calcite veinlets are present, but there is no quartz or sulfide.

8.) Pit in andesite porphyry, approximately 2 feet deep and 5 feet in diameter. No vein or vein material is exposed.

9.) Caved shaft about 10 feet deep and 15 feet in diameter, in altered rock. Traces of quartz are present. The vein is about 1 foot wide, strikes N 67 W, and dips at about 86° to the southwest.

10.) Adit, or inclined shaft, with caved portal. Driven in porphyritic andesite country rock of varying color, but predominantly shades of green and dark gray. The "vein" is a gray, yellow, and red zone about 2 feet thick, and is silicified. It strikes N 58 W and dips 74° to the northeast. No sulfides are apparent.

11.) Adit in bleached, decomposed, light greenish-gray, porphyritic country rock. The "vein", which strikes N 87 W and dips 74° to the northeast, consists of iron-stained, bleached rock, with no showing of vein quartz.

12.) Pit, or possibly a short, caved adit. No true vein is exposed; the working is in a zone of iron-stained, bleached rock. The country rock is green andesite porphyry.

13.) Small pit.

14.) Pit in bleached, brown to white rock. Some clayey material is present on the dump.

15.) Shallow pit with no vein material exposed within it, but having strewn around it abundant boulders of bleached rock which is iron-stained and which contains abundant calcite crystals and stringers. Some hematite boxwork is also present.

16.) Shaft, caved at about 15 feet. The dump consists of clay and light gray porphyritic andesite fragments. The rock is bleached and altered, but not abundantly silicified, and only small amounts of quartz were seen on the dump. The exposed "vein" strikes N 70 W and dips 86° to the northeast.

It ranges in color from red to yellow to white, averages 1 to 2 feet in width, and is oxidized, containing abundant hematite.

17.) Pit, with no vein exposed. Bleached, brown to white rock and some clay are present on the dump.

18.) Pit, approximately 5 feet deep and 10 feet in diameter, with no vein exposed. Clay, green andesite, bleached andesite, and some chalcedony are present on the dump.

19.) Shaft, about 20 feet deep. Vein is an altered, silicified zone about 2 feet wide, which strikes N 83 E and dips 66° to the southeast.

20.) Pit, approximately 12 feet deep, and 8 feet in diameter, exposing silicified andesite and a vein about one foot wide which strikes N 70 E and dips 53° to the southeast. Abundant quartz and iron-stained material, but no sulfides, were observed.

21.) Small pit.

22.) Shaft with large dump, indicating a depth of approximately 40 feet or more. Country rock is a light bluish- to greenish-gray andesite porphyry. Some is silicified. The exposed altered zone is at least 10 feet wide, and a central "vein" is about 1 foot wide. The vein strikes N 85 W and dips 83° northeast to a depth of about 15 feet, and then steepens to nearly vertical. A representative sample of all the material on the dump assayed just traces of both gold and silver.

23.) Partly timbered shaft, about 35 feet deep. No vein is exposed. Material on the dump is similar to that of No. 16.

24.) Pit, approximately 5 feet deep and 10 feet in diameter. Rock around the rim is bleached to yellowish and greenish brown, and is porphyritic. No vein is exposed. A few quartz fragments on the dump, however, indicate the presence of a vein.

25.) Pit, about 8 feet deep and 15 feet in diameter. Country rock is green andesite porphyry. The "vein" is a 1-foot wide zone of bleached and oxidized rock.

26.) Timbered shaft, flooded at about 15-foot depth. The dump contains iron-stained quartz and altered andesite porphyry. A grab sample from the dump, containing little quartz and mostly altered, pyritized porphyry, assayed 0.01 ounce gold and 0.30 ounce silver per ton.

27.) Shaft, 15 feet deep and partly timbered. Abundant massive quartz is scattered throughout the dump; much is iron-stained. A sample from the dump, representative of the quartz and iron-stained quartz present, assayed 0.03 ounce of gold per ton and just a trace of silver.

28.) Small pit.

29.) Small pit.

30.) Adit. Country rock is bleached white and stained yellow.

31.) Small pit. A representative grab sample of the silicified rock present on the dump, containing no visible sulfides, assayed a trace of gold and 0.7 ounce of silver per ton.

32.) Small shaft.

33.) Shaft, about 40 feet deep. Most of the material on the dump is bleached, silicified andesite, and contains abundant quartz but only sparse amounts of sulfide (mostly pyrite). The vein exposed in the shaft is about 2 feet wide, strikes N 80 W, and is vertical. In the bottom of the shaft, at least 2 veins can be observed; they are separated by silicified rock.

Three samples from the bottom of the shaft were collected for assay. One, containing random chips from around the shaft, assayed no gold and 0.2 ounce silver per ton. Another, taken from vein material in the northwest corner and on the north wall, assayed 0.01 ounce gold and a trace of silver per ton. No gold and 0.7 ounce silver per ton were the assay

results from the third sample, taken from the south vein as exposed in the southwest corner of the shaft.

34.) Shaft, about 20 feet deep, on an approximately vertical vein. Quartz, siliceous rock, breccia, siliceous material with abundant boxwork, and considerable amounts of galena are present on the dump. A sample taken from the dump which contained abundant visible galena assayed 0.02 ounce gold and 16.70 ounces silver per ton.

35.) Caved shaft, or pit, approximately 15 feet deep and 20 feet in diameter. Country rock is greenish-brown andesite porphyry. A zone of altered rock is poorly exposed on one side of the pit, and appears to have a general east-west orientation. The dump contains bleached, iron-stained rock and abundant quartz fragments. A general grab sample from the dump assayed no gold and just a trace of silver.

36.) Small pit.

37.) Caved shaft approximately 10 feet deep and 15 feet in diameter in green porphyritic country rock. Rock on the dump is altered, soft, and light-gray in color. Abundant clay and iron-stained siliceous material are also present on the dump. Little quartz, but no sulfides, were observed. A representative grab sample from the dump assayed a trace of gold and 0.30 ounce silver per ton.

38.) Small pit. A representative grab sample of the green, iron-stained and bleached material and the quartz from the dump, assayed just traces of both gold and silver.

39.) Pit, about 5 feet deep and 10 feet in diameter. The dump consists of clay and bleached rock; no quartz or sulfides were observed.

40.) Pit, about 5 feet deep, 40 feet long, and 15 feet wide. The dump contains bleached rock but no vein material.

41.) Pit, approximately 5 feet deep and 8 feet in diameter. Greenish-brown andesite, but no vein material, is exposed.

42.) Pit, about 10 feet deep and 15 feet in diameter. The dump consists of altered andesite and abundant crystalline calcite. Abundant hematite seams and pockets within the calcite fragments indicates the possible earlier presence of sulfides, now leached. A sample of the calcite (some iron-stained) from the dump yielded 0.14 ounce gold and 0.30 ounce silver per ton when assayed.

43.) Small pit.

44.) Shaft, about 10 feet deep. A rib of rock which crops out west of the shaft trends up the hillside, striking N 80 E and being nearly vertical. This rib consists of bleached rock containing quartz stringers less than 5 mm wide. Silicified material containing abundant pyrite, which resembles some of the Oregon King rock, assayed 0.02 ounce gold and 0.40 ounce silver per ton.

45.) Hillside shaft, caved at about 6 feet, and driven on white to brown, bleached and iron-stained rock. The vein has an approximate east-west strike and a steep dip.

46.) Shaft, caved at 8 feet, and driven in bleached rock. No vein quartz or sulfides were observed. The country rock is greenish-brown andesite porphyry.

47.) Shaft, about 15 feet deep, in strongly bleached and altered rock. The "vein" is about 6 feet wide, strikes east-west, dips 85° to the north, and contains sparse quartz but no visible sulfides. A sample of the silicified material on the dump assayed just a trace of gold and no silver.

48.) Small shaft.

49.) Pit, approximately 6 feet deep and 15 feet in diameter. Some of the exposed rock appears bleached; most is calcitized andesite porphyry.

50.) Pit, approximately 10 feet deep and 15 feet in diameter. No vein, quartz, or sulfides are exposed in the pit or on the dump.

51.) Small pit.

52.) Small pit.

53.) Pit in bleached rock, approximately 8 feet deep and 6 feet in diameter. No quartz or sulfides are visible.

54.) Pit on calcite vein. The vein is poorly defined in the walls, and strike and dip could not be determined. No sulfides were observed.

55.) Two small pits.

56.) Shaft, about 25 feet deep and about 20 feet wide at the top. The dump consists of gray, altered andesite fragments with seams and disseminations of pyrite; and some quartz fragments. The vein in the shaft is composed of bleached and iron-stained material. It strikes approximately N 75 W and dips southwest at 85°. Both quartz and calcite are present on the dump.

57.) Two small pits.

58.) Small pit exposing a vein in hillside. Altered rock in the outcrop is about 1 foot thick, and is bleached to white and stained red, yellow, and brown in places. Quartz is present but no sulfides were observed. The surrounding country rock is green andesite porphyry. The vein trends eastward into the hill and dips steeply to the north.

59.) Dump from pit, or possibly caved adit, in east valley side. The dump consists of light gray, bleached rock with scattered pyrite. Except for some silicification of the rock, no quartz is present.

60.) Dump of uncertain source, but probably a "high-grade" pile from shaft No. 61. The pile is about 2 feet high at its apex and is about 10 feet in diameter. Abundant quartz and pyrite, and some sphalerite are present. Some of the country rock is a silicified breccia similar to that in the

upper levels of the Oregon King mine. A sample of ore containing visible pyrite and sphalerite from this dump assayed 0.02 ounce gold and 4.8 ounces silver per ton.

61.) Shaft, about 25 feet deep. The material on the dump is mostly altered rock, some light gray in color and some extensively iron-stained. Some quartz and a little pyrite are also present on the dump. Rock in the shaft walls is bleached and stained yellow to light orange in color. No distinct vein is present in the walls, but an altered zone 5 feet wide appears to strike N 69 W and to be vertical. Material from the dump, some containing visible galena and some with abundant pyrite, assayed 0.01 ounce gold and 2.20 ounces silver per ton.

62.) Shaft, in dense green andesite porphyry with pink and orange phenocrysts. The country rock is altered to light gray and yellowish colors. The shaft has been driven on a "vein" of altered rock containing some vein quartz. There appears to be two veins, one about 1 foot wide, vertical, and striking N 76 W, and containing quartz. A few feet south of this is a vertical 3-foot wide zone of discoloration having about the same strike.

63.) Pit, about 8 feet deep and 10 feet in diameter, driven in typically bleached, iron-stained rock, which is considerably silicified. Vein quartz is present on the dump; one crystal fragment was found which was $1\frac{3}{4}$ inches long and 1 inch wide. The vein strikes approximately due west, and dips steeply to the north.

64.) Small pit.

65.) Shaft, exposing a vein which strikes N 82 W and is vertical. The country rock is bleached white and is iron-stained brown in places. The rock contains scattered pyrite grains, and a little vein quartz is present in the dump. Some of the rock fragments have slickensided quartz coatings, indicating movement along this zone.

66.) Three pits along a quartz vein and a zone of altered rock. The vein strikes N 72 W and has a vertical dip. The country rock is bleached, and stained with limonite and hematite. Abundant quartz is present, but no sulfides were observed. Some comb quartz indicates fissure filling in this vein.

67.) Small pit, about 5 feet deep, in bleached and iron-stained rock.

68.) Timbered, inclined shaft, at least 30 feet deep. Country rock is bluish-gray porphyry. The material on the dump is thoroughly oxidized, with abundant hematite and quartz, but no sulfides. The vein is not visible, but lagging in the shaft strikes N 70 W and dips 68° to the northeast. A sample containing mostly vein quartz, assayed 0.18 ounce gold and 14.60 ounces silver per ton.

69.) Three pits and one shaft along the same vein of feature No. 68.

70.) Inclined shaft on a zone of altered rock which strikes N 40 W and dips 78° to the northeast. The country rock is porphyry which has been bleached gray and iron-stained yellow and brown. Abundant pyrite and vein quartz are present on the dump.

71.) Two shallow pits in bleached, oxidized rock.

72.) Timbered shaft, 15 feet deep, in material similar to that of feature No. 71.

73.) Timbered, inclined shaft on a vein which strikes N 83 W and dips northeast at 63°. This bleached and iron-stained zone is about 8 feet wide. The shaft is approximately 30 feet deep.

74.) Two small pits, or trenches, in bleached andesite.

75.) Ruby adit.

76.) Shaft in silicified, iron-stained rock. Some quartz is present on the dump, and hematite boxwork and quartz are present in the outcrop. The The vein strikes N 73 W, is nearly vertical, and can be traced downslope

to the west for a distance of about 15 feet. It appears that this shaft is on a vein which is in line with the Oregon King vein to the west.

77.) Oregon King shaft collar.

78.) Trench, exposing altered, highly oxidized rock and vein material. The vein is poorly exposed, but the trench has an orientation of N 45 W, and the altered zone appears to dip southwest at about 80°. No sulfides were observed. Vuggy quartz cavity fillings are present in the outcrop (fig. 58).

79.) Pit, in altered rock with a little vein material.

80.) Two pits in a yellowish-colored altered zone. Abundant quartz and pyrite are present in the dump of the upper pit. The zone trends N 60 W.

81.) Small shaft.

82.) Pit, about 6 feet deep, driven in brown porphyritic country rock. A white to red altered zone about 2 feet wide is exposed, which trends about N 80 W and is vertical. Some quartz is present.

83.) Shaft, about 10 feet deep, in brown porphyry. No vein material is present.

84.) Shaft, about 30 feet deep. Brown country rock, gray altered rock, quartz, and pyrite are present in the dump. The vein does not show well in the walls, but has an east-west trend and is approximately vertical. Vein material assayed no gold or silver.

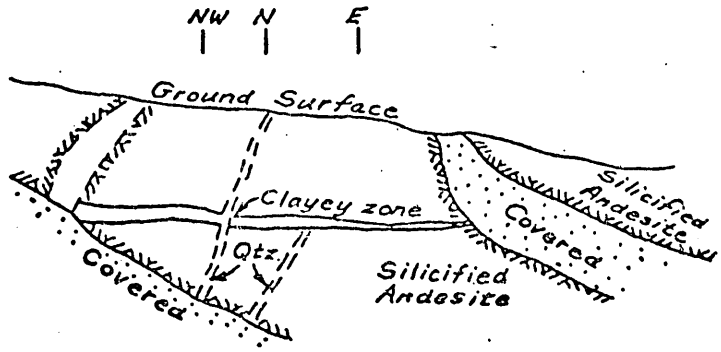


Figure 58. Sketch of material exposed in pit No. 78

85.) Inclined shaft, about 10 feet deep. A "vein" of altered rock is exposed, which strikes N 60 W and dips about 44° to the northeast. Little quartz is present on the dump.

86.) Timbered shaft, approximately 20 to 25 feet deep. Abundant bleached and iron-stained andesite porphyry is present in the dump—much of the gray material contains pyrite disseminated throughout the rock. No vein quartz was found.

87.) Small pit.

88.) Pit, or trench, about 12 feet long, 6 feet wide, and 2 feet deep; exposing yellow and brown bleached, altered rock.

89.) Timbered, vertical shaft about 30 feet deep, with water at the bottom. The dump consists of abundant gray, pyritic, altered andesite, some so altered and bleached that it resembles a light gray rhyolite. Pyrite occurs as seams of tiny, tarnished crystals, disseminated throughout the rock. Some vein quartz is present.

90.) Pit in brown porphyritic rock. Lying beside the pit, and presumably coming from it, are large calcite vein fragments. No sulfides were observed.

91.) Three small pits containing abundant quartz fragments.

92.) Trench, about 15 feet long, 5 feet wide, and 10 feet deep, in an altered, silicified zone. The vein is not distinct, but may have a north-south trend. Abundant quartz is present on the dump.

93.) Pit, approximately 5 feet deep and 10 feet in diameter. The exposed rock is bleached, and is yellow to white in color. Iron-staining is moderate. A few quartz fragments, but no sulfides, were observed.

94.) Shaft, 15 feet deep, on a "vein", or altered zone which strikes N 50 W and dips 65° to the northeast. Country rock is dark gray andesite.

95.) Pit in bleached country rock. Hematite is extremely abundant, but no quartz or sulfides are present.

96.) Shallow pit in bleached rock. Some iron-stain is present, but no quartz or sulfides were observed.

97.) Pit, exposing rock with seam fillings of tiny pyrite crystals. No quartz or other vein material are present.

98.) Oregon King 200-foot adit.

ABBOT A. HANKS

ESTABLISHED 1866

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Box 8724
Oakland, California 94608

ASSAY REPORT

No. 7214

Date December 3, 1970

File No.

| Lab No. | Mark | GOLD, per ton of 2,000 lbs. Troy Ounces, Value at $35.00 oz. | SILVER, per ton of 2,000 lbs. Troy Ounces, Value at | Other Percent of Sample |
|---|---|---|---|---|
| 6348-1 | #68 Quartz Vein | | 172.20 | |
| -2 | #68 2 samples Composite Assay from Dump | | 8.15 | |
| -3 | #70 sampled @ Quartz Vein | | 4.10 | |
| -4 | #73 Quartz Vein | | 0.05 | |

ABBOT A. HANKS

By Clifford V. Munslow
CLIFFORD V. MUNSLOW

sl

# APPENDIX IV

## List of Assays of Surface Samples

The samples listed below were collected by the author and were assayed, courtesy of Oregon King Consolidated Mining Company, by Eugene L. Hoagland, Portland, Oregon assayer.

| No. | Remarks | Oz. Au | Oz. Ag |
|---|---|---|---|
| S-1 | Outcrop (E) | tr | tr |
| S-2 | Outcrop (B) | tr | tr |
| S-3 | Outcrop (A) | 0.02 | tr |
| S-4 | Outcrop (N) | tr | nil |
| S-5 | Shaft No. 33, from bottom northwest corner and north wall; chips spaced approximately 1 foot apart. | 0.01 | tr |
| S-6 | Shaft No. 33, from bottom, random chips from all around shaft. | nil | 0.20 |
| S-7 | Shaft No. 33, from bottom, southwest corner of shaft (south vein). | nil | 0.70 |
| S-8 | Ore pile, feature No. 60; specimens contain abundant pyrite and some sphalerite. | 0.02 | 4.80 |
| S-9 | North-South vein, on hillside directly opposite first draw on south side of Long Creek, above camp. | 0.19 | tr |
| S-10 | From vein on face of dike-like feature, just up-valley from outcrop (A). Specimens contain quartz, pyrite, and sphalerite. | tr | tr |
| S-11 | Vein material in talus pile below feature of sample S-10. | nil | tr |
| S-12 | Shaft No. 34, from dump. Sample contains abundant visible galena. | 0.02 | 16.70 |
| S-13 | Breccia of outcrop (I). | tr | 0.80 |
| S-14 | Shaft No. 62, from dump. Samples have abundant hematite; some have visible pyrite. | not submitted | |

| | | | |
|---|---|---|---|
| S-15 | Shaft No. 61, dump. Samples have pyrite, some have small amounts of galena. | 0.01 | 2.20 |
| S-16 | Shaft No. 50, dump. Some contain pyrite. | not submitted | |
| S-20 | Outcrop (D), after blasting, from approximately 5-foot depth. | tr | tr |
| S-21 | Repeat of galena-bearing material from dump of shaft No. 34. | not submitted | |
| S-22 | Outcrop (E), after blasting; general sample, but with emphasis on pink to light blue, quartz-breccia with pyrite. | 0.01 | 0.20 |
| S-23 | Outcrop (D), after blasting; highly oxidized vein material from west end of pit. | tr | 0.30 |
| S-24 | Pit No. 38, iron-stained, bleached vein material and quartz. | tr | tr |
| S-25 | Pit No. 42, calcite gangue, some iron-staining, no visible sulfides. | 0.14 | 0.30 |
| S-26 | Pit No. 37, representative sample from dump. | tr | 0.30 |
| S-27 | Pit No. 35, general sample from dump. | nil | tr |
| S-28 | Shaft No. 47, silicified material from dump. | tr | nil |
| S-29 | Pit No. 44, silicified material with abundant pyrite, from dump. | 0.02 | 0.40 |
| S-30 | Shaft No. 31, silicified rock, no visible sulfides. Representative sample. | tr | 0.70 |
| S-31 | Shaft No. 27, representative of quartz and iron-stained quartz on dump. | 0.03 | tr |
| S-32 | Shaft No. 26, from dump. Little quartz, mostly mineralized and silicified rock. This sample was rechecked (Nos. S-36 & S-37), and the high assay for gold was not born out. | 0.94 | 0.30 |
| S-33 | Shaft No. 22, representative of all types of material on the dump, including some pieces of banded, galena-bearing ore. | tr | tr |
| S-34 | Shaft No. 68, mostly vein quartz. | 0.18 | 14.60 |
| S-35 | Shaft No. 64, vein material only | nil | nil |

| | | | |
|---|---|---|---|
| S-36 | Shaft No. 26; sample consists mostly of andesite with pyrite, and calcite, and some quartz fragments and fines. | nil | tr |
| S-37 | Shaft No. 26, fines from a longitudinal strip along face of dump. | 0.01 | 0.30 |

WILLIAM B. MURRAY
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TELEPHONE 226-3819

October 13, 1970

Mr. Dave Hoaré
Hominex Industries
Box 8724
Oakland, California 94608

Dear Mr. Hoaré:

Enclosed is a copy of Dr. Lee C. Armstrong's report on the Oregon King Mine which you requested that we send you.

Very truly yours,

William B. Murray

WBM:km
Enc.
cc. Mr. Charles W. Watts

E. J. LONGYEAR COMPANY
General Offices, 76 South 8th St.
Minneapolis 2, Minnesota, U. S. A.
TELEPHONE: FEDERAL 9-7631 • CABLE LONGCO

November 2, 1965

Oregon King Consolidated Mines, Inc.
525 Failing Building
Portland 4, Oregon

Attention: Mr. Roy Culligan, President

Gentlemen:

Report on Oregon King Mine Area
Jefferson County, Oregon

We are privileged to transmit the attached report on your mining property in Jefferson County, Oregon.

Should you have any questions on the report, we shall be happy to discuss them with you.

The Longyear Company considers it a pleasure to have served you on this interesting mining property and trusts that you will call on us again whenever you have questions, appraisals or problems related to the mineral industry.

Sincerely yours,
CONSULTING DIVISION
E. J. Longyear Company

Lee C. Armstrong

Lee C. Armstrong
Chief Geologist & Mining Engineer

LCA:V
ENC.

Distribution:
Oregon King Consolidated Mines, Inc. ..... 6 copies
E. J. Longyear Company..... 1 copy

# REPORT TO OREGON KING CONSOLIDATED MINES, INC. ON THE OREGON KING MINE AREA JEFFERSON COUNTY, OREGON

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# RESUME

## Assignment

In the letter of agreement of September 27, 1965, Oregon King Consolidated Mines, Inc. assigned an examination of the Oregon King property to the E. J. Longyear Company. The ensuing report presenting findings made in the examination and recommending further work on the property is submitted in fulfillment of the assignment.

## Conclusions

1) The Oregon King mine itself offers little chance for development of a profitable, sustained operation.

2) Downward extensions of the Oregon King vein, the neighboring parallel Roy vein and particularly the intersection of these two veins are judged to be first-order exploration targets.

## Recommendations

1) Acquire rights on the property covering the Roy vein, by lease-and-option, or other arrangement.

2) Execute the program recommended and described hereinafter and summarized below:

a) Drill three core drill holes, one inclined hole through each of the Oregon King and Roy veins and one vertical hole through the intersection of the two veins.

b) Install wedges and obtain second sets of samples from the vein intersection in each of the three holes.

c) Estimates of cost of the program and time to complete are $23,000 and three months, respectively.

## INTRODUCTION

With the cooperation of Roy Culligan, the Oregon King property was examined by Lee C. Armstrong of the E. J. Longyear Company on October 16 and 17, 1965. One day was spent studying prospect pits and other surface exposures of mineralization, and one day was devoted to an inspection of the Ruby adit, the mill and other equipment and facilities, and of the underground workings of the Oregon King mine itself, which had been unwatered to the 650-foot level.

Of much assistance in the examination were the historical accounts, maps and written matter furnished by Oregon King Consolidated Mines, Inc., including:

> Ojala, Gary L., Geology of the Oregon King Mine and Vicinity, Jefferson County, a thesis submitted to University of Kansas, 1964.
>
> Culligan, Roy, et al, Application for O.M.E. Loan, July 5, 1963.
>
> Libbey, F.W., and Corcoran, R.E., The Oregon King Mine, Jefferson County, Oregon, Short Paper 23 of State of Oregon Department of Geology and Mineral Industries, 1962.

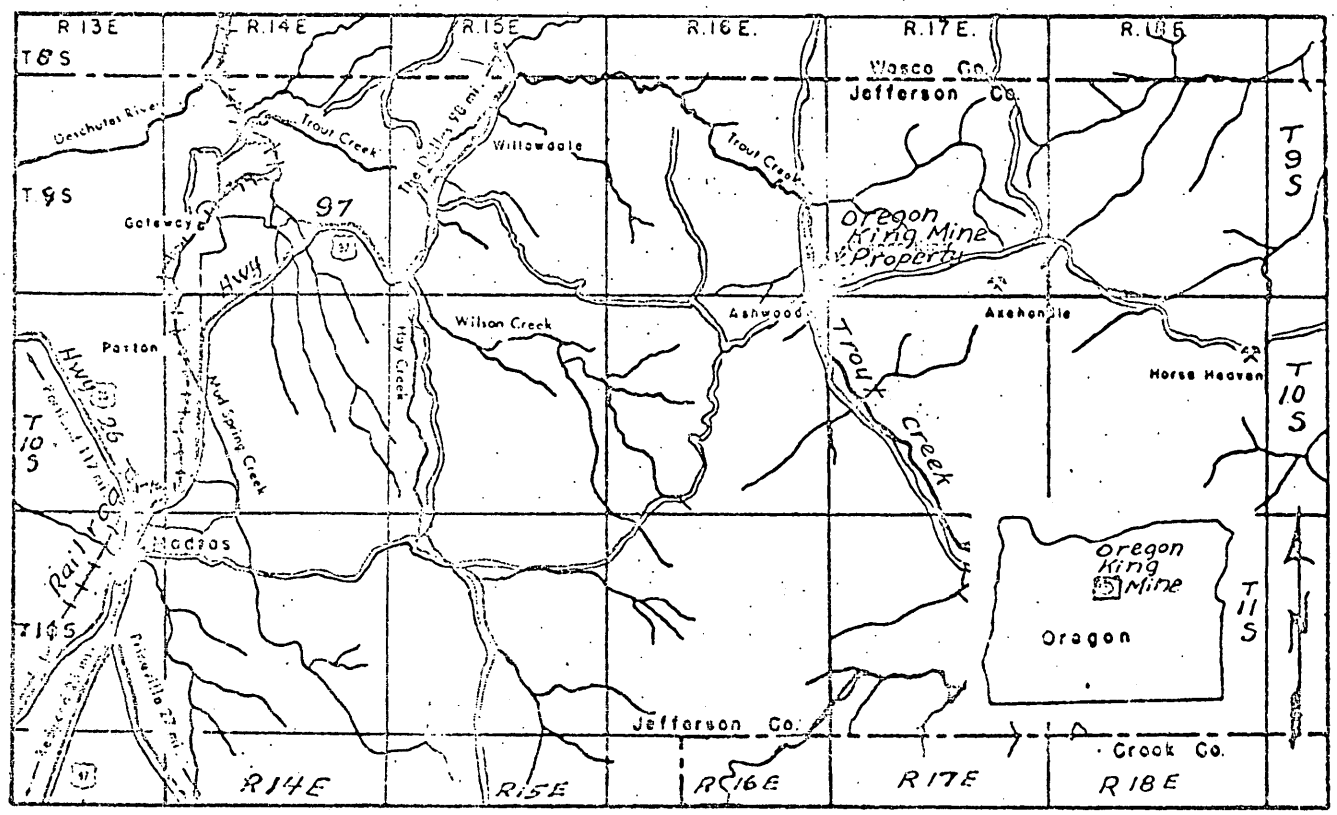
The property is in Section 25, T9S, R16E and in Sections 30 and 31, T9S, R17E and comprises 18 patented claims, whole and fractional, which are described in the 1963 Application for O.M.E. loan, together with applicant's rights in said claims.

As the property is in the semi-arid region of north central Oregon, mining operations can be conducted in all seasons.

Good, trafficable gravel roads afford access to asphalt and other improved highways connecting with other points in the county and the state. A waterline has been installed to supply water for milling from Trout Creek, a permanent stream a few miles to the west. Electric power is available at the mine.

## HISTORY

Operations started in 1899 and have continued intermittently to 1964. Records, submitted in the following pages, indicate a total production of some 15,000 tons of ore containing precious metals, which, at today's prices, would have a gross value of about $600,000. Reference is made to the above-mentioned writings for a more detailed history of the mine.




*Map showing location of Oregon King Mine, Jefferson County, Oregon.*

## OREGON KING MINE PRODUCTION

### CRUDE ORE

| Date | Operator | Crude Ore Dry Tons | Smelter Value | Net Smelter Returns | Average Oz./Ton Gold | Average Oz./Ton Silver | 1965 Value of Au & Ag (Per Ton Ore) | Source of Ore |
|---|---|---|---|---|---|---|---|---|
| 1899-1904* | J.G.Edwards,et al | 178.43 | $ 13,009 | $ 13,009 | 2.550 | 118.90 | $242.63 | Shaft and drifts to below 5th level |
| 1935* | Alaska Juneau | 200.27 | 15,374 | 13,101 | 1.710 | 37.70 | 108.48 | Stopes above 5th level |
| 1940-1946* | E. Rohlfing,et al | 5,874.45 | 174,357 | 144,453 | 0.300 | 33.10 | 53.20 | Dump & stopes mostly above 200' level |
| 1946-1951* | H. Anderegg,et al | 979.17 | 22,543 | 14,349 | 0.200 | 20.00 | 32.80 | - - - - - - - - |
| 1962-1965** | Oregon King Consolidated Mines, Inc. | 3,363.90 | 85,283 | 52,032 | 0.196 | 16.65 | 28.34 | Mostly between 4th & 6th Levels and some from dump |
| Totals & Averages - - - - - - | | 10,596.22 | $310,566 | $236,944 | 0.322 | 29.90 | 50.20 | - - - - - - - - |

* Libbey, F.W. and Corcoran, R.E., "Oregon King Mine, Jefferson County, Oregon", State of Oregon Dept. of Geology and Mineral Industries, Short Paper 23, p. 17, 1962. (Data on production compiled from smelter sheets and Thomas records.)

** Oregon King Consolidated Mines, Inc. records.

E. J. LONGYEAR COMPANY

## OREGON KING MINE PRODUCTION

### CONCENTRATES

| Date | Operator | Ore Milled (Dry Tons) | Concentrates (Dry Tons) | Smelter Value | Net Smelter Returns | Average Assay Cts. Au | Average Assay Cts. Ag | Average Assay Ore(b) Au | Average Assay Ore(b) Ag |
|---|---|---|---|---|---|---|---|---|---|
| 1942-1945(a) | E. Rohlfing, et al | 3230 | 373 | $20,117 | $15,803 | 0.44 | 57.6 | 0.06 | 8.31 |
| 1947-1950 | H. Anderegg, et al | 200 | 72 | 4,361 | 3,329 | 0.42 | 54.6 | 0.19 | 24.60 |
| 1964(c) | Oregon King Consolidated Mines | 780 | 78 | 13,106 | 10,875 | 1.25 | 101.9 | 0.16 | 12.70 |
| Totals & Averages - - - - - - - | | 4210 | 523 | $37,584 | $30,007 | 0.56 | 64.0 | 0.09 | 9.35 |

(a) Compiled from Oregon Dept. of Geol. & Mineral Industries Short Paper 23, 1962.

(b) Ore assays computed, assuming 80% recovery of gold and silver values.

(c) Oregon King Consolidated Mines records. Ore milled computed, assuming a 10:1 ratio of concentration.

Note: 1942 to 1950 concentrates averaged 1.30% copper; 3.07% lead; 3.26% zinc; 34.2% iron; 9.55% silica. In 1942 and 1943 shipments to Midvale, copper and lead were recovered and paid for.

### SUMMARY

| Shipments | Tons | Smelter Value | Net Returns | Oz. Per Ton Gold | Oz. Per Ton Silver | 1965 Gross Value Per Ton | 1965 Gross Value Total |
|---|---|---|---|---|---|---|---|
| Crude Ore | 10,596 | $310,566 | $236,944 | 0.322 | 29.90 | $ 50.20 | $552,500 |
| Concentrates | 523 | 37,584 | 30,007 | 0.560 | 64.00 | 102.20 | 53,500 |
| | 11,119* | $348,150 | $266,951 | - - - | - - - | - - - - | $606,000 |

*Total tonnage mined, including tonnage milled: 15,329 Tons Crude Ore.

E. J. LONGYEAR COMPANY

# GEOLOGY

## General

Elevations range up to over 3000 feet. Relief is moderate. Vegetational cover is sparse. Tertiary volcanic rocks - flows and tuffs of the Clarno formation - make up the bedrock extending from the bottom of a relatively thin soil to an unknown, but probably considerable depth. These rocks are principally andesitic in composition. Locally, the andesites are cut by intrusive bodies, consisting essentially of andesite and rhyolite dikes.

## Veins

Veins strike dominantly northwest to west and have steep dips varying from north to south in direction. They were deposited along fractured, faulted and sheared zones displaying one or more of the following features: brecciation, slickensided surfaces, fracturing, gouge (clay) and introduction of quartz and sulphides, mainly pyrite. It is likely that the quartz and sulphides, as well as associated precious and base metals, were deposited in openings and by replacement of rocks along the veins by emanations arising from the same deep-seated magma (molten rock) chambers that earlier expressed the rhyolite dikes.

Hillsides are dotted with small test pits and trenches excavated on a number of veins, many of which appear to be minor features occurring along small discontinuous zones of fracturing and shearing. Two strong, persistent veins are discernible; they are the Oregon King and Roy veins shown

on the accompanying map and described in the following paragraphs.

## OREGON KING VEIN

The Oregon King vein may be traced for a distance of about 1500 feet east-southeast of the Oregon King shaft. Pits up to 1000 feet northwest of the shaft indicate that the vein continues, with some offsetting or warping, for about another 1000 feet in a northwesterly direction. All of the aforementioned features are found in varying degree along its course. Replacement of fractured andesite by silica (chiefly fine-grained quartz) is common. Pyrite is almost universally present within the vein itself, as well as in fractures and joints often extending for several tens of feet on either side of it. Parallel veins, such as those exposed by the 200-level and Ruby adits, are along subparallel and oblique fractures that in all probability are, for the most part, strands or branches of the Oregon King vein and merge with it at depth, or laterally along the strike.

Ore grade material in the form of concentrations of pyrite with some galena, chalcopyrite and sphalerite was deposited in shoots in the sector of the vein opened by the Oregon King mine. The shoots are rudely pipe-like masses up to 10 feet or more in thickness and up to 50 feet or more in length. They and the segment of the vein containing them appear to rake generally downward to the southeast at an angle of about 45 degrees (see map.)

Elsewhere on the Oregon King vein, mineable ore has not been found, although small precious metal values persist throughout. The Ruby adit cuts through nine feet of vein matter averaging about 0.12 and 6.0 ounces per ton of gold and silver, respectively. Minor amounts of metallization were found in many of the surface pits, and a sample of dump material with much pyrite and vein quartz and some sphalerite (apparently from pit 61) is reported to have assayed 0.02 gold and 4.8 silver.

The assemblage of minerals and the texture and structure of the vein indicate a temperature of deposition of between epithermal and mesothermal, or in a temperature range termed "leptothermal". According to this classification, the expectation is for continuation, or recurrence, of mineable ore shoots to depths considerably below those explored to date by mine workings.

Ore won at the turn of the century, and in the 1935 Alaska Juneau period, was very high grade and probably came mostly from upper levels where gold and silver values had been secondarily enriched by weather effects. Later production was presumably in large measure from primary ore averaging approximately 0.25 gold and 40 silver, equating to a gross value of $60 per ton at current market.

Changes with depth are an increase in copper (chalcopyrite), zinc (sphalerite) and lead (galena). Silver values below the upper weathered zone remain more or less constant.

Deeper levels show more calcite and therein lies an interesting speculation. The andesite country rock contains calcite, locally of the order of 10 to 20 percent or more, and it could react to ore solutions in a vigorous manner approaching that of an impure limestone. The calcite in the lower levels of the mine may have originated from still deeper reaches of the vein where mineralizing solutions replaced the calcite-bearing andesite with quartz and sulphides and carried the calcite-making elements in solutions to higher levels where physico-chemical conditions were favorable for re-deposition as the mineral calcite. This concept points toward the possibility of bodies of broken rock replaced by quartz and ore minerals along deeper parts of the vein.

## ROY VEIN

The Roy vein outcrops 500 to 800 feet south of the surface trace of the Oregon King vein on land known as the Roy Mining Company property. The surface exposures of the two veins are approximately parallel. However, in dip they are opposed, with the Roy vein dipping about 65° to the north. As revealed in pits and shallow shafts, the Roy vein resembles the Oregon King vein in strength, width, length, structure and mineral make-up. Assay reports indicate minor amounts of gold and silver along the strike. A sample from one locality (pit 68) is reported to have assayed 0.18 oz. gold and 14.6 ozs. silver per ton.

## RECOMMENDED EXPLORATION

It is concluded that only minor bodies of ore remain in the Oregon King mine above present workings, and prospects of finding ore here for a profitable, sustained operation are unattractive. However, there are three exploration targets worthy of favorable consideration by management of the Oregon King Consolidated Mines, Inc. They are:

1) The southeasterly and downward extension of the Oregon King zone of ore shoots.

2) Roy vein.

3) Intersection of the Oregon King and Roy veins.

To this list may be added the vein lying nearly one-third mile east of the Oregon King shaft, but this feature is little known and appears to be relatively weak. Its exploration should be contingent on the success of exploration in the more promising parts of the property.

A program combining exploration of the three above-named targets, with emphasis on the vein intersection, is recommended. The program, to be executed by diamond core drilling, is illustrated on the accompanying map and summarized below:

| Hole No. | Depth | Bearing | Inclination | Target |
|---|---|---|---|---|
| 1 | 800' | N21°E | -65° | Ore shoot zone, Oregon King Vein |
| 2 | 600' | S21°W | -65° | Roy vein |
| 3 | 1050' | -- | Vertical | Intersection of the two veins |
| Total | 2450' | -- | -- | -- |

Recommended details of the program are -

-- Use BX wireline equipment to speed drilling and to improve recovery of core sample, especially in the critical zones of broken, mineralized rock. BX wireline equipment drills a 2-3/8-

inch hole and recovers a 1-15/16-inch diameter core. (An angle of 65° is selected for the inclination of Drill Holes 1 and 2 to facilitate operation of wireline coring equipment.)

-- Store all core in a systematic manner in core boxes labelled as to hole number and depth.

-- In vein or mineralized sections, split core longitudinally and send one half of the sample, representing selected drill hole intervals (5 feet or less) to a reputable assayer for analysis of gold and silver and other metals that may be identified, or suspected.

-- In the event core recovery drops below 70 percent in a mineralized zone, provide means for saving sludge samples and submit one half of such samples for assay.

-- Survey drill holes, preferably with a Tropari drill hole surveying unit, to permit more accurate plotting of the holes.

-- After passing through Oregon King and Roy veins, install a wedge 50 feet above the veins and drill through the veins again to provide second core samples. Similarly, install wedge at a suitable distance above the section of vein material encountered in the vertical hole (No. 3) and redrill to obtain another core sample of this section.

-- After completion and survey of Drill Holes 1 and 2, redraft Cross Section A-B (see map) using the drill hole data, as well as more accurately surveyed locations of the surface traces of the Oregon King and Roy veins, to determine location of the vertical hole (No. 3) directly above the projected intersection of the two veins.

A similar set of three drill holes, designed to explore the same objectives about 500 feet to the southeast of the recommended drilling, is suggested as a contingent program to be considered after receipt of encouragement from the recommended work. Drilling on the contingent program should be prefaced by dozer trenching to locate, definitely, the trace of the Oregon King vein where it is traversed by Cross Section C-D and by a tape-and-transit survey along the cross section to permit drafting of a final cross section and drill hole layout.

## ESTIMATE OF COST AND TIME

Estimates submitted below include mobilization and demobilization of drilling equipment and operators, and are based on the use of one drill rig and requisite pump, wireline rods and corebarrels, bits and ancillary supplies and equipment, operated two 8-hour shifts daily for six days per week.

| | | Estimate |
|---|---|---|
| 1) | Drilling, 2450 feet in three holes as shown on map at $6-$8, say $7/ft. ..... | $ 17,150 |
| 2) | Wedging operations to secure second sample of veins, 3 steel wedges installed, drilling 50 feet past wedges in 3 holes at $400/hole..... | 1,200 |
| 3) | Cementing and other possible delays..... | 400 |
| 4) | Drill hole surveying, 3 holes @ $100..... | 300 |
| 5) | Sample storage and assays..... | 200 |
| 6) | Engineering supervision, surface surveying, core handling and logging, analysis of results, interim and final evaluation reports..... | 3,500 |
| 7) | Total..... | 22,750<br>Say $23,000 |

8) Time to complete program:

a) Drilling, 40 feet per 2-shift day.....62 days

b) Wedging operations and redrilling, 3 holes.....12 "

c) Surveying, cementing and other delays.....5 "

79 days
Say 3 months

## CONSIDERATION OF EXPLORATION TARGETS AND RISKS

While the recommended program is aimed at exploring the potential of the deeper levels of the ore shoot zone on the Oregon King vein and a deeper point on the Roy vein than has heretofore been tested, the prime target is the intersection of these two structures. The zone of vein intersection presents a prime exploration risk for the following reasons:

1) A larger volume of rock was fractured, broken and made receptive to the passage of mineralizing fluids at and near the intersection than at any other place along the two veins.

2) The relatively large volume of open spaces produced at the zone of intersection permitted expansion and cooling of ascending mineralizing fluids and thereby brought about conditions conducive to deposition of contained mineral matter. Deposition of minerals would have been promoted, also, if the fluids arising along the two channelways were of diverse chemical character.

3) The greater area of rock surfaces produced by the breakage (brecciation) along the zone of intersection greatly multiplied opportunities for reaction between such rock surfaces and the mineral-bearing fluids. In this connection, the case of the migrant calcite is cited, i.e., the calcite in the Oregon King ores probably represents calcite that was once replaced in lower masses of broken andesite, by quartz and ore minerals, and was then carried upward in solution.

ABSTRACTS FROM [illegible]

solutions and as areas wherein ore minerals were precipitated by cavity filling and replacement.

## Ore Textures

It is not an intended purpose of this report to list or describe the ore textures, nor to discuss their individual significances. Sufficient work was done on this facet of the problem to aid in classifying the deposit and to establish paragenetic relationships. However, of the 45 ore textures defined by Schwartz (1951), more than 10 are definitely illustrated by ores of the Oregon King mine, and several others are probably exemplified by these ores. Chief among the textures recognized are massive sulfide bodies (figs. 27 and 32), banded ore (fig. 25), disseminated sulfides, crustification, and occasionally comb and cockade textures. Most of the mineable ore is of the massive and banded types and, to a lesser extent, ore bodies gradational between the massive and disseminated types.

## Mineralogy

Previous workers have identified the following metallic minerals in ore from the Oregon King mine: pyrite, galena, sphalerite, chalcopyrite, covellite, marcasite, bornite, melaconite, cerargyrite, native silver, argentite, cerussite, smithsonite, tetrahedrite, and native gold (Libbey and Corcoran, 1962; Paige, 1963; Radtke, 1963).

Minerals identified by the present writer, in approximate order of decreasing abundance, are:

pyrite
galena
sphalerite
chalcopyrite
hematite
limonite
chalcanthite
covellite
argentite.

Pyrite, galena, sphalerite, and chalcopyrite are far the most common of the above listed minerals, and together they make up the bulk of the material identifiable in hand specimens and in the more than 40 polished sections studied.

The most common gangue minerals are quartz, calcite, and gypsum; quartz occurs almost to the exclusion of the other two.

Pyrite is ubiquitous and is the most common sulfide in the ore, occurring in abundance on all the levels. It occurs as disseminated grains in altered country rock, as granular deposits with quartz, and as bands and masses of grains of various sizes with other minerals (figs. 34, 35, and 36).

Banded pyritic ore, the euhedral form of pyrite grains, and boundary relationships in many specimens indicate that most of the pyrite was deposited in open spaces, often quite small, in the host material. In several of the specimens studied microscopically, however, boundaries between pyrite and other minerals point to a replacement-type origin for the pyrite. Examples of this latter case are pyrite cubes transecting, without visible deviation, both quartz euhedra and adjacent cavities between the quartz crystals. In these instances, pyrite has apparently been deposited in the cavities and has, at the same time, replaced the quartz crystals bordering the cavities. Much of the pyrite disseminated in silicified andesite has also been formed by replacement.

In one polished section pyrite cubes appeared to indiscriminantly transect chalcopyrite, cavities within the chalcopyrite, and quartz. Boundary relationships in that specimen were not conclusive, however, and it is possible that the chalcopyrite was later than the pyrite, filling in around the euhedral pyrite cubes.

Several examples were observed of pyrite being subjected to later changes. Pyrite has been fractured without later healing of the fractures (figs. 34A and 35A); fractures in pyrite have been healed with quartz, and in some cases the

The outcrops at (I) and (H) and pit No. 44 are a continuation of the structure at (G). The character of the material taken from pit No. 44 is very similar to that of material in the upper levels of the mine.

## Structure

Structures in the Oregon King mine are separable into three main types—breccia zones, faults, and veins. All are present on all levels, and together make up the "Oregon King vein."

Breccias. Breccia zones are the dominant structural features in the mine. Four distinctive types were recognized, one of which predominates and is exceedingly abundant (pls. 3, 4, and 5). Specific occurrences of the breccias are described in the section on faults.

Most of the breccia in the mine consists of subrounded to angular andesite and quartz fragments in a matrix of smaller fragments, clayey gouge, and quartz (figs. 23, 24, and 31). The matrix is commonly hydrothermally altered and silicified, and has a cream-white to brown color and a "pasty" appearance. Small pyrite grains are commonly present in the matrix, and the larger rock fragments are locally surrounded by bands of sulfides. In some places the breccia contains massive sulfide bodies. The particles making up the breccia range in size from the clay-sized gouge of the matrix to blocks of silicified andesite several feet in diameter.

This breccia is believed by the writer to be tectonic in origin and associated with faulting. Paige (1963, p. 7), however, refers to it as a "vent" breccia. When Paige studied the mine, the lower workings were not accessible. Mapping by the present writer on all levels shows that the breccia is tabular in form and is related both spatially and genetically to faults. The evidences for its tectonic origin are considered below.

OJHA.

Quartz-sulfide veins are more common and better developed on the lower levels, where fissure filling and accompanying replacement appear to have been more important mechanisms of ore formation than on the upper levels. Many consist of massive sulfides, or sulfides and quartz. Some are intimately associated with breccia zones, and others consist entirely of quartz. Space does not permit detailed descriptions of all these features, but some of the most important ones are worthy of mention.

Sulfide veins are minor features on the upper levels where most of the ore does not occur as distinctly tabular bodies. Ore minerals on the 100-foot level occur as disseminations or clusters in the breccia country rock; no true veins were observed. On the 200-foot level, a breccia zone containing abundant sulfides and described in the section on breccias is exposed from about 25 to about 45 feet east of the junction of the drift with the adit. Many quartz-sulfide stringers occur further to the east; some of them contain brecciated fragments. On the 250-foot sublevel, a breccia-sulfide vein is exposed on the south and north sides of the drift at the shaft and 25 feet east of the shaft. A probable continuation of this vein, which contains massive sulfides in places, occurs in the "dogleg" drift east of the shaft. Two other small quartz-sulfide stringers are present in that part of the drift. Few sulfide veins are exposed in the 300-foot drift. However, a zone with heavy sulfides occurs at the present western end of the drift, and several sulfide and quartz-sulfide veins and stringers are exposed near the eastern end of the drift.

On the 400-foot level, a thick sulfide vein containing abundant pyrite, chalcopyrite, and galena nearly parallels the main fault for most of the length of the drift west of the shaft. Similar mineralization occurs on the south wall of the drift about 5 feet east of the shaft. Several sulfide veins, one almost 1 foot wide, occur between conjugate faults about 150 feet east of the shaft (figs. 27 and 28). Pyrite and galena are especially abundant in those veins,

There is no evidence that silver values decrease with depth. Argentite has been observed in specimens from the 450-, 500-, and 600-foot levels, and good assay values in silver have been obtained from all the lower levels.

Some oxidation has occurred in the upper levels, and the films of covellite previously described might represent supergene replacement of primary sulfides. These processes, however, are of only minor importance, and no true oxidized or enriched zones are present in the mine.

## Temperature of Formation, and Classification of the Deposit

Three features of these ores are believed to be of importance in a determination of their temperature of formation: (1) the gross mineralogy of the ores; (2) the presence of chalcopyrite blebs in sphalerite; and (3) the chemical composition of the sphalerite.

The gross mineralogy of the ores—essentially pyrite, galena, sphalerite, chalcopyrite, and quartz—indicates an intermediate temperature and pressure of formation, typical of mesothermal ores. The argentite is a late mineral, and if it is indeed hypogene probably precipitated at lower temperatures than did the other sulfides. The relatively minor amounts of calcite and gypsum gangue might also indicate low temperatures, however, calcite is a common mesothermal mineral, and gypsum probably represents secondary precipitation along and within fractures and other porous zones in the mine area.

If the chalcopyrite blebs in sphalerite are the result of exsolution, then, according to Buerger (1934, p. 530), the chalcopyrite, sphalerite, and all earlier minerals must have precipitated at temperatures above 350 to 400 degrees centigrade. This is within the high mesothermal—low hypothermal range.

Perhaps the most reliable evidence is the chemical composition of the sphalerite. The abundance of pyrite associated with sphalerite indicates

independent grains of argentite, probably occurs as the argentite molecule in solid solution with galena.

Experimental work by Nissen and Hoyt (1915, p. 175 and 177) has shown that, under laboratory conditions, solid solutions of galena and argentite contain less than 0.6 percent argentite. They further concluded that the limit in natural ores in less than 0.2 percent $Ag_2S$. Guild (1917, p. 306) states that "...silver may exist in galena to nearly 0.10 percent in the form of submicroscopic particles or solid solutions." Thus, according to his observations, slightly more than 0.11 percent argentite can exist in galena in solid solution or as submicroscopic particles.

Ore which contains 50 percent galena would contain 16 ounces silver per ton, utilizing 0.1 percent as the amount of silver which can be held in some submicroscopic form in the galena. Ore composed of 40 percent galena would contain 12.8 ounces silver per ton, and ore with 60 percent galena would contain 19.2 ounces silver per ton.

Much of the ore which has been mined at the Oregon King contained 40 to 50 percent galena, and so need not have contained appreciable quantities of independent silver minerals. Records show, however, that much of this ore assayed far more than 20 ounces silver a ton. Thus discreet silver mineral(s) (probably principally argentite) must have been present. For example, if ore from the Oregon King mine contained 40 percent galena and as little as 0.1 percent argentite, it would assay approximately 43 ounces silver per ton.

## Changes in Mineralization with Depth

Distinct vertical mineral zonation does not occur in the Oregon King mine, but minor changes of mineralogy with depth are evident. The relative percentage of chalcopyrite increases slightly with depth, as do the relative amounts of massive galena and massive sphalerite. These increases take place at the expense of relative percentages of quartz, pyrite, and disseminated and banded galena and sphalerite.

IV

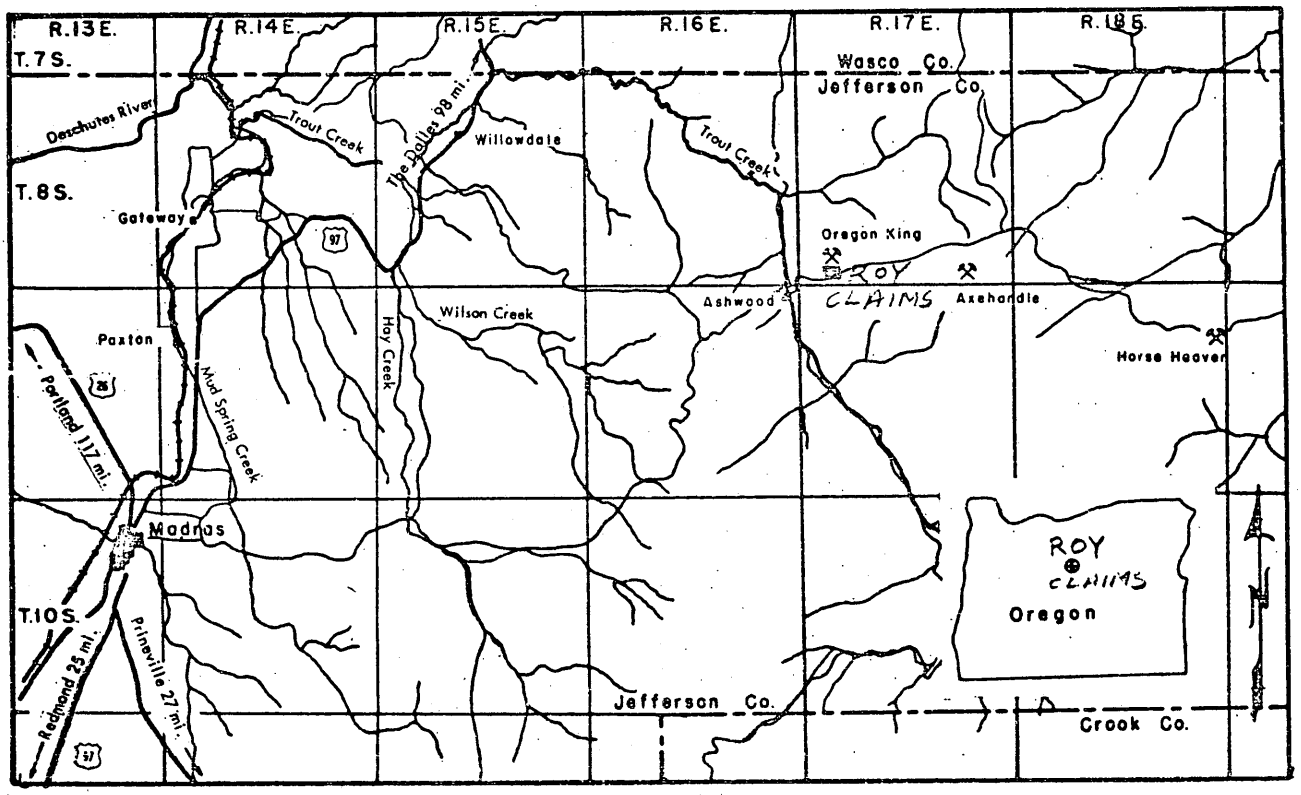
## 4. Accessibility of Property.

(a) The Roy Mining Property is located 2 miles Northeast of Ashwood, Oregon and is reached by driving from Madras on Highway 97 over about 30 miles of paved road and 2 miles of gravel road.

The property and workings are readily accessible at all times of the year and snowfall is rare.

To meet the OME representative for property examination, will be David J. Hoare contacted at either P.O.BOX 36 Ashwood 977II or 3045 Franklin St. San Francisco, California, 94I23 Telephone: 4I5-474 I75I

(b) The shipping point is at Gateway, Oregon, 26 miles from the Roy Mining Property, to railroads of Union Pacific RR. and Spokane, Portland and Seattle RR.




Map of Roy Mining Property access.

V

## 5. Exploration Work

(a) Diamond Core Drilling.

To date no diamond core drilling has been performed on either the Roy or Oregon King Properties.

Two sites for exploratory drilling are selected to prove commercial ore reserves exist. Refer to the exploration maps for details.

(b) It is proposed to sink an exploratory Single compartment incline shaft by extending the present shaft # 68 from 40 ft.depth to 200 ft.

This shaft will permit much better assessment of the ore than core drilling for such purposes as mill tests to determine commercial value.

It has been stated that there is great similarity between the mineralogy and formation of the Roy vein with the Oregon King vein. The richest ore in the Oregon King was between the IOO ft. and 200 ft. levels where the vein was I8 ft. wide and average assay was over IOO oz per ton.

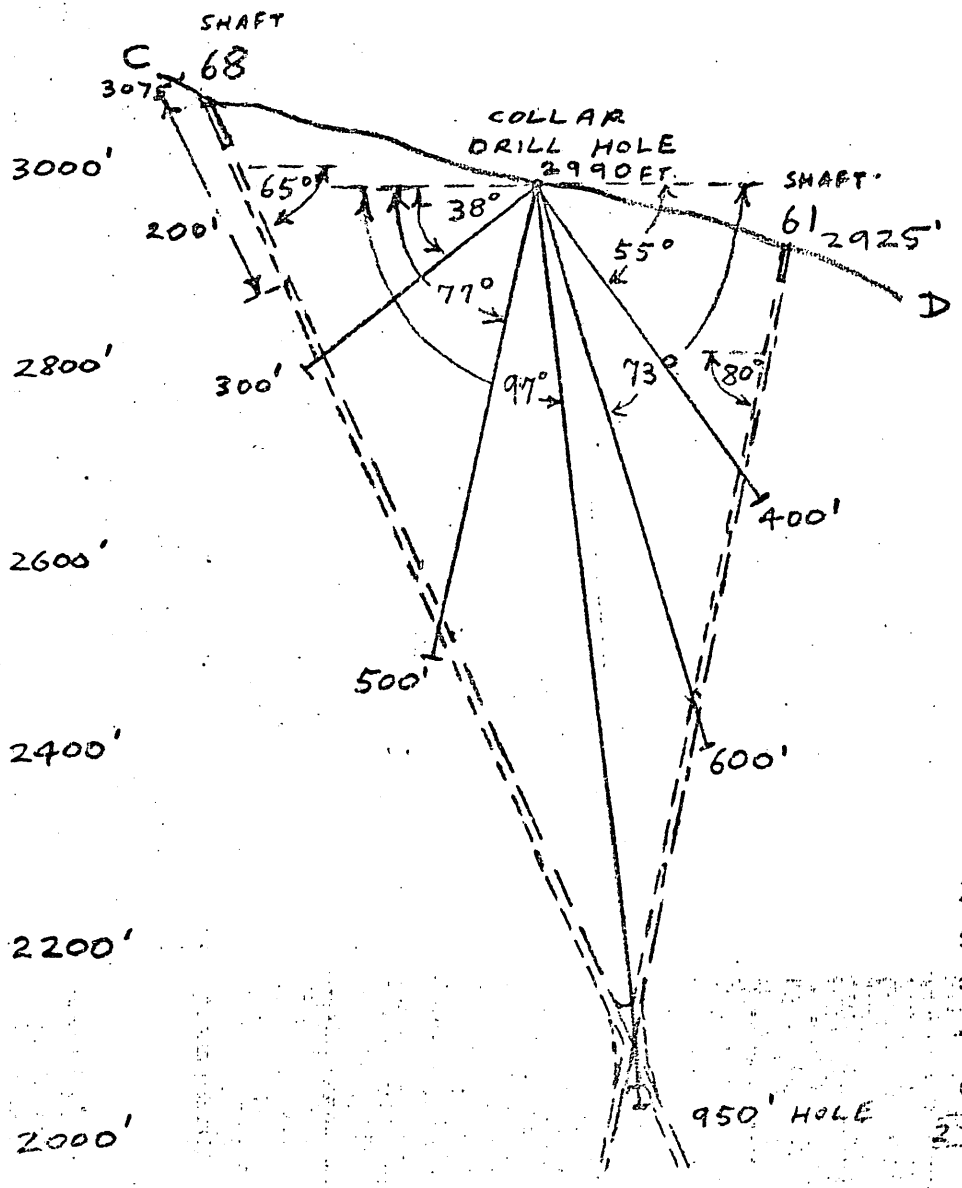
There are thus expectations for discovering a large ore deposit and good assays have been taken from shaft # 68. Also this site for the exploratory shaft is good because of the shorter distance away from the outcrop of the parallel Oregon King vein which has opposite dip. The intersection is then closer to the surface than at any other point.

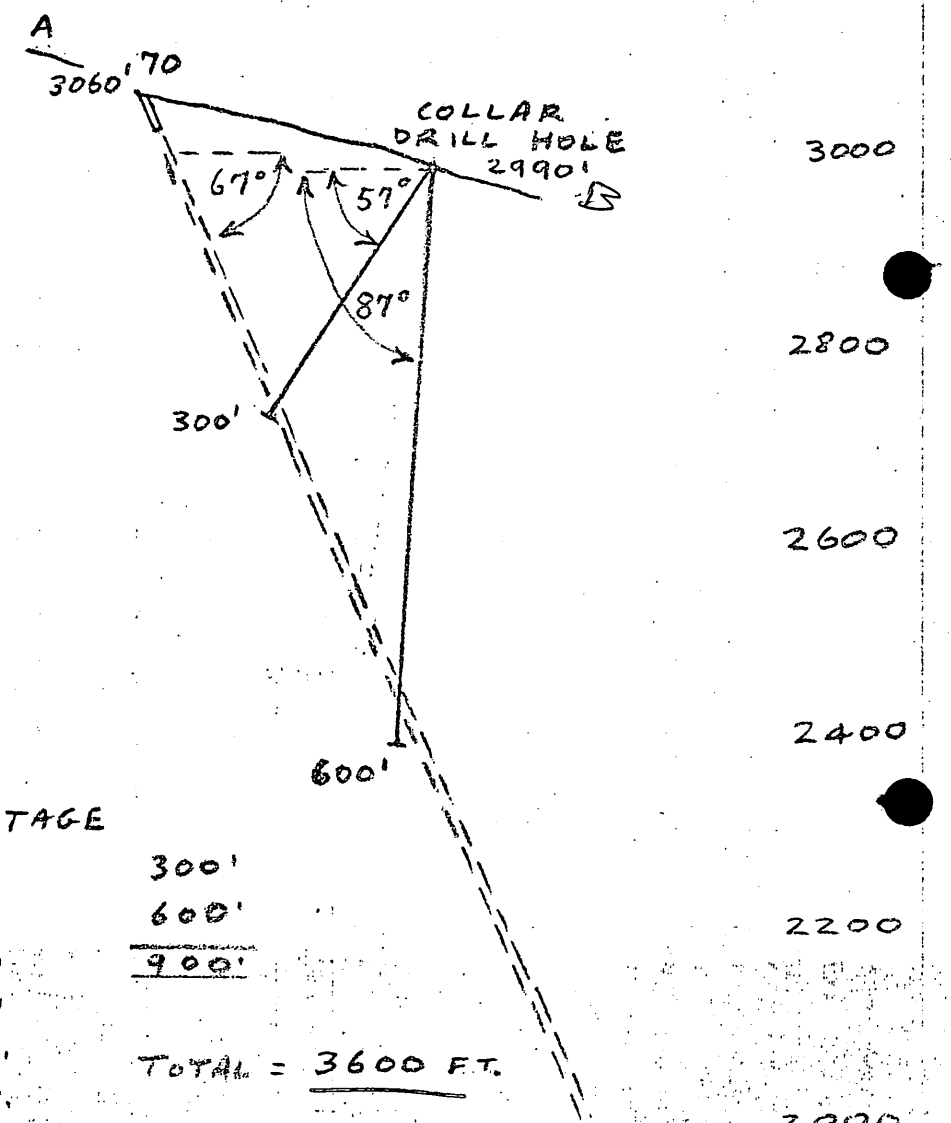
The shaft will be IO ft. x 5 ft. including a 3 ft.x 5 ft. manway to also take ventilation air and water pipes.

This will not be sub-contracted and will be sunk in strict accordance to the State mining laws.This is with special regard to new mining legislation on bell systems,distances between timber sets, head frame clearance,and on guide systems.Detailed plans of the timber headframe will be forwarded at a later date. Hand mucking will be used.

# ROY MINING CLAIMS PROPOSED DRILL HOLES
## CROSS SECTIONS C-D AND A-B

SCALE 1" = 200'




FOOTAGE

| | |
|---|---|
| 300' | 300' |
| 500' | 600' |
| 950' | 900' |
| 400' | |
| 600' | TOTAL = 3600 FT. |
| 2700' | |

D.J. HOARE
DEC 70

VI

## 6. Experience

Mr. David J. Hoaré will operate, supervise and conduct the exploration work. His resume appears on page 2.

The following associates are available to him for consultation on a personal basis and may assist in aspects of the Supervision.

I. Frank Allstrom, Graduate Colorado School of Mines, 1963, and worked for Woods Hole Oceanographic Institute for 5 years.

2. Pierre M. Jones. Graduate of Royal School of Mines, London, and M.S. in Mining from Stanford University. Lecturer in Mining Law and Mining Economics at Mackey School of Mines, Reno.

3. George Brimhall, Geologist, University of Berkeley.

4. Ric Cesped. M.S. Civil Engineer, formerly of Cerro Mining Corp. and presently of Kaiser Engineers.

5. C.W. Ting, Metallurgist and flotation specialist.

6. David Lacy, Miner at Climax Molybdenum Mine, Colorado. Underground Superintendant at the Monarch Gold Mine, Nevada.

## 6. Experience and Background

Resume, December 1970
David James Hoaré BS,HNC.

1957-61
Mechanical engineering student apprentice, Royal Arsenal, London, England.

1961-62
Learner Official , Anglo AmericanCorp. of S. Africa, President Steyn Gold Mine, Welkom, South Africa. Plus evening school in Mining and Geology. The work included "on the job" training in all facets of underground mining e.g. drilling, blasting, timbering, surveying, sampling etc.

1962-64
Full Time Student,Camborne School of Metalliferous Mining, Cornwall England.

1964-65
Assistant Surveyor, Phoenix Copper Mine, Grand Forks, British Columbia. Also external student of University of London for B.S.Geology.

1965-66
Engineer, Quartz Crystal Division of S.T.C. Ltd., Harlow England.Plus evening school, Higher National Certificate in Applied Physics awarded.

1966-68
Geophysical Exploration-Equipment etc.University of Houston, Texas. Baccalaureate student.Worked in Manned Space Center as engineer for General Precision Systems.B.S.Degree from University of Houston awarded.

Jan.1969-Mar.1970
Formed Hominex Industries for mineral exploration in Nevada. Worked for Monarch Gold Mine Corp., Yerington Nevada. Also worked for W.P.Lear Enterprises Inc. Reno.

Mar.1970-Present
Research and Development in colloidal silica and electro fluids for applications in vibrators, Seismic force generators, and mining automation. Reporting to the Vice President of Rucker Control Systems,projects included pumps and rock drills. Also,Consulting Mining Engineer for the Leonard Mine, Redding, Calif. Graduate courses taken in Managerial Accounting and Business Finance in the MBA Program at the University of San Francisco. Member IEEE & AIME.

CERTIFICATE OF BUSINESS: FICTITIOUS FIRM NAME

THE UNDERSIGNED do ~~es~~ hereby certify that he is conducting a Mining and Geo-Physical Prospecting business at 5980 Alpha Street Reno, (89506), Nevada, under the fictitious name of HOMINEX INDUSTRIES and that said firm is composed of the following person whose name and addresses as follows, to-wit:

DAVID J. HOARE 5980 Alpha Street Reno, Nevada 89506

FILED
JAN 31 9 30 PM '69
H. K. BROWN, CLERK
BY G. Dillon
DEPUTY

WITNESS hand this 31st day of JANUARY, 19 69

D. J. Hoare

STATE OF NEVADA )
COUNTY OF WASHOE ) ss.

On this 31st day of JANUARY A.D., one thousand nine hundred and 69 before me ALEX COON a Notary Public in and for the County of WASHOE, State of NEVADA personally appeared DAVID J. HOARE known (or proved) to me to be the person described in and who executed the foregoing instrument, who acknowledged to me that he executed the same, freely and voluntarily, and for the uses and purposes therein mentioned.

IN WITNESS THEREOF, I have hereunto set my hand and affixed my Official Seal the day and year in this Certificate first above written.

ALEX COON
Notary Public — State of Nevada
Washoe County
My Commission Expires January 5, 1972

Alex Coon
Notary Public in and for said County and State

My Commission expires: 1-5-72

# CAMBORNE SCHOOL OF METALLIFEROUS MINING

Year of Course ....First.....

Mr. ...D.J..HOARE.....

