

August 22, 1938

Messrs. Russell and Ritter  
Detroit, Oregon

Gentlemen:

This is just to notify you that our engineer, Mr. F. W. Libbey, has been detained because of the press of business here in the office. However, he plans now on visiting your property on Wednesday of this week.

Very truly yours,

STATE DEPARTMENT OF GEOLOGY  
AND MINERAL INDUSTRIES

vm

Ruth Van Meter, Secretary

August 17, 1938

Messrs. Russell<sup>and</sup>/Ritter  
Detroit, Oregon

(Mr. Henry Russell and Mr. Carl J. Ritter)  
(The Russell-Ritter Mine)

Dear Sirs:

Sorry I did not see you when you called at the office yesterday morning. I did not arrive from eastern Oregon until late afternoon. I am still more sorry that I completely forgot, in the rush of getting away, to have your samples taken care of. I had them taken to a local chemist this morning and asked that he make special tests for manganese and anything else that might be causing difficulty in amalgamation.

I have arranged for Mr. Libbey, one of our engineers and a competent man, to visit your property late this week and see what he can do to help you with your problem. There is some manganese present obviously in the surface material, but whether or not it is present in sufficient quantity to interfere with amalgamation in the underground ore and will not be known until we have the result of the chemist's now going on.

With best wishes, I am

Cordially yours,

EKN:vm

Director

**E. W. LAZELL, Ph. D.**  
CHEMICAL AND EFFICIENCY ENGINEER  
CHEMICAL AND PHYSICAL LABORATORIES  
537 RAILWAY EXCHANGE BUILDING  
PORTLAND, OREGON

August 19, 1938

Department of Geology and  
Mineral Industries,  
704 Lewis Bldg.  
Portland, Oregon.

Att'n Mr. Earl K. Nixon

Gentlemen;-

I report the assay for gold on two samples ore submitted  
and one determination of manganese.

Laboratory No. 39256

Mark; #1 Russel-Ritter Co. Tunnel rock

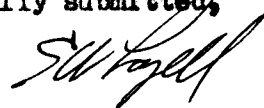
Gold, ounces per ton .....	0.16
Gold, value .....	\$5.60 per ton
Manganese .....	0.175 %

Laboratory No. 39257

Mark; #2 Russel-Ritter Co. Surface shaft

Gold, ounces per ton .....	0.12
Gold, value .....	\$4.20 per ton

Respectfully submitted,



In duplicate

October 10, 1938

Messrs. Russell and Ritter  
Russell-Ritter Mine  
Detroit, Oregon

Gentlemen:

This letter is in response to your recent request that we express an opinion in regard to your proposed formation of a company to finance a more adequate mining plant. You stated that you approached the Corporation Commissioner, Mr. Hazlett, and he referred you to me.

Mr. Libbey, Consulting Mining Engineer of this Department, called at your property not long ago at your request for the purpose of helping with your problem of metallurgy. He also had occasion, of course, to get considerable first-hand information about the entire set-up. I have discussed your problem with Mr. Libbey, and my impressions of the property may be summarized as follows:

1. You have a likely mining prospect upon which you have accomplished a great deal in a constructive way in a relatively short time, but you have been handicapped by lack of engineering and lack of funds.
2. You have blocked out very little ore; that is, you cannot with certainty say that you have a definite tonnage of a definite value available to supply your milling plant so that it may operate profitably and continuously for a reasonable length of time.
3. You have some difficulty about getting enough water to supply the mill in case of an especially dry season, and the property is also handicapped somewhat by being at a high elevation in the mountains and inaccessible during considerable of the winter period. This necessitates getting in supplies in the fall, carrying through under difficulties in case of breakdowns or injury to miners.
4. Regardless of what you may believe in respect to the continuity of ore into the mountain, this has not been demonstrated by sampling, which absolutely would be required in the event stock is offered to the public for sale.

5. Inasmuch as the ore in your property to be mined in the future will be both of oxide and sulphide varieties, which require different treatments in a mill, you need to know more about the grade and types of ore before you could determine what kind of a mill, what size, et cetera, you would be justified in planning under a new financing scheme.

6. We are prepared to recommend favorably new financing and suggest that the Corporation Commissioner give his approval for sale of securities, provided you can convince us you have a definite mining plan based on proper engineering and knowledge of at least enough ore ahead to justify a mill, and return with some estimated profit the expenditure of money involved in the new financing. Without this knowledge and this plan you would not be justified in an additional outlay of money of any size, whether you obtain it by sale of securities or by contribution of friends or otherwise.

In making these statements I wish to convey the idea that this Department is in no way trying to hinder you. On the contrary, it is our hope to encourage and help you in every possible way. We have had a long background in mining and know that you must have a definite plan to follow and that you must have adequate engineering as well as financing. I have little doubt but that you could, with an additional ten or fifteen thousand dollars, increase your facilities so that you could make a very good living for a considerable time for your families, but it is doubtful under those circumstances if you would make such a profit as would allow you to return the cost of the added equipment, the cost of the engineering necessary, plus—and this is most important—a profit to investors who furnish the added money.

It is my suggestion that you employ a competent consulting engineer to make an analysis of your problem, to do such sampling as is necessary, and to report thereon. He may report that there isn't enough oxidized ore to justify a cyanide plant and not enough sulphide ore indicated yet to justify a flotation plant. On the other hand, he may suggest that plenty of ore is available of oxidized variety to justify the enlargement of the mill and outline also the size of mill which the conditions indicate is feasible.

I have seen so many properties in the last twenty years go hay-wire because of lack of engineering—I might call it bull-headedness on the part of the operator, who is convinced that ore is present whether it is demonstrated or not—that I feel qualified to caution you not to employ cheap engineering. Money spent for good engineering is the best money spent in mining.

Cordially yours,

Detroit Oregon, Sept 6. 1938.

RECEIVED  
SEP 10 1938  
STATE DEPT OF GEOLOGY  
& MINERAL INDS.

Mr. Earl K. Nixon, Director,  
State Department of Geology  
and Mineral Industries,  
Portland, Oregon.

Dear Sir:

Our first trip out to the Post Office since your  
Mr. Libbey was here to see us, and we wish to  
thank you sincerely for having him call on us.

We found Mr. Libbey a very capable and experienced  
engineer and he gave us some very good advice  
and information for the operation of our mine.

We extend the invitation to any of your Department  
officials to call on us here at any time and  
again thanking you for your co-operation

yours very truly

Russell - Ritter - Mine

By E. J. Ritter.

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