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Grants Pass, Oregon
April 13, 1934

Mrs. B. E. Dean
Grants Pass, Oregon

My dear Madam:

Your letter of inquiry concerning the "Jones Mining Property" situated on Sykes Creek in Jackson County, Oregon, was duly received and the following remarks the same, you may consider as facts, as the writer has had occasion to select samples from this property twice during my tenure in office serving in the capacity as Mining Engineer for the Oregon States Mining Board, and again for private interests.

My files disclose that the Jones property consists of six hundred seventy four (674) acres of land which offers a diversified mining opportunity as coursing through the property in a southerly direction is Sykes Creek, from which was recovered in the early mining days, many thousands of dollars, and then only the high points of vantage were attached as in those times, pick and shovels were the only method of operation, consequently the greater part of this gold placer area still remains as "Virgin" ground.

This property has a Mineralized Vein system that no other property, that it has been my good fortune to examine, can boast of. These veins occur in the May Creek formation as described by J. S. Diller in the U.S.G.S. Grants Pass Quadrangle Maps, described by him as being the older formation of this district and belonging to the precambrian period.

It is well to note here, that 86% of the gold produced from lode mines in Southern Oregon was recovered by mines situated on and surrounded by the "May Creek" formation consisting of slate, diorite, andesite and other altered formations.

On describing the lode mining possibilities of this property, it is necessary to classify the distinct mineral occurrences as zones; first there occurs a Sulphide Vein striking North and South, present development proving it to be fourteen (14) feet wide and yielding an assay gold value of twenty six dollars (\$26.00) per ton. About three hundred feet directly west of the Sulphide Vein or "Dyke", and paralleling the same is a free milling gold bearing zone which present development has proven to be eight feet wide and assaying fourteen dollars (\$14.00) per ton gold. The extent of this deposit was not determined at the time of my last visit, but several thousands of tons of ore could easily be developed at this point.

At a point several hundred feet southwest of the two described exposures, there occurs a large deposit of what appears to be an altered Andesite. Samples selected at three places there assayed two dollars and sixty cents (\$2.60) per ton gold. This is to the writer the most important factor of the entire project as it offers years of continuous operation as a very large low grade free milling project and all ores produced could be processed as a single unit.

Please do not consider this a report, but only as a confidential letter treating on the high spots of the property, gained by a series of visits to the property.

I consider this property has the best background for a consistent producer, if properly equipped and judiciously managed, of any property in the district.

Very truly yours,

/s/

W. A. Hutton

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STATE DEPARTMENT OF GEOLOGY AND MINERAL INDUSTRIES

~~1069 STATE OFFICE BUILDING~~

PORTLAND 1, OREGON
702 Woodlark Building

November 28, 1940

Elra Exploration and Mining Co.
Suite 404, 105 Montgomery Street
San Francisco, Calif.

Gentlemen:

Your inquiry of November 20th directed to the Hon. Earl Snell, Secretary of State at Salem, Oregon, has been referred to me for reply.

We have been personally acquainted with Mr. A. M. Swartley for some four years, and with him by reputation long before that. We hold him in the highest regard as a gentleman and as an engineer.

Mr. Swartley was with the old Oregon Bureau of Mines and Geology as a mining engineer or mining geologist for a number of years, up until the time of the discontinuation of the Bureau in 1923. I should say his work with that Bureau was highly regarded. Between that time and 1937, when this Department was organized, Mr. Swartley was occupied as consulting mining engineer in various localities, maintaining headquarters always, I believe, in Oregon, which is his home. He was for a time a special consultant with the U. S. Army Engineers in connection with a mineral survey of the States of Washington, Oregon and California.

Soon after this Department was organized in 1937, we employed Mr. Swartley as full-time consulting mining engineer, and he stayed with us two years until leaving to accept private mining work.

As stated above, we have a high regard for Mr. Swartley's honesty and capacity as an engineer.

Very truly yours,

(signed)

EARL K. NIXON
Director

EKN:ac

944 Lawnridge Ave.
Grants Pass, Oregon
November 20, 1940

Mr. R. R. Stevenson
Suite 404
105 Montgomery Street
San Francisco, California

Dear Sir:-

This letter is in reponse to your request for information regarding the Dean property, located on Sykes Creek in Jackson County, Oregon.

I have: surveyed the placer deposits and the principal hard rock workings on the property and mapped them; taken more than 250 channel cut samples from the underground workings and surface exposures; and have made amalgamation, flotation and cyanidation tests on representative ores.