Number of Students in year — 55

Holder of ...Private..... Scholarship

Marks required for 1st Class Pass 72%
" " " 2nd " " 55%

**Report for the Term Ending December 18th, 1962.**

| SUBJECTS | ATTENDANCE | | EXAMINATION RESULTS | | REMARKS |
|---|---|---|---|---|---|
| | POSSIBLE | ACTUAL | CLASS | PLACE | |
| Applied Mechanics ... ... ... | 26 | 26 | 1 | 8 | 80 |
| Assaying and Applied Geochemistry ... | | | | | |
| Chemistry (Theory) ... ... ... | 26 | 26 | 2 | 15 | 70 |
| Chemistry (Practical) ... ... ... | | | | | |
| Electrical Engineering ... ... ... | | | | | |
| Engineering Drawing and Design ... | | | | | |
| Geology (Theory) ... ... ... | 13 | 13 | 1 | 15 | 74 |
| Geology (Practical) ... ... ... | | | | | |
| Heat, Light and Sound ... ... ... / Magnetism and Electricity ... ... | 26 | 26 | FAIL | | |
| Mathematics ... ... ... ... | — | — | — | — | |
| Mechanical Engineering ... ... | | | | | |
| Metallurgy ... ... ... ... | | | | | |
| Mineralogy (Theory) ... ... ... | 13 | 13 | 2 | 16 | 68 |
| Mineralogy (Practical) ... ... ... | | | | | |
| Mine | | | | | |
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| I | | | | | |

# CAMBORNE SCHOOL OF METALLIFEROUS MINING

Year of Course .....FIRST.....

Mr. .....D.J. HOARE.....

Number of Students in year — 63

Holder of ..... Scholarship

Report for the ~~Term ending 21st December, 1966.~~ year ended June, 1963

| SUBJECTS | ATTENDANCE | | TERM'S EXAMINATION RESULTS | | REMARKS |
|---|---|---|---|---|---|
| | POSSIBLE | ACTUAL | CLASS | PLACE | |
| Applied Mechanics ... ... ... | 68 | 68 | 1 | 7 | |
| Assaying and Applied Geochemistry ... | | | | | * During the year 1962/63 Mr. Hoare in addition to studying for our 3 years Mining course was also an external student of London University for the B.Sc. (Geology) degree. |
| Chemistry (Theory) ... ... ... | 70 | 70 | 2 | 12 | |
| Chemistry (Practical) ... ... ... | 35 | 35 | | | |
| Electrical and Mechanical Engineering. | | | | | |
| Electrical Engineering ... ... ... | 35 | 35 | 1 * | - | He was successful in the following: |
| Engineering Drawing and Design ... | 68 | 64 | 1 | 6 | Part I examination<br>Physics<br>Mathematics |
| Geology (Theory) ... ... ... | 35 | 35 | 1 | 1 | |
| Geology (Practical) ... ... ... | 35 | 35 | | | These fully covered our corresponding examinations in Electrical Engineering, Physics and Mathematics, and he was credited with having first class passes, but is naturally unplaced. |
| Mathematics ... ... ... ... | 68 | 64 | 1 * | - | |
| Mechanical Engineering ... ... | | | | | |
| Metallurgy ... ... ... ... | | | | | |
| Mineralogy (Theory) ... ... ... | 35 | 35 | 2 | 16 | |
| Mineralogy (Practical) ... ... ... | 35 | 35 | | | |
| Mineral Dressing ... ... ... | | | | | |
| Mining Economics ... ... ... | | | | | |

# CAMBORNE SCHOOL OF METALLIFEROUS MINING

Year of Course ....SECOND.....

Mr. .....D.J.HOARE.....

Number of Students in year — 48.

Holder of ..ANGLO.AMERICAN..... Scholarship
Marks required for 1st Class Pass 72%
" " " 2nd " " 55%

**Report for the Term Ending December 17th, 1963.**

| SUBJECTS | ATTENDANCE | | EXAMINATION RESULTS | | REMARKS |
|---|---|---|---|---|---|
| | POSSIBLE | ACTUAL | CLASS | PLACE | |
| Applied Mechanics ... ... ... | | | | | |
| Assaying and Applied Geochemistry ... | | | | | |
| Chemistry ... ... ... ... | | | | | |
| Electrical Engineering ... ... | 12 | 10 | 2 | 24 | |
| Engineering Drawing and Design ... | | | | | |
| Geology ... ... ... ... ... | 23 | 21 | 2 | 16 | |
| Mathematics ... ... ... ... | 5 | 2 | PASS | | Final Paper ✓ |
| Mechanical Engineering ... ... | | | | | |
| Metallurgy ... ... ... ... | | | | ← | Easter exam. ✓ |
| Mineralogy ... ... ... ... | 12 | 12 | FAIL | | Airs & printing |
| Mineral Dressing ... ... ... | 11 | 11 | 2 | 20 | |
| Mining Economics ... ... ... | | | | ← | Easter exam. ✓ |
| Minin | | | | | |
| Min | | | | | |
| Mi | | | | | |
| P | | | | | |

# RECORD OF SERVICE FOR EMPLOYEES ON MINES

urname and Names HOARE DAVID JAMES.

ate and Country of Birth 7.4.1941 ENGLAND.

ast Occupation STUDENT APPRENTICE AT ROYAL ARSENAL.

ignature of Holder D. J. Hoare

lass and No. of Pneumoconiosis Bureau Certificate L.491
(Initial, Periodical or Special)

neumoconiosis Board Case No. (in case of 'Beneficiary')

o. of Blasting Certificate (in case of Miner) ..... Date of Issue
(Provisional or Permanent)

o. of Certificate (in case of Engine Driver) ..... Date of Issue

| FIRST AID CERTIFICATES | | | | | |
|---|---|---|---|---|---|
| CERTIFICATE | No. | ISSUED | RENEWED | | |
| ELEMENTARY | | | | | |
| GENERAL | | | | | |
| ADVANCED | | | | | |
| SILVER MEDAL | | | | | |
| GOLD MEDAL | | | | | |

| SERVICE INCREMENTS FOR DAY'S PAY EMPLOYEES | | | |
|---|---|---|---|
| Category | 10 Years | 15 Years | 20 Years |
| Date Qualified | | | |
| Initialled | | | |
| Date of Entry | | | |

FIRST Sheet of Record†
(In Words)

| PAGE-No. (Type) | MINE (Stamp) | OCCUPATION (Type) (No. of Shifts worked in a "Dusty Atmosphere"* in figures against each) | DATE ENTERED SERVICE (Type) | DATE LEFT SERVICE (Type) | TOTAL SHIFTS WORKED IN A "DUSTY ATMOSPHERE"* (Type) (In words) | (In figures) | CHECKED BY (Initials in Red Ink) | SIGNATURE |
|---|---|---|---|---|---|---|---|---|
| 1. | PRESIDENT STEYN GOLD MINING COY. LTD. | Learner Official (222) | 20.12.61 | 6.9.62 | TWO HUNDRED AND TWENTY TWO | 222 | [illegible] | [illegible] |
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| | | | | | | | | |

†† ..... Sheet of Record Issued by .....
(In Words)

This Record to be retained by Employer, and returned only on termination

* "Dusty Atmosphere" as defined in Pneumoconiosis Act. †First, Second, Third, etc. †† be filled in by Issuer of Second, Third, Fourth Sheet of Record, etc., as case may be

"Copyright of this form is registered under Act No. [illegible]

# CAMBORNE SCHOOL OF METALLIFEROUS MINING.

Patron: HER MAJESTY THE QUEEN

TELEPHONE,
CAMBORNE 2167 & 2511.

*All communications to be addressed to the Secretary.*

CAMBORNE,
CORNWALL.

TO WHOM IT MAY CONCERN.

D. J. HOARE.

This is to certify that Mr. D. J. HOARE passed Metallurgy I and Mining Economics I in the Second Year of the Associateship Course of the Camborne School of Metalliferous Mining. He was placed respectively twenty-seventh and thirty-eighth in his class of forty-three.

.....

R. A. GORGES
PRINCIPAL.
B.Sc.(Cape).B.Sc. Min. and Met.(Rand).
M.I.M.M., M.S.A.I.M.M.

UNIVERSITY OF LONDON

(Direct Entry)
42174

# CERTIFICATE OF REGISTRATION

This is to certify that

David James HOARE

has been registered as an External Student for the B.Sc. Special Degree

in Geology

in the Faculty of Science as from 1st September, 1962.

and is qualified to apply for approval of candidature for the Final examination without being required to pass an Intermediate, Preliminary or First Examination.

13th November, 1962.

L. E. BALL
*External Registrar*

NOTES.—1. No student may be registered concurrently as an Internal Student or as an Associate Student and also as an External Student. A registered External Student who is subsequently accepted as an Internal or as an Associate Student in a School, College or Recognised Institution of the University must return his Certificate of Registration for cancellation before he can be accepted for registration at the University as an Internal or as an Associate Student.

2. The Regulations for External Students for the particular examination for which a student is registered should be consulted for the instructions relating to application for approval of candidature and for entry to the examinations. Every registered External Student should ensure that he has in his possession a copy of the current Regulations which are re-published in September in each year. In cases where important changes are made in the syllabuses for examinations, two years' notice of the change will normally be given.

8487 11/61 5M T.J.H. Ltd. C23799

Standard Telephones and Cables Limited

QUARTZ CRYSTAL DIVISION
EDINBURGH WAY · HARLOW · ESSEX
A DIVISION OF THE COMPONENTS GROUP

TELEPHONE: HARLOW 26611
EXTENSION:
TELEX: 81146 (SENTERCEL HRLOW)
CABLEGRAMS: RELAY, LONDON, W. C. 2

YOUR REF:
OUR REF: 82320/PKW/MLC/A1

25th July, 1966.

Mr. D.J. Hoare

Dear David,

Thank you for your note last Tuesday. I much regret that I was engaged with visitors and did not get to see you before you left.

I would like to thank you for your good work in Mr. Page's department and hope that you find your stay in the U.S.A. profitable, technically and personally.

Should you wish to consider re-joining STC at the conclusion of your course, I am sure that STC would be interested in discussing this possibility and should you be interested in my group in particular, I would be very glad to discuss possible openings at that time.

My best wishes to you and your family for an enjoyable journey and stay in the U.S.A.

Yours sincerely,

P.K. Wall

VII

DIAMOND CORE DRILLING
DIAMOND DRILLING EQUIPMENT
GROUTING
FOUNDATION TESTING
MINING
QUARRYING
SHAFT SINKING
TUNNEL DRIVING
MINE PLANT DESIGN
AND FABRICATION

Boyles Bros.
DRILLING COMPANY
CONTRACTORS-ENGINEERS-GEOLOGISTS

East 1415 Riverside P. O. Box 4307
SPOKANE, WASHINGTON 99202
Phone (509) 534-0862

General Offices and Plant
1624 Pioneer Road P. O. Box 56
SALT LAKE CITY, UTAH 84110
Phone (801) 487-3671
BRANCH OFFICES
ARIZONA (PHOENIX)
CALIFORNIA (AUBURN)
COLORADO (GOLDEN)
KENTUCKY (LOUISVILLE)
NEVADA (SPARKS)
OKLAHOMA (NORMAN)
WASHINGTON (SPOKANE)
CHILE (SANTIAGO)
CABLE: BOYLESBROS
MEXICO, D.F.
PERU (LIMA)
CABLE: BOYLESCOP

EUGENE A. HAINZE
DISTRICT MANAGER

December 14, 1970

Mr. Dave Hoare
Hominex Industries
P.O. Box 8724
Oakland, California 94608

Subject; Core drilling near
Ashwood, Oregon

Dear Mr. Hoare:

Boyles Bros. is pleased to submit an estimate based on correspondence between our California office as well as a telephone conversation of December 11, 1970.

It is understood that the proposed core drilling will be at two (2) locations, approximately 350 feet apart. At one location there will be about five holes varying from 300 to 1000 linear feet in depth each. At the second location, two holes 300 to 500 linear feet each. The rock to be drilled is volcanic and is understood to be intact relatively fresh andesite and rhyolite. The source of water is approximately one-quarter mile from the drill sites.

Our estimate follows as:

1. Mobilization and demobilization $750.00 lump sum (includes first drill set up).

2. Drilling overburden or loose rock $10.50/LF.

3. Reaming or drilling cement $4.00/LF.

4. Diamond core drilling:

| | NC | NX | BX |
|---|---|---|---|
| 0-500' | $8.75 | $7.75 | $7.50 |
| 500'-1000' | | 8.25 | 8.00 |

5. Mixing, placing, and waiting for cement to set in the same shift $20.00/hour.

6. Setting and pulling casing $16.00/hour.

7. Changing drill set up other than drill angle $80.00 each.

8. Moving between two proposed drill locations, to include set up and tear down $200.00.

9. Surveys, standby at your request, and delays not the fault of Boyles Bros. charged at $20.00/hour.

10. Casing lost or left in hole at your request charged at list price less 15%.

11. Cement, cement admixtures, drilling mud and drilling mud additives, if required, will be charged at list price FOB jobsite.

12. Core boxes, if required, will be charged at $1.15 each.

13. Boyles Bros. will provide a suitable drill (CP-8) and pumps, with all corebarrels, drill rods, casing, necessary vehicles and storage, with one shift/day six days/week until completion of the job. Boyles Bros has available a mechanic and parts on 24 hour call in case of unforeseen mechanical problems. In any case the equipment will be provided to the job in good operating condition.

14. Should a water truck be required a charge of $350.00/month will be made.

15. Boyles Bros. can be on the job within two weeks of notification to proceed.

We hope that should there be any questions regarding the foregoing, that you will feel free to call us at your convenience.

In the meantime we look forward to working with you.

Sincerely,

E. A. Hainze
District Manager

EAH:jlk

David J. Hoare
Hominex Industries
Box 8724
Oakland , Calif. 94608
Tel. 415-474-1751
2 DEC 1970

REQUEST FOR QUOTE

Gentlemen:

This RFQ is for 3800 feet of diamond core drilling per the following specifications.

LOCATION: - Section 30 T9S R17E Trout Creek Mining District. Roy Mining Property, Ashwood,Jefferson County, Oregon. 35 miles from Madras.

ACCESSIBILITY: - From HWY 97 paved road to Ashwood and dirt road 1/4 mile to mine.

ELEVATION: - 3000ft., no snow, 300ft relief. Easy access for truck mounted drill.

SITES Vegetation sparse. No bulldozing necessary. Sites prepared. Water available nearby.

DRILLING CP 15 or CP 8 or JOY 22 etc. suitable,start NX and reduce to BX size core,supervision and logging of the core provided. No casing, minimal overburden. Drilling performed from 2 sites. Drill holes from each site to be 300ft 600ft and 1000ft inclined holes for total footage of 3800ft.

DURATION Single shift, approximately 5 month program.

COST Estimate your costs per foot drilled plus move in/ move out cost.

GEOLOGY The bedrock is andesite with a few intrusive dykes.

Very Truly Yours,

D. J. Hoare

## 7. Estimate of Cost

(a) Independent contracts.

The diamond core drilling program for a total of 3600ft. is estimated by Boyles Drilling Co. to cost around $ 28,000.00 an average of $ 8.00 per foot, in total.

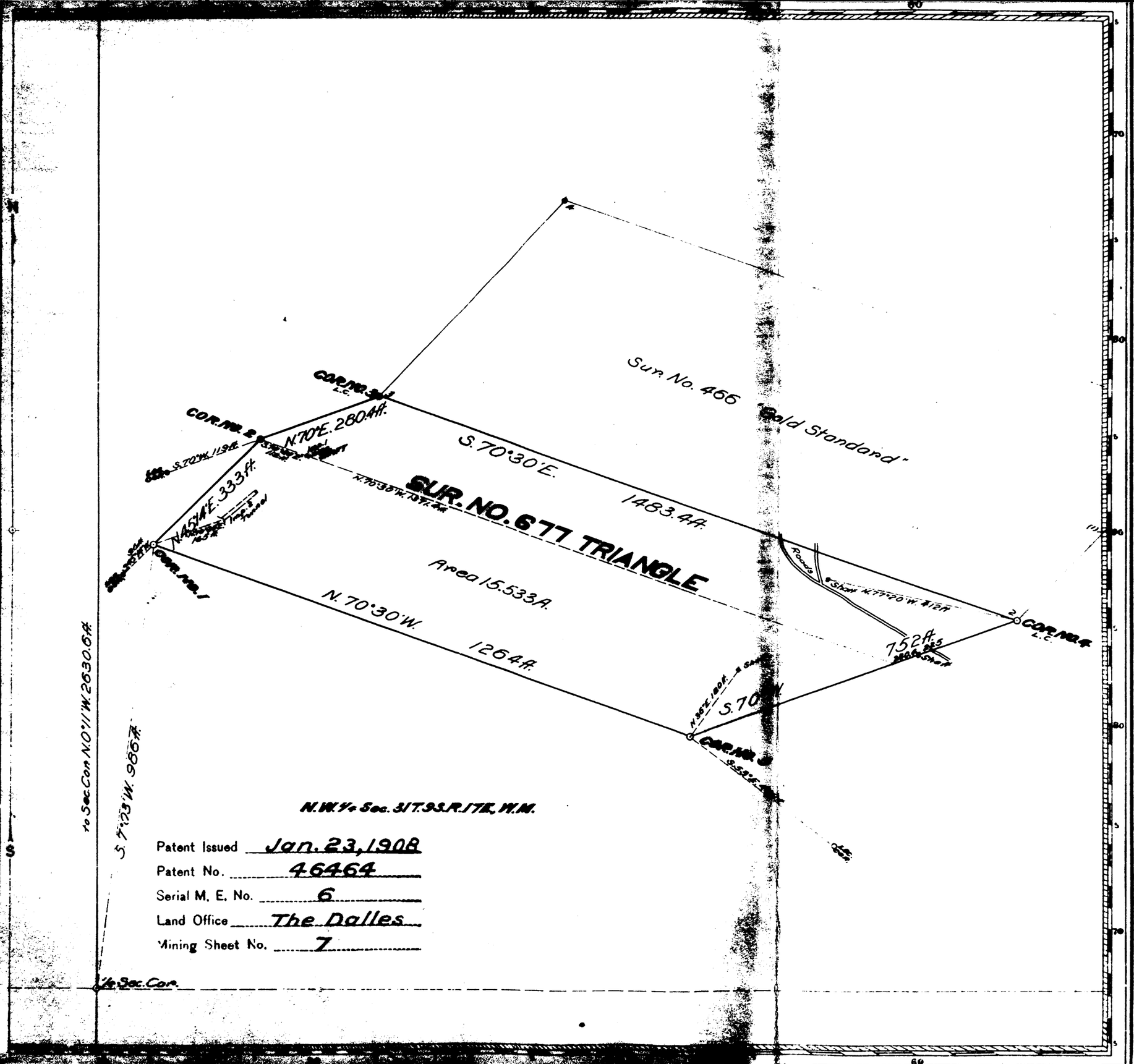
This compares well with the Longyear Company estimate in 1965 for 2450 ft. at $ 7.00 per foot costing a total of $ 23,000.00 Refer to Dr. Lee Armstrong's report.

Work could start two weeks after an OME contract is executed, and take approximately 4 months with a rate of progress of 900 ft. per month.

### Shaft sinking cost.

Using cost data, for comparison, Bureau of Mines Circular 8195, Kaiser Engineers, and other sources, an overall estimate of $ 150.00 per foot is arrived at $ 150.00 / ft. for 160 ft. =$24,000. Timber headframe =$8,080.

This data in a comprehensively itemised format is available upon request, should the OME favor such a program.
The Labor and equipment is available.




C.W.H.
Claim Located October 28, 1899 ~~190~~
Sec. 31 T.9 S. R.17 E., W.M.
Mineral Survey No. 677

~~Lot No.~~

The Dalles Land District.

# PLAT

OF THE CLAIM OF

Roy Mining Company

KNOWN AS THE

**TRIANGLE LODE**

IN Trout Creek (Not Organized) MINING DISTRICT,
Crook COUNTY, Oregon
Containing an Area of 15.533 Acres.
Scale of 200 Feet to the inch.
Variation 21° E.
SURVEYED Oct. 2-5 1906 BY

Horace G. Pearson U.S. Deputy Mineral Surveyor,

The Original Field Notes of the Survey of the Mining Claim of
Roy Mining Company
known as the
Triangle Lode

, from which this plat has been made under my direction, have been examined and approved, and are on file in this Office; and I hereby certify that they furnish such an accurate description of said Mining Claim as will, if incorporated into a patent, serve fully to identify the premises, and that such reference is made therein to natural objects or permanent monuments as will perpetuate and fix the locus thereof.

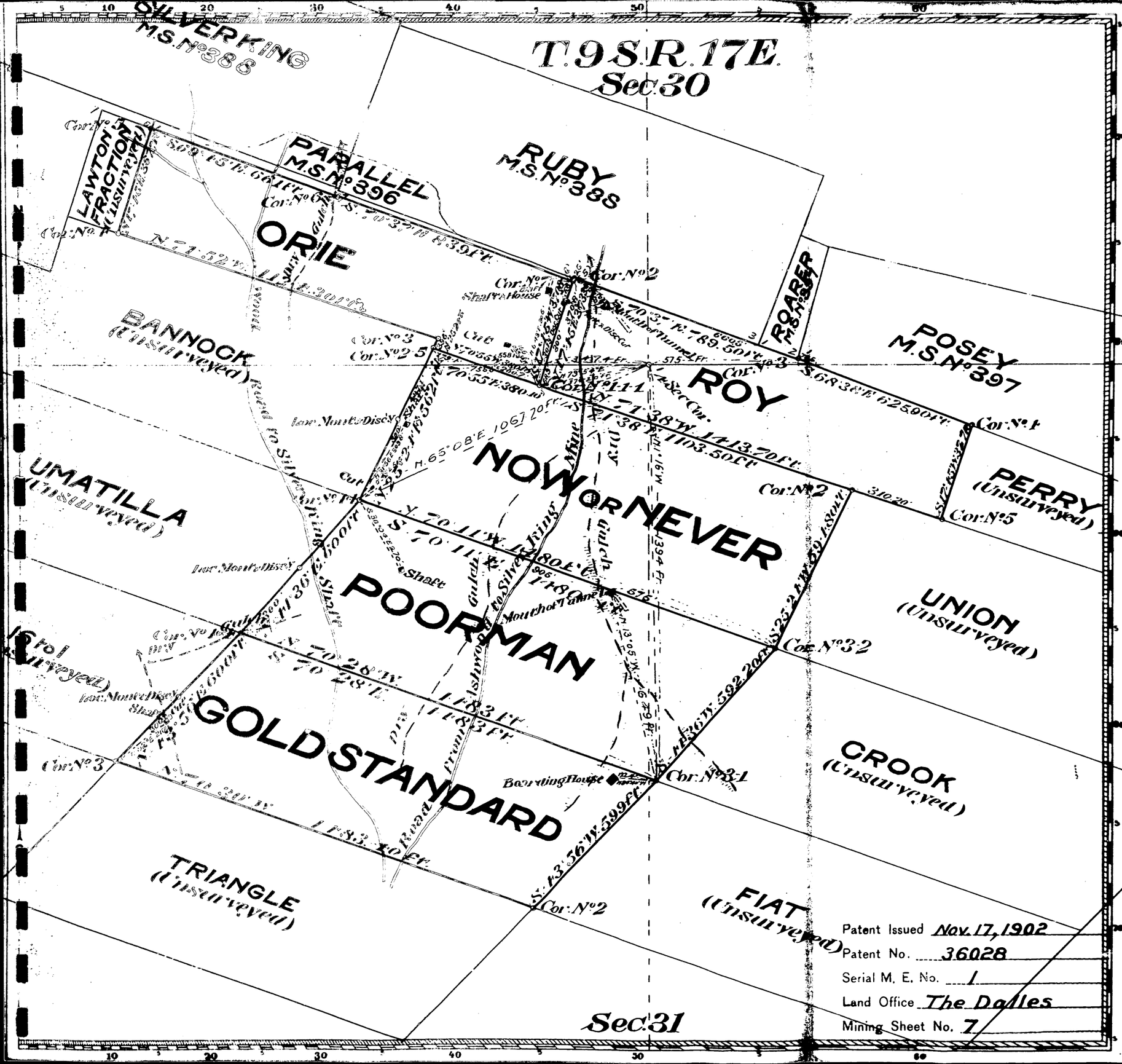
I further certify that Five Hundred Dollars worth of labor has been expended or improvements made upon said Mining Claim by claimant ____ or its ____ grantors, and that said improvements consist of discovery shaft 12 ft. deep, $72.00 and a tunnel, 95 ft. long $760.00.

that the location of said improvements is correctly shown upon this plat, and that no portion of said labor or improvements has been included in the estimate of expenditures upon any other claim.

And I further certify that this is a correct plat of said Mining Claim made in conformity with said original field notes of the survey thereof, and the same is hereby approved.

U.S. Surveyor General's Office.
Portland, Oregon,
February 2, 1907.

Jno. D. Daly
U.S. Surveyor General for
Oregon.




Claims Located (amended) August 26th 1901
Sec. 30 & 31, T. No. 9 S. Range No. 17 East
Mineral Survey No. 146

Lot No.

The Dalles Land District.

# PLAT

OF THE CLAIM OF THE

## Roy Mining Company

KNOWN AS THE

## Roy Mining Claims

IN no organized MINING DISTRICT,
Crook COUNTY, Oregon
Containing an Area of 806.4 Acres.
Scale of 300 feet to the inch.
Variation 21 East
SURVEYED September 27th 1901 BY
Henry J. Jory,
U.S. Deputy Mineral Surveyor,

The Original Field Notes of the Survey of the Mining Claim of
Roy Mining Company
known as the

## Roy Mining Claims

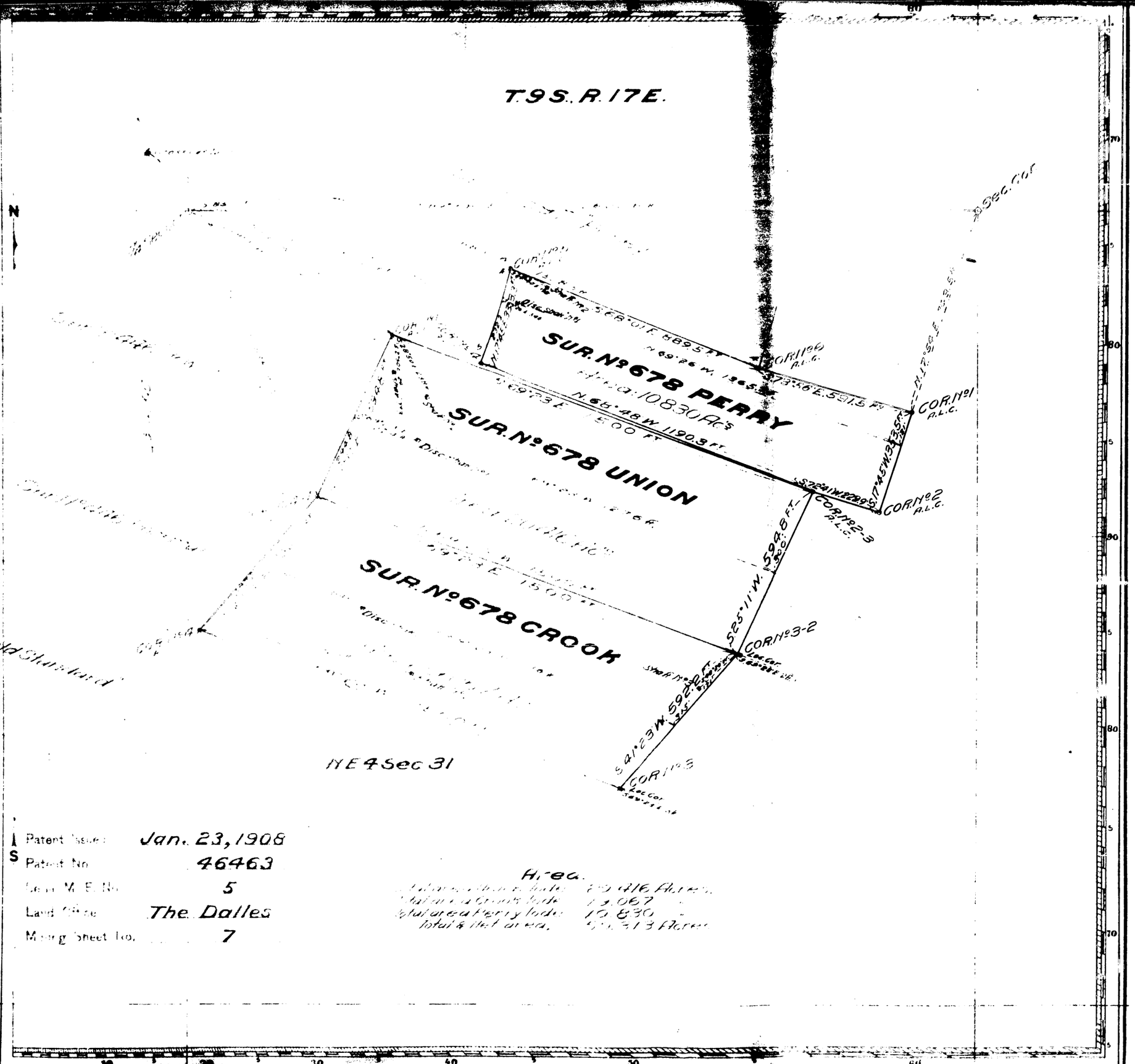
from which this plat has been made under my direction have been examined and approved, and are on file in this Office; and I hereby certify that they furnish such an accurate description of said Mining Claim as will, if incorporated into a patent, serve fully to identify the premises, and that such reference is made therein to natural objects or permanent monuments as will perpetuate and fix the locus thereof.

I further certify that Five Hundred Dollars worth of labor has been expended or improvements made upon said Mining Claim by claimant & or their grantors, and that said improvements consist of 258 ft. of Tunnel Value $2064; 44 ft. of Shaft, Value $1300.00; 45 ft. of Open Cut Value $240.00; Shaft House $100.00; Boarding House Value $400.00; 5000 ft. of Wagon Road, Value $200.00; that the location of said improvements is correctly shown upon this plat, and that no portion of said labor or improvements has been included in the estimate of expenditures upon any other claim.

And I further certify that this is a correct plat of said Mining Claim made in conformity with said original field notes of the survey thereof, and the same is hereby approved.

U.S. Surveyor General's Office, Portland, Oregon, December 23rd, 1901

Henry Meldrum
U.S. Surveyor General for Oregon.




Patent Issued Jan. 23, 1908
Patent No. 46463
Serial M. E. No. 5
Land Office The Dalles
Mining Sheet No. 7

Area.

| | |
|---|---|
| Total area Union lode | 20.416 Acres |
| Total area Crook lode | 19.067 " |
| Total area Perry lode | 10.830 " |
| Total & net area | 50.313 Acres |

L.P.M.
Claim located (time noted) Oct 9th 1901 Nov. 21st 1904
Section 31 Township 9 South, Range 17 E. W.M.
Mineral Survey No. 678

Lot No.
The Dalles Land District.

# PLAT

OF THE CLAIM OF

Roy Mining Company
KNOWN AS THE

## ROY EXTENSION

A consolidation composed of the Union, Crook & Perry lodes

IN Trout Creek (Unorganized) MINING DISTRICT,
Crook COUNTY, Oregon
Containing an Area of 50.313 Acres.
Scale of 300 feet to the inch.
Variation 21° East
SURVEYED October 3rd-5th 1906 BY
Horace G. Pearson.
U.S. Deputy Mineral Surveyor.

The Original Field Notes of the Survey of the Mining Claim of
Roy Mining Company
known as the

Roy Extension

A consolidation composed of the Union, Crook & Perry lodes.

from which this plat is drawn made under my direction & have been examined and approved, and are on file in this Office) and I hereby certify that they furnish such an accurate description of said Mining Claim as will, if incorporated into a patent, serve fully to identify the premises, and that such reference is made therein to natural objects or permanent monuments as will perpetuate and fix the locus thereof.

I further certify that Five Hundred Dollars worth of labor has been expended or improvements made upon said Mining-Claim by claimant — or its grantors, and that said improvements consist of On Union, 44 ft. of Shafts, Value, $336.00; On Crook, 43 ft. of Shafts, $330.00; On Perry, 57 ft. of Shafts, $612.00; An Undivided ½ interest in 100 ft. of Tunnel to apply ½ each on Union & Crook lodes $600.00; that the location of said improvements is correctly shown upon this plat, and that no portion of said labor or improvements has been included in the estimate of expenditures upon any other claim.

And I further certify that this is a correct plat of said Mining Claim made in conformity with said original field notes of the survey thereof, and the same is hereby approved.

U.S. Surveyor General's Office.
Portland, Oregon
February 11th, 1907

Jno W Daly
U.S. Surveyor General for
Oregon.

STANDARD FORM NO. 64

# *Office Memorandum* • UNITED STATES GOVERNMENT

TO : Chief, Office of Minerals Exploration

DATE: January 7, 1972

FROM : Field Officer, Region I

SUBJECT: Documentation for paymmnt for personal services.
OME-6835 (Silver)
Hominex Silver Mines
Roy Mining Property
Jefferson County, Oregon
Contract 2299

OFFICIAL FILE E. RECEIVED JAN 1972 CODE Case 1207 130 140

Enclosed are two xerox copies of a check made out to David James Hoare for $2,000 in payment for personal services from Hominex Silver Mines. The check is dated December 31, 1971 but apparently has not been cancelled.

This came in repsonse to my request to Mr. Hoare for documentation of payemtn for personal services. Perhaps the auditor will not note the date of the check or the fact that it is not cancelled, and will complete his report of review of the subject docket.

Willard T Puffett

# FIRST NATIONAL BANK OF OREGON

MADRAS BRANCH MADRAS

NO. 96-441 / 1232

Hominex Silver Mines
Box 36, Ashwood, Ore.

Dec. 31 1971

| THIS CHECK IS IN SETTLEMENT OF THE FOLLOWING RETURN IF INCORRECT | | |
|---|---|---|
| Personal Services for | | |
| 2 months. | | |
| Contract OME#2299 | | |
| | | |
| | | |
| | | |

PAY TO THE ORDER OF David James Hoare $ 2000.00

Two thousand.00 DOLLARS

D. J. Hoare

⑆1232⑈0441⑆ 0 03812 1⑈

Certified true copy.

D. J. Hoare

# FIRST NATIONAL BANK OF OREGON

MADRAS BRANCH

MADRAS

NO. 96-441 / 1232

Hominex Silver Mines
Box 36, Ashwood, Ore.

Dec. 31 1971

| THIS CHECK IS IN SETTLEMENT OF THE FOLLOWING RETURN IF INCORRECT |
|---|
| Personal Services for 2 months. Contract OME#2299 |

PAY TO THE ORDER OF David James Hoare $ 2000.00

Two thousand.00 DOLLARS

D. J. Hoare

⑆1232⑈0441⑆ 0 03812 ⑈

Certified true copy

D. J. Hoare

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SEP 21 1972

AIRMAIL

Mr. David J. Hoare
President
Hominex Silver Mines
P. O. Box 36
Ashwood, Oregon 97711

Re: OME-6835 (Silver)
David James Hoare
d/b/a Hominex Silver Mines
Roy Mining Property
Jefferson County, Oregon
Contract 2299

Dear Mr. Hoare:

Reference is made to your completed exploration contract with the Government.

We sincerely regret that the work performed did not result in a certification of possible production under the provisions of the contract. In the absence of such certification, the Government retains no claim or lien against the property subject to the contract or any future production therefrom. We, therefore, are closing our books and records on this contract. Your attention, however, is called to the provisions of the contract which require the Operator to keep and preserve certain records for the periods indicated.

We appreciate your interest and participation in the OME exploration program.

Sincerely yours,

Harold Kirkemo

Harold Kirkemo
Chief, Office of
Minerals Exploration

Copy to:
Mr. David J. Hoare
American Primary Resources, Inc.
P. O. Box 433
Redding, California

Copy to: Mr. W. I. Rees
Roy Mining Company
Route 9, Box 725
Pleasant Hill, Oregon 97401

cc: Director's Reading File
Mineral Resources
OME Reading File
OME Reginn I
Br. of Financial Management
Mr. Kirkemo
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SEP 21 1972

AIRMAIL

Mr. W. I. Rees
Roy Mining Company
Route 9, Box 725
Pleasant Hill, Oregon 97401

Re: OME-6835 (Silver)
David James Hoare
d/b/a Hominex Silver Mines
Roy Mining Property
Jefferson County, Oregon
Contract 2299

Dear Mr. Rees:

Enclosed is a copy of a self-explanatory letter of today to the Operator under the subject contract.

This correspondence relates to the Lien and Subordination Agreements, signed by you on March 7, 1971, under the Office of Minerals Exploration program.

Sincerely yours,

Harold Kirkemo

Harold Kirkemo
Chief, Office of
Minerals Exploration

Enclosure

cc: Director's Reading File
Mineral Resources
OME Docket
OME Reading File
OME Region I
Mr. Kirkemo
130

GLAult/a 9-18-72

# United States Department of the Interior

GEOLOGICAL SURVEY
OFFICE OF MINERALS EXPLORATION
656 U. S. Court House
Spokane, Wash. 99201

August 4, 1972

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MEMORANDUM

To : Chief, Office of Minerals Exploration

From : Field Officer, Region I

Subject: Final summary report
OME-6835 (Silver)
Hominex Silver Mines
Roy Mining Property
Jefferson County, Oregon
Contract 2299

## INTRODUCTION

This report summarizes a diamond-drill exploration project for downward projections of a silver-bearing shear zone that cuts Clarno volcanic rocks near the formerly productive Oregon King mine, about 1½ miles northeast of Ashland, Jefferson County, Oregon. The contract, dated June 23, 1971, was for a total estimated cost of $28,200 of which the Government would contribute 75 percent or $21,150. Work, started July 1, 1971, and completed July 31, 1971, consisted of drilling two inclined holes from a single surface site; aggregate hole length was 859 feet. The holes were unsuccessful in finding an ore-bearing structure at depth. Total cost of the project was $10,410 of which the Government contributed $7,808. The property is now idle.

## OPERATOR

David James Hoare d/b/a Hominex Silver Mines,
a proprietorship
P. O. Box 36
Ashwood, Oregon 97711

Officers listed on the application are as follows:

President: D. J. Hoare, P. O. Box 36, Ashwood, Oregon 97711

Director: R. Dixon, 2450 Severn Drive, Reno, Nevada 89501

Director and
Vice-President: Frank Allstrom, P. O. Box 36, Ashwood, Oregon 97711

Field T.
Final Rpt.

Secretary: G. Forstner, 3045 Franklin St., San Francisco, California 94123

Director: R. Cesped, 350 Vernon St., #204, Oakland, California 94160

Director: J. Paulsen, Route 2, W. de Pere, Wisconsin 54178

Hominex Silver Mines is an assumed business name registered with the Oregon State Corporation Commission and is a sole proprietorship owned by David James Hoare, who has sole and full legal liability for actions of the company.

## PROPERTY

The land subject to the contract consists of nine patented lode mining claims and two unpatented lode mining claims in secs. 30 and 31, T. 9 S., R. 17 E., and sec. 25, T. 9 S., R. 16 E., W.M., Jefferson County, Oregon (Figure 1- Plan, section, claim, and index maps showing OME diamond-drill holes, Roy mining property, secs. 30 and 31, T. 9 S., R. 17 E., Jefferson County, Oregon).

The patented lode mining claims are as follows:

| Claim Name | Survey No. | Patent No. |
|---|---|---|
| Ferry | 678 | 46463 |
| Union | 678 | 46463 |
| Crook | 678 | 46463 |
| Triangle | 677 | 46464 |
| Orie | 446 | 36028 |
| Roy | 446 | 36028 |
| Now or Never | 446 | 36028 |
| Poorman | 446 | 36028 |
| Gold Standard | 446 | 36028 |

The Operator was in possession of the patented lode mining claims under an assignment of Mining lease dated March 7, 1971, between Roy Mining Company and David Hoare, d/b/a Hominex Silver Mines. This document assigned a Mining Lease and Option to Purchase agreement dated November 27, 1970, between Roy Mining Company, the owner and lessor, and David Hoare, lessee.

The unpatented lode mining claims were located by David James Hoare and are recorded in the office of the County Clerk, Jefferson County, Oregon, as follows:

| Claim Name | Book | Page |
|---|---|---|
| Gudrun Silver | 4 | 283 |
| Royal Silver | 4 | 281 |

## LOCATION AND ACCESSIBILITY

The claims cover a sparsely forested and gently sloping area south of Long Hollow, a west- to northwest-flowing tributary of Trout Creek. Altitudes range from 2,700 to 2,100 feet.

Several shallow shafts have explored parts of the property. No buildings are on the claims. An unsurfaced access road extends across the property to the shaft of the now inactive Gold King mine.

One can reach the property by driving north from Ashwood on an unsurfaced road to the junction with the access road that leads to the Gold King mine, a distance from Ashwood of about two miles. Another approach to the property is by driving east from Antelope, Oregon, for about 4 miles to the junction with the unsurfaced that leads south to Donnybrook. The Antelope, Oregon, topographic sheet shows the location of this latter route.

## GEOLOGY

The rocks underlying the property are part of the Clarno Formation of Eocene age (Peck, 1964, pl. I), which consists of tuff, volcanic breccia, and flows, mostly of andesitic composition. The known ore deposits are in west- to northwest-trending, steeply-dipping shear zones. Lead, zinc, and copper sulfides have been deposited in the main shear zone at the Oregon King mine; base metal sulfides are not common in the shallow shafts on the Roy Mining property. Tiny pyrite crystals are abundant on joint surfaces in gray andesite near some of the shallow shafts on the Roy property.

The Roy vein is a 2-foot-thick shear zone that is best exposed in shaft 68 (figure 1). Here it strikes N. 65-70° W. and dips 70° N. at the shaft collar but flattens to about 50° in the short drift that is 48 feet below the collar. Conspicuous near-vertical fractures, some filled with dark gray quartz crystals, are exposed in the shaft walls. Samples of the quartz crystals with fragments of attached rock assayed as much as 55 ounces silver per ton. A channel sample cut across the shear zone in the short drift assayed 0.16 ounces gold and 6.55 ounces silver per ton. No sulfides were seen in these samples and it was assumed that the precious metal was in some oxidized silver mineral. Extensions of the vein along strike are exposed in shallow shafts that are 60 and 200 feet west of shaft 68.

The presumption was that exploration of the vein at depth might find unoxidized base metal sulfides and silver-bearing minerals. The completed exploration, consisting of two drill holes that intersected the vein about 180 feet downdip from the shaft bottom, failed to disclose sulfides and the assays indicated no silver.

## PURPOSE OF PROJECT

The purpose of the project was to explore by diamond core drilling from a prepared surface site for silver-bearing ore bodies in and along a shear zone cutting volcanic rocks of the Clarno Formation of Eocene age.

CONTRACT

The contract, no. 2299, dated June 23, 1971, required that work start on or before August 15, 1971, and be completed within 6 months from the contract date. The work was to be divided into two stages. Stage I consisted of diamond drilling three core holes downward from a single surface site prepared in advance at the Operator's expense. The bearing, inclination, and depth of the three holes were to be as follows:

| Hole No. | Inclination | Bearing | Approximate length1/ (feet) |
|---|---|---|---|
| 1 | -40° | S.40°W. | 350 |
| 2 | -40° | S.10°W. | 350 |
| 3 | -40° | S.70°W. | 350 |
| | | | 1,050 |

1/ No hole shall be drilled more than 20 feet beyond a vein zone correlative with the Roy vein.

Stage II, if approved, was to consist of diamond drilling two additional inclined core holes downward from the same surface site as Stage I. The bearing, inclination, and depth of the two holes were to be as follows:

| Hole No. | Inclination | Bearing | Approximate length1/ (feet) |
|---|---|---|---|
| 4 | -75° | S.50°W. | 500 |
| 5 | -75° | S.25°W. | 500 |

1/ No hole shall be drilled more than 20 feet beyond a vein zone correlative with the Roy vein.

Estimated Costs of the Project

Stage I

Actual Costs

Category (1) Independent Contracts

Mobilization and demobilization, one drill unit $ 750.00

Diamond drilling, including overburden, 1,050 feet 8,260.00

| Depth (feet) | Price per foot Ob. | NC | NX | BX |
|---|---|---|---|---|
| 0-500 | $10.50 | $8.75 | $7.75 | $7.50 |

Cementing, 30 hours at $20/hr 600.00

| | | |
|---|---|---|
| Reaming or drilling cement<br>100 feet at $4/ft | $ 400.00 | |
| Placing and pulling casing<br>50 hours at $16/hr | 800.00 | |
| Lost casing in completed holes,<br>100 feet at $2/ft | 200.00 | |
| Water truck rental, including driver,<br>2 months at $350/month | 700.00 | |
| | | $11,710.00 |

Category (2) Personal Services

None except:

| | | |
|---|---|---|
| 1 Supervisor-Engineer-Geologist,<br>2 months at $1,000/month | | $ 2,000.00 |

Category (3) Operating Materials and Supplies

None except:

| | | |
|---|---|---|
| 100 core boxes at $1.15/box | $ 115.00 | |
| 30 sample sacks at $0.50/sack | 15.00 | |
| Sludge catching and sampling supplies | 50.00 | |
| Cement, drill mud, additives<br>12 sacks materials listed, or equivalent | 100.00 | |
| Cement at $8.00/100 lb. sack<br>Drill mud at $2.50/50 lb. sack<br>Additives,<br>Caustic soda at $20/50 lb. sack<br>Cellex at $65/50 lb. sack | | |
| | | $ 280.00 |

Category (7) Miscellaneous

None except:

| | | |
|---|---|---|
| Office and accounting expense<br>2 months at $50/month | $ 100.00 | |
| Assaying for gold and silver<br>30 samples at $5/sample | 150.00 | |

| | |
|---|---|
| | $ 250.00 |
| Total estimated cost, Stage I | $14,240.00 |
| Government participation at 75 percent | 10,680.00 |

Stage II

Actual Costs

Category (1) Independent Contracts

Diamond drilling, including overburden, 1,000 feet $8,160.00

| Depth (feet) | Price per foot Ob. | NC | NX | BX |
|---|---|---|---|---|
| 0-500 | $10.50 | $8.75 | $7.75 | $7.50 |
| 500-1,000 | | | 8.25 | 8.00 |

| | | |
|---|---|---|
| Cementing, 30 hours at $20/hr | 600.00 | |
| Reaming or drilling cement 200 feet at $4/ft | 800.00 | |
| Placing and pulling casing 50 hours at $16/hr | 800.00 | |
| Lost casing in completed holes, 200 feet at $2/ft | 400.00 | |
| Water truck rental, including driver, 2 months at $350/month | 700.00 | |
| | | $11,460.00 |

Category (2) Personal Services

None except:

| | |
|---|---|
| 1 Supervisor-Engineer-Geologist, 2 months at $1,000/month | $ 2,000.00 |

Category (3) Operating Materials and Supplies

None except:

| | |
|---|---|
| 100 core boxes at $1.15/box | $ 115.00 |
| 20 sample sacks at $0.50/sack | 10.00 |
| Sludge catching and sampling supplies | 50.00 |

| | | |
|---|---|---|
| Cement, drill mud, additives | | |
| 15 sacks materials listed, or equivalent | 125.00 | |
| Cement at $8.00/100 lb. sack | | |
| Drill mud at $2.50/50 lb. sack | | |
| Additives, | | |
| Caustic soda at $20/50 lb. sack | | |
| Cellex at $65/50 lb. sack | | |
| | | $ 300.00 |

Category (7) Miscellaneous

None except:

| | | |
|---|---|---|
| Office and accounting expense | | |
| 2 months at $50/month | $ 100.00 | |
| Assaying for gold and silver | | |
| 20 samples at $5/sample | 100.00 | |
| | | $ 200.00 |

| | |
|---|---|
| Total estimated cost, Stage II | $13,960.00 |
| Total estimated cost, Project | 28,200.00 |
| Government participation at 75 percent | 21,150.00 |

## PROJECT WORK

The project work started on July 1, 1971, when the drill unit arrived and hole no. 1 was collared. By July 12, 1971, the hole had been drilled to an inclined depth of 350 feet. The Operator contacted the OME field officer by telephone to request an additional 50 feet of drilling for hole no. 1 as the vein had not been intersected. Permission was given, but on the following day the field officer visited the project and found that brecciated rock had been intersected at about the projection of the Roy vein--no sulfides other than some pyrite were in the breccia zone. Hole no. 1 was extended to an inclined depth of 439 feet without intersecting a base-metal sulfide zone. Hole no. 2, was completed to an inclined depth of 420 feet by July 31, 1971, without intersecting an ore-bearing structure. The two holes had been drilled an aggregate length of 859 feet so there was insufficient drilling allowed in Stage I to drill the originally planned hole no. 3.

The Operator requested, and was refused, permission to move the drill rig to near shaft 61 (fig. 1) to explore the down-dip extension of a vein known to contain a small pod of silver-rich sulfides. On his own account the Operator did drill a hole 190 feet long to search below shaft 61, but the results were negative.

The drill rig and water truck were removed from the property after August 17, 1971.

Approved costs of the project are as follows:

Actual Costs

Category (1) Independent Contracts

| | | |
|---|---|---|
| Mobilization and demobilization one drill unit | $ 750.00 | |
| Diamond drilling, including overburden, 859 feet | 6,507.00 | |
| Cementing, 2 hours at $20/hr | 40.00 | |
| Reaming or drilling cement 61 feet at $4/ft | 244.00 | |
| Placing and pulling casing 6 hours at $16/hr | 96.00 | |
| Lost casing in completed holes | 81.00 | |
| Water truck rental, including driver, 1 1/15 months at $350/month | 373.00 | |
| | | $ 8,091.00 |

Category (2) Personal Services

| | | |
|---|---|---|
| 1 Supervisor-Engineer-Geologist, 2 months at $1,000/month | | $ 2,000.00 |

Category (3) Operating Materials and Supplies

| | | |
|---|---|---|
| 88 core boxes at $1.15/box | $ 101.00 | |
| 10 sample sacks | 3.00 | |
| Cement, drill muds, additives | 65.00 | |
| | | $ 169.00 |

Category (7) Miscellaneous

| | | |
|---|---|---|
| Office and accounting expense 2 months at $50/month | $ 100.00 | |
| Assaying for gold and silver 10 samples at $5/sample | 50.00 | |
| | | $ 150.00 |

| | |
|---|---|
| Total approved costs | $10,410.00 |
| Government participation at 75 percent | 7,808.00 |

The Government retains no equity in any supplies or materials remaining on the property as a result of the contract work.

## REPORTS

The Operator submitted a final report with his voucher on September 20, 1971.

The Government's Report of Review was issued in June 1972.

No royalty reviews have been necessary.

## PROJECT RESULTS

The drilling proved that the shear zone exposed in shaft 68 extends to depth but is not mineralized with silver minerals. No base metal sulfides are in the shear zone where it was intersected by the drill hole.

The Operator failed to recognize the shear zone in the drill core and unwisely drilled his first two holes too long, thus not allowing enough footage left to drill hole no 3. Two holes are hardly enough to adequately test the shear zone for an ore body but the results did not encourage the Operator to continue drilling.

If some evidence is found that indicates silver-bearing sulfides are found elsewhere along the Roy shear zone, some participation in exploration by the Government might be justified.

## CERTIFICATION

The Field Officer recommended in a memorandum dated October 28, 1971, that the Operator be notified that the Government does not expect to issue a Certification of Possible Production as a result of the contract work.

## CONCLUSIONS

The two completed holes proved that the Roy shear zone persisted to at least 250 feet downdip from the surface. No sulfides are in the shear zone where intersected by the drill hole. There are no mineralized shear zones parallel to the Roy shear zone in the intervals cut by the drill holes.

The Operator could have used more care in logging the core and in this way he would have been able to conserve the drilling footage in order to complete the third hole as authorized in the contract.

## REFERENCE CITED

Peck, D. L., 1964, Geologic reconnaissance of the Antelope-Ashwood area, north-central Oregon: U. S. Geol. Survey Bull. 1161-D, 26 p.

Willard P. Puffett

Willard P. Puffett

Enclosure: Figure 1- Plan, section, claim, and index maps showing OME diamond-drill holes, Roy Mining Property, secs. 30 and 31, T. 9 S., R. 17 E., Jefferson County, Oregon.

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AUG 10 1972

Memorandum

To: Branch of Financial Management

From: Chief, Office of Minerals Exploration

Subject: OME-6835 (Silver)
David James Hoare
d/b/a Hominex Silver Mines
Roy Mining Property
Jefferson County, Oregon
Contract 2299

Enclosed is a copy of the Field Officer's letter of August 4, 1972, forwarding a copy of the Report of Review issued in June 1972 to the subject Operator. Also enclosed is a copy of the report for your files.

Harold Kirkemo

Harold Kirkemo

Enclosures

cc: Director's reading file
Mineral Resources
OME reading file
Region I
Mr. Kirkemo

HKirkemo/cac 8-10-72

File Copy.

August 1, 1972

Memorandum

To: Field Officer, Region I

From: Chief, Office of Minerals Exploration

Subject: OME-9605
David James Moore d/b/a
Hominex Silver Mines
Jefferson County, Oregon
Contract 2299

Enclosed are the Field Office's and Operator's copies of the Report of Review issued in June, 1972 on the subject contract.

If you concur in the facts as stated in this report, one copy should be sent to the Operator with any comments you may care to make, and the other copy retained for your files. As evidence of your concurrence, two copies of your letter transmitting the Operator's copy of the report should be furnished this office. If for any reason you do not concur, both copies of the report should be returned to this office with appropriate comments.

Harold Kirkemo

Harold Kirkemo

Enclosures

cc: Director's Reading File
Mineral Resources
OME Reading File
R. Weeks
H. Kirkemo
130

H. KIRKEMO:ohm

I-C-DC-OME-1(d)-72

Phoned Miss Delia 6/19/72 to advise OK of draft. H. Kirkland

# UNITED STATES
# DEPARTMENT OF THE INTERIOR

## Office of Survey and Review

## Audit Operations

DRAFT

Report of Review-Contract 2299
Docket No. OME-6835 (Silver)
David James Hoare d/b/a
Hominex Silver Mines
Jefferson County, Oregon

Washington, D.C.
June 1972

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF THE SECRETARY
OFFICE OF SURVEY AND REVIEW
Audit Operations, Region I
801 19th Street, N.W., Room 1115
Washington, D.C. 20240

Memorandum

To: Director, Geological Survey

From: Regional Director, Region I

Subject: Review of Contract No. 2299
Docket No. OME-6835 (Silver)
David James Hoare d/b/a
Hominex Silver Mines
Jefferson County, Oregon

DRAFT

As requested by the Chief, Office of Minerals Exploration, we made a cost review of contract No. 2299. The results of our review are shown in the attached report.

Attachment

A final review has been made of the contract files of the Office of Minerals Exploration (OME) pertaining to the mineral exploration Contract 2299 with David James Hoare d/b/a Hominex Silver Mines (Operator), made under Public Law 85-701, and an examination of the related disbursement records in the Branch of Budget and Finance, Administrative Division, Geological Survey. The review was made during May and June 1972 at Washington, D.C.

The contract was awarded June 23, 1971, for $28,200, the total estimated cost of the project, with OME participation on a 75-percent basis or not in excess of $21,150.

Work on the contract was to begin on or before August 15, 1971, and was to be completed within 6 months from the date of the contract or by December 23, 1971.

The purpose of the project was to explore by diamond core drilling from a prepared surface site for silver-bearing ore bodies in and along a shear zone cutting volcanic rocks of the Clarno Formation of Eocene age. The work was to be completed in two stages with the approval of Stage II based upon the results of Stage I. Stage I consisted of diamond drilling three inclined core holes downward from a single surface site prepared in advance at the Operator's expense. Stage II, if approved, was to consist of diamond drilling two additional inclined core holes downward from the Stage I surface site.

DRAFT

Repayment of disbursed Federal funds plus simple interest at 8¼ percent was to be made on the basis of established royalties on all the minerals and metals produced from the land during the exploration operations, and, in the event a certification of possible production is issued by OME, for a period of 10 years from the date of the contract or until the total net amount contributed by the Government is fully repaid with interest, whichever occurs first.

Assays from samples taken from drill holes number one and two indicated no silver in the cores. Drill hole number three was not drilled as specified in the contract but, instead drilled to test the downward extension of a vein. Prior to the work on this hole the Region I Field Officer denied the Operator permission to do the job. Thus, reimbursement was denied.

A contract termination date was not indicated in the contract file, however, an October 28, 1971, memorandum to the Chief, OME, from the Region I Field Officer stated that the project was unsuccessful and recommended that the Government notify the Operator that it does not expect to issue a Certification of Possible Production.

One interim inspection was made after the first drill hole and a final inspection was made at the completion of the project. Two (2) vouchers submitted by the Operator were approved by the OME Region I Office.

DRAFT

The units of work authorized and approved under Contract 2299 are summarized on Exhibit I. We believe that the claimed and accepted costs incurred of $10,410.21 and the OME participation on a 75 percent basis of $7,807.67 were proper under the terms of the Act and the contract.

Regional Director

DRAFT

## Summary of Contract Terms and Costs

| Actual Costs | Authorized Amounts | Costs Paid | Unexpended Balance |
|---|---|---|---|
| **Stage I** | | | |
| **Category (1) Independent Contracts** | | | |
| Mobilization and demobilization, one drill unit | $ 750.00 | $ 750.00 | $ -0- |
| Diamond drilling, including overburden, 1050 feet | 8,260.00 | 6,507.00 | 1,753.00 |
| Cementing, 30 hrs. at $20.00/hour | 600.00 | 40.00 | 560.00 |
| Reaming or drilling cement, 100 feet at $4.00/foot | 400.00 | 244.00 | 156.00 |
| Placing and pulling casing, 50 hours at $16.00/hour | 800.00 | 96.00 | 704.00 |
| Lost casing in completed holes, 100 feet at $2.00/foot | 200.00 | 81.00 80.84 | 119.00 |
| Water truck rental, including driver, 2 months at $350.00/month | 700.00 | 373.00 373.34 | 327.00 |
| Total Category (1) | 11,710.00 | 8,091.00 | 3,619.00 |
| **Category (2) Personnel Services** | | | |
| 1 Supervisor-Engineer-Geologist, 2 months at $1,000.00/month | 2,000.00 | 2,000.00 | -0- |
| Total Category (2) | 2,000.00 | 2,000.00 | -0- |
| **Category (3) Operating Materials & Supplies** | | | |
| 100 core boxes at $1.15/box | 115.00 | 101.00 | 14.00 |
| 30 sample sacks at $.50/sack | 15.00 | 3.00 | 12.00 |
| Sludge catching and sampling supplies | 50.00 | -0- | 50.00 |
| Cement, drill muds, additives 12 sacks materials listed, or equivalent | 100.00 | 65.00 | 35.00 |
| Cement at $8.00/100 lb. sack | | | |
| Drill mud at $2.50/50 lb. sack | | | |
| Additives, | | | |
| Caustic soda at $20.00/50 lb. sack | | | |
| Cellex at $65.00/50 lb. sack | | | |
| Total Category (3) | 280.00 | 169.00 | 111.00 |

DRAFT

## Summary of Contract Terms and Costs

| Actual Costs | Authorized Amounts | Costs Paid | Unexpended Balance |
|---|---|---|---|
| **Category (7) Miscellaneous** | | | |
| Office and accounting expense, 2 months at $50.00/month | $ 100.00 | $ 100.00 | $ -0- |
| Assaying for gold and silver 30 samples at $5.00/sample | 150.00 | 50.00 | 100.00 |
| Total Category (7) | 250.00 | 150.00 | 100.00 |
| Total Estimated Costs of Stage I | 14,240.00 | 10,410.00 | 3,830.00 |
| Total Estimated Costs of Stage II | 13,960.00 | -0- | 13,960.00 |
| Total Estimated Costs of Project | 28,200.00 | 10,410.00 | 17,790.00 |
| Government Participation @ 75% | 21,150.00 | 7,808.00 | 13,342.00 |

7807.67

DRAFT

May 18, 1972

Memorandum

To: Assistant Director, Audit Operations
Contract and Grant Audit
Office of Survey and Review, Rm. 5228

From: Chief, Office of Minerals Exploration

Subject: Report of Cost Review

Please prepare a Report of Review on the following OME contract:

| Docket No. | Operator | Contract No. |
|---|---|---|
| OME-6831 | U. D. I. Copper | 2298 |

Listed below are previous requests for Reports of Review which have not been completed. The dockets are still in our office awaiting review:

| Docket No. | Operator | Contract No. | Date requested |
|---|---|---|---|
| OME-6827 | Mineral Associates Ltd. | 2292 | 3/21/72 |
| OME-6835 | Hominex Silver Mines | 2299 | 12/6/71 |
| OME-6845 | Miles Stanley Decker | 2301 | 2/2/72 |

Harold Kirkemo

Copy to: C. D. Bare, Rm. 812 - 801 19th Street, N. W.

cc: Above four dockets

cc: Director's Reading File
Mineral Resources
OME File
OME Reading File
Mr. Kirkemo
130

HKirkemo/gla 5-18-72

STANDARD FORM NO. 64

# *Office Memorandum* • UNITED STATES GOVERNMENT

TO : Chief, Office of Minerals Exploration

DATE: February 28, 1972

OFFICIAL COPY
O. M. E.
RECEIVED
MAR 1 1972
INITIALS | CODE
Cac 120 m
130
HK 120

FROM : Field Officer, Region I

SUBJECT: Documentation of payment for services of Supervisor-Engineer-Geologist
Re: OME-6835 (Silver)
Hominex Silver Mines
Roy Mining Property
Jefferson County, Oregon
Contract 2299

Attached are xerox copies of the front and back of a processed check made out to David James Hoare in the amount of $2,000.00 as payment for 2 months personal services on OME contract 2299. I consider this adequate proof pf payment for services claimed on the Operator's voucher for Supervisor-Engineer-Geologist.

Welland P Puffett

RECEIVED
FEB 28 1972

O.M.E.
SPOKANE, WASH.

# FIRST NATIONAL BANK OF OREGON

MADRAS BRANCH
Hominex Silver Mines
Box 36, Ashwood, Ore.

MADRAS

NO. _____ 96-441 / 1232

Dec. 31 1971

PAY TO THE ORDER OF David James Hoare $ 2000.00

Two thousand.00 DOLLARS

D. J. Hoare

THIS CHECK IS IN SETTLEMENT OF THE FOLLOWING RETURN IF INCORRECT

Personal Services for 2 months.
Contract OME#2299

⑆1232⑈0441⑆ 0 03812 1⑈ ⑈0000200000⑈

Re: OME-6835 (silver)
Hominex silver mines
Roy Mining Property
Jefferson County, Oregon
Contract 2299

CREDIT TO THE ACCOUNT OF

D. J. Howe

FEB

REDDING OFFICE
PAY ANY BANK
THE BANK OF CALIFORNIA
N. A.
SAN FRANCISCO, CALIFORNIA
1-1

3-372 915 1-P441

FEB 3

FEB 1 1 1972

PAY ANY BANK
THE BANK OF CALIFORNIA
SAN FRANCISCO

241-1

RECEIVED
FEB 28 1972
O. M. E.
SPOKANE, WASH.

Re: OME-6835 (silver)
Hominex Silver Mines
Roy Mining Property
Jefferson County, Oregon
Contract 2299

OFFICE OF MINERALS EXPLORATION
656 U. S. Court House
Spokane, Wash., 99201

February 9, 1972

OFFICIAL COPY
O. E.
RECEIVED
FEB 7 1972
CODE

Mr. David J. Hoare
P. O. Box 433
Redding, California 96001

Re: OME-6835 (silver)
Hominex Silver Mines
Roy Mining Property
Jefferson County, Oregon
Contract 2299

Dear Mr. Hoare:

I have unsuccessfully tried to contact you by telephone several times to discuss getting some adequate documentation for your charges of Supervisor-Engineer-Geologist on the subject contract. The copies of the check you mailed me are not suitable for the check was not cancelled and hence was not adequate proof that payment had been made for the services shown on your vouchers.

A copy of the cancelled check will be adequate. If this can't be obtained, perhaps you can send a payroll record on which is shown payment being made for your services.

Sincerely,

Willard P. Puffett
Field Officer, Region I

cc: to Mr. Hoare at:
3045 Franklin Street
San Francisco, Ca., 94123
and
P. O. Box 8724
Oakland, Ca., 94608

DRF
OME

WPuffett/at

AME Form 7
(2/63)

OFFICIAL FILE COPY

| Date | Surname | Code |
|---|---|---|
| | | |
| | | |
| | | |
| | | |
| | | |
| | | |
| | | |
| | | |
| | | |

December 6, 1971

Memorandum

To: Assistant Director, Audit Operations
Contract and Grant Audit
Office of Survey and Review, Rm. 5228

From: Chief, Office of Minerals Exploration

Subject: Report of Cost Review

Please prepare a Report of Review on the following OME contract:

| Docket No. | Operator | Contract No. |
|---|---|---|
| OME-6835 | David James Hoare d/b/a Hominex Silver Mines | 2299 |

Harold Kirkemo

Harold Kirkemo

cc: C. D. Bare, Rm. 812 - 801 19th Street, N. W.

cc: Director's Reading File
Mineral Resources
OME File
OME Reading File
Mr. Kirkemo
130

GLAult/a 12-6-71

# United States Department of the Interior

GEOLOGICAL SURVEY
656 U. S. Court House
Spokane, Wash., 99201

OFFICIAL COPY
O. M. E.
RECEIVED
NOV 1 1971
INITIALS | CODE
Cec 120 N
gla 130
HK 120

October 28, 1971

MEMORANDUM

To: Chief, Office of Minerals Exploration

From: Field Officer, Region I

Subject: Final voucher and final report
OME-6835 (Silver)
David James Hoare
d/b/a Hominex Silver Mines
Roy Mining Property
Jefferson County, Oregon
Contract 2299

Enclosed are the original and two copies, with attached data sheets, of the final voucher for the subject project. Attached to the voucher is the Operator's final report.

The Operator has submitted claims for drilling hole No. 3, the location of which is considerably different than specified in the contract. I refused permission for him to drill this hole as part of the contract; hence I believe the costs of drilling and moving the drill rig to the hole site should not be participated in by the Government.

The final report fairly summarizes the findings in the drill holes; I was disappointed at the rudimentary map attached to the report. Mr. Hoare is certainly qualified to do a better job than he did on the final report but I have sufficient data to prepare my final report and do not plan to request a better map from him.

The project was unsuccessful. I recommend that the Government notify the Operator that we do not expect to issue a Certification of Possible Production.

Willard P. Puffett

Willard P. Puffett

Enclosures

cc: Director

CORRESPONDENCE FILE

OME-6835
Contract 2299
David James Hoare
d/b/a Hominex Silver Mines

See the Operator's Final Report

attached to August 1971 voucher.

Original retained by Audit Division

OPERATOR'S
FINAL REPORT

FORM 9-1648
MARCH 1968

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY
OFFICE OF MINERALS EXPLORATION

RECEIVED OCT 27 1971

OFFICIAL COPY O. M. E. RECEIVED NOV 9 1971

HK 11/4/71

# OPERATOR'S MONTHLY VOUCHER

For Month of August

Docket No. OME- 6835
Contract 14-08-0001 2299
Contract Amount $ ~~28,200.00~~
Gov't. Participation % ~~75~~ $ ~~21,150.00~~

INITIALS | CODE

Operator's Name David James Hoare dba Hominex Silver Mines
Address P.O.Box 36, Ashwood, Oregon, 97711

| FOR OPERATOR'S USE | | | | | FOR GOVERNMENT USE ONLY | | | |
|---|---|---|---|---|---|---|---|---|
| COST ITEMS (FROM EXHIBIT A) | THIS MONTH | | TO DATE | | THIS MONTH | | TO DATE | |
| | UNITS | COSTS | UNITS | COSTS | UNITS | COSTS | UNITS | COSTS |
| | | $ | | $ | | $ | | $ |
| Demobilization | | 375.00 | | 375.00 | Job | 375.00 | Job | 375.00 |
| Mobilization | | | | 375.00 | | | Job | 375.00 |
| Hole #1 Drill OB | | | 8LF | 84.00 | | | 8ft. | 84.00 |
| Drill NX | | | 12 LF | 100.75 | | | 12 ft | 100.75 |
| Drill BX | | | 419LF | 3142.50 | | | 419 ft | 3142.50 |
| Change drill setup | | 80.00 | | 80.00 | 1 | | | |
| Hole #2 Drill OB | 10LF | 105.00 | 10LF | 105.00 | 10 ft. | 105.00 | 10 ft. | 105.00 |
| Drill BX | 410LF | 3075.00 | 410LF | 3075.00 | 410 ft | 3075.00 | 410 ft | 3075.00 |
| Reaming | 11LF | 44.00 | 11LF | 44.00 | 11 ft | 44.00 | 11 ft. | 44.00 |
| Cementing | 2Hrs | 40.00 | 2Hrs | 40.00 | 2 hrs. | 40.00 | 2 hrs. | 40.00 |
| Drilling cement | 50Ft | 200.00 | 50Ft | 200.00 | 50 ft. | 200.00 | 50 ft | 200.00 |
| Casing time | 4 Hrs | 64.00 | 4Hrs | 64.00 | 4 hrs. | 64.00 | 4 hrs. | 64.00 |
| Casing left in hole | 6 Pcs | 80.84 | 6Pcs | 80.84 | 30 ft | 80.84 | 30 ft | 80.84 |
| Setting,pulling case | 2Hr | 32.00 | 2Hr | 32.00 | 2 hrs. | 32.00 | 2 hrs. | 32.00 |
| Moving between hole | | 200.00 | | 200.00 | | | | |
| Hole #3 Drill OB | 30LF | 315.00 | 30LF | 315.00 | | | | |
| Drill BX | 160LF | 1200.00 | 160LF | 1200.00 | 1 | | | |
| Reaming | 12LF | 48.00 | 12LF | 48.00 | | | | |
| Casing time | 5HRS | 80.00 | 5Hrs | 80.00 | | | | |
| Cement time | 4Hrs | 80.00 | 4Hrs | 80.00 | | | | |
| Drill cement | 10LF | 40.00 | 10LF | 40.00 | | | | |
| Water Truck Rental | 17/30m | 198.34 | 1.56m | 548.34 | 2/30 Mo | 23.34 | 12/30 Mo | 373.34 |
| Personal Services | 1 Mo. | 1000.00 | 2 Mo. | 2000.00 | 3/4 Mo | 750.00 | 2 Mo | 2000.00 |
| Quik trol | 22lb | 55.00 | 22lb | 55.00 | 22 lbs | 55.00 | 22 lb | 55.00 |
| Lumnite cement | 1 S | 9.58 | 1 S | 9.58 | 1 sack | 9.58 | 1 sack | 9.58 |
| Portland cement | 12 S | 31.08 | 12 S | 31.08 | 1 | | | |
| Con Det,additive | 1 C | 23.00 | 1 C | 23.00 | 1 | | | |
| Core boxes | 103 | 118.45 | 103 | 118.45 | 88 | 101.20 | 88 | 101.20 |
| Sample sacks,lot. | 25 | 7.50 | 25 | 7.50 | 10 | 3.00 | 10 | 3.00 |
| Survey holes | 3 Hrs | 60.00 | 3Hrs | 60.00 | 1 | | | |
| Assays,gold/silver | 5 | 25.00 | 15 | 75.00 | 1 | 5.00 | 10 | 50.00 |
| Office/accounting | 1 Mo | 50.00 | 2 Mo | 100.00 | 3/4 Mo | 37.50 | 2 Mo | 100.00 |
| TOTALS | | $7636.79 | | $12789.04 | | $5,000.46 | | $10,410.21 |

I certify that the above bill is correct and just and that payment therefor has not been received.

