

Brothers Run Al Sarena— Nat

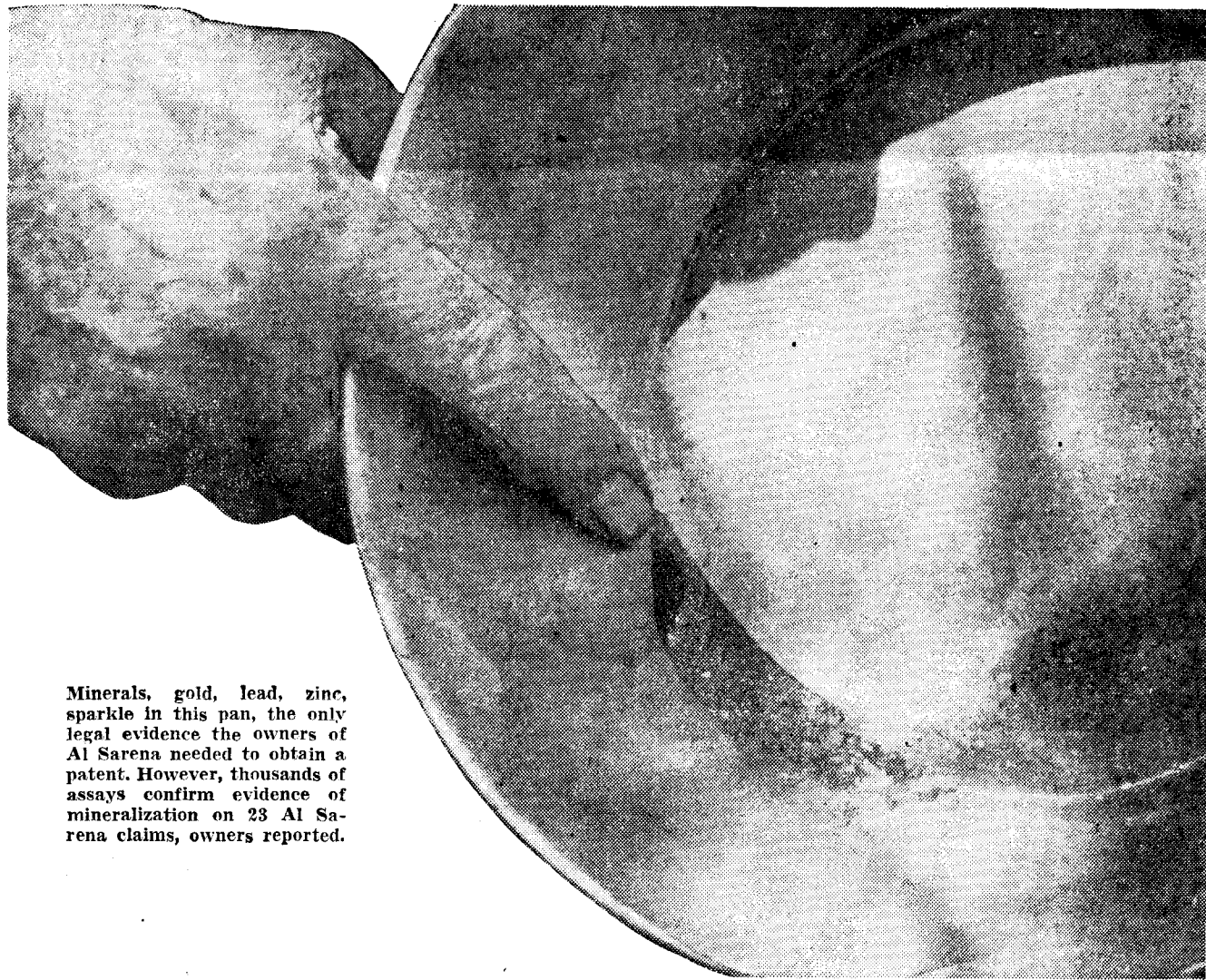


BROTHERS The McDonald brothers, Dr. Herbert and Charles, stand before their ore mill on the Al Sarena claims, 40 miles northeast of Medford in the Rogue

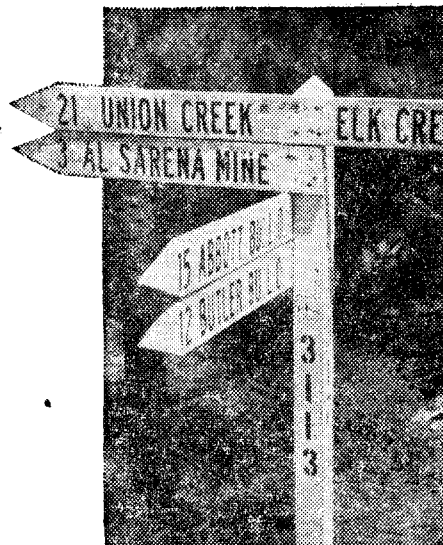
River national forest. Bachelor brothers have spent decade in successful effort to obtain a patent (title) to claims family began prospecting 40 years ago. (Staff photos by Kirk Braun)

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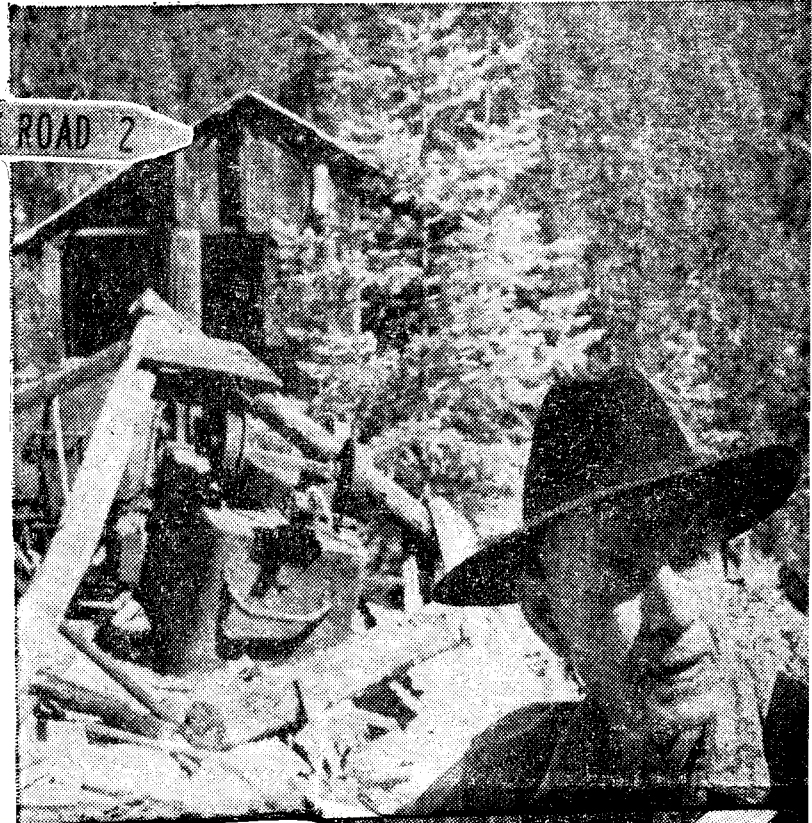
ion's Most Controversial Mine



Minerals, gold, lead, zinc, sparkle in this pan, the only legal evidence the owners of Al Sarena needed to obtain a patent. However, thousands of assays confirm evidence of mineralization on 23 Al Sarena claims, owners reported.

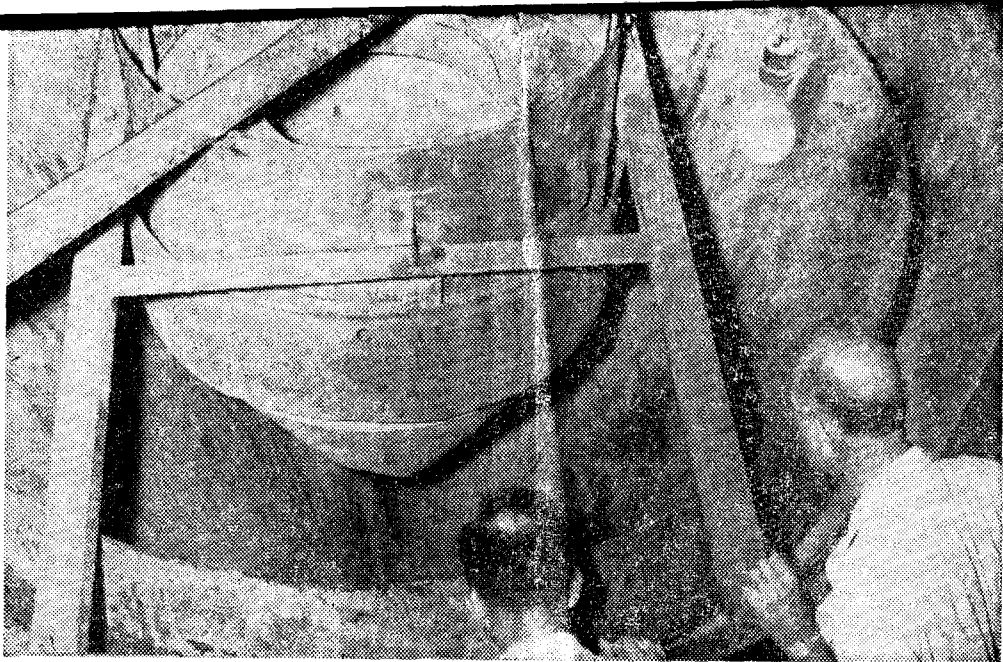


SIGN U. S. forest service sign points to Al Sarena mine. Owners say sign was erected by forest service when government was saying Al Sarena was not a valid mine.





