

The Nevada Railroad Company

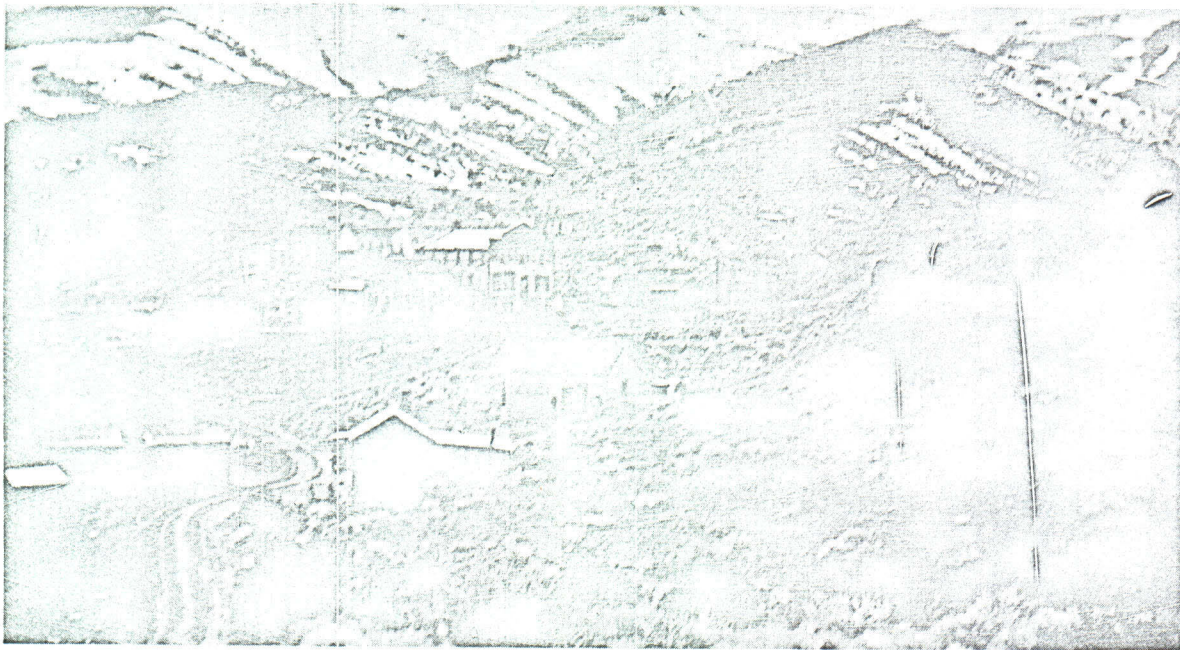
"Woman Wins Foreclosure Suit on Husband's Railroad Company." So screamed a headline in a 1908 edition of the *Goldfield Review*. Women were scarce in Nevada, and any news item involving the female sex always made interesting reading. Inevitably, other papers would pick up the story.

The situation was the direct result of a small railroad bringing disappointment to its investors when the mines, the chief source of revenue car-loadings, failed. The big story, completely overlooked, lay in the swiftness with which it all happened — so fast that most people scarcely remember the line. Operated slightly more than a year, the Nevada Railroad survives with only a brief mention in Poor's Manual, plus a small scar on some maps.

Elias Olinghouse had been a teamster between Denver and Salt Lake City before the arrival of the Union Pacific Railroad disrupted his business. The desecration resulted in a shift farther west into Nevada where another teamster line from Wadsworth southeast to Belmont, near Tonopah, was established. When the inexorable advancement of age dictated that Olinghouse search for a less strenuous occupation, he finally settled down quietly in a canyon northeast of Wadsworth to raise sheep. Although not a miner, he witnessed the activities of strangers in the canyon as various placer deposits began to be worked, and his interest in mining commenced to grow, culminating in the purchase of several claims from a man named McClane and the erection, in 1903, of a small mill to process ores. Needing assistance as the operation grew, he called on his nephew, Henry I. Olinghouse, to join in management of the enterprise.

Two men, Brooks McClane and F. Plane, originally located the source of the placer deposits on Green Hill in the year 1897. As the word spread, interest developed in the area, and people began to pour in. Some men pedalled their way on bicycles from Reno, 30 miles to the west; others came from Wadsworth, 8 miles to the east. Many mining claims were recorded, and a two-stamp mill was brought to the new settlement, on the left fork of the canyon creek, originally named McClanesburg, or Ora Post Office, and subsequently retitled Olinghouse. Old W. Cattawalder "Bill" Williams was ever ready to claim fatherhood of the new town, for he was the one to locate Cabin No. 2, one of the main producers of the area, even though a later sale was made to a man named Dondero and a Reno restaurant keeper named Frankovitch. The pair of them, in turn, sold it to the Springfield-Nevada Mining Co.

Enthusiasm ran rampant. With partial ownership of a good claim, one man confided to friends that he fully expected to be a millionaire before the end of 1897. A 25-pound rock yielded \$800 in gold,



In 1904 two years before the arrival of the railroad, Olinghouse was a scattered collection of business establishments and small homes. The two-story building in the center of the photo is Crosby and McCoy's hotel; immediately to its left is Dan Cozzen's pioneer saloon, The Gouge Eye, which also housed the assay office; the low building still farther left was Grutt's General Store. In the foreground at left is the Springfield-Olinghouse barn; across the road is Odett's house where Mrs. Dondero lived; and behind that is the O'Farrell house which was the location of the first Post Office (building burned in 1958). (George Dallimore.)

resulting in expressed opinions that the new camp was the most flattering prospect since the days of the Comstock. The ensuing talk was so prevalent that H. H. Beck, a realistic business man, said, "My impression of the camp is that the day of talk, horn-ing and panning, assaying and general slobber has passed. So far there has been too much location and too little development." Some shipments were made the month following this outburst, but the production never even began to approach that of the Comstock, with which it had been compared. Output for 1903 was \$39,130, a fraction of that of the previous year, nearly half of it coming from Cabin No. 2.

One man alone contributed in large part to the decline of production. Dondero became involved in a murder charge. His trial was held in Reno. As a large number of witnesses were involved, considerable time and money was spent in going the 30 miles to court, and but little productive work was done in the mines. Dondero was subsequently released; not so the ore.

The new owners of Cabin No. 2 became interested in the plans of Henry Esden of the Wadsworth

Electric Light & Power Co. to bring electricity into the camp and to build a tramway from the mines to the Truckee River where a mill would be erected. Also at that time (May 1903), plans were developed for a railroad which, it was felt, could haul ore from the mines to the mill for seven cents a ton. Proof of the contention never materialized.

¹⁹⁰⁵ Two years later, with the mining companies commencing to pay dividends, the town was definitely prosperous. One long main street wound along the bed of the canyon. The Home Restaurant, operated by Mrs. T. L. Bowers, dispensed food to the hungry, while the thirsty found solace at Frank Wheeler's Union Saloon or Dan Cozzens' pioneer saloon, The Gouge Eye. Other establishments included an assay office, Smith Brothers' eating house and the power company. Passengers for Wadsworth rode one of John Hamilton's stages at a 75 cents fare.

New strikes continued to stimulate interest in the area. J. Aaron "Buck" Ingalls finally struck pay dirt following four years of hard work and 3,500 assays. Prichitt & Dahl's claim in neighboring Secret Canyon to the east was the next to attract atten-

tion. Governor Sparks was the fortunate owner of the Ora when a new and "marvelous strike" was made. Reports filled the Reno papers with increasing regularity. One mine sample assayed \$88,000 a ton. The jubilation of the Reno stockholders was short-lived, however, when it was discovered that the amount of this ore was extremely limited, as so often happened.

Meanwhile, the prosperity of near-by Wadsworth was seriously declining at this time. The Central Pacific's shops and division headquarters had been moved from town to Sparks, near Reno, and the only economic salvation for the inhabitants lay in the neighboring mining district or in the Truckee-Carson irrigation project. Consequently, when a promoter arrived on the scene in February, 1906, and told a mass meeting of the townsfolk that his Green Hill Mining Company had taken over certain of the mines at Olinghouse and proposed to build a mill at Wadsworth together with a connecting railroad between the two, the people were overjoyed and extremely happy to pledge the required labor, valued at \$2,000, to aid in its construction.

