

## "The Topolobampo Railway"

On the 2<sup>nd</sup> day of June, 1890, the Mexican Government confirmed to Mr Albert K. Owen, a concession to build a railway from the Bay of Topolobampo, in the State of Sinaloa, Mexico, to the Rio Grande, in the State of Coahuila, passing through portions of the States of Sinaloa, Chihuahua and Coahuila.

To aid in the construction of this road, the Government of Mexico agrees to pay to Mr Owen, or to any Company organized by him to build the road, the sum of \$12,900.00 in Bonds of the Government of Mexico, bearing



six per cent. per annum interest.

The Government also authorizes the construction in addition to the main line, of branches not to exceed altogether five hundred kilometres.

It is expected that the main line of this road will cross the Mexican Central Railroad at or near the City of Santa Rosalia in the State of Chihuahua.

It is estimated that the line from Topolobampo to Santa Rosalia will be 490 miles in length and the line from Santa Rosalia to the Rio Grande 350 miles in length. About 200 of the 490 miles between Topolobampo and Santa Rosalia are mountainous, the



line crossing the Sierra Madre. The balance of the line both east and west of the Sierra Madre is through a country favorable to cheap construction.

The object of the following statement and estimates is to show that a Company beginning with a cash capital of \$1,000,000. can build the entire line and equip it handsomely by the sale of First Mortgage Bonds at the rate of \$25,000. per mile on completed road, realizing only 80 per cent. of the par value of the bonds.

The statement, as will be seen, proceeds upon the idea that the work of construction will progress simultaneously from the crossing of the Mexican



Central eastward towards the Rio Grande, and from Topolobampo eastward to the crossing of the Mexican Central.

The estimates contained in the following statement are based on an intimate knowledge of the country and the examination made by competent engineers:

The Company will begin the work of construction with \$1,000,000 cash in hand.

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40 miles from Topolobampo to San Blas at \$13,000 per mile - -	\$ 520,000
40 miles eastward from Mexican Central at \$11,000 per mile - - -	440,000
	<u>\$ 960,000</u>



	\$ 960.000
Temporary wharf and warehouse at Topolobampo, and steamer to ply between Topolobampo and Guaymas - - - - -	40.000
	\$1.000.000

Proceeds of sale of First Mortgage Bonds on 80 miles of road, \$25.000 per mile, at 80¢ - - - - -	\$ 1.600.000
40 miles east of Mexican Central at \$12.000 per mile - - - - -	480.000
40 miles east from San Blas, at \$16.000. per mile - - - - -	640.000
	\$ 480.000
Balance on hand - - - - -	\$ 480.000
Proceeds of sale of bonds on 80 miles of road - - - - -	1.600.000
	\$ 2.080.000



Deduct for equipment, buildings,	\$2,080,000
Water tanks, etc., - - - - -	\$100,000
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Balance in hand \$1,980,000

40 miles east of Mexican Central,	
at \$14,000. per mile - - - - -	560,000

40 miles east toward the Sierra	
Madre, at \$20,000. per mile - - -	800,000
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Balance in hand - \$620,000

Proceeds of sale of bonds on 80	\$
miles of road - - - - -	1,600,000
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\$2,220,000

60 miles eastern division	
at \$14,000 per mile - - - - -	840,000

30 miles in Sierra Madre,	
at \$34,000. per mile - - - - -	1,020,000

Deduct for equipment, buildings,	
Water tanks, etc., etc. - - - - -	160,000
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Balance in hand - \$200,000



Proceeds of sale of bonds on 90	200,000
miles of road - - - - -	\$ 1,800,000
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	\$ 2,000,000
60 miles eastern division at \$14,000	840,000
per mile	
30 miles in Sierra Madre at \$35,000	
per mile - - - - -	1,050,000
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	\$ 110,000
Equipment, buildings, etc, etc.	\$ 110,000

Proceeds sale of bonds, 90 miles -	\$ 1,800,000
60 miles eastern division \$14,000.	840,000
25 " in Sierra Madre at \$35,000 -	875,000
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Balance in hand -	85,000
Equipment, buildings, etc, etc.	85,000
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Proceeds sale of bonds 85 miles	\$ 1,700,000
60 miles eastern division \$14,000.	840,000



25 miles Sierra Madre, \$30,000 -	<u>750,000</u>
Balance - - -	110,000
Equipment, etc, etc - - -	<u>110,000</u>

The eastern division from Santa Rosalia to the Rio Grande is now completed.

Proceeds of sale of bonds on 85 miles - - - - -	\$1,700,000
50 miles in Sierra Madre at \$27,000 - - - - -	<u>1,350,000</u>
Balance	350,000
Equipment, etc, etc, etc	<u>100,000</u>
Balance	250,000
Proceeds of sale of bonds, 50 miles	\$1,000,000
	<u>\$1,250,000</u>



50 miles in Sierra Madre, \$22,000	-	\$1,100,000
		<u>150,000</u>

Proceeds sale of bonds, 50 miles	-	1,000,000
		<u>\$1,150,000</u>

50 miles western division (having now passed the Sierra Madre and descending the Rio Conchos,) at \$20,000 per mile	- - - - -	\$1,000,000
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Balance	- - -	150,000
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Proceeds of sale of bonds, 50 miles	-	1,000,000
		<u>\$1,150,000</u>

Equipment, etc, etc.	-	50,000
		<u>\$1,100,000</u>

50 miles of road at \$20,000	-	1,000,000
		<u>\$100,000</u>

Equipment, etc, etc.	- - -	50,000
		<u>\$50,000</u>

Proceeds sale of bonds 50 miles	-	1,000,000
		<u>\$1,050,000</u>



50 miles of road, \$20,000.	<del>\$</del> 1,000,000
	<hr/> 50,000
Equipment, buildings, etc.	50,000
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Proceeds sale of bonds 50 miles	\$ 1,000,000
10 miles of road \$20,000 - -	200,000
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Leaving - - -	\$ 800,000

with which to enter Texas.