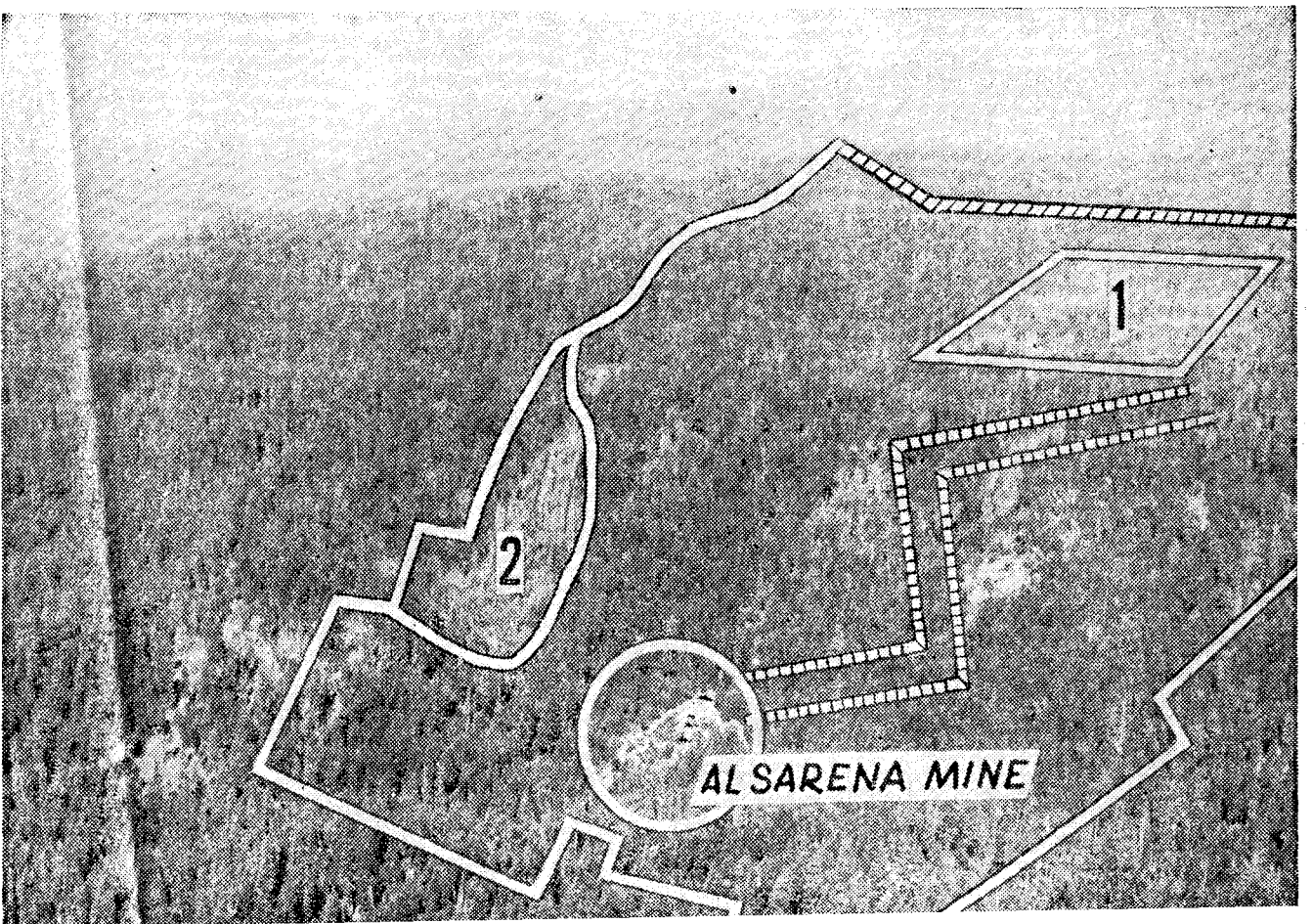
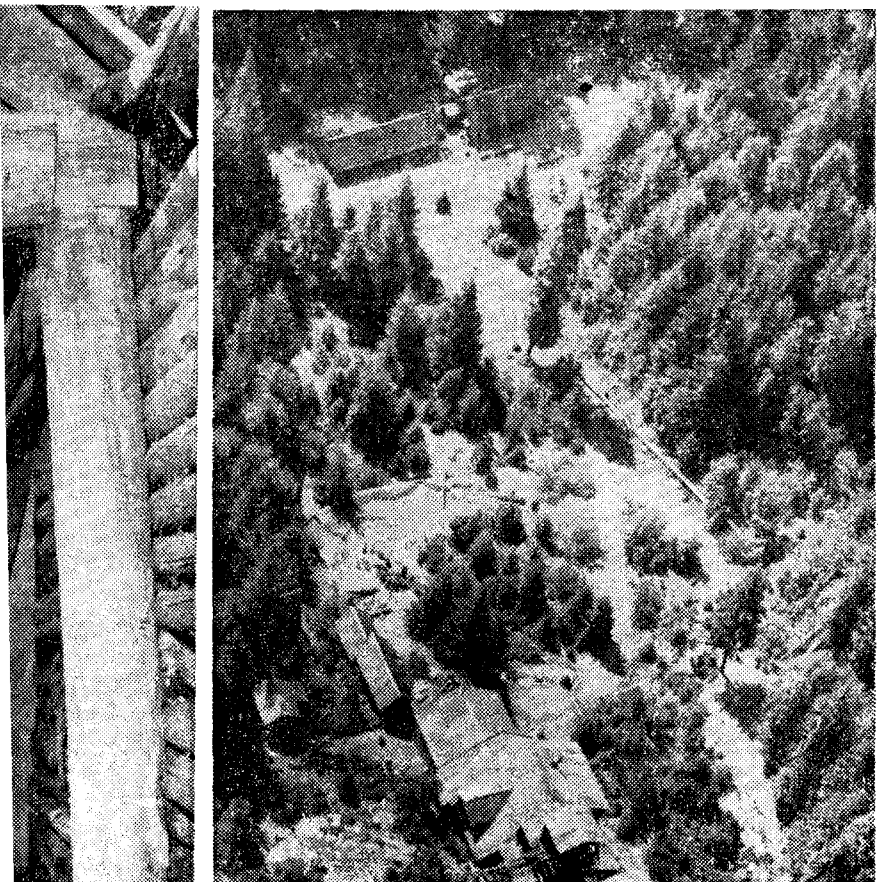
they are not rich men, spend
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MILL Ball-type ore mill contains more
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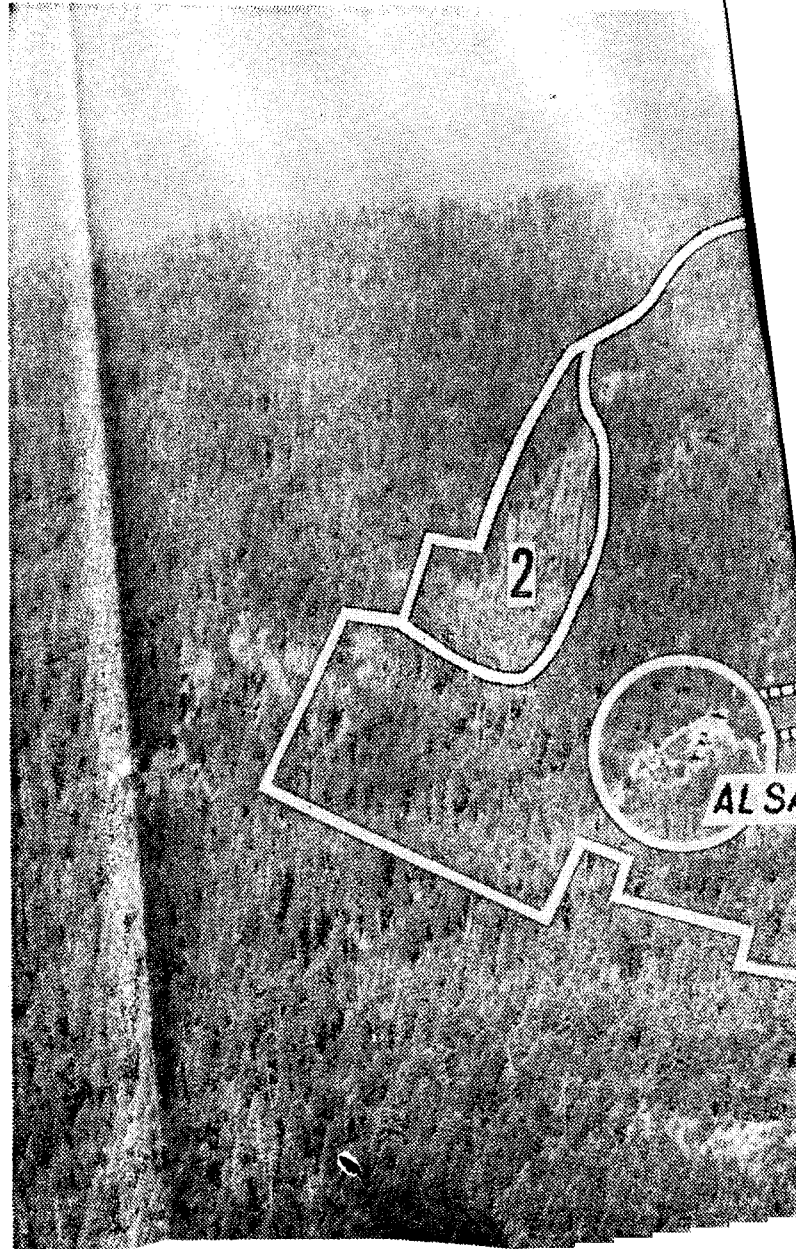
MINER Fred Altland, 77-year-old caretaker of Al Sarena mine, has
worked as foreman at famed Little Johnny mine at Leadville,
Colo.; once took \$60,000 in gold out of pocket back in gold-digging days of 1902.



SHACKS McDonald brothers, who say they are not rich men, spend months in these shacks, working on mineral holdings. Heavy snows in winter broke down old bunkhouse used when 57 men were employed.

MILL Ball-type ore mill contains more than \$100,000 worth of equipment for flotation separation of minerals from ore.

MINER Fred A. worked Colo.; once took \$60,000



TUNNEL This entrance into more than 6000 feet of underground tunnels of Al Sarena has been water snows. Owners plan to rebuild, expand.

