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GOLD AND OREGON'S SETTLEMENT

By
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In observance of Oregon's 100th year as a State, many articles are being published recounting the "good old days." Celebrations are planned for this summer by communities all over the State, and a Centennial Exposition and International Trade Fair is to be held in Portland from June 10 to September 17.

The following article on early-day mining camps in Oregon is the second to appear in The Ore.-Bin this year. The first article was by N. S. Wagner and dealt with Baker County. The present article is by Helen B. (Mrs. Irving) Rand and is principally concerned with Grant County. Mrs. Rand has been compiling a story of her grandparents. Her story is essentially an early history of Grant County and she has furnished this short bit on its mining phase. Mrs. Rand has a more than ordinary interest in Oregon mining and history as the G. I. Hazeltine mentioned in the text was her grandfather. In Mrs. Rand's possession are a number of letters from her grandfather to his bride in California describing in great detail the Canyon Creek mining camp. These have presented an unusually clear record of a period for which facts are not now easily obtained. Mr. Rand, a Portland attorney, is also a descendant from pioneer Oregon mining people. His grandfather, W. H. Packwood, was very active in developing the mines in northeastern Oregon and prepared the account of the early settlement and character and development of the mines of Union and Baker counties appearing in the 1870 report by R. W. Raymond, U.S. Commissioner of Mining Statistics at that time.

Editor

Introduction

One of the odd quirks of history is the fact that situations so well known to one generation are soon forgotten, overlooked, or never known to later generations. A good example of this is the discovery of gold in the Inland Empire (eastern Oregon, eastern Washington, and Idaho) which proved to be a major incentive to its settlement and to the progress of Oregon as a whole during the decade from 1860 to 1870. The importance of this fact seems not to be generally known today.

For thirty years emigrants to Oregon passed through the vast interior on their way to the Willamette Valley. Many admired the high valleys but no one tarried. There were several reasons for this, among which were fear of Indians and severe winters, the wish to be near ocean transportation, the desire to become part of an already settled community, and, not least, to gain the protection of the Hudson's Bay Company. In 1845 one ill-fated company, headed by Stephen Meek, departed from the usual route and dared to cross through central Oregon. Their sufferings were so great that when one member of the party discovered gold on a small stream it went almost unregarded at the time. This strike, now known as the Blue Bucket legend, while ignored then, assumed importance in later years.

