

## PROSPECTOR AND HIS GRUBSTAKE

The prospector starts all mining. He is generally the poor miner. Sometimes he is an amateur who takes a man with him, lured by the possibility of discovering riches. He scales the mountains and follows up the gulches. Finding float, the problem is to find its home. The hunt is generally fraught with hardships, and a great trial to patience. Yet it may be made a summer outing in the mountains, and amateurs can put in a summer with profit and pleasure. All the discoveries of precious metal ever made were made by the hardy, persevering and hopeful prospector.

He is always poor. He will generally make his grub the while by washing gold from some gulch. But he must have grub. He seeks some friend, maybe his storekeeper, to advance his grub for an interest, one third to one-half interest, in all claims he locates. He finds a ledge, locates it, with his own and grubstaker's name and interest. Then he sinks a ten foot hole. This generally ends the grubstake, and a new deal is necessary to continue work, unless the ore will pay for further development. Hence there are stranded prospects all over the mountains.

When rich ore is discovered near the surface, the reward comes quickly to both prospector and grubstaker. Tabor, of Leadville, was out on his grubstake #17, when rich carbonate was struck in the Little Pittsburg, in which he had one third interest, and made him a millionaire. There are many other notable cases. A grubstake contract should be recorded as security against dishonesty, left his honesty run against a bonanza discovery. The Robert E. Lee mine, of Leadville, affords two important points of law. One Sigabus, a teamster, grubstaked a prospector. When this mine became famous he discovered that it was the first location his prospector located. He had sold out and an innocent party purchased. They had to compromise with Sigabus at one-third interest, although entitled to one-half. They could not avoid the recorded contract.

In this same mine another compromise had to be made. Another interest was inherited by the widow of one of the secondary owners. She placed it with her attorney to sell. He represented that he had an offer of \$8,000 for it, and recommended its acceptance. He took the deed to himself, although others were interested. When it had become famous, she thought she had been deceived, though it was then worth no more. She was riding in a stage coach in Wisconsin. There were some men talking of mines, and she told them how she was beaten by her attorney. One was a lawyer. He asked her several questions. He offered to bring suit to recover the interest for a contingent fee. The case was heard before Judge Dillon. He gave her judgment for the interest. An attorney can not buy his client's property.

A notably lucky find was the Bassick. He was making his way over a range to his home. He sat down on a rock to rest. Some small stones lay before him, and he broke some of them. They proved to be good ones glistening with gold. He was on a chimney of ore that realized him \$500,000 in a few months.

Goldfield probably affords more notable cases of such finds, with little work, than any other camp.

The case of Thomas F. Walsh is perhaps the most remarkable on record. He was broke, although a popular landlord in Leadville. He went to San Juan district to prospect. He was pointed to a prospect up a mountain, in sight, with a goodly dump, and told he could buy it for a thousand dollars. He sampled some ore that looked so much like common rock it had never been assayed before. He got a short bond on it, and paid for it off the dump. He sold the mine for \$5,000,000. This should teach the prospector to assay anything peculiar.

When a prospector finds a good ledge he had better develop it and not try to cover the whole country with locations. His policy should be to get others to work around him. Their finds may make his own valuable.—Pick and Drill.

## STANDARD OIL IN BAKER COUNTY MINES

A Baker City paper quotes a high authority as saying that the Standard Oil company is preparing to enter the eastern Oregon gold fields with both feet, as it were. It is pointed out by the Baker City paper that Standard Oil money redeemed the Cornucopia mine, that the Iron Dyke has passed back into the hands of Reed and Shatto, by whom it will be transferred to H. H. Rogers, Rockefeller's right-hand man, and that the Bonanza mine, at Geiser, owned by Pittsburg stockholders in Standard Oil, will be reopened at an early day. The Baker City paper announces that Rockefeller has interested himself with Harriman in Western railroads, and that a branch line will be built from Huntington down Snake river to Ballard's Landing, to afford an outlet for the Iron Dyke and Cornucopia ore.

Standard Oil people are already extensively interested in Sumpter district mines, owning, besides the Bonanza, various properties along Silver Creek, notably the Amazon, located near the slate granite contact between the mother lode system and Cable Cove. It is also believed that Standard Oil money is backing the rehabilitation of the Balsley-Elkhorn, Robbins-Elkhorn and Beaver.

### Smelter for Lost Packer.

Manager J. A. Cizek of the Lost Packer mine, who is in the city on business, reports having closed a contract with the Colorado Iron Works for a smelting plant to be erected on the Lost Packer property on Loon creek. The plant, which is of the pyritic type, will have a daily capacity of 100 tons. It is to be delivered in Mackay by May 1 and will be in operation on the first day of September. It will be erected under the supervision of Clements & Strauge, construction engineers. The cost of the plant will be \$60,000. Mr. Cizek also reports having completed the finance of the Montana group of mines in Custer county. The force of men on this property will be doubled and the development work will be hastened.—Boise Statesman.

The flurry of snow in Sumpter last night was general throughout the district.

