

LAKE VERMILION



LAKE VERMILION before the turn of the century.

GOLD RUSH

David A. Walker

THE SEARCH FOR GOLD has stimulated the economic development of many sections of North America. During the nineteenth century, particularly the latter half of it, hopeful prospectors for gold rushed in major numbers to California, Colorado, Montana, the Black Hills, and the Yukon Territory of Canada. Would-be miners also made numerous smaller and lesser known attempts to find gold elsewhere, including the Lake Vermilion region of Minnesota. While accelerated growth and prosperity of northeastern Minnesota ultimately awaited the discovery and exploitation of vast iron ore deposits there, the brief gold fever surge to the shores of Lake Vermilion immediately following the Civil War led to permanent

white settlement of the interior of that section. What is now known as the Arrowhead country lured El Dorado seekers rather than farmers — individuals interested in what that land contained rather than what it might produce.

Even before the Indians ceded the lands in the Chippewa treaty of 1854, prospectors made sporadic attempts to locate veins of copper, and possibly also gold and silver, in the area. Miners from the Keweenaw Peninsula of Michigan began test-pitting for copper along the French and Knife rivers that flow into Lake Superior northeast of Duluth. Surveyors who in 1848 and 1849 conducted the first federal government reconnaissance of Minnesota, Wisconsin, and Iowa reported that copper ores had been discovered a few years earlier. After thousands of dollars had been spent opening veins, sinking shafts, and raising ore near the falls of the Black River in northwestern Wisconsin south of the village of Fond du Lac, Minnesota, the effort was abandoned in 1848 as "unproductive." Several additional attempts were made during the next two decades, but copper mining failed to reach the level of large-scale production. The presence of the ore, however, led to conjecture and exploration that expanded interest in other mineral resources in northeastern Minnesota.¹

Minnesota governors very early recognized the economic potential of the Lake Superior region and sought to exploit its known mineral and timber resources. In his first official message as governor of Minnesota Territory in 1849, Alexander Ramsey called for the construction of a road from St. Paul to Lake Superior that he believed would "open the mineral regions on the shores of that lake to the farm produce of our territory, and lead to a trade mutually advantageous."²

¹Christopher W. Hall, "A Brief History of Copper Mining in Minnesota," in Minnesota Academy of Natural Sciences, *Bulletin*, 3:105-11 (January, 1883); William H. Emmons and Frank F. Grout, eds., "Mineral Resources of Minnesota," in University of Minnesota, Minnesota Geological Survey, *Bulletin* no. 30, p. 138 (1943); F. F. Chartier and J. B. Richards, "Information as to Gold Mining Companies in Minnesota. Special — 'Gold Rush of 1860's,'" typewritten manuscript, April 10, 1940, p. 3, in the Minnesota Historical Society; David Dale Owen, *Report of a Geological Survey of Wisconsin, Iowa, and Minnesota*, 306 (quote) (Philadelphia, 1852); Ruth M. Elliot, "The Vermilion Gold Rush of 1865," unpaginated term thesis, 1923, copy in Helen McCann White, "Notes on the Vermilion Gold Rush, 1865-1868," in the Minnesota Historical Society, hereafter cited as Elliot, in White Papers. For a brief, popular account of the gold rush, see Merle Potter, *101 Best Stories of Minnesota*, 225-27 (Minneapolis, 1931).

²Minnesota, *House Journal*, 1849, p. 16.

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Eleven years later when he was second governor of the state of Minnesota, Ramsey continued to urge legislative concern for the northeastern area. He spoke of agricultural possibilities and of safe and spacious harbors, but most of all he stressed the mineral potential. The governor declared the mineral lands to be "not only of magnificent extent, but the ores, both of iron and copper[,] are known to be of singular purity."³ In January, 1864, Governor Henry A. Swift continued this official interest when he told the legislators that the portion of Minnesota bordering Lake Superior abounded "in precious ores . . . which deserve the fostering care of the Legislature."⁴

That same year, at last convinced of the potential value of the northern region, the legislature authorized the governor to select a "suitable" person to conduct a geological survey. It also appropriated \$2,000 to search "the mineral lands on the north shore of Lake Superior" as well as "all other mineral or coal districts of the State."⁵ Swift appointed Augustus A. Hanchett as the first official state geologist of Minnesota. Described by a contemporary newspaper as "not much of a geologist himself," Hanchett turned over all field work to Thomas Clark, a competent geologist and civil engineer.⁶ The survey team, aware that it lacked enough money to carry out as thorough and extensive an examination as it desired, devoted its first season's energies to the area along the North Shore and in the vicinity of Lake Vermilion. The Hanchett and Clark report, published in 1865, indicated the existence of both copper and iron ore but made no mention of gold. The geologists discovered copper close to the Lake Superior shore between French River and Grand Portage, an area where preliminary mining operations had already begun. Although the survey noted the existence of iron ore in a "heavy deposit" near Lake Vermilion, Clark did not ascertain the exact percentage of commercially pure iron there. He did advise the state, however, to continue an investigation of "the abundant richness of the ore in that region" as soon as practicable.⁷

Hanchett and Clark were not the first geologists to point out the potential mineral wealth of the Lake Vermilion district. In September, 1848, Joseph C. Norwood, a leader in David Dale Owen's federally funded survey of Minnesota, Wisconsin, and Iowa, had studied the lake. He pointed out rocks along the shore that contained "beautiful crystals of iron pyrites," noted the possibility of other minerals being associated with them, and cataloged a specimen found on an island midway out in the lake as "quartz of reddish brown color; crystalline, with yellow iron pyrites." Later assays revealed that these veins contained gold-bearing quartz.⁸ Charles Whittlesey, a prominent geologist and member of Owen's survey team, reported further on the rocky formations along the shores of Lake Vermilion and the

Vermilion River. He speculated that "where there is [sic] iron and copper pyrites with the quartz there is more or less gold. . . . The proportions of the precious metals are variable; but veins in such formations . . . invariably yield gold and silver."⁹

In 1865 Governor Stephen Miller not only authorized continuing the geological survey of mineral lands along the North Shore but also expanding it to cover "other mineral bearing districts." Miller appointed Henry H. Eames state geologist and director of the new geological survey. To help ensure the more thorough survey they sought, the governor and legislators asked the geologist named, before he began his duties, to swear that he would "diligently and faithfully discharge such duties to the best of his ability." They advised the surveyor to analyze the metal-bearing rocks, draw maps showing the location of minerals examined, and ascertain their commercial value. Funds appropriated "to pay the actual and necessary expenses incurred" could not exceed \$1,000.¹⁰

Eames's brother Richard was appointed assistant state geologist. The two of them established headquar-

³*House Journal*, 1860, p. 180-81.