This line can be extended from the point where it will reach the Rio Grande to any point in the State of Texas, on the Gulf of Mexico, at a cost for construction and equipment not to exceed \$15,000 per mile. The balance above cost which the Company would realize from the sale of bonds on this extension would enable the Company to build branches



north and south from the main line in the Sierra Madre into the great mining region in the States of Chihuahua, Sonora and Sinaloa, as well as into the immense bodies of pine land which extend to the north and south of the main line of the road and upon which the great plateau east of the mountains and the Pacific slope must depend for their supply of lumber.

It will readily be seen that from the Rio Grande this line of road could easily make connections with all the systems of railroad in the United States.



Construction Company.

It is proposed to organize a Construction Company with a Capital Stock of \$2,000,000. in 20,000 shares of \$100.

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To be subscribed in cash - - - \$1,150,000

of this cash there will be paid to the Concessionaire, Mr Owen,

The sum of - - - - - \$150,000

Leaving for Construction purposes \$1,000,000

The subscribers of \$1,150,000 cash will receive 12,000 shares of the stock of the Construction Company.

The balance of the stock to belong to Mr Owen.



The Construction Company will receive all the First Mortgage Bonds that may be issued on the main line and its branches;

Three-fifths ( $\frac{3}{5}$ ) of all Second Mortgage or Income Bonds that may be issued;

Three-fifths ( $\frac{3}{5}$ ) of the Mexican ~~E~~ subsidy; all the lands that may be acquired from the Mexican Government carrying right to all minerals;

And 15% of proceeds of sale of lots in Pacific City, the terminus of the road on Topolobampo Bay.



# Memorandum.

I have made as careful and close an estimate of the cost of the First Section of the Railroad East from Topobampo Harbor as it is possible from surveys and profile of the line, and though very low I think the figures sufficient if the work is done quickly and with rigid economy-

Clearing & Grubbing 32 miles - \$20. per acre	\$ 2,560.
Grading 32,000 Cub. Yds. @ 15¢	4,800.
Track laying & Surfacing 32 miles @ 200.	6,400.
Loading & unloading materials & Incidentals	2,240.
Track Material, Tools & Equipment, as per list furnished	154,000.
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	\$170,000.

Total Cost of 32 miles -  
Average Cost per mile - 5.315.

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Very respectfully yours,  
Jas. H. Freeman, C.E.

(See Appendix A. B. & C.)



Estimates by Joseph Hampl, C. E.  
for preparing the railroad bed ready  
for the rails for the first section of 32  
miles from Topolobampo.

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"In this estimate the delivery of ties,  
by Mexicans, is included. This delivery  
of ties, however, is an impossibility  
without a saw mill, and, as Mike  
sold the one he brought down here, we  
will have to look out for another.

The number of ties, about 68,000, for  
32 miles, can only be secured by cut-  
ting the trunks of the Mesquite trees,  
which would be too expensive to  
have it done by Indians. If ties are  
delivered by you, take \$50,000 off the esti-  
mate.



Estimate of cost of constructing the first section of the Mexican Pacific Railroad bed with ties laid, per kilometer, beginning at Topolobampo Harbor.

Clearing and grubbing	---	---	\$50.00
Grading	---	---	150.00
Masonry	---	---	50.00
Ties	---	---	1,125.00
Engineering	---	---	350.00
Add for rockwork at harbor	---	---	75.00
etc. and	---	---	---
			\$1,800.00

(Mexican money)

Help and necessary tools and supplies.

- 1 Assistant Engineer
- 1 Rod man
- 2 Blasters
- 4 Boss rockmen
- + 4 Teamsters
- x 1 Time Keeper
- x 7 Cooks
- x 300 Indian workers
- 2 Steam drills.

\* Cant make word out



- 12 Steel bars (hand drills)
- 12 Steel wheelbarrows
- x 24 Boxes dynamite, fuse and caps
- 2 Camp furnaces
- 2 Anvils and double set of blacksmith tools.
- 2 big grindstones
- 1 small grindstone
- 3-400 gallon galvanized iron tanks.
- 2 hand force pumps with about 200 ft. 2" pipe
- 1 five ton sail boat with tank
- 1- 2,000 lbs. road wagon
- 2- 4,000 lbs. running gears
- x 2- 300 gallon portable wooden tank
- 12 Whiskey barrels
- 1 set Carpenter tools
- 2 Carpenter levels
- 200 Steel shovels
- 100 Axes with handles
- x 100 Machetes
- 50 grubbing hoes



- 20 Crow bars  
 2 Grading plows  
 x 10 Mules with harness  
 x 12 Oxen with Mex. yokes and chains  
 x 2 burros with aparejas  
 4 Ten gallon Kegs  
 3 Tents with flyes  
 Camp cooking outfit.

No. 3 Help and supplies marked with x can be bought better, or made at the place.

The undersigned offers to build the first 50 kilometers, carrying all necessary expenses for tools, labor, etc., for \$1,000<sup>00</sup> gold per kilometer, work to be finished within four months.

The work would consist in having the road-bed with ties ready to lay the rails and to level off the terminus at Topolo-Bampo harbor for, at least, 200 feet wide.

New York Augt. 1898  
 Jos. Hampl. C. E.



## Memorandum.

Preliminary to the construction of the Railway from Topolobampo to Guerrero (Conception), or the Rio Grande, it is most important to secure titles to, or binding options, upon all the lands in what is known as the Topolobampo Reservation, including Pacific City site, as per map herewith, comprising some 700,000 acres in all. To accomplish this A. K. Owen will transfer to a Company to be organized, as The Mexican Development Company, with a Capital of \$150,000 in 1500 shares of \$100 each, his

Railway and Colony Concessions,

20% in Pacific City site, of 40 sq. miles,

A Contract to transfer all Public Lands in Zona Sanitaria, and Damascias in Mochis and Bateve tracts, about 57,000 acres as soon as title is obtained from the Government, which will be granted on payment of about \$1500. for stamps, etc., and \$5,000. to officials.



10,000 acres of farming lands in "Mochis" now held by Mr. Rice as Trustee.

All water rights in Fuerte River, and an agreement to pay \$25,000. now promised him on Railway Concession from parties in England.

These would be transferred for 1,000 shares of the stock of the Company, 500 to A. K. Owen and 500 to John W. Lovell, and \$10,000. in cash. The remaining 500 shares - \$50,000. will be sold for cash at par, and the money used as follows:

- To pay above sum to A. K. Owen - \$10,000.00
- " " for titles etc. to public lands - 6,500.00
- " " Mexican owners of 37% of City site, which with Owen's 20% will give 57% all paid for - 5,000.00
- To pay on ac to American owners of 43% of City site and secure long term payment on balance, 30,000 or 40,000 in all - 5,000.00
- To pay options, and secure control of all other lands, about 600,000 acres, less "Mochis" 50,000 acres, 550,000 acres @ 50¢ silver, 25¢ = \$137,500. not over 5% deposit, <sup>or about</sup> - 7,000.00



Forward - \$33,500.00

To immediately improve the Ditch so that water can be put on lands at all times, and brought to City site - 2,500.00

To extend Ditch to City site, and send down, at once, Road Grader and Well-boring outfit - - - - - 4,000.00

Expenses of New York Office for six months, @ \$200. a month - - - - - 1,200.00

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\$41,200.00

Leaving on hand in Treasury - - - - - 8,800.00

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\$50,000.00

This \$8,800. to be used for advertising, publishing "New City", if deemed best, forwarding sales of lots in City site, and Colonization generally.

The income of the Company would commence as soon as improvements had been made in Los Tastes Ditch, so that lands would be opened to settlement.

In the transfer to the Company, Mr Owen would reserve the balance now to his



Credit in Mexico City from Colonization  
Concession, some \$13,400., and this has been  
pledged for certain debts; 5% from all sales  
of lots in City site to repay amounts paid by  
different persons in the past in forwarding  
this enterprise.

The Company also, to protect the interests of  
Colonists now at Topolobampo.

It is believed a large sum can be recovered  
by Mr Owen, from Streeter, Hoffman and  
others, which Mr Owen will give to the  
Company should it be willing to meet the  
legal expenses necessary to recover the same.



Estimate.Main Line.

Punta Baja to Cruz de Piedra	Kil.	@ \$5,000 -	200,000
Cruz de Piedra " Alamos	220 "	4,000 -	880,000
Alamos to El Fuerte	200 "	4,000	800,000
El Fuerte " Mountains	150 "	3,000	450,000
Tasajera " Culebra	20 "	3,000	60,000
Culebra " El Fuerte River	20 "	20,000	400,000
Left Bank " "	30 "	3,000	90,000
Right " " "	15 "	3,000	45,000
Urrique River " Urrique	50 "	2,000	100,000
Urrique " Summit	100 "	5,000	500,000
Summit " Chinapas	120 "	3,000	360,000
Chinapas " Aguas Calientes	15 "	3,000	45,000
Aguas Calientes " Santa Ana	20 "	5,000	100,000
Santa Ana " Pinos Altos	200 "	5,000	1,000,000
Pinos Altos " Yoguivo	50 "	3,000	150,000
Yoguivo " Calaveras	60 "	2,500	150,000
Calaveras " Guerrero	50 "	2,500	125,000
Guerrero " Chihuahua	200 "	2,000	400,000
<u>Bridges</u>			
Mayo	1560		100,000
El Fuerte			100,000

Carried forward — \$6,055,000



	Carried forward		\$6,056,000
Bridges	Yaqui		100,000
	Guamochic Colorado		15,000
	Urique River (30)		75,000
	Agua Calientes		50,000
	Guerrero		75,000
			<hr/>
			\$6,370,000

Branch to Coal Fields 1560

Monito	to Cruz de Piedra	Ril. 2 3/4	@ \$5,000	117,500
Cruz de Piedra	- Coal Fields	2 2 1/2	"	382,500

Branch to Batopilas

Road Bed		16	@ \$5,000	80,000
Tunnel		3	" 30,000	90,000

Deming Branch

Road Bed, etc.		300	" 6,250	1,875,000
				<hr/>
				\$8,915,000

Add Topolobampo Line.

Cruz de Piedra to Topolobampo	150	@ 2,000	300,000
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Total Road Bed			\$9,215,000

Approximate distance

Say 1500 miles @ 16,000 per mile \$24,000,000

Henry A. Case, C. E.



## Appendix A.

32 Miles Main line + 1 mile Sidings = 33 miles.  
To be purchased in England.

2,904 tons 56 lbs. Steel rail - - -	@ \$30. <sup>00</sup>	\$87,120.00
80 " 5 1/2 x 9/16 Track Spikes - - " "	" "	2,400.00
125 " Splices (1 plain bar + 1 angle bar) 2 1/2 lb per pint "	" "	3,750.00
8 " Track Bolts 3/4" Hexagon Nut - -	@ \$30. <sup>00</sup>	240.00
6 Sets Switches with #9 frogs angle 6° 22', Circular Switch & points complete	@ \$70.	420.00
20 ton Locomotive with pilot, Cab and Steam brakes on tender & drivers - -		£1,000.00
100 tons Smithy Coal - - - - -		375.00
Total - - - - -		\$98,305.00

## B. To be purchased in U.S.A.

4,000 Cross-ties Oregon pine @ 50¢	\$20,000.
at Topolobampo - - - - -	
10 Flat Cars @ \$350. at Guaymas	3,500.
5 Coal " or Gondolas @ 400. - -	2,000.
2 Box " " 600. - - - -	1,200.
1 Combination baggage & Passenger -	1,500.
1 Passenger Coach	2,000.
Freight to Topolobampo	600. \$30,800



Over - - - - - 30.800.

1 Water Tank 10,000 Gal. from St Louis	.350	
Tools, etc. in St Louis - including		
Hand Cars & Track Scales - - -	5,000.	
Freight on same - - - - -	200.	5,550.
		\$ 36,350.

50,000 Crossties from Logging Camp in		
Sinaloa - - - - - @ 30¢		15,000.
1,000 Telegraph Poles - - - - -		1,000.
200,000 feet Lumber from Oregon @ 25¢		5,000.
		\$ 155,655.

Incidentals - - - - - 4,345

Total - - - \$ 160,000

C. Purchased at St Louis.

1 Single friction drum Hoisting Engine and		\$ 800.00
Boiler - - - - -		
2 Hand Pumps - - - - - @ \$35.00		70.00
4 Wrecking Frogs - - - - - " 15.00		60.00
6 Claw Bars - - - - -		12.00
6 Spike Mauls (and 12 Handles) - - -		9.00
Over		\$ 951.00



	Over - - - -	\$ 951.00
24	Clay picks (and 48 Handles) - - - -	24.00
2	Striking Hammers - - - -	2.50
2	" " (double faced) - - - -	2.80
24	Tamping picks (+48 Handles) - - - -	28.00
6	Track Wrenches - - - -	2.40
1	Gauge (Huntington) - - - -	10.00
72	Shovels, Assorted - - - -	48.00
48	Pole Axes & Handles - - - -	40.00
24	Brush Hooks - - - -	12.00
5	Pinch Bars 1 $\frac{3}{4}$ in. - - - -	9.00
10	Lining " " - - - -	18.00
10	Iron Wheelbarrows - - - -	30.00
6	Signal lanterns, 12 Hand lanterns -	24.00
100	Gall Lubricating Oil - - - -	80.00
100	" Refined " - - - -	60.00
1	Bale Cotton waste - - - -	30.00
50	lbs Russia Hemp packing - - - -	7.50
4	Ratchet Track Jacks - - - -	48.00
2	Car Jacks - - - -	7.00
1	Broad base 10 ton Jack - - - -	25.00
24	Keys Nails and Spikes Assorted - -	75.00
	Over	\$1,535.20



	Over - - - - -	\$ 1,535.20
1	Rail Bender - - - - -	30.00
2	Anvils, 100 & 200 Cwt. - - - - -	18.00
2	Freight Trucks - - - - -	20.00
2	Hand Cars - - - - -	130.00
1	Iron Car for track laying - - - - -	75.00
1	Sheffield Velocipede 2 men - - - - -	30.00
50	Presses M. C. B. Standard - - - - -	50.00
200	ft 2" Rope	} with 2 sets Iron Blocks - - - - - 150.00
500	" 1 1/2 "	
300	" 1 " } Freight to Topolobampo - - - - - 300.00	
	60 ton Track Scales - - - - -	1,500.00
1	doz. Assorted Stone Hammers - - - - -	12.00
2	Verona Track Chisel - - - - -	3.00
1	Victor Rail Drill - - - - -	25.00
2	6 ft Cross Cut Saws - - - - -	12.00
10	Post hole Scoops - - - - -	8.00
1/2	doz. Railway Adzes - - - - -	6.00
1/2	" Ship Augurs 3/4" to 2" - - - - -	9.00
1	" Matlocks - - - - -	10.00
2	Broad Axes - - - - -	4.00
4	20 ft. lengths 5/8" Chain with Hook & Rings - - - - -	16.00
100	Drift Bolts 3/4" to 2 1/2" - - - - -	6.00
100	ft 2" Iron pipe - - - - -	10.00
4	Elbows & Couplings for 2 Unions for same - - - - -	2.50
	Total - - - - -	\$3,960.70



32 Miles Main Line & 1 Mile Sidings = 33 Miles

To be purchased in England

2,904	tons 56 lb Steel Rails	@ \$30.	87,120	00
80	" 5 1/2 & 9/16 Track Spikes	" "	2,400	00
125	" Splices (1 plain bar & 1 angle bar) 2 1/2 lb for joint. #30		3,750	00
8	" Track Bolts 3/4" - Hexagon Nut.	@ \$30	240	00
6	Sets Switches with #9 frogs, angle 6° 22'			
	Circular Switch stands & points complete	" 70."	420	00
1	20 Ton Locomotive, with pilot, Cab & (Steam brakes, on tender and drivers)		4,000	00
100	tons Smithy Coal		375	00
	Total		\$ 98,305	00
	To be purchased in the United States		\$ 87,695	00
			\$ 186,000	00

\$5,640. per Mile



To be purchased in the United States.

90,000	Crossties, Oregon Pine, @ 50¢ at Topolobampo	\$ 45,000	
10	Flat Cars " \$350. " Guaymas	3,500	
5	Coal Cars, or Gondolas " 400. " "	2,000	
2	Box Cars " 600	1,200	
1	Combination - Baggage & Passenger	1,500	
1	Passenger Coach	2,000	
	Freight to Topolobampo	600	
1	Water tank - 10,000 gals - from St. Louis	350	
	Tools, etc. in St. Louis - including 2 Hand Cars & Truck Scales	5,000	
	Freight on same	200	
	Clearing & grubbing 32 miles @ \$20. pr acre	2,560	
	Grading 32,000 Cubic Yards @ 15¢	4,800	
	Track laying & surfacing 32 miles @ \$200	6,400	
	Loading & unloading materials, etc.	2,240	77,350
1,000	Telegraph Poles (Sinaloa)		1,000
200,000	St. Lumber - from Oregon @ $2\frac{1}{2}$ ¢/ft.		5,000
	Incidentals		4,345
	Total - -		\$87,695



Purchased at St. Louis.

No. 3.

1	Single fiction drum Hoisting Engine & Boiler	\$ 800 00
2	Hand Pumps - - - - - @ \$35 <sup>00</sup>	70 00
4	Wrecking Frogs - - - - - " 15 <sup>00</sup>	60 00
6	Claw Bars - - - - -	12 00
6	Spike Mauls (and 12 handles) - - -	9 00
24	Clay Picks (" 48 " ) - - -	24 00
2	Striking Hammers - - - - -	2 50
2	" " (double faced) - - -	2 80
24	Tamping Picks (48 handles) - - -	28 00
6	Track Wrenches - - - - -	2 40
1	Track Gauge (Huntington) - - -	10 00
72	Shovels (assorted) - - - - -	48 00
48	Pole Eyes and handles - - - - -	40 00
24	Push Hooks - - - - -	12 00
5	Pinch Bars, 1 <sup>3</sup> / <sub>4</sub> in. - - - - -	9 00
10	Lining Bars, 1 <sup>3</sup> / <sub>4</sub> in. - - - - -	18 00
10	Iron Wheelbarrows - - - - -	30 00
6	Signal Lanterns, 12 Hand Lanterns -	24 00
100	Gallons Lubricating Oil - - - - -	80 00
100	" Refined " - - - - -	60 00
1	Bale Cotton Waste - - - - -	30 00
50	Lbs. Russia Hemp packing - - - - -	7 50
4	Ratchet Track Jacks - - - - -	48 00
	Forward - - - - -	\$ 1,427 20



	Amount forward -		\$ 1.427 20
2	Car Jacks -		7 00
1	Broad base 10 ton Jack -		25 00
24	Keqs Nails & Spikes (assorted) -		75 00
1	Rail Bender -		30 00
2	Anvils, 100 & 200 Cwt. -		18 00
2	Freight Trucks -		20 00
2	Hand Cars -		130 00
1	Iron Car, for track laying -		75 00
1	Sheffield Velocipede - 2 men -		30 00
50	Brasses, M.C.B. standard -		50 00
200	Feet 2" Rope -		
500	" 1/2" " } with 2 sets Iron blocks -		150 00
300	" 1" " }		
	Freight to Topolobampo -		300 00
60	Ton Track Scales -		1.500 00
1	Doz. Assorted Stone Hammers -		12 00
2	Verona Track Chisels -		3 00
1	Victor Rail Drill -		25 00
2	6 ft Crosscut Saws -		12 00
10	Post hole Scoops -		8 00
1/2	Doz. Railway Adzes -		6 00
1/2	" Ships Augurs, 3/4" to 2" -		9 00
1	Doz. Mattocks -		10 00
2	Broad Axes -		4 00
4	20 ft. lengths, 5/8" Chain, with hook and rings -		16 00
100	Drift Bolts 3/4" x 22" -		6 00
100	ft. 2" Iron Pipe -		10 00
4	Elbows, & Couplings, 2 Unions for same. -		2 50
	Total		\$ 3.960 70



Purchased at St. Louis.

No. 3.

1	Single fiction drum Hoisting Engine & boiler	\$ 800 00
2	Hand Pumps - - - - - @ \$35 00	70 00
4	Wrecking Frogs - - - - - " 15 00	60 00
6	Claw Bars - - - - -	12 00
6	Spike Mauls (and 12 handles) - - -	9 00
24	Clay Picks ( " 48 " ) - - -	24 00
2	Striking Hammers - - - - -	2 50
2	" " (double faced) - - -	2 80
24	Tamping Picks (48 handles) - - -	28 00
6	Track Wrenches - - - - -	2 40
1	Track Gauge (Huntington) - - -	10 00
72	Shovels (assorted) - - - - -	48 00
48	Pole Ayes and handles - - - - -	40 00
24	Push Hooks - - - - -	12 00
5	Pinch Bars, 1 3/4 in. - - - - -	9 00
10	Lining Bars, 1 3/4 in. - - - - -	18 00
10	Iron Wheelbarrows - - - - -	30 00
6	Signal Lanterns, 12 Hand Lanterns -	24 00
100	Gallons Lubricating Oil - - - - -	80 00
100	" Refined " - - - - -	60 00
1	Bale Cotton Waste - - - - -	30 00
50	Lbs. Russia Hemp packing - - - - -	7 50
4	Ratchet Track Jacks - - - - -	48 00
	Forward - - - - -	\$ 1,427 20



	Amount forward		\$ 1.427 20
2	Car Jacks		7 00
1	Broad base 10 ton Jack		25 00
24	Keys Nails & Spikes (assorted)		75 00
1	Rail Bender		30 00
2	Anvils, 100 & 200 cwt.		18 00
2	Freight Trucks		20 00
2	Hand Cars		130 00
1	Iron Car, for track laying		75 00
1	Sheffield Velocipede - 2 men		30 00
50	Brasses, M.C.B. standard		50 00
200	Feet 2" Rope	} with 2 sets Iron blocks	150 00
500	" 1/2" "		
300	" 1" "		
	Freight to Topolobampo		300 00
60	Ton Track Scales		1.500 00
1	Doz. Assorted Stone Hammers		12 00
2	Verona Track Chisels		3 00
1	Victor Rail Drill		25 00
2	6 ft. Crosscut Saws		12 00
10	Post hole Scoops		8 00
1/2	Doz. Railway Adzes		6 00
1/2	" Ships Adzes, 3/4" to 2"		9 00
1	Doz. Mattocks		10 00
2	Broad Axes		4 00
4	20 ft. lengths, 5/8" Chain, with hook and rings		16 00
100	Drift Bolts 3/4" x 22"		6 00
100	ft. 2" Iron Pipe		10 00
4	Elbows, 8 Couplings, 2 Unions for same.		2 50
	Total		\$ 3.960 70



To be purchased in the United States.

No. 2

90,000	Crossties, Oregon Pine, @ 50¢ at Topolobampo	\$ 45,000	
10	Flat Cars " \$350. " Guaymas	3,500	
5	Coal Cars, or Gondolas " 400. " "	2,000	
2	Box Cars " 600	1,200	
1	Combination - Baggage & Passenger	1,500	
1	Passenger Coach	2,000	
	Freight to Topolobampo	600	
1	Water tank - 10,000 gal. - from St. Louis	350	
	Tools, etc. in St. Louis - including 2 Hand Cars & Track Scales	5,000	
	Freight on same	200	
	Clearing & grubbing 32 miles @ \$20. per acre	2,560	
	Grading 32,000 Cubic Yards @ 15¢	4,800	
	Track laying & surfacing 32 miles @ \$200	6,400	
	Loading & unloading materials, etc.	2,240	77,350
1,000	Telegraph Poles (Sinaloa)		1,000
200,000	St. Lumber - from Oregon @ 2 1/2¢		5,000
	Incidentals		4,345
	Total - -		\$87,695



100-1

32 Miles Main Line & 1 Mile Sidings = 33 Miles  
To be purchased in England

2,904	tons 56 lb Steel Rails	@ \$30. <sup>*</sup>	87,120	00
80	" 5 1/2 & 9/16 Track Spikes	" "	2,400	00
125	" Splices (1 plain bar & 1 angle bar) 2 1/2 lb per joint	" 3 <sup>00</sup>	3,750	00
8	" Track Bolts 3/4" - Hexagon Nut.	" 3 <sup>00</sup>	240	00
6	Sets Switches with #9 frogs, angle 6° 22'			
	Circular Switch stands & points Complete	" 70 <sup>00</sup>	420	00
1	20 Ton Locomotive, with pilot, Cab & Steam brakes, on tender and drivers		4,000	00
100	tons Smithy Coal		375	00

Total \$98,305 00

To be purchased in U.S. 87,695 00  
186,000

~~Exp~~ \$5,640 per mile



## Memorandum for Concession.

- 1/ The Concessionaire to be Albert Kinsey Owen.
- 2/ The railroad to run from Topolobampo Bay to Presidio del Rio Grande and to Presidio del Norte on the Rio Grande, with branch lines not to exceed 500 Kilometres.
- 3/ The entire lines to be built inside of ten (10) years at the rate of not less than 100 and not more than 600 Kilometres every two years.
- 4/ The Government to exchange \$8,000,000 of its Bonds for \$8,000,000 of the Bonds of the Railroad Company per Kilometre. The Bonds of the Government, to be 40 year 6% Bonds, and to be issued on the approval



of each ten (10) Kilometres of said  
railroad and telegraph.

5/ The Bonds issued by the Company  
to be 40 year non-interest bearing Bonds,  
and to be given to the Government at  
the time that the Company receives the  
Bonds from the Government.

6/ The Company to obligate itself to  
provide a sinking fund of \$100. per Kil-  
ometre each year for five (5) years, the  
same to be invested in the public or  
other lands along and in the vicinity  
of the said railroad and its branch lines.

7/ The Concessionaire to obligate himself  
to Colonize the said lands.

8/ The Bonds issued by the Company to  
the Government in exchange for the Bonds  
of the Government are to be Second Mortgage



Bonds upon the said railroad and its appurtenances, but the said Bonds are not to bear interest but are to be paid off in four (4) instalments of \$2,000. every ten (10) years per each kilometre of railroad approved.

9/ If at any time the Company wishes to exchange only \$6,000, \$4,000. or \$2,000. of its Bonds for \$6,000., \$4,000. or \$2,000. of the Bonds of the Government per kilometre, the Company will be obliged to provide only for the payment of the principal of the same.

10/ To assist the Concessionaire to carry out this plan the Government is to permit no parallel line of railroad during twenty (20) years within a distance of 25 leagues on either side of said railroad; and is to



Reserve for the said Company the route, via the Setentrion, which has been surveyed and reported by the Concessionaire since 1882.