## DISTRIBUTION OF GOLD PRODUCTION

Unprecedented as was the production of gold in 1904, amounting to \$350,000,000, the production in 1905 is almost certain to exceed that total, and it is not unlikely to reach the \$400,000,000 mark. The estimated January production in the Rand shows a large increase over December, and it is predicted that the total Rand production this year will reach about \$90,000,000, or \$10,000,000 more than last year. The large importations of Chinese labor seems to justify this prediction. Every known field of gold supply is now in full operation or in course of development. Colorado has resumed full mining activities, while the increase in production in California, due to the new methods of working low-grade gravels, is one of the striking results of last year's operations.

A large production of gold being assured, the question of most interest is the distribution of the gold—how much of it will go into the arts and sciences, how much of it will go into the world's stock of money, and how much of it will be hidden away no one knows where? It is with gold as money or as a reserve against credit that the business man is chiefly interested.

It is a well known fact that not all of the gold which is produced in the world goes into the stocks of money. Between 1895 and 1903 the amount of gold in the monetary systems of the world increased from \$4,068,800,000 to \$5,382,600,000 a gain of \$1,313,800,000. During the seven years intervening between 1895 and 1903 the world's product of gold amounted to \$2,094,298,300.

It will be observed that only about 64 per cent of all the gold produced in those years went into the stocks of money. Where did the remaining 36 per cent go to?

A large portion of it, of course, went into the arts and industries of the world. The commercial use of gold is large, but the statistics covering this use are necessarily defective, and, moreover, the amount of gold employed in the arts and industries varies from year to year. The amount is usually computed at 25 to 30 per cent. It may be larger than that, but there is reason to believe that there is a portion of the gold which does not go into the monetary stocks, and is not used in the arts and sciences, that disappears somewhere, and quite likely may be hidden away in secret places to serve as reserves in case of sudden emergencies. Prof. J. Laurence Laughlin, writing two years ago, said:

"The existing stock of gold, about \$9,000,000,000 or \$10,000,000,000, of which less than \$5,000,000,000 is used in the monetary system of the world, is now so large that no restrictions so legitimate bank discount can be assigned to a scanty world's supply of gold for reserves. When the war in the Transvaal broke out in 1899 it was supposed by some that the supplies of gold for the reserves of European banks would be curtailed. Two years later the American reserves had increased by \$150,000,000, those of the Bank of England by \$18,000,000, the Bank of France by \$100,000,000 and the Bank of Austria-Hungary by \$43,000,000. The bank of Russia, for special reasons, alone had lost gold. This outcome

was not surprising. The explanation is to be found in the vast supply of gold not employed in circulation in all countries, nor in the arts, but held by institutions or financial houses, not obliged to make public reports of their holdings of gold."

If this extraordinary statement is correct the power of the holders of these secret stores of the yellow metal over the money market must be far-reaching, and it would explain some of those movements of money which seem so puzzling and mysterious.—Wall Street Journal.

## HAZELWOODS'S EAST EAGLE CREEK PLACERS

Jack Hazlewood, part owner of the rich placer diggings on Eagle creek, in the Panhandle of Baker county, returned to Sumpter this morning, to remain a few days until the weather moderates. He says the thermometers on Eagle creek have been doing some sensational subzero stunts this winter. Eighteen below zero was reached one day this week.

Mr. Hazlewood announces that he and his partner, Thomas Brown, of Sumpter, have everything in shape for hydraulic work early in the spring at their Eagle diggings. The ground is exceptionally rich, some strata running \$1 per yard.

The placers of Eagle creek have been worked since 1863. The production has been considerable. In '69 the district was known as the Croster and 250 men were working in it.

### Specific Proof as to Mineral Lands.

The United States land office at Oregon City has recently rendered two important decisions, the contestants in both cases basing their claims on the allegation that the lands in question were chiefly valuable for mineral; whereas, the contestees had filed applications for the respective tracts under the timber and stone act. Both cases involve practically the same questions, and were decided by Register A. S. Dresser and Receiver George W. Bisbee. The lands are situated in Linn county. After reviewing the evidence and citing numerous decisions, both opinions recommended that the protest be dismissed. "It has repeatedly been held by the land department," reads the decision, "that the proof of the mineral character of land must be specific and based upon actual production of mineral; it is not enough to show that adjoining lands are of mineral character, and that the lands in controversy may hereafter develop mineral to such an extent as to show its mineral character, but it must be shown as a present fact that the lands are mineral and not from a theory that the land may hereafter produce it." This, in effect, is the doctrine laid down in both decisions, and after a summary of evidence, it was concluded that the proof of mineral lands in question did not bring the same within the rule.

W. E. Hurd has sold the Golden Gate group of three claims and the Rawhide claim, in Grant county, to P. C. Merryfield, et al, for a nominal consideration. Another late Grant county mining deal was the transfer of the Sunrise mine by J. H. Haggard to Max M. Shillock.

Ned Parker returned this forenoon from Baker City.