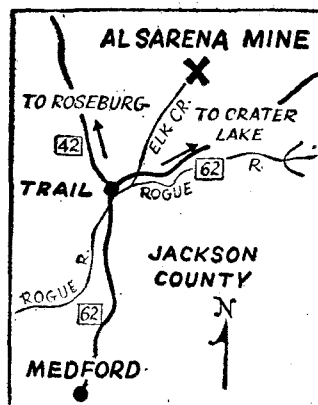
AL SARENA Aerial view shows Al Sarena mine mill in lower foreground, bunkhouses, office and assay buildings. Mill is only pilot plant, owners say.

CLAIMS sketch on aerial shows outline of claims. No...

Starts Today

What Owners Say About Al Sarena

THE AL SARENA mining claims of Oregon's Rogue River national forest have become a major national political issue. They may become a major factor in the Morse-McKay election, and thus decisive in the control of the U. S. senate.



Where controversy started

From the information thus far revealed, Democrats affirm "giveaway" and "timber steal." Republicans defend the granting of the claims as according to the mining laws and charge "politics" on the part of the Democrats.

The story of the McDonald family, owners of the Al Sarena mine and the Al Sarena claims, has been largely untold. Family members did not testify before the congressional hearings. The McDonalds' reputations have been clouded in the cross-fire of heated political controversy, but their long efforts to place Al Sarena on a commercially successful basis have been unknown or obscured.

The Al Sarena case has many facets, many of which have been well publicized. In this issue The Oregonian begins a series of six articles relating the facts of Al Sarena as the owners see them.

To obtain material for these articles, Oregonian Reporter Harold Hughes studied the congressional committee majority and minority reports, then spent three days with two McDonald brothers at the mine. Oregonian Photographer Kirk Braun took the photos accompanying this and subsequent articles.

First article, page 40. Photos, page 41.

Al Sarena Controversy Centers On Reported Vast Body of Ore

This is the first of six articles on the Al Sarena mine of southern Oregon which has become the center of national political controversy.

BY HAROLD HUGHES
Staff Writer, The Oregonian

The case of the Al Sarena mining claims has swirled around the heads of presidents and cabinet officers, journalists and syndicated columnists, senators and congressmen, generating a political dust storm expected to produce fallouts across the nation until the ballots are counted in November.

At the center of the political maelstrom stands the McDonald family, whose members began working in the area of the controversial claims 40 years ago in the Rogue river national forest in northeastern Jackson county.

High Value Placed

In the past 11 years, Charles McDonald, 36, an engineer from Alabama, and his brother, Dr. H. P. McDonald Jr., 42, an optometrist and secretary-treasurer of Al Sarena who has lived in Jackson county for 20 years, have fought to obtain patents to their mining claims and develop what they believe is a vast ore body containing gold, silver, lead, zinc and 18 other minerals.

The two brothers estimate that 190,000,000 tons of low grade ore is under their 23 claims and that it has a value of nearly \$400,000,000. And if geological theory is sustained, the brothers point out, the ore mass may be nearly double the above amount.

The two brothers, who have dedicated most of their waking hours in their nine-year battle for patents to their claims, are the sons of Dr. H. P. McDonald, 74, president of the company and a doctor of ocular science living in Mobile, Ala. The two bachelor sons are the active day-by-day operators of the company.

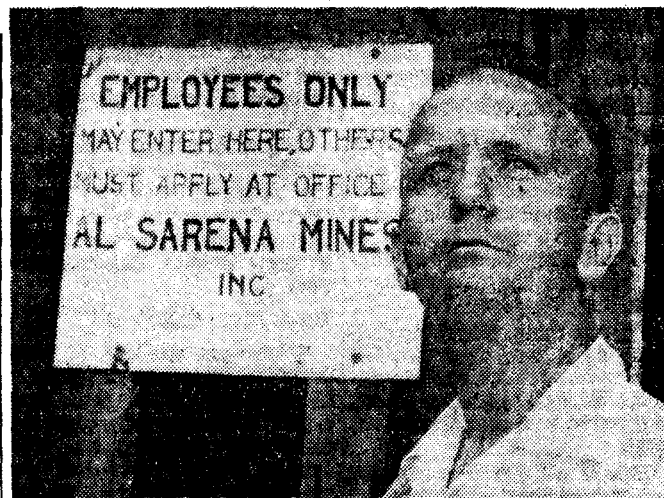
But most of the McDonald family, including eight brothers of the elderly president, have spent their lives attempting to develop the mining holdings that were incorporated under the laws of Oregon in 1935 as Al Sarena Mines, Inc.

Family Name Used

The name is a neologism compounded to honor the memory of Alfred, Sarah and Rena McDonald, brother, sister and mother of President McDonald. They had all died before the company was formed.

"Do you think we would attach the names of beloved members of our family to a 'timber deal'?" Dr. Herbert McDonald declared recently in indignant notice of the accusations that have been hurled across the nation at Al Sarena.

The 454 acres patented in 1954, the brothers report, con-



Charles McDonald, one of two brothers who operate the Al Sarena mining properties, stands beside sign on mine mill, posted when mine was turning out gold, silver at pilot plant in 1938. Critics said sign was recently posted. (Braun)

a plan to raise some \$5,000,000 for full-scale development of the mining property, which to date has produced more than \$30,000 from gold ores and some \$24,000 from the sale of timber on their \$280,000 investment.

Brothers' Capital Limited

Currently, the McDonalds report they are going ahead with the development of the mine with their limited capital. The first project will be to get the ore mass "blocked out," an expensive drilling process to determine the exact size of the mineralized mass.

The two, soft-spoken brothers, who eat in cheap restaurants, drive an old car, stay with friends in Medford and bunk in a cabin at the mine, say they are putting every spare nickel into the property.

Asked why they had not married, the serious reply from Dr. Herbert was, "we've never been able to afford to get married."

Their working days, more frequently than not, begin at 7 a. m. and continue until 2 and 3 a. m. They have literally lived most of their waking hours in the past nine years with the problems of Al Sarena.

Mining Laws Studied

Charles, the engineer, has done nothing since his discharge from the navy in 1946 but fight for the Al Sarena patent. He has read so much mining law and delved in legal phrases, sighting case numbers, names and documents from his exceptional memory.

The McDonald brothers firmly believe the federal forest service, aided and abetted by the U. S. bureau of land management, tried by "sham and a stacked record to strike down an equitable title and not only to deny patents, but to declare the claims null and void and evict the owners."

Had such actions succeeded, the brothers declare, the McDonalds would have lost every cent of the \$280,000 they say is invested in the property. This

refine the ore, the McDonalds incorporated the mine holdings May 24, 1935, and called the company Al Sarena Mines, Inc. The mines later were leased to an independent firm in Texas which used the name Al Sarena corporation of Houston, Tex. When the Texas group defaulted during World War II, the management reverted to the McDonald family.

At the time the current firm was organized, the McDonalds point out, Oregon timber was a glut on the market and timber stands, such as were on the mining property had slight value. When salable, timber in Jackson county sold for 50 cents a thousand in 1935, the brothers report.

The seven McDonald brothers who joined Bill and Herbert Sr. in the new Oregon company were:

Jack McDonald, now 80 years old and a retired Methodist minister living in Olympia, Wash. (He has a son, H. D., living in Seattle, who is in the company.); Albert, now 93, a resident of Burbank, Cal.; Norman, 83, living in Tennessee (a constituent of Senator Estes Kefauver who interceded in the case for the McDonalds); Emerson, real estate operator now deceased; (his son, Maurice, is executive vice president of the Universal Mining company in Denver); Charles, age 78, Mobile, a practicing optometrist who once conducted a practice in Salem; Fred, 70, a San Francisco diamond broker, and Lester, 68, Long Beach, Cal., retired auto dealer.

Most members of the family, being southerners, are registered Democrats. But the two sons of the corporation president who have led the Al Sarena fight are of both parties. Dr. Herbert, who has lived in Oregon since 1920, is a registered Republican, and Charles is a registered Democrat.

Conservative Views Held

Both men have conservative political views and appear in close agreement on current

have been hurled across the nation at Al Sarena.

The 454 acres patented in 1954, the brothers report, contain a huge deposit of mineralized rhyolite rock covered with an average stand of timber, a fact not unique in mining operations, whether they be the coal mines of Kentucky or the precious metal mines on the far west.

But this timber stand, valued by the forest service, in 1950 at \$77,000 on the 15 contested claims, has made Al Sarena's 23 mining claims a cause celebre in a long and caustic struggle between the owners and the U. S. forest service.

McDonalds Gain Patents

This fight was won by the McDonalds when the patent was granted by Undersecretary of the Interior Clarence A. Davis, then solicitor, under Secretary Douglas McKay.

Since the McDonalds won legal title to the claims, congress has passed a law divesting the timber rights from future mining claims and lengthy congressional hearing on Al Sarena has been held in Portland and Washington, D. C.

These hearings, the McDonalds believe, and the "smear charges" that arose from it was responsible for having wrecked

Had such actions succeeded the brothers declare, the McDonalds would have lost every cent of the \$280,000 they say is invested in the property. This investment, coming from the McDonald family and their friends, represents in some cases portions of the life savings of the family, they report.

The lure of gold brought the first McDonald into the awesome beauty of the Oregon forest lands in northeastern Jackson county, near Crater lake, back in 1916. Prospectors already had been in the area and had filed claims. Some of these claims, including those of Mark Applegate, filed in 1897, are now a part of the Al Sarena patent.

First Claim Staked

When William G. McDonald arrived in Jackson county before World War I, he was already a veteran prospector and had staked the first claim in the Cobalt nickel region of Canada, later the scene of a fabulously wealthy strike.

The early claims near the Al Sarena mine were known collectively as the "Buzzard mine," a name still used today by old-timers of the region, which is some 40 miles from Medford.

After World War I, Bill McDonald established the Rogue Elk hotel, which is still standing. It was once an overnight stopping point for travelers to Crater lake from Medford.

Long before Bill McDonald died in 1941, he had interested other members of his family in the southern Oregon mineral claims. His brother, Herbert, (now president of Al Sarena) came west from Mobile in 1920 and began spending long vacations in the area, helping with the development of the claims.

In order to get more capital for a pilot plant to crush and

Conservative Views Held

Both men have conservative political views and appear in close agreement on current questions. Charles describes himself as an "Eisenhower Democrat." Neither has met Douglas McKay, target of the Al Sarena charges when as secretary of the interior he approved the granting of the controversial patents.

