

AMERICAN SMELTING &amp; REFINING CO.

**BLUE LEDGE MINES**

WALTER B. ROBINSON, SUPT.

COPPER, CALIF.

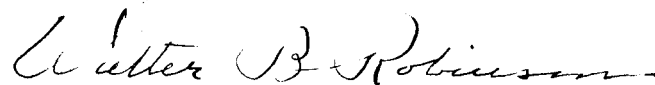
Route 3 Box 19B.  
Medford, Oregon.  
April 19th 1930.Mr Geo. Schumacher,  
Medford, Oregon.

Dear Sir;

Replying to your question as to my opinion of the value of the equipment and improvements on the War Eagle Mine, at the present time, I would say that I would give them no value at all.

All of the tools and small equipment have been removed or stolen; the retorts are burned out and wrecked; the Scott furnace is totally unsuited to the ore and worth only the salvage value of the home-made brick used in its construction; the condensers are inadequate, and being concrete have no salvage value. So that in any contemplated operation of the property, it would have to be completely re-equipped, and I would place no value whatever on any personal property now on the premises.

Very truly yours,

  
E. M.

GEORGE SCHMACHER  
Industrial and Metallurgical Research  
P.O. Box 1096

Medford, Oregon .

War Eagle Mine, Beagle, Ore., Jan. 15th, 1936.

The enclosed report was made by Mr. C. N. Schuette, Mining Eng. 306 Call Bldg., San Francisco, with the following letter dated Aug. 23th, 1936, accompanying it.

"Herewith I submit to you a report on the War Eagle Mine in Jackson County, Oregon.

The data presented in this report were gathered during a visit to the property from Aug. 3rd to Aug. 7th, 1936.

The report contains maps and photographs to illustrate pertinent data presented in the text, 12 samples were taken for assay and numerous pannings were made both underground and on the surface.

The working history of the mine, that is the cost of the actual amount of work done as compared to the value of the output, is a good one. There is at present enough ore exposed in the mine to carry on a small retort operation. There is not enough ore exposed at present to carry on a furnace operation but comparatively little additional work should develop enough ore for this purpose.

The new discovery of ore in the "Coal Area" mine is very promising and should be developed.

The present is a favorable time in which to initiate new quicksilver producing enterprises. The development of the War Eagle property is recommended as an equitable mining venture that should result in a successful operation if adequately financed and carefully managed."

(Signed)

C. N. Schuette

November 23, 1955

AIRMAIL

Mr. Ira L. Abelow  
Abelow Associates  
Rm. 1122 Mile High Building  
Denver, Colorado

Dear Mr. Abelow:

In response to your telephone request of Friday, November 18, I am enclosing the data which we have on file on the War Eagle quicksilver mine in Jackson County, Oregon.

The 5-page report on green paper is from our Metal Mines Handbook on Jackson County which is out of print. Material for this report was taken largely from our Bulletin No. 4, "Quicksilver in Oregon", by C.N. Schuette. This bulletin unfortunately is also out of print. The 2-page green sheet report is from our G.M.I. Short Paper No. 3 which is also out of print. The 19-page report by C.N. Schuette was copied from a report on file in this office. This Department did not engage Mr. Schuette to make this report and therefore cannot comment on the merits or reliability of it. One other page that is enclosed is taken from our clipping file concerning the War Eagle mine.

The small black and white map which contains the War Eagle mine property map and plans and longitudinal sections of the mine are from our Bulletin No. 4. I believe the sample numbers referred to on the longitudinal section are described in the 19-page report by Schuette. The other prints of maps are copies which we have on file and do not represent work done by this Department. Consequently we cannot be responsible for their accuracy.

I am enclosing a bill for the above material. Would you please make the check out to the State Department of Geology and Mineral Industries.

Sincerely yours,

Hollis M. Dole  
Director

HMD: jr  
Encl.

August 17, 1953

Mr. James Holtzclaw  
War Eagle Mine  
Rogue River, Oregon

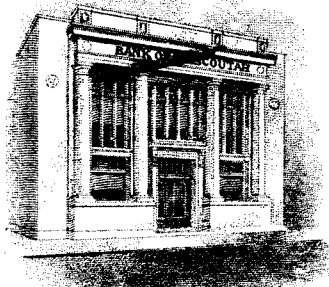
Dear Mr. Holtzclaw:

We will be happy to supply you with one print of the  
Treasurer map of the Mountain King mine, one print of the  
War Eagle map appearing in our Bulletin No. 4, and a type-  
script copy of the report on the Mountain King mine appear-  
ing in our Jackson County catalog for a total charge of \$1.65.

Very truly yours,

Ralph S. Mason  
Mining Engineer

RSM: jr  
cc Len Ramp



TELEPHONE 78

# BANK OF MASCOUTAH

August 13, 1951

Mr. F. W. Libbey, Director  
State Department of Geology  
702 Woodlark Building  
Portland 5, Oregon

Dear Mr. Libbey:

Thank you for your letter of July 30 with regard to the War Eagle Mine at Medford, Oregon.

The copy of Mr. Schuette's report is being returned herewith. Your sending it to me was very much appreciated.

Very truly yours,

*Urban S. Postel*

Urban S. Postel

me/  
Enc.

*Ret'd to folder  
Jackson County*

**RECEIVED**  
AUG 16 1951  
STATE DEPT. OF GEOLOGY  
& MINERAL INDS.

July 30, 1951

Mr. Urban S. Postel  
Bank of Mascoutah  
9 East Main  
Mascoutah, Illinois

Dear Mr. Postel:

This acknowledges receipt of your letter dated July 23 concerned with the War Eagle mine, Jackson County, Oregon.

As you probably know, the War Eagle is one of the oldest quicksilver mines in the State and has had a large amount of work done achieving therefrom only a relatively small production. It has been reported that a large amount of money has been spent on this property and that numerous impractical projects have been undertaken which supposedly were to treat the ore by untried processes. Such mines as the War Eagle require experienced management. Whether or not the property could be placed on a paying basis by expenditure of development money I do not know.

The most recent report which we have on the property was written by Mr. C. H. Schuette, a competent consulting engineer of San Francisco who has specialized in quicksilver deposits and operations. This report may have been made for the Bondholders' Committee. If so, you probably have a copy but on the chance that you do not, I am sending you a copy from our files. If you do have a copy, I would appreciate it if you would return the enclosed report to us.

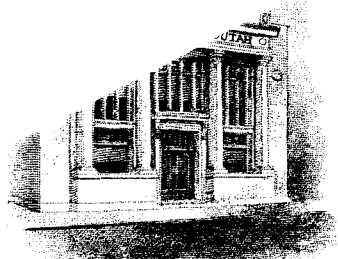
You might wish to correspond with Mr. Schuette in order to determine whether or not his conclusions as given in the report would be the same now as when the report was written. The price of quicksilver has been influenced by the international situation and the building up of supplies of war materials all over the world. However, there is no assurance that the present high price for the metal could not break drastically at any time.

If this Department can supply any further information, please feel free to call upon us.

Very truly yours,

FWL: jr  
Encl.

Director



# BANK OF MASCOUTAH

TELEPHONE 78

July 23, 1951

RECEIVED  
JUL 27 1951

STATE DEPT. OF GEOLOGY  
& MINERAL INDS.

State Bureau of Mines of Oregon  
Salem,  
Oregon

Gentlemen:

For many years my brother, Allan J. Postel, had been a member of a Bondholders' Committee which was handling the War Eagle Mine at Medford, Oregon.

Since his death in April of this year, the job of looking after his interests in the mine has become one of my problems as Administrator of his estate. Unfortunately, I know very little about the mine, its operation, etc., and I am wondering whether you would be kind enough to give me whatever information there is available with regard to the property.

Anything that you can tell me about the mine will be very much appreciated.

Very truly yours,

*Urban S. Postel*

Urban S. Postel

me/  
Enc.

February 24, 1945

Mr. William Linhoff  
Vanport City Hospital  
Portland 17, Oregon

Dear Mr. Linnhoff:

The following information was received from Mr. Youngberg, our engineer at Grants Pass, who visited the War Eagle Mine recently:

"The property is still operated by the Mineral Mines, Inc. under the management of Mrs. L. M. Parsons. She was not at the mine yesterday so I did not get to talk to her personally. The mine had no production in 1944. Work consisted largely of experimentation with a new process. The new plant has been completed and they expect to start the mill in about a week. The new flow-sheet calls for the putting into solution of the quicksilver from the flotation concentrates and recovering the mercury in electrolytic cells, three of which have been installed. I understand a chemist is advising her on the development of this process. The process has not been proven on a plant-size operation and they will undoubtedly encounter a number of difficulties. The capacity of the present plant is about 20 tons in 8 hours according to the mechanic.

"They are planning on treating ore from the coal seam at present and will begin development of the Rainier ore body when they have the process perfected.

"Two men were working in the machine shop and the mill. Apparently no underground work is going on at present."

Hope this will be of value to you, and if we can supply any further information, please feel free to call upon us.

Very truly yours,

Ewart M. Baldwin  
Associate Geologist

EMB:ff

*Request made  
by telephone*





STATE DEPARTMENT OF GEOLOGY  
AND MINERAL INDUSTRIES

702 WOODLARK BUILDING  
PORTLAND 5, OREGON

Grants Pass, Oregon  
February 20, 1945

RECEIVED  
FEB 21 1945  
STATE DEPT OF GEOLOGY  
& MINERAL INDS.

Mr. Ewart Baldwin  
702 Woodlark Building  
Portland 5, Oregon

Dear Ewart:

I received your letter regarding your desire for information on the War Eagle Mine in Jackson County. I had heard some recent rumors as to activity at the mine, so I paid them a visit yesterday.

The property is still operated by the Mineral Mines, Inc. under the management of Mrs. L. M. Parsons. She was not at the mine yesterday so I did not get to talk to her personally. The mine had no production in 1944. Work consisted largely of experimentation with a new process. The new plant has been completed and they expect to start the mill in about a week. The new flow-sheet calls for the putting into solution of the quicksilver from the flotation concentrates and recovering the mercury in electrolytic cells, three of which have been installed. I understand a chemist is advising her on the development of this process. The process has not been proven on a plant-size operation and they will undoubtedly encounter a number of difficulties. The capacity of the present plant is about 20 tons in 8 hours according to the mechanic.

They are planning on treating ore from the coal seam at present and will begin development of the Rainier ore body when they have the process perfected.

Two men were working in the machine shop and the mill. Apparently no underground work is going on at present.

I believe this is about all the pertinent information which is available at this time. I plan on visiting the plant again when it gets into operation.

Sincerely,

*Elton A. Youngberg*

Elton A. Youngberg  
Field Engineer

EAY;gsc

December 27, 1955

Mr. Ira L. Abelow  
Tip Top Uranium & Oil Inc.  
Suite 1122, Mile High Center  
Denver, Colorado

Dear Mr. Abelow:

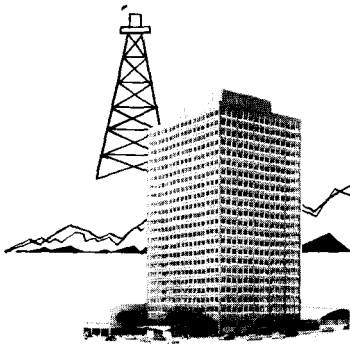
I am not familiar with the report that Mr. Carter prepared on the War Eagle mine, Jackson County, Oregon, nor can I give you the whereabouts of Mr. Carter.

I have checked with the State Board of Engineering Examiners and find that Mr. Carter is not and has never been registered as a professional engineer in Oregon nor has he been given a reciprocity agreement with other states. I am sorry I cannot be of further help.

Sincerely yours,

Hollis M. Dole  
Director

HMD: jr



TIP TOP Uranium & Oil INC.



SUITE 1122  
MILE HIGH CENTER  
DENVER, COLORADO

December 16, 1955

Mr. Hollis M. Dole  
Dept. of Geology and Mineral Industries  
1069 State Office Building  
Portland 1, Oregon

Dear Mr. Dole;-

This is with further reference to the War Eagle Mine  
in Jackson County, Oregon.

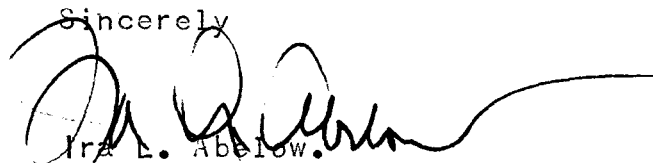
We have had our people in the area in an attempt to  
get as much information as possible. Up to the present the  
reports have been very derogatory, (and discouraging).

