

Humboldt
Group Claims
Hg

Humboldt Metallics
Corporation

January 23, 1942

Mr. E. L. Lynch
Buhl, Idaho

Dear Mr. Lynch:

This is in reply to your letter of January 15 which arrived in my absence.

If the Humboldt Metallics Corporation is installing a plant or doing any work on their property in central Oregon I am not aware of it. I spent part of last week in the district and did not learn of any activities at the property in question.

If Mr. Smith or Mr. Fisher are selling any stock in Oregon in the Humboldt Metallics Corporation I am not aware of it. We discouraged them on making an application in Oregon and they have no permit to sell securities in the State.

I did make a trip to the property in question and found a Mr. Johnson in charge of a little development work that was going on. The results obtained by Johnson did not lend attraction to the property and on the basis of this visit I discouraged Smith from further work. Certainly I never recommended the property as one worthy of justifying stock sale.

Very truly,

Director

EKN:jb

January 19, 1942

Mr. E. L. Lynch
Buhl
Idaho

Dear Mr. Lynch:

Mr. Nixon is absent from the office, and your letter to him dated January 15 will be brought to his attention upon his return.

Very truly yours,

F. W. Libbey
Mining Engineer

FWL:jr

RECEIVED
JAN 18 1942

Buhl, Idaho
January 15, 1942

DEPARTMENT OF GEOLOGY
& MINERAL INDUSTRY

Mr. Earl K. Nixon
702 Woodlock Building
Portland, Oregon

Dear Mr. Nixon:

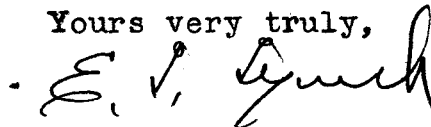
A few days ago I wrote you regarding the Hombolt
Metallics Corp. near Mitchell, Oregon. Mr. F. W. Libbey
was kind enough to answer my letter of which I am very
thankful. Now I am writing you again for more information
if it is permissable to give this information.

I have been informed by reliable sources that
W. L. Smith and A. F. Fisher are still trying to sell stock
in the Hombolt Metallics Corp., and also I have been informed
that either Smith or Fisher stated that they ^{are} putting in a
fifty ton retort.

I would like to know if you know or have any
knowledge of any of the above mentioned. If so, would you
please notify me of same?

Mr. F. W. Libbey stated that you and Mr. John
Eliot Allen visited this property last fall. I would like
to have your opinions regarding the property and also, if
permissable, a copy or a similar letter written to Mr.
Smith regarding this property and the date when the letter
was written about selling stock and recommending it as a
producing property.

Yours very truly,



E. L. Lynch

ELL:vw



January 10, 1942

Mr. E. L. Lynch
Buhl
Idaho

Dear Mr. Lynch:

Your letter dated January 8, addressed to Mr. Nixon, has been referred to the writer since Mr. Nixon has been away from the office.

The writer has not visited the property of the Humbolt Metal-
lics Corporation near Mitchell, Oregon, but has talked to both Mr. Nixon and Mr. Allen, who visited the property last fall, concerning it.

It is my understanding that Mr. Nixon and Mr. Allen, at the time of their visit, considered that prospects for developing a profitable quicksilver operation were unfavorable. It was suggested to the operators that they could better employ their funds in looking elsewhere for a favorable prospect. It had been my impression that little had been done at the property recently, but I do not know definitely about this.

Very truly yours,

F. W. Libbey
Mining Engineer

PWL: jr

RECEIVED
JAN 10 1942

STATE DEPT OF GEOLOGY
& MINERAL INDS.

Buhl, Idaho
January 8, 1942

Mr. Earl K. Nixon
700 Woodlock Building
Portland, Oregon

Dear Mr. Nixon:

I am writing you for information regarding the Humbolt
Metallics Corporation of which I have been informed that
A. F. Fisher, a man who is connected with the Humbolt
Metallics Corporation, made the statement that they had
taken twenty-one pounds of mercury out of the seven
hundred pounds of rock. They have also sent notice to the
stock holders that they are going to hold an annual
meeting of the stock holders.

The meeting will be held at room #422 Idaho Building,
Boise, Idaho, Tuesday January 13, 1942, at the hour of
7:00 P.M., for the purpose of electing directors for the
insuing year and to transact any other business that may
regularly come before the meeting. Mr. Pat T. Fitzgerald
is the Secretary.

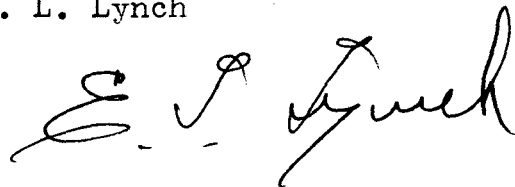
My object in writing you for the information regarding
this so-called Humbolt Metallics Corporation in Oregon is
to ask you for any information that you may give me about
the corporation. I would appreciate hearing from you
before the twelfth of the month if possible.

I am a stock holder; therefore, I am rather anxious to
obtain this information as soon as possible.

Yours very truly,

E. L. Lynch

ELL:vw



October 27, 1941

Mr. Charles E. Wright, Attorney
Securities and Exchange Commission
Seattle, Washington

CONFIDENTIAL

Dear Mr. Wright:

Herewith are copies of correspondence pertaining to the
HUMBOLT METALLICS CORPORATION, LTD. Not knowing just how
much of this you desired, I am sending copies of our entire
file on the company in question.

Trusting this will serve your purpose, I am

Sincerely yours,

Secretary to Mr. Nixon

VE
encl.16

September 6, 1941

Mr. E. V. Cleek
Box 115
Hill City, Idaho

Dear Mr. Cleek:

This is in reply to your inquiry of September 3rd about the so-called Humbolt Metallics Corporation located out of Mitchell, Oregon.

I made a visit to this property some weeks ago and thereafter wrote Mr. W. L. Smith a rather discouraging letter. I did not make a formal report on the property. There is a report, copy of which I think was presented to us by Mr. George Johnson, covering this property. I met Mr. Johnson on the property and found that he was trying to do some exploration. Johnson seemed to be a fair-minded person, but I would classify him as a "practical geologist", and I could not agree very well with the conclusions in his geological report.

My reason for confessing that I tried to discourage Smith from further rosy representations about the property was that he had not seen the property for two or three months at the time of my visit and the work that Johnson had done seemed to me to cast a very deep shadow on further prospects.

I don't like to condemn Oregon properties, but we are anxious to see outside investors get a fair shake when they are spending their money in our State.

Respectfully yours,

EKN:vm

Director

August 23rd 1941

Mr. E. V. Cleek,
Hill City,
Idaho.

Dear Mr. Cleek:

In reply to your letter dated August 14th, concerning the Humboldt
Metallics Corporation, I have the following information from the
State Corporation Commissioner:

"Humboldt Metallics Corporation, Ltd., is an Idaho corporation
which qualified in Oregon April 14, 1941. The principal office in
Oregon is at Mitchell, P.O.Box 345. W.L. Smith of Mitchell, Oregon,
is President and Managing Agent."

I believe that this corporation prospected for cinnabar in the area
southeast of the Horse Heaven Mines. It is my information that re-
sults were not very encouraging, and that work was suspended.

If there is any further information we can supply, please feel free
to call on us.

Very truly yours,

Mining Engineer

FWL:fas

September 22 1941

Mr. Frank L. Stephan,
Attorney at Law,
Twin Falls, Idaho.

Dear Mr. Stephan:

Forgive me for delaying answering your letter of September 8th. We have been submerged in various matters here.

The Humboldt Metallics Corporation, Ltd., was engaged in developing a quicksilver property in the Ochoco Mountain country some time this last summer, but I have not heard whether or not their operation is continuing. They have done some development work which was not very fruitful, and I have not heard whether they decided to hunt up a new property and start over again, or not. I believe I suggested that in a letter to the operators.

Very truly yours,

Earl K. Nixon, Director

EKN:fas

FRANK L. STEPHAN

ATTORNEY AT LAW

TWIN FALLS BANK AND TRUST CO. BUILDING

TWIN FALLS, IDAHO

RECEIVED
SEP 11 1941

STATE DEPT OF GEOLOGY
& MINERAL INDS.