Their mother, Madeline Hogan McDonald, died last January during the congressional hearings. Her weak heart stopped, the brothers are convinced, by the emotion generated during the hearings.

Four years before her death, Mrs. McDonald was selected by Beta Sigma Phi in Mobile as "First Lady of the Year," partly in recognition of her success as a mother, which included 1½ years working at the Al Sarena mine when her son, Dr. Herbert, was stricken with a serious illness and could not help his brother Charles.

The record of the McDonald family is that of substantial, honest people who have been successful and respected.

Monday: The mine and its ores.

Owners of Al Sarena Mining Claims Declare Area Po



Gold, silver, lead and zinc were separated in a pilot operation at the Al Sarena mine, using the flotation process. Fred Altland, mine foreman, owners and Oregonian reporter inspect equipment. Owners say ore body must be "blocked out" before larger operations can begin. Mine turned out some \$80,000 in gold until World War II halted it. (Staff photo by Braun)

This is the second of six articles relating the story of the Al Sarena mine of Oregon's Rogue country from the standpoint of the McDonald family, owners of the mine.

The Al Sarena mine has become the center of a national political controversy. It may become a major issue in the McKay-Morse election, and in that instance, may become an important factor in determining control of the U. S. senate.

Voluminous material has been published on the case, but the story of the McDonald family's activities at Al Sarena is unfamiliar to most persons. The McDonalds did not testify at congressional hearings subsequent to granting full title to the Al Sarena mining claims.

BY HAROLD HUGHES

Staff Writer, The Oregonian

The lodestone that has magnetized national attention on the Al Sarena case is the charge that the mining claims showed "insufficient mineralization" and that the owners used the mining laws and an unwary department of interior to grab free timber out of the Rogue river national forest.

Nothing is farther from the truth, the owners declare, stating that the Al Sarena claims some 40 miles northeast of Medford are potentially the largest low-grade ore deposits of their kind on the North American continent.

This estimate, made by Charles McDonald and Dr. Her-

bert P. McDonald Jr., two of the most active owners, is supported, they say, by independent assays and by competent mining engineers.

Illegal Methods Charged

The two bachelor brothers, who have been digging in more than 6000 feet of underground tunnels in a steep mountain on Elk creek, charge that the U. S. forest service and the bureau of land management sought by illegal means over a nine-year period to prevent Al Sarena from obtaining a patent or clear title to their 23 claims.

This patent, which was granted by the department of interior in 1954 and soon after raised Democratic charges of "giveaway," was necessary, the McDonalds point out, if they were to raise some \$5,000,000 to finance the full-scale development of the ore body.

A major objection was that "insufficient mineralization" had been shown on the 15 contested claims. The McDonalds point out that the BLM's own investigations showed the same mineralization on the eight uncontested claims (the claims offered them on uncontested patent) as on the contested claims.

Mineral Panning Easy

Although thousands of assays have been taken on the property, including those taken by the government and by an independent firm under government supervision, actually the only legal requirement the firm needed to meet was the "site panning" of minerals before legal witnesses, the McDonalds declare.

It's easy to pan minerals at

engineers. Based upon the findings and recommendations of these engineers, the owners have spent thousands of dollars and also their time in developing the property into its present state.

Test Run Successful

"There are a number of large low-grade ore properties in North America that have made a success of the operation on lower values than those indicated at Al Sarena. The 90-day test run proved to me it could be made a successful operation," Colonel Morrison reported in his statement.

Concerning the size of the

discovery, Alan Kissock, one of the leading mining engineers in the nation and president of Alan Kissock & Co., of New York, had this to say:

"There is, however, absolutely no question but that there is on the Al Sarena claims a tremendous mineralization area and in my opinion it is definitely a valid mineral discovery under the mining laws..."

A spectographic analysis done by Applied Research Laboratories, Los Angeles, April 15, 1937, long before the controversy splashed across the country, lists 21 elements in addition to gold present at Al Sarena, some of them more valuable than gold.

Many Elements Listed

These elements are silicon, iron, lead, aluminum, zinc, manganese, magnesium, silver, antimony, arsenic, copper calcium, potassium, titanium, barium, gallium, molybdenum, vanadium, cobalt, nickel and chromium,

Enough mineral wealth to keep the mine operating at a 10,000-ton daily capacity for 65 years is visualized by the owners if some \$5,000,000 in capital becomes available.

A mining operation of this scale would add a sizable industry to Oregon and would employ some 200 men, the McDonalds say.

The estimate made by visual means and without the necessary complete drilling to "block out" the entire ore body is that the mountain contains 190,000,000 tons of low-grade ore.

But Charles McDonald, a registered engineer, said this estimate may represent only about half of the mine's potential wealth.

"Such intrusions of ore are usually found in balloon-shaped masses," he explained, "the second half of the spheroid of metallic and mineral deposits is

expected to exist deep under surface, like the undisturbed mass of an iceberg."

The diamond drilling out the entire ore body is the next project on the McDonalds' agenda, the brothers say. This is an expensive operation.

important factor in determining control of the U. S. senate.

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tunnels in a steep mountain on Elk creek, charge that the U. S. forest service and the bureau of land management sought by illegal means over a nine-year period to prevent Al Sarena from obtaining a patent or clear title to their 23 claims.

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It's easy to pan minerals at Al Sarena. This reporter saw minerals panned out of a stream that runs out of the mouth of the mine. The hillside above Elk creek is covered with rocks. Break any one of them open and the observer has no trouble in seeing the sparkle of metallic minerals.

"We went beyond the legal requirements in satisfying the government with assays, which must be made at our expense," Dr. Herbert reported.

The nonmineralization charge, followed later by charges the minerals were not in sufficient quantity, was made despite the fact the mine produced more than \$30,000 in gold before World War II restrictions closed the mine in 1943, the McDonalds declare.

Body Called 'Tremendous'

The McDonalds, who say competent minerologists value the ore at more than \$2 a ton, say an engineer from the U. S. bureau of mines has called the Al Sarena ore body "tremendous."

The McDonalds cite statements from such men as Col. J. E. Morrison, a registered mining engineer and ex-Oregon state department of geology and minerals industries geologist, who wrote of Al Sarena:

"I have sampled and seen the assays of over a thousand samples from this mineralized area. . . . All 23 claims, as I remember them, show evidence of this mineralization and do carry gold and silver values.

Colonel Morrison added, "This property has been examined by a number of reputable mining

low-grade ore properties in North America that have made a success of the operation on lower values than those indicated at Al Sarena. The 90-day test run proved to me it could be made a successful operation," Colonel Morrison reported in his statement.

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McDonalds Say Deck Stacked Against Them By Fault

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BY HAROLD HUGHES
Staff Writer, The Oregonian

"You got your logging equipment ready?"

These words from Elton M. Hattan, mineral examiner for the bureau of land management in Portland, were spoken in 1949 when the BLM mining engineer made his first visit to the Al Sarena property, Fred Altland, 77-year-old mining foreman for the McDonald family, said recently.

Hattan, who was later to be a key witness against Al Sarena in its efforts to win a clear title to 23 mining claims by means of a patent, had just arrived in the Elk creek section of Jackson county to gather mineral samples which the government people had demanded.

The remarks attributed to Hattan and perhaps said in jest were prophetic of the charges the soft-spoken McDonald brothers, Charles and Herbert (called Smokey by the family) were to hear during the next seven years.

Panic Conflict Blamed

The McDonald brothers blame a "basic conflict" between the forestry service and mining interests for inflicting a long fight against their claims.

During the 10-year battle, they charged they faced "stacked deck" maneuvers, fraudulent interpretations of the law, legal ensnarlements, unnecessary bureaucratic red tape and finally, from the politicians, character assassination.

The McDonald brothers believe that individuals in the U. S. forestry service, aided and abetted by persons in the bureau of land management (which they say should have been an impartial umpire) would have thrown up bureaucratic roadblocks even if "gold and silver had been scattered in egg-size nuggets" on the claims.

"We would never again attempt to get a patent on a mining claim that contains timber—it's not worth the 10 years you would lose out of your life," Charles, the engineer of the family, declared in Medford last week.

Views Given Prospectors

"And we have already so advised two prospectors who came to us seeking information on mining patents," his brother



This photograph taken by Kirk Braun, Oregonian photographer, shows what timber looks like on Al Sarena claims. It contains young trees, growing on steep hillsides. Forest service estimated it would cut 25,000 board feet to the acre, about "average" for Rogue river national forest timber acreages.

two years before the figures were compiled.

Thus, the McDonalds point out, only 14 claims in Oregon have received patents since 1933 if the 23 Al Sarena claims are subtracted from the total—an appallingly low number considering the mining potential of the state, they said.

Conspiracy Held Indicated

"This appears to be a deliberate attempt of certain new-dealist elements in the forest service to eliminate all mining claims and patents in Oregon," Charles declared.

His brother Herbert added, "We have had to battle against an apparent conspiracy to subvert the mining laws."

Clarence A. Davis, under secretary of the interior, wrote in 1954 in defense of his granting (as solicitor) the patents to the Al Sarena Mines, Inc., that the Oregon case "highlights a long-time conflict of interests between mining and forestry, which in recent years has become more and more acute."

Issues Called Irrelevant

The McDonald brothers, their legal advisers and even the manager of the Portland bureau of land management office, Pierce M. Rice, who presided over the 1950 Al Sarena contested claims hearings, cite the fact that the applicable mining laws did not mention timber, the McDonalds say.

"Whether the land is bare or there is 11,000,000 board feet of timber on the claims was

on a federal mining claim," Charles explained.

The only timber figures in the records of the case as presented to Solicitor Davis for a decision on the patents were those of the antagonistic forest service, compiled as result of an ocular timber check made in September, 1950, the brothers report.

So far as the McDonalds know, there has never been a formal timber cruise of the acreage to establish the value of the timber. Obviously, timber values have gone up since 1950.

"We don't know what the timber is worth," the McDonalds told this reporter.

Value Set at \$77,000

At the time of the 1950 ocular "cruise" the timber value on 15 or the 23 claims was placed at \$77,000 for the 292 acres, the McDonalds say in pointing to the forestry service figures.

