Red Mtn. Silver

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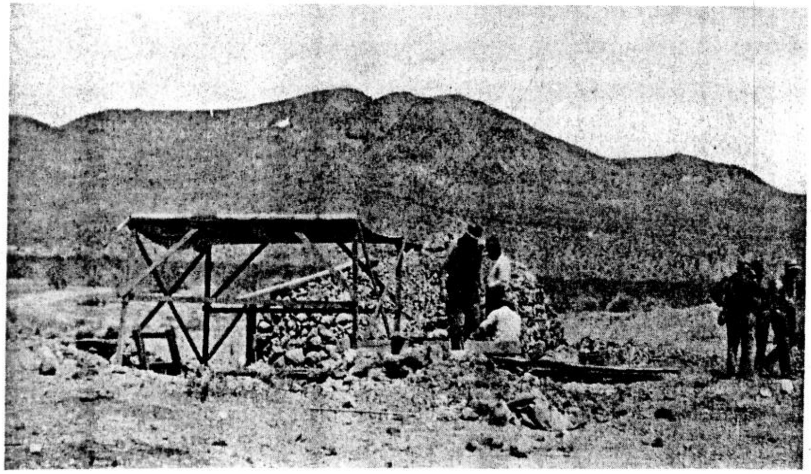

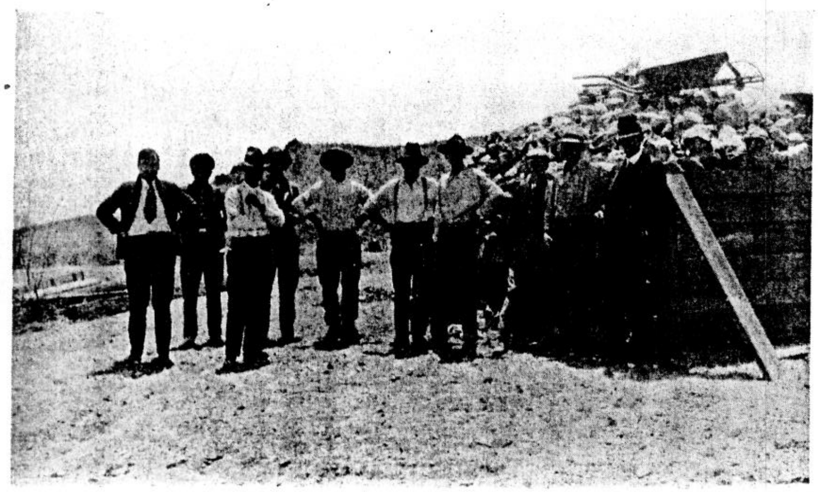

"THE BIG SILVER" in June 1919

Above, looking toward Red Mountain. Left-hand group: W. H. "Hamp" Williams (in white shirt); right-hand group, left to right: Jo P. Carroll, Edward T. Grady, and John W. Kelly.

Below, a mine without a dump. Left to right: Dwight L. Clarke, next four unidentified, "Hamp" Williams, J. J. "Jack" Nosser, Jo P. Carroll, John W. Kelly, J. M. "Jack" Jameson.

"The Big Silver"

California's Greatest Silver Mine

By Dwight L. Clarke

When California mines are mentioned, it is natural to think of Marshall's discovery of gold in 1848. The rich placers and quartz producers of the mother lode also remind one of gold. Silver, on the other hand, is more apt to conjure up visions of Montana and Nevada. Yet nearly three-quarters of a century after the gold rush and in a far different part of California, our state enjoyed a silver excitement of no mean proportions. Some of its startling features and the millions it produced wrote a new chapter of western mining, on something of the epic scale of earlier days.

In 1919 and the early twenties, newspaper stories appeared about the Kelly, or the "Big Silver," as it was called more frequently than by its official name – the California Rand Silver mine. Most of these stories were written in the excitement following the discovery: none of them gave a full and accurate account of the mine. Occasionally, in something written about the Mojave Desert or Randsburg, the Big Silver is mentioned, but only incidentally. The latest of these references to come to the writer's notice was *Desert Bonanza* by Marcia Rittenhouse Wynn, published in Culver City, California, in 1949. Her book covers the whole story of the Rand mining district of California, from the discovery of the famous Yellow Aster gold mine down to recent years. Out of a total of 278 pages, Mrs. Wynn devotes only some sixteen to the Big Silver, but her brief account is commendably accurate in most respects.

As one of the few now living who experienced the lively days of 1919, and those of the following decade during which the original owners operated the Big Silver, it seems to me that its story should be written down. Some of the original records are still in the writer's possession and have been referred to below.

PROSPECTORS AND GRUBSTAKES

During 1918, John W. Kelly, Edith F. Coons and J. J. (Jack) Nosser located certain mining claims in the Rand mining district, Kern County, a short distance south of the so-called Stringer district (that adjoins Randsburg on the south) and just westward of the easterly boundary line of Kern County. Some months later, these owners conveyed an undivided fourth interest in the claims to Wade Hampton Williams. There were eleven of these claims, and they were called the KCN group from the initials of the original locators.

Kelly was a former sheriff of Kern County, who had attained special prominence because the manhunt for the cold-blooded killer, James McKinney, occurred during his term of office. Kelly, as sheriff, led the posse that besieged and finally killed McKinney in a Chinese joss-house in Bakersfield, just after he had slain two members of the posse; one of his victims was the father of Lawrence Tibbett, the great baritone. After his term as sheriff, Kelly had engaged in various mercantile and mining ventures in Kern County. Miss Coons was just completing her term as assessor of that county, after serving for some time as chief deputy of her predecessor, J. M. (Jack) Jameson (of whom much more will be said in the course of this narrative). Nosser was a typical "desert rat," who had spent many years as a prospector in the mountain and desert regions of the west, with very indifferent success. Hamp Williams, the fourth to join the quartet (and a very essential member of it, as will soon be noted), had been born in the South Fork Valley of Kern County. He was named for his father, a native of Virginia; his mother was a member of the South Fork Indian tribe. Probably because of his Indian blood, Hamp possessed an instinct for minerals. Of a modest and taciturn nature, he would examine a piece of rock intently for a few moments. Then he would give an estimate of its composition that was astonishing. More than once I have seen assays run of rock he had so appraised; it was common for him to come within five or ten per cent of the value found by the assayers in their laboratory. I believe he was entirely sincere in saying he could not explain how he did this.

The Kellys and Miss Coons grubstaked Nosser and Williams, while they worked on the KCN claims without finding any great values. Within a short time, Jack Jameson assumed part of Miss Coons' share of the grubstake and acquired half of her quarter-interest for his advances.

MINERAL PAINT CAN BE INTERESTING

In the winter of 1918-19, a Los Angeles broker met the miners and commented on the prominent red outcroppings far up on the side of Red Mountain, which rises boldly out of the desert a mile or so east of

the site of the Big Silver. He thought it might be mineral paint; he said there was a market for the same at the moment and suggested that Nosser and Williams obtain some samples of it for him. Kelly recalled that someone was reported to have located claims on this mineral-paint deposit years before. Probably no one got very excited about the matter; mineral paint lacks the appeal of gold. But dollars were scarce and an honest handful of them looked very desirable. So, on a cold January day when there was a light snowfall, Nosser and Williams climbed Red Mountain carrying prospectors' hammers and sample bags. The latter were soon filled, and the two men clambered back down the steep slope and then up the long gradual grade to the divide, that lies along the county line in the direction of the KCN claims. They were tired, and Nosser, the older of the two, straggled behind. Finally Williams sat down on a low wide outcropping of rock to wait for him. Prospector-like, his eye scanned the nearby formations, much of it of a bluish-gray and flinty appearance. His prospector's hammer chipped off a piece, then another and another. The rocks seemed heavy for their size. Hamp began chipping from other portions of the ledge. By the time Nosser arrived Williams had a handful of specimens. "What's this look like?" he asked Jack. Nosser vouchsafed no opinion except that it was heavy but did not look like lead. "I believe it's horn silver," Hamp told him, "and there's a lot of it." They both remembered that there had never been any silver found around Randsburg; free-milling gold in many places, and tungsten a little to the southeast around Atolia, but no silver. Anyhow they took some samples and hurried on to dinner in Randsburg.

The writer has never heard of the fate of the samples of mineral paint; it is to be hoped that the Los Angeles broker did not have his heart set on receiving them. But the bags of blue-gray rock were to make mining history. They were forwarded to Kelly who had them assayed, and a few days later he showed up in Randsburg greatly excited. Both samples had assayed high in gold but much higher in silver—several hundreds of dollars a ton of the white metal, in fact. (This is an illustration of the way thoroughly-honest miners can unwittingly "salt" themselves, by picking out the choicest specimens when they sample a new prospect.) Williams had literally sat upon a very rich "blow-out" of silver and gold, but the top of the ledge ran far lower in value than these two samples. Even so, he and Nosser had stumbled onto the very top of a mine that was to "pay from the grass roots," an occurrence so rare that many miners spend lifetimes in the business without ever experiencing it.

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NEW MINING CLAIMS OVER AN OLD ONE

Immediately the partners located some nine claims, running along the strike of the outcropping or parallel to it on its dip to the southeast. They gave the name of "Uranium" to this group, because of the resemblance of the rock to a metal that was to assume such a fateful significance to mankind a generation later. Actually not a trace of uranium was ever found anywhere near this property, so far as known to the writer. In the process of locating these claims, the three men noted that the Williams-Nosser discovery was within the bounds of a claim known as the Juanita, located for gold many years before by a man whom I shall call Smith. Shallow shafts had been sunk in various places upon it, and one short tunnel had been run under the ledge not far from where Williams had sat down to wait for Nosser. The side lines of the Juanita claim ran in a NW-SE direction, whereas the strike of the "Uranium"-discovery ledge was almost at right angles to the older claim, running from the northeast to the southwest. Any mining done on the Juanita, in the years since its location, had been along a vein containing some free-milling gold that paralleled its side lines. The gold in the new bluish-gray-rock discovery would not pan a color. (That ore later proved to be quite refractory, requiring a complicated milling and smelting treatment wholly unlike that applicable to the known Randsburg ores.) From every viewpoint it was important to the partners to acquire the Juanita claim. It was owned by a Los Angeles attorney, son of the deceased locater. Kelly, who had known both of these men for years, called, in company with Jameson, upon the younger of the two. They told him of their prospecting activity and asked him to put a price on the Juanita. He was quite willing to sell it for $5,000. Smith was a lawyer accustomed to mining transactions, and he drew up a lease and bond similar to those widely used in such deals. In it the purchasers agreed to do a stipulated amount of work, and to pay him a fifteen per cent royalty on all ore they extracted from the property. Such payments were to be credited on the agreed purchase price of $5,000. When all of that had been paid, the buyers were to receive a deed from Smith. Kelly, knowing both father and son, had all the time assumed that the latter, a lawyer, had acquired the claim as a gift or inheritance from his father. Smith did not correct Kelly as to the facts, at the time this sale was agreed upon. The buyers' error in this assumption had a most interesting and dramatic sequel.

A NEWSPAPER EDITOR AND HIS FRIENDS

With the Juanita claim thus secured, the partners were anxious to commence development work, to ascertain whether their find was merely a surface enrichment, such as is sometimes found in desert formations, or whether it was the beginnings of a real mine. As a group they were financially unable to undertake such a program, and they looked about for partners who would put up the money required to open up the ground, in exchange for an interest in it.

Jack Jameson, from his years of public life as Kern County's assessor, had many loyal friends and a reputation for careful, honest, and competent handling of any undertaking entrusted to him. It was therefore not too difficult for him to assist Nosser and Williams in disposing of a portion of their interests to a small group that would put up its share of the required expense and, at the same time, place the prospectors in sufficient funds to carry their remaining interests. This was the means whereby a number of Bakersfield businessmen, headed by the late Alfred Harrell, owner and editor of the Bakersfield *Californian*, became interested in the property. Their entry on the scene not only resulted in a substantial increase in their own worldly fortunes but proved to be of decisive importance in the mine's history.

At the time of these events, the writer was the assistant-manager and trust officer of the Security Trust Co. of Bakersfield (a banking concern that, through a sale made in 1927, became a part of the present-day Bank of America). One day Kelly, whom I had known slightly as a depositor, called on me to inquire whether it would be possible to create a simple holding-trust of a number of mining claims owned by him and a group of his friends. They were not ready to incorporate, but they wanted to protect all interests by lodging the title in our bank as trustee for all the beneficial owners. This was my first knowledge of any of the aforesaid circumstances. In a few days I had prepared a defeasance agreement, that set forth all the facts and provided a means, during the preliminary period of exploration, whereby the property could be operated and everyone be safeguarded from the complications that might befall through death or absence of any of the parties. (In some respects, 1919 seems a long time ago; one wonders how many statutes, regulations, orders of commissions, authorities, etc., would be transgressed today by means that were then safe, legal and practical.)

So, on May 21, 1919, the Security Trust Co. became vested with the title to the Juanita, Uranium and KCN claims, and issued trustee's certificates of beneficial interest to all the owners, old and new.

A DRIVE ACROSS THE MOJAVE DESERT

I should have said that Jack Jameson was a director of the Security Trust Co. and, because he was a recognized authority on land values, he frequently made appraisals of real estate in connection with applications for bank loans. Up to this time, the handling of these loan-applications and appraisals with Jameson had formed the chief basis for our acquaintance. A day or two after my discussion of the mining trust with John Kelly, I had to consult Jameson about a proposed loan on a parcel of Bakersfield business property. He suggested that we visit it together, and, while we were returning to the bank, he mentioned that he and two of our mutual friends were going out to Randsburg the next day to look over John Kelly's silver prospect. He asked me if I would like to join the party, as the trip would give me a good opportunity to see a part of the country where we had many bank customers and with which I was only poorly acquainted. (I had come to Bakersfield as a young banker, less than three years before these events.) I gladly accepted the invitation, and, in view of the developments that soon followed, can conservatively state that I have seldom, if ever, arrived at a decision of more far-reaching consequences to myself. I still remember that I awoke early the next morning with strong symptoms of a cold, and wondered if it would not be wiser to remain in bed, or at least not take an all-day auto-ride over the mountains and desert; but I decided to make the trip regardless of how I felt.

That was on May 23, 1919. The ride to Randsburg was longer and harder on the roads of those days than at present, so we departed soon after sunrise and did not return until nearly midnight. There were four of us in the party: Jack Jameson, who drove us in his touring-car; Alfred Harrell, the editor (who was also a director of our old bank); and Edward T. Grady, a resident of Bakersfield, who was then a real-estate and oil-lands broker. He had spent some time in Tonopah and Goldfield during the mining excitements, and, while not a professional mining engineer, was keenly observant and had practical knowledge of mining and geology. For several years prior to this time, Grady had managed to live on an occasional real-estate commission and a small profit now and then from some oil option. Notwithstanding this relative adversity, he was considered absolutely honorable, and became one of the owners in the Big Silver solely because of his special knowledge and his fine character.

Grady and Harrell had agreed to go out with Jack Jameson, to look over the ground on behalf of the local group whom Jameson had brought together. Jack was a man of such fine integrity that he refused to let any of his friends put their money into the deal merely on his word – they must look it over for themselves. Even after this trip of May twenty-third, he maintained that very probably the whole thing would prove a fiasco. Harrell's attitude followed much the same pattern, but, because of their friendship, the one man was prepared to follow the other with unquestioning faith. For just this reason, Jameson insisted that Alfred Harrell must check his judgment on such a speculative venture. So it was more to satisfy that demand, than for any other reason, that Harrell took the trip. Both felt that Grady could advise them well.

It was a cool, clear, windy day on the Mojave Desert. We reached the site of the future mine late in the forenoon and found Kelly, Nosser, and Williams already on the ground. It was my first meeting with the two prospectors. They had already started to drill a few holes in the outcropping, preparatory to blasting off its top in order to take a chip sample from across the face of the ledge. While they "single jacked" these holes, Grady and I clambered about the rocks and peered down the shallow shafts of the old Juanita claim. In my boyhood, I had spent many summer vacations in the mother-lode region of Tuolumne County where a relative had some mining interests, so that I was used to venturing into tunnels, picking up samples and trying to make sense out of mineralogical jargon. Both of us were quickly struck by the unique location of the discovery. Half a mile away, down a gentle slope, ran the Kramer-Johannesburg branch of the Santa Fe Railway. Not over a mile distant there was even a railroad-siding, available for loading freight cars! A quite-passable auto road ran directly over the property, and a water pipeline was visible within a few hundred feet. Two miles over the hill lay Randsburg, with stores and many vacant but habitable houses. This would be "mining de luxe," we exclaimed to each other.

It is inconceivable now, as it was to all of us then, how so rich and so extensive an ore deposit could have lain undiscovered for so many years in such an exposed location. Men, experienced in mining and minerals, had crossed that ground on foot, by burro and autos well-nigh daily for perhaps twenty years. A partial explanation, of course, is that the miners around Randsburg were accustomed to panning any prospect for gold; the ledge on which Nosser and Williams rested in the early days of 1919 was composed of rock, even the richest of which would not show any color in a pan.

A BLAST IS SET OFF

By early afternoon we were all warned to get away from the drill holes. Nosser and Williams loaded them with dynamite, while all of us scattered in the greasewood and sagebrush of the hillside. Two or three earth-shaking blasts went off and rained dust and pebbles over the desert; the Big Silver's development was actually launched, although none of us realized it at the moment.

Ed Grady's experience immediately came into play, as, in a very modest way, he advised how best to take an accurate chip-sample of the ledge. Since he was the technical adviser of the prospective investors who were absent, it finally developed that he took the samples, himself, with some help from the writer. He avoided the shiny, heavy pieces of horn silver and concentrated, instead, on taking as *average* a lot of rock particles at *even* distances as could be collected. Two or three good-sized sample bags were filled from various cross-sections of the ledge and carried back with us to Bakersfield.

Before we left the desert, I took Jack Jameson aside and told him I had a hunch that there was a mine under us, and that I felt strongly enough about it to take a small interest in the venture if there was any available. He told me that the little that was being sold by Nosser and Williams had all been spoken for; that he was sorry this was so, as he would like to have me in the group if it was going to amount to anything. The next day, Alfred Harrell walked up to my desk in the bank and said that Jack had told him of our conversation. He explained that Jack had already promised to relinquish a small part of his own share to a former faithful employee, and did not want to reduce it further. However, said Harrell, he, himself, was morally obligated to buy a one-eighth interest, and, while it would probably prove a dead loss, he was willing, though not urging it, to let me have an eighth of his eighth at the price he was to pay. I told him that I could not think of going into such a venture in a big way, but that I had resolved to purchase twice the amount he offered me if it were obtainable. "No," laughed Harrell, "I'll let you have either a sixty-fourth or nothing. If it's good I don't want to give up any more. If we find we've been fooled, that's all I want you to lose." Thus I became owner of a sixty-fourth part of the mine to be. I was one of the smallest owners, but, probably because I was the youngest member of the group, my elation at being in on the ground floor was doubtless the greatest. The thoughtful consideration shown me by both Alfred Harrell and Jack Jameson in this incident was typical of the two men.

A few days later, Grady brought all of us the assay returns from our samples. These are lacking from my records, but, as near as I can recall, they went about \$45 or \$50 a ton. Ed hastened to point out that we could profitably mine ore of such value and ship it to a smelter.

This seems a good place to name the other early owners of the mine. Besides the original locators already mentioned and the additional interests earlier acquired by Hamp Williams and Jack Jameson, the one-eighth interest, that Nosser and Williams each sold to the original Bakersfield group, became the property in varying proportions of Alfred Harrell and his daughter, Mrs. Bernice Chipman, J. A. Hughes, W. W. Colm, Charles A. Barlow, W. H. Hill, Angus J. Crites, Edward T. Grady, and the writer. Mrs. Charles A. Smithwick acquired a small part of J. M. Jameson's interest. All of these people were residents of Bakersfield, with the exception of Mrs. Chipman who lived in San Francisco. J. A. Hughes was a well-known druggist of Bakersfield and also chairman of the finance committee of our bank. He was very active in civic affairs and a man universally respected and trusted. Long before his death in 1932, he had become one of the finest friends I have ever had. Colm was another bank director, known among oil men as "Sacramento Bill" from the valley of his origin; he owned valuable oil wells in the Kern River fields and numerous other properties. Charles A. Barlow and W. H. Hill were the members of an oil-and-land partnership, Barlow and Hill. Barlow had served in Congress from a Long Beach district and was one of the pioneer enthusiasts for the plan out of which has emerged the Central Valley water project. Angus Crites operated oil properties in the Maricopa field of Kern County. Several of the men named became active directors of our mining corporation. Most of them soon divided their holdings with their wives and sometimes with other members of their families; in a few cases they placed their entire interests in their wives' names, so that the number of owners increased without any essential change of actual ownership.

Reverting to the story of the mine itself, as soon as the Grady assays were received and the purchase from Nosser and Williams completed, two voluntary and informal assessments of \$1,000 each were levied a few weeks apart, to provide the necessary cash for preliminary expenses. This \$2,000 was all the cash ever invested in the mine itself by the owners, apart from the money and labor contributed by the original locators and Williams and Jameson.

