

copy

Mexico, 16 de Julio de 1896

A. Foster Higgins Esq.
54 Exchange Place
New York.

My dear Friend:

I confirm my telegram of day before yesterday as follows:
"Garza assured me yesterday had cancelled Faurot option Locke signing",
and I beg to state that notwithstanding my knowledge of this I sent your letter duly translated to the President together with one I wrote him on the same subject so that you might receive the reply you desired. Mr. de la Garza assured me that they had abandoned all idea of a line from Juarez westward and on no account would he continue any negotiations with Mr Faurot whom he considered a sharper and for this reason

he had obtained the release of the op-
tion from Mr Locke for a Consideration.
In view of this I trust that you and your
friends will feel entirely at ease in the
future with regard to Mr Fawcett's doings
and ignore him as he deserves to be
ignored. I remain

Your sincere friend
Telesforo Garcia.

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The Farm (Mochis) Sinaloa, Mexico,
July 23rd 1896.

Friend Owen:

Expected to learn who
the new Governor and Prefect are,
but no word comes as yet.

Have just heard that Mr Dawkins
was going to make an effort to get land
cleared to plant Cane. Hope he will
succeed, for we have no way of working
up our cane, and it can be used for
planting. We need the product bad enough.

Corn planting has just commenced.
Law, Inelan, the Omeric boys, Brink, Ward,
and others, are very busy. George Drake
is down sick. With this exception the
health is good.

Fraternally yours,

D. B. Shaw.

dyg

Room 4 - No 38 Wall St.
New York Aug. 1st 1896

Dear Sir:

In answer to your inquiries in regard to the Topolobampo Colony, we can only say that at this time, owing to the Conspiracy of the Trustee Company (the K. S. I. Co), in order to defraud the Colonists, we are not encouraging anyone to go to Sinaloa at this time. As soon as we are able to move ahead we will send out Circulars, etc.. "The New City" and "The Credit Foncier of Sinaloa" are not issuing now, owing to the struggles the Colony Company has had to exist.

Respectfully

A. K. Owens.



Copy

London, E. C. Aug. 12 - 1896

Dear Mr. Owen:

Please keep me informed about your business. Since my return here, the parties have been approaching me again on the subject of Topolobampo. If Shepherd has not closed with you, and if you can wait until the parties have made an examination, I think the business can be done.

It will take, at least, three months, to make an examination, and nothing can be decided until that has been done.

The people will make the examination, which, of course, shows they mean business.

Yours truly

A. M. Gibson

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Excerpts.

Letter, dated Topolobampo, Sinaloa, Mexico, Augt. 14th 1896, from Alvin J. Wilber to A. K. Owen.

* * * * *

" Your document of Augt. 1-1895, is a strong paper but on some points (the Dora Blum Case) might be stronger. I am still under bonds as a pirate. I fear the Government will never give the needed protection. If we had ever so much means and energy we could hardly make headway without Federal protection. I do not think that Don Martin Vega could now do much for us. They have destroyed his usefulness in this district. Nor could any other Local Mexican. Our "Encargado" should be some strong man who would be trusted by the

Mexican Government so that his telegrams would be acted upon by the Government. A strong man could have, also, influence with the local authorities. A Colonist could not do much good - Hampl might. There are several reasons why I could not serve. Hampl would be ~~much~~ ^{more} better for all concerned. He writes and speaks Spanish, lives at Mochicahui, and is respected by those in the Valley, because he is a man of force, and Character.

* * * * *

"Your personal letter also, came on the 4th. I have always refused to sign papers to clear any property sold, except by the Company, and have been able to restrain any private sales that

had to pass the Custom House. But the Courts have neglected to recognize the Federal authority in my appointment so I have not been able to restrain sales in the interior. If I had money to carry a case before the Federal Court I think it might be sustained. I refused my signature in case of this machinery, but so many innocent persons - Mexicans, were being injured I accepted advice and consented.

Las Mochis, Sinaloa, Mexico,
August 15th 1896.

Mr Albert K. Owen -
New York City.

Friend Owen: A lifetime of work has been
dedicated by you, to call into existence the
Topolobampo Colony.

You acquired valuable Concessions from
the very liberal Federal Government of
this Republic, which you reserved for the
benefit of this Colony.

By means of considerable expense you
attracted the public attention to this place,
and invited ^a thousands of thrifty people to
leave their homes and settle in the Fuerte
Valley.

While the most vital interests of this
Valley, the construction of suitable com-
munications, require your presence and
work in the United States of America, the

same Colony, instead of prospering, is drifting towards ruin.

You know that the Colony, from the very beginning up to date, had and has to contend with the jealousy and the open or hidden enmity of the authorities and the large landholders of this district. These referred to authorities never did anything in our favor and prevented nobody to hurt deliberately your enterprise and the welfare of your adherents. Justice is an unknown term to the administrator of this district, Francisco Orantia y Sarmento, and as the Judge, the Prefect, the political directors and the Alcaldes are his tools, justice is unknown generally. He uses his ill gotten means and his influence in an arbitrary way, which surpasses the tyrannical methods of any Asiatic despot.

Parties, who flatter his ambition, are

protected by all means, those, who have no parasitical ability, are persecuted and ruined.

His, and his friends, intentions have been to kill this Colony in the bud, and it is still and will always be their purpose, to hamper its development and bring it to untimely ruin.

They fostered every nefarious scheme of covetous speculators, of unscrupulous adventurers, and of ill advised and faithless settlers, to attack your enterprise at the very heart, and involved you and your friends in a number of lawsuits, which cost our life's blood and afforded a temporary easy living to the idlers at Puerto.

Of all those lawsuits at Puerto, not one has been decided yet in our favor. Whenever there was no possibility to sentence our side, the suit was filed in a chest or drawer of the respective tribunal, and no more was heard of it.

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The decision, most hurtful to the interests of your Colony, was the one given by the Judge of first instance, at Tuxte, on July 1st, 1895.

Although you, only, have the Concession to take water from the River Tuxte, to irrigate the "Mochis" and the lands around the Bay of Topolobampo, although the Canal has been built under your auspices by a Kansas Company, acting as your trustee; and although nobody, on this globe, has the least legal title of possession regarding this Canal, the same having been constructed by the Colonists and for the Colonists; and although, finally, free water was granted to those, who would settle under your Concessions; the Judge, at Tuxte, took the Canal from us, just when we were at work to improve it, and placed it into the hands of entirely irresponsible persons.

Ever since then the Canal has been managed by H. A. Hart, an agent of the above named Kansas Company, who placed a pump at the entrance of same and charges exceedingly high water rents to the Colonists — Some of them have to pay Cash, before they are permitted to use the water.

This H. A. Hart, as you know, is not a Colonist, had never had the least title to the Canal, is not producing anything, is one of your bitterest enemies, and is permitted to make an easy living off the labor of the settlers. He never goes to any expense for repairs or improvements. The wire fence along the Canal has been carried off, or sold. The Canal itself is utterly neglected, and that way a work, the construction of which caused an outlay of \$180,000. is doomed to perdition.

Your friends appealed to the Court of

Second Instance, at Culiacan, and up to date, no decision has been rendered by that tribunal.

Do you wonder, friend Owen, that under such incredible ^{Conditions} the number of settlers does not increase? or, that people, after sacrificing their means, leave the Colony? or, that friends, in the United States, hesitate to join us.

As long as the Canal remains in such a neglected condition, and in like irresponsible hands, the Colony cannot expand, and the settlers are robbed of the fruits of their labor.

Besides, the Colonists - even your friends - become more and more demoralized. Of all the property, brought in, under your Concessions, they have disposed of illegally, you lose the amounts the Government charges you with, for duties, and your representative cannot stop such doings, because the local authorities protect those who wish, in anyway,

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to injure the Colony and yourself.

