January 6, 1938.

Dr. Rex B. Ross,
Graves Creek,
Oregon.

Dear Dr. Ross:

As per our conversation on December 29th, I am giving you what information I have on the Porphyry Group, worked by yourself and Mr. R. E. Reed of Leland, Oregon.

The property consists of eight unpatented mining claims held by location, located on Scoley Gulch on Coyote Creek, a tributary to the Rogue River. Further described as being in Sec. 28, T. 35 S., R. 5 W. The property may be reached by going North from Grants Pass on U. S. Highway No. 99, twenty-two miles to Laurel Camp, thence five miles east up Coyote Creek to the property. The Porphyry Group is located on the steep North side of St. Peters Mountain at about 2,000 feet elevation with abundance of suitable mining timbers on the property, with an annual rainfall of 33½ inches. The climate is mild and work can be done all year with ease. There is not a great amount of water on the property, but more water can be developed. According to our information you have one-half second feet approved by the State Water Commissioner on Scoley Gulch and Coyote Creek.

The country rock may be described as andesite porphyry which has been greatly altered and has an east-west strike and almost vertical dip. The gold occurs free and no sulphides were found. As a rule it is not hard and is very easily broken for mining. There are no distinct walls and the ore can only be determined by testing. Sample No. 409 was taken for the purpose of trying to determine if the values were in the porphyry or in the veinlets, cracks or crevices. Pieces of porphyry which did not have any cracks in them were washed so that all excess material was off and the sample run $0.35 indicating the values were elsewhere. Another sample No. 407 was taken of the quartz veinlets having a value of $3.15 in gold and $0.08 in silver. The results of these two samples would indicate surface enrichment in which the gold has been deposited in the cracks and crevices and it will be necessary to determine just to what depth this continues.

Two cross cut tunnels were started but the ground caved so badly that they have been abandoned. The most recent development work has been done with a Bulldozer in which a road has been constructed and the pay portion of the porphyry has been cut in five places. These cuts have been numbered numerically from one to five going from west to east. Cut one, which is the west cut, is about 750 feet west of cut five and there is a difference of 410 feet in elevation. My samples have been confined to cuts 1, 2 and 3 as per attached rough sketch.

#2 1-6-38 Dr. R.B.Ross

The following are a list of the samples taken:

Cut No. 1, total width sampled 50 feet.

Sample No. 208	S. 12½ feet	Au. $ 3.50	Ag.------
" " 209	12½ feet	" 9.10	" $0.12
" " 210	12½ feet	" 1.05	------
" " 211	N. 12½ feet	" 6.65	------
" " 209 was considered high and re-sampled as No. 410.			
" " 410		Au. 3.15	Ag. 0.08

Cut No. 2 approximately 70 feet east and 40 feet higher than cut No. 1. Total width sampled 25 feet.

Sample No. 252	N. 10 feet	Au. $ 2.80	Ag. ------
" " 253	S. 15 feet	" 13.65	" $0.08
" " 253 considered too high and re-sampled as No. 405.			
" " 405		Au. 1.40	Ag. ------

Cut No. 3, 350 feet east of cut No. 1 and approximately 75 feet above cut No.1, total width sampled 32 feet.

Sample No. 244	Center 9 feet	Au. $ 4.90	Ag. $0.06
" " 245	South 10 feet	" 12.60	" 0.15
" " 408	North 13 feet	" 2.10	" -----

Miscellaneous samples taken.

Sample No. 406	Width 6 feet	Au. $ 4.20	Ag. $1.08
" " 406 was taken across road approximately 100 feet west of Cut No. 3.			
" " 409	Porphyry Cut 1	Au. $ .35	Ag. -----
" " 407	Quartz veinlets Cut No. 1.	" 3.10	" $0.08

Total widths sampled was 101 feet average value of $3.16 exclusive of samples nos. 209, 253 and 245.

Two cyanide tests have been run with the following results:

Ten pounds of ore from cut No. 1 which assayed $5.50 was crushed to minus 1/4 mesh and put in a tube about six feet long and treated with ten pounds of water containing one-tenth of a per-cent cyanide solution. After this treatment the tailings assayed $1.40. Cyanide test No. 2 was performed in the same way except the ore was ground to a minus twenty and it was found the cyanide solution would not percolate. The purpose of using this method of testing the ore was to determine if it was susceptible to heap leaching, such as is at present being carried on at the Greenback Mine. This process consists of piling the ore up about six feet deep on a large rubber mat and pumping cyanide solution on the pile. The solution percolates down through the ore and is re-collected by the rubber mat. The solution is then treated in the regular manner. Mining and Milling should not exceed $2.00 per ton.

#3 1-6-38 Dr.R.B.Ross

More sampling should be done on this deposit as I have not reached the limits of the deposit in any direction. Fifty or sixty pounds should be taken in each sample and ground to minus quarter inch mesh before quartering if the results are expected to check. The ore is very suseptible to cyanide treatment and test will have to be run to determine what fineness necessary to give the best recovery. My work indicates that it will not be necessary to grind any finer than minus ten at most.

Yours very truly,

J. E. Morrison,
Mining Geologist.

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