William L. Stevenson, the promoter, lost no time in getting the project under way. Moneyed Reno people organized the railroad under the corporate name, Nevada Railroad Company. Among the chief backers were Judge C. E. Mack and Richard Kirman, a Reno banker, later mayor and still later the governor of Nevada. Two sisters joined the group: Ann M. Warren, a U.S. Commissioner, and Mrs. Litti R. Mudd, a school teacher. Civil engineer Edward L. Haft came up from Los Angeles to run the survey for the railroad, while ample power for the mill (and possibly for the railroad) was assured when the stockholders of the power company voted to sell out to the new group.

Then came a set-back. Ground for the mill had been broken, and the machinery, on order from the Joshua Hendy Iron Works, was almost ready for shipment. But on the morning of April 18, 1906, San Francisco suffered its great earthquake, and in the resulting conflagration and destruction, all was lost. A complete new set of equipment was ordered from Denver, but several months were to go by before delivery could be accomplished.

In early June the Summit Construction Company began work on the railroad with an initial force of 50 men and 85 horses. Grading was completed by the middle of August, and the delivery of rails was expected momentarily. The third week of Septem-

ber 1906 found a leased 4-4-0 locomotive plying its way over two miles of completed track while rail laying was being pushed forward. Superintendent Will Kearney had trains operating from Wadsworth to the mouth of Olinghouse Canyon on November 26, and the site of the passenger depot was finally determined. A 9% grade from this point up the right fork of the canyon to the ore bins dictated the use of the first Shay geared locomotives in Nevada.

Excitement prevailed in the early part of 1907. The new 50-stamp mill near Wadsworth was ready to handle the freshly mined ore of the Nevada Consolidated Mining and Milling Company (successor to the Green Hill Mining Company). Two laborers of the railroad became involved in a cutting affray. One was sent to the hospital; the other to jail. But February 4 was the big day for Olinghouse when, for the first time, "the iron horse rumbled and snorted right into the heart of town." The inhabitants were delighted; their future was "assured."

Two Shays were used to haul the two daily mixed trains between the Junction (with the SP) and Olinghouse depot. Shortly after leaving the Junction, the train would be halted while the locomotive switched the ore cars about the mill. The passengers would wait in discomfort, the only provision for their accommodation being a box car with crude, hard seats along either side.

A private car, the *Sunland*, was also used which belonged to Kirman's bank. Initially it had been the *Stanford*, built by the Central Pacific in its Sacramento shops in 1882. The 60-foot length brought disappointment to Stevenson, however, as the curves at the upper end of the line near Olinghouse proved to be too tight to allow the car to be brought into town. On the main lines of other railroads it served its purpose admirably by helping Stevenson to impress the investing public and disengage hesitant investors from their money.

Life continued to boom in the canyon. Ore poured down from the mines to the chutes; and the railroad hauled it in cars down the hill to the mill, always stopping at the depot near the mouth of the canyon for those passengers who presented themselves for transportation. A Railroad Day appeared to be in order, so the Olinghouse Improvement Association selected May 28, 1907 for the big day. J. M. Thomas, also a promoter in Stevenson's camp, arranged for a special train from Reno to Olinghouse. For \$1.25 a ticket, the purchaser was entitled to a round trip from Reno with the option to return

that evening or stay for the dance and return the following day. Interest was further heightened by a well-timed announcement that the first bar of bullion turned out at the mill was worth \$4,000. Talk was also circulated of the prospects of doubling the size of the mill. Editorials in the Reno newspapers urged people to attend the celebration.

Although falling on a Tuesday, Railroad Day was undoubtedly the biggest event in the history of Olinghouse. Certainly the population, temporary or permanent, never again approached the number of people in attendance for the festivities. A four-car special train left Reno that morning with 230 people aboard. At Sparks another 23 passengers entrained. A stop was made at Olinghouse Junction to switch the train from the SP tracks to those of the Nevada Railroad, and another was made at the NCM&M's custom mill so visitors could see the heavy investment and the work which had been accomplished. Then the train proceeded to Olinghouse and the mines.

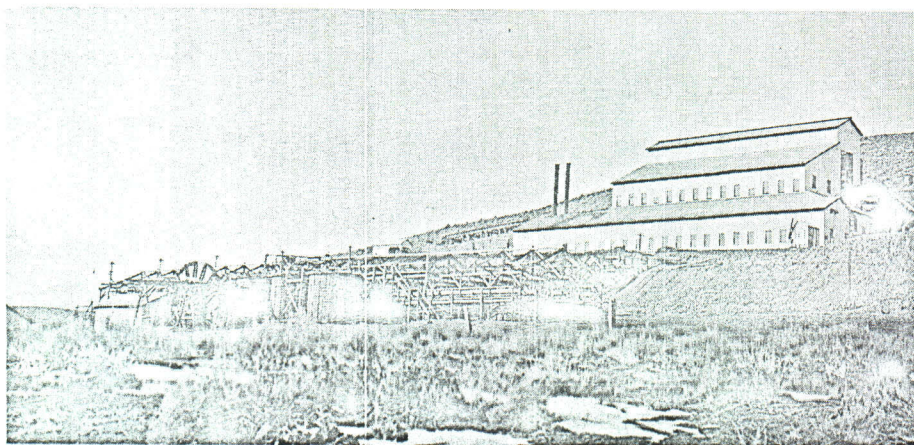
Other people joined the throng, arriving on foot, on horseback, by carriage and bicycle. Governor and Mrs. Sparks were on hand to greet the visitors in spite of the fact that the Governor had arrived the day before and worked the entire night getting the feast ready and preparing the meat. When the barbecue was finally ready, over 800 people sat down at the rough tables for the festivities.

Speech making followed the feast—first Governor Sparks, who was soundly acclaimed for his efforts and for his culinary achievements, and then Stevenson who said, "My friends, I wish to thank you all for your assistance in what has been done here. If I could have as hearty cooperation in every undertaking as I have had from the people of Olinghouse and vicinity in this enterprise, the task of

delivering ice in hell would be a little one." Stevenson, the man with the push for the project, enigmatically was described as a quiet man with tremendous energy, but according to one recollection, it was his tall, gaunt secretary, Maude "Kit" Carson, who ran much of the show.

For entertainment, horse racing and a wrestling match were provided. Some people visited the mines; others roamed up and down the mile-long main street, stopping for liquid or solid refreshment at the Olinghouse Restaurant operated by George Dallimore and T. O. Carmen. The Riverside Park Band from Reno under the direction of Professor Cushman, provided the music and remained after the concerts to play for the dance that evening. According to the recollection of a former band member many years later, it was quite an evening, as he drank so much he fell off the bandstand. The professor must have conducted his music under extreme difficulties that night.

Not all of the excursionists were happy with the event. Oscar R. Morgan wrote a long lament in the *Reno Evening Gazette* severely criticizing the train service which required four hours each way for the 40 mile ride with stops at every telegraph pole to pick up the men, women and children who wanted to join the fun. The rival morning paper, the *Nevada State Journal*, treated the matter more kindly, attributing the delays to the steepness of the mountain railroad and the fact that, "The Southern Pacific locomotive tugged and puffed ahead of the four coaches to about half way up the mountain, where with a final snort and three wheezy, asthmatic toots, it acknowledged defeat. Then the hill climbing Shay engine with three flat cars came to the relief of the visitors . . ."



THE NEVADA RAILROAD COMPANY

This 50-stamp mill near Wadsworth was completed by W. L. Stevenson in the early part of 1907 to process ores from the mines in Olinghouse. Tracks of the Nevada Railroad can be seen on the hillside (to left of the smokestacks) leading to the ore bins above, and again in the lower right corner leading to the lower level. (*Nevada Historical Society.*)

A description of the camp in the same issue placed the Nevada Consolidated mine on the tall hill at the extreme right (north) side of the canyon. Up and down the hill, little two-ton gravity cars traveled 1,700 feet in 46 seconds under the direction of one man. A total of 250 tons of ore was dumped daily into the loading bins over the freight cars of the Nevada Railroad. From here, the standard gauge cars would start their descent to the mill.

The Nevada Consolidated custom mill, near Wadsworth, was so busy with its own ores it was unable to do any outside work. For several months, general appearances continued bright. Some 84 men were working underground for the mill owners providing ore for a mill that was considered very efficient. It could handle ore assaying \$2.50 a ton at a profit, as the cost of mining, milling and transportation for a ton of ore was a mere \$1.80. With current assays at \$40 a ton, the money should have been pouring in.

But something was wrong—the mill was not yielding the anticipated gold bars. Stevenson, with \$22,000 in outstanding checks and unable to raise additional funds, became alarmed. For assistance he called on Eugene Grutt (one of the famous brothers at Rawhide), who took some samples for assaying in the dark of night. The resultant truth was a shock—the ore assayed less than \$1.00 per ton.

