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**WEST END
CHEMICAL
COMPANY**



MANUFACTURER OF
**BORAX, BORIC ACID
AND ALLIED PRODUCTS**



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WEST END CHEMICAL COMPANY
BALANCE SHEET AS OF FEBRUARY 28, 1923

ASSETS

| | | | |
|---|----|--------------|-----------------|
| Current Assets: | | | |
| Cash | \$ | 72,301.95 | |
| Notes and Accounts Receivable | | 66,018.87 | |
| Inventories:—Stocks at Mine, Refineries, Warehouses and in transit at cost | | 181,320.88 | \$ 319,641.70 |
| Stocks, Bonds and Advances | | | 60,547.51 |
| Land, Buildings, Machinery, Equipment..... and Development Expense | | 1,006,005.73 | |
| Less Reserve for Depreciation | | 99,689.03 | 906,316.70 |
| Anniversary Borate Mine, Valley, Nevada: | | | |
| Borate Deposit (Appreciated Value) | | | 10,000,000.00 |
| Deferred Charges: | | | |
| Experimental Expense | | 30,129.05 | |
| Unadjusted Debits | | 7,610.83 | 37,739.88 |
| Profit and Loss Account | | | 622,393.14 |
| Total..... | | | \$11,946,638.93 |

LIABILITIES

| | | | |
|--|--|--|-----------------|
| Current Liabilities: | | | |
| Notes, Accounts Payable and Accrued Items..... | | | 68,761.69 |
| 6% Cumulative Preferred Stock | | | 1,400,000.00 |
| Common Stock | | | 2,053,478.00 |
| Surplus Arising from Adjustment of Property Values.... | | | 8,424,399.24 |
| Total..... | | | \$11,946,638.93 |

We have examined the books of WEST END CHEMICAL COMPANY as of February 28, 1923, and

WE HEREBY CERTIFY that, in our opinion, subject to no provision having been made for depletion of the borate deposit, pending an appraisal of the properties for tax purposes, the above balance sheet is correctly prepared to set forth the position of the Company as of February 28, 1923.

McLAREN, GOODE & CO.,
Certified Public Accountants.

San Francisco, California,
March 26, 1923.

WEST END CHEMICAL COMPANY
OFFICE OF THE PRESIDENT

Oakland, California, February 28, 1923.

To the Stockholders:

Activity at the Company's Anniversary Mine, in Clark County, Nevada, during the past year has been directed mainly along three lines: First, the construction of a calciner at the mine, with the necessary accompanying camp buildings; second, the opening up of the mine itself, preparatory to large production; and third, the improvement of transportation.

The first unit of the calciner was fired up early in July, 1922, and has been in continuous operation since. It is of the internally fired, revolving type, and is equipped with vapor fans, dust saving apparatus, and the necessary screens and auxiliary equipment. This first unit has a capacity of from forty-five to sixty tons of ore per day. Storehouses for supplies and calcined ore have been constructed both at the calciner and at our private spur on the main line of the Union Pacific railroad, twenty-five miles distant. Storage for fuel oil has been provided to the amount of fifty-thousand gallons. An aerial tramway has been built, about a quarter of a mile in length, which delivers ore from the mouth of the main working tunnel to the calciner, located on a bench about two hundred feet above the tunnel. With this tramway, one man delivers ten tons of ore per hour. The plant is equipped with a laboratory, storage bins, rock crushers, elevators, and the usual subsidiary apparatus. An operating camp has been built which includes a boarding house, bunk houses, staff quarters and office building. Cottages for workmen with families are being added. An adequate supply of water for all industrial uses is obtained from wells on the company's property. It is also used for bathing and all camp purposes, except drinking, all the buildings being piped with it. Electric power and lights for the mine, calciner and village are supplied by an oil engine, direct-connected with a generator, capable of delivering 150 electric horse power.

The ore deposit has been explored by the driving of our lower, or main tunnel along the vein, and opening up the ore body for stoping by raises and intermediate drifts. The consistent width and average value of ore, in the vein, as disclosed in this work is most unusual. There has been no tendency whatever for the ore to form in isolated lenses or pockets as is customary in other colemanite deposits. It cuts through the mountain with almost mathematical uniformity as regards widths of ore and average value. This condition insures low mining costs and makes the correct estimation of ore reserves an easy matter, with practically no guess work about it. In this connection it is worth while to state that underground developments are more than justifying the estimates made by Mr. Hoyt S. Gale in his description of this property. After his visit early in 1921, he estimated from surface examination only that there would be found a minimum of 400,000 tons of ore, and that the maximum might be five times as much. Since Mr. Gale visited the property we have performed about three thousand feet of underground work on this vein. The conclusion reached from this work is that there is a reasonable expectation of 1,236,000 tons of ore above the lower tunnel. Moreover, this tunnel has followed good ore for a distance

of about twelve hundred feet, therefore it is certain that additional tonnage lies below it. One can only hazard a guess at the amount, but quite probably at least as much as there is above it. It is to be borne in mind that these figures represent only that part of the deposit lying between Lovell Wash and the next big wash to the east. This is the section of the vein marked by the bold outcrop. What amount of ore may be found in the extension of the vein in either direction beyond these arbitrary boundaries is only a matter of conjecture. No work has been done so far to throw any light on the matter.

Our transportation situation has improved greatly. While we were forced by poor road conditions to depend upon caterpillars for hauling during our early operations, we have been improving our road continually. The question of grades has never given us any trouble as there are no excessive grades on the road. Our main trouble was the road surface, which in places was of a nature which cut badly. By resurfacing these places with rock we are overcoming the difficulty. Our road has improved sufficiently so that about one-half our tonnage is now transported to the railroad on auto trucks, and it is planned to do away with caterpillars altogether during 1923.

The contemplated Colorado River Dam, which has been discussed so much in the press recently, is a matter of great interest to this company, inasmuch as the most favored dam site—Boulder Canyon—is situated only about twenty miles distant from our mine, and a railroad from the main line to this site would pass within about a mile of the company's calciner. As the first step in building the dam would be the construction of this railroad, the early consummation of this work is to be hoped for. It would mean immediate reduction in transportation cost, and ultimately cheap hydro-electric power available for use. For this reason your directors have watched with interest Mr. Hoover's efforts to reconcile the conflicting claims of the various states involved. The indications are that favorable action will be taken on this question soon.

