STATE DEPARTMENT OF GEOLOGY AND MINERAL INDUSTRIES
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GOVERNMENT'S PROGRAM FOR PURCHASE OF CHROME ORES AND CONCENTRATES AT GRANTS PASS, OREGON[1]

The program will be effective for a period not to exceed five years, but may be terminated by the Government at any time subsequent to two years upon the giving by the Government of one year notice of termination. The program will be carried out as a series of spot purchases; in other words, each delivery will be covered by an offer and acceptance and will be paid for immediately upon analysis showing that the material delivered complies with the specifications.

The appropriation from which the payments will be made is a continuing one and, therefore, obviates the necessity of contractual agreements prior to June 30, 1951. Deliveries of ore or concentrates must be in lots of not less than ten tons, and mixed lots of ores and concentrates will not be accepted. The specifications are as follows: Ores and concentrates will not be accepted which contain less than 42 percent chromic oxide, have a chrome to iron ratio of less than 2 to 1, or contain in excess of 10 percent silica. Lumpy ore shall be hard, dense, nonfriable material of which not more than 25 percent shall pass a one-inch Tyler standard screen. All materials shall pass through a twelve-inch ring. No size restrictions will apply to fines or to concentrates.

Purchases will be made at a base price with applicable premiums and penalties. All prices are based on a long dry ton (2,240 pounds avoirdupois). The base price is $115 per long dry ton for lumpy ore and $110 per long dry ton for fines or concentrates. This base price is for material containing 48 percent Cr_2O_3 and having a chrome to iron ratio of 3 to 1. For material having a chromic oxide content above 48 percent, a premium of $4 per ton for each 1 percent additional of chromic oxide content will be paid. For chrome to iron ratio above 3 to 1 there will be paid $4 per ton for each one-tenth increase up to but not exceeding 3.5 to 1. The penalty to be applied for material having a chromic oxide content below 48 percent is $3 per ton for each 1 percent of chromic oxide content down to and including 42 percent. The penalty for chrome to iron ratio below 3 to 1 is $3 per ton for each one-tenth decrease in chrome to iron ratio down to and including 2 to 1.

The producer must, at his own expense, deliver and unload all chrome at the stockpile site. The Government will pay the cost of weighing, sampling, and analyzing. Payment will be made for material which is found to be acceptable immediately upon completion of the analysis. Material which is rejected must be removed at the expense of the producer. It is contemplated that at least the first year of the program deliveries from any one producer will not be accepted in excess of 2,000 tons. This policy is established in order to give the greatest possible opportunity to the small producers.

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[1] As outlined by Mr. Wm. M.B.Freeman of General Services Administration, Washington, D.C., in Grants Pass, June 11, 1951.

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MEETING OF CHROME MINERS AT GRANTS PASS
June 11, 1951

About 200 persons interested in chrome mining in southern Oregon and northern California assembled in Veterans of Foreign Wars hall on the morning of June 11 to listen to an outline of the Government's purchase program for chromite. The meeting was called by the Oregon Mining Association so that chrome miners could hear first hand the specifications of the program and would be able to ask questions on details.

William M. B. Freeman, supply representative of the Emergency Procurement Service of the General Services Administration, described the program and listed the several specifications as given on the preceding page. Until a short time before the meeting the minimum percentage of Cr_2O_3 which would be acceptable had been in doubt because of objections by the Munitions Board on the basis of Bureau of Mines' recommendations, but Washington officials finally verified the figure of 42 percent, 2 to 1 chrome-iron ratio.

It was stated that the purchase depot would be established as soon as conditions permitted, perhaps within 30 days, and that purchases would then be made even though the purchase program would officially date from January 1, 1952.

Mr. Freeman stated that settlement would be made promptly on the basis of Government assays and that there would be no umpire assays. He said that there would be no contract between the government and the producer. A simple "offer and acceptance" form would be signed by each party to cover each lot sampled.

All members of the Governing Board of the State Department of Geology and Mineral Industries were in attendance, and both Niel R. Allen, Chairman, and H. E. Hendryx, member, requested information from Mr. Freeman on the Government's plans for establishing a purchase depot to serve eastern Oregon. They were informed that no plans for such a depot had so far been made, and as GSA is a purchasing organization, not one of policy making, it would be necessary to take up such a plan with Defense Minerals Administration.

The meeting was enthusiastic in crediting Fay Bristol, President of the Oregon Mining Association, and the other members of the Chrome Advisory Committee to the Defense Minerals Administration with the success in obtaining the purchasing depot and the establishment of the program. The constant efforts of the committee had extended over a period of about a year and included a trip to Washington, D.C., to confer with DMA at the request of Government officials but not at Government expense. The members of the committee other than Mr. Bristol are Niel R. Allen, William S. Robertson, Dorothea Moroney, Ray Helmke, Ben Baker, and W. A. Robb.

Besides Mr. Freeman, other GSA officials at the meeting in Grants Pass were W. H. Grabill, regional information officer, Seattle; George Jameson, inspector, Seattle; Dan Lillis, chief inspector, Seattle; James Hopkins, inspector, ores and metals, Washington, D.C.; Curtis Nelson, fiscal examiner, Washington, D.C.; and D. C. Beyer, purchasing agent, Washington, D.C. Mr. Beyer was in charge of the Government purchasing depot at Grants Pass operated by Metals Reserve Company during World War II.

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ASSESSMENT WORK

According to word received from Washington, D.C., it seems wholly unlikely that any legislation to exempt mining claims from annual assessment work will be passed. No legislation to extend the time for completing assessment work has been introduced. The time for completion of annual work for the assessment year 1950-1951 is noon of July 1, 1951. If work is not completed at that time, it must be continued "with reasonable diligence" until completed. The Oregon law states that proofs of labor must be filed within 30 days after the performance of labor or making improvements required by law.

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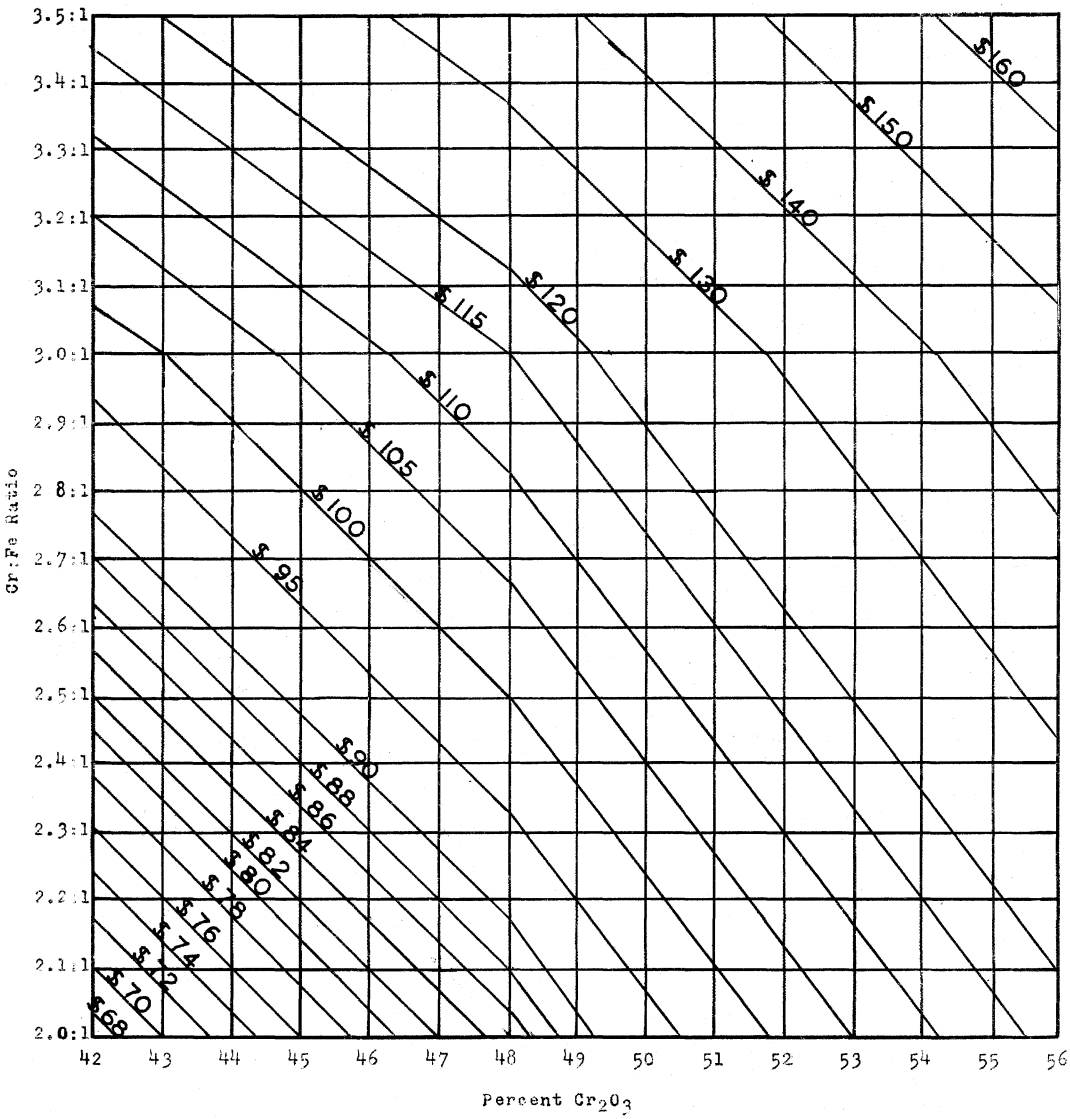

GRAPH

Showing scale of prices for chrome ore to be paid for different grades according to the Government's announced price schedule.

Example: To find value of 48 percent ore with 3.0:1 Cr:Fe ratio. Read up on coordinate line above 48 percent to intersection with horizontal coordinate for 3.0:1 Cr:Fe. At this point graph shows value of $115 per ton. Value for other grades of ore would be determined in same way.

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MERCURY IN 1950

The mercury industry was featured in 1950 by near-record imports, by the highest consumption since the peak established in 1945, by the smallest domestic production by a substantial margin in the 100 years covered by the statistical record, and by a sharp reversal after mid-year of the long-time downtrend in prices, according to the Bureau of Mines, United States Department of the Interior.

Salient statistics of the mercury industry in the United States, 1941-45 (average) and 1946-50, in flasks of 76 pounds

	1941-45 (average)	1946	1947	1948	1949	1950
Production	43,229	25,348	23,244	14,388	9,930	4,535
Number of producing mines	139	51	37	20	23	16
Average price per flask, N.Y.	$165.97	$98.24	$83.74	$76.49	$79.46	$81.26
Imports:						
General	37,118	23,062	10,228	41,732	96,918	60,564
For consumption	36,531	13,894	13,008	31,951	103,141	56,080
Exports	1,022	907	884	526	577	447
Consumption	50,866	31,552	35,581	46,253	39,857	49,215

Domestic production - Domestic production dropped to 46 percent of the small quantity for 1949 and was only 10 percent of the annual average for 1941-45. One large producer, the Mt. Jackson mine, Sonoma County, California, was active throughout 1950, and a second, the Cordero mine, Humboldt County, Nevada, closed on February 15. Ranking third in output was the Juniper mine, San Benito County, California. These three properties accounted for 90 percent of the total for the United States, and about 13 other properties contributed the remaining 10 percent.

Consumption and uses - Consumption of mercury in 1950 was at a new peacetime peak rate, 23 percent above 1949 and 6 percent over the previous top in 1948; it was 21 percent below the all-time record established in 1945. Virtually all classifications, except agriculture, shared in the increased use in 1950. Agricultural consumption dropped 4 percent, following a 34-percent decrease in 1949, but this use had substantially more than doubled in the two years 1946 to 1948. The high rates of consumption in 1948 and 1949 were caused in part by chlorine and caustic soda and mercury boiler installations, but no such constructions contributed to the high total for 1950.