⁴Henry A. Swift, *Annual Message to the Legislature*, 1864, p. 23.

⁵Minnesota, *Laws*, 1864, p. 111.

⁶*Superior Gazette*, November 5, 1864. A contradictory report in the *St. Paul Daily Press*, August 10, 1864, described Hanchett as a man possessing "intimate knowledge . . . [of the] metal bearing ground of this lake region." Nonetheless, Hanchett accepted the governor's appointment, declined any personal compensation, and never accompanied the survey field work. See also William Watts Folwell, *A History of Minnesota*, 4:1-8 (St. Paul, 1969) and N[ewton] H. Winchell, *The History of Geological Surveys in Minnesota*, (Geological and Natural History Survey of Minnesota, Bulletin no. 1 — St. Paul, 1889).

⁷Thomas Clark, *Report of the State Geologist*, Aug. H. Hanchett, M.D., 3-7 (p. 6 quotes) (St. Paul, 1865); Stephen Miller to Thomas Clark, December 23, 1864, Charles McIlrath to Clark, February 24, 1865, Miller to Clark, March 7, 1865, William R. Marshall to Clark, March 14, 1866, in Thomas Clark Papers, 1854-76, in the Minnesota Historical Society.

⁸Owen, *Report of the Geological Survey*, 314 (first quote); James W. Taylor, "Report on the Mineral Resources of the United States East of the Rocky Mountains," in 40 Congress, 2 session, *House Executive Documents*, no. 273, p. 15-16 (second quote) (serial 1343).

⁹Charles Whittlesey, *Geology and Minerals. A Report of Explorations in the Mineral Regions of Minnesota During the Years 1848, 1859 and 1864*, p. 9-10 (quote) (Cleveland, 1866); *Superior Gazette*, November 4, 1865.

¹⁰*Laws*, 1865, p. 84-85 (quotes). Henry H. Eames held the position of state geologist for two years before the legislature refused further appropriations and the survey came to a temporary halt. In March, 1872, Newton H. Winchell was appointed Minnesota state geologist — the first professional geologist and a truly "public-spirited man." See *Copher Historian*, September, 1951, p. 9, and George Merrill, *The First One Hundred Years of American Geology*, 429, 469 (New Haven, 1924).

ters in the small settlement of Duluth and spent the summer of 1865 in northeastern Minnesota, claiming that shortage of time and limited financial support confined their attention to this small portion of the state. The geologists confirmed earlier reports of the existence of iron ore, but this failed to arouse excitement either among local residents or the members of the surveying team. When they reported finding veins of gold- and silver-bearing quartz at Lake Vermilion, however, the news spread like wildfire. The governor forwarded a three-pound specimen to the chief assayer of the United States mint at Philadelphia, John R. Eckfeldt. In mid-September he reported the results of chemical analysis: The quartz sample contained \$25.63 in gold and \$4.42 in silver per short ton.¹¹ The following month Miller sent a second specimen to Philadelphia that assayed at \$21.70 gold and \$1.00 silver per ton.¹² Then the governor mailed a final sample to Professor Edward Kent, an eminent New York chemist, who analyzed the quartz and found \$41.01 in gold per short ton of rock. Henry Eames considered these a fair average sampling of surface gold-bearing quartz in the vicinity of Lake Vermilion.¹³

THE INITIAL announcement and repeated publicizing of these chemical tests aroused great excitement in St. Paul. The newspapers speculated that the existence of gold-bearing quartz would "immediately turn the tide of California emigration to Minnesota." Enthusiastic speculators pointed out that in the West gold could be mined profitably when worth only eight to ten dollars per ton. In fact, the news reports continued, a majority of the best-paying mines on the entire Pacific Coast averaged less than twenty-five dollars per ton.¹⁴

Further to enhance the public's knowledge and interest, the *St. Paul Pioneer* dispatched a special reporter to the new gold fields in Minnesota. During September and October, 1865, Ossian Euclid Dodge, writing under the pen name of "Oro Fino," submitted a series of "Gold Letters" to the paper.¹⁵ Dodge, who had been a journalist and itinerant singer and song writer in the East before settling in St. Paul in 1862, described vividly the route he took and his sometimes perilous means of travel



OSSIAN E. DODGE

— he journeyed from Superior by canoe through waters often swift and full of rapids and over portages frequently narrow and steep. In the October 25 *Pioneer* he described the region around Lake Vermilion: "The eye takes in a score or more graceful promontories, capes and peninsulas, — running their moss and pine covered points down into the Lake, as if to cool their metallic palates already burning to be unbosomed by the restless hands of enterprising miners." In the October 24 issue he wrote of seeing, or hearing rumors of, gold veins "from three inches to ten feet in width, and some of them extend for many miles in length. . . they no doubt belong to the same system of mines now attracting so much attention in Idaho; but are doubtless as much richer in *quality* and *extent*, as they are *easier of access*." In the same letter, he wrote; "The majority of these points are composed of taloose [*sic*] slate sprinkled with iron, and gold bearing quartzes. . . the eye beholds bright veins of quartz, lavishly enriched with gold; not in its native State as in California, but more strongly resembling the iron and copper *pyrites* of Idaho. . . this quartz is of immense value."

He concluded in the October 25 letter that "the gold fields in this section will probably be full of enterprising

¹¹ Henry H. Eames, *Report of the State Geologist on the Metalliferous Region Bordering on Lake Superior*, 6, 10-11, 19-23 (St. Paul, 1866); *St. Paul Press*, September 19, 1865; *St. Paul Pioneer*, September 19, 1865; *Superior Gazette*, September 20, 1865.

¹² James Pollack to Miller, October 6, 1865, copy in Eames, *Report of the State Geologist*, 22.

¹³ *St. Paul Pioneer*, December 14, 21, 1865.

¹⁴ *St. Paul Pioneer*, September 20, 1865; *Superior Gazette*, October 14, 1865.