The Al Sarena timber stands, containing mostly fir and sugar pine, are "average" stands containing about 25,000 board feet to the acre, while "choice" Rogue River national forest timber cruises out at 100,000 board feet to the acre, the McDonalds reported in citing forestry statements.

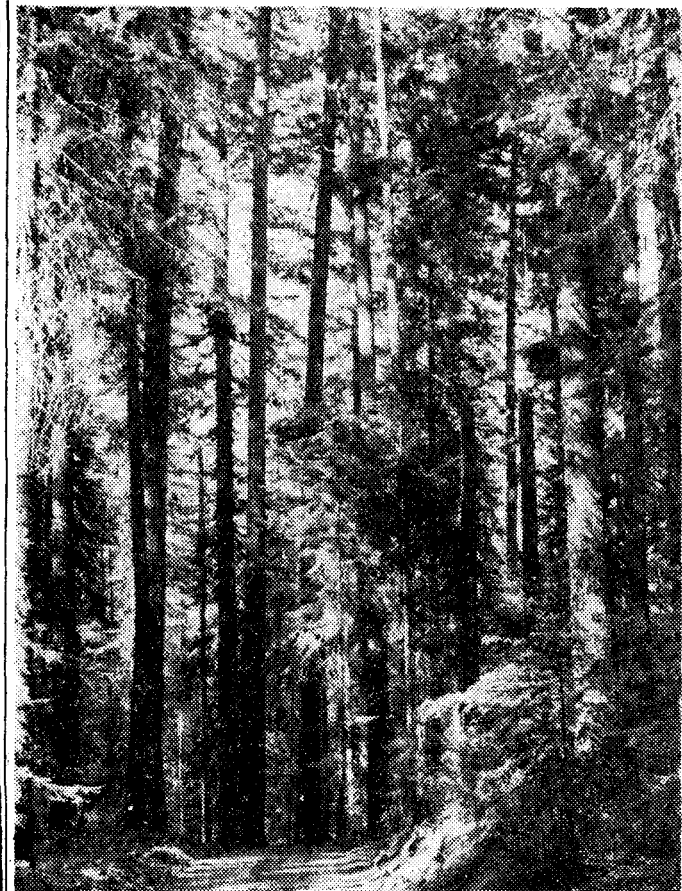
"Our stands are certainly not worth \$638,000 as recently claimed in a fantastic political quotation," Charles stated.

In a tour of the pilot 100-ton



This photograph, also taken by Kirk Braun, shows a timber stand on Al Sarena claims. It contains good-size fir and pine trees. "If we had of been here in 1950, we would have had a lot of timber," owners

By Faulty Legal Decisions, Much Red Tape



This photograph, also taken by Kirk Braun of *The Oregonian*, is timber stand on lands adjoining Al Sarena claims. It contains good-size fir and sugar pine on more easily logged lands. "If we had of been timber thieves, we would have filed on this stand," owners pointed out to *The Oregonian* recently.

ball mill, assay office, bunkhouse, office and other buildings at the mine site, the McDonalds showed this writer more valuable stands on adjoining property.

Virgin Timber Pointed Out

"If we'd been tryin' to steal timber, we'd have filed claims on these adjoining lands," Dr. Herbert drawled, pointing to virgin trees in a flatter, more easily logged area adjoining the Al Sarena claims.

The McDonalds do not deny and have made no secret, they report, that they cut 2,000,000 board feet in 1954 "to help pay part of the cost of the \$32,000 we spent battling the forest service's prejudicial attacks," Charles explained.

Al Sarena Mines, Inc., received about \$24,000 for the timber, the brothers reported, and showed a receipt for the amount.

Although the timber on all the claims has legally belonged to the company since early 1954, not one tree has been dropped in the past two years, they swear.

Expansion Funds Sought

Instead of logging, the brothers have spent the past two years attempting to raise large capital investments to expand mining operations at the mill, valued at \$125,000 in replacement costs, they figure. The McDonalds admit the

buildings on their property, some of them quite old and damaged by heavy winter snows in the region, are badly in need of refurbishing.

"No ore has been taken out of the plant in appreciable quantities since 1943," Herbert explains, "simply because we all are past the pilot production stage and must spend our time and money getting the ore mass blocked out."

The easy speaking Herbert scowled, however, as he said:

Plans for Future Made

"Had not political charges been made by Senator Neuberger and Senator Morse, we would now have a \$5,000,000 financing program and would be well along in blocking out the entire ore body."

Even so, the two bachelor brothers plan to go ahead with their limited capital, clean up the buildings and property and begin a "less ambitious" program of development than would have been possible "if political smears had not discouraged investors."

"We won't cut any more of the timber for sale than we have to simply because we will have use for most of it in developing the mine," Charles said.

"It's not good business to sell wholesale and buy retail," he suggested.

Wednesday: Charges of obstruction.

Sarena Story McDonalds Blame Political 'Cons Held Warped

Attorney Calls Paper Partisan

Did members of the McDonald family, owners of the Al Sarena mines in southern Oregon, refuse to testify before congressional hearings into accusations of a "timber steal"?

Keith Skelton, Eugene, campaign manager for Charles Porter, 4th district Democratic congressional candidate, Tuesday accused The Oregonian of "a perversion of its news columns for a narrow, partisan purpose" in the current publication of a series of articles on the Al Sarena case by The Oregonian Staff Writer Harold Hughes.

Invitation Said Rejected

Skelton said The Oregonian justifies running the series by implying that "the McDonalds never had a chance to tell their side of the story."

"That is absolutely untrue," said Skelton. He continued: "The newspaper deceptively fails to mention that the McDonalds turned down, in writing, an invitation to testify before the congressional committee."

Hughes, author of the six-article series (the fourth is published in The Oregonian Wednesday), said Charles and Dr. H. P. McDonald Jr., active operators of Al Sarena, told him they went to the congressional hearings twice, both times prepared to testify and neither time called.

Briefs Declared Filed

On their first attendance at the hearings, the McDonald brothers told Hughes, they withdrew with a notification to the committee they were leaving to attend the funeral of their mother. They returned to Washington, again prepared to testify, but were not called, they told Hughes.

The McDonalds, having previously offered to submit statements to Senator Richard L. Neuberger and having been rebuffed on the ground such action would be "premature", they related to Hughes, then filed briefs with the congressional committee. The committee accepted the briefs, the McDonalds said.



Charles McDonald (left), Fred Atland, Al Sarena caretaker, and Dr. Herbert McDonald (right) have simple miner's meal in cabin at Al Sarena mine. Brothers plan to repair winter damage at mine, start blocking out ore body, first big job before 10,000-ton ore mill can be built. The McDonalds must first raise \$5,000,000 for mining project. (Oregonian staff photo by Braun)

This is the fourth of six articles relating the story of the Al Sarena mine of Oregon's Rogue country from the standpoint of the McDonald family, owners of the mine.

The Al Sarena mine has become the center of a national political controversy. It may become a major issue in the McKay-Morse election; and in that instance, may become an important factor in determining control of the U. S. senate.

Voluminous material has been published on the case, but the story of the McDonald family's activities at Al Sarena is unfamiliar to most persons. The McDonalds did not testify at congressional hearings subsequent to granting full title to the Al Sarena mining claims.

BY HAROLD HUGHES

Staff Writer, The Oregonian

The McDonald family, owners and operators of Al Sarena Mines, Inc., in Jackson county, believe they have suffered nationwide public disgrace and damage to their reputations as a result of a "political conspiracy" to paint their mining project as a "giveaway to timber thieves."

The two McDonald brothers, Charles, an engineer, and Dr. Herbert McDonald Jr., an optometrist, believe they are the victims of a political effort on the part of Democrats to label the Eisenhower administration and ex-Secretary of the Interior Douglas McKay as timber thieves.

Their sister, Madeline McDonald, an ex-ballerina with the Ballet Russe de Monte Carlo who in recent years has operated a well-known dancing school in Mobile, has suffered loss to her business and feels that the Al Sarena case is to blame, her brothers report.

Their mother, Madeline Hogan McDonald, died of a cardiac condition which the brothers believe was made more acute by congressional hearings on the case in Washington, D. C., last winter. The brothers were in Washington waiting to be called to testify at the time of her death.

Father Also Stricken

Their father, Dr. Herbert P. McDonald Sr., president of Al Sarena, suffered a cerebral hemorrhage a short time before the Washington hearings while traveling on one of the numerous trips the McDonalds say they were forced to make in an effort to save their claims.

"We are not rich men. We've put everything we have into Al Sarena," Charles emphasized.

"At the time our mother died, she had every nickel she owned in Al Sarena," her son explained.

Pictures of the Al Sarena mining operations, along with

when the Eisenhower administration began considering the patent claims.

In some cases, the brothers say, key pages had been torn out in stupid ignorance of the fact the pages and contents were listed by number on the face of the documents, clear evidence of file stripping.

'Conspiracy' for Serious Personal, Financial Losses

Also, the McDonalds say that the first seven pages of testimony taken in the 1950 hearings in Portland before the bureau of land management had been tampered with, since the stenographer who took down the proceedings refused to sign the typed copies and thus would not certify as to their correctness.

"This is an example of the lengths our opponents went in order to prevent us from obtaining legal title to our legitimate claims," Dr. Herbert declared.

"In addition, fake representations have been made against our ore samples and the integrity of one of the nation's leading commercial laboratories has been impugned," Charles stated.

"The A. W. Williams Inspection company of Mobile, Ala., which ran the assays on our ores, does work for such firms as Standard Oil, duPont, Monsanto Chemical, U. S. Steel, Alcoa and American Cyanamid and Chemical corporation. Their reputation is above reproach," Charles said.

This is the firm picked to do an assay (which was not required by law) so that the interior department could determine for itself the facts of min-

eralization on the Al Sarena claims, the McDonalds explain.

"Yet, our assailants cited a hearsay letter from the general services administration as evidence of incompetence against the Williams firm and then failed to allow the GSA official in charge to testify," Charles added.