On receipt of this news, Stevenson immediately closed down the operation and, by selling a block of his personal holdings of C&NW Railway stock, paid off some of the outstanding bills. In retrospect, it was said that Stevenson was a spendthrift, that he was influenced by his thinking that he could always raise money. Considered comments were that too much money was spent on top of the ground and too little under the surface.

Ore production continued in a small way for many months, but the custom mill of the Nevada Consolidated became idle. There was some talk of using the mill to work ores from the Goldfield Consolidated mines, but that company decided against it. The railroad was operated regularly until November 1, 1907 and then occasionally until the end of the year when operations ceased altogether. By that time the Panic of 1907 had set in, and there was little hope of revival.

Mary J. Mack, the wife of the Reno judge, held a one-year mortgage on the Nevada Railroad in the amount of \$20,409 with interest at the rate of

1% per month—probably one of the highest interest rates for a railroad mortgage anywhere in the country at that time. When the railroad defaulted its interest payments, Mrs. Mack filed foreclosure action, and the sheriff sold the railroad and equipment (2 locomotives, 7 ore cars, 10 miles of main track plus 2 miles of sidings) in front of the Washoe County Courthouse on December 12, 1908. As Mrs. Mack was the only bidder, she acquired her husband's railroad for \$23,647 (face amount of the mortgage plus court costs and interest).

It was then that the newspapers picked up the story. Judge Mack, whose law firm acted for Mrs. Mack, said, "It was simply a case where the company did not pay the interest when it was due, thus placing the note in prejudice and making it become due. The insurance companies declared under such conditions they would not continue insurance protection on the properties unless a receiver was appointed at once and there remained nothing else to do but to foreclose on the note. The holder was forced to act."

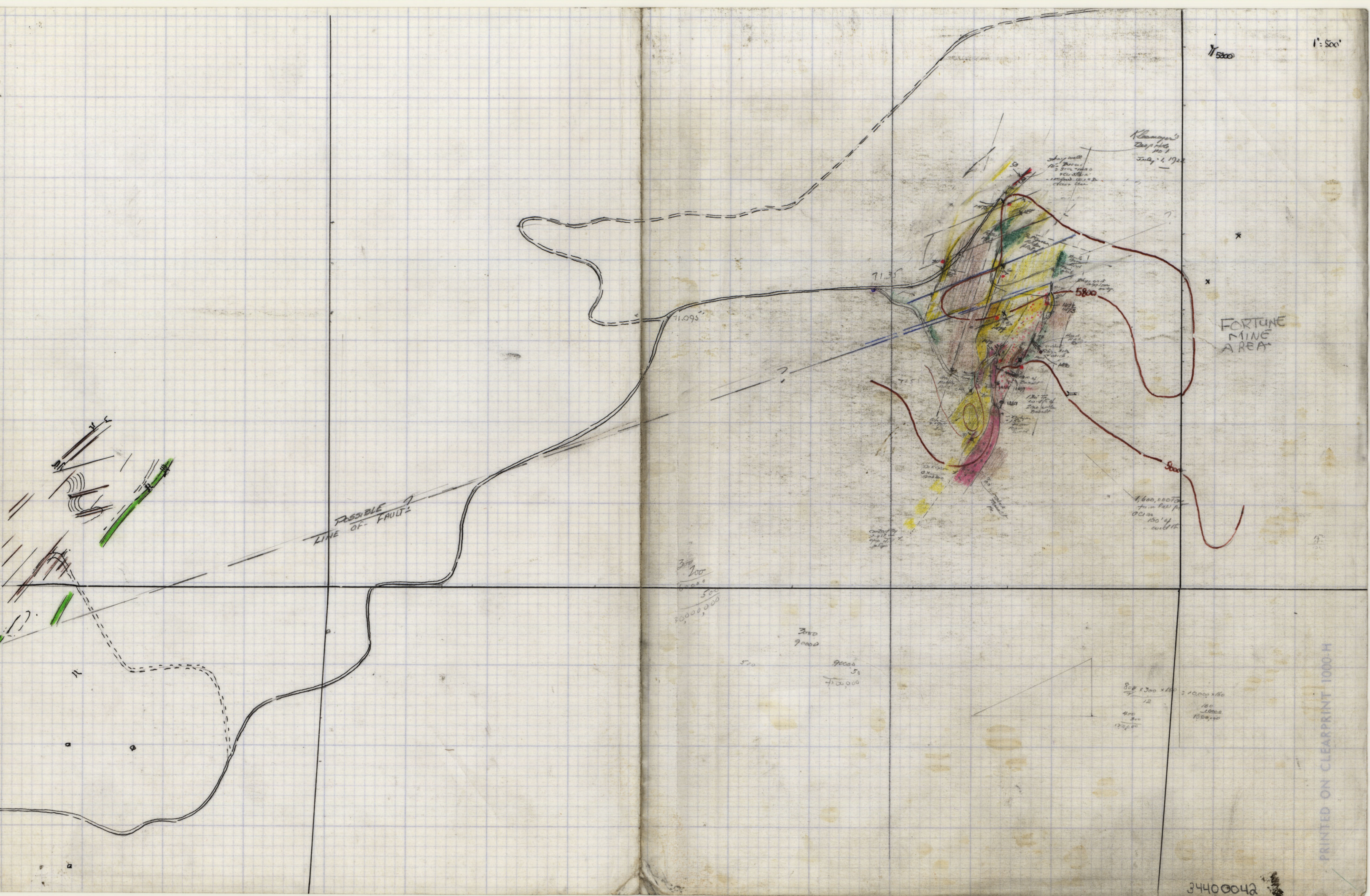
In September 1909 a crew of thirty men tore up the rails. Approximately eight miles of track were sold to the Nevada Copper Belt Railroad, then under construction, while the balance went to a P. E. O'Brien of San Francisco. By 1911 there was not a single tie or rail to point out the location of the former railroad, although a sharp eye can still trace most of the old grade. The ore mill was torn down, and the machinery was sold piece by piece whenever a purchaser could be found. Its foundations remain as a stark reminder of another unfortunate mining gamble and can be seen on the hillside along the highway between Reno and Wadsworth.

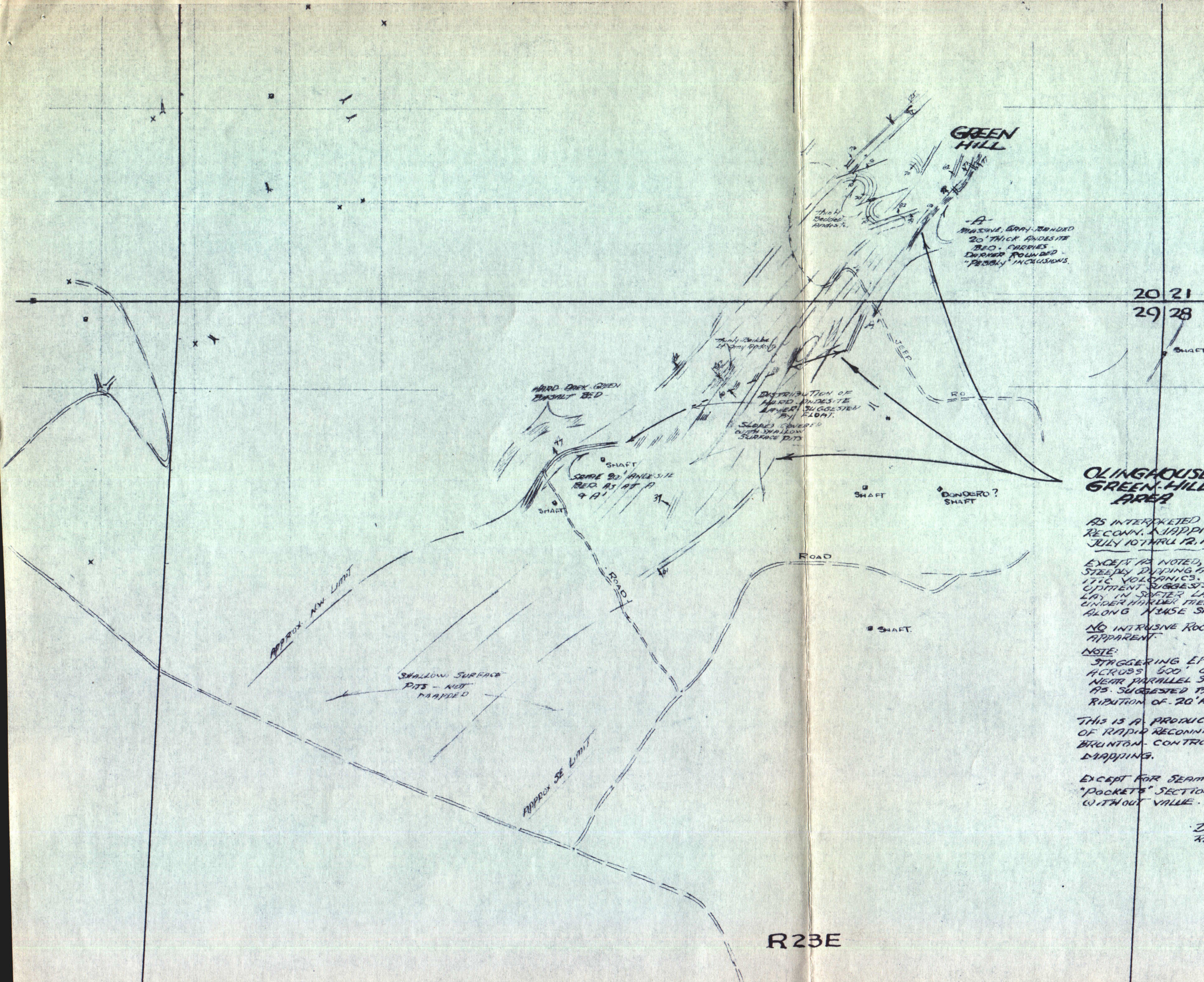
The private car, *Sunland*, was expediently sold back to the Southern Pacific in February 1911 by Mr. Kirman. Taken to Sacramento, it was refurbished and renamed *Tucson*. Ironically, two months after its release from the shops, it was destroyed by fire.

