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Please have all items for the news letter to me by the 25th of the month



WILLAMETTE VALLEY MINERS

MAY 2008

Next Meeting

May 15, 2008 7:00 pm

President's Report

Presidents Report

With gold prices around \$900. to \$1000. a troy ounce, there are going to be a lot of folks out there looking for the yellow stuff. I feel we need to be very vigilant of those around us as to if they should be doing what they are doing - as to where they are prospecting and how. There may be a lot of folks just tearing things up and those of us who try to use good management practices for mining will get the blame.

It might be a good idea to take a photo copy of your club membership card (enlarged) and put it on your dash when you are on one of our claims. This would show of your rights to be on the claim and to see if others belong there. Maybe have your camera handy to catch them in action? License plate? If they don't display the club "ID", try to take whatever information that you can and turn this info into the authorities (Forest Service, BLM, County Sheriff) if you see them.

EOMA raffle in April was won by <u>US</u> (wvm!). WOW!! The Club in turn is raffling this 2 1/2" Highbanker Combo to our members. So here's your chance, tickets will be sold through the next meeting in May. The tickets are \$5.00 each and at the end of that meeting the drawing will be held. Good Luck.

Paul Messersmith had a very interesting presentation at the meeting on how to read locations for claims on a map. He will follow up at the next few meetings with LR2000 and map locating, etc. Great job, Paul! Thanks.

Events coming soon are: May 23-26 Vincent Creek / WVM 1 (if no snow)

June 7 Shady Cove Mining Tour

June 20-23 Miners Meadows Outing with potluck -- --

also that weekend Oregon Prospecting Supplies (Rita from Sweet

Home) and Fine Recovery

(Louie from Jefferson) will be having their yearly mining equipment

demo at Quartzville

mile post 22

Louie Frick, President, WVM LOUIE FRICK mining@teleport.com EarthLink Revolves Around You.

This issue of the newsletter is jammed packed with mining news, helpful information, planned events for mining types and such. See the section Also in this Issue on page 3.

There are articles on detector use, buying and selling mining claims, selling gold, and here to unpublished account about a partially worked rich pay streak on the Middle Fork of the John Day.

April 2008 Meeting Minutes

President Louie Frick of the Willamette Valley Miners, called to order the April 2008 general meeting at the regularly scheduled time of 7:00 PM. Meetings are held at the Marion County Fire Station, 300 Cordon Road NE, in Salem Oregon. In attendance were 51 members and 8 guests.

The club greeted the new members and guest.

The March 2008 meeting minutes were read and approved as corrected. The newsletter stated that you can be prosecuted for trespassing on a claim that you don't have rights to be on. This is not so, you may do things like camp, fish and other like activities as these on public lands. But you can be prosecuted for the removal of any minerals or the destruction of signage to those claims.

The Treasurer's Report was approved as read by Marshall Phares. Marshall also informed the club that Chuck Chase with the Eastern Oregon Miners Association has thanked us for our contributions to the legal battle.

The GPAA gold show went well. We had many people stop by the booth and 58 of them signed up to join the club or renew their membership, 2/3rds of them were new members.

The club was informed that Darlene Hooley is in support of the RAW Mining Law. Please contact her and let her know you disagree. The lawsuit with DEQ is going nowhere at this time.

For those who wish to get rid of your mercury, contact DEQ as they will take it or you can also get rid of it at the recycling/transfer station out on highway 22 just east of Salem, between 10:00AM and 3:00PM on Thursdays.

The club has won the 2 ½ " highbanker / dredger combo that EOMA was raffling off. There was a motion to raffle off the unit for \$5.00 dollars a ticket to members only. When the total amount sold reached or exceeded \$500.00 dollars, it would be raffled off. It appears that this amount was reached at the meeting so tickets will be sold at the May 2008 meeting to give all the members a chance to purchase tickets, and at the end of the meeting, it will be raffled off.

Louie has asked all members to photo copy their club membership card and place it on the dash of your vehicle while you are on the club claims. If you suspect someone being on a club claim that isn't a member, take down any information such as license plate numbers. Photos if you can, are nice, then contact any club officer.

Paul Messersmith did a fine presentation of how to locate claims on a map. There will be a continuation of the LR2000 and map locating at the May meeting.

The May 3rd outing for new members was cancelled. This outing will be combined with the Miners Meadow outing on

June 20^{th} to the 23^{rd} . There was a motion to allocate \$150.00 to prizes for the Miners Meadow outing, this motion was approved.

The meeting was adjourned and handed over to the raffles.

Secretary

Jeff Farrand

Outings/Events



Vincent Creek Outing May 23-26 This is a great outing for the Family in North East Oregon, near Austin, NE of John Day. You will need to get your access permit to the claim, Sour Dough Pete #1 at the April meeting. There is plenty of camping for all in the nearby area. See the map on page #2 of the April news letter. Have fun and may there be gold in your pan. Eben Ray 503-769-3284

Little North Fork Lode Gold Mine Tour June 7

This is a rare opportunity to have a guided tour to a number of lode gold and copper mines and prospects of this historical mining area including an opportunity to venture into a safe underground mine workings. We will go to the discovery site for the Kinross Copper/Gold mine, the Black Eagle portal (the one the forest Service Dynamited), Stop at the Silver Star site, then a mile hike to the Silver King (this is a safe mine with 1400' of shaft we will walk into. bring a hard hat, light and boots) Last stop is the Capital mine. Should be about 4 hours total. Bring food and drink if you think you will need it and keep fingers crossed it is a nice day. Directions: From Salem and I-5 head on Highway 22 east some 20 miles to Mehama, turn left on the well mark road to Little North Fork and Elkhorn. Proceed past the Golf Course at Elkhorn as the road narrows. Finally a right hand fork road leads to the Shady Cove Campground. Interestingly there is a recreational mining area here that yield decent color to panning and dredging.

Time: We meet at Shady Cove Camp Ground (on the Little North Fork of the Santiam) 10:00 am. Call Gary Schrader @503-859-3132 for more details.

Miners Meadow: Picnic, Mining, Events, June 20-27 on Quartzville Creek (25 miles e. of Sweet Home)

"For a good time - call Howard. June is coming up fast and with it Miners Rendezvous at Miners Meadow, June 20-23. Great camping, great games, great prizes, great food and a great time to be had by all-awaits me and you!! Once again, the Ducky Race down Quartzville Creek, a GPS mega-prize quest and Metal Detector Treasure hunt will test your luck and skill. Let's break all past records and fill Miners Meadow to overflowing. Remember, the club pays for the Meadow and the meat.....so bring your potluck item and let's meet in the Meadow."

Club Events Schedule

- May 23-rd-26 Vincent Creek (eastern OR) and Quartzville Creek contact Eben Ray503-769-3284
- June 7 Little North Fork Lode Gold Mine Tour (some 35 miles east of Salem) contact Gary Schrader 503-859-3132
- June 20th to 23rd Miners Meadow, prizes, food, panning, dredging, social activities

Also In This Issue

- Coming gold events this season
- Detector Tips: Ground Moisture Content & the Halo Phenomenon
- Selling that Gold old and new ways
- Worrying about selling gold instead of testing the claims
- Rich placer digs on the Middle Fork of John Day River, OR (near Vincent Cr)
- Precautionary tips for claim holders
- The Cautions of buying a mining claim
- Related News

Coming gold events this season

- Douglas County Prospectors Show in May 31 & June 1, Fairgrounds, Roseburg, OR.
- Bohemia Gold Days, Cottage Grove, OR July 17 to 20th

 includes a breakfast up on the mountain at the Bohemia
 Mining District, gold panning, parades, entertainment,
 and such in downtown Cottage Grove.
- North West Miner's Rally, Oroville, WA August 15-17th. Features seminars, open dredging/panning on 7 miles of Similkameen River.

Ground Moisture Content & The Halo Phenomenon*

Provided by Cliff Winston, Cliff's Detector Sales

It is assumed that greater moisture content in the ground equates to enhanced detection performance. This is true in nearly all cases, but characteristically, the circumstances may be wanted or UNWANTED. As with most things in this dynamic world, there are a multitude of variables to metal detection performance in varying moisture conditions. Fortunately, there are common denominators to help simplify the learning curve of the vast volumes of variable data concerning ground moisture content.

Air-testing the detection range of different targets is fairly repeatable & consistent because most variables are removed. In the ground, many things need to be analyzed. First, the halo/bleed/decomposition rate of a metallic object dramatically affects the range at which it can be detected. Metallic items that have the largest decomposition rate, hence, producing a metallic 'halo' in the soils immediate vicinity surrounding the object, will have the greatest detectable range. The oxides in the soil produced from the decomposing object (characteristically identified by a reddish/brownish color surrounding the object) cause this surrounding soil to become semi-conductive AND allows the metal object to "electrically connect" better with the soil. Either one of these conditions enhances the detectable range of any object and obviously, both of these conditions combined has an even greater effect. This also explains why a freshly buried object may be a bit more difficult to detect. If you are creating a

test-garden, you can expedite the process by simply pouring a brine solution (saltwater) on the metal object being buried as well as the surrounding soil. This will rapidly aid the "electrical connection" (grounding) of the object with the soil, however, the halo will not exist.

Iron is a metal that can produce a very large oxidation halo (caused by water & oxygen). Copper coins can produce a fairly large halo, silver items a very small halo and pure gold produces no halo. Therefore, old rusty iron with a large halo, proportionately, has a greater detection range then, say a silver coin that has been in the ground for the same time frame.

With all of this information in mind, a increasing amount of moisture content in the ground will also enhance the detection range of all metal objects, but NOT proportionately. Moisture will have the greatest effect on iron items and objects with the largest halo and have the least effect on silver and gold items in reference to detectable range. With a greater moisture content in the ground, the greater the electrical conductance (and electromagnetic conductance) of the soil. Also, moisture causes metallic items to electrically (electromagnetically) conduct better in the Earth. Hunting for old silver coins in a iron nail infested area should be performed under extremely dry soil conditions. Rainwater would 'electrically activate' the iron nails at a much greater rate then the silver coins, giving the iron a much better detection advantage; a very unwanted condition. Hence, the reciprocal holds true; If your quest is iron items, saturated soil conditions presents the greatest detectable range capabilities.

Highly mineralized soil poses yet another problem when moisture is added. Wet, mineralized soil is conductive in itself, causing the metal detector to detect the soil and may become completely blind (masked) to actual metal objects. In areas of high mineralization, it is recommended to hunt under the driest of conditions. One example would be a ocean beach. Most metal detectors function with great stability up in the dry sand areas of the beach. If it begins to rain, causing the dry sand to become wet, most detectors will have dramatically reduced performance characteristics under these conditions, unless some form of a electronic 'salt compensating' mode is invoked. Soil conditions of medium mineral content is a vague term and must be detected under wet, then dry scenarios to sample the specific performance characteristics of a particular area. Low mineral soil locations where targets are sparse presents ideal detecting opportunities with saturated soil conditions. Detecting the shoreline of a fresh water lake is one 'ideal scenario' example, lending to extreme detection depth capabilities.