It is our understanding that Mr. Carter prepared a report  
dated September 17, 1938 in which he reported considerable tonnage  
of developed ore--and that in 1952 Mr. D. Ford McCormack reported  
on the property, and that this year Mr. Libby also reported on  
the property.

We are trying to locate a copy of the Carter report  
of 1938 so as to check it against our current findings. Can you  
give us any suggestions as where we can go for it? We are running  
up against a Blank Wall.

It is our understanding that this report was quoted by  
the promoters of the defunct Mineral Mines, Inc., of Seattle  
Washington.

Sincerely



Ira L. Below.

RECEIVED  
DEC 21 1955

STATE DEPT. OF  
& MINERAL INDUSTRIES

The Mining Journal - January 30, 1938

"The old War Eagle quicksilver mine in the Meadows district near Gold Hill, Oregon, is being reopened by the Mineral Mines, Inc., of Seattle, Washington. C. O. White of Seattle is superintendent in charge at Gold Hill. Workings are being retimbered, a compressor has been installed, and several new buildings and a saw mill are under construction. A 50-ton retort designed by White is to be installed in the immediate future."

The Mining Journal - February 15, 1938

"The first 50-ton unit of a proposed 200-ton reduction plant is being installed at the War Eagle quicksilver mine by the Mineral Mines, Inc. The property, located in the Meadows district of Jackson County near Gold Hill, Oregon, is being reopened and 1,000 feet of tunnel is being put into working condition. The company has completed 300 feet of new tunneling in its Power mine in the same district. C.O. White of Beagle, Oregon, is superintendent in charge."

The Mining Journal - March 15, 1938

Alan C. Parsons of Medford, Oregon, is reported to be general manager of the Mineral Mines, Inc., which is reopening and equipping the War Eagle cinnabar mine on Evans Creek in the Gold Hill district of Jackson County.

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March 13, 1942

Mr. L. M. Parson, Vice President  
Mineral Mines, Inc.  
War Eagle Mine, Inc.  
Sams Valley, Oregon

Dear Mr. Parson:

Your letter dated March 11 and concerned with priorities has been received. I am glad to learn that you are now in production and trust that nothing will come up to prevent your maintaining such production consistently.

The Administrator, Mining Branch, has defined materials which will qualify for an A-1-a rating as "material for repair of property and equipment used in and essential to the operation of a mining enterprise when and only when there has been an actual breakdown or suspension of operations because of damage, wear and tear, destruction or failure of parts or the like and the essential material is not otherwise available".

At such time as you require a ball mill to replace your rod mill, my suggestion would be that you take the matter up with Dr. Wilbur A. Nelson, Administrator, Mining Branch, Priorities Division, War Production Board, Washington, stating all the conditions involved and requesting an authorization number to apply the priorities rating which your supplier says is required to obtain new equipment.

You state that you have been held up in getting as far as you have because of not having a better rating. Because you have a mine serial number and are operating under Order P-56, you are allowed priorities ratings on a par with all other mining operations producing essential minerals. The A-1-a rating, allowed under Order P-56, is defined above; A-1-c rating is allowed on material or repair parts required to prevent a breakdown; an A-8 rating to deliveries of material for other repairs and supplies used in and essential to the operation of a mining enterprise.

I suggest that you write to the Regional Priorities Office, Bedell Building, Portland, Oregon, and request copy of Preference Rating Order P-56-a as amended March 2, 1942.

Yours very truly,

Earl K. Nixon  
Oregon Emergency Coordinator of Mines

FWL:KKN:jr

MINERAL MINES, INC.

~~EXCHANGE BUILDING, SEATTLE~~

WAR EAGLE MINE, INC.  
Sams Valley, Oregon

March 11, 1942

RECEIVED  
MAR 12 1942

STATE DEPT OF GEOLOGY  
& MINERAL INDS.

WHITE RETORT

Pacific Coast Manufacturers  
and Distributors  
Seattle, Washington

WAR EAGLE MINE

Producers of Quicksilver  
Beagle, Oregon.

Executive Offices  
Seattle, Washington

INDEPENDENCE MINE

Mineral City, Wash.

Executive Offices  
Seattle, Washington

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

Dear Mr. Nixon:

Re: Mine Serial No. 33-21  
Priority Rating War Eagle Mine

We find that it is impossible to secure the necessary materials and supplies for the operation of War Eagle Mine, (a quicksilver producer) under our present priority rating which is A-8.

We are now operating on a 50 ton per hour basis with the expectation of stepping this up to 100 tons as soon as enough faces have been opened up in the coal area to pull this tonnage. We are employing a crew of twenty men and expect to put on more miners, muckers, and timbermen within the next two weeks. Our mill consists of rod mill, six flotation cells, one concentration table. We are adding a filter to take care of the slimes from the cells which have given us considerable trouble to handle to date. In the mining operations we have a two drill compressor, pump and hoist. At the present we have a small two tube retort which will take care of the concentrates on a modified production, such as we now have. We are producing quicksilver, having started up the retort last week and will make our first shipment of quicksilver on Friday of this week.

In order to continue operations and to increase the operation by the purchase of new underground equipment for the handling of the arsenical ore on the Ranier vein, we must have a priority rating which will enable us to buy the equipment necessary as well as to make repairs to our present equipment. We also expect to order a new retort in a very short period and we contemplate taking out the rod mill and installing a ball mill in its place. We find that in order to do all of these things, it will be necessary for us to have an A-1A rating. We have been constantly held up in getting into our present state of production because of not having a better rating, and ask that you do everything possible to procure a rating for us which will enable us to purchase our material and supplies which will contain a great deal of steel and we are told that only an A-1A rating will allow us to make such purchases. We are asking for action on this matter as soon as possible so that we will not be held up in our production here at War Eagle.

Thanking you for your past cooperation, I am,

Yours very truly,  
MINERAL MINES, INC.

J. M. Parson vice Pres.



November 24, 1941

Mr. L. M. Parson  
War Eagle Mine  
Sam's Valley, Oregon

Dear Mr. Parson:

Receipt is acknowledged of your letter dated November 21st and concerned with priorities.

O. P. M. order P-56 grants a priority rating of A-8 which was intended for the use of mines having a serial number to obtain operating materials and supplies. It is my information that for the purpose of equipping a property and especially where a better rating than A-8 is desired, a separate application for such equipment should be made on form PD-1 which may be obtained from the regional O.P.M. Priorities Office, Bedell Building, Portland. It would be impossible for me to say whether or not a rating of A-8 would be sufficient to allow you to purchase the engine and copper wire which you mention. That decision would be up to the supply house from which you intend to purchase the equipment.

We would wish to be of as much assistance as possible in obtaining for you a preference rating that would enable you to obtain the things you need, but such matters are out of our hands, and the only method that we know of which may be used to obtain a better preference rating than A-8 is that of using form PD-1. Of course, under order P-56, a rating of A-1-a is allowed in cases of break down where that rating is necessary to obtain equipment necessary before production can be resumed. In order to obtain an A-1-a rating, it is necessary for the producer to communicate by telephone or telegraph with the Administrator of Mine Priorities in Washington, D. C., stating all the conditions and requesting the A-1-a rating.

If we can supply any further information, please feel free to call upon us.

Yours very truly,

Karl K. Nixon  
Oregon Emergency Coordinator of Mines

FWL:EKN:ac

WAR EAGLE MINE, INC.

~~EXCHANGE BUILDING~~ SEATTLE

War Eagle Mine  
Sam's Valley, Ore.  
November 21, 1941

RECEIVED  
NOV 24 1941

STATE DEPARTMENT OF GEOLOGY  
& MINERAL INDUSTRY

Mr. Earl K. Nixon  
Oregon Emergency  
Coordinator of Mines  
Portland, Oregon.

Dear Sir;

Your letter of November 13 received, the information contained is helpful but I need additional information.

We have received the preference rating No. P- 56 and Mine serial number #33-----21. As I understand from your letter of the 13th we now have a A-8 preference rating. Is this correct?

We are ready to start operation of the mill and flotation cells, but are held up because we can't get the necessary power unit. please advise me if the above rating will be sufficient for the purchase of a new Allis-Chalmers model E-60-74 H.P. engine. We also need wire for the rewinding of a 75 -K.V.A. General Electric generator, this is a real emergency in which we need help.

Within the next three weeks we also will be in need of Retort tubes and other supplies for the furnace and we have been told that we must have a good rating in order to secure such supplies. Please advise me. I will appreciate any information you can give on these matters.

Thanking you for your cooperation, I am

Yours very truly,

*L.M. Parson*  
L.M. Parson

November 13, 1941

Mr. L. M. Parson  
c/o War Eagle Mine  
Sams Valley, Jackson County  
Oregon

Dear Mr. Parson:

Receipt is acknowledged of your letter dated November 12 and concerned with obtaining a preference rating in order to purchase necessary supplies.

On October 24 information concerning the War Eagle Mine was transmitted air mail by us to the Administrator of Mine Priorities, Washington, D.C., in whose jurisdiction the matter of issuing mine serial numbers under order P-56 rests. I have just written Dr. Nelson, Administrator of Mine Priorities, an air mail letter, stating the condition you are in and requesting information concerning your serial number.

In reply to your question about the rating mercury production carries, it is our information that under order P-56 which gives a preference rating of A-3, all mines are classed together, that is, even though a mine is producing an essential strategic mineral, it receives under order P-56 no better rating than a mine producing a nonessential or less essential strategic mineral.

Very truly yours,

Earl K. Nixon  
Oregon Emergency Coordinator of Mines

FWL:EKH:jr

MINERAL MINES, INC.

~~\*\*\*\*\*~~ SEATTLE

1310 No. 45th. St.

RECEIVED  
NOV 13 1941  
STATE DEPT OF GEOLOGY  
& MINERAL IND.

War Eagle Mine  
Sam's Valley, Ore.  
Nov. 12th. 1941

WHITE RETORT  
Pacific Coast Manufacturers  
and Distributors  
Seattle, Washington

WAR EAGLE MINE  
Producers of Quicksilver  
Beagle, Oregon.  
Executive Offices  
Seattle, Washington

~~\*\*\*\*\*~~

Executive Offices  
Seattle, Washington

Special Delivery

Mr. Earl K. Nixon, Director  
State Dept. Geology and Mineral Industries  
702 Woodland Bldg.  
Portland, Oregon.

Dear Mr. Nixon;

Pursuant to our correspondence pertaining to the preference rating for War Eagle Mine, I wish to ask that your department do every thing possible to speed this matter for us. We find that we cannot purchase pipe and other supplies until we have this rating.

The Mill is ready to turn over and immediate operation is desired. If we are unable to secure another used Retort we will need new Retort pipe also , as the old tube set which we will use at first will not be sufficient for our needs.

Will you advise me when we can expect this rating and also what the rating is for Mercury production.

Thanking you for your cooperation, I am

Yours very truly,

*L M Parson*  
L.M. Parson

Address me

% War Eagle Mine  
Sam's Valley, Ore.

"YOU'LL FEEL MORE AT HOME"

 **Hotel**  
**Holland**  
SAMPLE  
DISPLAY ROOMS      MODERN  
MEDFORD, OREGON

Oct. 23rd. 1941

Mr. Earl K. Nixon  
State Dept. of Mineral Ind.  
702 Woodland Bldg.  
Portland, Ore.

Dear Sir;

Your Letter Of October 17th just received here.  
and contents noted.

At present we have six men on the payroll at the  
War Eagle Mine. The Flotation Cells arrived today which  
means we will increase the number of men to 18 eighteen  
almost at once.

Very truly yours,

War Eagle Mine, Inc.

By L.M. Parson

*L.M. Parson*  
*708 - No Alder St.*  
*Tacoma, Wash.*

October 17, 1941

Mr. L. M. Parson, Treasurer  
Mineral Mines, Inc.  
1310 North 45th St.  
Seattle, Wash.

Dear Sir:

This is to acknowledge receipt of your letter dated October 16th and concerned with your desire to get a serial number and a preference priority rating.

It is necessary that we have the number of men employed on the property so that we may submit this information to the Priorities Coordinator for Mines. Please inform us.

Very truly yours,

Oregon Emergency Coordinator  
For Mines

FWL:ac

**RECEIVED**  
OCT 17 1941

**MINERAL MINES, INC.**

~~#####~~ ~~#####~~, SEATTLE  
1310 North 45th St.

STATE DEPT OF GEOLOGY  
& MINERAL INDS,

October 16, 1941

**WHITE RETORT**

Pacific Coast Manufacturers  
and Distributors  
Seattle, Washington

Mr. Earl K. Nixon, Director  
State Department of Geology and Mineral Industries  
702 Woodlark Building  
Portland, Oregon

**WAR EAGLE MINE**

Producers of Quicksilver  
Beagle, Oregon.