September 8, 1941

STATE MINES INSPECTOR
Salem, Oregon

My dear Sir:

I will greatly appreciate it if you can and will advise me whether Humboldt Metallic's Corporation, Ltd., an Idaho corporation is actually engaged in operating any mining properties in Oregon. The properties which the Company is reported to be interested in is supposed to be in Eastern Oregon, I believe in the Horse Heaven Country, and the property is supposed to be mercury producing territory.

Any information will be greatly appreciated.

Very truly yours

Frank L. Stephan
Frank L. Stephan

FLS:LF

17

October 8, 1941

C. Stanley Skiles
Attorney at Law
Boise, Idaho

Dear Mr. Skiles:

The following is in reply to your letter of October 6th.

As we are practically swamped and short on help, it would be an imposition at the moment to have to copy the various correspondence with Mr. W. L. Smith. However, I have the file on the Humbolt Metallics Corporation before me and the following are dates of letters it contains. I suggest that you check with those that you have and advise us of any of them that are missing.

April 25, 1941

June 3, 1941

June 16, 1941

June 23, 1941

August 23, 1941

to Mr. E. V. Cleek

Sept. 6, 1941

to Mr. E. V. Cleek

Sept. 22, 1941

to Mr. Frank L. Stephan

Yours very truly,

EKN:ac

Director

C. STANLEY SKILES
ATTORNEY-AT-LAW
BOISE, IDAHO

October 6, 1941

RECEIVED
OCT 8 1941

STATE DEPT OF GEOLOGY
& MINERAL INDS.

Mr. Earl K. Nixon
Woodlark Building
Portland, Oregon

Dear Sir:

I write as attorney for Mr. W. L. Smith of Boise, Idaho, who formerly was President of the Humbolt Metallics Corp., Ltd.

It appears that in the instance of Mr. Smith, you have examined the property owned by the Humbolt Metallics Corp., Ltd., and that you have had some correspondence with Mr. Smith. It also appears that some correspondence sent by you to Mr. Smith has never been received by him. We would like very much to receive copies of all correspondence between you and Mr. Smith.

We will appreciate it very much if you can help us in this regard.

Very truly yours,

CSS:ls



C. STANLEY SKILES



June 23, 1941

Mr. W. L. Smith
Humbolt Metallics Corporation, Ltd.
P.O. Box 1957
Boise, Idaho

Dear Mr. Smith:

In the absence of Mr. Nixon I wish to acknowledge receipt of your letter dated June 21st. I am enclosing the geological report made by Mr. Johnson, and under separate cover we are sending the claim amp which you left here.

Very truly yours,

FWL:vm
encl.

F. W. Libbey
Mining Engineer

RECEIVED
JUN 23 1941

STATE DEPT. OF GEOLOGY
& MINERAL INDS.

HUMBOLT METALLICS CORPORATION, LTD.

P. O. Box 1957

BOISE, IDAHO

6/21/41

Mr. Earl K Nixon
Portland, Oreg.

Dear Mr. Nixon =

Will you please mail
me the Report made by Johnson
which I left with you while
I was in Portland

Sincerely

W. L. Smith

June 16, 1941

Mr. W. L. Smith
P. O. Box 1957
Humbolt Metallies Corporation, Ltd.
Boise, Idaho

Dear Mr. Smith:

On Saturday, June 14, I visited your quicksilver property west of Mitchell in agreement with my promise given you in a former letter.

Mr. Johnson was kind enough to take Allen and me over the property and answer all questions. Mrs. Heiser furnished a very fine lunch for us.

I understood that you had not visited the property for some time, at least not since the reopening of the underground workings, especially the lowest level. Mr. Allen, on occasion of his investigation, in fact, was unable to see nearly as much of the underground workings as were accessible to us the day before yesterday.

I agree thoroughly with the statements made formerly to me by our Mr. Allen. In fact, I now find his statements to have been very conservative. The reopening of the lowest level, as must have been reported to you, showed very discouraging conditions there. The ground is tighter and shows much less evidence of mineralization (so far as assay or panning information as reported by Mr. Johnson goes) than is the case in the level above and the glory hole workings. In the latter I saw a wee bit of cinnabar in two places. What sketchy quicksilver mineralization there is seems to be confined to minor fractures and the thickness of these zones appears to be only a few inches. The material in them would have to be high grade indeed if they are to be mined at a profit and their distribution is such that a very dismal picture for operating is presented. I came to the conclusion that no tangible evidence exists of a mineable ore body, and Mr. Johnson confirmed this. Furthermore, although there is a scarcity of assay information, I am of the present opinion that the small showings of cinnabar in the glory hole workings and immediately below seem not to be directly related to any demonstrated feature of major deformation. In other words, the manner in which the small cinnabar showings are related—if at all—to major fault zones, if they are present, is very obscure. The

presence of these major zones along which almost every good Oregon cinnabar ore body is located has not been definitely demonstrated on this property.

Our search was for actual evidence of conditions that are favorable for commercial ore bodies, and we found that evidence to be very meager indeed. Before leaving the property and after forming the opinion that there was nothing about the glory hole workings or those below to justify enthusiasm on our part, we asked Mr. Johnson if he was enthusiastic about any part of the property, and he frankly replied only about the area above the office building in which we put a short adit. That has now been dammed with a concrete bulkhead so the adit can be used for camp water supply. We could not sample it under the circumstances.

Out of all of the quicksilver properties and prospects in Oregon it appears that you have picked one of the poorest for attention. Mr. Johnson has done a good job of reopening the old workings, and the effect of this has been to suggest that further work is hardly justified on the basis of actual evidence shown up. I believe that the average good quicksilver engineer, if he examines your property, would suggest that you pull out and start working somewhere else.

Thanking you, I am

Cordially yours

Director

EKN:hk

cc Mr. Johnson

- returned "Unclaimed" 6-24-41

June 3, 1941

Mr. W. L. Smith
P.O. Box 1977
Humbolt Metallurg Corporation, Ltd.
Boise, Idaho

Dear Mr. Smith:

Thanks kindly for your letter of May 29th enclosing copy of letter from Mr. Lewis.

My present plan is to drive to eastern Oregon via central Oregon leaving probably on Wednesday, June 11th. Things have been happening so rapidly that I have been obliged to switch gears several times recently, and I may possibly have to this time. However, I shall make a determined effort to stop by your property in the Ochocos on my forthcoming trip through central Oregon.

Yours very truly,

Director

EKH:ac

HUMBOLDT METALLICS CORPORATION, INC.

P. O. Box 1957

BOISE, IDAHO

May 29, 1941

RECEIVED
JUN 5 1941

STATE DEPT OF GEOLOGY & MINING

Mr. Earl K. Nixon, Director
State Dept. of Geology & Mining Ind.
702 Woodlark Building
Portland, Oregon

Dear Mr. Nixon:

After receiving your letter of April 25, 1941, in regard to the qualifications of this company for a security issue in the state of Oregon, I immediately went to the Horse Heaven Mine and contacted Mr. Lewis in regard to making a report for you. The copy of Mr. Lewis' letter is enclosed, which is self explanatory.

Recently we have opened up a nice body of ore and the retort should be going now. My plan is to keep the little retort going and we hope it will make us enough money to develop more ore. This is the plan that we will use if we are unable to raise the money outside of your state, or are unable to convince you that we have a property that will justify a security issue in the state of Oregon.

I was very much disappointed to learn that you had not been on the property yourself, as I am sure you have had enough practical mining experience to see things my way. This is not meant to criticise the man that was there to examine the property for you, as I did not meet him, but have had a lot of experience with engineers that have never had much practical mining. If you could suggest some other engineer that I could use that would satisfy you, I would be glad to have his name and would try to contact him and have him make a report.

There is a mining engineer here in Boise that is working for the Talache Mines at Atlanta that I might get to make his report for me, if it is satisfactory to you.