¹⁵ *St. Paul Pioneer*, September 30, October 5, 7, 8, 15, 18, 21, 24, 25, 1865. For a study of Dodge's career, see Philip D. Jordan, "Ossian Euclid Dodge: Eccentric Troubadour," in *The Historian*, 31:194-210 (February, 1969).

miners; and *Vermilion City*, at the Falls on the South Vermilion River, be peopled by a population not less than ten thousand."

In St. Paul, the topic of street conversation centered on the gold fields: few people remained outwardly skeptical at this early date. All who knew anything of the geology of the region surrounding the lake accepted reports of gold-bearing quartz as an established fact.¹⁶

At a very early date inhabitants of both St. Paul and Superior, Wisconsin, realized the economic gains to be accorded their own city if it became the major source of mining supplies. St. Paul's boosters claimed that their route to the gold fields followed a good road and passed through settlements. Confidently predicting that their city would be the chief outfitting point for miners, St. Paul businessmen suggested traveling by train from Chicago to the Minnesota capital and then heading north to Duluth rather than Superior, Wisconsin. Superior merchants immediately fought back. Although they were quick to agree that the Vermilion gold fields were as easily accessible as any yet discovered, they denied that stage routes terminated in Duluth. These port city residents pointed out that supplies purchased in St. Paul had to be transported an extra 160 miles at a freight expense of not less than five cents per pound. Miners who arrived in Superior by either boat or stage, however, could obtain provisions, blankets, and utensils — in fact, everything necessary for camp life — there as cheaply as they could anywhere north or west of Detroit and Chicago.¹⁷ Despite conflicting claims, both Superior and St. Paul benefited from the brief gold excitement.

News of the gold discovery spread far beyond Minnesota. In December, 1865, Richard Eames traveled to New York City in the hope of attracting financial support for several mining company ventures already under way. He advertised in the *United States Mining Journal* and wrote for that New York publication an account (reprinted in the *St. Paul Pioneer* of December 21, 1865) of a recent trip he took to the gold fields. Eames invited interested citizens to come to the Bible House, where he had set up headquarters in New York, to examine specimens of gold quartz from Lake Vermilion. For the benefit of eastern financiers Eames advertised the assay reports of Kent and Eckfeldt and portrayed Vermilion as a "beautiful body of water, supposed to be about eighteen miles long and ten wide, and is about fifty miles west of Lake Superior, and eighty miles from Duluth.

The Lake presents a succession of deep bays and rocky points, and [is] studded with numerous islands, rendering it a complete labyrinth of tangled channels, through which it is no easy matter for a stranger to find his way to a given point." The land near the lake, he continued, "is hilly, and very promising for mining purposes: it is well timbered with yellow pine (Norway pine), birch [,] white cedar, maple, spruce, fir, ash and

aspen. The lake abounds in fish — pickerel[,] white fish and trout. The game is abundant: geese and ducks are found in myriads; cariboo (reindeer), elk, partridges, grouse and rabbits. There is also no lack of water power."

Eames considered all these features essential ingredients for maintaining profitable mining camp operations. The quartz formation, found interspersed with slate in veins from two to eight feet wide and three inches deep, occurred in a gold-bearing district some fourteen miles long and eight miles wide along the south shore of the lake. Eames stressed, however, that the main vein reached across the lake and reappeared on several peninsulas and islands. He closed his elaborate description by boasting that "this country, when developed, will be a second California."¹⁸

HENRY EAMES was reappointed state geologist in January, 1866, at a yearly salary of \$2,000 and with a promise from the legislature to pay a maximum of \$3,000 for all surveying, locating, and analyzing costs. The legislators warned the geologist not to use his office for private speculation and instructed him to work exclusively for the benefit of the state. To prove his outward compliance, Eames was to set up a public display of mineral specimens in an office at the State Capitol. The surveyors spent the greater part of their second season in authenticating the abundance and value of gold-bearing deposits at Lake Vermilion. Officially, however, they expanded the survey to include a cursory investigation of twelve central and northern counties.¹⁹

In 1866 Eames submitted two separate reports to the governor and the legislature. He officially recorded the discovery of gold and silver in quartz veins from one inch to several feet in width but said that the richness and extent of the ore, covered in many locations with glacial drift or debris, could be determined only by actual mining. Eames reported that veins which could be "traced for some distance" existed on every island, point, or section of the main shore line. But the geologist cautioned miners that even though the gold-bearing

¹⁶*St. Paul Press*, September 19, 1865; *St. Paul Pioneer*, September 20, December 21, 1865; *Superior Gazette*, September 30, 1865.

¹⁷*St. Paul Pioneer*, September 21, 1865; *Superior Gazette*, September 30, December 16, 1865.

¹⁸Other accounts described the area surrounding the lake in more realistic terms. The *St. Paul Pioneer* of April 7, 1866, published the following: "The soil throughout this section is almost entirely worthless, being thin, rocky, and covered with tamarack, spruce, and scrub cedar"; there was also evidence of former immense volcanic eruptions — "the rocks in places are black and scorched." Another account, in the *Superior Gazette* of November 25, 1865, noted: "There is almost no arable land, and between the hills are tamarack swamps."

¹⁹*Laws*, 1866, p. 95-99; Eames, *Report of the State Geologist*, 31-48; *St. Paul Pioneer*, July 26, 1866.

quartz might appear to vary in color from milky white to reddish brown, it "has the appearance of being burnt."²⁰ After an analysis of twenty-three separate veins, Eames said he was confident that quartz in the vicinity of the lake contained both gold and silver in profitable quantities. He incorporated the results of seven assays on selected specimens of ore in an appendix to his report written after the second summer's observations. This analysis demonstrated the existence of gold from a mere trace to \$62.81 per short ton of quartz while silver tested between \$2.00 and \$12.73. Although Eames never revealed the precise locations of any samples, he concluded after two seasons of work that "the hidden sources of wealth, lying buried in the strata, would justify the investment of capital."²¹

Rumors of gold acted as a magnet to attract a great influx of white settlers. But before miners and speculators could take full advantage of the discoveries, the matter of the land title had to be resolved. The Chippewa (Ojibway) Indians claimed that a portion of the western end of the lake had never been ceded and therefore remained their property. The federal government thus faced the problem of removing the Indian title from a portion of the shore line. The home of the Bois Fort bands of the Chippewa, Vermilion is a translation of the Ojibway name of the lake — Onamuni, said to mean "red and gold reflection from the sky to the smooth lake surface near sunset."²² A few weeks after the gold discovery news began to circulate, reports spread that the Indians would resist any white settlement on their lands.

