

May 1951

Portland, Oregon

STATE DEPARTMENT OF GEOLOGY AND MINERAL INDUSTRIES

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CHROMITE PURCHASING DEPOT PLANNED FOR GRANTS PASS

The General Services Administration, Office of Information, U.S. Court House, Seattle 4, Washington, released information relating to government purchase of chromite on May 11, 1951, as follows:

Grants Pass, Oregon, has been selected as receiving depot for metallurgical grade chrome ore, according to O. C. Bradeen, Regional Director of General Services Administration, Seattle, Washington. This depot will serve the states of Washington, Oregon, and northern California.

In a conference with metal experts in Washington, D.C., and Mr. A.E. Weissenborn, Defense Minerals Administration representative of Spokane, Mr. Bradeen was informed that the depot was to be established at the earliest possible date to serve miners in the California-Oregon-Washington area. This program is in line with the defense minerals purchasing program of the government and patterned after the minerals purchase plan of World War II.

Present indications are that miners will receive \$115 a ton for metallurgical grade chrome ore meeting government specifications and delivered at the depot. The metallurgical grade referred to is 48 percent Cr_2O_3 and the chrome iron ratio is 3 to 1. The minimum that will be accepted is 42 percent Cr_2O_3 . The price will be on a sliding base scale downward for decreasing percentage of chrome.

During World War II the government purchased approximately 114,000 tons of metallurgical grade chrome in and around the Grants Pass region.

More complete details and information will be released in the near future, but in the meantime it is suggested that those interested might make such interest shown by dropping a penny postal card to General Services Administration, Office of Information, U.S. Court House, Seattle 4, Washington.

Under date of May 17, 1951, the Grants Pass Courier described a meeting of government officials with the State Department of Geology and Mineral Industries Governing Board at which a general discussion was held regarding a possible receiving depot for chromite and a program for buying the ore. The Courier stated:

Development of chrome ore for the national defense program was discussed at a meeting of the Oregon Board of Geology and Mineral Industries and representatives of the Seattle regional offices of the General Services Administration here today.

Niel R. Allen, board chairman, Mason L. Bingham, board member, and F. W. Libbey, director, conferred with F. I. Bristol, president of the Oregon Mining Association,

and with GSA representatives, W. N. Grabill, regional information officer, and G. J. Jameson, inspector.

Grabill and Jameson are here correlating information on local chrome production costs and mineral potentials. The tentative chrome program, announced last week by Washington agencies, is being written up at the present time. Actual price support levels and ore quality regulations are expected shortly.

Jameson will remain in Josephine County this week, conducting a survey of chrome locations. Grabill returns to Seattle Friday.

As soon as the official directives from Washington are received, GSA officials will meet with local chrome operators to outline details of the program.

GOVERNMENT TUNGSTEN PURCHASE PROGRAM

A regulation under which the General Services Administration will carry out a five-year domestic tungsten purchasing program to encourage the discovery, development, and production of tungsten in the United States was issued May 10, 1951, by GSA.

Under the order, which interprets and implements the authority of Administrator of General Services Jess Larson to support the price of this critical metal at a base price of \$63 per short ton unit (dry weight) of contained tungsten trioxide, the guarantee will apply to specification grade tungsten concentrates.

The purchasing program will be carried out by GSA in accordance with policy determinations made by Defense Minerals Administrator James Boyd, and certified to GSA by the Defense Production Administration.

The concentrate need not be produced from newly discovered or developed ores, but must be produced from domestic ores.

"While the support price applies to the purchase of concentrates, rather than ores, as previously announced, success of the program must depend on the participation of miners and prospectors," Mr. Larson said. "The anticipated increase in production will depend on the extent to which we can stimulate the flow of ores to mills where concentrates are produced."

In order to assist the miners and prospectors to dispose of ores, the Defense Minerals Administration will aid private operators in the establishment of milling facilities in tungsten producing areas where such facilities are justified but not now available.

The regulation provides that "any operator of a concentrating plant by agreeing to participate in this program also agrees to purchase or process suitable tungsten contained ores offered to him by independent miners to the limit of the capacity of his plant, in excess of that required for his own production and on fair and equitable terms and conditions (including prices). Each operator of a concentrating plant participating in this program shall promptly establish a schedule setting forth his terms and conditions (including prices) for the purchase of crude tungsten ores. Each operator shall promptly submit a copy of such schedule to the Administrator and shall also submit promptly any changes made in such schedule thereafter."

The Government will support the price by buying for \$63 per short ton unit all specification grade tungsten concentrates which cannot be sold on the commercial market.

Funds now available for the support price allow for the purchase of 1,468,750 short ton units over the five-year period. It is not expected that the Government will be required to take physical possession of appreciable quantities of tungsten concentrates as the essential requirements of industry for the military and supporting programs are far in excess of anticipated production totals.

Notice of participation in the program must be postmarked or, in the case of a telegram, dated not later than midnight June 30 and be in the form of a letter, telegram, or penny postcard addressed to the nearest GSA office.

Any person participating in the program will be sent promptly a certificate authorizing him to deliver concentrates meeting minimum specifications f.o.b. public carriers' conveyance, milling point.

Miners holding certificates, but who do not operate concentrating facilities, may participate in this program to the extent of the ore purchased by them, as follows:

1. By selling such ore to operators of concentrating plants.
2. By having ore treated on a toll basis and selling the resulting concentrates meeting specifications to GSA.

Names and address of existing milling facilities for tungsten concentration may be obtained from Defense Minerals Administration, Washington, D.C., or in care of the U.S. Geological Survey, Spokane, Washington.

ATTENTION MINE OPERATORS

The Defense Minerals Administration issued M0-7 Order on April 17 and M0-7 Amended on May 10. These orders require that mines, smelters, and mineral processing plants must apply for serial numbers not later than June 30, 1951. The serial numbers are essential to an operator to make him eligible for DMA assistance in obtaining priorities for the purchase of all types of supplies and equipment. Application for serial or identification numbers must be made on Form MF-100. These forms may be obtained from the Defense Minerals Administration, Department of the Interior, Washington 25, D.C., or from the DMA Regional Office, in care of the U.S. Geological Survey, Spokane, Washington.

A "producer" is defined by the DMA as any person operating a mine, a nonferrous smelter, or mineral processing plant. A "mine" is defined as an operation underground, open pit quarry, or dredging conducted for the purpose of extracting minerals excepting solid fuels and petroleum products. The definition for a mine includes prospecting enterprises for the discovery, exploration, or development of mining projects.

The Amended Order M0-7 contains instructions for small producers. A producer who produces or processes 50 tons or less of crude ore per week need furnish in MF-100 answers only to questions 1, 3, 10, and 16. In lieu of using Form MF-100 such a small producer may submit in a letter the following information:

1. Kind of material produced or processed and by-products, if any.
2. Location of operations: county, state, township, section, range, mining district, and distance to nearest town and shipping point.
3. Number and types of labor employed.
4. Quantity and kind of product mined or processed and sold during 1948, 1949, 1950, and present monthly average.

Producers commencing operations subsequent to June 30, 1951, are not prohibited from making application at a later date.

NICKEL EXPLORATION SUPERINTENDENT

Mr. Howard G. Schoenike is superintendent of the Hanna Development Company's exploration work on Nickel Mountain near Riddle, Douglas County, Oregon.

CHROMITE IN FIRST QUARTER 1951*

Consumption of chromite in the United States during the first quarter 1951 increased 10 percent over the fourth quarter 1950, according to the Bureau of Mines, United States Department of the Interior, and totaled 306,165 short tons. Of this total 142,989 tons (47 percent) were consumed for metallurgical purposes, mainly in the manufacture of ferrochromium; 104,658 tons (34 percent) were consumed in the production of 135,348 tons of chromium refractories, and 9,275 tons (3 percent) were used for miscellaneous purposes, mainly in repairing basic-furnace linings. Thus, a total of 113,933 tons (37 percent) were consumed for refractory use. In the production of 32,051 tons of chromium chemicals, 49,243 short tons (16 percent) were consumed - a ratio of 1.5 tons of chromite per ton of sodium bichromate equivalent. During the last quarter of 1950 metallurgical, refractory, and chemical consumers used 50 percent, 35 percent, and 15 percent, respectively, of the total. Consumers of chromium alloys, during the first quarter of 1951, reported using 43,664 short tons of ferrochromium, 5,680 tons of exothermic chromium additive (Chrom-X), in addition to small quantities of chromium metal and miscellaneous chromium products. Alloy consumers, canvassed by the Bureau of Mines, normally use about 85 percent of the total.