Date 20 Oct 1971 *Payee David James Hoare dba Hominex Silver Mines

Per D. J. Hoare Title President

*When a voucher is signed or receipted in the name of a company or corporation, the name of the person writing the company or corporate name, as well as the capacity in which he signs, must appear. For example: "John Doe Company, per John Smith, Secretary," or "Treasurer," as the case may be.

A willfully false statement or representation to any department or agency of the United States as to any matter within its jurisdiction is a criminal offense. (U. S. Code, Title 18, Sec. 1001.)

(INSTRUCTIONS ON REVERSE)

Approved as noted, subject to field examination and audit.

Signature Willard P. Puffett OME Field Officer 10/28/71 Date

(63) 14X0804

Approved for: $3,750.35 (SUBJECT TO AUDIT)

Signature mj

Date NOV 9 1971 Vou. No. 22194

(SEE OTHER SIDE)

FOR OPERATOR'S USE

REMARKS

RECEIVED
U.S. GEOLOGICAL SURVEY
NOV 5 10 54 AM '71
BUDGET & FINANCE

FOR GOVERNMENT USE

REMARKS

1/ Disallow the following costs:

| | |
|---|---|
| Change in drill setup | $ 80.00 |
| Survey holes | 60.00 |

Above not listed under estimated costs in contract.

All the following costs of hole #3, as the position of the hole was not approved by Government prior to drilling:

| | |
|---|---|
| Moving between hole 2 and 3 | 200.00 |
| Drill OB, 30 ft | 315.00 |
| Drill BX, 160 ft | 1,200.00 |
| Reaming, 12 ft | 48.00 |
| Casing time, 5 hrs | 80.00 |
| Cement time, 4 hrs | 80.00 |
| Drill cement, 10 ft | 40.00 |
| Water truck rental, 15/30 month | 175.00 |
| Portland cement, 12 sacks | 31.08 |
| Concentrated detergent | 23.00 |
| Core boxes, 15 | 17.25 |
| Sample sacks, 15 | 4.50 |
| Assays, gold and silver, 5 | 25.00 |
| Total disallowed | $ 2,378.83 |

## OPERATOR'S MONTHLY REPORT

The Operator, under an Office of Minerals Exploration contract, is required to report monthly to the Government. The report consists of two parts.

FIRST, the Operator's Monthly Voucher, Form 9-1648, listing the project costs incurred and claimed by the Operator is the voucher basis for payment of the Government's share of the cost.

SECOND, the Operator's Narrative Report is a concise description of the work performed, results accomplished, and any unusual situations encountered, illustrated and supported by engineering-geological maps or sketches, drill hole logs, assay reports, etc., as pertinent.

The Operator submits the original and three copies of each of the two sections of this report to the OME regional Field Officer at the end of each month during the life of the contract.

## PREPARATION OF OPERATOR'S MONTHLY VOUCHER, FORM 9-1648

In the left hand column list the items for which costs were incurred during the month, and also the items for which costs were previously reported. For items previously reported, show only UNITS TO DATE and COSTS TO DATE. Items listed should conform to Exhibit A of the contract (Estimated Costs of the Work). The total of COSTS THIS MONTH followed by the Operator's signature constitutes a claim for payment of the Government's share of the costs. The Operator or his agent must sign the certification in the lower left corner.

Except for amounts claimed under "fixed unit costs" provisions of the contract, all costs claimed in this voucher must be supported by documentary evidence consisting of: (a) certified copies of payrolls which list each employee, wage rate, period of employment, gross earnings, and net earnings; (b) original or certified copies of invoices, statements of accounts, or purchase orders which indicate items of materials or services, quantities, unit prices, total charges, and payment terms; and (c) certified memoranda of the Operator for such items as unemployment taxes, employee's liability insurance, and depreciation of Operator-owned equipment. The certification may be stated thus, "Certified True Copy", followed by the signature of the Operator or his agent. One copy of each document should accompany the original of this voucher.

The requirement for submitting documentary evidence of claimed costs may be waived by the OME regional Field Officer if he determines that it is impracticable for an Operator to submit this material. In any case of waiver of this requirement an "on-site" audit by an OME auditor is mandatory prior to payment of the final Operator's Monthly Voucher.

22194

UNITED STATES
DEPARTMENT OF THE INTERIOR
Geological Survey
Branch of Budget and Finance
Washington, D. C. 20242

ADMINISTRATIVE SUSPENSION STATEMENT

Name and Address of Payee: David James Hoare dba
Horinex Silver Mines
P.O. Box 36
Ashwood, Oregon 97711

| Amount Claimed: | Differences (Explained Below) | Amount Approved |
|---|---|---|
| 7,636.79 | 2,636.33 | 5,000.46<br>3,750.35 Govt. Part. |
| **Bu. Voucher No.** | **Payee's Invoice No.** | **Period** |
| | Docket #6835 Contract #2299 | August 1971 |

EXPLANATION

Disallowed Hole #3 position of hole not approved by Government prior to drilling:

| Claimed | | Allowed | Disallowed |
|---|---|---|---|
| 200.00 | Moving between hole 2&3 | NONE | 200.00 |
| 315.00 | Drill OB, 30ft. | " | 315.00 |
| 1200.00 | " BK,160ft | " | 1200.00 |
| 48.00 | Reaming 12ft | " | 48.00 |
| 80.00 | Casing time, 5hrs | " | 80.00 |
| 80.00 | Cement time, 4hrs | " | 80.00 |
| 40.00 | Drill cement, 10ft | " | 40.00 |
| 198.34 | Water truck rental 17/30 | 23.34 2/30 mo. | 175.00 |
| 1000.00 | Personal Services | 750.00 3/4 mo. (see June Vo. Bal. not brot fwd.) | 250.00 |
| 31.08 | Portland cement, 12 sacks | NONE | 31.08 |
| 23.00 | Concentrated detergent | " | 23.00 |
| 118.45 | 103 core boxes | 101.20 (88) | 17.25 |
| 7.50 | 15 sample sacks | 3.00 (10) | 4.50 |
| 25.00 | 5 Assays | 5.00 (1) | 20.00 |
| 50.00 | Office Exp. | 37.50 3/4 mo. (see June Vo. Bal. not brot fwd.) | 12.50 |
| 80.00 | Chg. in drill set-up | NONE - Not included in Contract | 80.00 |
| 60.00 | Survey holes | " -Not included in Contract | 60.00 |
| | | | 2636.33 |

Any reclaim for items deducted must be included as a separate item on subsequent monthly voucher and supported by the original of this statement.

ms

Branch of Budget and Finance

DIAMOND DRILLING
DIAMOND DRILLING EQUIPMENT
GROUTING
FOUNDATION TESTING
MINING
QUARRYING
SHAFT SINKING
TUNNEL DRIVING
MINE PLANT DESIGN
AND FABRICATION

**Boyles Bros. DRILLING COMPANY**

CONTRACTORS-ENGINEERS-GEOLOGISTS

General Offices and Plant

1624 Pioneer Road P. O. Box 58 Phone (801) 487-3671
SALT LAKE CITY, UTAH 84110
Cable: BOYLESCO

22194

BRANCH OFFICES
ARIZONA (PHOENIX)
CALIFORNIA (AUBURN)
COLORADO (GOLDEN)
NEVADA (SPARKS)
TENNESSEE (MURFREESBORO)
WASHINGTON (SPOKANE)
CHILE (SANTIAGO)
CABLE: BOYLESBROS
MEXICO, D.F.
PERU (LIMA)
CABLE: BOYLESCOP

Page 2

INVOICE DATE: August 31, 1971
ORDER NUMBER: Ltr. - June 19, 1971
INVOICE NUMBER: 2
CONTRACT: 11-24
TERMS: Net
LOCATION: Madras, Oregon

HOMINEX SILVER MINES
P. O. Box 36
Ashwood, Oregon 97711

| HOLE NO. | FROM | TO | FOOTAGE | RATE | TOTAL |
|---|---|---|---|---|---|
| Materials Used: | QUIK TROL | | 22 Lbs | 2.50 | 55.00 |
| | LUMNITE Cement | | 1 Sack | 9.58 | 9.58 |
| | Portland Cement | | 12 Sacks | 2.59 | 31.08 |
| | CON DET (5 gallon can) | | 1 Can | 23.00 | 23.00 |
| | Cardboard Core Boxes | | 103 Each | 1.15 | 118.45 |
| | Sample Sacls | | 25 Each | LOT | 7.50 |
| | | | Pages 1 & 2 | Total | 3,727.79 |

DIAMOND CORE DRILLING
DIAMOND DRILLING EQUIPMENT
GROUTING
FOUNDATION TESTING
MINING
QUARRYING
SHAFT SINKING
TUNNEL DRIVING
MINE PLANT DESIGN
AND FABRICATION

**Boyles Bros. DRILLING COMPANY**

CONTRACTORS-ENGINEERS-GEOLOGISTS

General Offices and Plant

1624 Pioneer Road P. O. Box 58 Phone (801) 487-3671
SALT LAKE CITY, UTAH 84110
Cable: BOYLESCO

BRANCH OFFICES
ARIZONA (PHOENIX)
CALIFORNIA (AUBURN)
COLORADO (GOLDEN)
NEVADA (SPARKS)
TENNESSEE (MURFREESBORO)
WASHINGTON (SPOKANE)
CHILE (SANTIAGO)
CABLE: BOYLESBROS
MEXICO, D.F.
PERU (LIMA)
CABLE: BOYLESCOP

INVOICE DATE: August 31, 1971
ORDER NUMBER: Ltr. - June 19, 1971
INVOICE NUMBER: 2
CONTRACT: 11-24
TERMS: Net
LOCATION: Madras, Oregon

HOMINEX SILVER MINES
P. O. Box 36
Ashwood, Oregon 97711

| HOLE NO. | FROM | TO | FOOTAGE | RATE | TOTAL |
|---|---|---|---|---|---|
| Hole # 1: | | | | | |
| Setting and pulling casing | | | 2 Hours | 16.00 | 32.00 |
| Hole # 2: | | | | | |
| Core BX | 270 | 420 | 150 LF | 7.50 | 1,125.00 |
| Casing Time | | | 4 Hours | 16.00 | 64.00 |
| Survey Hole | | | 1 Hour | 20.00 | 20.00 |
| Casing left in hole - BX 5' lengths (Less 15%) | | | 6 Pcs. @ 15.85 | 95.10 | 80.84 |
| Moving between hole # 2 & # 3. | | | 1 Move | 200.00 | 200.00 |
| Hole #3: | | | | | |
| Drill OB | 0 | 30 | 30 LF | 10.50 | 315.00 |
| Core BX | 30 | 190 | 160 LF | 7.50 | 1,200.00 |
| Reaming | 0 | 12 | 12 LF | 4.00 | 48.00 |
| Casing Time | | | 5 Hours | 16.00 | 80.00 |
| Cement Time | | | 4 Hours | 20.00 | 80.00 |
| Drilling Cement | 0 | 10 | 10 LF | 4.00 | 40.00 |
| Water Truck Rental | | | 17/30 Month | 350.00 | 198.34 |

David James Hoare,
Willowdale Station,
Oregon.

TO: Hominex Silver Mines,
P.O.Box 36, Ashwood,
Oregon, 97711.

10 Sept. 1971.

Gentlemen;

This letter is for the purpose of billing you for my services rendered as Supervisor- Engineer - Geologist for the core drilling project at Ashwood, Oregon, on The Roy Mining Property.

Services from August 1 thru 22, 1971 ( 3 weeks)----- $750.00.

Very truly yours,

D.J. Hoare

David James Hoare.

RECEIVED
SEP 20 1971
O. M. E.
SPOKANE, WASH.

83873

Wallace

CERTIFICATE OF ASSAY
FROM
# PETER MACK
ASSAYER AND CHEMIST

Hominex Silver Mines

Wallace, Idaho Aug. 23, 1971

| MARKED | Gold ozs. per ton | Silver ozs. per ton | Lead % | Zinc % | Iron % | Copper % | Insol. % | $U_3O_8$ % | % |
|---|---|---|---|---|---|---|---|---|---|
| | | | | | | | | | |
| | | | | | | | | | |
| Hole # 3 159-160 | nil | nil | | | | | | | |
| " 163-165 | nil | nil | | | | | | | |
| " 176-177 | nil | Trace | | | | | | | |
| " 179?-180 | nil | nil | | | | | | | |
| | | | | | | | | | |
| | | | | | | | | | |
| | | | | | | | | | |
| | | | | | | | | | |

*Charges* $24 (PAID)

Peter Mack

10m 9 69 12

P. O. Box 808
83873

Phone Code 208
Wallace 753-5682

CERTIFICATE OF ASSAY
FROM
# PETER MACK
ASSAYER AND CHEMIST

Hominex Silver Mines

Wallace, Idaho Aug. 27, 1971

| MARKED | Gold ozs. per ton | Silver ozs. per ton | Lead % | Zinc % | Copper % | Iron % | % | % | % |
|---|---|---|---|---|---|---|---|---|---|
| | | | | | | | | | |
| | | | | | | | | | |
| Sample # 5 Sludge | nil | Trace | | | | | | | |
| 177-181 | | | | | | | | | |
| | | | | | | | | | |
| | | | | | | | | | |
| | | | | | | | | | |
| | | | | | | | | | |
| | | | | | | | | | |
| | | | | | | | | | |

*Charges* $6 (PAID)

Peter Mack

2m 9 69 12

No. 576-23 Date 8/31 1971

Name Yellowjacket Silver Mine

Address Ashwood Ore

| SOLD BY | CASH | C. O. D. | CHARGE | ON ACCT. | MDSE. RETD. | PAID OUT | |
|---|---|---|---|---|---|---|---|
| | | | | | | | |

| QUAN. | | DESCRIPTION | PRICE | AMOUNT | |
|---|---|---|---|---|---|
| | 1 | Office Rental | | | |
| | 2 | August to Aug 31 | | 40 | 00 |
| | 3 | | | | |
| | 4 | Willowdale Store | | | |
| | 5 | | | | |
| | 6 | Cafe | | | |
| | 7 | Teresa Oswald | | | |
| | 8 | | | | |
| | 9 | | | | |
| | 10 | | | | |
| | 11 | | | | |
| | 12 | | | | |

Customer's Order No. | Rec'd By

KEEP THIS SLIP FOR REFERENCE

5H 527 Rediform

FINAL REPORT- Narrative

OMB-6835. Contract 2299. Roy Mining Property, Ashwood, Oregon.

The stage 1 drilling program was completed in the month of August,1971. Total footage as per contract was 1050 feet, with minor deviations as shown but agreed to by the Field Officer verbally.

| Hole | Inclination | Bearing | Length |
|---|---|---|---|
| #1 | -40° | S40°W | 440 ft. |
| #2 | -40° | S70°W | 420 ft. |
| #3 | -40° | S10°W | 190 ft. |
| | | TOTAL | 1050 ft. |

However, the drill site location for hole #3 was moved as per the map because of the poor showings in holes #1 and #2 which was evident even though the assays did not come back for 2 weeks. Hole #3 was to intersect a vein (not the Oregon King Vein) which had been assayed at 473 oz/ton of silver in a lead zinc sulphide and 40 oz/ton silver over 4 ft.width. These assays were previously sent in to the Field Officer.

As I discussed with Mr. Puffett at the drill site, the time element involved necessitated a quick decision to take a chance on this as Boyles Bros. Drilling Co., could not sit around and wait. Also each time they move in/ move out with mobilization costs $1000.00.

Much assistance was given to to Boyles Bros. to expedite the work, especially for lifting the drill and pump using our Power Wagon.

Hole #3 intersected a stockworks of quartz veins over 25 feet wide with lesser quartz mineralization persisting to 190 ft. The major vein was from 150 ft to 175 ft.

However, as the assay reports show, the silver values did not extend to this depth. The vein must continue to a good depth considering the length of strike but the absence of silver values does not justify further drilling at the eastern end of these veins. If further drilling were to be embarked upon, it should be at the western end of the Roy Vein, roughly in line with the Oregon King shaft. There may be a resumption of silver mineralization along the strike or at depth but this now appears less likely.

The State Geologist of Oregon wrote asking for permission to re-enter the drill holes to measure the geo-thermal gradient and I replied in the affirmative.

RECEIVED
SEP 20 1971
O.
SPOKANE, WASH.

RECEIVED
SEP 20 1971
O.

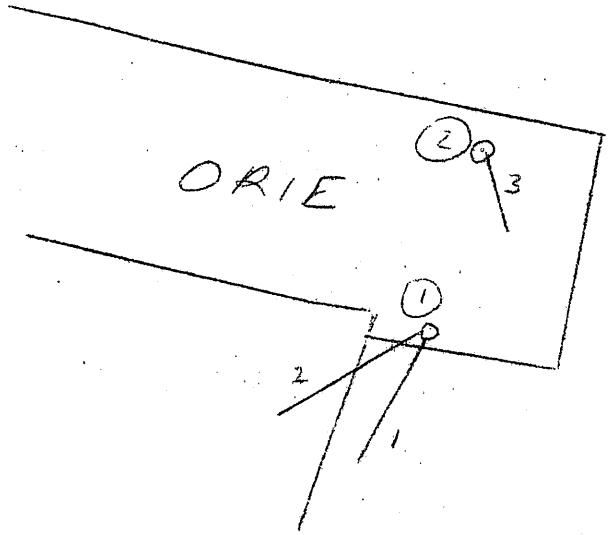
OPERATOR'S FINAL REPORT

I notice in comparing the contracts I received from Boyles Bros. and the OME that there are some discrepancies in costs.
Assays for gold and silver cost $6.00 from the lowest estimate around instead of $5.00.
Boyles says list price for casing (to replace that lost in hole due to cementing in hole #2) is $15.85 per 5 ft length = $3.28 less 15% =$2.79/ft. instead of $2.00/ft. in OME contract.
Also costs for moving drill from #1 to #2 at $80.00 and #2 to #3 at $200.00 were not included in the OME contract.
Also the cost of surveying the holes at $20.00 per hour for 3 hours was not included.
We found 100 core boxes were insufficient for 1050 ft of drilling as each box holds 10 ft of core and despite some lost core we used 103 boxes.
This is close , namely $118.45 against OME limit of $115.00.
The core boxes will be retained at the Willowdale office indefinitely for any future OME inspection.

RECEIVED
SEP 20 1971
O. M. L.
SPOKANE, WASH.

DRILL SITES (1) & (2)

HOLES 1, 2 & 3

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SEP 20 1971
SPOKANE, WASH.

# CORE LOG - Hole #3

Roy Mining Property, Ashwood, Oregon, 97711. OME-6835, Contract 2299
Drill Site on Orie Claim, Inclination -40°, Bearing S10°W

0 Broken, altered, leached andesite. Brown, yellow
24 and red, colors.
30 Same & pyritized
31 Light blue gray color
32 Calcite stringers.
36 Phenocrysts of calcite. Broken and softer.
42 Black to blue color.
50 Darker blue gray andesite.
60 Short runs, some broken core, lighter color.
70 Darker gray blue, Calcite phenocrysts.
79 Calcite vein.
80 As above.
90 Lighter colored
94 Pyrite disseminated.
98 Heavy accumulation of calcite.
100 Pyrite along fractures. Light green country rock small black particles.
103 Large quartz crystals.
106 Small quartz veins in andesite in a criss cross pattern.
108 Quartz crystals, black particles.
112 Heavy pyrite & broken.
114 Quartz veins in andesite, black
116 particles
122 Andesite country rock.
132
136 Calcite vein in andesite Pyritized as before.
140 Phenocrysts as before
150 Gray andesite.
151 White quartz vein. in andesite
160 Gray black colors Quartz vein stockworks
170 As above
174, 176 Core lost temporarily but recovered after pulling rods.
177, 181 Core lost, sludge sampled
185 Quartz veins still present but in lesser quantity.
190 mostly andesite country rock.

RECEIVED
SEP 20 1971
O.M.E.
SPOKANE, WASH.

OFFICE OF MINERALS EXPLORATION
656 U. S. Court House
Spokane, Wash. 99201

OFFICIAL COPY
O. M. E.
RECEIVED
JAN 4 1972

| INITIALS | CODE |
|---|---|
| gla | 12011 |
| HK | 120 |
| | |
| | |
| | |

December 29, 1971

Mr. David James Hoare
Box 8724
Oakland, California 94608

Re: OME-6835 (Silver)
Hominex Silver Mines
Roy Mining Property
Jefferson County, Oregon
Contract 2299

Dear Mr. Hoare:

The records of the cited contract are now being audited in Washington. The auditors now require documentary evidence that payment has been made for the personal services.

With your vouchers, you have billed Hominex Silver Mines two times, for a total of $2,000.00, for services rendered as Supervisor-Engineer-Geologist. Please submit copies of cancelled checks, or some other suitable evidence that this amount has been paid to you. We need the required four copies indicated as being certified true copies.

I am sure that the audit will proceed more satisfactorily if we have this documentation.

Sincerely,

Willard P. Puffett
Field Officer, Region I

cc: Director
OME

OFFICIAL
COPY
O. M. E.
RECEIVED
JAN 4 1972

| INITIALS | CODE |
| --- | --- |
| | |
| | |
| | |
| | |
| | |

OFFICE OF MINERALS EXPLORATION
656 U. S. Court House
Spokane, Wash., 99201

September 28, 1971

OFFICIAL COPY
O. M. E.
RECEIVED
OCT 4 1971
INITIALS | CODE
Cac | 120
| 130
HR | 120

Mr. David James Hoare
Hominex Silver Mines
P. O. Box 36
Ashwood, Oregon 97711

Re: OME-6835 (Silver)
Hominex Silver Mines
Roy Mining Property
Jefferson County, Oregon
Contract 2299

Dear Mr. Hoare:

I received the original of the Administrative Suspension Statement 21158 and your letter today. If I understand your letter, you do not plan to re-submit your voucher for August in the manner that I requested in my letter. (This was an informal note - with no copies for distribution)

According to the instructions on the back of Form 9-1648, the Operator is required to list the items for which costs were incurred during the month, and also the items for which costs were previously reported. This last you failed to do on your August voucher. The completed form that I mailed to you included previously approved costs, and it was sent to you in the hope that you could use it as a guide in preparing a voucher correctly.

Perhaps you are disappointed in that I indicated no costs could be approved for the drilling of hole no. 3. This hole was never approved. The covering letter sent you with the contract states that the Government may refuse to contribute to the cost of any work that does not conform to the specifications in the contract. Hole no. 3, as you drilled it, was not specified in the contract and was directed at an entirely different objective than the drill holes that were specified.

I cannot forward your voucher in the form in which it is prepared. All of the supporting data are in order. What is needed is for you to complete the form as per instructions on the back.

Sincerely,

Willard P. Puffett
Field Officer, Region I

cc: OME/cy inc ltr
Director
WPuffett/at

Hominex Silver Mines,
P.O.Box 36, Ashwood,
Oregon, 97711.

28 Sept.1971

Dear Mr. Puffett;

Thank you for your little note, and I enclose the original of U.S. statement # 21158.

I cannot alter the voucher as it is an authentic record of the work done. Of course the OME can either participate or disallow costs. Also office and personal services could not be curtailed for over 2 weeks AFTER drilling was completed.

I cannot resubmit the voucher and disallowances should be justified.

Very truly yours,

David James Hoare.

# United States Department of the Interior

GEOLOGICAL SURVEY
OFFICE OF MINERALS EXPLORATION
656 U. S. Court House
Spokane, Wash., 99201

September 22, 1971

MEMORANDUM

To: Chief, Office of Minerals Exploration

From: Field Officer, Region I

Subject: Final Inspection
OME-6835 (Silver)
Hominex Silver Mines
Roy Mining Property
Jefferson County, Oregon
Contract 2299

28

CU 120 M
Jla 130
HK ~~120~~

I examined the diamond drill core of the subject project at Willowdale, Oregon, on Wednesday, Sept. 8, 1971. The core is stored in a locked barn. The proprietor of a nearby gas station and cafe unlocked the barn for me. Following are the measureable data:

| Hole No. | Length | No. Core Boxes |
|---|---|---|
| 1 | 440.5 | 45 |
| 2 | 420 | 43 |
| 3 | 190 | 17 |
| | 1,050.5 | 105 |

I collected six samples of core from drill hole no. 2 to be assayed for silver. Results are as follows:

| Hole Interval | Ozs. Ag/ton | Remarks |
|---|---|---|
| 82.5-83 | 0.12 | Gouge with pyrite |
| 122.0-122.5 | 0.10 | Abundant pyrite in andesite |
| 160.0-161.0 | 0.10 | Splotches of pyrite 1/4-1/2 inch in diameter in andesite |
| 163-163.3 | tr | Pyrite stringer 1/4 inch thick crosses core at 30° |
| 180-181 | tr | Stringers and splotches of pyrite in andesite |
| 340.5-341 | nil | Black gouge at base of breccia zone |

Assay data submitted by the Operator with his July voucher also indicated no silver in the core from holes 1 and 2.

The proprietor of the gas station said that Mr. Hoare left the area about the middle of August.

I visited Ashwood, Ore., where I discussed the project briefly with Mrs. Symons, the Postmistress, who told me that Mr. Hoare had visited the mine recently but that the drill rig had been removed in August.

The Operator submitted a voucher on Sept. 20, 1971, for work done in August. According to the narrative with the voucher, hole no. 3 was not drilled as specified in the contract but, instead, was drilled to test the downward extension of a vein exposed in shaft 62. He asked me for permission to do this on my previous visit to the property on July 12, 1971, and I refused. Again, in a letter dated July 27, 1971, he requested permission to drill the third hole to test the vein in shaft 62. No permission was granted to do this under terms of the contract. I have notified the Operator, Mr. Hoare, that I cannot approve any of the costs of drill hole no. 3. I also returned his voucher to him for re-submittal as it had not been prepared correctly. (Hole no. 3 was unsuccessful in finding ore).

It is obvious now that the project is finished. Two holes, aggregating 860.5 feet, can be approved for participation by OME. The total cost of the work that can be approved is about $9,710 (the exact figure as of now is $9,708.36, subject to the Operator's re-submittal of his final voucher). Unfortunately, no silver-bearing rock was recovered in the core. There is abundant pyrite locally and in much of the core there are many hair-line streaks of pyrite, but no silver.

The Operator submitted a final report with his voucher of Sept. 20, 1971. I have asked him to add a more detailed plan and section maps before I can approve the report.

Willard P Puffett

Willard P. Puffett

cc: Director

# ROUTING AND TRANSMITTAL SLIP

| TO (Name, office symbol or location) | INITIALS | ACTION |
|---|---|---|
| Chief, Office of Minerals Exploration | | CIRCULATE |
| | DATE | COORDINATION |
| 2 Re: OME-6835 (Silver)<br>David James Hoare<br>d/b/a/ Hominex Silver Mines<br>Roy Mining Property | INITIALS | FILE |
| | DATE | INFORMATION |
| 3 Jefferson County, Oregon<br>Contract 2299 | INITIALS | NOTE AND RETURN |
| | DATE | PER CONVERSATION |
| 4 | INITIALS | SEE ME |
| | DATE | SIGNATURE |

REMARKS Attached is letter from Operator with assay result of sample taken 62 shaft, about which I reported in my interim inspection report of July 23, 1971.

Boyle's Bros. local office tells me that the drill rig is still on the property and, presumably, drilling. #I had assumed that the project drilling would be complete by now and that I'd have a report from the Operator. Will try to contact him via telephone.

OFFICIAL COPY
O. M. E.
RECEIVED
AUG 18 1971

| INITIALS | CODE |
|---|---|
| Cac | 120 |
| | ~~130~~ |
| HK | ~~120~~ |

Do NOT use this form as a RECORD of approvals, concurrences, disapprovals, clearances, and similar actions.

| FROM (Name, office symbol or location) | DATE |
|---|---|
| Willard P. Puffett<br>Field Officer, Region I | 8/16/71 |
| | PHONE |

WPP

OPTIONAL FORM 41
AUGUST 1967
GSA FPMR (41CFR) 100-11.206

GPO : 1967 O—300-455 (8-H) 5041-101

W.P.Puffett,
Field Officer,OME 1,
U.S.G.S.,Court House,
Spokane,Wash.99207.

RECEIVED
AUG 16 1971
O.M.E.
SPOKANE, WASH.

Hominex Silver Mines
P.O.Box 36,
Ashwood,Oregon,97711.
27 July 1971

Dear Mr Puffett;

I enclose a copy of an assay which we discussed briefly during your recent visit to our silver property.

I do so because of the richness of the ore and our drilling and blasting into the vein shows it to be widening with depth and along the strike. The vein is 3 ft. wide composed of quartz, sulphides and clay gouge. This vein is definitely not the Oregon King vein as it is much too far south. The vein material is very well brecciated here in shaft 62 and extends to shaft 61 at least.

I believe that in our current drilling program, hole #3 should be re-located to explore this vein to a depth of 200 ft. instead of the easterly extension of the Roy vein from shaft 68. As you saw on your visit, this target is of good potential regarding future production of the order of $20 for each $1 spent on exploration.

Very truly yours,

David James Hoare.

RE: OME-6835 (Silver)
David James Hoare
d/b/a/ Hominex Silver Mines
Roy Mining Property
Jefferson County, Oregon
Contract 2299

STATE OF OREGON DEPARTMENT OF GEOLOGY AND MINERAL INDUSTRIES
1069 State Office Building - Portland, Oregon 97201

## REQUEST FOR SAMPLE INFORMATION

RECEIVED AUG 16 1971 O.M.E. SPOKANE WASH.

The State law governing free analysis of samples sent to State Assay Laboratories requires that certain information be furnished the laboratory regarding samples sent for assay or identification. A copy of the law will be found on the back of this blank. Please fill in the information requested completely in triplicate, and submit it along with your sample. One copy will be returned with the results entered in the space provided.

DAVID JAMES HOARE
P.O. BOX 36
ASHWOOD, OREGON 97711

Please print your name and address in space above

Date sample is sent: 30 JUNE 1971

Name of claim sampled: ROY

Name of property owners ROY MINING CO

Are you hiring labor? NO Are you milling or shipping ore? NO

Location of property or source of sample. (If legal description is not known, give location with reference to known geographical point.)

County JEFFERSON Mining district TROUT CREEK

Township 9S Range 18E Section 25 Quarter section

How far from passable road and name of road 1 MILE FROM ASHWOOD TO HORSESHOE MINE

| | Channel (length) | Grab | Assay for | Source of sample |
|---|---|---|---|---|
| Sample No. 1 | | | Au Ag Pb Zn | |
| Sample No. 2 | | | | |

Samples for assay should be at least 1 lb. in weight. IMPORTANT: A vein sample should be taken in an even channel across the vein from wall to wall. Location of sample in the workings, together with the width measured, should be recorded.

(Signed) D. J. HOARE FOR W.R.

DO NOT WRITE BELOW THIS LINE -FOR OFFICE USE ONLY -USE OTHER SIDE IF DESIRED

Description Sulfides in quartz veinlets

| Sample Number | GOLD oz./T. | SILVER oz./T. | [illegible] % | [illegible] % | | | |
|---|---|---|---|---|---|---|---|
| P-36564 | 0.96 | 435.20 | 2.32% | 0.05% | --- | --- | --- |
| | | | | | | | |

NOTE: The Department assumes responsibility only for the analytical results and not for the validity of any samples except for those taken by or under the direct supervision of the Department.

Report mailed

[SIX - 5M - 8/14/69]

FORM 9-1648
MARCH 1968

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY
OFFICE OF MINERALS EXPLORATION

HK 9/1/71

ORIGINAL COPY
O. E.
RECEIVED
1971
CLASS CODE 120 INC
HK 120

# OPERATOR'S MONTHLY VOUCHER

For Month of July 1971

Docket No. OME- 6835
Contract 14-08-0001 2299
Contract Amount $ 28,200.00
Gov't. Participation % 75 $ 21,150.00

Operator's Name David James Hoare dba Hominex Silver Mines
Address P.O. Box 36, Ashwood, Oregon, 97711.

| COST ITEMS (FROM EXHIBIT A) | FOR OPERATOR'S USE: THIS MONTH UNITS | THIS MONTH COSTS | TO DATE UNITS | TO DATE COSTS | FOR GOVERNMENT USE ONLY: THIS MONTH UNITS | THIS MONTH COSTS | TO DATE UNITS | TO DATE COSTS |
|---|---|---|---|---|---|---|---|---|
| June, Services/Office | | $ | 1 Yr | $ 262.50 | | $ | | $ |
| 1. Mobilization and demobilization, drill | 1 | 750.00 | 1 | 750.00 | 1 | 375.00 | 1 | 375.00 |
| Hole #1, completed. | | | | | | | | |
| Drill OB | 8 LF | 84.00 | 8LF | 84.00 | 8 ft. | 84.00 | 8 ft. | 84.00 |
| Drill NX | 13 LF | 100.75 | 13LF | 100.75 | 13 ft. | 100.75 | 13 ft. | 100.75 |
| Drill BX | 419LF | 3142.50 | 419LF | 3142.50 | 419 ft. | 3,142.50 | 419 ft. | 3142.50 |
| Hole #2, completed. | | | | | | | | |
| Drill OB | 10 LF | 105.00 | 10LF | 105.00 | 2 | | | |
| Drill BX | 410LF | 3075.00 | 410LF | 3075.00 | | | | |
| Reaming | 11LF | 44.00 | 11LF | 44.00 | | | | |
| Cementing | 2 Hrs | 40.00 | 2 Hrs | 40.00 | | | | |
| Drilling Cement | 50LF | 200.00 | 50LF | 200.00 | | | | |
| Water truck rental | 1 Mo | 350.00 | 1 Mo | 350.00 | 1 Mo. | 350.00 | 1 Mo. | 350.00 |
| 2. Personal Services | 1 Mo | 1000.00 | 1 Mo | 1000.00 | 1 Mo. | 1000.00 | 1¼ Mo. | 1250.00 |
| 3. Materials. To be billed. | | | | | | | | |
| 7. Office/accounts | 1 Mo | 50.00 | 1 Mo | 50.00 | 1 Mo. | 50.00 | 1¼ Mo | 62.50 |
| Assays, Au & Ag | 9 | 45.00 | 9 | 45.00 | 9 | 45.00 | 9 | 45.00 |
| TOTALS | | $ 8986.25 | | $ 9248.75 | | $5,147.25 | | $5,409.75 |

I certify that the above bill is correct and just and that payment therefor has not been received.

Date 10 Aug. 1971 *Payee David James Hoare dba Hominex Silver Mines.

Per [signature] Title President.

*When a voucher is signed or receipted in the name of a company or corporation, the name of the person writing the company or corporate name, as well as the capacity in which he signs, must appear. For example: "John Doe Company, per John Smith, Secretary," or "Treasurer," as the case may be.

A willfully false statement or representation to any department or agency of the United States as to any matter within its jurisdiction is a criminal offense. (U. S. Code, Title 18, Sec. 1001.)

(INSTRUCTIONS ON REVERSE)

Approved as noted, subject to field examination and audit.

Signature Willard P. Ruffert 8/27/71
OME Field Officer Date

(63) 14X0804

Approved for: $ 3,860.44
(SUBJECT TO AUDIT)

Signature [signature]
SEP 3

Date Vou. No. 21158
(SEE OTHER SIDE)

FOR OPERATOR'S USE

REMARKS

Hole #2 was completed on July 31, (refer to Boyles Bros. shift reports) and their invoice covers progress only for the period July 1 - July 24. The total depth was 420 feet, which costs are included in this monthly voucher.

The next invoice from Boyles Bros. will include all materials used, and the ommitted 150 feet of BX drilling from hole #2.

FOR GOVERNMENT USE

REMARKS

1) costs for demobilization disallowed until project is complete and drill rig is removed.

2) costs for Hole #2 disallowed until driller submits invoice for completed hole

RECEIVED
U.S. GEOLOGICAL SURVEY
SEP 3 8 27 AM
BUDGET & FINANCE

## OPERATOR'S MONTHLY REPORT

The Operator, under an Office of Minerals Exploration contract, is required to report monthly to the Government. The report consists of two parts.

FIRST, the Operator's Monthly Voucher on Form 9-1648 listing the project costs incurred and claimed by the Operator is the voucher basis for payment of the Government's share of the cost.

SECOND, the Operator's Narrative Report is a concise description of the work performed, results accomplished, and any unusual situations encountered, illustrated and supported by engineering-geological maps or sketches, drill hole logs, assay reports, etc., as pertinent.

The Operator submits the original and three copies of each of the two sections of this report to the OME regional Field Officer at the end of each month during the life of the contract.

## PREPARATION OF OPERATOR'S MONTHLY VOUCHER, FORM 9-1648

In the left hand column list the items for which costs were incurred during the month, and also the items for which costs were previously reported. For items previously reported, show only UNITS TO DATE and COSTS TO DATE. Items listed should conform to Exhibit A of the contract (Estimated Costs of the Work). The total of COSTS THIS MONTH followed by the Operator's signature constitutes a claim for payment of the Government's share of the costs. The Operator or his agent must sign the certification in the lower left corner.

Except for amounts claimed under "fixed unit costs" provisions of the contract, all costs claimed in this voucher must be supported by documentary evidence consisting of: (a) certified copies or transcripts of payrolls which list each employee, wage rate, period of employment, gross earnings, and net earnings; (b) original or certified copies of invoices, statements of accounts, or purchase orders which indicate items of materials or services, quantities, unit prices, total charges, and payment terms; and (c) certified memoranda of the Operator for such items as unemployment taxes, employee's liability insurance, and depreciation of Operator-owned equipment. The certification may be stated thus, "Certified True Copy", followed by the signature of the Operator or his agent. One copy of each document should accompany the original of this voucher.

The requirement for submitting documentary evidence of claimed costs may be waived by the OME regional Field Officer if he determines that it is impracticable for an Operator to submit this material. In any case of waiver of this requirement an "on-site" audit by an OME auditor is mandatory prior to payment of the final Operator's Monthly Voucher.

FORM 9-1648
MARCH 1968

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY
OFFICE OF MINERALS EXPLORATION

✓ HK 9/1/71

# OPERATOR'S MONTHLY VOUCHER

For Month of JUNE 1971 JUNE

Docket No. OME- 6835

Contract 14-08-0001 2 6835

Contract Amount $ 2299 00

Gov't. Participation % 38,200.00 75 21,150.00

Operator's Name Dave

Address David James Hoare dba Hominex Silver Mines
P.O. Box 36, Ashwood, Oregon, 97711

| FOR OPERATOR'S USE | | | | | FOR GOVERNMENT USE ONLY | | | |
|---|---|---|---|---|---|---|---|---|
| COST ITEMS (FROM EXHIBIT A) | THIS MONTH | | TO DATE | | THIS MONTH | | TO DATE | |
| | UNITS | COSTS | UNITS | COSTS | UNITS | COSTS | UNITS | COSTS |
| | | $ | | $ | | $ | | $ |
| Category 2 | | | | | | | | |
| Personal Services | | | | | | | | |
| Supervisory-Engineer - Geologist | 1 Week | 250.00 | 1 Wk | 250.00 | 1/4 Mo. | 250.00 | 1/4 Mo. | 250.00 |
| Category 7 | | | | | | | | |
| Office & Accounting | 1 Wk | 12.50 | 1 Wk | 12.50 | 1/4 Mo. | 12.50 | 1/4 Mo. | 12.50 |
| TOTALS | | $ 262.50 | | $ 262.50 | | $ 262.50 | | $ 262.50 |

I certify that the above bill is correct and just and that payment therefor has not been received.

Date 5 Aug 1971 *Payee ~~David James Hoare dba~~ Hominex Silver Mines

Per Title President

*When a voucher is signed or receipted in the name of a company or corporation, the name of the person writing the company or corporate name, as well as the capacity in which he signs, must appear. For example: "John Doe Company, per John Smith, Secretary," or "Treasurer," as the case may be.

A willfully false statement or representation to any department or agency of the United States as to any matter within its jurisdiction is a criminal offense. (U. S. Code, Title 18, Sec. 1001.)

(INSTRUCTIONS ON REVERSE)

Approved as noted, subject to field examination and audit.

Signature Willard P. Puffett 8/27/71
OME Field Officer Date

14X0804

Approved for: $196.88
(SUBJECT TO AUDIT)

Signature

Date SEP 8 1971 Vou. No. 21158
(SEE OTHER SIDE)

FOR OPERATOR'S USE

REMARKS

Arrangements were made for Boyles Bros. to start drilling on 26 ~~July~~ June. They were delayed at the last moment by equipment problems and did not meet me in Madras until Wednesday afternoon following mobilization from Spokane on Wed. 30 June.

This involved the personal services claimed in this monthly voucher.

FOR GOVERNMENT USE

REMARKS

398092

RECEIVED
U.S. GEOLOGICAL SURVEY
SEP 3 8 27 AM
BUDGET & FINANCE

## OPERATOR'S MONTHLY REPORT

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SECOND, the Operator's Narrative Report is a concise description of the work performed, results accomplished, and any unusual situations encountered, illustrated and supported by engineering-geological maps or sketches, drill hole logs, assay reports, etc., as pertinent.

The Operator submits the original and three copies of each of the two sections of this report to the OME regional Field Officer at the end of each month during the life of the contract.

## PREPARATION OF OPERATOR'S MONTHLY VOUCHER, FORM 9-1648

In the left hand column list the items for which costs were incurred during the month, and also the items for which costs were previously reported. For items previously reported, show only UNITS TO DATE and COSTS TO DATE. Items listed should conform to Exhibit A of the contract (Estimated Costs of the Work). The total of COSTS THIS MONTH followed by the Operator's signature constitutes a claim for payment of the Government's share of the costs. The Operator or his agent must sign the certification in the lower left corner.

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The requirement for submitting documentary evidence of claimed costs may be waived by the OME regional Field Officer if he determines that it is impracticable for an Operator to submit this material. In any case of waiver of this requirement an "on-site" audit by an OME auditor is mandatory prior to payment of the final Operator's Monthly Voucher.

21158

UNITED STATES
DEPARTMENT OF THE INTERIOR
Geological Survey
Branch of Budget and Finance
Washington, D. C. 20242

ADMINISTRATIVE SUSPENSION STATEMENT

Name and Address of Payee: David James Hoare dba
Hominex Silver Mines
P.O. Box 36
Ashwood, Oregon 97711

| Amount Claimed: | Differences (Explained Below) | Amount Approved |
|---|---|---|
| 9,248.75 | 3,839.00 | 5409.75<br>4,057.32 Govt. Part. |
| **Bu. Voucher No.** | **Payee's Invoice No.** | **Period** |
| | Docket #6835 Contract #2299 | June 1971 VO<br>July 1971 VO |

EXPLANATION

| Claimed | | Allowed | Disallowed |
|---|---|---|---|
| 750.00 | Mobil. & Demobil. | 375.00 | 375.00 * |
| **Hole #2** | | | |
| 105.00 | Drill OB | NONE | 105.00 |
| 3,075.00 | Drill NX | " | 3,075.00 |
| 44.00 | Reaming | " | 44.00 |
| 40.00 | Cementing | " | 40.00 |
| 200.00 | Drilling Cement | " | 200.00 |
| | | | 3,839.00 ** |

*Demobilization cost disallowed until completion of project.
** Cost for Hole #2 disallowed until driller submits invoice for completed hole.

Any reclaim for items deducted must be included as a separate item on subsequent monthly voucher and supported by the original of this statement.

Branch of Budget and Finance

OPERATOR'S JULY REPORT ONE Contract 2299

By Hominex Silver Mines, operator on the Roy Mining Property, Ashwood, Ore.

PART 2; Narrative Report.

The diamond core drilling project was sub-contracted to Boyles Bros.drilling company and it was arranged that they start on Monday 28 June. However they had equipment problems so that Boyles mobilized on Wednesday 30 June from Spokane, arriving in Madras in the evening. I met the driller at the Willowdale Office and we spent Thursday getting set up on site, which had been previously prepared by bulldozing. We used our cherry picker to lift the drill and heavy pump off their truck.The driller got his water truck stuck in Trout Creek and I hired a Caterpillar tractor to tow it out. I surveyed the angle of the hole and the driller put in his 3 holes for deadmen to tie the drill down by cementing them. On Friday the first hole was collared, 21 feet of casing put down and the hole drilled to 31 ft. Saturday thru Tuesday was the drillers long weekend. I had a local boy taken on for the drillers helper. The andesite is good rock for drilling fast and obtaining excellent core. However we lost 3 ft of core from 43 to 46 ft. I towed the large propane tank down the hill for them using our 4 wheel drive power wagon. We also loaned various tools and equipment to get them started drilling. Once the altered and weathered zone was past long runs were obtained up to 10 ft. and the maximum for any days drilling was 70 ft. The only problem was that due to the shallow angle of the hole (40°) the overshod tended to hang up in the hole due to friction, and had to be Coaxed by pulling up and letting down the wire line, to get it down the hole where it could latch on to the head on the inner tube of the core barrel for retrieval of the core. Standard Boyles size BX cores were obtained. Holes #1 and #2 were completed, during July, and the cores are stored at the Willowdale Office, permanently. Hole #1 was completed on July 13 and hole #2 was completed on July 31. Cement was used in hole #2 because of water loss and 50 ft. of drilling to ream the cement which stuck to the inside of the core barrel was necessary. The reason for increased length of holes 1 &2 was because of difficulty in correlating vein structures. It was notable that many of the veins locally suffered changes in their dip of more than 10° which has a large effect on the length of hole to intersect the vein. Also we theorized that either shaft 68 or shaft 69 was the centre point of two veins intersecting in plan view. Because of the disappointing lack of any degree of brecciation or structural planes in the core from hole #1 compared to that in the drift in shaft 68 it was felt that either we were too far from the veins intersection to the west or possibly the drill hole had been forced by the small faults obliquely crossed to warp and turn to the east. More interesting structure

Part 2 continued.

was observed in core #2 but the assays again proved the veins to be barren. No sludge was assayed because core recovery in the vein structure was always be better than 60%. The casing could not be extracted due to cement around it. Three surveys to measure the angle the hole was drilled were taken at the bottom and halfway mark in the first hole and at the halfway mark in the second only. This cost $20.00 per hour and was at the operators expense as it was omitted from the contract as was the $80.00 charge to move the machine to a different angle. The surveys took 3 hours.

The total footage permitted for stage 1 drilling was 1050 feet. With 440 ft on hole #1 okayed by telephone call to the Field Officer and 420 ft on hole #2, this leaves 190 ft. for hole #3.

The conclusions thus far are that the silver and gold values do not persist to depth or at least at the depth drilled when they may resume deeper, as sometimes happens, but does not here seem likely; or we did not drill far enough to the west to penetrate close to the centre of intersection of two veins as indicated on the surface. Quartz was strikingly absent from the mineral assemblage at depth.

DIAMOND CORE DRILLING
DIAMOND DRILLING EQUIPMENT
GROUTING
FOUNDATION TESTING
MINING
QUARRYING
SHAFT SINKING
TUNNEL DRIVING
MINE PLANT DESIGN
AND FABRICATION

# Boyles Bros. DRILLING COMPANY

CONTRACTORS-ENGINEERS-GEOLOGISTS

General Offices and Plant

1624 Pioneer Road P. O. Box 58 Phone (801) 487-3671
SALT LAKE CITY, UTAH 84110

Cable: BOYLESCO

BRANCH OFFICES
ARIZONA (PHOENIX)
CALIFORNIA (AUBURN)
COLORADO (GOLDEN)
NEVADA (SPARKS)
TENNESSEE (MURFREESBORO)
WASHINGTON (SPOKANE)
CHILE (SANTIAGO)
CABLE: BOYLESBROS
MEXICO, D.F.
PERU (LIMA)
CABLE: BOYLESCOP

INVOICE DATE: July 31, 1971
ORDER NUMBER: Ltr. - 19 June 1971
INVOICE NUMBER: 1
CONTRACT: 11-24
TERMS: Net
LOCATION: Madras, Oregon

MONDEX SILVER MINES
P.O. Box 28
Ashwood, Oregon 97711

| HOLE NO. | FROM | TO | FOOTAGE | RATE | TOTAL |
|---|---|---|---|---|---|
| Progress for the Period July 1 - July 24, 1971 | | | | | |
| Mobilization & Demobilization (Including first drill setup) | | | LS | 750.00 | 750.00 |
| Hole # 1: | | | | | |
| Drill OD | 0 | 8 | 8 LF | 10.50 | 84.00 |
| Drill NX | 8 | 21 | 13 LF | 7.75 | 100.75 |
| Drill BX | 21 | 440 | 419 LF | 7.50 | 3,142.50 |
| Survey Hole | | | 2 Hrs | 20.00 | 40.00 |
| Charging drill setup | | | 1 Ea | 85.00 | 85.00 |
| Hole # 2: | | | | | |
| Drill OD | 0 | 10 | 10 LF | 10.50 | 105.00 |
| Drill BX | 10 | 270 | 260 LF | 7.50 | 1,950.00 |
| Reaming | | | 11 LF | 4.00 | 44.00 |
| Cementing | | | 2 Hrs | 20.00 | 40.00 |
| Drilling Cement | | | 50 LF | 4.00 | 200.00 |
| Materials used (to be billed): | | | | | |
| Water truck Rental | | | 1 Month | 250.00 | 250.00 |
| | | | | TOTAL | 6,888.25 |

Certified true copy, D. G. Howe

David James Hoare,
2229 Brazee N.E.
Portland,
Oregon, 97212.
tel; 503-2879881

24 Aug. 1971

TO: Hominex Silver Mines,
P.O.Box 36,
Ashwood,
Oregon, 97711.

Dear Sir;

This is to advise that this letter is submitted as a bill for services rendered as Engineer- Supervisor- Geologist at The Roy Mining Property, Ashwood, Oregon on OME contract # 2299 from June 23 to July 31, 1971.

1.25 months services at $1000.00 per month---------- $1250.00

Very truly yours,

D. J. Hoare.

David James Hoare.

RECEIVED
AUG 27 1971
SPOKANE, WASH.

No. 576-16 Date 5/15 1971

Name Hornsby Silver Mines

Address Month of June

| SOLD BY | CASH | C. O. D. | CHARGE | ON ACCT. | MDSE. RETD. | PAID OUT | |
|---|---|---|---|---|---|---|---|
| | | | | | | | |

| QUAN. | | DESCRIPTION | PRICE | AMOUNT | |
|---|---|---|---|---|---|
| | 1 | Office Rental | | 40 | 00 |
| | 2 | | | | |
| | 3 | | | | |
| | 4 | | | | |
| | 5 | | | | |
| | 6 | | | | |
| | 7 | Paid | | | |
| | 8 | | | | |
| | 9 | L Orell | | | |
| | 10 | | | | |
| | 11 | | | | |
| | 12 | | | | |

Customer's Order No. | Rec'd By

KEEP THIS SLIP FOR REFERENCE

5H 527 Rediform

No. 576-22 Date 8-1 1971

Name Hornsby Silver Mine

Address Ashwood Oregon

| SOLD BY | CASH | C. O. D. | CHARGE | ON ACCT. | MDSE. RETD. | PAID OUT | |
|---|---|---|---|---|---|---|---|
| | | | | | | | |

| QUAN. | | DESCRIPTION | PRICE | AMOUNT | |
|---|---|---|---|---|---|
| | 1 | Office Rental | | | |
| | 2 | July 1 - July 31/71 | | 40 | 00 |
| | 3 | | | | |
| | 4 | | | | |
| | 5 | | | | |
| | 6 | Willowdale Station | | | |
| | 7 | & Cafe | | | |
| | 8 | Laura Merrill | | | |
| | 9 | | | | |
| | 10 | | | | |
| | 11 | | | | |
| | 12 | | | | |

Customer's Order No. | Rec'd By

KEEP THIS SLIP FOR REFERENCE

5H 527 Rediform

P. O. Box 808
83873

Phone
Wallace 753-5682

CERTIFICATE OF ASSAY
FROM
# PETER MACK
ASSAYER AND CHEMIST

Hominex Silver Mines — Wallace, Idaho July 21, 1971

| MARKED | Gold ozs. per ton | Silver ozs. per ton | Lead % | Zinc % | Iron % | Copper % | Insol. % | $U_3O_8$ % | % |
|---|---|---|---|---|---|---|---|---|---|
| Hole # 1 | | | | | | | | | |
| Sample 2 426½ - 427½ | nil | nil | | | | | | | |
| " 3 233½ - 234½ | nil | nil | | | | | | | |
| " 4 223½ - 224½ | nil | nil | | | | | | | |

Charges $18 (PAID)

Peter Mack

10m 9 69 12

P. O. Box 808
83873

Phone Code 208
Wallace 753-5682

CERTIFICATE OF ASSAY
FROM
# PETER MACK
ASSAYER AND CHEMIST

Hominex Mines — Wallace, Idaho Aug. 5, 1971

| MARKED | Gold ozs. per ton | Silver ozs. per ton | Lead % | Zinc % | Iron % | Copper % | Insol. % | $U_3O_8$ % | % |
|---|---|---|---|---|---|---|---|---|---|
| Shaft 62 SE Drift | Trace | 41.8 | of operations expired | | | | | | |
| 4 feet width | | | | | | | | | |
| Core Hole 2 | nil | nil | | | | | | | |
| 380.5 - 381.5 | | | | | | | | | |

Charges $12 (PAID)

Peter Mack

10m 9 69 12

83873

Wallace

# CERTIFICATE OF ASSAY
FROM
# PETER MACK
ASSAYER AND CHEMIST

Hominex Silver Mines

Wallace, Idaho Aug. 9, 1971

| MARKED | Gold ozs. per ton | Silver ozs. per ton | Lead % | Zinc % | Iron % | Copper % | Insol. % | $U_3O_8$ % | % |
|---|---|---|---|---|---|---|---|---|---|
| | | | | | | | | | |
| Hole 2 240 - 241 | nil | Tr | | | | | | | |
| 290 - 291½ | nil | nil | | | | | | | |
| 297 - 298 | nil | Tr | | | | | | | |
| 338½ - 340.75 | nil | nil | | | | | | | |

Charges #24 (Paid)

Peter Mack

10m 9 69 12

---

P. O. Box 808
83873

Phone Code 208
Wallace 753-5682

# CERTIFICATE OF ASSAY
FROM
# PETER MACK
ASSAYER AND CHEMIST

Hominex Silver Mines

Wallace, Idaho July 19, 1971

| MARKED | Gold ozs. per ton | Silver ozs. per ton | Lead % | Zinc % | Iron % | Copper % | Insol. % | $U_3O_8$ % | % |
|---|---|---|---|---|---|---|---|---|---|
| | | | | | | | | | |
| | | | | | | | | | |
| #1 Hole # 1 | none | Trace | | | | | | | |
| 239' - 240.5' | | | | | | | | | |

Charges $6 (PD by chk)

Peter Mack

10m 9 69 12

-Core Log.-

Roy Mining Property, Ashwood, Oregon, patented claims.

Operator; Hominex Silver Mines, Box 36, Ashwood, Ore. 97711

OME-6835 contract 2299 Stage 1, three holes fanned out from one site.

Date; July 1971. Claims called; Orie, Now or Never and Royal Silver.

Drill site located on Orie claim.

Major points brought to bear upon the log; bedding, joints, veinlets, crushed or broken rock, clay gouge, grain size, recognizable minerals, type and degree of alteration, cleavage and schistosity, percentage core recovery, color.

Hole #1

Inclination, -40 degrees. Bearing S 40 W, Length 440 ft.

0 Bleached brown white and yellow

1 iron stained, highly

2 altered andesite by

3 hydrothermal processes.

4 Some vesicles or cavities(vugs)

5 indicating leached out minerals.

6 All broken up rock, fragmented.

7 Clay-light colored mud coating

8 on broken chips
--- -- 12% recovery of core

9 Red brown rocks, mud coated.

10 Cavities due to leached out

11 mineral. Highly altered andesite.

12 Broken up rock, mud cemented

13 breccia chips. Large phenocrysts,

14 Fragmented, lightly compact clay.
------ 66% recovery of core.

15 Light colored brown. Solid core

16 harder rock. 20% large phenocrysts, white,

Hole #1

ft.

17 Oblique cleavage on
18 plane of leached pyrite
19 veinlet.
20 Harder solid rock.
------- 45% core recovery.
21 Highly altered andesite.
22 , Light green groundmass.
23 White phenocrysts, calcite,
24 & plagioclase felspar.
25 Iron pyrite leached out of
26 thin oblique vein, fracture.
27 Leached gray to brown with
28 20% light colored phenocrysts.
29 Light green andesite.
30 6 inches of gray
- - ----- 95% recovery.
31 All core has white phenocryst
32 of angular shape
33 Less alteration discernable.
34 Iron pyrite disseminated
35 thru'out. Gray -green color.
36 Much less iron stained.
37 Dark gray to blue color.
38 Thin pyrite stringers.
39
40 - ------ 100% recovery
41 Andesite as above.
42 Light to dark gray matrix.
43 Lost 3 feet of core from
44 43 to 46 . It ground
45 itself up.
46 Pyrite disseminated thru'out.
47 Dark dendrites in light blue
48 gray matrix.
49 Pyrite stringers in dark gray
50 vein. One stringer along axis
!!!------ 70% recovery
51 Calcite veinlet.
52 Harder rock, cores better.
53 Light blue gray andesite.

ft.

54 Decrease in proportion
55 of iron pyrite.
56
57
58
59
60 Ten feet of core in 1 run.
---------- 100% recovery.
61 Light to dark blue gray
62 andesite with no alteration.
63 Some pyrite concentrations
64 in the dark blue.
65 Oblique fractures containing
66 pyrite infilling.
67
68 Pyrite stringer.
69
70 -------- 100% recovery
71 Hard andesite.
72 Pyrite stringer along core
73 axis.
74 Light and dark blue gray matrix.
75 Some small localized
76 pyrite concentrations.
77 Heavy pyrite and more calcite
78 in stringer.
79 Larger pyrite crystals
80 concentrated in fracture.
------- 100% recovery.
81 Transverse calcite and pyrite
82 stringers.
83
84 Brecciated structure with
85 calcite infilling and pyrite.
86 Softer andesite.
87, Light and dark blue splotches.
88 20% calcite phenocrysts as
89 before.
90
-------- 100% recovery.
91 Oblique calcite stringer on fracture.

Hole #1

92 Light blue gray andesite,
93 with disseminated pyrite
94 and calcite phenocrysts.
95
96
97 Broken.
98
99
100 Calcite stringer
-------- 95% recovery.
101
102 Harder
103
104
105
106
107
108 One inch calcite vein.
109
110 -------- 100% recovery.
111
112
113 Increased calcite.
114 Softer.
115
116
117
118 Harder.
119
120 ------- 100% recovery
121
122
123 Lighter blue gray color.
124 Less pyrite
125 More calcite.
126
127
128
129
130 Good hard core
----------100% recovery
131 Pyrite concentrations or blebs.
132 Pyrite stringer along core axis,
133 along with calcite.
134
135 Calcite fragmented into a
136 brecciated type structure 5 ins.
137 from 132 ft.
138
139 Darker blue & light green fragments.
140 ----------95% recovery.
141 Less pyrite.
142 Oblique fracture, calcite filling
143 Clay indicative of movement
144 Very small fault.
145
146
147
148 Calcite and quartz filling.
149 Light gray colored andesite.
150 Good breccia structure, large
151 fragments. Vein/fault 6" wide
152 but no obvious plane of movement.
153 Same again over 4"
154
155 Pyrite concentration
156 Darker blue gray abundant pyrite.
157 3" breccia on oblique fracture.
158
159 Hard, dark blue andesite.
160 ------- 95% recovery.
161 Calcite stringer
162
163 Light and dark blue.
164
165
166 Calcite stringer.
167
168
169 Calcite stringer.
170 -------- 100% recovery
171

Hole #1

172 Pyrite stringer.
173
174
175 Abundant localized pyrite
176
177 As before,
178 20% calcite phenocrysts.
179 Light to dark blue andesite.
180 ------- 100% recovery
181
182 Calcite stringer
183
184
185 Calcite stringer
186
187
188
189 2" of fragmented rock
190 ------- 100% recovery
191 5" vein/faulted broken rock
192 Some black clay.
193
194
195
196 Oblique fractures, some
197 calcite filling.
198
199
200 -------- 95% recovery
201 Fragmented rock.
202
203
204 Same as before
205
206
207 Hard rock
208 Calcite stringer.
209
210 --------- 100% recovery
211
212
213 Same light blue gray andesite.
214
215 Fragmented rocks
216
217
218
219
220 -------- 100% recovery
221
222
223
224 Softer broken clayey rock
225
226 Pyrite concentration
227
228 Fragmented
229 Oblique fractures, slick
230 ----------100% recovery
231
232
233 Calcite vein
234 Slightly broken, softer
235 Broken vein
236
237 Clay fault .25" oblique
238 6" broken rock- to assay
239 calcite veinlet
240 ----------100% recovery
241 Heavy pyrite concentration
242 in darker blue rock.
243
244
245
246 Hard, light blue gray with
247 pyrite accumulations, darker
248 in center of core.
249
250 --------- 100% recovery
251
252
253 Large calcite fragment 2"x .6"

254 Same rock as before.
255
256
257
258 Fragmented.
259
260 Calcite stringers.
---------- 100% recovery
261
262
263
264 Calcite, pyrite and green
265 colored fragments.
266 Hard.
267
268
269 Calcite stringer.
---------- 100% recovery
271
272
273
274
275
276
277
278 Calcite stringer.
279
280 Hard.
----------100% recovery
281
282
283
284
285
286 Notably greener rock.
287
288 Pyrite and calcite stringer
289
290 ---------- 100% recovery
291
292
293
294
295
296
297
298 Calcite vein.
299 Softer
300 Calcite stringer.-- 100% recovery
301
302
303
304
305 Same as before regarding country
306 rock . Particle size of pheno-
307 cryets is about 4 mm.
308
309
310 ---------- 100% recovery
311
312
313
314 Calcite & pyrite stringer.
315
316
317
318 Green larger inclusions but all
319 Clarno volcanics.
320 ---------- 100% recovery
321
322 Light gray to blue country rock.
323 Calcite and clay stringer.
324
325 Green inclusions
326
327 Dark gray blue andesite.
328 Green inclusions.
329
330 Pyrite and calcite rich.
---------- 100% recovery
331
332
333 Dark green inclusions
334

335 Calcite stringer, .25" wide.
336
337 Light to dark blue gray andesite.
338
339
340 ---------- 100% recovery
341
342 Light green andesite.
343
344 Well developed pyrite crystals.
345
346
347 Dark green inclusions.
348
349
350 ---------- 100% recovery.
351 Light green.
352
353
354
355
356 Darker matrix and larger
357 phenocrysts.
358
359
360 ---------- 100% recovery
361 Small stringer calcite.
362 Copper minerals with pyrite
363 chalcopyrite & bornite in
364 small amounts.
365
366
367
368
369
370 Copper minerals coated on
---------- 100% recovery
371 pyrite
372
373 Dark green breccia, light
374 green to gray andesite and
375 prolific calcite.
376
377
378
379
380 ---------- 100% recovery
381 Hard rock, good core.
382
383
384
385
386
387
388
389
390 ---------- 100% recovery
391
392
393
394
395 Same rock as before
396
397
398
399
400 ---------- 100% recovery
401 Calcite stringer
402
403 White and black phenocrysts.
404
405
406
407
408
409
410 Light green gray blue andesite.
411 100% recovery
412
413
414 Same rock as before.
415
416
417

418
419
420 ---------- 100% recovery
421 Dark gray.
422 Same rock as before.
423
424
425
426
427
428 Slightly brecciated structure.
429
430 ---------- 100% recovery
431
432 Same light blue gray andesite
433 containing about 20% calcite
434 phenocrysts and disseminated
435 pyrite.
436
437
438 Pyrite stringer.
439
440 ----------100% recovery

Diamond core drill log - Hole #2 -40° S10°W

1 Hydrothermally altered
2 andesite.
3 Green, yellow and brown
4 stained due to alteration
5 of iron pyrite to
6 oxides of iron, especially
7 limonite.
8 Very broken.
9
10 --------- 42% core recovery.
11
12 Leached out minerals,
13 possibly haematite
14
15 Andesite matrix.
16 White phenocrysts of
17 calcite in shape of
18 angular fragments 4mm.
19 size approx.
20 --------- 60% recovery
21
22
23
24
25 As above
26
27
28
29
30 ---------- 95% recovery
31
32 End of casing
33
34
35
36
37 Light gray blue and
38 some colors from iron
39 leaching.
40 ---------- 95% recovery
41
42
43
44
45
46
47 Dendritic fractures
48 containing pyrite
49
50 ---------- 95% recovery
51 Oblique fractures containing
52 calcite and iron staining.
53
54
55
56
57
58 Light gray blue andesite
59 Pyrite disseminated thru'out.
60 ---------- 100% recovery
61
62
63
64
65
66
67 20% calcite phenocrysts
68
69
70---------- 100% recovery
71
72 Hard rock
73
74
75
76
77 As before
78
79
80 ---------- 100% recovery
81
82
83
84 Pyrite concentration

Hole #2

85 pyrite stringer.
86
87
88
89
90 ---------- 100% recovery
91
92
93
94
95
96 Dark green andesite.
97
98
99
100 ---------- 100% recovery
101
102
103 Softer rock
104
105
106
107
108
109 Light gray colors.
110 ---------- 100% recovery
111
112
113
114 Darker green to gray.
115
116
117 Cemented hole due to water loss.
118
119
120 ---------- 100% recovery
121 Pyrite stringer
122
123
124
125
126 Softer andesite.
127
128
129
130 ---------- 100% recovery
131
132
133 Black dendrites.
134
135 Same as before.
136
137
138
139
140 ---------- 100% recovery
141
142
143
144 Broken up.
145
146 Short runs of core.
147
148 Slickensides
149
150 ---------- 100% recovery
151
152
153
154
155
156
157 Increased pyrite
158 Darker colored matrix.
159
160 ---------- 100% recovery
161
162
163
164 Pyrite stringers.
165
166
167

Hole #2

168
169
170 --------- 100% recovery
171
172 Same andesite matrix as before.
173
174
175 Pyrite concentrations.
176
177
178 Harder rock.
179
180 ---------- 100% recovery
181
182
183
184 Light green matrix.
185
186 Solid core,no breaks.
187
188 Pyrite concentrations.
189
190 ---------- 100% recovery
191
192
193 Dark blue gray andesite.
194
195
196
197
198
199
200 ---------- 100% recovery
201
202
203
204
205 As before.
206
207 Hard core.
208
209
210 ---------- 100% recovery
211
212
213
214
215
216 As before
217
218
219
220 ---------- 100% recovery
221
222
223
224
225
226 As before
227
228
229
230 --------- 100% recovery
231
232
233
234 Light blue gray andesite
235
236 Hard.
237
238
239
240 ---------- 100% recovery
241 Calcite stringer with pyrite.
242 Good breccia, possible vein.
243 Black inclusions.
244
245 Hard.
246
247
248
249
250 ---------- 100% recovery
251 Pyrite and calcite veinlet.
252
253
254
255
256
257
258
259
260 ---------- 100% recovery
262
263 Dark blue to green andesite
264
265 Broken
266
267
268
269
270 ---------- 100% recovery
271 Dark gray, matrix.
272
273
274
275
276
277
278
279
280 ---------- 100% recovery
281 Broken up.
282 Small clay gouge.
283 Soft.
284
285
286
287
288
289 Clay, slight breccia.
290 ---------- 100% recovery.