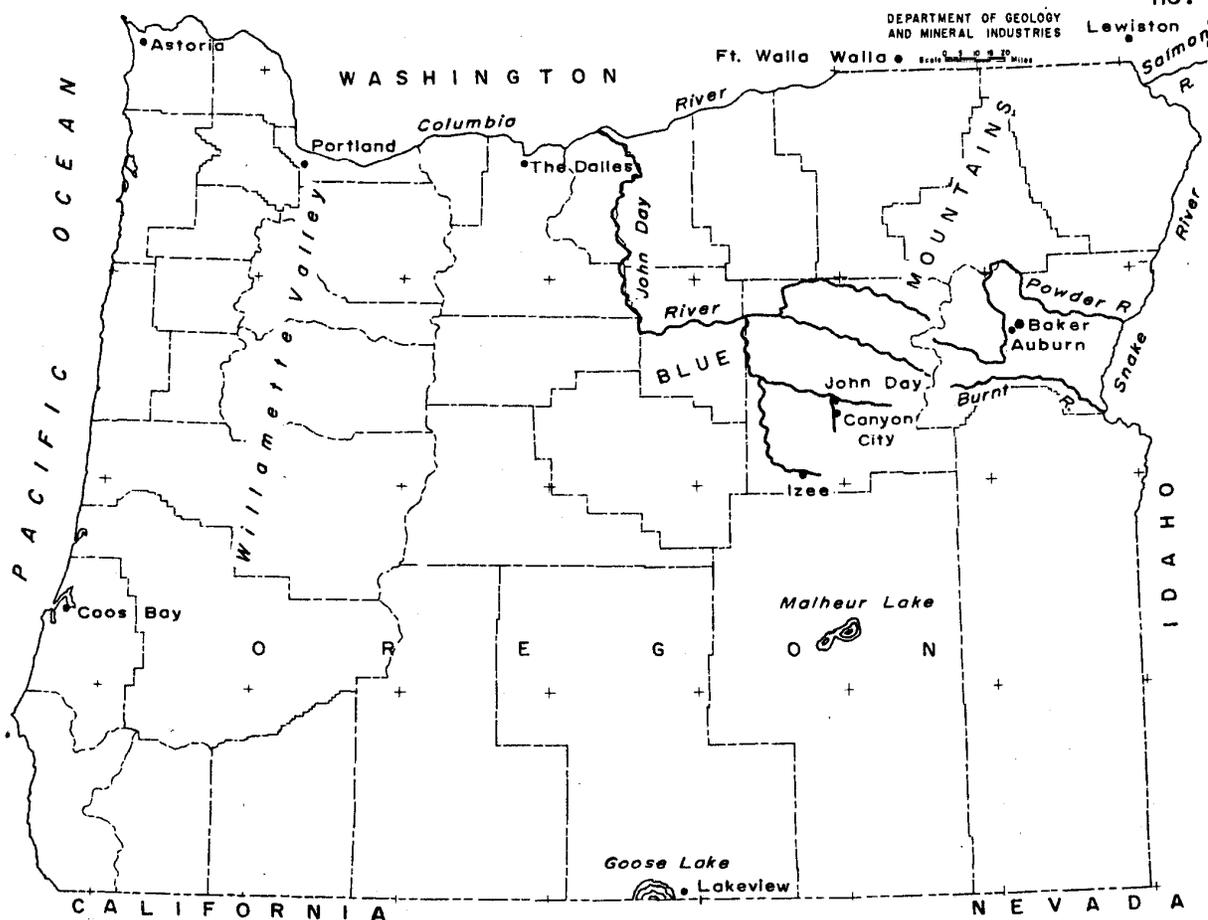


Fig. 1 Oregon Showing Places Named In Text.

The settlements along the Willamette River struggled along, making no great gains in population until about 1855. Leslie Scott* has said that early progress in Oregon proceeded at ox wagon speed and Oregon was "a district proverbial for retarded growth."

The search for gold turns from California

Value of gold production reached its peak in California in 1851, and by 1855 had dropped more than \$20,000,000 due to exhaustion of the easy pickings. As a result, the search for new gold-rich areas was rapid and widespread. One of the first major discoveries was made in British Columbia. Not only miners but carpenters, merchants, and laborers of all kinds rushed from California to Victoria. It took all the available ships to carry them north, and many could get passage only as far as Portland with the hope that other ways could be found to get them to the new camps. Fares from San Francisco to Portland were \$60 for the "nobs" and \$30 for the "roughs." Supplies were bought in Portland, and this gave local trade a big lift.

A few hardy souls tried their luck on the John Day and Burnt rivers of northeastern Oregon in 1855 and sent word to Portland that gold was found, but nothing came of their discovery at that time.

Due to Indian troubles, General Wool, then Commander of the Department of the Pacific at Fort Vancouver, had discouraged settlement east of the Cascades, but he had excepted miners because the Indians considered them to be temporary and not likely to pre-empt their lands. In 1856 Fort Walla Walla was established near the confluence of the Snake and Columbia rivers.

* See selected bibliography at end of article.

