Mr. C. G. Fehlberg Apartment 3 6359 South Sangamon Street Chicago, Illinois

Dear Mr. Fehlberg:

We have your request for information upon the U. S.Chromium, Inc. We do not have late information upon the operations of this company. The following is a letter written by our field engineer, dated December 3, 1937, which will furnish you all the information which we possess. We hope, before the year is gone, to get more up-to-date information upon this property.

\*I visited the Salmon Mountain property and gathered the following information.

"The preperty consists of some 80 unpatented mining claims on the Morth slope of Salmon Mountain at an elevation of 2100 feet, ten miles southwest of Powers in Goos Gounty, Oregon, and more specifically described as Secs. 19, 20, 21, and 22, T. 32 S., R. 12 W., Willamette M.

\*At the present time the property cannot be reached by road. The Company has four men surveying for right of way to connect with U. S. Forestry road at China Flats on the Coquille River, a distance of five miles. This road, when completed, will connect them with Powers, the closest railroad.

"The property was discovered in the early eighties and beginning in 1885 was operated for thirteen winters. I was informed by a man who worked on the property the last two seasons it operated, that the reason for closing was due to insufficient water to make it pay as a hydraulic mine. From 1898 to 1936 the property was worked intermittumly but without any appreciable production.

"The present Company acquired the property in 1936 and in the summer of this year started construction of a 100 ton test mill for the purpose of ascertaining whether or not the ore body was sufficiently large enough to pay on a large scale operation. This mill should be completed in January of 1938 if the present force of ten men is maintained. The flow sheet consists of fine grinding in a Gibson 100 ton balanced rod mill followed by amalgamating plates, rag frames and Wilfley tables.

"The United States Geological Survey Port Orford Folio by Diller describes the property as follows: 'The Salmon Mountain mine, on the north

slope of Salmon Mountain, at an elevation of 2,100 feet, is hydraulic, using water with nearly 200 feet head, brought across the divide from the upper part of Johnson creek. The cut is about 50 feet deep, the same in width, and 500 feet long, with a range of 200 feet in height. It is in rather fragmental material of igneous origin, except at the lower end, where Eccene shales and sandstones occur. Although closed at the present time, it has been worked during the rainy season at intervals for a number of years. When running under good head the mine paid \$75 to \$100 day and the gold is said to be rather uniformly distributed through the whole mass. This fragmethal material of volcanic origin forms a bench with small depressions on the steep slope of Salmon Mountain, and appears to be due to a slide.

\*\*The rock is dark, often purplish or greenish, sometimes brecciated, much fractured, and easily goes to pieces. Although much altered, it retains traces of its ophitic structure which connects it with the basalts. Hear the upper limit of its exposure, above the bulkhead it is more solid and is associated with a rock rich in glaucophane, with sandstones and indurated shales bounding it on both sides.

"The gold of the mime appears to be derived from small quartz veins, such as have been prospected in the immediate vicinity, Its intimate association with this igneous rock is exceptional and unlike anything else seen in the region. The branch of Salmon Creek which heads near the mine contains much of the same sort of debris in its bed and yields a small amount of gold annually to several miners.

\*\*A short distance southwest of the Salmon Mountain placer mine a quarts mine was opened by several tunnels running in a southerly direction into the hill. One of these showed a 2 inch quarts vein, with smaller veinlets, containing besides some pyrite occasional visible traces of free gold Veins of this sort are found in the pebbles of Cretaceous sandstone which occur in the adjacent Eccene conglomerate, so that the formation of the veins belongs hear the close of the Cretaceous.

"I was unable to see a great deal of the formation because the old hydraulic cut and tunnels were caved and there were no new exposures.

"The mine superintendent, Billy McLaughlin, is extending every effort to erect the test plant as cheaply as possible without slighting workmanship; second-hand equipment being placed where ever possible."

We trust the above information will be of service to you.

Yours very truly,

AMS: VR

A. M. Swartley Consulting Mining Engineer



## CLAUDE G. FEHLBERG

STATE DEP'T OF GEOLOGY & MINERAL INDS. APARTMENT 3
6359 South Sangamon Street
CHICAGO

July 18, 1938.