Hole #2

291 Broken rock.
292
293 Light colored, blue -white
294 Granular structure, solid.
295 Andesite "
296 "
297 "
298 "
299 "
300 ---------- 100% recovery
301 "
302 "
303 "
304 "
305 "
306 "
307 "
308 "
309 "
310 ---------- 100% recovery
311 "
312 "
313 "
314 Change to less granular
315 Dark blue gray andesite
316
317 Calcite stringer.
318
319
320 ---------- 100% recovery
321 Dark gray.
322
323
324
325
326
327
328
329
330 --------- 100% recovery
331
332
333
334 Broken.
335 Fragmented, breccia structure
336 Broken and clay gouge
337
338 Broken, clay.
339
340 ---------- 100% recovery
341 Fault, clay, structural plane.
342
343
344
345
346 Granular structure
347 "
348 "
349 "
350 --------- 100% recovery
351 "
352 "
353 Granular structure, andesite.
354 "
355 "
356 "
357 "
358 "
359 "
360 ---------- 100% recovery
361 "
362 "
363 "
364 "
365 "
366 "
367 "
368 "
369 "
370 ---------- 100% recovery
371 "
372 "
373 "
374 "
375 "
376 "
377 "
378 "
379 "
380 ---------- 100% recovery
381 Structure changes, dark blue
382 gray andesite with platey pyrite
383 or chalcopyrite
384
385
386
387
388
389
390 ---------- 100% recovery
391 Dark blue gray andesite as before
392 Hard solid core.
393
394
395
396
397
398
399
400 ---------- 100% recovery
401
402
403
404
405 As before
406
407
408
409
410 ---------- 100% recovery
to As above
420 ---------- 100% recovery

# United States Department of the Interior

GEOLOGICAL SURVEY
OFFICE OF MINERALS EXPLORATION
656 U. S. Court House
W. 920 Riverside Ave.
Spokane, Wash. 99201

July 23, 1971

OFFICIAL
COPY
O. M. E.
RECEIVED
JUL 26 1971
INITIALS | CODE
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HK 120
220

Memorandum

To : Chief, Office of Minerals Exploration

From : Field Officer, Region I

Subject: Interim Inspection
OME-6835 (Silver)
David James Hoare
d/b/a/ Hominex Silver Mines
Roy Mining Property
Jefferson County, Oregon
Contract 2299

Mr. David Hoare telephoned me on Monday, July 12, that the first diamond drill hole had failed to intersect the vein at its projected location and requested an extension of the hole beyond the approximate 350 feet listed in contract. I gave him permission to drill an additional 50 feet and told him that I would visit the project the following day.

I arrived at the drill site in late afternoon on Tuesday, July 13, and found that the drill hole was about 430 feet long. The rock being intersected was gray andesite(?) with scattered small concentrations of pyrite. There was no good evidence of a vein near the 430 mark in the core.

The following day I revisited the property, made a brunton and tape survey locating some claim corners, shafts, and the drill site with respect to each other.

In examining the core I found that the oxidized portion of the core extended to an inclined depth of 39 feet. There are a few widely separated zones of broken rock but most significantly there is about two feet of broken rock with finely disseminated pyrite at about 235 feet. This zone correlates well with the downward projection of the Roy vein from the 68 shaft (Figure 1 - Plan and section map of D.D.H. #1, Roy Property, Jefferson County, Oregon). I pointed this out to Mr. Hoare and requested that the pyrite-rich brecciated zone be sampled and assayed for silver.

Mr. Hoare had hoped that base metal sulfides would be found at depth in the Roy vein and hence he was searching the core for such sulfides. I am not certain if he agrees that the brecciated rock at 235 feet in the hole is the extension of the Roy vein.

OFFICE OF MINERALS EXPLORATION
656 U. S. Court House
Spokane, Wash., 99207

July 12, 1971

Mr. David J. Hoare
Hominex Silver Mines
P. O. Box 36
Ashwood, Oregon 97711

Re: OME-6835 (Silver)
Roy Mining Property
Jefferson County, Oregon
Contract 2299

Dear Mr. Hoare:

I fail to see how I can favorably consider your request for supplementary funds to perform a geophysical survey as part of the current OME contract work.

The objective of the project is to drill for the downward extensions of the silver-bearing vein exposed in shaft 68. This vein has been well exposed in the shaft and has been traced along strike by other shallow prospect workings. What additional information does one need prior to drilling?

A geophysical survey might be of value in making an analysis of the general area. However, the objective of such a study would be different from that of the current project. I cannot accept your thesis that heavy overburden has concealed much significant information that hasn't been indicated in the numerous prospect pits which expose bedrock.

I plan to be in central Oregon this week and am hoping that your first drill hole will be completed. At that time we can discuss the pros and cons of a geophysical survey of the area.

Sincerely,

Willard P. Puffett
Field Officer, OME
Region I

cc: Director
OME w/inc ltr and Encs.

RECEIVED
JUL 12 1971
O. M. E.
SPOKANE, WASH.

Hominex Silver Mines,
P.O.Box 36,
Ashwood, Oregon,
97711

8 July 1971.

Willard Puffett,
Field Officer,Rgn.1,
U.S.G.S. OME,
US Court House,Rm.656.
W.920 Riverside Ave.,
Spokane,Wash.99201.

REF; contract 2299.

Dear Mr. Puffett;

The diamond core drilling is proceeding very well and hole #1 reached 131 ft Thursday,,producing 10 ft. cores per run. We are drilling Saturday and Sunday this week and I expect to complete this hole by Wednesday.

I wish to make a supplementary request for one months rental of an EM instrument from GISCO to perform a geophysical survey. Referring to the enclosed quotation, the unit I propose to use is G-2880/Ronka VLF Electromagnetic Unit, Model EM-16.

This is a highly desirable exploration project at this time for the following reasons.

A geophysical investigation will complement our core drilling project now in process to assist analysis of the structural geology of the area. These projects are the first in the mining district of the type. The multitude of veins and prospect shafts and samples has caused minimal analysis of the structure due to extensive alteration and leaching to below 60 ft. depth, to be permitted.

We strongly suspect vein intersections at shafts 68 and 62 but others could be more difficult to detect due to the factor of overburden. Each intersection can be a potential Oregon King Mine with a deep plug of rich sulphides and attendant large kidneys of similar size,100x50x30 ft. Please refer to the maps in OME-6835.

One big advantage we have is that we do know the ore is structurally controlled due to the Oregon King experience and in fact is closely related to the fault structures.

Electromagnetic methods have been successful at locating bodies of heavy sulphide as well as disseminated sulphide.

An interpretation can be made with most confidence when a geophysical survey traces a contact or fault after starting on exposed rock, as we have on the Roy Vein and other parallel veims ( roughly ) on the Roy Property.

In the words of Stanley Davidson in Inst. of Mining & Metallurgy Bulletin of Canada #381 p.50 Jan. 1944, "An essential or at least highly desirable prerequisiteto the useful application of geophysics is a good geological picture of the area concerned." This is in regard to interpretation.

The equipment rental costs $450.00 per month and is operated by only one man. I anticipate one months rental.

I look forward to your visit here next week.

Cordially,

D. J. Hoare

David James Hoare.

GISCO

**geophysical instrument & supply co.**

A DIVISION OF | SOILTEST, INC. A MEMBER OF THE CENCO INSTRUMENT GROUP

900 BROADWAY
DENVER, COLORADO 80203 USA

PHONE: 825-8914 AND 825-5900
AREA CODE 303
CABLE ADDRESS: GISCO

July 6, 1971

RECEIVED
JUL 12 1971
SPOKANE WASH.

Hominex Silver Mines
P.O. Box 36
Ashwood, Oregon 97711

Attention: David James Hoare
President

Dear Mr. Hoare:

Thank you for your letter of June 26 expressing your interest in our Electromagnetic equipment.

We are enclosing our quotation number Q-001234, together with descriptive literature for the units you are interested in. However, the only electromagnetic unit in our rental program is the Ronka, VLF, EM-16. As quoted, this unit rents for $450.00 per month

If you should wish to purchase any of the equipment quoted, on a lease-purchase type arrangements, we have two affiliate leasing companies through which we can arrange lease-purchase arrangements.

We look forward to the opportunity of being of service to you.

Very truly yours,

GISCO
Geophysical Instrument & Supply Co.

M. Duran

M. Duran
Quotation Manager

md
Encl.

P.S: Please let us know the closest large town or transportation point to Ashwood. We were unable to quote an estimated freight costs, since none of our contacts could located Ashwood on their maps.

# GISCO

## geophysical instrument & supply company

division of Soiltest, Inc./a member of the Cenco Group
900 BROADWAY • DENVER, COLORADO 80203 USA
PHONES (303) 825-8914 & 825-5900

RECEIVED JUL 12 1971 O.M. SPOKANE, WASH.

# PRICE QUOTATION

Q-001234

PLEASE INDICATE THIS NUMBER WHEN ORDERING

Hominex Silver Mines
P.O. Box 36
Ashwood, Oregon 97711

Att: David James Hoare, President

DATE: July 6, 1971
YOUR INQUIRY DATED: Letter-June 26, 1971
PROPOSED SHIPPING DATE: 15 days or less ARO
TERMS: Lease-Purchase or Cash with Order or ~~Net 30 UPON approved credit~~ F.O.B. Denver
SALESMAN: MD
TO BE SHIPPED VIA:
PPD. OR COLL.:

**Here is our quotation on the goods named, subject to the conditions noted:**

CONDITIONS: *The prices and terms on this quotation are not subject to verbal changes or other agreements unless approved in writing by the Home Office of the Seller. All quotations and agreements are contingent upon strikes, accidents, fires, availability of materials and all other causes beyond our control. Prices are based on costs and conditions existing on date of quotation and are subject to change by the Seller before final acceptance.*

*Typographical and stenographic errors subject to correction. Purchaser agrees to accept either overage or shortage not in excess of ten percent to be charged for pro-rata. Purchaser assumes liability for patent and copyright infringement when goods are made to Purchaser's specifications. When quotation specifies material to be furnished by the purchaser, ample allowance must be made for reasonable spoilage and material must be of suitable quality to facilitate efficient production.*

*Conditions not specifically stated herein shall be governed by established trade customs. Terms inconsistent with those stated herein which may appear on Purchaser's formal order will not be binding on the Seller.*

| QUANTITY | DESCRIPTION | PRICE | AMOUNT |
|---|---|---|---|
| 1 | G-2675/Turam Electromagnetic Equipment, ABEM Model TS, with 3600 meter (2 1/2 miles) Primary Cable Layout, Complete FOB Denver..... | $ 6350.00 | $6350.00<br>$6350.00 |
| 1 | G-2675-A/Turam Electromagnetic Equipment, ABEM Model TS, without Primary Cable Layout FOB Denver..... | $ 5638.00 | $5638.00<br>$5638.00 |
| 1 | G-2674/Electromagnetic EM Gun Equipment, ABEM Model 35/88 FOB Denver..... | $ 3795.00 | $3795.00<br>$3795.00 |
| 1 | G-2880/Ronka VLF Electromagnetic Unit, Model EM-16, complete FOB Denver..... | $ 2580.00 | $2580.00<br>$2580.00 |
| | **Accessories:** Additional Plug-In Station Selectors-$70.00ea, FOB Denver | | |
| | The EM-16 is the only electromagnetic unit in our rental program. This instrument rents for $450.00 per month and at least 10 days advance notice is required of intention to rent. Rentals are payable in advance and freight both ways is the responsibility of the Lessee. | | |

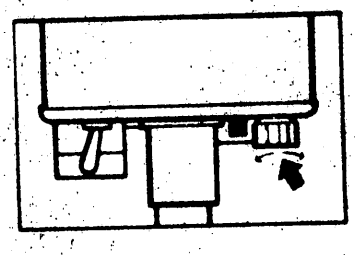
FORM 2080, REGENT FORMS, PENNSAUKEN, N.J. 08109

QUOTE VALID FOR 30 DAYS. BY M. Dunn

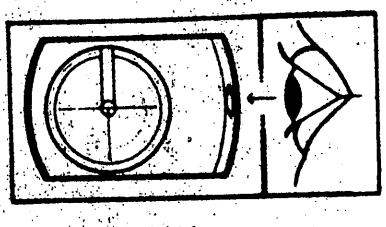
**TO CONFIRM ORDER, SIGN & RETURN PINK ACCEPTANCE COPY**

RECEIVED JUL 12 1971 C.M.I. SPOKANE, WASH

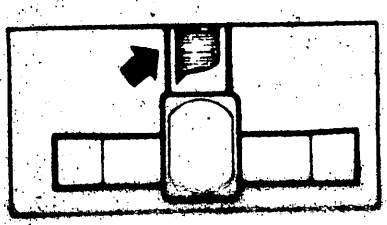
# OPERATION



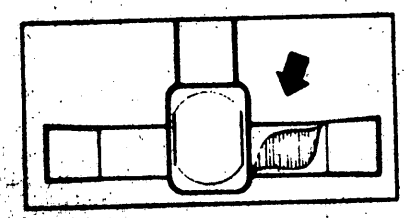
**STATION SELECTOR**
after selection of 2 VLF stations and insertion of proper plug-in units, knob-rotation pinpoints stations selected



**IN-PHASE DIAL**
measures the degree of instrument-tilt from vertical position to produce minimum signal. Instrument-tilt angle equals tilt-angle of total field



**VERTICAL RECEIVING COIL**
circuit in instrument stem picks up any vertical signal present



**HORIZONTAL RECEIVING COIL**
circuit, after automatic 90° signal shift, feeds signal into quadrature dial in series with the receiving circuit

| | |
|---|---|
| Primary field: | Horizontal from any selected VLF*-transmitting station. |
| Frequency range: | 15-25 kc. |
| Station selection: | By plug-in units, and a switch for two Stations. |
| Measured Fields: | Vertical Field, in-phase and quadrature components. |
| Accuracy of readings: | ±1% |
| Range of measurements: | In-phase ±150% or ±90°, quadrature ±40%. |
| Output readout: | Null-detection by an earphone, real and quadrature components from mechanical dials. |
| Batteries: | 6, size AA penlight cells. Life about 200 hours. |
| Size: | 16 x 5.5 x 3.5 in. (42 x 14 x 12 cm). |
| Weight: | 2.4 lbs. (1.1 kg). |

***To order, specify:***

**G-2880** GISCO's Ronka VLF Electromagnetic Unit Model EM 16 complete .....
includes 1 EM Unit, 1 earphone and cord, 1 carrying bag, 1 set of batteries, 1 Operation Manual, 2 plug-in units for station selection--additional optional units available.

**G-2881** Extra Plug-In Station Selection Unit ...

Specifications and price subject to change without notice, fob Denver.

*VLF= Very-Low radio-Frequency



geophysical instrument & supply company GISCO
909 BROADWAY, DENVER, COLORADO 80203 USA/PHONE: 303 825-8914/CABLE: GISCO

RECEIVED JUL 12 1971 O.M. SPOKANE, WASH

VLF

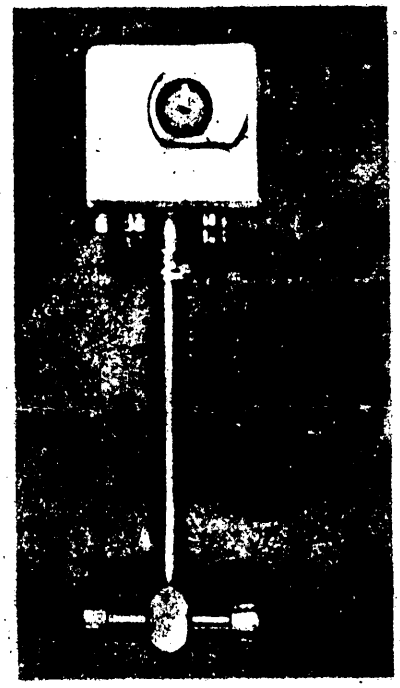
# RONKA EM 16

## DEEP-PENETRATING

## ELECTROMAGNETIC ORE-DETECTOR

**UTILIZES – DEEPLY PENETRATING NAVY VLF-***
"Very-Low-Frequency"
Radio Transmission Waves as
Primary Field Sources

**DETECTS – MINERAL CONDUCTORS**
From Character of Secondary
Induced EM Field



- The EM16 is a new basic electromagnetic tool using homogeneous horizontal primary fields (15-25 kc).
- The real- and quadrature-vertical fields are measured.
- Fairly high frequency is also good for weaker conductors.
- Horizontal primary field is not influenced by flat horizontal overburden.
- One man can now survey faster and deeper than a large crew of men with older equipment.
- Field experience has proven EM16 to be fast, rugged, and practical.

**RONKA EM16**

*USA VLF Stations:

Station NAA: Cutler, Maine
Station NPG: Seattle, Wash.
Station WWVL: Fort Collins, Colo.
Station NSS: Annapolis, Md.
Station NBA: Panama
European Station GBR:
Rugby, England

- **EM 16 is a deep-penetrating electromagnetic detector designed specifically for one-man operation.**

  Other instruments must incorporate portable transmitters to generate the necessary primary alternating field to agitate the ore-body sought, then the secondary field, generated by eddy-currents in the conductive targets must be measured by the receiver.

- **EM 16 is designed to act as a receiver:**

  it utilizes the primary fields generated by the new VLF stations established for marine communication and since these stations have vertical antenna-current, the primary alternating field available is horizontal.

- **EM 16 simply measures the vertical field components in terms of the horizontal field present.**

  By using the different stations available, the most suitable direction of primary field for each area being surveyed can be selected.

  By measuring the inphase and quadrature components of the vertical secondary field, characteristics of the conductor become apparent.

- **EM 16 offers you the best in easy interpretation; faster, more effective coverage; and simplicity and ruggedness of instrumentation.**

Exh #3
S3

Hominex Silver Mines,
P.O.Box 36,
Ashwood, Oregon,97711.
July 5, 1971.

Dear Mr. Puffett;

Thank you for your letter of July 1, and enclosures. The OME contract work has already started. The sub-contractor, Boyles Bros. Drilling Co. began setting up the drill last Wednesday and by the end of the week finished collaring the first hole.

The driller asked me to assist him in finding a local man for helper which I was pleased to do. Boyles subsequently hired him which is good because the local employment situation seems to be a problem.

I look forward to seeing you at the mine later this month.

Very truly yours,

DJHoare

David James Hoare.

Re: OME 6835 (Silver)
Roy Mining Property
Jefferson County, Oregon
Contract 2299

RECEIVED
JUL 7 1971
O.M.E.
SPOKANE WASH.

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JUL 12 1971
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HOMINEX SILVER MINES,
P.O.Box 36,
Ashwood,
Oregon,97711.

July 7, 1971.

OFFICIAL COPY
O. M. E.
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JUL 19 1971
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Harold Kirkemo,
Chief, O.M.E.,
U.S.G.S. Rm 4461,
Interior Building,
Washington, D.C.20242.

Dear Mr. Kirkemo;

I am replying to a question posed to me by Mr. Puffett on the telephone today, concerning the reason Jack Paulsen signed my OME contract N°. 2299 as secretary of the company. The reason is that Mr. Paulsen was available as acting secretary while Gudrun Forstner is on vacation in Europe for two months. There is no change in the list of officers of the company.

Very truly yours,

D.J. Hoare

David James Hoare.

cc. Mr. Puffett.

OFFICE OF MINERALS EXPLORATION
656 U. S. Court House
Spokane, Wash., 99201

July 1, 1971

Mr. David J. Hoare
Hominex Silver Mines
P. O. Box 36
Ashwood, Oregon 97711

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~~1.20~~
HK ~~1.20~~

Re: OME-6835 (Silver)
Roy Mining Property
Jefferson County, Oregon

Dear Mr. Hoare:

We are enclosing a three-month supply of the Operator's Monthly Voucher, Form 9-1648. The original and three copies of the completed report forms as well as the narrative, maps, assays, and all technical data, should be submitted for each month in which costs have been incurred under the contract. However, in the event that you do not wish to submit a voucher for any month, the narrative report for the work done in that month is required. Delay in processing can be avoided if reports are submitted promptly to this office.

Also enclosed are three copies of Standard Form 38, entitled "Notice of Nondiscrimination in Employment." In accordance with Executive Order 11246, which is Exhibit B of your contract, you should complete one copy and send it to any labor union that may be involved in your OME contract work and should post one or more copies in conspicuous places available to employees or applicants for employment. The enclosed poster should be exhibited in a conspicuous place available to both employees and applicants for employment.

We would appreciate your advising us when the OME contract work has started.

Sincerely,

Willard P. Puffett
Field Officer, OME
Region I

Enclosures

cc: Director
OME

WPPuffett/at

OFFICE OF MINERALS EXPLORATION
656 U. S. Court House
Spokane, Wash., 99201

June 24, 1971

Mr. David J. Hoare
Box 8724
Oakland, Ca., 94608

Cee / 20 mi
~~120~~
HK ~~120~~

Re: OME-6835 (Silver)
Hominex Silver Mines
Roy Mining Property
Jefferson County, Oregon

Dear Mr. Hoare:

Enclosed is the original and three copies of a proposed contract to explore the subject property. The contract consists of MME Form 50 (seven pages), Annex I (one page), one Lien and Subordination Agreements (one page), Exhibit A (six pages), Exhibit B (one page), and two maps (Figures 1 and 2). All copies of the contract have been signed for the Government.

You, or whoever will be in charge of carrying out the project work under this contract, are urged to read carefully all the specifications set forth in Exhibit A. Without prior Government approval subsequently confirmed in writing, the Government may refuse to contribute to the cost of any work that does not conform to those specifications. Your attention is specifically directed to Article 10 and Exhibit B. Appropriate forms to meet the compliance requirements will be sent with forms for reporting monthly progress and vouchering.

If the terms and conditions are satisfactory, sign all copies, keep the Operator's copy, and return the other copies to this office.

If any part of the proposed contract is not satisfactory, please return all copies unsigned to this office with a statement of your proposed changes for consideration.

The 8-1/4 percent interest accrues from the dates on which individual payments are made by the Government and like the principal is repayable from royalty in production.

Sincerely yours,

Willard P. Puffett
Field Officer, Region I

cc: Director
OME ✓

Enclosures

MME Form 7
(2/63)

OFFICIAL FILE COPY

| Date | Surname | Code |
|---|---|---|
| 6/17/71 | Kirkemo | 120 |
| 6/18 | Kilsgaard | |
| 6/21 | Albers | 220 |
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| 6/23 | calc | 120 |
| | | 220 |
| 6/23 | calc | 120M |

**AIRMAIL**

JUN 2 - 1971

Memorandum

To: Field Officer, Region I

From: Chief, Office of Minerals Exploration

Subject: OME-6835 (Silver)
David James Hoare d/b/a
Hominex Silver Mines
Roy Mining Property
Jefferson County, Oregon

Enclosed are the original and three copies of a proposed contract to explore the subject property. The contract consists of MME Form 50 (seven pages), Annex I (one page), one Lien and Subordination Agreements (one page), Exhibit A (six pages), Exhibit B (one page), and two maps (Figures 1 and 2). All copies of the contract have been signed for the Government. You should insert the date for commencement of the work. An extra copy of the contract is enclosed for field use.

If the proposed contract is satisfactory to you and the Applicant, all four copies should be signed by David James Hoare. Thereafter, please distribute the copies as usual.

Please advise the Applicant that the 8-1/4 percent interest accrues from the dates on which individual payments are made by the Government and like the principal is repayable from royalty on production.

If any part of the proposed contract does not have your approval or that of the Applicant, the original and all copies should be returned to this office together with the proposed changes for consideration.

Harold Kirkemo
gla

Harold Kirkemo

Enclosures

cc: Director's Reading File
Mineral Resources
OME docket
OME Reading File
Mr. Kirkemo
130

GLAult/a 6-17-71

Hominex Silver Mines,
David James Hoare,
P.O.Box 36,
Ashwood, Ore.97711.

17 June 1971.

OFFICIAL COPY
O. M. E.
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Harold Kirkemo,
Chief, O.M.E.,
U.S.G.S. Rm.4461,
Interior Building,
Wash.D.C. 20242.

Dear Sir;

In reply to your question in our telephone conversation on this date, the claims involved in the project to be covered by the Government contract ( OME-6835 ) will not be encumbered in any manner as security for repayment of the funds pledged for the operators share by David James Hoare, Jack Paulsen, Edward Estrella and Gudrun Forstner.

Very truly yours,

D. J. Hoare.

David James Hoare.

DRAFT 5/18/71
HKirkemo/gla

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MME Form 50
July 1965

UNITED STATES OF AMERICA
DEPARTMENT OF THE INTERIOR
U. S. GEOLOGICAL SURVEY

Legal 5/18/71

EXPLORATION CONTRACT
(Long Form)

| Docket No. | Commodity | Contract No. | County | State |
|---|---|---|---|---|
| OME -6835 | Silver | | Jefferson | Oregon |

It is agreed _____ (Date), between the United States of America, acting through the Department of the Interior, U. S. Geological Survey, hereinafter called the "Government," and

**David James Hoare d/b/a Hominex Silver Mines**

whose mailing address is **P. O. Box 36, Ashwood, Oregon 97711**, hereinafter called the "Operator," as follows:

ARTICLE 1. Authority and scope.--(a) This contract entered into under the authority of Public Law 701, 85th Cong., 2d sess. (72 Stat. 700; 30 U.S.C. § 641 - 646), consists of this form, the attached Annex I (land description), Exhibit A (work and costs), and the maps and documents listed. The work is a search for new or unexplored deposits of the commodity designated above. The Operator shall begin the work on or before _____ (Date), and, subject to the provisions of Article 9 and Exhibit A, shall either have completed the work within 6 months from the date of the contract or shall have incurred allowable costs (see Article 6) in a sum not less than the total cost set forth in Exhibit A.

(b) The total allowable cost of the work set forth in Exhibit A is $ 28,200.00. The Government will contribute ~~50~~ 75 percent of the allowable costs as they are incurred, in a total sum not in excess of $ 21,150.00 in accordance with the provisions of Articles 3, 4, 5, and 6. "Costs incurred" means costs that have been paid or have become due and payable, or that the Government determines have become obligations.

(c) Interest computation.--Simple interest at the rate of _____ percent shall accrue from the dates Federal funds are made available until the period specified for payment of royalty expires, or until the amount of Federal funds contributed is fully repaid with interest.

(d) The Operator shall not transfer or assign this contract or any right or obligation thereunder without the written consent of the Government.

ARTICLE 2. Operator's right in land.--(a) The Operator represents and undertakes that Annex I correctly describes the land which is the subject of this contract and the nature of the Operator's right of property and possession therein (whether as owner, lessee, or otherwise), and that such right, title, or interest is subject only to the following claims, liens, or encumbrances:

**SEE ANNEX I**

(b) The Subordination Agreement of the holder of any claim, lien, or encumbrance listed above and (if the Operator does not hold the legal title) the lien agreement of any holder of the legal title of the land (lessor, seller, optionor, etc.) are attached as follows:

**SEE ANNEX I**

(c) The Operator shall preserve and maintain his right, title, or interest in the land and his right to the possession thereof for the purposes of this contract, and shall devote the land and all existing improvements, facilities, buildings, installations, and appurtenances to the purposes of this contract. The Operator shall neither transfer, convey, nor surrender the land nor any right, title, or interest therein, nor permit nor suffer any claim, lien, or encumbrance thereon, without expressly referring to and providing in the instrument of conveyance, lien, or encumbrance for the preservation of the Government's right to a royalty on production and liens for the payment thereof. Two true copies of such instrument shall be furnished to the Government. If the Government's rights to royalty as provided in Article 7 have been terminated, the provisions of this paragraph (c) shall become inapplicable.

ARTICLE 3. Performance of the work.--(a) Operator's responsibility.--The work shall be performed diligently, efficiently, in a workmanlike manner in accordance with good mining standards, and in compliance with State laws governing health, safety, and liability insurance covering employment. The Operator shall provide suitable and adequate equipment, facilities, materials, supplies, and labor to complete the work as specified in Article 1(a).

(b) Independent contracts.--To the extent that the allowable costs are estimated in Exhibit A with express reference to performance by independent contractors on a unit-price basis (such as per foot of drilling, per foot of drifting, per hour of bulldozer operations), the work may be so performed (see Article 6(a), Category (1)). Any such independent contract shall refer to some specific and identifiable part of the work, and shall be subject to all of the pertinent terms and conditions of this exploration contract; but the Government shall not be considered a party thereto, and its rights under this contract, including the right to terminate its contributions, shall not be affected thereby. Regardless of the provisions of any such independent contract, the Government will participate in payments to the independent contractor only as to work performed in accordance with the provisions of this exploration contract, and only to the extent that the Government deems the unit prices for the work under the independent contract to be reasonable.

(c) Government may inspect.--The Operator shall consult with and inform the Government on all phases of the work as it progresses. The Government may enter at all reasonable times to inspect the work under the contract and production operations during the period that royalty is payable to the Government. The Operator shall provide the Government with all reasonable means of access for such inspections.

ARTICLE 4. Contribution by the Government.-- The Government will make its contribution on the basis of the monthly vouchers referred to in Article 5(b), but all payments by the Government are provisional only, subject to audit. Until the account between the Operator and the Government is finally audited and settled and the Operator's final report has been received, the Government may withhold such sums as are necessary to protect its interests. The Government may make payments for the account of the Operator directly to independent contractors and suppliers rather than to the Operator.

ARTICLE 5. Reports, accounts, audits.--(a) Operator's records.--The Operator shall keep suitable records and accounts of the work performed and of any production in which the Government may have an interest; and shall preserve those with respect to work performed for at least three years after final payment by the Government, and those with respect to production for at least three years after any obligation to pay royalties to the Government has terminated. The Government may inspect and audit said records and accounts at any time, either by itself or by a certified public accountant. The Comptroller General of the United States or his representative, until the expiration of said three-year periods, shall have access to and the right to examine all pertinent books, documents, papers, and records of the Operator. If work under this contract is carried on in conjunction with any other operations, or if labor, supervision, services, materials, supplies, equipment, facilities, or other requirements for carrying on the work are also used in connection with other operations, the costs shall be segregated and accounted for on a basis and by methods and accounts that are satisfactory to and approved by the Government.

(b) Monthly reports.--The Operator shall provide the Government with four copies of monthly reports in three sections as follows:

(1) Operator's Monthly Voucher claiming costs for work performed;

(2) Operator's Progress Report showing the number of units of the various types of work performed; and

(3) a narrative report of the work performed during the reporting period, including adequate engineering-geological maps or sketches, drill hole logs and locations, and assay reports on samples taken concurrently with advance in mineralized ground.

(Forms for reporting under (1) and (2) above will be provided by the Government; however, the original of the Operator's Monthly Voucher shall be supported by documentary evidence, such as certified copies or transcripts of payrolls and invoices, for all costs claimed under Article 6 (a) (1).)

(c) Final report.--Upon completion of the work or termination of the Government's obligation to contribute to costs, the Operator shall furnish the Government with three copies of a final report (in addition to the final monthly report). This final report shall include a geological and engineering evaluation of the results of the work performed under the contract with an estimate of the ore reserves resulting from such work, complete assay data, adequate geological and engineering maps or sketches, and a summary of the work performed and the related costs.

(d) Report of sales.--The Operator shall provide the Government with suitable accounting and documentary evidence covering all production to which the Government's royalty relates, such as two copies of smelter or concentrator settlement sheets and certified accounts of production and sale or other disposition of production.

(e) Compliance with requirements.--If the Government determines that any of the Operator's reports, records, or accounts are insufficient or incomplete, or if the Operator fails to make them, the Government may procure the preparation or completion of the same with suitable attachments as an expense of the work to which the Operator shall contribute. The Government may withhold approval and payment of any vouchers relating to insufficient or incomplete reports, records, or accounts.

ARTICLE 6. Costs.--(a) Allowable costs.--The allowable costs of the work to which the Government will contribute are limited to:

(1) the necessary, reasonable, and direct actual costs that are estimated in Exhibit A by categories as specified in this article; and

(2) fixed costs for units of work to be performed (per foot, per hour, etc.) agreed upon in lieu of actual costs and set forth in Exhibit A.

The Government will not contribute to costs under any category or subcategory omitted from the estimate of costs in Exhibit A. Any excess over any estimate which is indicated as the maximum of any category, subcategory, or item, either as to requirement or related cost; any excess over a fixed unit cost; and any excess over the total allowable cost of the work are not allowable. The Operator shall incur such excesses for his own account without contribution by the Government, but the Operator is not obligated to incur more than his agreed percentage of the total allowable cost of the work.

Any category or subcategory or element thereof not designated as a maximum in this article, or in Exhibit A may be exceeded, provided that the total allowable cost of the work, which is a maximum, is not exceeded.

CATEGORY (1)--INDEPENDENT CONTRACTS.--(See Article 3(b)). The total of this category and the average unit cost estimated for each type of work to be performed under an independent contract are maximums.

CATEGORY (2)--PERSONAL SERVICES.

Subcategory (a)--Supervision and Technical Services--All elements of this subcategory (number of supervisors, technicians, outside consultants, periods of employment, rates of pay, and total) are maximums.

Subcategory (b)--Labor.

CATEGORY (3)--OPERATING MATERIALS AND SUPPLIES.--Includes such items as drill bits and steel, explosives, fuel, pipe, power, timber, rail, and small tools costing less than $50 each.

CATEGORY (4)--OPERATING EQUIPMENT.

Subcategory (a)--Rental.--The number of each rented item [6 mine cars, 1 truck], the rate of rental [$100 per month, $5 per hour], and the total of this subcategory are maximums.

Subcategory (b)--Purchases.--The total of this subcategory is a maximum.

Subcategory (c)--Depreciation.--All elements of this subcategory (time periods, rate of depreciation, and subcategory total) are maximums.

CATEGORY (5)--INITIAL REHABILITATION AND REPAIRS.--Costs of items listed under this category include all requirements, such as labor, materials and supplies, and supervision at a rate not higher than provided for in Category (2), and shall not be duplicated under any other category. The total of this category is a maximum.

Subcategory (a)--Initial rehabilitation and repairs of existing buildings, fixtures, and installations (exclusive of mine workings).--The total of this subcategory is a maximum.

Subcategory (b)--Initial rehabilitation and repairs of operating equipment.--The total of this subcategory is a maximum.

CATEGORY (6)--NEW BUILDINGS, FIXTURES, AND INSTALLATIONS (EXCLUSIVE OF MINE WORKINGS).--Costs of items listed under this category include all requirements, such as labor, materials and supplies, and supervision at a rate not higher than provided for in Category (2), and shall not be duplicated under any other category. The total of this category is a maximum.

CATEGORY (7)--MISCELLANEOUS.--Includes requirements and costs that do not fall within any of the first six categories, such as repairs other than initial and maintenance of operating equipment, analytical work, prints and other reproductions, accounting, Operator's share of payroll taxes, liability insurance covering employment, travel, and communications.

(b) Nonallowable costs.--In addition to the limitations imposed by paragraph (a) of this Article 6 the Government will not contribute to the following costs:

(1) Costs of the land, such as rental, depreciation, depletion, or other costs of acquiring, owning, or holding possession;

(2) Indirect costs, such as general overhead, corporate management, interest, taxes (other than payroll and sales taxes), insurance (other than liability insurance covering employment), damages to persons, damages to property (other than necessary repairs or replacements of equipment or other property used in the work);

(3) Previous work performed or costs incurred before the date of this contract; and

(4) Deferred payments.--Any costs incurred by the Operator under any rental-purchase agreement, installment-purchase agreement, or any agreement for the purchase of goods under the provisions of which payment of the full purchase price is deferred more than 90 days from the delivery of the goods, unless the purchase agreement is approved by the Government in writing.

(c) Reductions in costs.--The Operator shall account for and give the Government credit for any incidental benefits, credits, or money received in the ordinary course of business in prosecuting the work (as by salvage or sale of materials or equipment, furnishing of room or board, furnishing of power or services to third persons, rebates or discounts on purchases, etc.), in the same ratio in which the Government contributes to costs; and such amounts shall be treated as a reduction in costs incurred so that they are available for use within the limit of the original total cost. The provision does not apply to receipts from production which are subject to the Government's royalty under the provisions of Article 7.

ARTICLE 7. Repayment by Operator.--(a) Certification.--If the Government considers that mineral or metal production from the land covered by the contract may be possible as a result of the exploration work, it shall so certify in writing to the Operator at any time not later than six months after a sufficient final report and final accounting (see Article 5) have been furnished.

(b) Royalty on production.--The Operator, whether or not the producer (for example, if the Operator either transfers or does not retains his interest in the land), shall pay to the Government a royalty on all minerals and metals mined or produced from the land as follows:

(1) irrespective of any certification of possible production--from the date of the contract until the lapse of the time within which the government may issue such certification or until the total net amount contributed by the Government is fully repaid with interest, whichever occurs first; or

(2) if the Government issues a certification of possible production--for a period of ten years from the date of the contract, or until the total net amount contributed by the Government is fully repaid with interest, whichever occurs first.

(c) Payment of royalty.--(1) The Government's royalty shall be five percent of the gross proceeds (including any bonuses, premiums, allowances, or other benefits) from the production sold, in the form sold (ore, concentrate, metal or equivalent), at the point of delivery (the f.o.b. point); except, that charges of the buyer arising in the regular course of business and shown as deductions on the buyer's settlement sheets (such as treatment processes performed by the buyer, sampling and assaying to determine the value of the production sold, and freight payable by the buyer to a carrier (not the Operator or producer)), shall be allowed as deductions in arriving at the "gross proceeds" as that term is used herein. No costs of the Operator or Producer are deductible in arriving at the "gross proceeds" as that term is here used.

The term "treatment processes" means those processes (such as milling, concentrating, smelting, refining, or equivalent, but excluding fabricating or manufacturing) applied to the crude ore or other production after it is extracted from the ground to put it into a commercially marketable form.

(2) The Government's royalty shall be computed and paid currently upon each lot sold, held, or used in integrated operations, as the case may be.

(d) Unsold production.--If any production (ore, concentrate, metal, or equivalent), after the lapse of six months from the date the ore was extracted from the ground, remains neither sold nor used in integrated manufacturing or fabricating operations (for instance, if it is stockpiled), the Government, at its option, as long as it so remains, may require the computation and payment of its royalty on the value of such production in the form (ore, concentrate, metal, or equivalent) it is in when the Government elects to require computation and payment. If any production is used in integrated manufacturing or fabricating operations before the Government makes its election, the Government's royalty on such production shall be computed on the value thereof in the form in which and at the time it is so used. "Value" as here used means what is or would be gross income from mining operations for percentage depletion purposes in Federal income tax determination or the market value, whichever is greater.

(e) Lien for payment.--To secure the payment of royalty (see Article 7(b)), the Operator hereby grants to the Government a lien upon his interest in the land and upon any production of minerals and metals therefrom until the royalty claim is extinguished by lapse of time or is fully paid.

(f) Notice to purchasers.--The Operator or producer shall give notice of the Government's claim for royalty to any purchaser of the production, and shall authorize and direct such purchaser to pay the royalty directly to the Government and to furnish the Government with copies of the settlement sheets. If the records of any production and sales or other disposition of production, whether the production is by the Operator or by others, are not made available to the Government, the amount of the royalty may be estimated by the Government, and this estimate shall be final and binding upon the Operator or producer.

(g) No obligation to produce.--Nothing in this contract shall be construed as imposing any obligation on the Operator or the Operator's successor in interest to engage in any production operations.

(h) Government not obligated to buy.--Nothing in this contract shall be construed as imposing any obligation on the Government to purchase any minerals and metals mined or produced from the land.

ARTICLE 8. Interests in purchased property.--(a) Title and ownership.--All costs under this contract shall be incurred by the Operator in the Operator's own name and for the Operator's own account; but any property acquired to the cost of which the Government contributes shall belong to the Operator and the Government jointly in proportion to their respective contributions although title thereto shall be taken in the name of the Operator.

(b) Preservation of property.--Until the final disposal of any property in which the Government has an interest, the Operator shall preserve and protect same for the best interest of the Government, and any reasonable and necessary cost thereof will be treated as an allowable cost of the exploration. After the completion of the work, termination of the Government's obligation to contribute, or when such property is not being used for the work, the Operator shall not use it elsewhere without the written consent of the Government and without paying a reasonable rental to be fixed by the Government for its proportionate interest.

(c) Disposal of property.--Upon the completion of the work, termination of the Government's obligation to contribute to costs, or when the property is no longer needed for the work, the Operator shall promptly dispose of salable or salvageable property in which the Government has an interest for the joint account of the Government and the Operator, either by return to the vendor, sale to others, purchase by the Operator, or sale or transfer to the Government at a price at least as high as could be obtained from others, unless the Government in writing waives its interest in any such property. Without advance approval of the sales price by the Government, the Operator shall not sell at any price any item of property that cost more than $500, and shall not sell at less than 25 percent of the purchase price any item of property that cost $500 or less. The Government, in lieu of approving the sales price for any such item, may itself purchase the item at the best price which the Operator is able to obtain or offers. Property remaining upon any termination of the work shall be considered in groups or categories (such as drill steel, explosives, pipe, or rail), and if the original cost of the remaining unexpended portion of any such group or category is less than $50, the Government waives its interest therein. If necessary to accomplish the disposal of any item, the Operator shall dismantle and sever it from the land, the cost thereof to be treated as a cost of the exploration.

(d) Default of the Operator re disposal.--If within 90 days after the completion of the work, termination of the Government's obligation to contribute to costs, or after the property is no longer needed for the work, the Operator has failed to sell or otherwise liquidate or dispose of any property in which the Government has an interest, the Government, at any time prior to final settlement under the contract, may:

(1) in writing extend the time within which the Operator must dispose of or liquidate the property;

(2) by written notice to the Operator, place upon such property what it determines to be a fair valuation thereof, not in excess of the cost less 1.66 percent per month from the date such property was purchased under this contract to the termination of said 90-day period; and such property shall thereupon be considered and accounted for as having been purchased by the Operator at the valuation so fixed by the Government; and

(3) enter and take possession of such property wherever it may be found, and remove and dispose of it for the joint account of the parties.

ARTICLE 9. Termination of the Government's obligations.--(a) If the Government determines that operations at any time have failed to achieve anticipated results and further work is not justified, the Government may give the Operator written notice thereof, and thereupon:

(1) the Government shall be free of all obligation to contribute to costs not then incurred other than such as may be allowable under the provisions of the contract as necessary and incidental to final accounting and reporting; and

(2) the Operator shall be free of all obligation to prosecute the work other than such as may be necessary and incidental to final accounting and reporting.

(b) If the Government determines that the Operator is in default under the terms of the contract, the Government may give the Operator written notice of such default with a specification of reasonable time within which the default must be cured; and if the Operator fails to cure such default as required, thereupon:

(1) the Government shall be relieved of all obligation to contribute to costs not incurred when the notice was given, other than such as may be allowable by the provisions of the contract as necessary and incidental to final accounting and reporting; and

(2) the Operator shall be free of all obligation to prosecute the work other than such as may be necessary and incidental to final accounting and reporting.

The Government may also avail itself of any other remedy the law may provide for breach of contract, including the right to rescind the contract and to demand repayment of all moneys contributed by the Government under the contract.

(c) The giving of any notice by the Government under the provisions of this Article 9 shall not affect the Government's rights as provided for in the contract with respect to royalty and liens to secure the payment thereof, and such rights shall be fully preserved.

(d) The determinations of the Government are subject to appeal under Article 13.

ARTICLE 10. Notices to be given by the Government may be delivered to the Operator, or may be sent by certified mail addressed to the Operator at his mailing address stated in this contract. If mailed, notices are deemed to have been delivered five days after the date of mailing.

ARTICLE 11. Officials not to benefit.--No member of or delegate to Congress or resident commissioner shall be admitted to any share or part of this contract or to any benefit that may arise therefrom; but this provision shall not be construed to extend to this contract if made with a corporation for its general benefit.

ARTICLE 12. Nondiscrimination in Employment. The provisions respecting nondiscrimination in employment which are required by section 301 of Executive Order 10925, dated March 6, 1961 as amended and supplemented are attached hereto as Exhibit B and are hereby incorporated in and made a part of this contract.

ARTICLE 13. Disputes.--Any dispute arising under this contract which is not disposed of by agreement shall be decided by the Director, U. S. Geological Survey, who shall reduce his decision to writing and mail or otherwise furnish a copy thereof to the Operator. The decision of the Director, U. S. Geological Survey, shall be final and conclusive unless, within 30 days from the date of receipt of such copy, the Operator mails or otherwise furnishes to the Director, U. S. Geological Survey, a written appeal addressed to the Secretary of the Interior. The decision of the Secretary or his duly authorized representative for the determination of such appeals shall be final and conclusive unless determined by a court of competent jurisdiction to have been fraudulent, or capricious, or arbitrary, or so grossly erroneous as necessarily to imply bad faith, or not supported by substantial evidence.

The term "Director, U. S. Geological Survey," as used herein includes his duly authorized representative.

ARTICLE 14. Work Hours Act of 1962 - Overtime Compensation.--This contract, to the extent that it is of a character specified in the Work Hours Act of 1962 (Public Law 87-581, 76 Stat. 357-360) and is not covered by the Walsh-Healey Public Contracts Act (41 U.S.C. 35-45), is subject to the following provisions and to all other provisions and exceptions of said Work Hours Act of 1962.

(a) Overtime requirements.--No Operator or subcontractor contracting for any part of the contract work which may require or involve the employment of laborers or mechanics shall require or permit any laborer or mechanic to be employed on such work in excess of eight hours in any calendar day or in excess of forty hours in any workweek unless such laborer or mechanic receives compensation at a rate of not less than one and one-half times his basic rate of pay for all hours worked in excess of eight hours in any such calendar day or in excess of forty hours in any such workweek, as the case may be.

(b) Violations; liability for unpaid wages; liquidated damages.--In the event of any violation of the clause set forth in subparagraph (a) of this paragraph, the Operator and any subcontractor responsible therefor shall be liable to any affected employee for his unpaid wages. In addition, such Operator and subcontractor shall be liable to the United States (in the case of work done under contract for the District of Columbia or a territory, to such District or to such territory), for

liquidated damages. Such liquidated damages shall be computed, with respect to each individual laborer or mechanic employed in violation of the clause set forth in subparagraph (a) of this paragraph, in the sum of $10 for each calendar day on which such employee was required or permitted to work in excess of eight hours or in excess of the standard workweek of forty hours without payment of the overtime wages required by the clause set forth in subparagraph (a) of this paragraph.

(c) Withholding for unpaid wages and liquidated damages.--The U. S. Geological Survey may withhold or cause to be withheld, from any moneys payable on account of work performed by the Operator or subcontractor, such sums as may administratively be determined to be necessary to satisfy any liabilities of such Operator or subcontractor for unpaid wages and liquidated damages as provided in the clause set forth in subparagraph (b) of this paragraph.

ARTICLE 15. Copeland (Anti-Kickback) Act--Nonrebate of wages.--The regulations of the Secretary of Labor applicable to contractors and subcontractors (29 CFR, Part 3), made pursuant to the Copeland Act, as amended (40 U. S. C. 276c) and to aid in the enforcement of the Anti-Kickback Act (18 U. S. C. 874) are made a part of this contract by reference. The Operator will comply with these regulations and any amendments or modifications thereof and will be responsible for the submission of affidavits required of independent contractors thereunder. The foregoing shall apply except as the Secretary of Labor may specifically provide for reasonable limitations, variations, tolerances, and exemptions.

ARTICLE 16. Changes and added provision.--

_____

_____

_____

_____

Executed in quadruplicate the day and year first above written.

**DAVID JAMES HOARE d/b/a**
**HOMINEX SILVER MINES**

_____
(Operator)

By _____

Title _____

THE UNITED STATES OF AMERICA

By _____

**Director, U. S. Geological Survey**

I, _____, certify that I am the
(Name)

_____ secretary of the corporation named as Operator herein; that

_____, who signed this contract on behalf of the Operator, was then
(Name)

_____ of said corporation; that said contract was duly signed for
(Title)

and in behalf of said corporation by authority of its governing body, and is within the scope of its corporate powers.

_____

 [ CORPORATE SEAL ]

EXPLORATION CONTRACT
DAVID JAMES HOARE d/b/a
HOMINEX SILVER MINES
OME-6835

ANNEX I

The land, including all rights thereto, referred to in Article 2 of the contract consists of nine (9) patented lode mining claims and two (2) unpatented lode mining claims in secs. 30 and 31, T. 9 S., R. 17 E. W.M., and sec. 25, T. 9 S., R. 16 E. W.M., Jefferson County, Oregon. These claims are shown on Figure 1, entitled "Property map, Hominex Silver Mines, Jefferson County, Oregon," attached and made part hereof.

The patented lode mining claims are as follows:

| Claim Name | Survey No. | Patent No. |
|---|---|---|
| Perry | 678 | 46463 |
| Union | 678 | 46463 |
| Crook | 678 | 46463 |
| Triangle | 677 | 46464 |
| Orie | 446 | 36028 |
| Roy | 446 | 36028 |
| Now or Never | 446 | 36028 |
| Poorman | 446 | 36028 |
| Gold Standard | 446 | 36028 |

The unpatented lode mining claims are recorded in the Office of the County Clerk, Jefferson County, Oregon, as follows:

| Claim Name | Book | Page |
|---|---|---|
| Gudrun Silver | 4 | 283 |
| Royal Silver | 4 | 281 |

The Operator is in possession of the patented lode mining claims under an Assignment of Mining lease dated March 7, 1971, between Roy Mining Company and David Hoare, d/b/a Hominex Silver Mines. This document assigned a Mining Lease and Option to Purchase agreement dated November 27, 1970, between Roy Mining Company, the owner and lessor, and David Hoare, lessee.

Lien and Subordination Agreements executed by the owner of the patented lode mining claims are attached and made a part hereof.

Interest in the two unpatented lode mining claims was conveyed on March 4, 1971, from David Hoare to Hominex Silver Mines.

EXPLORATION CONTRACT
DAVID JAMES HOARE d/b/a
HOMINEX SILVER MINES
OME-6835

## EXHIBIT A

The purpose of the project is to explore by diamond core drilling from a prepared surface site for silver-bearing ore bodies in and along a shear zone cutting volcanic rocks of the Clarno Formation of Eocene age.

## GENERAL PROVISIONS

No drilling shall be done within 100 feet of the exterior boundaries of the land outlined on Figure 1.

Drill holes shall be cased through overburden and completed not less than standard BX (nominal diameter 1-5/8 inches) core size or equivalent wire line size equipment. The Government will not contribute to the cost of casing left in a hole at the Operator's request or to the costs incurred for incomplete drill holes.

Facilities shall be provided for recovering drill sludge, and such sludge shall be retained when drilling in significantly mineralized rock.

All drill core shall be logged and significantly mineralized core shall be split and one split assayed for gold and silver. Whenever core recovery is less than 60 percent, a split of the corresponding retained sludge shall be assayed separately. The remaining core shall be stored in proper sequence with the unsampled core, and the remaining sludge shall be stored in suitable containers properly identified as to hole number and depth.

True copies of assay certificates, copies of drill logs, and maps and sketches showing the work completed during the reporting period, the location, width, and assay value of all samples assayed and the geological formations and structures traversed by the drill holes shall be furnished monthly to the Government.

Stored samples shall be made available for Government inspection and possible use, and may be disposed of with prior Government approval.

The Operator shall provide such supervision, labor, and technical services as may be required to perform the work in a satisfactory manner.

The location, direction, and extent of each work item shall be subject to Government approval.

The work shall be divided into two stages. The Operator shall complete all of Stage I and as much of Stage II as is authorized in advance by the prior written approval of the Government. Approval of Stage II work shall depend upon the Government's examination of the results obtained in Stage I.

## DESCRIPTION OF THE WORK

### STAGE I

The work shall consist of diamond drilling three inclined core holes downward from a single surface site prepared in advance at the Operator's expense.

The bearing, inclination, and depth of the three holes shall be as follows:

| Hole No. | Inclination | Bearing | Approximate length (feet) 1/ |
|---|---|---|---|
| 1 | -40° | S. 40° W. | 350 |
| 2 | -40° | S. 10° W. | 350 |
| 3 | -40° | S. 70° W. | 350 |
| | | Total | 1,050 |

1/ No hole shall be drilled more than 20 feet beyond a vein zone correlative with the Roy vein.

STAGE II

The work, if approved, shall consist of diamond drilling two additional inclined core holes downward from the same surface site as Stage I.

The bearing, inclination, and depth of the two holes shall be as follows:

| Hole No. | Inclination | Bearing | Approximate length (feet) 1/ |
|---|---|---|---|
| 4 | -75° | S. 50° W. | 500 |
| 5 | -75° | S. 25° W. | 500 |
| | | Total | 1,000 |

1/ See footnote under Stage I.

The approximate location of the drill site and the five drill holes is shown on Figure 2 entitled "Proposed diamond drill holes, Hominex Silver Mines, Jefferson County, Oregon," attached and made part hereof.

## ESTIMATED COSTS OF THE PROJECT

### STAGE I

**Actual Costs**

Category (1) Independent Contracts

| | | |
|---|---|---|
| Mobilization and demobilization, one drill unit | $ 750.00 | |
| Diamond drilling, including overburden, 1,050 feet | 8,260.00 | |

| Depth (feet) | Price per foot Ob. | NC | NX | BX |
|---|---|---|---|---|
| 0-500 | $10.50 | $8.75 | $7.75 | $7.50 |

| | | |
|---|---|---|
| Cementing, 30 hrs. @ $20..00/hour | 600.00 | |
| Reaming or drilling cement, 100 feet @ $4.00/foot | 400.00 | |
| Placing and pulling casing, 50 hours @ $16.00/hour | 800.00 | |
| Lost casing in completed holes, 100 feet @ $2.00/foot | 200.00 | |
| Water truck rental, including driver, 2 months @ $350.00/month | 700.00 | |
| Total Category (1) | | $11,710.00 |

Category (2) Personal Services

None except:

| | | |
|---|---|---|
| 1 Supervisor-Engineer-Geologist, 2 months @ $1,000.00/month | 2,000.00 | |
| Total Category (2) | | 2,000.00 |

Category (3) Operating Materials and Supplies

None except:

| | | |
|---|---|---|
| 100 core boxes @ $1.15/box | $ 115.00 | |
| 30 sample sacks @ $0.50/sack | 15.00 | |
| Sludge catching and sampling supplies | 50.00 | |
| Cement, drill muds, additives, | | |
| 12 sacks materials listed, or equivalents | 100.00 | |
| Cement @ $8.00/100-lb. sack | | |
| Drill mud @ $2.50/50-lb. sack | | |
| Additives, | | |
| Caustic soda @ $20.00/50-lb. sack | | |
| Cellex @ $65.00/50-lb. sack | | |
| Total Category (3) | | $ 280.00 |

Category (7) Miscellaneous

None except:

| | | |
|---|---|---|
| Office and accounting expense, | | |
| 2 months @ $50.00/month | $ 100.00 | |
| Assaying for gold and silver, | | |
| 30 samples @ $5.00/sample | 150.00 | |
| Total Category (7) | | $ 250.00 |
| Total Estimated Cost, Stage I | | $14,240.00 |
| Government Participation @ 75% | | $10,680.00 |

## STAGE II

**Actual Costs**

Category (1) Independent Contracts

Diamond drilling, including overburden,

1,000 feet — $ 8,160.00

| Depth (feet) | Price Per Foot Ob. | NC | NX | BX |
|---|---|---|---|---|
| 0-500 | $10.50 | $8.75 | $7.75 | $7.50 |
| 500-1,000 | | | 8.25 | 8.00 |

~~$00x00~~

Cementing, 30 hours @ $20.00/hour — 600.00

Reaming or drilling cement,

200 feet @ $4.00/foot — 800.00

Placing and pulling casing,

50 hours @ $16.00/hour — 800.00

Lost casing in completed holes,

200 feet @ $2.00/foot — 400.00

Water truck rental, including driver,

2 months @ $350.00/month — 700.00

Total Category (1) — $11,460.00

Category (2) Personal Services

None except:

1 Supervisory-Engineer-Geologist

2 months @ $1,000.00/month — $ 2,000.00

Total Category (2) — 2,000.00

Category (3) Operating Materials and Supplies

None except:

| | | |
|---|---|---|
| 100 core boxes @ $1.15/box | 115.00 | |
| 20 sample sacks @ $0.50/sack | 10.00 | |
| Sludge catching and sampling supplies | 50.00 | |
| Cement, drill mud, additives, | | |
| 15 sacks materials listed, or equivalents | 125.00 | |
| Cement @ $8.00/100-lb. sack | | |
| Drill mud @ $2.50/50-lb. sack | | |
| Additives, | | |
| Caustic soda @ $20.00/50-lb. sack | | |
| Cellex @ $65.00/50-lb. sack | | |
| Total Category (3) | | $ 300.00 |

Category (7) Miscellaneous

None except:

| | | |
|---|---|---|
| Office and accounting expense, | | |
| 2 months @ $50.00/month | 100.00 | |
| Assaying for gold and silver, | | |
| 20 samples @ $5.00/sample | 100.00 | |
| Total Category (7) | | $ 200.00 |
| Total Estimated Cost of Stage II | | $13,960.00 |
| Government Participation @ 75% | | $10,470.00 |

## SUMMARY

| | |
|---|---|
| Total Estimated Cost of Stage I . . . . . | $14,240.00 |
| Government Participation @ 75% . . . . . | $10,680.00 |
| Total Estimated Cost of Stage II . . . . . | $13,960.00 |
| Government Participation @75% . . . . . | $10,470.00 |
| Total Estimated Cost of the Project . . . . | $28,200.00 |
| Government Participation @ 75% . . . . . | $21,150.00 |

MME Form 7
(2/63)

OFFICIAL FILE COPY

| Date | Surname | Code |
|---|---|---|
| 5/14/71 | | 120 |
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| | | |
| | | 220 |
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| | | 130 |
| | | |
| | | |

May 14, 1971

AIRMAIL

Mr. David J. Hoare
Hominex Silver Mines
P. O. Box 36
Ashwood, Oregon 97711

Re: OME-6835 (Silver)
Hominex Silver Mines
Roy Mining Property
Jefferson County, Oregon

Dear Mr. Hoare:

Thank you for your letter of May 11, 1971, and the material enclosed. We received a statement on May 11 signed by Mr. Jack Paulsen certifying and guaranteeing up to $3,000 toward the proposed OME project.

Your cooperation in furnishing the material is appreciated. We now will conclude processing your application.

Sincerely yours,

Harold Kirkemo
Chief, Office of
Minerals Exploration

cc: Director's Reading File
Mineral Resources
OME docket
OME Reading File
OME Region I w/cy incoming letter and supplemental Form 40
Harold Kirkemo

HKirkemo/gla 5-14-71

Hominex Silver Mines,
David James Hoare,
Box 36, Ashwood,
Oregon, 97711.
11 May 1971
Subject; OME-6835

OFFICIAL COPY
O. M. E.
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MAY 14 1971

| INITIALS | CODE |
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H. Kirkemo,
Chief, O.M.E.,
U.S.G.S.,
Wash.D.C.20242.

Dear Sir;

I am in receipt of your letter of the 5th May and am pleased to comply with your requests.

I enclose copies of my loan request to Bank of America, the reverse side of my assumed business name application filed with the Oregon Corporation Commission, and MME Form 40.

I expect you have received by this time a statement direct from Mr. Jack Paulsen to guarantee and certify a loan similar to those by Messrs. Forstner and Estrella.

I trust this meets with your approval.

Very truly yours,

D. J. Hoare

David James Hoare.

enclosures left-hand side

OFFICIAL FILE COPY

| Date | Surname | Code |
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MAY 4 1971

**AIRMAIL**

Mr. David J. Hoare
Hominex Silver Mines
P. O. Box 36
Ashwood, Oregon 97711

Re: OME-6835 (Silver)
Hominex Silver Mines
Roy Mining Property
Jefferson County, Oregon

Dear Mr. Hoare:

We appreciate your prompt reply to our letter of April 19, 1971, and the enclosures accompanying your letter of April 26.

You furnished a copy of the face of a form, Serial Number 35582, filed with the Oregon Corporation Commission which refers to the assumed business name, Hominex Silver Mines. Please send us a copy of the reverse side of this form showing the signatures of all parties of interest in order to complete this document for our files.

A new MME Form 40 was not submitted as requested. Would you please do so and list the officers shown in correspondence received since the original application form was submitted.

You have furnished sworn statements by Edward P. Estrella and Gudrun Forstner, each guaranteeing up to $3,000 for the project. As these two guarantees plus your own cash assets of $3,000 total only $9,000, we would appreciate similar guarantees from other individuals in order to assure us that funds totaling about $11,900 are available for your share of the cost in the event of a contract.

Would you also please furnish us a copy of your letter to the Bank of America? We have the reply dated April 27, 1971 from the bank.

When the material requested above is received, we will conclude processing your application.

Sincerely yours,

Harold Kirkemo

Harold Kirkemo
Chief, Office of
Minerals Exploration

Director's Reading File
Mineral Resources File
OME Docket
OME Reading File
OME Region I w/incoming material
Mr. Kirkemo
HKirkemo/bsl 5/4/71

Hominex Silver Mines
( David James Hoare )
Box 36, Ashwood,
Oregon, 97711.

Re; OME-6835

26 April 1971.

Dear Sir,

Thank you for your letter of 19 April 1971. I have endeavored to clarify the"Identity of the Applicant" as requested and submit copies of my assumed business name, as filed with the Oregon Corporation Commission, and new requests to banks. I also resubmit statements, now certified, which along with my own resources, guarantee financing of more than my share of the contract, should it be awarded. The name of " The Applicant" is now consistent on all these documents including the original MME Form 40 and MME Form 52.

I resubmit MME Form 52 which now identifies the corporation of which Mr. W.I.Rees is President as the Roy Mining Company, as also does the Corporation Seal.

Very truly yours,

D.J. Hoaré

David James Hoaré

MAY 3
INITIAL
130
Tel 120 MS
120

MME Form 7
(2/63)

OFFICIAL FILE COPY

| Date | Surname | Code |
|---|---|---|
| 4/19/71 | Emerick | 120 |
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| 4/19 | Cal | 220 |
| | | 120M |

AIRMAIL

Mr. David J. Hoare
Hominex Silver Mines
P. O. Box 36
Ashwood, Oregon 97711

APR 19 1971

Re: OME-6835 (Silver)
Hominex Silver Mines
Roy Mining Property
Jefferson County, Oregon

Dear Mr. Hoare:

We have reviewed the supplementary information submitted for the subject application, but before drafting a contract we must have answers to several problems relating to identity of the applicant, and assurance that, in the event of a contract, the applicant could furnish its share of funds to pay for the exploration work.

We are uncertain as to the identity of the Applicant, because of the following conflicting information:

1) The Applicant was identified on the application form as Hominex Silver Mines, David James Hoare, a proprietorship. You explained on page 1 of the application that Hominex Silver Mines is an assumed business name registered in Oregon by David J. Hoare. Although a Certificate of Business was noted as Appendix I, it was not furnished with the application. In the conveyance of the unpatented claims dated March 4, 1971, Hominex Silver Mines is listed as a sole proprietorship, owned by David James Hoare. The Assignment of Mining Lease with Roy Mining Company dated November 27, 1970, shows David Hoare d/b/a Hominex Silver Mines.

   In your letter of March 4, 1971, to Mr. Willard Puffett, you state again that Hominex Silver Mines is an assumed business name, and that it is a sole proprietorship owned by you, and that you have sole and full legal liability for the actions of the company. Further, five individuals are listed as directors and officers of the company, but they are not legally liable. In the letters to banks

requesting loans, the applicant is identified as Hominex Industries, but the application indicates that Hominex Industries has no affiliates, parents, or controlling companies or organizations.

In order to properly identify the applicant, please complete and submit two copies of MME Form 40. Also, new requests to banks should be prepared showing the true applicant and address as indicated by your reply to the above question, and requesting a loan in the amount of about $11,900, the applicant's share of the cost of the proposed project -- not the full amount requested originally by Hominex Industries.

2) With respect to how the Applicant proposes to furnish its share of the funds, you state that financing would be arranged "through privately invested funds and use of its own assets." Your financial statement as of March 4, 1971, shows net worth of $12,700. Income from these assets, if invested, would not equal your share, nearly $11,900, of the estimated total cost of the proposed project.

On March 29, 1971, we received an undated and uncertified statement signed by four individuals who guarantee specific sums for the operator's share in the event of a contract. Three signators, Messrs. Hoare, Forstner, and Paulsen, are officers of the company. Forstner and Paulsen are not legally liable to the company because you have sole and full legal responsibility, so the guarantee statement is invalid and unacceptable. Instead, we suggest that each individual submit a certified statement to this office reading about as follows:

STATEMENT

"The undersigned does hereby certify and guarantees to make available by personal loan a sum of money up to a total amount, but not exceeding $_____, through his bank, ____(name)_____, _____(address)_____, from his individual, personal funds toward the applicant operator's share of the proposed exploration project, should a contract be executed between ___(applicant)___, and the United States of America under the Office of Minerals Exploration, application No. OME-6835."

(signed)_____

Certified by Notary Public

3) A new set of Lien and Subordination Agreements should be submitted to show the name of the applicant as indicated by your reply to our first question, and to identify the corporation of which Mr. W. I. Rees is indicated as President. A set of MME Form 52 is enclosed together with the set previously submitted.

Upon receipt of the information requested above, we will continue processing your application.

Sincerely yours,

Harold Kirkemo
Chief, Office of
Minerals Exploration

Enclosures

cc: Director's Reading File
Mineral Resources File
OME Docket
OME Region I
Mr. Kirkemo

HKirkemo/bsl 4/19/71

# United States Department of the Interior

GEOLOGICAL SURVEY
OFFICE OF MINERALS EXPLORATION
656 U. S. Court House
W. 920 Riverside Ave.
Spokane, Wash. 99201

March 12, 1971

ORIGINAL COPY
O. M. E.
RECEIVED
MAR 15 1971
INITIALS CODE
gla 130
bal 120
120
120

Memorandum

To : Chief, Office of Minerals Exploration

From : Field Officer, Region I

Subject: Application examination and recommendation
OME-6835 (Silver)
Hominex Silver Mines
Roy Mining Property
Jefferson County, Oregon

## INTRODUCTION

Hominex Silver Mines, a proprietorship, has applied for OME assistance to explore by diamond drilling and shaft sinking for silver ore bodies in shear zones that cut the Clarno Formation of Eocene age about 2 miles northeast of Ashwood, Oregon. OME participated in an exploration project at the nearby Oregon King mine in 1964 and 1965 but was unsuccessful in finding ore.

I examined the Roy Mining Property on Wednesday, February 3, 1971, in company with David Hoaré. Mr. Frank Symons, Ashwood, Oregon, caretaker of the Oregon King mine, accompanied us during the early part of the examination. Mr. Hoaré and I briefly visited the Oregon King mill and inspected the 200 level of the Oregon King mine. I spent about 5 hours at the two properties.

Report of Exam

## RECOMMENDATION

I recommend that OME participate in an exploration project to explore the Roy vein downdip from the #68 shaft. The exploration will be in two stages. The first stage consists of diamond drilling three inclined holes from one surface drill-site to intersect the Roy vein about 175 feet downdip from the bottom of the #68 shaft and along a strike length of 300 feet. The second stage, dependent on success of the first stage, consists of diamond drilling two inclined holes from a surface drill-site to intersect the Roy vein about 450 feet downdip from the bottom of the #68 shaft. Estimated costs of the proposed work totals $28,200, of which the Government's share at 75 percent is $21,150.

## APPLICANT

Hominex Silver Mines
Box 36
Ashwood, Oregon 97711

Officers include:

President : David J. Hoaré, Box 8724, Oakland, Calif. 94608

Vice President
and Director: F. Allstrom, Box 36, Ashwood, Oregon 97711

Secretary : G. Forstner, 3045 Franklin St., San Francisco, Calif. 94123

Director : R. Dixon, 2540 Severn Drive, Reno, Nevada 89501

Director : R. Cesped, 350 Vernon Street, Apt. 204, Oakland, Calif. 94610

Director : J. Paulsen, Route 2, West De Pere, Wisconsin 54178

Hominex Silver Mines is an assumed business name registered with the Oregon State Corporation Commission and is a sole proprietorship owned by David James Hoaré, who has sole and full legal liability for actions of the company.

Mr. Hoaré plans to finance his share of the project by advancing cash of his own and by funds advanced from the Directors in the form of personal notes. The financial statement submitted by Mr. Hoaré on March 4, 1971, indicates he has a total net worth of $12,700.