Many difficulties had to be overcome in carrying on this plant construction and other work. The mine is situated in the heart of the hot, arid deserts of the Colorado River Basin, hundreds of miles from a real base of supplies, and twenty-five miles from rail communication. There were no roads, no water, no habitations. The job was, to begin in a wilderness and build up a completely functioning industrial community, in the space of a few months. It meant the purchase at distant points of tools, building material, machinery and supplies, the organization of a transportation system capable of handling many hundred tons of incoming material, some individual pieces of which weighed over twenty tons. It meant organizing and maintaining a large camp of workmen, distant from labor markets, food and water supply. The heaviest part of the work had to be done in the two hottest months of the year, with daytime temperature ranging from 115 degrees upwards, and sleep nearly impossible at night. The road at times was a succession of bottomless chuck holes lying under a blanket of powdery white dust, inches deep. To keep up the morale of an organization under such circumstances is no small task, but in spite of obstacles, and the lack of usual facilities, the calciner was operating within three months after the arrival of the first car of machinery.

It is interesting to compare the difficulties and accomplishments of this work, with the writer's own experience during the early pioneer days of the Borax industry. In many

ways the problems of today are the problems of forty or fifty years ago,—heat, drought, distance from base; history repeating itself. It was while meeting these desert conditions in other activities that the writer in 1872 made his first discovery of Borax at Teel's Marsh, Nevada, which discovery, after various vicissitudes in securing the property, initiated the Borax industry in this country, which has since grown to an enormous extent and also resulted in reducing the price from 35c per ounce to its present low figure, increasing the output to such an extent that Borax is now not only a household article, but put to several hundred uses in industry and art. About ten years after the production of Borax was begun from the Teels' Marsh deposit, the Death Valley colemanite deposit was acquired and developed by the writer, increasing the supply to a much greater extent than was possible from Teels' Marsh.

General conditions in Death Valley, forty years ago, were probably worse than those encountered and overcome at the Anniversary Mine. But standards have changed, too, and more is expected now, in the way of accomplishment and speed, than was required a generation and a half ago. Our old machinery was not so heavy or cumbersome, nor did it require the niceties in erection and operation, of modern plants, but our distances were greater and our location much more inaccessible. Teels' Marsh was one hundred and eighty miles and Death Valley one hundred and sixty-four miles from the railroad, whereas your deposit in Las Vegas, Nevada, is twenty-five miles from the railroad. Instead of the caterpillar-tractor or auto truck of today, we put our faith then in the Twenty Mule Team. The caterpillar or auto truck does not eat or drink, but on the other hand, the mule team never broke down on the road. For speed the caterpillar is about on an equal basis with the mule team, but the auto truck now in use is speedier.

Refineries are now in operation at San Francisco, California, and Chauncey, New York. Supply depots are maintained at Chicago, Philadelphia, New York City, El Paso, Texas, Los Angeles, Montreal and Toronto, Canada.

The company has had a cordial reception from the consumers of Borax and Boric Acid with the result that the orders have grown from month to month to such an extent that an increase in our manufacturing facilities is being considered by your Board of Directors.

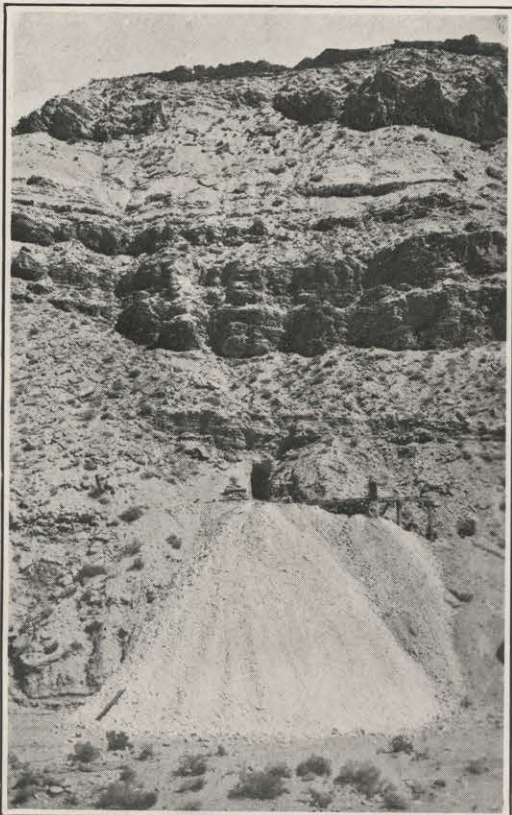
While the present price of Borax is low, prospects for higher prices and a constantly increasing demand are good.

The year has been one of real accomplishment and we look forward to continued progress through increased output and facilities, and in other ways.

F. M. SMITH,
President.



GENERAL VIEW OF PLANT AT MINE.



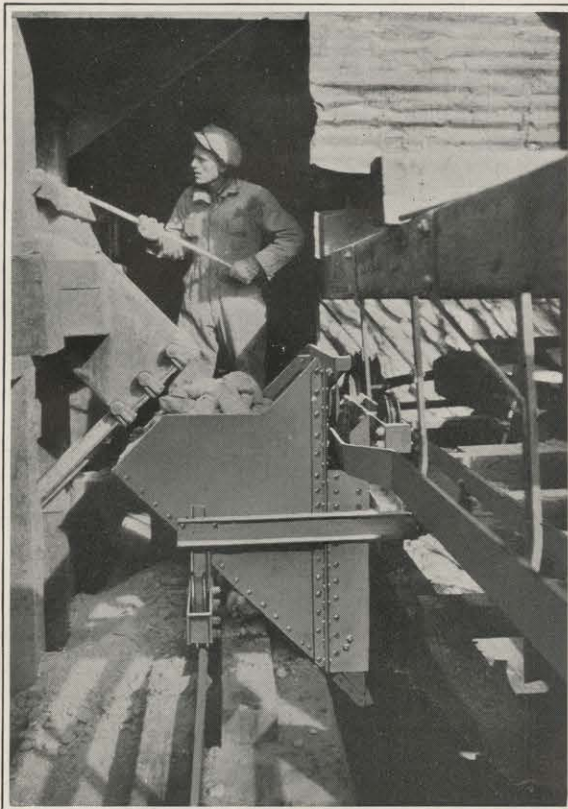
WEST END CHEMICAL COMPANY,
COLEMANITE BORAX MINE NEAR
LAS VEGAS, NEVADA TUNNEL NO. 1.