In summation, all of these rules apply to most metal detectors. Pulse Induction (P.I.) metal detectors circumvent most of these rules, however, at the time of this writing (June 2002), P.I. detectors are non-discriminating, 'all-metal' units. * Source: http://www.fisherlab.com/fisherbeta/intel/fishintel.pdf

Selling that gold....new and old ways

by Tom Bohmker

Selling that hard one gold can be a exciting, very pleasing event: yet at other times, a tearing play of loyalty of whether or not to sell ones hard earned nuggets or high grade ore (perhaps the very golden trophy of bragging rights with one's fellow gold diggers). This soulful gut twisting might be happening because of a need of dollars to feed family, pay bills, keep from losing the car and the gold becomes expendable. Ideally, if one does have to sell some gold hopefully at least the spot price is up and the appropriate method of selling is used considering the circumstances. Let's talk a little about selling gold.

Actually it is generally best <u>not</u> to combine a mining trip with mandatory selling some of your gold. Another way to say this is **Have enough grubstake to handle gas and groceries**, perhaps some minor repairs to dredge or vehicle, tires, etc. to last through your planned time mining. It is a shame to miss out on dredging or prospecting time to have to stop operations, make a trip to town, use expensive gas and sell under duress and take whatever price offered because you were \$25.00 short!

The Selling: In the old days the U.S. Mint in San Francisco and elsewhere bought raw gold from miners and other producers at a set price of \$35.00 an ounce with a nominal refining charge. Certain large refineries and fabricators were licensed to also buy raw gold (newly mined gold). Many country stores and business in the gold country

had scales where a miner could trade in his gold direct for gas & groceries for a discounted dollar value. One store owner at the Sunny Valley Exit of I5 in Southern Oregon gave his customers a very good price for their gold in trade for goods and sometimes cash. In the early 1980's he closed the store, sold the property and left the country with allegedly a huge catch of gold purchased over the years. In the 1930's a bank in Grants Pass had a special teller window (with iron bars no less) in which a little old miner bought gold. He knew the regulars like the hydraulic miners Hank Speaker and Bob Goff and the pocket miners like the Roberson Brothers at the Bunker Hill Mine. This buyer had worked out a fair price for each seller's particular gold. He could identify the local stream source of the placer gold and its gold content quite well by just looking at the color, size, texture, matrix of rock in larger nuggets from his long experience. I was told by the late Frank Kolkow of Wolf Creek that efforts to trick the old gold buyer as to the source of a particular poke of gold was quite difficult. Miners often are secretive as to the source of their gold hordes. When this country went off the gold standard in the late 1960's the price started to climb, new markets sprang up to buy and sell raw gold and citizens were allowed to possess gold bullion. The Mint no longer buys gold.

Now a days: At mining shows many people buy equipment and supplies with a trade for gold. Usually the price for minus #20 mesh (window screen is a little larger at about #14 mesh) goes for about 80% of spot price. At the recent Salem GPAA Gold Show there was some rather furious buying and selling of raw gold, bullion and silver. Currently a number of established refiners in Portland and else where as well as local Pawn Shops, jewelers and small Mom and Pop specialty jewelry manufacturers can fill a good need for a miner to sell gold. In my experience Pawn Shop type places generally offer much less for gold...they are used to buying quality goods at a cheap price. Several major Pawn Shop type buyers in Albany and vicinity interviewed for this article surprised me: They only bought nice 10 Kt and 14 Kt gold jewelry for resale and never considered placer gold. However there are number of gold buyers, individuals in the area that concentrate their efforts on placer gold, nuggets and some high grade gold ore or specimen gold, also known as "jewelry ore". Selling such pieces of quartz or rock loaded with crystalline gold deserves a whole story in itself. It is not uncommon to price the specimen at 10 times the spot price.

The Gold Buyers; One our club members, Ken Haines of Wild West Gold Sales has been buying and selling placer gold for over a decade and has built up a trusting cliental. Typically the buy price for small sized placer gold is around 80%. Larger flake gold and nuggets generally go for a higher price that is negotiated. Gold from portions of Nevada and Cascades of Oregon may sell for a little less as the silver content may be higher. Usually the local mining equipment store or detector dealer can direct one to a local business or individual gold buyer.

The Refiners or Smelters: This subject deserves a whole article by itself on hard learned do's and don'ts of dealing with these services. For larger quantities of small flake (-20# mesh) the smelter or refiner may offer a lot of advantages. Unlike the local buyers that often have only pockets so deep and are unwilling sometimes to buy @ their regular % of spot when the market is in a steep decline the smelters can seeming market endless quantities of gold. Remember, a buyer that pays you at sale for the gold assumes the risk of a volatile market that may plumment down by the time he ships to a smelter or resells the gold. The refiner or smelter often turns the table on you for risk of a falling market. Some of these outfits will keep your gold for a while especially when prices are up and they are extra busy with many small shipments of material from small producers and hoarders like me and you. This period in my experience has ranged from less than 2 weeks to over 3 ½ months. The closing date was the lowest daily bullion price during that time...on one instance hundreds of \$ per ounce. When I got my check...was I disappointed! This kind of scenario is probably happening right now... shipments sent in when price went over \$1,000 just a few weeks ago...but now the price at this writing is \$851.00 per ounce. Some of the smelters have a fixed closing date on the price which works something like this: shipments received by Tuesday each week will be priced at the following Friday noon London Gold price. Also to consider is cost per ounce refining charge and most importantly for small shipper of gold. Often it is small % of total recovered gold for example ½ to 2%. Usually added on to this are substantial "lot fees" and assay charges per shipment. This can range from \$150 to \$300: a huge % if you are only shipping a few ounces. What worked for me sometimes was to take a few ounces out in bullion, one ounce bars with weight, hall mark of the refiner and perhaps a serial # and the rest as a check. Find out before hand the basic charges for all these services when you compare refineries.

Pool Account: Many refiners offer a pool account. Some of your gold may be held by the refiner at no cost until you notify them to "sell it". Thus you can easily play the market and avoid storing and shipping the bullion when the price peaks. At some o,e in the future these company's will usually buy back the bullion bars at close to spot price.

Selling to friends and Acquaintances: This is often the safest and least hassle. Over a period of time certain friends may put in verbal orders for a certain quantity of gold at some % price of spot at the time. At times monies can be loaned (grubstaked) ahead of time to help the miner get started.

Making your own jewelry: Often this works well and the marketing is quite easy. The gold is placed in the little lockets that are attached to chains, pendants, ear rings and the like. Often when we tell friends, family, neighbors what we are doing out in the mountains they often ask "Do you actually find some gold?" We can show them some in a bottle but also do some easy marketing by pulling out the lockets and such. People seem to enjoy buying it from the actual miner...adds more to the story. The Lockets can be purchased from local equipment suppliers or from companies that advertise in the mining magazines. The price per ounce you get for your gold is often 50% or more than spot price + the cost of the lockets and chain.

Display Boxes: For just \$8.00 to \$15.00 a miner can buy those display boxes with 1 1/8" diameter Gem Jars to show your finds and help sell nuggets, flakes, even small quantities of gold. Even 2 or 3 grains of gold looks nice in one of these displays (480 grains to the troy ounce). Weight out some gold, price it at spot or so, more for big flakes and small nuggets and \$.40 for the cost of the Gem Jar. Keeping such a display box handy you can make sales to people you meet. I drove up to the grocery store in Cave Junction OR dressed in rubber boots and with the usual array of shovels, hoses, gas cans, camping equipment heaped in back of the truck. An observing shopper asked me if I was a gold miner. After the ensuing conversation I ended up selling a considerable amount of gold.

Pricing Nuggets: Nuggets bigger than ½ DWT (small raison) of course go for a premium price that usually is more than spot price and can range to double spot. Interestingly nuggets with some white quartz seem to sell for the same price as if it was solid gold. Note that the larger flake gold generally has less gold content than dust or flour gold out of the same river. The silver in the gold is more readily leached out by ground water in the small particles and the larger flakes and nuggets often have more small bits of rock or quartz impurities in them. Nuggets in the ½ DWT to 5 DWT (1/4 oz.) size seem to easier to sell and more often get a better premium over spot than the monster sized nuggets. Last year at the GPAA show in Rapid City SD a customer was trying to sell a 17 oz nugget he detected in Alaska at a price just over spot. Of course we didn't have enough money, too bad ...gold has gone up so much!

New Ways to Sell Gold: The Young Eyelash Method; This is a marketing method that is said to have first been used offering fruit in the garden of Eden. Since one or more of the above traditional method always worked for me it wasn't until the recent gold show in Monroe, WA that I tried this "eyelid" method...it worked very well. I

stayed up in Washington with my shirt tail relative Larry and his attractive daughters aged 9 and 12. Larry and his daughters helped me staff my booth at the show. This time they took little trays with a few of the Gem Jars with some flake gold priced at around spot plus \$1.00 mark up. These girls soon over came any shyness and were hustling gold all over the show (of course they were under our watchful eyes). They sold a lot! One fellow dealer (a competitor no less) bought some of the Gem Jars of flake gold and followed Larry's daughter back to my booth. I asked this dealer why he bought our gold since he was buying from in bulk from miners at a considerable discount from these prices. He grinned and said "I tried to say no but the girl looked up and said 'It is real valuable gold, please buy one' and flashed her eyelids". "I couldn't say no after that" he explained. He did look over our full offerings of gold at the booth and purchased some expensive nuggets. One problem we had at first when using this method: Daddy Larry had to explain a bunch of times that these enthusiastic gold sales persons could only keep 20% of gross sales and that I as the miner and provider of the gold needed 80%. They seem to think that they should keep all of the gross sale! He told them in his explanation of Capitalism, Free Market Trade, Cost of good verses retail prices and owner/worker relationships: " and further girls, when we take you out gold mining you will discover how much work it takes, also you'll understand why gold is so valuable and why Uncle Tom (he pointed to me) doesn't want just to give it away!" This new to me Young evelash method was a lot of fun for everyone.

