

May 26, 1938

Mr. K. O. Wagenius
220 Broadway West
Vancouver, B. C.

Dear Sir:

This letter is supplementary to my letter to you of May 19 about the Record Gold Mining Company. I have just learned from Mr. W. C. Fellows that this company is in the midst of a change of officers and the financing of the property in floating the payment of all accounts due. All arrangements have been made except certain negotiations with the original owners which they anticipate will be completed soon. When these arrangements are completed, it is understood that moneys are now on hand to proceed with the development below the fourth level.

We trust this information will be of interest to you.

Very truly yours,

A. M. Swartley
Consulting Mining Engineer

AMS:lf

May 19, 1938

Mr. K. O. Wagenius
220 Broadway West
Vancouver, B. C.

Dear Sir:

Following the receipt of your letter, we wrote to the Corporation Commissioner at Salem, Oregon, and received the information that the Record Gold Mining Company is not of record in his office and that he had upon more than one occasion called the matter to the attention of a district attorney of Baker County. Some years ago a P. D. McTavish of Vancouver, B. C., made an application to sell stock in Oregon, but the application was rejected. In making his application he stated that the corporation was organized under the laws of Nevada.

From our own information we know that this property is located near Unity, Baker County, Oregon, and was operated under the management of Walter Fellows of Baker, Oregon. The person financing the operation was Mr. McTavish, who resides in your city. There is reported to be fifteen full-sized unpatented claims and eighty acres of deeded ground. Previous to the present company's operation, it is reported to have produced \$40,000 in bullion, high-grade, and mill concentrates. Since the present company took over the operation, it is said to have produced \$50,000 in bullion, \$10,000 in concentrates, and \$3,000 in high-grade.

It is developed by four levels: No. 4, 1400 feet long; No. 3, 800 feet long; No. 2, 1000 feet long; and No. 1, 200 feet. A two compartment winze extends downward for 120 feet below the fourth, or lowest level, and raises from the fourth level, connected through the third to the second level. It has a diesel electric power plant which furnishes power to operate the mine and mill equipment. The mill is a amalgamating flotation type with a 6 x 6 Traylor ball mill which would indicate somewhat its capacity. The ore is supposed to average \$10-\$15 with most of the developed ore bodies mined out above the fourth level. In order to continue the development of the mine below the fourth level, additional pumping equipment is required.

We are unacquainted with the financial condition of this company and suggest that you see Mr. McTavish to get the details or else communicate with L. J. Kramer, Secretary, Enumclaw, Washington.

We are indeed sorry that we cannot give you first-hand information about this property.

Very truly yours,

AMS:vr

A. M. Swartley
Consulting Mining Engineer

1938
STATE DEPT OF GEOLOGY
& MINERAL INDS.

²⁰⁰⁰¹¹⁰⁴
220 Broadway - W
Vancouver B.C.
May 6th 1938

The Oregon Board of Geology & Mineral Industries
Portland Oregon

Dear Sir!

As I am a stockholder of the
Record Gold Mining Company

I wonder if your people have
any knowledge of the said Company
if the Mine is operating so
if it is shipping and or has it
been sold.

Please kindly give me
all the possible information
that you can give, as I am
a poor working man and hard up
for money.

Trust to hear from you

Written to Comp. Co
5/16/38

Yours truly
R. E. Wagensies

June 3, 1938

Mr. K. O. Wagenius,
220 Broadway West,
Vancouver, B. C.

Dear Sir:

We have your letter regarding the Record mine, as well as your previous letters, but do not know anything about their plans as to whether they will pay off the preferred stock, or not.

We note what you say with regard to a good property in the interior of British Columbia that is for sale. If the owner wishes to send a report upon this property, with price and terms, someone in this section might possibly become interested.

Yours very truly,

A. M. Swartley,
Consulting Mining Engineer

AMS:fas

220 Broadway - West
Sausalito, Cal.
June 1st 1938

State Dept. of Geology and
Mineral Industries
704 Lewis Building
Portland Oregon

RECEIVED
JUN 3 1938
STATE DEPT OF GEOL
& MINERAL INDS.

Dear Sir:

Received your two letters
for which many thanks
I am glad to hear that
a new outfit is taking over
the Record Gold Mining Company
I wonder now if the preferred
stock will be paid off?

I know of a gold mining
property in the interior of
British Columbia that ac-
cording to the Government
Engineer's report is very good
so if you should know of
anybody that would be interested
that the owner would be
pleased to send a copy of
the Engineer report

WMS

I am now closing thanking
you very kindly for your
two letters and information
received

yours truly
K. O. Wegmann

October 20, 1938

Mr. J. H. Haslett
Corporation Commissioner
Salem, Oregon

Dear Mr. Haslett:

Thanks kindly for your letter of October 19th in regard to the Record Mine.

The situation smells.