Luther E. Webb, United States Indian agent to the Lake Superior Chippewa, learned of the situation during payment of annuities at Grand Portage in November, 1865, when the Indians requested a council to express their views on the land dispute. Spokesmen for the Bois Fort claimed that the treaty signed at La Pointe in September, 1854, by which the Chippewa ceded most of northeastern Minnesota, was not valid because only one of their chiefs had attended, and even if he had signed the treaty, which he denied, he lacked authority to speak for all the Bois Fort. The Indians also said that the agent sent for them in 1856 to make another treaty, but that if a

treaty was signed they knew nothing of it. They said the agent gave them a paper and promised: "Next year you will get a payment for this paper." But after three years and no payment, they threw the paper away, the Indians said.²³

The editor of the *Superior Gazette* argued that the Indians possessed full legal title to a portion of the Vermilion country and that thus the whites in the area were trespassing. On November 4, 1865, the *Gazette* published a letter that Dennis N. Cooley, commissioner of the Bureau of Indian Affairs in Washington, D.C., wrote about the dispute to D. George Morrison, Superior register of deeds, who had requested information. Cooley said the Bois Fort had agreed to cede the lands in question through a treaty signed on September 16, 1856, but the Senate had yet to act upon it. The *Gazette* editor sympathized with the Indians' assumption that, after nine years of neglect, the federal government had no desire to purchase their lands. As a result, the Bois Fort, with the full knowledge of agent Webb, had established and occupied a semiofficial reservation, never formally recognized as such by the Bureau of Indian Affairs, upon a tract of land that included the western shore of Lake Vermilion. The editor predicted that trouble would develop when gold seekers swarmed to the lake if the matter were not "at once amicably settled." He added that "the settlers in this locality do not fancy being made targets for the Chippewas, to accommodate the St. Paul scrip locaters." He again urged the commissioner to call the chiefs of the band to Washington to "either make a new treaty, or renew their assent to the one which has been so long before the Senate." In his letter, Cooley had said the Department of the Interior was too busy to "give its attention" to any visiting Indian delegation "in a manner that would meet their expectations." He closed his letter by informing Morrison: "Should it, however, become necessary for them to visit Washington at any time hereafter, they will be invited to do so through their agent whose attention will be called to the subject contained in your letter."²⁴

Conflicting viewpoints about the land dispute were soon aired in St. Paul, the center of gold-fever activities. The editor of the *St. Paul Pioneer* suggested contradictory solutions: establishing a military post to prevent the violation of treaty regulations and to enable the country to be opened, or purchasing the land in question. The next day, defending the interests of several mining company incorporators, he declared the difficulty to be "purely mythical" and argued that the "carefully worded treaties of 1854 and 1855" [*sic*] had awarded the federal government clear and undisputed title to the land. The 1854 treaty established the western boundary line of Indian holdings as follows: "Beginning at a point, where the east branch of Snake River crosses the southern

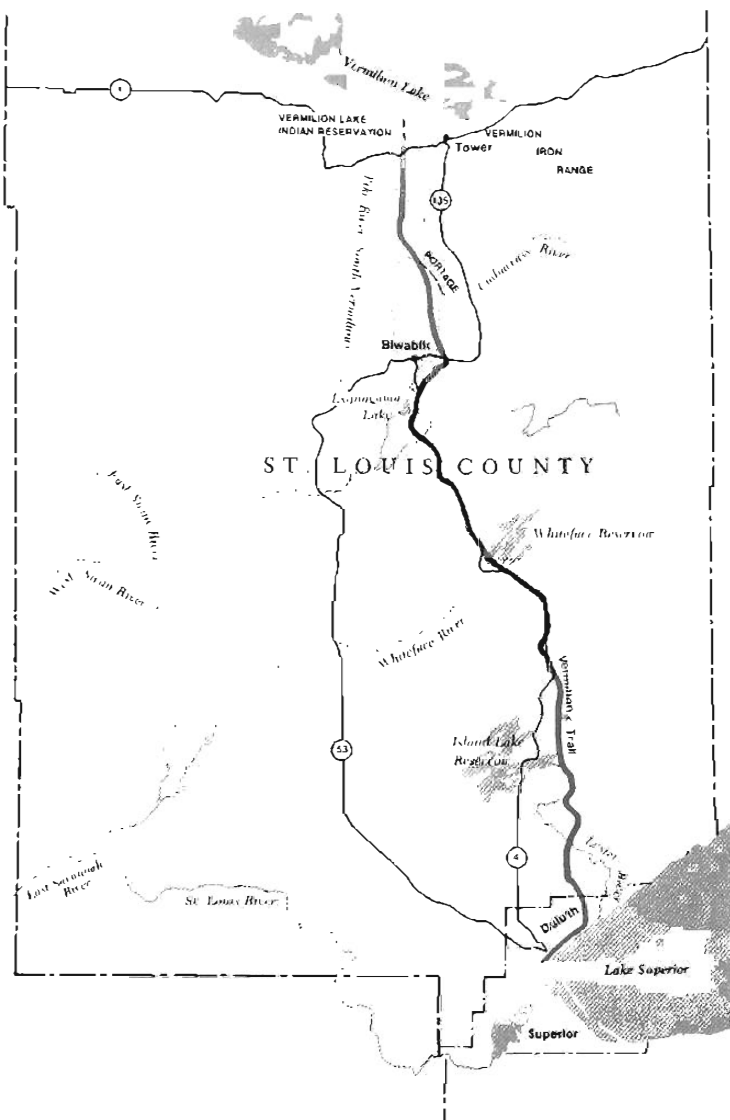
²⁰ Eames, *Report of the State Geologist*, 6-7, 10 (quotes).

²¹ Henry H. Eames, *Geological Reconnaissance of the Northern, Middle and Other Counties of Minnesota*, 5-56 (p. 54 quote) (St. Paul, 1866).

²² Warren Upham, *Minnesota Geographic Names: Their Origins and Historic Significance*, 491 (St. Paul, reprint edition, 1969).