## PROPERTY

The property consists of 9 patented claims and 2 unpatented claims (Figure 1.--Property map and section showing proposed drilling, Roy Mining Property, secs. 30 and 31, T. 9 S., R. 17 E., Jefferson County, Oregon), all in secs. 30 and 31, T. 9 S., R. 17 E., Jefferson County, Oregon. The copies of land plats submitted with the application show the patented claims to be in Crook County at the time they were surveyed (1899, 1901, and 1904); obviously Jefferson County was organized after the claims were surveyed. The patented claims are as follows:

| Mineral Survey No. | Claim Name | Patent No. |
|---|---|---|
| 678 | Perry | 46463 |
| 678 | Union | 46463 |
| 678 | Crook | 46463 |
| 677 | Triangle | 46464 |
| 446 | Orie | 36028 |
| 446 | Roy | 36028 |
| 446 | Now or Never | 36028 |
| 446 | Poorman | 36028 |
| 446 | Gold Standard | 36028 |

Hominex Silver Mines is in possession of the patented claims by assignment, dated March 7, 1971, of a mining lease and option to purchase, dated November 27, 1970, between Roy Mining Company, owner of the claims, and David Hoaré. The lease and the assignment are part of the application.

The two unpatented claims are recorded in the Jefferson County Clerk's office as follows:

| Claim | Book | Page |
|---|---|---|
| Gudrun Silver | 4 | 283 |
| Royal Silver | 4 | 281 |

Interest in the two unpatented claims was conveyed from David James Hoaré, locator, to Hominex Silver Mines on March 4, 1971. Copies of the claim location notices and the conveyance are part of the application.

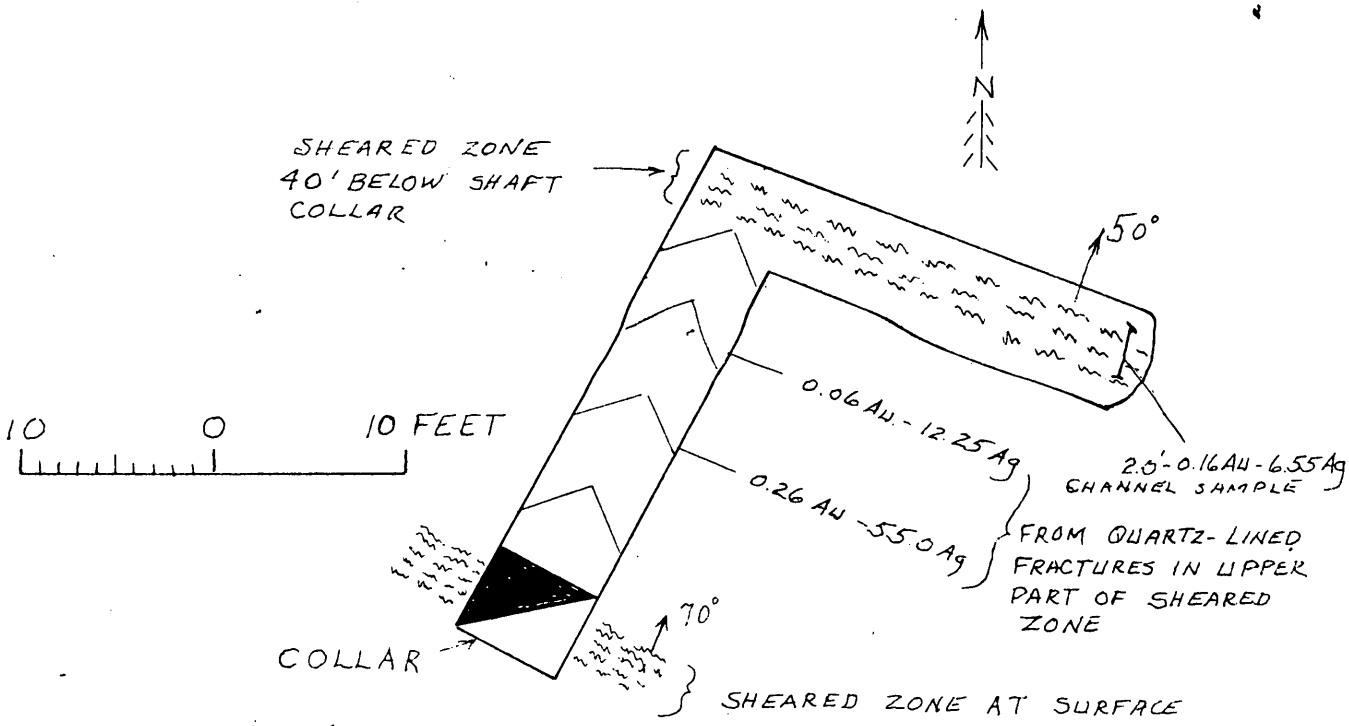
## LOCATION AND ACCESSIBILITY

The Roy Mining Property is south of and adjacent to the Oregon King mine (see docket OME-6319) and is about 2 miles by road northeast of Ashwood, Oregon. To reach the property from Ashwood, one follows the unsurfaced road that leads to the Horse Heaven mine and then turn off to the left, through a locked gate, about 1½ miles from Ashwood. Mr. Symons, Ashwood, has the key to the locked gate.

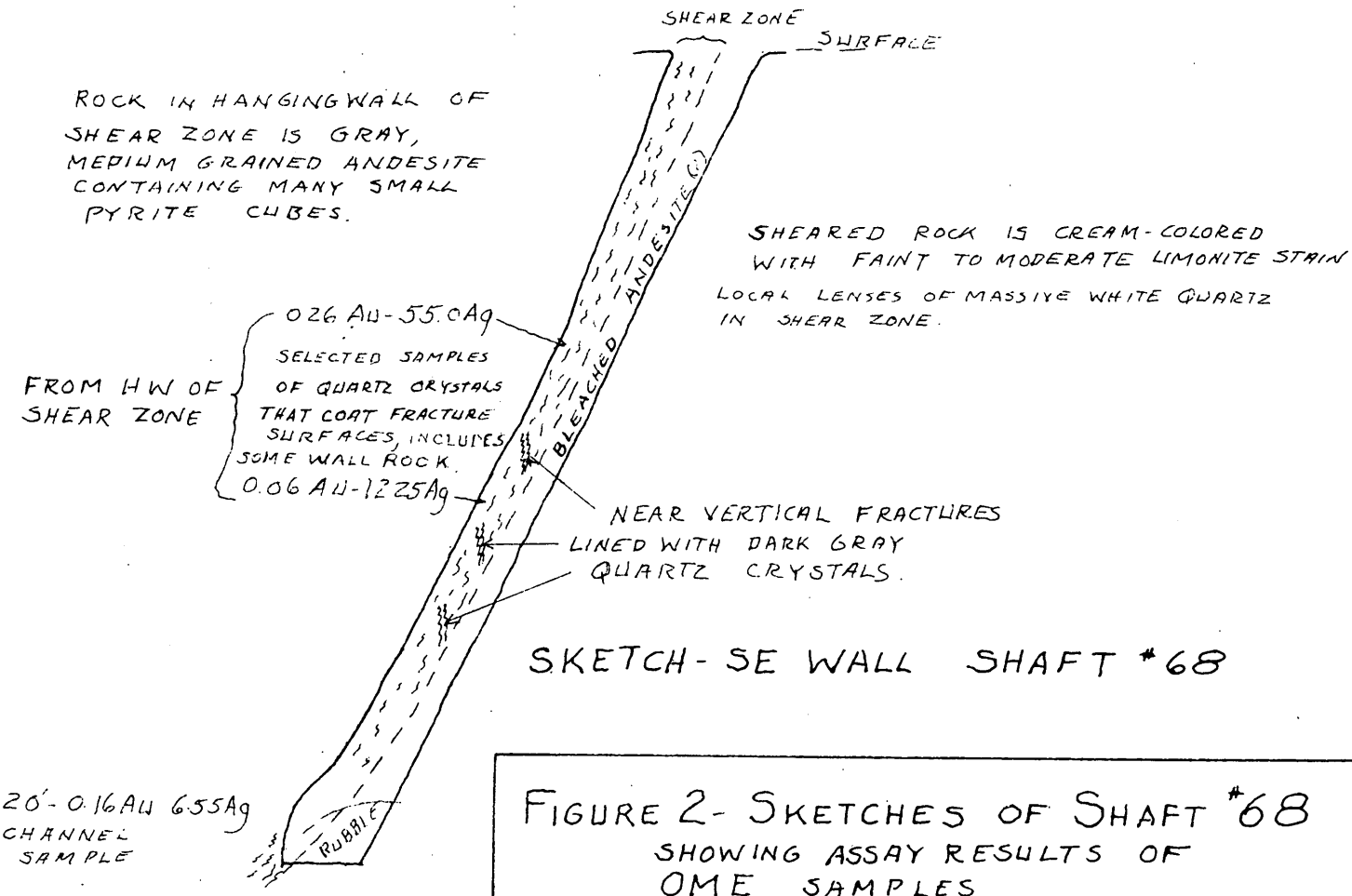
The claims cover somewhat rolling topography near the top of a northwest trending hill south of Long Creek, a tributary of Trout Creek (Libbey and Corcoran, 1962, fig. 3). Altitudes range from 2,900 to 3,150 feet. Thin soil covers much of the bedrock; timber is sparse and consists mainly of widely scattered junipers. A fair road leads across the claims to the Oregon King mine. No buildings are on the Roy Mining Property.

Many exploration openings, mostly shallow shafts, dot the slopes on the applicant's property. The deepest shaft, #68, is an incline 48 feet long. Other shafts are as deep as 25 feet. None of the shafts are safe for entry and inspection; however, there are timbers in the #68 shaft, and, with extreme caution, one can reach the shaft bottom to enter a drift about 20 feet long (Figure 2.--Sketches of Shaft #68, showing assay results of OME samples). A shaft on the south-facing slope contains water; all other shafts are dry.

The climate near Ashwood is generally dry. There should be few work delays caused by inclement weather.




GENERALIZED PLAN PROJECTION - SHAFT #68




SKETCH - SE WALL SHAFT #68

FIGURE 2 - SKETCHES OF SHAFT #68 SHOWING ASSAY RESULTS OF OME SAMPLES.

ROY MINING PROPERTY, JEFFERSON COUNTY, OREGON 2/3/71

## GEOLOGY

Ore deposits in and near the Roy Mining Property are in shear zones cutting the Clarno Formation, which underlies a large area east of Ashwood, Oregon (Peck, D. L., 1964, Pl. 1). Abundant base metal sulfides are in the ore bodies at the neighboring Oregon King mine; however, sulfides, other than pyrite, are rare on the Roy Mining Property.

The Clarno Formation is a thick unit of extrusive volcanic rocks and tuffs (Waters and others, 1951, p. 111-115), which has been divided into four mappable units at the Horse Heaven mine, some 15 miles east of the Roy Mining Property. The particular unit of the Clarno Formation exposed at the Roy Mining Property is unknown; however, most of the unaltered rocks exposed are gray, fine-grained to porphyritic andesite, in which there are abundant tiny crystals of pyrite on joint surfaces. Where weathered, this rock is stained red and brown. Layering is nearly flat, (Peck, 1964, Pl. 1). Thin soil, which supports sparse vegetation, covers much of the bedrock on the Roy Mining Property.

Zones of shearing have been explored by numerous open cuts and shallow shafts. A map and accompanying text in the application describes 98 different exposures, most of which are man made. The map is of an area about 6,600 by 6,000 feet that includes the Roy Mining Property, the Oregon King mine, and a large area north of the Oregon King mine. Most of the exposed zones of shearing trend northwesterly and dip steeply, either to the southwest or northeast. The sheared rock is white to cream colored and variously iron-stained.

The many prospect workings suggest that there are a large number of shear zones. Some idea of the concentration of the shear zones can be seen in the 200-foot adit of the Oregon King mine where A. S. Radtke mapped 11 zones of shearing, some at least weakly mineralized with ore minerals, in the first 400 feet of the adit (see docket OME-6319). Some zones are only a few inches thick, whereas others are several feet thick. Some are silicified in part and contain quartz crystals.

Obviously not all the shear zones contain important amounts of ore minerals. The Oregon King vein is a zone, in places more that 15 feet thick, in which there are large rounded fragments containing base metal sulfides, and also relatively barren fragments surrounded by alternating layers of waste and base metal sulfides. Base metal sulfides are very rare in the shear zones on the Roy Mining Property.

The Roy vein is a shear zone exposed in the #68 shaft on the Now or Never claim (figs. 1 and 2). The zone of sheared rock dips 70° N. at the surface but flattens to about 50° N. in the short drift some 48 feet below the shaft collar. The zone can be traced westerly to the #70 shaft, where it either abuts against or joins a more easterly trending shear zone, indicated on the maps as the Roy vein split (fig. 1). Near vertical quartz-lined fractures are exposed in the

walls of the #68 shaft and other quartz-lined fractures are along the hanging wall of the shear zone. Some of the quartz occurs as terminated crystals, a fraction to more than an inch long. Dark brown stain colors some of the crystals. Other quartz is massive and white to light gray. Pyrite is present but rare.

Assay data indicate that silver and gold are present in the shear zone. A 2-foot long channel sample cut across the vein in the drift at the bottom of #68 shaft assayed 0.16 ounce gold and 6.55 ounces silver per ton. Samples of the dark-colored quartz crystals, together with portions of wall rock from locations on the east wall and 18 and 28 feet below the shaft collar, assayed 0.26 ounce gold and 55.0 ounces silver, and 0.06 ounce gold and 12.25 ounces silver per ton respectively (fig. 2). No gold- or silver-bearing minerals were recognized in the samples, but it seems obvious that silver halides are present.

The applicant collected a sample near the collar of the #70 shaft that assayed 4.1 ounces silver per ton. Dump material near the shaft contains porphyritic andesite containing abundant fine-grained andesite. The assayed sample, however, was of quartzose rock. This untimbered shaft was not examined by the OME Field Officer.

There are several shafts west of the #70 shaft but none are safe to examine closely. Dump material near them does not contain base metal sulfides.

The samples from the #68 shaft contain fairly promising amounts of silver and gold and these might indicate presence of an ore shoot at depth. Reportedly, the surface exposures of the nearby Oregon King mine did not contain sulfides; sulfides were found on and below the 200 level. The ore shoot at the Oregon King mine is fairly short, probably less than 200 feet along strike, but it extends at least 700 feet in depth. Other ore shoots in the area might have the same characteristics and dimensions as the one in the Oregon King mine. The presence of silver and gold near the surface in the #68 shaft could indicate the presence of ore with depth, even though base-metal sulfides are not present.

## APPLICANT'S PROPOSAL

The applicant proposes to explore the Roy vein and the intersection between the Roy vein and Oregon King vein by diamond drilling holes from a surface drill site (see Figure 1--section A-A'). He also proposes to explore the Roy vein further by extending the #68 shaft to a depth of 200 feet. The drilling would be contracted, but shaft-sinking would not.

Total length of the proposed drilling is 3,600 feet. Total extension of the shaft is 160 feet. Estimated cost of the drilling is $28,000 and estimated cost of the shaft-sinking is $24,000 ($150/ft), with the headframe costing an additional $8,080.

| Hole No. | Bearing | Inclination | Approx. length (feet) 1/ |
|---|---|---|---|
| STAGE I | | | |
| 1 | -40° | S. 40° W. | 350 |
| 2 | -40° | S. 10° W. | 350 |
| 3 | -40° | S. 70° W. | 350 |
| STAGE II | | | |
| 4 | -75° | S. 50° W. | 500 |
| 5 | -75° | S. 25° W. | 500 |
| | | Total | 2,050 |

1/ No hole shall be drilled for more than 20 feet beyond a vein zone that can be correlated with the Roy vein.

## Estimated Costs of Project

### STAGE I

Actual Costs

| | | |
|---|---|---|
| Category (1) Independent Contracts | | |
| Mobilization and demobilization | | |
| 1 drill unit | $ 750.00 | |
| Diamond core and overburden drilling | | |
| 1,050 feet | 8,100.00 | |
| NC NX BX | | |
| 0-500' $8.75/ft $7.75/ft $7.50/ft | | |
| Water Truck | | |
| 2 months at $350/month | 700.00 | |
| Cementing | | |
| 30 hrs at $20/hr | 600.00 | |
| Reaming and drilling cement | | |
| 100 feet at $4/ft | 400.00 | |
| Setting and pulling casing | | |
| 50 hours at $16/hr | 800.00 | |
| Casing lost in hole | | |
| 100 feet at $2/ft | 200.00 | |
| Changing drill setup | | |
| 2 changes at $80/change | 160.00 | |
| | | $11,710.00 |
| Category (2) Personal Services | | |
| None except: | | |
| 1 Supervisor, Engineer-Geologist | | |
| 2 months at $1,000/month | | 2,000.00 |
| Category (3) Operating materials and supplies | | |
| None except: | | |
| 100 core boxes at $1.15/box | 115.00 | |
| Cement, cement substitutes, drilling mud and additives | 100.00 | |
| 30 sample sacks at $0.50/sack | 15.00 | |
| Sludge catching and sampling supplies | 50.00 | |
| | | 280.00 |

| | | |
|---|---|---|
| Category (7) Miscellaneous | | |
| Office and accounting expense | | |
| 2 months at $50/month | 100.00 | |
| Assays for gold and silver | | |
| 30 at $5/sample | 150.00 | |
| | | 250.00 |
| Total estimated costs, Stage I | | $14,240.00 |

STAGE II

Actual Costs

| | | |
|---|---|---|
| Category (1) Independent Contracts | | |
| 2 changes in drill setup at $80/change | $ 160.00 | |
| Diamond core and overburden drilling | 8,000.00 | |

1,000 feet

| Length (feet) | Cost, per foot NC | NX | BX |
|---|---|---|---|
| 0-500 | $8.75 | $7.75 | $7.50 |
| 500-1,000 | | 8.25 | 8.00 |

| | | |
|---|---|---|
| Water Truck | | |
| 2 months at $350/month | 700.00 | |
| Cementing | | |
| 30 hours at $20/hr | 600.00 | |
| Reaming and drilling cement | | |
| 200 feet at $4/ft | 800.00 | |
| Setting and pulling casing | | |
| 50 hours at $16/hr | 800.00 | |
| Casing lost in hole | | |
| 200 feet at $2/ft | 400.00 | |
| | | 11,460.00 |
| Category (2) Personal Services | | |
| None except: | | |
| 1 Supervisor-Engineer-Geologist | | |
| 2 months at $1,000/month | | 2,000.00 |
| Category (3) Operating materials and supplies | | |
| None except: | | |
| 100 core boxes at $1.15/box | 115.00 | |
| Cement, cement substitutes, drilling mud and additives | 125.00 | |
| 20 sample sacks at $0.50/sack | 10.00 | |
| Sludge catching and sampling supplies | 50.00 | |
| | | 300.00 |
| Category (7) Miscellaneous | | |
| Office and accounting expense | | |
| 2 months at $50/month | 100.00 | |
| Assays for gold and silver | | |
| 20 at $5/sample | 100.00 | |
| | | 200.00 |
| Total estimated costs, Stage II | | $13,960.00 |
| Total estimated cost of project | | $28,200.00 |
| Government participation at 75 percent | | $21,150.00 |

## REFERENCES CITED

Libbey, F. W., and Corcoran, R. E., 1962, The Oregon King Mine, Jefferson County, Oregon: Oregon Dept. Geology and Mineral Industries Short Paper 23, 49 p.

Peck, D. L., 1964, Geologic reconnaissance of the Antelope-Ashwood area, north-central Oregon: U. S. Geol. Survey Bull. 1161-D, 26 p.

Willard P. Puffett

Willard P. Puffett

Enclosures:

Figure 1.--Property map and section showing proposed drilling, Roy Mining Property, secs. 30 and 31, T. 9 S., R. 17 E., Jefferson County, Oregon.

Attachments for contract:

Figure 1.--Property map, Hominex Silver Mines, Jefferson County, Oregon.

Figure 2.--Proposed diamond drill holes, Hominex Silver Mines, Jefferson County, Oregon.

OME 6835

STATEMENT OF FUNDS FOR EXPLORATION ON THE ROY MINING PROPERTY BY HOMINEX SILVER MINES, BOX 36, ASHWOOD, OREGON, 97711.

To the U.S.G.S. Office of Minerals Exploration, Washington, D.C. 20242.

OFFICIAL COPY
O. M. E.
RECEIVED
MAR 29 1971
INITIALS | CODE
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WL 120 M
HK 120

This statement is for the purpose of guaranteeing the following funds to Hominex Silver Mines representing 25% of the total exploration work projected in loan application Docket # OME 6835, should a contract be awarded.

| Name | Address | Funds |
|---|---|---|
| David Hoare | Box 8724, Oakland, 94608. | $3000.00 |
| Gudrun Forstner | 3045 Franklin, San Francisco. | $3000.00 |
| Josephine F. Katz. | 837 River Dell Dr. Louisville. | $3000.00 |
| Jack Paulsen | Rt. 2 W. de Pere, Wisconsin | $6000.00 |

MME FORM 6 REFERENCE SLIP

REV. 2-59 OFFICE OF MINERAL ORATION

| TO: | DATE | INITIALS |
|---|---|---|
| 1. Chief, Office of Minerals Explor | | |
| 2. Re: OME 6835 (Silver) Hominex Silver Mines | | |
| 3. Roy Mining Property Jefferson County, Oregon | MAR 19 | |
| 4. | INITIALS | |
| 5. Willard P. Puffett | | |
| FROM: Field Officer, Region I | 3/17/71 | |

FOR: Check items for action desired

____ Action ____ Reply for signature of

____ Approval ____ Investigate ____ Surname

____ Comment ____ Recommendations ____ Signature

____ Conference ____ Rewrite ____ File

____ Instructions X Your information

REMARKS: Attached is copy of information from David Hoare giving source of funds from applicant should a contract be awarded. Mr. Hoare has demonstrated his willingness to answer all our requests fully and quickly--I hope that positive action can be taken on my recommendation for a contract at the Roy Mining property.

INT.-DUP. SEC., WASH., D.C. M56300-62

RECEIVED
MAR 17 1971
O. M. E.
SPOKANE, WASH.

Hominex Silver Mines,
P.O.Box 36,
Ashwood,
Oregon,97711.

15 March 1971

Ref; OME# 6835

Dear Mr. Puffett,

Further to your letter of the 11th March, I enclose a copy of a statement to guarantee my 25% share of the proposed exploration costs. The original I have sent to Jack Paulsen for signing and he will then send it in to your Washington office.

I have bulldozed a dirt landing strip for light aircraft on the mine road, about 1700 ft. long and 25 ft. wide which may be of interest.

I am now transporting a compressor, jackhammer, airleg and hose up to the mine for the purpose of continuing the drift in shafts 61 and 62 in a Westward direction to get under the large bleached area which assays well. The ore pile from this drift contains sulphides, notably sphalerite in addition to silver.

Very truly yours,

D. J. Hoare.

David J. Hoare.

RECEIVED
MAR 17 1971
U.S.G.S.
SPOKANE, WASH.

STATEMENT OF FUNDS FOR EXPLORATION ON THE ROY MINING PROPERTY BY HOMINEX SILVER MINES, BOX 36, ASHWOOD, OREGON, 97711.

To the U.S.G.S. Office of Minerals Exploration, Washington, D.C. 20242.

This statement is for the purpose of guaranteeing the following funds to Hominex Silver Mines representing 25% of the total exploration work projected in loan application Docket # OME 6835, should a contract be awarded.

| Name | Address | Funds |
|---|---|---|
| David Hoare | Box 8724, Oakland, 94608. | $3000.00 |
| D. Hoare | | |
| Gudrun Forstner | 3045 Franklin, San Francisco. | $3000.00 |
| Josephine F. Katz. | 837 River Dell Dr. Louisville. | $3000.00 |
| Jack Paulsen | Rt. 2 W. de Pere, Wisconsin | $6000.00 |

OFFICE OF MINERALS EXPLORATION
656 U. S. Court House
W. 920 Riverside Ave.
Spokane, Wash. 99201

March 11, 1971

OFFICIAL COPY
O. M. E.
RECEIVED
MAR 15 1971
INITIALS | CODE
~~1 30~~
bal 1 20 20
1 20
120

6835

Mr. David J. Hoaré
Hominex Silver Mines
Box 36
Ashwood, Oregon 97711

Dear Mr. Hoaré:

It is necessary that we have a statement from each of your associates giving us some idea of the funds they can provide you with in financing your share of a proposed OME exploration project.

Your contribution of $3,000 will fall far short of the Operator's amount of the contract, should one be awarded. You and your associates should be able to provide funds that total about $12,000, and we should have evidence that you have this much money available.

Please have the statements mailed to me with copies made for transmittal to our Washington, D. C., office.

Sincerely,

Willard P. Puffett
Field Officer, Region I
Office of Minerals Exploration

cc: OME

M 6

REFERENCE SLIP

59 OFFICE OF MINERAL XPLORATI

| TO: | DATE | INITIALS |
|---|---|---|
| 1. Chief, Office of Minerals Expl. | | |
| Re: OME-6825 (Silver) | | |
| 2. Hominex Silver Mines | | |
| Roy Mining Property | | |
| 3. Jefferson County, Oregon | | |
| 4. | | |
| 5. Willard P. Puffett | | |
| FROM: Field Officer, Region I | 3/8/71 | |

FOR: Check items for action desired

| | | |
|---|---|---|
| X Action | ____ Reply for signature of ____ | |
| ____ Approval | ____ Investigate | ____ Surname |
| X Comment | ____ Recommendations | ____ Signature |
| ____ Conference | ____ Rewrite | ____ File |
| ____ Instructions | X Your information | |

REMARKS: Attached is more information regarding finances and organization of Hominex--in response to my inquiry Of March 3. I'm probably more puzzled than pleased--how can a sole proprietorship have a full suite of officers? Will you aks legal about this? Also, his claims of spending $3,000 of his own money to finance a project totalling $47,560.00--is a little short. I hope to approve a small drilling project but I think it will be difficult to get it thru legal.

INT.-DUP. SEC., WASH., D.C. M56300-62

Hominex Silver Mines, M. E.
Box 36, Ashwood,
Oregon, 97711.

4 March 1971.

OFFICIAL COPY
RECEIVED
MAR 10 1971
INITIALS | CODE
A30
1/20
1/20

Dear Mr. Puffett,

Thank you for your letter of the 3 March in which you requested clarification of ownership of Hominex Silver Mines.

This company is registered with the Oregon State Corporation Commission as an assumed business name and is a sole proprietorship owned by me. I have sole and full legal liability for actions of the company. Names and addresses of the other officers or directors follow;

R. Dixon, 2540 Severn Dr., Reno, Nevada, Tel. 702-7474015. Dir.
G. Forstner, 3045 Franklin St., San Francisco, 94123. Secretary.
R. Cesped, 350 Vernon St. Apt.204, Oakland, Cal. 94610. Tel.415-4523382. Dir.
J. Paulsen, Route 2, W.de Pere, Wisconsin 54178. Tel.414-8336293. Dir.
F. Allstrom, c/o Box 36, Ashwood, Oregon 97711. Dir. and Vice President.

The above named directors and officers ( 5 ) are not legally liable.

I plan to assign my lease on the Roy Mining Property to Hominex Silver Mines.

The two claims you refer to which I recorded on February 2, 1971, the day before your inspection of the Roy Mining Property were made in my name. Therefor in compliance with your request, I enclose a conveyance of interest in the claims to Hominex Silver Mines.

The above situation is quite legal and proper according to my attorney and my directors, if and when required, can provide funds in the form of personal notes. I intend to finance in cash $3000.00, myself, of my portion of an exploration project if I obtain OME assistance.

I enclose a financial statement of Hominex Silver Mines which happens to be synonamous with my individual one.

I also enclose a copy of the location notices of the two claims I staked.

If there is any furthur elucidation required please do not hesitate to contact me.

Very truly yours,

David J. Hoare

# CONVEYANCE

This conveyance is for the express purpose of transferring interest in the following mining claims from David James Hoare to Hominex Silver Mines, an assumed business name, or sole proprietorship owned by David James Hoare.

Royal Silver, recorded in Book 4 Page 281, T9S, R17E,
of Trout Creek Mining District, Jefferson, Co., Oregon.

Gudrun Silver, recorded in Book 4 Page 283, T9S, R17E,
of Trout Creek Mining District, Jefferson Co., Oregon.

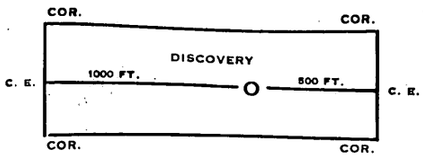
4March 1971

David James Hoare

This is the only copy of the claim notices sent me--our duplicator will not take this large material. I won't need copies now but might in the future--so don't lose these.

Willard

OME-6825
Hominex Silver Mines



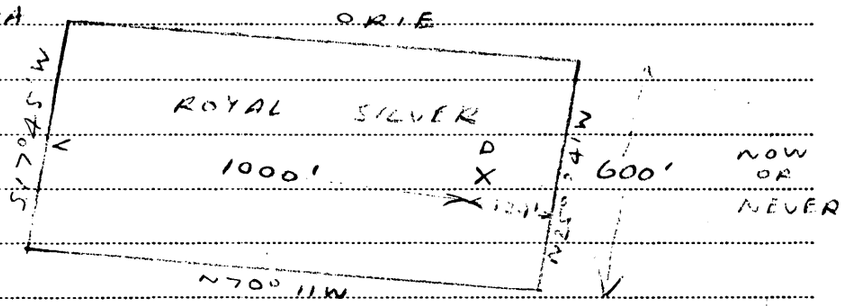
THIS DIAGRAM WILL EXPLAIN METHOD OF DESCRIPTION OF CLAIM.

# Notice of Location of Quartz Claim

***NOTICE IS HEREBY GIVEN TO ALL WHOM IT MAY CONCERN:***

*That* DAVID JAMES HOARE *citizen... of the United States over the age of twenty-one years, having discovered a vein or lode of quartz or rock in place, bearing* SILVER *within the limits of the claim hereby located and has... this day, under and in accordance with the Revised Statutes of the United States, Chapter six, Title thirty-two, located* 1124 *linear feet of this vein or lode, with surface ground* 300 *feet in width on each side of said vein or lode situated in* TROUT CREEK *Mining District, County of* JEFFERSON*, State of* OREGON *and known as the* ROYAL SILVER *Quartz Mining Claim, extending* 1000 *feet in an* NW *direction to* WEST *end line and* 124 *feet in an* SE *direction to* EAST *end line from this notice at the discovery or prospect shaft, the exterior boundaries of this claim being distinctly marked by reference to some natural object or permanent monument, and more particularly described as follows, to-wit:*

ADJOINING THE 'ORIE' AND 'NOW OR NEVER' PATENTED CLAIMS ON THE NORTH & EAST & ADJOINING THE ALMA CLAIM ON THE WEST.



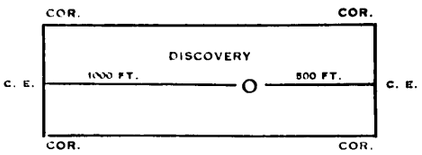

*The general course or strike of this lode is* SE *and* NW *and* I *intend to work and hold said claim as provided by local customs and rules of Miners and Mining Statutes of the United States.*

*Dated on the grounds this* 2 *day of* FEBRUARY*, 19*71.

D J Hoare

*Attest:* Gabriel Forster

*Locators.*



THIS DIAGRAM WILL EXPLAIN METHOD OF DESCRIPTION OF CLAIM.

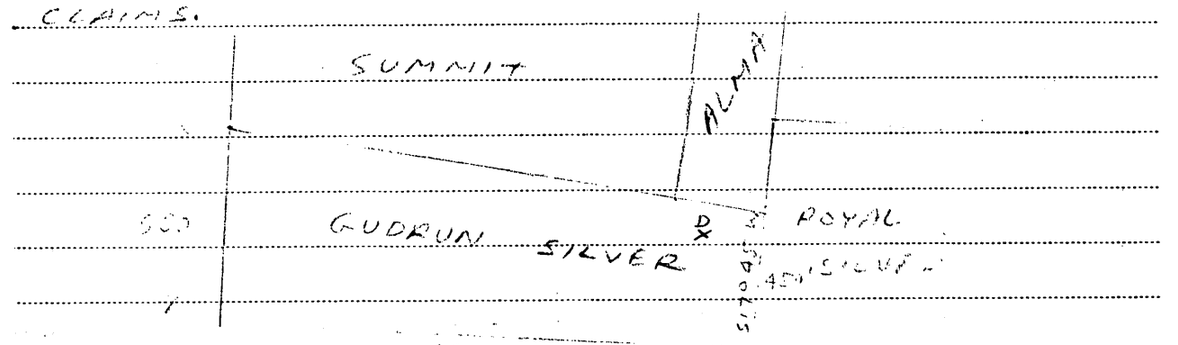
BOOK 1 PAGE 283

# Notice of Location of Quartz Claim

*NOTICE IS HEREBY GIVEN TO ALL WHOM IT MAY CONCERN:*

*That* DAVID JAMES HOARE *citizen of the United States over the age of twenty-one years, having discovered a vein or lode of quartz or rock in place, bearing* SILVER *within the limits of the claim hereby located and has this day, under and in accordance with the Revised Statutes of the United States, Chapter six, Title thirty-two, located* 1500 *linear feet of this vein or lode, with surface ground* *feet in width on each side of said vein or lode situated in* TROUT CREEK *Mining District, County of* JEFFERSON*, State of* OREGON *and known as the* GUDRUN SILVER *Quartz Mining Claim, extending* 1500 *feet in an* NW *direction to* W *end line and* 0 *feet in an* SE *direction to* E *end line from this notice at the discovery or prospect shaft, the exterior boundaries of this claim being distinctly marked by reference to some natural object or permanent monument, and more particularly described as follows, to-wit:*

ADJOINING THE SUMMIT, ALMA, ROYAL SILVER CLAIMS.




*The general course or strike of this lode is* SE *and* NW *and* I *intend to work and hold said claim as provided by local customs and rules of Miners and Mining Statutes of the United States.*

*Dated on the grounds this* 2 *day of* FEBRUARY*, 19*71.

D. H. Hoare

*Attest:* Gudrun Fossmo

*Locators.*

ASSIGNMENT OF MINING LEASE :

This is to assign the mining lease and option to purchase dated 27 th day of November 1970, by and between Roy Mining Company an Oregon corporation, and David Hoare, and covering the following described patented mining claims situated in the Trout Creek Mining District, Jefferson County, Oregon.

| | |
|---|---|
| MS446 The Poorman | MS678 THE PERRY |
| MS446 The Gold Standard | MS667 Triangle |
| MS446 Orie | MS678 Union |
| MS446 The Now or Never | MS678 Crook |
| MS446 Roy | |

Located in Sections 30 & 31, Twp 9, South, Range 17 East of the Williamete Meridian,

to David Hoare doing business as Hominex Silver Mines.

Consent to Assignment dated at Eugene, Oregon this 7th day of March 1971

D. Hoare

David Hoare DBA Hominex Silver Mines

ROY MINING COMPANY by;

W. Rees

W. I. Rees, President

Ardis Rees, Secretary/Treasurer

OFFICE OF MINERALS EXPLORATION
656 U. S. Court House
W. 920 Riverside Ave.
Spokane, Wash. 99201

March 3, 1971

Mr. David Hoare
Hominex Silver Mines
Box 8724
Oakland, Calif. 94608

Re: OME-6825 (Silver)
Roy Mining Property
Jefferson County, Oregon

Dear Mr. Hoare:

On your application you are listed as the President of Hominex Silver Mines, a proprietorship. I assume, therefore, that there must be other officers of your organization. Please send me the names and addresses of the other officers of your company and name those who have legal liability for actions of the company.

The lease you have on the Roy Mining Property is between you, an individual, and the owners. Do you plan to assign this lease to Hominex Silver Mines?

I left word with Mrs. Symons at Ashwood, Oregon, for you to send me a copy of the location notices of the two claims you recently staked. I'm interested in learning if they were staked in the name of Hominex Silver Mines; if not, some conveyance of interest in the claims to Hominex Silver Mines should be documented and copies sent to me.

As you can see from the above, I don't know if I am dealing with you as an individual or with a group named Hominex Silver Mines. Please clarify this situation and submit a financial statement of Hominex Silver Mines. It is necessary that I know how you plan to finance your portion of an exploration project if you obtain OME assistance.

Sincerely,

Willard P. Puffett
Field Officer, Region I
Office of Minerals Exploration

cc: OME

OFFICE OF MINERALS EXPLORATION
656 U. S. Court House
W. 920 Riverside Ave.
Spokane, Wash. 99201

February 17, 1971

Mr. David James Hoare, President
Hominex Silver Mines
3045 Franklin Street
San Francisco, California 94123

Re: OME-6835 (Silver)
Roy Mining Property
Jefferson County, Oregon

Dear Mr. Hoare:

I've learned, after plotting your claims with respect to topography and existing workings, that the #68 shaft is that shown on the claim plat as being within 50 feet of the west end line of the Now or Never claim. Apparently you do not control the land west of this claim.

The Office of Minerals Exploration cannot participate in exploration closer than 100 feet to an Applicant's property boundary. The planned drilling will be closer than 100 feet to the end line of the Now or Never claim and closer than 100 feet to the common corner of the Orie and the Now or Never claims.

I will withhold further action on your application until I learn whether you can lease the land west of the Now or Never claim and south of the Orie claim.

Sincerely,

Willard P. Puffett
Field Officer, Region I
Office of Minerals Exploration

cc: OME

MME FORM 6 REFERENCE SLIP

REV. 2-59 OFFICE OF MINERALS EXPLORATION

| TO: | DATE | INITIALS |
|---|---|---|
| 1. Chief, Office of Minerals Expl. | | |
| 2. Re: OME-6835 (Silver) | | |
| 3. Hominex Silver Mines<br>Roy Mining Property<br>Jefferson County, Oregon | | |
| 4. | | |
| 5. Willard P. Puffett | | |
| FROM: Field Officer, Region I | 2/26/71 | WPP |

OFFICIAL COPY
O. M. E.
RECEIVED
MAR 1 1971
INITIALS CODE

FOR: Check items for action desired

| | | |
|---|---|---|
| ____ Action | ____ Reply for signature of | ____ Surname |
| ____ Approval | ____ Investigate | ____ Signature |
| ____ Comment | ____ Recommendations | ____ File |
| ____ Conference | ____ Rewrite | |
| ____ Instructions | x Your information | |

REMARKS:

Attached is letter and map describing two unpatented claims that should be included under the description of the property subject of the captioned application. As yet, the owners have not forwarded signed Lien and Subordination Agreement. I'm preparing a report that will recommend approval of a modest diamond drilling program.

INT.-DUP. SEC., WASH., D.C. M56300-62

Hominex Silver Mines,
P.O. Box 36,
Ashwood, Ore.,
977II.

Ref. docket # OME - 6835

24 Feb. I97I.

Dear Mr. Puffett,

In response to your letter and our telephone conversation today, I am enclosing maps showing my claims " Royal Silver " and " Gudrun Silver ". They can be found in Jefferson County Clerk's office recorded in book 4, page 28I for " Royal Silver ", and book 4, page 283 for " Gudrun Silver ".

Regarding my supplementary cost information it is true that the assay costs are exhorbitant at Abbott Hank and as the address in Wallis Idaho is $5°° per sample, and is nearer to Ashwood, I would like to use this as my revised estimate.

I am now working on the Roy Mining Property full time and telephone messages can be left with Mrs Symons at Ashwood 503-4893293.

I expect to delineate the South Easterly extensions of both the Roy and Oregon King veins by trenching with a backhoe.

Very truly yours,

D J. Hoare.

David James Hoare.

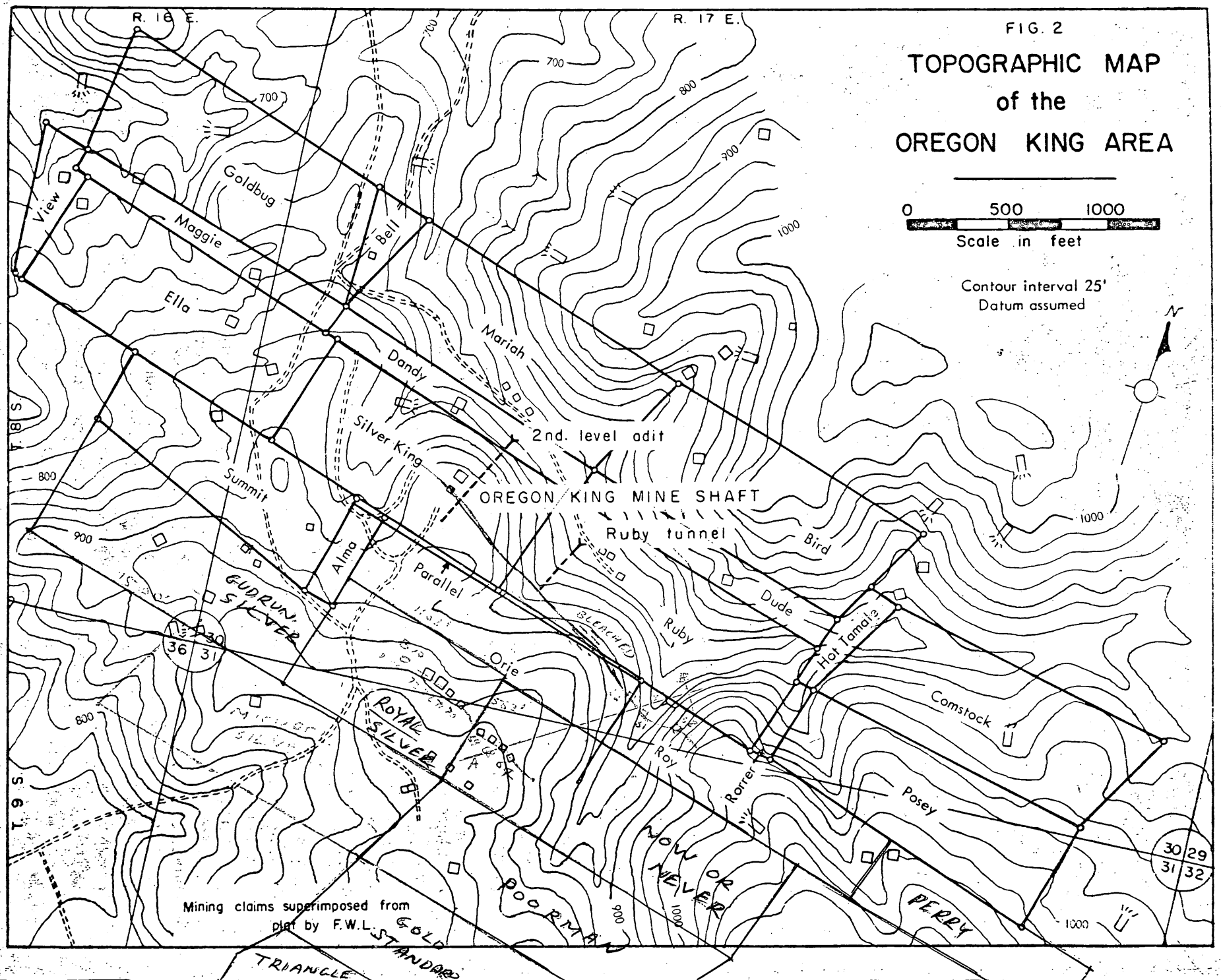



FIG. 2

# TOPOGRAPHIC MAP of the OREGON KING AREA

OFFICIAL COPY

OFFICE OF MINERALS EXPLORATION
656 U. S. Court House
W. 920 Riverside Ave.
Spokane, Wash. 99201

February 22, 1971

Mr. William I. Rees, President
Rees Real Estate Company
358 West Eighth Avenue
Eugene, Oregon 97401

Re: OME-6835 (Silver)
Hominex Silver Mines
Roy Mining Property
Jefferson County, Oregon

Dear Mr. Rees:

Enclosed is a copy of Exploration Assistance, a booklet describing the OME program. The problems of land ownership and lien and subordination agreements are discussed on pages 6, 17, and 18.

The Lessor of land subject of an OME contract is asked to sign Lien and Subordination Agreements as an inducement to the Government executing the contract. In so doing, the Lessor subordinates his 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.

If an OME contract is successful, the Operator and the owners of the land will be notified by the Government not later than six months after receipt of a sufficient final report from the Operator. Ordinarily the period of repayment by royalties on production extends 10 years from the date of the contract. Any production during the life of the contract is subject to royalty, regardless of whether the Government certifies the project as being successful.

If the OME project is not successful, the Government will notify the Operator and the owners of the land, after which the property will be free from the Government's claim for royalty and the liens to secure its payment.

Sincerely,

Willard P. Puffett
Field Officer, Region I
Office of Minerals Exploration

Enclosure

Copy to: David Hoare
cc: OME/with copy of incoming

HOMES — RANCHES
BUSINESS OPPORTUNITIES
SALES — TRADES
GENERAL INSURANCE

Rees Real Estate Company
358 WEST EIGHTH AVENUE • PHONE 345-8503
EUGENE, OREGON 97401

RECEIVED
FEB 22 1971
SPOKANE, WASH.

February 18, 1971

Mr. Willard Puffett
Field Office, Region 1
Office of Minerals Exploration
U. S. Geological Survey
650 U. S. CourtHouse
Spokane, Washington 99201

Dear Mr. Puffett:

Mr. David Hoare has submitted your form MME Form 52 to us for our signature.

We do not completely understand this form, but we now own the Roy Mining Company property free and clear.

Mr. Hoare's Lease-option stated that there would be no liens or encumbrances against the property, so we do not wish to subordinate our property to a government lien, which it seems could stay on or against the property for a period of ten years.

If we do not understand this Form 52 clearly or are misinterepting it, please let us and and explain fully.

Sincerely, W I Rees

ROY MINING COMPANY

By W I Rees

William I. Rees, President

WIR:AR
Copy to David Hoare
Box 8724
Oakland, California 94608

MME FORM 6 REFERENCE SLIP
REV. 2-59 OFFICE OF MINERALS EXPLORATION

TO: Chief, Office of Minerals Expl.

1.

Re: OME-6835
2. ~~Hominex Silver Mines~~
Roy Mining Property
3. ~~Jefferson County, Oregon~~

4.

Willard P. Puffett
5. ~~Field Officer, Region I~~

FROM:

| DATE | INITIALS |
|---|---|
| OFFICIAL COPY | |
| O. M. E/30 | |
| RECEIVED FEB 24 1971 | |
| Col 1 20m | |
| HR 1 20 | |
| INITIALS | CODE |
| WP 1 20 | |
| 2/22/71 | |

FOR: Check items for action desired

____ Action ____ Reply for signature of ____
____ Approval ____ Investigate ____ Surname
____ Comment ____ Recommendations ____ Signature
____ Conference ____ Rewrite ____ File
____ Instructions X Your information

REMARKS: Attached are additional cost data and assay information. I learned in a telephone call from the applicant that he has staked claims adjacent to the patented claim--see my letter to applicant of February 17, 1971. My report is being prepared--will recommend a modest drilling program to explore below or downdip from the #68 shaft.

Do not use the San Francisco address-use Box 8724, Oakland, California 94608

INT.-DUP. SEC., WASH., D.C. M56300-62

Hominex Silver Mines
Box 36, Ashwood,
Oregon, 97711.

Ref. docket # OME 6835.

16 Feb. 1971.

Dear Mr. Puffett,

I enclose supplementary cost information and details of recent exploration work.

I estimate additional costs for supervisory work as $1000.00 per month in total. This includes core logging and core splitting for assay and any geological consulting, in addition to the daily supervision. 4 mos. = 4000.00

I estimate additional costs for assays as follows.

10 assays per hole at 7.50 for silver and 10.00 for gold by Abbot Hanks. At least 8 holes are anticipated. Total = $1400.00.

Regarding the enclosures showing recent exploration work, I re-opened the caved portal of a tunnel 280 ft. long, by renting a TD14 Cat. and Case Back-hoe loade

The site for core drill hole # 1 was prepared by bulldozing between shaft 68 and shaft 62, about midway.

I discovered there is a drift connection between shaft 62 and shaft 61. along the vein which strikes N 70 W. I sampled the drift for assay.

Sample #5 on the assay results enclosed was 4 ins. wide from the hanging wall and was probably country rock. A fire in this shaft blackened everything. Furter work will delineate the S. E. extension of the Roy vein by trenching with the Back-hoe, beyond pit 64.

If there are any questions on this, please call me.

Very truly yours,

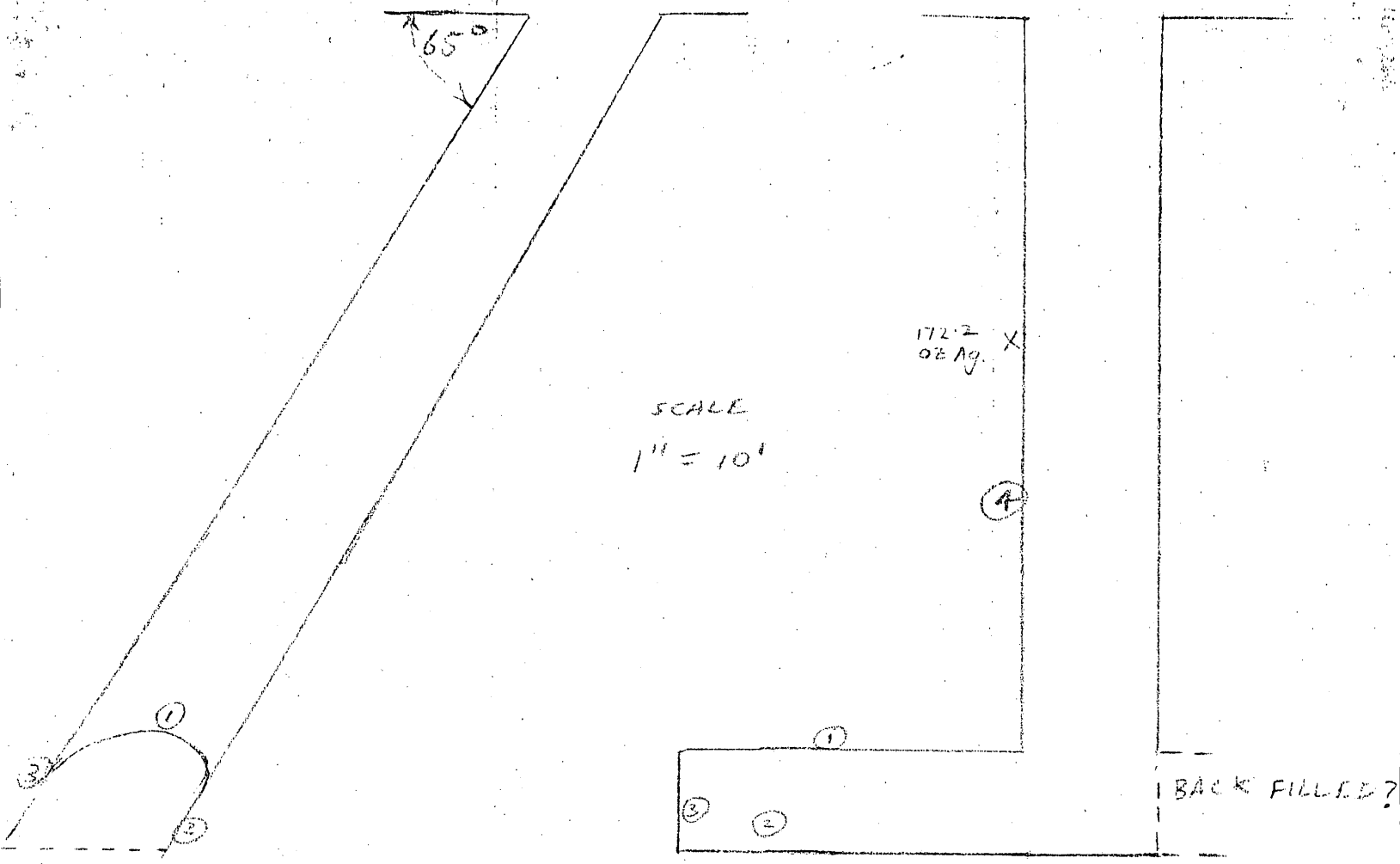
D J Hoare

David J. Hoare.

RECEIVED
FEB 22 1971
O. M. E.
SPOKANE, WASH.

10 →

# [illegible]YS FROM SHAFT[illegible] & EAST DRIFT.
SHOWING LOCATIONS.




SAMPLE # AND ASSAYS BY ABBOTT HANKS OF S.F.

1. 8.3 oz SILVER/TON SAMPLE WIDTH 9"
2. 33.5 oz. " " " 12"
3 24.8 oz. " " " 9"
4 15.6 oz. " (10 lb. sample, quartz vein)

RECEIVED
FEB 22 1971
O. M. L.
SPOKANE, WASH.

ABBOT A. HANKS

ESTABLISHED 1866

1115 INDIANA STREET, P. O. BOX 77265
SAN FRANCISCO, CA 94107
(415) 282-8600

RECEIVED
FEB 22 1971
O. M. E.
SPOKANE, WASH.

DAVID HOARE/HOMINEX SILVER MINES
Box 7824
Oakland, California 94608

ASSAY REPORT

No. 7441

Date February 10, 1971

File No.

| Lab No. | Mark | GOLD, per ton of 2,000 lbs. Troy Ounces, Value at $35.00 oz. | SILVER, per ton of 2,000 lbs. Troy Ounces, Value at | Other Percent of Sample |
|---|---|---|---|---|
| 26470-1 | #1 Shaft 68 East Drift - Center of Roof | | 8.30 | |
| -2 | #2 Shaft 68 East Drift Hanging Wall | | 33.50 | |
| -3 | #3 Shaft 68 East Drift Foot Wall | | 24.80 | |
| -4 | #4 Shaft 68 28 foot depth | | 15.60 | |
| -5 | #5 Shaft 70 Bottom | | 1.00 | |

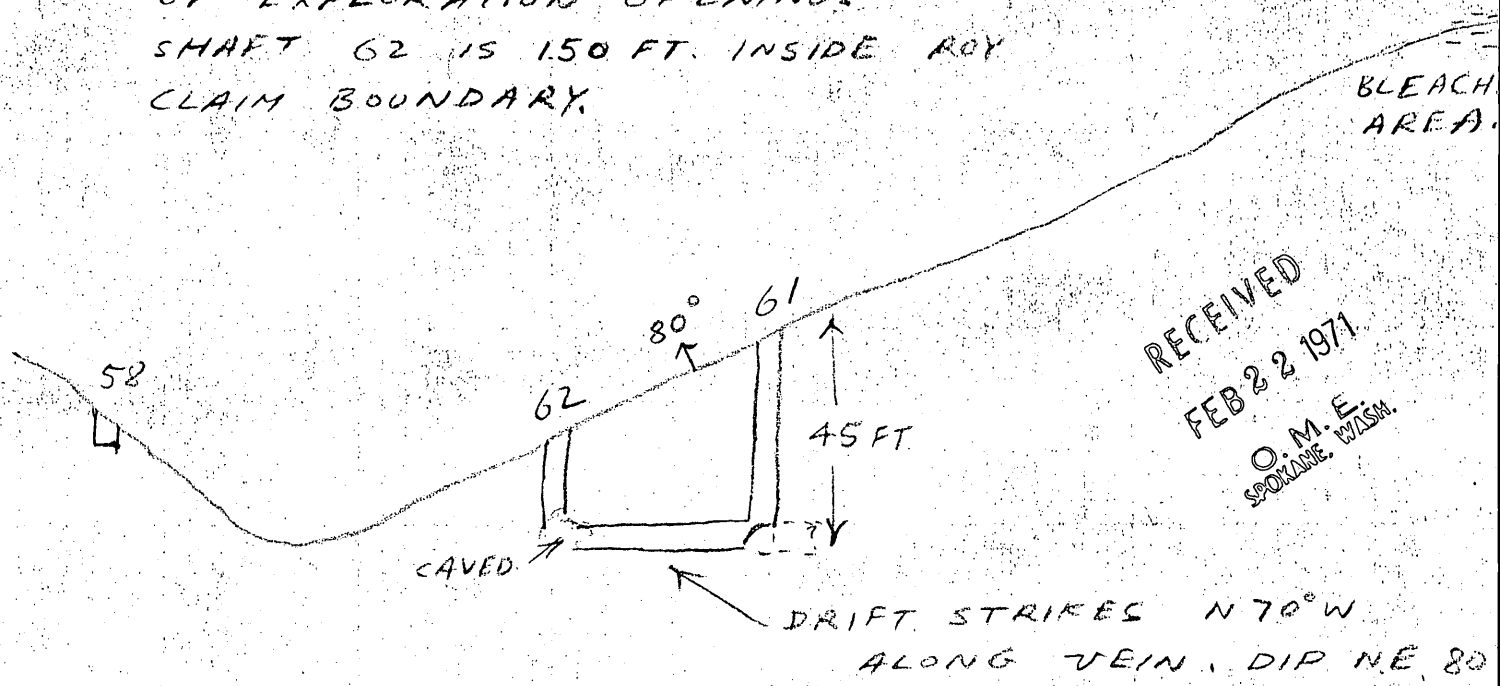
ABBOT A. HANKS

By Clifford V. Munslow
CLIFFORD V. MUNSLOW

sl

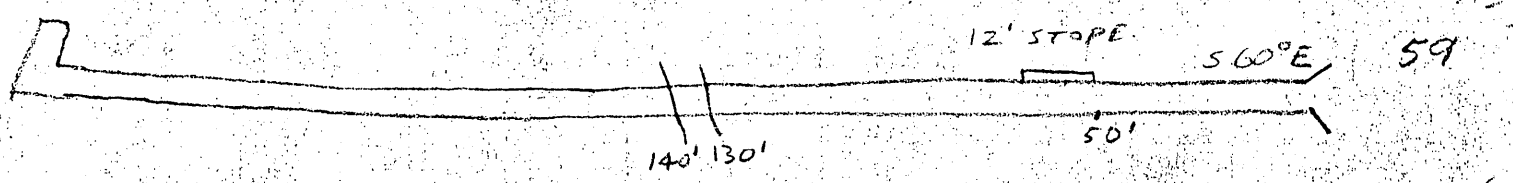
SECTION ALONG OREGON KING VEIN
WHERE IT OUTCROPS ON ROY MINING CLAIMS.

NUMBERS CORRESPOND WITH "TABULATION OF EXPLORATION OPENINGS".
SHAFT 62 IS 150 FT. INSIDE ROY CLAIM BOUNDARY.




RECEIVED
FEB 22 1971
O. M. E.
SPOKANE, WASH.

THERE IS AN ADIT 280 FT. LONG WITH PORTAL 40 FT. S.W. OF PIT 58. THE PORTAL WAS CAVED AND DUMP WAS CALLED EXPLORATION OPENING No. 59. IT WAS JUST RE-OPENED AND IS ON A PARALLEL VEIN STRIKE S 60°E WHICH HAS A SMALL STOPE. DIP S.W. 80 TWO VEINS 9" WIDE INTERSECT AS SHOWN.




THE TUNNEL DOES NOT INTERSECT THE OREGON KING VEIN BUT RUNS ROUGHLY PARALLEL

NOT TO SCALE.

# DIAMOND DRILLING & SUPPLY CO.

CONTRACTORS & CONSULTANTS

734 BRYANT • SAN FRANCISCO, CALIFORNIA 94107 • 362-2862

DAVID J. HOARE
Hominex Industries
P.O. Box 8724
Oakland, Calif. 94608

RECEIVED
FEB 22 1971
O. M. E.
SPOKANE, WASH.

## QUOTATION

DATE December 14, 1970

YOUR INQUIRY
Mr. D. J. Hoare 12/10
474-1751

| QUANTITY | DESCRIPTION | PRICE | DELIVERY |
|---|---|---|---|
| | Quote per request of Letter of December 2, 1970 regarding property at Ashwood Oregon as follows; | | |
| | 3,800 FETT OF HOLE TO BE DRILLED - SIX HOLES DRILLED TWO SITES OF THREE HOLES EACH - | | |
| 2 holes | 300 ft. deep (Vertical) NX size as deep as possable with reduction to "BX" when required. | $4,800.00/hole | five months drilling program. |
| 2 holes | 600 ft. deep - ditto | $12,000.00/hole | |
| 2 holes | 1,000 ft. deep - ditto | $25,000.00/hole | |
| One | - MOVE IN & MOVE OUT OF EQUIPMENT, PERSONEL ECT. | $ 1,000.00 /lot | single shift. |
| One | - MOVE FROM #1 DRILL SITE TO #2 DRILL SITE. | $ 250.00 /lot | |
| Six | - SET UP OF DRILL RIG AT EACH DRILL HOLE LOCATION. | $ 100.00 /hole | |
| | NO OTHER CHARGES WILL BE MADE - All labor, material moving costs, per diem and lodging will be paid for by Diamond Drilling & Supply Co. | | |
| | TERMS & CONDITIONS OF WORK CONTRACT:<br>1. Advance payment on submittal of Order of $2,500.00.<br>2. Payment of $5,000.00 two weeks after date of arrival of work site - Ashwood, Oregon.<br>3. Progress payment for all footage drilled plus charges for any set up charges per hole drilled, less deduction of the $5,000.00 advance. (Item #2)<br>4. Progress payments to be Invoiced semi-monthly with payment made within 10 days of submittal of Invoice. | | |

WHEN PLACING ORDER FOR ABOVE MATERIAL REFER TO QUOTE NO. → No. 70I2I4

ALL DELIVERIES QUOTED ABOVE COMMENCE AFTER RECEIPT OF YOUR ORDER.

*Thank You for your inquiry*

DIAMOND DRILLING & SUPPLY CO.

BY W. S. Cooper

W. S. Cooper

SPECIALISTS IN DRILLING & CORING, MINERALS, DAMS, ETC. - FOUNDATION AND SOIL TESTING - MASONRY

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gw 130

120M

**AIRMAIL**

JAN 27 1971

Mr. David James Hoare
President
Hominex Silver Mines
P. O. Box 36
Ashwood, Oregon 97711

Re: OME-6835 (Silver)
Hominex Silver Mines
Roy Mining Property
Jefferson County, Oregon

Dear Mr. Hoare:

The application for assistance in exploring the subject property has been reviewed by the Washington Office and referred to Mr. Willard F. Puffett, Field Officer, Region I, Office of Minerals Exploration, U. S. Geological Survey, 650 U. S. Court House, W. 920 Riverside Avenue, Spokane, Washington 99201.

Mr. Puffett will notify you if he requires additional information concerning the application and possibly to make arrangements for an on-site examination of the property.

Sincerely yours,

Harold Kirkemo

Harold Kirkemo
Chief, Office of
Minerals Exploration

cc: Director's Reading File
Mineral Resources File
OME Docket
OME Reading File
OME Region I
Mr. Emerick

WLEmerick/bsl 1/26/71

MME Form 7
(2/63)

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JAN 2? 1971

**AIRMAIL**

Memorandum

To: Field Officer, Region I

From: Chief, Office of Minerals Exploration

Subject: OME-6835 (Silver)
Hominex Silver Mines
Roy Mining Property
Jefferson County, Oregon

The subject application is referred to you for further study, a field examination if warranted, and recommendations.

The information submitted with the application has been reviewed and appears fairly complete. If a field examination is made and approval of a contract is indicated OME will need a detailed cost estimate of the proposed work and lien and subordination agreements on the land.

Harold Kirkemo

Harold Kirkemo

cc: Director's Reading File
Mineral Resources File
OME Docket
OME Reading File
Mr. Emerick
130

WLEmerick/bsl 1/26/71

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY
OFFICE OF MINERALS EXPLORATION
656 U. S. Court House
W. 920 Riverside Ave.
Spokane, Wash. 99201

January 12, 1971

COPY
O. M. E.
RECEIVED
JAN 15 1971
INITIALS

Memorandum:

To : Chief, Office of Minerals Exploration

From : Field Officer, Region I

Subject: Preliminary appraisal
OME-6825 (Silver)
Hominex Silver Mines
Roy Mine
Jefferson County, Oregon

In general, the application is complete and well-prepared. Items that need further clarification or attention are as follows:

Lease: The term of the lease is for only two years. Item 10 permits an extension of one additional year under certain conditions. At the end of this time the Lessee should exercise his option to purchase the property or drop the lease.

Item 13A states, "The purchase price shall be the sum of One Hundred Fifty ($150,000.00) Dollars .....". Obviously the word Thousand has been omitted and should be added to the statement.

I have, by telephone, directed the attention of both the Lessee and the Lessor to the above omission and will assume that they will correct the lease.

Appendix II: I could not find exploration openings No. 4 and No. 65 on the map.

The timbered, inclined shaft, No. 68, appears to contain the best exposures and the richest vein. This seems to be the best area from which to direct additional exploration work.

L. C. Armstrong's report: page 9. He speculates that calcite veins in lower levels of the mine (Oregon King) may have originated from still deeper reaches where mineralizing solutions replaced calcite veins with quartz and sulfides and carried the calcite-bearing solutions upward.

I've reviewed Ojala's report and Radtke's report (in the Oregon King docket) and find little detailed description of the veins on which to evaluate Armstrong's ideas concerning the calcite veins.

Page 11: Last paragraph states that bulldozing should preface the drilling.

No provision for bulldozing is in the applicant's proposal. Armstrong's idea for bulldozing has merit and should be kept in mind if a field examination is scheduled.

The reports describing the veins at the Oregon King mine indicate that base metal sulfides, in addition to pyrite, are present where there are high silver values. The applicant's assay data indicate that the quartz and/or calcite veins contain little precious metal where there are no base metals. Therefore, for a vein to show promise of containing silver or gold, base metal sulfides should be present, except where the vein is obviously oxidized. At the Oregon King mine, the first massive sulfides were not found until the shaft had been sunk to the 400 foot level (A. S. Radtke's report on the Oregon King mine), and perhaps there will be no good surface indication of ore at depth on the Roy property.

A field examination seems required. Mr. Hoaré told me by telephone that generally there is little snow at the property and an inspection could be made in January or February as well as in March or April. Mr. Hoaré can be at the property on short notice.

Willard P. Puffett

Willard P. Puffett

December 21, 1970

Mr. David James Hoare President
Hominex Silver Mines
P. O. Box 36
Ashwood, Oregon 97711

Subject: OME-6835

Dear Mr. Hoare:

Your application for exploration assistance, dated December 17, 1970, submitted to our office at Washington, D. C., has been assigned Docket No. OME-6835.

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

Sincerely yours,

Harold Kirkemo
Chief, Office of
Minerals Exploration

Copy to Region I with
all attachments but cy
of rpt. by F.W.Libbey.

SHORT PAPER 23

# THE OREGON KING MINE JEFFERSON COUNTY, OREGON

by

F. W. LIBBEY

and

R. E. CORCORAN

STATE OF OREGON

DEPARTMENT OF GEOLOGY AND MINERAL INDUSTRIES 1962

## Foreword

In the past, Oregon has had many more productive metal mines than exist now. Today most of them are closed down, but interest still remains in these former "producers." Unpublished records of many old properties in the form of mine maps, geological reports, and smelter returns are available to the public in the offices of the Department of Geology and Mineral Industries. When possible, the Department publishes this material for general distribution.

This report on the Oregon King mine has been compiled partly from material made available to the authors by the Trust Department of The First National Bank of Oregon and partly from Department records and field work. Additional information was secured from sources as noted in the text. A problem that always exists in research on the operations of old mines is that, along with the usual partial or total inaccessibility of underground workings, gaps are left in the record because of the death of the early-day owners or operators, and because of the lack of maps and reports which, if found, are often in conflict. This is further complicated by lack of accurate dating (or no dating) on maps and reports, and to the vagaries of memory of those who were once familiar with the property. Therefore, a publication such as this is important as it assembles and organizes much pertinent material, establishing an authentic record for future reference.

The Oregon King mine is receiving attention at the present time because its ores contained sizable amounts of silver, and silver has recently undergone a price rise. The mine is of interest also because its mineralization took place during Tertiary times. With the exception of the Oregon King and some ore bodies in the Western Cascades, Tertiary mineralization in Oregon is limited to quicksilver. Probably this property comes as close to resembling the "bonanza" type deposits of Nevada as any known ore body in this state.

The Department is fortunate to have the careful work of the two authors. The senior author, Fay W. Libbey, is a former Director of this Department, a graduate of Massachusetts Institute of Technology in mining engineering, and a registered professional engineer with many years of experience. The junior author, Raymond E. Corcoran, Department geologist with a wide experience in Oregon geology, is a graduate in geology of the University of California at Los Angeles with a master's degree from the University of Oregon. These authors have collaborated in other Department reports.

