

OREGON DEPARTMENT OF GEOLOGY & MINERAL INDUSTRIES
MINED LAND RECLAMATION
1536 QUEEN AVENUE SE
ALBANY OR 97321

GRANT OF TOTAL EXEMPTION

Robert Webster
454 Grey Cliff Ct.
St. Helens OR 97018

ID No.: 17-0115
County: Josephine
Site:
Section: 29;32
Twp: 40S
Range: 6W

Pursuant to ORS 517.750 through 517.990 as amended, the above-named permittee is granted an exemption from the requirements for a reclamation plan and a bond for this site. The basis for granting this Total Exemption is shown below:

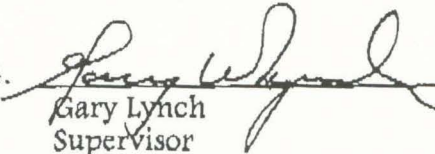
- 1. Access roads borrow pit or quarry (ORS 517.750(15)(a)).
- 2. On-site construction (ORS 517.750(15)(b)).
- 3. The site is less than one acre and a total of less than 5,000 cubic yards of mineral have been or will be removed per year (ORS 517.750(15)(a)).
- 4. The site has qualified for a Grant of Limited Exemption as defined by ORS 517.770, but annual production is less than 5,000 cubic yards.
- 5. Other.

Issuance of this Grant of Total Exemption is not a finding of compliance with state-wide planning goals or the acknowledged comprehensive plan. The applicant must receive land use approval from local government before using this exemption.

PENALTIES

It is the responsibility of the permittee to notify the department prior to expansion beyond the limits in existence as of the date of issue. Failure to do so places the permittee in the position of conducting a surface mining operation without a permit and subject to the penalties set forth in ORS 517.990(3) or (5).

Issued this 16 day of September, 1994.


Gary Lynch
Supervisor

c: Josephine County Planning Department
DEQ - Medford; SW Region

RENEWAL IS REQUIRED BY JULY 31 1995

8413 JOSEPHINE COUNTY TAX ACCOUNT SUMMARY

INTEREST THRU- 8/11/92

ACCOUNT 30335233 MAP 40060000 TAXLOT 30000 TAGE 0 LNDCL 400
 POSTED REFE TRDATE BLDCL 0
 TROW, LARRY R & BAKER, SUZANNE 1/2 EA PYMT 122091 80292 120291
 POST 11392 MAS 123091

25181 BALD PEAK RD

HILLSBORO OR 971238705 EXCHE TAX ML 038 25181 BALD PEAK RD/HILLS
 CODE# 5 RM VALUE 12600 ASSESSED 12600 EXEMPT 0
 WAR & YR REC NO DATE GROSS TAXES STATE PAY TRIMESTER BALANCE DUE INTEREST
 0 92 80292 120291 154.77 0.00 51.59 0.00 0.00

INO63

8552 MAP 40060000 TAXLOT 30000 SPLIT 0 MA 6 JV 50033 AUDATE 220792
 ACCOUNT 30335233 LANDCL 400 BLDCL 0 SRT 0 APRE 0
 TROW, LARRY R & BAKER, SUZANNE 1/2 EA

25181 BALD PEAK RD
 HILLSBORO OR
 SITUS

971238705

CD	ACRES	LAND	IMPROVE	MOBILE	GROSS	VETS	DOWNZN
ASSESSED VALUE							
5	20.00	12600.00	0.00	0.00	12600.00	0.00	0.00
PRIOR YEAR							
	20.00	12600.00	0.00	0.00	12600.00	0.00	

THIS DATA MAY BE SUBJECT TO CHANGE

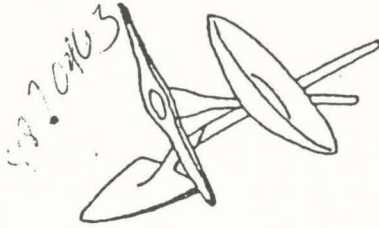
0 FPACRE 20.00

*20 acre claim
 1800 ft. of creek
 all weather rd
 2 miles from Oregon caves
 4 level chalet (cabin - (not finished))
 Drained in.
 claim is patented*