²³ Webb to Commissioner D. N. Cooley, November 8, 1865, in 39 Congress, 1 session, *House Executive Documents*, 693-94 (serial 1248); Elliot, in *White Papers*; Edmund J. Danziger, Jr., "They Would Not Be Moved: the Chippewa Treaty of 1854," in *Minnesota History*, 43:175-85 (Spring, 1973).

²⁴ *Superior Gazette*, November 4, 11, 18 (editor's quotes), 1865; Elliot, in *White Papers*.



THE LAND and water routes from Duluth to Lake Vermilion are shown on the map. County Highway 4 of today quite closely follows the old Vermilion Trail.

boundary-line of the Chippewa country, running thence up the said branch to its source, then nearly north, in a straight line, to the mouth of East Savannah River, thence up the St. Louis River to the mouth of East Swan River, thence up the East Swan River to its source, thence in a straight line to the most westerly bend of Vermilion [sic] River, and thence down the Vermilion River to its mouth." To the vested interests in the capital, this clearly demonstrated that all of Lake Vermilion had been ceded to the United States.²⁵

MANY RESIDENTS of Duluth and Superior expressed a more conciliatory opinion. They realized that any violent confrontation with the Chippewa would directly affect

them by retarding settlement and economic growth. Claiming support from Webb and Cooley, the editor of the *Superior Gazette* admitted that the boundary line drawn in 1854 could be interpreted to give the Bois Fort control of at least one shore of Lake Vermilion. The "most westerly bend of the Vermilion River" might be above or below the lake so far as any accurate survey at the time had determined. The editor argued, however, that the Indians did not knowingly relinquish excellent fishing waters, "hence they had the line so drawn that it should follow their canoe route," and thus they retained the western shore. He concluded by denouncing as "useless" the attempts to "pervert this accepted boundary" and called for all interested parties to reach an amicable settlement before the spring of 1866 when the rush to the gold fields would increase.²⁶

Senator Alexander Ramsey of Minnesota finally arranged for a council of chiefs to visit Washington, since meeting them in their own territory during the winter seemed impossible. Leaving in February, 1866, under the supervision of D. George Morrison, six Bois Fort chiefs traveled by lake steamer and railroad car to the nation's capital to negotiate a land cession. By the terms of the resulting treaty, signed in April, the Indians surrendered all claim to and interest in land east of the 1854 treaty line and specifically "that portion of said territory heretofore claimed and occupied by them at and near Lake Vermilion [sic] as a reservation." In return, the federal government promised these Chippewa bands a tract of land, not less than one hundred thousand acres, and \$50,000 to establish themselves in their new home

eventually at Nett Lake, some forty miles northwest of Lake Vermilion, and on the Grand Fork River at the mouth of Deer Creek. Annually, for a maximum period of twenty years, the Indians were to receive specified financial aid for a blacksmith and his assistant, a teacher, farm tools, seed, provisions, ammunition, tobacco, and "goods and other articles suited to their wants and condition."²⁷

²⁵*St. Paul Pioneer*, November 11, 12 (first quotes), 1865; Charles J. Kappler, comp. and ed., *Indian Affairs, Laws and Treaties*, 2:454-55 (boundary quote) (Washington, 1903); Elliot, in White Papers.

²⁶*Superior Gazette*, November 18, December 9 (quotes), 1865. See Charles C. Royce, comp., *Indian Land Cessions in the United States in the Eighteenth Annual Report of the Bureau of American Ethnology to the Secretary of the Smithsonian Institution* (Washington, 1899), vol. 2, map 33, on which the western shore of Lake Vermilion is clearly shown to be outside the boundary of the Chippewa treaty of 1854.

²⁷*St. Paul Pioneer*, October 31, December 16, 1865; January 16, 20, February 10, 1866; George P. Sanger, "Treaties Concluded by the United States of America, with Foreign Nations and Indian Tribes," in United States, *Statutes at Large*, 14:81-84 (quotes). The specific location of the reservation at Nett Lake was not formalized until June 30, 1883.

Thus, before the first major season of mining in the area surrounding Lake Vermilion, the federal government had extinguished Indian claims and opened the land to white settlement.

BEFORE THE CONCLUSION of the Chippewa negotiations and also before State Geologist Henry Eames presented a formal report to the governor and legislature, citizens of St. Paul had begun to experience intense excitement. The published reports of special correspondent Ossian Dodge and the confirmation of the assay results from the Philadelphia mint heightened the growing interest in gold in northeastern Minnesota. Henry and Richard Eames spent the latter part of October, 1865, in St. Paul talking cautiously but confidently about the extent and richness of their discovery. By the end of December, the full force of gold fever hit the city. Businessmen organized several mining companies and offered their stock to the public. Within two years, more than a dozen groups had incorporated to develop the Lake Vermilion gold fields.²⁸

St. Paul residents served as the major officers and stockholders of the earliest companies formed, including the Vermilion Falls Gold Mining Company that was incorporated in early November, 1865. Planned to "mine and smelt gold and other precious metals," this organization included among its leading shareholders Ossian Dodge, who only two months earlier had traveled to the gold fields as a special newspaper correspondent and located several promising tracts. The company established mining operations on the southern shore of Lake Vermilion, a location it touted as one of the most favorable. The site supposedly included the well-advertised "ten foot vein" from which Henry Eames had assayed specimens at \$30 to the ton. The members of this company also controlled the falls of the South Vermilion River (now the Pike), a convenient source of water power. In the spring of 1866 they erected a sawmill on this site with machinery hauled overland from Duluth. The capital stock totaled \$300,000 which was divided into 6,000 shares that sold for \$50 each. By the end of

December, 1865, the company's offices in St. Paul had raised more than \$100,000 through the sale of stock.²⁹

A second outfit, organized during the first week of December, 1865, was the Minnesota Gold Mining Company which included among its officers and stockholders some of the most prominent businessmen and politicians in St. Paul. Henry H. Sibley, one of the original incorporators, became its president and Governor Stephen Miller its secretary. A member of Henry Eames's geological survey team, Henry Mayhew, managed the firm's mining operations at Lake Vermilion. The company sold 10,000 shares of stock at \$50 per share. General business opinion in St. Paul considered the Minnesota Gold Mining Company one of the most secure, both financially and politically, of the various gold mining firms. The incorporators said that "the enterprises of the company shall be confined to actual mining operations, primarily for the purpose of demonstrating, in a manner that will be sure to command public confidence, whether the prospective profitable working of the Minnesota gold mines is a reality or a delusion."³⁰