Executive Offices  
Seattle, Washington

Dear Mr. Nixon:

**INDEPENDENCE MINE**

Mineral City, Wash.

Executive Offices  
Seattle, Washington

Pursuant to your letter of October 9, 1941, I wish to advise that the address of Mineral Mines, Inc. is 1310 North 45th St., Seattle, Wash.

War Eagle Mine, which is operated by Mineral Mines, Inc. is in the need of immediate supplies as well as more equipment. Today we have tried to purchase scales for our assay office and find that we cannot on account of not having our priority number. We are also urgently in need of other supplies as it is expected that the mill and flotation cells will be ready for operation at War Eagle within the next ten days. The contemplated production is 50 tons to start with, with expectations of increasing this to 100 tons per day as soon as possible.

We have been trying to get our priority number for over 90 days and if it is possible that you can be of assistance in helping to overcome any further delay in this matter, it would be greatly appreciated as our needs are urgent at this time and the fact that we will produce a strategic metal should have some influence in obtaining this number for us without any further delays.

Because of the fact that there is to be a change in the personnel of the mine management and that it is rather uncertain if a new operator will be permanent until he has proven himself capable of handling the mine operation, it is suggested that Mr. F. A. McMillin and Mr. L. M. Parson, Treasurer, be jointly responsible for ordering all material and supplies and in the event this matter cannot be handled by two persons, L. M. Parson, Treasurer, will sign the orders under the supervision of Mr. F. A. McMillin.

Your immediate cooperation will be greatly appreciated.

Yours very truly,

MINERAL MINES, INC.

By L. M. Parson  
L. M. Parson, Treasurer

LMP/mek

708 North Alder Street  
Tacoma, Washington

May 5, 1943

Mr. R. J. Cole  
c/o Washington Machinery & Storage Co.  
7329 East Marginal Way  
Seattle, Washington

Dear Mr. Cole:

Please refer to your letter dated May 5. I do not believe that this Department has been informed of a new mercury operation located in the vicinity of the War Eagle Mine near Beagle, Oregon. It is possible that your information refers to the Mountain King Mine, owned by the Western Mineral Products Company, J. W. Deemy, Box 228, Vancouver, Washington. This property located north of the War Eagle on Ramsey Creek, a tributary of Evans Creek, section 36, T. 34 S., R. 3 W. Some mining work began here in 1940. A small Herreshoff furnace was installed in the summer of 1942. Work was discontinued during the winter of 1942 because of weather and road conditions. The property has recently become active again.

There are some other properties in the vicinity of the War Eagle but I have not been informed that any of them have been active recently.

Very truly yours,

F. W. Libbey  
Acting Director

FWL:ff



# WASHINGTON MACHINERY & STORAGE CO.

"Correctly Rebuilt Machinery"

SALES OFFICE AND 8 ACRE PLANT  
ON MAIN HIGHWAY ENTERING SEATTLE FROM THE SOUTH  
7329 EAST MARGINAL WAY  
SEATTLE, WASHINGTON

May 5, 1943

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REBUILT  
USED AND NEW  
MACHINERY

State Dept. of Geology & Mineral Industries  
702 Woodlark Building  
Portland, Oregon

Machinery and  
Equipment  
for  
Road Building  
Rock and Earth  
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Sand and Gravel Pits  
Contractors  
Railways  
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Ore Milling  
Power Plants  
Hoisting  
Pumping  
Logging  
Complete Industrial  
Plant Equipment

Attention: Mr. F.W. Libbey, Acting Director

Gentlemen:

We thank you for your reply to our letter of April  
28th.

We have been advised that a new mercury property has been  
developed to the point where the installation of a plant  
is being considered and that it's location was in the  
vicinity of the War Eagle Mine or Mineral Mines, Inc.  
near Beagle, Oregon.

If you have the name of the company and it's address,  
we will appreciate this information,

Yours very truly

WASHINGTON MACHINERY & STORAGE COMPANY

BY

  
R.J. Cole

RC:LS

Storage Yard  
and Warehouses  
with  
Truck, Railway  
and Scow  
Transportation  
Facilities

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RECEIVED  
MAY 4 1943  
STATE DEPT OF GEOLOGY  
& MINERAL INDS.

WE BUY AND SELL MACHINERY THROUGHOUT THE ENTIRE UNITED STATES AND CAN FURNISH ALMOST  
ANYTHING YOU REQUIRE IN REBUILT MACHINES

Quotations subject to change without notice. We reserve the right to correct stenographic errors. All quotations and agreements are contingent upon strikes, accidents, delays of carriers and other unavoidable causes beyond our control.

September 18, 1942

Mr. Paul L. Mitten, Superintendent  
The Longview Memorial Hospital, Inc.  
15th and Douglas Streets  
Longview, Washington

Dear Mr. Mitten:

Subject: War Eagle Mine

The following is in reply to your letter of September 17. I have visited the War Eagle Mine on various occasions and our District Geologist at Grants Pass has stopped at the operation more frequently than I have.

So far as we know, the War Eagle is not on a producing basis. Answering your other question as to whether "there is a good deposit of cinnabar ore on it", our answer would be "not too good".

As to surveys made by Government agencies about which you ask, the situation is as follows: This Department made a cooperative arrangement with the Geophysical Division of the U. S. Geological Survey for twelve months "experimental" work to be done in Oregon. This was to demonstrate whether or not geophysics could be used to advantage in helping present Oregon mine operators. The period was from July 1, 1941 to July 1, 1942. We carried out a survey of quicksilver properties in the Ochocos and the work resulted very favorably indeed. We followed with another on chromite properties in the Coos Bay District and somewhat more than half of the work gave excellent and productive results. We then decided to try and help a "sick chicken", the War Eagle Mine. We had a geological survey made first - the work to which you refer - which is commonly and necessarily done as geologic control in advance of the geophysical work itself. After this geologic mapping was done so that we could tell best how to attack the job of geophysical investigation, we came to the conclusion that the War Eagle at that time looked rather hopeless from an operating standpoint so we gave up the idea of spending a substantial amount of money for the geophysical work.

As we are anxious to have mines in this State that we can all be proud of - and that the stockholders can be proud of - we are in hopes that at some time in the future the War Eagle will straighten itself out. Why don't you drop in at my office some time for a chat about the War Eagle? I am away considerable of the time so if you choose to make me a visit, please let me know a couple of days in advance so we would not miss.

Cordially yours,

EKN: jr

Director

## OFFICERS

D. TENNANT, President  
 R. S. WERTHEIMER, Secretary  
 M. R. COUCH, Treasurer  
 PAUL L. MITTEN, Superintendent

## TRUSTEES

Officers and  
 HARRY E. MORGAN  
 J. M. McCLELLAND, SR.

## THE LONGVIEW MEMORIAL HOSPITAL, Inc.

15th and Douglas Streets  
 Longview, Washington

September 17, 1942

Mr. Earl K. Nixon, Director  
 Dept. of Geology and Mineral Industries  
 Woodlark Building  
 Portland, Oregon

Dear Mr. Nixon:

I greatly enjoyed reading your article entitled "Oregon Has the Strategics" which appeared in last Sunday's Oregonian.

There are a great many people in this locality who are stockholders in Mineral Mines, Inc., who purchased their stock back in 1937 and 1938. They have been patiently waiting for Mr. Alan Parson, the Manager, to get this property in operation and the last reports we had about two months ago, which were from a party who had visited the mine, were that the property was producing quicksilver. It is known as the "War Eagle Mine" and is located in the vicinity of Sam's Valley and Beagle.

Mr. Parson advised me last January that certain surveys had been made by government agencies and that the plant was then about ready to go into production. Would you be kind enough to advise me what your records show on this "War Eagle Mine", whether or not there is a good deposit of cinnabar ore on it, and if it is now in production?

Thanking you for this favor, I am

Yours very truly,

*Paul L. Mitten*

\*

RECEIVED  
 SEP 18 1942  
 STATE DEPT OF GEOLOGY  
 & MINERAL INDS.

*W. H. M. 7*

LESTER E. KIRKPATRICK

ATTORNEY AT LAW

4TH AVE. & PIKE ST. BLDG. :: PHONE: MAIN 6106

SEATTLE, WASHINGTON

August 6" 1942.

Mr. F. W. Libbey, H. E.  
#702, Woodlark Bldg.  
Portland Oregon.

Dear Mr. Libbey;

I have your answer to my inquiry of recent date relative to the ~~Was~~ Eagle Mine in Jackson County Oregon and I am obliged to you for your information.

Very truly yours,

*L. E. Kirkpatrick*

RECEIVED  
AUG 7 1942

STATE DEPT OF GEOLOGY  
& MINERAL INDG.



July 30, 1942

Mr. Lester E. Kirkpatrick  
Attorney at Law  
4th Ave. & Pike Street  
Seattle, Washington

Dear Mr. Kirkpatrick:

Mr. Nixon has asked me to reply to your letter of July 27 and concerned with the War Eagle Mine in Jackson County, Oregon. We have no knowledge of the corporate set-up of this property. It is our understanding that Mrs. Lillian Parsons is the general manager. A plant was built last year which was were informed, was intended to treat the cinnabar ore in order to produce a concentrate which would be retorted. I believe that some difficulty was encountered in getting this plant into operation. We have no records of any quicksilver production at this property but we do not have up-to-date information, and possibly the company may have produced quicksilver recently without our having a record of it.

Yours very truly,

F. W. Libbey  
Mining Engineer

FWL:jb

LESTER E. KIRKPATRICK

ATTORNEY AT LAW

4TH AVE. & PIKE ST. BLDG. :: PHONE: MAIN 6106

SEATTLE, WASHINGTON

RECEIVED  
JUL 28 1942

July, 27<sup>th</sup> 1942.

STATE DEPT. OF GEOLOGY  
& MINERAL INDS.

Mr. Earl K. Nixon,  
Dir. of State Dept. of Geology  
and Mineral Industries,  
#702, Woodlark Building,  
Portland Oregon.

Dear Sir;

I have a client who is interested in learning about the property known as the "War Eagle" about 20 miles from Medford, Oregon. He is also inquiring about Allen Parsons and Lillian Parsons, who are or seem to be the owners of the property or have control of a corporation that does own it. I would be glad to have you give me any information that you can as to the property and any that you may have as to the interest of the Parsons or their situation, that is not confidential. Thanking you in advance, I remain,

Very truly yours,

*L. E. Kirkpatrick*

*FWD*

Charge to the account of

CLASS OF SERVICE DESIRED	
DOMESTIC	CABLE
TELEGRAM	ORDINARY
DAY LETTER	URGENT RATE
SERIAL	DEFERRED
OVERNIGHT TELEGRAM	NIGHT LETTER
SPECIAL SERVICE	SHIP RADIOGRAM

Patrons should check class of service desired; otherwise the message will be transmitted as a telegram or ordinary cablegram.

# WESTERN UNION

1206-B

CHECK

ACCOUNTING INFORMATION

TIME FILED

R. B. WHITE  
PRESIDENT

NEWCOMB CARLTON  
CHAIRMAN OF THE BOARD

J. C. WILLEVER  
FIRST VICE-PRESIDENT

Send the following telegram, subject to the terms on back hereof, which are hereby agreed to

APRIL 7, 1942

L. M. PARSON  
WAR EAGLE MINE  
MEDFORD, OREGON

UNABLE TO LOCATE MILL MEN HERE. HAVE WIRED OUR ENGINEER LANCASTER AT BAKER.  
SUGGESTING HE ATTEMPT TO CONTACT MILL MEN FORMERLY WORKING FOR CORNUCOPIA AND  
COUGAR INDEPENDENCE.

STATE DEPARTMENT OF GEOLOGY

Send Night Letter  
COLLECT

Charge to the account of

\$

CLASS OF SERVICE DESIRED	
DOMESTIC	CABLE
TELEGRAM	ORDINARY
DAY LETTER	URGENT RATE
SERIAL	DEFERRED
OVERNIGHT TELEGRAM	NIGHT LETTER
SPECIAL SERVICE	SHIP RADIOGRAM

Patrons should check class of service desired; otherwise the message will be transmitted as a telegram or ordinary cablegram.