LOADING CARS WITH BORATE ORE FROM CHUTES
IN THE MINE.



BORATE ORE COMING FROM THE MINE.



LOADING BORATE ORE INTO CAGE TO BE CARRIED ON AERIAL TRAMWAY TO ORE CRUSHER.



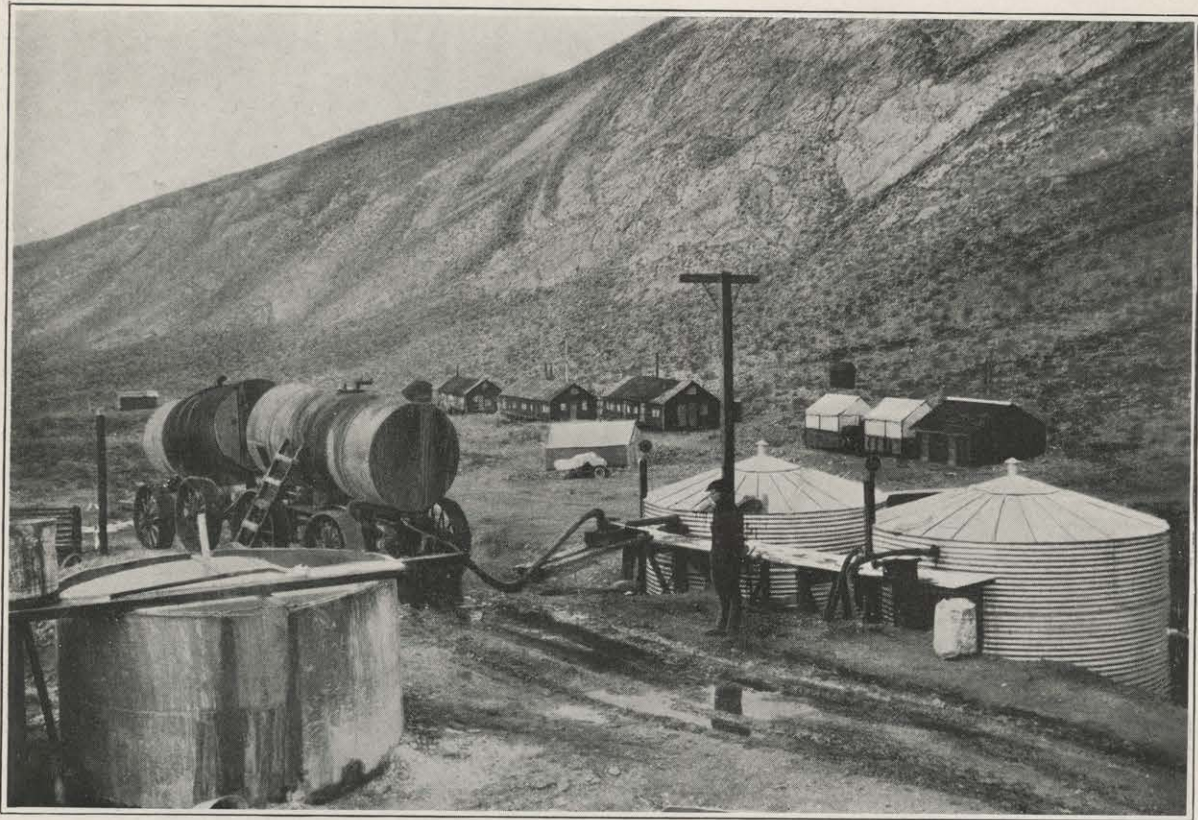
SACKING CALCINES TO BE SHIPPED TO REFINERIES.



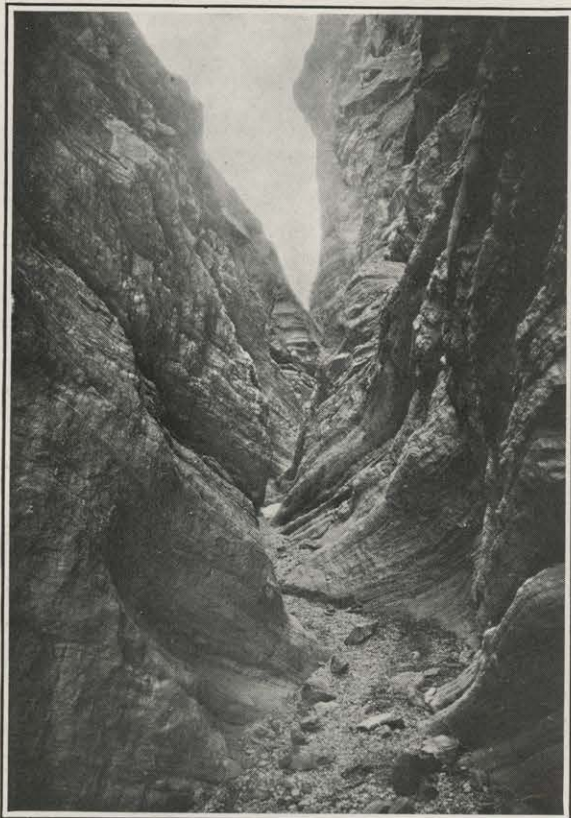
ORE BIN AND LOWER TERMINAL OF TRAMWAY AT THE MOUTH OF THE TUNNEL.



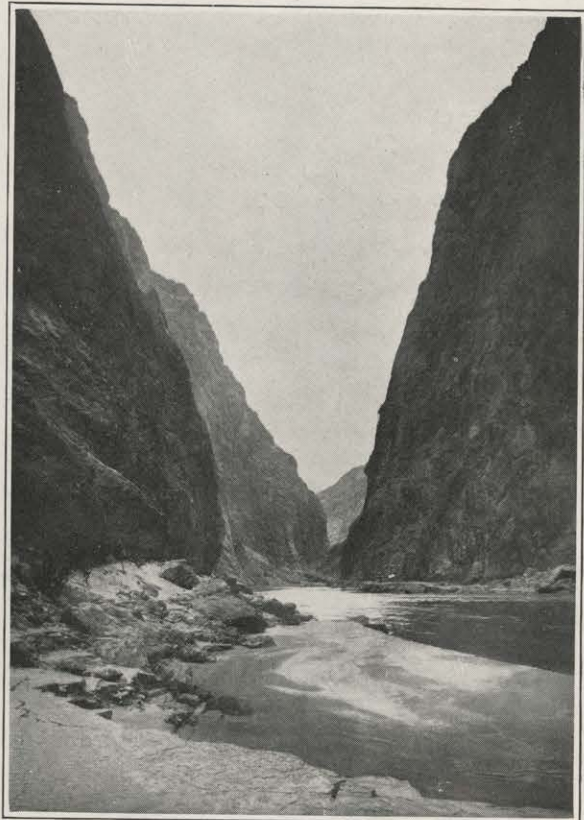
VIEW OF ANNIVERSARY MINE AND AERIAL TRAMWAY THAT CARRIES ORE TO CALCINER.



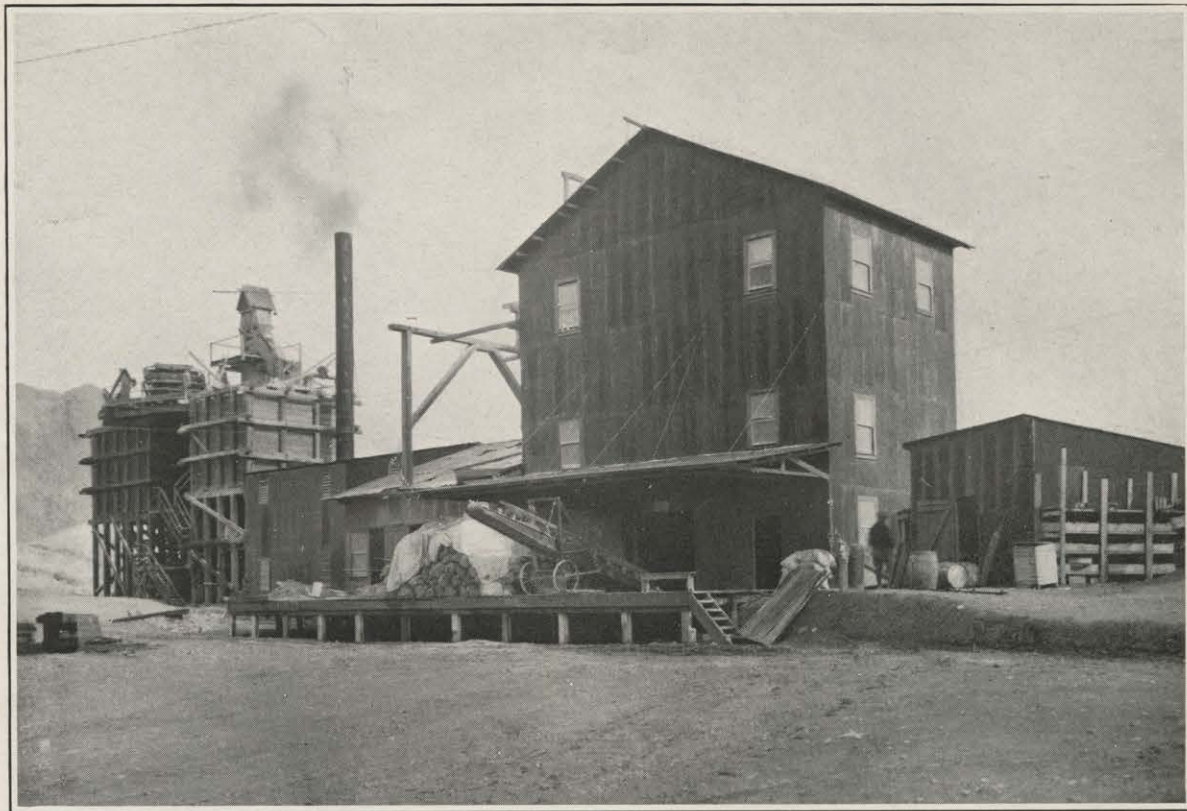
UNLOADING FUEL OIL AT MINE.



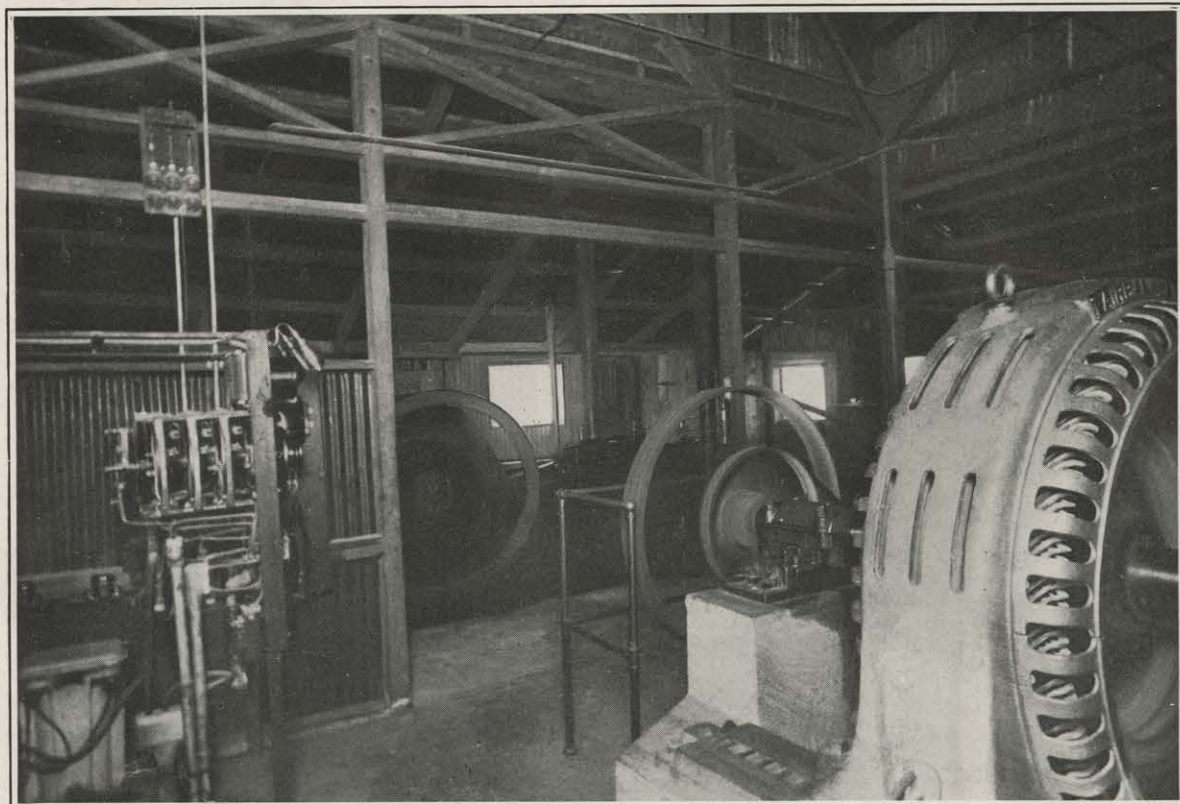
VIEW UP LOVELL WASH
AT ANNIVERSARY
MINE.