He was advised not long ago by the political director to foreclose, precautionarily, all such property; and he did not do it, because such a proceeding would entail an endless number of law suits, resulting in costs and disappointments.

You have quite a number of faithful friends here, who want to stay and help improve this territory, and who are willing to assist you in carrying out your good intentions; their farms are, also, so far improved, as to permit them an independent living, but they expect you to use all your influence to bear on the Government at Mexico City, that the Court at Culiacan, be advised to bring the Canal question to an end without unnecessary delay; and that measures be taken to support your representative, the adminis-

-trators, acknowledged by you lately, as well as the Colonists who complied with their Contracts, and to check rigorously the unlawful acts of such settlers, who are known as Conspirators and wreckers of your enterprise.

But, please remember, that like measures would have to be taken in the most direct way, as, beyond doubt, all officials, from the Governor down to the last Alcalde, are enemies of you or despondent friends of Francisco Orantia y Sarmiento, who will tyrannize every one, whose interests are contrary to his.

It has come to a point in this district, where people turned indifferent about their violated rights; many already, wholly or partly, victimized by relentless tyranny, have given up all hope for justice, and intimate, that only brutal

force could change the present conditions.

This is the opinion and the request of your friends, although they may not have the heart, to give their grievances the same open expression. In the midst of such corruption, a confession like the above, might cause a well aimed shot on the desolate road between here and Puerto.

Yours,

Joseph Hampl, C. E.



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Excerpts.

Letter dated Mexico City, Mexico,
Aug. 30th 1896, from Edward S. Herre-
ra to A. K. Owen.

* * * * *

"The Supreme Court, at this Capital,
ratified yesterday, the "Amparo",* grant-
ed by the District Judge, in Mazatlan,
against the proceedings at Fuerte, in
the case of the K. S. I. Company, for
"Los Mochis". — My Congratulations."

* This sets aside the sale of the "Mochis"
which Fuerte City parties tried to make
to A. J. Streeter and associated Con-
spirators.

A. K. Owen

Westend Hotel,

Berlin, Sept. 2nd 1896.

Dear Colonel:

I received this morning yours of 21st ulto. Upon receipt of your cable I wrote you from here some days ago, telling you the position in regard to taking up the Topolobampo business.

* not examined
There need not be an examination of that part of the line crossing the mountains before the parties come to a decision - at least I hope not. But it will be absolutely necessary to have the line from Topolobampo to the mountains and to Batopilas examined. I have written the Engineer in London giving him the particulars in your letter in regard to cost of ties, earth work and rails, from Mr Higgins, and telling him what Higgins said. Of course it is difficult to do much in London during September, but the Engineer

will do all he can - he wants the deal made, and if he goes out his report will be good. I expect to return to London next week, but it is not certain. However, my absence will not delay any, as the principal man is absent also on the Continent.

Please write me what it will cost from New York to Topolobampo, via Guaymas, and how many days it will take. The party will consist of 3 at least. Also, what is the distance from La Junta or point from where branch will start - to Batopilas, via proposed line. Also, how many days from La Junta to Chihuahua.

Yours truly,

A. M. Sibson.

Copy

London, E. C. Aug. 12 - 1896

Dear Mr. Owen:

Please keep me informed about your business. Since my return here, the parties have been approaching me again on the subject of Topolobampo. If Shepherd has not closed with you, and if you can wait until the parties have made an examination, I think the business can be done.

It will take, at least, three months, to make an examination, and nothing can be decided until that has been done.

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Yours truly
A. M. Gibson

Tepustete Iron Mine.

San Diego, Cal, Sept 24-'96

W. S. Grant Jr.

Salem Center, N. Y.

Dear Sir: Since writing you, another matter of importance has developed in regard to iron matters on this Coast. A French Syndicate owning anthracite Coal fields in Tonquin, China, sent a cargo of the Coal to San Francisco. It proves to be excellent Coal for iron furnaces, and the Agent at San ~~Francisco~~ Francisco offers to deliver it here at San Diego for \$5.⁵⁰ per ton. At this price pig iron of superior quality can be made at San Diego to compete with that from the East. The fuel question has been all that has hitherto prevented. I am offered a furnace site of 30 acres here on the bay, with wharf already built to deep water, as bonus, and some

prominent citizens say a good amount of money will be subscribed here.

The matter of a profitable furnace at this point is now entirely feasible - our iron ore to be run at once into basac steel will cost only half delivered here, that was offered for it in New York.

Yours truly,

W. E. Webb.

dvo

Rooms 3, 4 & 5.

38 Wall Street, New York City.

Sept. 25th 1896.

Gen. Porfirio Diaz -
President of Mexico.

My dear Mr President:

Accompanying this please find letters dated June 6, Aug. 12 and Sept. 2, from Albert M Gibson, which shows the interest of London and Berlin parties in the Topolobampo railroad.

Mr A. Foster Higgins, who is building the railroad from Juarez to Corralitos, is assisting me with his counsel and influence in getting these foreign capitalists to come over and unite with him and Gov. Shepherd to push the road Eastward from Topolobampo; and

of your Concessionaire to meet the obligations of his contract.
Respectfully,
Albert K. Owens.

Besides this I have a party here, in Denver and San Francisco who wish either to build the road in conjunction with the Batopilas people or by themselves, and these persons, through their lawyer Mr Frederick R. Kellogg is today addressing a letter to the Mexican Government asking if my Concessions are in full force.

I trust that this information will be given without delay, for we are preparing to put the Graders on the first section, to order ties cut and to negotiate for the Steel rails from American firms - so as to have the first 50 Kilometers constructed without further delay. That we have this earnestness at this time in face of the discouraging state of the market, will show the Government, I trust, that nothing is being neglected on the part

Copy

New Windsor, Ill. Sept. 30th - 1896.

Mr D. S. Maynard,
Natl. Military Home,
Ohio.

Dear Sir: Yours of yesterday to hand, and note what you say. Mochis Colony affairs have gone bad for the K. S. I. Co.. The suit for possession of the ditch is decided against the K. S. I. Co.. The suit to recover the \$13,500 paid by the K. S. I. Co. to John H. Rice, Trustee, for the R. B. Co., has also been lost. You may know that the \$13,500 was paid for land in Los Mochis tract which the K. S. I. Co. had purchased of Rice. I bought an interest in that claim, for money paid, and tried to collect it, but have failed to do so. I have, also, lost the suit to perfect title in 40% of Mochis tract, bought of Mrs. Carlos Retes, in the name of my son Charles.

More than all this, the K. S. I. Co., has undertaken to beat me out of a large part of the money I paid to defend their interests in Sinaloa, Mexico, and I am at outs with them, and refused to put up any more money for them.

So you can see that the affairs of the K. S. I. Co. are in a bad shape. In fact, I think it true that the only reason why the K. S. I. Co. did not commit more blunders in the management of its affairs in Mexico is, because Hoffman and the K. S. I. Co. did not think of them.

I would now be very glad to get out of the whole business at a loss of \$10,000. It will probably cost me much more. I have K. S. I. Co. stock I would be glad to sell.

You say it is impossible to get definite news from any source. I do not know why, for the K. S. I. Co. has all the information that I have and can give it, if so disposed.

Ever since last January, I have been advising the K. S. I. Co. to settle with Mr. Rice, or to give me permission to do so, but, like a stubborn pack of mules, they do nothing. I have lost my confidence in them.

Yours truly,

A. J. Streeter.

The Farm, Sinaloa, Mexico,

Oct. 2nd 1896

Friend Owen:

Enclosed I hand you a reply to Dr Crook's letter. There will be little to do for a while and Mr Kneeland can do the work of the Commissary while to start a store for our own convenience. In this we have to wait for Hampl to give us a little assistance.

We are talking up the school we wish to start soon. We find it a slow business. The best books, maps, globe and manikin are missing. So far we have no evidence who got them.

The early planted corn gives us roasting ears. Those who irrigated three weeks ago struck it rich for the ground is getting quite dry now. Much of the corn along the river will not make a crop. The late planted corn here will be benefitted by irrigation now. So you see we have a good prospect for a splendid yield. The water still flows in

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through the ditch although the river is
falling fast. It is liable to rise again and
give us one more chance. * * * * *

I assisted in getting the sugar cane intro-
duced on the farm and it has worked
up till those engaged in the raising of it
feel sure they can make a success of it,
and others are willing to embark in the
business. * * * * *

Yes, I can make a fence in the Colony.
With white labor it would cost 56 cents per
rod or over and have to be repaired in less
than two years. But I am not going to do
so. Soon as I can get wire I will make a
good fence so I will not have to run after
the hogs until forced to drop down. I am
getting too old for that.

Excepting De La Mater and Young,
who have been failing fast during the hot
weather, the Camp is healthy.

Yours, D. B. Shaw.

Mochicahui, Sinaloa, Mexico.

Oct. 6th 1896.

Friend Owen -

Since the 14th of Sept. I have no word from you, and I am in a predicament of the worst kind.

Right after receiving notice of the decision in the ditch suit, I went with Desmond and L. Green, to Ahome, to receive from the Political Director two policemen to guard the pump, and had \$21. expenses.

The two guards cost me up to date \$27. Then I went to Fuerte, with L. Green, with an outlay of \$22. At Fuerte I had to send \$200. to Lic. J. B. Inguanzo, who holds the "executario" (order to turn over the ditch), and \$75. I had to deposit for costs of cancelling Retes' register and to register sentence in favor of Mr. Rice; also to furnish me with a certified copy of sentence, so that I may not meet with any trouble in collecting rents. Before collecting, I have to survey all cleared land, which will cause another outlay.

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When the Judge, from Fuerte, comes down here to turn over the ditch, I shall have to pay his travelling and other expenses. At the turning over of the ditch I have to go right for damages, which I would not undertake without a lawyer. I need the lawyer, also, to collect rents, secure Company's property from people who will leave the Colony, and to keep off infringers on the Concession. About damages regarding land suit, I have no instructions yet.

I am in correspondence with Lic Pedro Quinones, well recommended by our friends, and who knows the state of our affairs perfectly. He will take all our cases for \$200. per month. This outlay will pay. We owe him yet \$400. for work done previously, which must be paid too. The outstanding rents, which amount to about \$4,000., alone justify the hiring of such a lawyer, who is, besides, of other good qualities, an enemy to that concern of shysters at Fuerte.

All the possessions of Streeter and the K. S. I. Co, here in the valley, will not cover the damages, and consequently have to be ours, among them the Santa Rosa tract.

Therefore, I judge it not difficult to raise sufficient means to go ahead and exploit the victory.

The Scally's declared that they would not pay rent. They will convert now 100 acres of sugar cane into "panocha"; and we must come in in time to foreclose the product before they sell it.

We stated in our reports to the Fomento, that the Colony would progress, if the land and ditch cases would be decided in our favor. We are at this point now and we must stick to our word.

The ditch is utterly neglected. Both gates washed around, the embankments, for miles, destroyed, the bridges rotten, the canal filled up, and no wire fence. All this, must be repaired, the ditch cleared, shanties built, and settlers invited. In the winter of '97, we can have 500 families cared for,

if we get means in time. We want no people before we can put them on land ready to be used.

I need about \$2,000. right now - and \$15,000. to \$20,000., we shall need to do above mentioned work. This money can be raised on the land and amortized by a sinking fund, unless you get up means in some other way. I would not count on direct assistance by Colonists, as such loans foster undue pretensions and create complications.

Out of a letter from Prodie, Mexico City, Sept. 12th, I extract the following:

"As far as Governor Shepherd is concerned, it may be well for everyone to know, that after having a talk with President Diaz about railroads through the mountains and finding out that the Government was compromised with various old Concessions, which again were burdened in various ways, he came to the conclusion, that the best thing for him to do was to drop the matter. This he did months ago, and very strong inducements would be necessary for him to take

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an active part in the matter, should it ever come up again."

This statement is no doubt a consequence of the importunity of some correspondents on the Mochis; as rumor said that you had sold the Concessions to Shepherd, some of them were very anxious to make themselves conspicuous.

You will not doubt that my present condition is not very enviable, being deeply in debt, devoid of means, and a heap of responsibility upon me. Besides I have to fight against enemies and low suspicion. We have too many mind readers, Christian scientists, theosophists and other fakirs in this Colony. Some of them see the grass grow and hear the mosquitoes cough and will criticise your actions according to their narrow hobbies. A good lot of New Comers would change these conditions.

As long as Free had your power, he abused it in some cases, and has consequently not one friend in the Colony. My reputation suffered

a great deal for having defended him. Not long ago he sold a Company's horse, leaving the buyer under the impression that he acted still in possession of your power. I am about to have that deal annulled and I see return the money, which he used for himself.

F. Orrantia and Mr Borboa will open a stage line, next month, running between Mochicahui and Fuerte.

Orrantia told me yesterday, that he will be ordered to Culiacan, to take Cañedo's place, who has been called to the Senate at Mexico City, but he, Orrantia, would return soon, he said. Some people interpret this as a policy of the Government to get rid of both, without using abrupt measures.

After the harbor of Altata and the Railroad from there to Culiacan have been wiped out, Topolobampo has a chance to move. We shall find ourselves in the necessity to build a good pier, several storerooms

and a restaurant if we want to keep others out, from doing it.

The brothers Borboa have put up a big steam pump between here and Los Tastes, to irrigate 1,500 acres of land, which increases the sure crops of this valley considerably.

I would like to get hold of a treatise as to planting and handling roses and making rose oil. If there is such a work to be had, please get it for me.

There is scarcely a country as well adapted for rose planting as this part of Mexico. The product is not bulky and is high in price. It looks strange to me that nobody should have thought of exploiting these sweet smelling blossoms.

My best regards to you.

Jos. Hampl.

City of Mexico, Oct. 16th 1896.

Mr. A. K. Owen.

Dear Friend:

Your esteemed favor of the 5th of this month came duly to hand, and its contents have had all my attention.

I have taken good note of your visit to Mr. James Dobson, and of his being disposed to send me samples of his carpets. I believe that we can do something in this market. It is useless for me to say that I'll do my best to have him satisfied.

According to your instructions, I have called on the Administrador of the Casa Amiga de la Obrera, and had the size of the Hall (Sala de Actor) well taken - It is 14 yards long, and 4 yards 20 inches wide.

Yours truly
Ed. S. Herrera.

Nº 7 Patoni

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City of Mexico, Oct. 20th, 1896.

Mr A. K. Owen -
New York -

Dear Friend:

I could not see Mr Fernandez Leal on Monday, but yesterday I saw him, and had a talk with him on Colony matters.

He confirmed what he had already told me, and advised me to write you, suggesting the idea of your sending a draft for the basis of a new contract.

He told me that General Diaz is always favorable to you, but that he wants you not to try again the Co-operation.

Please, therefore, send me your ideas on the subject.

Your favor of the 12th of this month is received.

* * * * *

Yours truly,

Ed. S. Herrera.

Copy

3 Pop's Head Alley,
Lombard Street,

London, E.C. Oct. 21-1896

Dear Sir:

Pardon me for troubling you, but I desire to have a statement from you which if I deem advisable I can make private use of for a perfectly legitimate purpose.

Mr John W. Young, of whom you know, is still endeavoring to obtain money for the construction of what is known here as the Mexican Midland Railway, starting at Deming, New Mexico, and running via Polomas and thence to and along the Casas Grandes River to a point near the Corralitos Mines. In the representations he makes, he sets forth certain traffic the road will command and freight to and from the said Mines forms the most important part.

I understand indirectly from you, in fact from Col. Owen, that a Company organized

by you is actually constructing a line of Railway from Juarez opposite El Paso, to the Corralitos Mines - that a large force is pushing forward the construction and that the line is expected to be completed and in operation about the middle of 1897.

I have seen statements made in writing by Mr. Young to the effect that actual construction work has not been begun, and that practically all that has been done on the line from Juarez to Corralitos was a preliminary survey. He further asserts that your proposed line is through an absolutely barren country - that the gradients are very heavy, and that there can never be any traffic along the line between Juarez and Corralitos. He also claims, I understand, that it is still possible for him to come to an arrangement with you and those you represent, by which the line from Juarez to Corralitos will be abandoned, and you will turn over to him the Garcia Concession.

I will be greatly obliged if you will write me briefly and state the exact facts. My object, it is proper to say, is a perfectly legitimate one - namely to lay the facts as you communicate them to me, before a Committee of Mr Young's Creditors, who have requested me to ascertain the truth of his statements.

At the same time, I would like you in a separate letter to advise me on another point - viz: as to the disposition of yourself and friends to Co-operate with a Syndicate here in taking up the Concessions of Col. Owen, in connection with your line from Juarez and the making of a trunk line. A Contractor in the West of England having a very strong group of Capitalists in Bristol behind him is now looking carefully into the Topolobampo scheme, and parties here are willing to join provided the Bristol parties are satisfied. I am in constant touch with the Engineer, who is relied upon by the people

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here and in Bristol, and he assures me
that a party will be sent out to study and
report upon the undertaking. People here
move slowly, but I am in daily expect-
tation of being summoned to Bristol to
meet the Contractor's Solicitors to settle
the preliminaries.

Yours faithfully,

A. M. Gibson

Mr A. J. Higgins,
New York.

Copy

3 Popé's Head Alley,
Lombard Street,
London, E.C. Oct 21-1896.

Dear Colonel:

I have been ill since my return from Berlin, and am just about again. I have been expecting for a week to have a summons to run down to Bristol to meet the Solicitors of the Contractor and his backers there and settle the preliminaries re sending out the party to examine and report on Topolobampo, and the railway. The Engineer informed me the middle of last week that he had received a letter stating that the head of the firm of Solicitors was on the Continent and was expected back the last of the week, and on his return a meeting would be arranged.

I enclose a letter I have written to Mr. Higgins, which please deliver to him. It is a request to write me on the subject of the line from Juarez to Corralitos, a letter

which I may exhibit privately to a Com-
 mittee of Young's Creditors, to whom he has
 made certain statements. The letter is
 unsealed, and you will please read it.
 As you will see, it also requests Mr Hig-
 gins to write me also—in a separate letter—
 as to the disposition of himself and friends
 to Co-operate with a Syndicate here in
 taking up your concessions, and making
 a through line from Topolobampo to Juarez.
 Such a letter, if favorable, would assist
 materially.

* * * * *

Yours truly,

A. M. Gibson

Col. A. K. Owen

Room 4-38 Wall St.

New York, U.S.A.

14 Montagu Mansions,

Portman Square. W.

London, Oct 27 - 1896.

Dear Owen:

Who are Fred. Bartlett of Chicago and Henry Tudor Richards of Guaymas - reported to have obtained Concession from Diaz for railway to Sonora with \$13,600 per mile subsidy.

How can you block their way through the Septentrion and Chinipas Cañons. The account I have seen in Mexican Financier reads most absurdly. How did Shepherd let it slip him. Give me all the particulars possible. I have been doing my best to get these slow people here to move - telling them we could get almost anything we wanted if we would only move quickly and in full force. Now they are beginning to wish they had acted when I urged them.

Truly,

A. M. Gibson.

No. 29. vs
d

COPY.

Fuerte, Sanalca, Mexico,

Oct. 30, 1896.

John H. Rice, Esq.,

New York.

Dear Sir:

I am in possession of your letter dated the 12th instant, written to Mr. Streeter, who requested me to inform you about Retes's interest in Mochis.

You know that Retes sold 96% as follows:

30-3/8	to the R.R. Co.
11-5/8	" Blas Ybarra.
4	" Leonardo <i>Ybarra</i>
4	retained by him.
<u>100</u>	

The K. S. I. Co. purchased 15-5/8% as follows:

4	from C. S. Retes.
4	" Leonardo Ybarra
7-5/8	" Blas Ybarra, who retained 4% in

order to transfer to Mr. Ochoa, but never gave to this gentleman the legal document necessary.

After Mr. Blas Ybarra died, his successors sold to Mr. Retes their interest in the inheritance, for which Retes has now the legal ownership of the said 4%.

I think the arrangement between you and Mr. Streeter must be based upon the 30-3/8% owned by the R. R. Co., and in order to avoid further complications, Mrs. Retes and the K.S.I. Co. will renounce all their rights to begin new suits.

No, Sir, I have not commenced new suits; and you oblige me very much when you said: "I cannot believe it."

Yours truly,

(Signed) Antc. E. Castilum.

COPY.

Fuerte, Sinaloa, Mexico.

October 30, 1896.

John H. Rice, Esq.,

New York,

Dear Sir;

I am in possession of your letter dated the 12th instant, written to Mr. Streeter, who requested me to inform you about Retes' interest in Mochis.

You know that Retes sold 96% as follows:

80-3/8 to the R.R. Co.

11-5/8 to Blas Ybarra.

4 to Leonardo Ybarra.

4 retained by him.
100

The A.S.I. Co. purchased 15-5/8% as follows:

4 from C.S. Retes.

4 " Leonardo Ybarra.

7-5/8 " Blas Ybarra who retained 4% in

order to transfer to Mr. Ochoa, but never gave to this gentleman the legal document necessary.

After Mr. Blas Ybarra died, his successors sold to Mr. Retes their interest in the inheritance, for which Retes has now the legal ownership of the said 4%.

I think the arrangement between you and Mr. Streeter must be based upon the 80-3/8% owned by the R.R. Co. and in order to

avoid further complications, Mrs Retes and the K.S.I. Co., will
renounce all their rights to begin new suits.

No, Sir, I have not commenced new suits; and you oblige
me very much when you said; "I cannot believe it."

Yours truly,

(Signed) Anto. B. Gastilum.

Topolobampo, Sinaloa, Mex. Nov-7th 1895.

John H. Rice Esq.

Dear Sir:

In reply to your favor of Oct. 3rd '95, will say that all the evidence I have is a conversation I overheard between A. & B.. Mr A is a man I am well acquainted with. I know he was with Streeter at Fuerte, from the very first, and he (A) told B, that Streeter said he had to buy his witnesses to get the attachment suit, or to get out the attachment on your land. A said that Streeter wrote to C. B. Hoffman at Enterprise, Kansas, that he had had to buy his witnesses and some of them cost very high. A said he took the letter away from Streeter and told him (S) that he was a fool, or very foolish, to send such a thing as that through the mail without knowing what might become of it. A also told B. that at the time of purchase of Peter's part of Mo-Chis, that there was great difficulty in getting a possible deed and that Streeter's attorney came in to the room (Streeter's) and threw his hat and shouted that he had bought the Judge and that it was all fixed. He (A) said

2
he heard Streeter several times say that if
a little money was necessary to get this or that
through he would put it up. Streeter and his
Attorney said from the first, that their policy
was diplomacy with the officials, and a back.
A told B that after Streeter's Attorney threw
up his hat and said I've bought the Judge,
he (A) met Streeter's lawyer on the street with
Retes and they told him that they had a record
of Mrs Retes's Marriage and a brand new Certi-
ficate, and when he asked where they got it, Street-
er's Attorney said "they had dug it up". I can as-
sure you that if the evidence herein, and some
more of the same kind is of any use to you, you
can have it by paying for it.

I wrote the above yesterday and will finish
and mail it today. I took the precaution to
mail the other letter at Guaymas, and I think
you will be cautious to not let it be known that
I have ever written to you. If you do not use the
evidence in my first letter. I wrote you that
Streeter and his grown son had just started for
Culiacan, the boy came back in a few days and
I understood from him then that "Grandpa had
won the land suit, so you can see that it was

3

all cut and dried, for it was a month later
that it was decided.

P. S. I have had a talk with A and he positive-
ly refuses to testify in any case for a money con-
sideration, and he wants it understood that,
if he is a witness, he will swear to the truth
and nothing more, without fear or favor. He
also says that Streeter and his lawyer talked
it over and decided to deed the land to a
son of Streeters, as he Streeter was a member
of the Kansas Company. He also says that
Streeter told him that he would write the Judges
decision for him. He says that he does not want
to testify in the case for fear it will bring him
into trouble with the Mexicans here. He says
he would have to leave Mexico, but if called on
he will testify and you would have to take care
of his interests

Lawyer

14. Montagu Mansions,

Portman Square W.

London Nov. 14th 1896.

Dear Owen:

Thanks for yours of 6th instant.
in regard to the reported Bartlett Concession.
I will take the proper steps to have the story
contradicted in the papers here. You and Mr
Higgins can understand that the statement
made on the authority of the Mexican Finan-
Cier has had an effect here. I think the
Engineer will leave soon for New York. I had
a long conference with him yesterday and
am to meet him and some of the parties on
Monday. If there was some way to satisfy
the people that a cash subsidy could be
got for the mountain work it would make
the job easy. It is the terrible heavy work
through the Sierras that staggers them. But
at any rate I think I can get enough cash
secured to make a good show of completing

The road-bed of your 32 miles. After January 1st I will be in a position to "boom" North-western Mexico - a new journal is to make its first issue then and I am to write a series of articles on the resources of North-west Mexico. As soon as I can do so authoritatively I will cable you. Financial things are not very bright here now - The mining business was overdone and with dear money and a general slump all round. The Stock Exchange is quite dull just now. There will not be a revival till after Christmas holidays.

Yours truly,

A. M. Gibson.

Extracts from letter dated Mexico City,
Nov. 25th, 1896. from Edward S. Herrera to
A. K. Owen.

" I have called on Mr Fernandez Leal. He says that President Diaz thinks it best not to amend your old Colony Concession or to extend its time, and that the President has authorized him to make a new Contract with you. You may therefore make a memorandum for a completely new Contract and send it to me to submit as a basis for the same.

Saturday next, I propose to again see Mr Fernandez Leal and will have a further talk with him on the subject."

3 Popes' Head Alley.

Lombard Street.

London, E.C. 28th November, 1896.

Dear Mr. Owen:

I have a proposal from parties here to have an examination and complete preliminary survey of the line from Topolobampo through, and the branch to, Batopilas, sending out for that purpose a party of three Engineers and a representative of the Financier, making four people. One of the Engineers is on the Board of Arbitration of the London Chamber of Commerce and the other Chief is from Manchester.

The proposal is to make an exhaustive report on the resources of the Country, mines and everything. Mr. Stephenson of the Chamber of Commerce is well known to me and is a very thorough and influential Engineer, well connected socially and financially who has had large experience in England and in Russia and Turkey. The other, Mr. O'Doyle was Professor of Civil

Engineering at Owen's College, Manches-
 ter, for several years and has had large expe-
 rience in the North of England. Mr. Moore is
 an assistant of Mr Stephenson, a very capable
 young man who speaks Spanish and has had
 charge of a great deal of construction work. The
 other young man has been a student but has had
 no great experience in the field, but is a ne-
 phew of one of the financiers. The chief of the
 expedition will be Mr Stephenson, who has
 the confidence of the moneyed people, but Mr.
 O'Doyle is an influential man with a conside-
 rable following.

For making the survey and Report the
 parties want a charge of £9,000 on the Rail-
 way Concession which, of course, will not be
 a charge upon you in the event of their re-
 port being favorable and the business being
 done. If the Report is favorable there will be
 no difficulty in having the money provided to
 build immediately the first 50 kilometres and
 financing the undertaking provided the Sierra

Miguel
et

Madre Construction Company will take an active interest in the whole undertaking, or in building to Guerrero.

The estimate of the cost of the expedition, making surveys, investigating the Country's resources, mineral and otherwise, and the complete reports with maps etc. is £3,000. The party will, if you cable approval, immediately on receipt of this sail December 23rd and after conferring with you in New York proceed directly to Topolobampo and begin their work by examining the Harbor, sounding the Bar and doing that end thoroughly, and then go over the line to La Junta, taking in all along it and from La Junta going to Batopilas taking in all along it. Practically, they will run the lines, making instrumental observations. They will return to La Junta and then proceed through the Chinipas and Septentrion to Boyconá and thence to Chihuahua, running up to Guerrero.

They will, of course, also examine the proposed line of the Sierra Madre Construction Company, visit Corralitos and report on that as well. Mr Stephenson will also go to the City of Mexico and in conjunction with you interview the President and others in authority if you approve, with a view to securing a subsidy for the heavy portion of the line through the Sierra Madre.

My earnest advice to you is to accept this proposal and to agree to give the charge on the Railway Concession for £9,000 by cabling me at once on receipt of this your approval. You will, of course, have the Report and all data obtained by this Engineering expedition. I will provide in the preliminary agreement that all this is to be your property subject, of course, to use here. The arrangement made here will have to be approved by you in New York. And you will have to arrange terms for the financing of the proposed Company with Mr Stephenson who

Seaboard
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 1000

will represent the Capitalists. He is an exceedingly nice gentleman and a very clever fellow with whom you will be greatly pleased. Mr Stephenson has arranged with both the Daily Graphic and the Daily Chronicle to print what he sends to them, and I am to publish in the Mining Journal of London and in the Financial News special accounts and photographs of mines, etc.

In my opinion this is the only way your enterprise can be made to go on this side. You know the English will have reports of their own Engineers and I think I have accomplished wonders to get them to pay down the solid cash for the work with no other security than a charge on the Concession. You can depend upon it that people who will spend £3,000 in cash are not going to let the business go provided always the Reports are satisfactory.

You must see Mr Higgins also and let him read this and secure his Company's co-operation when the Engineers get to New York. It will be greatly to his advantage to have his end reported on also, because he will eventually want to come here with part of the securities of his line if they go on to Guerrero. Mr Stephenson will come with such credentials that Mr Higgins will at once see his standing and consequence.

Now, my dear fellow I have worked hard for you and have at last got this thing in a practical shape where the outcome is certain and you must not hesitate about your course. If you have to ask the President for an extension this is the way to secure it, and with Stephenson with you there will be no possibility of failure.

Yours truly,

A. M. Gibson.

Colonel A. K. Owen.

3 Popes Head Alley,

Lombard Street

London, E.C. 2nd Dec. 1896

Dear Mr Owen:

I can add nothing to my letter of last Saturday, except to say that one of the principal Contractors has decided to send his son with the Engineers, and one of the principal financial group, his nephew, so that the party will consist of five persons. They only await your cable authorizing the charge to be given to conclude all arrangements to sail on December 23rd by the "Britannic". They propose to begin by making a very thorough survey of Topolobampo and sounding on the Bar. One of the young men going is a very clever photographer and his outfit will be sufficient to take views of the entire line. You should make arrangements to have Jays accompany the party. I have talked very fully with Mr Stephenson about the difference between American and

2/
English construction and while he has had no experience in American work, he understands it and believes in it, and is quite prepared to accept the suggestions of a man like Jays. This is very important because an ordinary Engineer from this side might be frightened at the Cañons. You may rely upon Stephenson in every way he wants to see the undertaking go through and he will keep the estimates down. He has had experience in building railways in Wales and, therefore, knows something of Mountain work. He is a pusher, and will drive the work, there will be no playing.

You should at once make all the arrangements for the Customs authorities to pass into Mexico, all the outfit of the party, including the necessary provisions they will have to take along.

Yours truly,
A. M. Gibson.

copy
Telegraphic Address.
"Adler, Bourse",
London.

8 Drapers Gardens
Throgmorton Street,
London, E. C. Dec. 4th, 1896.

Dear Sir:

re Mexican Railway Concession
Topolobampo to Chihuahua and El Paso.

I have in connection with my friends carefully considered the Concessions granted to Col. A. K. Owen by the Republic of Mexico in aid of the construction of a line of Railway to connect the Harbor of Topolobampo, State of Sinaloa, Mexico, with the Mexican Central at Chihuahua, and the railway system of the United States either at Presidio del Norte, or El Paso, with branches to various points west of the Sierra Madre.

We have also studied with some care the principal features of the undertaking of the Sierra Madre Construction Company, of New York, which is constructing a line of railway from

Juarez, opposite El Paso, via the Corralitos
Mines, in Northern Chihuahua, with the in-
tention to continue south-westward to Guer-
rero, and to form a junction with the Topo-
lobampo line and thus form a Trunk Line.

We are prepared upon conditions hereafter
indicated to join in this undertaking and
find one-half the Capital required. It is a
necessary preliminary to interesting European
Capital in an enterprise of this magnitude
that a careful survey of the projected Trunk
line and branches should be made by Eng-
lish Engineers of established repute, not only
in their profession, but with financial houses.
This survey must be more than an examina-
tion of the several routes. It must embrace a
large section of the country likely to be tri-
butary to the railways with a view to deter-
mining the probability of the earnings of the
proposed lines being sufficient to pay fixed
charges and a reasonable interest on the out-
lay.

The Engineers selected for the purpose of making this survey, Mr. J. Gordon L. Stephenson and Mr. Kinsley Dryden Doyle, are well known and are particularly qualified for the work. Mr. Stephenson the Chief of the expedition is a member of the Engineering Committee of the London Chamber of Commerce, and has had large experience in the construction of English and Irish Railways, and Mr. Doyle in scientific attainments, and exact scientific experience in connection with Civil Engineering, will prove an able second in Command. Their assistants, Mr. Moon and Mr. Krauss are practical men with considerable experience in construction work.

The reports concerning the feasibility of the construction of the main line and branches, and upon the resources of the Country, are no doubt made by Capable men, but these gentlemen are entirely unknown to us, and so far as we know, to English Financiers. Moreover,

The reports were made several years ago. In respect to the difficult portion of the line through the Sierra Madre, they are lacking in details and consequently the probable cost of that portion of ^{the} work is altogether problematic.

We require the following definite particulars:-

A. - A report from Mr Stephenson giving estimates of cost of the line from Topolobampo to La Junta in sections of 5 Kilometres, including probable time of construction, and distinguishing as to cost of road-bed, bridges, ties and rails, track laying and equipment.

B. - Estimate of cost including probable time of construction distinguished as in the foregoing, of the branch from La Junta to Batopilas.

C. - A special report on the line from La Junta

through the Chinipas and Septentrion Canons to Boycona in sections of 50 Kilometres including probable time of construction, and particularized as in A.

D. - Particulars as to cost of line including probable time of construction from Boycona to Chihuahua, either to a junction with the proposed line from El Paso via Guerrero with a branch to Chihuahua, or independently to Chihuahua direct, as may be arranged with the Sierra Madre Construction Company, or, as in the judgment of Mr Stephenson may seem most advantageous.

E. - A Comprehensive report on the general resources of the Country to be traversed by the main line and branches, and particularizing as to Agricultural, Mineral, Timber and pastoral products, the present conditions of each and probable immediate developments following upon the construction of the railway.

F. - A report on the Harbor of Topolobampo which will set out present depth of water on the Bar, feasibility of Steamers coming alongside docks, and generally the Commercial advantages of the port.

G. - In connection with these reports it is desirable to have also very full particulars as to the working mines along the line and the branch to Batopilas, and undertakings from the Mine owners as to the minimum freight each would furnish to the line during the first year of operation.

If the conclusions of Mr Stephenson upon the whole scope of the investigations are favorable, we will find the Capital to construct one-half the line, or if a satisfactory arrangement is concluded with the Sierra Madre Construction Company, by which all interests are consolidated, we will in conjunction with the New York parties interested in the line from Juarez undertake the financing of the whole undertaking.

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It must be understood, of course, that our commitment depends entirely upon the reports of Mr Stephenson being satisfactory to the extent at least of justifying the statements set out in the printed pamphlet entitled "The Mexican Railway Limited - The development of North-western Mexico", copy of which you have furnished me.

Yours faithfully,

Norman Gronson.

To A. M. Gibson, Esq.
3 Pope's Head Alley,
Lombard Street,
London, E. C.

Copy

Denver, Colo. Dec. 5th 1896.

J. W. Lovell Esq

Dear Sir:

I have given a complete set of the papers, reports, maps, &c. about Mr Owen's Mexico interests to the parties here in Denver, who say they have a very wealthy client who they think will invest the first \$500,000., and if he does he then would be sure to see the Capital provided to make all the Enterprise a success.

Have secured ten Gold mining properties in Boulder County and brought down two sacks of ore yesterday, and got one assay of \$236.⁶⁰ per ton for selected ore and \$21.²⁰ for a fair average.

I go to New Mexico to day and hope to get East in about two weeks.

Yours truly,
C. W. Caryl.

38 Wall Street - Room 4.

New York City, Dec. 7th 1896.

Hon. Wm McKinley -

President Elect of the United States.

Dear Sir: Herein please find a suggestion for
a Current Money of the Realm for the home
people at home.

First - This will protect this Nation in its
highest and most essential prerogative to
say what shall be, and how, and when mo-
ney shall be issued.

Second - This will fix the prices, from year
to year, of the Nations staple products, and
will protect our home producers at home and
abroad as they have never before been protect-
ed in the control of their own products.

Third - This will protect the people from
trusts which otherwise will certainly be in-
corporated, for their own benefit, to corner and
fix the prices of our staple products, as trusts
have already incorporated and fixed, for their
own private gain, the prices for oils, Sugars, Coal,

etc..

Fourth - This will break up and put an end to the big bucket shops, or to the gambling dives known as "Produce Exchanges"; and will encourage the diversification and perfection of home industries at home, by giving protection in fixed prices for the staple raw products which are essential to the manufacturers of finished articles of National import.

Fifth - This will be a movement on the part of the Nation which will call a halt to those few Citizens who are now seeking, by means of incorporated privileges, to monopolize the Currency and the raw staple productions of this Nation; and thereby will call the attention of the whole people to where we as a Nation are drifting, that the proper legislation may be taken to protect ourselves from home and foreign Companies which are harvesting where they have not sown.

That Russia is just at this time moving to fix the price of wheat in the interest of her own wheat growers gives a special and marked import to the subject of this Communication.

Respectfully
Albert Kimsey Owen

Traduccion.

Enterprise (Kansas) Diciembre 7 de 1896.

Sr. David Law.

Fort Wayne, Ind.

Estimado amigo:

Nada animador tengo que comunicarle á Vd. relativamente á la Compañía Kansas Sinaloa Investment. El Sr. Streeter á quien hicimos miembro de ella, hace algunos años, para que siguiera el pleito con motivo de la posesion del Canal de Irrigacion, y para aclarar los títulos (del canal de posesion) de propiedad de los terrenos, emprendió una obra superior á sus fuerzas, y antes de poder llevarla á cabo se cansó. Ahora parece inclinarse á salir del atolladero, y no tiene la franqueza de reconocer que la actual situacion es culpa suya sino que la quiere hechar á otros.

Todavía no perdemos la esperanza desacar algo de este asunto, por mas que las probabilidades son pequisimas. Este negocio ha sido fatal y desanimador, y su fracaso es debido principalmente á la picardia de Owen, de Lowell, de Rice, y de todos esos tipos del Este.

Parece que Owen ha venido viviendo, durante los últimos 20 años, de proyectos y planes como por el estilo; y él y Lowell acaban de lanzar un flamante prospecto de una "Compañía Minera y Agrícola Mexicana" con un capital de \$5.000.000 dividido en acciones de á \$10.00 cada una, etc. etc. A no dudarlo estan procurando engatuzar á cuantos inocentes pueden; y como quiera que hay, en estos Estados Unidos 72 millones de habitantes, la mayor parte de los cuales son bobos fáciles de engañar, Owen y Lowell tienen probabilidades de salirse con la suya, y el primero de estos genios de la especulacion podrá seguir dándose muy buena vida.

Mucho siento verme obligado á juzgar así á un hombre en quien tanta confianza tenia yo; pero, amigo mio, una tristísima experiencia me ha hecho llegar á esta conclusion.

De Ud. afmo. S. S.

G. B. Hoffman.

Copy.

C. Hoffman & Son, Millers.
Enterprise, Kansas.

December 7, 1896.

Mr. — D — L —

Dear Sir: I have yours of the 14th ult. There is nothing encouraging to report concerning the K. S. I. Co.. Mr Streeter whom we engaged a number of years ago to carry through the litigation for the possession of the ditch and the clearing of titles to lands, undertook a mighty big job, and before he got through he got exceedingly tired. He is now inclined to get out of the bargain, and has not got the character to take the blame upon himself, where it really belongs, but tries to shift it upon other shoulders.

We have not entirely given up getting something out of the affair, but the chances are very slim. It has been a very discouraging and unfortunate affair, and its failure is primarily due to the dishonesty of Owen, Lovell and Rice, and that entire eastern outfit.

It seemed that Owen has lived for the last twenty years upon schemes of a similar kind, and he and Lovell have now issued (I am told) a flaming prospectus of the "Mexican Mining & Agricultural Company". "Capital Stock \$5,000,000.⁰⁰, Shares \$10.⁰⁰ each", etc., and no doubt they are trying to catch more suckers; and as there are about 72,000,000 people, mostly fools, in the United States, he will probably land enough to keep him very comfortable. I am very sorry that I am compelled to take such a view of a man in whom I have had much confidence, but sad experience has brought me to this conclusion.

Yours very truly,

C. B. Hoffman.

Dic. C. B. H.

3 Popes Head Alley,

Lombard St.

London, E. C. Dec 17th, 1896.

Dear Mr Owen:

I wrote you briefly by Wednesday's mail telling you that all the preliminaries had been settled, and that the Engineers would sail on the 23rd instant. It has been hard work at this season of the year, when everybody is so busy in the rush to close up the old year's accounts, to get a business like this through.

The papers were finally settled by Counsel on Wednesday evening and engrossed and signed on Thursday. As I informed you in my letter of Saturday the 12th instant, the money is provided to defray the expenses of the survey and the parties supplying it made it a condition and so expressed it in the charge on the Concessions that it was

to be applied only for this purpose.

* * * *

You will recognize Mr Stevenson as the important person, as he is in absolute Charge of the expedition and is the one with whom you and Mr Higgins are to treat as the Chief. He is the man who is to make the report and to whom the financial parties here look, as you will have seen by Mr Ironson's letter which I mailed to you last Saturday.

In these matters it is very important that no mistake should be made, and therefore I am explicit in instructing you on this point. It will be necessary doubtless to present Mr Doyle to Mr Higgins, along with Mr Stevenson, but please post Mr Higgins in advance of the meeting that he is only to discuss details with

Copy

Las Cruces, N. M. Dec. 9th 1896.

J. W. Lovell Esq.

Dear Sir:

I came here to attend to some important business and have chartered two Mining Companies under the laws of New Mexico and appointed one of the leading lawyers here as agent and he is also a stockholder.

Have secured some choice mining property for the Mining Company and also have interested several in the Mexico Enterprise. Mr Hampson was in his special car with my train, coming South. I talked with him about Mr Owen's interests. He said he did not think a Railroad could get through the mountains, but, of course is not an authority.

Yours truly,

C. W. Caryl.

List of persons who put up \$250,000
in April 1895 to buy an Onyx mine
and short piece of railroad in Mexico,
but could not get them:

Hon. Charles F. Crisp, Ex. Speaker,
Americus, Georgia.

Hon. Joseph D. Baynes, - Ex Governor - Bastrop, Mass.

Hon. James D. Richardson, Murfreesborough, Tenn.

Hon. Jacob Le Fever, New Paltz, New York.

Hon. Charles D. Haines }
Hon. Lafayette Pence } Kinderhook, New York.

Hon. Moses T. Stevens, North Andover, Mass.
(Republican)

Hon. J. Frank Aldrich, Chicago, Illinois.
(Republican)

copy.

William McKinley
Canton, Ohio.

Dec. 10th 1896.

Albert K. Owen Esq.

38 Wall St. Room 4.

New York City.

My dear Sir:

I am directed by Major McKinley to inform you that he has taken much interest in your favor of the 7th inst., with enclosures, presenting a plan for the issuance of current money.

Major McKinley very much regrets that, owing to the great demands upon his time, it is impossible for him to make personal acknowledgment.

Very truly yours,

Jas Boyle,

Private Secretary.

Telegraph Address,
"Expounded London".

A. M. Gibson

3 Popes Head Alley,
Lombard Street,

London E.C. 12th - Dec. 1896

To His Excellency,
President Diaz,
Palace of the President,
City of Mexico.

Sir: I venture to address your Excellency
respecting the Concessions granted to Albert
K. Owen, in aid of the construction of a railway
from the Port of Topolobampo to Residido del
Norte, with branch lines to Batopilas and
other localities of the Pacific Coast region of
Mexico.

I have for more than two years been Mr.
Owen's representative in Europe and
during that period have zealously endeav-
ored to secure the Capital to insure the con-
summation of the several enterprises of Mr.
Owen in your Republic. Your Excellency is
aware that owing to the conditions existing in

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Europe respecting monetary questions, undertakings of magnitude in Countries having a silver basis have not been favorably entertained.

In the course of my negotiations I have endeavored to enlist the support of the Deutsche Bank of Berlin and other German financial Institutions, but notwithstanding their friendly disposition toward Mexico, the invariable answer has been that the time was not propitious. The Deutsche Bank in particular has given me encouragement, but was averse to placing any new securities of Mexican origin on the market until the market price of Mexican 6 per Cent. Bonds had been brought up to an approximation of their par value.

Your Excellency is also aware that the Presidential Contest in the United States, turning as it did upon financial issues, had a most disturbing effect on European Markets. Until that Contest was settled, it was absolutely impossible to have any Capitalist

here or on the Continent consider American undertakings.

It is only since the result of the Election in the United States was known that I have been able to get a serious Consideration of the Owen Concessions, and the utmost I have been successful in is the arrangement of a strong group of Capitalists here who have agreed to send an expedition of five Engineers to make a Careful examination and report upon the proposed line from Topolobampo to Chihuahua and the branch to Batopilas, at the same time making a thorough study of the Mineral and other resources of the Region of Country to be developed by the projected railway. If the reports of the Engineers are satisfactory the gentlemen sending this expedition undertake in conjunction with Mr. A. Foster Higgins, of New York, and his associates of the Sierra Madre Construction Company, to find the Capital to construct the Trunk Line from Topolobampo via Guerrero

and Chihuahua to La Ciudad Juarez, with
the branch to Batopilas.

Your Excellency will see by the accom-
panying letter from the representative of the
financial group, the conditions upon which
the engagement to provide the Capital is
given, and will note how thorough an ex-
amination is to be made. Your Excellency
will also take note of the high standing
professionally and otherwise of the Engineers
selected to conduct the investigations and
the number of Assistants they take with
them. As your Excellency knows an expe-
dition like this one cannot be sent on such
a mission without a very large expenditure
of money.

I therefore venture to hope that your Ex-
cellency will be pleased to accept what has
been accomplished as a measure of performance
of Mr. Owen and his representative here suf-
ficient to justify your Government in granting
a prolongation of the time within which, under
the amended Contract of August 1st 1894, the

Concessionaire was to complete the first section of 50 kilometers from Topolobampo.

Under the difficult circumstances which we have had to labor, the accomplishment of this much is, I venture to submit, quite a success. The high character and distinguished attainments of the gentlemen who are to report on the railway undertaking and the varied resources of North Western Mexico, cannot fail to attract the widest attention to the results of their investigations. Mr Stephenson, the Chief of the Expedition, is a distinguished member of the Royal Geographical Society, and on his return will read a paper before that Society. Arrangements have also been made for a series of papers descriptive of the regions to be published in the daily papers of London, which cannot fail to be of great service in making known the wonderful capabilities of North Mexico.

Your Excellency will have an opportunity to hear from Mr Stephenson, who will visit your Capital with Mr Owen, on the conclusion of the surveys, an account of

what the expedition has accomplished and the views thereon of one of the first railway engineers of England.

Praying that your Excellency will pardon the length of this letter, and my inability to express myself in your own beautiful language with which I am only imperfectly familiar.

I have the honor, Sir,

To remain, with the most distinguished consideration,

Your Obedient Servant

A. M. Gibson.

Copy

3 Popes Head Alley,
Lombard Street
London, E. C. 16th - Dec. 1896

Mr A. K. Owen -
Room 4 - 38 Wall St.
New York City.

Dear Sir:

This will introduce to you
Mr J. Gurden L. Stephenson of Lon-
don, the Engineer in Charge of the
Surveying Party which is to make the
examination, and report upon the
Harbor of Topolobampo, Sinaloa Mexico,
and the Railway route thence to Chihua-
hua, via Guerrero, with branch line to
Batopilas. As you already know through
my correspondence with you on the sub-
ject. Mr Stephenson is accompanied by Mr.
Kinsley Dryden Doyle, second in Charge

2

and three assistants. It is unnecessary for me to go into further particulars, as you have already been made familiar with the professional standing of these gentlemen by the letter of the representative of the financiers which I have sent you, as well as by my several previous letters on the subject.

These gentlemen I need not say are of social standing here. Mr. Stephenson is of one of the oldest families in the West of England, and his family connections ramify throughout the kingdom. I bespeak for him your greatest consideration and attention socially while extending to him every facility in the business upon which he comes.

Yours truly,

A. M. Gibson

Mr Stephenson. At the same time it is very desirable that Mr Doyle should be received and treated with all consideration. He is a young man well connected here, and a gentleman of high scientific attainments. He fully understands the position in which he goes as a subordinate to Mr Stephenson.

* * * *

This business is now in good shape and the men interested will carry it through provided Mr Stephenson's Report confirms what has been put forward in our Pamphlet.

* * * *

Mr Stephenson is a financial Engineer - i.e., he is very keen and has made his mark in London by carrying through big undertakings and financing contractors. One of the party, a young Engineer, Mr Krauss, who goes out is the son of a

West of England Contractor, and a very strong man in Bristol. Mr Ironson, the representative of the financiers is also from Bristol, Mr Stephenson is a West of England man, and to a certain extent the outfit is backed by West of England Capitalists who, as you know, are very strong and enterprising.

* * * *

We want Mr Higgins and his friends to co-operate in every way, and it is altogether probable that the two undertakings El Paso to Guerrero and Topolobampo to Guerrero, or a more convenient point of junction, will have to become one in effect while remaining nominally two.

x x x x

We have got this business started at last after two years of hard work, and we are going to carry it through and make a grand success.

Yours truly A. M. Gibson.

3 Popes Head Alley,
Lombard Street

London, E.C. Dec. 16. 1896.

Dear Mr Owen:

I had expected to write you to-day that all the arrangements were definitely concluded, but the Solicitors, of course, will take their own time in doing their part. I see no difficulty in the way, but I never say a thing is finished till it is done. The Engineers are all ready - have ordered their outfit and engaged their passage on the "Britannic" for the 23rd.

You must have all your maps and reports on the railway ready to turn over to Mr J. G. L. Stephenson, who is the Chief Engineer and in charge of the expedition. You must arrange with Mr Higgins to meet Mr Stephenson on the arrival of the party, as it is most important that they shall not be

delayed in New York. The arrangement is that Stephenson stops in New York a few days and that the other four members of the party shall leave as soon as possible for Guaymas. Please telegraph and ascertain the sailings of the Steamer to Topolobampo after January 1st, so you can tell Mr Stephenson on arrival what day the advance party must be at Guaymas. I suppose you have already written out to have the arrangements made for mules and men and to your Engineer to be ready to accompany the party. You will, I suppose, also write to Governor Shepherd and Mr Brodie about the coming of the Engineers. I understand that Mr Doyle, one of the Engineers is a relative of Shepherd.

Note one thing - That Engineers are always curious and want to get into the inside of things - do not take any of them into your

Confidence, except on points that I indicate. Mr Stephenson is a very smart fellow and he will try to pump you in the interest of the financiers. I must be left to deal with all that part of the business. In the first place Stephenson will be the Engineer of the Company and will get a big thing in fees, but in addition to this he will have to be taken in on the financing, but that must be left to me to arrange. I expect to come over some time in January and then we can go into every phase of the business fully. I will write you more fully by Saturday's Steamer.

Yours truly,

A. M. Gibson

Agua Caliente de Baca, Sinaloa,
Mexico Dec 18. 1896.

Geo. W. Simmons Esq.
Boston, Mass.

My dear Sir:

Your favor of Nov. 24th (No. 69751) came to hand a few days since and in reply I have to say: I am very glad to know you have finally gained your point in the Mochis land case and hope you will soon be in full possession of same. As regards my taking the position of Agent for your Company here, it would be impossible for me to accept such a position as I could not spare the time to attend properly to your business; I have my family in Los Angeles, California, where I spend six months of the year, the other six months I spend here, where

I find my business requires every moment of my time. I am very grateful to you for the Confidence you repose in me, and will gladly do anything I can for you or your Company at any time.

The only person I know in this section who you could get to act as agent for your Company is Doctor A. H. Hubbard of Fuerte, and I believe him to be perfectly reliable and Capable.

I do not know what condition the Mochis lands are in at present as I have not been down the valley for several years, but that the lands can be made valuable I have no doubt; but I do not believe it can be done by a Cooperative Colony; if the ditch should be put in condition to be reliable to irrigate the lands, and these divided into small farms, say twenty acres or more as required with a permanent water

right and advertized throughout the North-west of the United States, they could be readily sold at a good price; in California large Companies are formed to buy large tracts of land and build irrigating ditches and plant fruit trees, and when the trees are bearing fruit the land sells for from \$500 to \$1,000 per acre; all kinds of Citron fruits can be raised better, and of finer flavor, and ripen out at least one month earlier in this valley than in any part of California; and I believe that this Gulf coast of Sinaloa will some day not far distant, be the great Citrus fruit belt for supplying the United States. The oranges raised here are superior to ~~that of~~ ^{those} raised in California or Florida, and the lemon is superior to that of Sicily; and with the double advantage of cheap labor and one hundred per cent exchange on the money

I can see no reason why such an enter-
prise cannot be made to pay here as well
as in California

Wishing you success in your enterprise
and always being disposed to assist you
in any way I can. I remain

Yours very truly,
Wm V. Lanphar.



Lanphar
Wm V