

ESTERLY
JOSEPHINE



Sunshine Mining Company

P. O. BOX 1080 PHONE: Area Code 208 784-1257

Kellogg, Idaho
83837

March 10, 1980

Mr. George W. Sintay
P.O. Box 443
Cave Junction, Oregon 97523

Dear George:

It was good visiting with you once again last week, and I really enjoyed meeting Jim and Carl.

Having studied and thought about the Cave Junction placer deals, I have decided they are not the kind of things we should get involved with at this time. I agree entirely with your assessment that there are substantial deposits of commercial grade material. And I fully understand your group's wanting to be in operational charge of any venture in the area. But that aspect, together with the fact that your group would want a major share of net profits without even having signed leases on the good reserve ground, simply does not leave much for Sunshine. (Considering that your substantial investment to date is on the Bailey property, which you would not want to put in the deal.)

With regard to the Devault placer in Arizona, I will try to get some samples and do some comparative test work within the next month or so. If it turns out that I just can't get to it, I will let you know as soon as possible.

I hope you have a very enjoyable and successful trip to Africa. But keep your eyes open for more than gold deposits!

Very truly yours,



Gary L. Ojala
Manager of Exploration

P. 2 of letter from
P. G. Surtay.

2) Esterly Mine property: This property consists of approximately 1500 acres of deeded land consisting of placer gravels. The property is a few miles south of Cave Junction, Or near the old mining town of Waldo.

Before the mine was called the Esterly it was known as the Llano De Oro mine and much of the literature about it is under this name. The reason I mention this is because one of the old timers down here told me Sunshine sent a Geologist or Mining Eng. down to look at it, so you may have information in your files on it.

I am sending you a copy from 1933 Part I "Contributions to Economic Geology" on the Llano De Oro Mine. This summarizes the past work at the mine as well as ^{any} information is available.

We have an option on this property and have started to test part of it. We have no results on our testing yet because of other commitments and weather.

3) Billman Mine: This property is held by placer claims and consists of 10,000,000 to 15,000,000 cubic yards of gravel and is located a few miles north west of Cave Junction, Or.

I am sending ^a report that we purchased from previous investigators. This report was to Mr.

Clyde Davis, Brigham Young University, Provo, Utah from Daniel D. Walker. This report seems to be a good one and favorable to the property. We did some work on the property but not enough to validate the above report. I am not sure when our option on this property stands, but I know that we have access to it.

The above properties are all large yardage placer properties with good potential at the current economic conditions.

We are currently set up on the Bailey claims adjacent to the Esterly and expect to start production in the next ten days. We have a plant designed to handle 200-300 yds per hr and if this operation is successful both the Esterly + Billman we feel would be amendable to the same type operation.

I have a lot more information abt these three properties and others, this will be made available when you come down or send somebody down.

Tell any old friends hi up there for me.

Sincerely yours

George W. Hartley

October 30, 1972

Mr. Clyde Davis
Brigham Young University
Provo, Utah

Dear Clyde:

I have finished a preliminary metallurgical evaluation of the placer deposit currently being operated by Mr. Leonard Billman in So. Western Oregon and report my findings herein. My investigation included about 19 samples from the property furnished by Mr. Billman, yourself and Mr. Don Ream and samples gathered from a personal trip to the property.

As you know this property is being worked at the present time with a trommel-sluice dredge as the primary mineral collector followed by spirals and a Wilfley table concentrator.

The ore contains free gold and silver, mercury metal, cinnabar (mercury sulfide) iron and nickel. It is reported by Mr. George Smith, one of the owners of the property, platinum is also present, although this has not been confirmed, indications are favorable for its presence.

Results of assays are as follows:

	Gold in oz.	Silver in oz.	Ni in %	Dollar Value per ton
Boat Concentrates	12.38	15.61	* *	646.94
Table concentrates	1.10	1.58	.52	71.66
Placer Ore	.02	.68	* *	2.22/yard

* Gold at \$50.00 per oz., silver at \$1.79 per oz., Ni \$1.33 per pound
** Present, but not assayed.

All these assays are on samples that have had the gold nuggets and major amounts of free mercury metal removed. It was evident from an examination of the riffles on the boat there is considerable value in the mercury metal and nuggets collected, but not assayed herein. The sample of placer ore was taken over a large area near the surface of the deposit and not extensive enough to pick up any gold nuggets or significant amounts of mercury metal. These would more than likely be concentrated near bed rock.

Therefore, the results of these assays are conservative minimum values.

It is estimated this deposit mined and processed placer operation would produce approximately \$2.00 to \$4.00 per yd. The deposit is reported, but not confirmed by this investigation, to contain approximately 16 million cubic yards of ore.

