



5-31-89

refile

01-0026

Ken Smith / John Rupp +

Assoc.

01-0026  
Jan 19, 93

Dear Allen,

Enclosed is \$100<sup>00</sup> check for  
Revegetation permit, as per your  
request. I have some questions  
to go over with you and will call  
next week. Thank you.

Sincerely,

Jim Blex

RECEIVED  
JAN 19 1993

MLR

AHT:cc/01-00261



1536 Queen Avenue SE  
Albany, OR 97321  
(503) 967-2039

December 8, 1992

Mr. Frank Schnitzer  
Dept. of Geology and Minerals  
1536 Queen Ave. S.E.  
Albany, Oregon 97321

DOGAMI I.D. no. 01-0026  
Virtue Mine  
Baker County

RECEIVED  
DEC 11 1992

*please  
pull  
file  
+ return to FB  
for letter*  
MLR

Dear Frank,

As shown in the report of inspection on April 22, 1992, reclamation was completed at that time. As per Mr. Throop's request, I then cross-tracked the hillside slope with the dozer and seeded again. Seed germination and revegetation was complete before the July 31, 1992 expiration of my operating permit. The grasses are doing quite well for a dryland site.

As you will recall, our processing plant was located on an area of previous surface mining prior to July 1, 1972. According to OR 517.790, that ground is exempt from permit requirements. Nonetheless, we regraded and seeded the site ongoing with the removal of our equipment.

The grasses I have planted are a vast improvement when compared to the sagebrush overgrowth condition of the rangeland. I have kept to the spirit and the letter of the law on this site and am in compliance presently. As per OR 517.870, I again request removal of bonding requirement from this site. Because necessary revegetation was completed prior to July 31, 1992, the Closure Order dated November 13, 1992 should be removed from the record. Thank-you.

CC: Baker County Planning Dept.  
DEQ - Pendleton  
William Hunt, Landowner  
BLM - Baker City  
Enclosure: Reclamation seed mix tag

Sincerely,

*Jim Rex*

Jim Rex  
Rt. 2 Box 381  
Baker City, Oregon 97814

Virtue Mine  
Seed mix  
01-0026

FARMTEI ) LS DRY LAND PASTURE MIXTURE

LBS.		PURITY	GERM	ORIG.	TEST
34%	PAIUTE ORCHARD	31.87	91%	OR	12/91
16%	INT. WHEATGRASS	15.55	90%	SD	3/92
21%	SMOOTH BROME	20.27	85%	SD	3/92
16%	SHEEP FESCUE	15.24	85%	GERMANY	3/92
13%	RHIZOMA ALFALFA	12.98	90%	SD	1/92

NOX WEEDS PER LB. BEDSTRAW 7

CROP .01 INERT, 4.04 WEEDS .04

NET WT. 50 LBS. TOTAL MIX LBS.  
FARMTERIALS INC.  
P.O. BOX 1006

November 13, 1992

Oregon

DEPARTMENT  
OF GEOLOGY  
AND MINERAL  
INDUSTRIES

James Rex  
Route 2, Box 381  
Baker City, OR 97814

Mined Land Reclamation

CLOSURE ORDER

RE: ID No. 01-0026

Dear Mr. Rex,

By authority of ORS 517.880, the Virtue Mine located in Sections 21 and 22, Township 9S, Range 41W, Baker County, is closed to all surface mining activities. The site shall remain closed until such time as the annual permit fee is paid.

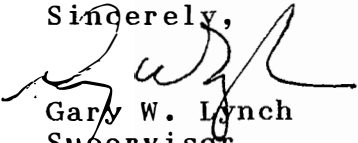
On September 2, we received your renewal notice requesting termination of the file. A permit must be maintained until revegetation is complete. Since reshaping was not completed by July 31, the full \$385 fee must be paid. A renewal next year of \$100 would be appropriate if all earth moving is done, but the revegetation is not complete. The permit expired on July 31, 1992. Since then, we have heard nothing from you.

If this site is not brought into full compliance with the provisions of ORS 517.750 et seq. within 30 days of this notice, you must provide evidence that the required reclamation has been completed or is underway and will be completed in accordance with the approved reclamation plan.

No further extractive mining activity or processing or removal of stockpiled materials may be conducted at this site in the absence of a valid operating permit. Violation of this Closure Order is subject to the penalties provided by law.

If you have any questions, please contact Allen Throop in this office.

Sincerely,

  
Gary W. Lynch  
Supervisor  
Mined Land Reclamation

GWL:dm/01-00261

cc: Baker County Planning Department  
DEQ - Pendleton  
William Hunt, Landowner  
BLM - Baker City



1534 Queen Avenue SE  
Albany, OR 97321  
(503) 967-2039

CERTIFIED MAIL.

01-0026 CD

**SENDER:**

- Complete items 1 and 2 for additional services.
- Complete items 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27, 28, 29, 30, 31, 32, 33, 34, 35, 36, 37, 38, 39, 40, 41, 42, 43, 44, 45, 46, 47, 48, 49, 50, 51, 52, 53, 54, 55, 56, 57, 58, 59, 60, 61, 62, 63, 64, 65, 66, 67, 68, 69, 70, 71, 72, 73, 74, 75, 76, 77, 78, 79, 80, 81, 82, 83, 84, 85, 86, 87, 88, 89, 90, 91, 92, 93, 94, 95, 96, 97, 98, 99, 100.
- Print your name and address on the reverse of this form so that we can return this card to you.
- Attach this form to the front of the mailpiece, or on the back if space does not permit.
- Write "Return Receipt Requested" on the mailpiece below the article number.
- The Return Receipt Fee will provide you the signature of the person delivered to and the date of delivery.

I also wish to receive the following services (for an extra fee):

- Addressee's Address
- Restricted Delivery

Consult postmaster for fee.

3. Article Addressed to:

James Rey  
Rt. 2, Box 381  
Baker City OR 97814

4a. Article Number

P 904 501 850

4b. Service Type

- |   |   |
|---|---|
| <input type="checkbox"/> Registered           | <input type="checkbox"/> Insured                        |
| <input checked="" type="checkbox"/> Certified | <input type="checkbox"/> COD                            |
| <input type="checkbox"/> Express Mail         | <input type="checkbox"/> Return Receipt for Merchandise |

7. Date of Delivery

11/18/92

5. Signature (Addressee)

James Rey

6. Signature (Agent)

8. Addressee's Address (Only if requested and fee is paid)

PS Form 3811, November 1990 \*U.S. GPO: 1991-287-066

**DOMESTIC RETURN RECEIPT**

P 904 501 850



**Certified Mail Receipt**

No Insurance Coverage Provided  
Do not use for International Mail  
(See Reverse)

Sent to	James Rey
Street & No.	Rt. 2, Box 381
P.O., State & ZIP Code	Baker City, 97814
Postage	\$ .29
Certified Fee	1.00
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	1.00
Return Receipt Showing to Whom, Date, & Address of Delivery	
TOTAL Postage & Fees	\$ 2.29
Postmark or Date	NOV 16 1992-1392 USPS

PS Form 3800, June 1990

01-0026  
James Rex  
date? 9/92  
by?



«Lines like this are typed in hidden text format. They are general comments and questions that aren't part of the final text but point out issues that must be resolved.»

State of Oregon  
DEPARTMENT OF GEOLOGY AND MINERAL INDUSTRIES

REQUEST FOR PROPOSAL  
FOR  
AN ENVIRONMENTAL EVALUATION AND SOCIOECONOMIC ANALYSIS  
OF  
ATLAS PRECIOUS METAL'S  
GRASSY MOUNTAIN PROJECT

(How far can we go with this? the scope of the EE is to be determined by the TRT and the PCC. We can't finish this until they have been convened)

May 14, 1992



Visiting  
Point



→  
(Copper)

01-0026  
James Rev  
22 April 92  
by A. Throop

STATE LAND BOARD

BARBARA ROBERTS  
Governor

PHIL KEISLING  
Secretary of State

ANTHONY MEEKER  
State Treasurer

Allen  
F#4

April 17, 1992

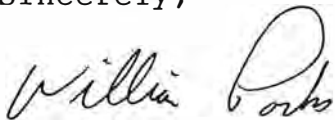
Albert L. Broemel  
2520 West Main  
Medford, OR 97501

Dear Mr. Broemel:

We have received notification from the Department of Environmental Quality that a National Pollutant Discharge Elimination-System General 0600 permit is required for your mining operation on the Rogue River. This letter is to advise you that a removal-fill permit must be obtained from the Division of State Lands if more than 50 cubic yards of material is removed, filled, or altered within the bed or banks of the waters of the state, including wetlands. Fill for activities associated with dam or water diversions for purposes other than operating or maintaining the dam or water diversion (fishways, erosion protection, etc.) require permits under the Removal-Fill Law.

A copy of the law and joint application forms are enclosed for your information and possible use. Please call our office if you need any assistance.

Sincerely,



William L. Parks  
Staff Biologist

WLP/dsh  
bil:2

Enclosure: Permit Package

cc: Dept. of Environmental Quality  
Dept. of Geology and Mineral Industries



3-18-1992

Mr. Fred Osborn

B. S. M.

Baker City.

Dear Mr. Osborn:

I met with John and Jim Rex  
today at 1:30 P.M.

John told me they were going  
to start filling in the holes on  
the Virtue soon.

Regards

Bill Hunt

RECEIVED

MAR 23 1992

MLR



STATE OF OREGON

INTEROFFICE MEMO

TO:

DATE:

FROM:

SUBJECT:

*Bill Heat - landowner  
on the patented property*

*\*523-9362\**

*Call for next inspection*

Received  
Feb 4, 1991

LAW OFFICES  
SILVEN, SCHMEITS & VAUGHAN

1950 THIRD STREET  
P. O. BOX 965  
BAKER CITY, OREGON 97814  
TELEPHONE (503) 523-4442  
FAX (503) 523-9368

NICHOLS & HALLOCK  
1919-1922  
NICHOLS, HALLOCK & DONALD  
1923-1929  
HALLOCK, DONALD & BANTA  
1930-1945  
HALLOCK, DONALD, BANTA & SILVEN  
1946-1950  
HALLOCK, BANTA, SILVEN & HORTON  
1951-1954  
BANTA, SILVEN & HORTON  
1955-1959  
BANTA, SILVEN, HORTON & YOUNG  
1960-1962  
BANTA, SILVEN & YOUNG  
1963-1978  
SILVEN, YOUNG & SCHMEITS  
1979-1980  
SILVEN & SCHMEITS  
1980-1981

DAVID C. SILVEN  
ALAN J. SCHMEITS  
FLOYD C. VAUGHAN  

---

GREGORY L. BAXTER

January 31, 1991

E. Frank Snitzer  
Department of Geology & Mineral Industries  
1534 Queen Avenue  
Albany, Oregon 97321

RE: James M. & John M. Rex - William Hunt

Dear Frank:

I have been advised that Jim and John Rex may have a bond with the State concerning their work on the Virtue Mine. I represent William Hunt and it appears that we may have some reclamation work to do after terminating the lease. This is simply to advise you that the Rex's may have failed to complete reclamation work and if they have a bond, we intend to file a claim against it.

If you have any questions concerning this please contact me.

Very truly yours,

  
A. J. Schmeits

AJS/ld

cc: William Hunt

*Please file  
Rex  
01-002-  
its not 01-0098*



Summer 1990

01-0026  
Rex

OREGON DEPARTMENT OF GEOLOGY AND MINERAL INDUSTRIES  
1534 Queen Avenue SE, Albany, Oregon 97321  
(503) 967-2039

The reclamation permit(s) or certificate(s) as referenced on the attached Annual Report and Renewal Application form must be renewed prior to the expiration date indicated. To renew the permit(s), please complete the enclosed report form and return it, together with the annual required fee.

In completing the enclosed form, please provide the data requested to the best of your ability (closest thousand yards if possible). The "REMARKS" section of the report may be used to indicate problems encountered or status changes in this operation.

We cannot process renewal of your permit or certificate until we have received BOTH THE RENEWAL FEE AND THE COMPLETED, SIGNED ANNUAL REPORT AND RENEWAL FORM.

If you have any questions, please contact us at 967-2039.

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If you have any questions, please contact us at 967-2039.