Stocks of chromite on hand in consumers' yards totaled 591,528 short tons on March 31, 1951, compared with 606,272 short tons at the end of 1950. Of the total on hand at the end of the first quarter, 255,049 tons were metallurgical, 249,182 tons refractory, and 87,297 tons chemical.

No domestic production of chromite was reported during the first quarter 1951.

Chromite in 1948-50, and first quarter of 1951, in short tons

	<u>Domestic production</u>	<u>Imports</u>	<u>Total new supply</u>	<u>Consumption</u>
1948	3,619	1,542,125	1,545,744	875,033
1949	433	1,203,911	1,204,344	672,773
1950	425	1,298,300	1,298,725	980,369
1951: 1st Quarter	----	359,474	359,474	306,165

*U.S. Bureau of Mines Chromite Report No. 21.

INSTITUTE OF NORTHWEST RESOURCES

The Department of Geography, Oregon State College, is again sponsoring its annual conference on Northwest resources. This year emphasis will be placed on national defense. The purpose of the conference as given in the program is "to present a total integrated analysis of Northwest resources - their current utilization, development, potentialities, and problems. To bring together in one meeting leaders in the several fields of the natural resources such as forestry, water, wildlife, agriculture, minerals, fisheries, and recreation." The session of June 19, both forenoon and afternoon, will have a program of talks by experts in their various fields. There will be a dinner at 6:30 p.m. in the Memorial Union Building at which principal addresses will be made by Chancellor C. D. Byrne, Oregon State System of Higher Education, and President R. R. Renne, Montana State College.

NEW OREGON STATE COLLEGE PUBLICATION

"The Aluminum Industry of the Northwest" is the title of Circular No. 12 just issued by the Engineering Experiment Station of the Oregon State System of Higher Education, Oregon State College, Corvallis. The author is J. Granville Jensen, professor of geography, who presents in the report an up-to-date picture of this important Northwest industry.

ROGUE RIVER COORDINATION BOARD

R E S O L U T I O N

The members of the Rogue River Coordination Board, in session assembled at Grants Pass, Oregon, on the 1st day of April, 1951, after considerable discussion of the plan of control of the turbidity in the waters of Rogue River and its tributaries, carried on under an order of the said Board, passed at the meeting of the said Board, held at Grants Pass, Oregon, adopted the following resolution:

WHEREAS it is the duty of the Rogue River Coordination Board to regulate placer mining along the Rogue River and its tributaries, with a view to control or prevention of excess turbidity in such waters, thereby providing favorable conditions for angling and game fishing; and

THEREFORE, the Rogue River Coordination Board does hereby order that, except as hereinafter provided, no person, firm or corporation shall, between the 1st day of May 1951 at midnight, and the 1st day of November 1951, operate or assist in the operation of any mine or mining operation whereby water containing mud or tailings is discharged into the Rogue River, or any river, creek, or stream emptying into said Rogue River, when the turbidity of said river, creek, or stream at the point of confluence with said Rogue River, is in excess of 1,000 ppm by weight of suspended matter;

IT IS THE FURTHER ORDER of said Rogue River Coordination Board that in the case of the Applegate River and the Illinois River, both tributary to the Rogue River, no person, firm, or corporation shall, between the dates and hours above mentioned, operate or assist in the operation of any mine or mining operations whereby water containing mud or tailings is discharged into said rivers or their tributaries when the turbidity of said rivers, at a point where the bridges on the Redwood Highway No. 199 cross said streams, is in excess of 1,000 ppm by weight of suspended matter.

IT IS THE FURTHER ORDER of said Rogue River Coordination Board that the Secretary of the Board cause notice of the Order to be published in the papers of general circulation in Grants Pass, Josephine County, Oregon, and in Gold Beach, Curry County, Oregon, and in Medford, Jackson County, Oregon; and that the Secretary file copies of said Order with the Secretary of State at Salem, Oregon, the Superintendent of Police at Salem, Oregon, and with the County Clerks and Sheriffs of Josephine County, Jackson County, and Curry County, in Oregon.

IT IS THE FURTHER ORDER of the said Rogue River Coordination Board that in prosecution of violation of this Order it shall not be necessary to prove Service of Notice upon the Defendant.