# WESTERN UNION

1206-B

CHECK
ACCOUNTING INFORMATION
TIME FILED

R. B. WHITE  
PRESIDENT

NEWCOMB CARLTON  
CHAIRMAN OF THE BOARD

J. C. WILLEVER  
FIRST VICE-PRESIDENT

Send the following telegram, subject to the terms on back hereof, which are hereby agreed to

APRIL 7, 1942

MR. HUGH K. LANCASTER  
STATE ASSAY LABORATORY  
BAKER, OREGON

WAR EAGLE QUICKSILVER MINE LM PARSON MEDFORD NEEDS MILL MEN NAMELY SUPERINTENDENT AND SHIFT BOSS IMMEDIATELY. DO YOU KNOW OF ANY CORNUCOPIA OR COUGAR INDEPENDENCE MILL MEN WHO WOULD QUALIFY AND WHO ARE LOOKING FOR A JOB. THEY COULD COMMUNICATE WITH MR. PARSON.

Send: Night Letter  
Charge to: State Dept. of Geology  
702 Woodlark Building  
Portland, Oregon

F. W. LIBBEY



OF SERVICE

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

# WESTERN UNION

1201/1

1942 APR 6 PM

SYMBOLS

- DL = Day Letter
- NT = Overnight Telegram
- LC = Deferred Cable
- NLT = Night Letter
- Ship Radiogram

R. B. WHITE  
PRESIDENT

NEWCOMB CARLTON  
CHAIRMAN OF THE BOARD

J. C. WILLEVER  
FIRST VICE-PRESIDENT

The filing time shown in the date line on telegrams and day letters is STANDARD TIME at point of origin. Time of receipt is STANDARD TIME at point of destination

PZ70 49/52 NT XC=GRANTSPASS ORG 6

EARL K NIXON=

DIRECTOR OF MINERAL INDUSTRIES WOODLAND BLDG

PORTLAND ORG=

WE ARE IN NEED OF MILLMEN AT ONCE TO CONTINUE OPERATION. MILL SUPERINTENDENT ALSO ONE SHIFTBOSS. ROBERT T DONALD OUR CONSULTANT ENGINEER SUGGESTED STATING OUR NEEDS TO YOU. CAN YOU ADVISE US WHERE WE CAN CONTACT THESE MEN? PREFER OLDER MEN ON ACCOUNT DRAFT. WIRE ANSWER WESTERNUNION COLLECT TO MEDFORD OREGON=

WAR EAGLE MINE L M PARSON.

THE COMPANY WILL APPRECIATE SUGGESTIONS FROM ITS PATRONS CONCERNING ITS SERVICE

BQ70

October 6, 1941

Mr. W. J. Allard  
Superintendent, The War Eagle Mine  
Sam's Valley, Oregon

Dear Mr. Allard:

Mr. Treasurer has referred to me your letter to him dated October 1 and concerned with your plans for tailings disposal from a plant concentrating ore by flotation.

I believe that the only two Oregon laws which might possibly bear on your case are (1) the so-called Rogue River Coordination Board Law, and (2) the law under which the State Sanitary Authority was created.

I would assume that since discharge of tailings from your plant would add but slightly in effecting turbidity on the Rogue River, you would not have to worry about the Rogue River Coordination Board Law.

The law creating the State Sanitary Authority is rather broad in scope and could in effect, govern discharge of any sort of waste into Oregon streams if, in the opinion of the State Authority, such waste discharge was detrimental or injurious to fish life or the recreational enjoyment of people in the state. I cannot quite see, however, how the discharge from your mill would contain enough in the way of flotation reagents to be objectionable to the Sanitary Authority. Probably, to be on the safe side, it would be a good plan to write the State Sanitary Authority, care of the State Board of Health, Oregon Building, Portland, Oregon, outlining your plans for a concentrating mill and asking for their advise in the matter.

Without knowing enough about your plans or of the topography of your immediate locality, I am not in a very good position to advise you, but if I were putting in such a plant I believe that I would, if at all possible, have a definite plan for storage of tailings so that a tailings pond would be maintained and the clear water overflow returned to the mill for reuse. If this method is used, very little in the way of slimes and flotation reagents would be discharged into Evans Creek.

The act creating the State Sanitary Authority is contained in 'Oregon Laws for 1939' beginning on page 9. I would expect that you could see a copy in either the Medford or Grants Pass public library. The Rogue River Coordination Board Law is in our Bulletin No. I which you could see in our assay laboratory at Grants Pass. If this Department can be of any further service to you, please feel free to call upon us.

Very truly yours,

F. W. Libbey,

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



RECEIVED  
OCT 4 1941  
STATE ASSAY LABORATORIES  
402 E. I ST., GRANTS PASS  
J. E. MORRISON  
MINING GEOLOGIST  
ALBERT A. LEWIS  
ANALYST  
STATE MINING ENGINEER  
162 COURT ST., BAKER  
JOHN ELIOT ALLEN  
FIELD GEOLOGIST  
LESLIE L. MOTZ  
ANALYST

EARL K. NIXON  
DIRECTOR  
ARTHUR M. SWARTLEY  
CONSULTING MINING ENGINEER  
RAY C. TREASHER  
GEOLOGIST  
F. W. LIBBEY  
MINING ENGINEER

STATE DEPARTMENT OF GEOLOGY AND  
MINERAL INDUSTRIES

329 S. W. OAK STREET  
PORTLAND, OREGON  
October 3, 1941

Replies should be  
addressed c/o State  
Assay Laboratory  
400 E. I Street  
Grants Pass, Oregon

Mr. F. W. Libbey  
702 Woodlark Building  
Portland, Oregon

Dear Fay:

I am attaching hereto a letter from Mr. W. J. Allard, Supt. War Eagle Mine, relative to tailing disposal. We have no authentic information here so I am forwarding this request to you for consideration. We will appreciate any assistance you can give the War Eagle on this matter.

Yours very truly,

Ray C. Treasher  
Field Geologist

RCT:lmw  
CC: W. J. Allard, Supt. War Eagle Mine

WAR EAGLE MINE, INC.

EXCHANGED SUPPLIES, -

Sam's Valley, Oregon

October 1, 1941

Mr Ray C. Treasher  
Field Geologist  
402 East I St.  
Grants Pass, Oregon


Dear Mr Treasher:

Am writing you again for a bit of assistance and though this request may not be strictly within your field I hope it will not be too much trouble.

We are making very good progress in the plans for production here at the War Eagle and prior to actual operations we would like to get information on the Oregon laws relative to tailings and flotation products disposal. We should like to use Rattlesnake Creek gulch for this disposal and as it is tributary to Evans Creek and that tributary to the Rogue and the lower neighboring ground used for grazing and agricultural purposes, we want to be in the clear before beginning this tailings disposal.

My copy of the Oregon mining laws gives no light on this matter and if you can send me the material or better still run up some time soon to check with us we will appreciate it very much.

Very truly yours



W. J. Allard

Supt. War Eagle Mine

Sam's Valley, Oregon

June 24, 1941

Captain Theron W. Bean  
Constructing Quartermaster  
War Department  
Medford, Oregon

Dear Captain Bean:

Mr. Nixon, director of this Department, will be away from the office for about two weeks and I wish to acknowledge receipt of and thank you for your letter dated June 20th. We are very glad to learn that the War Eagle cinnabar property will be excluded from the area of your contemplated military reserve.

Thanking you for your cooperation in this matter, I am

Very truly yours,

FWL:vm

F. W. Libbey  
Mining Engineer

WAR DEPARTMENT  
OFFICE OF THE CONSTRUCTING QUARTERMASTER  
MEDFORD AND VICINITY  
MEDFORD, OREGON  
June 20, 1941.

JUN 21 1941

STATE DEPARTMENT OF GEOLOGY  
& MINERAL INDS.

In Reply Refer  
To File:

SUBJECT:

TO: Mr. Earl K. Nixon, Director.  
State Department of Geology.  
702 Woodlark Building.,  
Portland, Oregon.

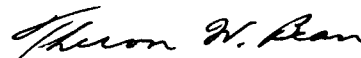
Dear Mr. Nixon,

Since your letter of June 16th was received together with map of cinnabar mines, Mr. Treasher has called at this office and again discussed the exclusion of the War Eagle property from our contemplated military reserve area.

Our present plans exclude a quarter mile strip through the West half of S4, 9 and 16, of Twp. 34 S. R2W, and the exclusion of a quarter mile strip one half mile long through the northwest portion of 21 of the same township. Mr. Treasher has assured us that this will take care of the problem very satisfactorily.

This restricts our reservation at one point to a width four and three quarters miles. This may be objectionable to higher authorities. If such is the case we will be glad to get in touch with you and try to work out a scheme that will exclude the quarter mile strip through the east portion of Sections 4 and 9 only.

Very truly yours,



THERON W. BEAN  
Captain Q.M.C.  
Constructing Quartermaster.

cc to Treasher  
TWB.OM

1

June 20, 1941

Mr. W. J. Allard, Supt.,  
War Eagle Mine,  
Beagle, Oregon

Dear Mr. Allard:

Since Mr. Nixon will be away from the office probably until after the fourth, I want to acknowledge receipt of your letter to him dated June 19th.

The information you convey will be of considerable interest to him, and your letter will be placed before him upon his return to this office.

Yours very truly,

F. W. Libbey  
Mining Engineer

FWL:ac

WAR EAGLE MINE, INC.

~~ENGINEERING BUILDING, SEATTLE~~

June 19, 1941

JUN 20 1941

STATE DEPT. OF GEOLOGY  
& MINERAL INDUSTRIES

Mr. Earl K. Nixon, Director  
State Dept. of Geology and Mineral Industries  
702 Woodlark Bldg.  
Portland, Oregon

Dear Mr. Nixon:

In replying to your letter of June 10th. I feel that I should modify and clarify several impressions that you have expressed.

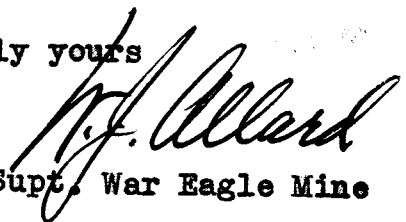
We feel that we are justified in developing and going into small production, for the present, on the coal bed for several reasons- Mr. Catters surveys and assays, with his complete report on file at Olympia, indicate definite coal ore values and considerable blocked ore of commercial value. Recent assays by Mr. Lee and Mr. McMillin, to the total of nineteen, give an average value in the coal of 8.058 pounds per ton, with the values increasing definitely as the main drift is extended ahead. My impression as to the fifteen pound value was the statement that such values should be found with further development on the main drift as indicated by the progressive enrichment in the present drift.

As to the personnel and crew at the property we feel amply organized and capable of conducting an efficient operation in all phases. My own background has not included quicksilver operations, but several years in mining from California to British Columbia and Alaska has given me a good general experience of value here. Our mine boss, Harry Musson, has a background of twelve years of experience in quicksilver mining and in line with our earlier plans we now have on the ground a capable assayer and a trained flotation and mill man. In addition to Mr. McMillin's general engineering and research work, we are having the Denver Equipment Company test check our ore for treatment and recovery.

The coal area is now being re-surveyed and systematically assayed, the upper arsenical workings in the Rainier Vein will likewise be studied and assayed, the development in the coal area is being continued and preparations for a limited production set-up are well under way. We hope to continue as intelligently and cautiously as possible.

We appreciate your offers of assistance and your many constructive suggestions and will undoubtedly call on your office from time to time.

Very truly yours

  
Supt. War Eagle Mine



RECEIVED  
JUN 20 1941

CLAY NIXON  
LAWYER  
DEXTER HORTON BUILDING  
—  
MAIN 8685

STATE DEPARTMENT OF GEOLOGY  
& MINERAL INDS.

SEATTLE, WASHINGTON

June 19, 1941  
Via Air Mail

Captain Bean  
Constructing Quartermaster  
National Guard Armory  
Medford, Oregon

Dear Sir:

Re: War Eagle Mine

Enclosed is a copy of a letter from Earl K. Nixon, Director of the State Department of Geology and Mineral Industries, of Oregon, to Dave S. Cohn, Director of Licenses, Olympia, Washington, which naturally is of some considerable concern to the Company which operates the War Eagle Mine, and of which I am President.

One of our Directors was on the property last week and was informed by our men there that the contemplated army cantonment will, at its closest boundary to the mine, be approximately two and one-half miles away from it, and therefore in no wise interfering with our operation.

Because of the fact that we have spent some \$125,000.00 in Mineral Mines, Inc., the holding corporation of War Eagle Mine, largely upon this property, and these moneys are moneys invested by some three hundred small investors, the matter is one of public concern on the score of their interest. Further, of course, from the standpoint of national defense and the interest of the country as a whole, any quicksilver operation necessarily is one which should be given every support and assistance. We have refrained from any request for governmental assistance on this property since we are at the point of actual production at this time and have, in fact, ordered the machinery which upon installation will permit us to be a producing mine on a substantial basis within a month's time from the actual delivery of the machinery.