Charles said of the firm which supported the McDonalds' claims of mineralization and upon which the government decision to issue a patent was in part based:

"It appears highly unlikely that the Williams company is anti-government, as charged, when it is also representing the U. S. air force, the department of commerce, the coast guard, the corps of engineers, to say nothing of scores of states and local governments."

"This then," he added, "is the firm that Senator Neuberger screamed about and criticized us for using because it was 3000 miles from Oregon."

Firm Nationally Known

"Yet this firm, which until recently had an office in Eugene, is a nation-wide organization and has done business with the city of Los Angeles," he continued.

"Would our opponents like to criticize the city of Los Angeles or the government of the Union of South Africa (a Williams client), much more than 3000 miles away, for using the Williams company?" Charles asked.

Charges that the McDonalds held an interest in the firm in their hometown are "scurrilous lies and deliberate attempts at

character assassination," Charles added.

"We have not and have never had one cent of financial interest, either directly or indirectly, in the Williams firm, nor have we ever been associated in any business venture with any officer or employe of that firm," Dr. Herbert interjected and his brother concurred.

Thursday: Charges of political obstructions.

On their first attendance at the hearings, the McDonald brothers told Hughes, they withdrew with a notification to the committee they were leaving to attend the funeral of another. They returned to McDonald's did not testify at activities at Al Sarena is unpublished on the case, but the voluminous material has been control of the U. S. senate. instance, may become an important factor in determining Ray-Morse election; and in that come a major issue in the Mc-political controversy. It may be the center of a national The Al Sarena mine has been owners of the mine. articles relating the story of the Al Sarena mine of Oregon's Rogue country from the standpoint of the McDonald family.

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Briefs Declared Filed

OREGON STATESMAN ★ 1-22-58 ★

The Al Serena mining patents get back into the news with report that the patentees have "mined" nearly three million board feet of timber, but no minerals from their claims. That doesn't disprove the presence of minerals, but it does show lack of mining values under present conditions. Regardless of its merits under the law that decision of Solicitor Clarence Davis to grant the patents was a rock around the necks of Republican candidates in 1954.

Al Sarena Case Called Example of Conflict of Interest

This is the last of six articles relating to the story of the Al Sarena mine of Oregon's Rogue country from the standpoint of the McDonald family, owners of the mine.

The Al Sarena mine has become the center of a national political controversy. It may become a major issue in the McKay-Morse election; and in that instance, may become an important factor in determining control of the U. S. senate.

Voluminous material has been published on the case, but the story of the McDonald family's activities at Al Sarena is unfamiliar to most persons.

BY HAROLD HUGHES

Staff Writer, The Oregonian

The Al Sarena case is not unique, the owners of the mine contend, but is an example among many of a "conflict of interest" between forestry and mining.

The two McDonald brothers, Charles and Dr. Herbert, who fought a nine-year fight to obtain patents to 23 mining claims in the Rogue River national forest in northeastern Jackson county, are critical of the administrative procedure they believe the forest service and the bureau of land management uses to thwart legitimate efforts to develop mining operations.

This procedure, they say, is quite outside the mining laws and was not contemplated by congress when the applicable laws were passed in 1872.

The mining law relative to claims, the McDonalds report, states that if a miner stakes his claim, files on it, does \$500 worth of improvements and also makes a valid discovery of minerals, then he is entitled to a patent from the government. This patent includes ownership of both the surface and mineral rights, they point out, noting that the law did not mention timber or value of the ~~minerals below the surface.~~

Agency Has Advantage

Government agencies, in conflict with the viewpoints of miners, the McDonalds contend, are armed with powerful administrative weapons, which in most cases enables the agency to emerge victorious in a struggle with individuals "not willing to sacrifice 10 years of their lives as we have done."

In the matter of a conflict

of interests between forestry and mining, the McDonalds believe that essential land holding and management agencies of the government, whose staffs depend upon the amount of acreage held, do not prefer to dispose of these lands to private ownership as was intended by congress in various public land laws.

The McDonalds cite a government report dated January 26, 1954, which they say reveals that the BLM, acquired in 1950, in addition to the 178,843,674 acres it held, an additional 249,809 acres.

"The forest service, which

so bitterly fought Al Sarena, had under its dominion in 1950 a total of 138,999,592 acres assigned from the public domain," Charles McDonald stated.

"In addition, the forest service has acquired 21,582,584 acres from sources other than the public domain," Charles found.

Mining Journal Quoted

The McDonalds then raise the question, "Is it not reasonable to conclude that such a land-hungry agency might try to acquire or keep lands from a mining company?"

Quoting from the California Mining Journal, August, 1953, the McDonalds give this example of "Al Sarena" tactics:

"J. C. Murphy, John Day, Oregon, writes that after he has done a number of years of development work on his gold-silver-copper claims that will run a good grade of gold and copper as high as 70 per cent, the forest service has objected to his being allowed a patent. Their (the forest service) complaint is that he hasn't shown enough minerals."

The McDonalds cite some of the "weapons" they believe the

forest service and BLM has its arsenal for attacking mining efforts such as Al Sarena.

Title to Land Withheld

"Although clearly to law, certain 'joint titles' of the interior and culture departments would port to justify the forest in causing the title ing property to be from the rightful owner ever simply by refusing a statement of whether or does not intend to the passage of title mining company."

Sarena Case Again Target

Skelton, Eugene, who

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The McDonalds cite some of the "weapons" they believe the

forest service and BLM has in its arsenal for attack upon mining efforts such as that of Al Sarena.

Title to Land Withheld

"Although clearly contrary to law, certain 'joint regulations' of the interior and agriculture departments would purport to justify the forest service in causing the title to mining property to be withheld from the rightful owners forever simply by refusing to file a statement of whether it does or does not intend to contest the passage of title to the mining company."

The McDonalds contend that joint regulations of the two departments exempt the forest service from requirements of a fair trial, equal protection under the laws and the right to have detailed knowledge of charges brought against mining claims in contested cases.

In referring to the 1950 demurrer filed by Al Sarena in the Portland hearings on the contested claims, the McDonalds stated:

"Another preposterous 'regulation' used against mining claimants is one purporting to permit a trial while denying the mineral claimant his sub-

stantial right to compel, by demurrer or otherwise, the accuser to establish he has a bona fide case."

Charles declared, "Even a police court will allow these substantial rights to a common criminal. But for years, apparently the BLM has refused such rights to respected citizens brought before it in mineral contest cases."

The McDonalds called the BLM hearings a "kangaroo court" and said, "The minority report of a congressional committee reveals that many of the McDonalds' points were well taken and the department itself acknowledged that they

(the McDonalds) had not been given fair treatment."

The McDonalds charge the forest service and the bureau of land management have grossly violated many provisions of the administrative procedure act.

"Had a highly competent and impartial government, such as the bureau of land management, been called at the outset of the case in 1949, the job would have been properly done by this time the people of southern Oregon would be receiving employment from a healthy mining industry," the McDonald brothers said in a joint statement given The Oregonian.

Senator Neuberger Makes \$500 Offer for Recovery of Lost Al Sarena

Senator Richard L. Neuberger Sunday gave the Democratic answer to Republican Ellis' offer of \$1000 to anyone who could prove natural "giveaway" charges against President Eisenhower

and then-Secretary of Interior Douglas McKay.

Neuberger offered \$500 for the recovery of ore samples which were thrown into the Rogue river at Grants Pass in 1953 after the assay of similar samples which resulted in

granting of 15 disputed Al Sarena mining patents.

Ellis, Pendleton rancher and miner and an ex-state senator, insisted on "giveaway" proof "by due process of law"—meaning that he had to be sued in court—and withdrew his offer

September 1. He made the offer in May.

Neuberger said his \$500 would go to "any person who could produce and convincingly and positively identify" the Al Sarena ore samples, but that he

would not take back the money if it should go unclaimed.

"In no case," said Neuberger, "will I reclaim the sum myself. If the \$500 is not successfully obtained by November 1, Mrs. Neuberger and I intend to give it to Oregon College of

a Samples, Monmouth School May Profit

Education in Monmouth, as a scholarship to encourage future school teachers who wish to specialize in preparing students for careers in good government." Mrs. Neuberger, the senator explained, attended the Monmouth school.

Neuberger said there has been "no mining" and only "extensive cutting of timber" since the patents were granted, and that "disposal of the samples in the Rogue river eliminated

animous on this point. Among

the only means of checking assays made by an Alabama testing company."

The two engineers who took the ore samples — one representing Al Sarena owners and the other the U. S. bureau of mines—have testified they split the samples and retained half because of the danger that the ore specimens might be lost in transit to the testing laboratory, or that a broken crucible during testing might bring need for additional ore.

Samples Serve Purpose

Approaching winter, it was said, would have made it virtually impossible to get additional samples before spring. When the tests were completed, they said, they had no further use for the remaining samples.

Neuberger said "a clue to the general location of the missing samples" is indicated in the printed record of the senate and house committee hearings on the Al Sarena case.

He said the bureau of mines engineer — Richard N. Appling Jr.—testified the engineers had to go "about two blocks" to toss the samples in the river.

Representative Earl Chudoff, Pennsylvania Democrat, asked Appling if he always threw discarded samples in the river and Appling said he had kept any before."

PHOENIX, ARIZONA, JUNE 30, 1943

Oregon

A development tunnel on the 500-foot level is being driven by the **Al Sarena Mines, Inc.**, at Trail, Oregon. Values are in gold, silver, lead, and zinc. H. P. McDonald, now in Mobile, Alabama, is president of the company and H. P. McDonald, Jr. Box 122, Trail, is secretary and general manager. F. H. Altland, Trail, is mine superintendent. While continuous milling is not feasible under present war conditions, the company is maintaining production. The mill is a 100-ton flotation and gravity concentration plant.

4/16/59

Al Sarena Case Still Subject Of Discussion on Capital Hill

By A. ROBERT SMITH
Mail Tribune Washington
Correspondent

Washington—They are still talking about the Al Sarena case in Congress. That was



A. Robert Smith

the controversy over some mining claims in Rogue River National Forest that were patented by the Eisenhower administration to an Alabama firm after government experts said there was no mineral value on the property.