PAVING ROCK AND GRASS ROOTS

On June 7, 1919, an incline shaft was started on the spot where Williams had taken his original samples. This became the company's Number One shaft and, for the first thirty feet or more, was actually a rather wide pit, because pay values were found all around its four walls, and these values rapidly increased with depth. A rough platform was laid close to the mouth of the shaft, and the first rock excavated was piled upon it for greater ease in shipment. Enough rock had been collected to ship the first car of ore on June twentieth. It went via the Santa Fe Railway to the Selby Smelting Works at Selby on San Francisco Bay and arrived there on June twenty-fourth. About three days later, another car followed it. Many months later E. B. Braden, then general manager of the Selby Smelter, told me some stories about the arrival of these two shipments. One day a workman came in and complained to the foreman, "Some d—— fool out on the Mojave desert has shipped us a whole freight car full of paving rock. Hadn't we better dump the stuff into the bay to get rid of it?"

The early-day oxide ore from this mine did resemble the bluish-gray rock so much used by paving contractors. Fortunately, caution usually increases with responsibility, so, even though the foreman agreed as to the looks of the rock, he withheld any such summary action until he had the car weighed and sampled. Then he took another look. It ran 0.497 of an ounce in gold, then worth \$20.50 an ounce, and 34.37 ounces in silver, on that day worth \$1.11⅛ an ounce. The whole fifty-five ton car, after deducting freight and smelter charges, yielded \$1,639.77. When the second car came in shortly afterwards, the smelter attendants were better prepared but again they had a new experience. This time the foreman telephoned excitedly to Braden at his office in San Francisco. "Now I've seen everything; come over and take a look. I've heard all my life about mines paying from the grass roots. We've got a car of ore here from somebody in Randsburg that actually has grass roots and sagebrush in with the ore. And the funny thing is that the darn stuff assays good too."

While seemingly only a funny story, this was literally true. Before any ore was trucked down to the railroad siding, about 120 tons had been piled on the rude platform. The rock that came off the top of the ledge did, literally, have bits of earth and roots mixed with it, and was on the bottom of the heap. When John Kelly decided it was time to ship, the first truck loads were removed from the top of the pile and

made up the first car. The second car, loaded with rock from the bottom of the pile – that is, from the top of the ledge – had provided the smelter men with their yarn about a shipment of grass roots. This second car was of lower value. Its gold content was 0.417 ounce, silver 26.57 ounces, and the returns netted \$1328.98.

The smelter had been requested to send the reports on ore shipments to me at the bank in Bakersfield. I wasted no time in communicating their contents to all the interested parties. Excitement prevailed in both Bakersfield and Randsburg, and work on the shaft was pressed with all possible speed. Only once more were we to need working funds. A time-lag between date of shipment and receipt of the returns was inevitable, and, with the ore we now knew was in sight, it was imperative that some equipment be immediately purchased. Four or five of us therefore signed a note for five thousand dollars at another bank and advanced the money to the partnership. Long before it came due, ore-returns were more than sufficient to repay it.

NEVER UNDERESTIMATE A QUITCLAIM DEED

Each time we received money from the smelter on these ore shipments, we very carefully remitted fifteen per cent of it to Smith, to apply on the \$5,000 due him under the terms of the lease and purchase-bond between him and Kelly and Jameson. Within a very few weeks, the owners decided it was best to pay off Smith and have a clear title to so valuable a property. He had not acknowledged our checks for the royalties. Investigation disclosed that he was not cashing them. That was disquieting. We were more disturbed when a letter, requesting him to escrow his deed against full payment of the unpaid balance, also went unanswered. Then Harrell tried unsuccessfully to talk to him by long-distance telephone. A bit tardily we had a search made of the Juanita claim in the San Bernardino County records. Smith père had quitclaimed it to Smith fils in 1915 for a stated consideration of \$10.00! On the record at least it was neither given to, nor inherited by, the junior Smith. Moreover, discreet inquiry developed that Smith fils was a married man and had been in 1915. Under California community-property laws, his wife acquired an interest when he received the quitclaim deed. She had not joined with her husband in executing the lease and bond to Kelly and Jameson. Smith, a lawyer well versed in California title-law, had not even suggested that she sign the sales agreement; the buyers, as laymen, left it to him to give them proper papers.

The disinclination to answer the long-distance call was the last straw.

Kelly, Jameson, and Miss Coons were out at Randsburg; Alfred Harrell and I were in Bakersfield. After a council-of-war by telephone between the two groups, Harrell and I started, late in the afternoon of July 31, 1919, for Mojave. With us went Vance Anderson, then of the law firm of Anderson & Borton, a close friend of all of us and attorney for several of the owners. In Mojave we met John Kelly, Jack Jameson, and Miss Coons. All of us got into one car and started on a night drive for Los Angeles via Mint Canyon. I recall that the roads were execrable, with some tricky detours. Despite the fact that we had left Bakersfield on a hot summer's day, we ran into a heavy, chilling fog before we reached Saugus. We men all wore Palm Beach suits that hung about our shivering forms when we drove into Los Angeles at seven in the morning of August first.

En route we had decided to bid high, if necessary, rather than have our title clouded by uncertainties or a lawsuit. We feared that even a few days' delay might show far greater values in our shaft and increase the amount at stake. Therefore, even though convinced of the moral soundness of our position, viz., that we were entitled to receive a good title to our property when we paid $5,000 – the price that had been agreed to by both seller and buyers – we determined to pay as much as $50,000 if need be. The writer made an early morning call upon the Security Trust's correspondent, the Farmers and Merchants National Bank of Los Angeles. Telling them only as much as was necessary of our dilemma, I secured $50,000 in currency from them and, with Kelly and Jameson as my bodyguards, joined the others in the lobby of the old First National Bank, then on the ground floor of the Van Nuys Building at Seventh and Spring streets. Smith's law office was in that building. Naturally it was important that we not betray our anxiety, so it was thought best that only some of the party call on him. Kelly and Jameson went up to Smith's office, while I waited with the money in the bank lobby with Harrell and Anderson. Miss Coons had taken a room in a nearby hotel. That $50,000 did not fit too well in my flimsy Palm Beach suit. Never has waiting seemed so interminable. Were our friends losing out? Was our man refusing to be seen? More delay and still more. But at last our partners strode into the lobby with a look of victory plain on their faces.

Smith, in defending his reluctance to consummate the sale, had taken the position that Kelly, an old friend, had concealed from him the great value of the Juanita claim. Kelly had very properly replied that when he and Jameson had previously called to negotiate the lease and bond, neither he nor anyone else could have had any knowledge of the values soon to be encountered there. The lease was dated May 14, 1919; up until then, only some promising samples had been taken. Not until the partners actually started work on the shaft on June seventh, did they become aware of the rich ore body. All this had been debated with some heat, but Smith had finally agreed with his wife over the telephone that for $15,000 she would come down and join with him in signing the deed. Fifteen thousand dollars and not $50,000! We did not exactly shout, but undoubtedly the bank guards in the First National wondered what kind of characters were loitering in their lobby. In an hour or so, Mrs. Smith did arrive, though I believe only Kelly and Jameson saw her. I had supplied them with the $15,000 and then returned to the Farmers & Merchants to redeposit my "change." Our original nocturnal carload all met at a very late lunch, extremely tired and limp but even more happy. Reverently we passed around our precious deed. Then I found a public stenographer, and, before we drove out of town, a registered letter was on its way to the county recorder in San Bernardino with the deed enclosed. We were taking no more chances. We got back to Mojave at 10:30 that night. Jack Jameson drove the car. The rest of us dozed most of the way. We were not only exhausted but talked out. Of all the crises and uncertainties in the future history of the mine, those final twenty-four hours of suspense, climaxing several weeks of growing concern over the Juanita claim, were by far the most nerve-wearing.

A MINE WITH SEVERAL NAMES AND NO DUMP

After the first four or five cars were shipped, values mounted sharply; much of the ore ran over $100 a ton. By the middle of August, the first twenty cars of ore had yielded net returns of $128,552.83 from a mine a little over two months old. Mining scouts began to hint at another Tonopah or even a latter-day Comstock. For miles in every direction the Mojave desert was plastered with location notices, stock promoters got busy with prospectuses, and there was a boom in the printing of stock certificates. Randsburg filled with people, and vacant houses were put on trucks and hauled in from miles away.

At the very beginning of this activity there had been a good deal of discussion about an appropriate name. Some of the new owners and many old friends of John Kelly would ask him how to find the property if they drove out to Randsburg. While very close to a good paved road running into Randsburg from the south, the mine was not visible from this road. At first only faint wheel tracks led off from the pavement in the right direction. A number of other tracks wandered aimlessly in the vicinity, so Kelly took the end of an apple box and painted on it "Kelly Silver," with a rude finger pointing in the direction of the mine. That was why it soon was called the Kelly Mine by many people.

Kelly, himself, liked the name "Rand Divide," and for a few weeks that was the name on our checks, letterheads, etc., although we had not yet incorporated. Kelly was fond of the district – hence the name Rand – and the new mine lay virtually on a low divide between Randsburg and Atolia. A short time later it was found that there was a Rand Divide Mining Co., operating in one of the Nevada camps. Its stock was quoted at about a cent a share, so everyone agreed that another name should be chosen. It must be identified with the Rand mining district, with our state, and, also, since silver was our principal metal, that word should appear somewhere. So one evening, while a number of us were holding a bull session about the amazing developments of that summer and deciding that we must quickly proceed with incorporation, the writer made a suggestion: "Why not California Rand Silver Incorporated – doesn't that tell all you want to say?" No one proposed any other name, so the change was made, and, when incorporation was completed in September, California Rand Silver Incorporated it was.

With all the stock promotions, leases, and both bona-fide and paper mining that went on all around the mine, there was soon a plethora of names, imposing, imitative and confusing. Fate ultimately ordained that only one paying mine was to result from this discovery (if we exclude the rich Grady lease and a small and brief production by the Coyote mine to be later mentioned). Therefore the custom grew up among workmen and passersby to call our mine the "Big Silver," to distinguish it from all the others.

Many mining experts, both genuine and self-acclaimed, swarmed over the property. One of the former class, when told that the big hole he was looking at was the "mine," exclaimed, "But where's your dump?" For the first fifty feet or more that this shaft was sunk, there was no waste rock extracted and therefore no dump. Every pound of rock hoisted was valuable enough to be shipped to the smelter.

On another occasion, an engineer, resplendent with heavy boots and tailored corduroy jacket, accosted Jack Jameson and me at the mine. We had discarded city garb for clothing more suitable for scrambling around a mine, and probably looked as if we could not raise ten dollars

between us. He was bound to get us to name a price for the property; it was a surface enrichment, a blow-out that would not continue to any depth, etc. We would be really wise to take, say, $25,000 for ourselves and associates. No? Well, maybe $50,000. What, not interested? Oh, come now, surely we didn't think anyone would pay us over $100,000.