During the spring and summer of 1866 — the peak of the gold fever — widespread publicity led to the incorporation of numerous mining companies which received financial support not only from Minnesotans but also from investors in Superior, Chicago, and New York. Following an accepted pattern, most of these companies capitalized at \$500,000, selling shares at \$50 each. The amount actually received ranged from as little as \$2,000 to as much as \$500,000. The larger firms spent an estimated total of more than \$135,000 on supplies, transportation, machinery, and building construction.³¹

The Mutual Protection Gold Mining Company became the most publicized of the mining organizations. The director and leading force behind this company, Major Thomas M. Newson, was referred to by his enemies as "Generalissimo High Cockilorum Chief" because of his haughty and domineering personality.³² Newson's company proposed to locate, settle, and develop land and mines for "mutual aid and protection" and for general benefit of the group. The original incorporators consisted of twenty-five men, each of whom paid \$150 to purchase the necessary teams, sleds, wagons, and provisions. Once in the gold fields, each man was to establish a claim, and the entire amount of land thus obtained became common property. The firm then issued certificates vesting one share of the whole operation — lands, townsites, and improvements — in every member. Each shareholder remained a working partner in the company and went to the mines either in person or by proxy. The risk of investment appeared minimal, and if anything occurred to break up the organization, property was to be sold and the proceeds equally divided. Persons not among the original twenty-five who wished to join could do so upon ap-

²⁸*St. Paul Pioneer*, October 31, 1865, January 28, 1866; *Superior Gazette*, December 16, 1865.

²⁹Chartier and Richards, "Information as to Gold Mining Companies in Minnesota," 4-5 (first quote); *St. Paul Pioneer*, December 14, 1865, February 10, April 3 (quote), May 31, 1866.

³⁰*St. Paul Pioneer*, December 14, 24 (quote), 1865; *Superior Gazette*, December 16, 1865; the Richard Eames Papers, 1865-1894, in the Minnesota Historical Society, contain stock certificates showing he owned 270 shares in the company.

³¹Chartier and Richards, "Information as to Gold Mining Companies in Minnesota," 2-8; *St. Paul Press*, June 24, 1866; *St. Paul Pioneer*, January 28, 1866.

³²*St. Paul Pioneer*, April 3, 1866.



THOMAS M. NEWSON

proval of the members and the payment of \$300.³³

"Major" Newson, a former brigade quartermaster in the United States army, organized his association along strict military lines. As president, he took the role of commander-in-chief, with rank of major. He appointed a captain to act as second in command. Two lieutenants assumed control of smaller groups that also included an engineer, quartermaster, commissary sergeant, wagon master, and chaplain. Composed chiefly of young soldiers who had just returned from fighting in the Civil War, this quasi-military organization was well armed and fully equipped when it left St. Paul on December 27, 1865, amidst great fanfare and publicity. People lined the streets to see the formal departure of the first gold mining company actually to begin work in the new district. Its train consisted of five ox sleds, pulled by two yoke each, loaded with provisions and baggage, followed by an ammunition wagon and pony-drawn ambulance. A sled six feet high, six feet wide, and eighteen feet long, covered with a canvas top, served as a cooking and dining car. It contained a stove built into the forward end, and on either side narrow tables allowed the men to eat standing up on the outside. To avoid driving their oxen too hard, the men took seventeen days to reach the head of the lakes. On January 16, 1866, Superior citizens ar-

ranged a special supper and dance in honor of the gold seekers. Two days later, they crossed the bay to Duluth and began moving toward Lake Vermilion.³⁴

In order to transport men and supplies over eighty miles of rugged terrain, the Mutual Company crew cleared a road, starting at a point forty miles north of Duluth and moving at a rate of two miles per day. The men and vehicles made slow but steady progress, according to newspaper accounts, in spite of snow nearly three feet deep and temperatures that often plunged to thirty or forty degrees below zero. On March 5 the train arrived at Lake Vermilion. Three or four other companies followed soon thereafter but, according to Newson, never assisted in cutting out the roadway. After seventy days of travel the miners, animals, and equipment reached their destination, "a unit, harmonious and in good health."³⁵

Lake Vermilion rapidly acquired many signs of civilized settlement. During the remaining winter weeks partners of the Mutual Protection Company devoted time and energy to building cabins, establishing claims, and preparing to begin mining operations in the spring. By the middle of April they had constructed nine cabins and claimed thirty-five mineral tracts, 640 acres of fine timber, and three water power sites. They also established the town of Winston — named after their general agent, R. A. Winston — on the extreme southern extension of the lake near the mouth of the South Vermilion (Pike) River. Winston soon claimed 300 inhabitants. A sawmill that the Vermilion Falls Company operated nearby received more orders than it could fill. A blacksmith shop also enjoyed a thriving business. On the lake shore, canoes and other small craft were constructed in a navy yard. Saloons and "other places of entertainment" quickly sprang up in the mushrooming community. A post office, providing irregular mail service, a hotel, and a general store all appeared during the spring and early summer.³⁶

³³"The Mutual Protection Gold Mining Company of Minnesota. Articles of Organization," hand-written manuscript in the Thomas M. Newson Papers, 1840-1886, in the Minnesota Historical Society; *Superior Gazette*, December 16, 1865 (quote).

³⁴*Superior Gazette*, December 16, 1865; *St. Paul Pioneer*, December 14, 27, 1865; January 28, 1866. A special correspondent for the *Pioneer*, writing under the pen name, "Buckskin," accompanied the Mutual men.

³⁵*St. Paul Pioneer*, February 17, March 10, 16 (quote), 1866; Calvin R. Fix, "Family History and Autobiography," 64-68, microfilm of a typewritten manuscript, in Minnesota Historical Society; Elliot, in White Papers.

³⁶*St. Paul Pioneer*, May 9, 25, 1866; *St. Paul Daily Press*, May 19, 1866; Folwell, *Minnesota*, 4:6 (quote). The area did not remain settled long enough for either the state census of 1865 or the federal census of 1870 to provide accurate population statistics.