Rep. Mike Kerwin (D-Ohio) raised the issue during recent hearings on the Interior Department appropriation bill. Questioning Edward Woozley, director of the Bureau of Land Management, Kirwin asked:

"Did they ever discover those minerals that we gave Al Sarena with all that timber?"

Woozley—I think the minerals were discovered, but whether or not they are operating is a question. Gold prices are not too conducive to mining, and they have not been since 1934, as you know.

Reminds of Story

Kirwin—They are not mining. This reminds me of a story Bob Burns, the come-

dian, once told about his uncle. It took him three years to chisel a huge boulder out of the mountain overlooking Van Buren. He finally chiseled it away and the boulder rolled down the mountainside and destroyed every building in its path. They followed the boulder and when they got up to it to examine it carefully, his uncle said: "Just as I thought, no moss."

Kirwin—The same seems to be true of that mineral lease given to Al Sarena. After he removed thousands of dollars worth of timber, he found no (more) minerals.

Woozley—The timber is on a national forest.

Kirwin—I am glad you mentioned that. It was, but, of course, it is now private land, thanks to the approval of the mineral claim given by the Interior Department.

* * *

Uncertainty About Stars

There is still uncertainty about how many stars will

WRONG CHARGE

Newark, N.J. — (UPI) — Clarence Jones and Eugene Smith were cleared of charges — temporarily — Tuesday when each told Essex County Judge Walter Conklin:

"I didn't receive stolen goods, your honor. I stole them."

The new complaint calls it larceny.

appear in the American flag after the Fourth of July.

As of now the only official is that President Eisenhower has decreed (back on Jan. 3) that the 49-star flag shall become official on July 4, to cover the admission of Alaska as the 49th state.

But since then Hawaii has gone most of the way to becoming a state. She still must hold her elections, part of which involves a referendum on the question of whether Hawaiians want to join the Union. After the elections have been certified, the president can issue a proclamation admitting Hawaii.

The law says the number of stars in the flag is to change on the Fourth of July following the admission of a new state. That means, as of now, the 50th star would be added to the flag officially on July 4, 1960.

Procedure Short-Cut

Sen. Henry M. Jackson (D-Wash.) has put in a bill to short-cut these procedures for Hawaii, so that after the primary election she can be certified for inclusion in the flag that becomes official this July 4.

Alaskan senators protested this, however, because they think Alaska should have its hour of glory for a year before the 50-star flag takes over.

Now it looks like Jackson's plan is down the drain because the primary in Hawaii is expected to come on June 27, which would be too late to handle all the red tape before July 4.

But a New York congressman, Alfred Santangelo, has put in a new bill to make it 50 stars this year regardless of when Hawaii comes in. Alaskans are protesting this one as vigorously as the other.

Moral: Wait a few weeks more before buying that new flag.

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Al Serena Again

Stung by inferences drawn from reports of the U. S. Forest Service that the McDonalds harvested several million board feet of timber from their Al Serena mining claims, but mined no ore since patents were issued, Fay I. Bristol, representative from Josephine County and president of the Oregon Mining Association, contributed to the Grants Pass Daily Courier a guest editorial, "The Truth about Al Serena." Mining people have been greatly vexed over the inference that Al Serena claims were patented for their timber rather than for their minerals. Bristol recites the history of these claims, reporting they were discovered in the 1800s and worked by members of the Applegate family for over 40 years. Because the ore was of low grade they were unable to handle the mine properly. The McDonalds acquired the claims and from 1932 to 1940 worked the mine, taking out gold, silver, lead and zinc until the presidential order made gold mining illegal.

Proper development of the mine calls for a 2,000-tons-a-day mill and other equipment. Its installation, says Bristol, depends on a clear land title which is still not assured. Probably continued high mining costs and present lower prices for lead and zinc discourage further investment at this time. The owners have been, he says, core drilling and blocking out ore but not shipping.

The implication of bald-faced fraud in "mining" timber is not justified. Whether the claims are sufficiently mineralized ever to be profitable we do not know. But their history is one related to mining, not forestry.

What Bristol, as representative of the mining industry, complains of is the black eye given to mining development in Oregon by the politicians who have made capital out of the Al Serena patents. He protests, too, the new bill by Sen. Neuberger covering surface rights, saying its passage would mean "no new industrial raw material for Oregon and no new jobs."

We have no desire to rehash the Al Serena dispute; but we do want to emphasize the point that prospecting is a very risky business which may be kept alive only with the incentive of large profits. They should come from underground, not from timber harvest. Al Serena has been overplayed to the injury of the Oregon mining industry and to the unfair discredit of everyone who had anything to do with the Al Serena patents. As The Statesman observed in 1956 when the issue was under debate, the worst that could be said was that an error of judgment was made, not of intent; and Bristol and other mining men admit no such error.

Senator Neuberger Replies

Guest Editorial

UB

When we asked Rep. Fay Bristol to write a guest editorial about the Al Sarena case, we rather expected that his offering would bring a reply. It was not long delayed. Senator Richard Neuberger telephoned us from Washington and asked equal space and prominence to answer some of the charges made by Bristol. We were happy to grant the request, in view of a long-standing policy of always providing space for both sides of a controversial issue.

By SENATOR RICHARD NEUBERGER

I appreciate your willingness to grant me space in which to reply to the attack upon me voiced in your editorial column of March 3rd by State Representative Fay Bristol. Thank you very much.

At the outset, let me say that the true weakness of Mr. Bristol's arguments, and his fatal lack of objectivity, are demonstrated by his vicious charge that the mother of the Al Sarena operators "died of a heart attack caused by tension during the hearing called by Neuberger." I know nothing of the circumstances of the death of this lady, who to my knowledge never had any contact with the Congressional hearings on Al Sarena, and of course I profoundly sympathize with her family. But I think the misrepresentations with which the McDonald brothers, and their political spokesmen such as Mr. Bristol, have been willing to exploit her memory speak for themselves in showing the level at which these men seek to debate the question.

As a matter of fact, to keep the record straight, I did not call the hearings in the first place. The question of the Al Sarena patents came before the Congressional committees in the course of the extensive and valuable review of Federal timber sale policies that was initiated by the two chairmen of subcommittees of the Senate Interior and House Government Operations committees respectively, namely Senator James E. Murray of Montana and Representative Earl Chudoff, of Pennsylvania. As a member of the Senate subcommittee, I participated in these hearings and also in the Al Sarena hearings held jointly by these committees.

000 in their search for minerals. Is it his position that public timber, belonging to the people as a whole, should be given as a consolation prize to people whose mining ventures fail to pan out? I know of no such solace for people who invest unprofitably in farming, sawmill operations or running a small restaurant or store!

Mr. Bristol charged that "Neuberger has now introduced a bill to take property rights away from the mining industry and give control of this to the Department of Agriculture..." This is further demonstration of Mr. Bristol's irresponsible use of wild charges and "scare" language. What I have proposed is that, in National Forests, mining patents should convey title to mineral deposits and full rights necessary to mining operations, including the use of timber, but not title to the surface and timber insofar as not actually needed for mining. This is already the law on 8 National Forests, including Mt. Hood, and in no way interferes with mining.

Under these laws, and my bill, a mining firm can still obtain virtually free of charge the minerals in National Forests, and it is free to cut timber for use in pit props, flumes or cabins. But it could no longer convert the timber and other surface resources, unrelated to the minerals, to commercial gain by sale, as has happened on the Al Sarena patents. This is what Mr. Bristol attacks so intemperately. I wonder what Oregon lumbermen, who must pay high stumpage prices for their Federal timber from the National Forests, are to think of Mr. Bristol's insistence that others should continue to obtain their trees for nothing from the U. S. taxpayers, as the frosting on a patent obtained for the ostensible purpose of operating a mine?

Lumber is the basis for much of Oregon's economy. Josephine county will revive economically only if lumber revives. Yet lumbermen enjoy no such privileges as mining people demand for themselves in the National Forests.

vania. As a member of the Senate subcommittee, I participated in these hearings and also in the Al Sarena hearings held jointly by these committees.

I do not intend to impose on your generosity by reviewing again the joint findings of the two subcommittees with respect to Al Sarena. In brief, they found that the Solicitor of the Department of the Interior, under Secretary Douglas McKay, had granted the Al Sarena "mining" patents in the Rogue River National Forest by a special, unprecedented procedure that completely short-circuited the U. S. Forest Service, which had repeatedly protested the patent applications. Thus the National Forest timber standing on the claims went to the Al Sarena operators along with the "mining" patents in February, 1954, without even prior notice to the Forest Service of this final decision.

I put "mining" in quotes because in the four years since the patents issued, there has been no substantial mining activity on them. But nearly 3,000,000 board-feet of timber have been cut. This timber was obtained by Al Sarena with the patents, at no extra-cost.

Mr. Bristol made much of the fact that the McDonalds had invested \$200,-

Oregon's economy. Josephine county will revive economically only if lumber revives. Yet lumbermen enjoy no such privileges as mining people demand for themselves in the National Forests. When a lumberman in Grants Pass or elsewhere pays a high price for National Forest stumpage, he receives no right to any minerals or oil that may be discovered under the surface of the timberland. Yet mining operators, who receive free of charge the land where minerals might exist, seem to think they have an inalienable right to receive free of charge—and to log commercially—the trees growing on such land.

When the present mining laws were enacted, in the last century, the public lands and resources were so vast that there was little point in protecting the surface resources in granting mining patents. But can this policy still be consistent with the public interest today, when sustained timber yields and watershed management in the National Forests have become of vital importance to many communities and whole states and regions? I am convinced a new balance of interests is needed, and that is why I have introduced my bill to preserve timber and other surface resources in granting mineral patents in National Forests.

Al Sarena Symposium

Both sides have had their say, in a recapitulation of the Al Sarena case, and insofar as we are concerned the incident is closed. As a late-comer we hardly feel qualified to pass judgment on the claims and counter-claims.

Several other editors familiar with the Al Sarena case have commented on Rep. Fay Bristol's guest editorial, and replies by Sen. Neuberger and Rep. Porter.

Charles Sprague, writing in the Salem Statesman, concedes that "Al Sarena was overplayed to the injury of the Oregon mining industry and to the unfair discredit of everyone who had anything to do with the Al Sarena patents. As the Statesman observed in 1956 when the issue was under debate, the worst that could be said was that an error of judgment was made, not of intent; and Bristol and other mining men admit no such error."