State University,
Mining Department,
Portland. Oregon.

Gentlemen:

Thru your good offices I am seeking information as to a mining company that owns considerable land in your state.

This firm's office known as U.S. Chromium, Inc., 1713 Mallers Building, Chicago, Illinois and the property which they claim is part of Salmon Mountain, located 12 miles south of Powers, and 30 miles from the Pacific Ocean. The county is Coos County.

They have been sending me plenty of literature but would be pleased to get first hand information relative to any prevate and confidential information that you might have pertaining to the status or outcome of this so-called mining firm.

Yours very truly

Fourty

Tron-Salmon Mountain Area
Coos County

APR 7 1939

Name:

Salmon Mountain Mine

(supplemental report)

Area:

They finally decided on and claim 67 claims.

Equipment:

One 100 h.p. Diesel electric engine has been installed, and now the mill is run with five motors.

Miscellaneous Information:

The White Rock Chrome Claims listed on Page 38 of the rough draft is a part of the Salmon Mountain Mine. Last operated in January, 1939.

Informant:

J. E. Morrison.

March 27, 1939.

## Confidential

As you probably know, this company is in trouble with the Government over some misrepresentation of stock, and there will probably be no more operations until this matter has been settled.

Mr. Harrison stated that they had worked continuously since my visit in 1937, but most of their work had been poorly planned—nothing really valuable had been accomplished.





STATE OF OREGON

STATE

CORPORATION DEPARTMENT

& MINERAL INDS.

SALEM

J. H. HAZLETT Corporation Commissioner

March 28, 1938.

Department of Geology & Mineral Industries, 704 Lewis Building, Portland, Oregon.

Gentlemen:

Attention A. M. Swartley

We have a corporation of record by the name U S CHROMIUM, INC., with its headquarters at Powers, which no doubt is the company referred to in your letter of March 26th as U. S. CHROME, INC. It filed articles September 7, 1937, with an authorized capitalization of 75,000 shares of no par value Common Stock. It has not yet filed any reports of any kind, so we are unable to advise you who its officers might be.

Its incorporators were James Draper, Avis Hart, and Tom C. Chappell. The articles were signed and executed at Chicago before Mabel Grant, a notary public for Cook County. Presumably its officers are all non-residents, for the reason that it filed a power of attorney under the provisions of Chapter 184, Oregon Laws, 1935, naming E. C. Roberts of Myrtle Point, Oregon, its Attorney-in-Fact in this state.

Very truly yours,

J. H. Hazlett

CORPORATION COMMESSIONER.

H:WHW

## February 11, 1938

Hr. Chas. W. Apley C/e The Hub, Henry C. Lytton & Sons Evansten, Illinois

Dear Sir:

Your letter of February 5th, addressed to the Oregon State Geological Survey, Sales, Oregon, has been forwarded to this office for reply.

We have noted in the press from time to time reports of exceedingly large deposits of low grade gold in the Salmon Mountain District in southern Coogo County, also statements that there was much chromite in this property. We regret to state that we have no complete report on this property and the activities of this firm so that an exhaustive and final statement might be made.

The following is the information we have from one of our field engineers. He informs us that the Salmon Mountain property consists of some 80 unpatented mining claims on the north slope of Salmon Mountain at an elevation of 2100 feet, ten miles southwest of Powers in Coos County, Oregon, and more specifically described as Sections 19, 20, 21, and 22, T. 32 S., R. 12 W., W.M. At the present time the preperty cannot be reached by road. The company has four men surveying for right of way to connect with U. S. Forestry road at Chimmer Flats on the Coquille River, a distance of five miles. This road, when completed will connect them with Powers, the closest railroad.

"The property was discovered in the early eighties and beginning in 1885 was operated for thirteen winters. I was informed by a man who worked on the property the last two seasons it operated, that the reason fus closing was due to insufficient water to make it pay as a hydraulic mine. From 1898 to 1936 the property was worked intermittenly but without any appreciable production.