Fellows is a pretty sound mining operator who, I think, has got into bad company. Some months ago Fellows promoted the Virtue Mine, and I gave some assistance in getting their application through the S.E.C. with the understanding they would not apply for the sale of stock in this State. The set-up they have made appears to me to be perfectly sound, and Fellows has done a good job. I will probably see Fellows in Baker one of these days and will try to get to the bottom of the situation.

Enclosed for your information is copy of letter I am writing to Mr. Whiffin.

Very truly yours,

EKN:vm
encl.

Director



STATE OF OREGON
CORPORATION DEPARTMENT
SALEM

RECEIVED
OCT 20 1938

STATE DEPARTMENT OF GEOLOGY
& MINERAL INDS.

J. H. HAZLETT
Corporation Commissioner

October 19, 1938

Mr. Earl K. Nixon,
Director, State Department of Geology
And Mineral Industries,
704 Lewis Building,
Portland, Oregon.

Record Mine

Dear Mr. Nixon:

In answer to your inquiry of October 18th, may I state that a permit has never been issued by this office for the sale of the stock of RECORD GOLD MINING COMPANY, presumed to be operating near Unity in Baker County, and of which Mr. P. D. McTavish of Vancouver, B.C., is President.

Mr. McTavish in November, 1931, made application to sell some of the stock of this company in Oregon but this application was denied. The corporation itself has never been licensed to operate in Oregon, so all its activities and operations in this state have been conducted illegally. This state of facts has on several occasions been called to the attention of the prosecuting attorney of Baker County, but no action has ever been taken by him to my knowledge.

Most of the stock sales apparently have taken place in British Columbia and the State of Washington. We received notice that on March 17, 1937, the Federal Securities And Exchange Commission procured an order from the United States District Court at Seattle, enjoining Mr. McTavish and his company from making further sales of stock within the United States.

Mr. Walter C. Fellows, a registered mining engineer in this state, has been the superintendent in charge for Mr. McTavish, but in August, 1937, through his attorneys, Hallock, Donald & Banta of Baker, stated that he was entirely unaware that the operations conducted in this state were unlawful and had supposed the McTavish's had qualified their company to transact business in Oregon long ago. We likewise have no information as to Mr. J. E. McClellan, mentioned in the letter of H. E. Whiffin of West Vancouver, B.C., addressed to you and dated October 14th. We are unable to identify Mr. McClellan.

S

Mr. Earl K. Nixon, p.2

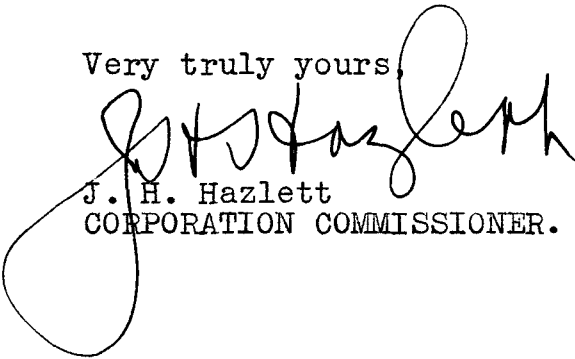
10/19/38

Complete information as to the previous record of P. D. McTavish and his brother D. N. McTavish of Vancouver, B.C., may be obtained through the Regional Office of the Federal Securities And Exchange Commission, 821 Second Avenue, Seattle, Washington, and also from H. G. Ganste, Superintendent of Brokers, Government Building, Victoria, B.C. The operations of the McTavish's and their company in this state are such as to inspire not much confidence in either or any of them.

Information concerning this company was given briefly in a letter from this office dated May 17, 1938, addressed to the Department of Geology And Mineral Industries, attention A. M. Swartley.

I am returning herewith Mr. Whiffin's letter of October 14th.

Very truly yours,



J. H. Hazlett
CORPORATION COMMISSIONER.

WHW:H

October 18, 1938.

Mr. J. H. Hazlett,
Corporation Commissioner,
Salem, Oregon.

Dear Mr. Hazlett:

Attached is a letter which is self explanatory. It pertains to the Record gold mine near Unity, Oregon, in Baker County. I have known of this property for a number of years, and its record is not too good. I am well acquainted with Mr. William Fellows, but know the MacTavishes by reputation only. Never heard of Mr. McClellan.

I would like to know what the status of their permit to sell stock is, and whatever information you have about their setup. If they are mining the stockholders rather than the quartz, I think we might clean matters out.

With best wishes,

Sordially yours,

Earl K. Nixon, Director

EKN:fas
Encl: 1

October 21 1938

Mr. H. E. Whiffin,
1520 Marine Drive,
Hollyburn P.O.,
West Vancouver, B.C.

