



Devoted to the Mining, Lumbering and Farming Interests of this Community.

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News of Bohemia

LEROY GROUP.

There are but few people in the western portion of Oregon, at least, who have not heard of the LeRoy group of claims in Bohemia owned by the LeRoy Mining Company.

Some years ago the company was organized by the LeRoy brothers and capitalized at \$300,000 divided into 3,000,000 shares of a par value of ten cents per share. Several claims were at that time owned by the company and have since been added to until they now own seven full claims.

A great amount of development has been done and large bodies of ore exposed, the company, however, has not been able to accomplish all that was desired in the way of development and the erection of a suitable mill for the reduction of the ores.

Recently E. O. Tobey, of Eugene, and his brother F. W. Tobey of The Dalles, purchased the entire holdings of A. D. and J. F. LeRoy and on Monday a stockholders meeting was held in Cottage Grove and officers elected. The Board of directors consists of J. L. LeRoy, Robert Veatch, Prof. W. A. Wagon, Dr. L. W. Brown and E. O. Tobey. The newly elected officers are: J. L. LeRoy, president and manager; Robert Veatch, vice president; Henry Veatch, secretary and treasurer.

All the individual stock has been pooled and only the treasury stock will be put on the market. The owners state that the company will be placed on a firm financial basis, the property still further developed and next season adequate milling facilities be installed.

The LeRoy group of claims is considered by mining men as among the best in Bohemia district.

OREGON SECURITIES.

General Manager Wood, of the Oregon Securities Mining Company reported to the Nugget on Monday that after the Champion vein, which was about 20 feet in width had been crossed, levels in either direction along the vein had been started and that when the proper distance had been reached one or more upraises would be made. That at the depth the vein was cut by the tunnel there was quite a percentage of the ore of a base nature and it is proposed to reach the better oxidized ore above as soon as possible.

Al Churchhill, Secretary of the Bohemia Mine Owners Association, came to the city Saturday. He has

recently been at work at the mines and says everything there is running along smoothly.

Eastern Oregon Notes.

AFTER EDDY LAW.

The Sumpter branch of the Oregon Miner's Association held a meeting last Saturday, the object being the discussion of ways and means to be employed to gain repeal and modification of that part of the Eddy corporation law relating to mines and mining. Hon. A. P. Smith, Representative-elect, was present, and expressed himself as wholly in accord with the effort to have the law modified. C. H. Chance, W. C. Calder, J. F. Shelton, Antony Mohr, S. H. Bell, Charles Lubenstein, William Wilson, Emil Melzer, John Wyatt and others spoke on the subject, and expressed themselves as considering the law unjust and detrimental to the mining interests of the state. A committee of five, consisting of C. H. Chance, Emil Melzer, Professor H. H. Nicholson, H. G. Lilly, S. H. Bell and A. P. Smith, ex-officio member, was appointed to draft resolutions to be presented to the Legislature, showing why the Eddy law should be modified.

A committee was also appointed to raise funds to defray the expenses of a delegate to be sent from this county to assist Mr. Smith in having some measures taken by the coming Legislature for the relief of the mining industry of the state. The committee reports will be received at a subsequent meeting, to be held Saturday evening. —Telegram.

Grant Thorn and George W. Love have assumed the management of the Hotel Sumpter.

The Standard mill will have a special exhibit of exhibit ores at the Lewis and Clark Fair.

The review of the year's work in the Sumpter district by the Blue Mountain American shows great progress has been made in the mines during 1903.

The newly elected directors and officers of the Sumpter Smelter are: W. E. Lindsay, New York; Walter A. Wood, Jr., Hoosick Falls, N. Y.; Scott German, Newark, N. J.; John S. Gray, Detroit; Robert Wiel, Bal-

timore; William Coverly, New York; E. J. Lindsay, Milwaukee; William S. Nichols, New York; G. F. Holmes, Plymouth, Mass.; W. C. Ingallo, New York, and D. L. Killen Chicago.

The officers chosen were: W. E. Lindsay, president; Walter A. Wood, first vice-president; E. J. Lindsay, second vice-president; E. J. Lindsay, treasurer, and William S. Nichols, secretary. The Sumpter mine owners are going to be a strong factor in the repeal of the unjust Eddy law.

NEW MINING LEGISLATION.

The convention of the California Miners' Association, which closed on the 8th instant, at San Francisco, California, was one of the most important in the history of that organization, the discussion of the several phases of the mining industry in that state and the numerous technical papers read were interesting and instructive. Among the many interesting topics which came before the convention was that of the proposed revision of the mining law, as explained at length by Mr. A. E. Belcher. In this connection the most important is probably the contemplated repeal of the extralateral right law and the substitution of a location law with all rights bounded by the claim lines drawn vertically downward in its stead. If, however, it is the intention, as is suggested by Mr. Belcher, to make provision for the claim owner to take an additional side location at some later period when he has discovered that his ore dips into adjoining ground and he desires to follow it, complications result at once, and it were possibly better to continue with the old extralateral right law, as it is, than it is to start a new crop of litigation, which will certainly be the outcome of indiscreet tampering with the existing law. Mexico has apparently settled this problem satisfactorily by permitting the location of as many claims as the locator cares to pay taxes on. No discovery of "mineral-bearing rock in place" is required, but he must pay the uniform price demanded by the government. This idea might be adopted in the United States with some necessary modifications. If we are to have square locations and no extralateral rights, let it be simply that and nothing more, for any attempt to make exceptions will involve the laws in a new period of litigation

(Continued on fourth page.)

GREAT GATHERING

Citizens of the City Meet With Commercial Club

DRAIN DELEGATION

Must Have Such Freight Rates as Will Allow Development of Resources.

The Commercial Club of Cottage Grove held its regular meeting Monday night. The special business to be considered was to receive the report of the committee on resolutions, concerning the freight rates as charged by the railroads, especially in Central Oregon.

At the previous meeting it had been decided to write the citizens who were not members of the club to be presented and take part in the deliberations and a large number responded to the invitation. To add to the interest of the meeting a delegation of citizens from the neighboring town of Drian was present among whom were, Mayor Spaulding, E. A. Johnson, flooring mill; Roy Applegate, druggist; Sam Jones, marshal; Wm Moore, merchant; M. Mack, saw mill; Ira Wimperly, merchant; A. E. Chadbarn, merchant; W. H. Dempeter, principal of the State Normal School.

There were also present from Eugene Prof. W. A. Wagon, E. O. Tobey and L. W. Brown.

The meeting was called to order by president Campbell and following the regular business the committee on Creamery reported progress.

The committee on Cottage Grove road district reported the proper papers would be presented to the County Commissioners at their next meeting.

The committee on Bohemia annexation reported progress. The special committee appointed at the previous meeting to prepare resolutions concerning freight rates presented the following:

WHEREAS, The State of Oregon is laboring under great disadvantages at the present time, by the excessive local freight rates imposed by the Harriman lines, and by their refusal to furnish cars and equipment during the year 1903, for the transportation of all classes of freight throughout the state, and especially Western Oregon, and

WHEREAS, The lumber industries have suffered from the arbitrary measure adopted by the Southern Pacific Railway company, in increasing the freight rate to California has resulted in closing down nearly all the mills and piling camps, which had that state for their principal market.

Resolved, That we request the members of the Oregon legislature about to assemble, to pass a maximum freight rate law, covering local shipments. Also a law compelling railroad companies to provide cars and equipment to serve the demands of traffic at all times of the year, and also bespeak their good offices to urge upon the Harriman System the necessity of granting the 40 cent rate to the Missouri river common points.

President Campbell explained very fully, former conditions of the lumbering interests of this section of the state and the conditions as they now exist. If a 40 cent rate to Missouri river points was allowed it would help this locality very much. Also that the so called restoration of rates by the S. P. railway did not restore rates only on rough green lumber and took up the question of local rates. Mayor Medley being

(Continued on fifth page.)

Of Interest to Miners

GUARANTEED INVESTMENTS

The average investor, when he buys mining or oil stock, expects that the money he subscribes will be used in the development of the property being operated by the company. If he is at all familiar with mining operations he knows that there is no certainty that the mine will prove a big dividend payer. He does know, however, that if the money raised from the sale of stock is spent judiciously in the development of the ground, he has a greater chance for big profits in mining than in any other business. To raise the necessary capital for the development of the ground in question is very often a difficult task, generally depending upon the location of the property and the ability of the promoter. Some promoters, who find themselves unable to sell stock in the ordinary way, adopt methods that are certainly questionable. By inference they make an impression upon the investor that causes him to invest his savings. When he finds out the true situation there is trouble. One of the methods practiced by some promoters to sell stock is to claim that they guarantee the investments. When claims of this kind are investigated it is generally found that they have no foundation in fact. The investor buys stock. The promoter takes a portion of the money derived and buys bonds, representing to the investor that the bond or trust company considered the mining stock so good that it guaranteed the repayment of the principal at the end of a certain period whether or not the mine proved a success. Investors should know that it makes no difference to the bonding or trust company whether or not the mining stock has value behind it or not, just so that the premiums on the bonds are kept up. The investor supposes that his money is being used for the development of the mining property, where, as a matter of fact, it goes to pay for the bond. If the promoter would use the money as it should be used—in the development of property—the investor would be satisfied. Government bonds are safe investments, but the investor, as a usual thing, is capable of buying his own bonds without the aid of the mining promoter. The greatest fault to be found with guaranteed investments is that the promoter of them does not follow out the policy of publicity and let the investor know exactly what he has done with the

money. If the investor knows just what per cent of his investment goes into the bond and how much goes to the property and to the promoter, there can be no fault found with the system.—Bonds and Mortgages.