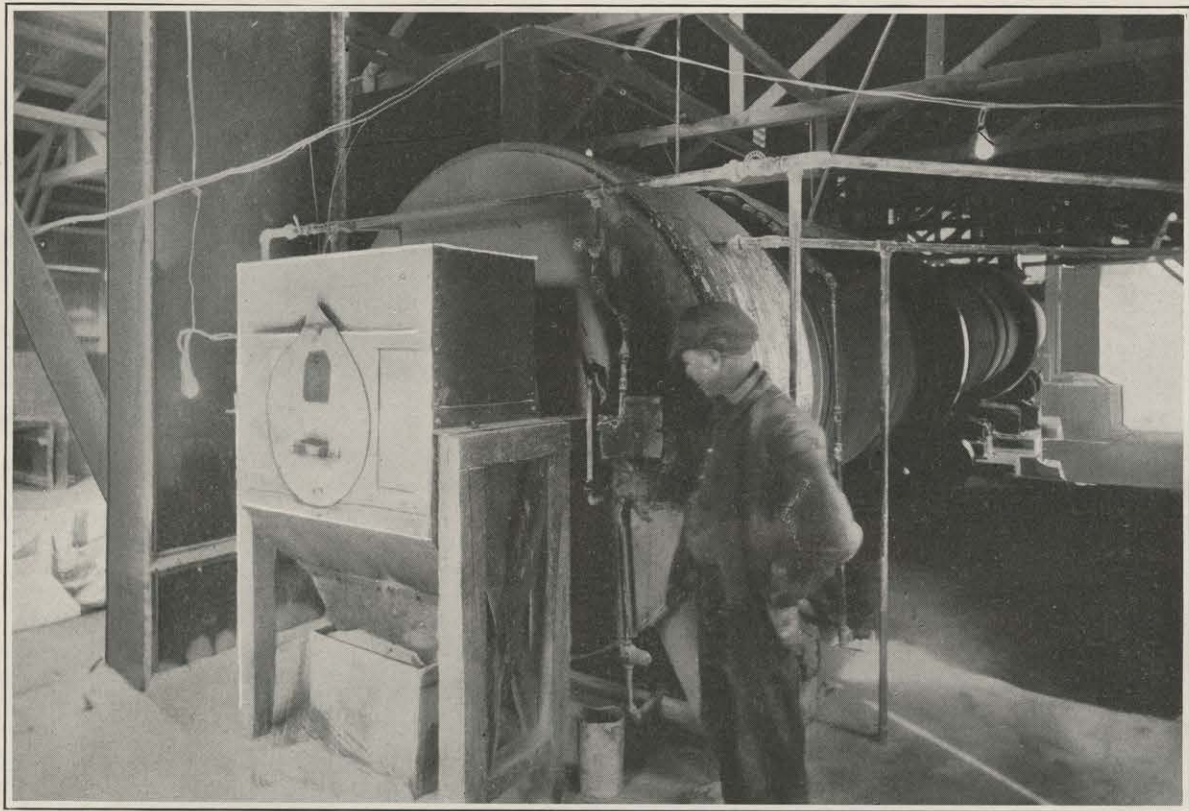
SITE OF UNITED STATES GOVERNMENT DAM AT
BOULDER CANYON, 20 MILES DISTANT
FROM ANNIVERSARY MINE.



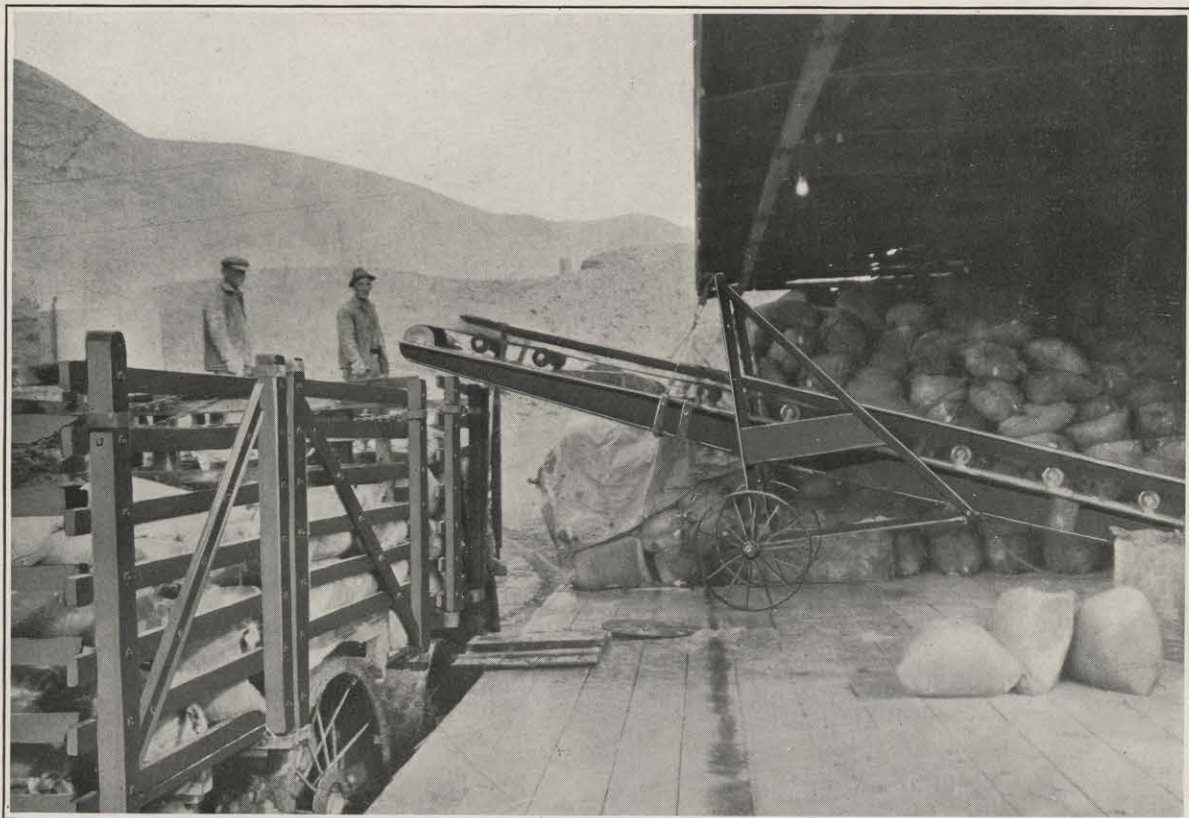
CALCINING PLANT.