Dear Mr. Whiffin:

We further refer to your letter of October 14th, and my reply, both pertaining to the Record mine in Baker County, Oregon, and am advised by the State Corporation Commissioner that a permit has never been issued by that agency for the sale of stock of the Record Gold Mining Co. That is to say, they could not legally sell stock in this state. Mr. MacTavish, president of the company, whose address I gather is Vancouver, B.C., made application to sell stock of this company in Oregon in 1931, but his application was denied.

Inasmuch as the corporation has never been licensed to operate in Oregon, it would appear its activities in this state have been conducted illegally.

We understand that the Federal Securities and Exchange Commission gave notice in March 1937 from their district office in Seattle, prohibiting Mr. MacTavish and his company from making further stock sales within the United States.

We would suggest that you as stockholders inquire into the record of this company through the regional office of the Federal Securities and Exchange Commission, 821 2nd Ave., Seattle, Wash., and also from H. E. Ganste, Superintendent of Brokers, Government Bldg., Victoria, B.C.

If the stockholders have already expended a considerable amount of money or are in the mood to subscribe for an additional substantial sum, it would be our suggestion that they send a competent investigator to the property to advise them as to the advisability of expenditures, if you are not able to satisfy yourselves as to the situation after making the suggested inquiries from the Federal Securities and Exchange Commission and the Superintendent of Brokers.

Yours very truly,

Earl K. Nixon, Director

Dictated but not signed:

EKN:fas

CC: J. H. Harlett, Corporation Commissioner

October 17 1938

Mr. H. E. Whiffin,
1520 Marine Drive, Hollyburn P.O.,
West Vancouver, B.C.

Dear Mr. Whiffin:

I am pleased to have your letter of October 14th, in regard to the situation at the Record Mine. I have some information as to the merits of the property, but very little as regards their financial setup. I know the property has been an up-and-down operation for several years, and it is possible that some of the money has been taken from the stockholders rather than being mined in the orthodox manner.

I am taking up this matter with our Corporation Commissioner and will make a sincere effort to see what the situation is. I am acquainted with Mr. Walter Fellows but am not acquainted with Mr. McClellan, nor with the MacTavishes.

It is the desire of this Department that mining in this state shall be on a straightforward business basis, and we are prepared to give practical advice both to mine owners and stockholders.

I would like to write you further as soon as I am able to obtain any information in regard to the matter in question.

Very truly yours,

Earl K. Nixon, Director

EKN:fas

H. E. WHIFFIN AGENCY
Real Estate - Insurance - Rentals
1520 Marine Drive
Hollyburn P.O.,
West Vancouver, B.C.

C O P Y

October 14th, 1938

Oregon State Mining Board,
Portland, Oregon.

Strictly confidential

Dear Sirs:

Re: Record Gold Mining Co.

I am writing on behalf of 3 or 4 shareholders of the Record Gold Mining Co. whose mine is at Unity near Baker, Oregon, and was formerly controlled by P.D. McTavish and his twin brother, with a Mr. Fellows as Engineer.

Although this mine is said to have wonderful showings of gold veins and thousands of dollars have been subscribed by shareholders during the past five or six years for development purposes, yet up to the present time it has never got into production owing to so-called delays and obstacles and serpentines, etc. from time to time.

The shareholders were recently advised the equipment and machinery had been seized and sold by Sheriff's sale to satisfy creditors of the Company.

At the present time Mr. J.E. McClellan, formerly of Longview and now of Portland, who claims to be a very large shareholder and did a great deal of the selling of shares, is writing and calling on the shareholders advising them that he as a good Samaritan came forward and with his own good money redeemed the machinery and equipment of the Record to save it going out of existence entirely, and for the benefit of the shareholders. However he insists that the shareholders must now put up 10% of the amount they have already put into the Coy. and J.E. McClellan Sr. and his associate will apply this money on behalf of the shareholders in putting the mine into development and on a paying basis. He also advises that if they do not put up this 10% by Oct. 25th then their former holdings become a total loss.

These shareholders I represent feel there has been a gorgeous mismanagement of this business from start to finish and are somewhat dubious about putting up this extra 10% aside from the fact that most of them are not in a financial position to invest more.

What we want to know from your Board is whether the Record or J.E. McClellan and associates have the legal right to sell out the shareholders who do not put up the 10%, in this arbitrary manner, also any other information you can give us as to the exact status and position of the company. The shareholders feel that the public should receive some protection from the State as we know you are most anxious to see that enterprises operating in your State be on a proper and stainless basis. Any information you give will be treated as confidential and it is hoped this enquiry will be treated likewise.

Very truly yours

(signed) H.E. Whiffin

H. E. WHIFFIN, LL.B.
MANAGER

RESIDENCE:
WEST 693-Y1

RECEIVED
OCT 17 1938

H. E. WHIFFIN AGENCY

Real Estate - Insurance - Rentals

CONVEYANCING - ESTATES MANAGED

SPECIALIZING IN WEST VANCOUVER HOMES AND PROPERTY

1520 MARINE DRIVE
HOLLYBURN P.O.
WEST VANCOUVER, B.C.

October 14th 1938.