"The present company acquired the property in 1936 and in the summer of this year (1937) started construction of a 100 ton test mill for the purpose of ascertaining whether or not the ore body was sufficiently large enough to pay on a large scale operation. This mill should be completed in January of 1938 if the present force of ten men is maintained." (Report written December 3, 1937)

I assume that this may be the property to which you refer. Our representative was unable in the time permitted to make any detailed examination of this property that would determine the average value of the ore and the possibilities that might be developed.

If you are contemplating making a sizeable investment in this property or any other, we suggest that previous to making such an investment you and your friends employ a mining engineer in which you have full confidence for the purpose of mkaing a thorough examination of the property. You should also investigate carefully the corporate structure and stock arrangements, assets and liabilities, and last, but not least, you should have a careful study made of the personnel, officers, and controlling interests. Of course, no sine can become profitable without adequate ore body of grafitable grade regardless of management. Management and control of the corporation are vital to any enterprise and again it is important to know what part of the enterprise you are getting for the money invested.

We regret our inability to furnish more specific information at this time. If we can be of any service to you in the future, we will be very happy to do so.

Yours very truly,

STATE DEPARTMENT OF GEOLOGY AND MINERAL INDUSTRIES

AMB: VE

A. M. Swartley Consulting Mining Engineer

## THE 🎒 HUB **HENRY C. LYTTON & SONS**

STATE DEP'T OF GEOLOGY & MINERAL INDS.

**EVANSTON** 

ADDRESS REPLY TO ORRINGTON AND CHURCH **EVANSTON** 

STORES AT CHICAGO STATE AND JACKSON EVANSTON ORRINGTON AND CHURCH OAK PARK LAKE AND MARION GARY BROADWAY AND FIFTH

Oregon State Geological Survey Salem, Oregon

Gentlemen:

I would appreciate any information or literature that you could send me in reference to the ore deposits in the Coos Valley region, namely, Salmen Mt. in Coos County.

Any information that you have pertaining to the content of the ore deposits and the feasibility of mining this region will be greatly appreciated, also, is there a large deposit of Chromite at Salmon Mt?

Thanking you for your help, I remain

Sincerely,

Chas. W. Ap#ey

% The Hub, Henry C. Lytton & Sons

Evanston, Ill.

Feb. 5, 1938

CA: AS

November 2, 1937

Mr. Julius Braun W. Braun Company 2433 West Fourteenth Street Chicago, Illinois

Dear Sir:

Replying to your letter of October 28th, I have been unable so far to look into the situation at Salmon Mountain in Coos County.

I am sending your letter to our mining geologist at Grants Pass and asking that he look into the situation at his earliest opportunity. I had hoped personally to make a trip there within the next couple of weeks but matters have come up which will prevent my going.

You will be advised as soon as we have any information to offer you.

Thanking you, I am

Very truly yours,

KKN : VIR

Director

October 22, 1937

W. Braun & Company 2433 W. Fourteenth Street Chicago, Illinois

Attention: Mr. Julius Braun

Dear Mr. Braun:

Mr. Nixon, Director of this Department, advises that he hopes to make an investigation of the area under discussion sometime in the near future.

In order that he may be able to be of the maximum service to you, he would appreciate specific information as to the locality or property in question and what particular information you would desire.

If these matters work out satisfactorily, this Department should be able to furnish you with such information as you desire. On this basis, I believe you could expect a return within a month or six weeks; the value of the information will be largely determined by the data you furnish us.

Yours very truly,

STATE DEPARTMENT OF GEOLOGY AND MINERAL INSUSTRIES

Ray C. Treasher Geologist

RCT: b





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2433 W. FOURTEENTH ST

CHICAGO

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STATE DEP'T OF GEOLOGY & MINERAL INDS.

State Department of Geology and Mineral Industries 704 Lewis Building Portland, Oregon.

Atten: Mr. Ray C. Treasher

ALL OFFERS ARE SUBJECT TO CONTINGENCIES BEYOND OUR CONTROL AT POINT OF SHIPMENT AND ARE SUBJECT TO WITHDRAWAL WITHOUT NOTICE

Dear Mr. Treasher:

First let me thank you for your kind letter. I do not believe, however, that I could reasonably ask for more prompt handling than you are prepared at present to give my inquiry.