FROM THE BEGINNING, the availability of provisions and machinery was recognized as essential to the very survival of all mining operations. To accomplish this, some men had begun as early as September, 1865, to open a winter or sled road from Duluth to the new gold fields. Those involved in the project hoped to provide an immediate avenue for transporting necessary supplies during the winter. They also wanted to take an initial step toward construction of a permanent stage and wagon road. Residents of Superior considered constructing a railroad to Lake Vermilion but abandoned the project once it became apparent that the time, money, and effort required for such an undertaking were prohibitive.³⁷

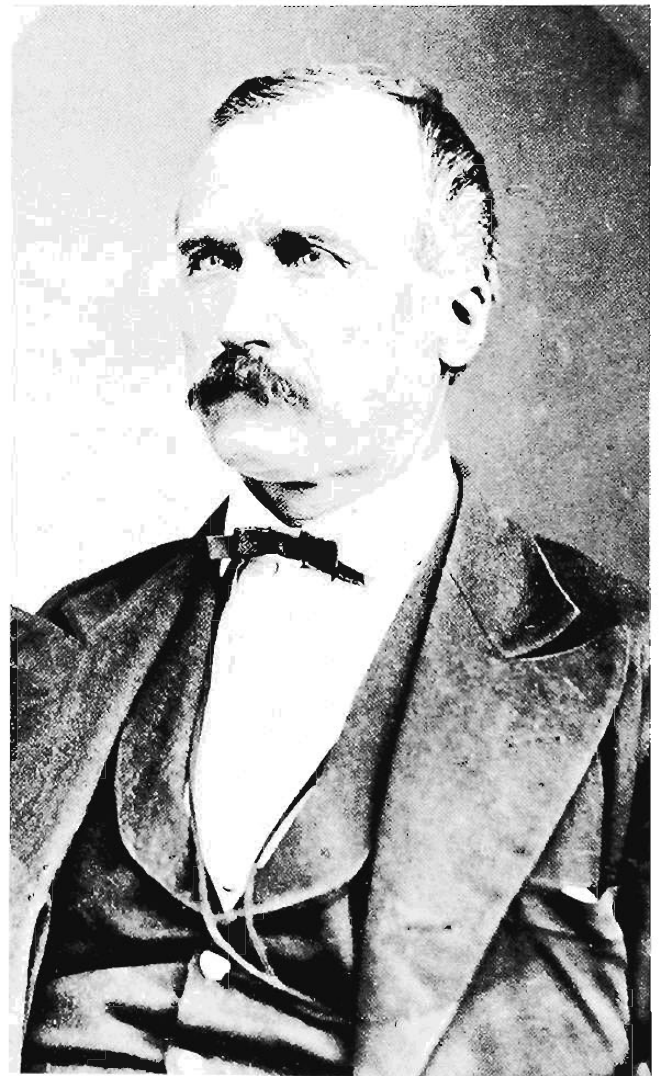
Late in November, 1865, a party of ten men under the direction of Colonel Josiah B. Culver set out from Duluth to blaze an eighty-mile trail to Lake Vermilion. Citizens of St. Paul, Superior, and Duluth, aware of the economic benefits to be derived from such an enterprise, contributed funds to defray construction costs. By the end of February, 1866, with the last half of the route completed by the Mutual Protection Company men, construction parties had widened the Vermilion Trail into a winter road. Teamsters carried an estimated seventy-five to 100 tons of equipment to the lake before spring thaws made the road impassable. Throughout the winter of 1866-67, when mining operations demanded heavier equipment, as many as eighty teams and wagons set forth daily from Duluth.³⁸

Since the route, out of necessity, crossed rivers, creeks, and swamps, winter traffic was at first the only means of supplying the gold fields. During the summers, travel over most of the route became either treacherous or downright impossible. Several gold mining companies strenuously advocated construction of an improved roadway. Finally, in 1869, after the intense gold excitement subsided, the federal government intervened directly by appropriating \$10,000 for road improvements. Secretary of War William W. Belknap appointed George Riley Stuntz, a pioneer resident of northeastern Minnesota, to improve not only the Vermilion Trail but to extend the route northwest to the Bois Fort Indian Res-

ervation at Nett Lake as well. Early in July, 1869, Stuntz organized a party of ten axmen, purchased necessary supplies, and began construction. By the end of that season's activities, pestered by unusually heavy rainfall and swarms of mosquitoes and black flies, Stuntz and his men had improved a twelve-foot-wide road from Duluth to Lake Vermilion. However, they merely located and surveyed the portion beyond to the reservation.³⁹

Having dealt with the inconvenience of poor transportation facilities, the mining companies moved their men and machinery to the lake only to be faced with the complex problem of land ownership. When the Mutual Protection Company representatives arrived in the field, they attempted to control their claim by no other method than actual occupation. Furthermore, the company refused to recognize claims of other parties unless such individuals were actually occupying and developing them. The Mutual partners continually settled on and

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³⁷*Superior Gazette*, September 30, 1865; *St. Paul Pioneer*, December 21, 1865.