People have continued to inhabit the town of Olinghouse since the days of the railroad. The number of houses is constantly diminishing; on a windy day in September 1958 fire consumed three houses. The area is full of peace and quiet, and a few people engage in minor mining activities. Over the years the trees have grown in size, and today they are the most prominent feature of this historic Nevada ghost town.

May 28-1907 to
Nov. 1-1907

Y 5300





**OLINGHOUSE
GREEN HILL
AREA**

AS INTERPRETED BY
RECONN. MAPPING
JULY 10TH & 12, 1967.

EXCEPT AS NOTED, ALL
STEADY DIPPING ANDES-
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UPDIPMENT SUGGESTS VALUES
LAY IN SOFTER LAYERS
UNDER HARDER MEMBERS &
ALONG NEASE SHEARS.

NO INTRUSIVE ROCKS
APPARENT.

NOTE:
STAGGERING EFFECT
ACROSS 500' OF
NEAR PARALLEL SHEARS
AS SUGGESTED BY DIST.
RIPURATION OF 20' ANDESITE BED.

THIS IS A PRODUCT
OF RAPID RECONNAISSANCE
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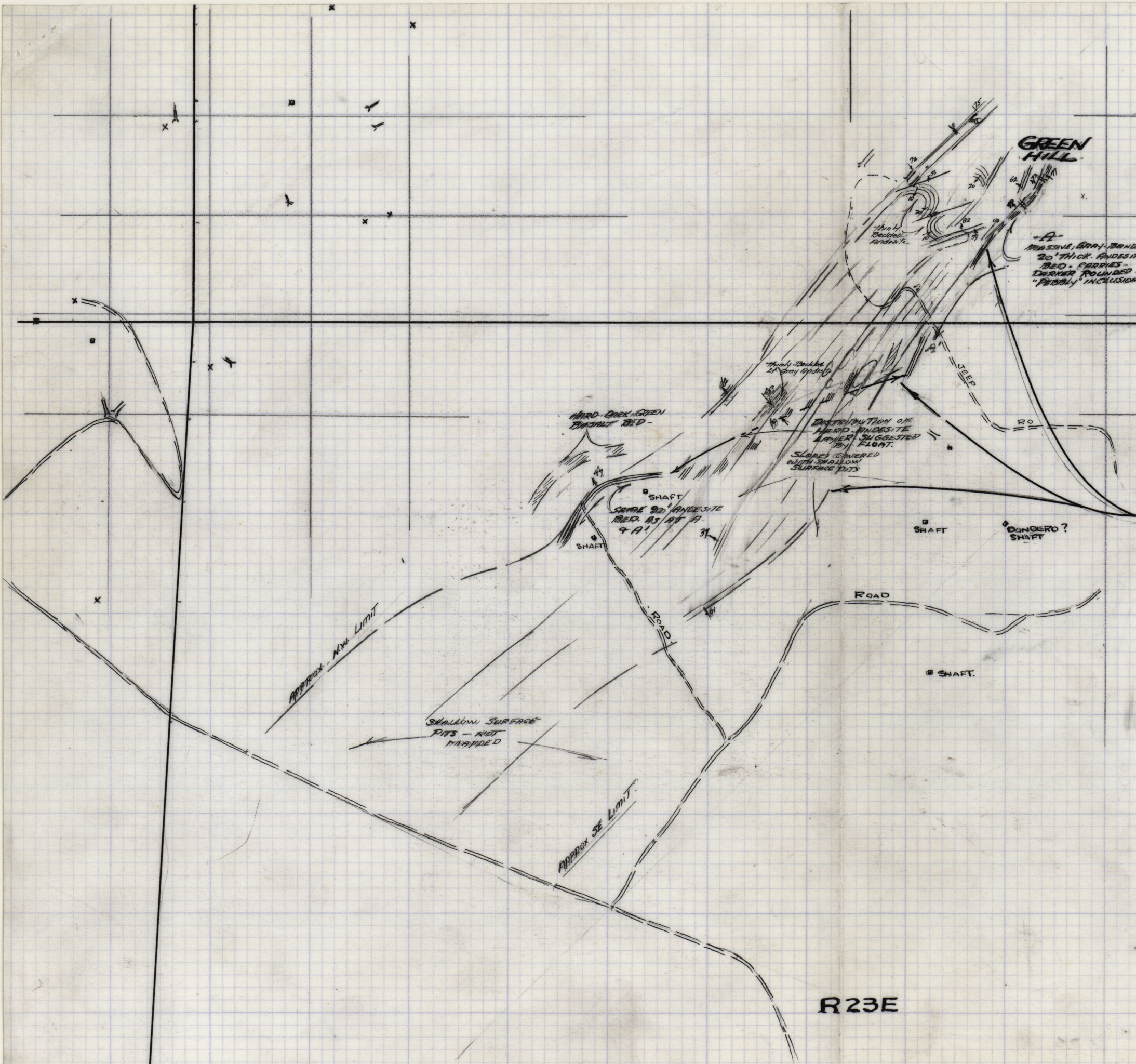
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WITHOUT VALUE.

D.L. EVANS
RENO, NEVADA.

T21N

R23E

1" = 500'



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GREEN HILL
AREA**

AS INTERPRETED BY
RECONN. MAPPING
JULY 10THRU 12, 1967.

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WITHOUT VALUE.

D.L. EVANS.
RENO, NEVADA.

T21N

R23E

1" = 500'

PRINTED ON CLEARPRINT 1000-H

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$\begin{array}{r} 45 \\ 35 \\ \hline 225 \\ 175 \\ \hline 1575 \end{array}$

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$\begin{array}{r} 18 \\ .6 \\ \hline 1.08 \end{array}$

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$\begin{array}{r} 6.8 \\ 1.8 \\ \hline 347 \\ 68 \\ \hline 1224 \end{array}$

$\begin{array}{r} 3.6 \\ 1.8 \\ \hline 288 \\ 36 \\ \hline 6.48 \end{array}$

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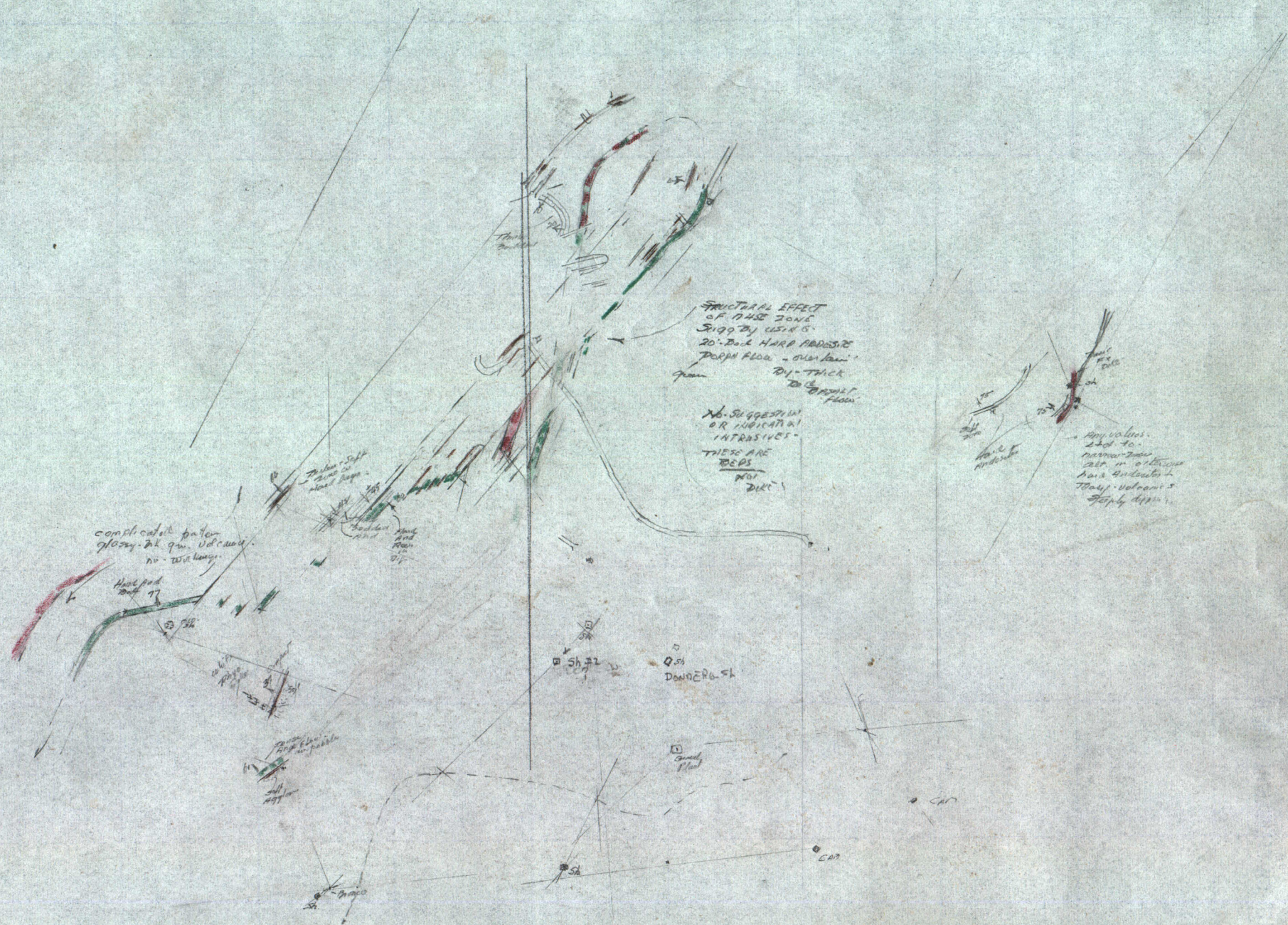
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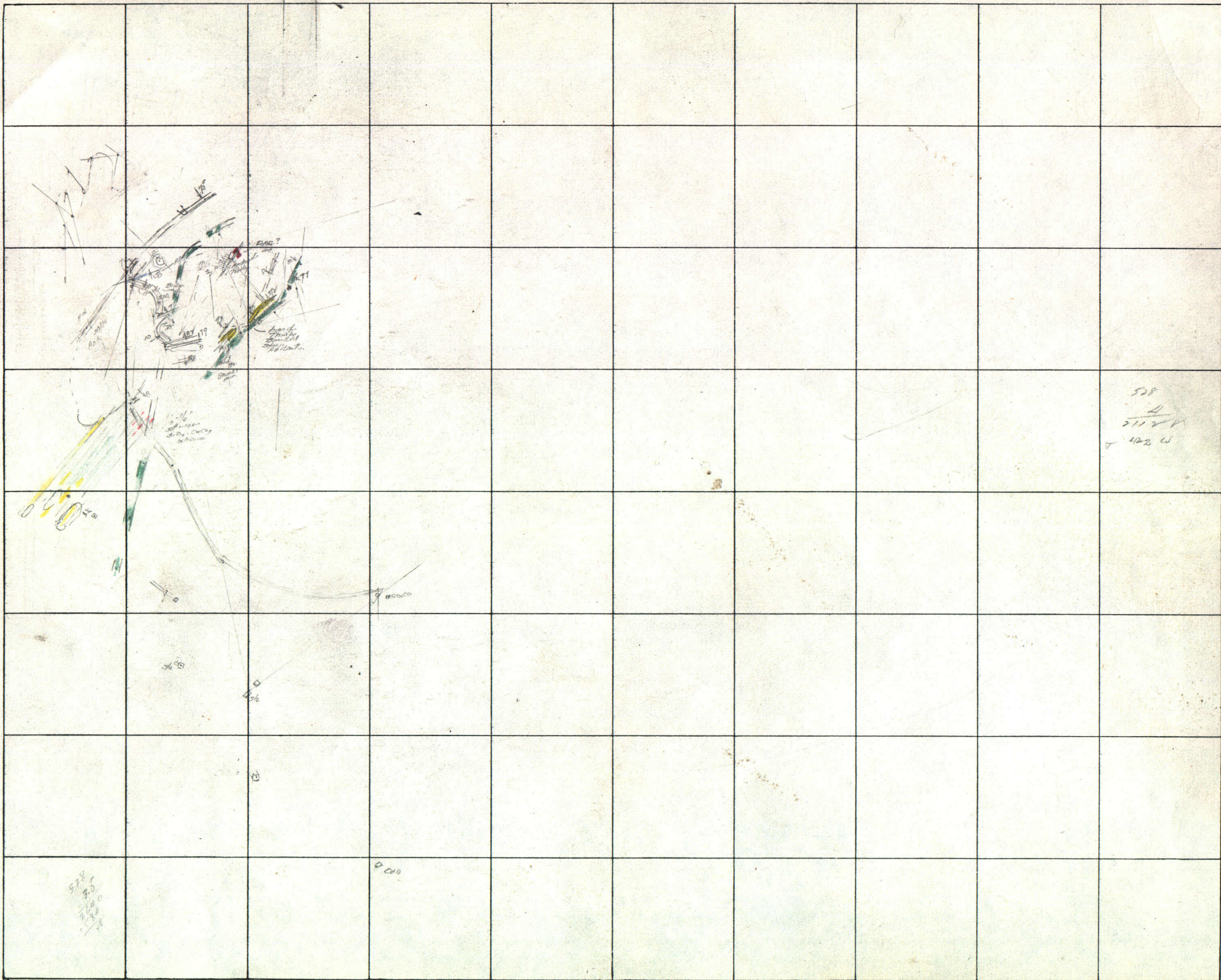
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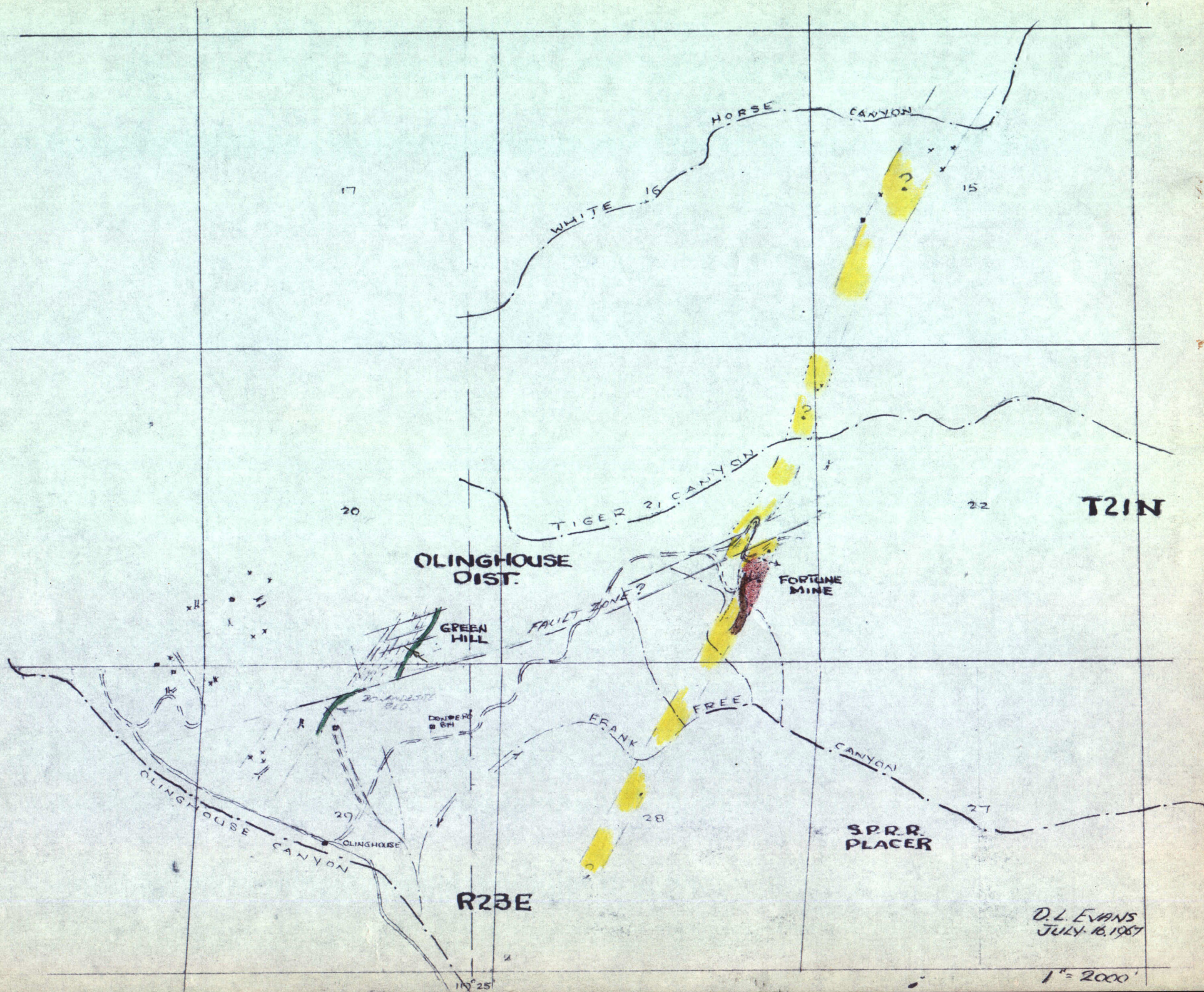
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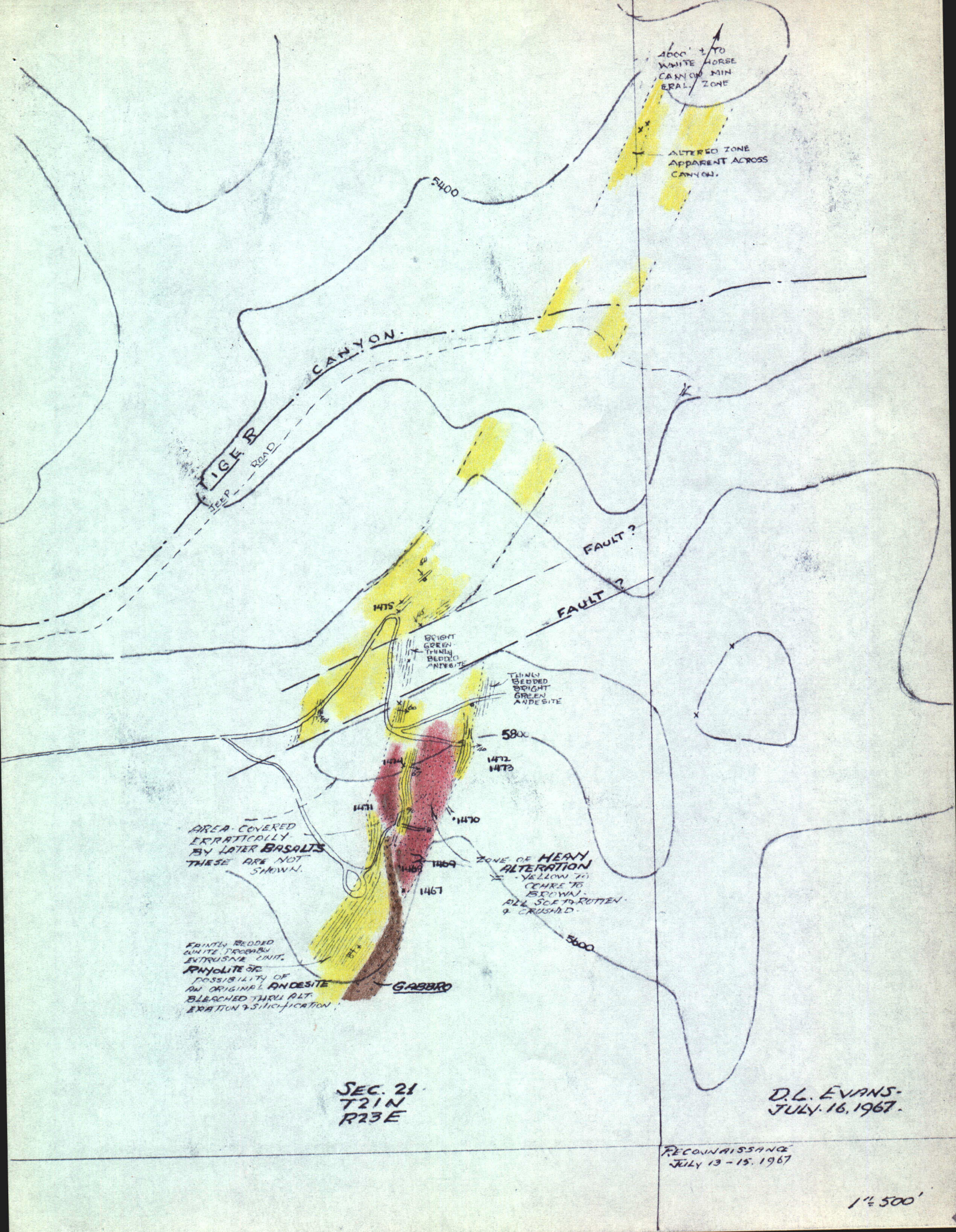
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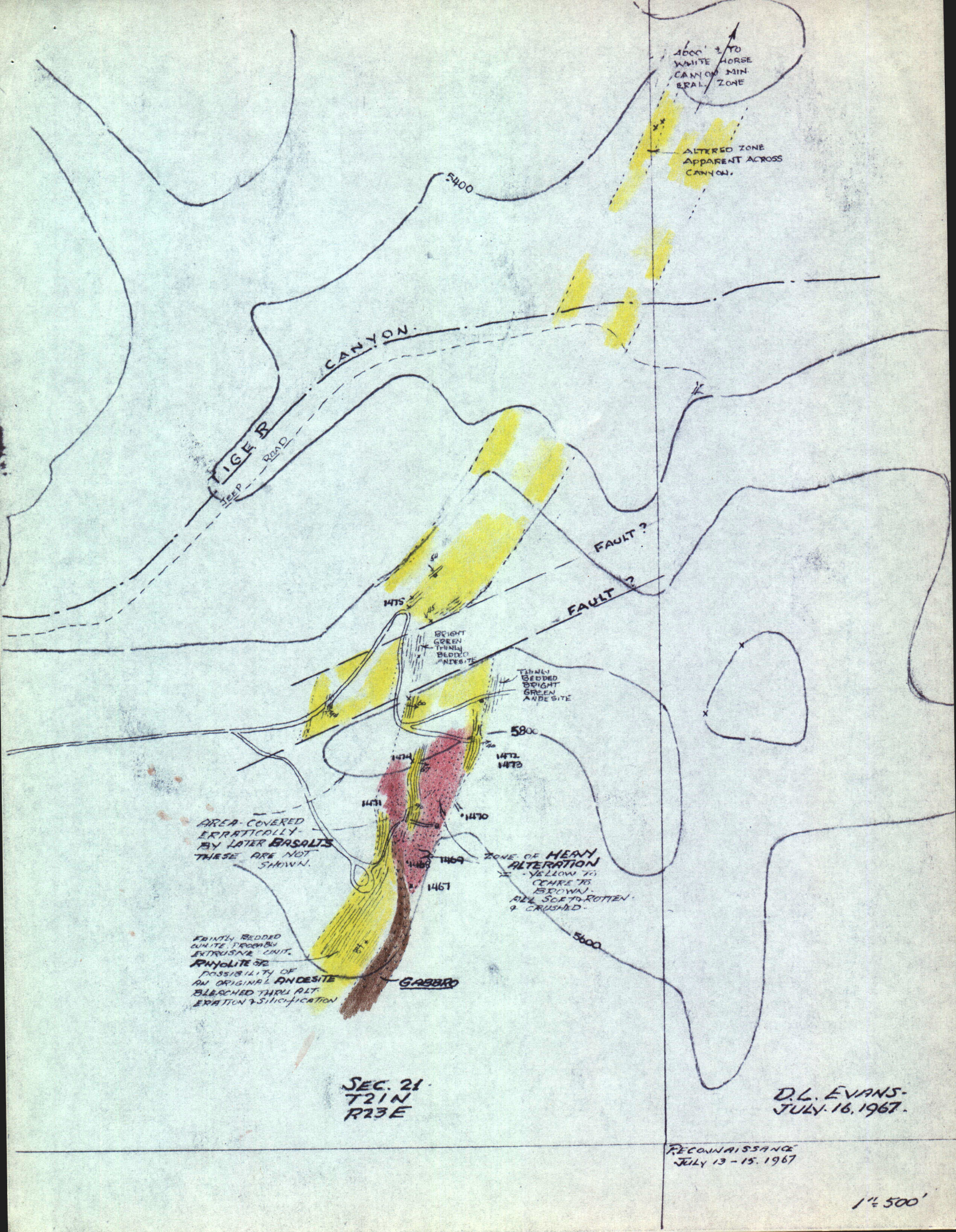
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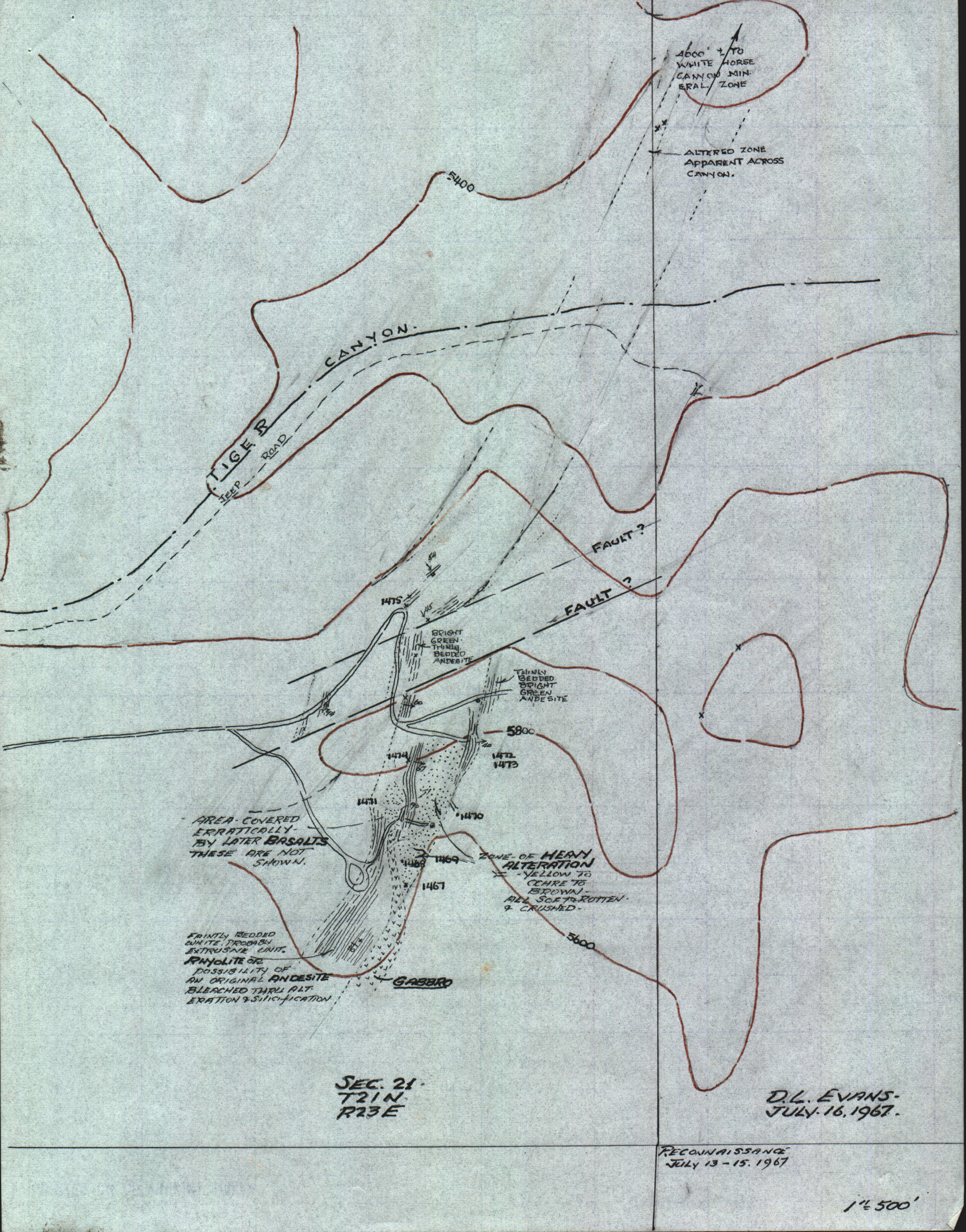