This deposit looks very favorable as a mining venture.

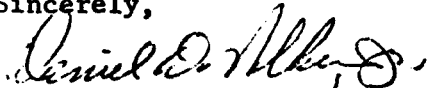
My recommendation, provided sufficient capital was available to do the job right, would be as follows:

1. Have an engineering geologic study made by a competent engineering firm to prove out enough ore to justify the capital expense of mining this deposit.
2. Develop a flow sheet for recovering all the values in this ore. Again an engineering consultant, familiar with this type deposit, should be hired. I envision a dredge operation with mineral jigs for recovering the mercury metal and gold nuggets; the concentrate going to a dewatering operation followed by a modern mercury retort operation (with anti-pollution scrubbers) to separate the mercury from the gold. The tailings from the dredge-jigs to be tabled; with the concentrates going to the dewatering operation and retort, and the tailings to flotation where the final concentrate will be collected and sent to the dewatering operation and retort. Tailing from flotation will be jigged again to remove gold nuggets. The tailings from the final jigs will be a concentrate rich in fine Au, Ag and nickel. These can be sold to a smelter for final recovery.
3. After the flow sheet is developed, purchase the necessary milling equipment under a turn-key agreement from a suitable manufacturer. After which mining can begin.

No attempt can be given in this report as to cost of the above operation but ball park figures could be developed in preliminary consultation with a suitable engineering firm. It is suggested a one to two thousand yard per day operation be a starting point for mill size.

In the meantime I'm still working on an extraction of platinum from this ore. If you have any further work or questions concerning this report please let me know.

Sincerely,



Daniel D. Walker, Chemist ACS, AIME

DDW/en



THE FLINTKOTE COMPANY / U. S. LIME DIVISION

2244 Beverly Boulevard, Los Angeles, California 90057 (213) 385-3271

PLEASE REPLY TO
P. O. BOX 127
HENDERSON, NEVADA 89015
(702) 565-8991

June 22, 1972

Mr. Clyde Davis
Brigham Young University
Provo, Utah

Dear Clyde:

On the recent Billman samples Don left with me, an average of three assays gave the following:

<u>#1</u>	<u>#2</u>	<u>#3</u>
Processed Table Concentrates	Hole Concentrates	Black Sand
34.6 oz. Au	8.4 oz Au	29.4 oz Au
11.98 oz. Ag	5.8 oz Ag	12.65 oz Ag
Nil % Hg	.1 % Hg	3.0 % Hg

Sorry for the delay.

Sincerely,

THE FLINTKOTE COMPANY
U. S. LIME DIVISION

Dan Walker
Chief Chemist

cc: Don Ream

D L Cubberly
514 San Fernando Bldg.
Los Angeles, Calif.
October 24th 1933

Mr. L.A. Lavensaler E.M.

Hose Bldg.

Seattle, Wash.

Dear Mr. Lavensaler;-

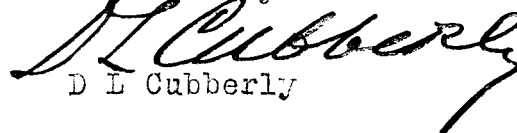
The writer is pleased to recall to your mind an acquaintance with yourself formed in Grants Pass, Ore. especially the fact of your self, Dr. Reddy and myself haveing lunched together on several occasions.

Under these circumstances I feel at liberty in writing you regarding the Oro del Oro placer , which our mutual friend, the late Mr. Geo. Esterly operated, as there is an opportunity offered whereby a sale is possible which would be helpful to Mrs. Esterly.

Knowing your past interest and also the knowledege you possess of the property , am asking that you write me what you think of the merit of the property as it now stands and what could be done with it under intelligent management, and am enclosing s self addressed , air mail stamped envelope and ask that you kindly give this request your usual prompt attention , assuring you of my appreciation for so doing.

With best wishes and kind regards, I am,

Yours Truly


D L Cubberly

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RB SANFRANCISCO CAL SEP 19 1933

LOUIS LEVENSALE

RE 406

CARE AMN SMELTING AND REFINING CO 1108 HOGE BLDG SEATTLE WN

GEORGE ESTERLEYS WALDO PROPERTY HAS BEEN SUBMITTED TO ME KNOWING

YOU ARE THOROUGHLY FAMILIAR WITH THIS WOULD GREATLY APPRECIATE YOUR

PERSONAL OPINION COULD YOU HANDLE SAME WIRE COLLECT ALEXANDER BUILDING

REGARDS

J R MURPHY

724A 20

REPLY MACKAY RADIO—USE POSTAL CALL BOX OR TELEPHONE EL-LIOTT 4212

AMERICAN SMELTING & REFINING CO.