I do, however, believe that there will be sufficient other interest in any public report that you could make in regards to this matter, providing that same could be issued within a reasonable prompt time.

If you will have Mr. Nixon advise me as to when the public report may be available, I will know as to whether I can advise the people with whom I am figuring as to whether I will be interested further in this matter.

Yours very wraly,

W. BRAUN & MPANY

Julius Braun

JB:RP

Mila

#### October 8, 1937

W. Braun & Company 2433 W. Fourteenth Street Chicago, Illinois

Attention: Mr. Julius Braun

Dear Mr. Braun:

Mr. Earl K. Nixon, the Director of this Department, is out-of-town for several days. Matters of this kind should be referred to him for final approval. The matter will be called to his attention immediately upon his return.

This Department makes mineral investigations only as a matter of public record. At present, our list of proposed projects does not include an investigation of this area, but should a sufficient need be shown, it is possible that it might take precedence over some of the others. Should your interests require a more prompt handling of this matter and a private report, the most efficient method would be the retainment of a Consulting Mining Engineer.

In case you present a request for a public report, it would be advisable to supply this office with all details you have at hand, such as, exact location, copies of reports, etc.

Mr. Nixon will undoubtedly write you at an early date.

Yours very truly.

STATE DEPARTMENT OF GEOLOGY AND MINERAL INDUSTRIES

Ray C. Treasher Geologist

RCT: b

TELEPHONE: MONROE 5511
CABLE: BRAUNBOTLE CHICAGO





Machine Made Bottles of Distinction

2433 W. FOURTEENTH ST. - CHICAGO, ILLINOIS

Oct.

1937

United States Dept. of Geology & Mineral Industries 704 Lewis Building Portland, Oregon Atten: Mr. Ray C. Treasher

ALL OFFERS ARE SUBJECT TO CONTINGENCIES BEYOND OUR CONTROL AT POINT OF SHIPMENT AND ARE SUBJECT TO WITHDRAWAL WITHOUT NOTICE

Dear Mr. Treasher:

Thank you for your very kind letter which is sincerely appreciated.

Can you tell me what charge there would be, if any, for a report from Mr. J. E. Morrisson who you say is now located at Grants Pass, Oregon, and would we have time to get this if we were to wire him immediately upon hearing from you.

Yours very truly,

W. BRAU COMPANY

JB:RP

**J**ulius Braun

W. Braun Company, 2433 W. Fourteenth Street, Chicago, Illinois.

Attention: Mr. Julius Braun

Dear Mr. Braun:

Your letter requesting information on minerals on Salmon Mountain in southwestern Coos County, has been referred to me.

Salmon Mountain is located in T. 32 S., R. 12 W., covering portions of Sections 19 and 20. Portions of this area have been covered by the U.S.G.S. Folio No. 73, titled "Coos Bay Folio". This area has not been carefully reported on in recent years. Reports have come to our attention of deposits of iron, chromite and manganese, in addition to the customary gold and silver; the authenticity of these reports has not been checked, and sometime, may be unreliable.

Mr. J. E. Morrison, Mining Geologist for this Department, is located at Grants Pass, Oregon, and should it be deemed advisable, he might arrange his schedule to investigate this area, except for the fact that it is impassable during the winter months.

I am enclosing a check list of available publications, and wish to call your attention particularly to the "Bibliography". This is an exceedingly valuable publication for those interested in present mineral resources; a copy may be in the Chicago Public Library, in case you do not wish to obtain one of your own.

If we can be of further assistance to you, kindly advise us.

Very truly yours.

STATE DEPARTMENT OF GEOLOGY AND MINERAL INDUSTRIES

| By |     |     |          |   |
|----|-----|-----|----------|---|
|    | Ray | C.  | Treasher | _ |
|    | Geo | Log | lst      |   |

RCT: b Enc/l

TELEPHONE: MONROE 5511 CABLE: BRAUNBOTLE CHICAGO





2433 W. FOURTEENTH STept.

CHICAGO, ILLINOIS

25

1937

State of Oregon Portland, Oregon

STATIL

Geological Dept.

& MINERAL INDS.

ALL OFFERS ARE SUBJECT TO CONTINGENCIES BEYOND OUR CONTROL AT POINT OF SHIPMENT AND ARE SUBJECT TO WITHDRAWAL WITHOUT NOTICE.

### Gentlemen:

We would greatly appreciate whatever information you can give us regarding the mineral content from the mining standpoint or mineral formation or however you do term it, of Salmon Mountain which I believe is Koos? County or some part of southwestern 2006 Oregon.

Any information that you can give us or any place that you can refer us to for this information will be very much appreciated.

Yours very truly,

JB:RP **J**ulius Braun July 14, 1937

Mr. S. C. Potter 3523 Wenomah Avenue, South Bermyn, Illinois

Dear Mr. Potter:

Replying further to your letter of July 6, 1937, regarding chromium deposits in this state and a syndicate which is making arrangements to incorporate for development of this deposit, I must advise that the Sorporation Department at Salem has no record of the "U. S. Chromium Company" at ther as a domestic or foreign corporation.

Within the next month or so I can probably give you further information on the deposit asked about. At the moment I can give you nothing further. I suggest that you write me at some later time in this regard.

Regretting that we are unable to be of any more satisfactory help on account of our present re-organization matters, I am

Very truly yours,

Earl K. Mixon, Director

EXHIL

7/13/37. letter under Corporation Commexica

July 12, 1937

Mr. 8. C. Potter 3523 Menonah Avenue Berwyn, Illinois

Dear Sir:

Replying to your letter of July 6, 1937 in regard to a chromium deposit alleged to be located bouth of Myrtle Point, Oregon, I wish to say that I cannot at this time furnish you any detailed information regarding this deposit. There are various chromium deposits in southwest Oregon; some of which are being developed in a small way at the present time. If the deposit in question is well known, I am not aware of it. I have not met Dr. Wm. Muchow, whom you mention as supervising the project.

This department is just being re-organized after a lapse of some fifteen years and it will be necessary to do some checking up before I can offer much assistance. I would like to look into this matter and write you further within a matter of two weeks.

Thanking you for your interest, I am

Very truly yours,

Earl K. Nixon, Director

EXNIL

July 6th, 1937

3523 S. Wenone Dy EUR E WE Berwyn, Illing JUL 12 1937

Mr. Earl F. Nixon, Director of Dept. of Geology and Mineral Industries for the State of Oregon, Corvallis, Oregon

STATE DEP'T OF GEOLOGY & MINERAL INDS.

Dear Sire

Mr. W. H. Strayer, chairman of mining and resolutions committees of your State has directly referred me to you in connection with the following:

I have learned that a rather large and commercially valuable deposit of Chromium ore has been discovered within the boundaries of your State, and, as a prospective individual invester, I am taking this liberty of beseeching your good will in verifying this claim.

As I understand it, the cre deposit in question, is located in the Salmon Mountain region, south of Myrtle Point and inland from Port Orford, covering approximately 3,600 square miles in area.

The syndicate, now promoting this ore mining project, is operating under the personal supervision of a Doctor Wm. Muchow, and is, according to my information, making arrangements to incorporate under the laws of your State, and been given permission to adopt the incorporation name of "U. S. CHROMIUM COMPANY".

Any assistance you may feel free to render in verification of the project I have heretofore endeavored to describe, will be deeply appreciated. Thanking you also for your earliest convenient reply, I am

Yours very respectfully,

SCP RP

P. S. Enclosed please find stampled envelope for reply.

GOVERNING BOARD
W. H. STRAYER, CHAIRMAN . BAKER
ALBERT BURCH . . . MEDFORD
E. B. MACNAUGHTON . PORTLAND



# STATE DEPARTMENT OF GEOLOGY AND MINERAL INDUSTRIES

STATE ASSAY LABORATORY

802 EAST H STREET

GRANTS PASS, OREGON

December 3, 1937.

Mr. Julius Braun, 2435 W. Fourtsenth St., Chicago, Illinois.

Bear Sir: "

I visited the Salmon Mountain property and gathered the following information.

The property consists of some 30 unpatented mining claims on the North slope of Salmon Mountain at an elevation of 2100 feet, ten miles Southwest of Powers in Coos County, Oregon, and more specifically described as Secs. 19, 20, 21 and 22, T. 32 S., R. 12 W., Willametto M.

At the present time the property cannot be reached by road. The Company has four men surveying for right of way to connect with U. S. Porestry road at China Flats on the Coquille River, a distance of five miles. This road, when completed, will connect them with Powers, the closest railroad.

The property was discovered in the early eighties and beginning in 1883 was operated for thirteen winters. I was informed by a man who worked on the property the last two seasons it operated, that the reason for closing was due to insufficient water to make it pay as a hydraulic mine. From 1898 to 1936 the property was worked intermittenly but without any appreciable production.

The present Company acquired the property in 1936 and in the summer of this year started construction of a 100 ton test mill for the purpose of ascertaining whether or not the ore body was sufficiently large enough to pay on a large scale operation. This mill should be completed in January of 1938 if the present force of ten men is maintained. The flow sheet consists of fine grinding in a Gibson 100 ton balanced rod mill followed by amalgamating plates, rag frames and Wilfley tables.

The United States Geological Survey Port Orford Folio by Diller describes the property as follows: "The Salmon Mountain mine, on the north slope of Salmon Mountain, at an elevation of 2,100 feet, is hydraulic, using water with nearly 200 feet head, brought across the divide from the upper part of Johnson creek. The cut is about 50 feet deep, the same in width, and 500 feet long, with a range of 200 feet in height. It is in rather fragmental material of igneous origin, except at the lower end, where Scoene shales and sandstones occur. Although closed at the present time, it has been worked during the rainy season at intervals for a number of years. When running under good head the mine paid \$75 to \$100 a day and the gold is said to be rather uniformly distributed through the whole mass. This fragmental material of volcanic origin forms a bench with small depressions on the steep slope of Salmon Mountain, and appears to be due to a slide.

The rock is dark, often purplish or greenish, sometimes brecciated, much fractured, and easily goes to pieces. Although much altered, it retains traces of its ophitic structure which connects it with the basalts. Near the upper limit of its exposure, above the bulkhead it is more solid and is associated with a rock rich in glaucophane, with sandstones and indurated shales bounding it on both sides.

The gold of the mine appears to be derived from small quartz veins, such as have been prospected in the immediate vicinity. Its intimate association with this igneous rook is exceptional and unlike anything else seem in the region. The branch of Salmon Greek which heads near the mine contains much of the same sort of debris in its bed and yields a small amount of gold annually to several miners.

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I was unable to see a great deal of the formation because the old hydraulic cut and tunnels were caved and there were no new exposures.

The mine superintendent, Billy McLaughlin, is extending every effort to erect the test plant as cheaply as possible without slighting workmanship; second hand squipment being placed wherever possible.

If I can be of any further assistance to you, please do not hesitate to call upon me.

Very truly yours,

JEM/sen

J. E. Morrison, Mining Geologist, CLASS OF SERVICE

This is a full-rate Telegram or Cablegram unless its deferred character is indicated by a suitable sign above or preceding the address.

# ESTER

SIGNS

DL = Day Letter NM = Night Message

NL = Night Letter

LC = Deferred Cable

NLT = Cable Night Letter Ship Radiogram

The fling time as shown in the date line on full-rate telegrams and day letters, and the time of receipt at destination as shown on all n s, is STANDARD TIME. Received at

1936 DEC 3 AM 9

NE47 93 DL=NEWYORK NY 3 1002A DR MUCHOW=

1713 MALLERS BLDG CHGG=

IF I AM GIVEN NINETY DAY OPTION ON YOUR OREGON CHROME GOLD PROPERTIES SO THAT OUR ENGINEERS CAN MAKE COMPLETE REPORT TO ME AND IF THIS REPORT IS FAVORABLE I OFFER YOU ONE CENT PER POUND FOR CHROME AND FIVE PERCENT FOR THE PRECIOUS METALS CONTAINED IN THE CONCENTRATE STOP THE LEASE MUST BE FOR THE ENTIRE LIFE OF THE PROPERTIES STOP I WILL HAVE INSTALLED PLANT AND EQUIPMENT NECESSARY TO PROCESS ONE THOUSAND TONS OF ORE DARLY AND WILL HAVE SAME IN OPERATION WITHIN TEN MONTHS FROM DATE OF SIGNING OF CONTRACT=

and day letters is STANDARD TIME at point of origin. Time of receipt is STANDARD TIME at point of destination Received at 427 So. LaSalle St., Chicago, Ill. Wabash 4321 VA687 50 NL=DENVER COLO 30 DR MUCHOW=

1713 MALLERS BLDG CHGO=

MILL TEST HEADS GOLD FOUR TWENTY CONCENTRATES THIRTY FIVE V-TO ONE ASSAYS STOP FLOATS ONE HUNDRED NINETY NINE DOLLARS TABLES THIRTY ONE DOLLARS ABOUT EQUAL WEIGHTS OF EACH TO MIX WOULD GIVE ONE HUNDRED FIFTEEN DOLLARS TON LOOKS LIKE A WORLD BEATER SAYS NICE ORE TO TREAT AIR MAIL FOLLOWS= ED CHAMBERLAIN.

Chain O'Mines, Inc. Dr. W. M. Muchow 5 South Wabash Ave. Chicago, Illinois OFFICE OF
HERBERT M. MUNROE
ATTORNEY AT LAW
MAJESTIC BUILDING DENVER, COLORADO
MARCH 6th. 1937

My dear Doctor:

Your letter of March 4 came yesterday. I showed it to Mr. Thacker this forenoon. He dictated to Miss Kasinga an answer which he is sending you today. I had difficulty in understanding what he meant. Perhaps you will also.

After his having gone over it a number of times, I gather this:

He thinks very well of the Salmon Mountain property. He is convinced that there is a very large available body of ore that can be mined and milled at a good profit under proper management and with proper methods. He is very much pleased with the way the ore responds to treatment in his machine. Re sent you assay certificates with samples numbered from 1 to 7. I understand that this is from a composite head made up of a large number of samples gathered at many places on the property. He says in his letter to you of today that the separate samples indicated about the same values as the composite. His sample No. 1 showed .06 ounce gold and .14 ounce silver. It was not assayed for chromium. By his process he concentrated it into sample No. 2 and then into sample No. 3 and then into No. 4 and then into No. 5, No. 5 being the grade on which he proposes that milling should start. Nos. 3 and 5 were assayed for chromium. They yielded respectively 2.32% and 5.23%. He says that this is excellent. He also says that in some manner, which is not clear to me, the entire cost of this concentration will be borne by the very fine or smoke gold which will be taken out before No. 5 is reached.

He does not think well of the feasibility of trucking ore to Brookings for treatment in the mill there.

He and Mr. McFadden were together in my office on Thursday. I heard most of their conversation. Mr. Mc-Fadden appeared to understand what Thacker was explaining. I did not. He said that Thacker's findings coincided with his and spoke favorably of the plan of treatment.

Very truly yours,

Herbert M. Muneroz

From T. P. Harvey. 601 West 110th., St. New York City.

Sept 14th., '36.

Dr. W. M. Muchow. Pres't Chain-O-Mines., 1713 Mallers Bldg., Chicago, Ill

Dear Dr. Muchow:

## RE- COOSE COUNTY OREGON PROPERTIES.

Price of this property is \$300,000.00, on a 10%/royalty, with a minimum of \$1,000.00 per month, for 12 months, beginning with the expiration of the mine examination; then \$2,000.00 per month, after the expiration of the first year. For the reason he wishes to accompany the engineer who makes the examination and to do some of the work, he is desirous of being paid \$100.00 per month while such examination is going on.

I am very sorry to be compelled to state there are no maps or photographs of this property. There is a hand drawing which i have written for and which will be forwarded to you upon its receipt.

The owner of this property is:

Mr. E. W. Bryant, Powers, Oregon.

