W.F. WHITELY & COMPANY ACCOUNTANTS, AUDITORS

INCOME TAX ADVISORS

301-4 TIMES BUILDING

TELEPHONE ATW 2383

PORTLAND, OREGON

January 23, 1942

State Department of Geology and Mineral Industries 702 Woodlark Building Portland, Oregon

Attention: Mr. E. K. Nixon

Dear Mr. Nixon:

Received yours of January 22, and wish to state that I have been advised by Mr. McCutcheon that, as he is going out of town this afternoon, the report will be filled out and sent to your office Monday.

Thanking you for your attention,

Yours very truly,

RED CLOUD MINING COMPANY

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Margery late,

JAN 24 1942

STATE DEPT CONTROL MINERAL IND.

August 26, 1943

MEMO RE. RED CLOUD MINE, DOUGLAS COUNTY, OREGON

There is a property in Douglas County located some 30 miles north and east of Canyonville and known as a quicksilver property called the Red Cloud Mine. It is our understanding (unofficial) that in 1940 a mining company known as the Red Cloud Mining Company was incorporated in this State in 1940 and we are led to believe that it was headed by a Mr. Charles H. Greeley, President, and a Mr. John Scholl, Secretary, neither of whom is known to us.

We inquired of the Corporation Commissioner under date of August 26, 1941, as to the status of this company, but our records do not show that we received a reply. It appears that a Mr. G. D. McCutcheon of 7617 S.W. Hood Avenue, Fortland, made inquiry of this Department in regard to the property. Apparently McCutcheon is, or was, a stockholder in this property.

During the summer of 1940, geologists of our Department visited the Red Cloud Mine located more specifically as being in sec. 16, T. 38 S., R. 2 W., Douglas County. At that time, there was a Gould rotary furnace on the property. Detailed examination of the underground workings failed to show a very promising condition of affairs as regards ore or ore reserves. It appears that Mr. Frank E. Hobson, a Fortland mining engineer, made a preliminary report on the property in October, 1941. A copy of this report is on file at our office. It is, of course, confidential, having been given to us under the proviso that it would remain confidential.

There is another Red Cloud Mine located in the Wood River Valley of Idaho, which may or may not have any connection with the Red Cloud Mine of Douglas County, Oregon. The latter property was reported on in the summer of 1907 by a Mr. W. H. Turner whose article entitled "Faulting in the Red Cloud Mine" appeared in Mining and Scientific Press*of December 14, 1907. A Mr. C. W. Gebauer of 1213 Bannock Street, Boise, inquired of this Department under date of February 11, 1942 for any general information on the Idaho Red Cloud Mine.

J. L. Pearson, a registered engineer, was mine superintendent of the Oregon property.

Written at the request of Mr. J. H. McMenamin, 410 Henry Bldg., Portland. State Bepartment of Geology and Mineral Industries, 329 S. W. Oak St., Portland, Ore.

Gentlemen:

During the summer of 1907, H. W. Turner made a survey and report on the Red Cloud Mine in the Wood River Valley, Adaho. The owners of this property are very much interested to know if his records or field notes are still in exitatance and if so, where? We understand that Mr. Turner made his home in Portland and naturally thought you might have some information along this line.

We have his article entitled "Faulting in the Red vloud Mine" which appears in the Mining and Scientific Press Dec. 14, 1907 and also there is mention made of it in U. S. Geological Survey Bulletin No. 814, but that is about all the authentic information which we have. We believe that he was hired by Judge Littleton Price to make this survey.

Thanking you in advance for any information you may be able to give us on this subject, I am,

Yours very turly,

- 1213 Bannock St.



STATE PERSON

W. F. WHITELY & COMPANY ACCOUNTANTS AND TAX COUNSELORS

301-316 TIMES BUILDING WASHINGTON ST. COR. 4TH

W. F. WHITELY

PORTLAND, OREGON

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The Red Cloud Mining Company Portland, Oregon

Attention: Mr. G. D. McCutcheon

Dear Mr. McCutcheon:

In compliance with your request this is to inform you that I have spent about ten days in the survey and examination of your Red Cloud Mining property, and at this time I am submitting for your information a preliminary report upon the conditions as I find them.

We have completed the underground survey of the works as far as they are accessible. By the extension of this survey information and checking with the surface openings in the neighborhood of the caved areas in the mine, we have definitely located the nearest points of approach to the ore bodies which have been for some time inaccessible on account of the caved areas and some of the recent workings having been carried to points which have been somewhat indirect in their course. This work, however, is by no means lost, and we are now able to determine the most practical methods of entering the ore bodies that are known to exist in the old workings.

Some small-scale retort tests have been made during this time to determine the immediate availability of commercial ore and find that there are at least three openings which may be used at the present time to supply at least a 20-ton plant for continuous operations.

I see no reason why the general plan of mine development which you have in mind should not be carried on as proposed with the few changes that are shown to be necessary from the survey. Contour and plan maps will be submitted for your information within a few days and upon which the mine work should be based and the drawings extended from time to time as the work is continued.

In reply to your inquiry concerning the plant and its early operation, have this to say that, so far as the plant is constructed, materials and workmanship are of the best and in accordance with approved methods for the installation of such equipment. However, it is very evident that, in order to make a positive, stabilized recovery for continuous operation under your variable climatic conditions, it will be necessary to make same

changes and additions in the condensing portion of the equipment. For such proposed changes and additions, I am submitting to you a detailed estimate of materials required, and while we hope to do much better, it is not safe to figure on the work of installation to be completed within less than thirty days from the present time. However, when this work is completed. I feel certain that the plant will be one upon which you may depend for a maximum recovery at a minimum cost for fuel and labor and that you may, also, be certain of an adequate supply of ore to keep the plant in continual operation at a very satisfactory profit.

While it may appear to your company that some unnecessary work, and likewise expenditures, have been imposed, yet what extra work may have been done in the mine, aside from some small caved areas, is by no means lost and the few hundred tons of probable commercial ore which has been run through the plant with only partial recovery comprises no different conditions from what are generally required in the early development and operation of mercury mine property the country over. In the future, your mine work will all be used for development and operation so that the expenditures for that portion of the work is by no means lost, and with your plant completed in accordance with well-standardized methods of plant construction, you will quickly overcome what losses have been made during the usual routine of plant and mine tests and experimentations.

As soon as possible within the next two weeks, I shall have carried out some extended tests and measurements upon the ore values and volumes as now determined by mine work and survey which, I believe, will be highly gratifying to your company. But at this time I have no hesitancy in recommending that you proceed with the mine development as contemplated with the assurance that, with your plant revised as proposed, your entire project should yield profit fully up to your earlier expectations.

Respectfully submitted,

THE OREGON OREGON TO THE HOUSE

Douglas Co, Teles Drew

REPORT OF MINERAL EXAMINATION

Job No. 182 Verified Statements Oll471-0 and Oll487-A

Claimants:

John P. and Frances Adams

Rt. 2, Box 392C Eugene, Oregon

Reason for Examination:

Verified Statements filed by the claimants with the Bureau of Land Management on September 11, 1961, serialized as Oll471-60 (Cow Creek Area) and Oll487-A (Divide Area). Field examination indicates the subject claims lie entirely within Cow Creek Area.

Subject:

Validity of Mining Claims.

Lands Involved:

Eight (20-acre) lode claims:

Boy Scout, Red Cloud Annex No. 1, Red Cloud Annex No. 2, Red Cloud Annex No. 0, Red Cloud No. 0, Red Cloud No. 2, Last Chance, and Mars Fraction,

comprising some 160 acres in Sections 16 and 21, T. 32 S., R. 2 W., W.M., Umpqua National Forest, Douglas County, Oregon.

Land Status:

National Forest lands open to mineral entry.

Location Data:

See page 2.

Mining District:

Upper Cow Creek Mining District.

Mining Engineer:

Zean R. Moore

Date of Examination:

June 5, 1965

Accompanied by:

John P. and Frances Adams, Claimants

Douglas Co.
Tiller Drew area

LOCATION DATA

- 1. Boy Scout lode claim, located September 22, 1927, by F. E. Nivison, recorded in Book 10 at page 236, Douglas County, Oregon.
- Red Cloud Annex No. 1 lode claim, located September 29, 1927, by F. E. Nivison, recorded in Book 10 at page 235, Douglas County, Oregon.
- 3. Red Cloud Annex No. 2 lode claim, located October 15, 1927, by F. E. Nivison, recorded in Book 10 at page 235, Douglas County, Oregon.
- 4. Red Cloud Annex No. O lode claim, located October 17, 1927, by F. E. Nivison, recorded in Book 10 at page 237, Douglas County, Oregon.
- 5. Red Cloud No. O lode claim, located October 17, 1927, by F. E. Nivison, recorded in Book 10 at page 236, Douglas County, Oregon.
- 6. Red Cloud No. 2 lode claim, located July 11, 1932, by F. E. Nivison, recorded in Book 10 at page 432, Douglas County, Oregon.
- 7. Last Chance lode claim, located October 25, 1937, by F. E. Nivison, recorded in Book 11 at page 88, Douglas County, Oregon.
- 8. Mars Fraction lode claim, located October 21, 1930, by F. E. Nivison, recorded in Book 10 at page 349, Douglas County, Oregon.

ABSTRACT

This report covers eight lode cinnabar claims in the Cow Creek mining district. The claims were originally located by Mrs. Adams father, Mr. F. E. Nivison.

The claimants have done considerable work in the past on these claims.

Although some float was found by the claimants, the results were not encouraging. The claimants admit no discovery at the present time.