Large channel samples were taken in all cases - generally more than 10 pounds per foot of length. These samples assayed from traces to \$28.00 in gold, with minor amounts of silver. These samples generally were taken across widths of 10 feet. They were taken across both the quartz filled fissures and the mineralized schist. The highest samples came from the schist. It is my opinion that the future of the property lies in the development of the schist. Most of the development to date has been done on the quartz filled fissures and as a result the full extent and possibilities of the schist can not now be determined.

I have made a particular study of this type of schist deposit. Because of the mode of occurrence of the gold in these deposits no small scale sampling methods; such as core drilling, churn drilling, or such sampling as I have done on the Dean property will truly evaluate these ores unless many thousands of feet of such sampling is done. I have definitely proven this on other properties of this type. I am now mill sampling a property of this same type. We first channel sample each face; taking from 8 to 20 pounds per foot of length. We then cut a mill sample of not less than 1000 pounds per foot of length. Each such mill sample generally contains from 3 to 7 tons. To date on this property we have run about 200 tons of such mill samples. The average value shown by the channel samples has been a little less than \$1.00 per ton. The average value shown by the mill samples has been a little less than \$4.00 per ton. These samples have been taken from shallow tunnels and shafts and open cuts extending over an area of about 1000 feet square. The average value of the channel samples on the Dean property is much higher than on the property just referred to and I would expect mill sampling on the Dean property to show considerably more than \$4 average values. On the Dean property there are at least three zones, each having a width of 100 feet or more, wherein I would expect development to disclose average values of more than \$5. At least one of these zones might be more than 300 feet wide. The indications are that each of these zones is more than 1000 feet long. All of them would lend themselves to exploitation by low-cost open-pit methods.

My metallurgical tests on the Dean ores indicate: Even in the oxidized zone amalgamation recovery will not exceed 65 per cent. The zone of oxidation is shallow. Flotation make a fair recovery but the concentrate grade is low because of

R. R. Stevenson
11/20/40

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the high percentage of slime. Cyanide leaching of even washed sands is not satisfactory. All-sliming cyanidation gives a high recovery, even on relatively short contact. Provision should be made for the early recovery from the circuit of coarse gold which is certain to be encountered in these schist deposits.

It is my opinion that the Dean property can be made the basis of a successful open-pit operation of some magnitude. This opinion is held by a number of other engineers among whom is A. M. Swartley who until recently was connected for many years with various state and Federal agencies having to do with mining in Oregon and the northwest.

If I can be of any further assistance to you in this matter I would be pleased to have you call upon me.

Yours very truly,

(signed)

John C. Semple, E.M.

G. CLEVELAND TAYLOR

MINING ENGINEER

2381 PURINTON DRIVE
SACRAMENTO 24, CALIFORNIA

June 21, 1965

95821

Mr. Len Ramp, Geologist
Oregon State Bureau of Mines
239 Southeast "H" Street
Grants Pass, Oregon

Dear Mr. Ramp:

Inclosed is a note to W. H. Holloway of Gold Hill. It will be interesting to find if he recalls any thing about the Dean-Argonaut veins or sampling on the Swartley examination and report. Perhaps he has been in to see you? It will be interesting to hear from you if he does talk to you about the property. I should like to prove or disprove definitely one way or the other.

Inclosed is a copy of the data about the veins in the Swartley Report.

Thanks again for your efforts in the above matter.

With best regards I am

Sincerely yours


G. Cleveland Taylor

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June 21, 1965

Mr W. H. Holloway
Route 1, Box 373
Gold Hill, Oregon

Dear Mr. Holloway:

I read a report on the old Dean-Argonaut Mine some time ago which was made, but not signed, by A. W. Swartley, who mentioned that you had done some sampling of some veins or lodes on the property, back in about 36 (at least that was the date on the said report).

Am wondering if you recall any thing about the property or the veins there, some of which are supposed to have some value in gold?

Mr. Len Kamp of the State Bureau of Mines gave me your address when I was on a recent trip to Grants Pass. On returning from a trip to the above mentioned property we drove out to your place, at the above address, and was sorry to find you were not at home.

Should be glad to have a note stating whether you do recall any sampling on the property. Inclosed is a self addressed envelope for your reply. If in the area again I will try and contact you.

Sincerely yours

G. Cleveland Taylor