11/ The Company obligates itself not to issue First Mortgage Bonds to exceed ten thousand (\$10,000.) dollars (gold) per mile on its railroad and branch lines; but the Government is to exempt the Company from paying stamp and all other dues, taxes and assessments, etc., when it registers its First and Second Mortgage Bonds, or when it reports its Capitalization or the amount of its stock, etc. at the City of Mexico.

12/ The vessels of the Company, or vessels which carry railroad material or Colonists or their effects, etc., from Europe or the United



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States, are to be permitted to go direct to Topolobampo, without being required to stop at Mazatlan or any other port.

13/ The deposit of \$30,000 in the Bonds of the Public Debt, deposited by the Concessionaire in 1890, to be considered as made to guarantee the fulfilment of this new Concession.

14/ The plans and profiles of the first 25 Kilometres of the said railroad as already filed with the Government to be approved and accepted for the same under this new Concession.

15/ The official notice of the work having been commenced on the said railroad, now filed with the Government, to be accepted and approved as the same under the new Concession.



16/ The Company to have only one representative in Mexico City to attend to all its business before the Government.

17/ The Government to not give a like or a better Concession to any person or Company before the Concessionaire has completed 200 Kilometres of the said railroad.



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## Memorandum.

We propose to build The Mexican - Western Railroad from Topolobampo Eastward, upon the following plan:

We will issue for each mile \$10,000. First Mortgage (30 year 5%) Bonds; \$20,000. Income Bonds, \$10,000 Preferred Stock, \$10,000. Common Stock and Mexican Government Land Scrip, for about 14,000 acres of land.

We have the labor engaged and Col- lateral in hand to pay in full and at the end of every week. What we need are the materials, - tools, rails, fastenings, ties, lum- ber, rolling stock, etc.

We require, First - an advance of \$150,000. to cover preliminary work already done and to push forward construction ready for material



to arrive; and for the purchase of material, etc. \$8,000. per mile. For this last sum we propose to issue \$10,000. First Mortgage Bonds at 80% and to give, as a bonus, \$5,000. per mile in Preferred (5%) Stock and one-half the land grant, say about 7,000 acres of surveyed land, per mile.

For the \$150,000. advanced we will make a Contract to give the person or persons advancing this sum in addition to the bonus offered for placing the Bonds \$2,000. of Preferred Stock and 2,000 acres of land per mile, which for 100 miles will amount to \$200,000. Preferred Stock and 200,000 acres of land, and if the whole road of 650 miles is built, will amount to \$1,350,000. Preferred Stock and 1,350,000 acres of land.

The Preferred Stock will have preference over the Income Bonds and will come next to the First Mortgage Bonds, making total



interest for First Mortgage Bonds and Preferred Stock only \$1,000. per mile, per year.

We propose then, as Contractors, to issue a scrip for labor which will be inter-changeable with said Income Bonds and with said land scrip - and which will be receivable, at par, for fifty per cent of the freight and passengers over said railroad, and for messages over the Company's telegraph and telephone wires, and for articles at the Contractor's Stores.

By this means we can build said railroad for three-fifths less money than would be required to build the same road if the accustomed ways and means were adopted; and we can pay to the investors in our First Mortgage Bonds \$350. per mile, every six months for the use of their \$8,000; or say:  $9\frac{1}{3}\%$  annually; and give them always the precedence of the operating



expenses, as we will build and operate the said railroad, by the interchange of our services, the same as we did in digging our ditch.

We have on the ground an Ingersoll Steam Drill, a New Era Grader, 36 miles of Copper wire, horses, scrapers, and 50 laborers. We have made Contract for telegraph poles, and have a Steam Grader almost ready to ship from Beaver Falls, Pa. and a Well-boring outfit with Capacity to bore 1000 feet, to see if we have Oil, Coal, or Artesian water along the line of railroad. We, also, have the right of way secured for 250 miles from the harbor to the summit of the Mountains, and have our profiles and plan of first section approved and the general line of our road from Topolobampo to Boconyna passed upon by the Mexican Government, which secures for us the only pass yet surveyed from the Coast lands of North Sinaloa to Western Chihuahua.

We have all the labor in sight which will be necessary for the building and operating of said railroad.  
New York, Oct. 17<sup>th</sup> 1893. A. K. Owen



Strictly private

Suggestions for a New Concession for a railroad from Topolobampo to the Rio Grande.

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1/ The Government to exchange \$15,000. (40 year 5%) Bonds for \$15,000. (40 year 5%) First Mortgage Bonds of the Company, or less, at the option of the Company, on the acceptance of each ten (10) kilometres of railroad and telegraph.

2/ The Government to sell to the Company each year, for three (3) years, dating from the issue of each block of its Bonds, public lands, along and adjacent to the said railroad and its branches, equal to the interest on the Bonds exchanged between the Government and the Company, and the Government to receive the money paid for said lands as interest on the Bonds of the



Company held by the Government; and on and after the fourth year the Company is to pay the interest on the Bonds regularly to the Government without receiving lands for the same.

3/ The Company is to obligate itself to Colonize and improve the said public lands and to use a part of the money received from the sale of said lands for a sinking fund to meet the principal of the Bonds of the Company held by the Government.

4/ The Company to obligate itself not to issue any First Mortgage Bonds other than to the Government.

5/ The Government to obligate itself not to foreclose its Mortgage against the Company without the Company fails to pay the interest upon its First Mortgage Bonds for two (2) years.