Worrying about selling gold instead of testing the claims by Tom Bohme

Overview: Since the first of the year we have had articles and discussions on *Planning Well for that Mining Trip* in our newsletter. Discussions have ranged from picking the right partner, research information and such and in this issue an account of the **wrong emphasis in planning a gold mining adventure.**

Slow Planning Progress on Rapid Creek: Once I did consulting work trying to set up a moderate sized dredging operation for a group of partners on some claims on the biggest gold bearing stream in the Black Hills of South Dakota. This place promised excellent potential yet had never been dredged. Unfortunately only one of the partners had only a little actual experience panning yet they planned to purchase both an 8" and 6" dredge. Before making such a big financial commitment I encouraged them first to use a 4" dredge to test the claims and give them some hands on practical experience. During one important planning meeting repeatedly some of the partners would interrupt me with question such as "Explain how we are going to market our gold" My answer was quick off the hip "Don't worry about it now, the raw fine sized gold can be sold at the mining equipment store or at several iewelers in town". The trouble is they did worry way too much about the selling and my answer touch off a long debate on the merits and profitability of eventually making their own line of nugget jewelry, selling flake gold to the smelter, expected net smelter returns, closing dates on spot price, smelter costs, whether to get a smelter return of bullion or money orders and the exact fineness of gold they planned on mining. Even though I was being paid by the hour I tried to stop this conversation going in this direction and direct them to the real problems, first things first...getting the Fish and Game dredge permits, Forest Service road use permits and certainly getting some equipment to actually test dredge on the claims to locate the better pay streaks. At this point only one of the group had panned color on the claims. After a little while of good planning again they were worried about selling the vet to mined gold. This time they wasted time talking about the design of a hall mark they wanted to special order with their company name to be stamped on each gold bullion bar...As I recall one of the partners vehemently objected to perspective logo with anything Mt. Rushmore on it and wanted something more "original". More wasted time & energy. .Several in this group became irritated when again I forcefully said "Don't spend time on this selling off of your planned treasure find now, you still haven't agreed on purchasing the proper equipment to test dredge with". Additionally they wanted to hire a lawyer to work out a complicated plan, it was some special formula for dividing up the nuggets they hoped to find among the partners.....I pleaded "save the lawyers for a countersuit in case you are shut down by some body" and "Just take the nuggets you get, divide in the number of partners and let each one draw out of a hat....now lets figure out what you can spend to buy some equipment, do your testing, get the permit process started and get this show on the road." Of course at this point no dredge testing or even sluicing of the property had been accomplished. I felt it was priority to find out what they had. Unfortunately they did not listen.

End of story: I don't think they ever worked out their gold marketing strategy. Perhaps this didn't matter as because of dragging their feet they barely were able to get only a temporary permit to test their claims that summer. What is worse...they did not follow my advice and purchase a new out of the box commercial produced dredge of 4" size that I assured them from my experience would perform well enough on their claims to test the values out before buying a very expensive 8" super dredge and a commercial 6" unit. Also as my time in South Dakota that year was at end and it was time to return to Oregon for the start of the mining season there I could not do this testing myself. However I implored them to have an experienced dredger help them for a couple days to get started on a good footing. Instead one of the partners convinced them to construct their own dredge using some out of a farmer supply catalog pumps and such so as to save 40% over a factory unit. None of them had even seen a dredge really work. Then to operate the cobbed together dredge they hired some ocean diver types of course well versed in diving but who had never dredged in river gravel. Further these divers were new to the area when they drove out form Chicago. You have probably already guessed the results: I heard on the phone later at my home in Oregon that the dredge did not work well. It was not well balanced on the floatation and the pump did not put out correct volume or pressure. The result was that the dredge would suck up sand and gravel but did not have enough suction even to pull in small lead fishing weights (much less any nuggets in the gravel) and jammed continually. The combination of poor equipment design and inexperienced operators proved to be the final straw. After 2 days of frustrating efforts they had dredged one hole 3 feet deep and cleaned up a few colors of gold and the partners were arguing blaming each other. They pulled the plug on the whole operation. They never tested the claims properly and their temporary permits expired. My understanding is that the claims were let go and never worked by anyone else. Moral of story: prioritize properly your "to do" list when planning.

Rich Placer Digs on the Middle Fork of the John Day River, OR near Vincent Creek. By Tom Bohme

The Middle Fork of the John Day River from the area near Austin clear down stream past Galena near Susanville has numerous tributary creeks that yield colors of gold. Many were very rich and were hand worked or were mined hydraulically. Today many have successfully been mined with suction gold dredges and high banker units. Our club's claims are on Vincent Creek in this famous mining region between Austin and Susanville. Such tributary creeks flow relatively rapidly down the slopes in narrow, twisting valleys. Such relatively shallow often rich in places gravel deposits were ideal for working by hand and with hydraulic mining methods. However when the creeks reach the Middle Fork the valley is much wider, the decent of the stream is slower and the gravel deposits are much wider sometimes over 200 yards wide. Thus much of the gravel generally is much lower grade overall with certain rich pay streaks here and there. When the gold rush miners first came large pay streaks were worked by hand methods, some even to bed rock in shallower areas. With the development of the bucket line gold dredge the other large low grade zones of gravel could profitably worked and many miles of this area were dredged. Typically the values were low, as little as 1 grain of gold per cubic yard was recovered profitably with these high volume, low labor machines. Typical recoveries per day were 4 ounces to 1 pound of gold per day and usually bedrock was less than 20 deep. However, once in a while rich areas were mined. One account is little known today but still excites our imagination.

"The Big Hole" high grade placer find, circa 1930's. My wife's brother Charlie had a best friend and room mate John Paine whose mining family went way back in Southern Oregon and Eastern Oregon. John's Grandfather worked on a bucket line dredge and related this story to his family. Grandpa was a working partner in a bucket line dredge operation during the 1930's that operated on the Middle Fork of the John Day River a few miles up stream from Galena near the confluence of Beaver Creek.

How the bucket line dredge works: The long boom or "digging ladder" in front has large buckets of thick iron alloy castings of wheel barrow size that are chain together and with gearing can dig up the gravel from below river level and hauls it up to a trammel that separates out the rocks and small boulders which are dispensed out the back on a long conveyor. The smaller material less than an inch or so in diameter is run through sluice boxes or jigs to save the gold. The whole unit is mounted on a barge like boat and floats in the whole it digs for itself, filling the hole behind with the tailings. We examined the old wooden hull of this machine in 1985 and found it was about 24 'wide and about 90 feet long. It probably only had a digging depth of 25 to 30'.

John's Grand Dad's big strike: They were paying the bills and making a little money of years in this stretch slowly working their way along one side of the valley to the end of the claims and then back down along the other side of the valley. On one stretch where the river valley ended sharply with a cliff along the edge the bucket line would not find bedrock. The operator who just stares into a muddy pool where the digging ladder disappears down below can feel the buckets shake a certain way when they hit bedrock and of course usually this is where the best gold and bigger nuggets lay. This deep bedrock for this section of the John Day was rather unusual and disappointing because problematically the gold recovery would be down. After while they stopped a little while to allow the "oiler" crew member to do his greasing and maintainance. It was then that some one walked by the sluice room, (locked up or fenced off rooms on either side of the trammel to keep out high graders from stealing) and noticed that the sluices were "running yellow". They all gasped for breath, it was the best run they had seen! The crew decided to clean up the sluices, not an easy task and can take a whole shift and later proceeded to continue dredging in this hot spot. The area was on the inside of a shallow curve but showed on the surface nothing that indicated the rich gravel at depth. After a just another 100' or so the rich paystreak ended and the partners split up the gold and continued mining gold at the old "Making a living" level to the end of the claims. They turned the dredge around and headed back downstream now digging up the other side of the valley. They were disappointed when they past the rich spot...there wasn't much gold on this side and continued down the valley a short way. However they had gotten more gold (perhaps several hundred ounces or more) in a couple days on "the big hole" than they had for the next month or so. Someone had an ingenious idea. The turned the dredge around and dredged their old tailings back to the stretch to try to dig clear to bed rock this time. They could not extend the digging ladder to dig deeper with out having to rebuild and enlarge the whole boat. However it was late fall, the river level was lower, they hired a pump to pump water out of the dredging pond about 8 feet lower than river level. The redredged their old tailings with another 8 feet of virgin gravel at the bottom. They made out like bandits, this was a super spot. The season was rapidly closing and they were trying to figure out how to dig a little deeper and get to the bottom of this hole. They pumped more and managed another foot or two. Then they loaded lots of boulders on the deck of the barge to reduce the "free water" with out actually sinking it in the pond. They were able to get another 5 feet or so...and they turned the dredge around and made a final pass. Bedrock was still not reached but even more gold! This was the end of the pay streak as deep as they could g0. In the 1950's John's Grandpa convinced others to try at least twice to use bull dozers and draglines to mine this spot to bed rock but were stopped by excessive water flows, the sides of the pit sliding in and related technical problems. This 200' long section never has been worked! How much gold is still there?

THE OWNERS OF MINING CLAIMS ARE WARNED TO TAKE PRECAUTIONARY MEASURES TO HELP PROTECT YOUR INTERESTS. By Tom Kitchar from the Waldo Mining District newsletter, April issue.

Record high prices of gold will (and already is) trigger at least the biggest Gold Rush since 1979-80; bringing potentially thousands of new prospectors to the historic gold areas in search of a place to work and possibly claim. Many of these new prospectors (and even many supposedly "experienced" prospectors) do not know or completely understand the Mining Law, nor do they know or understand the various State laws, and thus; many of them will make costly mistakes while attempting to work or claim ground already under claim. Because of this, the owners of existing claims should do whatever they can to keep others from accidentally filing on top of them, and to help keep others from working their claims. There are several things you should do to protect your claims:

- 1. Check the BLM and County records to ensure that your claims have been recorded correctly. I would suggest you do this at least once a year, after you make your required annual filings. People make mistakes, including the folks at BLM and in the county. Check, and then double check the BLM & county records. Make SURE your claims are listed as "ACTIVE" in the BLM records! Print or save a copy! You can't "blame" someone for filing on top of you if BLM says your claim is "CLOSED"! If you can, go online and use the BLM "LR 2000" system to look up your claims... you want to see what others will see, and then make sure what you see is correct (and if not, contact BLM immediately to get it fixed).
- 2. Mark your claims and maintain the markers. Hang some signs along the creek or road... make it obvious that there is a claim "here". Take pictures of your markers or signs (in case you need to prove they were there).
- **3. Do your assessment work and file** the Small Miners Waiver, or pay the Maintenance Fee early and file it early. The sooner the BLM records show your claim as being totally up-to-date, the safer your claim will be.
- **4.** Make sure you **keep copies** of all claim documents in a safe place. Make sure you have a copy of ALL documents pertaining to your claim/s, from a copy of the original Notice of Location, any Amended Notices, Quit-Claim Deeds, plus copies of every years Assessment Affidavits, Small-Miners Waivers, or Payment of Maintenance Fee documents.
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Editor's Note: WVM club member Paul Messersmith will continue to go over his three series on topographic map reading and plotting claims, staking claims at the May Meeting. It is so good to gain a basic understanding of this process that at first seems a little

intimidating but with Paul's logical step by step instructions nasty pitfalls can be avoided.