Doubtless that man left Randsburg convinced he had encountered two lunatics, for Jack Jameson did a most artistic job of belittling money, great or small, that anyone might offer. Money? What did we want with it, anyhow? We had plenty under our feet, did we not? But if any of us wanted to see a lump-sum such as our visitor was naming, why he and one or two of the other owners could go down to Bakersfield and sign a note for it.

Other would-be purchasers sent us options and offers for various amounts. A few tried to trick some owner, less wary than the rest, into any sort of commitment. One or two of these hopeful souls even claimed to have succeeded, and in Mrs. Wynn's book such a tale is repeated, though it never had quite the basis in fact that she relates.

LEASERS WITH HIGH HOPES

Very early in the life of the mine, the owners had been importuned to lease various portions of their extensive ground. Many such leases were soon executed, and dirt and rock began to fly all along the strike of the outcropping that Hamp had first sampled. This ledge, which reared quite steeply in places, was the favorite spot; but some ground, directly behind the Number One shaft, was viewed with high favor by many.

The principal owners soon told me that they felt I had rendered many services to the joint adventure, although only a small partner in it. Therefore, they wanted to lease me a specially choice parcel in the hopes that I might profit substantially from it. This particular ground was so close to our work-shaft that one could toss a pebble from one spot to the other. Surely here were guaranteed riches. I had plenty of eager would-be partners, and we speedily sank a shaft of our own. Before we started, one astute broker offered to finance my lease without my contributing a penny. I believe I was promised a $2,500 bonus and was to be carried for a quarter-interest. I rejected such piker figures. Fortunately in our joyous mood we named this prize location the Silver Saddle Lease. I say fortunately, because, as it turned out, after months of rather costly effort, that was the only silver or other thing of value connected with my lease.

I was also interested in two other leases considerably farther away from the Big Silver. They were called the Vimy Ridge and the Argonne; one of my partners in the latter said it should have been called the "Allgone." That accurately summarizes the results of our speculations in both leases. On one of them I used to say that our good ore must be up in the skies, as we started with a fair showing of value on the surface which steadily declined as we sank the shaft.

Far-more experienced miners fared no better all around us. I have no complete list of all the leases made by the partners, and, a little later, by the new corporation, in the summer and fall of 1919, but the minute-books for the following few years contain many references to them, and I know there were at least several dozen. Some of these leasers kept doggedly at work for two or three years; in one or two cases for considerably longer. But with one exception, all met with complete failure.

That exception was the product of Ed Grady's acumen. When many of us were projecting leases along the outcropping, Ed surprised me by a negative answer to my request for his opinion. "I don't believe they'll find anything there," he said, "at least I wouldn't waste time or money trying. I'd rather go out there." To my amazement he pointed out on the sandy flat, a few hundred feet southeast of our Number One shaft. There was no formation in sight at the spot, just the coarse gravelly overburden and sagebrush of the desert. Ed, of course, had been carefully watching the dip of the vein in our shaft, and had already envisioned the way it would spread out to the east like the sticks of a fan, tipped downward at a fifty- or sixty-degree angle. In such an illustration, our Number One shaft was the handle of the fan. If his theory held, there was no point in hunting to the right or left or behind the handle—close proximity was entirely irrelevant and merely tantalizing as we of the Silver Saddle were to discover. Ed Grady, however, believed that, with depth, the deposit would spread more widely; the subsequent history of the California Rand Silver proved him uncannily correct. Surprisingly enough, he once told me that he had based much of his reasoning on an account he had read of a silver mine in Sweden that had been worked several hundred years before. That mine had had ore similar to ours in mineralogical composition and occurrence.

THE LOCATORS CASH IN

In July 1919, a sale of an important interest in the mine attracted widespread attention. Both Mr. and Mrs. Kelly and Miss Coons realized that, with the startling developments of the past few weeks, their major interests in the property were worth far more than their wildest expectations. The three of them felt it wise to cash in on some of their good fortune without delay. If they could make an advantageous sale of a small part of their interests, they could still retain enough to ride along on any further prosperity and yet not have all their eggs in one basket. Ed Grady negotiated a sale by the three of them of a full one-eighth interest; a quarter of this came from Miss Coons' holding, and the balance from Mr. and Mrs. Kelly's. Benjamin H. Sill, a well-known resident of Bakersfield and an old friend of Grady, purchased this holding for $50,000. By arrangement with both sellers and buyer, Grady retained a sixty-fourth interest, in payment for his services in negotiating the transaction.

It quickly became known that for virtually all cash an important interest had changed hands on a basis of roughly $400,000 for the whole mine, a property with no dump and less than sixty days' existence. Wise-acres shook their heads and agreed that Ben Sill must be losing his mind. His career up to this time had been marked by many astute and successful moves, but this was one too many. Quite a few of the mining experts who had visited the property agreed.

Studious and observing Ed Grady roamed the desert ceaselessly. He had made the deal, and he probably said less about it than anyone else. He was too busy working on another and bigger one.

By late August that transaction created even greater excitement. Nosser and Williams each still owned an eighth interest in the property. They were without other assets, and the reasoning that had led Mr. and Mrs. Kelly and Miss Coons to convert some of their new wealth into money applied with even greater force to these prospectors. For years they had pursued illusory Fortune with all manner of hardships and privations. Jack Nosser was getting old, Hamp Williams had a wife and two little children. They, too, could afford to sell a part of their holdings, and have enough left to insure them plenty of good fortune if the mine lived up to its present prospects.

Again Ed Grady acted as the friendly broker between sellers and buyers. Each of the miners sold a sixteenth interest to a syndicate of thirteen Bakersfield businessmen, headed by Louis V. Olcese. They bought in varying proportions, and included in their number were some of the most canny and conservative men of the community. Their purchase price, including the brokerage charged by Ed Grady, exceeded $100,000 and fixed the speculative value of the whole property at about

$840,000. When this news spread abroad, some of the mining engineers returned for another look. A peculiar feature of this deal was the famous "twenty-car exclusion" provision. At the time the Olcese purchase was about to be closed, someone asked the sellers if they were selling their share of the first twenty cars of ore that had been shipped to the smelter. As previously noted, these had netted $128,552.83. An eighth of that hard cash now in the bank was a tidy sum, and when the papers were drawn up the sellers retained their share of it. To simplify the accounting, all of the owners agreed to balance off the books to this point, pay all bills, etc., and divide the remaining cash. This was done just ahead of the closing of the Nosser and Williams sale to the Olcese syndicate.

One further comment should be made about these first twenty cars. Two of them, which had been shipped together early in August, contained just over fifty tons of ore, that ran well over six hundred ounces of silver to the ton. The net returns for the fifty tons just exceeded $33,000. It was one of the richest shipments that ever left the mine, and John Kelly wisely accompanied the freight cars to Selby's to guard against any tampering with the contents. The San Francisco papers hailed the arrival as a $100,000 shipment, an exaggeration that caused Jack Jameson to write me in protest, "Why does so good a story need any embellishment?"

HIGH GRADING AND HIGH GRADERS

This was the kind of "picture" high-grade ore that enlivened the visits of the owners and their friends in those early days. The California Rand ore was a siliceous schist that contained, in the oxidized zone of the upper levels of the mine (above 115 feet), a great deal of horn silver, ruby silver, and silver glance. When first exposed to the air, the richer rock showed reddish streaks of crystalline character running thickly through it. When wet, these streaks of ruby "bled" freely; that is, they resembled blood or red paint, and, if rubbed with a knife blade, developed a highly-colored metallic surface. Occasional rich streaks of chloride and fluoride of silver were also encountered, which made truly lovely specimens, very like the colors in a peacock's feathers. The ore bins were always popular spots for visitors; it was a common sight to see bankers, prominent lawyers, and successful merchants clambering over the loose ore and vying with each other in the specimens they could uncover.

It became the custom around the mine to accuse these amateur ore samplers of "high grading." To the uninitiated it should be explained

that, among hard-rock miners, a "high grader" is a euphemistic term for a person who sorts over rock and steals the richest looking specimen. By obvious association of ideas, it was customary to refer to any pilferage, large or small, as high grading. Our original prospectors would sometimes appear with a piece of battered equipment or a needed length of timber, and laughingly explain that they had "high graded" it from some abandoned prospect-hole or deserted dwelling. In a short time, some of the Bakersfield owners would produce pockets-full of ruby silver specimens with the boast, "See what I high graded."

Our familiarity with "high grading" was not always so amusing or inconsequential. Throughout the development of the mine, we were subjected to harassment on this score, both by our own workers and by outsiders, who rifled locked freight cars of rich ore on railway sidings, and in various other ways relieved us of some of our riches. The general manager, shift bosses, and engineers frequently found little piles of high-grade ore secreted in out-of-the-way places underground, for retrieving later. Early in the mine's history, we built a change-room with showers, through which all workers had to pass when coming off duty. This is customary in mines with rich ore; but just how many persons circumvented the company, or how much they stole from us while so doing, no one will ever know.

To digress for a moment from chronological sequence, one particularly bold theft comes to mind. While we had many long arguments with the management of the Selby Smelter about rates and contractual terms, they were gentlemen, with ethical standards of doing business, and would not knowingly be a party to attempts to despoil the California Rand's owners. They telephoned us on one occasion that a shipment had reached them from a point a hundred miles away from our mine, and that they were suspicious about it.

Because of the terms of the Pittman Act,* an affidavit as to the mine of origin had to accompany every sale of silver ore, primarily to prove it was domestic silver. The affidavit for the suspicious ore named a mine that had not operated for some time. It was known to have produced only free-milling gold ore, and rock from it was yellowish-brown in color, very unlike any we had ever extracted. The shipment in question had a ton or two of this gold rock, but, mixed with it, was a larger quantity of bluish-gray siliceous ore, very rich in ruby silver. The smelter operatives had handled too many tons of our rock by this time not to

*65th Cong., 2d sess., 40:1, U.S. Stat., Chap. 63 (Apr. 23, 1918).

recognize it instantly. A complicating detail was the fact that a certain bank had shipped the ore and claimed title to it. Naturally the smelter was bound to process the shipment, but I guess they did not try to break any speed-records in so doing. In the meantime, we had a representative visit the mine named in the affidavit. Its dump was reasonably old and weathered by wind and rain, but it bore marks of recent excavation that were unmistakable evidence as to the source of the brown rock. (Incidentally, our scout did not find any signs of activity within the mine itself.) Further incriminating evidence was uncovered that a truck, belonging to an elected official of the county in which the idle mine was located, had made several nocturnal trips heavily loaded.