Due to the fairly high prices for mercury, the claimants are hoping to get an interested party to come in and do some exploration work. However, so far as it is known at this time, no one has become interested in these claims.

Location and Topography

The claims are situated along the slopes of the East Fork of Cow Creek in Sections 16 and 21, T. 32 S., R. 2 W. This location is about 7 miles by dirt road west of the Divide Guard Station, which is on Oregon Highway 227, approximately 11 miles north of Trail, Oregon.

These claims can further be described as being in the northern Klamath Mountains of southwestern Oregon. The topography is rugged with elevations up to 3,000 feet. Streams are numerous and swift, and canyons are narrow with steep walls. Narrow ridges separate the streams.

Surface Values

These claims are covered with a fair stand of timber. Timber harvest, watershed and grazing appear to be the best use for this land.

Areal Geology

The area of these claims is in the extreme northern end of the Klamath Mountains in southwestern Oregon. These mountains are made up largely of pre-Tertiary strata that have been steeply folded, faulted and in places intruded by serpentinized masses of ultra-basic and granitoid rocks.

Rocks of the Klamath Mountains are much older than those in other parts of western Oregon. Both Paleozoic and Mesozoic volcanic and sedimentary rocks are present, which locally have been altered to schist, phyllites and marble.

Local Geology

Rocks in the area of the claims comprise massive to schistose amphibolites and quartz mica schists of the Triassic Applegate group locally overlain by Tertiary lavas. Because of the scarcity of exposures, the general attitude of cleavage laminae in the older rocks cannot be confidently determined. Several nearly vertical shear zones have been exposed by mine and prospect workings. Most of the shear zones trend north 20° to 40° west.

History and Production of the Area

The upper Cow Creek area includes a group of mines and prospects situated along the slopes of the East Fork of Cow Creek in Sections 16 and 21, T. 32 S., R. 2 W. In this group are the Red Cloud mine and adjacent Nivison and Thompson prospects in Douglas County, and the Elkhorn prospects in Jackson County. The area lies in the Tiller quadrangle.

Only at the Red Cloud mine is any appreciable amount of cinnabar known to have been found in place. Althouth it occurs as float and pannings in the surface mantle of many parts of the area, the fact that the many other workings penetrated barren or only weakly mineralized rock, suggests that the float was probably derived from numerous occurrences which alone are too small and widely scattered to permit profitable exploration.

Occupancy

There is none at this time. Picture 1 with this report shows an old cabin which the claimant and his family lived in years ago. It is no longer being used and has been left to fall into a state of disrepair.

Pertinent Information

None.

Discovery

Reference is made to the appended map that shows the pertinent features.

All of the workings visited were caved and the claimants admitted that they had not found any quicksilver except some showings in the long adit near the south end of Red Cloud No. 2 lode claim. The remains of this adit are shown in Picture 2 with this report. Pictures 2, 3, and 4 are typical of the conditions found on the rest of the claims in this group.

Conclusions

Since the claimants have admitted that they have no discoveries, and from the caved conditions of all the workings, I conclude that there is not a discovery of a valuable mineral deposit on any of the claims in this group.

Date: May 20, 1966

ZEAN R. MOORE, Mining Engineer

APPROVED:

Date: 5-25-66

Acting Assistant Regional Forester

1323 1324 1325

STATE DEPARTMENT OF GEOLOGY AND MINERAL INDUSTRIES

ASSAY REPORT

1326 1328 Office Number 1327 1329

Grants Pass, Oregon Baker X Oregonx

November 12	7	0	2	8
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Sample submitted by J. E. Morrison, Mining Geologist -- Grants Pass, Oregon

Sample description Following are the results of assays made on samples from

the Mother Lode Mine owned by Mr. Lew Thomason:

The assay results given below are made without charge as provided by Chapter 176, Section 10, Oregon Laws 1937, the sender having complied with the provisions thereof.

NOTICE: The assay results given below are from a sample furnished by the above named This department had no part in the taking of the sample and assumes no responsibility, other than the accuracy of the assay of the material as furnished it by the sender.

	GOLD		SILVER		Mercury				
Sample Number	Ounces per ton	Value	Ounces per ton	Value	Percent	Value	Percent	Value	Total Value
12345					0.04 0.30 0.02 0.05 0.12 0.02				

Market Quotations:

Gold \$ per oz. Silver \$ per oz. \$ per 1b. \$ per 1b.

Assayer

State Assay Laboratory

Assayer

STATE DEPARTMENT OF GEOLOGY AND MINERAL INDUSTRIES

ASSAY REPORT

Office Number 1322

Grants Pass, Oregon Baker, Oregon

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Sample submitted by J. E. Morrison, Mining Geologist -- Grants Pass, Oregon
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per 1b.

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Sample	Ounces		Ounces						Total
Number	per ton	Value	per ton	Value	Percent	Value	Percent	Value	Value
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