405 MONTGOMERY STREET

SAN FRANCISCO

A. H. RICHARDS
GENERAL MANAGER
PACIFIC COAST

September 14, 1933

Mr. L. A. Levensaler,
Hoge Building,
Seattle, Washington

Dear Louis:

A personal friend of mine was in the office today and stated Mr. M. E. Hughes was endeavoring to get him and some other friends interested in putting up money as he was about to lose a bond and lease which he had on the Esterly property near Waldo.

According to the information given by Mr. Hughes, this property, which at one time was the old Logan property, was afterwards purchased by George Esterly and is supposed to be a placer property. It was further stated that Louis Levensaler originally drilled this property and was instrumental in having George Esterly take it over. Knowing that I was personally acquainted with you they asked me if I would write you and ask whether you did make an examination of the property and whether in your judgment it was a worth while property.

My understanding is that there is some 3000 acres in the Esterly property, and two adjoining properties, the Platireco contains 1200 acres and the Fly Gulch 480 acres.

I am not certain whether or not M. E. Hughes is the same Hughes who was the promoter in connection with the Blue Ledge.

These friends of mine stated that what they were trying to find out at present was whether it was a bonafide proposition and had some merit. In the event it looked encouraging to them they no doubt might wish to have a detailed report from you, or possibly have another examination and so, in view of the circumstances if you feel like giving me your honest opinion relative to this property, I would be pleased to advise them.

I hope to be in Seattle some time next week. I am arriving in Tacoma Sunday night and am hopeful of getting over to Seattle and spend, possibly, all day Thursday. I will make it a point to get in touch with you while there.

Yours very truly,


A. H. RICHARDS

AHR:G

February 15, 1932.

Mr. Roy H. Clarke,
Hotel St. Mark,
Oakland, California.

Dear Roy:

I think possibly the best way for you to get direct information regarding the Waldo property would be to write to G. W. Hales. I do not know his Chicago address but if you get a Chicago telephone directory, you will probably find it. I believe Mr. Hales is at the property now and a letter addressed to him, Waldo, Oregon, will undoubtedly reach him.

So far as the drilling that Esterly did, you cannot depend on any of that.

The property was drilled last year by W. P. Hammond and Esterly gave out the information they turned it down because it was unsuitable for dredging on account of the large percentage of clay. If you know anyone in the Hammond organization, perhaps you can see these records.

The gravity outlet for water that Esterly never finished would, of course, have made it possible to continue to mine the flat without aid of the Hendy hydraulic elevator.

I doubt very much if Logan would consider going back as he is now interested in a piece of placer ground down on the Klamath much richer than the Waldo property.

Regarding your inquiry of the Fern mine in the Willowcreek district, Alaska; this property would not interest you. Past attempts to operate the mine and make any money have ended in failures. The entire district is a very expensive district to operate in. I would not advise you going into that section although there are some pretty favorable properties there, but there is too much grief attached to them. At present the two outstanding

Roy H. Clarke - 2.

producers are the Lucky Shot and the War Baby. These two properties are doing quite well. What their outlook for life is, I do not know. They are owned by Toronto people; Thompson is the chief party.

So far as I know, Mrs. Esterly is at Waldo. If not, she may be visiting Catherine in California.

With best wishes,

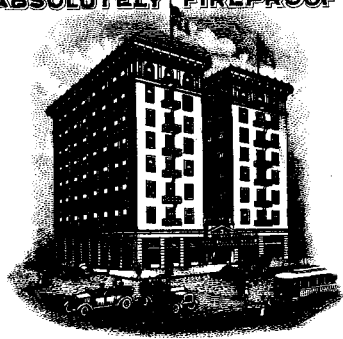
Very truly yours,

LAL/AC.

Hotel St. Mark

ABSOLUTELY FIREPROOF

UNDER MANAGEMENT OF
LOUIS ABER



12TH AT FRANKLIN
ALL CARS PASS THE DOOR

OAKLAND, CALIFORNIA February 13th 1932.

Mr. L.A. Levansaler,
Hoge Building,
Seattle, Wash.

Dear Lewis;

Yours of the 9th inst at hand. I would be interested in learning what kind of a deal Mr. Hales would make. I have forgotten just what yardage you estimated averaging 18¢ a yard and I do not know what yardage George Esterly mined. Do you know what the drilling of Esterly determined in the vicinity of the dam? As the possibility of mining big yardage with elevators is small it appears to me that looking it over as a possible dredging operation might be feasible. Probably this has been done in a limited extent by several with unfavorable opinions rendered. To get rid of the large excess of water when the pit is large seems to have been one great drawback but possibly the extending of the big cut might remove to some extent this drawback, in continuing operations with elevators. What do you think about this?

Logan would be the logical man to take hold again and he would be glad to do so, I should think, if he thought he could get the property again at a reasonable price.

Have you examined the Fern Mine above Seward and do you think conditions are favorable for finding a gold mine in that vicinity?

What is to become of Mrs. Esterly? We wrote to her but have not been able to hear anything.

With best wishes,

Yours very truly,

Roy H. Clarke

LLANO DE ORO MINES

G. M. ESTERLY, MANAGER

WALDO, OREGON

September 3rd,
1931

Mr. L. A. Levensaler,
Seattle,
Washington.

My dear Lewis:-

Mr. Hales has given an option on his Fry Gulch property that he took over from Van Ostrand to some Los Angeles people whom Mr. W.J.Cooley represents.

I enclose copy of letter from Mr. F.E.G.Berry to Mr.Cooley in which he says that he has met me and knows you very well. What do you know about him. Any information you can give me will, of course, be strictly confidential.

I received your short note from Salt Lake City in reference to operating upon "women, children and idiots" as George Baldwin used to say. Outside of getting away with all the furniture and fixtures at Topeka Kansas that was one good move Gov. Leedy made.

When are you coming down in our part of the world again.

Yours sincerely,



PARDNERS MINES CORPORATION
405 LEXINGTON AVENUE
NEW YORK

J. G. BARAGWANATH
PRESIDENT

June 5, 1935

Mr. L. A. Levensaler
Hoge Building
Seattle, Wash.

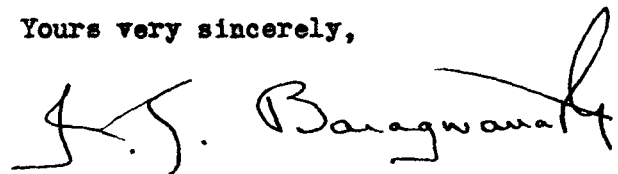
Dear Mr. Levensaler:

The Hoffman brothers, who have a small outfit called Gold Operators, Inc., have an option on the Esterly Mine, 40 miles southwest of Grants Pass, Oregon. Their arrangement is a 25-year lease with 10% royalty and an option to purchase the property at the end of six years for \$200,000 in five equal installments. At present they are doing some work with a hydraulic elevator at the south and southwest end of the property and have mined in March, April and May approximately 8,000 cubic yards with a recovery of about 40¢ per yard in gold.

The Hoffmans showed me a letter from you to George M. Esterly dated May 12, 1921 from which I gather that you are familiar with this property. I am wondering if you would be kind enough to write me what you know of it and state whether in your opinion it is something in which we might become interested.

With kind regards,

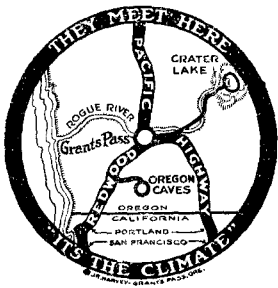
Yours very sincerely,



Encl.

C O P Y

Arnold Hoffman



"IT'S THE CLIMATE"

GRANTS PASS CHAMBER OF COMMERCE

CHAMBER OF COMMERCE BUILDING
GRANTS PASS, OREGON



March 27, 1934.

Mr. L.A. Levensaler,
Hoge Bldg.,
Seattle, Wash.,

Dear Sir:

I am sorry that the Almeda is too low in gold contents.

Will copper ever come back?

In regard to the Esterly mine, I have some people that have been considering it a little, and they are in touch of course with the large companies, apparently have found that the sampling of the mine showed very low values, and yet we know that the recovery in the boxes was greater than the sampling indicated, and the tailings also show more value than the test holes.

Can you suggest anyway of getting this situation cleared up.

out

My recollection is that when you sampled it you were not satisfied with the returns, and had an expert drill sheet man from Hammond and one from the Guggenheim possibly check some of the sample, in fact drill some of the holes, and the shafts indicated higher value than the drill, and from the ground worked that winter the recovery was two or three times greater than the tailings showed, value as high, or higher than the sampling. Is there any way that this can be clarified, or straightened out so it can be properly explained to a prospective purchaser.

If I can get anything on this line will help Mrs. Esterly very much.

Yours truly,

Grants Pass Chamber of Commerce.

By

J.R. Harvey
J.R. Harvey, Secretary.

JRH:EKG: