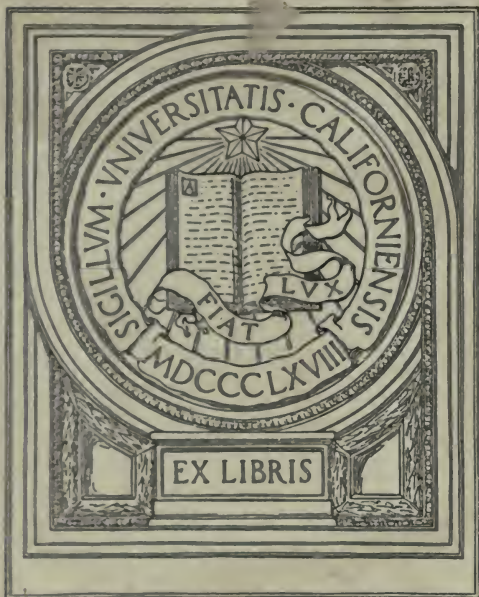


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CONCESSION AND CONTRACT

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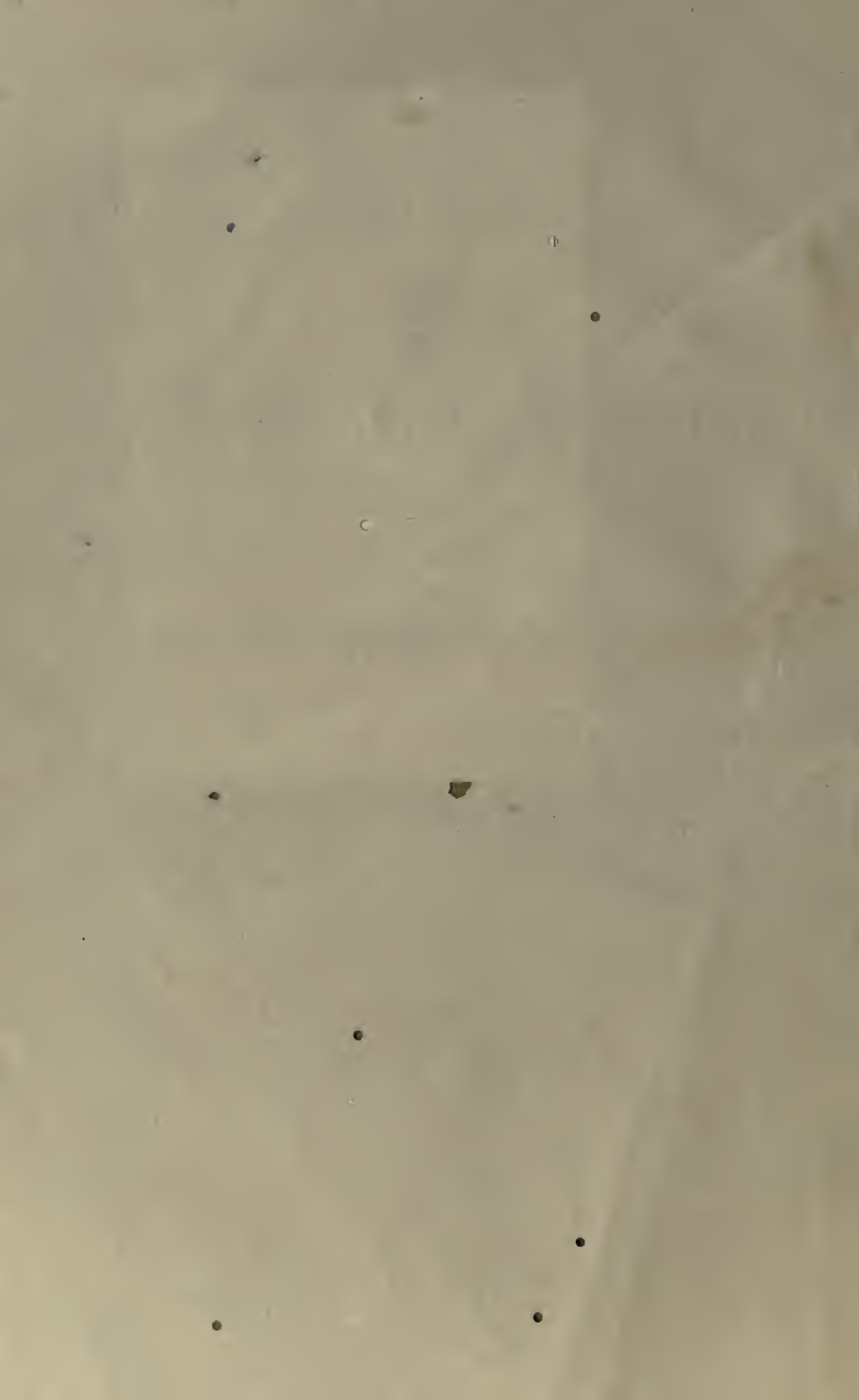
Statements with Descriptive Maps



TEGUCIGALPA

State of Honduras.—National Printing Office, 3rd. Avenue E., N^o 42

1897



Honduras

JALAN RIVER

CONCESSION AND CONTRACT

Official Reports, Engineers Reports

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Statements with Descriptive Maps



TEGUCIGALPA

State of Honduras.—National Printing Office, 3rd. Avenue E., N.º 42

1897

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Concession and Contract River Jalan

Contract dated September 27th., 1886.—Approved by Congress, February 10th. 1887. Decree N.º 15.

Paid in advance for the exclusive right to extract gold from the bed, bars and banks of the River Jalan, 12 annual payments of 1.000 pesos per year, for the construction of an Industrial School, to Jacob Baiz Consul General New York and President Bogran.

“Report of the Director General of Rents of Honduras, for the year 1888-1889. Exhibit II. E. A. Burke delivered to the Consulate of Honduras in New York in virtue of a concession \$ 12.000.”

From the 10th. February 1899 the concession will pay each year \$ 1.000.

(Translation)

DECREE N.º 16

In which is approved a contract celebrated by the Executive Power with Mr. E. A. Burke.

THE PRESIDENT OF THE REPUBLIC OF HONDURAS,

TO THE PEOPLE, BE IT KNOWN :

That the National Congress has ordered as follows:

DECREE N.º 16.

The National Congress, in view of the contract which literally says:

“Alberto Membreño, Chief Secretary of the Minister of Fomento, in representation of the Government of Honduras, for one part, and for the other Mr. E. A. Burke, citizen of the city of New Orleans, State of Louisiana, in the United States of North America, have agreed to celebrate the following contract:

1st.—The Government of Honduras concedes to Mr. Burke the exclusive right to exploit and extract minerals and precious metals from the beds, banks, placers and veins of the River known by the names of Jalan and Teupasenti for the width of six hundred “varas” on each side, measured from a central line established over said river, in distances of 1.000 “varas,” varying with the course of the same and as near as may be practicable, commencing at a point in said river, a distance of six leagues from the town of Guaimaca, following down the river, until its junction with the Guayape.

2nd.—There is granted to the enterprise of Mr. Burke all the privileges and exemptions conceded by the existing mining laws and by the decrees which refer to the Department, issued the 18th. of November of 1882 and the 7th. of February 1883.

3rd.—Mr. Burke has the right to introduce free of all taxes, fiscal or municipal, the machinery, tools, or other materials necessary for the exploitation and extraction of minerals

and precious metals embraced with the limits of the land that is given him, and the exemption from existing taxes, or any that may hereafter be imposed, for the products that may be exported.

4th.—The workmen and other employees, permanently in the enterprise, shall be exempt, in time of peace, from obligatory military service: and the Government will name a Commandante in order to drill the men subject to militia duty at the place where the works are situated, provided no expense is incurred by the State.

5th.—Mr. Burke may transfer, lease or sublease all or part of the rights and privileges that are embraced in this concession, but the obligations which are imposed by it shall always be complied with by those to whom it pertain.

6th.—The rights and privileges granted by this contract are without predjudice to those legally acquired by other persons: but all right or concession over minerals or precious metals which shall be forfeited, lapse, or be abandoned with in the limits of this concession, shall revert to the benefit of Mr. Burke, his associates or assigns.

7th.—The rights above described, privileges and exemptions are conceded to Mr. Burke, his associates or assigns, in consideration of the sum of \$ 1.000 annually which he is compromised to give to the Government of Honduras, in the following manner, and during the existence of the works.

8th.—Considering: that the Government desire to commence the construction of a building for the establishment of an Industrial School, during the coming year, Mr. Burke is obliged to pay to the person that the Government may designate, the sum of five thousand pesos, within twelve months, five thousand more within eighteen months, and two thousand more within two years, counting all these installments from this date: which amounts shall be as an anticipation of the money which Mr. Burke has to pay in the first twelve years. After the expiration of twelve years the annual payments agreed upon, shall be paid in the month of July of each year to the person that the Government may name.

9th.—Natives of Honduras, who have heretofore washed gold by the system of "bateas" as their patrimony, in the River Jalan or Teupasenti shall not be prohibited from continuing in the said occupation, in the same manner, but they may be prohibited from doing so, in the distance of 500

“varas” from where Mr. Burke is actually working, without his previous special permission, the same also, if the Honduraneans care to wash gold by the system of boxes, machinery or similar apparatus.

10th.—A failure to comply with all of the payments to which this contract refers will render it null and without any value.

11th.—After the capital invested, operating expenses, and 10 per cent of dividends have been realized by the enterprise, there shall be paid to the Government for the benefit of the aforesaid Industrial School, the sum of two and a half per cent of the yearly nett profits of the minerals and precious metals extracted from the zona.

The annual payments to which article 8.º alludes shall be invested also in said School.

12th.—The amount of the 2½ p. ¢ shall be payable annually in the month of June, and if not paid, it shall be determined according to the terms of this contract and shall be recoverable according to law.

13th.—In case of the transfer or lease of any part of this concession, each lessee shall separately be obliged to pay his prorata of said percentage.

14th.—All disputes or questions that may arise as to the interpretation or compliance with this contract, between the parties, shall be resolved by arbitration composed in the following manner:

The two contracting parties shall each select, a person competent and of good reputation as abitrators to decide the questions or disputes, and in case of discord, the arbitrators shall name a third. The Judgment of this Tribunal shall not be apealable.

In faith of which and witness thereof both contracting parties sign two of like tenor in the city of Tegucigalpa, on the 27th. day of the month of September 1886.—Alberto Membreño.—E. A. Burke.

Viewing the aforementioned contract, celebrated between Messrs. the Chief Secretary in the Department of Public Works, Licenciado don Alberto Membreño and Mr. E. A. Burke, and which consists of fourteen articles; and considering: that the described Chief Secretary has observed the instructions, which to that effect were communicated to him. Therefore, the President, DECREES:—That it is approved in all

its parts.—Tegucigalpa, September 27th. 1886.—LUIS BOGRÁN.
—The Secretary of State in the Interior Department.—*C. Gomez.*”

DECREE:

Article 1.º.—To approve the Contract previously described.
Given in Tegucigalpa, on the 10th. day of the month of
February 1887.

MARCIAL VILIL,

D. P.

JESÚS INESTROZA,

D. S.

S. MARTÍNEZ,

D. S.

To the Executive Power.

Therefore Excutes:

Tegucigalpa, February 18th. 1887.

LUIS BOGRÁN.

The Secretary of State in the Department of Public
Works.

FRANCISCO PLANAS.

State of Louisiana. } S. S.
Parish of Orleans. }

KNOW ALL MEN BY THESE PRESENTS

That I, Edward A. Burke, of New Orleans, in the State
of Louisiana, for and in consideration of the price and sum
of ten thousand dollars, to me in hand paid in cash by John
A. Morris, of New Orleans in the State of Louisiana, receipt
whereof is hereby acknowledged and due and full acquittance
and discharge granted therefor and other valuable consider-
ations, I do by these presents grant, bargain, sell, transfer
and convey unto said John A. Morris, his heirs and assigns,

All my right, title and interest of every nature and kind
whatsoever in to and of the following concessions together
with all the privileges, benefits, exemptions and emoluments
thereunto appertaining or therewith connected, to wit.º

The concession made to me said E. A. Burke by the
Government of the Republic of Honduras of the exclusive

right of extracting, and working, and improving minerals and precious metals on the banks, beds, bars, placers, veins or mineralogical sources of the *Jalan Or Teupasenti* River and commencing at a point on said River six leagues from the town of Guaimaca and extending to the junction of said river with the river Guayape estimated as a distance of about eighty miles in running length and extending six hundred "varas" on either side of a central line which shall be established by Surveyors at a distance of one thousand "varas" varying in direction with the course of said vein.

Said contract was approved by President of the Republic of Honduras on the 27th. September, 1886, was ratified confirmed and approved by the National Congress of the Republic of Honduras as per official ratification of the State Department of said Republic dated Tegucigalpa, February 10th. 1887, and survey ordered.

All of which rights, benefits, privileges, etc., are set forth in documentary evidence which has been furnished and delivered by me to said John A. Morris.

To have and to hold said rights, benefits, privileges, etc., unto said John A. Morris, his heirs and assigns forever, and which I hereby bind myself, my heirs, executors, and administrators to warrant and defend unto him and them against the lawful claims and demands of all persons whomsoever.

In witness whereof I hereunto sit my hand and seal this fifteenth (15th) day of June, A. D., 1888.

(Signed) E. A. BURKE. (Seal.)

Signed, sealed and delivered in presence of

Signed
JEFF. C. WENCK.

Signed
W. RENAUDIN.

I hereby accept the foregoing sale and transfer made to me.

Witness my hand and seal this 15th. day of June, A. D. 1888.

(Signed) JOHN A. MORRIS. (Seal.)

Signed and sealed in presence of

JEFF. C. WENCK.—W. RENAUDIN.

State of Louisiana. } S. S.
Parish of Orleans. }

BE IT KNOWN,

That on this fifteenth day of June, A. D., 1888, before me, John Bendernagel, Notary Public in and for the Parish of Orleans, State aforesaid, duly commissioned and qualified, personally came and appeared Edward A. Burke, and John A. Morris, to me known, the said Edward A. Burke as the person named in and who subscribed the foregoing Deed and Conveyance and the said John A. Morris as the person whose name is subscribed to the foregoing acceptance thereof and they severally acknowledged that they signed and executed the same for the uses and purposes therein set forth.

In faith whereof, I hereunto set me hand and seal this 15th. day of June, A. D , 1888.

(Signed) J. BENDERNAGEL,
Notary Public.

Tegucigalpa, June 18th. 1890.

John A. Morris Esquire:

The following decree has been issued to-day:

“SECRETARY OF STATE IN THE DEPARTMENT OF FOMENTO
(PUBLIC WORKS)

Tegucigalpa, June 18th. 1890.

In view of the proceedings of the survey practiced by the Engineer don Jose Esteban Lazo on the days 13th., 22th., 24th., 25th., 26th., 28th., 29th. and 30th. of April, and 22th. and 23th. of May previous, in accordance with the decree of the 7th. February of the present year, by which he was commissioned to Survey the concession of the Rivers Jalan and Tenpasenti, granted by contract made on the 27th. September 1886 to Mr. E. A. Burke, which contract was transferred to Mr. John A.

Morris on the 15th. of June 1888. Having seen the Report of the Specific Revisor and the opinion of the Fiscal General of the Treasury; and whereas, although the Survey has not been executed over all the extension granted, the operations practiced by Engineer Lazo are in accordance with the geodetical principles and also with the laws on this branch; and as the Government can, since there is no prejudice to a third party, give its approval to the partial survey executed; therefore the President

DECREES:

1st.—To approve the survey referred to, in accordance to law and under the above terms.

2nd.—To extend in favor of the interested party the partial attestations he has petitioned for. The final title shall be issued when the Survey has been completed. Be it known and registered.—Signed by the President.

By illness of the Secretary of State the chief clerk.—Julio Cesar Duron."

In communicating the above to you for your information and other effects, I subscribe myself, your obedient servant.

(Signed) JULIO CESAR DURON.

State of Louisiana, } S. S.
Parish of Orleans. }

KNOW ALL MEN BY THESE PRESENTS,

That I, John A. Morris, of New Orleans, in the State of Louisiana, have made an appointed, and by these presents do make constitute and appoint Edward A. Burke, at present residing in New Orleans aforesaid, to be my true and lawful Agent and Attorney in fact, for me and in my name place and stead to sell, transfer, convey and assign for such price and consideration in cash, stock, or on such terms and conditions as he may think proper.

All my right, title and interest of every nature and kind whatsoever in to and of the following concessions together with all the privileges, benefits, exemptions and emoluments thereunto appertaining or therewith connected to wit:

The concession which was made to said Edward A. Burke by the Government of the Republic of Honduras of the exclusive right of extracting, working and improving minerals and precious metals on the banks, beds, bars, placers, veins or mineralogical sources of the Jalan or Teupasenti River and commencing at a point on said river six leagues from the town of Guaimaca, and extending to the junction of said river with the river Guayape, estimated as a distance of about eighty miles in running length and extending six hundred "varas" on either side of a central line which shall be established by Surveyors at a distance of one thousand "varas" varying in direction with the course of said rivers. Which contract was approved by the President of the Republic of Honduras on the 27th. of September 1886 and was ratified confirmed and approved by the National Congress of the Republic of Honduras as per official ratification of the State Department of said Republic dated Tegucigalpa, February 10th. 1887 and survey ordered.

All of which rights, benefits, privileges, etc., are set forth in documentary evidence in my possession. And for the purposes aforesaid my said Attorney is hereby authorized and empowered to make, sign and execute the necessary deeds, conveyances or other instruments of writing necessary to be signed and executed in the premises with full power of substitution and revocation hereby binding myself to ratify and confirm all and whatsoever said Attorney or his substitute shall lawfully do or cause to be done in virtue hereof.

In witness whereof I hereunto set my hand and seal at New Orleans in the State of Louisiana this twenty ninth day of January A. D. 1889.