The California Rand Company promptly sued the shipper bank, the owner of the truck, and the American Smelting and Refining Co. for the return of our stolen ore. The smelter company bowed out gracefully by depositing the proceeds of the ore in court. The bank exhibited righteous indignation and even had one of its big city correspondents write us a testimonial of its high character. Our main purpose was not so much to recover the few thousand dollars stolen, as to make it so hot for this receiver of stolen property that it would cease to act as a fence. I believe we succeeded in this, because we "lawed" them interminably, refusing every proffer of compromise or settlement for a long time. Finally we forced the defendants to pay all the expenses of the case, including our own attorney's fees, and then pay us half of what remained. We never encountered further trouble from that quarter. Since I was a banker, I recalled the incident very vividly when, a few years later, the bank that shipped the ore staged one of the most sensational and disastrous failures in the history of the west. One, at least, of its chief executives served a term in the penitentiary.

Mrs. Wynn in *Desert Bonanza* relates other stories about ore high-graded from the Big Silver. One is about a miner, plodding across the desert, who was picked up by Edith Coons and her chauffeur. Without realizing the identity of the car's owner, he entertained them by telling how much he had made at high-grading on the side, while working for the Big Silver.

INCORPORATION

Articles of incorporation were filed on August 26, 1919, in the name already described, California Rand Silver Incorporated. The nine original incorporators appear in the following order in the articles: Alfred Harrell, J. W. Kelly, Ida M. Kelly, J. J. Nosser, W. H. Williams, Edith F. Coons, Dwight L. Clarke, J. M. Jameson, and J. A. Hughes.

Their first meeting was held in Randsburg on September 19, 1919, with Alfred Harrell acting as chairman and Edith Coons as secretary. The incorporators became the first board of directors, and the following officers were elected: president, J. W. Kelly; first vice-president, W. H. Williams; second vice-president, J. M. Jameson; third vice-president, J. J. Nosser; secretary, Edith F. Coons; treasurer, Security Trust Co. of Bakersfield.

The stock that was to go to the owners of the certificates of beneficial interest could not be legally issued until the corporation commissioner's approval could be obtained, and that final step in incorporation was only completed on December 3, 1919.

It was felt that in view of the apparent size and richness of the deposit, the corporation should have approximately a million shares of stock. The writer was asked to study this question, in the light of the varying fractional interests represented by the certificates of beneficial interest under the trust agreement.

I quickly determined that a round million would prove an unmanageable figure. The original owners had been four; then there had followed eighth-interests which, in turn had split into other eighths. Everyone wished to avoid the nightmare of fractional shares, and we soon found that our best rounded-out, common denominator was 1,280,000. Every existing interest could be divided into that figure, with the result in even thousands. So we incorporated for that number of shares, which remained the company's capital to the end of the story.

VEINS OF SHIPPING ORE

Comment has been made that the Number One shaft, sunk at the point of original discovery, soon took on the unwieldy proportions of an open pit, because of the high values found in its walls as work progressed. This soon presented serious possibilities of caving and timbering, not to mention difficulty with the hoist used to bring up both ore and waste rock. Therefore, after the shaft had gone down some thirty feet, the dimensions were reduced, and, from then on, it became a two-compartment shaft. It followed the general dip of the original discovery- (or shaft-) vein at an angle of nearly seventy-five degrees from the horizontal. At this angle it ultimately passed behind the vein, which flattened with depth. This vein varied in width from ten to twenty feet. Some 150 feet west of it was the so-called "footwall vein," which in many ways resembled a dike. No silver values were ever found behind or west of it, and its own values were too low to be worked profitably.

The shaft vein, whence came the original pay-ore, was the most westerly of all the productive zones in the mine. Many of the other veins did not outcrop on the surface; they ran together, branched, and converged again in a way that kept the engineering staff on the alert. Some of these veins ran from northeast to southwest, and some were practically north-south veins. Their complexity and relation to each other presented problems to the experts who visited the property. The writer lays no claim to mineralogical knowledge, but it has always seemed to him that the best explanation of the ore-formations of the Big Silver was that given by one visiting engineer. He characterized the so-called veins as not true veins as ordinarily encountered, but, rather, a series of replacement lenses representing molten metal that had poured into fractures in the rock. Where the structure was loose and weak, the zone of enrichment was wider and of higher value; in very hard and tight formations, it was the reverse. These replacement lenses largely paralleled each other both in their strike and dip, always tending to approach more nearly to the horizontal as depth increased. While it was not hard to locate the footwall, the hanging-wall was a very different and elusive thing, if it existed at all. At various distances to the east, as the mine went down, crosscuts, run easterly through the vein material and the intervening barren rock, would almost invariably encounter a so-called "mud slip," a bluish clay-like seam in the rock, beyond which no more values ever were found. It was a weak and strange sort of hanging-wall for a wide and rich vein-system, according to the experts, but it was about the closest thing to a hanging-wall that was ever found.

When the incline shaft reached fifty feet, a station, or first level, was cut, so that drifts and crosscuts could be run from that point. The next level was around ninety feet; thereafter, for several hundred feet, stations were cut about every fifty feet. Thus, the third level was about 130 feet underground; the sixth, 300 feet; the ninth, 450 feet; and so on.

At about 115 feet in the shaft, the structure began to change visibly, even to a layman. That was practically the bottom of the oxide ores. Below that lay the sulphide zone.

Ore was soon being produced simultaneously from several faces, as various drifts and crosscuts were advanced on the several levels. Thus was production quite sharply stepped-up in a very few months. Silver was bringing one of its record high prices, and the businessmen in the management, while laying no claim to mining wisdom, were convinced that it always makes sense to sell as much as possible of any commodity

when its price is higher than usual and profits correspondingly greater. Friction soon developed over this policy. John Kelly felt from the beginning that when the property was once properly opened up, the greatest amount of wealth could be derived from "stocking" the mine, as he called it, rather than through its long-continued development as a mine. The Bakersfield group generally was opposed to anything savoring of stock promotion. They preferred to cash-in on their fortune in the form it had taken, and not via the mining-stock exchanges. It was an argument with two sides; Kelly honestly felt that the public wanted to speculate in mines. It was better to give them a real, honest-to-goodness mine for their money, said he, than the paper frauds too often sold them. Feeling that way, he sensed a lost opportunity when the ore began pouring out in too abundant a stream.

It is interesting to note the variations in the price of silver during the early months of the mine. As it turned out, the company actually had less than a year to enjoy the fluctuations in price *above* the dollar level fixed by the Pittman Act (which provided that the U. S. treasury should purchase domestically-produced silver at a minimum price of $1.00 per ounce, until it had replaced all the silver it had exported as a war measure, chiefly to India, in World War I).

Cars 1 to 116 brought prices ranging from $1.02 to as high as $1.34 per ounce, an average, as related to volume shipped, of better than $1.20. Also, the date of shipments of some of the richest ore coincided with the market's peak; for example, 37½ tons of sacked high-grade, shipped in February 1920, brought $1.30 an ounce for its silver. Those 37½ tons netted the company $43,183.45. Another oddity of all the ore from the mine was the almost-uniform quantity of gold it contained. Though the silver content might increase sharply, the gold stayed around $8 or $10 a ton. (Even the sacked high-grade, just mentioned, only ran a little over $20 a ton in gold, although the silver content of several tons of it was 3,803 ounces to the ton.) While on the subject of rich ore, I believe the highest value ever found in perceptible quantity was about 13,000 ounces of silver per ton, which came from rock in the "Treasure Box Vein" on the third level. This so-called Treasure Box was a veritable jeweler's showcase of glistening fluorides of silver, and the richest of ruby silver or cerargyrite. The drift and stope here were places where visitors' eyes seemed truly to bulge.

Silver produced by the California Rand brought the Pittman Act price from June 1920 until just three years later, when the purchases authorized by the act had all been completed. In June 1923, the first price under the changed conditions was 65⅝ cents an ounce, and from then, on, the company saw its silver bring prices as low as 53¾ cents and as high as 72⅜ cents, but unfortunately the generally prevailing price was nearer the lower figure.

These later prices take us ahead of our story, but they are mentioned here to point the wisdom of the argument, made by the majority of the owners, that ore should be produced as rapidly as possible, consistent with the proper development of the mine. From the beginning of two cars shipped in June 1919, this was stepped-up to seven in July, nineteen in August, and twenty in September. Installation of equipment, and concentration on much needed development, slowed production for the next few months, but by the spring of 1920 fifteen or twenty cars a month went to the Selby Smelter. By October 1920 the record for shipments, thus far, was reached with forty-three cars. This was only twice exceeded in subsequent years; in August of 1921 when forty-five cars of ore were shipped, and in the following November when shipments totaled forty-four.

MONTHLY DIVIDENDS AND EXTRAS

Mention has already been made of the division of the proceeds of the first twenty cars of ore prior to incorporation, an act made necessary by the sale of an eighth-interest by Nosser and Williams. That disbursement, totaling over $100,000, was made to a group that several weeks before had assessed themselves $2,000 to provide expense money. In January of 1920, only a month after the stock of the new corporation had been issued, the directors voted a dividend of two cents per share, or $25,600, to be paid monthly until further action. During that year of 1920, the stockholders received twenty-four cents a share, or $307,200. A year later came the first extra or special dividend, at the rate of ten cents per share, or $128,000. The same extra disbursements were made in March and July of 1921, so in that year the stockholders received a total of $691,200. Dividends continued uninterruptedly until March 4, 1924, and more irregularly for some years longer.

OLD TIES ARE BROKEN

Every business organization of any size experiences controversies within itself. Sometimes the differences are relatively minor and capable of compromise, but often the opponents believe so earnestly in their contentions that matters have to be fought out. Such a breach began to manifest itself shortly after incorporation of the Big Silver mine. One of

the grounds for friction, namely, the proper policy as to its development, has just been narrated. John Kelly had been elected not only president but general manager of the company. Though animated by the best intentions in the world, some of the supervision he gave the property fell short of the standards believed essential by others among the larger owners. Several of these men were his long-time friends and political intimates. In the first days of the mine they all trusted each other in the best traditions of friendship. Innumerable formative steps were taken and valuable service rendered by all, in a spirit of "one for all and all for one." With due respect to Kelly's sincerity, it must be remembered that in general business-experience several of the other men had carried far greater responsibilities in financial and administrative affairs. The California Rand Silver Mine mushroomed into a thriving activity with a multiplicity of problems so rapidly, that any competent executive would have found it a challenge to his powers. In John Kelly's case, as lacks and errors in his management made themselves apparent, suggestions and offers of help were voiced by some of the other owners. Probably they came too fast for the peace of mind of the general manager. More and more he resented having his authority or decisions questioned, and he began to draw apart from the old friends who tried to advise him. He made much of the fact that he had long worked among miners, while these critical associates were businessmen from a distance. The fact that they had little or no mining experience disqualified them entirely in his eyes, even though many of the problems clamoring for solution were by no means peculiar to mining. This friction finally culminated in Kelly tendering his written resignation as general manager at a meeting of the directors on March 29, 1920. Kelly did not attend this meeting nor any further meetings of the board until several years later. The writer had been made assistant secretary of the company some months before, and, as Miss Coons, the secretary, was also absent when Kelly's resignation was received, the board directed me to advise him of its acceptance, together with the regrets of the directors present and their appreciation of his services. The regrets at the changed relations were sincere. In several cases lifelong friendships were threatened by the strained relations that now ensued. All those active in the management, notwithstanding their differences with John Kelly over policy, liked him personally and held Mrs. Kelly in particularly high esteem. Hers was a warm and kindly personality, and any of the owners who visited Randsburg in those days were always sure of a friendly welcome from her. Even in the stress of legal battles with her husband, no one could harbor ill will towards Mrs. Kelly. Miss Coons was in an especially trying position; on the one side, she had been a warm friend of the Kellys for many years; on the other, were the closest friends and associates of her life as a business woman and officeholder in Bakersfield.