*640 value in acres of \$50,000
 net acre 600 per yr
 with 2 men working it*

*454 in Diameter
 180 ft to first limb -
 17 in dia in Diameter
 J*

Only 3x sure world was it



patented the land mineral patent

Fed govt sells ppty - for \$2.15 per acre w/ mineral rights (all rights)

Intent was for mineral dev. mineral exam was done by forestry -

REPORT

OF

MINERAL EXAMINATION

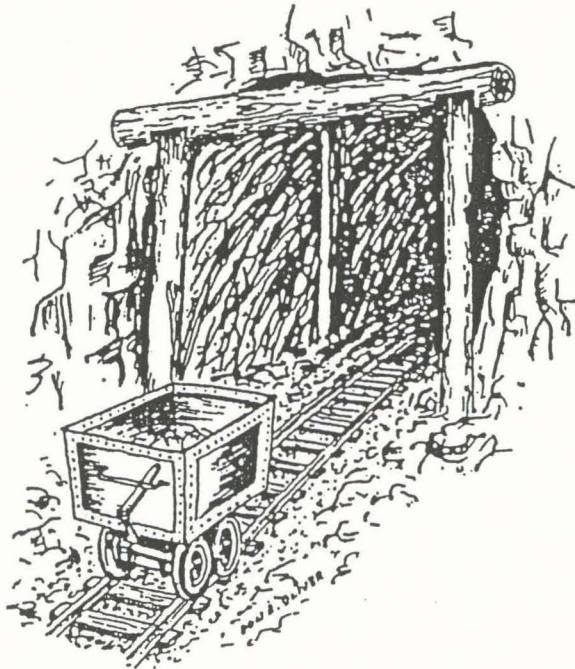
log cabin
Chalet - framed

O&C - owned by
Fed & City -

Fed - owns land
City - owns veg. resources -

2 creeks on property -

- man of Tec.
- owns business



REPORT OF MINERAL EXAMINATION

Case No. 1064

Claimants: Larry R. Trow
P O Box 1423
Cave Junction, OR 97523

Suzanne Baker
19140 SW Henning Street
Aloha, OR 97006

Reason for Examination: Administrative problem involving evaluation
of a plan of operations.

Subject: Validity of Mining Claim.

Lands Involved: The JU-BE-LI placer mining claim is a gulch
placer located by metes and bounds in
T.40S., R.6W., W.M. in part of Sections 28,
29, 32 and 33, Siskiyou National Forest,
Josephine County, Oregon.

Land Status: National Forest lands open to mineral entry.

Location Data: See page 2.

Mining District: Sucker Creek Mining District.

Mining Engineer: Gordon R. Lyda.

Dates of Examination: October 25 and 26, 1982.

Accompanied By: Larry R. Trow, Claimant
Cliff Baker, Claimant's Associate
Don McLennan, Supervisory Forester
Greg Schimke, Forestry Technician
Illinois Valley Ranger District,
Siskiyou National Forest.

LOCATION DATA

<u>Document</u>	<u>Claimant</u>	<u>Date Recorded</u>	<u>Volume</u>	<u>Page</u>
Location Notice	Charles C. Brown	June 2, 1976	82	1053
Amended Notice	Charles C. Brown	June 8, 1976	82	1203
2nd Amended Notice	Charles C. Brown	June 17, 1976	82	1211
Quitclaim Deed	C.C. Brown to F.L. Vanlandingham	July 31, 1979	19	319
Quitclaim Deed :	F.L. Vanlandingham to Larry R. Trow and Suzanne Baker	June 10, 1981	14	786
Amended Notice	Larry Trow	February 10, 1982	22	477

Recorded with the Oregon State Office of the Bureau of Land Management,
Serial No. 24393.

ABSTRACT

The JU-BE-LI placer mining claim is located on Sucker Creek, about 23 miles, by road, from Cave Junction, Oregon.