Hoping to hear from you in the near future, I am

Very truly yours



W. L. Smith

WLS:RLS

Enclosure



May 13, 1941

Mr. W. L. Smith
Boise, Idaho

Dear Mr. Smith:

No doubt you have learned that I am not to make the examination for you. The decision was made on orders from the Portland office. I received the advice so late that was unable to get word to Mr. Johnson in time to save a trip from there to get me and take me over. Sent a belated letter to Mitchell and mailed it at Antelope. Tried telephoning direct to Mitchell from here. Learned afterward from young Stevenson that we should have telephoned through Prineville. I am sorry. Stevenson said that some ore had been found since I was there at or near the open cut. That sounds good.

I have reread Mr. Nixon's letter of April 25 therein which he apparently criticizes Mr. Johnson. I judge that Mr. Johnson's report and maps were incomplete perhaps due to insufficient time spent in the field. Mr. Nixon and perhaps Mr. Allen may also be judging from the wording of the report and that the writer is not adequate technically.

of the Not knowing Mr. J well (as yet) I judge that he can direct the prospecting, and mining and can no doubt map the workings, as well as other features needed on a general map. But it is very possible that he cannot write a report that will be passed by such men as Nixon and Allen. In other words Mr. Johnson can be an A-1 man for the work there and still not be a full fledged engineer or geologist. Suggest that you get a licensed engineer to carry out the suggestions outlined by Mr. Nixon. You would not need such a man to handle the work.

Very truly yours,
F. E. Lewis

F. E. Lewis

copy

RECEIVED
APR 29 1941

W. L. SMITH
MINES & MINING
2102 JEFFERSON STREET
BOISE, IDAHO

STATE DEPT OF GEOLOGY
& MINERAL INDS.
April 28, 1941

Mr. Earl K. Nixon
720 Woodlark Bldg.
Portland, Oregon

Dear Mr. Nixon;

Your very nice letter of the 25th received which I appreciated very much. After I saw you I went to the mine and learned quite a few things. After I returned to Boise I made a few investigations and learned a few more things.

I am leaving for the Horseheaven mine in the morning, and will try and locate one of the engineers you mentioned when I last saw you, one familiar with cinnabar deposits.

When I was at the mine I left instructions to cross cut the vein about 40 feet down the raise from the upper tunnel. I supposed you noticed the raise didn't follow the ore, neither did they cut any ore in the lower tunnel. If I cut it there I will cross cut from the lower tunnel, which should be about 35 feet to the S. W.. The vein in the Glory hole and in the upper tunnel where they took out some ore dips at about 60 degrees to the S. W..

These are my plans ~~know~~ and not Johnson's advice, but of course I will change them if I get a competent engineer that is capable and he advises otherwise.

I will appreciate any advice you can give me at anytime, as I am trying to make a mine and don't care anything about the promotion end of the game. The quicker I get away from that the better.

Very truly yours,

W. L. Smith
W. L. Smith

April 25, 1941

Mr. W. L. Smith
2102 Jefferson Street
Boise, Idaho

Dear Mr. Smith: Re: Humbolt Metallics Corp., Ltd.

We have made a preliminary examination of your property located some ten miles west of Mitchell, Oregon, with the idea of forming an opinion as to whether or not to recommend favorably to the Oregon Corporation Commissioner on your desire to sell stock.

We are rather poorly impressed with the evidence you have to offer that your property justifies a securities issue. Our position is taken in part on evidence that both your technical and practical supervision is inadequate. The maps you submitted were inaccurate and incomplete, and the report signed by one George M. Johnson, Geologist, indicates some lack of understanding of the general and detailed geology of the area. We would be pleased to reconsider your application for permit to sell stock if you are willing to present to us maps and a report of examination by a competent engineer, giving assays, assay locations, and adequate evidence to support your position--in other words, a report acceptable to us.

You should have such an examination made for your own use and guidance in any event. Understand we are not asking you to present evidence of a developed mine or anything of the kind, but at least evidence of a desirable prospect and of your capacity or intention to develop it in an acceptably sound manner. We shall be only too happy to cooperate with you in giving any advice or suggestions that may be of benefit in carrying on your work.

Thanking you, I am,

Very truly yours,

Director

EKN:ac
cc Corporation Commissioner