INTERIOR POWER PLANT SHOWING GENERATOR, SWITCHBOARD, COMPRESSOR.



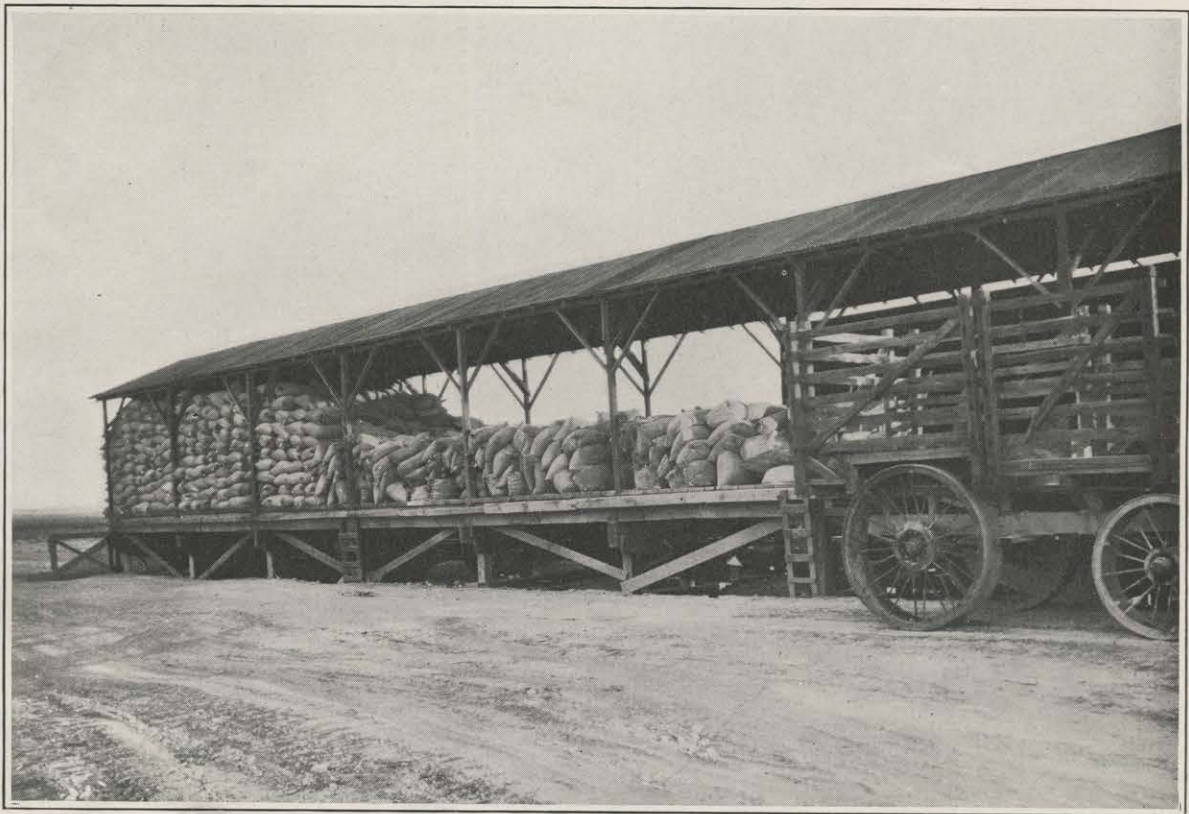
KILN IN WHICH BORATE ORE IS CALCINED—VIEW FROM FIRING END.



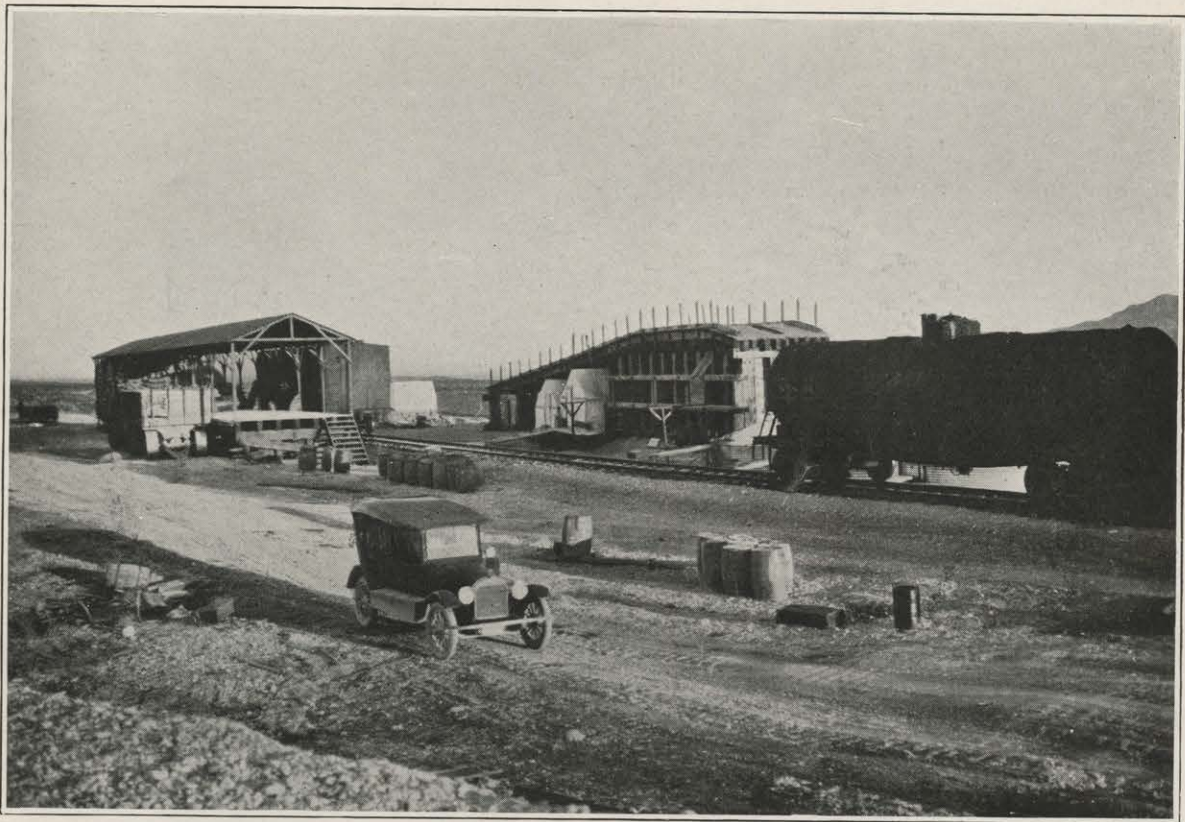
LOADING CALCINES ON TRAILER FOR TRANSPORTATION TO MAIN LINE RAILROAD.



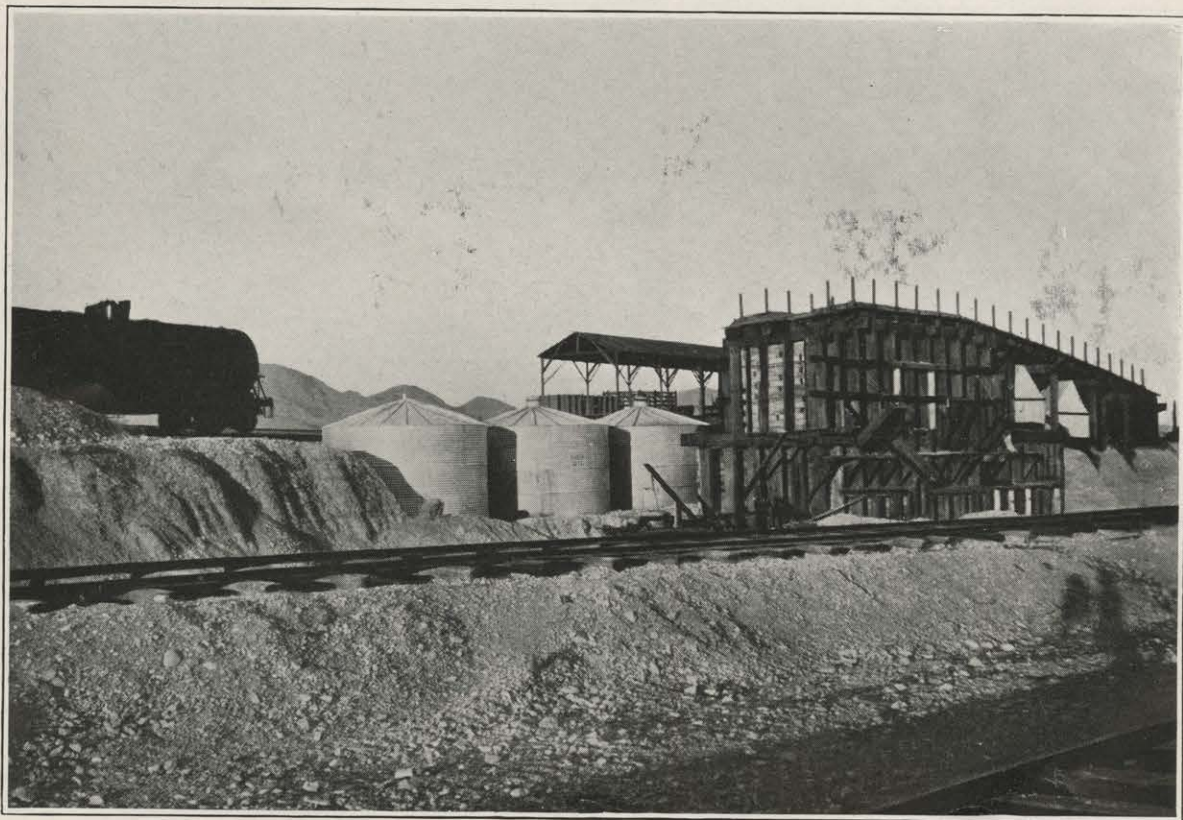
TRANSPORTATION TO RAILROAD—ONE MOTOR TRUCK AND TWO TRACTORS WITH TRAILERS CARRYING 50 TONS OF CALCINES AND TWO OIL TANKS.