Altered volcanic and sedimentary rocks of the Applegate Group underlie the area. The gold placer deposits along Sucker Creek are the result of natural erosional forces on gold-rich quartz veins that have intruded the rocks of the Applegate Group.

Mining has occurred along Sucker Creek intermittently since 1853, although the total production is unrecorded.

The discovery of a valuable mineral deposit has been made within the boundaries of the claim.

A plan of operation should be negotiated to permit normal mining operations and provide necessary protection for the surface resources.

Location and Topography

The JU-BE-LI placer mining claim is located on Sucker Creek at its juncture with Layman Gulch within the Siskiyou National Forest, Josephine County, Oregon. This claim is a gulch placer mining claim located by metes and bounds within T.40S., R.6W., W.M. in part of Sections 28, 29, 32 and 33. Access from Cave Junction, Oregon is via State Highway 46 and Forest Service Road #4612, a distance of about 23 miles over all-weather roads. The subject area is characterized by a high stream gradient of 4-5% in a narrow canyon with steep side slopes of a maximum 60%.

Surface Values

A moderate soil cover of 1-3 feet supports an appreciable stand of merchantable timber, mostly Douglas-fir with some cedar. The recreational values of the area are generally limited to hiking and camping. The Sucker Creek Trail parallels the creek through the length of the mining claim.

Areal Geology

Sucker Creek, throughout most of its length, flows over rocks of the Applegate Group. The probable age of these rocks is from Early Permian to Late Triassic. The Oregon Department of Geology and Mineral Industries in cooperation with the U.S. Geological Survey has described these rocks as primarily volcanic in origin, that did include pillow lavas, tuffs, breccias and agglomerates. Extensive folding and minor faulting, accompanied by intrusions of gabbro and diabase dikes, have occurred. The sedimentary rocks present have been altered to quartzite, argillite, phyllite, schist, chert and, locally, marble.

Economic Geology

Intrusive activity, subsequent to faulting, is the source of the metalliferous mineral deposits found in the Applegate Group. Quartz veins, often containing gold, have penetrated the different types of rocks along the fault planes. Natural erosional forces have subsequently freed and concentrated the gold of these quartz veins to form the placer deposits along Sucker Creek.

History and Production

Gold placer mining operations began on Sucker Creek in 1853 and have continued intermittently to date. Total production is typically unreported, but based on the physical evidence of past mining activity, the amount of gold recovered must be several thousands of ounces.

Pertinent Information

The claimant was present during this examination and did indicate the point of discovery. Operating and capital cost data was obtained from the claimant.

Occupancy

A tent frame structure and a camp trailer located on the claim are occupied intermittently. A permanent residential structure is partially completed.

Discovery

The point of discovery, as indicated by Mr. Trow, is located in a pit on the west side of Sucker Creek. Bedrock is exposed in the bottom of the pit. After carefully exposing a clean face at the indicated point of discovery, a sample was taken from bedrock up the bank to a point 5 feet, vertically, above bedrock. This sample was taken with the claimant's crawler, front-end loader which has a measured bucket capacity of 0.78 cubic yard. The loader bucket was mechanically loaded as full as practical and then the measured bucket capacity was achieved by hand shoveling. Materials greater than 2 inches in diameter were excluded as much as practical, so that this sample represents only materials less than 2 inches in diameter. At a swell factor of 15%, as a result of this type of loading, the bucket capacity is equal to 0.67 or 2/3 a bank cubic yard (bcy).

The sample, thus obtained, was treated in a Denver Gold Saver. The concentrates from this operation were then panned down to a final concentrate and labelled Sample No. 82-017. Sample No. 82-017 was submitted to the Union Assay Office, Inc. of Salt Lake City, Utah for fire assay to determine the total contained gold and silver.

The results of this assay are:

Gold	-	2109.068 mg.
Silver	-	365.1 mg.

Based on measurements taken during a tape traverse, the total volume of gravels within the boundaries of the JU-BE-LI placer mining claim is estimated to be 42,200 bcy. The approximate size distribution of this material is: 20%, + 6 inches in diameter, 50%, 6-2 inches in diameter and 30%, - 2 inches in diameter. Thus the above sample represents (0.30) (42,200 bcy) = 12,660 bcy. of gravels suitable for processing.