Kelly was still president but he engaged in little further activity in that capacity. Jack Jameson was appointed general manager by the board. During the fifteen months of life remaining to him, the new general manager infused the organization with a spirit that continued long after his guiding hand was removed. Not a mining man by experience or training, Jack Jameson possessed powers of observation and a keen practical knack for licking tough problems that proved a most excellent substitute for technical preparation. He hired Charles S. Meroney as accountant and office manager. He tried out several engineers until he found the one who would understand the Big Silver. Similarly he developed good shift-bosses and a superintendent, and soon he knew where to ask for the best professional or mechanical advice to be had. Finally, as a major owner of the property and a man of unquestioned integrity, he possessed the entire confidence of the great majority of the stockholders.

A MILL IS NEEDED

The heavy freight rates and the numerous charges of the smelter, as well as some of the latter's methods of operation, created problems in themselves. Very early in the mine's development the question of the erection of a mill was agitated. It seems to the writer that credit is due a directorate, made up of so few mining men, for refusing to rush the construction of a mill before the management was fully informed as to the precise type best adapted to the ore. Had a mill been erected in the summer of 1919, capable of treating efficiently the oxide ores then being produced, it would have become relatively obsolete when the sulphide zone was reached a little while later. The mill that was ultimately erected handled a vast tonnage of rock with a high percentage of values recovered, but it was made up of very different ore than that composing the early shipments.

The smelter company itself began studying the problem during the first winter of the mine's operation, and for a time considered building its own mill on property adjacent to the mine. Out of their study of the problem, one of the smelter's engineers reported in April 1920 that there was in sight 10,500 tons of shipping ore of a value of $1,113,000; and

10,000 tons of ore of milling grade of a value averaging $26 per ton, or $260,000. Ore already shipped or on the dump was not included, so this nine-months old mine had $1,373,000 in sight, regardless of any new bodies that might be uncovered. (The first 104 cars that had been shipped totaled 4,070 tons, and averaged 0.34 ounce in gold and 121.65 ounces in silver.) The smelter also advised against immediate construction of a mill.

It was at this time that the first smelting-contract was executed, to run for one year. The mine undertook to ship fifteen or twenty cars per month, but reserved the right to withhold any ores containing more than five per cent antimony. Mention has been earlier made of the refractory character of the California Rand Silver ore. All of it contained, in addition to silver and gold, varying proportions of antimony, arsenic, and sulphur. The Selby Smelter deducted a penalty for significant quantities of the last three minerals. Nevertheless the Selby Smelter's management welcomed generous shipments of California Rand rock because, being a siliceous-schist ore, it made an ideal flux for the ores of the American Smelting and Refining Co.'s Bunker Hill and Sullivan Mine in Idaho.

At the first annual meeting of the stockholders in September 1920, Ed Grady and Alex Wark were added to the board. Wark, an oil geologist of Bakersfield, was one of the Olcese group. (He was killed in an automobile accident on March 20, 1924.) E. L. Blanck also replaced Kelly as a director, and for some years represented the Kelly interests on the board. As the breach between Kelly and his old friends widened, Kelly turned elsewhere for advice and assistance. E. L. Blanck had operated very successfully both as a merchant and oil leaser in the westside oilfields of Kern County, around the town of Fellows. About the time of this meeting, he made some form of agreement with Mr. and Mrs. Kelly whereby he acquired part of their stock, and, for several years thereafter, he proceeded to sell a portion of their remaining holdings to numerous purchasers.

The new board of directors elected Alfred Harrell the president of the company, a post he occupied until the final dissolution of the corporation. Seldom has a group of stockholders, most of them totally unfamiliar with the business engaged in, been more fortunate in their choice of a chief executive. Alfred Harrell united tact, diplomacy, and great personal charm with boldness, an adroit grasp of difficult situations, and, above all, absolute honor and honesty. For all of this, the new president could be induced only at irregular periods to collect any salary for his services. On the other hand, one of his first acts was to recommend the construction of more comfortable living-quarters for the miners, together with a club house "for reading and amusement."

THE GRADY LEASE COMES INTO ITS OWN

For a year and a half, Grady and those associated with him in his lease had been developing their ground southeast of the discovery shaft. Ben Sill, now an owner in the main mine, was one of Grady's partners in the lease. Fred Gunther of Bakersfield was another. They had sunk a vertical shaft through a few hundred feet of sand and gravel to reach rock in place. When they finally encountered values at considerable depth, a nice question arose that could have resulted in expensive and unpleasant litigation. Were they entitled to the ore they found, or did it apex in the company's own vein-structure? If the latter proved to be the case, then the owner of the apex could, under California mining law, follow and mine it regardless of surface boundaries. The "Uranium" group of claims exhibited several examples of underground apexes. This is not the place to explore the technical nature of such geology and the mining laws on the subject. An ordinary printed mining lease, designed for the prospecting of new ground, had been executed with Grady, and its provisions were too loose and vague to answer the fine questions that now arose between lessor and lessees. Fortunately there was a basis of friendship, interests in common, and mutual trust on which to start. Led by Alfred Harrell for the owners and Ed Grady for the other group, the disposition to effect an amicable compromise won out. Everyone was the winner by this decision, when the costs of protracted litigation are considered. A pleasant by-product was the firm friendship that here really took root between Ben Sill on the one hand and Alfred Harrell, Al Hughes, and several others of the controlling owners.

By the end of the year, formal agreement was reached. Grady canceled his old lease. The company made him a new one for a parcel 120 feet square, immediately surrounding his 313-foot shaft. He was given the right to mine it, within vertical boundaries, to a depth of 450 feet below the collar of his shaft until January 25, 1922. He was given a year longer to remove all ore from his dump.

Grady began to ship ore, as soon as this settlement was consummated. In a little over thirteen months his lease sent roughly 450 freight cars of ore to the smelter. The net returns from it, after deducting freight and smelter charges, totaled $1,097,053.85. The California Rand Silver Incorporated, as owner and lessor of the ground, collected $194,179.24 in royalties from such shipments.

After the last Grady lease expired, that ground became an integral part of the main workings which already virtually surrounded it. Shafts, drifts, and crosscuts were connected for safety, ventilation, and convenience. Although a few other lessees continued their search for wealth for several more years, the collection of these royalties virtually wrote the final chapter of the California Rand's leasing experience.

THE COYOTE IS HEARD FROM

Running along the easterly sideline of the most easterly of the "Uranium" claims was a mining claim known as the Coyote. At its nearest point, it was somewhere around 900 feet southeasterly from the Discovery Shaft. On the surface, the Coyote was entirely covered by the loose overburden of the desert. Any rock in place within its boundaries was probably several hundred feet beneath the gravel. On January 3, 1921, Jack Nosser informed the directors that E. L. Blanck, John Kelly, and a miner named Harry Alderson were sinking a shaft on the Coyote. Their only too-apparent objective was to intercept the eastward dipping ore bodies of the big mine. The company of course felt it owned the apex of all ore which surfaced around the Discovery Shaft. Blanck was in attendance at the meeting and presented the Coyote's defense. Its owners claimed all ore within the boundaries of that claim, because of a theory they held as to the formation and occurrence of ores in that vicinity. The question was asked: since no ore was visible in the Coyote's workings, how could any theory be advanced concerning wholly unknown and perhaps nonexistent ore?

Thus began a long controversy that finally resulted in litigation and innumerable attempts to work out a compromise of the rights of the contending companies. To detail the various offensive and defensive steps, taken by both sides, would make tedious reading at this late day. Suffice it to say that, although the lawsuits were never tried and nothing came of the compromise proposals, the Big Silver emerged as victor on all important issues, in that it retained peaceful possession of the property and ores claimed by it. Both the Coyote claimants and the Big Silver's defenders were put to heavy expense in support of their positions, but in the case of the latter the outcome certainly justified the effort and expenditure.

The hostile position of the Coyote owners, taken at the outset of this quarrel, naturally increased the friction already existing among the stockholders of the California Rand. Jameson's management was criticized on every conceivable basis, supported by charges of one or two ex-employees. Rumors abounded as to the Coyote's claims and plans. A fighting atmosphere enveloped both mine and board meetings. The occasion produced the first of a number of masterly strokes by Harrell in defense of the company. He called a special meeting of stockholders to be held on March 19, 1921, to decide whether the present board should continue in office and pursue its policy of mining ore, developing the mine, paying dividends, and defending the company's apexes, or should it be removed from office. The opposition was taken by surprise. They had been conducting a guerrilla offensive and suddenly found themselves on the defensive.

Few stockholders' meetings have been so heavily attended. Out of 1,280,000 shares, 643,795 were present in person and 623,235 by proxy. Only 12,970 shares went unrepresented.

While Kelly and Blanck were both present, neither took the floor. Two of their mining engineers, who were nominal stockholders, spoke for them. Where the air had been rife with threats and rumors, it proved to be a very different thing to make and prove formal cha[illegible]ockholders' meeting. C. S. Meroney was now the compan[illegible]uperintendent. A new engineer, who was to prove his mettle with the company, Tim Walsh, was also present. They and Alfred Harrell answered all the charges and criticisms that had been hurled at the management. When they had closed, a ringing "vote of appreciation, confidence and respect . . . to our Board of Directors and our Manager" was moved by one of the smaller stockholders and seconded by another. It carried by 876,000 votes against 390,430. One of the majority then moved the *removal* of the existing board of directors. The proponent had to explain the subtlety of this tactic. A unanimous vote defeated it. The opposition did not cease its fight, but from that time, on, it was confined to the outside. Never again was there a contest for control within the company.