Further, because of the fact of our Company being registered with the Securities Division of the Department of Licenses of the State of Washington, and there being some matters pending there at this time, it is of vital import that we have the information immediately as to whether or not our property

Captain Bean

- 2 -

June 19, 1941

is included within the cantonment, and if our information that it is not is incorrect we do need immediate confirmation of the fact that it will be excluded from the cantonment. Further, if the property is within the contemplated boundaries and you cannot definitely state whether or not it will be excluded, and permitted to operate under its private management, we desire to have immediate answer as to the probabilities which will enable us to continue. I know that certain oil properties in the State of Washington which were highly speculative as to their value were given very serious consideration by the government on the question of whether or not they were to be included in the taking over by the government of certain properties for a national forest up here, and I believe you can affirm the fact that the policy of the government would not be to remove an operation such as this from the active production field under private management.

In any event, you can see my problem and I would greatly appreciate your kindness in answering this letter by return air mail.

Very truly yours,

Clay Nixon

CN:bh

Enc: 1.

cc: Mr. Dave S. Cohn  
Mr. Nelson Vaughan  
Mr. W. J. Allard  
Mr. Earl K. Nixon

STATE DEPARTMENT OF GEOLOGY AND  
MINERAL INDUSTRIES

STATE ASSAY LABORATORY  
402 E. I STREET  
GRANTS PASS, OREGON

June 20, 1941

Mr. Clay Nixon  
President  
Mineral Mines Incorporated  
Dexter-Horton Building  
Seattle, Washington

Dear Mr. Nixon:

We were advised that the Medford contonment bound-  
dary was being established through ground held by the  
War Eagle mine. Feeling that the production of the  
strategic mineral quicksilver, is of prime importance,  
I contacted the Constructing Quartermaster at Medford  
for accurate information.

The boundary as tentatively established ran between  
section 16 and 17. I reported out that this boundary  
might interfere with the operation of the War Eagle mine,  
and I asked if it were possible for a change to be made.

Following a series of conferences the Constructing  
Quartermaster is recommending that the reservation bound-  
dary be shifted a quarter of a mile to the east. This will  
permit the road up the creek to remain open and give your  
company full use of the lands that you hold.

We considered that this matter was urgent and that  
the necessary changes be made before the boundary was def-  
initely fixed and approved by the War Department. There-  
fore, we went ahead on this project hoping that our inter-  
est in the matter would not interfere with your plans.  
We are happy to report that the matter is straightened out  
and we have made arrangements for your property to work  
uninterrupted by activities on the military reservation.

Trusting that these actions meet with your approval,  
I am

Yours very truly,

Ray C. Treasher  
Field Geologist

RCT:md  
c.c.: E. K. Nixon  
War Eagle mine

June 18, 1941

Mr. Clay Nixon, President  
Mineral Mines, Incorporated  
Oil Exchange Building  
Seattle, Washington

Dear Mr. Nixon:

Attached hereto is a print of the cantonment area  
near Medford which may be of interest in relation  
to our letter of day before yesterday.

Very truly yours,

EKN:vm  
encl.

Director

June 16, 1941

Beulah Beas  
Constructing Quartermaster  
National Guard Armory  
Medford, Oregon

Dear Captain Beas:

Our field geologist, Mr. Treasurer, has been in communication with you in regard to possible exclusion from your planned antonment area of the mining property of the War Eagle-Quicksilver mine. Attached hereto is copy of tracing prepared by Mr. Treasurer outlining the military reservation area and a narrow area along the west border which we suggest be eliminated so that the operations at the War Eagle Mine will not be interfered with.

Our suggestion is based on the fact that the War Eagle property is apt to be a quicksilver producer very soon and, since quicksilver is strictly a strategic mineral, it is our belief that it would not be to the best interest of all concerned to jeopardize the operations of the company in question.

Mr. Treasurer feels that the Glimmer Mountain property, not having shown outstanding merit, would not be in the same category as the War Eagle.

We feel, however, that you should give consideration to eliminating at least the area in Sections 9 and 16 held by the War Eagle people.

Thanking you, I am

Very truly yours,

RKH:vm  
encl.

Director

cc: Mr. CLAY WILSON--Mineral Mines, Inc., Seattle  
Mr. DAVID S. GOHN, Director of Licenses, Olympia  
Mr. W. J. ALLARD, War Eagle Mine, Beagle, Oregon  
Mr. Ray C. Treasurer

STATE DEPARTMENT OF GEOLOGY AND  
MINERAL INDUSTRIES

~~222 S. W. OAK STREET~~  
PORTLAND, OREGON  
702 WOODLARK BUILDING

June 16, 1941

Mr. David S. Cohn  
Director of Licenses  
Olympia, Washington

Subject: War Eagle Mine.

Dear Mr. Cohn:

I have just received and read carefully Professor McMillin's letter of June twelfth.

Evidently a considerable amount of information has been developed since I visited the property and a pretty good program mapped out. Perhaps some of my comments made at the time of my visit to the mine have had good effect. I have no reason to change my feeling previously expressed--that the mine appears to me to have very good possibilities provided the coal vein carries enough in cinnabar to make it minable. I have no information on that as yet.

The principal point of this letter is to call to your attention the fact that a military cantonment is planned in the territory north of Medford and that it now appears that the War Eagle property will be included in the military reservation. I asked our field geologist, Mr. Treasher, to look into this matter and find out whether we could do anything to effect the exclusion of the War Eagle property from the military area. We did this because we are informed that the government has advised everyone living in the area to make no further permanent improvements and to be prepared if called upon to vacate the area later this fall. It appears that the reservation is to be a maneuver ground and artillery range and will be approximately 5 miles East and West by 10 miles North and South.

Under the circumstances of cinnabar being a strategic mineral we are prepared to make strong representations to the government to the effect that the War Eagle property be excluded from territory to be condemned for military purposes. Naturally I have no information on circumstances of condemnation proceedings.

Enclosed is copy of letter I am writing to the military authorities whom Mr. Treasher has contacted. It seemed that you should be fully apprised of the entire situation.

Cordially yours,

cc: Mr. Clay Nixon  
Prof. F. A. McMillin

EKN:vm  
encl.

Earl K. Nixon, Director

June 16, 1941

Mr. David S. Cohn  
Director of Licenses  
Olympia, Washington

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Cordially yours,

cc: Mr. Clay Nixon  
Prof. F. A. McMillin

EKN:vm  
encl.

Earl K. Nixon, Director

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

EARL K. NIXON  
DIRECTOR  
ARTHUR M. SWARTLEY  
CONSULTING MINING ENGINEER  
RAY C. TREASHER  
GEOLOGIST  
F. W. LIBBEY  
MINING ENGINEER



STATE DEPARTMENT OF GEOLOGY AND  
MINERAL INDUSTRIES

329 S. W. OAK STREET  
PORTLAND, OREGON

June 14, 1941.

STATE ASSAY LABORATORIES  
402 E. I ST., GRANTS PASS  
J. E. MORRISON  
MINING GEOLOGIST  
ALBERT A. LEWIS  
ANALYST  
2102 COURT ST., BAKER  
JOHN ELIOT ALLEN  
FIELD GEOLOGIST  
LESLIE L. MOTZ  
ANALYST

Replies should be  
addressed c/o State  
Assay Laboratory  
400 E. I Street  
Grants Pass, Oregon

Mr. F. W. Libbey,

RECEIVED  
JUN 16 1941

STATE DEPT OF GEOLOGY  
& MINERAL INDS.

Dear Fay:

Herewith is tracing and additional statement about the Medford Cantonment and the mineral area in the northeast portion of the Gold Hill district. I believe they are self-explanatory.

Will you please tell Helen that I acknowledge receipt of expense warrant, and polaroid glasses. And ask her what has happened to requisitions for ash tray for automobile and "folding" shovel for field use.

That is all!!

Sincerely,

A handwritten signature in cursive script, appearing to read "Ray".

Ray C. Treasher,  
Field Geologist.



FREDERICK A. McMILLIN  
Economic Geologist  
TACOMA, WASHINGTON

June 12, 1941.

RECEIVED  
JUN 13 1941

STATE DEPT OF GEOLOGY  
& MINERAL INDS.

Mr. Earl K. Nixon, Director  
State Department of Geology & Mineral Industries  
702 Woodlark Building  
Portland, Oregon

Dear Mr. Nixon:

Copy of my reply to your letter to Cohn is enclosed.

I trust I have not put you on a spot because I am very anxious for your cooperation in this venture. I was too new on the job when you were on the property to give you all of the picture.

Yours very truly,



F. A. McMillin  
Consulting Engineer

FAM/mek

7

June 12, 1941

Mr. David S. Ockin  
Director of Licenses  
Olympia, Washington

RE: War Eagle Mine

Dear Sir:

In supplementing my letter of June 10, 1941, and in reply to Mr. Earl K. Nixon's letter to Clay Nixon, President of Mineral Mines.

It is regrettable that Earl K. Nixon has spoken with such incomplete information before him. I understand from a member of the Directorate of the Corporation that on file in the office of the Director of Licenses there is a report on the Coal Area and an assay map showing the first 500 feet of the tunnel. If I am correctly informed, this map was sampled every five feet.

*Continued with*  
A map is now under process of survey which will be a combination of the Wagner Map which was included in the report of Archie Carter, Mining Engineer of Portland, Oregon. This map is of the date of August 16, 1938.

Samples and Assays have been taken at systematic intervals throughout the new workings, and I assure you that they have been done in an "honest-to-goodness" manner which would be approved by any qualified engineer. Anyone familiar with lignite coal knows that the surface undergoes continuous slacking so that the tunnel walls are always changing. All samples have been cut on faces very carefully cleaned to avoid contamination from muck thrown when firing in faces. The samples have been cut vertical and have been approximately a powder box full. The Coal bed is from 4 feet to 6 feet thick, cut by a 10 to 14 inch shale bed which is parallel to the Coal bed. The total Coal thickness has always been recorded.

This information was not in Mr. Earl K. Nixon's hands at the time he wrote you. Had it been in his hands, his opinion would have been modified.

Concerning Mr. Nixon's suggestion of personnel. It is at present planned and the men are now employed, and will be on the ground Monday, June 16, and will take charge of their respective departments: (1) A mill man qualified in Flotation and general ore dressing. He is a Graduate Mining Engineer of the University of Washington. (2) An assayer. (3) A sample cutter and qualified to survey and make the final check on the new workings before the Maps are printed. (4) The Shift Boss is on the job and is an old-time Climber man and miner. He will be put on the Furnace when it goes into operation and an assistant who is an old-time miner will take over the shift boss's job. (5) I will be on the job in a few days to take active direction and general supervision. Mr. Allard is a shrewd business man and is doing a very excellent job conserving the company's resources in a business way and is relying on the technical staff for direction of the mining and operation.

Page 2.

Equipment: The planned equipment includes all standard equipment, and for the few thousand dollars to be expended in a set of cells and a classifier, the Pilot Plant production of for \$400.00 to \$600.00 per day will be had.

The underground working has been in the past few months so developed that ore can be pulled from three faces at the same time, blocking out ore reserves. Common business practice would suggest that this recovery plant plan would be more practical than storing ore on a dump for some future development.

Very truly yours,

F. A. McMillin,  
Consulting Engineer

FAM/nck

June 10, 1941

Mr. Clay Nixon, Lawyer  
Dexter Horton Building  
Seattle, Washington

Dear Sir:

This is in reply to your air letter of June 9th.

As to my impression of the War Eagle Mine, it was stated to Mr. Allard and Professor McMillan recently on the occasion of my visit to the mine substantially as follows: It seems to me that you have a good chance of a profitable operation at the War Eagle provided the values in the coal bed are as much as or even half as much as you think they are.

It was Mr. Allard's impression that the coal would run about fifteen pounds of quicksilver per ton. I saw some cinnabar at various points along the coal bed, but have no way of knowing what average values are. My impression of the property as given would not allude in any way to the possibilities of the older workings which contain some quantities of arsenic. I do not have enough information to justify a statement as to whether these older workings are an asset or not.

No systematic sampling of the coal had been made at the time of my visit. This lack of information is a distinct reflection on the former mining management. I enjoyed meeting Mr. Allard and formed an opinion that he is a fine chap. His modesty in stating that he was not an experienced mining man is a point distinctly in his favor. A good business man around a mine is very desirable indeed. For the planning and daily delegation of duties I would suggest that an experienced quicksilver mine boss be employed because there are a hundred and one angles in connection with mining details that one not trained in this kind of operation would miss.

Professor McMillan should be able to keep you straight on the geology and also on the mining angle if he will dig in and bone up on coal mining methods. If the coal bed proves to be mineable you will also need a mill man with experience in minerals separation. This may not require a high priced individual.

There is no doubt in my mind that the one thing you must determine before anything else is the honest-to-goodness value of that coal bed.

This should have been done before as I have said above, and the assay values should have been plotted on a conventional type of mine map. I doubt if you have any business spending any money on any activity about the mine whatever until you know absolutely the average value of the coal mine as exposed from end to end in the underground workings. Samples should be cut every 5'—and I mean honest-to-goodness channel samples not just little dinky samples that amount to a pound or two. The mine map must show the thickness of the vein as covered by the sample otherwise tonnage estimates can not be made. If the mineable thickness is only a foot and a half the property is probably no good so far as the coal is concerned. If it is three feet that might be an entirely different story for mining reasons.

Based on past record of mining judgment used at the property, I would not see any justification at the present time for the sale of additional stock. If the property were mine at the time of my recent visit, I would have followed the policy of shoeing everyone off the premises but a cook, a couple of samplers, someone to assay the samples, and an engineer to supervise the sampling. From the result of that work, I would have decided whether there was any point in spending any further money.

We shall be pleased to look in at the property if you care to have us from time to time and give you any assistance or advice you request, and we are sincerely in hopes that the property is as good as it can be provided the average values in the coal vein make it good enough to mine profitably.

Cordially yours,

Director

EKN:ao  
cc W.J.Allard  
cc Dave S. Cohn

*Airmail  
Special Delivery*

CLAY NIXON  
LAWYER  
DEXTER HORTON BUILDING  
—  
MAIN 8685

RECEIVED  
JUN 10 1941  
STATE DEPT OF GEOLOGY  
& MINERAL INDS.

SEATTLE, WASHINGTON

June 9, 1941  
Via Air Mail - Special Del.

Mr. Earl K. Nixon, Director  
State Department of Geology  
and Mineral Industries  
702 Woodlark Building  
Portland, Oregon

Dear Sir:

Re: Mineral Mines, Inc.

On your recent visit to our Mining Institute I tried very hard to get out to meet you, particularly because of my interest in your subject, and for the further point of wanting to meet you personally because of our family name. My mother and father were born in Oregon and I have a number of uncles there and I thought there might be some family connection. I have since learned you are not a native of Oregon, but I do hope I will have the opportunity of meeting you shortly in any event.

Recently you made a survey of the War Eagle Mine at Medford, Oregon, in particular going through our coal area. As President of Mineral Mines, Inc., which is a holding corporation operating War Eagle Mine, as War Eagle Mine, Inc., I have of course a keen interest in the result of your findings. I had been advised as to your statement of your impression, and we had made comment of your impression to the State Department of Licenses during a conversation for the extension of our permit for the sale of stock.

Presently we have been having a flow sheet worked out by the Denver Equipment Company, and we believe we have the flotation problem completely solved, which seemed to be our only present difficulty. As to the upper mine with the arsenical ore, we feel we have generally solved that, but that is a separate problem we are going to work on after we are on a going basis.

Dave S. Cohn, Director of the Department of Licenses, at Olympia, Washington, desires to have a confidential statement from you on your opinion of the property and of the probable values of this coal area on which we are working. We are asking for an additional \$25,000.00 with which we are going to get into 40 to 50 ton per day production, which can be accomplished

Mr. Earl K. Nixon

- 2 -

June 9, 1941

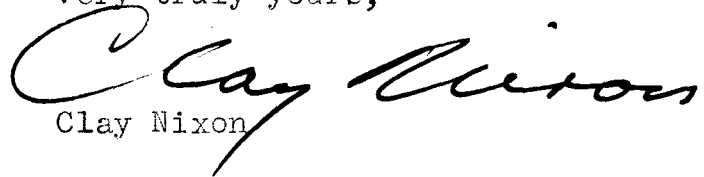
within a month's time if the money is available. We will need only a portion of this \$25,000 for that purpose, the balance being necessary for meeting other obligations and for future purposes, but the Department's primary interest is in your opinion of the property and the coal values, which we will likewise substantiate by a report from our consulting engineer, F. A. McMillin.

I appreciate this is rather short notice, but it is imperative that we have the report directly in the hands of Mr. Cohn Wednesday morning, June 11, 1941, if this is at all within your power.

May I suggest that if you would care to do so I would appreciate a copy of your report, but I am not requesting it unless you desire to send it.

May I thank you in advance for your kindness, and again reiterate the hope that I may have the pleasure of meeting you personally in the near future.

Very truly yours,

  
Clay Nixon

CN:bh

# State Department of Geology and Mineral Industries

702 Woodlark Building  
Portland, Oregon

## WAR EAGLE MINE (quicksilver)

Gold Hill Area

Visited June 6, 1941.

Company is developing the War Eagle drift in the coal and blocking out ore. Three samples cut, two in main drift and one in No. 2 x-cut. Coal is about 5 ft. thick including bone, and is reported to contain 10-20 pounds per ton. The bunkers and bins near the old Rainier mine are being rebuilt.

The ore will be treated by flotation. A sample is at Denver Fire Clay for an ore-test, at the present time. Following results of this test, one cell will be installed. Rod mill to grind. Some sort of an inexpensive retort will be used as a pilot retort until all the "bugs" are ironed out.

They will raise from the War Eagle drift, hoist the ore to the ore bin and then treat it. It all sounds somewhat backwards to me, but I guess they know what they are doing. MacMillan, College of Puget Sound, will be on the property for the summer after June 15th.

## CANTONMENT

The boundaries of the cantonment projected for the Medford area in the Agate Desert extend into this quicksilver area. Residents tell me that War Dept. representatives have approached them relative to sale of their land and removal of their possessions from the reservation. They have been advised to make no permanent improvements and to be ready to move by this fall (1941)

The question arises in my mind, - what will become of the quicksilver properties within the reservation. This includes the War Eagle, Cinnabar Mountain, Chisholm, and others. Is there any object in the Portland office determining whether these mines, producing strategic minerals, will be forced out of existence, - and what can be done about it.

Ray C. Treasher,  
Field Geologist,  
June 7th, 1941.



CLASS OF SERVICE DESIRED	
DOMESTIC	CABLE
TELEGRAM	ORDINARY
DAY LETTER	URGENT RATE
SERIAL	DEFERRED
NIGHT LETTER	NIGHT LETTER
SPECIAL SERVICE	SHIP RADIOGRAM

Patrons should check class of service desired; otherwise the message will be transmitted as a telegram or ordinary cablegram.

# WESTERN UNION

1206-B

CHECK
ACCOUNTING INFORMATION
TIME FILED

R. B. WHITE  
PRESIDENT

NEWCOMB CARLTON  
CHAIRMAN OF THE BOARD

J. C. WILLEVER  
FIRST VICE-PRESIDENT

Send the following message, subject to the terms on back hereof, which are hereby agreed to

702 Woodlark Building  
Portland, Oregon  
July 17, 1940

E. A. DEVOSS  
721 3rd. AVE.  
SEATTLE, WASH.

RETEL NIXON WE HAVE INSUFFICIENT INFORMATION UPON WHICH TO BASE AN  
OPINION OF QUALITY AND QUANTITY OF ORE IN WAR EAGLE STOP EVALUATING  
MINES FOR INVESTMENT PURPOSES OUTSIDE OUR JURISDICTION STOP SUCH  
WORK SHOULD BE DONE BY INDEPENDENT REGISTERED ENGINEER.

F. W. Libbey

Send night letter collect

RECEIVED AT
TELEPHONE YOUR TELEGRAMS TO POSTAL TELEGRAPH

**Postal Telegraph**

Mackay Radio      All America Cables  
Commercial Cables      Canadian Pacific Telegraphs

THIS IS A FULL RATE TELEGRAM, CABLEGRAM OR RADIOGRAM UNLESS OTHERWISE INDICATED BY SYMBOL IN THE PREAMBLE OR IN THE ADDRESS OF THE MESSAGE. SYMBOLS DESIGNATING SERVICE SELECTED ARE OUTLINED IN THE COMPANY'S TARIFFS ON HAND AT EACH OFFICE AND ON FILE WITH REGULATORY AUTHORITIES.

Form 16A

E AA41 25 DL 3 EXTRA XU

1940 JUL 17 AM 9 36

NA SEATTLE WASHN 17 926A

186  
DIRECTOR NIXON

DEPT OF MINERAL INDUSTRIES PORTLAND ORE  
PLEASE WIRE OUR EXPENSE STATUS OF WAR EAGLE CINNEBAR MINE DOES  
PRESENT DEVELOPMENT QUALITY AND QUANTITY OF ORE BLOCKED INDICATE  
GOOD INVESTMENT

E A DEVOSS 721 3 AVE

CINNEBAR DEVOSS 721 3...

February 16, 1940

Mrs. W. E. Muffett  
Box 282  
Wapato, Washington

Dear Mrs. Muffett:

Replying to your letter of February 14th, the president of the War Eagle Mine is Clay Nixon, president, Mineral Mines, Incorporated, 811 Exchange Building, Seattle, Washington.

Very truly yours,

FWL:vm

F. W. Libbey  
Mining Engineer

FEB 15 1940

STATE DEPT. OF GEOLOGY  
& MINERAL INDS.

Wapato Wash.

Feb. 14 1940

State Dept. Of Geology and  
Mineral Industries  
329 - S. W. Oak St.  
Portland Oregon.

Dear Sir;

Would you please send me the name  
and address of the president of the War Eagle  
mine if you have it.

Or could you tell me where I may get  
in touch with some of the people interested?

yours truly

Mrs. W. E. Muffett.

Clay Nixon, pres Mineral Mines Inc.  
811 Exchange Bldg.  
Seattle

**RECEIVED**  
DEC 15. 1938

**MINERAL MINES INC.**

772 DEXTER HORTON BLDG.

SEATTLE, WASH.

STATE DEPT OF GEOLOGY  
& MINERAL INDS.

December 13, 1938

Department of Licenses  
Securities Division  
Olympia, Washington

Attention: Harry C. Huse

Dear Sir:

In re: Mineral Mines, Inc.

Answering your letter of November 30, I have made a sincere effort to check our sales organization to learn from where this Oregon report may have immanated; however, I find nothing in our reports upon which a statement such as the one you refer to could have been made and, as you must appreciate, there would have to be some fact on which to build up this story. I have no doubt that our salesmen do, to a certain degree, "puff" their deals, but that is almost impossible to check since that is what makes a good salesman. However, I feel certain that all deals are being closed directly under the supervision of our sales manager and that the representations made on each sale are in fact the matters on file in your department.

Referring particularly to Exhibit d of our engineer's report, we have the statement as follows:

VALUE OF DEVELOPED ORE:

Gross value:

55,643 tons at \$23.68 \_\_\_\_\_ \$1,317,626.24

Operating costs:

55,643 tons at \$4.50 \_\_\_\_\_ 250,393.50

Net Mercury Value \_\_\_\_\_ \$1,067,232.74

That is no figment of imagination and with the further fact which is in the report that some 3000 tons are on the dump of an estimated value of \$23.00 per ton, it is evident that we do not have to search in the realm of fiction for really interesting facts to use in selling.

Department of Licenses

- 2 -

December 13, 1938

I expect to be in Olympia shortly and will at that time take up the matter personally and I would like to put a stop to any activities on our behalf which might lead to any complaints; and I do appreciate your calling this matter to our attention.

I am sending a copy of this letter to the State Department of Geology and Mineral Industries of the State of Oregon, and I may say that we would welcome investigation by that Department of our properties since we are convinced that this development will mean a great deal to the Mineral Industries of Oregon.

Very truly yours,

Clay Nixon, President  
Mineral Mines, Inc.

CN:bh

cc: State Department of Geology  
and Mineral Industries of Oregon

November 26, 1938

Mr. N. N. Vaughan,  
Securities Division,  
Department of Licenses  
Olympia, Washington.

Dear Mr. Vaughan:

Thank you kindly for your letter of November 23rd, file number I-2375,  
Mineral Mines, Inc.

In paragraph 2, number 2, of the quotation, which states "This discovery disclosed large and rich deposits, which, as shown by State and Federal Mining Bureaus' reports, outclass anything that as yet has been discovered in the United States". I should say this is a very surprising statement, and I would be inclined to take issue with it, at least insofar as the statement may have been made by the Oregon State Bureau which was active at that time.

As you may not know, the Oregon State Bureau of Mines and Geology was discontinued in 1923. From then until 1937 there was no Bureau of Mines or state geology department functioning in this state. After the discontinuance of the old bureau, Mr. Henry M. Parks, Director of the former Bureau, maintained a private consulting office in Portland for two or three years. Whether or not he made any such statements as are alleged to have been made by the Department, I do not know, but we have gone through the old files of the Department and can find no reference to any such allegation as is contained in the quotations in your letter.

The last three paragraphs quoted on page 2 of your letter are correct, as they appear in our publication. However, three paragraphs in the original text were omitted, between the last paragraph on your page 2 and the first paragraph on page 3.

I quote below the three intervening paragraphs which appear in the text of our bulletin 4, Quicksilver in Oregon, at page 117.

"West of No. 3 Raise a narrow stope has been carried up on stulls. The east wall of this stope in the raise showed fair ore and ore can be seen in the back of the lower level."

"East from these workings on the upper level the end of the level is in heavy sulfides showing no cinnabar. These are similar to the heavy sulfides occurring west of the ore in the lower level stope above the winze. The orebody on the lower level, at the winze, has been partially stoped above and below the level.

Mr. N. N. Vaughan

-2-

November 26, 1938

"The east end of the lower levels is in heavy sulfides again and is beginning to show faint streaks of cinnabar. The mining has been done in a rather slipshod manner due apparently to inexperience."

The particular statement to which I took exception was the allegation by state authorities or our Department that some \$200,000 worth of quicksilver exists in mine dumps. That apparently is a representation not included in the prospectus which was furnished you.

I do not wish to discourage the development of quicksilver properties in this state, naturally, but from the statements of prospective investors who have come into this office I was inclined to surmise that the principals or stock salesmen of the Mineral Mines, Inc., were using high pressure methods and were making statements the accuracy of which would be open to question. Evidently, they omitted mention of the probability that metallurgy is apt to be one of the difficulties of this property.

Thanking you, I am,

Very truly yours,

Earl K. Nixon, Director

EKN:fas

RECEIVED  
NOV 25 1938



CLARENCE D. MARTIN  
GOVERNOR

STATE DEPT OF GEOLOGY  
& MINERAL INDS.

STATE OF WASHINGTON  
DEPARTMENT OF LICENSES

OLYMPIA

November 23, 1938

Mr. Earl K. Nixon  
Director State Department of  
Geology and Mineral Industries  
704 Lewis Building  
Portland, Oregon

RE: FILE NO. I-2375  
MINERAL MINES, INC.

Dear Sir:

We acknowledge receipt of your letter of November 15, 1938, in connection with statements made by the subject company in reference to your Department in the sale of its capital stock.

In the prospectus in file the following appears as having reference to your Department. "1. That quicksilver existed in Southern Oregon was only known before the war by a few local operators, by the Scientific Mining Bureaus of Oregon and by the Geological Survey at Washington. 2. This discovery disclosed large and rich deposits, which, as shown by State and Federal mining bureau reports outclass anything that as yet has been uncovered in the United States. 3. The Oregon Bureau of Mines forces traced a fissure vein running West twenty degrees North on our property for four thousand five hundred feet by float and outcroppings."

Further in the file there appears this statement. "United States Bureau and Oregon State Bureau of Mines reports that this acreage is located in the best and largest deposit of quicksilver ores in the United States.

Further statement is made that "Henry M. Parks, Director of Oregon State Bureau of Mines and Geology, writes in part: 'I have had occasion to observe the development of the property since its discovery and have always considered it to be one of real merit. . . .

From time to time during the development of the War Eagle the Bureau Engineers have consistently urged to adoption of a more comprehensive plan of finance which in turn would make possible systematic development of the deposit and provide ore reserves upon which a real program of operation could logically be based.'" No date is shown when Mr. Parks was supposed to have made these statements.

*AMS please check this  
a given my letter of Nov. 14 1938*



SE  
JR



CLARENCE D. MARTIN  
GOVERNOR

STATE OF WASHINGTON  
DEPARTMENT OF LICENSES  
OLYMPIA

Page #2.

November 23, 1938

In an undated report by Archy B. Carter, Registered Engineer, 631-2 Railway Exchange Building, Portland, the following statements are found. "Pertinent to this portion of the report, I quote as follows from, State of Oregon, Department of Geology and Mineral Industries, Bulletin No. 4 Quicksilver in Oregon, by C. N. Schuette."

"This War Eagle mine on the War Eagle and Rainier claims is in the May Creek Schist, which strikes north east. The mine fault, in which the ore occurs, cuts through the schist with a strike of N 70 degrees W as shown on the plan of the mine. In the upper workings the dip of the fault is steeply N. E. but it reverses at the lower level and is S. W. in the winze below it. The ore occurs in shoots between the walls of the fault. These walls are from 3 feet to 12 or more feet apart and are marked by distinct slickensides in hard tough fault gouge. The cinnabar has been smeared out on the slickensides by post-mineral movement.

OK  
from p  
115

The schist forming the wall rocks is a dense impervious rock and the rising mineral-bearing solutions which formed the orebodies were confined by it and by the fault gouge to the space between the walls of the fault zone. In this fault zone the schist was brecciated and a preliminary silicification deposited chalcedony in the voids of the breccia. Further movement of the fault brecciated this chalcedony and then mercury and iron sulfides were deposited from solution in the interstitial space of the breccia. The mercury sulfides deposited as the red cinnabar and the iron sulfides were deposited as pyrite and marcasite. The marcasite contains arsenic although no arsenical mineral has been identified. To judge by the striated surface of the slickensides the fault movement had both a vertical and horizontal component. Such a movement usually forms bodies of breccia, shaped like inclined flattened cylinders, which act as the receptacle rock for the ore.

In the War Eagle mine at least two such orebodies were formed and have been partially stoped. The mineralizing solutions rose in the fault zone because the impervious nature of the wall rocks and gouges prevented their dissemination. They then carried their load of mineral matter into the interstitial space of the breccia and here their upward course was slowed down or they were trapped by overhead gouges and cooled sufficiently to precipitate the sulfides thus forming the orebodies. The workings shown in dotted outline under the discovery shaft are largely inaccessible being partly caved and partly filled. Cinnabar could be seen on the wall slips and in seams in the back.

3 paragraphs omitted here before next paragraph quoted on next page



CLARENCE D. MARTIN  
GOVERNOR

STATE OF WASHINGTON  
DEPARTMENT OF LICENSES  
OLYMPIA

Page #3

November 23, 1938

The oreshoots appear to rake or pitch down to the east at a rather flat angle. The cinnabar seems to be on the top and east side of the oreshoots while the heavy barren sulfides are on the bottom and west sides. This suggests that the cinnabar may have been deposited ahead of the other sulfides."

After checking the file very thoroughly, the above are the only statements having any connection with, or making any references to your State. We should be pleased to receive from you any definite proof of misrepresentations made by this company with reference to endorsement by the State of Oregon, and we should also like to be advised if to your knowledge any stock has been sold, or persons solicited in Oregon.

For your information, this company was granted a permit April 26, 1937, to sell five hundred thousand shares of its common stock at ten cents, and that this permit has been amended twice. First, March 14, 1938, an additional one hundred thousand shares was authorized at twenty-five cents, and second, October 13, 1938, an additional two hundred thousand shares was authorized at twenty-five cents.

Yours very truly,

DEPARTMENT OF LICENSES  
HARRY C. HUSE, DIRECTOR

BY, *N N Vaughan*  
Securities Division

1/NV

November 15, 1938

Mr. Harry C. Hise,  
Director of Licenses,  
Olympia, Washington.

Dear Sir:

At the suggestion of Mr. Yeoman of the Corporation Department, I am writing to you in regard to the Mineral Mines, Inc., a Washington corporation.

I gather from communications from prospective investors that the principals of this company are making some representations to the effect that someone from our Department has recommended their property highly and has estimated that they have some \$200,000 worth of quicksilver in a dump which they may be in a position to retort quite easily.

I am curious to know, if you have the information, as to the origin of these allegations, and I would be pleased to know if such representations were made to your department, and I would further like to know if they have a license to sell stock, the denominations, et cetera.

Thanking you for any information you may offer, I am

Very truly yours,

ECH:vm

Director

*Belle Reeves*



RECEIVED  
NOV 15 1938

Department of State  
Olympia

November 14, 1938

STATE DEPT OF GEOLOGY  
& MINERAL INDS.

Earl K. Nixon, Director  
Dept. of Geology and Mineral Industries  
704 Lewis Building  
Portland, Oregon

Dear Sir:

In reply to your letter of November 12th you are advised that Articles of Incorporation for MINERAL MINES, INC. were filed here on March 20, 1937 with principal place of business at 772 Dexter Horton Building, Seattle, Washington. The total authorized capitalization is \$1,000,000.00. Under our laws corporations are not required to file any reports in this office as to their properties or financial standing. We suggest that you write to Harry C. Huse, Director of Licenses, Olympia, Washington, who has charge of the State Securities Act and if the above named corporation has secured a permit to sell its stock in this state then a detailed report and application would be filed with the Director of Licenses.

The attorney filing the papers for the above named corporation was Clay Nixon, Dexter Horton Building, Seattle, Washington, and he may be able to give you full details regarding the corporate setup and its properties.

Very truly yours,

BELLE REEVES  
Secretary of State

By *Ray J. Yeoman*  
Chief Clerk  
CORPORATION DEPARTMENT

RJY:ec

*11*

November 12, 1938

Mr. Carl Christofferson  
4422 East Marginal Way  
Seattle, Washington

Dear Mr. Christofferson:

Replying to your letter of November 4th, I regret to say that we are unable to undertake any matter of a legal nature. I believe your best bet is to obtain the services of a competent attorney who will look after your case. We are returning herewith the letter which you sent us which was written by Mr. G. D. Eveland to Mr. Chester E. Nilsson.

Thanking you, I am

Very truly yours,

EKN:vm  
encl.

Director

*Copy  
of attached letter*

4422 E. Marginal Way  
Seattle, Washington  
November 4th, 1938

Mr. Earl K. Nixon, Director  
704 Lewis Building  
Portland, Oregon

Dear Sir:

I thank you very much for your kindly letter of October 29, 1938. Now I am making inquiry as a prospective investor. The letter I'm enclosing will explain the reason. This man, Mr. Van Huysen, owes (or, owed) me 800 dollars for quite many years. About 12 years he has been telling me the same story that he has something great to sell when he did have nothing to sell--just to stall me off. Now what this letter I am enclosing refers to is that I offer him to settle for 500 or 400, and, if he could pay that, to pay so much a month. You can see his answer, the same old story.

Now I thought if that company is near (he may mean, "nearly as good as") that Van Huysen says in that letter, I might try to get garnishment against him, but I don't know the law of Oregon if I could, or how to do it. You might be so kind as to inform me. This Mr. Chester Nelsson is supposed to collect the money from Van Huysen. In two years he has collected \$30.00. I am afraid that Mr. Van Huysen has bought him out. I promised him 50 percent if he could collect it.

Now I am 73 years old, can get no work. I applied two years ago for pension. The State of Washington says the State has no money at present. Now I have only \$11.00 per month income and that is not enough to live on, not to talk of all the rest of my expenses. Now Mr. Nelsson told me lately that Mr. Van Huysen's lawyer was to let Mr. Nelsson know when Mr. Van Huysen has any money come in so he can pay that bill. Now anybody knows that lawyer is protecting him, not sending out a warning, now Mr. Van Huysen has money to pay you. You see Mr. Van Huysen has money to pay him salary the years round, but he has no money to pay me.

Now I notify Mr. Nelsson that this bargain is good only to the first of December, 1938, as I think I will quit Mr. Nelsson as a collector. I still think if I could get a honest collector, I might be able to collect some of that money, as I know he had as much as \$800.00 come in from the city light here in Seattle, Now I have been thinking to try the Pinkerton National Detective agency, as I have to get a collector that will watch him when he has any money come in--not like Mr. Nelsson, play with the writing of letters off and on and then wait for his lawyer to tell him, now Mr. Van has the money. No, we will <sup>not</sup> catch him that way it looks to me. It takes some \_\_\_\_\_ to collect money from Mr. Van Huysen.

I was thinking if the Mineral Mines, Inc., ever amounted to anything, or if Mr. Van Huysen really has any contract with this company, if possible to garnishee it if he has any money come in. Does the State of Oregon require to take out a judgment before one can garnishee any money? Do you think the Tinkerton will be the best to get for collecting? Well, I hope you will be able to find out about this company and if Mr. Van Huysen has any contract with them.

I think the Tinkerton Detective Agency is located in Oregon/also. If I could get a copy of that letter of Mr. Van Huysen, you can keep the original if you so desire. You might send back the copy or the original, but you don't need to be in any hurry;any time later will do.

Will enclose stamps for reply.

Yours truly,

CARL CHRISTOFFERSON.

P.S. It looks to me that the State of Oregon or the State of Washington could put Van Huysen and his attorney in trouble. There would be many fooled to buy shares in a company like that, especially when it is estimated by the authorities of Oregon and of Washington it might not be like making mis-statements to me.

RECEIVED  
NOV 5 1938

STATE DEPT OF GEOLOGY  
& MINERAL INDS.

4402 E. Marginal Way  
Seattle Wash  
November 4<sup>th</sup> 1938

Mr. Carl K. Nicolson Director

704 Lewis Building Portland Oregon

Dear Sir,

I thank you very much for your kindly letter of October 29, 1938, Now I am making inquiry as a prospective investor, the letter in inclosure will explain the reason. The man Mr. Van Huesen owes me 800 dollars for quite many years, about 12 years he have been telling me the same story that he have some thing great to sell, when he did have nothing to sell, just to steal me up. Now what the letter in inclosure refer to, is offer him to settle for 500 or 400, as if he could pay that, to pay so much a month, you can see his answer, the same old story. Now, I thought of that company near that Van Huesen say in that letter, might try to get Garnishment against him, but I don't know the law of Oregon if I could or how to do it, you might be so kindly <sup>to</sup> inform me, the Mr. Chester Nelson, who is to collect the money from Van Huesen, in 2 years he promised 300 dollars in freight that Mr. Van Huesen has caught him out, I promise him 50 percent if he could collect it.

Handwritten notes and signatures on the right side of the page, including the name "Chester Nelson" and other illegible scribbles.



Now gm 73 yers old, can get no work. I applyd 2 yers ago  
for pension the state of Washington say, the state have no money  
at present. now I have only 14 dollar per month in com an that is not eno<sup>th</sup>  
to live on, not talk of all the rest of my expenses. Now Mr. Nelson he  
told me latele that Mr. Van Huzson Lawyer was to let Mr. Nelson  
know when Mr. Van Huzson have any money com so he can pay that  
bill. no anybody know that Lawyer is protectin him, not sendin<sup>g</sup>  
out a warnin<sup>g</sup>, no Mr. Van Huzson have money to pay you you see Van-  
Huzson have money to pay him salary the year round but he  
have no money to pay me. Now I notify Mr. Nelson that the bargain  
is good only to the 12<sup>th</sup> of december 1935, as I think I will give to Mr. Nelson  
as a collector. I still think of you I got a house collector, might  
be able to collect some of that money, as I know he had as much as 800 dolla-  
rs, comen from the city light her in Seattle. Now I have being thin ken  
to try the Pinkerton National Detective Agency, as I have to get a  
collector that will watch him when he have any money com, not like  
Mr. Nelson play with the writtin<sup>g</sup> letter <sup>at</sup> upon an the unwaitin<sup>g</sup>  
for his lawyer to tell him now van have the money no mi will catch  
him that the way et lo a look to me. It take some diferent, to collect  
money from Mr. Van Huzson as the king of the Mineral  
mines, no ever an contract to any thing, or Mr. Van Huzson may  
have any contract with the so. if possible to Garnish if he have  
any money comen<sup>g</sup> the state of Oregon require to take out  
a Judgmen before one can garnish any money? do you think  
the Pinkerton will be the best to get for collectin<sup>g</sup>?

(9)

we'll hope you will be able to find out about this co. and if  
Mr Van Haysen have any contact with them.

I think the Pinkerton Detective Agency is located in Oregon  
also. if you could get a copy of that letter of Van Haysen  
you can keep the original if you so desire you might  
send back the copy or the original but you don't need  
to be in any hurry any time later on.

Will enclose stamps for reply

Yours truly

Barthre Stafferson

P.S. it looks to me that the state of Oregon and  
the state of Washington could put Van Haysen  
and his attorney in trouble. There would be many  
people to buy shares in a company like that especially when  
it is estimated by the authorities of Oregon <sup>and</sup> of Washington  
it might not be like making miss Statman to me

October 29, 1938

Mr. Carl Christofferson  
4402 East Marginal Way  
Seattle, Washington

Dear Mr. Christofferson:

Honorable Earl Snell, Secretary of State, has referred to me for reply your letter of inquiry in regard to the property of Mineral Mines, Inc.

This property is better known as the old War Eagle property located near Beagle, Oregon, which is 25 or 30 miles northwest of Medford. The writer visited the property a few months ago when construction was just ready to begin on a retort. Our engineer has since visited the property, but his report has not yet come in so I cannot tell you the nature of his impressions. I can say, however, that no representative of this Department ever classified this property as a "splendid cinnabar deposit". Neither we nor anyone else, I suspect, could make such a classification at this stage of exploration. The point is at the time of my visit the proprietors had a short drift into a coal vein which was carrying some cinnabar and exploration had just started. What the exploration will find or has found in the meantime I am unable to say. I doubt very much if this company or any other company in this State has \$200,000 worth of quicksilver on the dump. It was my further impression on visiting the property that, inasmuch as the cinnabar was occurring in coal, a problem of metallurgy was involved which would require a careful working out. I trust that this has been done satisfactorily, in the meantime. I do not wish to disparage this property in any way, but it is my experience that persons are often in the habit of becoming overly enthusiastic about mining properties in general, especially so when they have insufficient information.

I have heard nothing to indicate that the operators of this property are not on the right track or that they are incompetent, nor have I heard anything to the other effect.

I consider it the duty of this or any other state mining department to give sound advice on mining problems. Sometimes such advice takes the form of caution. It would be the same in any other line of business.

If you would care to write me more fully as to what your position is with regard to the company, that is to say, whether you are making inquiry as a prospective investor or for what reason, I can perhaps go further into the matter and offer helpful information.

Respectfully yours,

cc: Earl Snell

RECEIVED  
OCT 29 1938

STATE DEPT OF GEOLOGY  
& MINERAL INDS.



EARL SNELL  
SECRETARY OF STATE  
SALEM, OREGON

October 28, 1938

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

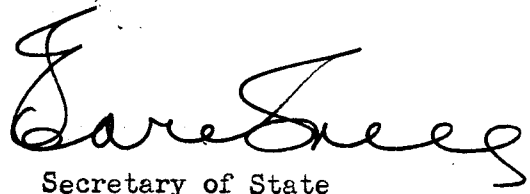
Gentlemen:

This morning I received a request from Mr. Carl Christofferson, 4402 E. Marginal Way, Seattle, Washington, asking the following:

"Will you be so kind as to inform me if there is a mine in Oregon by the name of Mineral Mines, Inc., having a tract of 720 acres containing a splendid cinnabar deposit estimated by the authorities of the State of Oregon? I am also informed that the company has in excess of \$200,000 worth of quicksilver on the dump." .....

I have ascertained from the Corporation Department that this Washington corporation qualified to do business in Oregon March 21, 1938. If you have any information on the above mentioned subjects, would you please communicate direct with Mr. Christofferson? Please be assured of my appreciation of your attention to this request.

Yours very truly,

  
Secretary of State

S:BL

n

November 12, 1938

Corporation Commissioner  
State of Washington  
Olympia, Washington

Dear Sir:

I wish to inquire in regard to representations of a company doing business in your State, known as Mineral Mines, Inc. They have a quicksilver operation in this State known as the old War Eagle Mine, located some miles out of Medford.

From prospective investors who have written this office, I gather the company has represented that this Department has estimated the amount of quicksilver ore which they have available and has made an assertion to the effect that they have in excess of \$200,000 of quicksilver in the dump.

I would like to know on what authority they base any such assertion or, in fact, any recommendation or statement of any kind on our part with reference to this property.

Thanking you, I am

Very truly yours,

EKN:vn

Director

cc: Mr. G. D. Eveland  
Wisconsin Building  
Everett, Washington

MINERAL MINES INC.

772 DEXTER HORTON BLDG.

SEATTLE, WASH.

RECEIVED  
FEB 11 1938

Feb 10th 1938.

STATE DEPT OF GEOLOGY  
& MINERAL INDS.

Earl K. Nixon,  
Director Dept. Geology &  
Mineral Industries,  
704 Lewis Bldg.,  
Portland, Oregon.

Dear Sir:

Thank you for the prompt reply to our letter of Feb 1st. Your letter has been forwarded to Mr. Parson who is at present at War Eagle Mine and he will undoubtedly contact the engineer you mentioned who lived near Medford.

When Mr. Schuette's quicksilver report, that you mentioned in your letter, is off the press we would greatly appreciate your sending us three copies of it to our Seattle office. We will be glad to pay any charges that there may be for these reports.

Thank you again.

Yours very truly,

Mineral Mines, Inc.

By *Robert M. Sutton* Sec'y.

*Reg for 3*

February 7, 1938

Mineral Mines Inc.  
772 Dexter Horton Building  
Seattle, Washington

Gentlemen:

Thank you for your letter of February first advising me of your activity at the War Eagle Mine near Baker, Oregon. I wish to advise that a state-wide report, entitled "Quicksilver in Oregon" has been finished by Mr. C. N. Schuette, Consulting Engineer, and has now gone to the printer. Mr. Schuette refers to the War Eagle Mine in his report.

Answering one of your questions, I would refer you to Mr. Albert Burch, Consulting Engineer, address--Black Oak Ranch, Medford, Oregon. Mr. Burch is one of the outstanding consulting engineers in the West and could handle your examination if he is not otherwise occupied. If Mr. Burch is not available, I would suggest that you communicate with Mr. Schuette, whose address is Call Building, San Francisco, in regard to the examination of your property.

In regard to the marketing of your quicksilver, I suggest that you communicate with the Quicksilver Producers Association, address--560 Sacramento Street, San Francisco, California, who are in a position to advise you properly in this regard. I do not think you need to be concerned particularly about the sale of quicksilver.

I regret that your manager was away when I visited your property recently. A little later I expect to spend some time in southwestern Oregon and shall be pleased to accept your invitation to visit the property again.

Very truly yours,

EKN:vm

Director

MINERAL MINES INC.

772 DEXTER HORTON BLDG.  
SEATTLE, WASH.

Feb 1 1938.

RECEIVED  
FEB 3 1938

STATE DEPT OF GEOLOGY  
& MINERAL INDS.

Earl K. Nixon,  
Director Dept. Geology &  
Mineral Industries,  
704 Lewis Bldg.,  
Portland, Oregon.

Dear Sir:

I understand that you visited our property at War Eagle Mine, near Beagle, Oregon a short time ago and looked over our new tunnel.

We now desire to have an examination made of the ore body developed in this so called "Coal Area". We want to determine the approximate tonnage and valuation of the ore developed as soon as possible. We would appreciate it if you could recommend to us a registered mining engineer of good reputation, preferably one in the Medford district, to make this examination for us. It is expected that our re-tort will be installed this month and that we will be in production within ninety days.

We would likewise appreciate any information you can give us relative to the marketing of our quicksilver, including the names of any firms or agencies in the San Francisco area who might be interested in buying or handling our product.

A rumor has reached us that a couple of years ago quicksilver could not be sold. Can you tell us if this is true and if so give brief particulars. Are there possibilities that this might happen again?

We will be happy to have you visit our mine again as we understand that you did not see all of it. Thanking you in advance for any trouble you may take in answering this letter, we are,

Yours very truly,

Mineral Mines, Inc.

By *Albert M. Sutton* Sec'y.



~~XXXXXXXXXXXXXXXXXXXX~~ 329 S. W. Oak Street

November 28, 1938

Mr. V. R. Hammer  
Box 191  
Long Beach, Washington

Dear Mr. Hammer:

Replying to your letter of November 25th in regard to the value of the stock you hold in the War Eagle Mining Company of Medford, I can advise that the old War Eagle property has been taken over and is now being operated by the Mineral Mines, Inc. I do not know whether the new setup makes any provision for the holders of former stock. I suggest that you write directly to Mr. J. H. Hazlett, Corporation Commissioner, Salem, Oregon, and also to the Division of Licenses at Olympia, Washington, and inquire as to the status of your holdings.

Very truly yours, ●

EKN:vn

Director

RECEIVED

NOV 28 1938

STATE DEPT OF GEOLOGY  
& MINERAL INDS.

Long Beach,  
Wash.  
Nov 25<sup>th</sup> '38.

Dear Sir

I have  
in my possession  
300 shares of the  
"War Eagle Mining Co"  
Medford Ore. purchased  
June 24<sup>th</sup> 1924 at 1.00 per  
share. Mr. C. M. Field  
was the Pres. of the Co.  
Is it of any value - or  
shall I burn it up?

Thanking you for a  
reply -

Yours Truly

V. R. Hammer

Long Beach, Wash.

Box 121