Hollis M. Dole
Director

May, 1962

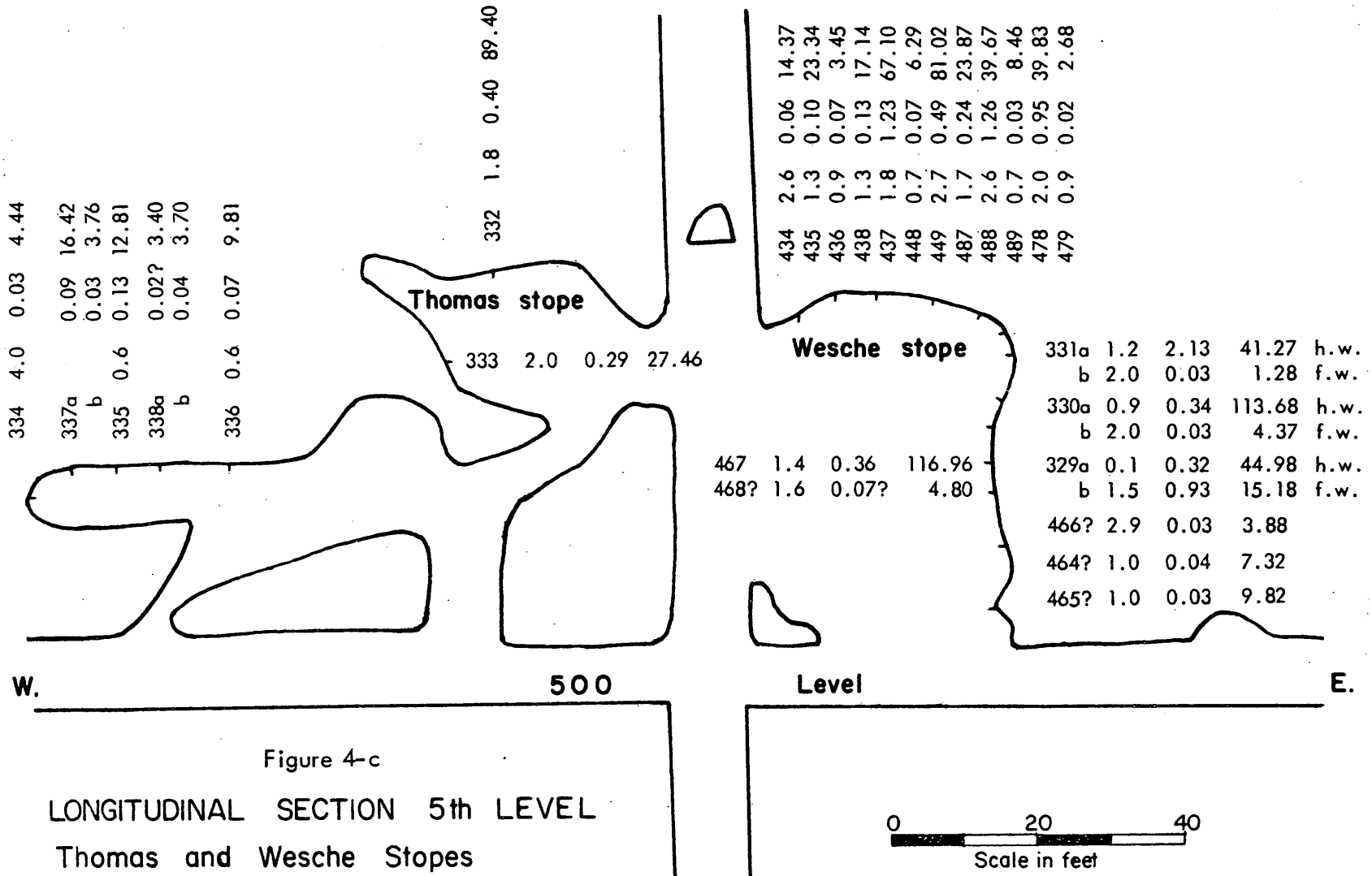


Figure 4-c

LONGITUDINAL SECTION 5th LEVEL

Thomas and Wesche Stopes

ore for some two weeks until we had to put in a large charge of dynamite and blast down below to shut off the air currents."

The fire caused a stoppage of all mining activity, and seemingly soon thereafter the lease was canceled. Nothing has been done at the mine since.

## Mine Development

### Thomas report maps

No adequate mine level maps or assay maps of the early development work have been found. A blue print showing both a cross section of the shaft to the fifth level and a plan of the adit tunnel, together with drifts to the fifth level, accompanied the Thomas report. Who prepared this map is not recorded. Also there is a smaller print prepared by Victor J. Jory, United States Deputy Mineral Surveyor, showing contours of the surface near the shaft collar. Neither map is dated. At the time these maps were compiled, approximately 873 feet of lateral work had been done underground including the adit tunnel, which scales 468 feet. The shaft was about 485 feet deep.

### Synthetic sample log record

From the records furnished by the late Louis Enderud, it appears that Alaska Juneau prepared a log of samples and assays obtained in development work under Thomas, utilizing daily report sheets which they found at the mine (see Appendix). However, many of these sheets were missing, leaving gaps in the log. In addition most of the descriptions that were found did not give sample widths and locations.

### Alaska Juneau mine maps

Alaska Juneau prepared a longitudinal section (Figure 4-a) as well as plan and assay maps down to and including the sixth level. These indicate that they did several hundred feet of development work, the exact amount of which cannot be determined because of incomplete knowledge of the early work. A section on the shaft looking east (Figure 4-b) was constructed by the authors to show the variation in dip of the ore zone as it was followed downward during the initial development. Alaska Juneau's maps show a total lineal footage of about 3,500 feet in the mine, including about 700 feet of shaft, up to and including 1935. It is believed that only a relatively small amount of development work was done by the lessees in the 1940's, and that only on the second level. Comparing the present east drift on this level with the Alaska Juneau map, it is indicated that the lessees extended this drift about 200 feet. The only assay records of the leasing period, that is, 1940-1950, are the smelter reports.

### Stoping report

Known ore is reportedly stoped out completely above the second level, and, to a large extent, above the third level. There is no evidence of stoping on the fourth level. The Alaska Juneau longitudinal section (Figure 4-a) shows small stopes above the fifth level (Figure 4-c). These stopes scale about 30 feet long and 40 feet high on the east side of the shaft and

STATE OF OREGON

DEPARTMENT OF GEOLOGY AND MINERAL INDUSTRIES

1069 STATE OFFICE BUILDING
PORTLAND 1, OREGON

# THE OREGON KING MINE JEFFERSON COUNTY, OREGON

Short Paper 23

By F. W. Libbey

and R. E. Corcoran

1962

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# THE OREGON KING MINE

# JEFFERSON COUNTY, OREGON

## Introduction

The great majority of metallic ore deposits in Oregon are found in the northeastern and southwestern parts of the state, where they occur in pre-Tertiary rocks and associated granitic intrusives or as placers in adjacent stream valleys. An important exception is the silver-gold lode in central Oregon known as the Oregon King mine (see Figure 1). There the oldest rocks are early Tertiary volcanics locally intruded by rhyolitic to andesitic masses. The geology and mineralogy of this mine have some similarities to the silver deposits of the Tonopah, Nevada, district, which has produced more than 150 million dollars in silver and gold since 1900. It is not intended to draw an analogy between the Oregon King and the Tonopah mines at this stage of its development, but merely to point to a similarity in its geological setting to that of these Nevada mines and other precious metal deposits of the epithermal or bonanza type as exemplified in some of the boom camps of N[illegible]

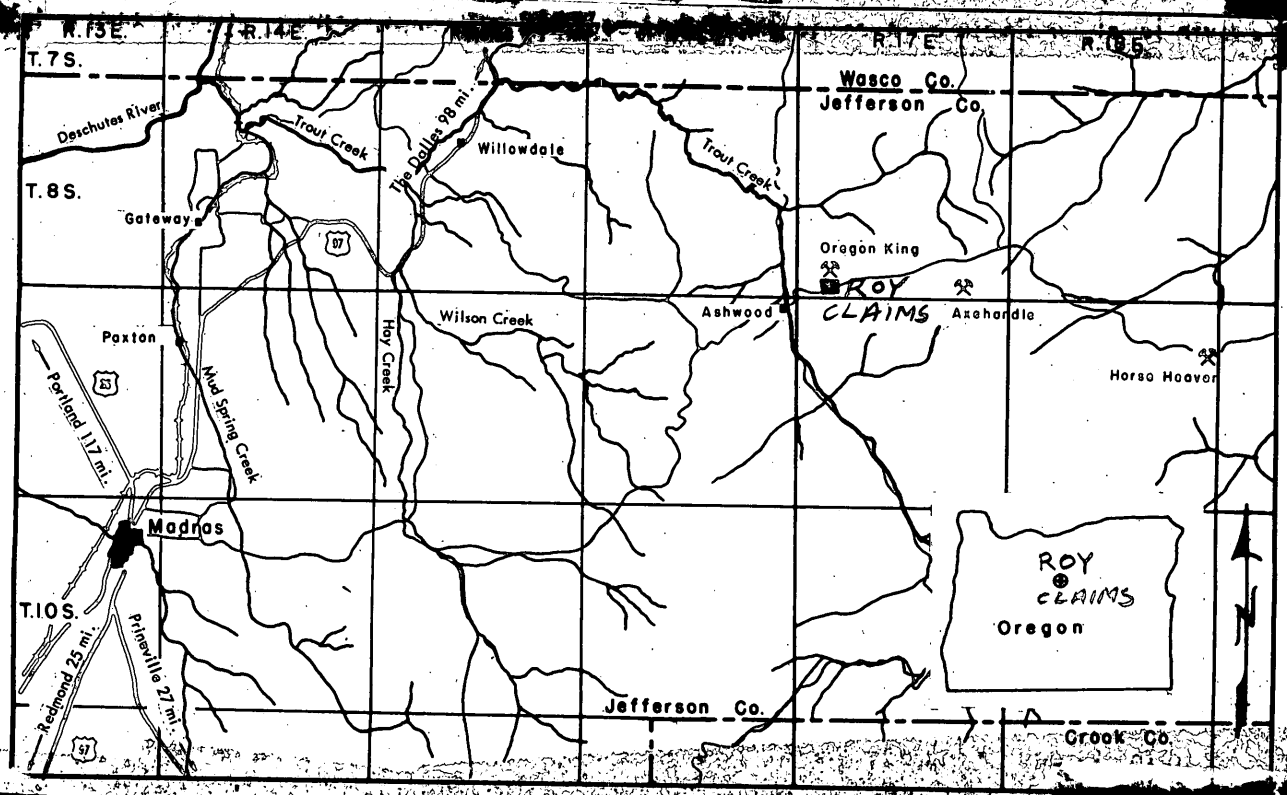



Figure 1: Map of Ashwood area, Jefferson County, Oregon, showing location of the Oregon King mine.

Until mining was halted by a shaft fire in 1950, records of the U. S. Bureau of Mines show that, during the period from 1935 to and including 1950, the Oregon King had a total production of 232,402 ounces of silver, 2,419 ounces of gold, 59,076 pounds of copper, and 110,071 pounds of lead, with 37,351 pounds of zinc reported but not recovered. In addition there was a small production from smelter shipments from 1899 through 1904 (tabulated later in this report).

The mine is now flooded up to the second or adit level, which is about 150 feet vertically and 173 feet on the incline below the collar of the shaft. Levels below the adit therefore cannot now be examined. Old assay reports of samples taken when the exploration work was done in the 1899-1904 period indicate the presence of ore of good quality at these lower depths. However, some conflicts and omissions in the available records are evident and, until these are clarified, definite statements regarding assay values in the early records are open to question; but because of the history of operations, especially the smelter shipments, a geologic and economic study of the property both on the surface and underground seems warranted.

Judging from reports available, probably all known ore has been stoped above the adit level. Whether there is still minable ore exposed between the second and third levels is not known but it appears doubtful. Below the third level, however, it is reported that only a minor amount of stoping has been done.

Smelter returns provide the only authentic evidence of the grade of ore that may be available, but most of this information is on ore above the third level. Ore shipped from the dump presumably was vein material from shaft and drifts at all levels when the mine was originally developed by W. S. Thomas, mining engineer for J. G. Edwards (see History). The smelter [illegible]ures, together with assay reports of samples taken when the shaft was sunk from the surface [illegible]e sixth level, indicate an average grade that could be economic if the quantity available is proved sufficient, and if operations are conducted by experienced mining people.

The Alaska Juneau Mining Co. did extensive sampling of the mine in 1934-1935, and, although a satisfactory comparison is difficult to make, its assay results do not check very well with those from the earlier exploration work under the supervision of W. S. Thomas. Records of assays made in the early work under Thomas seem to have been kept carefully, but there are large gaps in the records and descriptions of samples are often lacking in sample widths and in distances from a fixed point in the lateral work. There is no record available of shaft sampling by Alaska Juneau. An effort is made later in this report to superimpose assay results of the Thomas period on Alaska Juneau assay maps to show seeming divergencies.

The Orie and Roy claims in the so-called Roy group which borders the Oregon King group on the south (see Figure 2) appear to have mineralization similar to the Oregon King vein, and investigation might show that these claims would be a desirable addition to the Oregon King ore supply.

The Oregon King deposit has generated some interest at this time because of the world silver market situation. For the past few years the demand has substantially exceeded supply, and the United States' stock of "free" silver, that is, the domestic stock not ear-marked for currency backing and available for purchase and commercial uses, has been largely depleted. The market price for silver has risen from $0.905 to about $1.00 an ounce (March 1962). This has caused any new potential source to assume more importance. Hence attention has been directed to the Oregon King as a possibility. Reports of world shortage of silver and the proba[illegible] price should, however, be viewed with caution. Nobody knows how much silver in the form of coins has been hoarded or how much could be thrown on the market, especially by Asian countries, if the price rises high enough. Asia, where people always have trusted silver as money far above local currencies, has been a "sink" for silver for generations,

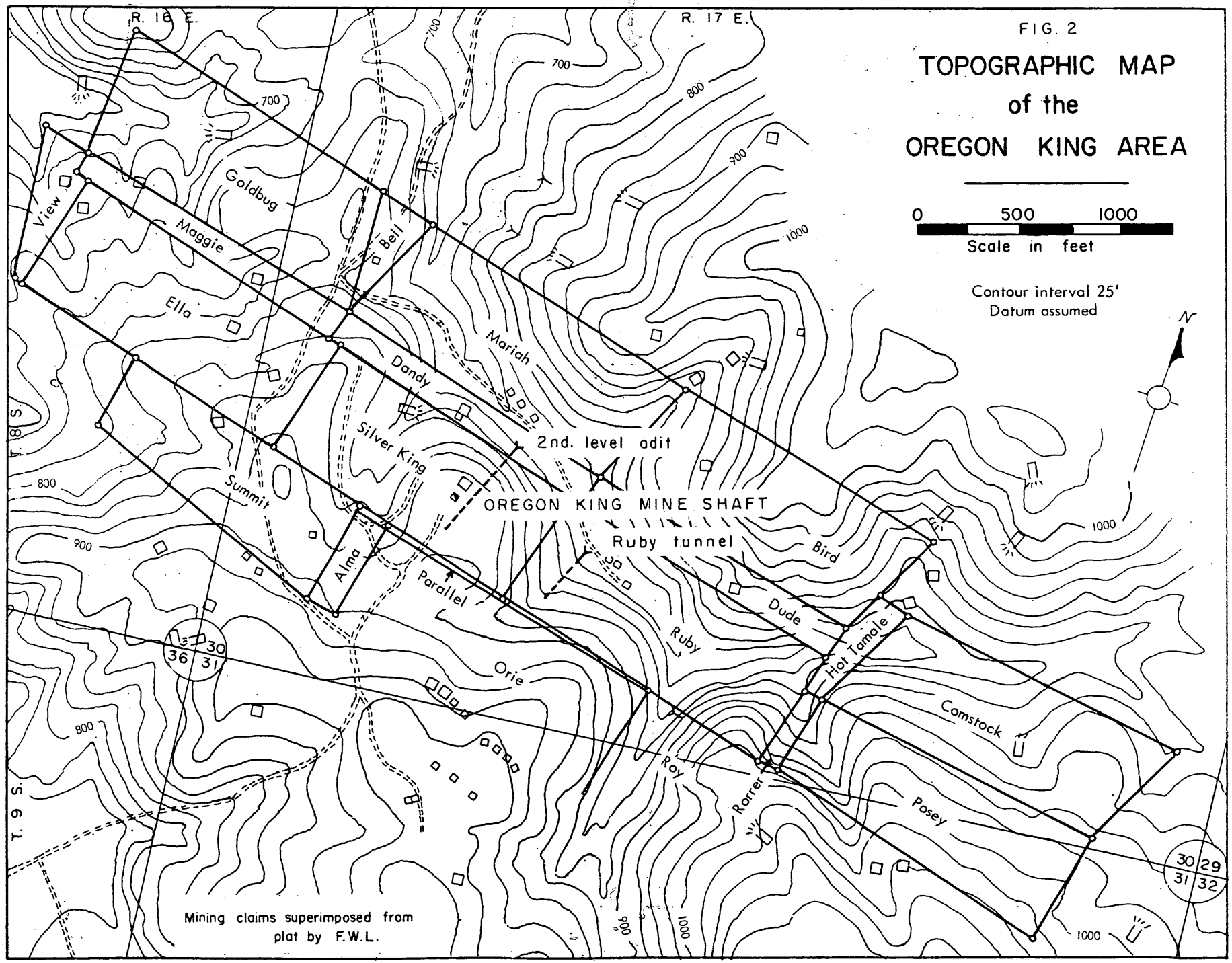



FIG. 2

TOPOGRAPHIC MAP of the OREGON KING AREA

and could undoubtedly be a source of supply of millions of ounces if a seeming shortage forced abnormally high prices.

## Geography

### Location and ownership

The Oregon King mining property is in sec. 25, T. 9 S., R. 16 E., and secs. 30 and 31, T. 9 S., R. 17 E.W.M., Jefferson County, Oregon, approximately 3 miles by graveled and dirt roads northeast of Ashwood, which is 28 miles east of Madras, the county seat. The mine is 26 miles by road from Gateway on the Oregon Trunk Railroad.

The mining property, as shown in Figure 2, comprises 18 patented mining claims including 11 fractions. Title is held by The First National Bank of Oregon as Trustee of the J. G. Edwards estate. Total area is 293 acres, more or less, as evidenced by patent surveys made over the period 1906-1918.

### Topography

The area is hilly with V-shaped canyons. Relief in the mine area is about 300 feet. Elevation of the shaft collar is reported to be 3,000 feet 1/. Aneroid reading (July 1957) was 2,940; at Ashwood it was 2,580. Contours on Figure 2 are of sketch map quality only. Drainage is westerly into Trout Creek and the Deschutes River.

### Climate and vegetation

Central Oregon is semi-arid with extremes of temperature during the year, hot in summer and cold, often with subzero temperatures, in winter. Precipitation is small and snowfall light, but heavy precipitation for short periods is not uncommon. The rolling hills have grassy patches and sparse junipers. Grazing and wheat raising are the principal industries of the immediate area.

## Geology

### General description

The Ashwood area is underlain by a complex assemblage of Tertiary volcanics and subordinate sedimentary rocks in the western part of the Blue Mountains of central Oregon. Most of the rock in the general vicinity of the Oregon King mine ranges in age from Eocene (?) to Miocene (?), and comprises at least two formations: Clarno and John Day (see map, Figure 3). The Eocene-Oligocene Clarno Formation, in which the mine is situated, is composed of lava flows and coarse volcanic breccias of porphyritic pyroxene andesite with less abundant tuff and mudstone. The John Day Formation of Oligocene to Miocene (?) age, characterized by tuff,

1/ Alaska Juneau records (may be arbitrary).

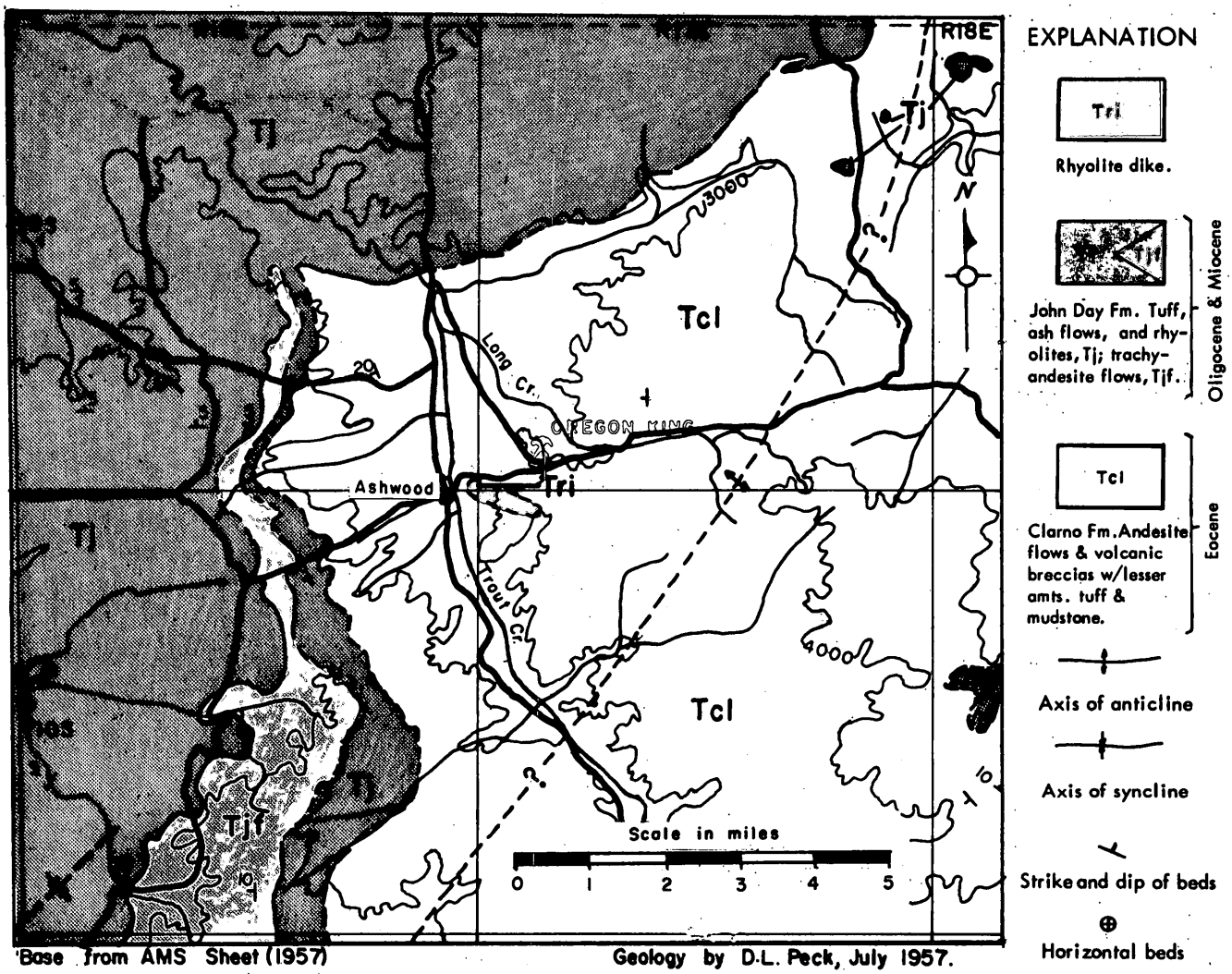



Figure 3. Reconnaissance geologic map of the Ashwood area, Jefferson County, Oregon.

lapilli tuff, strongly to weakly welded ash flows, and subordinate flows of trachyandesite and rhyolite, is exposed a short distance north and west of Ashwood (D.L. Peck, written communication, 1962). Rhyolitic and andesitic domes or plugs which intrude the Clarno volcanics near the mine on the Bird claim and possibly the Ella, are thought to be possible correlatives of rocks of similar composition which occur in the John Day Formation.

Erosion of this region has produced a rugged topography in which the volcanic intrusive rocks stand out boldly above the softer tuffs and sediments that surround them. Soil cover and slide material obscure the bedrock in most places so that good exposures are usually limited to stream gullies and road cuts.

## Ore zone

The ore zone at the Oregon King mine is associated with a fault trending N. 75° W. The dip on the fault averages about 75° S. W., but it is steeper in the lower levels of the mine, according to mapping by the Alaska Juneau Co. The andesitic rocks along the fault have been brecciated, silicified, and impregnated with quartz and pyrite, together with smaller amounts

of chalcopyrite, galena, and sphalerite. Cerargyrite, silver chloride, and native silver have been reported in upper levels. Bunches of massive sulphides, largely pyrite, are occasionally found.

Reportedly, the ore occurs in lenticular pipelike masses of variable size ranging in width from a few feet to as much as 20 feet. Generally, walls of the shoots must be determined by assay. It is said that some of the shipping grade ore was difficult to distinguish visually from low grade.

Values are mainly in silver with a smaller amount of gold. Copper, lead, and zinc sulphides are found in relatively minor amounts except locally. A very little arsenic was reported in the concentrates, and stibnite was reported among the sulphides.

Other mineral deposits

Although mercury has not been found in the Oregon King mine, cinnabar mineralization, apparently associated with volcanic plugs in the Clarno Formation, occurs sporadically throughout this region. The most important of these deposits, the Horse Heaven mine, which, between 1934 and 1958, produced slightly more than 17,000 flasks of quicksilver, lies about 12 miles east of the Oregon King (Figure 1). The ore body in the Horse Heaven mine occurs in autobrecciated portions of a rhyolite plug and its subsidiary protrusions, and in adjacent breccia zones formed as a result of the rhyolite having been intruded in a highly viscous state (Waters and others, 1951) 2/. The Axe Handle mine (sec. 35, T. 9 S., R. 17 E.) is in altered rocks at the margin of a plug of augite andesite, and is reported to have produced about 150 flasks of quicksilver over a period of several years. Mercury mining in the state has now almost ceased because of the present low price of the metal.

## History

### Edwards-Thomas period (1898-1933) 3/

Development to adit level: It is reported that the outcrop of the Oregon King vein had long been known to herdsmen and range workers but its value was not recognized until 1898, when sheepherders dug into the outcrop and found some rich silver ore. A shaft was sunk 60 feet on the outcrop in 1899 when J. G. Edwards 3/, then half owner of the Hay Creek Ranch, bought the property. He, together with J. B. Cartwright of Portland, Oregon, and P. J. Quealy of Wyoming, former business associates, organized the Oregon King Mining Co. under the laws of Wyoming, and prepared to develop the property. They hired W. S. Thomas 4/ as superintendent, and shaft sinking was continued. Somewhat later both Cartwright and Quealy

2/ Waters, A. C., Brown, R.E., Compton, R.R., Staples, L.W., Walker, G.W., and Williams, Howel, 1951, Quicksilver deposits of the Horse Heaven mining district, Oregon: U. S. Geol. Survey Bull. 969-E.

3/ Biography of J. G. Edwards in Appendix at end of paper.

4/ W. S. Thomas was a mining engineer who had attended the Missouri School of Mines. He wrote a mine report for Edwards dated October 11, 1933, and much of the mine history related herein was obtained from a copy of this report.

died and in the settlement of their estates Edwards became the sole owner.

The shaft followed the vein with an initial dip of about 60° S.W. and a strike of about N. 75° W. Thomas described the vein as composed of crushed quartz and highly altered vein matter. In the upper part of the vein, silver chloride (cerargyrite) was found, as well as small amounts of native silver and a little metallic gold; both silver and gold were sometimes deposited on sulphides. At the 100-foot level values dropped abruptly and the vein was apparently barren for 23 feet, according to Thomas. At this point (123 feet) sulphides appeared and water came into the shaft in "bailable amounts." The sulphides increased in width and filled the whole shaft. The water forced suspension of shaft work until a pump could be purchased and installed.

A shipment of 14.5 tons of ore from shaft development work down to the 100-foot level was made to the Tacoma smelter in October 1899 (see Table 1). This lot gave net smelter returns of $1,764.00, or approximately $122 a ton. Thomas reports that ore below $100 a ton was placed on the dump.

At this stage of operations, an adit crosscut tunnel some 470 feet long was driven westerly from the Long Creek side of the hill to intersect the vein at 173 feet, and was designed as an aid to ventilation and the pumping load. In a report dated "Summer of 1921" by "Richards and Party" it is stated that this tunnel "cuts through several small fissures but none of commercial importance." It also states that "where first encountered in the crosscut the Oregon King vein is 17 feet wide, plus. That is, the farther wall could not be seen and at no other point was the full width of the vein disclosed. Samples were taken every 15 feet along the 173-foot level and averaged 0.138 ounce gold and 5.73 ounces silver per ton or an average value of $8.50 per ton with silver at $1.00 per ounce." Of course gold was $20 per ounce in 1921. The authors have no further information concerning Richards and Party or the purpose of their report.

## Third and fourth levels

In 1901 the shaft was continued below the second level to the third level, which Thomas places at 273 feet. Between the second and third levels the vein had steepened to a dip of 78 degrees. East and west drifts were driven at the third level. According to Thomas, the vein flattened near the fourth level and the shaft intersected a smooth wall which, when broken, showed "... a lens of solid sulphide of shipping ore grade and carries silver, gold, and some copper. Its greatest thickness at any point observed is two feet. It is more than 200 feet long on the dip and has a width of more than 50 feet where stoped on between the fourth and fifth levels."

Thomas states that in May 1901 a shipment of 45 tons of ore was sent to the Tacoma smelter, net returns of which were $2,325.39 ($51.67 a ton) and in June 1901, 20.5 tons which returned $725.71 ($ 35.40 a ton). This ore came from shaft development at and above the third level. These shipments are included in Table 1.

In the Thomas report considerable emphasis is placed on the importance of a "slickenside" which appears to be on the hanging wall side of the vein on the second level and possibly on the foot wall side below the third level. He does not mention striations on the smooth wall of the vein but he does describe what appears to be a heavy clay gouge. Whether or not this means post-mineral movement cannot be determined from his report, although he mentions "drag" of crushed ore in the gouge which continues in the shaft below the fourth level. He mentions two periods designated as "primary" and "secondary" ore in "hanging wall and foot wall systems." Some of the samples in his tabulations of assays from lower levels are identified as coming from hanging wall and foot wall ore.

Fifth and sixth levels

From 1901 to 1903 the mine was shut down because of litigation in the Federal Courts over title to the mine property. Apparently the court decision was in Edwards' favor. Tabulations of sampling and assays 5/ appear to show that shaft sampling ceased on or about June 13, 1901 with a sample from the hanging wall at 480 feet, and was resumed on or about October 17, 1903 at 484 feet. This is the last recorded shaft sample. It had a description of "Footwall side (2½ feet wide)," and the assay was 22.8 ounces silver and 0.15 ounces gold. As the fifth level was supposed to be at approximately 473 feet, these shaft samples of June 13, 1901 and October 17, 1903 were below the fifth level. According to the assay records, fifth-level samples were reported on June 14 and June 15, 1901; also beginning August 15, 1903 and continuing through March 16, 1904. All samples from the fifth level in 1904 were recorded as coming from stopes on both east and west sides of the shaft.

As indicated above, the shaft sinking was continued to the sixth level in 1903 and east and west drifts were run on both fifth and sixth levels in 1903 and 1904. Thomas reports that "the rich ore thins out as the sixth level is reached." He states that ore may be followed in the hanging wall side of the west drift on the sixth level to the face, a distance of 96 feet. In the face there is a "good showing" of ore. The east drift on this level shows no ore at its face although "some nodules of good ore were found scattered around in a soft white quartz near the shaft." His report continues "This ore body in the west drift on the sixth level has the greatest lateral extent of any yet found." Two samples taken later by Edwards and Thomas from the face of the west drift, March 10, 1930, as shown below are pertinent here.

| Sample No. | Name | Gold oz. | Silver ozs. | Copper percent | Zinc percent | Lead |
|---|---|---|---|---|---|---|
| 1 | Special High grade Stringer | 0.38 | 105.6 | present | - | - |
| 2 | All of ore on hanging side of drift ("30 inches of this") | 0.08 | 15.7 | 2.86 | 7.05 | present |

Ore shipments by Thomas: Shipments of ore from development work in the shaft between the fifth and sixth levels and from stopes "on the east and west side of the shaft between the fifth and fourth levels" were made in 1904. All the shipments made during the Edwards-Thomas period of operation are tabulated in Table 1 as quoted from the Thomas report.

Mine closed 1904; reopened 1929: Thomas recorded "In September 1904 further litigation was threatened and the property was closed down and so remained."

In 1929 Edwards reopened the mine and made some additions to the surface plant, among which were a 125-hp diesel engine and an electric generator, together with some other electrical equipment. Shaft sinking below the sixth level was begun on April 9, 1930.

5/ See Synthetic Sample log record in Appendix.

Table 1. Ores Shipped from the Shaft, Levels, and Stopes of the Oregon King Mining Co.'s Silver King Claim from August, 1899, to October, 1904.

| Date Month | Date Year | Car Designation | Weight (Dry Tons) | Net Returns (dollars) | Ore From |
|---|---|---|---|---|---|
| Oct. | 1899 | - | 14.5 | 1,764.00 | Shaft |
| May | 1901 | - | 45.0 | 2,325.39 | Shaft at and above third level. |
| June | 1901 | - | 20.5 | 725.71 | Same |
| Feb. | 1904 | #6096 | 16.0 | 741.23 | Shaft and drifts below fourth level. |
| Aug.27, | 1904 | #6434<br>(2 lots) | 52.00<br>1.93 | 3,976.83<br>431.92 | Shaft and drifts below fifth level. |
| - | 1904 | #84152 | 10.92 | 1,368.71 | Mostly from stopes between 5th and 4th levels. |
| Oct. | 1904 | #6342<br>(2 lots) | 2.408<br>15.196 | 1,675.83 | Same |
| | | Totals | 178.454 | 13,009.62 | |

Shaft sunk to seventh level: Thomas reported as follows:

"The vein is strong at the sixth level and calcite now comes in mixed with quartz and as stringers interlaced with other vein filling. There is now a crushed seam that follows down in the west side of the shaft. This shows drags of good ore all the way down to the bottom. In the main portion of the shaft there are stringers of pyrite interlaced with vein filling. At times the shaft is all in the foot wall system and away from the slickenside which it followed so long and was itself included from the fourth level down as noted before.

"At the bottom a 20-inch vein of quartz had come in next to the slickenside. The vein is still strong and carries pyrite.

"A crosscut into the hanging wall here did not show any ore but it may not be far enough to be conclusive as can readily be shown by conditions as developed in the west drift on the sixth level. There the ore is no longer just behind the

slickenside but is well back from it and shows all of the characters as drags in the crushed zone, as inclusions in the space fillings and secondary deposits. The entire drift on the sixth level is on the hanging wall side and the slickenside is well back in what has become a foot wall side of the drift."

The above comments of Mr. Thomas appear to refer mainly to the bottom of the shaft at the seventh level horizon 6/, and furnish the only evidence available of conditions at the lowest point in the mine. There are no assay records from this horizon.

Mine closed 1930: At this stage of operations when the shaft had reached the seventh level, Thomas reports that "Engine trouble had now come to be frequent and a source of annoyance, delay, and impossible expense." Operations ceased on June 20, 1930. He reports that the shaft was making 25 g.p.m. when the mine shut down.

Ruby Tunnel: The only development work of record during the Edwards-Thomas period, other than that described, was the Ruby Tunnel driven at irregular time intervals during the early part of operations. According to tabulations of assays supplied by the late Louis Enderud, who was Edwards' business manager at the Hay Creek Ranch, the Ruby Tunnel work evidently was begun as assessment work in 1899 and was continued in 1900 and 1904. The tunnel is about 600 feet east of and approximately parallel to the Oregon King second level adit.

At about 160 feet from the portal, vein material consisting of broken quartz, gypsum seams, pyrite, and clay gouge with a well defined foot wall was intersected. Here a winze 18 feet deep was sunk. Assays of winze samples taken in 1904 are shown in Synthetic Sample Log Record in Appendix. The vein strikes N. 75° W. and dips about 60° SW. The tunnel continues in barren rock from the winze to the face, a distance of about 120 feet.

## Alaska Juneau period (1934-1935)

The mine lay idle from 1930 to 1934, when the Alaska Juneau Mining Co. took possession under an option to purchase. Underground work was resumed and continued until the end of 1935, when the company gave up its option. As shown by the mine maps, Alaska Juneau explored underground on the fourth, fifth, and sixth levels. Smelter records show that during 1935 the company shipped six cars of ore containing 200 dry tons valued by the smelter at $15,374. The bulk of these shipments reportedly came from the small stopes above the fifth level.

Alaska Juneau also did considerable mine surveying and sampling. Some incomplete mine mapping was done prior to Alaska Juneau's work, but so far as is known to the authors none has been done since. Plan and assay maps prepared by Alaska Juneau are shown in Plates 1 through 8 in the Appendix. Assays of samples taken during development work in the Thomas period and recorded in the Synthetic Log are superimposed in red on the Alaska Juneau maps of the 400, 500, and 600 levels. Widths of samples and even approximate locations are missing in most sample descriptions of the early development work.

6/ Custer Young, written communication (1962), says that the shaft is 718 feet deep. Whether or not Alaska Juneau measured the shaft is not recorded. On that company's longitudinal cross section it scales in excess of 675 feet vertically.

Rohlfing-Anderegg period (1940-1950)

Rohlfing lease: After Alaska Juneau stopped work, the mine was idle until 1940 when Edwards leased the property to Ernest Rohlfing, a Portland wheat broker with whom Edwards had previously had business dealings. The lease, besides setting a royalty, said to have been 15 percent, called for a percentage of the receipts from ore shipments to be set aside for the purchase of a mill. Rohlfing had Custer Young of Ashwood and Frank Dahlquist of Boise as partners.

Smelter shipments were started in October 1940, and the first shipments were 14 cars from the ore pile of the mine dump. Then, later, ore was shipped from the 25-foot, 50-foot, and 100-foot levels in addition to the dump ore. Total shipments in 1940 as reported by the U. S. Bureau of Mines amounted to 1,062 dry tons containing 329 ounces of gold, 20,313 ounces of silver, 6,169 pounds of copper, and 29,474 pounds of lead. Shipments in succeeding years are tabulated later in this report.

In May to July, 1941, metallurgical testing work was done on a sample of Oregon King ore (110 pounds) by the Denver Equipment Co. There is no record of source of the sample or how it was obtained. A report of the test results was submitted by Denver Equipment Co. under date of July 9, 1941, together with a recommended flow sheet. The test sample assayed 0.15 ounce gold, 9.45 ounces silver, trace lead, 0.88 percent copper, 0.40 percent zinc, 6.75 percent iron, 6.09 percent sulphur, no arsenic, and 0.20 percent antimony. Bulk flotation with one cleaning of concentrate by flotation was recommended, together with tabling of flotation tailings, and table concentrates added to flotation concentrates. As reported, selective flotation did not seem advisable because a pyritic tailing carried too much gold and silver to be discarded as waste.

The mill was purchased and installation finished in July 1942. Custer Young reported that the first car of concentrates was shipped July 28, and that the mill feed was obtained from both the mine dump and the 200 level. According to the U. S. Bureau of Mines' records of production, 2,354 dry tons of ore and 261 dry tons of concentrates were shipped in 1942.

Rohlfing took over full ownership of the lease from Young and Dahlquist in August 1942; then he subleased to George Fenton and Charles Silbaugh in October 1942. Fenton and Silbaugh shipped one car of ore from the mine dump and seven cars of concentrates. They gave up their sublease in March 1943.

Anderegg lease: Rohlfing operated intermittently until 1945 when he sold his lease to Henry Anderegg. Young returned as superintendent in 1945 and stayed about one year. Work was somewhat intermittent as shown by smelter shipments, although some improvement is evident in early 1947. In the last half of 1947, however, some cars of ore were shipped which were too low grade to pay expenses. No record of where these shipments were mined is available. There is no record of production or other activity for 1948 or 1949.

In 1950 Frank A. McMenamin of Portland became associated with Anderegg in the management of the mine and there was a resumption of activity. In August 1950 a car of concentrates (39 tons) obtained from milling 200 tons of ore was shipped to Tacoma. The return was 23 ounces of gold and 1,886 ounces of silver plus 700 pounds of copper. This was the last shipment.

At about this time a power transmission line was put into the property by the Wasco County P.U.D. and the Oregon King has a transformer on a pole structure near the shaft.

In September 1950 a night fire which, as reported at the time, apparently started on the second level, traveled up the shaft timbers, and burned the shaft house, containing hoist and compressor, and bunkers. Mr. McMenamin reported that "... the fire continued in the sulphide

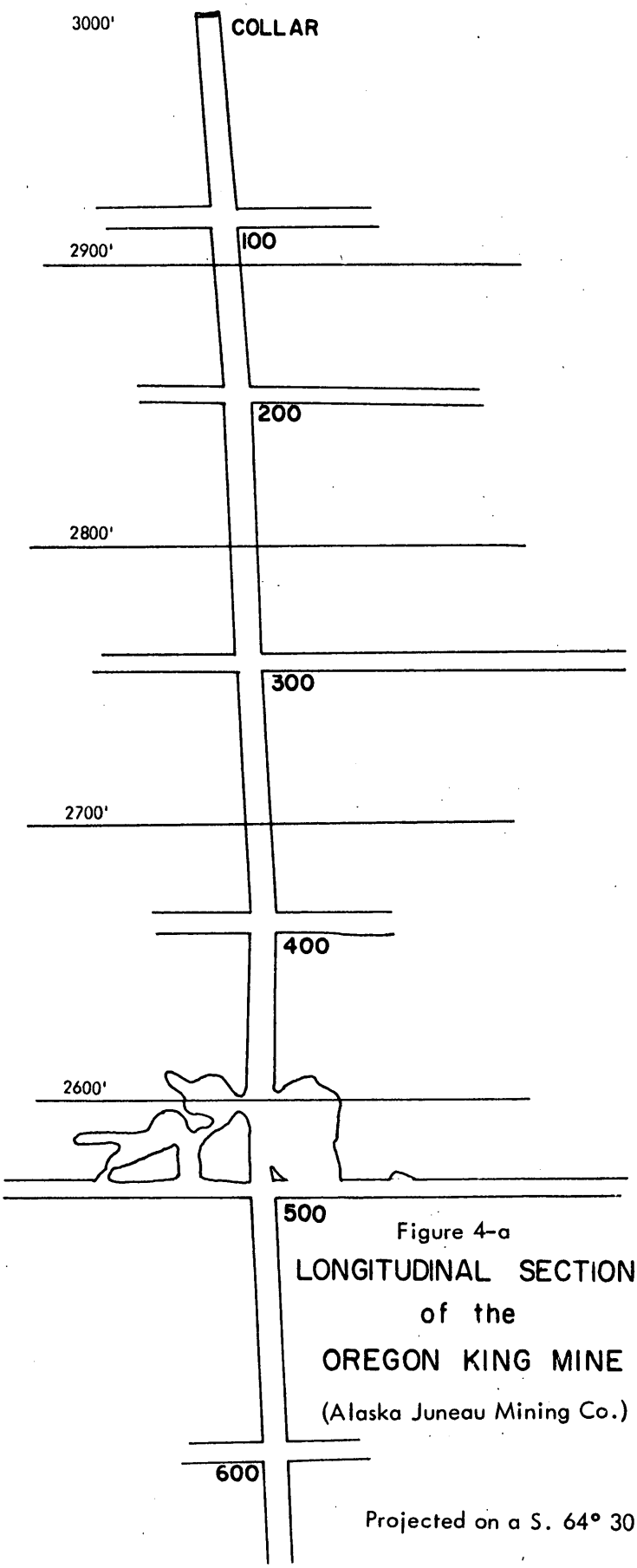



Figure 4-a

LONGITUDINAL SECTION of the OREGON KING MINE

(Alaska Juneau Mining Co.)

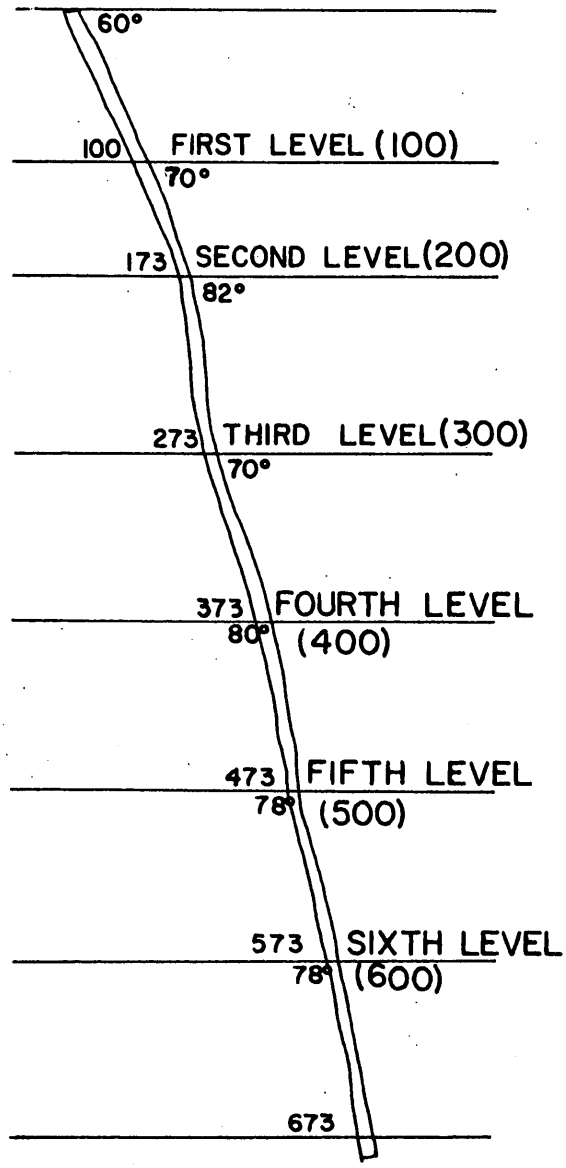



Figure 4-b

SECTION of SHAFT LOOKING EAST

(F. W. Libbey)

Projected on a S. 64° 30' E. plane

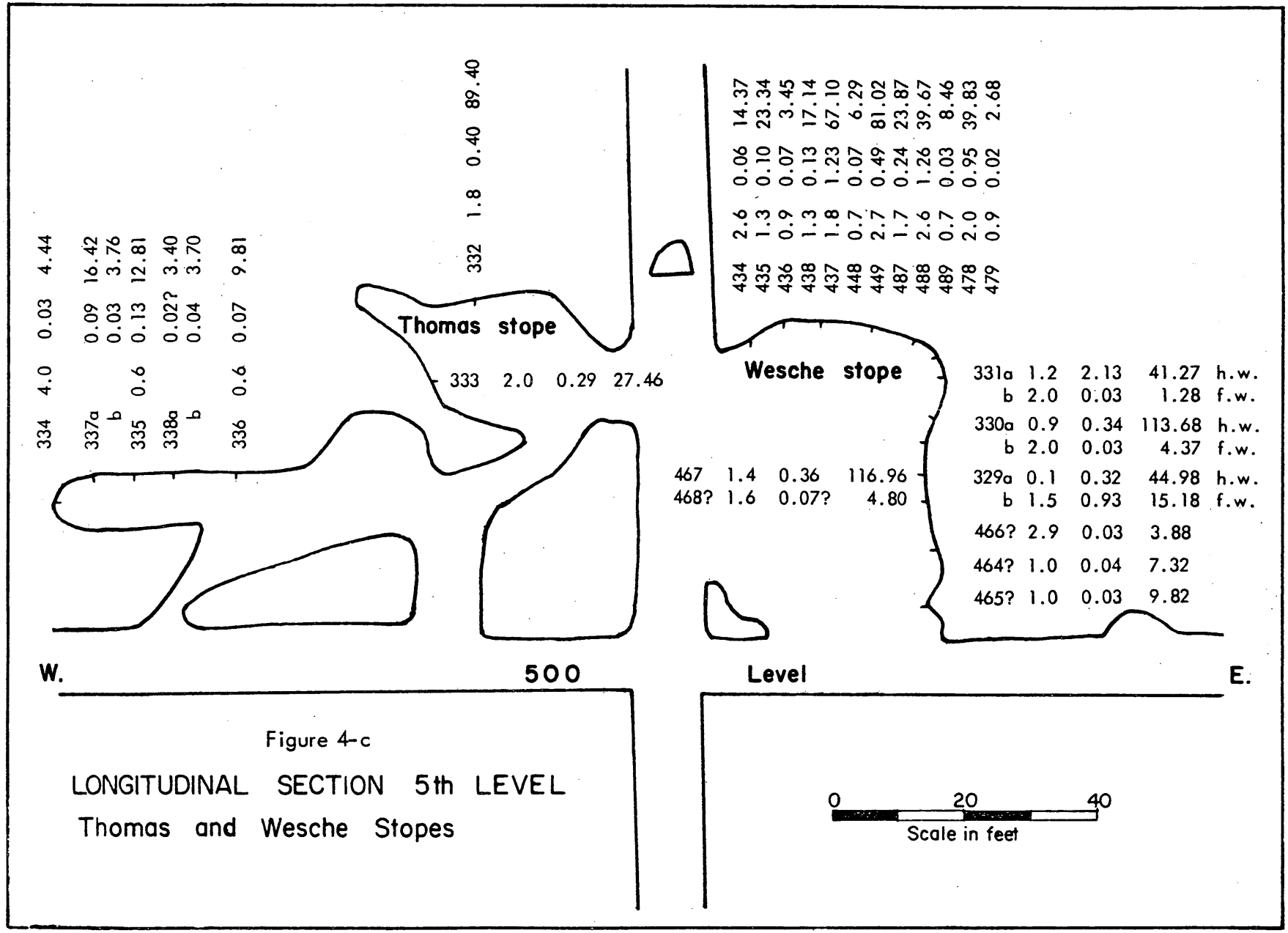



Figure 4-c

LONGITUDINAL SECTION 5th LEVEL
Thomas and Wesche Stopes

ore for some two weeks until we had to put in a large charge of dynamite and blast down below to shut off the air currents."

The fire caused a stoppage of all mining activity, and seemingly soon thereafter the lease was canceled. Nothing has been done at the mine since.

## Mine Development

### Thomas report maps

No adequate mine level maps or assay maps of the early development work have been found. A blue print showing both a cross section of the shaft to the fifth level and a plan of the adit tunnel, together with drifts to the fifth level, accompanied the Thomas report. Who prepared this map is not recorded. Also there is a smaller print prepared by Victor J. Jory, United States Deputy Mineral Surveyor, showing contours of the surface near the shaft collar. Neither map is dated. At the time these maps were compiled, approximately 873 feet of lateral work had been done underground including the adit tunnel, which scales 468 feet. The shaft was about 485 feet deep.

### Synthetic sample log record

From the records furnished by the late Louis Enderud, it appears that Alaska Juneau prepared a log of samples and assays obtained in development work under Thomas, utilizing daily report sheets which they found at the mine (see Appendix). However, many of these sheets were missing, leaving gaps in the log. In addition most of the descriptions that were found did not give sample widths and locations.

### Alaska Juneau mine maps

Alaska Juneau prepared a longitudinal section (Figure 4-a) as well as plan and assay maps down to and including the sixth level. These indicate that they did several hundred feet of development work, the exact amount of which cannot be determined because of incomplete knowledge of the early work. A section on the shaft looking east (Figure 4-b) was constructed by the authors to show the variation in dip of the ore zone as it was followed downward during the initial development. Alaska Juneau's maps show a total lineal footage of about 3,500 feet in the mine, including about 700 feet of shaft, up to and including 1935. It is believed that only a relatively small amount of development work was done by the lessees in the 1940's, and that only on the second level. Comparing the present east drift on this level with the Alaska Juneau map, it is indicated that the lessees extended this drift about 200 feet. The only assay records of the leasing period, that is, 1940-1950, are the smelter reports.

### Stoping report

Known ore is reportedly stoped out completely above the second level, and, to a large extent, above the third level. There is no evidence of stoping on the fourth level. The Alaska Juneau longitudinal section (Figure 4-a) shows small stopes above the fifth level (Figure 4-c). These stopes scale about 30 feet long and 40 feet high on the east side of the shaft and

irregularly 20 feet by 20 feet on the west side of the shaft. They probably represent in part the source of ore mined by Alaska Juneau for shipment in 1935. An Alaska Juneau assay record sheet found in Louis Enderud's files names the stope east of the shaft the "Wesche Stope" and the one west of the shaft "Thomas Stope." In both of these stopes some rather high gold values were recorded, and probably a higher than average gold-silver ratio. Average assays reported are as follows:

| Stope Name | Samples | | | Assays | |
|---|---|---|---|---|---|
| | Description | Location | Width (feet) | Gold (ozs.) | Silver (ozs.) |
| Wesche (east) | Back 25 feet long | Hanging wall | 2.75 | 0.74 | 44.6 |
| " " | " " | Foot wall | 0.9 | 0.10 | 13.8 |
| Thomas (west) | Back 20 feet long | Hanging wall | 3.9 | 3.18 | 24.7 |
| " " | " " | Foot wall | 2.0 | 0.10 | 3.9 |

An average of 23 samples from the Wesche (east) Stope taken in the back and breast gives 0.38 ounce of gold and 29.8 ounces of silver. In the Thomas (west) Stope only two samples are recorded. They average 0.34 ounce of gold and 58.43 ounces of silver. In the short sub-level off the Thomas Stope an average of seven samples gives 0.06 ounce of gold and 7.5 ounces of silver.

## Recent Sampling

An inspection of the mine area was made by the senior author in 1957. This included sampling as follows: Samples No. 1 and No. 2, as shown on Figure 5, were taken in the second level adit (173 feet below the surface) and consisted of chips along the southeast wall for a distance of 25 feet beginning at a pyrite seam 240 feet from the portal. The rock was somewhat bleached and contained sparse pyrite. It assayed trace of gold, 0.32 ounce of silver, and no copper. Sample No. 2 was taken in the same way along the succeeding 25 feet of the adit toward its junction with the main east drift of the level. It assayed a trace of gold, 0.24 ounce of silver, and no copper.

Sample No. 3 was chipped across 5 feet of the face of a small cut on west side of the gulch west of and below the mine dump and road, probably on the east end of the Ella claim. The material in the cut, which is in line with the strike of the Oregon King vein outcrop, is silicified, fissured, iron-stained rock with no visible sulphides. Sample No. 3 assayed a trace of gold and 1.28 ounces of silver.

Sample No. 4 was a grab of the mill tailings along a face, cut by Long Creek. As a large part of the tailings has been washed away, the sample may not be representative. It assayed a trace of gold and 1.64 ounces of silver.

Sample No. 5 was a grab from the "ore" pile on the dump of a prospect shaft at the top of the hill east of the portal of the adit tunnel. According to Custer Young, this shaft is on the Bird claim. Two shafts about a hundred feet apart at this place were sunk on the same vein, striking about S. 80° E. with a very steep dip. The vein is in a well-defined fissure in altered rhyolite. Some specks of galena were seen. Sample No. 5 assayed a trace of gold and 1.08 ounces of silver.

Table 2 - Oregon King Mine. Production 1935-1950*

| Year | Dry Tons Shipped or Milled | Concentrates (Dry Tons) | Smelter | Gold (Ounces) | Silver (Ounces) | Copper (Pounds) | Lead (Pounds) |
|---|---|---|---|---|---|---|---|
| 1935 | 200 | 0 | Tacoma | 315 | 7,471 | 4,026 | 5,794 1/ |
| 1936-39 | No production | 0 | | | | | |
| 1940 | 1,062 | 0 | Tacoma | 329 | 20,313 | 6,000 | 18,000 1/ |
| 1941 | 2,348 | 0 | Tacoma | 945 | 88,823 | 14,000 | 34,000 1/ |
| 1942 | 2,615 3/ | 261 | Midvale, Tacoma | 333 | 56,797 | 14,000 | 20,000 2/7/ |
| 1943 | 1,248 4/ | 178 | Midvale, Tacoma | 108 | 9,727 | 5,700 | 7,800 2/ |
| 1944 | 1,561 5/ | 90 | Tacoma | 150 | 16,754 | 6,000 | 8,000 1/ |
| 1945 | 120 | 0 | Tacoma | 38 | 8,443 | 350 | 677 1/ |
| 1946 | 24 | 0 | Tacoma | 6 | 954 | 300 | 600 1/ |
| 1947 | 988 | 0 | Midvale, Tacoma | 172 | 21,234 | 8,000 | 14,000 2/ |
| 1948-49 | No production | | | | | | |
| 1950 | 200 6/ | 39 | Tacoma | 23 | 1,886 | 700 | 1,200 1/ |
| Totals | 10,366 | 568 | | 2,419 | 232,402 | 59,076 | 110,071 |

*Adapted from U. S. Bureau of Mines records.

1/ No lead recovered at Tacoma smelter.

2/ Lead and copper, but not zinc, recovered and paid for at Midvale smelter.

3/ Includes 1,035 dry tons mine ore, and 400 tons dump ore from which was recovered 202 ounces of gold and 39,459 ounces of silver. Included also is total of 1,180 tons milled producing 261 tons of concentrates which returned 313 ounces of gold and 17,338 ounces of silver.

4/ Includes 98 tons of crude ore shipped from which was recovered 16 ounces of gold and 1,153 ounces of silver. Included also is a total of 1,150 tons milled which gave 178 tons of concentrates containing 92 ounces of gold and 8,574 of silver.

5/ Includes 661 tons of crude ore containing 114 ounces of gold and 12,305 ounces of silver. Included also is a total of 900 tons of ore milled producing 90 tons of concentrates containing 36 ounces of gold and 4,449 ounces of silver.

6/ 200 tons milled which gave 39 tons of concentrates containing 23 ounces of gold and 1,886 ounces of silver.

7/ Zinc in concentrates shipped to Midvale amounted to 18,103 pounds. Total zinc in crude ore shipped to smelters was 37,351 pounds.

Table 3 - Total Values of Shipments from Oregon King Mine according to Smelter Sheets and Thomas Records
From 1899 to 1950 Inclusive

BULK ORE

| Operating Periods Selected | Dry Weight Tons | Total Smelter Value (dollars) | Smelter Payments (dollars) | Av. per ton Smelter Value (dollars) | Av. per ton Smelter Payments (dollars) | Average Assays Au oz. | Average Assays Ag oz. | Remarks |
|---|---|---|---|---|---|---|---|---|
| Earliest records 1899-1901-1904 | 178.434 | 13,009.62 2/ | 13,009.62 | | 72.90 | 2.55 | 118.9 1/ | 7 lots |
| Alaska Juneau 1935 | 200.267 | 15,374.39 | 13,100.60 | 75.70 | 70.40 | 1.71 | 37.7 | 3 lots |
| Rohlfing 1940-1945 incl. 6 years | 5,874.447 | 174,357.25<br>1,585 3/ | 144,453.42<br>1,313 3/ | 29.70 | 24.60 | 0.30 | 33.1 | 110 cars |
| Rohlfing and Anderegg 1946-1950 incl. | 979.172 | 22,543.05<br>1,127 3/ | 14,348.71<br>717 3/ | 23.00 | 14.70 | 0.20 | 20.0 | 20 cars |
| Totals and Averages | 7,334.212 | 233,693.11 | 192,692.85 | 31.85 | 26.27 | | | |

1/ Assay values for 1899 and 1901 not available. Assay value for 8.892 tons shipped (7 lots) in 1904 (Enderud's records).

2/ Assumed smelter value and smelter payments were same because records for 1899 and 1901 are incomplete.

3/ Average value per car.

4/ Average assays for copper 0.37, lead 1.22, zinc 1.28.

Table 4 - Values of Concentrate Shipments from Oregon King Mine

| Date | Dry Wt. Tons | Total Smelter Value | Smelter Payments | Av. per ton Smelter Value | Av. per ton Smelter Payments | Average Assays (Arithmetical) | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | | Au oz. | Ag oz. | Cu % | Pb % | Zn % | Fe % | $SiO_2$ % |
| 8/15/42 | 41.385 | 2,870.57 | 2,381.19 | 69.30 | 57.50 | 0.38 | 84.02 | 1.49 | 3.3 | 2.3 | - | 9.8 |
| 9/25/42 | 37.346 | 2,349.69 | 1,913.86 | 63.20 | 51.20 | 0.45 | 71.24 | 1.45 | 3.7 | 4.2 | - | - |
| 11/10/42 | 47.934 | 2,968.07 | 2,257.05 | 61.92 | 47.10 | 0.41 | 71.00 | 1.25 | 2.4 | 3.6 | 34.1 | - |
| 1/4/43 | 39.565 | 2,353.63 | 1, 906.63 | 59.60 | 48.70 | 0.78 | 51.02 | 1.24 | 3.2 | 3.8 | - | - |
| 1/15/43 | 45.281 | 2,015.94 | 1,547.54 | 44.40 | 34.10 | 0.36 | 48.40 | 1.33 | 2.4 | 3.3 | - | - |
| 1/25/43 | 47.083 | 2,492.90 | 1,947.92 | 51.70 | 41.50 | 0.50 | 53.71 | 1.55 | 2.1 | 2.5 | - | - |
| 8/9/44 | 47.207 | 2,309.03 | 1,788.90 | 48.00 | 37.90 | 0.53 | 46.56 | 1.45 | 3.6 | 3.4 | 34.2 | 9.0 |
| 11/8/44 | 42.745 | 1,911.92 | 1,466.64 | 44.60 | 34.30 | 0.29 | 52.72 | 0.97 | 3.0 | 3.0 | - | 10.4 |
| 6/19/45 | 23.751 | 845.74 | 593.38 | 35.60 | 25.00 | 0.27 | 40.21 | - | - | Tr | - | 17.1 |
| 4/25/47 | 33.275 | 2,001.49 | 1,616.17 | 60.10 | 48.50 | 0.25 | 61.00 | 1.33 | 3.95 | - | - | - |
| 8/23/50 | 39.117 | 2,359.61 | 1,712.76 | 60.50 | 43.80 | 0.60 | 48.22 | 0.91 | - | - | - | - |
| Totals | 444.699 | 24,478.59 | 19,132.04 | 55.04 | 42.79 | 0.435 | 57.10 | 1.30 | 3.07 | 3.26 | 34.2 | 9.55 |

Note: In shipment dated 8/9/44, 0.31% arsenic was reported.

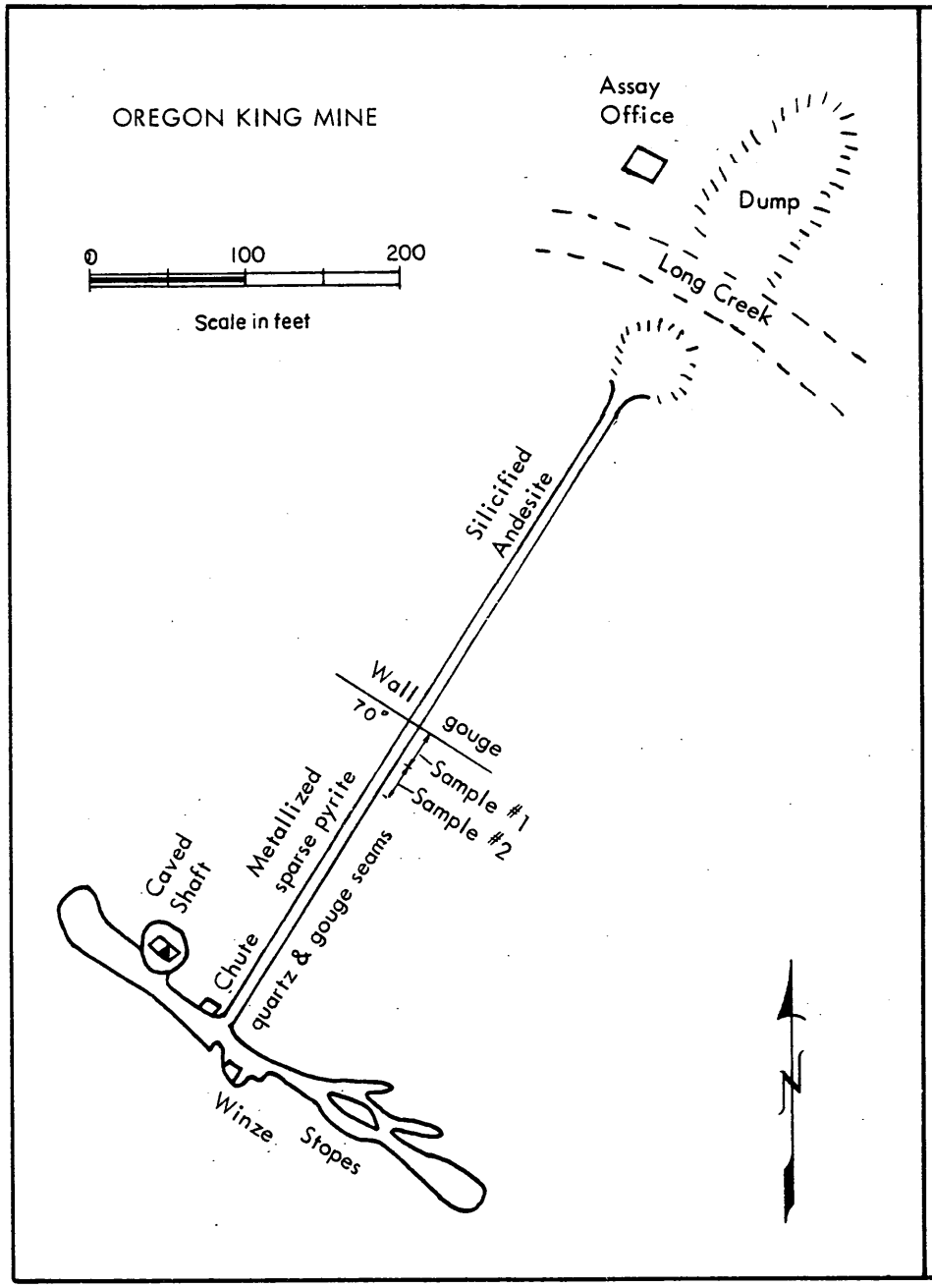



Figure 5 - Sketch of plan of second level adit.

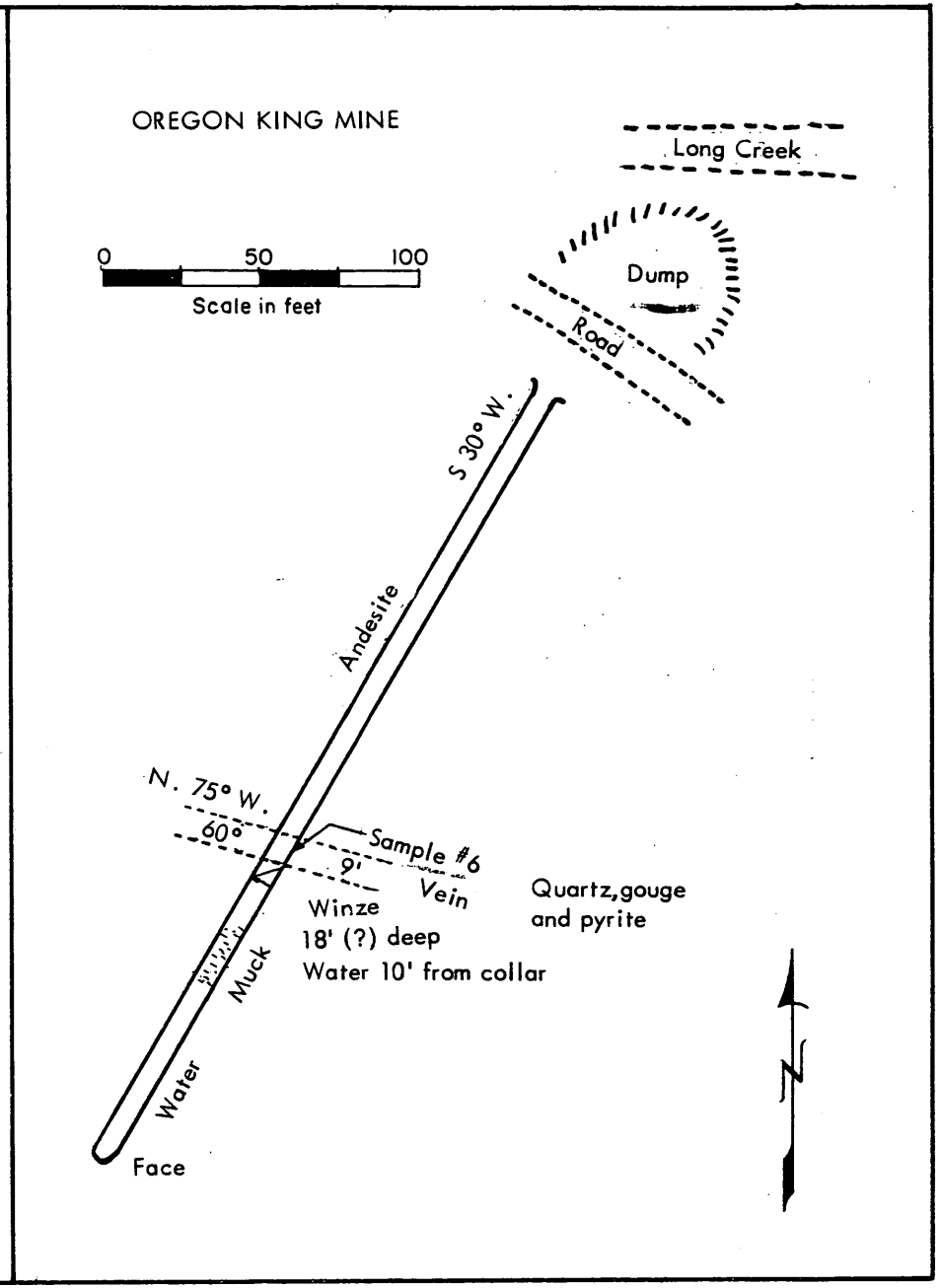



Figure 6 - Sketch of plan of Ruby Tunnel.

