

The North Mexico Contracting Company, to start with, will own 11,748 acres of land, contiguous to deep water at Topolobampo, in the lower part of the Gulf of California, in the District of Fuerte, State of Sinaloa, Mexico.

The Company will establish for the basis of its business a town site to be known as Pacific City, and it will lease and sell lots for business and residence purposes. It will convey water from the Fuerte River for irrigation and other purposes. It will establish a general supply store, there being not less than 150,000 people whose supplies are largely imported through the coast, that will at once center at Topolobampo, and the Company will assist in the promotion of <sup>brick yards, iron and steel mills,</sup> smelters, furnaces, <sup>Department Store, Bank and</sup> factories and the opening up of plantations for the cultivation of sugar, cotton, rice, etc.

Steps are being taken to avail of the Government rules whereby freedom from taxation can be obtained for a period of ten years, and encouragements for certain new industries, and a concession is being sought whereby entry of personal effects, tools and machinery can be had free of duty. <sup>by those who come to settle.</sup> It is expected that the concession will convey a bonus per capita for imported laborers and settlers brought in from Asia and Europe.

Topolobampo is a deep water port covering an area of 54 square miles, of which 12-1/2 sq. miles possess a minimum depth of 30 feet. Deep water lies close to the shore, say within 50 ft. The harbor is virtually land locked, being thus protected from storms.

It is 185 miles south of Guaymas at which point freight is handled by lighters. While at Guaymas there is deep water, the harbor area is only about one-half mile square.

To the South the next harbor is Manzanillo, about 440 miles distant, but this is only a small harbor.

The town site on Topolobampo bay, now Pacific City, originally comprised 40 sq. miles, but only 11,748 acres constituting the most available part thereof, are now in question. These abut on the shore line for a distance of about six miles, of which two miles face deep water.

The title of these 11,748 acres is as follows:- Part of this was originally taken up by Benjamin R. Carman, (U. S. Consul at Mazatlan, State of Sinaloa, Mexico) and Carman secured the balance from one Ybarra (a Mexican).

Albert K. Owen, of Chester, Delaware County, Pennsylvania, received Power of Attorney from Carman and Ybarra to locate and lay off a town site for which he was to possess an ownership of 20% in the 40 sq. mile track.

Carman and Ybarra both died, and Owen has for some time been negotiating and arranging terms with their heirs, whereby title to the land would vest in him.

The matter stands thus to-day:

Owen has bought out Carman's interest and thus obtains possession of two large tracts of land on Topolobampo Bay, namely, 5,508 acres of the El Mapau, and 6,240 acres of the Bachomobampo tract, a total of 11,748 acres.

The soil here is marvelously fertile, and all tropical fruits and vegetables grow in profusion. The great industry of the section, however, is sugar cane.

Saccharine matter in Mexican cane, runs 10 to 14 per cent. in Louisiana and the West Indies it runs from 6 to 10 per cent.

A ready market at good prices can be found for all sugar cane grown in this section.

Sugar mills in Mexico pay large profits.

The great desideratum for the development of this section is a steam railroad. It is expected that a standard gauge steam railroad now under construction will be in operation between Topolobampo (Pacific City) and Fuerte, a distance of 62 miles, <sup>by winter in a few months</sup> ~~by April~~, and that the road will be completed to Baca, a distance of 103 miles, <sup>by July</sup> ~~by July~~, 1903.

This road is part of a trans-continental system from Kansas City to Topolobampo Bay. There is also a Mexican concession for a railroad from Terrazas through the Sierra Madre, via. the Yaqui River and thence to Topolobampo and the Sante Fe R.R. and the Juarez and Sierra Madre R.R. <sup>had</sup> ~~had~~ engineers <sup>last winter</sup> at this time (Oct. 1901) surveying this extension. There is also a concession for the great Cananea Copper Mines of Sonora, 330 kilometres to Topolobampo, and the Hamburg Steamship Company of Germany in October, 1901, <sup>arranged to</sup> ~~starte~~ ~~ed~~ a monthly service from Hamburg, Antwerp and London to Acapulco, Mazatlan and Guaymas, which will take in Topolobampo as soon as it is declared a port open to foreign vessels.

Back from the coast, some forty-five miles, is the nearest silver mine. Here begins a highly mineralized region and many mines are located further in the interior. There is a very large carrying trade into the mining district from the coast, some six thousand pack animals being engaged therein. Topolobampo is the only available spot for hundreds of miles for the output of this section, <sup>which includes Alamos and Pantepiles</sup> and the building of the Road now under construction will at once give life to the town site.