01-0026

Rex

Sept. 1990

photos & inspection  
by US BM



OREGON DEPARTMENT OF GEOLOGY AND MINERAL INDUSTRIES  
1534 Queen Avenue SE, Albany, Oregon 97321  
(503) 967-2039

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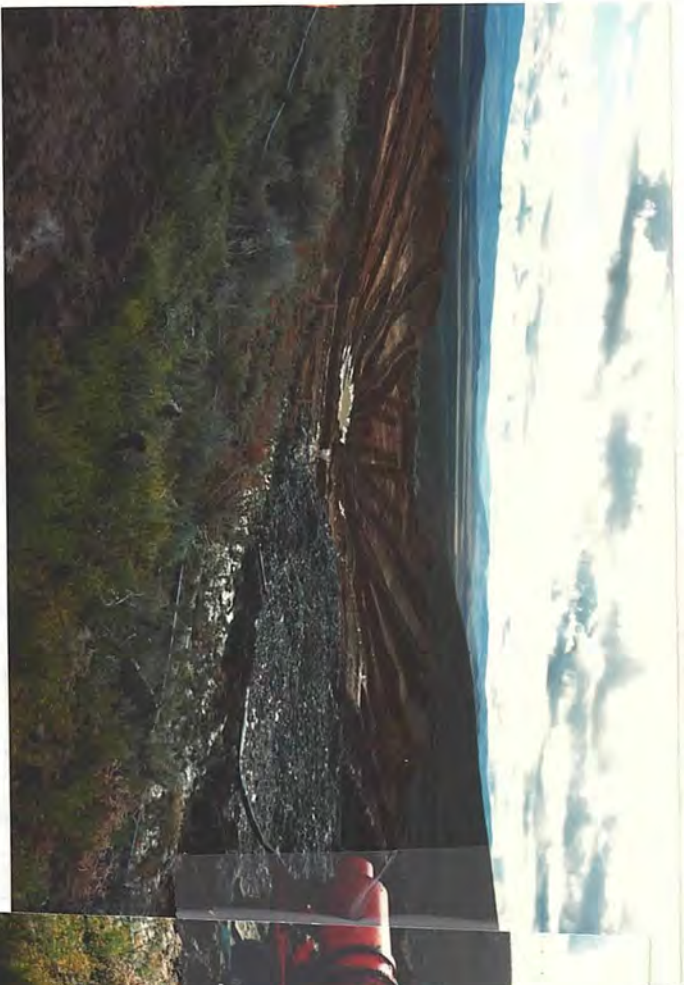
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1534 Queen Avenue SE, Albany, Oregon 97321  
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If you have any questions, please contact us at 967-2039.



Tim & John Rex  
01-0026



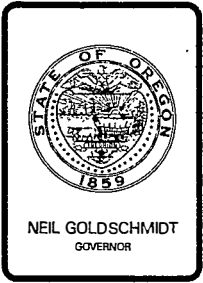
regarding  
in exploratory

traverse

J. + J. Rex

01-0026

Nov 89



**Department of Geology and Mineral Industries**

1534 QUEEN AVENUE SE, ALBANY, OREGON 97321 PHONE (503) 967-2039

January 22, 1990

Jim Rex  
3230 Campbell  
Baker, OR 97814

RE: I.D. #01-0026

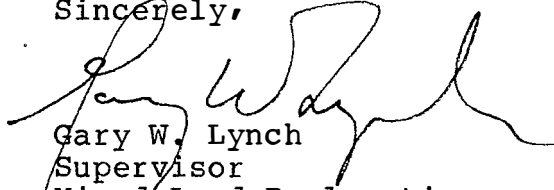
Dear Mr. Rex:

The Closure Order issued for the Virtue Mine on September 29, 1989 is lifted immediately.

The security has been received.

Thank you for your cooperation.

Sincerely,



Gary W. Lynch  
Supervisor  
Mined Land Reclamation

GWL/dmb

c: DEQ-Pendleton  
Baker County Planning Dept.  
BLM-Baker  
Landowner

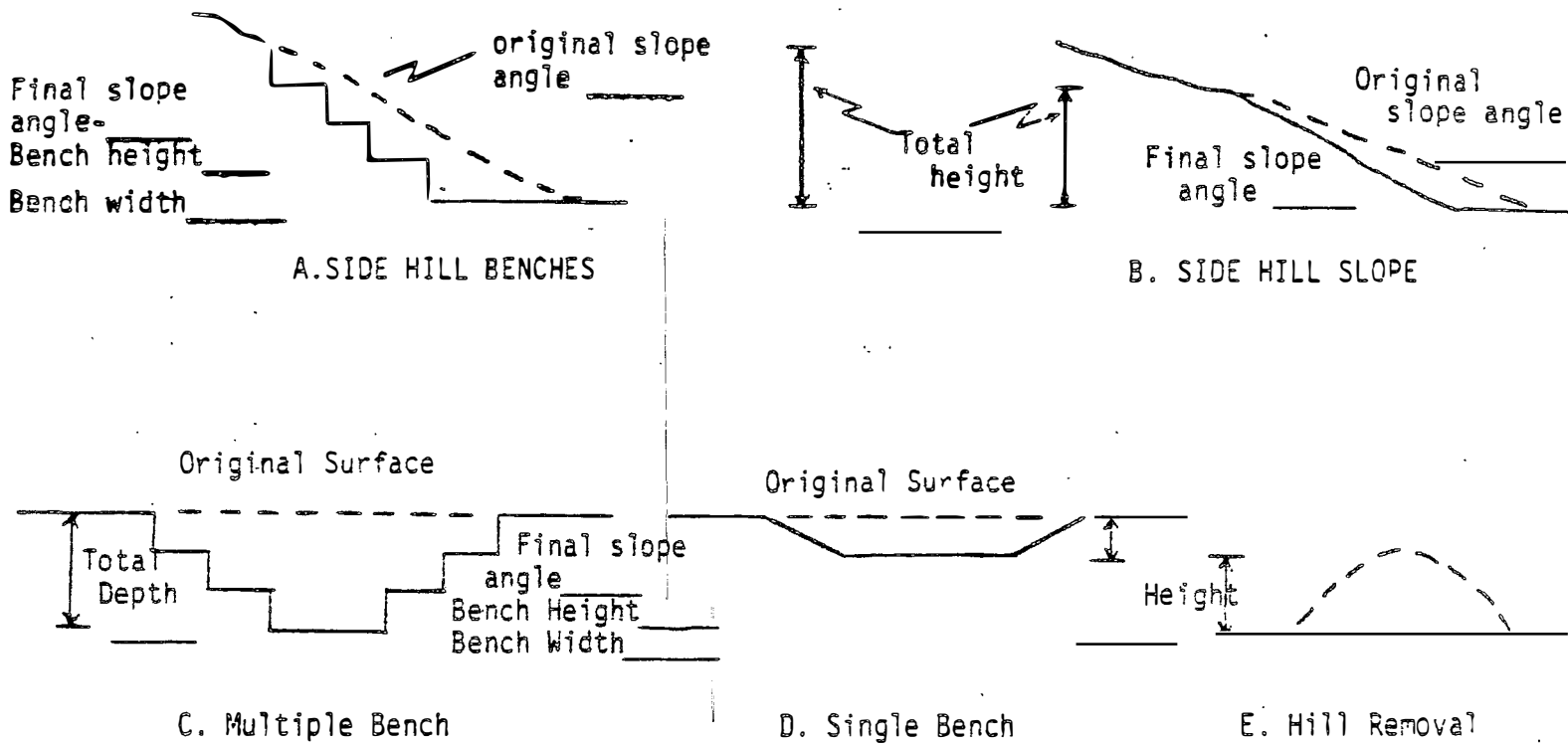
James Rex 01-0026



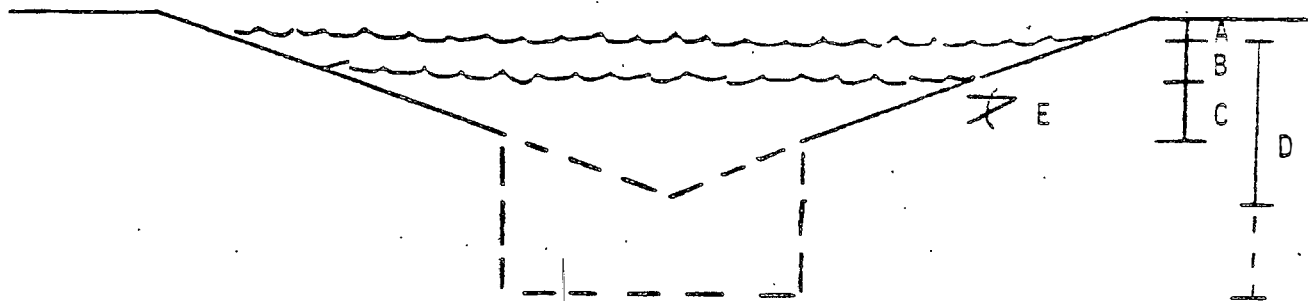
from mill plant site Aug/Sept 89

## TYPICAL CROSS SECTION OF SURFACE MINES

(For a large operation, more detail may be necessary)



## TYPICAL CROSS SECTION OF PONDS



- A = Distance from ground level to ordinary high water level = \_\_\_\_\_
- B = Depth change from ordinary high water level to ordinary low water level = \_\_\_\_\_
- C = 6 feet below ordinary low water level = \_\_\_\_\_
- D = total depth of pond = \_\_\_\_\_
- E = Side slope angle (must be 3:1 or flatter from high water level to 6' below ordinary low water level i.e. B and C must be sloped at 3:1) \_\_\_\_\_



5-31-89

01-0026  
Ken Smith / John Rye & Assoc.

MEMO

To: Jim Smith/John Rex & Associates File #01-0026

Date: August 10, 1989

From: E. Frank Schnitzer *EFS*

Subject: On site meeting at Virtue Mine

Meeting was held today at the site regarding the proposed use of chemicals for cyanide leaching to recover metallic minerals. Bruce Hammond & Larry Caulkins representing DEQ, Fred Osborne, BLM, Cliff Purdy, and Gil Barber representing the permittees were present at the meeting.

I informed Gil Barber and Cliff Purdy that a closure order would be issued for this operation within a few days if we do not receive a reclamation plan application for the Snake River Site developed by Mr. Rex. DEQ informed the applicants to obtain DEQ approval to cyanide leaching that they would of course need to locate any aquifers on the property including perched aquifers in a report prepared by a certified geologist or hydrogeologist. In the general sense DEQ explained what would be required for permitting, however, I felt they could be more specific. I explained that it would not be adequate evidence just to say they drilled a hole and it was dry, they would need to provide some permeability data on the material below the leach area. Apparently the aquifer is quite deep in the plant area they have drilled down to 150' and they have not encountered groundwater. Apparently a bedrock material is present at about 200 feet. DEQ cannot explain how deep the permittees would have to drill to locate the closest aquifer. DEQ either cannot tell them how deep they would have to drill to find adequate sub-surface geological information for the approval of a 2000 ton leach. It would seem to me that the amount of detailed information on the geology would be directly correlated to the size of the ponds or the amount of liquid which could potentially escape from them. Permeable data collected on sub-surface geology could develop information on potentially how deep the total excursion could travel.

Based on the questions asked of me by DEQ it was really obvious that they had not read the circulation inspection report, which DOGAMI sent to them a couple weeks ago regarding this site and the background information contained in the report.

The disturbed area is increasing every time I come out here and I need to get a good bond on this right away and get this thing resolved. Reportedly a cash bond has been obtained from the U. S. National Bank in Baker. But it has not been submitted. On August 18 Jim Rex stated it would be mailed the same day.

A new road has been constructed from the plant site area down into the draw where the Borman placer claims are located. This road

was built to remove the jig plant from the draw and place it on the level pads. The plant site is at the same elevation as the main mine portal for the old Virtue Mine. Apparently there is a fault between the plant site and the underground mine. Groundwater is present in the mine below the mill site level. According to DOGAMI and USGS reports, there is a rising column of tepid water of about 80 degrees in the mine.

PHONE CONVERSATION - MEMO TO FILE

TALKED WITH Jim Rex DATE 10-18-89  
OF Rex / Smith Baber, BK PHONE NO. \_\_\_\_\_  
*3220 Campbell St.*

Jim reported backers had backed out and they were taking legal action to force the backers' to back them up and put up the reclamation bond

Jim claimed he would smooth up the claims at Viture if they didn't get a bond

ACTION OR FOLLOW UP NECESSARY: Recall 11-1-89

BY EJS

File



**Department of Geology and Mineral Industries**

1534 QUEEN AVENUE SE, ALBANY, OREGON 97321 PHONE (503) 967-2039

September 29, 1989

CLOSURE ORDER

Ken Smith/John Rex & Associates  
P. O. Box 1013  
Baker, OR 97814

Certified # 094 591

RE: I.D. #01-0026

Dear Mr. Smith & John Rex & Associates:

By authority of ORS 517.880 your gold site located in Section 21, Township 9S, Range 41E, Baker County, is closed to all surface mining activities. The site shall remain closed until such time as the performance bond is submitted for this operation.

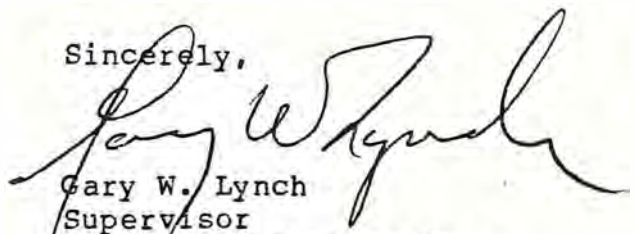
Your permit application was approved on August 1, 1989. However, a permit cannot be issued until the reclamation bond is submitted, Frank Schnitzer from this agency has met with you and also called several times regarding this issue.

If this site is not brought into full compliance with the provisions of ORS 517.750 et seq. within 30 days of this notice you must provide evidence that the required reclamation has been completed or is underway and will be completed in accordance with the approved reclamation plan.

No further extractive mining activity or processing or removal of stockpiled materials may be conducted at this site in the absence of a valid reclamation permit. Violation of this Closure Order is subject to the penalties provided by law.

If you have any questions, please contact Frank Schnitzer in this office.

Sincerely,

  
Gary W. Lynch  
Supervisor  
Mined Land Reclamation

GWL/deb

c: DEQ-Pendleton  
Baker Co Planning Dept  
BLM

C H E C K L I S T

I.D. # 01-0026

Permittee Ken Smith/John Rex

Reclamationist EDS

Application X

Fee X

Acknowledgment card \_\_\_\_\_

Company name verified \_\_\_\_\_

Site posted to map X

Site inspected X

Reclamation Permit

Limited Exemption

Normal circulation X

Status verified \_\_\_\_\_

Special circulation \_\_\_\_\_

How? \_\_\_\_\_

Bond estimate \_\_\_\_\_

# Acres exempt \_\_\_\_\_

Reclamation Permit conditions

- 1) See IR
- 2) \_\_\_\_\_
- 3) \_\_\_\_\_
- 4) \_\_\_\_\_

523-7949  
John Rex

Bond received \_\_\_\_\_

Status sheet \_\_\_\_\_

Permit issued \_\_\_\_\_

Copies to \_\_\_\_\_

Reviewed by EDS

Comments Do not issue until snails site is permitted

Reviewed by all

Comments Situation ponds? Claim staking w/a bulldozer? what gives? - OK

OREGON DEPARTMENT OF GEOLOGY AND MINERAL INDUSTRIES

RECEIVED

MINED LAND RECLAMATION

JUL 02 1989

RECLAMATION PLAN FOR NON-METAL AND PLACER MINES

DEPT OF GEOLOGY & MINERAL INDUS.

DOGAMI Permit # 01-0026

(This may be filled out with the help of DOGAMI personnel during the on-site inspection before the permit is issued. Allow 30 days for processing an application.)

A. Name, Address and Telephone number of the Permittee: \_\_\_\_\_

Ken Smith/John Rex & Associates

P.O. BOX 1013

Baker, Oregon 97814

Phone-503-523-9147

B. Name and Address of all Landowner(s) within the permit area:

C. Name and Address of all mineral right owners if different from those listed in B:

Same as above

D. List of known materials for which the operation is to be conducted:

Gold

Proposed starting date: July 1, 1989

Proposed ending date (if known): Unknown

E. Pre-mine conditions:

1. Previous use Rangeland and areas priorly disturbed by mining

2. Type and density of vegetation Virtually all sage

3. Depth of topsoil 0-15"

C

F. Operation Plan:

1. Mining method to be employed:

A. Single bench    B. Multiple bench    C. Dredge

D. Side hill cut    E. Pond excavation     F. Placer Mine \_\_\_\_\_

G. Other \_\_\_\_\_

2. Are there any property lines within 500' of the mine area? Yes  
If yes, a map is required.

3. Disposition of vegetation Vegetation, mostly sage, will be windrowed into piles and burned

4. Topsoil salvage depth 8-12"

5. Disposition of overburden There is no overburden. Once topsoil is removed and stored, subsoil, gravels, and sands will be processed.

6. Approximate depth of mine Unknown-contingent upon encounterance of bedrock and/or barren placer material.

7. Approximate depth to ground water 150'

8. Will any surface water drainages be affected by this operation?

yes \_\_\_\_\_ no X

If yes, please describe action to be taken \_\_\_\_\_

9. List types of equipment to be used for mining and processing.

A. Mining equipment Bull Dozer (D-9) and Endloader (Cat 988)

B. Type of Processing (check one)

\_\_\_\_\_ 1. Wash water will be discharged off-site

X 2. Wash water will be contained in a closed system

\_\_\_\_\_ 3. Dry mineral processing

\_\_\_\_\_ 4. No on-site processing

G. What will be the planned subsequent beneficial use of the permit area? The planned beneficial use must be compatible with post-mining landform conditions, intended use, and land use requirements. Please be specific. Rangeland

H. Oregon State law requires that reclamation be completed within 3 years following completion of mining.

1. Reclamation will begin 130 days after mining is completed.

2. Reclamation will be concurrent with mining. yes \_\_\_\_\_ no X

Please explain procedure: ~~Placer material will be processed through gravity concentration process (jigging). Subsequently, tailings will be deposited in excavations and reclamation undertaken if auriferous, tailings will be repositied temporarily for possible future leach processing.~~

I. Surface Water Management:

1. How will surface water runoff be handled and stream drainages be protected during mining? ~~Proposed operations are located at headwater area of Ruckles Creek. All drainage channels are ephemeral, consequently, stream drainage is storm run-off. During mining, storm run-off will be handled by temporary diversion ditches located up drainage. Fugitive sedimentation will be controlled by settling ponds and straw bale dikes.~~

2. Describe methods employed to control erosion and sedimentation in the permit area. Be specific, i.e. seeding and mulching stockpiles and bare areas, contour ditching, waterbars, etc. Erosion and sedimentation will be controlled by contour diversion ditches, straw bale dikes, and settling ponds. In addition completed areas shall be seeded and mulched.

3. Will settling pond(s) or dams be constructed? Yes

If a dam will be constructed, how high will it be? ~9'

Attach a sketch showing construction methods. See attached drawings

How deep will the impoundments be? 3-7'

If they are to be removed, upon completion of mining, how will they be drained or filled? Settling ponds will be removed by decanting off remaining water by stage breaching of embankment. Trapped sediments will be allowed to dry. Subsequently, remaining pond depression will be backfilled. Topsoil will be spread over pond area followed by seeding and mulching.

4. Is a water impoundment to be left upon final reclamation? If yes, see page 8.

J. Visual screening can be very effectively employed to hide sites from public notice.

1. Is natural landform or vegetative screening available along permit boundary? yes \_\_\_\_\_ no X

2. Will visual screening be employed? If not, why not? Not feasible

3. Specify type and density of plants which will be planted to establish a visual screen. N/A

4. What will be the width of the natural or planted visual screen or buffer strip? N/A

K. Topsoil or overburden berms can be very effectively employed in certain situations to dissipate crusher noise. Will noise berms be constructed for this operation? yes no X  
Initially, no crusher is planned. If crusher is eventually found to be necessary, site is located approx 2.5 miles from main road & 6.0 from nearest residence

L. Will all structures, equipment and refuse be removed from the site prior to completion of reclamation? Yes If not, please explain.

M. Map or aerial photo requirements: A 1972 aerial photograph is generally required to document any grandfather rights, which your mine site may be entitled to. In addition to this a mine plan map will also be required. It can be an aerial photo, blue line copy of an aerial photo, an engineered drawing, or a properly scaled hand drawing.

1. Map(s) requirements. The map should show, but is not limited to:

- a. Scale: (1" = 100' to 600')
- b. North shall be indicated
- c. List the appropriate legal description(s) and if practical the tax lot numbers
- d. Show boundaries of area to be permitted and setbacks for the excavation area
- e. Location of plant, office and maintenance facilities
- f. Locations of all water courses, streams, and rivers
- g. Delineate present mine areas and future mining blocks if known
- h. Delineate the area for topsoil and overburden storage
- i. Location of all proposed access roads
- j. All property lines in the permit area and within 200' of permit boundary
- k. Date of map preparation and name of person preparing map

2. Pre- and post-mining cross-sections of the land surface may also be requested. Will be provided, if requested

N. Reclamation Procedures

1. What will be the steepest above water slopes left after mining?

All unconsolidated material will be configured to approx. a 2:1 slope.

What will be done to ensure their stability? Stability will be

ensured by proper compaction with on site equipment then proper seeding and mulching. If necessary, drainage control (diversion) ditches will be constructed to prevent instability due to erosional aspects.

2. Revegetation techniques. (A vegetative cover survival for one growing season, at least equal to the original ground cover, or tree spacing, or to the vegetation on nearby adjacent areas will normally be considered acceptable.)

a. How and where will topsoil be stored? Include measures taken

to prevent water and wind erosion of the stockpiles. Topsoil will be scalped with dozer and/or scraper. Subsequently, it will be hauled to designated areas for temporary storage. Water and wind erosion will be prevented by temporary seeding and mulching as well as diversion ditches, if needed.

b. What will be the average depth of topsoil replaced on the area to be reclaimed? 6-8"

Will additional root growth material be utilized to complete the revegetation. No

If yes, please specify type(s), amount(s), and source.

c. Describe seedbed preparation methods prior to planting.

Seedbed will be harrowed or disked to create aeration. Final surfacing and scarifying will be done in such a manner so as not to cause undue compaction.

d. List species to be seeded and or planted by type and amount.

Seeding plan will be determined from soil tests. Final plans will be based upon recommendations of DOGAMI or BLM

e. Describe planting method and the time of year for the planned

planting. Planting method will be based upon type of revegetation employed. Planting shall be undertaken during Sept.-Oct. or March - May planting seasons.

f. List types and amounts of fertilizer, mulch and lime to be used to supplement the seeding.

To be determined from soil tests

1. Will a soil test be employed? yes X no \_\_\_\_\_

3. Will any waste products, such as tailings, rejects, etc, be generated during mining? If yes, please explain what will be done

with them. ~~Tailings generated will be deposited in created excavations~~ as part of the reclamation process. If excessive tailings are created, ~~environmentally compatible waste repositories may be constructed.~~

4. State disposition of all stockpile sites upon final reclamation. If they are to be revegetated, explain procedures which will be employed to decompact the area prior to topsoiling and seeding.

Stockpile areas will be decompacted by dozer ripper or harrow and/or disking

5. If applicable, what provisions have been made for stream channel, bank stabilization and rehabilitation? (A Division of State Lands permit is generally required for stream relocation.) At this time, no permanent stream channel location is proposed. Stream channel and bank stabilization and rehabilitation will be accomplished by proper sloping compaction, seeding and mulching & rip-rapping where necessary.

6. If applicable, what provisions will be made to ensure surface water drainage through the permit area upon completion of mining? The surface drainage through the permit area consists of bi-forked ephemeral drainage channels. The final configuration will exhibit this same characteristic.

7. Will the water table or ground water quality be affected? No  
If yes, what will be done to protect it?

- O. Evidence, in written form, stating that all owners of surface (except as provided for in federal laws) and mineral interest in the land concur with the proposed subsequent use for any mining operation commencing subsequent to July 1, 1972, and with the mining and reclamation plan as submitted. These same owners also agree to provide access to the State Department of Geology and Mineral Industries or their contractor for rehabilitation of the mine site if it is declared abandoned by the Department of Geology and Mineral Industries.

I Concur, William W. Hunt 6-29-89  
surface rights signature date

I Concur, William W. Hunt 6-29-89  
mineral rights signature date

- P. Other permits if applicable:

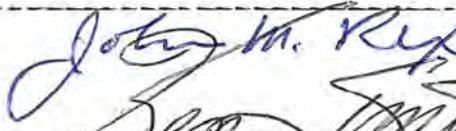
	application filed	permit issued
Division of State Lands	No. _____	Date _____
Department of Environmental Quality	No. <u>To be filed</u>	Date _____
County Use permit	No. _____	Date _____
Other (Identify)	<u>Application for Appropriation of Ground Water</u>	

NOTE: Maps or sketches exceeding 11" x 17" must be provided in sufficient number required for distribution. (Coordinate with Reclamationist or Mined Land Reclamation office before submission.)

Q. Post-mining Water Impoundments

1. Number of impoundments 2-3
2. How large will the surface area be, in acres? To Be Submitted
3. What provisions have been made for public safety? Impoundments will be fenced as well as have warning signs.
4. What provisions have you made to prevent water stagnation?  
Installation of principal spillway at level to promote flow through
5. What is the water source for the impoundment? Storm run-off and Artesian well
6. Will islands, peninsulas, or irregular shorelines be left in the impoundment for wildlife habitat?

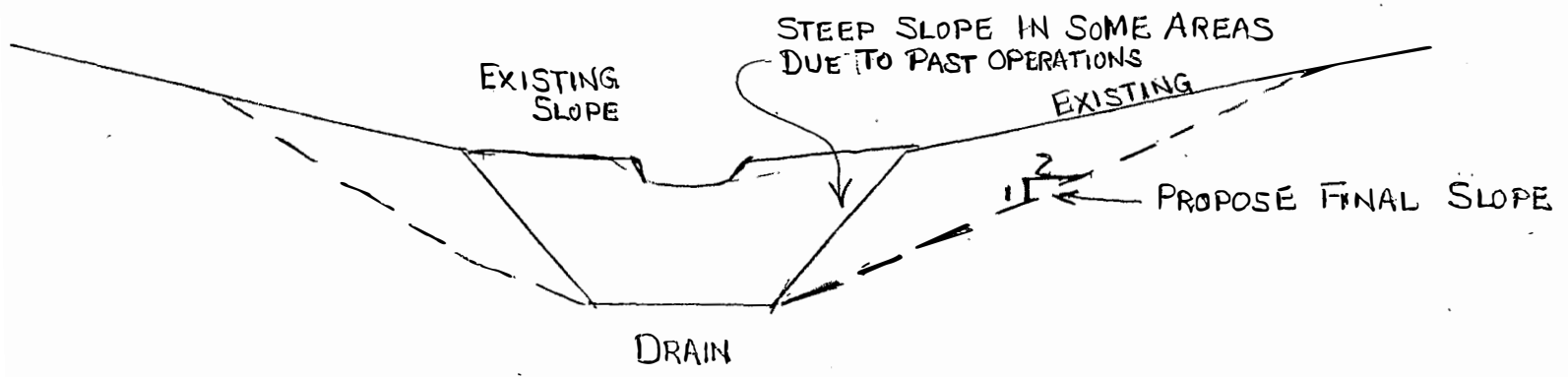
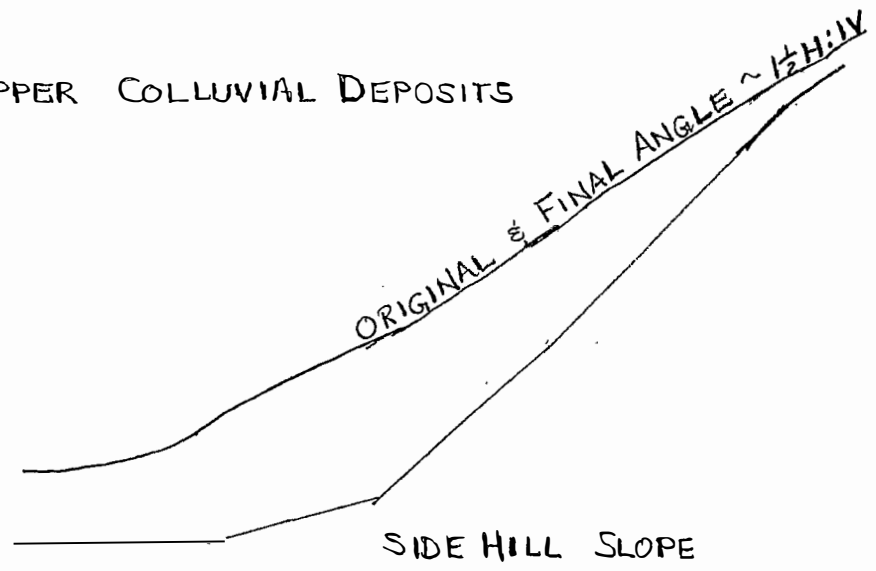
Yes

  
Signature of applicant

Title MANAGER Date 6-29-89

KEN SMITH / JOHN REX AND ASSOC.,  
TYPICAL CROSS SECTIONS (ANTICIPATED)

UPPER COLLUVIAL DEPOSITS



LOWER ALLUVIAL DEPOSITS

RECEIVED  
JUL 02 1989  
DEPT OF GEOLOGY  
of Minnesota and its

JUL 02 1989

DEPT OF GEOLOGY  
BIRMINGHAM, ALABAMA

Virtue Property  
Situation Ponds System for Water Reclamation

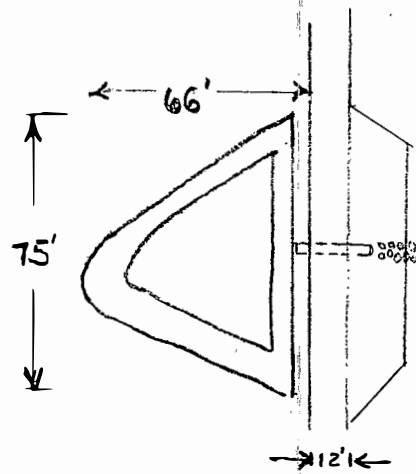
Tails from the test batches of material shall be discharged down slope into the area of the property where several old lagoons and settling ponds exist. Immediately down drainage of the proposed tails storage area exist three levels or horizons containing siltation treatment ponds. The accompanying drawing shows the existing configuration of the ponds. Ponds 2 and 3 shall be utilized to accomplish the water clarification as the tails shall most likely encroach into Pond No. 1. A pump station shall be installed near the outlet of Pond No. 3 to re-circulate clarified water effluent through the process plant thereby providing closed circuit loop with no discharge into the Ruckles Creek watershed.

Initially, the ponds will have to be redressed and somewhat reconfigured to remove vegetation, upgrade their stability, damming integrity, and install spillway pipes and rip-rap. Final "as built" drawings and calculations shall be submitted. The pond volumes shall meet the minimum criteria of 4 hour detention time of process water, plus retention of 100 year 24 hour storm, in addition to the sediment storage volume and one foot of freeboard.

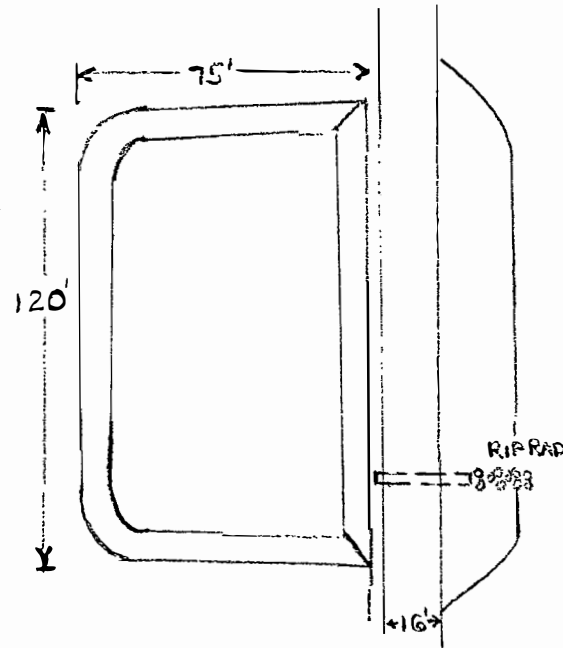
KEN SMITH/JOHN REX AND ASSOCIAT  
 VIRTUE PROPERTY

SILT POND SYSTEM FOR PROCESS WATER CLARIFICATION

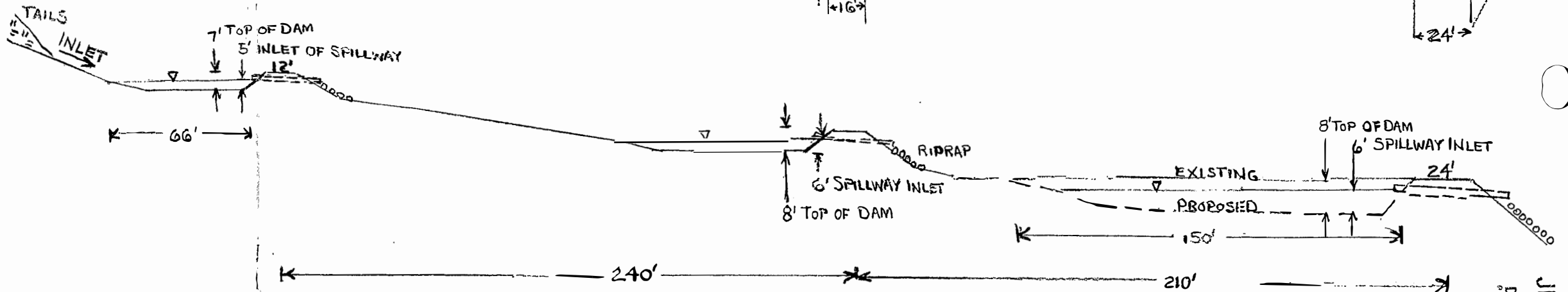
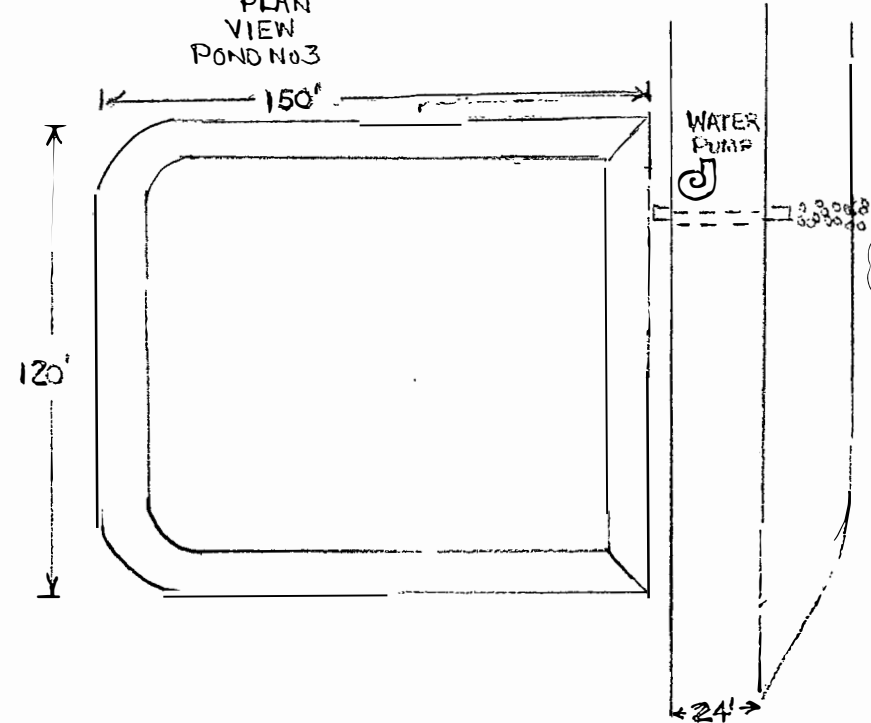
PLAN VIEW  
 POND NO 1



PLAN VIEW  
 POND NO 2



PLAN VIEW  
 POND NO 3



PROFILE VIEW  
 SCALE 1"=50'

RECEIVED  
 JUL 02 1989  
 DEPT OF GEOLOGY  
 MINERAL PAPERS

MEMO TO FILE

To: File #01-0026 - Valley High Minerals Inc Date: July 16, 1987

From: Allen H. Throop *act*

Subject: Virtue Mine

I drove onto this site today and found a Mr. Hunt on the site and another man who did not identify himself. From the two of them, I put together the following information. The property is now being bought by a W.W. "Bill" Hunt (the son of Mr. Hunt). He in turn is leasing it to a Levine of Canada. Levine is supposed to have a 150 yd/hr drive processing plant.

*Peter Goodman of Valley High is returning to Canada. Tom Bonn of Bonanza is apparently looking @ this site*

*act*

*1/20/87*

MEMO TO FILE

To: File #01-0026 - Valley High Minerals Inc

Date: May 21, 1987

From: Allen H. Throop *Al*

Subject: Virtue Mine

I drove onto this site today to see what was going on. The only major change is a moderate amount of bulldozer work has been done around the Virtue shaft. Perhaps 1/8 to 1/4 of an acre has been affected.

It looks like a pipe may have been buried from the shaft area down to the old settling ponds. Traffic patterns out to where Trudeau was working did not indicate any significant recent usage.


There is a pickup truck high up on the hill; that is where the traffic seems to be going now. Since I was in the sedan I did not go up there.

*Peter Goodman & others are, according to  
Lloyd Dinger, working the site now.*

MEMO TO FILE

To: File #01-0026 Valley High Minerals

Date: October 22, 1986

From: Allen H. Throop 

Subject:

Bill McKisick and Tom Trudeau were on the site today. Operations were basically as described in the last inspection report. However, a large front endloader and bulldozer are now on the site. There is no evidence that they have as yet exceeded the 5,000 cubic yards.

If they bring a new trommel on, which is combatible in size to the front endloader and bulldozer, they could very quickly exceed the yardage limitations. They have done very little excavation or disturbance outside of the prior mined areas.

MEMO TO FILE

To: File #01-0026 Valley High Minerals

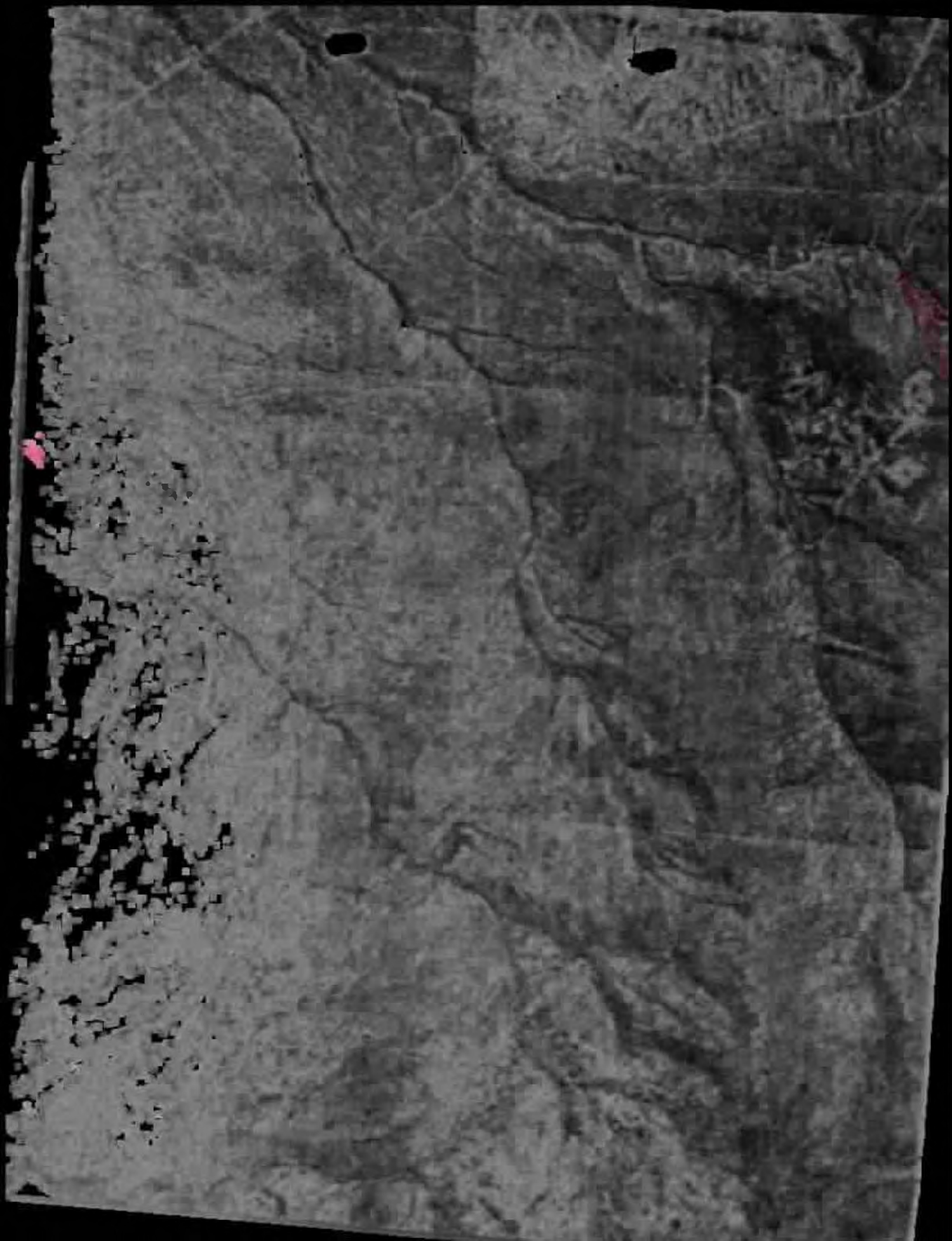
Date: September 25, 1986

From: Allen H. Throop

Subject:

Jan Alexander and I visited this site today and much to our surprise and probably to his, found Tom Trudeau operating on the site.

Tom is working for Peter Goodman of Valley High Minerals. According to Tom, the operator we talked to earlier in the year moved 2,000 yards. Tom has moved 800 in the two weeks he has been on the site. They are still working within the prior mined area. I later told Bill McKisick, who is working with Goodman on another site, that a limited exemption is needed for this site before they go over the 5,000 yard limit.







Area to be worked -  
w/ an old dirt road  
area.



plant site

Office  
Peter Goodwin  
Vintage Mine  
17 June 66  
by: A. Thross

PHONE CONVERSATION - MEMO TO FILE

TALKED WITH Bob Bentz DATE 29 May 86

OF El Donado - On PHONE NO. 509 737-2701

El Donado finished @ Mod. Lake - site  
back to Stacey et al. will get  
Stacy to assume permit obligations.

ACTION OR FOLLOW UP NECESSARY: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

BY Curo



01-0026  
ex Brandenthaler site  
Virtue mine  
15 Nov '85  
By: A. H. Throop

.op

.op

MEMO TO FILE

To: File #01-0026 Virtue Mine

Date: November 14, 1985

From: Allen H. Throop *ath*

Subject:

Ralph Kuhns, BLM, and I looked at this site today to look at the Eldorado Gold exploration project on this site. They have brought over their processing equipment from Malheur Reservoir. Leroy Valentine's plant is also set up on this site. There is a stockpile of 500 to 1,000 yards sitting above the processing plant.

According to the caretaker on the site, Valentine is refusing to do any more work for Eldorado until he gets paid. The stockpiled material came from numerous areas. Total disturbance is under our threshold.



STATE OF OREGON

INTEROFFICE MEMO

TO: File #01-0026  
Anthony Brandenthaler

DATE: December 12, 1983

FROM: Allen H. Throop *ATH*

SUBJECT: Closing file

I recommend that we close this file since:

1. No application was ever made and therefore it should not be a file.
2. Mr. Brandenthaler has been dead for a number of years.
3. From observations from a distance and from discussions with various B.L.M. employees, I believe the site to be inactive.

*Close Records  
Site does not qualify from  
for future exemption provisions of ORS 715.905 et seq.  
12/14/83*

PHONE CONVERSATION - MEMO TO FILE

TALKED WITH Lloyd Dinger DATE 12/14/83

OF \_\_\_\_\_ PHONE NO. 523-3991

VIRTUE MINE IS STILL IN PROBATE? IN COURTS, IN ANYCASE.  
EXPECTS WITHIN 6 MONTHS IT MAY BE RELEASED  
TO MRS MARY BRANDEN THALER TO DO WITH AS SHE  
WISHES, COMPLETELY INACTIVE MINE AT THE  
PRESENT TIME AS FAR AS LLOYD KNOWS.

NO PRESENT TRACE OF M.C. MCKENSIE OR OF TRUST REAL  
ESTATE -  
REFERRED TO IN LETTER FROM STOEHL, RIVES,  
BOLEY, FRASER, AND WYSE.

ACTION OR FOLLOW UP NECESSARY: \_\_\_\_\_

Closing Records

BY TFL



STATE DEPARTMENT OF GEOLOGY  
AND MINERAL INDUSTRIES

1129 S. E. Santiam Road  
Albany, Oregon 97321

Telephone (503) 967-2039

Ident. No. \_\_\_\_\_

Sent \_\_\_\_\_ By \_\_\_\_\_

- GRANT OF TOTAL EXEMPTION
- GRANT OF LIMITED EXEMPTION

[Empty rounded rectangular box for site description]

Site Identification

$\frac{1}{4}$  Sec. \_\_\_\_\_ Sec. \_\_\_\_\_ Twp. \_\_\_\_\_ Rge. \_\_\_\_\_

County \_\_\_\_\_

Pursuant to ORS 517.750 to 517.900 as amended and subsection (4) of ORS 517.990, the above named operator is granted an exemption from the requirement for a reclamation plan and a bond for the property described above and in the Application dated \_\_\_\_\_.

TERM: Pursuant to ORS 517.750(12) and ORS 517.770, this Grant of Exemption shall be in effect, unless revoked or suspended for cause, from the date of issuance. The basis for granting the exemption(s) is shown below.

- 1.  The land was affected by surface mining before 7-1-72 (ORS 517.770(1)(a)).
  - 2.  A valid surface mining contract exists between the operator and landowner (ORS 517.770 (1)(c)).
  - 3.  Valley dredging for metallic and/or industrial minerals (ORS 517.770 (1)(b)).
  - 4.  All mining activity takes place between the banks of a stream. (The vegetation line defines the bank.) (ORS 517.750 (12)).
  - 5.  Access roads' borrow pit or quarry (ORS 517.750(12)).
  - 6.  On-site construction (ORS 517.750 (12)).
  - 7.  The site is less than one acre (ORS 517.750 (12)).
  - 8.  A total of less than 2,500 cubic yards of mineral have been or will be removed (ORS 517.750 (12)).
  - 9.  The site is inactive.
  - 0.  Other.
- THIS CERTIFICATE DOES NOT RELIEVE THE PERMITTEE FROM THE REQUIREMENTS OF CITY, COUNTY, OR OTHER GOVERNMENT AGENCY AUTHORITY.

PENALTIES: It is the responsibility of the above-named operator to notify the Department immediately wherein, because of changed conditions, the operator's exemption or exclusion under the Act is nullified. Failure to do so by the operator will place him in the position of conducting a surface mining operation without a permit and subject to the penalties set forth in ORS 517.990(4).

THIS TOTAL EXEMPTION IS Issued this \_\_\_\_\_ day of \_\_\_\_\_ 19 \_\_\_\_\_

RECOGNIZED FOR INACTIVE STATUS. NOTIFICATION TO THE DEPARTMENT OF GEOLOGY AND MINERAL INDUSTRIES IS REQUIRED BEFORE RESUMPTION OF MINING.

STATE of OREGON DEPARTMENT of GEOLOGY & MINERAL INDUSTRIES

By \_\_\_\_\_

Title \_\_\_\_\_

file-01-0026



CIRCUIT COURT OF OREGON  
EIGHTH JUDICIAL DISTRICT  
BAKER, OREGON 97814  
503/523-6414 Ext. 213

WILLIAM L. JACKSON  
Judge

March 24, 1981

RECEIVED

MAR 26 1981

DEPT OF GEOLOGY  
& MINERAL INDUS.

Mr. Paul F. Lawson  
Supervisor  
Mined Land Reclamation  
Department of Geology and Mineral Industries  
1129 S. E. Santiam Road  
Albany, Oregon 97321

RE: United States National Bank, et al  
v.  
Harold D. Caldwell, et al  
Baker County No. 80-84

Dear Mr. Lawson:

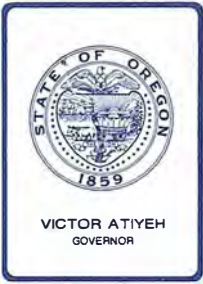
Enclosed please find the certified copy of Report of On-Site Inspection, Virtue Milling Company, I.D. 01-0026, August 29, 1979. The report was not necessary for trial and pursuant to your request returned to you herewith.

Yours very truly,

William W. Wells

WWW:sm

Enclosure (1)



## Department of Geology and Mineral Industries

1129 S.E. SANTIAM ROAD, ALBANY, OREGON 97321 PHONE (503) 967-2039

March 20, 1981



Hon. William Jackson  
Circuit Court Judge  
Baker, Oregon 97814

RE: United States National Bank et al  
vs.  
Harold D. Caldwell et al

Case 80-84

Dear Judge Jackson:

I have been issued a subpoena to mail a certified copy of a Report of On-Site Inspection, I.D. #01-0026 to Anthony Brandenthaler, Deceased c/o Hon. William Jackson, Circuit Court Judge, Baker, Oregon.

That copy is transmitted by this letter for your in camera review.

I respectfully submit that the subject report is confidential under the provisions of ORS 517.900 "INFORMATION SUBMITTED BY OPERATORS AND LANDOWNERS IS CONFIDENTIAL. Operators' reports and other information submitted by operators and landowners as required under ORS 517.750 to 517.900 and subsection (4) of 517.900, with the exception of the reclamation plan as approved by the department, shall be confidential [1971 c719 §14]."

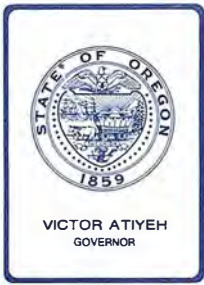
If the Court finds this document Confidential, I respectfully request that the enclosed certified copy of Report of On-Site Inspection, Virtue Milling Company, I.D. 01-0026, August 29, 1979 be returned to this office.

Sincerely,

Paul F. Lawson  
Supervisor  
Mined Land Reclamation

PFL/bjd

Enclosures



## *Department of Geology and Mineral Industries*

1129 S.E. SANTIAM ROAD, ALBANY, OREGON 97321 PHONE (503) 967-2039

March 20, 1981

I, Paul F. Lawson, certify that I am Supervisor of the Mined Land Reclamation Program, Department of Geology and Mineral Industries, State of Oregon. In this capacity I am custodian of mined land reclamation records.

I certify that this attached document is a true and complete copy of a Report of On-Site Inspection, I.D. 01-0026, dated August 29, 1979 as it appears in the records of this office.

Paul F. Lawson  
Supervisor  
Mined Land Reclamation

PFL/bjd

Attachment

# STOEL, RIVES, BOLEY, FRASER AND WYSE

(DAVIES, BIGGS, STRAYER, STOEL AND BOLEY)  
(RIVES, BONYHADI & SMITH)

## LAW OFFICES

900 S W FIFTH AVENUE  
PORTLAND, OREGON 97204

(503) 224-3380

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HARRY S. CHANDLER  
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THOMAS B. STOEL  
MANLEY B. STRAYER  
JERE M. WEBB  
CLARENCE R. WICKS  
MARCUS WOOD  
WILLIAM W. WYSE

Counsel  
DAVID L. DAVIES  
HUGH L. BIGGS

GAIL L. ACHTERMAN  
CHARLES F. ADAMS  
STEPHEN E. BABSON  
MARGARET M. BAUMGARDNER  
WILLIAM A. BERG  
RUTH A. BEYER  
CONSTANCE HEIMS BLOCK  
JOHN A. BOGDANSKI  
JOHN F. BRADACH  
HENRY C. BREITHAUPT  
DEE K. CARLSON  
BERTRAND J. CLOSE  
ELIZABETH F. COSGRIFF  
NANCY L. COWGILL  
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FRANCIS S. DELIA  
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RANDOLPH C. FOSTER  
NANCY M. GANONG  
ANDREW R. GARDNER  
BENNETT H. GOLDSTEIN  
SUSAN P. GRABER  
DAVID W. GREEN  
STEPHEN L. GRIFFITH

THOMAS G. P. GUILBERT  
KIRK R. HALL  
SUSAN M. HAMMER  
JOYCE A. HARPOLE  
JAMES C. HOWE  
PAMELA L. JACKLIN  
PETER R. JARVIS  
GREGORY F. JENNER  
CHARLES S. LEWIS, III  
DENNIS LEYBOLD  
GREGORY H. MACPHERSON  
WILLIAM E. MERRITT  
ROBERT J. MOORMAN  
THOMAS H. NELSON  
MARK A. NORBY  
MARGARET HILL NOTO  
THOMAS R. PAGE  
GUY A. RANDLES  
LOIS O. ROSENBAUM  
STEVEN SCROGGIN  
JAMES RAY STREINZ  
ANN E. THOMPSON  
E. WALTER VAN VALKENBURG  
STEPHEN S. WALTERS  
TIMOTHY J. WYLDER

RECEIVED  
March 19 1981  
MAR 20 1981  
DEPT OF GEOLOGY  
& MINERAL INDUS.

Mr. Paul Lawson  
State Department of  
Geology  
Albany, Oregon 97321

Dear Mr. Lawson:

Re: Brandenthaler Estate

I contacted Gail Achterman regarding the name of the individual at the United States National Bank of Oregon you should send the permit renewal information to. The individual's name is M. C. McKenzie, and he is located at Trust Real Estate, One Main Place, 101 SW Main Street, Suite 960, Portland, Oregon 97204.

Very truly yours,

C. Jean Beatty  
Legal Assistant  
Litigation

CJB:cma

Jack PITMAN  
Mrs. GROOMS  
\* Gay Schmitt  
Ingr. J  
523-7791

STOEL, RIVES, Boley, FRASER and Wise

SUSAN HAMMER TRYING THIS CASE.

224-3380

C. Jean Beatty Legal Asst, Litigation  
ATTNYS for United States National Bank.

SUSSMAN, SHANK, WAPNICK, CAPLAN & Stiles

227-1111

ATTNYS for Anderson & Barnes

assignees of Caldwell's interests.  
SILVIA STEVENS - Legal assistant?

LEUENBERGER & Hadley (Behr)  
ATTNY FOR HAROLD D. CALDWELL

P.O. BOX 926

523-6431

~~Harold R. Caldwell~~

778-6850

~~Harold D Caldwell~~  
- staying at Sunridge  
Inn,  
523-6444  
~~H. E. Caldwell~~

287-7307

over

info from

Denver operator

Central City, Colo 80427  
P.O. Box 172

Tel: 303-582-5880 & 988-8407



*State Department of Geology & Mineral Industries*

1129 S.E. SANTIAM ROAD  
ALBANY, OREGON 97321



WILLIAM N. STILES  
1111 ORBANCO BLDG.  
PORTLAND, OREGON 97204



*Department of Geology and Mineral Industries*

1129 S.E. SANTIAM ROAD, ALBANY, OREGON 97321 PHONE (503) 967-2039

March 20, 1981

Hon. William Jackson  
Circuit Court Judge  
Baker, Oregon 97814

RE: United States National Bank et al  
vs.  
Harold D. Caldwell et al

Case 80-84

Dear Judge Jackson:

I have been issued a subpoena to mail a certified copy of a Report of On-Site Inspection, I.D. #01-0026 to Anthony Brandenthaler, Deceased c/o Hon. William Jackson, Circuit Court Judge, Baker, Oregon.

That copy is transmitted by this letter for your in camera review.

I respectfully submit that the subject report is confidential under the provisions of ORS 517.900 "INFORMATION SUBMITTED BY OPERATORS AND LANDOWNERS IS CONFIDENTIAL. Operators' reports and other information submitted by operators and landowners as required under ORS 517.750 to 517.900 and subsection (4) of 517.900, with the exception of the reclamation plan as approved by the department, shall be confidential [1971 c719 614]."

If the Court finds this document Confidential, I respectfully request that the enclosed certified copy of Report of On-Site Inspection, Virtue Milling Company, I.D. 01-0026, August 29, 1979 be returned to this office.

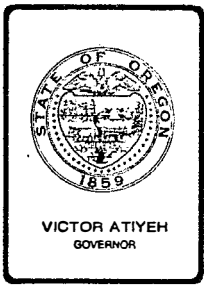
Sincerely,

Paul F. Lawson  
Supervisor  
Mined Land Reclamation

PFL/bjd

Enclosures

P.S. I am returning your cash  
herewith PFL 3/20/81



## Department of Geology and Mineral Industries

1129 S.E. SANTIAM ROAD, ALBANY, OREGON 97321 PHONE (503) 967-2039

March 20, 1981

Hon. William Jackson  
Circuit Court Judge  
Baker, Oregon 97814

RE: United States National Bank et al  
vs.  
Harold D. Caldwell et al

Case 80-84

Dear Judge Jackson:

I have been issued a subpoena to mail a certified copy of a Report of On-Site Inspection, I.D. #01-0026 to Anthony Brandenthaler, Deceased c/o Hon. William Jackson, Circuit Court Judge, Baker, Oregon.

That copy is transmitted by this letter for your in camera review.

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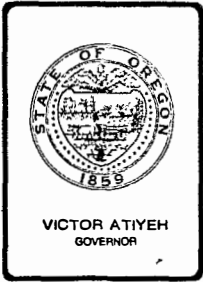
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Sincerely,

Paul F. Lawson  
Supervisor  
Mined Land Reclamation

PFL/bjd

Enclosures



## *Department of Geology and Mineral Industries*

1129 S.E. SANTIAM ROAD, ALBANY, OREGON 97321 PHONE (503) 967-2039

March 20, 1981

I, Paul F. Lawson, certify that I am Supervisor of the Mined Land Reclamation Program, Department of Geology and Mineral Industries, State of Oregon. In this capacity I am custodian of mined land reclamation records.

I certify that this attached document is a true and complete copy of a Report of On-Site Inspection, I.D. 01-0026, dated August 29, 1979 as it appears in the records of this office.

*Paul F. Lawson*  
Paul F. Lawson  
Supervisor  
Mined Land Reclamation

PFL/bjd

Attachment

TK



In the Circuit Court of the State of Oregon

for the County of Baker

United States National Bank et al  
Plaintiff,

vs.

Harold D. Caldwell et al  
Defendant.

Case No. 80-84

CIVIL SUBPENA\* Duces Tecum

TO: Paul Lawson, Supervisor, Dept. of Geology, etc, 1129 Santiam Rd S.E., Albany

IN THE NAME OF THE STATE OF OREGON:

You hereby are required to appear in the Circuit Court of the State of Oregon for the County of Baker, at Room No. see clerk of the County Court House of said county in the City of Baker, Oregon, on the 23rd day of March, 1981, at 9:30 o'clock A. M., to testify as a witness in the above entitled cause on behalf of Defendants Anderson and Barnes and to bring with you Report of ON-Site Inspection No. 01-0026 concerning the Brandenthaler-Caldwell mining properties or, alternatively, by Friday March 20, 1981, mailing a certified copy of the report to Anthony Brandenthaler, Deceased, (s) William N. Stiles c/o Hon. William Jackson, Circuit Court Judge, Baker, Oregon

Address 1111 Orbanco Bldg. Portland, Or. 97204 Phone 227-1111

I hereby certify that the foregoing is a true copy of the original subpena in the above entitled cause as the same appears in my hands for service.

William N. Stiles  
Attorney  
If an officer, state title.

Proof of service made by person other than sheriff or constable.  
STATE OF OREGON, County of \_\_\_\_\_ ss:  
I, \_\_\_\_\_ being first duly sworn, depose and say that the within subpena was delivered to me for service on \_\_\_\_\_, 19\_\_\_\_; that I served the same within the county and state aforesaid on the \_\_\_\_\_ day of \_\_\_\_\_, 19\_\_\_\_ on the within named \_\_\_\_\_ by delivering to him personally a copy thereof and giving or offering to him at the same time the fees (named below) to which he is entitled for travel to and from the place designated in said subpena and one day's attendance; that I am a competent person over the age of 18 years.

Proof of service if made by sheriff or constable.  
STATE OF OREGON, County of \_\_\_\_\_ ss:  
I hereby certify that the within subpena was delivered to me for service on \_\_\_\_\_, 19\_\_\_\_; that I served the same within the county and state aforesaid on the \_\_\_\_\_ day of \_\_\_\_\_, 19\_\_\_\_, on the within named \_\_\_\_\_ by delivering to him a copy thereof personally and giving or offering to him at the same time the fees and mileage (named below) to which he is entitled for travel to and from the place designated in said subpena and one day's attendance.

Subscribed and sworn to before me this \_\_\_\_\_ day of \_\_\_\_\_, 19\_\_\_\_.  
Notary Public for Oregon  
(SEAL) My Commission expires \_\_\_\_\_

\_\_\_\_\_ of \_\_\_\_\_ County, Oregon  
By \_\_\_\_\_ Deputy  
Witness fees . . . . . \$ \_\_\_\_\_  
Mileage . . . . . \$ \_\_\_\_\_  
Paid by \_\_\_\_\_ \$ \_\_\_\_\_

Ontario, OR  
Argus-Observer  
(Cir. D. 6,528)

*Jan 6*  
MAR 31 1980 *L*

*Allen's* P. C. B Est. 1888

## Estate sues over mines

BAKER, Ore. (UPI) — The estate of Baker industrialist Tony Brandenthaler, who died Dec. 13, has filed suit to nullify a contract for sale of a number of Oregon's most productive gold mining properties.

The suit, filed in Baker County Circuit Court, contends the purchaser of the properties, Chain O'Mines of Central City, Colo., failed to live up to the terms of the purchase agreement, which involved reclaiming an estimated \$5 million in gold from an old mine dump.

Among other allegations, the plaintiffs, U.S. National Bank of Oregon and Brandenthaler's wife, Mary, claim Chain O'Mines failed to pay a purchase price of \$1.6 million. Harold D. Caldwell is named defendant as trustee of the Colorado firm.

Although the Brandenthalers gave written notice of breach of the agreement in November 1979, according to the suit, the agreement continues to be a cloud on the title to the properties.

Involved in the suit are some of the historically most important mines in the northeastern Oregon area which contains the state's top producing gold properties. Included are the California, Imperial, Red Boy, Grand Union, Virtue and Bald Mountain.

According to the suit the Brandenthalers contracted to sell Chain O'Mines their mining interests in April 1979. Eight lease options held by the Brandenthalers on mining properties were sold to Chain O'Mines.



STATE OF OREGON

INTEROFFICE MEMO

TO: Staff

DATE: February 22, 1980

FROM: Stan

SUBJECT: Response to Tom Young

Write Tom Young a letter that we concur that there has been a violation of surface mining law and our conversations with DEQ seem to bear out that there seems to be a continued violation of DEQ regulations also. I suggest that since Larry Jack is no longer in the area that we set up a meeting with Steve Gardels and a representative of this office and go over the site with Mr. Young.

See inspection report in file for background reference.



Contains  
Recycled  
Materials

81-125-1387

SP\*75683-125

LAW OFFICES  
SILVEN, YOUNG & SCHMEITS  
1950 THIRD STREET  
P. O. BOX 965  
BAKER, OREGON 97814  
TELEPHONE (503) 523-4442

DAVID C. SILVEN  
THOMAS F. YOUNG  
ALAN J. SCHMEITS  
FLOYD C. VAUGHAN

NICHOLS & HALLOCK  
1919-1922  
NICHOLS, HALLOCK & DONALD  
1923-1929  
HALLOCK, DONALD & BANTA  
1930-1945  
HALLOCK, DONALD, BANTA & SILVEN  
1946-1950  
HALLOCK, BANTA, SILVEN & HORTON  
1951-1954  
BANTA, SILVEN & HORTON  
1955-1959  
BANTA, SILVEN, HORTON & YOUNG  
1960-1962  
BANTA, SILVEN & YOUNG  
1963-1978

February 2, 1980

RECEIVED  
FEB - 6 1980  
DEPT OF GEOLOGY  
& MINERAL INDUS.

Mr. Stanley L. Ausmus  
Department of Geology and Mineral Industry  
1129 S. E. Santiam Road  
Albany, Oregon 97321

Mr. Lawrence L. Jack  
Department of Environmental Quality  
1538 S. W. 6th  
Pendleton, Oregon 97801

Re: Estate of Anthony Brandenthaler

We are attorneys for the above estate. The United States National Bank of Oregon is the personal representative. The decedent was the owner of what is commonly known as the "Virtue Mine", lying Easterly of Baker, and South of the Richland Highway (Highway 86).

In April of 1979, the decedent entered into a contract for the development of the mine with one Harold Caldwell, a mining promoter from Colorado, who allegedly was representing Chain O'Mines, headquartered in Central City, Colorado.

Caldwell has failed to abide by his agreement in several particulars. The estate is now preparing to terminate his interest by filing the appropriate law action.

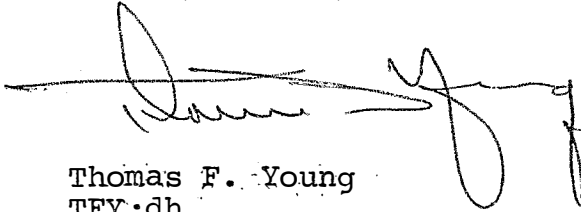
One matter has troubled me. I have personally examined Mr. Caldwell's "mining operation", and it strikes me that it has most likely violated all the standard rules of customary and desirable mining practices. Possibly one of your agency's regulations has been violated as well. If that is the case, it simply gives me some additional strength to remove Mr. Caldwell from any further association with this property.

Mr. Stanley L. Ausmus  
Mr. Lawrence L. Jack  
February 2, 1980  
Page 2.

I would certainly like to discuss this matter with either or both of you. I realize the distance involved, but possibly you could give me some information. I have a suspicion you may have already had some contact with this mine and Mr. Caldwell. It runs in my mind that he may have tried to get DEQ approval for his operation once before, and maybe didn't follow through with it.

You are not altogether unacquainted with the writer. Both of you were in my office last fall when we were struggling with the problem on Connor Creek.

Thank you for your concern and assistance.



Thomas F. Young  
TFY:dh  
cc- R. W. Ager  
Mary Brandenthaler



STATE OF OREGON

INTEROFFICE MEMO

TO: File

DATE: January 30, 1980

FROM: Standley L. Ausmus

SUBJECT:

Tony Brandenthaler deceased as of December 1979. The attorneys for his estate are Sylvan & Young of Baker. U.S. National Bank is trustee of estate. We have to resolve the status of each of these mines.

I will get into that during the week of January 28.

copies to: All Tony Brandenthaler files, including Blue Mt. Lime, Chemical Lime and Virtue Mine.

#01-0026

- 3 -

planting should occur in the fall of the year to affect the highest possibility of successful revegetation. <sup>A</sup> Prior to the disposal of the leached material into the spoils area, complete neutralization must have been effected.

Note (not for official file, but needs to be followed up) -

I must contact Mr. Caldwell, his home address is in Denver, may be difficult to get a hold of. Tony told me he would be in the Baker area today and he would have him contact me but that did not occur. At the present time Tony has indicated that he wants the permit in his name; on the other hand he indicated to me earlier the same day that he wanted the permit issued in the name of Virtue Milling Co. I explained to Tony the requirements for the bond and the permit fee - he remains confused ~~we~~ regard to the various permits that are required. He considers his patent as being fulfilling all of the permit requirements; although he has indicated a willingness to comply with any requirements we have. I am going to try to contact Caldwell and see <sup>if</sup> we can get the permit squared around in Caldwell's name or at least in the name of Virtue Milling Co., so that we are dealing with an organizational entity on a professional standing. I advised Larry Jack today of the situation at the Virtue and urged his inspection of that area and also urged that he give serious consideration to the problem of the disposal of the leached material and the leaching process itself on this particular operation. File 01-0026 will be upgraded to a surface mining permit in the near future. We are working on it now, will have to get application forms and reclamation plans on line for this site.





STATE OF OREGON

INTEROFFICE MEMO

TO: File

DATE: July 9, 1979

FROM: Standley L. Ausmus

SUBJECT: #01-0026 Tony Brandenthaler (Virtue Mine)

Larry Jack reports that a Mr. Goss of Baker has leased some of the Virtue Mine claims and plans to open pit around the main shaft. The material will be heap leached cyanide process. I requested that Larry notify the operator that even though his initial operation is not expected to exceed a few hundred tons we would request filing for a total exemption for the present time because of the nature of the operation.



State of Oregon  
DEPARTMENT OF ENVIRONMENTAL QUALITY

INTEROFFICE MEMO

*file*  
*-if no fold - make one but show it as an underground mine - no number -*

To: CKAshbaker, WQ thru FMBolton, RO

Date: June 13, 1977

RECEIVED

From: Larry Jack, ERO

JUN 17 1977

Subject: WQ - Chemical Lime Co, Virtue Mine, Baker County, File # 16040

DEPT OF GEOLOGY & MINERAL INDUS.

An on site inspection was made on June 7, 1977 at 1645 of the mining and processing operation located in Sec. 21, T9S, R41E WM.

The operation was closed (no one about) and all indications were that it has not operated since the 1976 season.

(See sketch for operation layout.) At site the operation has utilized water pumped from the 850 foot shaft of the Virtue Gold Mine (450 GPM) to wash ore, and waste water goes through three settling basins with a recirculation system to save water. All settling ponds are in good condition and with no indication of discharge.

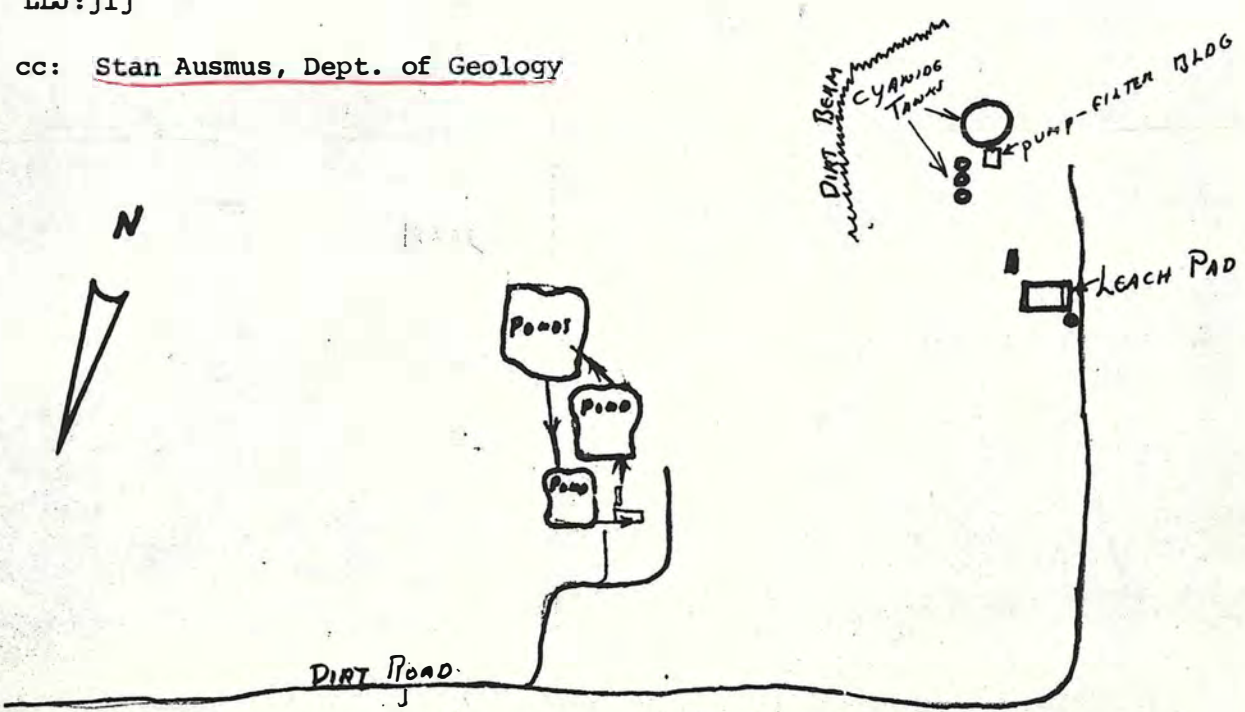
The ore cyanide processing operation is located on the bench west and above the settling ponds.

The cyanide leaching pad is about 60 x 110 ft. of asphalt, without curbs on the sides and no safety berm on the lower side. There is indication that liquid has run off of the east and southeast edge of the pad. There is ore piled about 8 to 9 feet deep on the pad at this time. No indication of an ore tailing pile and no provisions to handle the tailings.

A letter will be sent to the company regarding handling of the cyanide solution and apparent lack of proper spill prevention controls.

LLJ:jlj

cc: Stan Ausmus, Dept. of Geology



8/5/77 - 01-0068

~~Gene Coppersmith~~ - 856-3629 - after 6 PM  
note: all sites are under the name Chemical Waste

- Parkville Class -

- inactive

- 01-0070 - opened 20 years for exploration

- will close up the open pit

- this site will continue as an underground -

Town  
8/5/77 - 5703  
after 6 PM

- 01-0071 - (Gold Mountain is underground mine

- shipping now (to Tacoma)

- no open pit -

- 01-0027 - Inactive past 6 years  
will reactivate -

- 01-0026 - Inactive presently

- cyanide on the surface -

UNITED STATES DEPARTMENT OF THE INTERIOR  
MINING ENFORCEMENT AND SAFETY ADMINISTRATION  
METAL AND NONMETAL MINE HEALTH AND SAFETY

117 - 107th Avenue N.E.  
Bellevue, Washington 98004  
K. U. Russell  
Subdistrict Manager

*Gray*  
RECEIVED

NOV 8 1976

DEPT OF GEOLOGY  
& MINERAL INDUS.

Inspection No.: S-6  
Identification No.: 35-01037  
Inspection Date(s): October 20, 1976

SAFETY SPOT

INSPECTION REPORT

This report is based on an inspection made pursuant to Section 4 of the Federal Metal and Nonmetallic Safety Act (80 Stat. 772).

Owner: Chemical Lime Company ✓

Operator: Chemical Lime Company

Company: Chemical Lime Company

Mine Name: Virtue Mine & Mill Telephone Number: \_\_\_\_\_

City: Baker County: Baker State: Oregon

Location: Approximately six miles west of Baker, Oregon

Type of Mine: surface Mining Method: mill Product: gold

No. of Employees: 5 Work Schedule: Hours/shift 8 Shift/day 1 Days/week 5

MESA Inspector: W. M. Yenter

Company Officials: Anthony Brandenthaler, owner; Vernon Jacobsen, general manager

Union Representatives: N/A

Inspection Party: Anthony Brandenthaler and Vernon Jacobsen, Chemical Lime Company

Remarks: No. of Last NOTICE Issued 8 Date Issued: September 23, 1976  
No. of Last ORDER Issued -- Date Issued: --  
No. of Outstanding NOTICES --

**GENERAL INFORMATION**

The leaching process and trommel washing unit were being de-activated for the winter.

**ABATEMENT; PRIOR INSPECTION**

55.11-2 Notice No. 7 issued September 23, 1976 was abated October 20, 1976. Railing was provided around the elevated platform.

**NOTICES WITHDRAWN**

55.11-9 Notice No. 6 issued September 23, 1976 was withdrawn October 20, 1976. The trommel was inactive.

55.14-1 Notice No. 8 issued September 23, 1976 was withdrawn October 20, 1976. The trommel was inactive.

The hazards cited in the above notices shall be corrected prior to re-activation of the operation.

**ACKNOWLEDGMENT**

The cooperation of all persons contacted during this inspection was greatly appreciated.

/s/ W. M. Yenter

W. M. Yenter  
Metal & Nonmetal Mine Inspector

ep

MINING ENFORCEMENT AND SAFETY ADMINISTRATION  
METAL AND NONMETAL MINE HEALTH AND SAFETY  
117 - 107th Avenue N.E.  
Bellevue, Washington 98004  
K. U. Russell  
Subdistrict Manager

gray  
AA

RECEIVED

OCT 25 1976

DEPT OF GEOLOGY  
& MINERAL INDUS.

SAFETY REGULAR

Inspection No.: R-4  
Identification No.: 35-01037  
Inspection Date(s): September 23, 1976

INSPECTION REPORT

This report is based on an inspection made pursuant to Section 4 of the Federal Metal and Nonmetallic Safety Act (80 Stat. 772).

Owner: Chemical Lime Company

Operator: Same

Company: Same

Mine Name: Virtue Mine Telephone Number: 503-523-4409

City: Baker County: Baker State: Oregon

Location: Approximately six (6) miles west of Baker

Type of Mine: surface Mining Method: mill Product: gold

No. of Employees: 5 Work Schedule: Hours/shift 1 Shift/day 8 Days/week 5

MESA Inspector: W. M. Yenter

Company Officials: Anthony Brandenthaler, owner; Vernon Jacobsen, general manager

Union Representatives: N/A

Inspection Party: Anthony Brandenthaler, owner; Vernon Jacobsen, general manager;

H. J. Heier, MESA

Remarks: No. of Last NOTICE Issued 8 Date Issued Sept. 23, 1976  
No. of Last ORDER Issued - Date Issued \_\_\_\_\_  
No. of Outstanding NOTICES 3

GENERAL INFORMATION

Rock, from existing mine dumps, was being screened through a trommel, to get fines for the leaching pads.

A cat was used to move the material to the trommel. A backhoe was being used to feed the trommel.

NOTICES ISSUED.

- 55.11-9 Notice No. 6, issued September 23, 1976. Outboard railings were not provided on the elevated walkway of the trommel discharge conveyor. This violation shall be totally abated by September 30, 1976.
- 55.11-2 Notice No. 7, issued September 23, 1976. The elevated platform, at the trommel drive motor, was not provided with a railing. This violation shall be totally abated by September 30, 1976.
- 55.14-1 Notice No. 8, issued September 23, 1976. The tail pulley nip-points, on the trommel discharge conveyor, were not guarded. This violation shall be totally abated by October 3, 1976.

RECOMMENDATION COVERED BY  
PROMULGATED ADVISORY STANDARDS

- 55.4-12 Lubricants should be removed from the building that housed the generator.

NOTICES ABATED

- 55.4-2 Notice No. 4, issued July 15, 1976, was abated September 23, 1976. A sign warning against smoking at the diesel storage tank had been posted.
- 55.15-1 Notice No. 5, issued July 15, 1976, was abated September 23, 1976. First-aid supplies had been provided at the mine site.

ACKNOWLEDGMENT

The cooperation of all persons contacted during the inspection was sincerely appreciated.

/s/ W. M. Yenter

W. M. Yenter  
Metal and Nonmetal Mine Inspector

UNITED STATES DEPARTMENT OF THE INTERIOR  
MINING ENFORCEMENT AND SAFETY ADMINISTRATION  
METAL AND NONMETAL MINE HEALTH AND SAFETY

117 - 107th Avenue N.E.  
Bellevue, Washington 98004  
K. U. Russell  
Subdistrict Manager

*Gray*  
*AA*

RECEIVED

AUG 1 1976

DEPT OF GEOLOGY  
& MINERAL INDUS.

Inspection No.: R-3  
Identification No.: 35-01037  
Inspection Date(s): July 14, 15, 1976

SAFETY REGULAR

INSPECTION REPORT

This report is based on an inspection made pursuant to Section 4 of the Federal Metal and Nonmetallic Safety Act (80 Stat. 772).

Owner: Chemical Lime Company

Operator: Same

Company: Same

Mine Name: Virtue Mine

Telephone Number: 503-523-4409

City: Baker

County: Baker

State: Oregon

Location: Approximately six (6) miles west of Baker

Type of Mine: Surface

Mining Method: Mill

Product: Gold

No. of Employees: 5 Work Schedule: Hours/shift 1 Shift/day 8 Days/week 5

MESA Inspector: W. M. Yenter

Company Officials: Anthony Brandenthaler, Owner; Vernon Jacobsen, General Manager

Union Representatives: N/A

Inspection Party: Vernon Jacobsen, General Manager; H. J. Heier, MESA

Remarks: No. of Last NOTICE Issued 5 Date Issued July 15, 1976  
No. of Last ORDER Issued - Date Issued \_\_\_\_\_  
No. of Outstanding NOTICES 2

## GENERAL INFORMATION

A leaching recovery system was near completion, on the mine property. A shaft at the mine had been opened, as a water supply for the leaching process.

The existing mine dumps will be screened to a fine material, for use on the leaching pad.

The process will consist of a cyanide solution circuit, with the metal being recovered in a charcoal filtering system.

An electrolytic process will be performed at another location for the recovery of the metal from the charcoal.

Two buildings provided protection for the pumping-filtering system and the electrical generating plant.

## NOTICES ISSUED

- 55.4-2 Notice No. 4, issued July 15, 1976. A sign warning against smoking was not provided at the diesel storage tank. This violation shall be totally abated by July 20, 1976.
- 55.15-1 Notice No. 5, issued July 15, 1976. First-aid materials were not provided at the mine. This violation shall be totally abated by July 20, 1976.

## RECOMMENDATIONS COVERED BY PROMULGATED ADVISORY STANDARDS

- 55.4-12 Lubricants should be removed from the building that housed the generator.

## ACKNOWLEDGMENT

The cooperation of all persons contacted during the inspection was sincerely appreciated.

/s/ W. M. Yenter

W. M. Yenter  
Metal and Nonmetal Mine Inspector

mk

MINING ENFORCEMENT AND SAFETY ADMINISTRATION  
METAL AND NONMETAL MINE HEALTH AND SAFETY  
117 - 107th Avenue N. E.  
Bellevue, Washington 98004  
K. U. Russell  
Subdistrict Manager

*Gray JHC*  
*TTS*  
*01-0026*

*Too small right now  
the surface working are  
big enough*

RECEIVED  
JUL 7 1975

*7/25/75 - JCU*

Inspection No.: S-5  
Identification No.: 35-01037  
Inspection Date(s): June 4, 1975

DEPT OF GEOLOGY  
& MINERAL INDUS.  
Safety Spot

INSPECTION REPORT

This report is based on an inspection made pursuant to Section 4 of the Federal Metal and Nonmetallic Safety Act (80 Stat. 772). Mandatory Standards are indicated by (M) after the reference number.

Mine Name: Virtue Mine  
Owner: Chemical Lime Company  
Operator: Charta Mines, Ltd.  
City: Baker County: Baker State: Oregon  
Location: Approximately six miles west of Baker.

Type of Mine: Underground Mining Method: Inactive  
Product: Gold Inspector(s): W. M. Yenter  
No. of Employees: --- Hours/shift: ---- Shifts/day: ---- Days/Week ---  
Company Officials: John R. Poloni, Charta Mines, Ltd.  
Anthony Brandenthaler, owner  
Union Contacts: N/A

Inspector Accompanied By: J. B. Austin, Inspector trainee, MESA

Last NOTICE Issued: 3 Date Issued: August 2, 1973  
Last ORDER Issued: --- Date Issued: -----

GENERAL INFORMATION

The underground development had not been reactivated since 1973.

NOTICES TERMINATED

57.20-20(M) Notice No. 3, issued August 2, 1973 was terminated by abatement of the violation June 4, 1975. A door closing the mine and warning signs were provided.

/s/ W. M. Yenter

W. M. Yenter  
Metal and Nonmetal Mine Inspector

mm

9/7/73

Inspection No. 1  
Identification No. 35-01037

## INTRODUCTION

This report is based on an inspection made pursuant to Section 4 of the Federal Metal and Nonmetallic Mine Safety Act (80 Stat. 772).

Health and safety standards referenced in the report were promulgated in the Federal Register, Vol. 34, No. 145, Thursday, July 31, 1969; Vol. 35, No. 38, Wednesday, February 25, 1970; Vol. 35, No. 237, Tuesday, December 8, 1970; and Vol. 37, No. 139, Wednesday, July 19, 1972. Mandatory standards are indicated by (M) after the reference number.

## GENERAL INFORMATION

The Virtue Mine was an underground gold operation located approximately six miles east of Baker, Baker County, Oregon. The property was owned by the Wendt Estate and under lease by Anthony Brandenthaler, Baker, Oregon. A sublease had been optioned by Charta Mines, Limited, 220 - 890 West Pender Street, Vancouver, British Columbia, Canada; John Poloni, project manager.

Two supervisory employees worked erratic hours until exploration work started.

The property was first opened in 1862 and developed to include a mill. The operation closed about 1900 when the mine flooded. The shaft was reportedly extended to a depth of 830 feet with levels on 100-foot intervals. Native gold was deposited in "pods" and imbedded in quartz. The country rock was a volcanic tuff or breccia. The vein had a northwest strike with a dip of 45 to 80 degrees easterly.

The mine had reportedly been developed with an open stope method. The shaft had caved and access into the mine was by adits leading to the surface.

Remnants of two old wood-frame buildings remained on the surface.

The writer was accompanied on the inspection by John R. Poloni, project manager and Mirko Skripsky, supervisor.

Development plans were to scale all adits and drifts before any other activity. Areas of heavy ground were to be retimbered as necessary. The ground about the shaft collar was also to be scaled and metal sets provided along the entrance to the access adit.

Exploration was planned to include core drilling from sites on the surface as well as underground. All drilling was to be contracted.

Direct-reading field-test instruments were used to measure carbon monoxide and nitrogen dioxide concentrations in the mine air during this inspection. Mine air samples were collected in vacuum bottles during the inspection and were analyzed in the Bureau of Mines Laboratory (Mount Hope, West Virginia). Analytical results

are shown in table 1, appended. Field tests and results listed in table 1 indicate the air was of satisfactory quality with respect to these gases at the times and places of sampling.

Ventilation through the accessible workings of the mine was by natural means.

Explosives were not being used at the time of the inspection.

Hard hats, foot protection and electric cap lamps were provided.

#### NOTICES ISSUED

- 57.3-5 (M) Notice No. 1. The loose overhang at the portal shall be scaled and timbered by May 21, 1973.
- 57.3-22 (M) Notice No. 2. Underground adits, drifts, raises, etc. where men will travel or work shall be properly scaled and given support where necessary by May 21, 1973.

#### ACKNOWLEDGEMENT

The cooperation of all persons contacted during the inspection was sincerely appreciated.

/s/ H. E. Trussell

H. E. Trussell  
Mining Engineer

TABLE 1 - ANALYSES OF AIR SAMPLES COLLECTED May 7, 1973

MINE Virtue COMPANY Charta Mines, Ltd. COLLECTED BY Homer E. Trussell

BOTTLE NUMBER	LOCATION IN MINE	DATE AND TIME	PERCENT IN VOLUME					
			CARBON DIOXIDE*	OXYGEN*	METHANE	CARBON MONOXIDE*		
5535	drill station No. 1 - 250 feet inby crosscut adit	5-07-73 3:00 p.m.	0.04	20.86	0.00	0.000		

\* Air for ventilation is considered to be of satisfactory quality when it contains at least 20.0 percent oxygen, not more than 0.5 percent carbon dioxide, and no harmful quantities of noxious gases. The threshold limit value for carbon monoxide is 0.005 percent or 50 parts per million and for nitrogen dioxide is 5 parts per million.

The percentage of nitrogen can be determined by subtracting the sum of the reported values from 100.00