Charles Stanton, writing in the Roseburg News-Review, concedes that the law in existence at the time may not have been "correct in principle, but it was the law. To deny the operators their legal rights was improper."

Stanton concludes a comprehensive review of Al Sarena by saying: "However, the very fact that corrective legislation has been introduced, is admission that the McDonald claims, insofar as the timber is concerned, were legal and that the issue, as raised at the last election, and obviously to be used again, was and is pure propaganda."

The Christian Science Monitor, in a dispatch by Richard L. Strout, staff writer, notes that "what is now considered to have been a loophole in the law was partly closed by amendment in 1955. Now Senator Richard L. Neuberger (D) of Oregon, with half a dozen other senators, offers a further and stronger amendment. It is intended to protect the taxpayers interest in the timber in national forests, irrespective of the mineral patents granted underground."

This amendment, as explained by Sen. Neuberger, allows the owner of a mining claim to use all the timber necessary for mine shafting and general mining purposes. Only the surface rights are involved, he asserts.

Now to quote Public Law 167, as enacted by the 84th Congress. This, incidentally, was the first change in mining laws of the United States for many years. The law stipulates:

Rights under any mining claim hereafter located under the mining laws of the United States shall be subject, prior to issuance of patent therefore, to the right of the United States to manage and dispose of the vegetative surface resources thereof and to manage other surface resources thereof.

*****The locator of an unpatented mining claim subject to the act is limited to his use of the claim to those uses specified in the act, namely prospecting, mining or processing operations and uses reasonably incident thereto. He is forbidden to use it for any other purpose such, for example, as filling stations, curio shops, cafes, tourist, or fishing and hunting camps. Except as such interference may result from uses permitted under the act, the locator of an unpatented mining claim subject to the act may not interfere with the right of the United States to manage the vegetative and other surface resources of the land, or use it so as to block access to or egress from adjacent public land, or use federal timber for purposes other than those permitted under the act, or block access to water needed in grazing use of the national forests or other public lands, or block access to recreational areas, or prevent agents of the federal government from crossing the locator's claim in order to reach adjacent land for the purpose of managing wild-game habitat or improving fishing streams so as to thwart the public harvest and proper management of fish and game resources on the public lands generally, both on located and on adjacent lands.**

This new law allows the Forest Service or Bureau of Land Management to sell any timber, or other surface resources from a mining claim at any time before the patent is issued. It is generally understood by the mining people that the issuance of the patent will be delayed until the sale is made of all timber resources.

It would appear, at least from the wordage of this law, that it is comprehensive in its own right.

The Truth About Al Sarena

Guest Editorial

Several Oregon editors have taken up Senator Neuberger's recent comment that time is proving the Democrats were right in the Al Sarena mining and timber controversy. It will be recalled that Neuberger recently said inquiries made of the Forest Service showed several million board feet of timber have been taken from the Al Sarena claim, but that no mining has been done.

The writer was in Central Oregon during the Al Sarena battle, and thus was not in first-hand position to get facts on the case. Obviously, however, the Democratic give-away charges were largely instrumental in the defeat of Doug McKay in his race for the U. S. Senate.

In view of what would appear to be acceptance by some Oregon newspapers that time has vindicated Neuberger, Morse and Porter in the Al Sarena case, we asked Fay Bristol, Josephine county representative in the Oregon legislature, to write the following guest editorial, outlining what actually happened. Bristol, a mining man, probably knows more about Al Sarena than anyone else in Southern Oregon.

By FAY BRISTOL

Do you want year around steady jobs in the State of Oregon?

Do you want diversified industry in Oregon?

These two important questions can be answered by the Al Sarena problem.

The Al Sarena mine was discovered in the eighteen hundreds by the Applegate family. These are the Applegates of the Applegate Trail fame. It was worked by them for over 40 years as a family project. Their best freight carload of ore brought them \$10,000, but their main problem was the property proved to be a large low grade type of mine, and they were not equipped to handle it.

It 1927 the McDonald family became interested in the mine. Ownership was then badly mixed up, many of the original Applegates had died and it was necessary to deal with a lot of heirs. After several years the McDonald family had enough control to start development work and from 1932 to 1941 they worked the mine, producing gold, silver, lead and zinc. In 1941, L-208 (an order issued by President Franklin D. Roosevelt) made it illegal to operate a gold mine in the U. S. A. for the duration of the war.

In 1940 the Al Sarena Mining Co., an Oregon corporation, decided that to make the mine a real success they needed a 2,000-ton a day mill and other equipment. They found people who would put up the money. These people were perfectly satisfied with everything except clear title to the property. The only way to clear the title was to patent the claims. This was started in 1940. It is now 18 years later, and the McDonalds still do not have a clear title.

If the McDonalds had invested the approximate \$200,000 in timberland in Southern Oregon, they could have

They now have possession of the mine, but have to wait until the "Statute of Limitation" runs out before they can get finances to operate. They have been core drilling and blocking out ore but not shipping.

They have lost their mother (the doctor diagnosed that she died of a heart attack caused by tension during the hearing called by Neuberger).

The timber is most all second growth because the Applegates set up a sawmill to cut timbers for the mine. Nearly a mile of tunnels and shafts take a lot of timber.

This hard working group of people moved to Oregon in the 1920's to establish a new large industry and they have been persecuted by the very people who should have tried to help them. Now this same group wishes to penalize everyone who wants to produce mineral in Oregon.

In only three items related to the Al Sarena case were theft, fraud or deceit found:

THEFT: — The only theft was from the files on the application for patent. Stolen were the papers, assays, etc. favorable to the patenting of the Al Sarena property. No trace was ever found of these records, nor any reason for their theft found. These files were in the office of Daniel L. Goldy, regional administrator of the Pacific Northwest office of the Bureau of Land Management. Daniel L. Goldy said he did not believe in property rights, to quote, "the people should get over their archaic ideas of property rights."

FRAUD: — The fraud was the taking of pictures of a clear cut (where the land is cleared of all trees and brush) timber operation located 12 miles from the mine and sending them to Drew Pearson for a nation-wide television show on which the pictures were shown as the Al Sarena mine. This was done by Congressman Charles O. Porter.

DECEIT: — The deceit was the offering of a \$500 reward for the finding of some samples taken at the Al Sarena mine and thrown in the Rogue river. The samples were as fine as "Dutch Cleanser" and were loose. The Rogue had had major floods since. The reward was offered by Senator Richard L. Neuberger. He knew all about the samples. Also he, Neuberger, knew they could not be found.

SCANDAL: — The scandal is that Richard L. Neuberger, Charles O. Porter and Daniel L. Goldy still hold high office in the government. Neuberger

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If the McDonalds had invested the approximate \$200,000 in timberland in Southern Oregon during the 1930's, at the going price of \$2.00 per acre, they would now own 100,000 acres of timber and would be wealthy respected people. Instead they tried to develop a large year around payroll in Jackson county, Oregon.

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SCANDAL: — The scandal is that Richard L. Neuberger, Charles O. Porter and Daniel L. Goldy still hold high office in the government. Neuberger has now introduced a bill to take property rights away from the mining industry and give control of this to the Department of Agriculture and Bureau of Land Management. This means no new industrial raw material for Oregon and no new jobs.

To the Editor:

If you want to know what "actually happened" in the Al Sarena case you cannot find out by reading Fay Bristol's guest editorial in the Courier, March 3, 1958, where "The Truth about Al Sarena" is not told.

Because I was accused of fraud and associated with theft, deceit and scandal, you will understand my wish to comment in your columns on Mr. Bristol's fantastic omissions and inaccuracies.

He ignores completely the main point of the Al Sarena case and tries to make it appear that those of us who protested were fighting industrial development in Oregon! What nonsense!

The scandal of Al Sarena lay in the procedural irregularities of Interior Department Solicitor Davis who, acting for McKay, permitted the introduction of new evidence at the appeal level. He never allowed the Forest Service or the Bureau of Land Management, agencies which had repeatedly opposed the patents on the evidence before them, to see the new evidence or to be heard at all.

What would Mr Bristol think if the Oregon Supreme Court decided a case on the basis of evidence that had never been before the Circuit Court and without allowing it to be tested according to our adversary system?

One of Secretary Seaton's first acts after taking over from McKay was to correct this sorry situation. I checked up on this when I first came to Washington last year and am satisfied that another Al Sarena cannot happen.

I never criticized the McDonalds. I did criticize McKay and Ellsworth for ignoring or defending unfair procedures which were used to give away (and the words apply exactly) valuable timber belonging to all the people.

Along with everyone else in Oregon I want year round steady jobs and diversified industry. Mr. Bristol fails to demonstrate their relevance to the Al Sarena case. I can only conclude that he would have preferred that the procedures, speedily corrected by Mr. Seaton, be left as they were.

Mr. Bristol charges me with fraud. I have committed no fraud on anyone. I admit, as I admitted publicly when it first came to my attention in 1956, that some of the pictures I had taken for Drew Pearson of the Al Sarena area did show cut-over areas which were not part of the Al Sarena logging operation. Rogue National Forest officials assured me the error was hard to avoid.

Who was deceived about what? Rogue National Forest timber was cut. It was valuable timber. These were the facts illustrated by the pictures and admitted by everyone. Nobody was misled.

I have introduced in the House of Representatives the identical bill Senator Neuberger and others introduced in the Senate, a bill I have been interested in since I came to Congress. It provides for separation of the surface and sub-surface rights, which means that the timber (except timber needed in the mining operation) will not pass along with the mineral rights when a claim is patented.

In some cases a part of the mining industry deserves a subsidy but the occasion and the amount of a subsidy should not depend on whether or not merchantable timber is growing on the claim.

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I hardly expected that the Al Sarena case would be an issue this year, the Interior Department having corrected the faulty procedures giving rise to our objections. However, I shall oblige Mr. Bristol or anyone else who claims to know the "truth" and misses the mark so far.

The issue is important, especially for Oregon where our economic future largely depends on the responsible management of our great federally owned resources, forest and mineral alike.

CHARLES O. PORTER,
Member of Congress.