As to the matter of fuel, apart from the available coal supply, Professor Edward Daniels, formerly State Geolo-

gist of Wisconsin states as follows:

"All metallurgical processes are more and more to be conducted with fuel gas. The discovery of natural gas has shown its perfect adaptability to all needs of man, in mines, furnaces and for domestic use. But so abundant is this cactus and so easily available for gas, that I doubt if it were known that the natural gas existed a thousand feet below the surface, it would pay to bore for it, while this surface supply of fuel lasts. A thousand feet of fuel gas (or illuminating), can be made and put where it is wanted, with less outlay than is now done at Pittsburg, and of better quality in all respects, free from much of the danger, and all the unpleasant anxiety of that article. I estimate that the present supply near Topolobampo, would be ample for fifty thousand people for 20 years to come. This supposes that furnaces for glass, iron, pottery and all the usual works of a city are added to the demand for light. This estimate I make with the full knowledge of the immense mineral wealth of the vast region, that will have its outlet at Topolobampo Harbor and make a vast demand for fuel."

Timber abounds in the mountains.

Coal is found 100 miles from the harbor.

Water must be gotten from the Fuerte River. A canal has been dug therefrom at a point 22 miles from the town site. The canal is now seven miles long, and must be extended 15 miles to reach the town site. The nature of the soil is such that this extension will cost only about \$5,000.

There is much activity in this section of Mexico. Not only are new mines being opened up, but large tracts of land are being acquired. The new railroad will greatly stimulate the mining business; it will aid in opening large

areas to civilization, and, as before stated, sugar cane will be the largest and most profitable crop.

A casual acquaintance only with current events indicates to the observer that great developments will be made on the Pacific Coast. Not only are trunk lines looking in that direction, but the largely increasing Oriental trade will need all available facilities. <sup>at Topolobampo</sup> Here there is the finest harbor on the coast.

Taking the distance from the following named points to San Francisco and Topolobampo, they are in favor of the latter port as follows:

From New York	800 miles
" Chicago	500 "
" New Orleans,	1200 "

and from many other places in like proportion.

The vender has claims to adjoining lands, title to which it is quite possible he may secure for the Company.

These are:-

Sixteen thousand (16,000) acres of the 64,000 acres forming the Los Mochis tract. When acquired, these will be subject to the extent of about 5000 acres to be transferred to sundry settlers now in Sinaloa.

Twenty per cent. of the "Baviri" tract of about 1,000 acres.

Twenty per cent. of the remaining parts of the "El-Mapau" and of the "Bachomobampo" tracts, comprising respectively about 5000 acres and 6000 acres.

The vender, also, transfers his rights to the waters of the Fuerte River and in the Los Tastes ditch.

The Company will issue \$6,000,000. of Capital Stock divided into

Preferred (Cumulative) 7% stock . .	\$2,000,000.
Common Stock . . . . .	4,000,000.
	<u>\$6,000,000.</u>

No dividends will be paid on common stock until interest is provided for the preferred stock outstanding, but the preferred stock will not vote.

Shares of \$100. each, full paid and non-assessable.

The Company is to be formed under the laws of the State of New York and will have a very liberal charter.

Adding the shore lands, i.e., the riparian rights, to the 11,748 there are over 12,000 acres in the lands now offered.

Of the Preferred Stock the vendor will receive 5,000 shares, and of the Common Stock the vendor will receive 10,000 shares. The purchasers will receive 5,000 shares of the Preferred Stock and 10,000 shares of the common stock for \$200,000., and the remaining 20,000 shares of Common and 10,000 shares of Preferred Stock will go to the Treasury, to be used for the Company's purposes. Of the \$200,000. received for 10,000 shares of common stock and for 5,000 shares of Preferred Stock from the purchasers, \$50,000. will be placed in the Treasury for the Company's use.

The vendor will put his 10,000 shares of Common stock, and the purchasers will put their 10,000 shares of common stock with a Trustee agreeable to both parties, for five or more years, for voting purposes and in order that the Treasury stock may be sold first. The vendor to have the naming of 3 out of 7, or 5 out of 11 Directors.

This will leave the stocks and cash in the Company's treasury as follows:

Preferred Shares	10,000	\$1,000,000.
Common Shares	20,000	2,000,000.
Cash		50,000

The Company at its discretion, at any time after the expiration of five years from the date of the charter, may call in the preferred stock, or any part thereof, at \$120. per share and interest.

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The North Mexico  
Contracting Company,

Capital:

60,000 shares  
of \$100. = \$6,000,000.

Capital: