There's gold, hard work in them thar hills

By ANDREW MERSHON
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HALFWAY — Howard Yates pulled up his hip boots and started out into the murky water. The vacuum hose jumped in his work-hardened hands as the gasoline-fired pump started, and rock clattered down the makeshift sluice box on the shore.

There is very little romance in the Cornucopia Minerals Co. diggings here on Pine Creek, just a lot of back-breaking work. "It's a simple little old sand and gravel operation," Yates commented. "The simplest kind of mining."

Yates' open pit mine is unique, however, because it is the first to comply with the Mine Lands Reclamation Act in Oregon.

The gravels he is washing for nuggets are located in a steep canyon, at the head of which is the historic Cornucopia Mine.

Yates believes the nuggets he is finding have no relation to the old Cornucopia, except that both deposits may have been laid down at the same time in geologic history.

The Pine Creek canyon has been worked before, he pointed out, "but the companies who really tried were underfinanced or lacked the proper equipment."

Financing heavy

Yates and his group of 11 other Denver, Colo., investors, have put about $200,000 into the mine so far, and plan to put half that into it next year.

"We have no idea how long this will last," he said. "There's good gold on those upper banks, but we're still more or less testing."

The price of bullion gold is of no concern to Yates. His market is jewelry gold, unaltered nuggets and flakes that go for $85 to $150 per ounce. Bullion gold on the open market is now about $90 in London.

Yates is fighting winter

When he had his briefcase stuffed with permits and comments, he went back to Halfway to begin mining. "Then Baker County came out and said I needed a permit from them."

"I would have sure got one if your name had been on the list," I told the man. Then I went down to the planning commission and explained what we planned to do and everything was okay.

In order to keep from muddying Pine Creek, a prime trout stream in the area, Yates diverts the stream at every level. "The big thing is, don't muddy up that little creek," he said.

Cornucopia Minerals has other mining properties in Arkansas, near Toivah.

Later he got into real estate development, putting together Vail Village West in Colorado, then sold out his interest in the ski resort. "Within a year, he found Cornucopia."

Initially, he said, he had a difficult time interesting investors in an Oregon gold mine.

"I thought there was a lot of con artists in the oil business, but it can't hold a light to this mining business," he laughs.

"So I wasn't surprised when I went out to put this group together that everybody thought I was crazy."

"Hell, maybe I am. A man would have to be a little nutty to enjoy this kind of life. But there's a lot of gold here, and I aim to get it."

OPEN PIT — Cornucopia Minerals mining operation near Halfway looks like highway project Crane (left) digs into gravel banks, dumps gold-laden dirt into combination grizzly-sluice at right, behind shed.
Yates is fighting winter now, hoping to keep his equipment running until Dec. 1, but the work days are growing shorter all the time in the shady canyon. “Some mornings it takes until noon for the ice to melt enough so we can run the pumps,” he sighed. Snowflakes began to fall as he talked. “We might be caught sooner than we think.”

Cornucopia Minerals has 2 ½ miles under lease on the canyon, and options on another 2 ½ miles. The patented claims and deeded land are owned by David Steinmetz, Beaverton, who takes his $800 per month rental in gold.

Steinmetz’ family has worked the canyon for many years. Since the early 1960s, he has leased it to various operators, including the predecessor to Yates, a Boise group which closed down operations in 1968.

Value a secret

With a pending stock issue due this winter, Yates was unable to reveal how rich the mine is for fear of running afoul of the Securities and Exchange Commission.

But 10 minutes of picking at the sluice box on a recent frosty morning turned up perhaps $50 in small nuggets and flakes.

Yates, a chemical engineering graduate of Purdue (1948), designed his own combination rock grizzly (screen) and sluice (gold-washing apparatus) for operations in the canyon.

“The normal configuration is linear, with all these grids stretched out straight, but we don’t have the room here. This canyon is awfully small, so I had this unit built in Seattle and we assembled it here on the site.”

The sluice-grizzly stands about 15 feet high, 20 feet long and five feet wide. At the first step, rock and gravel is dumped in over the grizzly, which ejects boulders and larger rock. Then the gravel runs over a series of grid screens, washed all the way down with water. At the end, carpet laid in the bottom of the box catches the fine material and the nuggets catch in the steel riffles.

Cornucopia’s operation has been a bonanza for the little town of Halfway; Yates says he puts $10,000 per month...
FIRST MINING COMPANY ENJOINED UNDER FAIR LABOR STANDARDS

THE Cornucopia Gold Mines, a corporation with principal offices in Seattle, Washington, has been restrained from violations of the Fair Labor Standards Act, according to an announcement of the Wage-and-Hour Division, U. S. Department of Labor. This is the first Wage-and-Hour case in which judgment has been entered against a mining company. The corporation, operating a mine and mill near Cornucopia, Oregon, is engaged in the mining and concentrating of ore containing gold and silver.

A judgment entered in the United States District Court for the western district of Washington, northern division, on May 3, provides for the payment of restitution. Approximately $18,000 in back wages for overtime worked is due some 283 employees.

An important stipulation contained in the judgment is that time spent by employees in traveling from the portal of the mine to the working face and from the face back to the portal is to be deemed time worked. This means that hereafter the miners are assured of wages from the time they enter the mine until they leave it. Heretofore, the miners were required to show only six hours of work on their time cards although they were actually in the mine for eight hours. The mining company previously had not paid for the two hours consumed by the men riding into the tunnel in the mine property and going

Edward Miles, formerly mine foreman of the Chelan Division of the Howe Sound Company at Holden, Washington, has gone to Cornucopia, Oregon, as superintendent of the Cornucopia Gold Mines, Inc.