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EASTERN OREGON MINING JUBILEE

Prominent speakers and guests at the Eastern Oregon Mining banquet, including officials of the U.S. Bureau of Mines and leaders of the mining industry, will eat sourdough biscuits and make no complaint. This has been decided by the Eastern Oregon Mining and Mineral Association, sponsor of the Baker Mining Jubilee to be held July 3-4. A regular oldtime miners' feed is planned for the July 3 central event of the celebration. John Arthur, Billy Pierce, and Joe Campbell have been appointed to keep a miner's eye on preparation of the sourdough and will enforce the mining camp rule on criticism.

Steven M. Shelton, regional director of the Bureau of Mines, has assured local leaders that he will make every effort to attend. He will be accompanied by M. E. Volin, chief regional mining engineer. Fay Bristol, president of the Oregon Mining Association, is on the speakers program. Tours of mines have been arranged for visitors, to include a trip to the East Eagle copper mine, now operating with a new mill. Baker merchants have turned over nearly all show windows for mineral and historical exhibits and full representation of Eastern Oregon mines and minerals is promised. The mining association will have an operating clean-up mill in the Fourth-of-July parade, with Culley Trickel in charge of the engineering details.

The Mining Jubilee will be held in conjunction with the annual Oregon Trail Days event, rounding out a full program of activities for the two-day celebration. A hearty welcome is assured all visitors from mining and industrial districts of Western Oregon and elsewhere.

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TAX INCENTIVES - MINING

Chairman O'Mahoney of the Senate Interior and Insular Affairs Committee has written Treasury Secretary John Snyder urging him to cooperate in "an attempt to enact at this session of Congress" a provision of the tax law which, by providing a reasonable incentive, would encourage the owners of small mines to undertake exploration and development work.

O'Mahoney said that he was "convinced that a provision in the pending tax bill which would make expenditures incurred in prospecting, exploration, and development deductible, would result in encouraging the investment of private capital by the owners of thousands of mines." He declared further: "Evidence before the Senate Committee on Interior and Insular Affairs establishes the fact that 73 percent of all western mines have been closed down since 1940. They ought to be opened. Congress by the Defense Production Act has indicated its desire that domestic production should be encouraged. Few if any of these small mines have been enabled as yet to secure any benefit from the program announced by the Department of the Interior earlier this year. I do not need to point out to you that inescapable delays hinder the development of a government loan program, but there would be no delay in the encouragement of the investment of private capital by owners if a tax clause such as I here suggest were adopted."

The Wyoming Senator said that this recommendation had repeatedly been made before the Interior and Insular Affairs Committee. He pointed out that the Bureau of Mines had continually urged the adoption of this proposal in conferences with the Treasury Department. He declared that an obstacle to its adoption had been the fear of the Treasury that it would result in diminishing the revenue derived from mining companies. He said that he believed a workable provision could be drafted which would not cut the revenue of the United States but would encourage production of minerals and metals so essential to the present defense effort. (From Bulletin Service, published by The American Mining Congress, June 11, 1951.)

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METAL MINING IN OREGON, 1950

Reflecting the lower yield from dredging, Oregon gold production in 1950 fell 32 percent below 1949, whereas 1950 silver output, principally from lode mines, rose 11 percent over 1949, according to the San Francisco Office of the Bureau of Mines, United States Department of the Interior. Owing largely to operating problems at Oregon small-scale producing mines, the yield of base metals continued to be relatively low despite the demand for these materials. Zinc production increased 250 percent, lead increased 42 percent, but copper decreased 5 percent compared with the minor recoverable outputs of these three metals in 1949. The total value of the five metals in 1950 was $417,765, a decrease of 29 percent below $592,107 in 1949.

The principal producers of gold in Oregon in 1950 were: Baker Dredging Company and successor Powder River Dredging Company, Sumpter district, Baker County; Porter & Company dredge, Granite district, Grant County; Champion Lease, Champion mine, Bohemia district, Lane County; R. G. Amidon & Company, Buffalo mine, Granite district, Grant County; and C. C. Curl, Bourne mine, Bourne group, Cracker Creek district, Baker County. Leading silver producers, all lode mines, were: the Buffalo mine; Champion mine; and Oregon King mines, Oregon King mine, Ashwood district, Jefferson County. The Champion mine was the principal producer of Oregon copper and contributed some of the State lead and zinc in 1950. The Musick mine (Tar Baby Mining Company), leader in output of zinc and lead, followed the Champion mine in copper yield. Other mines that produced recoverable base metals included: the Helena mine (Helena Mines, Inc.), Bohemia district, Lane County, and the Buffalo mine (copper, lead, and zinc); the Oregon King mine (lead and copper); and Bourne group (copper).

Baker County was the leading metal producer in 1950, registering small gains in gold and copper output. Grant County was relegated to second place owing largely to curtailed dredging. (From U.S. Bureau of Mines Mineral Market Report MMS No. 1977, June 15, 1951.)

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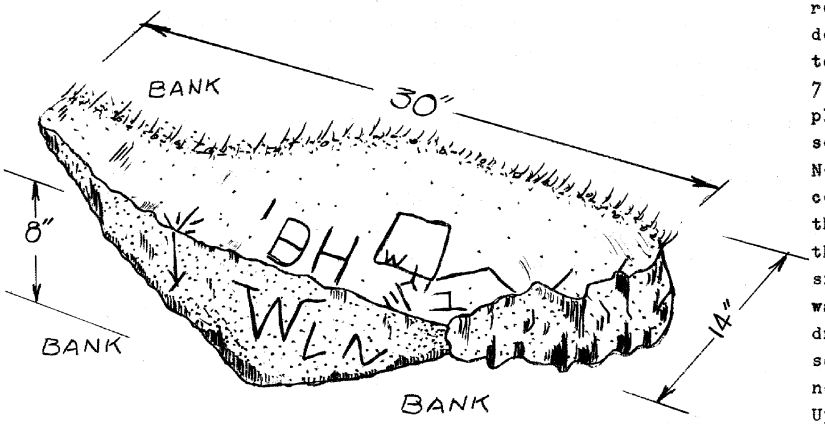
HISTORICAL LANDMARK OR WHAT ?

On a recent sampling trip into Washington County the writer examined a roadcut on Skyline Boulevard 1 mile south of the junction of Skyline with Rocky Point Road. The cut was of interest because of the sharp contact showing between weathered volcanic tuff and overlying red silt. This line of demarkation dipped flatly to the south at about 7 degrees and was marked plainly by moisture seepage (since dried up). Near the low point of the contact about 4 feet above the road, partly buried in the bank under 10 feet of silt, a large flat rock was seen and attention was drawn to it because of some markings which did not look like natural ones. Upon cleaning off the rock and exposing a part of it, the markings showed plainly both on the top part and the vertical face. They are reproduced in the accompanying sketch.



At this writing no satisfactory explanation of the markings has been offered. The correct explanation is probably quite simple after it is discovered. Perhaps the stone marked land ownership in pioneer times. It may have been exposed on the side of an old roadcut and marked there. The old roadcut was probably followed in constructing the new road, but one wonders why the rock is now so deeply embedded in the bank. It is self-evident that the markings could not have been made before the silt was deposited. Perhaps a reader may be able to offer an explanation.

The markings on the stone bring to mind the story by Dickens in "Pickwick Papers" in which Mr. Pickwick discovers a stone bearing a strange inscription in the town of Cobham. He observed the strange markings on the stone in front of a cottage and immediately believed that he had made a great discovery. He bought the stone from the owner for ten shillings and conveyed it to his headquarters in London. After cleaning the stone, markings were clearly deciphered as:

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B I L S T
U M
P S H I
S M
A R K

Mr. Pickwick lectured on the discovery before the Pickwick Club and presented a faithful delineation of the inscription to the Royal Antiquarian Society. Unfortunately one of the members of Mr. Pickwick's club named Blotton was an unbeliever and made a journey to Cobham in the way of investigation. When he returned he made an oration to the club in which he denied the antiquity of the inscription and stated that he had talked to the man who had sold the stone to Pickwick, that the man's name was Bill Stumps, and that he had carved the stone in "an idle mood" with the letters of his name which assembled in order read - "BILL STUMPS, HIS MARK"- even though he had left out the concluding "L" in his christian name. The story goes that Blotton's story was not given credence and that he was ejected from the club and a great vote of confidence was given to Mr. Pickwick, etc., etc.

F.W.L.

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