THE CAUTIONS OF BUYING A MINING

CLAIM by Tom Kitchar, Waldo Mining District newsletter, April issue.

With the record high price of gold and the shortage of good ground to work, some may opt to purchase an existing claim/s rather than invest possibly years of searching fruitlessly for good ground with no guarantee of ever finding any.

BE WARNED:

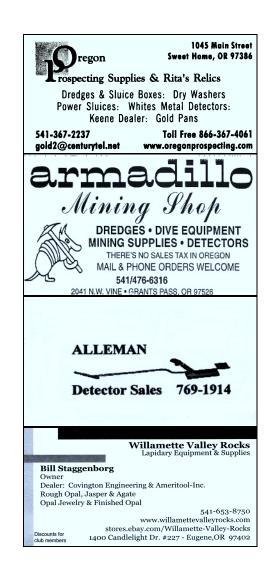
Interest or ownership of unpatented mining claims is usually transferred via a "Quit-Claim Deed"; and all the QCD really says is: "IF" I actually have a claim, I'm selling it to you." In other words, you are really only buying a piece of paper. This is because unless the claim has been examined by the BLM for validity, there is no guarantee the claim is valid (i.e.; has a valid Discovery and will pass marketability). ALWAYS test a claim first, and do a complete Title Search with both BLM and the County to make sure the seller really has a claim to sell, and that no one else has a claim on the same land.

With the record setting high prices of gold come record numbers of new mining claim filings. It is reported that Nevada has already seen a doubling of the number of new mining claims, and locally, the Josephine County Recorder reports a large increase in new claim filings. Just like in the late 1970's and early 1980's, the high gold prices will attract thousands of new prospectors out to seek their fortunes. All of this is not "golden" (pardon the pun), as with record numbers of new prospectors and new claims being filed, it also stands to reason that there will be record numbers of mistakes made leading to more claim- jumping incidents. (I remember researching mining claims in the 1980's, and especially on some of the richer area creeks, I would find them one on top of the other, sometimes as many as 3 or 4 claims deep, all on the same identical piece of land! Obviously, "someone" owned the claim... the rest were claim-jumping.)

Related News

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Mining Books & Supplies

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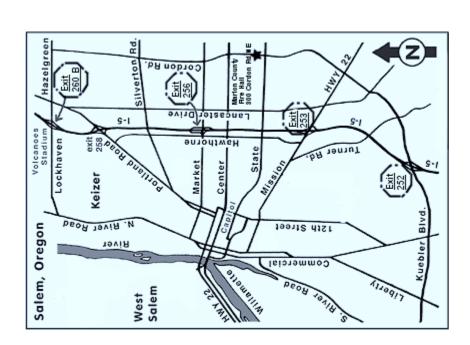
Wanted

<u>Used Gold Dredge</u>, complete or fixer upper, 2" to 4" size, also wanted: scuba diving regulators, weight belts. Tom 503-606-9895

Willamette Valley Miners

PO Box 13044 Salem OR 97309-1044





Ground Moisture Content & The Halo Phenomenon*

Provided by Cliff Winston, Cliff's Detector Sales

It is assumed that greater moisture content in the ground equates to enhanced detection performance. This is true in nearly all cases, but characteristically, the circumstances may be wanted or UNWANTED. As with most things in this dynamic world, there are a multitude of variables to metal detection performance in varying moisture conditions. Fortunately, there are common denominators to help simplify the learning curve of the vast volumes of variable data concerning ground moisture content.

Air-testing the detection range of different targets is fairly repeatable & consistent because most variables are removed. In the ground, many things need to be analyzed. First, the halo/bleed/decomposition rate of a metallic object dramatically affects the range at which it can be detected. Metallic items that have the largest decomposition rate, hence, producing a metallic 'halo' in the soils immediate vicinity surrounding the object, will have the greatest detectable range. The oxides in the soil produced from the decomposing object (characteristically identified by a reddish/brownish color surrounding the object) cause this surrounding soil to become semi-conductive AND allows the metal object to "electrically connect" better with the soil. Either one of these conditions enhances the detectable range of any object and obviously, both of these conditions combined has an even greater effect. This also explains why a freshly buried object may be a bit more difficult to detect. If you are creating a test-garden, you can expedite the process by simply

10

pouring a brine solution (saltwater) on the metal object being buried as well as the surrounding soil. This will rapidly aid the "electrical connection" (grounding) of the object with the soil, however, the halo will not exist.

Iron is a metal that can produce a very large oxidation halo (caused by water & oxygen). Copper coins can produce a fairly large halo, silver items a very small halo and pure gold produces no halo. Therefore, old rusty iron with a large halo, proportionately, has a greater detection range then, say a silver coin that has been in the ground for the same time frame.

With all of this information in mind, a increasing amount of moisture content in the ground will also enhance the detection range of all metal objects, but NOT proportionately. Moisture will have the greatest effect on iron items and objects with the largest halo and have the least effect on silver and gold items in reference to detectable range. With a greater moisture content in the ground, the greater the electrical conductance (and electromagnetic conductance) of the soil. Also, moisture causes metallic items to electrically (electromagnetically) conduct better in the Earth. Hunting for old silver coins in a iron nail infested area should be performed under extremely dry soil conditions. Rainwater would 'electrically activate' the iron nails at a much greater rate then the silver coins, giving the iron a much better detection advantage; a very unwanted condition. Hence, the reciprocal holds true; If your quest is iron items, saturated soil conditions presents the greatest detectable range capabilities.

Highly mineralized soil poses yet another problem when moisture is added. Wet, mineralized soil is conductive in itself, causing the metal detector to detect the soil and may become completely blind (masked) to actual metal objects. In areas of high mineralization, it is recommended to hunt under the driest of conditions. One example would be a ocean beach. Most metal detectors function with great stability up in the dry sand areas of the beach. If it begins to rain, causing the dry sand to become wet, most detectors will have dramatically reduced performance characteristics under these conditions, unless some form of a electronic 'salt compensating' mode is invoked. Soil conditions of medium mineral content is a vague term and must be detected under wet, then dry scenarios to sample the specific performance characteristics of a particular area. Low mineral soil locations where targets are sparse presents ideal detecting opportunities with saturated soil conditions. Detecting the shoreline of a fresh water lake is one 'ideal scenario' example, lending to extreme detection depth capabilities.

In summation, all of these rules apply to most metal detectors. Pulse Induction (P.I.) metal detectors circumvent most of these rules, however, at the time of this writing (June 2002), P.I. detectors are non-discriminating, 'all-metal' units. * Source: http://www.fisherlab.com/fisherbeta/intel/fishintel.pdf

- June 7th-Mining tour Shady Cove Area: contact Gary Schrader 503-859-3132
- June 20th-23rd Miners Rendezvous Old Miners Meadow, contact Howard Conner 503-299-0262
- July 4-6 Dad's Creek Outing contact Gary Wolf 503-364-3879
- July 19th &20th Walker Creek Outing contact Don Hammer 541-740-0375

may newsletter:

Selling that gold....new and old ways

Selling that hard one gold can be a exciting, very pleasing event and at times a tearing play of loyalty of whether or not to sell ones hard earned nuggets (perhaps the very golden source of bragging rights with ones fellow gold diggers). This soulful gut twisting might be happening because of a need of dollars to feed family, pay bills, keep from losing the car and the gold becomes expendable. Ideally, if one does have to sell some gold perhaps at least the spot price is up and the appropriate method of selling is used considering the circumstances. Let's talk a little about selling gold.

Actually it is generally best <u>not</u> to combine a mining trip with manditorary selling some of your gold. Another way to say this is **Have enough grubstake to handle gas and groceries**, perhaps some minor repairs to dredge or vehicle, tires, etc. to last through your planned time mining. It is a shame to miss out

on dredging or prospecting time to have to stop operations, make a trip to town, use expensive gas and sell under duress and take whatever price offered because you were \$25.00 short.

Worrying about selling gold instead of testing the claims by Tom Bohmker

Overview: Since the first of the year we have had articles and discussions on *Planning Well for that Mining Trip* in our newsletter. Discussions have ranged from picking the right partner, research information and such and in this issue an account of the **wrong emphasis in planning.**

Once in South Dakota I did consulting work trying to set up a moderate sized dredging operation for a group of partners on some claims on the biggest gold bearing stream in the Black Hills of South Dakota. This place promised excellent potential yet had never been dredged. Unfortunately only one of the partners had only a little actual experience panning yet they planned to purchase both an 8" and 6" dredge. Before making such a big financial commitment I encouraged them first to use a 4" dredge to test the claims and give them some hands on practical experience. During one important planning meeting repeatedly some of the partners would interrupt me with question such as "Explain how we are going to market our gold" My answer was quick off the hip "Don't worry about it now, the raw fine gold can be sold at the mining equipment store or at several jewelers in town". The trouble is they did worry way too much about the selling and my answer touch off a long debate on the merits and profitability of eventually making their own line of nugget jewelry, selling flake gold to the smelter, expected net smelter returns, closing dates on spot price, smelter costs, whether to get a smelter return of bullion or money orders and the exact fineness of gold they planned on mining. Even though I was being paid by the hour I tried to stop this conversation going in this direction and direct them to the real problems, first things first...getting the Fish and Game dredge permits, Forest Service road use permits and certainly some actually testing on the claims to locate the better pay streaks. At this point only one of the group had panned color on the claims. After a little while of good planning again they were worried about selling gold bars...this time about the design of a hall mark they wanted to special order with their company name to be stamped on each bar...As I recall one of the partners vehemently objected to perspective logo with anything Mt. Rushmore on it and wanted something more original. More wasted time & energy. .Several in this group became irritated when again I forcefully said "Don't spend time on this selling off of your planned treasure find now, you still haven't agreed on purchasing the proper equipment to test dredge with". Additionally they wanted to hire a lawyer to work out a complicated plan, it was some special formula for dividing up the nuggets they hoped to find among the partners.....I pleaded "save the lawyers for a countersuit in case you are shut down by some body" and "Just take the nuggets you get, divide in the number of partners and let each one draw out of a hat....now lets figure out what you can spend to buy some equipment, do your testing, get the permits strarted and get this show on the road." Of course at this point no dredge testing of the property had been accomplished. I felt it was priority to find out what they had. Unfortunately they did not listen.

