

Portland, Oregon

Oregon Oil Company
726 Board of Trade Bldg.,
Portland, Oregon.

Gentlemen:

In accordance with your request I have made an examination of your holdings and adjacent territory and am submitting herewith my report thereon.

I have full confidence that the major features of Geology in the district are correctly interpreted. Pocket and hand survey instruments only were utilized and little detailed measurement of sections showing thickness of formations was attempted, the rough mapping of the structure will correspond closely with any subsequent detailed survey.

Very truly yours,

(signed) L. N. C. Ford

Woodburn, Oregon,
December 12, 1936

Mr. Earle C. Miller,
Portland, Oregon.

Dear Sir:

In compiling my report briefly on your properties east of Burns in the State of Oregon, relative to oil and gas, I can only say as to a topographical observation taken in a short visit and without instruments.

However, there is no doubt in my mind picture that several folds do exist. The significant feature pertaining to my belief is the gentle rise of the land from the S. incline, near the East fault line, which is visible and can be followed N. W. and S. E. for miles. Here you can pick up the Jurassic measures and find many proofs as to the origin of gas and oil.

Now the rise of the land from this point and S. E. to the West and N. W. has a natural up-trend for several miles. The strike seemingly holding to N. W. and S. E., while the dip is to the N. W. would indicate to me that at the summit of this crest would be the axis. The fold to me would dip at some point near this axis or would table or flatten out to the S. W.

There is not much to be learned of the western dip, and for a final and more detailed proof I would recommend a string of pits to be dug, alternating their directions, not too close together, and at points designated by me so that the stratification as to dip and strike can be measured and conclusive proof be obtained and confirmed. A completed survey can then be made.

The unit as a whole is too large for me or anyone else to draw any definite conclusions in a limited time. Therefore, I am not trying to advise erroneously but want to state facts as I found them. However, I am sure beyond a doubt that it will be surprising to the most skeptical oil minded, the results that will be obtained if a well could or would be located and drilled in the proper place --- with due consideration given.

The Niobras are in evidence here and you should obtain commercial production, around 3000 ft. I, however, would advise development of a wildcat well to be done with a first class rig and standard tools under super-management. As yet Oregon and Washington have never been fairly proven to the oil man. I would say start the hole not less than 20" or better yet 24". Keep the hole out and be fair. Carry the test to the Devonian and Cambrian period. To my knowledge this has never been done in the State. Give it a 6000 ft. test and amazingly good results will follow.

Together will go hand in hand the building up of the country- history will repeat with the influx of people - new railroads, shops, factories, homes, automobiles - and in fact every kind of business would develop and a new impetus would be given to it all - Oil the greatest industry the world has ever had.

Even our great learned prognosticators have claimed the production of oil was decreasing but have missed by years and by million of barrels. Accepting this dictum for what it is worth, let me say - If it is good Oregon has it. If it is exceptionally good, then you will find it somewhere in Oregon. Oil and gas will be added to our long list of many good things that Oregon possesses and will make our State out without a peer in these United States.

Internationally I have made a study of the oil situation for the past forty years in almost every producing field in every State from Pennsylvania to California and from Canada to Mexico. I have done this without favor and not to boom any particular company and have come to the final conclusion that Oregon in due time will take her place as a commercial and productive oil and gas center. For five years the state has shown me enough. After a more detailed study of your property, the learned man can and will give you more facts as they really exist, and my statement will be proven that such conditions do exist.

I wish to thank you for the trip and trust my friends will accept my views as far as I have gone, as I have been asked from time to time my opinion on the leases held by you. This I could not honestly advise but now I feel free to express my views as I found them. You are headed in the right direction - not trying to prove your property on a stock gyping or promoting on a working girl's capital.

A fair test is all a man can or will ask. Life is a gamble, we have no assurance that if we sow our seed we will reap a crop - in fact, we are not guaranteed we will be alive tomorrow. It is a cinch that one good investment is worth a lifetime of toil. Oh yes, Mr. or Mrs. Investor, old age insurance is a bigger risk with not so much a chance, but would it be enough to provide you or yours with the things you desire. I am afraid not. Let's see - Time will tell - as for me, I am always willing under certain conditions and these conditions are in evidence.

Yours very truly,

R. H. "Bob" McCutchen
Independent Oilologist,
Woodburn, Oregon.