Mr. Bryant, I am sure, will be pleased to co-operate with you, should you care to write him. I have understood this is distinctly a gold property; there are no other known ores, except chrome.

I should recommend that you write Mr. Bryant concerning your interest. Any further information coming to me I shall hurridly dispatch to you.

Thank you for your letters.

Very truly yours,

P P Herry

Without the shooting and digging cost, or the crushing cost, we feel that the shovel should without question, based upon experience we have had with similar units, dig the material, deliver it to the crusher and convey same to your mill a distance of which we understand will be maximum of four er five hundred feet at a cost that would be close to 5 per ton, provided of course that the ore is handled by the ordinary efficient methods now in use.

We are basing our figures upon experiences we have had in handling similar material over distances relatively the same and assuming of course that you will have an abundance of ore so that the shovel can be working to approximately its rated capacity continuously thruout the working day.

We hope that we may have a further opportunity of working with you in connection with your contemplated plans immediately you have your project properly financed.

It may be well for you to consider placing with us an engineering order for the general layout of a scheme such as we would recommend, which I am sure would be money well spent and would be the most efficient and economical way to handle a project of this kind in the long run.

May we hope to hear from you in the near future and assure you it will be a pleasure to give you any information and data we can.

With kind personal regards, we are

Yours very truly

LINK-BELT COMPANY

Engineer

# GEO. B. McFADDEN & SONS CONSULTING ENGINEERS

#### **EXAMINATION OF NATURAL AND INDUSTRIAL RESOURCES**

Mine Engineering and Management, Highway Irrigation, Reservoir, Dam, Location and Construction.

COLORADO AND WYOMING U. S. MINERAL SURVEYOR

Hydro-Electric Power Plants Mountain Storage of Water Reports, Estimates, Maps

DENVER, COLORADO

Feb. 15, 1937.

Dr. W. M. Muchow, 1713 Mallers Fuilding, Chicago, Ill.

Dear Doctor;

Am very glad to inform you of preliminary water filing being made on Johnson Creek, also the preparation for patent on the Original and the Brown Porphyry lode claims, and with the additional locations acquired by you make up a very interesting and sizable property.

The "Slide" which is covered by the Brown Porphyry lode claim, affords an excellent opportunity for the immediate development of the entire property, by power shovel and quarrying methods.

Invasion of the sedimentaries by large intrusions has undoubtedly caused the mineralization and with the metamorphosis and sliding subsequent to the intrusions has created a very large body, in fact, an unlimited tennage of low grade ore.

Due to the several creeks crossing the property, water for power purposes or milling, is immediately available.

Timber grows in abundance which is suitable for construction, mining, or fuel.

The "Slide" dates back as early as 1860 and was the scene of sluicing methods in a crude way. However, even this crude method was hihjly gratifying to the operators, according to the experience of some of those who actually worked at that time.

The main sources of the ore are the Serpentinized or oxidized zone and the Gossan, or sulphide and primary zone. I will not go into a detailed account of the makeup of these ores at this time but will conclude this paragraph by saying the entire upthrust.

## #2-Dr. W. M. Muchaw-2/15/37.

or intrusion, caused a permeating of all interstices, or fissures, with a commercial mineral product of gold. Also the indications of chromium oxides are very prevalent.

As to development to the present time the deeper tunnels are driven through serpentine for at least 600 feet and show a network of highly mineralized quartz veins. These veins while small, show the mineralization very plainly. My observations make the conclusion of a porphyry contact with the quartz veins becoming larger and the tendancy to mineralize the porphyry into a vast zone of pay ore.

At this time I recommend development by starting in the "Slide" and continuing toward the top of Salmon Mountain. This will gain depth very fast and get to the contact while milling all ore as progress is made toward the objective. In other words everything ahead of a power shovel in the "Slide" should be milled. In my opinion a nice return can be obtained by this plan of development.

Another feature, greatly in you favor, is the ease of the grinding and separation of the ore.

I conclude by saying you have a property of unlimited tonnage and merit and by proper management with a mill of 2000 tons capacity or more, per day will make a handsome return.

Very truly yours,

Tyn Mª Fradden