PLACING A VALUE ON A PROSPECT

There is less difficulty in placing a value on a developed mine than on a prospect, no matter how good it may be. In the case of the mine, the ore reserves can be estimated with reasonable assurance of an average value, for with the aid of the shafts, tunnels, crosscuts and drifts, with numerous connecting winzes to show the extent and character of the ore, it may be inspected on three or four sides. This, together with the averages of width of vein and metallic contents, can be estimated with very satisfactory accuracy. To secure all this information and arrive at the deductions therefrom requires time and care being work in which experience both with the mineral values in hand and the district in which the mine occurs lend material assistance.

While attempting to arrive at the value of a prospect no such advantages exist, save in a more or less limited extent. The development is naturally limited and there is not so much on which to estimate the value of the property. Regarding the value of the prospect the owners and the examining engineers usually disagree on their estimates, although it is by no means unusual that a prospect has been condemned by good mining engineers and yet turn out of great value as a result of future development work. A prospect always has a speculative value, indeterminate and yet one which must be more or less dependent upon the character of the management. In the event of a purchase, then the honesty of the man to be placed in charge of the property should be unquestioned. Many prospects have been seriously injured by conservative examining engineers, but more have been eternally damned by the manner in which their management has conducted operations. Therefore investigate the man as well as the prospect.—Lead and Zinc News.

ANNUAL MEETING

The annual stockholders meeting of the Great Eastern Mining Company was held in Corvallis, Monday, January 2nd, 1905.

MILL FOR PORTLAND.

Early in 1905 incorporation papers will be filed of the Pacific Extraction Company of the United States of America, which will have for its object the erection in Portland of a custom mill for treatment of all free milling ores. It is the formation of a company to utilize the De Keyser process of amalgamation and to control the interest involved in that method as covered by patents issued in the United States. The inventor and other persons who have been closely associated with the operation of the plants heretofore installed for employment of this treatment declare that it has proved an unqualified success and that mining men who have followed the experiments and demonstration have expressed a desire to become stockholders in the proposed new enterprise.

Not only will the plant do custom work for mines desiring treatment of units or of larger quantities of ores, but will also maintain a commercial assay office, engineering and draughting office that will make the business include almost any service that mine operators might desire.

Considerable has been said heretofore of the De Keyser process, which in all of its features of treatment brings about amalgamation by a method of combining cyanide solution with use of electrical current and pneumatic power. The mill which it is proposed to erect is to have a capacity for from 10 to 25 tons of ore or concentrates a day. This is simply to be the parent plant and from its operation here demonstration of adaptability to ores, it is anticipated that it will be but a short time until the process will have been introduced to every free milling district in the Northwest and later throughout the country.

M. De Keyser, Dr. C. C. Chick and Harvey Bailey are among the incorporators who will be in the directorate of the company. An authorized capital of \$500,000 will be specified, of which the promoters say a sufficient amount has already been spoken for to insure erection of the plant.—Telegram.

Stock Holders Meeting.

The annual meeting of the stock holders of the Judson Rock Mining Company, will be held in Portland, January, 9th 1905. There will probably be an effort on the part of some of the stock holders to change the principal office from Portland to Cottage Grove.

GREAT CLEARANCE SALE

During the Next Two Weeks

We will offer bargains in all lines carried in our stock

Garman, Hemenway Co.

..Now then..

WELCH & WOODS

ARE HAVING A

Grand Clearing Sale

Sweaters, 25c Men's Wool Undershirts, 65c
Children's Wool Hose, 10c Woman's Shoes, per pair, \$1.00
Boys' Suits, 75c to \$1.50

Oh, we will cut the prices to make our invoice as low as possible.

Be on Hand at the Big Clearance Sale

Men's Suit and Overcoat, about ONE-HALF PRICE
Men's and Children's Sweaters, 25c, 50c to \$1.00
Wool Hose for children, 10c
Women's Shoes that were \$1.50 to \$3 per pair, go for \$1.00
The sale is to clean up the whole stock and will certainly put the knife in.

(Continued on fifth page.)