End of story: I don't think they ever worked out their gold marketing strategy. Perhaps this didn't matter as because of dragging their feet they barely were able to get a temporary permit to test their claims that summer. What is worse...they did not follow my advice and purchase a new out of the box commercial produced dredge of 4" size that I assured them from my experience would perform well enough on their claims to test them out before buying a very expensive 8" super dredge and a commercial 6" unit. Also as my time in South Dakota that year was at end and it was time to return to Oregon for the start of the mining season there I could not do this testing myself. However I implored them to have an experienced dredger help them for a couple days to get started on a good footing. Instead one of the partners convinced them to construct their own dredge using some out of a farmer supply catalog pumps and such so as to save 40% over a factory unit. None of them had even seen a dredge really work. Then to operate the cobbed together dredge they hired some ocean diver types of course well versed in diving but who had never dredged in river gravel. Further these divers were new to the area when they drove out from Chicago to Rapid City, SD. You have probably already guessed the results: I heard on the phone later at my home in Oregon that the dredge did not work well. It was not well balanced on the floatation and the pump did not put out correct volume or pressure. The result was that the dredge would suck up sand and gravel but did not have enough suction even to pull in small lead fishing weights (much less any nuggets in the gravel) and jammed continually. The combination of poor equipment design and inexperienced operators proved to be the final straw. After 2 days of frustrating efforts they had dredged one hole 3 feet deep and clean up some colors

of gold and the partners were arguing blaming each other and they pulled the plug on the whole operation. They never tested the claims properly and their temporary permits expired. My understanding is that the claims were let go and never worked by anyone else. Moral of story: prioritize your to do list properly when planning.

Related stories rich trading nuggets for pieces of crystalline gold.

The Mining Stategies of *Going with the flow*-Letting the droughts and floods work to your advantage.

Really there is hardly ever a normal year weather wise. Every year is either above or below average in rain fall snow and summer temperatures. High or conversely low water levels in streams and the corresponding droughts or floods effect especially placer gold miners as much as farmers and ranchers. Low stream levels or perhaps the complete drying up of a water course might evaporate plans to use a suction dredge. Conversely, late heavy snows and cooler high mountain temperatures in the spring may keep stream levels higher and muddier a month or two longer into the late spring and early summer making certain locations impossible to dredge or mine otherwise. A story we have heard many times is that of some job bound gold hunter who carefully plans out a couple precious weeks of summer vacation to work some claims. From experience he knows that a period in the year that works out well for the planned activity. However on a certain extrodinary weather year because late snows, little snow, cold spring, very hot late spring, high water levels, drought conditions and so on "normal mining" just doesn't work. We have seen situation where ones sit on their hands for a while and pack up and go home of course blaming the weather gods for not finding much.

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Page 1

WINTERFEST 2008
MARCH 1-2, 2008 – AT AN UNDISCLOSED
LOCATION HIGH IN THE HILLS OF SW
OREGON: The 3
rd
annual weekend gathering of
miners, most of whom communicate with each other
on some of the various internet mining forums and
came from as far away as Washington, California,

and even Pennsylvania(!) braved the cool damp Oregon weather to make this year's Winterfest an astounding success.

A hearty "Well Done and Thank You" goes to John Adams for all the hard work and time he devoted to put on the Winterfest.

(Cont. pg. 5) PAGE 1 of 8

Page 3

THE OWNERS OF MINING CLAIMS ARE WARNED TO TAKE PRECAUTIONARY MEASURES TO HELP PROTECT YOUR INTERESTS. Record high prices of gold will (and already is) trigger at least the biggest Gold Rush since 1979-80; bringing potentially thousands of new prospectors to the historic gold areas in search of a place to work and possibly claim

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\$1,000.00+ PER OUNCE GOLD!

On Thursday morning, March 13, 2008, the New York Spot price of Gold went over the \$1,000.00 mark for the first time in history.

reaching a high of \$1,000.60, by noon the

price had settled around \$995.00/oz.. With the continued decline of the Dollar in world markets, and the continuing spiraling price of energy (oil), there is no reason to believe that Gold prices will do nothing but continue to reach new record highs . . . with no end in sight. Good news for miners . . . bad news for the economy. Let's just pray that the powers that be will still allow us to mine so we can enjoy these (*I've been waiting 28* vears for this) higher prices! With the record setting high prices of gold come record numbers of new mining claim filings. It is reported that Nevada has already seen a doubling of the number of new mining claims, and locally, the Josephine County Recorder reports a large increase in new claim filings. Just like in the late 1970's and early 1980's, the high gold prices will attract thousands of new prospectors out to seek their fortunes.

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MARCH 2008 WMD NEWSLETTER

RETURN TO A GOLDEN AGE

By Edwin Stout

The metal shines as fears of inflation rise. See, gold is the granddaddy of economic indicators. Over thousands of years, gold has served as the yardstick of wealth for everyone from Egyptian pharaohs to medieval kings. And as world governments began using gold to back their currencies, it played a key role in the global financial systems well into the 20th century. The United States remained on the gold standard until 1971, when President Nixon suspended that standard.

These days, many believe the surge in the price of gold is screaming that sharply higher inflation is on its way and that Federal Reserve should probably be raising interest rates rather than cutting them. Gold is up more than 40% this year. As of this writing, the price is around \$980.00 range. Since 2001, the price for an ounce of gold has more than tripled.

Meanwhile, supply and demand have elevated the floor under gold prices. The cost of mining an ounce of gold has jumped from \$250 in 2001 to around \$400 today as deposits have become harder to find. At the same time, demand for jewelry from India's and China's growing middle class soared along with their booming economies. Gold bulls are predicting a lower mine output and a net deficit in the gold market as early as 2011.

With 2008 wired with geopolitical and economical booby traps, it is only logical that investors will flock to this ancient symbol of value. Source: U.S. News and World Report, January 7, 2008 plus Internet

JOSEPHINE COUNTY FAIR NEWS

Page 6

ABOUT JOSEPHINITE (Ni Fe)

By Edwin Stout

Josephinite is a isometric alloy of nickel and iron with different samples varying in the amounts of Ni (nickel) to Fe (iron).

Color....steel gray to black

Streak.....steel gray-shiny

Hardness.....4-5

Specific gravity...7.9 to 8.8 (iron=7.86, nickel=8.9)

Luster....metallic

Cleavage.....none

palladium and osmium.

Tenacity.......Malleable and ductile
Ferromagnetic.....very good conductor of electricity
Most Ni Fe is extraterrestrial and comes in meteorites. Natural
deposits are rare and limited. Thus it is valued as a rare mineral
collector's item. The better known locations where Josephinite are
found is Kassle, Germany; Kola Penn, Russia; Disco Is.,
Greenland; Fraser River, Canada; George River, New Zealand;
Clinton Co., Missouri; Josephine Creek and Smith River.
Josephinite is found most abundantly in highly serpentinized
bedrock. The most pronounced sources in our area seem to be
found in serpentines in harzburgite located between Days Gulch
and the Illinois River. This area is also believed to be the source of
the magnetite, chromite, and the Josephinite that constitutes the
black sands so prevalent in the terrace gravels. These sands are

In 1975, The Plugged Nickel #1, #4, #5 claims were filed on Josephine Creek for the purpose of mining Josephinite. Some \$600.00 worth was reported found. But in 1978, the government voided the claims on the grounds that a "prudent man" could not mine enough Josephinite to be profitable.

also known to carry the rare minerals of platinum, iridium,

This was the only attempt that I could find of anyone actually mining Josephinite. Most of the mineral appears to be the incidental finding during gold mining operations.

Source: Internet and article by Catherine Boyd (with permission) in December issue of "The Rock Chipper".

MARCH 2008 WMD NEWSLETTER

THE DANGERS OF BUYING A MINING CLAIM

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Page 7

Story idea:: selling gold at Medford 1982

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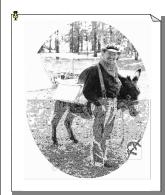
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Please have all items for the news letter to me by the 25th of the month



WILLAMETTE VALLEY MINERS

MAY 2008

Next Meeting

May 15, 2008 7:00 pm

President's Report

Presidents Report

With gold prices around \$900. to \$1000. a troy ounce, there are going to be a lot of folks out there looking for the yellow stuff. I feel we need to be very vigilant of those around us as to if they should be doing what they are doing - as to where they are prospecting and how. There may be a lot of folks just tearing things up and those of us who try to use good management practices for mining will get the blame.

It might be a good idea to take a photo copy of your club membership card (enlarged) and put it on your dash when you are on one of our claims. This would show of your rights to be on the claim and to see if others belong there. Maybe have your camera handy to catch them in action? License plate? If they don't display the club "ID", try to take whatever information that you can and turn this info into the authorities (Forest Service, BLM, County Sheriff) if you see them.

EOMA raffle in April was won by <u>US</u> (wvm!). WOW!! The Club in turn is raffling this 2 1/2" Highbanker Combo to our members. So here's your chance, tickets will be sold through the next meeting in May. The tickets are \$5.00 each and at the end of that meeting the drawing will be held. Good Luck.

Paul Messersmith had a very interesting presentation at the meeting on how to read locations for claims on a map. He will follow up at the next few meetings with LR2000 and map locating, etc. Great job, Paul! Thanks.

Events coming soon are: May 23-26 Vincent Creek / WVM 1 (if no snow)

June 7 Shady Cove Mining Tour

June 20-23 Miners Meadows Outing with potluck -- --

also that weekend Oregon Prospecting Supplies (Rita from Sweet

Home) and Fine Recovery

(Louie from Jefferson) will be having their yearly mining equipment

demo at Quartzville

mile post 22

Louie Frick, President, WVM LOUIE FRICK mining@teleport.com EarthLink Revolves Around You.

This issue of the newsletter is jammed packed with mining news, helpful information, planned events for mining types and such. See the section Also in this Issue on page 3.

There are articles on detector use, buying and selling mining claims, selling gold, and here to unpublished account about a partially worked rich pay streak on the Middle Fork of the John Day.

April 2008 Meeting Minutes

President Louie Frick of the Willamette Valley Miners, called to order the April 2008 general meeting at the regularly scheduled time of 7:00 PM. Meetings are held at the Marion County Fire Station, 300 Cordon Road NE, in Salem Oregon. In attendance were 51 members and 8 guests.

The club greeted the new members and guest.

The March 2008 meeting minutes were read and approved as corrected. The newsletter stated that you can be prosecuted for trespassing on a claim that you don't have rights to be on. This is not so, you may do things like camp, fish and other like activities as these on public lands. But you can be prosecuted for the removal of any minerals or the destruction of signage to those claims.

The Treasurer's Report was approved as read by Marshall Phares. Marshall also informed the club that Chuck Chase with the Eastern Oregon Miners Association has thanked us for our contributions to the legal battle.

The GPAA gold show went well. We had many people stop by the booth and 58 of them signed up to join the club or renew their membership, 2/3rds of them were new members.

The club was informed that Darlene Hooley is in support of the RAW Mining Law. Please contact her and let her know you disagree. The lawsuit with DEQ is going nowhere at this time.

For those who wish to get rid of your mercury, contact DEQ as they will take it or you can also get rid of it at the recycling/transfer station out on highway 22 just east of Salem, between 10:00AM and 3:00PM on Thursdays.

The club has won the 2 ½ " highbanker / dredger combo that EOMA was raffling off. There was a motion to raffle off the unit for \$5.00 dollars a ticket to members only. When the total amount sold reached or exceeded \$500.00 dollars, it would be raffled off. It appears that this amount was reached at the meeting so tickets will be sold at the May 2008 meeting to give all the members a chance to purchase tickets, and at the end of the meeting, it will be raffled off.

Louie has asked all members to photo copy their club membership card and place it on the dash of your vehicle while you are on the club claims. If you suspect someone being on a club claim that isn't a member, take down any information such as license plate numbers. Photos if you can, are nice, then contact any club officer.

Paul Messersmith did a fine presentation of how to locate claims on a map. There will be a continuation of the LR2000 and map locating at the May meeting.

The May 3rd outing for new members was cancelled. This outing will be combined with the Miners Meadow outing on

June 20^{th} to the 23^{rd} . There was a motion to allocate \$150.00 to prizes for the Miners Meadow outing, this motion was approved.

The meeting was adjourned and handed over to the raffles.

Secretary

Jeff Farrand

Outings/Events



Vincent Creek Outing May 23-26 This is a great outing for the Family in North East Oregon, near Austin, NE of John Day. You will need to get your access permit to the claim, Sour Dough Pete #1 at the April meeting. There is plenty of camping for all in the nearby area. See the map on page #2 of the April news letter. Have fun and may there be gold in your pan. Eben Ray 503-769-3284

Little North Fork Lode Gold Mine Tour June 7

This is a rare opportunity to have a guided tour to a number of lode gold and copper mines and prospects of this historical mining area including an opportunity to venture into a safe underground mine workings. We will go to the discovery site for the Kinross Copper/Gold mine, the Black Eagle portal (the one the forest Service Dynamited), Stop at the Silver Star site, then a mile hike to the Silver King (this is a safe mine with 1400' of shaft we will walk into. bring a hard hat, light and boots) Last stop is the Capital mine. Should be about 4 hours total. Bring food and drink if you think you will need it and keep fingers crossed it is a nice day. Directions: From Salem and I-5 head on Highway 22 east some 20 miles to Mehama, turn left on the well mark road to Little North Fork and Elkhorn. Proceed past the Golf Course at Elkhorn as the road narrows. Finally a right hand fork road leads to the Shady Cove Campground. Interestingly there is a recreational mining area here that yield decent color to panning and dredging.

Time: We meet at Shady Cove Camp Ground (on the Little North Fork of the Santiam) 10:00 am. Call Gary Schrader @503-859-3132 for more details.

Miners Meadow: Picnic, Mining, Events, June 20-27 on Quartzville Creek (25 miles e. of Sweet Home)

"For a good time - call Howard. June is coming up fast and with it Miners Rendezvous at Miners Meadow, June 20-23. Great camping, great games, great prizes, great food and a great time to be had by all-awaits me and you!! Once again, the Ducky Race down Quartzville Creek, a GPS mega-prize quest and Metal Detector Treasure hunt will test your luck and skill. Let's break all past records and fill Miners Meadow to overflowing. Remember, the club pays for the Meadow and the meat.....so bring your potluck item and let's meet in the Meadow."

Club Events Schedule

- May 23-rd-26 Vincent Creek (eastern OR) and Quartzville Creek contact Eben Ray503-769-3284
- June 7 Little North Fork Lode Gold Mine Tour (some 35 miles east of Salem) contact Gary Schrader 503-859-3132
- June 20th to 23rd Miners Meadow, prizes, food, panning, dredging, social activities

Also In This Issue

- Coming gold events this season
- Detector Tips: Ground Moisture Content & the Halo Phenomenon
- Selling that Gold old and new ways
- Worrying about selling gold instead of testing the claims
- Rich placer digs on the Middle Fork of John Day River, OR (near Vincent Cr)
- Precautionary tips for claim holders
- The Cautions of buying a mining claim
- Related News

Coming gold events this season

- Douglas County Prospectors Show in May 31 & June 1, Fairgrounds, Roseburg, OR.
- Bohemia Gold Days, Cottage Grove, OR July 17 to 20th

 includes a breakfast up on the mountain at the Bohemia
 Mining District, gold panning, parades, entertainment,
 and such in downtown Cottage Grove.
- North West Miner's Rally, Oroville, WA August 15-17th. Features seminars, open dredging/panning on 7 miles of Similkameen River.

Ground Moisture Content & The Halo Phenomenon*

Provided by Cliff Winston, Cliff's Detector Sales

It is assumed that greater moisture content in the ground equates to enhanced detection performance. This is true in nearly all cases, but characteristically, the circumstances may be wanted or UNWANTED. As with most things in this dynamic world, there are a multitude of variables to metal detection performance in varying moisture conditions. Fortunately, there are common denominators to help simplify the learning curve of the vast volumes of variable data concerning ground moisture content.

Air-testing the detection range of different targets is fairly repeatable & consistent because most variables are removed. In the ground, many things need to be analyzed. First, the halo/bleed/decomposition rate of a metallic object dramatically affects the range at which it can be detected. Metallic items that have the largest decomposition rate, hence, producing a metallic 'halo' in the soils immediate vicinity surrounding the object, will have the greatest detectable range. The oxides in the soil produced from the decomposing object (characteristically identified by a reddish/brownish color surrounding the object) cause this surrounding soil to become semi-conductive AND allows the metal object to "electrically connect" better with the soil. Either one of these conditions enhances the detectable range of any object and obviously, both of these conditions combined has an even greater effect. This also explains why a freshly buried object may be a bit more difficult to detect. If you are creating a

test-garden, you can expedite the process by simply pouring a brine solution (saltwater) on the metal object being buried as well as the surrounding soil. This will rapidly aid the "electrical connection" (grounding) of the object with the soil, however, the halo will not exist.

Iron is a metal that can produce a very large oxidation halo (caused by water & oxygen). Copper coins can produce a fairly large halo, silver items a very small halo and pure gold produces no halo. Therefore, old rusty iron with a large halo, proportionately, has a greater detection range then, say a silver coin that has been in the ground for the same time frame.

With all of this information in mind, a increasing amount of moisture content in the ground will also enhance the detection range of all metal objects, but NOT proportionately. Moisture will have the greatest effect on iron items and objects with the largest halo and have the least effect on silver and gold items in reference to detectable range. With a greater moisture content in the ground, the greater the electrical conductance (and electromagnetic conductance) of the soil. Also, moisture causes metallic items to electrically (electromagnetically) conduct better in the Earth. Hunting for old silver coins in a iron nail infested area should be performed under extremely dry soil conditions. Rainwater would 'electrically activate' the iron nails at a much greater rate then the silver coins, giving the iron a much better detection advantage; a very unwanted condition. Hence, the reciprocal holds true; If your quest is iron items, saturated soil conditions presents the greatest detectable range capabilities.

Highly mineralized soil poses yet another problem when moisture is added. Wet, mineralized soil is conductive in itself, causing the metal detector to detect the soil and may become completely blind (masked) to actual metal objects. In areas of high mineralization, it is recommended to hunt under the driest of conditions. One example would be a ocean beach. Most metal detectors function with great stability up in the dry sand areas of the beach. If it begins to rain, causing the dry sand to become wet, most detectors will have dramatically reduced performance characteristics under these conditions, unless some form of a electronic 'salt compensating' mode is invoked. Soil conditions of medium mineral content is a vague term and must be detected under wet, then dry scenarios to sample the specific performance characteristics of a particular area. Low mineral soil locations where targets are sparse presents ideal detecting opportunities with saturated soil conditions. Detecting the shoreline of a fresh water lake is one 'ideal scenario' example, lending to extreme detection depth capabilities.

In summation, all of these rules apply to most metal detectors. Pulse Induction (P.I.) metal detectors circumvent most of these rules, however, at the time of this writing (June 2002), P.I. detectors are non-discriminating, 'all-metal' units. * Source: http://www.fisherlab.com/fisherbeta/intel/fishintel.pdf

Selling that gold....new and old ways

by Tom Bohmker

Selling that hard one gold can be a exciting, very pleasing event: yet at other times, a tearing play of loyalty of whether or not to sell ones hard earned nuggets or high grade ore (perhaps the very golden trophy of bragging rights with one's fellow gold diggers). This soulful gut twisting might be happening because of a need of dollars to feed family, pay bills, keep from losing the car and the gold becomes expendable. Ideally, if one does have to sell some gold hopefully at least the spot price is up and the appropriate method of selling is used considering the circumstances. Let's talk a little about selling gold.

Actually it is generally best <u>not</u> to combine a mining trip with mandatory selling some of your gold. Another way to say this is **Have enough grubstake to handle gas and groceries**, perhaps some minor repairs to dredge or vehicle, tires, etc. to last through your planned time mining. It is a shame to miss out on dredging or prospecting time to have to stop operations, make a trip to town, use expensive gas and sell under duress and take whatever price offered because you were \$25.00 short!

The Selling: In the old days the U.S. Mint in San Francisco and elsewhere bought raw gold from miners and other producers at a set price of \$35.00 an ounce with a nominal refining charge. Certain large refineries and fabricators were licensed to also buy raw gold (newly mined gold). Many country stores and business in the gold country

had scales where a miner could trade in his gold direct for gas & groceries for a discounted dollar value. One store owner at the Sunny Valley Exit of I5 in Southern Oregon gave his customers a very good price for their gold in trade for goods and sometimes cash. In the early 1980's he closed the store, sold the property and left the country with allegedly a huge catch of gold purchased over the years. In the 1930's a bank in Grants Pass had a special teller window (with iron bars no less) in which a little old miner bought gold. He knew the regulars like the hydraulic miners Hank Speaker and Bob Goff and the pocket miners like the Roberson Brothers at the Bunker Hill Mine. This buyer had worked out a fair price for each seller's particular gold. He could identify the local stream source of the placer gold and its gold content quite well by just looking at the color, size, texture, matrix of rock in larger nuggets from his long experience. I was told by the late Frank Kolkow of Wolf Creek that efforts to trick the old gold buyer as to the source of a particular poke of gold was quite difficult. Miners often are secretive as to the source of their gold hordes. When this country went off the gold standard in the late 1960's the price started to climb, new markets sprang up to buy and sell raw gold and citizens were allowed to possess gold bullion. The Mint no longer buys gold.

Now a days: At mining shows many people buy equipment and supplies with a trade for gold. Usually the price for minus #20 mesh (window screen is a little larger at about #14 mesh) goes for about 80% of spot price. At the recent Salem GPAA Gold Show there was some rather furious buying and selling of raw gold, bullion and silver. Currently a number of established refiners in Portland and else where as well as local Pawn Shops, jewelers and small Mom and Pop specialty jewelry manufacturers can fill a good need for a miner to sell gold. In my experience Pawn Shop type places generally offer much less for gold...they are used to buying quality goods at a cheap price. Several major Pawn Shop type buyers in Albany and vicinity interviewed for this article surprised me: They only bought nice 10 Kt and 14 Kt gold jewelry for resale and never considered placer gold. However there are number of gold buyers, individuals in the area that concentrate their efforts on placer gold, nuggets and some high grade gold ore or specimen gold, also known as "jewelry ore". Selling such pieces of quartz or rock loaded with crystalline gold deserves a whole story in itself. It is not uncommon to price the specimen at 10 times the spot price.

The Gold Buyers; One our club members, Ken Haines of Wild West Gold Sales has been buying and selling placer gold for over a decade and has built up a trusting cliental. Typically the buy price for small sized placer gold is around 80%. Larger flake gold and nuggets generally go for a higher price that is negotiated. Gold from portions of Nevada and Cascades of Oregon may sell for a little less as the silver content may be higher. Usually the local mining equipment store or detector dealer can direct one to a local business or individual gold buyer.

The Refiners or Smelters: This subject deserves a whole article by itself on hard learned do's and don'ts of dealing with these services. For larger quantities of small flake (-20# mesh) the smelter or refiner may offer a lot of advantages. Unlike the local buyers that often have only pockets so deep and are unwilling sometimes to buy @ their regular % of spot when the market is in a steep decline the smelters can seeming market endless quantities of gold. Remember, a buyer that pays you at sale for the gold assumes the risk of a volatile market that may plumment down by the time he ships to a smelter or resells the gold. The refiner or smelter often turns the table on you for risk of a falling market. Some of these outfits will keep your gold for a while especially when prices are up and they are extra busy with many small shipments of material from small producers and hoarders like me and you. This period in my experience has ranged from less than 2 weeks to over 3 ½ months. The closing date was the lowest daily bullion price during that time...on one instance hundreds of \$ per ounce. When I got my check...was I disappointed! This kind of scenario is probably happening right now... shipments sent in when price went over \$1,000 just a few weeks ago...but now the price at this writing is \$851.00 per ounce. Some of the smelters have a fixed closing date on the price which works something like this: shipments received by Tuesday each week will be priced at the following Friday noon London Gold price. Also to consider is cost per ounce refining charge and most importantly for small shipper of gold. Often it is small % of total recovered gold for example ½ to 2%. Usually added on to this are substantial "lot fees" and assay charges per shipment. This can range from \$150 to \$300: a huge % if you are only shipping a few ounces. What worked for me sometimes was to take a few ounces out in bullion, one ounce bars with weight, hall mark of the refiner and perhaps a serial # and the rest as a check. Find out before hand the basic charges for all these services when you compare refineries.

Pool Account: Many refiners offer a pool account. Some of your gold may be held by the refiner at no cost until you notify them to "sell it". Thus you can easily play the market and avoid storing and shipping the bullion when the price peaks. At some o,e in the future these company's will usually buy back the bullion bars at close to spot price.

Selling to friends and Acquaintances: This is often the safest and least hassle. Over a period of time certain friends may put in verbal orders for a certain quantity of gold at some % price of spot at the time. At times monies can be loaned (grubstaked) ahead of time to help the miner get started.

Making your own jewelry: Often this works well and the marketing is quite easy. The gold is placed in the little lockets that are attached to chains, pendants, ear rings and the like. Often when we tell friends, family, neighbors what we are doing out in the mountains they often ask "Do you actually find some gold?" We can show them some in a bottle but also do some easy marketing by pulling out the lockets and such. People seem to enjoy buying it from the actual miner...adds more to the story. The Lockets can be purchased from local equipment suppliers or from companies that advertise in the mining magazines. The price per ounce you get for your gold is often 50% or more than spot price + the cost of the lockets and chain.

Display Boxes: For just \$8.00 to \$15.00 a miner can buy those display boxes with 1 1/8" diameter Gem Jars to show your finds and help sell nuggets, flakes, even small quantities of gold. Even 2 or 3 grains of gold looks nice in one of these displays (480 grains to the troy ounce). Weight out some gold, price it at spot or so, more for big flakes and small nuggets and \$.40 for the cost of the Gem Jar. Keeping such a display box handy you can make sales to people you meet. I drove up to the grocery store in Cave Junction OR dressed in rubber boots and with the usual array of shovels, hoses, gas cans, camping equipment heaped in back of the truck. An observing shopper asked me if I was a gold miner. After the ensuing conversation I ended up selling a considerable amount of gold.

Pricing Nuggets: Nuggets bigger than ½ DWT (small raison) of course go for a premium price that usually is more than spot price and can range to double spot. Interestingly nuggets with some white quartz seem to sell for the same price as if it was solid gold. Note that the larger flake gold generally has less gold content than dust or flour gold out of the same river. The silver in the gold is more readily leached out by ground water in the small particles and the larger flakes and nuggets often have more small bits of rock or quartz impurities in them. Nuggets in the ½ DWT to 5 DWT (1/4 oz.) size seem to easier to sell and more often get a better premium over spot than the monster sized nuggets. Last year at the GPAA show in Rapid City SD a customer was trying to sell a 17 oz nugget he detected in Alaska at a price just over spot. Of course we didn't have enough money, too bad ...gold has gone up so much!

New Ways to Sell Gold: The Young Eyelash Method; This is a marketing method that is said to have first been used offering fruit in the garden of Eden. Since one or more of the above traditional method always worked for me it wasn't until the recent gold show in Monroe, WA that I tried this "eyelid" method...it worked very well. I

stayed up in Washington with my shirt tail relative Larry and his attractive daughters aged 9 and 12. Larry and his daughters helped me staff my booth at the show. This time they took little trays with a few of the Gem Jars with some flake gold priced at around spot plus \$1.00 mark up. These girls soon over came any shyness and were hustling gold all over the show (of course they were under our watchful eyes). They sold a lot! One fellow dealer (a competitor no less) bought some of the Gem Jars of flake gold and followed Larry's daughter back to my booth. I asked this dealer why he bought our gold since he was buying from in bulk from miners at a considerable discount from these prices. He grinned and said "I tried to say no but the girl looked up and said 'It is real valuable gold, please buy one' and flashed her eyelids". "I couldn't say no after that" he explained. He did look over our full offerings of gold at the booth and purchased some expensive nuggets. One problem we had at first when using this method: Daddy Larry had to explain a bunch of times that these enthusiastic gold sales persons could only keep 20% of gross sales and that I as the miner and provider of the gold needed 80%. They seem to think that they should keep all of the gross sale! He told them in his explanation of Capitalism, Free Market Trade, Cost of good verses retail prices and owner/worker relationships: " and further girls, when we take you out gold mining you will discover how much work it takes, also you'll understand why gold is so valuable and why Uncle Tom (he pointed to me) doesn't want just to give it away!" This new to me Young evelash method was a lot of fun for everyone.

Worrying about selling gold instead of testing the claims by Tom Bohme

Overview: Since the first of the year we have had articles and discussions on *Planning Well for that Mining Trip* in our newsletter. Discussions have ranged from picking the right partner, research information and such and in this issue an account of the **wrong emphasis in planning a gold mining adventure.**

Slow Planning Progress on Rapid Creek: Once I did consulting work trying to set up a moderate sized dredging operation for a group of partners on some claims on the biggest gold bearing stream in the Black Hills of South Dakota. This place promised excellent potential yet had never been dredged. Unfortunately only one of the partners had only a little actual experience panning yet they planned to purchase both an 8" and 6" dredge. Before making such a big financial commitment I encouraged them first to use a 4" dredge to test the claims and give them some hands on practical experience. During one important planning meeting repeatedly some of the partners would interrupt me with question such as "Explain how we are going to market our gold" My answer was quick off the hip "Don't worry about it now, the raw fine sized gold can be sold at the mining equipment store or at several iewelers in town". The trouble is they did worry way too much about the selling and my answer touch off a long debate on the merits and profitability of eventually making their own line of nugget jewelry, selling flake gold to the smelter, expected net smelter returns, closing dates on spot price, smelter costs, whether to get a smelter return of bullion or money orders and the exact fineness of gold they planned on mining. Even though I was being paid by the hour I tried to stop this conversation going in this direction and direct them to the real problems, first things first...getting the Fish and Game dredge permits, Forest Service road use permits and certainly getting some equipment to actually test dredge on the claims to locate the better pay streaks. At this point only one of the group had panned color on the claims. After a little while of good planning again they were worried about selling the vet to mined gold. This time they wasted time talking about the design of a hall mark they wanted to special order with their company name to be stamped on each gold bullion bar...As I recall one of the partners vehemently objected to perspective logo with anything Mt. Rushmore on it and wanted something more "original". More wasted time & energy. .Several in this group became irritated when again I forcefully said "Don't spend time on this selling off of your planned treasure find now, you still haven't agreed on purchasing the proper equipment to test dredge with". Additionally they wanted to hire a lawyer to work out a complicated plan, it was some special formula for dividing up the nuggets they hoped to find among the partners.....I pleaded "save the lawyers for a countersuit in case you are shut down by some body" and "Just take the nuggets you get, divide in the number of partners and let each one draw out of a hat....now lets figure out what you can spend to buy some equipment, do your testing, get the permit process started and get this show on the road." Of course at this point no dredge testing or even sluicing of the property had been accomplished. I felt it was priority to find out what they had. Unfortunately they did not listen.

End of story: I don't think they ever worked out their gold marketing strategy. Perhaps this didn't matter as because of dragging their feet they barely were able to get only a temporary permit to test their claims that summer. What is worse...they did not follow my advice and purchase a new out of the box commercial produced dredge of 4" size that I assured them from my experience would perform well enough on their claims to test the values out before buying a very expensive 8" super dredge and a commercial 6" unit. Also as my time in South Dakota that year was at end and it was time to return to Oregon for the start of the mining season there I could not do this testing myself. However I implored them to have an experienced dredger help them for a couple days to get started on a good footing. Instead one of the partners convinced them to construct their own dredge using some out of a farmer supply catalog pumps and such so as to save 40% over a factory unit. None of them had even seen a dredge really work. Then to operate the cobbed together dredge they hired some ocean diver types of course well versed in diving but who had never dredged in river gravel. Further these divers were new to the area when they drove out form Chicago. You have probably already guessed the results: I heard on the phone later at my home in Oregon that the dredge did not work well. It was not well balanced on the floatation and the pump did not put out correct volume or pressure. The result was that the dredge would suck up sand and gravel but did not have enough suction even to pull in small lead fishing weights (much less any nuggets in the gravel) and jammed continually. The combination of poor equipment design and inexperienced operators proved to be the final straw. After 2 days of frustrating efforts they had dredged one hole 3 feet deep and cleaned up a few colors of gold and the partners were arguing blaming each other. They pulled the plug on the whole operation. They never tested the claims properly and their temporary permits expired. My understanding is that the claims were let go and never worked by anyone else. Moral of story: prioritize properly your "to do" list when planning.

Rich Placer Digs on the Middle Fork of the John Day River, OR near Vincent Creek. By Tom Bohme

The Middle Fork of the John Day River from the area near Austin clear down stream past Galena near Susanville has numerous tributary creeks that yield colors of gold. Many were very rich and were hand worked or were mined hydraulically. Today many have successfully been mined with suction gold dredges and high banker units. Our club's claims are on Vincent Creek in this famous mining region between Austin and Susanville. Such tributary creeks flow relatively rapidly down the slopes in narrow, twisting valleys. Such relatively shallow often rich in places gravel deposits were ideal for working by hand and with hydraulic mining methods. However when the creeks reach the Middle Fork the valley is much wider, the decent of the stream is slower and the gravel deposits are much wider sometimes over 200 yards wide. Thus much of the gravel generally is much lower grade overall with certain rich pay streaks here and there. When the gold rush miners first came large pay streaks were worked by hand methods, some even to bed rock in shallower areas. With the development of the bucket line gold dredge the other large low grade zones of gravel could profitably worked and many miles of this area were dredged. Typically the values were low, as little as 1 grain of gold per cubic yard was recovered profitably with these high volume, low labor machines. Typical recoveries per day were 4 ounces to 1 pound of gold per day and usually bedrock was less than 20 deep. However, once in a while rich areas were mined. One account is little known today but still excites our imagination.

"The Big Hole" high grade placer find, circa 1930's. My wife's brother Charlie had a best friend and room mate John Paine whose mining family went way back in Southern Oregon and Eastern Oregon. John's Grandfather worked on a bucket line dredge and related this story to his family. Grandpa was a working partner in a bucket line dredge operation during the 1930's that operated on the Middle Fork of the John Day River a few miles up stream from Galena near the confluence of Beaver Creek.

How the bucket line dredge works: The long boom or "digging ladder" in front has large buckets of thick iron alloy castings of wheel barrow size that are chain together and with gearing can dig up the gravel from below river level and hauls it up to a trammel that separates out the rocks and small boulders which are dispensed out the back on a long conveyor. The smaller material less than an inch or so in diameter is run through sluice boxes or jigs to save the gold. The whole unit is mounted on a barge like boat and floats in the whole it digs for itself, filling the hole behind with the tailings. We examined the old wooden hull of this machine in 1985 and found it was about 24 'wide and about 90 feet long. It probably only had a digging depth of 25 to 30'.

John's Grand Dad's big strike: They were paying the bills and making a little money of years in this stretch slowly working their way along one side of the valley to the end of the claims and then back down along the other side of the valley. On one stretch where the river valley ended sharply with a cliff along the edge the bucket line would not find bedrock. The operator who just stares into a muddy pool where the digging ladder disappears down below can feel the buckets shake a certain way when they hit bedrock and of course usually this is where the best gold and bigger nuggets lay. This deep bedrock for this section of the John Day was rather unusual and disappointing because problematically the gold recovery would be down. After while they stopped a little while to allow the "oiler" crew member to do his greasing and maintainance. It was then that some one walked by the sluice room, (locked up or fenced off rooms on either side of the trammel to keep out high graders from stealing) and noticed that the sluices were "running yellow". They all gasped for breath, it was the best run they had seen! The crew decided to clean up the sluices, not an easy task and can take a whole shift and later proceeded to continue dredging in this hot spot. The area was on the inside of a shallow curve but showed on the surface nothing that indicated the rich gravel at depth. After a just another 100' or so the rich paystreak ended and the partners split up the gold and continued mining gold at the old "Making a living" level to the end of the claims. They turned the dredge around and headed back downstream now digging up the other side of the valley. They were disappointed when they past the rich spot...there wasn't much gold on this side and continued down the valley a short way. However they had gotten more gold (perhaps several hundred ounces or more) in a couple days on "the big hole" than they had for the next month or so. Someone had an ingenious idea. The turned the dredge around and dredged their old tailings back to the stretch to try to dig clear to bed rock this time. They could not extend the digging ladder to dig deeper with out having to rebuild and enlarge the whole boat. However it was late fall, the river level was lower, they hired a pump to pump water out of the dredging pond about 8 feet lower than river level. The redredged their old tailings with another 8 feet of virgin gravel at the bottom. They made out like bandits, this was a super spot. The season was rapidly closing and they were trying to figure out how to dig a little deeper and get to the bottom of this hole. They pumped more and managed another foot or two. Then they loaded lots of boulders on the deck of the barge to reduce the "free water" with out actually sinking it in the pond. They were able to get another 5 feet or so...and they turned the dredge around and made a final pass. Bedrock was still not reached but even more gold! This was the end of the pay streak as deep as they could g0. In the 1950's John's Grandpa convinced others to try at least twice to use bull dozers and draglines to mine this spot to bed rock but were stopped by excessive water flows, the sides of the pit sliding in and related technical problems. This 200' long section never has been worked! How much gold is still there?

THE OWNERS OF MINING CLAIMS ARE WARNED TO TAKE PRECAUTIONARY MEASURES TO HELP PROTECT YOUR INTERESTS. By Tom Kitchar from the Waldo Mining District newsletter, April issue.

Record high prices of gold will (and already is) trigger at least the biggest Gold Rush since 1979-80; bringing potentially thousands of new prospectors to the historic gold areas in search of a place to work and possibly claim. Many of these new prospectors (and even many supposedly "experienced" prospectors) do not know or completely understand the Mining Law, nor do they know or understand the various State laws, and thus; many of them will make costly mistakes while attempting to work or claim ground already under claim. Because of this, the owners of existing claims should do whatever they can to keep others from accidentally filing on top of them, and to help keep others from working their claims. There are several things you should do to protect your claims:

- 1. Check the BLM and County records to ensure that your claims have been recorded correctly. I would suggest you do this at least once a year, after you make your required annual filings. People make mistakes, including the folks at BLM and in the county. Check, and then double check the BLM & county records. Make SURE your claims are listed as "ACTIVE" in the BLM records! Print or save a copy! You can't "blame" someone for filing on top of you if BLM says your claim is "CLOSED"! If you can, go online and use the BLM "LR 2000" system to look up your claims... you want to see what others will see, and then make sure what you see is correct (and if not, contact BLM immediately to get it fixed).
- 2. Mark your claims and maintain the markers. Hang some signs along the creek or road... make it obvious that there is a claim "here". Take pictures of your markers or signs (in case you need to prove they were there).
- **3. Do your assessment work and file** the Small Miners Waiver, or pay the Maintenance Fee early and file it early. The sooner the BLM records show your claim as being totally up-to-date, the safer your claim will be.
- **4.** Make sure you **keep copies** of all claim documents in a safe place. Make sure you have a copy of ALL documents pertaining to your claim/s, from a copy of the original Notice of Location, any Amended Notices, Quit-Claim Deeds, plus copies of every years Assessment Affidavits, Small-Miners Waivers, or Payment of Maintenance Fee documents.
- 5. Make sure that you **receive** "date stamped" copies of all recorded documents in case you need to prove you filed correctly and on time. When sending documents via U.S. Mail, always send them via "CERTIFIED MAIL / RETURN RECEIPT", so you can prove they were sent on time, and that they were received. Make sure the green "Return Card" comes back, and write on it what was sent (so that you can tell one green card from another).
- **6.** Always assume you will someday have to go to court to defend your claims. **Document everything!** Take pictures of your assessment work, etc.. It wouldn't hurt to keep a "Claim Diary", noting Who, What, Where, and When you did something on your claims. In this way, you will be ready if it ever happens that you have to go to court.

Editor's Note: WVM club member Paul Messersmith will continue to go over his three series on topographic map reading and plotting claims, staking claims at the May Meeting. It is so good to gain a basic understanding of this process that at first seems a little

intimidating but with Paul's logical step by step instructions nasty pitfalls can be avoided.

THE CAUTIONS OF BUYING A MINING

CLAIM by Tom Kitchar, Waldo Mining District newsletter, April issue.

With the record high price of gold and the shortage of good ground to work, some may opt to purchase an existing claim/s rather than invest possibly years of searching fruitlessly for good ground with no guarantee of ever finding any.

BE WARNED:

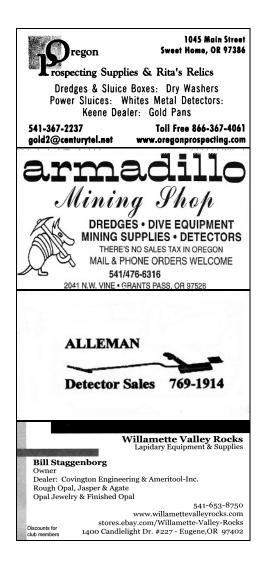
Interest or ownership of unpatented mining claims is usually transferred via a "Quit-Claim Deed"; and all the QCD really says is: "IF" I actually have a claim, I'm selling it to you." In other words, you are really only buying a piece of paper. This is because unless the claim has been examined by the BLM for validity, there is no guarantee the claim is valid (i.e.; has a valid Discovery and will pass marketability). ALWAYS test a claim first, and do a complete Title Search with both BLM and the County to make sure the seller really has a claim to sell, and that no one else has a claim on the same land.

With the record setting high prices of gold come record numbers of new mining claim filings. It is reported that Nevada has already seen a doubling of the number of new mining claims, and locally, the Josephine County Recorder reports a large increase in new claim filings. Just like in the late 1970's and early 1980's, the high gold prices will attract thousands of new prospectors out to seek their fortunes. All of this is not "golden" (pardon the pun), as with record numbers of new prospectors and new claims being filed, it also stands to reason that there will be record numbers of mistakes made leading to more claim- jumping incidents. (I remember researching mining claims in the 1980's, and especially on some of the richer area creeks, I would find them one on top of the other, sometimes as many as 3 or 4 claims deep, all on the same identical piece of land! Obviously, "someone" owned the claim... the rest were claim-jumping.)

Related News

Just a reminder, **Raffle table** has been a little sparse the last few months. Our raffle table helps pay for the newsletter and mailing costs and consists of items brought by the club members to the meeting. You can bring anything you have but are not using that you think someone else may use, (extra gold pans or mining/camping equipment welcome) NO JUNK please, or buy a \$1.00 + item and bring. Go to the dollar store and pick up a bag of candy etc. The more we have on the table the more fun it is and the more tickets we sell.





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