STATE DEPT OF GEOLOGY
& MINERAL INDS.

Oregon State Mining Board.
Portland, Oregon.

Strictly confidential.

Dear Sirs;-

Re. Record Gold Mining Co.

CORPORATION DEPARTMENT
RECEIVED
OCT 17 1938
STATE OF OREGON

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Yours very truly,
H.E. WHIFFIN.

HEW/E.

H.E. Whiffin

November 11, 1938

Mr. J. E. McClellan
812-13 Yeon Building
Portland, Oregon

Replying to your recent letter, addressed to the Department of Mines, Salem, Oregon, this Department was organized for the purpose of encouraging mining and of giving mining advice, such as I suspect you would like to have.

Please drop in at this office at your convenience and let us have a chat.

Respectfully yours,

EKN:vm

Director

RECEIVED
NOV 10 1938

J. E. McCLELLAN
Portland, Oregon

STATE DEPT OF GEOLOGY
& MINERAL INDS.

812-13. Yeon, Bldg.
Portland. Ore.

Department of Mines.

Salem. Oregon.

Gentleman,

My associates, and I are preparing to reorganize, and put in good position a mine which has been organized under an out-side state, and has got into a mess.

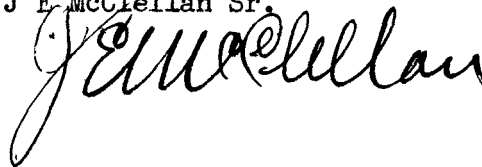
I would like some help in getting a proper set-up for our new start.

Would you please send me regulations regarding Mining in Oregon, and any such information you think would help me to start right, also advise me if there is any department where I can get Mining information freely.

WE are very anxious to start under right and Legal laws, and make a success of our proposition, and need help.

Yours very truly,

J E McClellan Sr.



February 6, 1939

Mr. Claude E. Curran
891 Balfour Street
Milwaukie, Oregon

Dear Sir:

We are enclosing herewith a copy of our report
on the Record Gold Mining Company, as per Mr. Nixon's
promise to you in his letter of February 3rd.

Very truly yours,

STATE DEPARTMENT OF GEOLOGY
AND MINERAL INDUSTRIES

vn
encl.

Secretary

February 3, 1939

Mr. Claude E. Curran
891 Balfour Street
Milwaukie, Oregon

Dear Mr. Curran:

Replying to your inquiry of January 28th for information on the Record Gold Mining Company, located near Unity, Oregon, we have a report on this property which is being included with the manuscript of the Mines Catalog which has just gone to the printer. Within the next few days we will send you a typewritten copy of this report—as soon as we have an opportunity to copy it for you.

Thanking you, I am

Very truly yours,

EKN:vm

Director

RECEIVED
FEB 1 1939

CLAUDE E. CURRAN
891 BALFOUR STREET
SELLWOOD 3812
MILWAUKIE, OREGON

STATE DEPARTMENT OF GEOLOGY
& MINERAL INDS.

Saturday-January 28th, 1939.

State Mining Department,
Salem, Oregon.

Gentlemen;-

In case you have a monograph, or any report,
dealing with the Record Gold Mining Co. property at Unity,
Oregon, I would very much appreciate one copy.

It is this property, which is owned, I believe, by
the Whited Co. which may be an estate. Of this, I am not sure,
but you will understand to which tract I refer.

Thank you kindly, in advance.

Sincerely,

C. E. Curran

h



STATE OF OREGON

CORPORATION DEPARTMENT
SALEM

J. H. HAZLETT
Corporation Commissioner

May 17, 1938

Department of Geology And Mineral Industries,
704 Lewis Building,
Portland, Oregon.

Gentlemen: Attention A. M. Swartley

We have no record in this office whatsoever of corporations by the names HERMES QUICKSILVER MINE or OREGON CRATER GOLD AND QUICKSILVER CO. We have never heard of them and so could not possibly give you any information thereon.

Also, RECORD GOLD MINING COMPANY is not of record in this office. However, we have been informed at various times that this company is operating near Unity in Baker County, and have called the matter to the attention both of the officers and two district attorneys of Baker County.

Some years ago, one P. D. McTavish of Vancouver, B.C., made application in this state to sell stock of Record Gold Mining Company, claiming that it was a Nevada corporation. Mr. McTavish, I believe, was and still is an officer of the company. The application for the sale of stock was denied and I am of the opinion none of it was sold in Oregon, although quite large quantities in the State of Washington and in British Columbia.

Very truly yours,


J. H. Hazlett
CORPORATION COMMISSIONER.

WHW:H