/s/ C. H. Demaray, Chairman

/s/ H. K. Lewis

/s/ J. E. Bartlett

NEW VOLUME OREGON MINES HANDBOOK

A new volume of Oregon Mines Handbook, Bulletin 14-D, has just been issued by the State Department of Geology and Mineral Industries. The new bulletin describes more than 300 mineral deposits in the thirteen counties of Northwestern Oregon in the area north of Douglas County and west of the high Cascades.

Metallic mineral deposits described are gold, silver, copper, lead, and zinc in some well-known mining districts of the western Cascades; quicksilver deposits in the Clackamas River area; limonite iron ore deposits in Columbia County; and ferruginous bauxite deposits in several of the counties. The bulletin has 166 pages and 7 maps. It includes an index and a bibliography. This latest volume of the Oregon Metal Mines Handbook may be obtained from the Portland office of the Department at 702 Woodlark Building, and the field offices in Baker and Grants Pass. Price is \$1.25 postpaid.

NEW MAP TO AID OIL AND GAS PROSPECTING IN VICINITY OF EUGENE, OREGON

A new geologic map of the southern and southwestern border areas of the Willamette Valley near Eugene, Oregon, has been released by the Geological Survey.

Tables showing the relative abundance of fossil plants and animals in the various sedimentary formations have been prepared. These tables are of value in determining the relationships of the formations in the area, and may, perhaps, serve as a basis for determining possible source beds of oil and gas. They will undoubtedly be useful with regard to interpreting the relationships between the sedimentary rocks in this area and related rock units in other parts of Oregon.

The report is published on one sheet, measuring 41 by 54 inches, and includes two cross sections showing the structural relationships, an index map showing the geographic locations of this and other reports that have already been published in the oil and gas investigations series dealing with the geology in western Oregon, a correlation chart, and a text that discusses the geologic formations and the oil and gas possibilities in the area.

The map, titled "Geology of the southern and southwestern border areas of the Willamette Valley, Oregon," by H. E. Vokes, Parke D. Snavely, Jr., and Donald A. Myers, has been published as Map OM 110 of the Oil and Gas Investigations series. Copies may be obtained at 60 cents each from the Distribution Section, Geological Survey, Denver Federal Center, Denver, Colorado, and at Room 1210 General Services Building, Washington, D.C.

ASSESSMENT WORK

No legislation to exempt mining claims from annual assessment work for the assessment year ending at noon of July 1, 1951, has so far been passed by Congress. Since time to consider such legislation is running short, it seems at present unlikely that a moratorium will be declared. In the absence of a moratorium, work must be started before noon of July 1 and, if not completed at that time, must be continued "with reasonable diligence" until completed. In Oregon proof of labor statements must be filed within 30 days after the performance of labor or making improvements required by law.

BONANZA QUICKSILVER RESUMES

The Bonanza mine, noted quicksilver producer during World War II, has resumed operations. The Bonanza, located near Sutherlin in Douglas County of western Oregon, shut down in December 1949 after struggling against high costs and low quicksilver prices for more than three years. About 25 men are now employed. The mine is operated two shifts; the plant operates three. Underground exploration work is carried on in addition to stoping. Burt Avery is superintendent.

NEW WASHINGTON STATE PUBLICATION

The Washington State Division of Mines and Geology, Sheldon L. Glover, Supervisor, has just issued Bulletin 39, "Antimony Occurrences of Washington," by C. Phillips Purdy, Jr. The bulletin represents a study of several years' duration and describes all antimony occurrences of the State by counties.

NICKEL IN MARCH 1951

Nickel (exclusive of scrap) consumed and in stock in the U.S. in March 1951, by forms, in pounds of nickel: (From U.S. Bureau of Mines Nickel Report No. 3.)

Form	Stocks at consumers'		Stocks at consumers' In transit to con-	
	plants February 28	Consumption	plants March 31	sumers' plants ^{3/4}
Metal ^{1/}	6,608,269	9,483,443	6,888,332	40,027
Oxide and oxide sinter . .	737,887	1,678,890	543,741	----
Matte	1,017,980	1,464,942	701,884	----
Salts	195,676	75,108	217,511	----
Total	8,559,812	12,702,383	8,351,468	40,027

^{1/}Includes secondary nickel (ingot or shot remelted from scrap nickel and scrap-nickel alloys)