SEC. 21
T21N
R23E

D.L. EVANS
JULY 16, 1967.

RECONNAISSANCE
JULY 13 - 15, 1967

1" = 500'

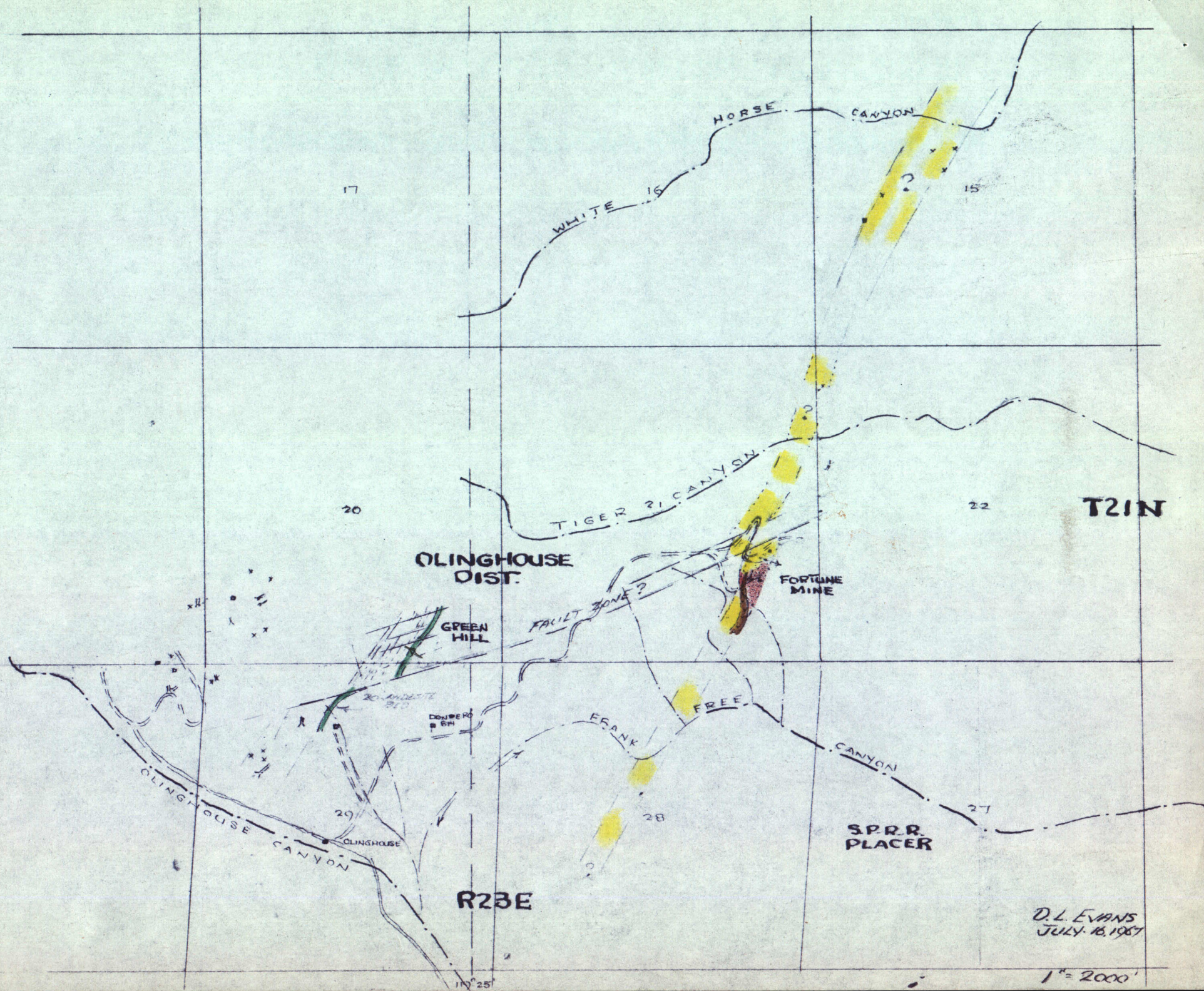


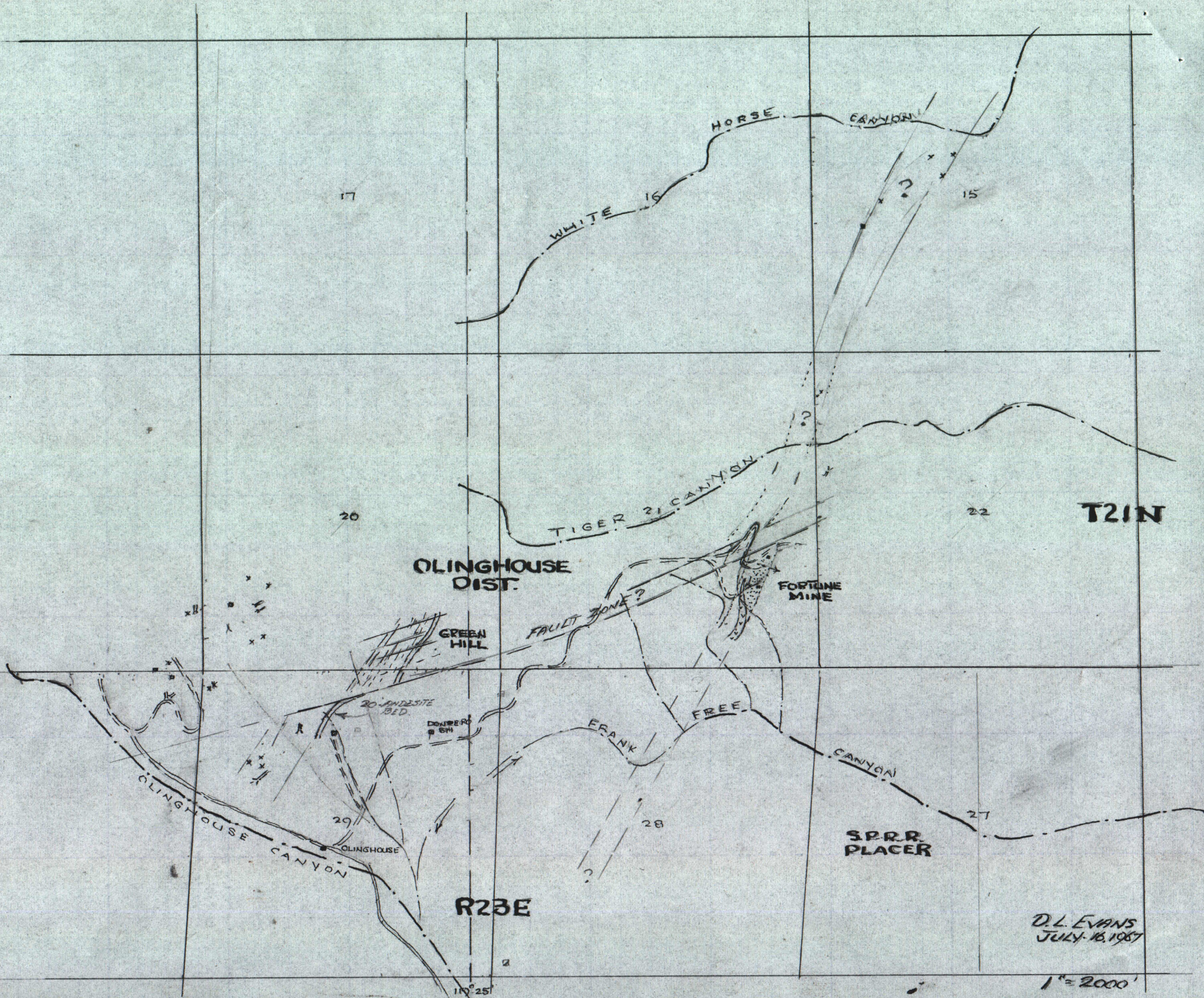
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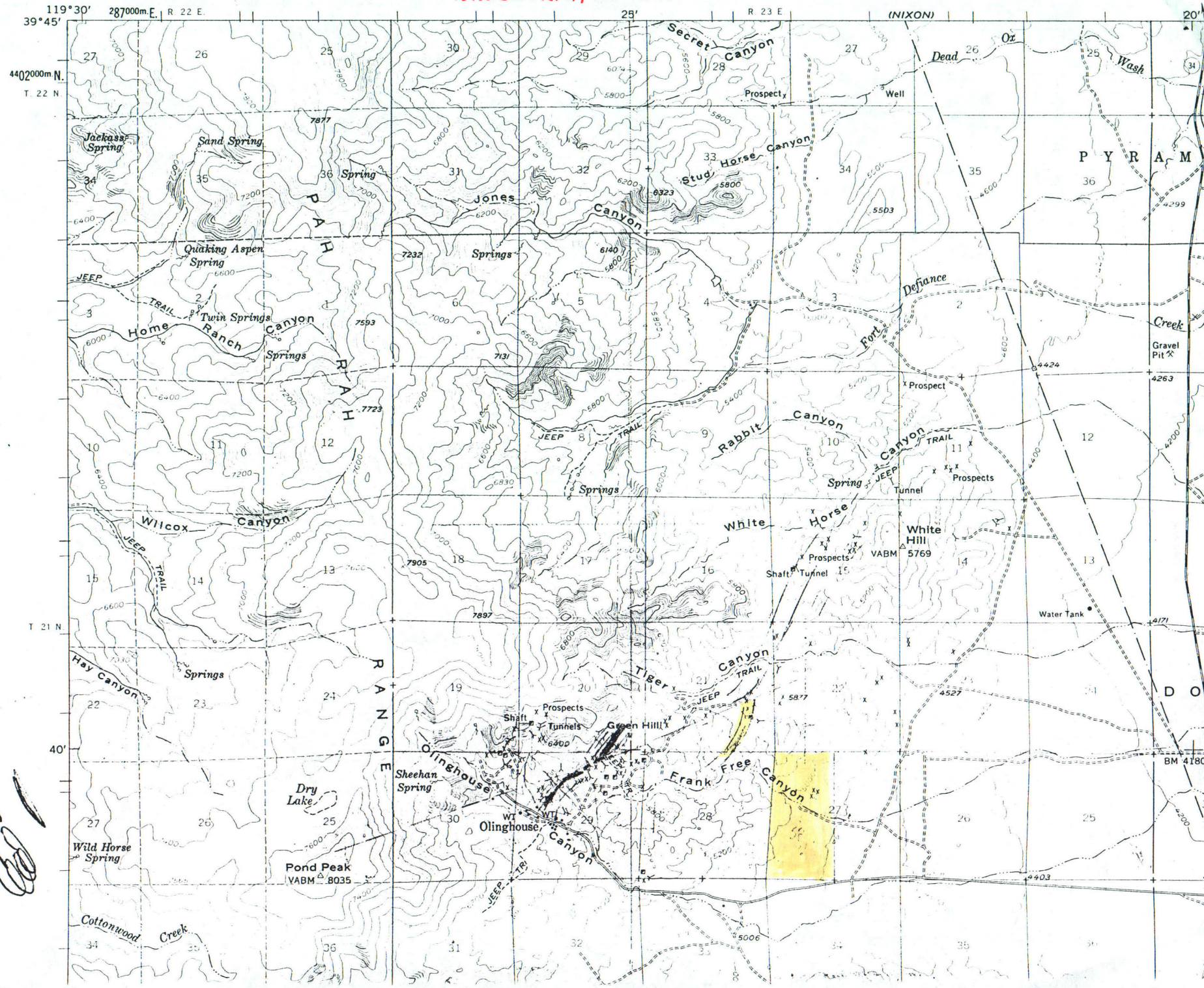




UTCLIFE

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

WADSWORTH, NEVADA 15'



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Handwritten signature or initials.