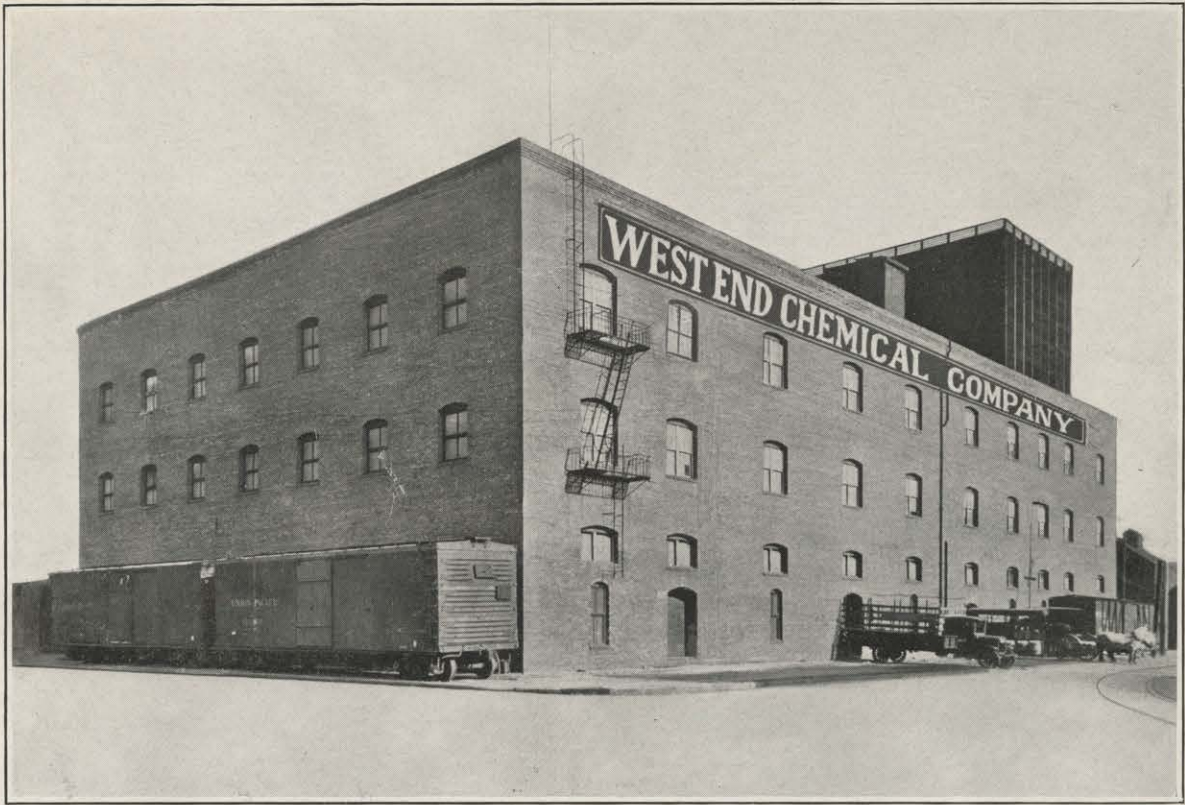
LOADING PLATFORM AT VALLEY STATION.



GENERAL VIEW AT VALLEY STATION SHOWING COMPANY'S FACILITIES FOR HANDLING FREIGHT IN AND OUT.



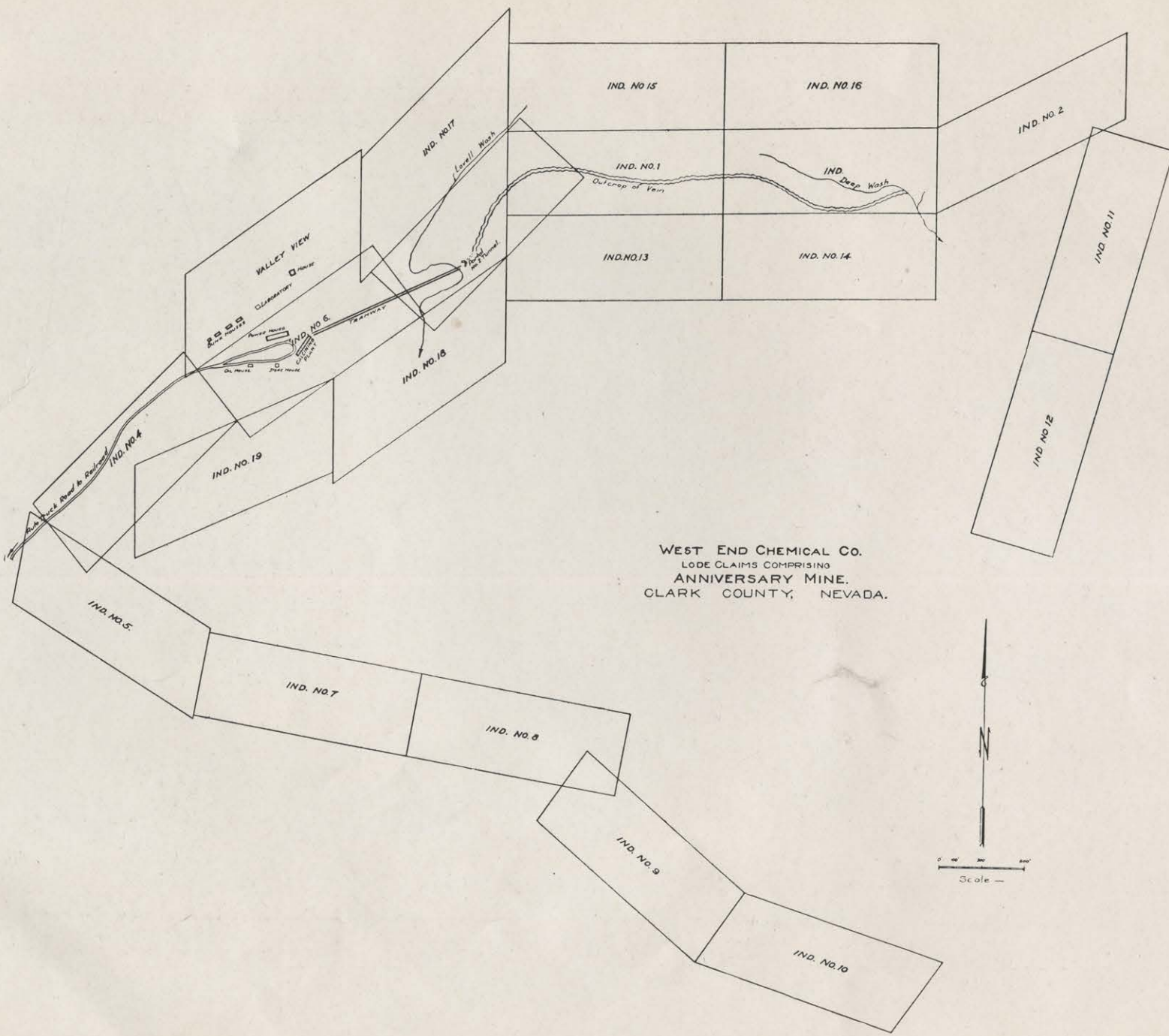
AT VALLEY STATION—MAIN LINE UNION PACIFIC RAILROAD—OIL TANKS AND BUNKERS.



REFINERY AT SAN FRANCISCO, CALIFORNIA.



REFINERY AT CHAUNCEY, NEW YORK.



WEST END CHEMICAL CO.
 LODE CLAIMS COMPRISING
 ANNIVERSARY MINE.
 CLARK COUNTY, NEVADA.





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