MINE DEVELOPMENT

A little later than this, the original shaft reached its final bottom, with some 660 feet of vertical depth, at the eleventh level of the mine. It had always been practically free of water. Its utility for both exploration of new ore bodies and the hoisting of ore was becoming more and more impaired, as additional levels were cut and developed. About April of 1921 work was started on a new, vertical, working shaft of two compartments, a little northeast of the Grady Lease and five or six hundred

feet easterly from the Number One shaft. It was expected to cut the ore body at about 700 feet in depth.

The milling problem had continued to receive careful study. An experienced milling engineer, Murray N. Coleman, had been engaged to supervise construction of a mill and later superintend its operation.

A chapter could be written on the ever-urgent problem of an adequate water supply for this desert mine. The company spent much time and considerable money in an attempt to develop springs on the farther slopes of Red Mountain. Generally, these were disappointing in the volume they produced. The old Yellow Aster mine had a subsidiary water company, whose equipment was rather dilapidated. The California Rand advanced money to rehabilitate this source, to be repaid from future water bills. This line broke down frequently, and, more than once, operation of the mill (and sometimes even of the mine itself) was interrupted because of an insufficiency of water. Occasionally resort was had to water hauled by the Santa Fe Railway in tank cars, which was, of course, an expensive alternative. As the vertical Number Two shaft went down, more and more underground water was encountered. It hel[illegible]the shortage, but raising the water occasioned more expense and in[illegible]ered with the hoisting of both ore and waste rock. By the fall of 1921 it had become necessary to install regular pumping equipment. To the end of the mine's operation, water for the mill remained an ever-recurring problem.

THE PASSING OF A LEADER

The new shaft would require a lofty and substantial gallows-frame, to take care of the large tonnage of ore anticipated after the erection of a mill. The company would also need a very heavy type of hoist to serve this shaft. Such equipment is not only expensive, but frequently it must be manufactured to order, entailing tedious delays. Late in May, Jack Jameson heard that the Goldfield Consolidated Mining Co. in Nevada was about to dismantle some of its major works and would have a most modern hoist for sale. He drove from Randsburg to Tonopah during a bad storm, inspected the hoist, closed its purchase, and started back for the mine. He had a heavy cold on arrival, and was running a fever that proved unusually stubborn. Mastoiditis developed and he was rushed to a hospital in Bakersfield. An operation was performed successfully; however, post-operative pneumonia set in, and early in the morning of June 18, 1921, Jack Jameson passed away. Death was to invade the ranks of the original owners and associates many times before they disposed of the mine, but this was his first entrance on the scene. Truly could it be said in this case that death loves a shining mark.

A few days after Jameson's death, the directors elected Charley Meroney to the vacant post of general manager. He filled that position competently until the corporation terminated its affairs, and developed a really remarkable familiarity with the structure of the ore bodies. He never owned a share of the company's stock, but no paid employee of a prosperous corporation ever displayed greater devotion and fidelity to his tasks.

THE MILL IS BUILT

While these events were occurring, an important decision was made. Coleman demonstrated to the satisfaction of the directors that the most favorable method of treating the ores was the oil-flotation process, preceded by some mechanical separation that would probably save eighty per cent of their values. Because of very tight patents held on the oil-flotation process, the company must pay two and one-half per cent royalties to the patent-holders on anything recovered by flotation. Of course, with eighty per cent already saved mechanically, the two and one-half per cent would only apply to the remaining twenty per cent. Contracts were let with the Joshua Hendy Iron Works for the construction of a mill of 100 tons daily capacity, and in August ground was broken immediately to the east of the new Number Two shaft. It was hoped that the cost of construction would not exceed $100,000.

About this time, the stockholders were informed that the government had finally agreed to the figure of $1,299,000 as the discovery value of the property for purposes of depletion in figuring income tax. This was an increase of over $400,000 from the figure tentatively fixed a year before. Forty-three cents an ounce was established as an allowance for depletion. These are dry statistics, but they were the outcome of long and tedious negotiations carried on by the writer, and were of vital concern in view of the tax obligations of so heavy a producer.

Near the beginning of the mine's third year, the management, in the letter that always accompanied the monthly dividend checks, proudly reviewed the first twenty-five months of the property's history. Five hundred and forty-six freight cars had been shipped, containing 22,000 tons of ore, netting the owners $1,729,170.80, after freight and smelter charges. From this the stockholders had already received in dividends $0.75½ per share, or $966,400. Not only had all expenses and taxes been paid, but the company had built a modern rooming-house, a boarding-

house, assay office, storehouse, compressor room, change room, hoist house, a dozen or so cottages for employees—all paid for—and had a surplus of more than a quarter of a million dollars in the bank. The directors, who were such novices at mining, were no longer on the defensive.

In September 1921, the writer succeeded Miss Coons as secretary, largely at her suggestion, as she had not actively participated in the work of the secretary for some time. Harrell and I continued as president and secretary down to the dissolution of the company in 1930.

The new mill began operating early in December. By Christmas Day it was treating 100 tons daily and effecting a saving of ninety-four per cent of values. The first concentrates produced by the new mill were shipped to the smelter late in the following January. Within six months, steps were taken to double the mill's capacity to 200 tons of ore a day. The cost of mill operation by the summer of 1922 was about $5.00 a ton, of which lost water made up $1.00, and another $1.00 went for depreciation on a three-year write-off basis. After a few months this cost was reduced to $3.14, of which $0.75 went to write off the investment. With recovery of values running well over ninety per cent, this was an efficient operation. In that rather early day of the oil-flotation process, the California Rand's mill attracted much attention and drew many visitors. Although $100,000 had been appropriated for its construction, the mill actually cost about $85,000.

During all this period, exploration and development of the underground areas were pushed. Monthly advancement of all the shafts, drifts, raises, and crosscuts ran from 600 to over 1000 feet. Very significant ore bodies were uncovered in the northern portions of the fifth and sixth levels, and one of the mine's largest bodies of ore was uncovered in a south drift of the ninth level. Shipping ore was practically continuous along several hundred feet of this drift.

MORE COYOTE TROUBLE

Again optimism was tempered by the fact that on February 7, 1922, the owners of the Coyote claim relocated or "jumped," as the saying goes in mining camps, two of the California Rand's claims, Uranium 7 and Uranium 10. The company had been in peaceful possession of them for two and a half years. Uranium 10 adjoined the Coyote to the northeast, across its end-line, while Uranium 7 lay along the northwesterly side-line of Uranium 10. The California Rand's underground workings penetrated the jumped claims in several places. This was an open declaration of war. The company's directors immediately appropriated a special legal defense fund of $100,000, taking pains to let that fact be generally known. About this period, the eminent mining attorney, William E. Colby of San Francisco, was retained by the California Rand for counsel on the more technical phases of the problem, such as apex rights, underground apexes, and such intricate questions. Director Blanck's resignation, which had been tendered to the board just five days before the relocation of the contested claims, assumed special significance.

Not many weeks after, as a result of an underground discovery of low-grade milling-ore, the California Rand itself located two new claims, Uranium 11 and Uranium 12. Eleven adjoined Uranium 10 on the southeast, and Uranium 12 was southwest of 11. For a long time, the company had been sinking its Number Four shaft on some placer claims to the east of its main holdings. This underground discovery of ore in place was made from the Number Four shaft. The effect was more or less to play leap-frog with, or outflank, the Coyote opponents, as Uranium 11 and 12 claims lay almost immediately east of the Coyote, and so wedged the latter in between properties of the California Rand.

Some of us, who were closely watching our opponents, decided the time had passed for parliamentary formalities and purely defensive tactics. Two steps were taken that had far-reaching results. First, at my suggestion, we did a little claim-jumping ourselves, albeit with tongue in cheek. Our opponents' indignation was earnest and vocal. Far more important was a damage suit, filed by Ben Sill against John Kelly. It will be recalled that Kelly, for $37,500 cash, had sold Sill a large interest in the trust that preceded incorporation. The property of that trust consisted of the claims that the Randsburg Silver Mining Co. of Arizona, owner of the Coyote claims and largely controlled by Kelly, was now trying to take away from the Big Silver. Was it not therefore logical for Sill to seek damages for this undermining-of-title to the property which he had bought in good faith from Kelly? Some of us thought so. Though this suit never came to trial, many observers believed that concern over its possible consequences was a major reason for the less-combative spirit displayed thereafter by Kelly toward the company.

By a strange irony of fate, underground developments soon afterwards made it more and more evident that, at considerable depth, the richer ore-bodies were swinging to the north. On the seventh, eighth, tenth, and eleventh levels, considerable good milling-ore was being

blocked out month after month. Several bodies of good shipping-ore, when followed to the southeast, petered out almost literally along the Coyote's sideline. As time went on, it became apparent that, regardless of who owned the Coyote, the ore within its lines was not too rich a prize anyhow.

By the end of 1922, the capacity of the mill had again been doubled to 400 tons a day. Careful study was being given to the feasibility of constructing a plant, adjoining the mill, that would reduce the concentrates to silver and gold bullion. The idea was an attractive one, but, by late spring of 1923, it was abandoned. One of the reasons for that decision was a much more favorable smelting contract, offered by the American Smelting and Refining people; supposedly the proposed reduction plant aided them in reaching their decision, too.

On October 18, 1923, a very promising body of ore, in which gold predominated (with a value of about $25 per ton), was discovered in a north drift of the eleventh level, remote, incidentally, from the Coyote line.

LATTER DAYS AT THE MINE

By February 1924, it had become evident that much heavier exploration and development were required, if the mill was to continue to operate at its newly-enlarged capacity of 400 tons a day. The Pittman Act price for silver was already past, and it had been decided that a surplus of half a million dollars over all contingencies must be maintained. So, with the dividend paid on March 4, 1924, went a notice to stockholders that dividends were suspended, and that search for new ore-bodies and their development were to be the primary objectives of the management. The stockholders had received over $3,000,000 in dividends up to this time. Extraction in the mill reached its record high of 96.02 per cent during this period.

In June of that year, dividends were resumed, but for one cent per share a month, half the previous rate.

By the time of the fifth annual stockholders meeting in September 1924, several notable milestones had been passed. Ore extracted to date totaled $10,384,537.74, and the underground workings were over eleven and a half miles in extent. Tim Walsh reported $1,500,000 of ore in sight. Another of the old-time, special, ten-cent dividends was paid in November.

A POSTPRANDIAL INTERLUDE

More interesting in retrospect was a purely social evening that same month. A dinner was given the officers and directors at the mine on November 6, 1924, that should have had a court reporter present. Hamp Williams and Jack Nosser, ordinarily taciturn men, were induced to retell the story of their discovery. I would give a lot to be able to reproduce Nosser's speech. His rough life as a poor miner, who had suddenly struck it rich, sounded like something out of Mark Twain, Irvin Cobb, or Will Rogers. Soon after he became affluent, another desert character had sued him for alienating his wife's affections. Some of us saw to it that he engaged a good lawyer to defend him. Nosser told of his conference with this lawyer. After debating many points pro and con, Jack told his attorney that he wanted a jury trial and that he wished to take the witness stand. The lawyer doubted the wisdom of this course, but Jack insisted. "I want," said he, "to have 'em look me over good and decide how much alienatin' of affections I could do!" Jack was small of figure and features, and he knew the toll which his long years of hard life in the deserts and mountains had taken.

On this same evening he told of his original poor opinion of Alfred Harrell, for whom by this time he had the greatest admiration. At their first meeting, he had seriously presented Harrell with a piece of rich ore and had asked him what he thought it was. Harrell, who never claimed to be a miner, had replied, "It looks to me like a piece of badly decomposed silver." Jack had spat disgustedly, and had remarked to a bystander, "And that's the d—— fool who came out here to finance our mine!"

Another highlight of the dinner party was the tribute Ed Grady paid to Alfred Harrell for the wise and far-sighted leadership he had contributed to the enterprise. This was almost Grady's last appearance among us, and his extemporaneous speech was actually his valedictory. He closed it by proposing that all of us make it our business to send Alfred Harrell to the U. S. Senate. While this was laughed off (especially by Harrell) as just a bit of the exuberance of the occasion, Grady said it with the greatest earnestness.

In retrospect, this dinner marked the early afternoon of the California Rand Silver Mine. There was still the buoyancy of newly-discovered ore-bodies, and the company had just decided to sink the Number Two shaft 500 feet deeper, in search of a recurring ore-zone. Maybe there was good ore down there; we had made so many astonishing discoveries before. Our Coyote troubles were virtually all behind us. Nearly all the good friends who made up the management and directorate were still alive, and seemed well and hearty.

AN OFFER TO BUY THE MINE

Then in December of that year (1924), we were startled to receive an offer of $2.00 a share for our stock. A certain Charles V. Bobb of New York made the offer and posted $25,000 forfeit money to evince his good faith. He was to be allowed sixty days for a full examination of the mine. All stockholders who wanted to sell at this price were to escrow their stock. Actually 1,200,717 shares were so escrowed. Bobb and his experts swarmed over the property and gave it a thorough exploration. On March 31, 1925, Bobb formally declined to buy, and the option money was divided among the depositing stockholders.

A few days later, on April 12, Ed Grady died. He was succeeded as a director by W. W. Colm. Blanck had resumed his place on the board a little earlier, and, in September of this same year, John Kelly again became a director.

At the 1925 annual meeting of stockholders it was evident that the intensive development had been well conceived. Despite heavy production since his last figures, Walsh now estimated ore-in-sight, as of July 1, 1925, at $1,893,000. Production had nearly reached $12,000,000, and there were over fifteen miles of underground workings. The company had gone back to a monthly two-cent dividend in January; it had paid a ten-cent special also, but by December ore-reserves were beginning to fail, the future of silver was not so bright, and so the dividend was cut back to one cent a month, commencing January 4, 1926.

THE FATEFUL NINETEENTH LEVEL

A few weeks later, the Number Two shaft was completed at 1543.6 feet, and the nineteenth-level station cut at 1500 feet. Here, if anywhere, lay the further fortunes of the mine. Extensive exploration on the fourteenth level had proved disappointing. Was there only a barren zone of several hundred vertical feet, or had the mine actually bottomed at around 900 or 950 feet in depth? That question led the management to engage several of the most eminent geologists in the country, like Andrew C. Lawson and W. H. Wiley, to expert the mine in the few years ahead, before the mine's own showing at depth gave the final answer.

The shadows were lengthening over the mine by the time of the 1926 annual stockholders' meeting. President Harrell reported frankly that, for the first time in its history, the mine's prospects looked discouraging. Blocked-out ore had shrunk to less than $1,000,000, the values in the remaining ores were lower, and the price of silver had dropped alarmingly. Suspension of dividends was again clearly in sight. The mill ha reduced its operations to two and soon after to one shift a day. Muc development work had been done in the search for ore, three mo miles of underground extensions having been added in the past yea With the Grady lease's figures included, the mine had produced almo $13,000,000. The all-important nineteenth level crosscut had bee driven 756 feet without encountering any values, and drifts to the nort from it had been similarly disappointing.

The drop in silver forced the company to cut wages twelve and on half per cent, and, at the same time, dividends were stopped. Top salari took larger cuts. The workmen refused to accept the lower wage, so, o September 30, 1926, the mine closed down, save for the few men nece sary to keep it unwatered. Work on a small scale resumed a few week later, and by March of 1927 the nineteenth-level crosscut had been ru 1160 feet east of the shaft. A body of shipping-ore was uncovered be tween the eleventh and twelfth levels, and New Year 1927 was cele brated by a ten-cent special dividend, followed by resumption of re ular dividends in March. Now, however, the rate was only one cent share every other month.

Death had struck again at the founders of the mine. On January 1927, John Kelly, while traveling on the Mint Canyon Highway in L Angeles County, got out of his car to help change a tire and a passi truck hit and killed him.

Modest production continued through the year, with an absence any sensational developments. Then, in March 1928, brief hopes we raised by a freak discovery of gold-bearing ore on a north drift of t nineteenth level. Some of it ran as high as $50 a ton in value. Unfo tunately no commercial body of it was ever found, despite thorou exploration of the vicinity.

As the end loomed only too plainly, efforts were made to locate so other property, to which the company's organization and equipme might be transferred. An old gold mine in the Kernville region was e amined, but the terms of its acquisition were too onerous. An opti was actually taken on a lead silver prospect near Yucca in Moha County, Arizona, and several thousand dollars were spent on its e ploration. It proved disappointing, and was abandoned after a fe months.

Operation of the California Rand by the company was finally su pended late in April 1929, after which only a small crew was ma

tained to keep the mine unwatered and guard the machinery. The shut-down followed an unfavorable report by W. H. Wiley, a well-known mining authority. The directors were willing to expend their remaining funds on further deep exploration, but not in the face of expert advice that such a step would be useless. To add to the somber atmosphere, the company's general manager, Charley Meroney, had become seriously ill. This illness proved fatal a few months later.

Near the end of operations, numerous offers were made the management. Even though the mine seemed worked out, it possessed a large amount of modern and expensive mining machinery that was in excellent condition. Most of the prospective buyers seemed chiefly interested in this equipment. Finally one of them, Henry W. Klipstein, Jr., a member of an old Bakersfield family, paid $50,000 cash for all the company's property except cash in bank and receivables. This sale was made in August 1929, and ratified by the stockholders at their annual meeting on September 12, at which time they voted to dissolve the corporation.

The necessary legal steps were taken and formal dissolution by the courts was decreed in January 1930. One last step caused much delay; the discharge by the federal government of any further liability for income taxes. This took many months, so that the final dissolution dividend of $0.0559 per share was only paid on November 1, 1930.

In the letter that accompanied the payment appeared this interesting information:

> Attesting the wisdom of the sale of the property, stockholders are advised that the further exploitation of the mine, following its disposal, failed to disclose any new ore bodies; the mine has since been resold and the history of operations since the date of our sale confirms the conclusion reached by the board of directors, that it could not have been further worked to advantage by this corporation.

There was a human side to this decision that the letter did not reveal. The management prided itself on its record of safe operation. Of course with hundreds of men busy about a large mine, accidents are unavoidable, but every conceivable precaution was taken to minimize them. For years the company enjoyed a record of no fatalities. Only once was that broken in our whole ten years' operation. A shift boss instructed a miner working in a stope to install a stull before picking down any more rock from overhead. At blasting time when the man did not appear, the boss went back to the stope and found the miner dead under some huge rocks on the floor of the drift. Timber for the stull which the shift boss had ordered lay unused nearby. The miner had decided to take a chance — and lost.

Near the end of our operations, Charley Meroney had told the directors that sampling revealed that one huge column of ore undoubtedly contained twelve to fifteen thousand dollars in value. It was deep underground and supported a lot of the upper workings in such a manner that any attempt to mine it would probably cause a major caving of rock, with great risk to any miners engaged in the task. He recommended that it not be disturbed, and the directors unanimously approved of that policy. Some months after our sale we were told that an attempt was made to mine this dangerously-located ore, either by leasers or by employees of subsequent owners. Just as Meroney had warned, a man was killed in the process.

SUMMARY OF OPERATIONS

The company's *net* returns from ore and concentrates, after deduction of all freight and smelter charges, from its discovery in 1919 to the final shutdown in 1929, totaled $11,592,562.49. While the writer only has first-hand knowledge of the property during that period, a letter from the present owner of the mine, Frank W. Royer, dated June 12, 1952, contains more recent information which I am including here for the record. Royer wrote that he "concluded the purchase of the Kelly and the adjoining O'Neils property some years ago . . . have taken out around $3,000,000."

I know that after our corporation sold its physical assets to Klipstein, various leasers mined different portions of our old property on a small scale for some years. I believe Royer's figure of $3,000,000 must include all that they produced. He has since told me that there has been no production from the O'Neils property, which adjoins the Big Silver to the southwest.

To compute the *total* production of the Big Silver down to the time of our sale, one would have to increase the above figure of over $11,500,000 very substantially. The addition would of course include both the total freight and smelter charges for the ten-year period. Unfortunately a fire, that occurred shortly after we sold the mine, destroyed my records containing this information. Certainly the total would run in the neighborhood of $15,000,000.

Big Silver's 200-odd stockholders received total dividends of $3.5359 per share, or an aggregate of $4,525,952. This does not include the net proceeds of the first twenty cars of ore that were specially divided in 1919 (over $100,000), nor the option money of $25,000 forfeited by Chas. V. Bobb, which went to all but a few stockholders.

Over $4,500,000 went to stockholders, who (outside of the initial contributions of money and labor made by Messrs. Kelly, Nosser, Williams, Jameson and Miss Coons) invested just $2,000 in the mine itself.

CONCLUSION

I have noted from time to time through this narrative the death of most of the principal figures in the Big Silver's story. Jack Nosser died in Santa Barbara on October 15, 1928. Several of the others passed away after the dissolution of the company. Ben Sill, W. W. Colm, and Louis Olcese all died not long after we sold the mine. J. A. Hughes' death occurred on July 19, 1932. Alfred Harrell was spared for many more years, but he passed away on December 14, 1946, following a brief illness. E. L. Blanck died in May 1952, while I was writing this story.

I have not seen nor heard from Hamp Williams for a great many years, but I am told he is still mining somewhere on the Mojave desert. Unlike his associates, he did not long retain much of the material fortune resulting from his discovery. An honest, friendly man, he was a better prospector than investor, and was an easy prey to high-pressure salesmen. I hope he will again strike it rich. Mrs. Kelly and Miss Coons are now living in Los Angeles. I believe we four are all who remain of the active officers and directors of the Big Silver, California's largest silver producer.