# Profits

\$1,000. paid into "The Mexican Western Railroad Pool" of \$300,000. on the completion of 15 miles, will receive:

Preferred Stock -	= - - -	\$ 500.00
Mortgage Bonds -	= - - -	500.00
Subsidy Bonds	=	322.50
Total	=	<u>\$ 1,322.50</u>

N. B. These securities will be guaranteed on interest of about  $5\frac{1}{4}\%$ , in gold, or  $\$69\frac{43}{100}$  per annum, or about 7 per cent. on the investment of \$1,000.

\$1,000 paid into "The Mexican Western Railroad Pool," on the completion of each and every 100 miles beyond the said 15 miles, will receive:

Preferred Stock -	=	\$3,333.
Subsidy Bonds -	=	2,150.
		<u>\$5,483.</u>



N. B. This allows that all the Mortgage Bonds be used to buy materials.

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For 1,000 miles the Preferred Stock and Subsidy Bonds would amount to \$54,830, and when added to the amount received from the first 15 miles would give \$56. for every dollar invested in said pool.

The said 1,015 miles of railroad can be completed inside of five years if wished.

A. K. Owen.

March 2<sup>nd</sup> 1891



My dear Mr. Owen:

I hand you over a report by Mr. Juan Fleury, M. E. of the State Dept. of Fomento on the Tacambaro Mng. Zone which comprises 96 Claims or an area of 237 acres of mineral ground.

The mines of the Tacambaro Mng. Zone are not opened up much and the old workings are partially caved in; they require therefore some development work to show them properly up, but the mines being on the same formation and on the same range of mountains as the Inguaran mines as can be seen by the outcroppings, their value will undoubtedly be very large after a small expense is made to develop them. A report on the Inguaran mines by the same Mng. Engineer, Mr. Fleury is accompanying the Tacambaro Mng. Zone as they are virtually of the same character.

As you are aware, the Inguaran mines have been sold lately to the Rothchilds of Paris who are to organize a Company with a Capital of 30 million Francs, and are already locating a railroad from their mines to connect with the Mexican Central and Mex. Nat. Railway System and



with the Coast. This road will benefit very largely our Mng. zone and give to it an immense value. As transportation has been the only cause of leaving this mineral region undeveloped for such a long time.

My proposition to your friends will be on the following basis:

- 1<sup>st</sup>. Your friends to pay \$2,000 U.S. currency for a working bond of one year, provided they do work for not less than \$3,000 U.S. currency during said period, to open up more fully the different mines.
  - 2<sup>nd</sup>. Your friends to pay \$3,000 U.S. currency for a working bond of 2 years, provided they do work for not less than \$5,000 U.S. currency during said period to open up more fully the different mines.
  - 3<sup>rd</sup>. In either case, if they decide to buy the mines, they are to pay the sum of \$20,000 U.S. currency and 40% of the stock on transfer of the property. The Company to have the right to pay \$50,000 U.S. Currency in lieu of the 40% of stock.
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Estimate of Earnings and Operating Expenses,  
Jimenez and Paranal Railway. - 100 Kilometers.

A. Gross Earnings.

1. Freight, 160 tons per day @ \$2.50 average rate	\$ 400.00
2. Passengers, 32 " " " 1.00 " "	32.00
	\$ 432.00

Taking 313 working days in one year,  
 the gross earnings per annum would be - \$135,216.00

B. Operating Expenses.

1. Train Expenses:	
Engines	\$15,210.72
Train wages and supplies	12,365.68
Cars	10,140.48
	37,716.88
2. Maintenance of way	19,435.92
3. Station, Terminal & General Expenses	25,351.20
	\$82,504.00
Net earnings per annum	\$52,712.00

Recapitulation.

Gross earnings, per annum, per Kilom.	\$1,392.16
Operating expenses " " " "	845.04
Net earnings " " " "	\$547.12

June 13-1888.

M. Fred & Rosenzweig



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Memorandum.

The money required to make secure the Railroad and Colonization Concessions just granted by Mexico to A. K. Owen; and to obtain other Concessions now pending before the Mexican Government will be about as follows:

To pay for Bonds for two Concessions in hand - - - - -	\$ 1,760
To pay for Bonds for <sup>two</sup> Concessions pending - - - - -	500
To repay A. K. Owen his expenses for last trip to and from Mexico -	1,000
For Agent in Mexico City, for next six months - - - -	300
For personal expenses of A. K. Owen, for next six months -	600
Over -	\$ 4,160



To amount over — — —	\$4.160
For surveys, maps, reports, etc., during next six months in Sinaloa — — — — —	1.000
For surveying instruments, paper, pencils, ink, stationery etc., for Engineer in Sinaloa — — — — —	250
For expenses connected with taking possession of Los Tastes Ditch — — —	200
	<u>\$5.610</u>

If these expenses are provided for at once, then an option will be given to Thomas S. Harris and John W. Lovell for six months - from May 1<sup>st</sup> 1897, to organize a Company or Companies to utilize the Mexican Concessions and all the properties of every sort of A. K. Owen in Sinaloa - providing that at the time there is paid to A. K. Owen



\$25,000 that he may get out from under his personal debts; and that he is guaranteed \$25,000 one year thereafter, and from that on a monthly installment of \$1,000 for the next twenty years.

It being understood in case that said Company or Companies are not organized and the said \$25,000 paid by the end of the said six months, that Thomas L. Harris and John W. Lovell give up this business absolutely and surrender to A. K. Owen whatever interest they may now, or at that <sup>time</sup> may have in any lands, properties and Concessions in Mexico — A. K. Owen on his part agreeing, within a year thereafter, to return to Thomas L. Harris the \$5,610. advanced by him for the payments mentioned in this Memorandum, and for the money he may have paid John H. Rice for said interests.

April 26<sup>th</sup> 1897.