

ENGINEERS REPORT

CLAIMS #1 & 2 DEFIANCE, AT LAST & LUNA

JOSEPHINE COUNTY, STATE OF OREGON

Owner H.B. (Hank) Scott, Kerby, Oregon.

(Also known as The Ackley Mines)

This property is located on Josephine Creek, in Josephine County, State of Oregon, about five miles West of the town of Kerby, Oregon and consists of four full claims of placer ground, known as Defiance #1 & 2, The At Last and the Luna claim (known locally as the Ackley mines).

We found these claims located on a high bar on an old channel on the East side of Josephine creek in Sections 1, 2, 35 & 36 in townships 38 and 39 South, range 9 West of the Willamette Meridian, in said County and State.

The three claims known as Defiance #1 and #2 and the At Last are adjoining and extend their full lengths up and down the said creek, each claim extending 600 feet in an Easterly direction from the center of the creek and each having a length of 1500 feet, making the combined dimension of these three claims 600' x 1500', thus assuring plenty of room for dumping, also for the exploitation of the valuable sands in the present channel, which evidently has valuable concentrates from former mining operations on each side of the creek, during the process of which there has not been any attempt made to save the valuable "black sand concentrates"; and we find that these sands contain very valuable deposits of both platinum and iridium, as well as a large quantity of fine gold, which has run over the ordinary sluice boxes and wasted into the creek.

The above mentioned three adjoining claims have a serpentine bed rock, and lay almost uniformly 30 ft. above the present channel, with a high rim between the old channel and the present one. These bars have an average width of about 300 ft. and an average of 12 or more feet in depth; the total length of the bars is about 4,000 ft. for the three claims. The overburden consists of surface wash, and runs from practically nothing at the rim, or creek side, to about thirty ft. back next to the hills; there are no indications of any cement gravel, or clay, and the gravel deposit washes unusually clean and is free from very large boulders (there being a few which will require the use of power hoist to handle).

The Luna claim lays up stream from the above mentioned three, about one mile, and the conditions are about the same there as above described, excepting that this claim has very little overburden and contains a considerable number of large boulders, which undoubtedly accounts for the fact that it was not worked by hand methods a number of years ago, as it is ideally located just opposite the mouth of Canyon creek and over the apparent old channel bed, and should prove an exceptionally good claim and easily worked by hydraulic methods, now that water is available.

As to values will say that after taking samples from several levels, and locations, and by observing the formations, also inspecting other engineers reports and assays of concentrates (Certified), that the GOLD contents run from fifty cents, near the top of the gravel, up to several dollars at bed-rock, gradually graduating between the two points. This is evidenced by the following results which we have obtained from tests just completed:-

We had twelve wheel barrow loads, each containing approximately two cubic feet, taken from random spots, selected by us, from points ranging from six feet above down to the bed-rock; this from virgin gravel, taken from the faces of the open pit and tunnels, and had this washed, under ordinary conditions and with very crude equipment, and found the GOLD contents to be eleven penny weight (11 dwt.) and three grains (3 gr.) and the black sand concentrates saved therefrom to contain the sum of \$1.26, according to the enclosed assayer's report, all of which was taken from the above mentioned 12 wheel barrow loads of material (approximately one cubic yard). All the gold is rather coarse and very easily saved in ordinary sluice box riffles; the largest individual piece in this sample had a value of 32 cents. (The largest individual piece recovered from any sample taken being a little over \$4.00) Total values recovered from above mentioned sample was \$17.76, based on a \$30.00 per oz. net price (this being slightly under the actual average prices received from mint).

As to development and equipment, we found two sets of buildings, located about one-half mile apart, one three-room living quarters near the South end of the three claims, and near the present workings, and one one room shack near the center of the property; there is a stone supply storage house at the location of the three room house, also woodsheds and other outbuildings at each place; there is a black-smith shop and all necessary mining tools, about 800 ft. of hydraulic pipe, ranging from 22" down to 11" in diameter and one #2 Giant in good repair, and one in need of some repairs.

The present owner, Mr. H.B. Scutt, has cut a race through the rim of the serpentine bed-rock from the old back channel out to the present creek channel for a distance of about 200 ft.; this open cut runs from about 17 ft. at the outer end down to practically nothing at the intersection of the old channel, it has an average width of about four feet, and a grade of 3/4" to the foot, and in which there is placed a sluice box 3' x 4' containing two or three types of ordinary wooden riffles; he has cleaned the bed-rock off, in the open pit, in a space averaging about 70 ft. in width and about 150 ft. in length; he has also drifted tunnels along the bed-rock both length and crosswise for distances of approximately fifty feet each way; thus giving us a fair idea of the extent of the pay-streak and the width of the old channel bed. There is an open ditch and flume line built along the hill sides for a distance of about five miles, through which the water is diverted from the creek (Jesephine); this ditch has an average width of 30" and an average depth of approximately 24" and a grade of from one to two per cent and is in fair condition; This ditch is built, the greater part of the distance through a rock formation and will deliver ample water to run the giant at full capacity with considerable by-pass for operating a "self shooter" now installed on the property; this ditch delivers the water at an elevation of 226' above the present workings, and will be considerable higher as it is extended down stream as may be required (the present stream channel has an average grade of 2.7'). We are informed that this water is available in this quantity for at least eight months of each year. We consider that the ditch is one of the most valuable assets of the present developments, as the water could very easily be sold to other property holders when these claims are worked out. This ditch will require some repairs and minor repairs to the flumes during the time required to work off these claims.

We would suggest working the bars from the lower ends of each bar; this would eliminate the necessity of cutting deep races through the rim of serpentine bed rock out to the present channel, and by working from the lower ends, it would also provide a more natural drainage, also a higher dump for the tailings.

There is a new Forest Service road built within one mile of the mines which could be easily extended around the hill-side to the property at a reasonable cost. At present, during the rainy season, it is necessary to pack all supplies, over a fair pack trail, for a distance of about ~~three~~ miles from the end of the old graded roadway; this should be overcome after the present season, as the other road should be settled by that time, and a new trail built from the end thereof.

We recommend this property, without any hesitancy and feel sure that it could be made into a very profitable placer mine, if a few minor changes are made and properly worked with the water now available.

We have prepared accurate maps of the district, showing all roads, trails, streams, Government Survey lines, recorded property boundary lines and other data sufficient to enable you to form an idea of the conditions as they now exist.

Dated this fifth day of December 1933.

(Signed) W.W.Weybright

Made for Thos. Hendricks.

Examiner

COPY

COPY

(Signed) W.E.Blair

Surveyor

NOTE:— Both parties hereto subscribing have each had over thirty years experience in their respective lines of work; Mr. Weybright having mined in this district (South - ern Oregon) for more than thirty years. (Anon.)

Being one of the parties subscribing to the above report, I have been asked

in the district (Josephine Creek Mining District) up to May 1 1936 and during this time I was on the property described in this report a number of times, and made numerous tests in various places on these claims, also saw it worked by the other owners and observed other engineers making their reports on the property, and talked with them about their findings, and have also been shown some of these subsequent reports, and found that they did not differ in any way very materially deviate from the facts shown in this report, however, there are a few changes that I would make, if I were making a report on this property at this time, after becoming thoroughly acquainted with it and the conditions prevailing in the district, viz.:

1 I have learned that the water supply in that district is not dependable, in sufficient quantity, for more than six or seven months of the year, and further that the particular ditch and flume line described in this report will require considerable more repairs than this report would lead one to believe, however this water-right is one of the best in the district, and this ditch can be fixed at a reasonable cost, so that it would supply all necessary water for the successful hydraulic mining of these claims, and for as long a running season as any in the district.

2 Since the above report was written, there has been additional buildings constructed on the property for the housing of all necessary help, a lighting plant installed, also power hoist and other equipment for the removal of the larger stones; the "self-shooter" has been abandoned and destroyed, having proved to be too wasteful, and the power hoist more economical for the disposition of the larger boulders.

3 Now that there have been shafts sunken to bed-rock in a number of places, and numerous tunnels driven across the "pay-streak" the full extent of this rich "pay-streak" can be very accurately ascertained, and further that it is almost a positively known fact that the said "pay-streak" or old channel running across what is described as Defiance #1 claim is 80' in width and 1200' in length, however it has been found that the pitch of the bed-rock is greater than indicated in this report, making the depth from the surface considerable more than shown. There have not been sufficient developments made on the other claims to make any material changes in the report.

4 Samples taken from all levels, and from shafts and tunnels in various places all over the Defiance #1 claim show that there is an over-burden of non-productive material deposited over the entire bar which will average about two feet in depth, that below this point, and outside of the "pay-streak" the deposits will run from \$0.50 to \$3.00 per sq. yd. gradually increasing at all points from two ft. below the surface down to bed-rock, and judging from recoveries made from extensive mining operations done along the old channel, or "pay-streak", which is about 80 feet in width, and about seven feet in depth, would estimate the average to be about \$15.00 per cu. yd. having actually seen tests of several yards run that averaged as high as \$20.00 per yd.

5 In addition to the above, there is one other question that any prospective buyers would want answered relative to this property, that I would want incorporated in my report, if made at this time, and that is why it has not been worked more extensively, if as valuable as indicated; this question is one that is rather hard to explain in a report; but will say that, from my own certain knowledge, during more than three years past, the property has been in constant litigation, principally among the owners, or claimants, themselves, and at this time I really do not know who are the real legal owners thereof, however, I have been reliably informed that a responsible firm of attorneys in Grants Pass have made the offer to guarantee an absolute perfect title to the property and all appurtenances thereto belonging, if any purchaser will place the purchase price of \$10,000.00 in escrow with instructions to be delivered to them upon the surrender of said satisfactory title within sixty days from date of deposit; this however, is offered only as an explanation, and not as an actual fact.

These comments, made upon request, as indicated, this 9th day of ~~December~~ January 1937 and are made without promise of favor and also without prejudice in any manner whatsoever.

(Signed)

W. E. Blair
383 Pittock Block,
Portland, Oregon.

Dated January 9, 1937