The value of the gold and silver on October 26, 1982 as quoted in the November issue of Engineering and Mining Journal is:

Gold	-	\$419.25/tr. oz.
Silver	-	10.01/tr. oz.

And therefore the gross value per bcy of gravels suitable for processing is:

Gold	-	\$42.64/bcy
Silver	-	0.18/bcy
		<u>\$42.82/bcy</u>

The maximum value of this gold placer deposit is:

12,660 bcy X \$42.82/bcy = \$542,101

At the time of this examination, certain mining equipment was in place on the JU-BE-LI placer mining claim. This equipment should be adequate to accomplish the proposed mining activity. The projected operating capabilities and the capital cost data for this equipment was willingly provided by the claimant.

<u>Equipment</u>	<u>Cost</u>
Trommel and sluice	\$10,000
Front-end loader, crawler	20,000
Dump truck	3,800
Misc. pipe and pump	1,200
Total capital equipment cost	<u>\$35,000</u>

The production capabilities of the claimant's equipment should average about 25 bcy per day. The trommel and sluice can process materials 2 inches in diameter and less; therefore, it will be necessary to remove all oversize material, i.e., greater than 2 inches in diameter, from the trommel feed. The requirements of timber removal, land clearing and reclamation will also affect the daily rate of processing the valuable gravels. At a rate of 25 bcy per day, 250 working days per year, the total time required to mine the estimated 42,200 bcy of gravels within the boundaries of the JU-BE-LI placer mining claim should be:

$$\frac{42,200 \text{ bcy}}{25 \text{ bcy/d} \times 250 \text{ d/y}} = \frac{42,200 \text{ bcy}}{6250 \text{ bcy/y}} = 6.75 \text{ year}$$

Assume:

7 years to operate and amortize capital costs, 12% rate of return on investment, 2 men working 8 hours per day, 250 days per year @ \$3.35 per hour, 30% fringe benefits. Annual labor costs equals annual operating costs.

Labor cost = (\$3.35)(1.30)(2)(8)(250)	=	\$17,420
Operating costs = Labor costs	=	17,420
ROI = (\$35,000)(0.21912) *	=	7,670
Annual Costs	=	<u>\$42,410</u>

*Capital recovery factor.

Annual gross value = <u>\$542,101</u>	=	\$77,443
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Annual net value (before taxes)	=	\$35,033
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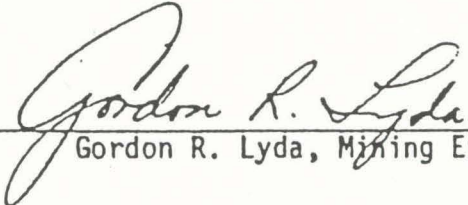
Conclusions

The discovery of a valuable mineral deposit has been made within the boundaries of the JU-BE-LI placer mining claim.

Recommendations

Negotiate a plan of operations which will permit normal mining activities and will provide necessary protection for the surface resources within the boundaries of the JU-BE-LI placer mining claim.

Date: 1 December 1982


Gordon R. Lyda, Mining Engineer

Approved:
Date: 12/6/82


Milvoy M. Suchy, Regional Mining Engineer



United States
Department of
Agriculture

Forest
Service

Siskiyou
National
Forest

200 NE Greenfield Rd
PO Box 440
Grants Pass, OR 97526

Reply To: 2810

Date: October 29, 1984

Union Assay Office, Inc.
269 Brooklyn Avenue
P.O. Box 1528
Salt Lake City, Utah 84110

Gentleman:

Please fire assay the enclosed Sample No. 84-015, 84-016, and 84-017 for total contained gold and silver. Report the results in milligrams of total contained gold and silver.

A purchase order is enclosed.

Sincerely,

GORDON R. LYDA
Mining Engineer

Enclosure

GLyda/paf



Telephone 363-3302

Hand Sample Serial.....8576-8578.

ASSAY REPORT
UNION ASSAY OFFICE, Inc.

BRYANT L. LARSEN, President
JAMES G. STRATTON, Vice President
A.S. JOLLIFFE, Treasurer
JAMES W. GARRETT, Secretary
P.O. Box 1528
Salt Lake City, Utah 84110
(801) 363-3302

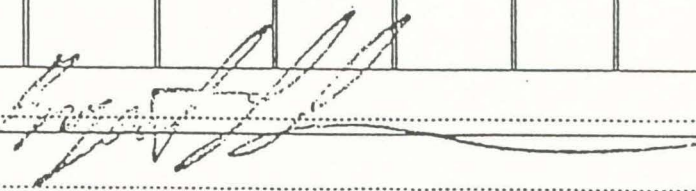
MineUSDA-Forest Service.....
200 N.E. Greenfield Rd
.....Grants Pass, OR.....
RESULTS PER TON OF 2000 POUNDS

Nov 6, 1984

NUMBER	GOLD Grains	SILVER Grains	LEAD Per Cent	COPPER Per Cent	INSOL. Per Cent	ZINC Per Cent	SULPHUR Per Cent	IRON Per Cent	LIME Per Cent	Per Cent	Per Cent
	Total Mg's										
84-015	398.325	65.1									

Remarks P.O. 40-0M00-5-039

Charges \$ 36.00



PURCHASE ORDER

1 NUMBER	2 RECEIVING OFFICE NO	3 CONTRACT NUMBER	4 ORDER DATE	5 SF-37	6 UNIT CODE	7 FUND CODE	8 ORDER NUMBER	9 SUB.
1	0000	OM	102984	5	11	TS	40-OM00-5-039	

CHECK ONE <input type="checkbox"/> Purchase Order <input type="checkbox"/> Delivery Order	10 TO: (Seller)	11 SHIP TO: (Consignee and Destination)
	Union Assay Office, Inc. 269 Brooklyn Ave. P.O. Box 1528 Salt Lake City, UT 84110	USDA - Forest Service Siskiyou National Forest 200 N.E. Greenfield Rd. P.O. Box 440 Grants Pass, OR 97526

12 LINE ITEM	13 ACT. CODE	14 DESCRIPTION	15 BUDGET OBJECT	16 ACC. LINE	17 QUANTITY	18 UNIT ISSUE	19 UNIT PRICE	20 AMOUNT
11		Fire assay sample No.'s 84-015, 84-016 and 84-017 for total contained gold and silver. Report the results in milligrams of contained gold and silver. Return the Assay Certificate to the attention of Gordon Lyda	2570	1	3	KA	12.00	36 00

22 DISCOUNT TERMS	25
Destination	Sub-Total ▶ 36 00

24 SHIP VIA	26 ESTIMATED FREIGHT	27
Nov. 15, 1984	-0-	TOTAL ▶ 36 00

29 ACCOUNTING CLASSIFICATION	30 DISTRIBUTION	31 AMOUNT
A 5 B 10 C 3 D 4 E 1-4 1-2 60 9	2	

SENDING OFFICE NAME AND ADDRESS Siskiyou National Forest 200 N.E. Greenfield Rd. P.O. Box 440 Grants Pass, OR 97526	ORDERED BY (Name and Title) GAYLE STOUT, Contracting Officer PHONE (Area Code and Number) (503) 479-5301 ext. 228 FTS 424-3932 AUTHORIZED SIGNATURE <i>Gayle Stout</i>
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Bureau of Land Management
Oregon State Office
325 NE Multnomah St.
P. O. BOX 2965
Portland, OR 97208

OR 36669
38609 (943.32)

SEP 20 1985

IMPORTANT DOCUMENT ATTACHED

Patent No. 36-85-0061

RECEIVED

SEP 27 1985

Josephine County Assessor

Larry R. Trow
Suzanne Baker
E Suzanne Baker
19140 SW Heming Street
Aloha, Oregon 97006

Dear Mr. Trow and Ms. Baker:

We are happy to send you the attached mineral patent to the land described therein.

This is the original document conveying the land to you from the United States of America. It should be recorded in the County Recorder's Office for Josephine County, and then kept in a safe place.

Sincerely,

Champ C. Vaughan, Jr.

Acting Chief, Branch of
Lands and Minerals Operations

Enclosure

cc:

- ✓ County Assessor w/copy of patent
- U.S. Forest Service, Portland, w/copy of patent
- Larry R. Trow, 5593 SE Pueblo St., Hillsboro, OR 97123

50035

The United States of America

To all to whom these presents shall come, Greeting:

WHEREAS, Under the General Mining Laws, R.S. 2329, 2331, as amended, 30 U.S.C. 35 (1982), Larry R. Trow and Suzanne Baker, are entitled to a Mineral Patent for that certain placer mining claim known as the JU-BE-LI, situated in the County of Josephine, State of Oregon, and embracing the land described as follows:

Willamette Meridian, Oregon.

Township 40 South, Range 6 West,
Section 28, $W\frac{1}{2}SW\frac{1}{4}SW\frac{1}{4}SW\frac{1}{4}$;
Section 29, $E\frac{1}{2}SE\frac{1}{4}SE\frac{1}{4}SE\frac{1}{4}$;
Section 32, $E\frac{1}{2}NE\frac{1}{4}NE\frac{1}{4}NE\frac{1}{4}$;
Section 33, $W\frac{1}{2}NW\frac{1}{4}NW\frac{1}{4}NW\frac{1}{4}$.

The premises herein granted contain 20.00 acres.

NOW KNOW YE, That pursuant to the laws aforesaid there is hereby granted by the UNITED STATES unto the said Larry R. Trow, and Suzanne Baker, each, an undivided one-half ($1/2$) interest, the said placer mining premises hereinbefore described;

TO HAVE AND TO HOLD said mining premises, together with all the rights, privileges, immunities, and appurtenances of whatsoever nature thereunto belonging, unto the said grantees above named and to their heirs and assigns forever;

EXCEPTING AND RESERVING TO THE UNITED STATES from the land so granted:

1. A right-of-way thereon for ditches or canals constructed by the authority of the United States. Act of August 30, 1890, 26 Stat. 391, 43 U.S.C. 945;
2. The timber now or hereafter growing on that portion of the claim embracing the $E\frac{1}{2}NE\frac{1}{4}NE\frac{1}{4}NE\frac{1}{4}$ of Section 29 and the $W\frac{1}{2}NW\frac{1}{4}NW\frac{1}{4}NW\frac{1}{4}$ of Section 33, together with the right to manage and dispose of the timber as provided by law, in accordance with and subject to the provisions of the Act of April 8, 1948 (62 Stat. 162); and

SUBJECT TO the following conditions and stipulations:

- A. That the grant hereby made is restricted in its exterior limits to the boundaries of the said mining premises, and to any veins or lodes of quartz or other rock in place bearing gold, silver, cinnabar, lead, tin, copper, or other valuable deposits, which may have been discovered within said limits subsequent to and which were not known to exist on December 9, 1983;
- B. That should any vein or lode of quartz or other rock in place bearing gold, silver, cinnabar, lead, tin, copper, or other valuable deposits be claimed or known to exist within the above-described premises on December 9, 1983, the same is expressly excepted and excluded from this patent. (30 U.S.C. 37); and
- C. That in the absence of necessary legislation by Congress, the Legislature of the State of Oregon may provide rules for working the mining claims or premises hereby granted, involving easements, drainage, and other necessary means to its complete development.

[SEAL]

IN TESTIMONY WHEREOF, the undersigned authorized officer of the Bureau of Land Management, in accordance with the provisions of the Act of June 17, 1948 (62 Stat. 476), has, in the name of the United States, caused these letters to be made Patent, and the Seal of the Bureau to be hereunto affixed:

GIVEN under my hand, in Portland, Oregon the TWENTIETH day of SEPTEMBER in the year of our Lord one thousand nine hundred and EIGHTY-FIVE and of the Independence of the United States the two hundred and TENTH.

By Chas. C. Vaughan
Acting Chief, Branch of Lands and Minerals Operations

Patent Number 36-85-0061