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DOMESTIC MINERAL POLICIES PROPOSED

Spokesmen representing all phases of western mining met November 7 and 8 in Sacramento, California. Their purpose was to formulate mineral policy recommendations that would insure a domestic mining industry sufficient to meet the needs of the United States in the event foreign supplies of minerals were cut off. The conference, called by Governor Goodwin Knight of California after consulting with Governor Charles Russell of Nevada, had as its nucleus members of the Western Governors Mining Advisory Council.

After a general session the meeting was divided into sections on mineral economics, taxation, lands and water, research, and public information. The mineral economic section was further divided into the following committees: antimony, chrome, lead - zinc - silver, copper, gold, manganese, molybdenum, quicksilver, tungsten, uranium - vanadium, rare earths - thorium, aggregates - clay - talc, asbestos, cement, coal, phosphates, potash, and fluorspar. From the discussions in the committees the mining men worked out policy recommendations considered as the most likely to maintain the nation's mineral security.

Among the recommendations of the conference committee on mineral economics was 15- to 100-percent tariffs on most minerals imported to this country. An alternative to protective tariffs was modest increases with the tariff revenues to be turned over to domestic miners. The recommendation for gold was to the effect that legislation be passed to allow direct sale of gold from producer to consumer at a "free market" price.

In the report from the group on taxation were recommendations that new mines be exempt from income taxes for three years after commercial production begins and that costs of exploration and development be allowed as a deduction without present limitations.

The committee on lands and water expressed confidence in the general mining laws and opposed further Federal withdrawal of lands from the public domain.

The committee on research recommended the organization of permanent minerals research advisory boards at State and Federal levels and establishment of a definite Federal mineral policy so that private industry might carry on long-range research programs.

After a general session the committees' recommendations were turned over to the Western Governors Mining Advisory Council. The council members who met the following day were to consider the recommendations and to report to their governors. In this way it was hoped the western states would be in accord on mineral policy. With this backing a national mineral policy could be defined that might allow the nation some comfort, at least mineral-wise, in this time of continuing international stress.

The enthusiasm with which the Sacramento meeting was received by the western mining industry was attested by the nearly 700 people who attended. The importance with which the governors of the eleven western states, South Dakota, and Alaska considered it was shown by the 51 delegates and 38 technical advisers appointed by them to represent their states. The governors of California, Nevada, Utah, Idaho, Wyoming, and the Lieutenant Governor of Colorado attended the meetings and took active parts. Oregon's delegation appointed by Governor Paul Patterson was: Mason L. Bingham, Fay W. Libbey, and Hollis Dole, Portland; Niel Allen (Chairman of the Council delegation) and Fay I. Bristol, Grants Pass; Austin Dunn and Anthony Brandenthaler, Baker; Earl S. Mollard, Riddle; and D. Ford McCormick, Medford. Fay Bristol was Co-Chairman of the Chrome Committee. A. O. Bartell, Portland, was a technical adviser.

The ability of the group to resolve their many and oftentimes diverse approaches to the problems and to arrive at recommendations was due in large part to the excellent organization given the meetings by Co-Chairmen S. H. Williston of Cordero Mining Company, and Dewitt Nelson, Director of the California Department of Natural Resources.

H.M.D.

FALL CREEK COPPER MINE REOPENED

The Fall Creek Mining Company, Inc., has leased the United Copper Gold Mines Co. property from J. A. Phillips of Grants Pass. The new company was formed by Morris Herman, Max Frohwirth, and Leon Lutz, all of New York. Earl White of Grants Pass is the general manager.

The mine is located in sec. 4, T. 38 S., R. 9 W., on Fall Creek in Josephine County. Metavolcanics of the Galice formation of Upper Jurassic age and serpentine comprise the country rock. The ore is chalcopryite and pyrrhotite with some silver and gold. Phillips reports assays as high as 24 percent copper and averaging about 15 to 20 percent. The earliest work reported at the property was in 1894 when a small smelter was built. Several years later, ore was hauled to Selma by mules, then shipped to Grants Pass and Tacoma.

The new company has built offices, a camp, $2\frac{1}{4}$ miles of road, and a low-water bridge across the Illinois River. Exploration and mining programs are now being carried on. To date, two drifts have been opened and one 20-ton lens of chalcopryite extracted. The company expects to clean out about a thousand feet of old workings and begin a diamond drilling program soon. It also plans to build a mill on the mine property and ship concentrates to the Tacoma smelter.

SQUAW BASIN COAL EXPLORED

Roy Rannells, Jim Carrol, and A. A. Robins, all of Riddle, Oregon, are exploring a 7-foot coal seam in the south end of Eden Ridge, T. 33 S., R. 11 W., Coos County. This is the first significant exploration that has been carried out in the Eden Ridge and Squaw Basin fields since a period of active prospecting between 1907 and 1912.

According to Rannells, the coal is suitable for coking. The bed dips 5 to 8 degrees and is believed to be on a small synclinal structure. A 400-foot drift has been driven, and reserves appear to be fairly extensive.

EXPLORATION CONTINUING ON VALE QUICKSILVER PROSPECT

Mr. H. K. Riddle of Payette, Idaho, has made application to the defense Minerals exploration Administration for a loan to continue development work on the Jordan brothers' quicksilver prospect located near Vale, Oregon. DMEA geologists have already made preliminary investigation of the property. Mr. John Stringer of Nyssa, Oregon, holds the lease on the property and Mr. Riddle is financing the development work under a sub-lease agreement.

HARNEY COUNTY URANIUM NEWS

Development work has recently been done on the Pike Creek uranium prospect in the eastern foothills of Steens Mountain, Harney County, Oregon. The prospect was discovered early last summer by Dewey M. Quier and described in the July Ore.-Bin. The recent work was done by Peter Relos and associates of Portland. Results of their investigations indicate that the uranium may be in an intrusive rhyolite breccia that penetrates a series of bedded tuffaceous clays. Seams of autunite are reportedly more abundant in the new exposures than in the earlier discovery. Plans have been made to drive a tunnel along the contact between the breccia and the tuffaceous clays to explore the zone at depth.

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A new uranium prospect known as the Alex-Ladd claims was discovered during this past summer high on the east flank of Steens Mountain about one mile south of the Pike Creek occurrence. This showing occurs in a strongly developed easterly trending fracture zone in rhyolite. Autunite is the only uranium mineral so far recognized. The claims are held jointly by Harry and Don Alexander of Andrews, Oregon, Fred and Nellie Ladd of Seattle, Washington, and the Miller Mining Company of Joseph, Oregon. An access road has been constructed to the property and plans have been made to do exploratory development work.

ADD TO ACTIVE MINE LIST

The Tri-County Mining and Milling Company of John Day was inadvertently omitted from the list of chrome mill operators in the October Ore.-Bin. The Tri-County mill is one of the oldest chrome mills currently operating in the John Day area. The mill has been leased to other operators, including Zanetti Brothers, and more recently the John Day Mining Company. J. A. Curzon, president of Tri-County, has been running the mill since about July on a custom milling basis.

VOLUME I OF MINERAL YEARBOOK PUBLISHED

Volume I of the 1952 Minerals Yearbook has been published by the U.S. Bureau of Mines and may be obtained from the Superintendent of Documents, U.S. Government Printing Office, Washington 25, D.C. The price is \$4.00. This volume of the yearbook covers the metallic and nonmetallic commodities, and includes reviews of mineral industries, metallurgical technology, and production statistics. Information for the 1218-page volume was compiled by the staff of the Minerals Division of the Bureau of Mines assisted by cooperating state organizations.

Volume II, which is devoted to mineral fuels, was published earlier in the year. Publication date for Volume III, which will be made up of chapters on the mineral industry of each of the 48 states, has not been announced.

RECORD DEPTH REACHED IN TEST WELL

A new record depth for an oil test well in Oregon has been reached by Sinclair Oil & Gas Company in their Federal-Mapleton No. 1 well in Lane County. A depth of 9787 feet was reached on November 23 and the company is drilling ahead. The deepest test in eastern Oregon to date is the Sinclair farm-out to El Paso Natural Gas Company in Malheur County, whose Spurrier-Federal No. 1 was abandoned at 7470 feet early this year. In central Oregon, Standard Oil Company of California is drilling ahead on their Pexco No. 1 in Crook County. The well is reported to have passed the 6000-foot level recently. Standard abandoned a 7101-foot test in Clatsop County in June this year.

deep

Other tests drilled in the State in the last 10 years include the Richfield Oil Company 7885-foot Clayton L. Barbur No. 1, drilled in Multnomah County in 1946, the Texas Company Clark and Wilson No. 6-1 well, drilled in Clatsop County in 1947 to a total depth of 8501 feet, and the Texas Company Redding-Gasnor Cooper Mountain well in Washington County, with a total depth of 9263 feet in 1946.

MARYS PEAK AND ALSEA QUADRANGLES MAPPED

A geologic map of the Marys Peak and Alsea quadrangles has been published by the U.S. Geological Survey in cooperation with the State of Oregon Department of Geology and Mineral Industries. Author of the map and accompanying text is Ewart M. Baldwin. The map, entitled "Geology of the Marys Peak and Alsea quadrangles, Oregon," is OM 162 of the Oil and Gas Investigations series. It is printed on one sheet together with descriptive text, cross sections, and a correlation chart.

Marys Peak and Alsea quadrangles are in the Coast Range west of Corvallis where a thick sequence of volcanic rocks and Eocene sandstone are cut by numerous igneous intrusions. It is a newly mapped area and joins Oil and Gas Investigations maps 88 on the west and 150 on the east.

There are no over-the-counter sales of Map OM 162 in Oregon at the present time. Copies may be purchased for 50 cents from the Distribution Section, Denver Federal Center, Denver, Colo.

BUREAU OF MINES PUBLISHING PREPRINTS ON MINERAL COMMODITIES

The Bureau of Mines is issuing a series of 86 preprint chapters which will eventually be published as Bulletin 556 entitled "Mineral Facts and Problems." Each chapter covers a mineral commodity and reviews history, geology, mining, production, uses, and other pertinent information. The material is presented in easily understood language.

A few of the chapters which have come out in preprint form so far are as follows: Asbestos, Beryllium, Columbium and Tantalum, Chromite, Diatomite, Gem stones, Germanium, Gold, Mercury, Molybdenum, Perlite, Platinum-group metals, Rare-earth metals, Vanadium, and Zirconium and hafnium. The chapters are particularly useful as they make available for each of the metals and minerals covered essential facts that would otherwise require considerable hunting through the literature to assemble. Preprint chapters are priced from 5 to 20 cents, and may be obtained only from the Supt. of Doc., U.S. Govt. Printing Office, Washington 25, D.C.

AMERICAN MINING CONGRESS RESOLUTIONS

The American Mining Congress recently published a declaration of its policy adopted October 1955 at its convention in Las Vegas. The declaration includes policy statements on taxation, public land policy, labor relations, and other matters that affect mining. Parts of three of the resolutions (on tariffs, stockpiling, and gold) are reproduced below as they are thought to be of most widespread interest to the mining people of Oregon.

Ed.

TARIFFS

We again endorse the Government policy that a strong, vigorous and efficient domestic metal and mineral industry is essential to the long-term economic development of the United States and that an adequate mobilization base of metal and mineral production for our nation must look to domestic production and ore reserves for the major portion of our mineral and metal supply, despite progressive increase of imports of some of these materials.

Experience has shown that we cannot depend on foreign ore reserves as a source of supply in an emergency, however important it may be to import some metals and minerals to supplement domestic production and to fill our stockpile with materials in which we are deficient. World political conditions, as well as hazards of possible air and submarine warfare, support this conclusion.

We continue to recommend, therefore, that the Congress exercise its authority over tariffs, to be administered for the welfare of the American people and provide reasonable tariff protection. In this connection we endorse the recommendation of the U.S. Tariff Commission to the President on the industry's application for increased duties on lead and zinc.

We commend the members of the U.S. Congress who worked tirelessly to fulfill the Tariff Commission's recommendation. The President's alternative stockpiling program, while having certain desirable features which have been of material temporary benefit, is at best a stopgap solution and does not offer any real long-range cure to the problem of the American mining industry.

A reasonable and workable means of maintaining an adequate "mobilization base" in the production of critical and strategic metals and minerals must be worked out promptly. While each metal and mineral has different problems and each must be considered separately on its own merits, this mobilization base can be maintained in most minerals and metals by maintenance of a reasonable price. To accomplish this we favor enactment of excise taxes or flexible tariffs on imports, which may be suspended in whole or in part whenever prices are at an economic level that will permit the domestic mining industry to maintain such adequate mobilization base for national security. We oppose the use of direct subsidies, as leading to eventual government control or being impractical of equitable administration. The nature of mining requires that the industry make long-range plans, and revocable or stopgap measures by the Government contribute little to the real problem.

We recommend that Congress reject participation in any organization which places the power to regulate trade and foreign commerce of the United States in the hands of any international body.

The industrial strength of our nation has proved itself to be the unfailing mainspring of defense of the United States and the world's free nations. As a keystone to this industrial strength, we strongly urge governmental policies which will assure the maintenance and encouragement of the fullest possible domestic production capacity in strategic and critical metals and minerals.

STOCKPILING

We endorse a national policy of stockpiling of strategic and critical materials and the provision of adequate funds at all times for orderly purchases for possible emergency needs. As long as the security of the Free World is threatened, the nation's stockpiles must be filled. The vital necessity for adequate stockpiles remains unaffected by the recent lessening of international tension.

We believe the most efficient and economical procedure is to stockpile at times when output exceeds demand, and that it is in the national interest to reduce or suspend stockpile purchases during periods when shortage of metals causes dislocation of production in defense and essential industries.

In connection with minerals and metals in which we normally are not self-sufficient, a definitely stated long-term objective should be fixed and adequate domestic prices paid to encourage the development of domestic reserves and the expansion of domestic production.

We oppose the purchase or other acquisition of foreign metals and minerals for stockpile when adequate domestic supplies are available.

We believe continued operation of prospectors and small mining concerns is important because these smaller operations provide a pool of specialized knowledge and trained manpower available for the expansion of minerals production in the event of an emergency. Their activities also are the source of new mine discoveries of consequence.

GOLD

We deeply regret that no steps have been taken during the year to terminate the policies with regard to gold that are bringing about the extinction of the domestic gold-mining industry. The few surviving mines are faced with diminishing profits as costs expressed in depreciating paper dollars continued to rise while the producers must sell their gold at a price fixed over twenty years ago when the dollar had twice its present purchasing power. The right to own gold is still denied to the American citizen, and the gold miner is allowed no protection whatever against inflation.

Furthermore, with the Treasury acting as a middleman, gold in quantities greater than the entire annual production of the country is supplied to the so-called industrial consumers at \$35 per ounce, thus providing them with an unneeded subsidy at the expense of the miners.

Correction of this gross inequity by restoring to the American citizen the right to own, to buy and to sell gold, accompanied by termination of the sales of gold by the Treasury to industrial users, would be a simple step, involving no change in monetary policies with regard to gold, that would go far toward relieving the increasingly difficult plight of the gold-mining industry.