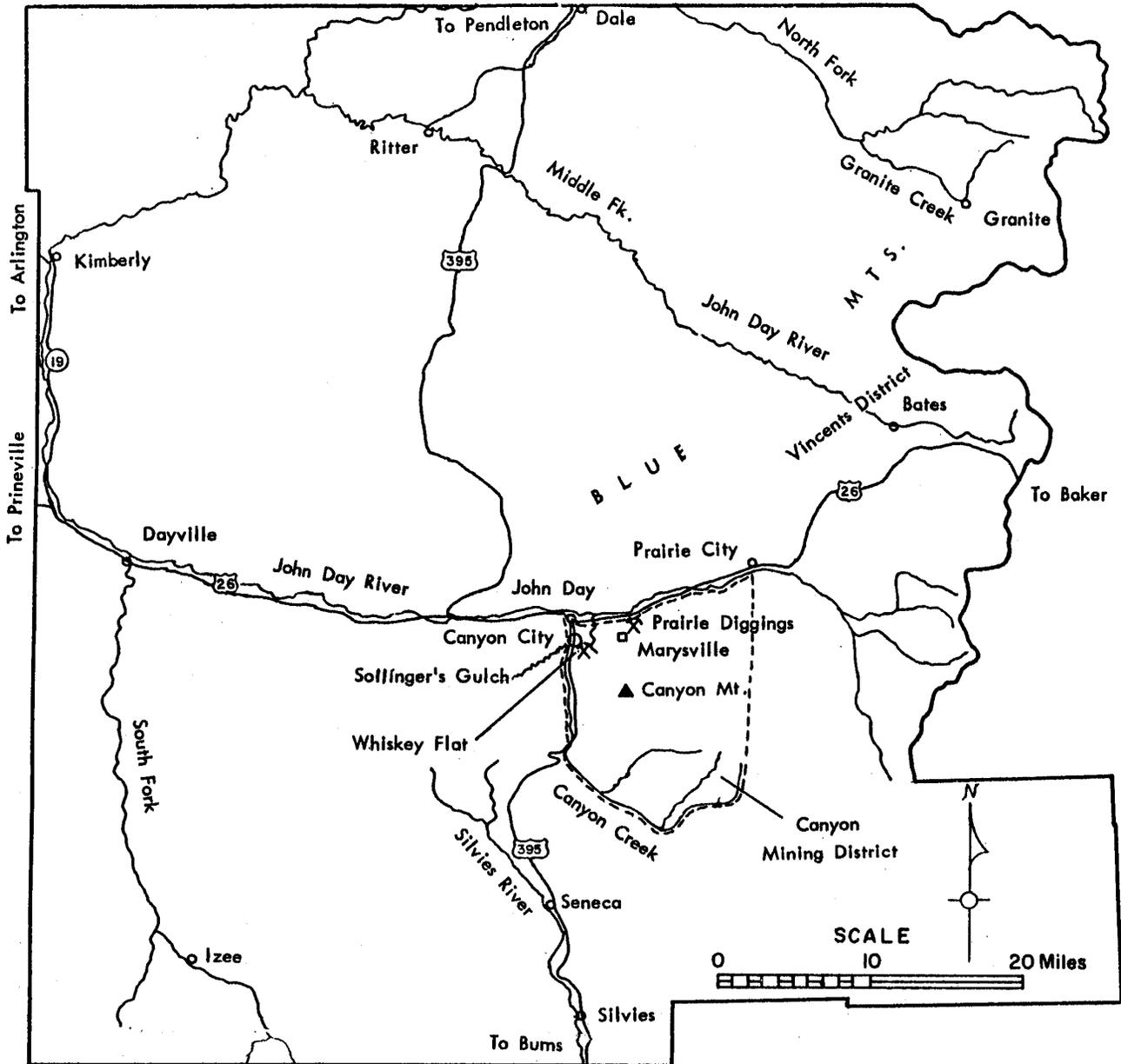


Fig. 2 - Grant County Showing Places Named in Text.

Two parties prospected in eastern Oregon in the summer and fall of 1861. Both were in search of the stream where the Blue Bucket find was made. One party was led by a man named Adams who claimed to know its location. Soon after the start of the expedition the men realized that their leader knew no more than they did about the location. The angered men turned on Adams and he barely escaped with his life. This party, consisting of four men, one of whom was named Griffin, went east toward the Snake River through the Blue Mountains. Gold was discovered in what is now Baker County, and the locality was given the name Griffin Gulch, later named Auburn camp. (See *The Ore.-Bin*, March 1959.) Two men from this group went to Fort Walla Walla for supplies and from there the news reached Portland that gold had been found on a tributary of Powder River.

The other party prospecting along the John Day River was set upon by Indians who killed all but two of the group. These two made their way back to The Dalles and told of finding gold.

Part of the journey had been made through the present Wheeler County and the men told of building a bridge of juniper logs across a small stream. This little bridge was a landmark for later travelers who gave the name Bridge Creek to the stream.

Joined with the talk about these two strikes came a much greater piece of news. It was the word of the big gold strikes in the Idaho country at Oro Fino and on the Salmon River. In the following spring (1862) the miners burst into the Inland Empire, almost, it seemed, by spontaneous combustion. Some came from the Willamette Valley by way of the Columbia River and others from California by the overland route.

Miners "rush" Canyon Creek

The Canyon Creek and John Day mines of Grant County were discovered by two parties converging, one from Portland and another from California. The California party was on its way to the Salmon River in the Idaho country. When gold was found on Canyon Creek it seemed to be so plentiful that many of the men stopped right there without going any farther. The experienced California miners took charge of the camp management and in a few days the first comers were joined by many others.

G. I. Hazeltine,* writing from Canyon Creek (then spelled Canon) on July 5, 1862, estimated by the number of animals and tents that there must be a thousand men camped on a two-mile stretch between Whiskey Flat, where gold was first found in June 1862, and the confluence of the creek with the John Day River. Mr. Hazeltine and his brother-in-law, Van Middlesworth,* with a party of about twenty men, had left Shasta County, California, in May and were on their way to the Idaho mines. Following a route up the Pit River, entering Oregon near Goose Lake, and going north by the Malheur lakes and Silvies River, they reached the Blue Mountains. They continued along the Silvies River through the present Izee country to the head of Sollinger's Gulch and dropped down onto Canyon Creek from the west.

This party had been preceded a few days earlier by another containing many old friends and acquaintances of Hazeltine, among them George Woodman. These old hands among the miners had organized the new camp along the lines used in the California camps, and Mr. Woodman had been made recorder of claims. Mining laws had been drawn up and copies posted on trees up and down the creek. In part they were as follows:

"This district shall be known as the John Day's district, the limit of which shall be as follows:

"Commencing at the mouth of Canon Creek and running south to the head of the canon including all of its branches and tributaries, thence north to the Middle Fork of the John Day's River, thence west to the place of beginning and shall be governed by the following laws, to wit:-

"Article 1 - Each person in the district shall be entitled to two claims by location, one in a ravine, hill, gulch, creek, or flat as the case may be and one in the river and one by purchase. Every claim located or purchased shall be represented.

"Article 2 - Claims in Canon Creek shall be 75 ft. up and down and from bank to bank, present occupants or owners to have choice of ground and to have until 10 o'clock Monday the 7th inst. to make such selection.

"Article 3 - Bank claims shall be 75 ft. face and running back to centre of hill.

"Article 4 - A creek claim shall be considered workable from the first of June until the first of November except Canon Creek which shall not be deemed workable until the twentieth of July.

* Descendants still living in Grant County.

"Article 5 - A ravine claim shall be 150 ft. in length by 100 in width running up and down the ravine gulch and creek. Claims to have the same limits and boundaries except Canon Creek.

"Article 6 - A hill claim shall be 150 ft. face and extend back to centre of hill.

"Article 7 - Quartz claims shall consist of 100 ft. on the vein or lead with all its widths, depths and angles, the discoverer to hold 50 ft. extra."

Article 14 was as follows: "Chines or Tartars are hereby prohibited from working these mines under any and all circumstances."

Since it was assumed that the mines could not be worked during the winters and that miners would leave the camp until spring, this provision for holding a claim (a forerunner to the "assessment work" provision in our present mining laws) was included: "Article 8. No claim shall be deemed forfeited from the first day of November until the twentieth of June A.D. 1863."

Article 19 acknowledged other conditions of pioneer life: "No person disabled by sickness or absent in any Indian wars shall be deemed to have forfeited his claim by reason of service or sickness." (In recent years "moratoria" have been granted for doing assessment work on claims during the war years and for other emergencies.)

All told there were thirty articles. These articles, or laws, spelled out the "do's" and "don'ts" for the miners quite completely.

Merchants follow miners

The rapidity with which news of a new mining camp spread in a remote wilderness never fails to astonish us. Already in July of 1862 people were on hand to provide service to the miner and enrich themselves. Mr. Dye had come in from Coos Bay, a seaport in southwestern Oregon, with a small herd of cattle to furnish meat for the miners. Mr. Sharp, who had a contract carrying freight over the portage below The Dalles on the Washington side of the Columbia, immediately went to The Dalles and bought a stock of goods to pack in to Canyon Creek. This train was attacked by Indians along the banks of the John Day River and most of the goods lost. What remained, Mr. Sharp took into camp and it became the first merchandise sold on the Creek. Mr. Cosart, another merchant, was almost as early as Sharp.

While the route from The Dalles via the John Day River was the main road in to Canyon Creek, it was always a dangerous one. The brush-covered banks of the river and its tributaries afforded excellent cover for the Indians, and many trains were attacked. But because of the high profit involved, danger proved to be no deterrent and goods kept coming in. As always, the saloons and "hurdy-gurdy" houses appeared as if by clairvoyance and were soon running full blast.

Ranchers follow merchants

Almost at once the possibilities of the fertile John Day Valley were recognized. B.C. Trowbridge,* Charles Belshaw,* Henry and William Hall,* and others went to farming and cattle raising. The Olivers* came in later. What is said to be the first claim for farm land was made by Stephen Burdge. He said "I claim possession of . . . a certain tract of land . . . which I take up for farming purposes being a man of family."

At an early date John Herburger* stated that he got a fine crop of potatoes and offered them for sale at 25 cents a pound. He was forced to limit the sale to any one person to 4 pounds so that all might have some.

* Descendants still living in Grant County.

Surrounding area explored and settled

William H. Packwood called Auburn "the mother of mining camps" in Baker County, and this was true also of Canyon Creek in Grant County. From these two bases men fanned out in all directions looking for "color." They explored streams, mountains, and sage-covered hills. They penetrated into locations which seem almost inaccessible today, dependent as we are on the gasoline engine. Some had horses but many more were on foot. Practically every inch of the Blue Mountains was explored in the first few weeks. Mr. Hazeltine said, "Men are coming and going in all directions."

One of the first gold discoveries made near Canyon Creek was on Little Pine Creek a few miles east of the present Canyon City. This led to the settlement of Marysville, quite a hamlet in its own right in the early days but now just a school district. The Prairie Diggings camp was another. The finders of this camp included F. C. Sels, a long-time resident of Canyon City and owner of the first brewery. One of the first ditches in the district was constructed here and a joint stock company formed. It has been said that the original stockholders cleared \$10,000 each in the first year.

These early miners usually worked in companies. There were not enough good claims to go around so they formed partnerships. Men who had no claims worked for the others as day laborers.

The first ditch, appropriately called the Raw Hide, constructed on Canyon Creek was flumed with raw hide because of the lack of lumber. Other ditches were the Lone Star, built by Texans, and the Humboldt which was used for many years.

Another good strike was made on Dixie Creek, a tributary of the John Day River. Good strikes were made at Granite Creek, Olive Creek, Vincent's district, and the North Fork of the John Day River by miners working out from both Auburn and Canyon Creek.

Permanent residence established

Mr. Hazeltine spent the winter of 1862-63 on Canyon Creek writing homesick letters to his bride whom he had left at Oak Run, Shasta County, California. These letters went by way of Wells Fargo express or were taken by anyone who happened to be returning to California. Practically all reached their destination safely.

Mr. Hazeltine kept careful account of his expenses. Not only food was listed, but supplies such as lumber for sluice boxes for which he paid \$3.36, a rocker iron for \$1.25, horseshoe nails for 50 cents. Gloves cost him \$2.50, boots \$8.50, and a comforter when the weather got cold, \$2.00. He bought 100 pounds of "spuds" for \$16.00, beef at 25 cents a pound (which he considered high), 500 pounds of flour for \$20.00, and a bake oven for \$2.75. He remarked that coffee and sugar were very scarce. A few luxuries included 50 cents for tobacco and \$5.75 for whiskey and "segars." There were entries for medicine and several listed merely as "charity."

In the fall of 1862 he and Middlesworth decided to build a house. They hired a man named Hudson to work on it and leave them free to mine. Mr. Hudson was paid \$37 for hewing logs and five days' work on the house. When completed, it cost \$350 and was the best on the Creek. Although the two owners continued to live in the house, it was rented to a merchant.

In the spring of 1863, Hazeltine and Middlesworth brought in their families and spent the rest of their lives in Canyon City and John Day.

The later years

Search for the "mother lode" on Canyon Mountain was to go on for many years, but the mountain seemed to consist of "pockets" only. Around the turn of the century the whole site of the first strikes on Canyon Creek was dredged and this was the last gold that has been extracted from this famous district.

A few romantics still look for the legendary Blue Bucket mine but many old timers were sure it had been found on Canyon Creek. The late George H. Himes, Curator of the Oregon

Historical Society for many years, quoted a statement made to him by William F. Helm who, with his father, mother, brothers, and sisters, was a member of the Stephen Meek party that made the Blue Bucket discovery. Mr. Helm was on Canyon Creek in 1863 and always insisted that Canyon Creek or another tributary of the John Day was the site of the finding of the Blue Bucket gold. Support is given this by letters from pioneers writing to the Oregonian newspaper in the spring of 1919 who agreed that location of the fabled discovery was somewhere in the John Day country. J. N. Barry, Portland, well-known authority on Oregon history, also holds this view.

By the end of the decade the easy workings were over, although quartz and hydraulic mining went on for a long time. The "Chines" were permitted to come in to work over the tunnels and tailings piles. The late J. L. Kraft of the Kraft Cheese Company has advanced the theory in his book, "Adventure in Jade," that the Chinese were looking for jade as well as gold. He knows that jade was found in a northern California mountain. Perhaps it was found in other places too. Who knows?

By 1870 the first boom was over. But it had served its purpose. Eastern Oregon, Idaho, and Montana had permanent settlement. The founding of Boise and Lewiston, Idaho; Baker, Oregon; Helena, Montana; and many other cities was the direct result of the gold rush. An additional benefit was that the railroads came in sooner than they otherwise would have.

As for Portland, the impetus created by the search for gold carried this city forward toward the metropolis which it now is. By 1867 the total production of gold in Oregon, since the beginning of working, was \$20,000,000. But Portland was also the receiving station for gold from other fields. During the same period, Idaho produced \$45,000,000, Montana \$65,000,000, and Washington \$10,000,000. Even this does not tell the whole story as it applies only to gold on its way to the mint. Surely as much gold again must have gone for food, supplies, investment in land, livestock, and other materials and services needed by the miner, to say nothing of what was lost in gambling and saloons.

Probably the greatest source of wealth to early-day Portland came from the proceeds of the Oregon Steam Navigation Company. This company was organized to handle transportation and trade to the Inland Empire. It had a monopoly on Columbia River travel and some of the solid fortunes of Portland were founded on the proceeds of its operation. Money was also made by packers and stage coach companies.

Today, gold mining in Oregon is at an all-time low. Mining for other metals, such as uranium, nickel, chrome, and mercury, and building materials, such as limestone, sand and gravel, and pumice, have taken its place. There are some who say that present domestic gold production must be increased as our monetary stock is being depleted and that there is insufficient gold to back the increasing amount of currency that will be needed in coming years. There is still gold in Oregon and, if conditions ever permit, the old mines may be reopened and possibly new discoveries will be made. If this happens, rest assured gold mining once again will work to the benefit of the State.

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- Trimble, William J., 1914, *The mining advance into the Inland Empire*: Wisconsin Univ. Bull. 638, History Ser., vol. 3, no. 2, p. 137-392, Madison, Wisconsin.
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DEPARTMENT SPECTROGRAPH AIDS IN POISON IDENTIFICATION

The Department's spectrographic laboratory recently assisted in the cure of four men who were hospitalized after breathing cadmium fumes. The workmen, all now recovered, had been cutting up torpedo casings at a local scrap yard and were sent to the hospital after developing extreme shortness of breath. Samples of the metal being cut into scrap were obtained by the Oregon State Board of Health, and the coating was quickly analyzed by T. C. Matthews, spectroscopist, on the 3-meter Baird equipment of the Department. The coating was found to contain a high percentage of cadmium. Therapy was started immediately and within a few days the men were all back at work. Cadmium, a tin-white, ductile, metallic element, gives off fumes when burned which are highly toxic if inhaled. Cadmium is often used for marine hardware because of its resistance to salt water.

The services of the spectrographic laboratory are used by a diverse group of private firms and public organizations in the Portland area for varied types of analyses. The State Police Crime Detection Laboratory and the Portland Police Laboratory find it useful in comparing evidence. Coatings, alloys, and corrosion products are identified for the Materials Laboratory of Bonneville Power Administration. Unusual materials checked this year for private firms included slags, alloys, oyster shells, mirror coatings, welding flux, electronic parts, and thorium concentrate.

The spectrographic laboratory was established by the 1941 Legislature. It is the only Department laboratory facility that can do custom work or make analyses on materials originating outside the State. Unlike the free assay service of the Department, the spectrographic laboratory must make a charge for its analytical work.

PORTER INTRODUCES BILL LIMITING PATENT

Representative Charles O. Porter (Ore.) has introduced a bill (H.R. 7100) in Congress which would provide that each patent issued after January 1, 1959, under the United States mining laws on lands within national forests "shall reserve to the United States all title in or to the surface of the lands and products thereof, and no use of the surface of the claim or the resources therefrom not reasonably required for carrying on mining or prospecting shall be allowed except under the rules and regulations of the Department of Agriculture."

Porter's bill would also provide that (1) any valid mining claim existing on January 1, 1959, within a national forest and maintained thereafter in compliance with the laws under which it was initiated could be perfected under this bill or under the laws under which it was initiated, as the claimant desires, and (2) nothing in the bill would affect existing provisions of law which relate to mining locations made under U.S. mining laws on lands within particular national forests, or designated parts thereof.

Senator Richard L. Neuberger (Ore.) introduced a similar bill except that it would apply to patents issued after January 1, 1960. Senator Neuberger's bill is S. 1920.

(From American Mining Congress Legislative Bulletin No. 6, May 22, 1959.)

CORRECTION

The University of Oregon Cooperative Book Store, Eugene, Oregon, informs the Department that Professor Ewart Baldwin's "Geology of Oregon" requires 15 cents for mailing fees rather than 10 cents as quoted in The Ore.-Bin, April 1959. Price for "Geology of Oregon," including postage, is now \$2.15.

BANTA APPOINTED TO GOVERNING BOARD

Harold Banta, senior member of the Baker law firm of Banta, Silven and Horton, was appointed to the Governing Board of the Department of Geology and Mineral Industries by Governor Mark Hatfield on May 14, 1959.

Since coming to Baker in 1929, Banta has been a legal representative for many of the major mining operators in northeastern Oregon. These include Porter Bros. Corporation, which operated a dredge at Granite; Northwest Development Company, operator of dragline dredges in Sumpter Valley; and the Sumpter Valley and Baker dredging companies. Currently he represents National Industrial Products Company, the Morrison-Knudsen subsidiary which has a limestone operation near Durkee, and the new Chemical Lime Company, whose plant and quarry are just north of Baker. Mr. Banta's appointment to the Department's Governing Board is to run until March 16, 1963. He replaced Miss Nadie Strayer of Baker, whose term expired this past March.

ASSESSMENT WORK NOT DUE UNTIL SEPTEMBER

The Congressional bill that became law in August 1958 and changed the annual date for completion of assessment work from July 1 of each year to September 1, is reproduced below in its entirety. Many requests have been received by the Department asking for clarification of the new law, and as it is self-explanatory and rather short, this means is used to get the official word to the mining industry. It will be noted that no change has been made in the amount of assessment work required. It still remains at \$100.

PUBLIC LAW 85-736
85th Congress, S. 3199
August 23, 1958

AN ACT

To amend section 2324 of the Revised Statutes, as amended, to change the period for doing annual assessment work on unpatented mineral claims so that it will run from September 1 of one year to September 1 of the succeeding year, and to make such change effective with respect to the assessment work year commencing in 1959.

BE IT ENACTED BY THE SENATE AND HOUSE OF REPRESENTATIVES OF THE UNITED STATES OF AMERICA IN CONGRESS ASSEMBLED, That section 2324 of the Revised Statutes, as amended (30 U.S.C. 28), is amended by striking out "1st day of July" and inserting in lieu thereof "1st day of September".

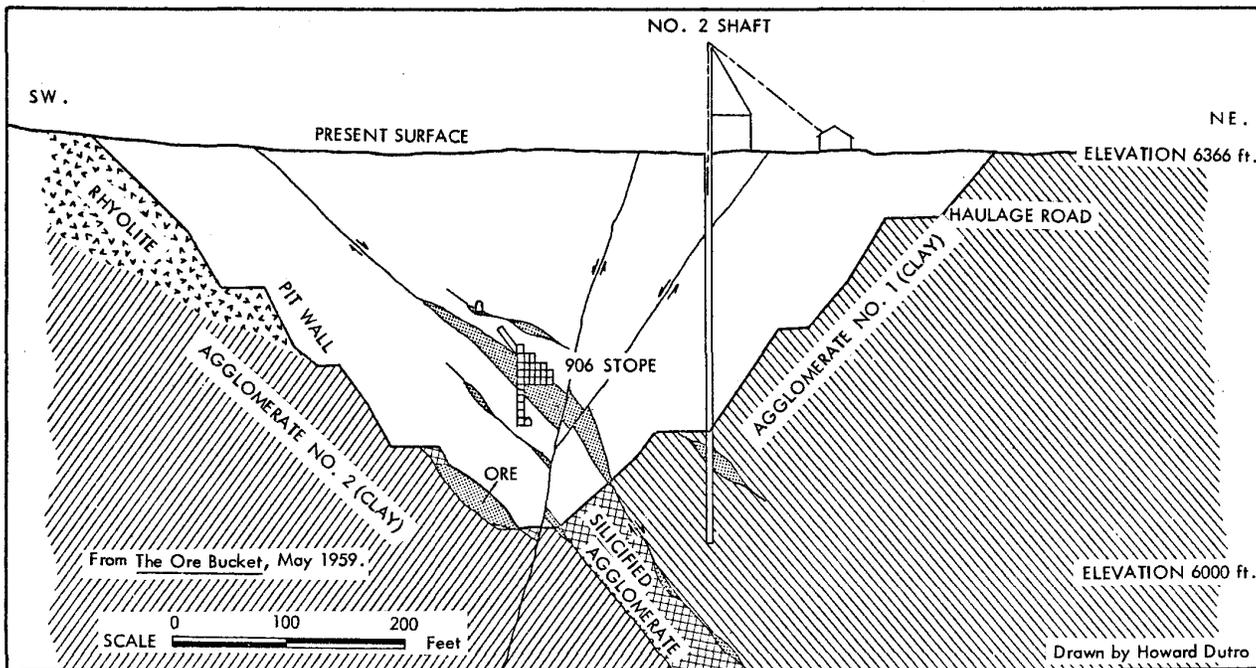
Sec. 2. Notwithstanding the amendment made by the first section of this Act, the period commencing in 1957 for the performance of annual assessment work under section 2324 of the Revised Statutes, as amended, shall end at 12 o'clock meridian on the 1st day of July 1958, and the period commencing in 1958 for the performance of such annual assessment work shall commence at 12 o'clock meridian on the 1st day of July 1958, and shall continue to 12 o'clock meridian on September 1, 1959.

Approved August 23, 1958.

PROGRESS MADE AT WHITE KING OPEN PIT

Development of the new open pit operation at the Lakeview Mining Company's White King uranium mine is progressing very well according to the Isbell Construction Company's superintendent on the job, John Wright. The work should assume its full stride in about 2 weeks, he said.

On April 12, a contract was signed between the Lakeview Mining Company and the Isbell Construction Company, of Reno, calling for the development of an open pit at the White King. The contract involves the removal of approximately 6,500,000 cubic yards of overburden and ore during the next 3 years, and permits development of the White King deposit to a depth of about 370 feet. All work will be done by Isbell under the supervision of the Lakeview Mining Company. Initial work under the contract was begun May 8. According to the present schedule, overburden will be removed by motor scrapers and ore will be extracted by power shovels and trucks.



Vertical section across the proposed White King open pit, showing the present No. 2 shaft and a part of the existing underground workings in the 906 Stope area.

The completed pit will be approximately 1500 feet long and 1000 feet wide, going to a depth of about 370 feet. Upon completion of open pitting, underground work will be resumed to develop and mine ore remaining in the deposit below the open pit and outside the pit walls, said Howard Dutro, LMC chief geologist and assistant general manager. LMC began a pit operation early in March, to augment ore then coming from underground workings, and when the Isbell contract was signed, all underground operations were discontinued. Dr. Garth Thornburg is LMC president and general manager is James Poulos. (From The Ore Bucket, May 25, 1959)

LAND WITHDRAWALS IN MAY

The U.S. Bureau of Land Management has notified the Department that one land withdrawal has been filed during May. This withdrawal, Oregon 06764, No. 59-14, is for the purpose of preserving 200 acres in four separate parcels for scenic and recreational use. Mining and other land use will not be allowed. The lands are located in Marion, Douglas, and Jackson counties and take in most of the sections as follows:

- Sec. 9, T. 9 S., R. 3 E.
- Sec. 25, T. 39 S., R. 2 W.
- Sec. 1, T. 27 S., R. 2 W.
- Sec. 23, T. 39 S., R. 4 W.