Sample No. 6 was a channel across 9 feet of vein material with a well-defined footwall at the top of the winze in the Ruby Tunnel (Figure 6).

All places sampled and inspected were tested with a scintillator. A variation in background count was recorded due to mass effect underground, but no significant radioactivity was noted anywhere.

## Production

Table 2 gives production records of the Oregon King 1935-1950 adapted from statistics supplied by the U. S. Bureau of Mines.

A tabulation of smelter returns (Table 3) in the files of the Trustee was made to compare with the Bureau's records. These records (Table 2) show a greater total tonnage than the smelter sheets. Even with some of the smelter sheets missing, the tabulation represents a reliable average unit value of mine production including grade of mill concentrates. Also the tabulation includes the small shipments of the earliest records not found in the Bureau report.

The apparent divergence in values between smelter assays of shipments and their settlement sheets is explained by the smelter discounts from government prices of both gold and silver. The smelter paid a little less than $32 an ounce for gold. The market price of silver varied in the 1940's from a low of 35 cents an ounce on two cars in 1940 to 90 cents beginning in 1947. Silver increased in price first in 1940 to 70-5/8 cents, then to 90 cents early in 1947. The smelter paid for 95 percent of the silver.

Iron and silica percentages for crude ore shipments are not given in Table 3, but it is estimated that the iron average was about 10 to 12 percent and the silica about 60 percent.

In the latter part of 1947 some ore was shipped which was too low grade to pay its way. According to smelter settlement sheets, the last car of crude ore shipped (October 21, 1947) averaged $5.20 per ton and showed a debit of $284.75.

As shown by Tables 2 and 4, the concentrates produced by floation indicate a low concentration ratio and are relatively low grade. It seems probable that the milling results could be improved by further testing. However, Denver Equipment Co. reported that its tests showed that on the sample submitted, selective flotation was only partially successful, because depressed pyrite carried too much gold and silver to be discarded; therefore a bulk concentrate was recommended.

## Acknowledgments

The authors are grateful for assistance rendered by the Trust Department of The First National Bank of Oregon; The U.S. Bureau of Mines; Oregon Historical Society; Dr. Dallas Peck of the U.S. Geological Survey; Dean Geo. W. Gleason of Oregon State University; Mr. Custer Young; Mr. P. R. Bradley, Jr.; Mr. Wm. Enderud; and Mr. Henry J. O'Carrole.

# APPENDIX

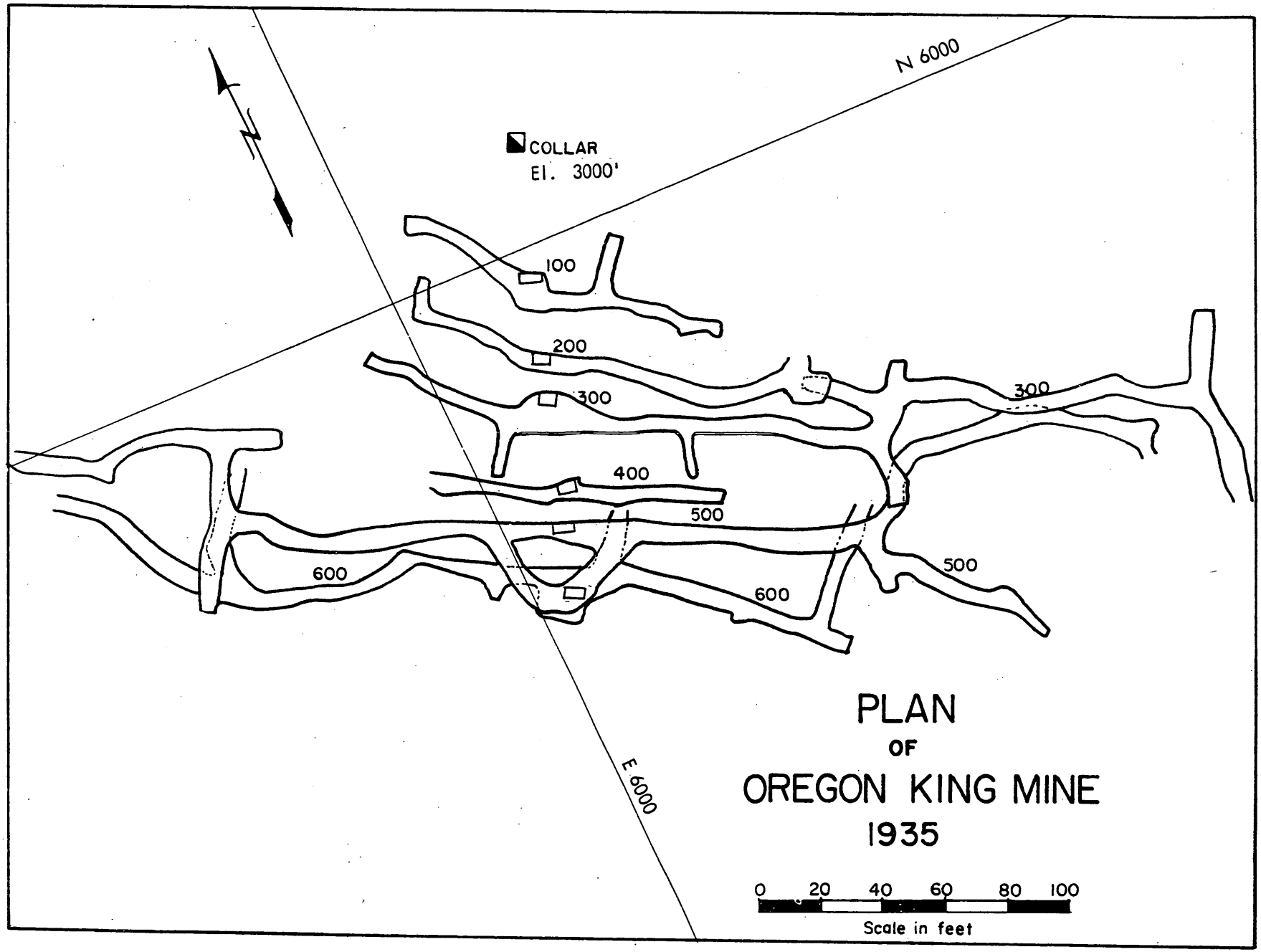
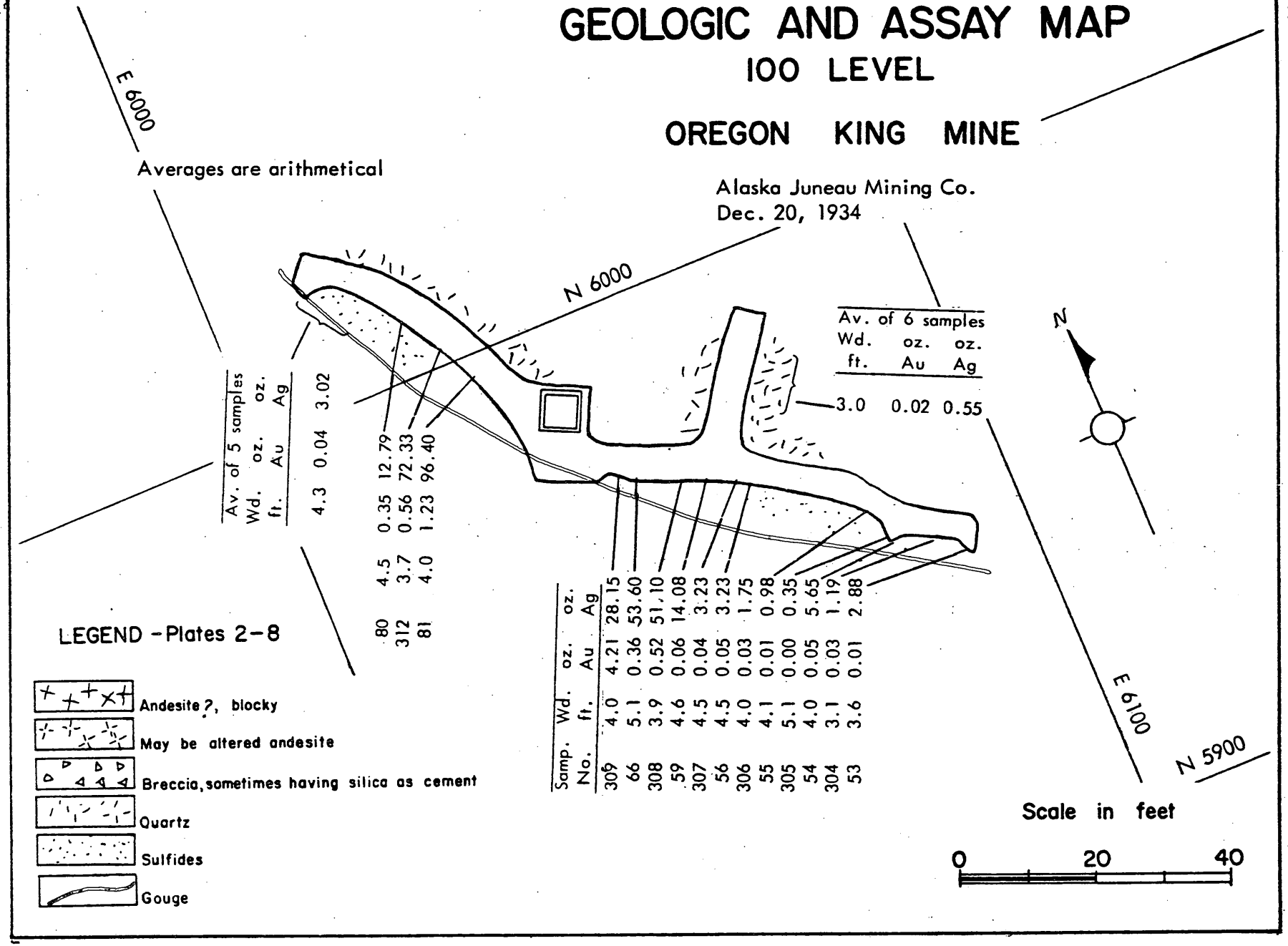

N 6000
COLLAR
El. 3000'
100
200
300
400
500
600
300
500
600
E 6000
PLAN
OF
OREGON KING MINE
1935
0 20 40 60 80 100
Scale in feet

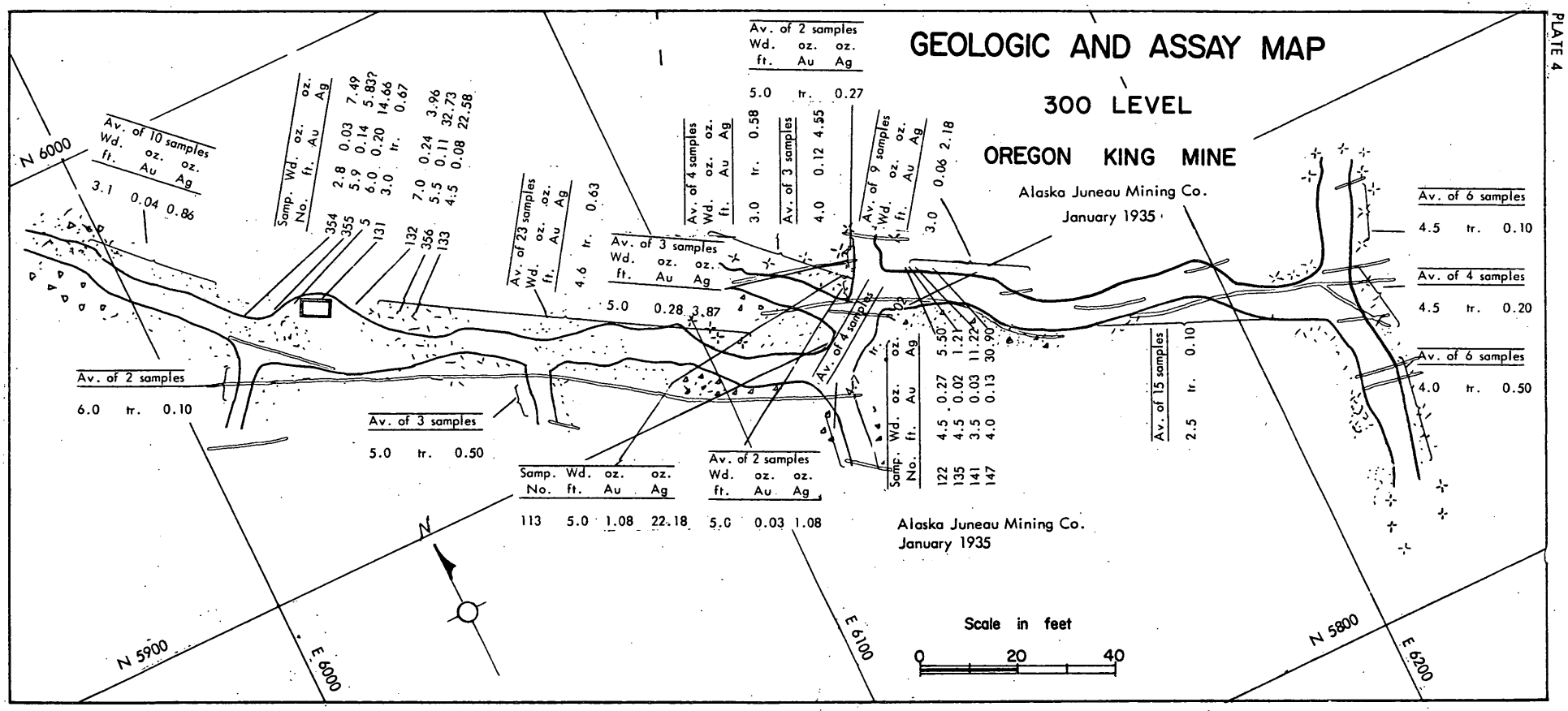
Plate 1

# GEOLOGIC AND ASSAY MAP
## 100 LEVEL
## OREGON KING MINE

Alaska Juneau Mining Co.
Dec. 20, 1934

Averages are arithmetical



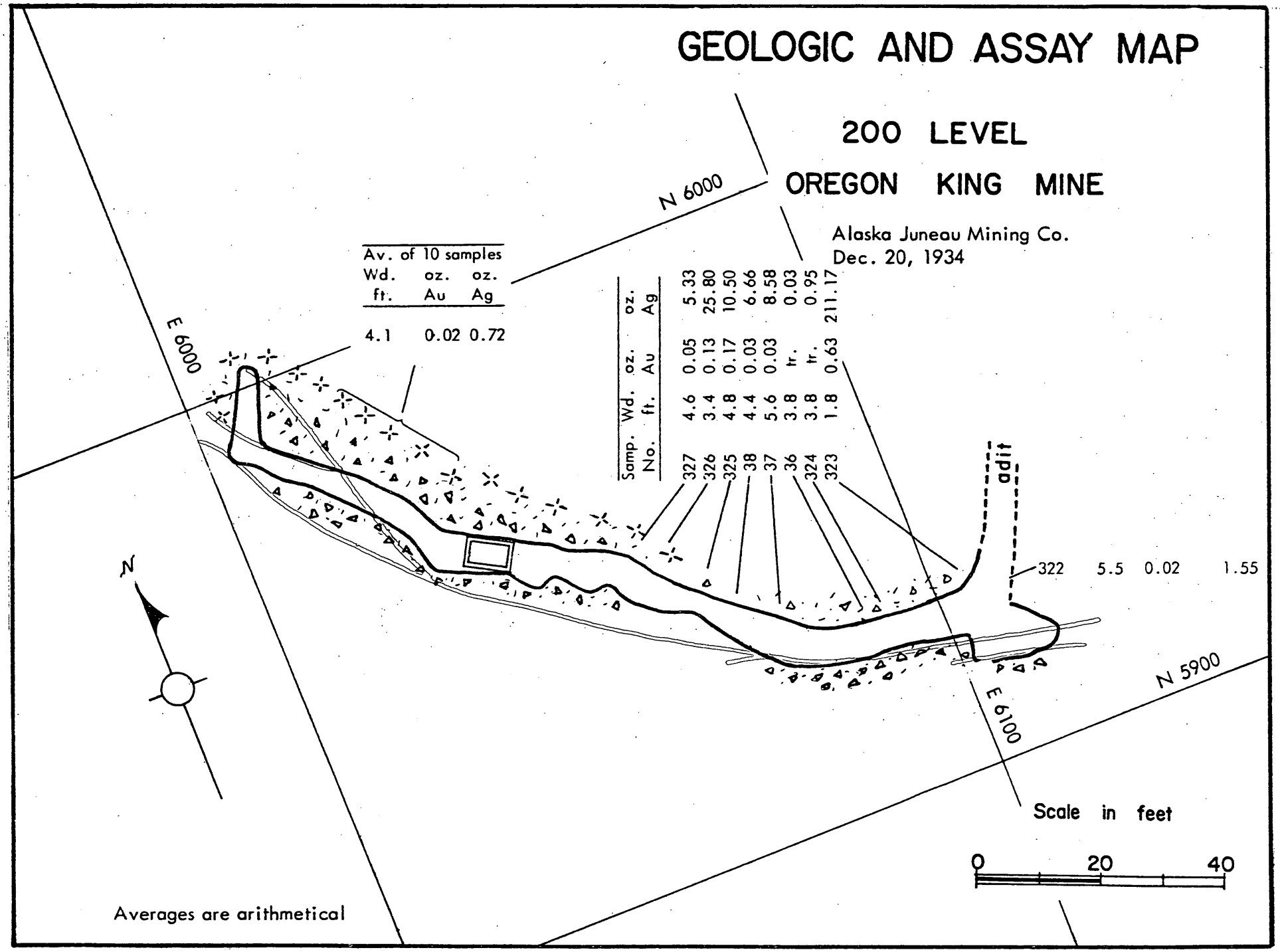

GEOLOGIC AND ASSAY MAP
300 LEVEL
OREGON KING MINE
Alaska Juneau Mining Co.
January 1935
Av. of 10 samples
Wd. ft. oz. Au oz. Ag
3.1 0.04 0.86
Samp. No. Wd. ft. oz. Au oz. Ag
354 2.8 0.03 7.49
355 5.9 0.14 5.83?
5 6.0 0.20 14.66
131 3.0 tr. 0.67
132 7.0 0.24 3.96
356 5.5 0.11 32.73
133 4.5 0.08 22.58
Av. of 23 samples
Wd. ft. oz. Au oz. Ag
4.6 tr. 0.63
Av. of 3 samples
Wd. ft. oz. Au oz. Ag
5.0 0.28 3.87
Av. of 4 samples
Wd. ft. oz. Au oz. Ag
3.0 tr. 0.58
Av. of 3 samples
4.0 0.12 4.55
Av. of 2 samples
Wd. ft. oz. Au oz. Ag
5.0 tr. 0.27
Av. of 9 samples
Wd. ft. oz. Au oz. Ag
3.0 0.06 2.18
Av. of 4 samples
Samp. No. Wd. ft. oz. Au oz. Ag
122 4.5 0.27 5.50
135 4.5 0.02 1.21
141 3.5 0.03 11.22
147 4.0 0.13 30.90
Av. of 15 samples
2.5 tr. 0.10
Av. of 6 samples
4.5 tr. 0.10
Av. of 4 samples
4.5 tr. 0.20
Av. of 6 samples
4.0 tr. 0.50
Av. of 2 samples
6.0 tr. 0.10
Av. of 3 samples
5.0 tr. 0.50
Samp. No. Wd. ft. oz. Au oz. Ag
113 5.0 1.08 22.18
Av. of 2 samples
Wd. ft. oz. Au oz. Ag
5.0 0.03 1.08
Alaska Juneau Mining Co.
January 1935
N
Scale in feet
0 20 40
N 6000
N 5900
N 5800
E 6000
E 6100
E 6200

# GEOLOGIC AND ASSAY MAP

## 200 LEVEL

## OREGON KING MINE

Alaska Juneau Mining Co.
Dec. 20, 1934




| Av. of 10 samples | | |
|---|---|---|
| Wd. ft. | oz. Au | oz. Ag |
| 4.1 | 0.02 | 0.72 |

| Samp. No. | Wd. ft. | oz. Au | oz. Ag |
|---|---|---|---|
| 327 | 4.6 | 0.05 | 5.33 |
| 326 | 3.4 | 0.13 | 25.80 |
| 325 | 4.8 | 0.17 | 10.50 |
| 38 | 4.4 | 0.03 | 6.66 |
| 37 | 5.6 | 0.03 | 8.58 |
| 36 | 3.8 | tr. | 0.03 |
| 324 | 3.8 | tr. | 0.95 |
| 323 | 1.8 | 0.63 | 211.17 |
| 322 | 5.5 | 0.02 | 1.55 |

Averages are arithmetical

Plate 3

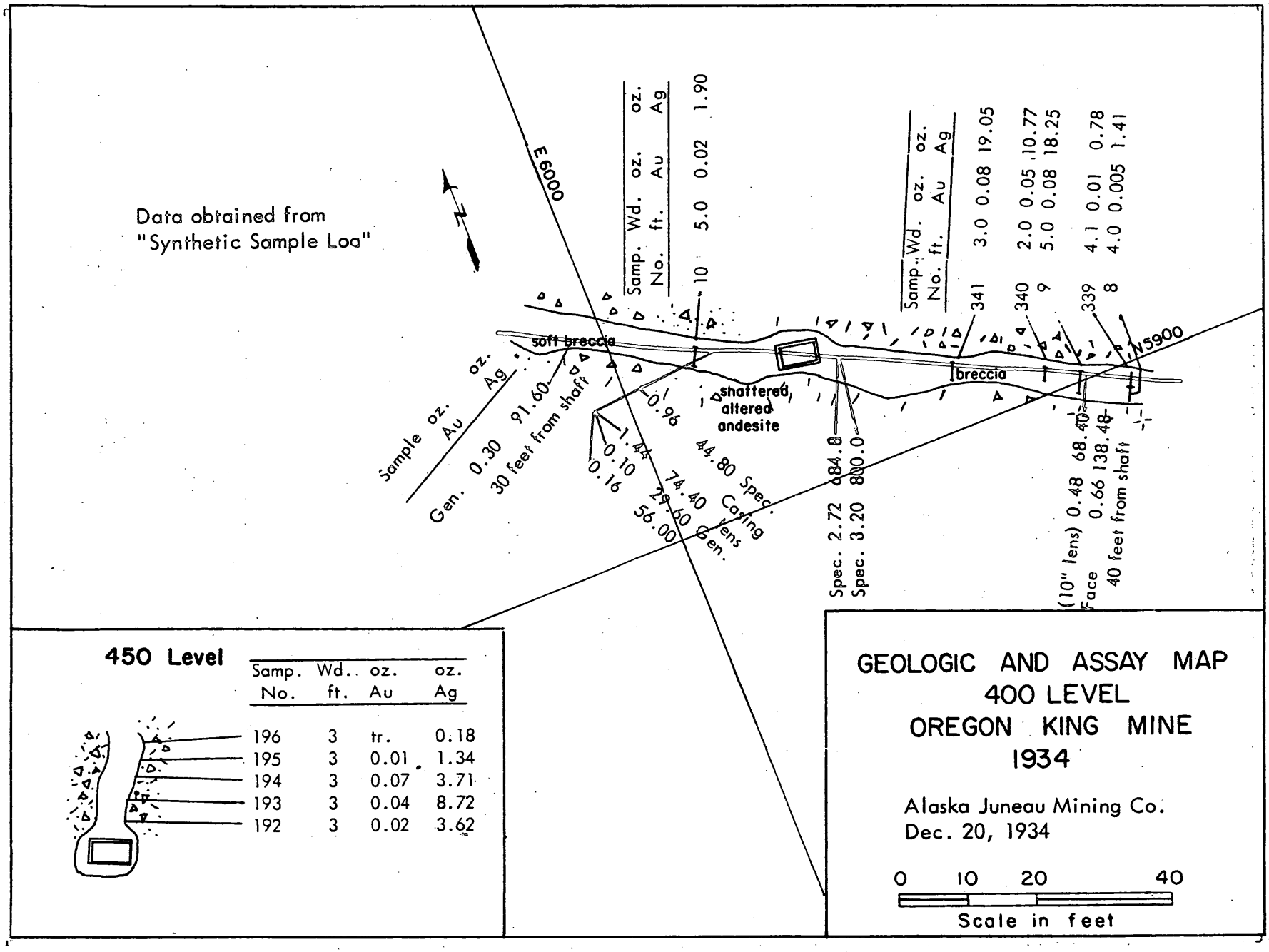
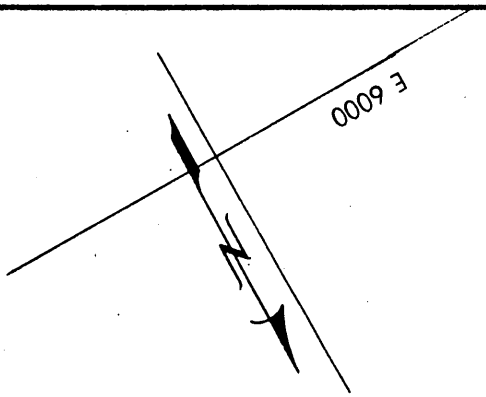
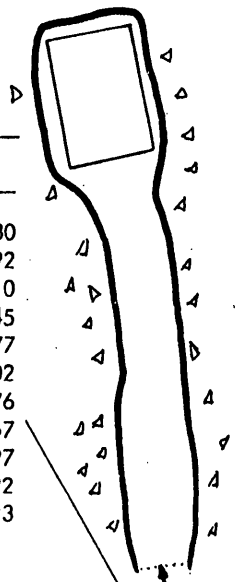

Data obtained from
"Synthetic Sample Log"
N
E 6000
N 5900
Samp. No. | Wd. ft. | oz. Au | oz. Ag
10 | 5.0 | 0.02 | 1.90
341 | 3.0 | 0.08 | 19.05
340 | 2.0 | 0.05 | 10.77
9 | 5.0 | 0.08 | 18.25
339 | 4.1 | 0.01 | 0.78
8 | 4.0 | 0.005 | 1.41
soft breccia
shattered altered andesite
breccia
Sample oz. Au oz. Ag
Gen. 0.30 91.60
30 feet from shaft
0.96
1.44
0.10
0.16
44.80 Spec.
74.40 Casing
29.60 Lens
56.00 Gen.
Spec. 2.72 84.8
Spec. 3.20 800.0
(10" lens) 0.48 68.40
Face 0.66 138.48
40 feet from shaft
450 Level
Samp. No. | Wd. ft. | oz. Au | oz. Ag
196 | 3 | tr. | 0.18
195 | 3 | 0.01 | 1.34
194 | 3 | 0.07 | 3.71
193 | 3 | 0.04 | 8.72
192 | 3 | 0.02 | 3.62
GEOLOGIC AND ASSAY MAP
400 LEVEL
OREGON KING MINE
1934
Alaska Juneau Mining Co.
Dec. 20, 1934
0 10 20 40
Scale in feet



PLATE 5

Plate 6



| Samp. No. | Wd. ft. | oz. Au | oz. Ag |
|---|---|---|---|
| 434 | 2.6 | 0.05 | 14.30 |
| 486 | 2.0 | 0.93 | 40.92 |
| 437 | 1.8 | 1.23 | 67.10 |
| 436 | 0.9 | 0.02 | 3.45 |
| 484 | 2.4 | 1.02 | 102.77 |
| 449 | 2.7 | 0.49 | 81.02 |
| 482 | 3.0 | 0.39 | 40.76 |
| 458 | 2.6 | 1.26 | 39.67 |
| 480 | 4.0 | 0.74 | 38.97 |
| 477 | 3.5 | 0.90 | 19.22 |
| 478 | 2.0 | 0.96 | 39.23 |

| Samp. No. | Wd. ft. | oz. Au | oz. Ag |
|---|---|---|---|
| 435 | 1.3 | 0.10 | 23.34 |
| 485 | 0.7 | 0.02 | 5.29 |
| 438 | 1.0 | 0.13 | 17.14 |
| 483 | 0.7 | 0.03 | 3.78 |
| 448 | 0.7 | 0.02 | 6.29 |
| 481 | 0.7 | 0.03 | 8.30 |
| 457 | 1.7 | 0.24 | 23.57 |
| 479 | 0.9 | 0.02 | 2.68 |

Samples from face projected on horizontal plane.

Back

| | | | |
|---|---|---|---|
| 464 | 1.0 | 0.04 | 7.32 |
| 466 | 2.9 | 0.03 | 3.83 |
| 329a | 0.1 | 0.32 | 44.98 |
| 467 | 1.4 | 0.36 | 116.36 |
| 475 | 1.7 | 0.76 | 62.46 |
| 331a | 1.2 | 2.13 | 41.27 |

| | | | |
|---|---|---|---|
| 468 | 1.0 | 0.03 | 9.52 |
| 329b | 1.5 | 0.93 | 15.18 |
| 468 | 1.6 | 0.03 | 4.50 |
| 476 | 1.4 | 0.03 | 3.64 |
| 331b | 2.0 | 0.03 | 1.28 |

Floor

# GEOLOGIC AND ASSAY MAP

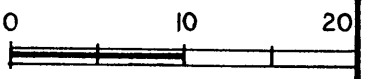
## 500 EAST STOPE

(Wesche stope)

## OREGON KING MINE

Alaska Juneau Mining Co.
Jan. 19, 1935

Scale in feet



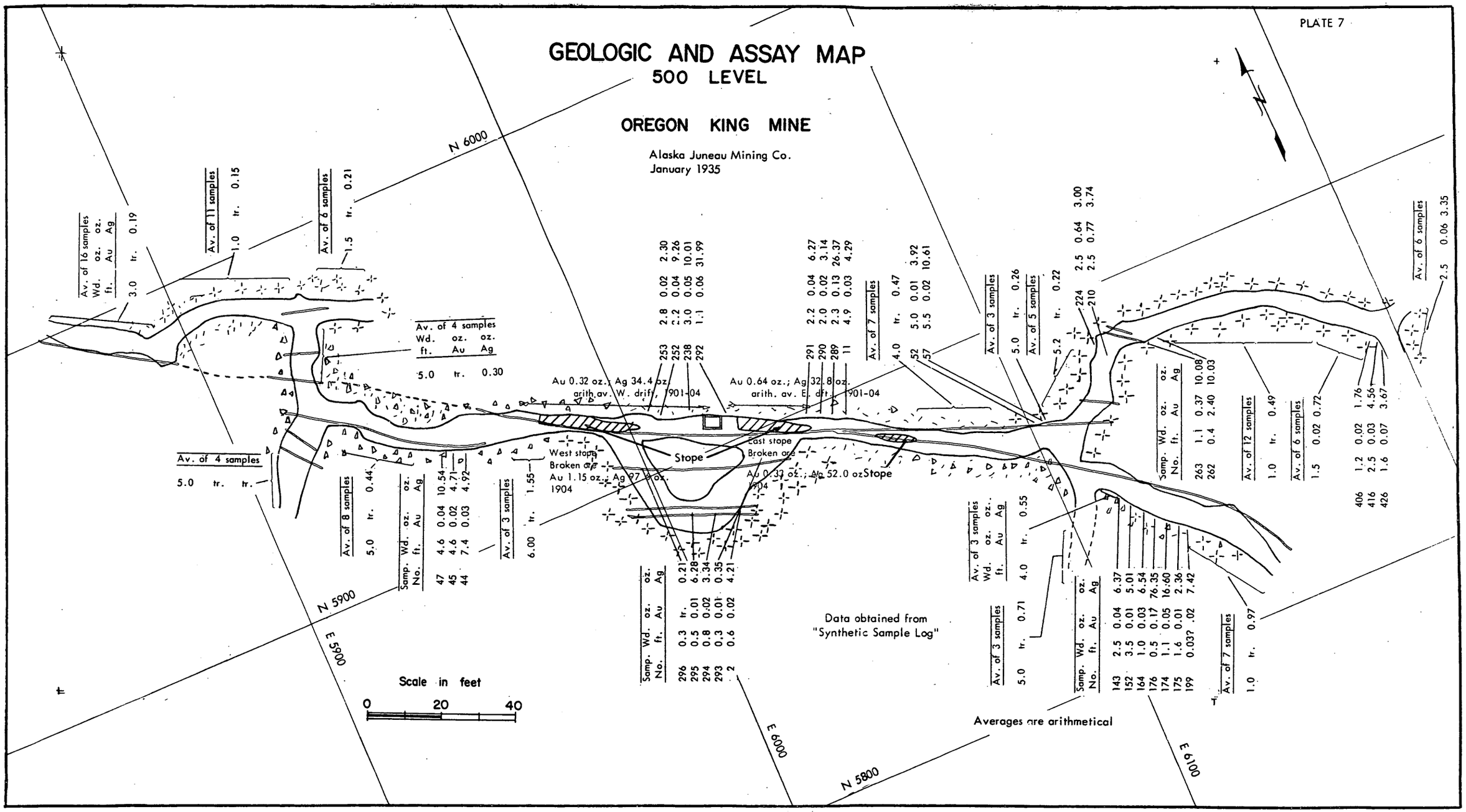


PLATE 7
GEOLOGIC AND ASSAY MAP
500 LEVEL
OREGON KING MINE
Alaska Juneau Mining Co.
January 1935
N
N 6000
N 5900
N 5800
E 5900
E 6000
E 6100
Av. of 16 samples
Wd. ft. 3.0
oz. Au tr.
oz. Ag 0.19
Av. of 11 samples
1.0 tr. 0.15
Av. of 6 samples
1.5 tr. 0.21
Av. of 4 samples
Wd. ft. 5.0
oz. Au tr.
oz. Ag 0.30
Av. of 4 samples
5.0 tr. tr.
Av. of 8 samples
5.0 tr. 0.44
Samp. No. | Wd. ft. | oz. Au | oz. Ag
47 4.6 0.04 10.54
45 4.6 0.02 4.71
44 7.4 0.03 4.92
Av. of 3 samples
6.00 tr. 1.55
Au 0.32 oz.; Ag 34.4 oz.
arith. av. W. drift, 1901-04
253 2.8 0.02 2.30
252 2.2 0.04 9.26
238 3.0 0.05 10.01
292 1.1 0.06 31.99
Au 0.64 oz.; Ag 32.8 oz.
arith. av. E. drift, 1901-04
291 2.2 0.04 6.27
290 2.0 0.02 3.14
289 2.3 0.13 26.37
11 4.9 0.03 4.29
Av. of 7 samples
4.0 tr. 0.47
52 5.0 0.01 3.92
57 5.5 0.02 10.61
Av. of 3 samples
5.0 tr. 0.26
Av. of 5 samples
5.2 tr. 0.22
224 2.5 0.64 3.00
210 2.5 0.77 3.74
Av. of 6 samples
2.5 0.06 3.35
West stope
Broken ore
Au 1.15 oz.; Ag 97 oz.
1904
Stope
East stope
Broken ore
Au 0.33 oz.; Ag 52.0 oz
1904
Stope
Samp. No. | Wd. ft. | oz. Au | oz. Ag
296 0.3 tr. 0.21
295 0.5 0.01 6.28
294 0.8 0.02 3.34
293 0.3 0.01 0.35
2 0.6 0.02 4.21
Av. of 3 samples
Wd. ft. 4.0
oz. Au tr.
oz. Ag 0.55
Av. of 3 samples
5.0 tr. 0.71
Samp. No. | Wd. ft. | oz. Au | oz. Ag
143 2.5 0.04 6.37
152 3.5 0.01 5.01
164 1.0 0.03 6.54
176 0.5 0.17 76.35
174 1.1 0.05 16.60
175 1.6 0.01 2.36
199 0.03? .02 7.42
Av. of 7 samples
1.0 tr. 0.97
Samp. No. | Wd. ft. | oz. Au | oz. Ag
263 1.1 0.37 10.08
262 0.4 2.40 10.03
Av. of 12 samples
1.0 tr. 0.49
Av. of 6 samples
1.5 0.02 0.72
406 1.2 0.02 1.76
416 2.5 0.03 4.56
426 1.6 0.07 3.67
Data obtained from
"Synthetic Sample Log"
Scale in feet
0 20 40
Averages are arithmetical

# GEOLOGIC AND ASSAY MAP
## 600 LEVEL

## OREGON KING MINE

Alaska Juneau Mining Co.
January 1935

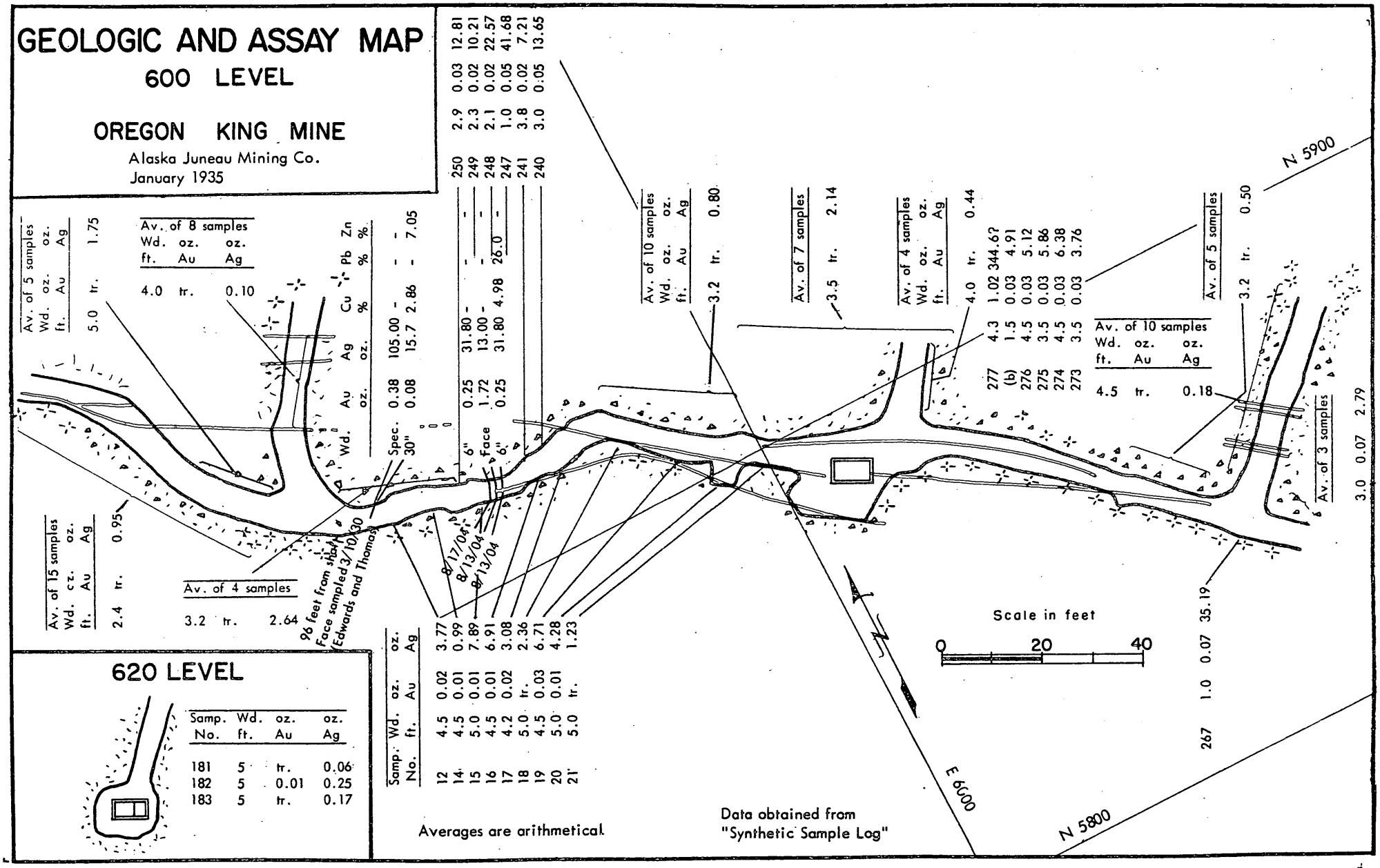



PLATE 8

Shaft data or log to 100 feet depth
Oregon King Mining Co. took charge when shaft was 60 feet deep.

| Feet | Date 1899 | Remarks | Ozs Silver | | Ozs Gold | | % | | % | |
|---|---|---|---|---|---|---|---|---|---|---|
| 1 | | No data except as showing in | | | | | | | | |
| 2 | | Smelter Returns of ore taken out and | | | | | | | | |
| 3 | | shipped. This notation applies to all | | | | | | | | |
| 4 | | blank spaces in this log. The | | | | | | | | |
| 5 | (Jan 19 1900) | original log book is mislaid or | 160 | .00 | | .81 | | Gen. Samp. Shaft | | |
| 6 | | lost and this log is compiled | | | | | | | | |
| 7 | | from Daily Report Sheets many of which | | | | | | | | |
| 8 | | are lost and only one depth point | | | | | | | | |
| 9 | | can be given in this hundred foot log | | | | | | | | |
| 10 | Jan. 11 thru Aug. 10 | section. No data on distance at | 80 | .92 | | .40 | | | | |
| | | | 24 | .30 | | .40 | | | | |
| 11 | " 11 | which these samples were taken. | 13 | .37 | | .45 | | | | |
| 12 | " 12 | | 25 | .24 | | .60 | | | | |
| 13 | | No Data of Assay. No distance shown. | | | | | | | | |
| 14 | " 14 | | 60 | .76 | 1 | .20 | | | | |
| 15 | (Jan. 19, 1900) | Gen. Sump. Shaft | 80 | .92 | | .60 | | | | |
| 16 | | | | | | | | | | |
| 17 | | | | | | | | | | |
| 18 | | | | | | | | | | |
| 19 | | | | | | | | | | |
| 20 | (Feb. 19, 1900) | | 46 | .52 | | .24 | | | | |
| 21 | | Out of Crucibles No assays. No depth data. | | | | | | | | |
| 22 | | | | | | | | | | |
| 23 | | | | | | | | | | |
| 24 | | | | | | | | | | |
| 25 | (Jan. 19, 1900) | | 7 | .93 | | .12 | | | | |
| 26 | | | | | | | | | | |
| 27 | | | | | | | | | | |
| 28 | | | | | | | | | | |
| 29 | | | | | | | | | | |
| 30 | | | | | | | | | | |
| 31 | | | | | | | | | | |
| 32 | | | | | | | | | | |
| 33 | | | | | | | | | | |
| 34 | | | | | | | | | | |
| 35 | (Jan 11 1900) | Gen Samp. Hanging Sides | 110 | .68 | | .92 | | | | |
| 36 | | | | | | | | | | |
| 37 | | | | | | | | | | |
| 38 | | | | | | | | | | |
| 39 | | | | | | | | | | |
| 40 | (Jan 11, 1900) | Gen. Samp. Sides of Shaft | 119 | .60 | | .80 | | | | |
| 41 | | | | | | | | | | |
| 42 | | | | | | | | | | |
| 43 | | | | | | | | | | |

| | | | | | | |
|---|---|---|---|---|---|---|
| 44 | | | | | | |
| 45 | (Sept 11 Am) | Gen. Samp. Sides of Shaft | 40 | .56 | 1 | .20 |
| 46 | | | | | | |
| 47 | | | | | | |
| 48 | | | | | | |
| 49 | | | | | | |
| 50 | | | | | | |
| 51 | Sept 1 | | 29 | .17 | | .75 |
| 52 | " 2 | | 31 | .60 | | .25 |
| 53 | " 3 | | 26 | .74 | | .15 |
| 53 | " 4 | | 21 | .87 | | .75 |
| 54 | " 5 | | 20 | .67 | | .45 |
| 55 | " 6 | | 30 | .00 | 1 | .00 |
| 56 | " 7 | | 32 | .03 | 1 | .25 |
| 57 | " 8 | | 29 | .17 | 1 | .50 |
| 58 | " 9 | | 18 | .23 | | .90 |
| 59 | " 10 | | | | | |
| 60 | " 11 | No assay No Depth Date | | | | |
| 61 | | | | | | |
| 62 | | | | | | |
| 63 | | | | | | |
| 64 | | | | | | |
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| 80 | | | | | | |
| 81 | | | | | | |
| 82 | | | | | | |
| 83 | | | | | | |
| 84 | | | | | | |
| 85 | " 12 | | 18 | .23 | | .25 |
| 86 | " 13 | | 12 | .16 | | .35 |
| 87 | " | | | | | |
| 88 | | | | | | |
| 89 | | | | | | |
| 90 | | | | | | |
| 91 | | | | | | |

| | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 92 | " 14 | | 17 | .01 | Not Determined | | | | No Distilled | | | |
| 93 | | | 10 | .94 | " | " | | | " Water | | | |
| 94 | " 15 | | | | | | | | | | | |
| 95 | " 18 | | 26 | .74 | | .25 | | | " | | | |
| 96 | " 19 | | 12 | .37 | 1 | .00 | | | | | | |
| 97 | " 20 | | 24 | .52 | 1 | .00 | | | | | | |
| 98 | " 23 | | 14 | .58 | | .75 | | | | | | |
| 99 | | Average Assay Top to Bottom - | 48 | .70 | | .37 | | | | | | |
| 100 | | | | | | | | | | | | |

Shaft from 100 foot level to 200 foot level.

| Depth | Date 1892 | | ozs Silver | | ozs Gold | | % Copper | | % Lead | |
|---|---|---|---|---|---|---|---|---|---|---|
| 101 | | | | | | | | | | |
| 102 | | | | | | | | | | |
| 103 | | | | | | | | | | |
| 104 | | | | | | | | | | |
| 105 | | No data {Nov. 20 Day, shaft | 2 | .00 | | tr. | | | | |
| 106 | | on distance " 21 Spec. " samp. | 1 | .00 | | tr. | | | | |
| 107 | | " " Gen. Samp. Day + Night | 2 | .20 | | | | | | |
| 108 | | | | | | | | | | |
| 109 | | | | | | | | | | |
| 110 | | | | | | | | | | |
| 111 | | | | | | | | | | |
| 112 | | | | | | | | | | |
| 113 | | | | | | | | | | |
| 114 | Nov. 22 | Night Gen. Samp Shaft. | 6 | .00 | | tr. | | | | |
| 115 | | Day " " " | 1 | .00 | | | | | | |
| 116 | | | | | | | | | | |
| 117 | " 23 | Day " " " | 2 | .40 | | tr. | | | | |
| | | Night " " " | 1 | .50 | | tr. | | | | |
| 118 | " 24 | Day " " " | 1 | .72 | | tr | | | | |
| | | Night " " " | 1 | .00 | | tr. | | | | |
| 119 | " 25 | Sulphides from Shaft | 9 | .60 | | tr. | 2 | .52 | | |
| 120 | " " | Night Gen Samp. " | 3 | .60 | | tr. | | | | |
| | | Day " " " | 2 | .00 | | | | | | |
| 121 | " 26 | Night " " " | 1 | .60 | | tr. | | | | |
| 122 | " " | Day " " " | 1 | .28 | | tr. | | | | |
| 123 | " 27 | Day " " " | 4 | .04 | | .15 | | | | |
| 124 | " " | Night " " " | 2 | .80 | | | | | | |
| 125 | " 28 | " " | 3 | .60 | | | | | | |
| 126 | " " | Day " | 3 | .60 | | | | | | |
| 127 | " 29 | Day " | 6 | .40 | | | | | | |
| | | Night " | 2 | .40 | | | | | | |
| 128 | " 30 | Day " | 8 | .00 | | | | | | |
| | | Night " | 4 | .00 | | | | | | |
| 129 | Dec. 1 | Day " " " | 6 | .00 | | .10 | | | | |
| | | Night | 7 | .80 | | .11 | | | | |
| 130 | " 2 | Day " " " | 7 | .00 | | .11 | | | | |
| | | Night | 6 | .00 | | .06 | | | | |
| 131 | " 4 | Spec. Sulphides | 20 | .40 | | .06 | 3 | .20 | | |
| 132 | " " | Day Gen. Samp. | 14 | .00 | | .16 | | | | |
| 133 | " 8 | Spec. of S.W. corner of shaft | 1635 | .00 | 10 | .20 | 6 | .00 | | |
| 134 | | | | | | | | | | |
| 135 | | {Dec. 20 Night Gen. Samp | 6 | .80 | | .30 | 3 | .57 | | |
| 136 | | No Dist. {" " Day " " | 10 | .40 | | .30 | 10 | .80 | | |
| 137 | | | | | | | | | | |

| Spec. Sulphides 128 ft. | | |
|---|---|---|
| Gold | Silver | Copper |
| 0.15 | 14.40 | 5.98 |
| 0.15 | 12.00 | 5.00 |
| 0.15 | 17.20 | 5.98 |
| | 12.40 | |

| | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| 138 | " 20 | Sulphides Night | 18 | .00 | | 30 | 7 | .84 | | |
| 139 | " 21 | " " | 20 | .00 | | tr | 4 | .93 | | |
| 140 | " " | Gen. Samp. Day | 8 | .80 | | | 3 | .49 | | |
| 141 | " " | " " Night | 9 | .20 | | | 3 | 40 | | |
| 142 | " 22 | Sulphides | 12 | .48 | | | 9 | .94 | | |
| 143 | " " | Gen. Samp. | 4 | .80 | | tr. | 2 | .70 | | |
| 144 | " " | " " | 12 | .80 | | .40 | 4 | .50 | | |
| 145 | " 23 | " " | 4<br>6 | .80<br>.48 | | tr.<br>.12 | 3<br>2 | .00<br>.70 | | |
| 146 | " 24 | Sulphides | 123<br>14 | .00<br>.52 | 18<br>1 | .60<br>.20 | 15<br>9 | .68<br>.58 | | |
| 147 | " 26 | Gen. Samp. night | 12 | .00 | | .17 | | .87 | | |
| 148 | " 27 | " " Day<br>Night | 8<br>44 | .00<br>.80 | | .10<br>.72 | 1<br>1 | .30<br>.74 | | |
| 149 | " 28 | " " Day | 10<br>12 | .32<br>.78 | 1 | tr<br>.20 | not | .43<br>run | | |
| 150 | | | | | | | | | | |
| 151 | " 29 | " " Day | 2 | .80 | | tr | | .45 | | |
| 152 | | | | | | | | | | |
| 153 | " 30 | " " | 2 | .00 | | tr. | | tr. | | |
| 154 | 1900 Feb. 9 | " " | 6 | .12 | | .40 | | | | |
| 155 | | Spl. " | 50 | .40 | | .40 | 2 | .50 | | |
| 156 | | | | | | | | | | |
| 157 | " 12 | " " | 10 | .92 | | tr. | | | | |
| 158 | " 15 | " Sulphides | 25 | .80 | | tr. | | | | |
| 159 | " 14 | Gen. Samp. | 4. | 56 | | tr. | | | | |
| 160 | " 15 | Special Sulphides | 189 | .60 | | .78 | | | | |
| 161 | " " | " " Hanging Walls | 183 | .00 | | .72 | | | | |
| 162 | | | | | | | | | | |
| 163 | " 18 | Gen. Samp | 2 | .00 | | tr | | tr. | | |
| 164 | " 19 | Sulphides | 405<br>10 | .00<br>.02 | 1 | .54<br>tr. | 2 | tr<br>.00 | | |
| 165 | | | | | | | | | | |
| 166 | | | | | | | | | | |
| 167 | | | | | | | | | | |
| 168 | " 23 | Sulphides | 21 | .60 | | .10 | 1 | .74 | | |
| 169 | " " | " | 108<br>117 | .00<br>.60 | | 136<br>.36 | 3<br>5 | .48<br>.23 | | |
| 170 | " " | " | | | | .72<br>.40 | 2 | tr.<br>.64 | | |
| 171 | | | | | | | | | | |
| 172 | | " East Side of Shaft | 396 | .00 | 1 | .20 | | | | |
| 173 | | " " " " " West " " " | 304<br>12 | .20<br>.00 | 1 | .80 | | | | |
| 174 | | | | | | | | | | |
| 175 | | " " " " " " East " " " | 8<br>33 | .80<br>.60 | | tr.<br>.20 | 1 | .50 | | |
| 176 | | | | | | | | | | |
| 177 | | | | | | | | | | |
| 178 | | | | | | | | | | |
| 179 | | | | | | | | | | |
| 180 | Mar. 7 | Spec. East Side 180.3 ft | 16 | .80 | | .52 | | tr. | | |
| 181 | " 5 | Gen. Samp. of Shaft | 4 | .80 | | tr. | | tr. | | |
| 182 | " 7 | | 3 | .60 | | tr. | | | | |
| 183 | " 8 | | 11 | .60 | | .10 | | | | |
| 184 | " 9 | No Assays on record | | | | | | | | |
| 185 | | | | | | | | | | |

| | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| 186 | Jul. 25 | Gen. samp of Shaft. aprox 186 ft. | 4 | .80 | | tr. | | | | | |
| 187 | | | | | | | | | | | |
| 188 | " 27 | About 1 ft. of Ore Stringer in S.W. cor. of Shaft | 50 | 40 | | .32 | | | | | |
| 189 | " " | Gen Sump | | tr. | | tr. | | | | | |
| 190 | | | | | | | | | | | |
| 191 | " 29 | No Assay | | | | | | | | | |
| 192 | | | | | | | | | | | |
| 193 | | | | | | | | | | | |
| 194 | " 30 | Special of Vein in Shaft | | tr. | | tr. | | | | | |
| 195 | | | | | | | | | | | |
| 196 | | | | | | | | | | | |
| 197 | | | | | | | | | | | |
| 198 | Aug. 1 | | | | | | | | | | |
| 199 | | | | | | | | | | | |
| 200 | " 2 | Shaft Vein | 16 | .00 | | .10 | | | | | |
| | " " | S.W. Corner Shaft 200 ft | 1457 | .20 | 15 | .60 | | | | | |

Shaft from 200 feet to 300 feet.

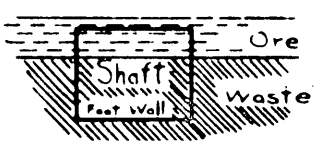
| Depth Feet | Date 1900 | | oz Silver | | oz Gold | | % Copper | | % Lead | |
|---|---|---|---|---|---|---|---|---|---|---|
| 201 | Aug. 3 | Samp. across Vein on sides of Shaft | 12 | .00 | | .10 | | | | |
| 202 | " 2 | | 16 | .00 | | .10 | | | | |
| 203 | | | | | | | | | | |
| 204 | " 4 | " " " " " " " | 23 | .30 | | .10 | | | | |
| 205 | | | | | | | | | | |
| 206 | " 6 | | | | | | | | | |
| 207 | | | | | | | | | | |
| 208 | | | | | | | | | | |
| 209 | " 7 | " " " " " " " | 8 | .00 | | tr. | | | | |
| 210 | | | | | | | | | | |
| 211 | " 8 | " " " " " " " | 17 | .00 | | .56 | | | | |
| 212 | " 9 | | | | | | | | | |
| 213 | | | | | | | | | | |
| 214 | " 10 | | | | | | | | | |
| 215 | | | | | | | | | | |
| 216 | " 11 | " " " " " " " | 8 | .40 | | .24 | | | | |
| 217 | " " | " " " " " " " conctr from | 24 | .00 | | .60 | | | | |
| 218 | " 12 | " " " " " " " | 24 | .40 | | .32 | | | | |
| 219 | " " | " " " " " " " " | 68 | .00 | | .56 | | | | |
| 220 | " " | Spec. Sugar Crystal Pyrite Hanging Wall | 39 | .00 | 30 | .80 | | | | |
| 221 | " 13 | | 8 | .00 | 1 | .80 | | tr. | | |
| 222 | | | | | | | | | | |
| 223 | " 14 | | 58 | .80 | | .40 | | tr. | | |
| 224 | | | | | | | | | | |
| 225 | " 15 | | 20 | .00 | | .32 | | tr. | | |
| 226 | | | | | | | | | | |
| 227 | " 16 | | 8 | .00 | | .40 | | tr. | | |
| 228 | | | | | | | | | | |
| 229 | | | | | | | | | | |

| | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| 230 | " 18 | | 27 | .70 | | .80 | | tr. | |
| 231 | " 19 | | | | | | | | |
| 232 | | | | | | | | | |
| 233 | " 20 | | | | | | | | |
| 234 | | | | | | | | | |
| 235 | " 21 | Gen. Samp. from Shaft | 9 | .20 | | .36 | | | |
| 236 | | | | | | | | | |
| 237 | " 22 | Samp Across Vein in Shaft | 33 | .20 | | .40 | | | |
| 238 | " 23 | | | | | | | | |
| 239 | | Vein H wall Shaft | | | | | | | |
| 240 | | | | | | | | | |
| 241 | " 24 | | | | | | | | |
| 242 | | | | | | | | | |
| 243 | | | | | | | | | |
| 244 | | | | | | | | | |
| 245 | | | | | | | | | |
| 246 | | | | | | | | | |
| 247 | | | | | | | | | |
| 248 | " 28 | " " " " " | 16 | .00 | | .20 | | | |
| 249 | | | | | | | | | |
| 250 | " 29 | " " " " " | 20 | .00 | | .30 | | | |
| 251 | | | | | | | | | |
| 252 | " 30 | | | | | | | | |
| 253 | " 31 | Shaft passed into Low grade Foot Wall | | | | | | | |
| 254 | | to 273+ foot depth | | | | | | | |
| 255 | | | | | | | | | |
| 256 | | | | | | | | | |
| 257 | | | | | | | | | |
| 258 | | | | | | | | | |
| 259 | | | | | | | | | |
| 260 | | | | | | | | | |
| 261 | | | | | | | | | |
| 262 | | | | | | | | | |
| 263 | | | | | | | | | |
| 264 | | | | | | | | | |
| 265 | | | | | | | | | |
| 266 | Sept. 9 | | | | | | | | |
| 267 | | | | | | | | | |
| 268 | | | | | | | | | |
| 269 | " 10 | | | | | | | | |
| 270 | " 11 | | | | | | | | |
| 271 | | | | | | | | | |
| 272 | | | | | | | | | |
| 273 | " 13 | See Drifts 3rd Level | | | | | | | |
| 274 | | Special Samp. of Pyrite carrying | | | | | | | |
| 275 | " 14 | red substance from shaft 175 ft. | 30 | .00 | | tr. | | | |
| 276 | " 15 | | | | | | | | |
| 277 | | | | | | | | | |

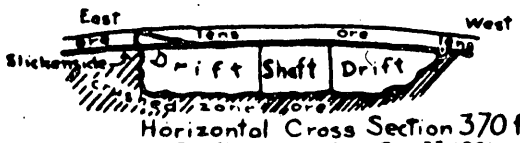
| | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 278 | " 17 | | | | | | | | | | | |
| 279 | | | | | | | | | | | | |
| 280 | " 18 | | | | | | | | | | | |
| 281 | | | | | | | | | | | | |
| 282 | " 19 | | | | | | | | | | | |
| 283 | " 20 | | | | | | | | | | | |
| 284 | | | | | | | | | | | | |
| 285 | | | | | | | | | | | | |
| 286 | | | | | | | | | | | | |
| 287 | | | | | | | | | | | | |
| 288 | | | | | | | | | | | | |
| 289 | | | | | | | | | | | | |
| 290 | | | | | | | | | | | | |
| 291 | | | | | | | | | | | | |
| 292 | | | | | | | | | | | | |
| 293 | | | | | | | | | | | | |
| 294 | | | | | | | | | | | | |
| 295 | | | | | | | | | | | | |
| 296 | Nov. 7 | Gen. Sump of Shaft | 20 | .40 | | tr. | 2 | .00 | | | | |
| 297 | | | | | | | | | | | | |
| 298 | | | | | | | | | | | | |
| 299 | " 9 | Samp. Sulphide Ore | 48 | .00 | | 1 | .40 | | | | | |
| 300 | | | | | | | | | | | | |

Shaft section from 300 feet to 400 feet.

| Depth Feet | Date 1900 | | oz Silver | | oz Gold | | % Copper | | % Lead | |
|---|---|---|---|---|---|---|---|---|---|---|
| 300 | | | | | | | | | | |
| 301 | Nov. 11 | | | | | | | | | |
| 302 | " 12 | | | | | | | | | |
| 303 | | | | | | | | | | |
| 304 | | | | | | | | | | |
| 305 | | | | | | | | | | |
| 306 | " 14 | | | | | | | | | |
| 307 | " 15 | | | | | | | | | |
| 308 | " 16 | | | | | | | | | |
| 309 | " 17 | | | | | | | | | |
| 310 | " 19 | Special Samps from Shaft | 136<br>56 | .00<br>.00 | | .80<br>.08 | 4<br>3 | .50<br>.60 | 4 | .50 |
| 311 | | | | | | | | | | |
| 312 | " 22 | | | | | | | | | |
| 313 | " 23 | | | | | | | | | |
| 314 | " 24 | Random samp. of ore in Shaft | 112 | .00 | | .76 | 2 | .00 | | |
| 315 | " 25 | " " " " " " | 80 | .00 | | .35 | 2 | .50 | | |
| 316 | " 26 | | | | | | | | | |
| 317 | | | | | | | | | | |
| 318 | | | | | | | | | | |
| 319 | | | | | | | | | | |



| | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| 320 | | | | | | | | | |
| 321 | " 29 | | | | | | | | |
| 322 | " 30 | | | | | | | | |
| 323 | | | | | | | | | |
| 324 | Dec. 1 | Random samp of Vein | 16 | .00 | | .08 | | | |
| 325 | | Spec. of zinc silver ore | 44 | .00 | | .80 | | | |
| 326 | " 3 | {Matte from ore (not roasted) | 104 | .00 | | .80 | 5 | .50 | |
| 327 | | {Ave of ore from which above formed | 84 | .00 | | .58 | 3 | .80 | |
| 328 | | | | | | | | | |
| 329 | " 5 | | | | | | | | |
| 330 | | | | | | | | | |
| 331 | | | | | | | | | |
| 332 | | | | | | | | | |
| 333 | | | | | | | | | |
| 334 | | | | | | | | | |
| 335 | | | | | | | | | |
| 336 | " 10 | | | | | | | | |
| 337 | | | | | | | | | |
| 338 | | | | | | | | | |
| 339 | " 12 | | | | | | | | |
| 340 | " 13 | | | | | | | | |
| 341 | " 14 | | | | | | | | |
| 342 | | | | | | | | | |
| 343 | " 15 | | | | | | | | |
| 344 | " 17 | | | | | | | | |
| 345 | | Spec. samp of ore | 36 | .00 | | .16 | 4 | .70 | |
| 346 | " 18 | | | | | | | | |
| 347 | | Gen. Samp. of ore in foot of wall<br>" " " Crushed matter 2 ft. wide Hang wall | 12<br>13 | .00<br>.20 | | .04<br>.08 | | tr. | |
| 348 | " 19 | | | | | | | | |
| 349 | | | | | | | | | |
| 350 | " 20 | | | | | | | | |
| 351 | | | | | | | | | |
| 352 | Dec. 21 | | | | | | | | |
| 353 | | Cross Section of Shaft 347 ft Lev. | | | | | | | |
| 354 | | | | | | | | | |
| 355 | | Gen. Samp. | 17 | .60 | | tr. | | | |
| 356 | " 23 | | | | | | | | |
| 357 | " 27 | " " | 10 | .40 | | tr. | | | |
| 358 | " 28 | | | | | | | | |
| 359 | " 29 | " " | 2 | .00 | | tr. | | | |
| 360 | | | | | | | | | |
| 361 | | | | | | | | | |
| 362 | 1901 Jan. 2 | | | | | | | | |
| 363 | | " " | 2 | .00 | | tr. | | | |
| 364 | " 3 | | | | | | | | |
| 365 | | " " | 9 | .20 | | tr. | | | |

| | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| 366 | | " " | 5 | .60 | | tr. | | | | | |
| 367 | " 5 | | | | | | | | | | |
| 368 | " 6 | | | | | | | | | | |
| 369 | | " " | 16 | .00 | | .54 | | | | | |
| 370 | " 7 | " " | 4 | .40 | | .10 | | | | | |
| 371 | | | | | | | | | | | |
| 372 | " 8 |   | 5 | .20 | | .10 | | Gen. | Samp | | |
| 373 | | | | | | | | | | | |
| 374 | " 9 | Horizontal Cross Section 370 ft. Shaft and Drifts Jan. 23, 1901. | | | | | | | | | |
| 375 | | | 4 | .80 | | .10 | | " | " | | |
| 376 | " 10 | | | | | | | | | | |
| 377 | | | | | | | | | | | |
| 378 | " 11 | | | | | | | | | | |
| 379 | " 14 | | | | | | | | | | |
| 380 | " 15 | Spec. Samp. 50 Sacks sulphides rich lens 380' | 72 | .00 | 4 | .00 | | | | | |
| 381 | | | | | | | | | | | |
| 382 | " 16 | Special Pyrite massive | 693 | .60 | 2 | .40 | | | | | |
| 383 | | " " fine grain | 85 | .20 | 4 | .80 | | | | | |
| 384 | | " " sugar crystal 383' 10" | 20 | .80 | | .96 | | | | | |
| 385 | | " " W. Side " " " " | 16 | .00 | | .30 | | | | | |
| 386 | Feb. 6 | Gen. Samp of ore lens Hang wall side | 40 | .80 | 9 | .60 | | | | | |
| 387 | " 8 | " " " " " " " " | 61 | .28 | 5 | .92 | | | | | |
| 388 | " 11 | " " " " " " " " | 32 | .80 | | .64 | | | | | |
| 389 | | " " " 27 in toward foot wall on East side of shaft | 9 | .60 | | tr. | | | | | |
| 390 | . | " " " ore lens | 38 | .60 | 6 | .40 | | | | | |
| 391 | | | | | | | | | | | |
| 392 | " 13 | | | | | | | | | | |
| 393 | | | | | | | | | | | |
| 394 | | Spec. from foot wall side of shaft | 29 | .00 | | .10 | | | | | |
| 395 | | Random Samp. foot wall shaft | 4 | .80 | | tr | | | | | |
| 396 | | | | | | | | | | | |
| 397 | | | | | | | | | | | |
| 398 | " 19 | " " Ore lens | 24 | .00 | | .15 | | | | | |
| 399 | | | | | | | | | | | |
| 400 | " 20 | Gen. Samp. slickenside to foot wall | 24 | .00 | | .10 | | | | | |
| | | No dist. data Gen. Samp. Shaft Feb. 25. | 16 | .32 | | .16 | | | | | |

Shaft section 400 feet to 500 feet.