JOHN A. MORRIS. (Seal)

Signed, sealed and delivered in the presence of

A. W. COCKERTON.—DAVE H. MORRIS.

State of Louisiana. } S. S.
Parish of Orleans. }

BE IT KNOWN

That on this twenty ninth day of January A. D. 1889 before me, John Bendernagel a Notary Public in and for the

Parish of Orleans State aforesaid, duly commissioned and qualified personally came and appeared John A. Morris to me known as the person named in and who subscribed the within and foregoing power of Attorney and acknowledged that he signed and executed the same for the uses and purposes therein set forth and expressed.

In faith whereof I hereunto set my hand and seal this 29th. day of January A. D. 1889.

Notarial seal.

J. BENDERNAGEL,
Notary Public

El Vicecónsul de Honduras,

Certifica: que la firma de J. Bendernagel, Notario Público en New Orleans, que autoriza este documento, es auténtica y la que usa en todos sus actos.

Para los usos legales, expido el presente en el puerto de Nueva Orleans, á los treinta días de Enero del año 1889.

(Seal) .

E. HERNÁNDEZ,
Vicecónsul de Honduras.

Her Britannic Majestys Consulate New Orleans.

J. A. de G. de Fonblanque, Esquire Her Majesty Consul for the port and District of New Orleans in the United States of America.

Certify: that John Bendernagel Esquire whose true signature and seal are respectively subscribed and affixed to the instrument hereunto annexed was on the day of the date thereof a Notary Public in and for the State of Louisiana duly commissioned and sworn to whose official acts full faith and credit are due in court or thereout.

In testimony whereof I do hereunto set my hand and seal of office at the city of New Orleans this 30th. day of January in the Year of our Lord one thousand eight hundred and eighty nine.

(Seal)

A. DE G. DE FONBLANQUE,
H. B. M. Consul.

Stamp
One shilling.

I, GEORGE FREDERICK WARREN,

Of the city of London, Notary Public by Royal Authority, duly admitted and sworn do hereby certify to whom it may concern, that I have carefully collated and examined with the originals the foregoing copies and I further certify that the same are true and faithful copies of the said originals and agree therewith in every respect.

Whereof an act being required I have granted these presents under my notarial firm and seal to serve and avail when and where need may require.

London, the sixteenth day of October one thousand eight hundred and eighty nine.

(Seal)

G. F. WARREN,
Notary Public.

El infrascrito, Cónsul General de la República de Honduras en Londres,

Certifica: que la firma y sello que anteceden y que son al parecer los que usa en sus actos oficiales don George Frederick Warren, Notario Público de esta ciudad, cuyos actos oficiales merecen y se les da entera fé y crédito, tanto en juicio como fuera de él.

Dado bajo mi mano en el sello de este Consulado General hoy día veinticinco de Octubre de 1889.

(Sello)

W. BINNEY.

El infrascrito, Secretario de Estado en el Despacho de Relaciones Exteriores del Gobierno de Honduras,

Certifica: que la firma que antecede del señor Cónsul General de la República de Honduras en Londres, que dice: "W. Binney," es auténtica.

Tegucigalpa, Agosto 12 de 1895.

(Sello)

CESAR BONILLA.

[Translation]

Tegucigalpa, 13th. of August, 1895.

Mr. E. A. Burke.—Presente.

Today there has been issued the decree which says:

Tegucigalpa, 13th. of August, 1895.

In view of the previous petitions in which Mr. E. A. Burke asks that the Government shall recognize him as the Agent of Mr. John A. Morris, in respect to the concessions of the River Jalan and the River Guayape approved by Congress in favor of the former, the 10th. of February 1887, and transferred to the latter the 15th. of June 1888, and considering that the documents presented by the petitioner are according to law, and that the opinion of the Attorney General is favorable, the President

DECREES :

To recognize Mr. E. A. Burke as such Agent of Mr. John A. Morris, in all that concerns the concession referred to, as fully as authorized.—Communicated and registered.

BONILLA.

The Secretary of State in the Department of Public Works.

E. Constantino Fiallos.

Communicated to you for your information and other effects.

Your obedient servant,

E. Constantino Fiallos.

Jalan River.—Guaimaca Section

TRANSLATION

of certificate of town authorities.

At a meeting of the municipal authorities of the town of Guaimaca on the Jalan River in November 1896 in response to a request for information from the Scientific Commission of France, a certified statement under seal of the Municipality was given to the effect of that:

1st.—They ratified and confirmed the opinions or information indicated in the public document made before the Justice of the Peace, by the authorities of the town January 27th. 1890 and in addition testified:

2nd.—That the river Jalan and many quebradas are auriferous. In parts coarse gold is found, in other parts the gold is fine:

3rd.—That above Guaimaca is found the Quebrada "Tigrilla" in which is found coarse gold in abundance, the grains frequently having particles of quartz attached, there is also a quebrada or creek in front of the mine "Nana Julia," from which coarse gold has been taken for many years in abundance; this quebrada flows East, until it enters the quebrada "La Mansión" which enters the Jalan: 5

4th.—Below the town of Guaimaca and above the "Barranca Rica" or "Rich Bank," near the Jalan River, exist the old mines "Belen" and "Patastera," also others, the names of which are not known.

The Patastera is said to contain a very rich "hilo" or vein of gold, and below this mine is found the "Barranca Rica," large banks which many of the "gold washers" of this town have visited.

These banks contain coarse gold in abundance and are famous for their richness, but the distance from this town being about 7 leagues, and there being "Tigers" in the locality the gold washers of this town only go there occasionally.

TRANSLATION

of certificate of town authorities of Guaimaca made 27th. of January 1890, ratified by town authorities November 1896 at request of Scientific Commission of France.

The river passing Guaimaca is and always has been called the Jalan proper. Therefore in this description will call it the Jalan.

Head waters of the Jalan rise in "El Tomate," drains all of the country between mountain range which forms Northwestern boundary of Guaimaca valley to the foot hills which form Eastern boundary. The creeks "Santa Teresa" and "Peralta" empty into Jalan about one mile and $1\frac{1}{2}$ miles above town as shown in map. The creek "Lologuara" empties into creek Barnis near town, creek Barnis flowing into Jalan about $1\frac{1}{2}$ mile below town.

From crossing of river Jalan to a small cannon about 500 feet long, called "El Chorro," a distance of about $1\frac{1}{2}$ leagues, the river averages from 100 to 150 feet wide flowing through level country and having high banks of gravel red and yellow clay and quartz formations. Flow of water from 5 to 20 feet wide, differing in depth and rapidity.

El Chorro Cannon (cañón) is about 20 feet wide at its head, and 4 to 6 feet wide at its mouth;—below "El Chorro" has formed a small bar from which the women have washed gold, also two more bars below "El Chorro" are known as having been washed by women.

Above "El Chorro" empties quebrada "Tule" which rises near "Cigualteca" $1\frac{1}{2}$ leagues from town empties creek "Guatimalia."

From cannon "El Chorro" the river enters virtually into foot hills and is very winding, forming numerous bars of small dimensions.

The Jalan just above where empties "Rosario" is about 100 feet wide, the Rosario, at its mouth being about 75 feet wide.

Just below where the Rosario emptys into Jalan, the river is about 200 feet wide forming on South side of river a large bar of 500 feet long by 100 wide; also bank about 30 feet high from which the women have washed gold. (This information was taken from people who live in ranch at the mouth of the Rosario).

The quebrada "San Marcos" flowing from San Marcos Mountains, is only creek emptying into Jalan between Rosario and "Rio Abajo." At junction of Rosario, the country on South side of river is level rolling country back to about a distance of one league, North side being hilly.

The Rosario rise about 7 or 8 leagues South-West of Guaimaca, draining all the country South and West of the head waters of the Jalan and the mountains Agua Fria, Zapote and Caliche.

The creeks San Diego and Cigualteca are only streams of importance emptying into Rosario from valley on left hand side. The creek "Charcos" emptys into Rosario from valley on right hand side and forms at crossing of the "Camino Real" a distance 6 leagues from Guaimaca. The "Caliche" rises in the Caliche Mountains, and emptys into the Rosario from right hand side, about 2 leagues above mouth of Rosario, it and its mountain branches carry gold and are being washed at present by women. "Los Coralitos" one of its principal branches rising in foot hills is being washed by women and they taking up from \$ 0.50 to \$ 1.00 per day with "bateas." From the house of Rosa Rodríguez to Caliche colors are found in river and some of the small branches. The first creek emptying into Rosario from right hand side is Agua Fria about $\frac{1}{2}$ league above its mouth. The "Agua Fria" rises in the mountains of Agua Fria, receiving the creek "El Zapote" which rises in the mountains of El Zapote. Creek "Zapote" and "Agua Fria" are noted as having been washed by women. (This information in regard to gold having been washed was given by people who live the mouth of Agua Fria).

The Rosario flows principally between high and rugged banks, varying in breadth from 15 to 50 feet and is noted for its boulders.

The distance from Guaimaca to Barranca Rica is about 7 leagues and from Barranca Rica (Rich Bank) to Teupasenti is about 6 leagues. Distance Guaimaca to Teupasenti 13 leagues.

REPORT •

Don Alberto Smith, on the Guaimaca Section, Department of Tegucigalpa, River Jalan Concession, from "El Tomate," or head of the river to Barranca Rica, (Rich Bank) about 11 leagues.

From "El Tomate" to "Barranca Rica" some of the banks prospect gold. All the bars down to "El Chorro" $1\frac{1}{4}$ leagues below Guaimaca prospect fine leaf gold. "El Chorro" is a narrow cañon, 5 or 6 feet wide, perpendicular walls of hard rock, fine place for dam, large bar below, surface prospects well.

Rosario River, or Quebrada $2\frac{1}{2}$ leagues below Guaimaca, pans fine gold, large bar below mouth of Rosario in Jalan pans better, from 50 cents to \$ 1.00 per cubic yard, Rosario large stream.

Quebrabrada San Marcos, enters Jalan from San Marcos mountains on South side, good sized stream, pans fine gold, large bar at mouth, about $3\frac{1}{4}$ leagues below Guaimaca.

Quebrada Guayana, South side, $3\frac{1}{2}$ leagues from Guaimaca very fine gold.

Quebradas Palomas and Guamilas, latter flows into Jalan from North side, fine stream of water, large bar prospects well, coarser gold, $3\frac{3}{4}$ leagues from Guaimaca.

Quebrada Tule, enters from North side, carries fine gold, dry except in wet season.

Rio Abajo is near here, where lives Ignacio Mejia on North side, other houses and small ranches on South side, below this a large bar which pans fine gold.

Quebrada Baldonado, small stream from South side shows colors, about one mile below Rio Abajo.

Quebrada Agua Fria, North side, good stream, about 4 or $4\frac{1}{2}$ leagues below Guaimaca, large bar, women washing coarser gold. About $\frac{1}{2}$ league up the Frio the "Quebrada del Oro" (or Gold Creek) comes from Cerro Bonito range into the Frio pans coarse gold. Said to be rich and good for ground sluicing. Between Maldonado and Frio lives Desiderio Jimenez, a good guide.

La Tumba, about $1\frac{1}{2}$ miles further down, gravel banks 15 to 20 feet high, on North side of Jalan. 3rd. crossing from Mejia's house. Hydraulic ground.

Quebrada Mojastre, good stream, South side, from Chile mountains, pans well, large bar below mouth, about $5\frac{1}{2}$ leagues below Guaimaca. Say 26.000 "varas," and 51.000 "varas" from head of Jalan.

Belen Mine, old mine, East and West vein, dip to North, bounded on North by River Jalan, East by "La Patastera Mine", South by Chile Grande Mountain, West by the "Quebrada Mojastre," carries gold and silver. Shaft 18 feet, 4 feet wide all in ore. (Samples) N.° 6, reddish; N.° 7, blue jabor; N.° 8, rose colored; N.° 9, dark grey and bluish.

La Patastera, old mine, reported as being rich in gold, 300 yards up from river, about. Shaft 40 feet deep. Drift from bottom running East, shows 4 feet ore in heading, hard smooth foot wall, could not determine hanging wall. East and West vein.

Samples from heading in sacks N.° 11, N.° 12 to Retiro.

Tracing vein over East ridge samples in sacks N.° 13 and 14.

Lower Patastera, East and West vein about 150 yards below the Patastera. Old shaft 12 feet, with 9 feet drift. Vein in heading over 6 feet. Samples from heading in sacks N.° 17, N.° 18, N.° 19, N.° 20, yellow, red tinted.

Mammoth, large East and West vein or deposit, about 200 yards from river Jalan, South side, enormous outcrop. Samples N.° 15, N.° 16.

(Note.—Assays of this "deposit" ran about \$ 8 gold. Mr. Gifford was much interested.)

Barranca Rica (Rich Bank).—River has great fall, banks and bars pan coarse gold, famous resort for gold washers, who often come from Guaimaca 6 leagues to wash gold here. Excellent place to dam or hydraulic.

Here may be said to commence, coarse gold in Jalan and about here ends the Guaimaca Section which has a length of about 12 leagues or 55.000 "varas."

ABOVE GUAIMACA.

Mr. Smith reports on various streams flowing into the Jalan as follows:

“Quebrada del Camino Real de Orica” a little fine gold in some of the banks, very little in the Quebrada.

Quebrada “La Calera,” no gold.

Quebrada “El Misoco,” no gold.

Quebrada Azacualpa, coarse and fine gold, for near one league, there lose gold in main stream and find it going up East branch to hill called “Nana Julia.”

Quebrada “La Mansión,” in places find “quartz gold” this quebrada heads in hill, “Nana Julia” or Grandmother Julia, reported to be a very rich gold mine, once worked by an old woman named “Julia.”

* * *

NOTE.—I have prospected the “Old Ladys Mine,” outcrop good, can trace vein quite a distance, old shaft caved, filled nearly to top. Evidently worked for a rich soft streak, ore or dirt carried down to foot of hill where there is a fine stream of water for I should say 20 stamps, marked on my list for prospecting later on in Olancho zone.

Higher up the mountain are fine quartz prospects, and a cave of beautiful white marble.

It is my opinion that the Guaimaca Section contains enormous deposits of gravel carrying fine gold.

From “El Tomaté” the head of Jalan to “El Chorro” I do not think there is sufficient “fall” in the River to dam and flume, or room for tailings, but there is pay gold in many of these banks, and some fine large streams of water coming down from mountains near by having 4500 feet elevation above sea level, and the “fine gold saver” or Amalgamator will reap a rich harvest. The section has not been thoroughly prospected.

The Archeologist will be interested in this section, as the vast number of mounds, and finds of pottery marks the site of an ancient city, near the present town.

E. A. BURKE.

Paraiso Section of River Jalan

REPORT

*of the Governor of the Department of El Paraiso
on River Jalan*

To the Supreme Executive Power:

The subscriber Political Governor of the Department of El Paraiso, in compliance with your order of the 27th. of the past month, and conforming to the data which has been furnished by persons that merit faith, extend the following

REPORT:

1st.—To West of the town called “La Puerta” known as the limit between the Department of Tegucigalpa and El Paraiso, and from this point down the River Jalan as far as the Puerta, we have to reckon about 6 leagues of national land, (surface) and another league of municipal land.

In this tract is to be found a place called “Patastera” crossed by the Jalan River where there is to be found gold washings and several known veins, bearing lead and silver, and also the Quebrada “Los Montones” which is auriferous, and there are places for washing gold in its confluence with the Jalan.

It runs from South to North in national lands, where timber is to be found, and also precious woods of various kinds, on both sides of the river.

2nd.—From the Teupasenti village down said river to the North, there are more or less eight (8) leagues of land private property (surface) and about eight (8) national, until the “Cañas” which is the limit of the Department of El Paraiso, dividing it from Olancho.

In the same land is comprised one league and a half belonging to the municipal land of said village.

3rd.—The river and quebradas that go to the Jalan by the North are as follows:

The Quebradas Chupadora, Colina, Jugilate, San Antonio, El Cacao, El Frijolar, Agua Fria, San Rafael de la Lauguara, two of them have gold although there are no washing places because their course runs through lands of private property, but in national lands are to be found the quebradas Carrizo, Agua Fria, La Aguja, Zarcil, Boqueron and Las Cañitas.

There are no veins of gold or silver in exploitation, but there are washing gold places without excepting the Jalan, whose broad plays (banks) are well known as auriferous.

EXPLANATIONS :

The Zone (Olancho) pertaining to the Jalan *in this Department*, measures in its length from West to East about 25 leagues, in a straight line, and following the course of the said river, which forms a curve, may have about 30 leagues, and from South to North about 10 width, said land in its greatest part is wild, that is why, my opinion is, that if the Government thinks it convenient they should accept the proposition.

Yuscaran, February 24th. 1890.

CAYETANO BONILLA,
Governor.

EDUARDO BONILLA,
Secretary.

NOTE:—The Report indicates the distance from La

Puerta to Teupasenti.....	7 leagues.
Teupasenti to Cañales.....	16 „
Making the Paraiso Section a distance of about..	23 „
The Guaimaca Section, or Tegucigalpa Department, is about.....	11 „
The Olancho Section, from Cañales to junction, about 45 miles or.....	15 „
This would make a total length of about.....	49 „

It is my impression that the distance is over estimated:

Mayes measured Olancho Section about.. 45 miles.

Lazo measured Guaimaca Section about.. 28 „

To be measured, Paraiso Section, about.. 30 „

Total..... 103 „

I prefer to keep on the safe side by saying from 75 to 90 miles.

E. A. BURKE.

RIVER JALAN

EL PARAISO OR TEUPASENTI SECTION

(Translation)

Teupasenti, the 10th. of February 1890.

Hon. Governor of this Department.—Yuscaran.

In answer to your two comunicaciones of the 3rd. and 6th. instant I have the honor to report you as follows:

1st.—The river passing through this village is called Jalan from “La Puerta” to “Las Cañas,” limits of its jurisdiction between the department of Tegucigalpa and Olancho.

2nd.—From this village up, there is one league of municipal lands and five leagues of national lands.

3rd.—There are placers or gold washing places on both sides of the river until “Patastera,” and there are also several mineral veins carrying silver.

4th.—The quebrada “Los Montones” is very auriferous and the gold washers exploit it at its confluence with the Jalan river. It runs from South to North in national lands.

5th.—There are abundant precious and building woods on both sides of the river.

6th.—From this locality down to the North, there is one extension of about seven leagues belonging to the individuals and seven of national lands to “Las Cañas” limit of the department of Olancho. The seven leagues belonging to the individuals are distributed as follows: one league and a half to this Municipality, limited by the property of Mr. Ramón Moncada which extends one league and a half to “El Frijolar;”—from this point to the “Olingo” there are four leagues belonging to M. M. Rojas and Padillas.

7th.—The rivers and quebradas which flows into the Jalan on the same North side are as follows: in the lands of this Municipality, the quebradas “Chupadero” and “Colida;” in the properties of Mr. Ramón Moncada are the quebradas “Guajilote,” “San Antonio,” “El Cacao” and “Frijolar;”—

in those belonging to M. M. Rojas and Padillas are the quebradas "Aguja," "San Rafael" and "Guangara," the 2nd. and 3rd. carrying gold, but never been washed;—in national lands are the quebradas "Carrizo," "Agua Fria," "Zarcii," "Boqueron" and "Las Cañitas," all these carry gold in abundance.

8th.—There is no gold veins in exploitation nor known; but very rich placers, not excepting the Jalan river, whose wide banks, without any doubt are the focus of unexhaustible richness.

9th.—From "Las Cañas" to South up river there are the following quebradas "Zapote" and "Cullamapa," which rise in the mountains of "Olingos" and flow always over national lands, both are auriferous and principally the 2nd., which became famous since the last year on account of its rich gold placers which are considered almost as fabulous. The quebradas "Carpules" and "Las Animas" are in the properties of M. M. Rojas and Padillas. The quebrada "Yamaguara" flows over lands, belonging to this Municipality and to Mr. Ramón Moncada. It is reported that in this quebrada exist coal veins. The "Pava" flows in municipal lands and "Veracruz" in lands pertaining to Mr. Camilo T. Durón.

10th.—This Municipality has in the South side of the river, lands twenty leagues long and seven and a half wide.

The mountains of "El Pueblo" and "El Chile" surround this village as well as the "Santa Rosa" mountains which runs toward East when enters in the Department of Olancho.

This is all I can now inform you about the subject you referred to and I have the honor to be, etc., etc.

Seal of the Municipality
of Teupasenti.

(Signed) RAMÓN MONCADA.

Olancho Section, Jalan River²

FROM CAÑALES TO JUNCTION OF THE GUAYAPE

Retiro: January 4th. 1887.

Major E. A. Burke.—New Orleans.

Dear Sir:

As soon as I got well I started for Juticalpa to get money for Barnhart and myself, but, owing to the absence of the merchant I was directed to, could not obtain any, and after losing four days in telegraphing, I started for Jalan. I at once started up river in a canoe taking with me a "batea" man and tools, tent, etc, proving and prospecting banks and bars as I went. The river was still deep and I had considerable difficulty in getting up stream, having to walk almost all the way over rocks and cutting through brush.

The name Jalan, signifies in Indian dialect, beautiful, and it is indeed a beautiful river. The South side as far as I went is an immense virgin forest mountain, somewhat inclined to flat, with good aluvium soil extending a distance of forty miles from North to South, and about sixty miles East and West, all national and unoccupied land. A most delightful climate, the temperature at 6^a. m. is 62°, and at 12, 80°, F. The river rises from 900 feet at La Jagua to 1,500 feet in 40 miles, and the general height of enclosing mountains is from 1,000 to 4,000 feet. It produces everything abundantly, and has plenty of wild cocoa growing near the rivers on the hill sides. It is well watered, has the beautiful valley of La Azacualpa on the South and East side, and the river Jalan on the North and West. The river has a general depth at this time of the year of about 8 feet can be easily navigated by pitpans if a few obstacles are removed. Bancroft Library

I prospected the second bars as far as I went, and obtained generally from 20 to 40 colours a pan or "batea," and even 300; much richer than Guayape, and it has scarcely

been worked, but seeing the difficulty of ascending the river and consequent loss of time, and having to look after Minas de Oro, I returned here.

As I could get no reliable information to depend on and having no data to furnish you with I took considerable time and trouble to find out particulars.

The Jalan mountain is just the place to place a colony, being only occupied by tigers, deer, tapirs, monkeys, peccaries, wild boars, wild turkey and other game. The river has plenty of fish.

The expenses, as is always the case here, have amounted to much more than I anticipated, owing to the many enterprises on foot, labour is both scarce and costly, at least double of what it used to be.

On my return to Comayagua will send you detailed account of all expenses, which, though much higher than I expected, will meet your approbation, I trust.

Neither Mr. Barnhart nor myself have received any letters from you since you left Honduras, still we trust everything is all right with you.

Yours truly,

EDWARD P. MAYES.

OLANCHO SECTION

ENGINEER MAYES' REPORT, WITH MAP

Comayagua: January 17th. 1897.

Major E. A. Burke.—New Orleans.

Dear Sir:

I commenced sketch survey of River Jalan at La Jagua. In the first twelve miles up river, the river is about 500 yards wide in parts, running through sand bars, although the stream is only about 100 yards wide generally in the flood season.

"Comayagua brook," 8 miles begins to be seen bed rock, and about here are some old workings, which only gave a few colours to the pan.

“Las Tinajas,” 10 miles, is a considerable flat, gives 10 colours to the pan, but the brooks, Oropendulas, Paya, Comayagüela, and Uisisiti have occasionally been worked.

“Cajon del Higuerito” is I consider the beginning of rich part of the river, as from here up more regular work has been done.

“Sara,” 17 miles, up to here I invariably obtained fair results from the bars and brooks, but owing to the amount of sand and depth of river could not calculate its probable worth.

At 20 miles are rich bars and banks, particularly at “Cacao Colorado” an extensive Cocoa plantation; I consider it an extensive and deep placer, and it ought to be at once prospected, the banks of Jobo, Sara, and Tamagaces being favorable for sluices. Up to Sara the rocks are entirely conglomerate, but from there up is mica schist.

“Pozo de Funes” bar, 22 miles, I tested, and it gave me an average of 30 colours to the pan. This bar has a fall of six feet, and is very favorable for sluicing. It could at once be worked. The gravel consists of moderate sized stones.

At 24 miles is a considerable bar and small island which prospects 50 colours the pan. From here up all of the banks and bars are rich, literally full of gold, though generally very fine, still not flour gold;—the natives never work the bars and banks but get down to the centre of the stream to bed rock and obtain very coarse gold by diving under water in the pits in river, but this can only be done during one or two months in the year.

At 29 miles begins “Cajon del Oro Menudo” it is a rocky cannon or narrow part of river about two miles long. It is deep and rapid and dangerous for canoes. The river has large rocks in the stream and on each side, which no doubt cover up in many parts old river channels, which ought to be rich: above this the river widens, is shallower, and has considerable bars and shallow places, which with good machinery ought to produce excellent results.

“El Mejicano Ford” at about 37 miles commences to be found larger colours in the bars and banks, where I tested and it gave me an average of 10 and 20 moderate sized colours to the pan. Mr Barnhart was with me on the last six miles of river sketch. There still remains sixty miles more of river to sketch in. Mr. Barnhart promised to continue up river with me, but as it is all foot work, it is rather hard work.

The bars are colored yellow, and the banks green, (on map) but the shallow parts are every few hundred yards;—machinery can be brought up river much easier than on the Guayape, and the river being as yet not worked, for at least 60 miles up there is every hope of success.

Just at the end of "Cajon de Oro Menudo" 29 miles, is a small bar on the S. E. side of river, which I prospected, and it gave me from 100 to 300 colours to the pan on the surface. I consider that no washing should be allowed except you get up some enterprise, as any laborer with a single rocker ought to make good wages. It is only through the fear of snakes and tigers, and the entire absence of population and inaccessibility of river that has kept back the "batea" workers, but once you begin to work, hundreds will flock. I think a census should be asked for and taken of the population who are supposed to work on these first 60 miles, so as to prevent others pretending. At present only about 10 persons down at Sara, and now and then a party above,—the washing taking place above the first 60 miles.

That gold in large quantities exists in the Jalan there is no doubt, but it remains to be seen if it can be profitably worked. In a few months I expect to be able to send you samples of Jalan coarse gold out of bed of river which some women intend washing for me with "batea." The river has a much greater fall than Guayape River.

Yours truly,

EDWARD P. MAYES.

P. S.—I enclose produce of 2 pans which I obtained at small bar at Cajon del Oro Menudo.

Jalan Concession and Contract

EXPLANATION

Contracts were made with the Honduras Syndicate of London, led by Messrs. John Taylor's Sons, Managers of the Mysore Gold Fields of India, and of the South African Exploration and Mining Company (Limited) for preliminary works on the Jalan River Concession, and, based upon satisfactory results, agreements were entered into for the formation of about 16 companies, that is to say; the Syndicate was to have a preference selection of 10 miles, and Sub-companies to be formed for each succeeding 5 miles, each company to have 30,000 pounds working capital, promoters or underwriters 30 per cent of shares, vendor 40 per cent in shares. (See Exhibit F.)

Engineer Henry Woolcock of Grass Valley, California, was ordered from Peru, arrived in Olancho in January, 1890.

Derricks, materials and supplies were ordered from California, roads were made, houses built, plant transported, lumber gotten out, dam constructed, and river put in a flume by April, when washing of top gravel began.

The work had been started too late in the season, as every thing should have been ready by November. The spring rains came on, a log was carried into the flume carrying away part of it.

The Superintendent was absent when this occurred and cabled to London an exaggerated report of the damage; indicating that the works were destroyed, by the time he returned and correct information could be cabled, Messrs. Taylor's Sons cabled orders to suspend, being of the opinion that the flood season had set in, and that the risks were too great to justify the expense of repairs.

Mr. Burke cabled a proposal to lease the works, pay all expenses and pay them a royalty or divide profits, which was accepted.

Burke became dangerously ill in Tegucigalpa, was short of competent men, could only concentrate his work on saving the large works on the Guayape nor Retiro, when out of danger from his illness, he gave orders for repair of Jalan flume, but in August 25th 1890, the Guayape works were destroyed, and on the following day the telegraph brought news of the destruction of the Jalan flume.

The dam had been anchored to bedrock and remained intact for two years, but Mr. Burke could not take advantage of this fact, as his resources had been exhausted in Guayape work, and he had become interested in the Monserrat, Opoteca, and San Marcos properties.

The financial panic which swept down the firm of Barling Brothers, London, panics in Australian and Argentine shares, demoralized the London market, and the rebellion of General Sanchez in Honduras rendered it impossible to float any Honduras mining enterprise in London.

A recent examination of the gravel on the claim shows pay gold.

The Syndicate house built from one large cedar tree, four rooms, is in a good state of preservation, and on arrival of the French Scientific Commission last November the only guardian, a tiger, evacuated the premises.

The expenses connected with these works, as per Mr. Woolcock's statement, were 32.000 "pesos" or say \$ 18.000 gold, including plant, houses, excessive salaries, etc.

The same work can be done within \$ 10.000 gold now.

Results were only reported to Taylor's Sons. The only reports published show from top gravel about 60 cents per cubic yard. Bedrock was not taken up.

It is notorious in the country that the coarse nugget gold was appropriated by employees, ounce nuggets were common, and much larger ones were found.

Mr. Woolcock was conscientious in his work, but frequently absent and it is quite safe to say, Taylor's Sons never received one half of the product of the claim.

My own opinion of the Jalan River Concession is, that the quantity of auriferous gravel is less than in the Guayape Concession, that is to say; the placers are not so extensive, but I believe the gold is coarser, and the ground very much richer than the Guayape, especially the Paraiso Section which is famous for nugget gold.

The statements which I make over my signature are based upon documentary evidence and reports, they are subject to examination and verification, and of course, I expect any negotiation effected in respect to these properties to be based upon a confirmation of the material facts as stated by me, over my signature.

E. A. BURKE.

Tegucigalpa, May 20th. 1897.