| Depth Feet | Date 1901 | | ozs Silver | | ozs Gold | | % Copper | | % Lead | |
|---|---|---|---|---|---|---|---|---|---|---|
| 401 | | | | | | | | | | |
| 402 | Feb. 26 | Random Samp. of East side and foot wall | 10 | .40 | | .64 | | | | |
| 403 | " " | " " " ore lens | 18 | .96 | | .32 | | | | |
| 404 | | | | | | | | | | |
| 405 | " 27 | | | | | | | | | |
| 406 | | | | | | | | | | |
| 407 | " 28 | Gen. Samp of shaft | 24 | .80 | 1 | .92 | | | | |

| | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| 408 | | Random " foot wall | 16 | .00 | | .10 | | | | |
| 409 | Mar 1 | Ore lens in shaft west side<br>East " | 26<br>48 | .00<br>.16 | 28 | .40<br>.64 | | | | |
| 410 | | Spec. foot wall | 15 | .60 | | .30 | | | | |
| 411 | | | | | | | | | | |
| 412 | | | | | | | | | | |
| 413 | " 3 | Gen. both sides of shaft | 23 | .20 | 9 | .60 | 1 | .28 | | |
| 414 | " 4 | Random of ore lens " " East side<br>west | 39<br>26 | .92<br>.88 | 36<br>2 | .08<br>.72 | 1<br>2 | .60<br>.25 | | |
| 415 | | Special of copper ore | 62 | .56 | 3 | .84 | 13 | .16 | | |
| 416 | | | | | | | | | | |
| 417 | | Random of foot wall<br>Gen. both sides of shaft | 14<br>23 | .08<br>.46 | 3<br> | .20<br>.64 | | .70 | | |
| 418 | " 6 | west side ore lens (not large)<br>East " " " (2 ft of this) | 29<br>76 | .60<br>.80 | 12<br>3 | .00<br>.20 | | | | |
| 419 | " 8 | Spec. of west side | 18 | .20 | | .20 | | | | |
| 420 | " 25 | Sump cut spec. samps<br>" " | 3<br>1 | .20<br>.04 | | tr.<br>tr. | | | | |
| 421 | Apr. 4 | " " Gen " | 256<br>8 | .00<br>.40 | 1 | .60<br>.05 | | | | |
| 422 | | " " Spec " | 9 | .60 | | .10 | | | | |
| 423 | | | | | | | | | | |
| 424 | | | | | | | | | | |
| 425 | | | | | | | | | | |
| 426 | | | | | | | | | | |
| 427 | | | | | | | | | | |
| 428 | " 10 | Ore lens bottom of shaft | 27 | .00 | | tr. | | | | |
| 429 | | East side ore lens | 30 | .40 | | .10 | | | | |
| 430 | | West " " " | 52 | .80 | 24 | .00 | | | | |
| 431 | " 16 | Special from hanging wall | 1046 | .08 | 2 | .72 | | | | |
| 432 | | " Banded Lead | 48 | .00 | | .10 | | | 5 | .00 |
| 433 | " 17 | Ore lens East side of Shaft<br>" " west " " " | 81<br>30 | .80<br>.40 | 6 | .64<br>.40 | | | | |
| 435 | | | | | | | | | | |
| 435 | " 18 | | | | | | | | | |
| 436 | " 19 | Gen. samp. ore lens | 36 | .80 | | .20 | | | | |
| 437 | | | | | | | | | | |
| 438 | | | | | | | | | | |
| 439 | | | | | | | | | | |
| 440 | | | | | | | | | | |
| 441 | | | | | | | | | | |
| 442 | | | | | | | | | | |
| 443 | " 25 | | | | | | | | | |
| 444 | " 26 | | | | | | | | | |
| 445 | | | | | | | | | | |
| 446 | " 29 | | | | | | | | | |
| 447 | | Gen. samp. of Shaft | 24 | .00 | | .20 | | | | |
| 448 | | Foot wall ores shaft | 10 | .40 | | .10 | | | | |
| 449 | May 1 | west side ore lens 16 in. wide<br>East " " " 8 " " | 78<br>174 | .40<br>.40 | 1 | .60<br>.80 | | | | |
| 450 | | | | | | | | | | |
| | | | | | | | | | | |
| 451 | May 2 | Gen. Samp ore lens both sides of Shaft | 127 | .20 | 2 | .08 | | | | |
| 452 | | " " " " East side<br>" " " " west " | 207<br>84 | .20<br>.80 | 1 | .40<br>.80 | | | | |
| 453 | " 6 | Spec. " of Gold Ore<br>Mud " from slickenside | 120<br>13 | .80<br>.60 | 21 | .60<br>.32 | | | | |

| | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| 454 | " 7 | Gen " " shaft | | 22 | .40 | | .32 | | | |
| | | " " of ore lens | | 108 | .00 | | .48 | | | |
| 455 | " 6 | " " " " " East side | | 62 | .40 | | .40 | | | |
| | | " " " " " west " | | 128 | .80 | | .80 | | | |
| 456 | | | | | | | | | | |
| 457 | | | | | | | | | | |
| 458 | | | | | | | | | | |
| 459 | " 15 | | | | | | | | | |
| 460 | | | | | | | | | | |
| 461 | " 17 | Gen. Samp. East side of shaft | | 33 | .60 | | .32 | | | |
| | | " " West " " " | | 38 | .40 | | .10 | | | |
| 462 | " 18 | " " East " " and bottom | | 33 | .20 | | .32 | | | |
| | | East wall ores | | 17 | .60 | | .48 | | | |
| 463 | | | | | | | | | | |
| 464 | " 21 | Spec. from Hanging wall | | 102 | .80 | | .48 | | | |
| | | " " Foot wall | | 103 | .20 | | .48 | | | |
| 465 | " 22 | | | | | | | | | |
| 466 | " 23 | Gen. Samp. both sides of shaft | | 40 | .00 | | .32 | | .50 | |
| | | " " Hanging wall ore lens | | 58 | .40 | | .32 | | .60 | |
| 467 | | | | | | | | | | |
| 468 | | | | | | | | | | |
| 469 | " 25 | East side Gen. samp | | 10 | .40 | | tr | | tr. | |
| | | west " " " | | 10 | .80 | | tr. | | tr. | |
| 470 | | | | | | | | | | |
| 471 | " 26 | | | | | | | | | |
| 472 | | | | | | | | | | |
| 473 | | | Foot wall chute | 7 | .20 | | tr. | | | |
| 474 | | | West side ore lens | 16 | .80 | | .16 | | | |
| 475 | June 7 | No depth data | East " " " | 68 | .00 | | .32 | | | |
| 476 | | | Foot wall ores | 28 | .00 | | .08 | | | |
| 477 | | | West side shaft. | 16 | .00 | | .64 | | | |
| 478 | | | | | | | | | | |
| 479 | | | | | | | | | | |
| 480 | " 13 | Spec. samp. from hanging wall | | 16 | .80 | | .32 | | | |
| 481 | | | | | | | | | | |
| 482 | | | | | | | | | | |
| 483 | | | | | | | | | | |
| 484 | 1903 Oct. 17 | Foot wall side (2½ ft. wide) | | 22 | .80 | | .15 | | | |
| 485 | | | | | | | | | | |
| 486 | | | | | | | | | | |
| 487 | | | | | | | | | | |
| 488 | | | | | | | | | | |
| 489 | | | | | | | | | | |
| 490 | | | | | | | | | | |
| 491 | | | | | | | | | | |
| 492 | | | | | | | | | | |
| 493 | | Records for shaft except as given are | | | | | | | | |
| 494 | | mislaid or lost. The Log Book covering all | | | | | | | | |
| 495 | | data during time operated, assays and | | | | | | | | |
| 496 | | measurements of Shaft, Drifts, tunnel, Cross | | | | | | | | |
| 497 | | cuts, winzes, and Discovery and | | | | | | | | |
| 498 | | Assessment work is mislaid or lost. | | | | | | | | |
| 499 | | There is no shaft data between 500 ft | | | | | | | | |
| 500 | | and 600 ft. See drifts of the | | | | | | | | |
| | | 6th Level. | | | | | | | | |

East and West Drifts, 100 foot level along the vein.

| Drift | Ft. from Shaft | Date 1899 | | East Drift OZS Silver | East Drift OZS Gold | East Drift % Cop | East Drift % Lead | West Drift OZS Silver | West Drift OZS Gold | West Drift % Cop | West Drift % Lead | Both Drifts OZS Silver | Both Drifts OZS Gold | Both Drifts % Cop | Both Drifts % Lead |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| W | 6-7 | Sept 28 | Foot wall Vein at wall Mottled Brown Oxide | | | | | 3 64 / 19 44 | tr / 50 | | | | | | |
| E | " | " | " " " " " | 23 09 | 2 41 | | | | | | | | | | |
| E | 1-2½ | " 30 | Foot wall side / Hang wall " " " " | 31 60 | 50 | | | 13 37 / 19 44 | tr. / 25 | | | | | | |
| W | 7-8 | " " | Gen samp Both Drifts | | | | | | | | | 12 00 | 3 64 | | |
| | | | " " " " Sept 28 | | | | | | | | | 39 63 / 26 74 | 50 / 20 | | |
| W | 8-9 | Oct 1 | Foot wall matter | | | | | tr | tr | | | | | | |
| E | 2-4 | " 1 | Spec. selected ore No 1 / No 2 | 40 00 / 23 09 | 1 21 / 80 | | | | | | | | | | |
| E | " | " " | Gen samp of the Face | 25 02 | 50 | | | | | | | | | | |
| | | | Special picked samp No 2 | 19 56 | 75 | | | | | | | | | | |
| E | 4-5 | " 2 | Gen samp of the Face | 11 00 | 1 75 | | | | | | | | | | |
| | | | Spec. samp. of Galena | 40 78 | 10 | | | | | | | | | | |
| E | " | " " | Gen samp of Face of drift | 20 00 | 3 00 | | | | | | | | | | |
| W | 9-10 | " " | " " | | | | | | | | | | | | |
| | | | Spec. samp of Galena Lead not determined | | | | | 29 11 / 96 01 | 50 / 50 | | | | | | |
| W | 10-11 | " 3 | Gen samp. of both Drifts (taken Oct 3) | | | | | | | | | 23 20 | 25 | | |
| W | " | " " | Average samp. ( " " ") | | | | | 111 80 | 1 21 | | | | | | |
| E | " | " " | " " ( " Oct 3) | 19 44 | 50 | | | | | | | | | | |
| E | " | " 4 | Spec. samp to classify ( " " ") | 50 68 | 50 | | | | | | | | | | |
| | | | Average samp. | | | | | | | | | | | | |
| W | 11-12 | " " | Gen. " of the drift | | | | | 24 00 / 121 69 | 1 50 / 1 00 | | | | | | |
| E | 7-8 | " " | Spec. samp E drift small piece | 918 90 | 8 21 | | | | | | | | | | |
| | | | Gen. samp. | 41 32 | 40 | | | | | | | | | | |
| E | " | " " | Foot wall matter | 6 08 | tr. | | | | | | | | | | |
| E | 8-10 | " 5 | Gen. samp. Both Drifts ( " Oct 4) | | | | | | | | | 35 45 | 1 21 | | |
| E | " | " " | " " East " | 43 00 | 15 | | | | | | | | | | |
| W | 12-13½ | " " | " " West " | | | | | 29 11 | 25 | | | | | | |
| | | | Spec. of Galena from one of Drifts | | | | | | | | | 51 04 | 10 | | 35 00 |
| | | " 6 | Gen. samp. Both Drifts (taken Oct 6) | | | | | | | | | 52 00 | 25 | | |
| W | 13½-14 | " " | Average samp. | | | | | 30 38 | 50 | | | | | | |
| E | 10-11 | " " | " " | 64 62 | 1 00 | | | | | | | | | | |
| | | " 7 | Gen. Samp. Both Drifts ( " " 6) | | | | | | | | | 60 76 | 10 | | |
| E | 11-12.5 | " " | Walls Both sides / Samp. of the Vein | 2 43 / 64 62 | tr. / 1 00 | | | | | | | | | | |
| W | 14-16 | " " | " " " " | | | | | 24 00 | 40 | | | | | | |
| | | " 8 | No work. Sunday Off | | | | | | | | | | | | |
| W | 16-17 | " 9 | Gen. samp. | | | | | 24 00 | 50 | | | | | | |
| E | 12-14½ | " " | Walls Foot and Hanging | 2 43 | tr. | | | | | | | | | | |
| E | " | " " | Vein Samp. | 99 65 | 1 00 | | | | | | | | | | |
| E | 14-15½ | " 10 | East Drift Vein | 99 65 | 1 00 | | | | | | | | | | |
| E | " | " " | " " Walls | 2 43 | tr | | | | | | | | | | |
| W | 17-18 | " " | Gen. samp West Drift | | | | | 24 30 | 50 | | | | | | |
| | | " 11 | No assay | | | | | | | | | | | | |
| | | " 12 | Gen. samp ( " Oct 9) | | | | | | | | | 60 76 | 40 | | |
| E | | " " | Ore pile from East Drift | 802 95 | 1 21 | | 17 00 | | | | | | | | |
| E | 17-18 | | Gen samp. East Drift ( " " 10) | 108 16 | 1 50 | | | | | | | | | | |
| E | | " " | " " " " ( " " 11) | 76 56 | 1 00 | | | | | | | | | | |
| W | 19-20 | " " | " " West " ( " " 10) | | | | | 36 46 | 50 | | | | | | |
| W | | " " | " " " " ( " " 11) | | | | | 14 58 | 75 | | | | | | |
| | | " " | " " Both " ( " " 10) | | | | | | | | | 25 52 | 50 | | |
| | | " 13 | " " " " ( " " 11) | | | | | | | | | 19 44 | 50 | | |
| E | 16-18½ | " " | Walls of East Drift | tr. | tr. | | | | | | | | | | |
| E | | " " | Vein " " " | 60 76 | 3 00 | | | | | | | | | | |
| W | 20-21 | " " | " " West " | | | | | 9 72 | 50 | | | | | | |
| W | | " " | Average samp W. Drift | | | | | 13 37 | tr. | | | | | | |
| | | " " | Gen. Samp Both Drifts ( " " 12) | | | | | | | | | 19 44 | 75 | | |
| E | | " 14 | Vein East Drift | 46 18 | 1 21 | | | | | | | | | | |
| | | " | Gen Samp Both Drifts ( " " 13) | | | | | | | | | 14 58 | 25 | | |
| E | 18½-20 | " " | East Drift, left Wall | 9 72 | tr. | | | | | | | | | | |
| | | " " | " Vein | 38 89 | 75 | | | | | | | | | | |
| W | 21-22 | " " | West Drift vein | | | | | 7 29 | tr. | | | | | | |
| | | " " | Gen. Samp. | | | | | | | | | 14 58 | 10 | | |
| | | " 15 | No day shift | | | | | | | | | | | | |
| | | " 16 | Gen. Samp. (Taken Oct 16) | | | | | | | | | 13 57 | tr. | | |
| E | 20-21 | " " | East Drift Vein | 60 76 | 50 | | | | | | | | | | |
| W | 22-23½ | " " | West " " | | | | | 9 72 | 40 | | | | | | |

| | | | | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | " 17 | Gen. Samp. | | | | | | | | | 13 37 | Tr | | |
| E | 21-21° | " " | East Drift Vein | 60 76 | 50 | | | | | | | | | | |
| W | 23-24° | " " | West " " | | | | | 9 72 | 40 | | | | | | |
| W | 24-25° | " 18 | Average Samp W. Drift (" " 17) | | | | | 3 64 | Tr. | | | | | | |
| W | | " " | " " " " (" " 18) | | | | | 6 08 | Tr. | | | | | | |
| E | 21°-23 | " " | " " East " (" " 17) | 10 94 | Tr. | | | | | | | | | | |
| E | | " " | " " " " (" " 18) | 12 15 | Tr | | | | | | | | | | |
| | | " " | Gen. Samp. Both Drifts | | | | | | | | | 13 37 | Tr | | |
| | | " 19 | and Oct 20th No Records | | | | | | | | | | | | |
| | | " 21 | Gen. Samp. (" " 20) | | | | | | | | | 6 08 | Tr | | |
| W | 27-28 | " 21 | Average " W. Drift (" " 21) | | | | | 2 48 | Tr | | | | | | |
| E | 24°-28 | " " | " " East " (" " ") | 14 58 | 05 | | | | | | | | | | |
| | | " " | Gen. Samp (" " ") | | 20 | | | | | | | 8 51 | 20 | | |
| | | " 22 | No Assays Change shifts | | | | | | | | | | | | |
| E | 28-30 | " 23 | Average East Drift | 12 15 | Tr | | | | | | | | | | |
| W | 28-30 | " " | " West " | | | | | 3 64 | Tr | | | | | | |
| | | " 24 | Gen. Samp (" " 23) | | | | | | | | | 8 51 | 05 | | |
| + E | | " " | Cross Cut East Drift (" " 24) | 1 21 | Tr | | | | | | | | | | |
| E | 30-31 | " " | Average " " | 2 43 | Tr | | | | | | | | | | |
| W | 30-31° | " " | " West " | | | | | 4 86 | Tr | | | | | | |
| | | " 25 | Gen. Samp. (" " 24) | | | | | | | | | 4 86 | Tr | | |
| E | 31-32 | " " | East Drift | 1 21 | Tr | | | | | | | | | | |
| + E | | " " | Cross Cut East Drift | 1 21 | Tr | | | | | | | | | | |
| W | 31°-33 | " " | West Drift | | | | | 2 43 | Tr | | | | | | |
| | | | Copper coming in with Brite in East Drift | | | | | | | | | | | | |
| | | | Quite a sprinkling but these Sulphides | | | | | | | | | | | | |
| | | | do not carry much gold or silver now. | | | | | | | | | | | | |
| | | " 26 | Gen Samp (taken Oct 25) | | | | | | | | | 2 43 | Tr | | |
| E | 32-33 | " " | East Drift (" " 26) | 1 21 | Tr | | | | | | | | | | |
| + E | | " " | " " Cross Cut (" " ") | none | Tr | | | | | | | | | | |
| W | 33-33° | " " | West " | | | | | 2 86 | Tr | | | | | | |
| | | " 27 | Gen. Samp. | | | | | | | | | 3 64 | Tr | | |
| E | 33-34 | " " | East Drift | 1 21 | Tr | | | | | | | | | | |
| W | 33-34 | " " | West Drift | | | | | 2 43 | Tr | | | | | | |
| + E | | " " | East " Cross Cut | 2 43 | Tr | | | | | | | | | | |
| E | | " 29 | " " | 1 21 | Tr | | | | | | | | | | |
| W | | " " | West " | | | | | 1 21 | Tr | | | | | | |
| | | " 30 | Gen. Samp. (" " 29) | | | | | | | | | 2 43 | | | |
| + E | 1-7° | " " | East Drift Cross Cut | Tr | | | | | | | | | | | |
| E | 37-37' | " " | " " | 2 00 | | | | | | | | | | | |
| W | 35' | " " | West " | | | | | 2 43 | | | | | | | |
| | | " 31 | Gen. Samp (" " 30) | | | | | | | | | 2 00 | Tr | | |
| W | 35-36° | " " | West Drift (" " 31) | | | | | 1 21 | Tr | | | | | | |
| E | 37-39° | " " | East " | 2 00 | Tr | | | | | | | | | | |
| + E | 7°-8° | " " | " " Cross Cut | none | none | | | | | | | | | | |
| | | Nov. 1 | Gen. Samp (" " ") | | | | | | | | | 2 00 | Tr | | |
| W | | " " | West Drift (" Nov 1) | | | | | 1 21 | Tr | | | | | | |
| E | 39°-41 | " " | East " (" " ") | 2 00 | Tr | | | | | | | | | | |
| + E | 8°-9 | " " | East " Cross Cut | none | none | | | | | | | | | | |
| | | " " | Adit Tunnel 77 ft. all told this date | | | | | | | | | | | | |
| | | " " | Gen. Samp. (taken Nov 1) | | | | | | | | | 1 50 | Tr | | |
| E | 41-42° | " " | East Drift (" " 2) | 2 98 | Tr | | | | | | | | | | |
| W | 36°-37° | " " | West " (" " ") | | | | | 2 00 | Tr | | | | | | |
| | | " 3 | Gen. Samp. (" " ") | | | | | | | | | 2 43 | Tr | | |
| W | 37°-38' | " " | West Drift (" " 3) | | | | | 3 75 | Tr | | | | | | |
| E | 42-45° | " " | East " (" " " | 1 21 | Tr | | | | | | | | | | |
| + E | 9°-10° | " " | " " Cross Cut | none | none | | | | | | | | | | |
| E | | " 23 | East Drift Spec. from Top | 2 00 | | | | | | | | | | | |
| E | | " " | " " Streak in face near Top | 32 00 | 60 | | | | | | | | | | |

## East and West Drifts - 2nd level - 172 feet.

| Drift | Feet Dist. | Date 1900 | | East Drift ozs Silver | East Drift oz Gold | East Drift % Cop. | East Drift % Lead | West Drift ozs Silver | West Drift ozs Gold | West Drift % Cop. | West Drift % Lead | Both Drifts ozs Silver | Both Drifts ozs Gold | Both Drifts % Cop. | Both Drifts % Lead |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| E. | 5-6 | Mar 14 | No Assay | | | | | | | | | | | | |
| W | 6-7[6] | " " | " " | | | | | | | | | | | | |
| E. | 6-7[7] | " 15 | " " | | | | | | | | | | | | |
| W | 7[6]-10 | " " | " " | | | | | | | | | | | | |
| E. | 7[7]-9[6] | " 16 | " " | | | | | | | | | | | | |
| W | 10-11[6] | " " | " " | | | | | | | | | | | | |
| E | 9[6]-10[00] | " 17 | Gen. Samp. both drifts | | | | | | | | | 6 60 | 15 | 75 | |
| W | 11[6]-14[4] | " " | " " " " concentrates | | | | | | | | | 27 00 | 12 | 6 [illegible] | |
| | | " 18 | " " " " | | | | | | | | | 3 60 | 10 | 1 30 | |
| | | | " " " " conc. | | | | | | | | | 15 60 | 1 80 | 5 00 | |
| E. | 10[1]-16 | " 19 | " " East Drift conc. | 15 60 | 18 | 75 | | | | | | | | | |
| | | | " " East Drift | 8 40 | 10 | 1 50 | | | | | | | | | |
| W | 14[4]-16 | " " | " " West Drift conc | | | | | 5 00 | 10 | 1 70 | | | | | |
| | | " " | " " " " | | | | | 2 40 | 10 | 2 46 | | | | | |
| | | | " " of Both Drifts | | | | | | | | | 9 60 | 1 80 | 1 00 | |
| | | | | | | | | | | | | tr. | tr. | 2 00 | |
| | | | | | | | | | | | | 12 40 | 08 | 1 [illegible] | |
| | | | | | | | | | | | | 22 80 | 12 | 3 60 | |
| | | | | | | | | | | | | 3 20 | tr. | 1 00 | |
| | | | | | | | | | | | | 11 20 | 10 | 1 00 | |
| | | | | | | | | | | | | 9 72 | 07 | 25 | |
| | | | | | | | | | | | | 13 00 | 10 | 8 70 | |
| | | | | | | | | | | | | 44 40 | 18 | 1 52 | |
| | | | | | | | | | | | | 14 80 | 08 | tr. | |
| | | | | | | | | | | | | 8 10 | 10 | 50 | |
| | | | | | | | | | | | | 5 60 | 10 | 1 50 | |
| | | | | | | | | | | | | 3 60 | tr. | 2 10 | |
| | | | | | | | | | | | | 8 40 | 08 | 80 | |
| | | | | | | | | | | | | 2 40 | tr. | tr. | |
| W | 16[1]-19[9] | " 20 | Gen. Samp. West Drift | | | | | 1 00 | 10 | 60 | | 9 00 | tr. | 25 | |
| | | | " " Both " s | | | | | | | | | | | | |
| E | 16-17[6] | " " | " " East " | 48 00 | 20 | 1 75 | | | | | | | | | |
| | | | Conc. " " " | 45 00 | 12 | 6 92 | | | | | | | | | |
| | | | " " West " | | | | | 2 80 | 20 | 4 35 | | 25 20 | 20 | 25 | |
| | | | " Gen. " Both " s | | | | | | | | | | | | |
| E. | 17[1]-19[9] | " 21 | Gen. Samp. East " | 60 | 10 | 5 00 | | | | | | | | | |
| W | 19[9]-21[7] | " " | " " West " | | | | | 13 00 | 10 | tr. | | | | | |
| | | " " | " " Both " s | | | | | | | | | 25 40 | 80 | 1 25 | |
| E | 19[9]-21[1] | " 22 | " " East " | 26 00 | 10 | 1 41 | | | | | | | | | |
| W | 21[1]-24[7] | " " | " " West " | | | | | 80 | tr | 25 | | | | | |
| | | " " | " " Both " | | | | | | | | | 17 50 | 20 | 1 17 | |
| E | 21[1]-23[8] | " 23 | " " East " | 38 60 | 32 | 84 | | | | | | | | | |
| W | 24[7]-27[7] | " " | " " West " | | | | | 1 15 | tr. | tr. | | | | | |
| | | | " " Both " | | | | | | | | | 46 10 | 40 | 75 | |
| E | 23[8]-26[7] | " 24 | " " East " | 22 00 | 10 | tr. | | | | | | | | | |
| W | 27[7]-27[8] | " " | " " West " | | | | | 1 00 | tr. | tr. | | | | | |
| | | " " | " " Both " | | | | | | | | | 14 50 | tr. | 50 | |
| E. | 25[7]-28[8] | " 25 | " " East " | 30 00 | 10 | 1 25 | | | | | | | | | |
| W | 27[8]-29 | " " | " " West " | | | | | 1 00 | tr. | tr. | | | | | |
| | | " " | " " Both " | | | | | | | | | 9 50 | tr. | 65 | |
| E. | 28[8]-30[8] | " 26 | | | | | | | | | | | | | |
| W. | 29-31[4] | " " | | | | | | | | | | | | | |
| E. | 30[8]-32[4] | " 27 | | | | | | | | | | | | | |
| W | 31[4]-33[9] | " " | No Assays Recorded | | | | | | | | | | | | |
| E | 32[4]-34[8] | " 28 | | | | | | | | | | | | | |
| W | 33[9]-36[8] | " " | | | | | | | | | | | | | |

## East and West Drifts - 3rd level - 272 feet.

| Drift | Feet Dist. | Date 1900 | | East Drift ozs Silver | East Drift ozs Gold | East Drift % Cop. | East Drift % Lead | West Drift ozs Silver | West Drift ozs Gold | West Drift % Cop. | West Drift % Lead | Both Drifts ozs Silver | Both Drifts ozs Gold | Both Drifts % Cop. | Both Drifts % Lead |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | Started Sept. 26, 1900. | | | | | | | | | | | | |
| W | | | Sump West Drift. | | | | | 40 00 | 16 | 2 64 | | | | | |
| E | 10-11[8] | Oct. 2 | Spec. Sump. East Drift | 316 40 | 80 | 1 15 | | | | | | | | | |
| | | " " | Gen. " " " | 36 00 | 30 | tr. | | | | | | | | | |
| W | 11[6]-14 | " " | " " West " | | | | | 12 00 | 16 | tr. | | | | | |
| E | 11[8]-13[2] | " 3 | " " East " | 16 00 | 10 | tr. | | | | | | | | | |
| W | 14-16[6] | " " | " " West " | | | | | 10 80 | 10 | tr. | | | | | |
| E | 13[2]-17 | " 4+5 | " " East " | 10 80 | 30 | tr. | | | | | | | | | |
| W | 16[6]-21[6] | " " " | " " West " | | | | | 15 20 | 40 | tr. | | | | | |
| E | | " 6 | " " East " | 4 40 | tr. | | | | | | | | | | |
| W | | " " | " " West " | | | | | 6 40 | 05 | tr. | | | | | |
| E | - 21 | " 8 | " " East " | 5 20 | 04 | | | | | | | | | | |
| W | - 26[4] | " " | " " West " | | | | | 2 40 | tr. | tr. | | | | | |

| | | | | East Drift | | | | West Drift | | | | Both Drifts | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | ozs Silver | ozs Gold | % Cop | % Lead | ozs Silver | ozs Gold | % Cop | % Lead | ozs Silver | ozs Gold | % Cop | % Lead |
| | | " 9 | " " Both Drifts | | | | | | | | | 8 00 | tr. | | |
| | | | West Lead ore vein has narrowed to 1 ft. | | | | | | | | | | | | |
| | | | East " " " " " 1½ ft. | | | | | | | | | | | | |
| E | | " 20 | No dist. data Gen. Samp. end of Drift. | 4 00 | tr. | | | | | | | | | | |
| W | | " " | " " " " " " " " | 4 00 | tr. | | | 4 00 | tr. | | | | | | |
| E | 42-44 | " 24 | Gen. Samp. East Drift | 2 00 | tr. | | | | | | | | | | |
| W | 44-46' | " " | " " West " | | | | | 4 00 | tr. | | | | | | |
| W | | Nov. 19 1901 | No dist data Gen. Samp. end West Drift | | | | | 4 tr. | tr. | | | | | | |
| E | | Jan. 26 | Face of East Drift | 7 20 | tr. | | | | | | | | | | |
| E | | " " | " " " " | 5 20 | tr. | | | | | | | | | | |
| E | 60°-62° | " 29 | | | | | | | | | | | | | |
| E | 62°-63° | " 31 | | | | | | | | | | | | | |
| E | 63°-65' | Feb. 1 | (Cross cut East Drift stopped at 13 ft.) | | | | | | | | | | | | |
| W | | 1904 Aug. 13 | End of 3rd Level Cross Cut. | | | | | 4 20 | tr. | | | | | | |

## East and West Drifts - 4th level - 370 feet.

| | | | | East Drift | | | | West Drift | | | | Both Drifts | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Drift | Feet Dist | Date 1901 | | ozs Silver | ozs Gold | % Cop | % Lead | ozs Silver | ozs Gold | % Cop | % Lead | ozs Silver | ozs Gold | % Cop | % Lead |
| E | 3 | Jan. 21 | Samp. East Drift | 684 80 | 2 72 | | | | | | | | | | |
| W | 3 | | " West " | | | | | 56 00 | 16 | | | | | | |
| E | | | Spec. Samp. East Drift | 800 00 | 3 20 | | | | | | | | | | |
| E | 8 | " 23 | | | | | | | | | | | | | |
| W | 8 | " " | Spec. Samp. W. Drift ore lens | | | | | 44 80 | 96 | | | | | | |
| W | | " " | Casing west side on ore lens | | | | | 74 40 | 1 44 | | | | | | |
| W | | " 26 | Gen. Samp. ore streak N. of Slickenside Foot wall side | | | | | 29 60 | 10 | | | | | | |
| E | | " " | Samp. new strike East Drift | 524 00 | 2 24 | | | | | | | | | | |
| W | 30 | 1903 Aug. 13 | Gen. Samp ore (400 ft. Lev) (new lens coming) | | | | | 91 60 | 30 | | | | | | |
| E | 40 | " 23 | Samp ore face (" " " ) (10" lens) | 68 40 | 48 | | | | | | | | | | |
| E | 40 | " 24 | " " " (" " ") | 138 48 | 66 | | | | | | | | | | |

## East and West Drifts - 5th level.

| | | | | East Drift | | | | West Drift | | | | Both Drifts | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Drift | Ft. from Shaft | Date 1901 | | ozs Silver | ozs Gold | % Cop | % Lead | ozs Silver | ozs Gold | % Cop | % Lead | ozs Silver | ozs Gold | % Cop | % Lead |
| W | No dist data | June 19 | Gen. Samp. West Drift | | | | | 16 80 | 40 | | | | | | |
| E | | " " | " " East " | 48 00 | 96 | | | | | | | | | | |
| W | | " 15 | " " West " | | | | | 20 00 | 80 | | | | | | |
| E | | | " " East " | 17 60 | 32 | | | | | | | | | | |
| W | | 1903 Aug. 13 | " " West " | | | | | 11 60 | 16 | | | | | | |
| | | " " | " " Hanger lens | | | | | 21 00 | 18 | | | | | | |
| | | " " | Spec. Foot wall ore some Lead + Copper | | | | | 44 40 | 36 | | | | | | |
| | | " " | " " " " " " " " | | | | | 21 60 | 16 | | | | | | |
| | | " " | " " " Running Samp. | | | | | 13 20 | 24 | | | | | | |
| W | | " 27 | Samp ore face (12 in.) | | | | | 9 60 | 24 | | | | | | |
| W | | " " | " new ore face | | | | | 49 80 | 48 | | | | | | |
| W | | Sept. 8 | " " " lens Small quty. of Copper and Lead | | | | | 103 20 | 28 | | | | | | |
| W | | " " | Casing to above ore (4 in. of this) | | | | | 60 00 | 36 | | | | | | |
| W | | " 15 | Fings from ore broken | | | | | 49 92 | 25 | | | | | | |
| W | | " " | Spec. Sulphide | | | | | 18 00 | tr. | | | | | | |
| W | | " " | Gen. Samp. of ore (2½ ft of this) | | | | | 20 40 | 30 | | | | | | |
| W | | " 17 | " " " Vein | | | | | 14 20 | 20 | | | | | | |
| W | | " " | Samp of Hanging Wall | | | | | 21 30 | 25 | | | | | | |
| W | | " 23 | Spec. Samples Hang. wall ore west side samp. | | | | | 114 00 / 51 00 | 36 / 72 | | | | | | |
| W | | Oct. 17 | Ore face West Drift | | | | | 16 20 | 25 | | | | | | |
| E | | " " | Talc near smooth plane or slickenside | 2 80 | tr. | | | | | | | | | | |
| W | | " " | Samp. Vein 5 ft. wide face of drift. | | | | | 10 80 | tr. | | | | | | |
| W | | 1904 Jan. 7 | Gen. Samp. of high grade ore of this Drft. (10 in. wide) | | | | | 180 27 | 2 70 | | | | | | |
| W | | " " | Casing to above ore (12 in. wide) | | | | | 20 00 | 12 | | | | | | |
| ½ W | | " " | Cross cut 12 ft. back from shaft. | | | | | 2 00 | tr. | | | | | | |

| | | | | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| W | | Feb. 5 | Samp. 2nd Class of stope Gen. Samp. | | | | | 30.84 | .48 | | | | | | |
| W | | " " | " Ore west end of stope | | | | | 98.40 | .60 | | | | | | |
| W | | " " | " " center " " | | | | | 146.40 | 1.80 | | | | | | |
| W | | " " | " " East " " " | | | | | 229.20 | 2.72 | | | | | | |
| W | | " " | " 2nd Class sorted from stope | | | | | 37.80 | .60 | | | | | | |
| E | | Mar. 8 | Samp 12 sacks from East stope | 46.04 | .30 | | | | | | | | | | |
| W | | " " | " 22 " " west stope (west side of shaft 5th level up) | | | | | 103 | 2.10 | | | | | | |
| E | | " 16 | " 45 " East stope (East of shaft) | 57.00 | .36 | | | | | | | | | | |
| W | | " " | " High grade ores center of stope west side | | | | | 98.76 | .66 | | | | | | |
| W | | " " | " Low " " " " " " " | | | | | 26.16 | .24 | | | | | | |

East and West Drifts - 6th level.

| | | | | East Drift | | | | West Drift | | | | Both Drifts | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Drift | Ft. from Shaft. | Date 1904 | | ozs Silver | ozs Gold | % Cop. | % Lead | ozs Silver | ozs Gold | % Cop. | % Lead | ozs Silver | ozs Gold | % Cop. | % Lead |
| W | | Jan. 13 | Spec. of new strike west side | | | | | 677.40 | 1.20 | | | | | | |
| | | | Gen. Samp " " " " | | | | | 27.60 | .24 | | | | | | |
| | | | (Copper is present in above samples | | | | | | | | | | | | |
| | | | but not over 3%) | | | | | | | | | | | | |
| W | | Feb. 13 | New strike west | | | | | 19.56 | .48 | | | | | | |
| E | | " " | Samp. from drill cuttings East | 38.88 | .36 | | | | | | | | | | |
| W | | July 13 | Gen. Samp. ore face of Drift (4 ft of this) | | | | | 10.40 | .14 | | | | | | |
| W | | " 29 | " " " " " " " (2 " " ") | | | | | 29.70 | .70 | 3.22 | 22.00 | | | | |
| W | | " " | Samp. small streak ¾ in. wide on hang. wall | | | | | 169.56 | .72 | | | | | | |
| W | 71 ft | Aug 13 | Ore streak (6 in wide) | | | | | 31.80 | .25 | | | | | | |
| W | 73 | " " | Gen. samp. face of West Drift. | | | | | 13.00 | 1.72 | | | | | | |
| E | | " 15 | " " Qtz on Hanger (4 to 6 in wide) | 72.00 | .20 | | | | | | | | | | |
| +E | | " " | Samp new strike on Cross Cut | 395.40 | .84 | | | | | | | | | | |
| W | 72 | " 17 | Samp. ore streak 6 in. wide | | | | | 31.80 | .25 | 4.98 | 26.00 | | | | |

Ruby Tunnel and Winze.

| | Date 1899 | | ozs Silver | ozs Gold | % Cop. | % Lead |
|---|---|---|---|---|---|---|
| | Dec. 8 | Ruby assessment | 24.40 | tr. | | |
| | " " | " " No. 2 | 30.80 | tr. | | |
| | " " | " " Gen. Samp. | 10.80 | tr | | |
| | 1900 | | | | | |
| | Apr 25 | Tunnel Samp. | 8.00 | tr | | |
| | May 10 | Outer Casing Ruby strike | 5.60 | tr | | |
| | " " | " " " " | 3.48 | tr | | |
| | | Vein at this date was 20 in. wide | | | | |
| | | but no distance or depth data is given. | | | | |
| | " 26 | Hand samp. of latest strike | 4.80 | tr. | | |
| | 1900 June 6 | Samp. from tunnel | 7.10 | .18 | | |
| | " 16 | Ruby Winze 4 ft. | 5.80 | .16 | | |
| | " " | " " 5 ft. | 4.10 | .12 | | |
| | July 4 | " " 12 ft deep | 8.20 | .18 | | |
| | " 13 | " " | 7.84 | .12 | | |
| | " 29 | " " 17-18 ft | 8.10 | 12 | | |
| | | (Core only one to two ft. oxide | | | | |
| | | mixed with Qtz. but mostly | | | | |
| | | iron pyrite.) | | | | |

## Biography of John G. Edwards

John Griffith Edwards typified the self-reliant pioneer of the old West. His adventures in Wyoming during the 1880's are reminiscent of episodes in Owen Wister's "The Virginian." His was the life of the rugged, free-enterprise stockman who had to protect himself at all times in a lawless region, sometimes against long odds, as he built up one of the greatest stock-raising domains in the country.

Jack Edwards, as he was commonly known, was born in Wales on July 13, 1855. He emigrated to this country while still in his teens and journeyed to Wyoming in 1871. He worked as a store clerk and then operated a coal agency in Salt Lake City. After a visit to Wales he returned to the United States and in 1879 went into the cattle business near Rawlins, Wyoming. A severe winter, combined with a Ute Indian rebellion that converted the cattle ranges of Wyoming and Colorado into a battleground, ruined his business. A major campaign by the U. S. Army ensued and Edwards volunteered as an Army Scout. Because of his experience and knowledge of the country, he was instrumental in the location of strategic military posts and Indian reservations in Colorado and Utah. The Army finally brought the Indians under control and peace returned to the range country.

Edwards went back to cattle ranching but, always aroused by a challenge, he became greatly interested in the burgeoning demand for wool and the opportunity of ranging great herds of sheep over the rolling Wyoming hills. Thus he entered on his sheep-raising venture with the utmost enthusiasm. This aroused the enmity of cattlemen who at that period wanted to run all sheep and sheepmen out of the country. Sometimes there was violence but Edwards did not budge from his determination to graze sheep on the public domain which he believed, as a citizen, he had as much right to use as did the cattlemen. His reputation and courage were so well known that he was able to maintain his position against the opposition until eventually the combatants realized that the disagreements were suicidal, and the serious frictions gradually disappeared from the ranges. Edwards became the largest operator and probably the best known sheep man in the country. But at this period increasing immigration of settlers and the consequent decrease in available range land in Wyoming caused him to look over the distant horizon for land better suited to his plans. The great expanses of central and eastern Oregon beckoned.

In 1898 Edwards bought a half interest in the Hay Creek Ranch in central Oregon owned by the Baldwin Sheep and Land Co., which had pioneered in raising alfalfa for sheep feed. He, with C. M. Cartwright and J. P. Van Houten as partners, set about improving his herds. He made long trips to buy breeding stock and made importations of selected Merino and Rambouillet sheep from Spain and France. His fame as a breeder became world wide and his Hay Creek Ranch, with its herds of 60,000 to 70,000 sheep, was called the greatest Merino breeding station in the world. Also in 1898, he bought the Oregon King mine, which had been recently discovered only a few miles east of his ranch area. The mine was always one of his chief interests.

In 1903 Edwards was married to Elizabeth J. B. Smith in Yorkshire, England. In 1905 he became the full owner of the Hay Creek Ranch comprising some 70,000 acres, and at this time, Louis Enderud was brought in as business manager, becoming one of Edwards' closest business associates. In 1910 he sold the ranch to Henry C. Pittock and L. B. Menefee of Portland. Because of increasing government restrictions on the amount of grazing land available, Edwards had to reduce his herds until he believed it uneconomic for him to graze his herds on government

range. Therefore, he decided to quit the business and move to Portland.

Early in World War I he went to France as a captain in the Red Cross and was stationed at Dijon, where he organized and maintained a large supply depot.

After he retired from the sheep business, he was offered the post of head of the Russian bureau of animal industry by the Czar of Russia. He was preparing to leave for St. Petersburg when the revolution broke out and forced him to change his plans.

In 1923 he built a fine home in Portland where he assembled many art objects. He loved to paint pictures and showed much talent in his painting.

Edwards died in Portland on October 27, 1945, ending a full and eventful life. His estate, disclosed by The First National Bank as Trustee, showed a trust valued at approximately $700,000 set aside as a perpetual fund for charity. It was said to be one of the largest community trusts ever established in Portland. After stipulating that the public benefits were not to become effective during the lifetime of Mrs. Elizabeth Edwards, the widow, the trust selected no beneficiary, but directed the Trustee to use its discretion in distributions for such charitable purposes as it deems proper. Mrs. Edwards died November 3, 1959.

Jack Edwards was one of the last of his breed - pioneer westerner, cattleman, Army Scout, Indian fighter, sheepman, breeder of fine stock, and one-time owner of the 70,000-acre Hay Creek Ranch. He was a strong and purposeful man whose philanthropy will be of perpetual benefit to the people of Oregon.

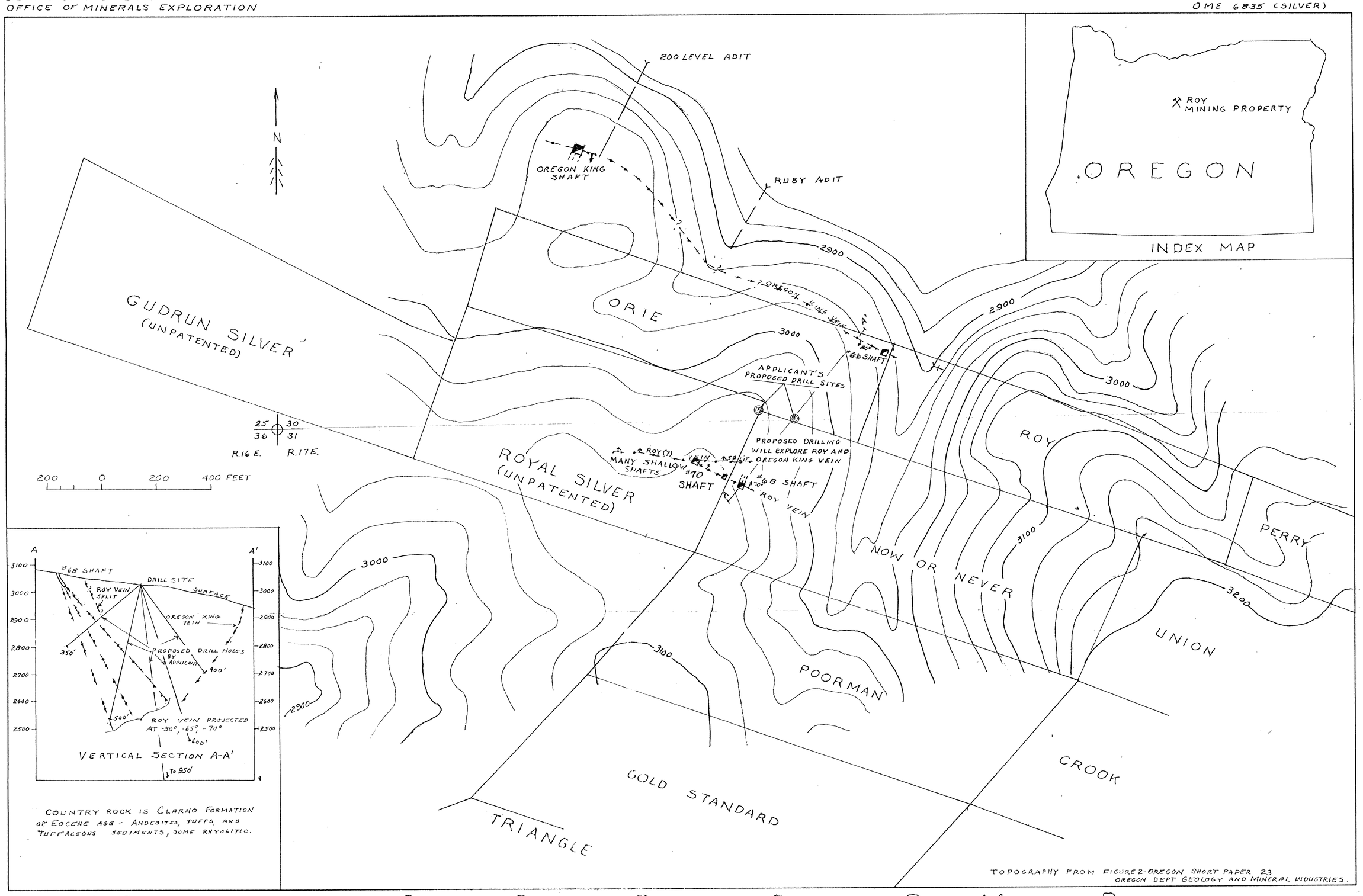
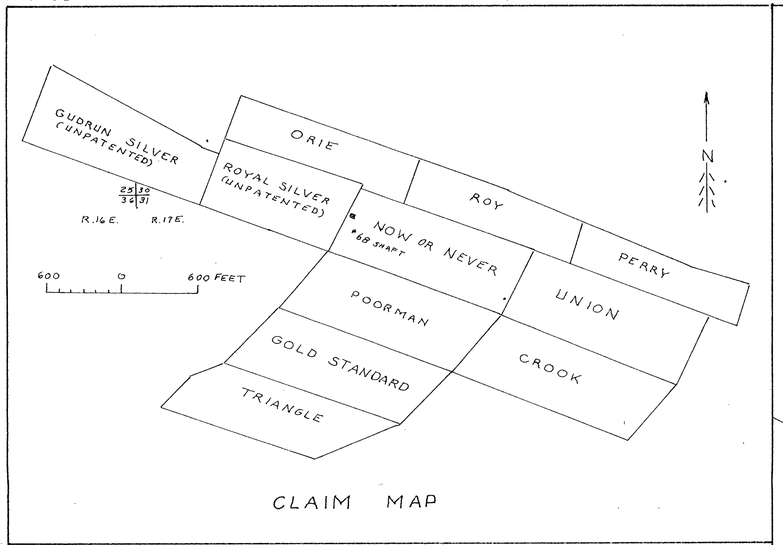
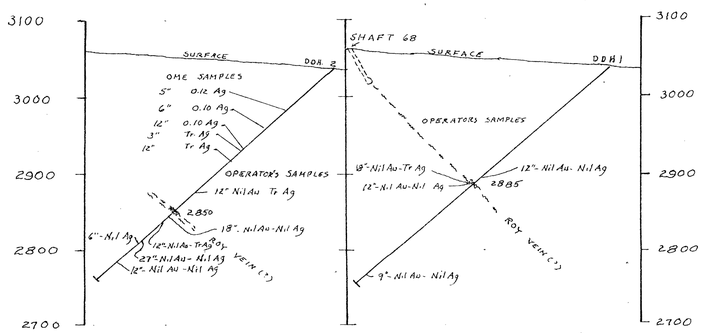



FIGURE 1- PROPERTY MAP AND SECTION SHOWING PROPOSED DRILLING, ROY MINING PROPERTY, SECS. 30 AND 31, T.9S., R.17E., JEFFERSON COUNTY, OREGON



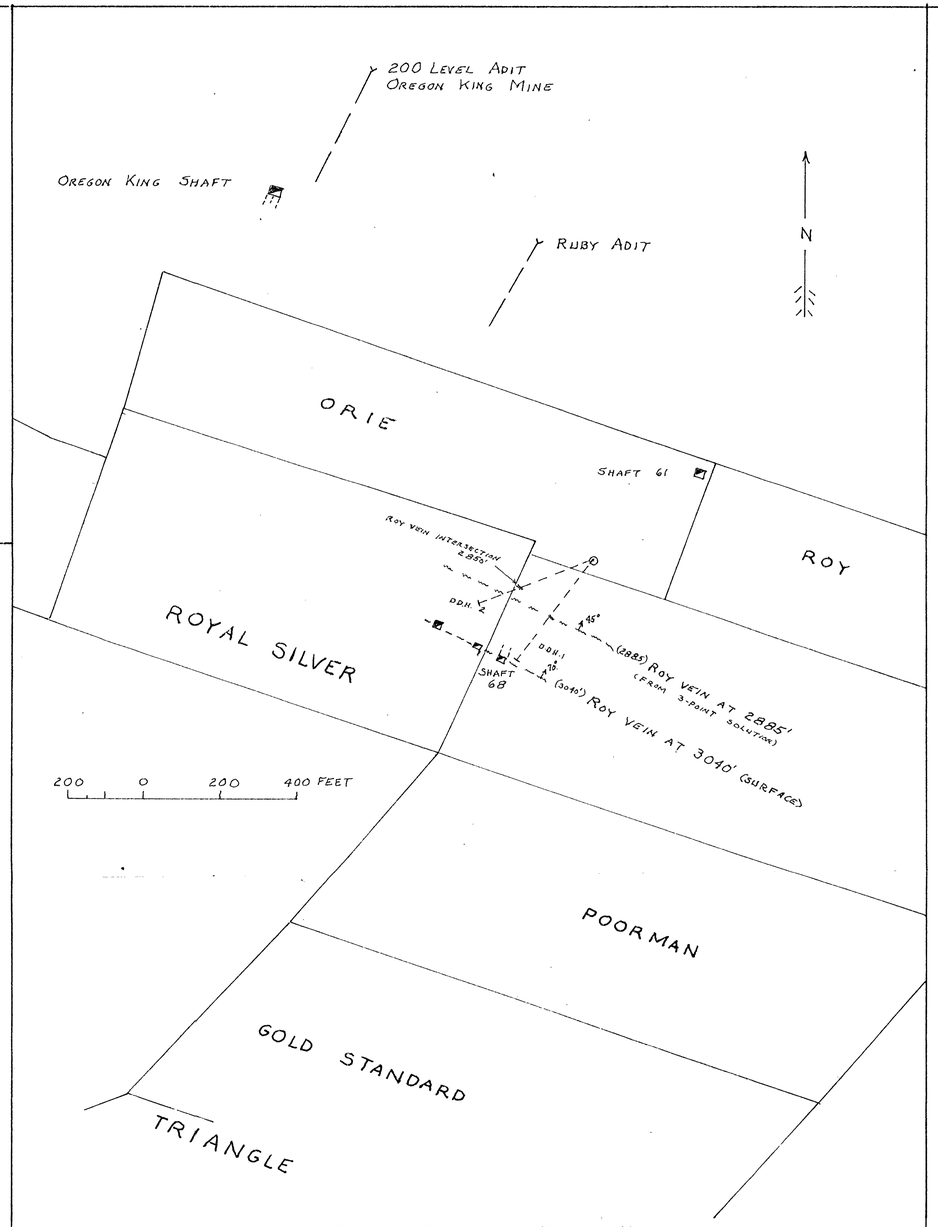

CLAIM MAP



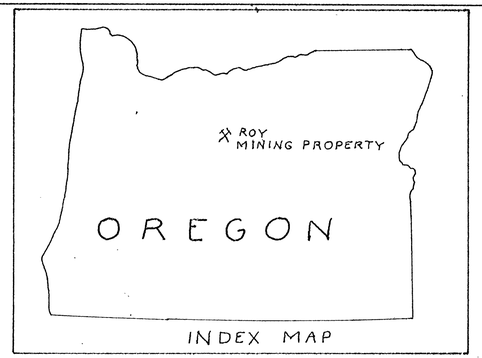

CROSS SECTIONS THROUGH DIAMOND-DRILL HOLES

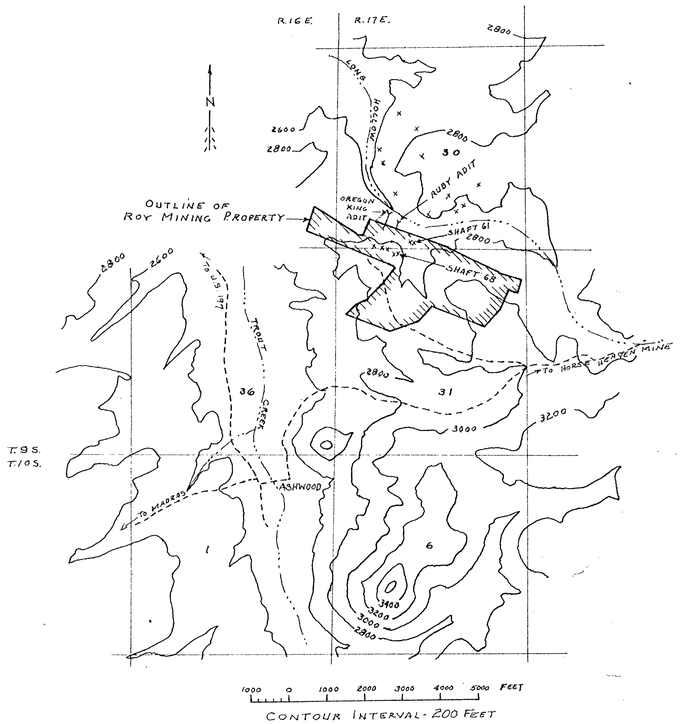
ROCK PENETRATED BY DRILL IS GRAY-GREEN ANDESITE, LOCALLY PORPHYRITIC, WITH SCATTERED TO ABUNDANT PYRITE, AND A FEW CALCITE STRINGERS. ROY VEIN IS ZONE OF BRECCIATED ROCK WITH SOME PYRITE.
ALL IN CLARNO FORMATION OF EOCENE AGE.

COMPILED - W.P.P. - 1/72




PLAN MAP OF OME DIAMOND-DRILL HOLES

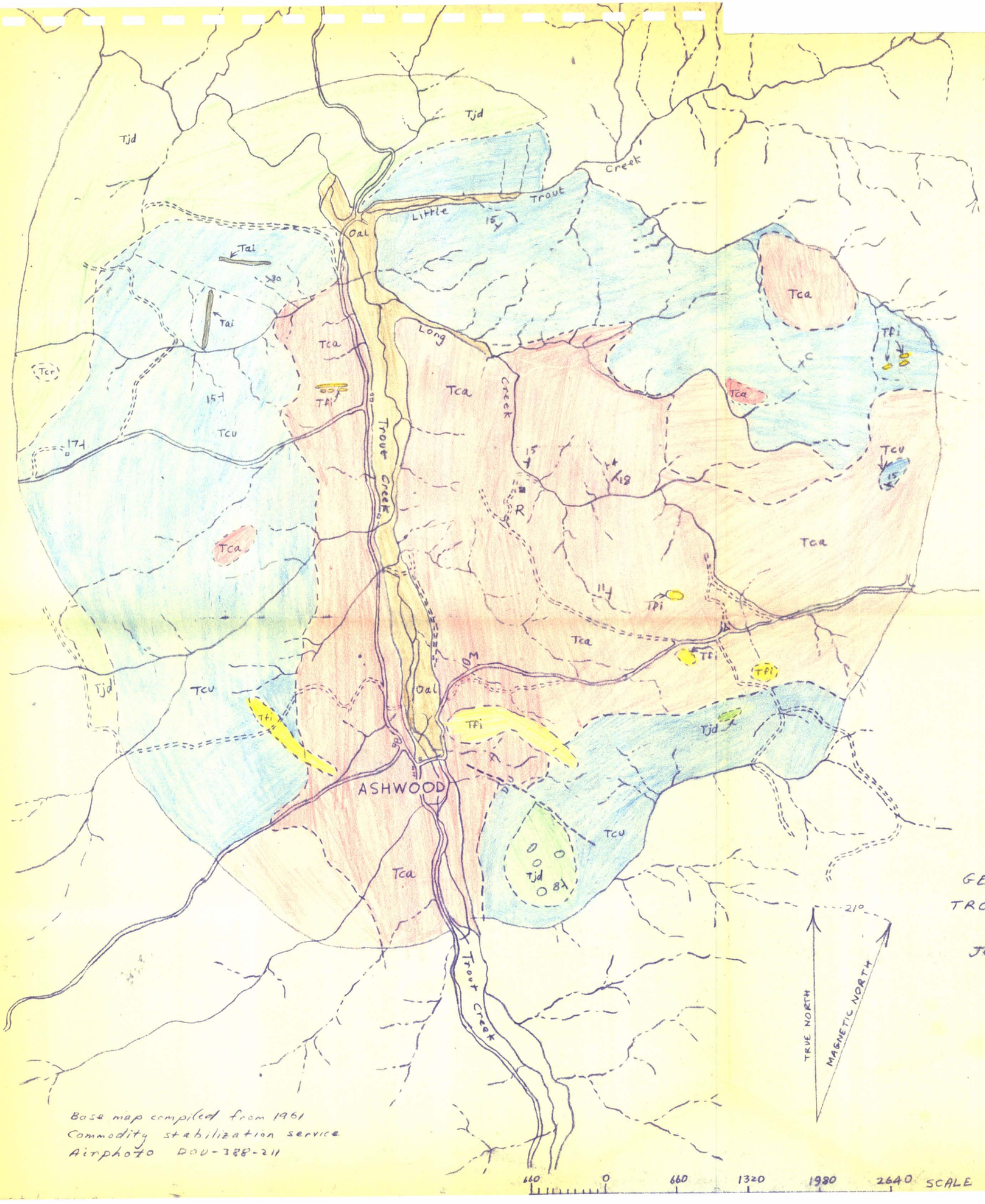



INDEX MAP OF AREA NEAR ASHWOOD, OREGON

CONTOURS FROM U.S.G.S. QUADRANGLE MAPS.

FIGURE 1- PLAN, SECTION, CLAIM, AND INDEX MAPS SHOWING OME DIAMOND-DRILL HOLES, ROY MINING PROPERTY, SECS. 30 AND 31, T. 9 S, R. 17 E, JEFFERSON COUNTY, OREGON




LAYERED ROCKS | INTRUSIVE ROCKS

**Quaternary**

Recent

Oal — Alluvium

ANGULAR UNCONFORMITY

**Tertiary**

Post Claro rocks

Miocene

Tcr — Basalt Flows

ANGULAR UNCONFORMITY?

Oligocene

Tjd — John Day formation? Ryolite Flows

Tfi — Felsitic Intrusives predominently Ryolite

ANGULAR UNCONFORMITY

Eocene

Claro formation

Tcu — Undifferentiated Claro formation andesites & more acidic flows, some tuff and mudflow conglomerate, some basic vesicular and amygdaloidal flows

Tai — Andesitic Intrusives

UNCONFORMITY?

Tca — Claro Andesites

Contact, accurately located.

Inferred contact

Indicated fault

strike & dip of beds.

Flat lying beds

Oregon King mine shaft.

R — ROY MINING PROPERTY

Graded road

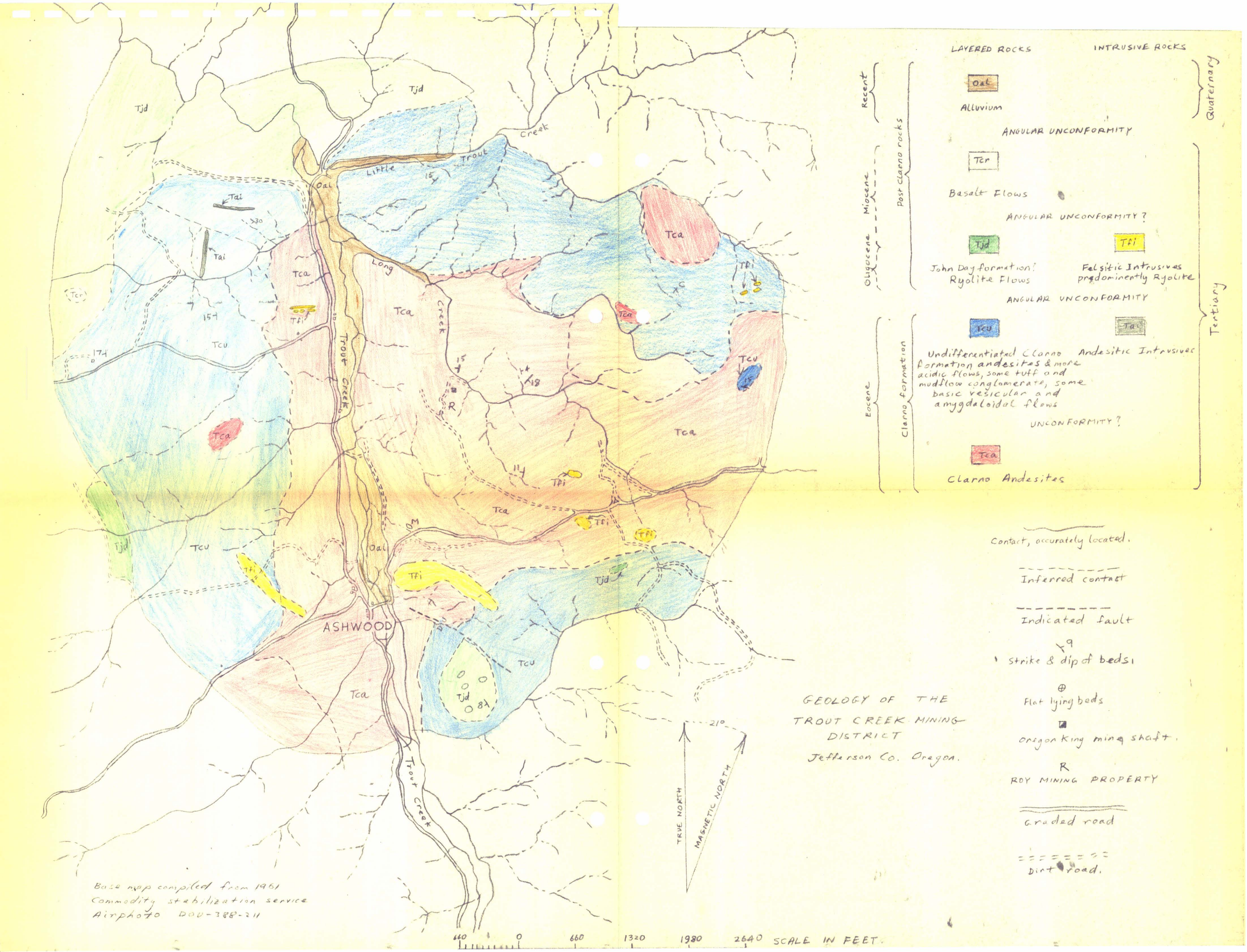
Dirt road.

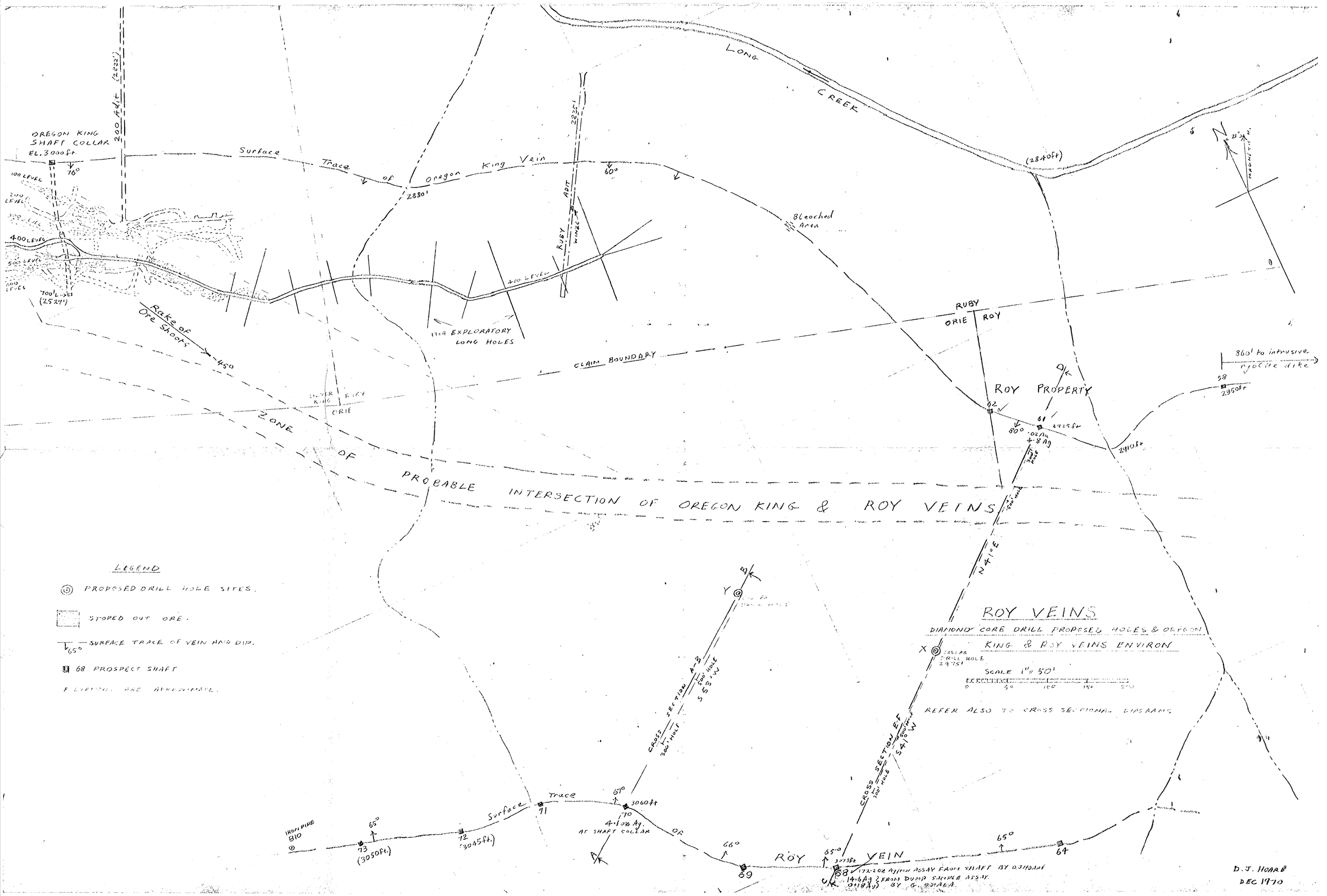
# GEOLOGY OF THE TROUT CREEK MINING DISTRICT

Jefferson Co. Oregon.

Base map compiled from 1961 Commodity stabilization service Airphoto DOV-388-211

660 0 660 1320 1980 2640 SCALE IN FEET.


LAYERED ROCKS
INTRUSIVE ROCKS
Quaternary
Recent
Oal
Alluvium
ANGULAR UNCONFORMITY
Post Clarno rocks
Miocene
Tcr
Basalt Flows
ANGULAR UNCONFORMITY ?
Oligocene
Tjd
John Day formation?
Ryolite Flows
Tfi
Felsitic Intrusives
predominently Ryolite
ANGULAR UNCONFORMITY
Tertiary
Eocene
Clarno formation
Tcu
Undifferentiated Clarno formation andesites & more acidic flows, some tuff and mudflow conglomerate, some basic vesicular and amygdaloidal flows
Tai
Andesitic Intrusives
UNCONFORMITY ?
Tca
Clarno Andesites
Contact, accurately located.
Inferred contact
Indicated fault
strike & dip of beds.
Flat lying beds
Oregon King mine shaft.
R
ROY MINING PROPERTY
Graded road
Dirt road.
GEOLOGY OF THE
TROUT CREEK MINING
DISTRICT
Jefferson Co. Oregon.
TRUE NORTH
MAGNETIC NORTH
21°
ASHWOOD
Trout Creek
Little Trout Creek
Long Creek
Tjd
Tai
Tcr
Tcu
Tca
Tfi
Oal
660 0 660 1320 1980 2640 SCALE IN FEET.
Base map compiled from 1961
Commodity stabilization service
Airphoto DOV-388-211


LONG CREEK
200 ADIT (2822')
OREGON KING SHAFT COLLAR EL. 3000 ft.
76°
100 LEVEL
200 LEVEL
300 LEVEL
400 LEVEL
500 LEVEL
600 LEVEL
700' L
(2529')
Surface Trace of Oregon King Vein
2880'
60°
ADIT
RUBY WINZE
400 LEVEL
Bleached Area
(2840ft)
21°
N
MAGNETIC
Rake of Ore Shoots
450
11-A EXPLORATORY LONG HOLES
CLAIM BOUNDARY
RUBY
ORIE
ROY
ROY PROPERTY
62
61
80°
2928ft
.02 Au
4.8 Ag
2910ft
860' to intrusive rhyolite dike
58
2950ft
SILVER KING
RUBY
ORIE
ZONE OF PROBABLE INTERSECTION OF OREGON KING & ROY VEINS
N 4°E
LEGEND
PROPOSED DRILL HOLE SITES.
STOPED OUT ORE.
65° SURFACE TRACE OF VEIN AND DIP.
68 PROSPECT SHAFT
ELEVATIONS ARE APPROXIMATE.
ROY VEINS
DIAMOND CORE DRILL PROPOSED HOLES & OREGON KING & ROY VEINS ENVIRON
X COLLAR DRILL HOLE 2975'
SCALE 1" = 50'
0 50 100 150 200
REFER ALSO TO CROSS SECTIONAL DIAGRAMS
Y
CROSS SECTION A-B
300' HOLE
S 53° W
CROSS SECTION E-F
300' HOLE
S 41° W
IRON PIPE
810
65°
73
(3050ft.)
72
(3045ft.)
Surface Trace
71
65°
3060ft
70
4.1 oz Ag.
AT SHAFT COLLAR
OF
66°
69
ROY VEIN
65°
3075ft
68
UK
172.2 oz Au from assay from shaft by D.J. Hoare
14.6 Ag from dump sample assay
0.18 Au by G. Ostala
65°
64
D.J. HOARE
DEC 1970