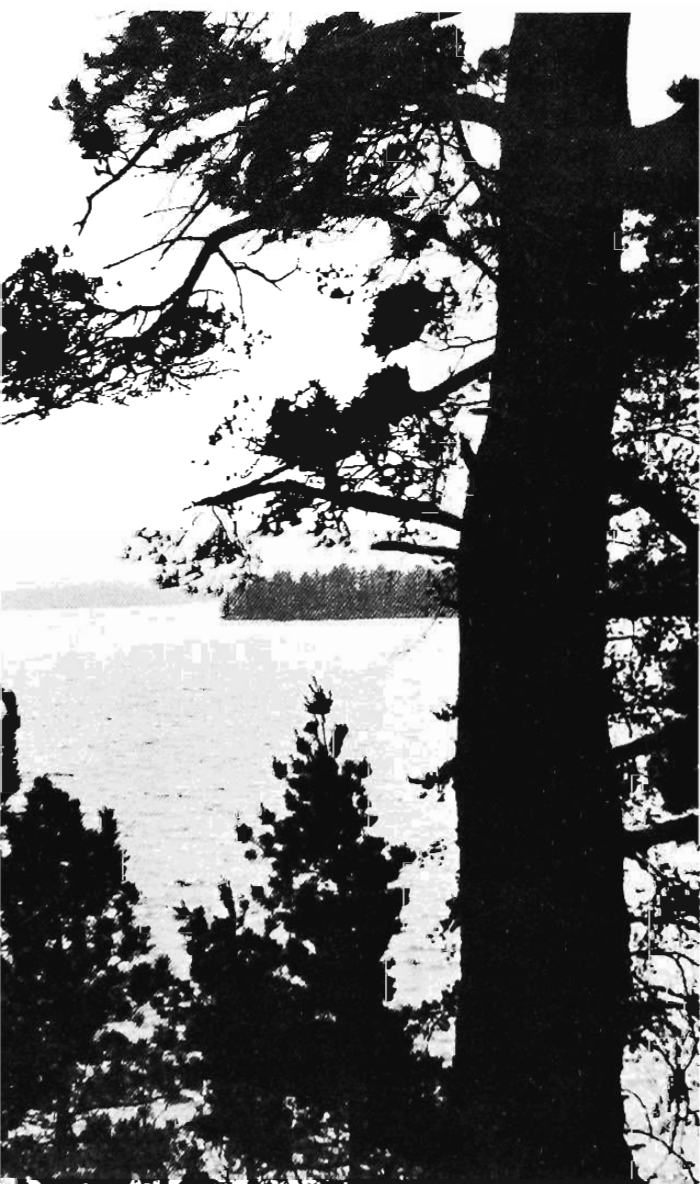
³⁸George R. Stuntz, "Road from Du Luth to Fort Bois [sic] Reservation," in 41 Congress, 2 session, *Senate Executive Documents*, no. 104, p. 2-35 (serial 1407); Horace Johnson, *Gold Rush to the Vermilion and Rainy Lake Districts of Minnesota and Ontario in 1865 and 1894*, 11-12 (Duluth, 1926); Elliot, in *White Papers*.

³⁹United States, *Statutes at Large*, 15:318; Stuntz, "Road from Du Luth to Fort Bois Reservation," 2-35; Elliot, in *White Papers*; Johnson, *Gold Rush*, 11; *Duluth News Tribune*, May 18, 1952; Burleigh K. Rapp, "The Life of George R. Stuntz," 20-21, 24, typewritten manuscript, in Minnesota Historical Society.

took possession of potentially valuable mineral tracts, even though others claimed ownership by the location of land scrip.⁴⁰

In the Vermilion gold fields, absentee speculators and large mining companies frequently used the Chippewa half-breed scrip to control choice locations — a practice that antagonized individual miners ready to work their sites. These men contended that both the government and other miners should disregard scrip entries and strongly supported the general practice followed in the mineral regions of California, Idaho, and other areas of the West.⁴¹ There, each miner or association held only as much land as he or the association actually worked. This practice, the miners argued, encouraged individual enterprise and immediate develop-

LAKE VERMILION



ment. The *Superior Gazette*, strongly opposed to scrip locations, editorialized that "a monopoly of this territory by a horde of speculators would be a curse to this region, such as we hope never to see fall upon it."⁴²

In order to harmonize conflicting interests and to regulate mining operations, seventy-eight men met at Winston on March 10, 1866, to organize a mining district. Major Newson presided over the convention that adopted "The Mining Laws of the Vermilion Lake Mining District, Minnesota" to govern an area of forty square miles surrounding the lake.⁴³ The document called for the election of a president, vice-president, recorder, and test miner and specifically set forth their duties. Individual claims could not exceed tracts 900 yards long and 450 yards wide. All miners, after plainly marking their location on four corners, were to deposit a description of their site with the recorder. In order to avoid absentee speculation the code provided that each man work his claim a minimum of one day per month or else have it considered abandoned. In a short period of time, however, the state and federal governments altered these local initiatives.

TWO MONTHS EARLIER, in January, 1866, in his annual message to the legislature, Governor Stephen Miller had urged the passage of an act confirming such miner's laws "as shall be adopted by the occupants of this region." He pointed out that such a practice followed a precedent established by western state and territorial lawmakers. The governor reminded the legislators that private funds had been used to reach and extract the mineral wealth of the state, and "as these individuals have located Sioux or Chippewa half-breed scrip, in good faith, upon about three thousand acres of land in that region," he urged that their claims be protected by law. Limiting each person to 160 acres would not be an injustice to owners of nonscrip locations, the governor

⁴⁰*Superior Gazette*, October 31, December 14, 16, 1865, January 20, 1866; *St. Paul Pioneer*, May 25, 1866.

⁴¹United States, *Statutes at Large*, 10:598-99; "Chippewa Half-Breeds of Lake Superior," 158-page report in 42 Congress, 2 session, *House Executive Documents*, no. 193, p. 1-2, 17-18 (serial 1513); *St. Paul Pioneer*, February 10, 1866. The *Pioneer* of September 20, 1865, reported that as soon as news of the discovery of gold reached St. Paul's financial market the price of scrip "jumped from \$3.25 an acre to \$12.00 and at sunset there was nothing to be had even at that price."

⁴²*Superior Gazette*, October 21, November 11 (quote), 1865. See also "Chippewa Half-Breeds of Lake Superior," the 158-page report referred to in footnote 41, for a lengthy discussion of the investigation into fraud and speculation involving half-breed scrip, and Folwell, *Minnesota*, 1:470-78, on the same subject.

⁴³"Mining Laws of the Vermilion Lake Mining District, Minnesota," adopted in Convention of Miners, at Vermilion Lake, March 10, 1866, in *Vermilion Lake Mineral Land Company, Articles of Association*, in Richard Eames Papers.

continued, because "the area of the auriferous district is sufficiently extensive to meet the requirements of all concerned."⁴⁴

Within two months after the governor's speech, Minnesota legislators tackled the problem of regulating mining on public lands. They passed laws which recognized the right of miners to meet, form a district, and pass all rules and regulations that were deemed necessary. They decreed that miners should control the locating, holding, recording, and working of claims within their jurisdiction and limited the size of individual claims to 200 square feet, in support of the belief that each owner should occupy his own tract.⁴⁵

While not solely concerned with Minnesota, Congress also supported the "local custom or rules of miners in the [mining] district." The federal law, passed on July 26, 1866, prohibited a person from filing a claim at the local land office until he had occupied and improved it

⁴⁴Stephen Miller, *Annual Message to the Legislature*, 1866, p. 13-15.

⁴⁵*Laws*, 1866, p. 80-81.

⁴⁶United States, *Statutes at Large*, 14:251-53. The law operated until it was repealed in 1872. Within less than a year, new legislation excluded Minnesota, Michigan, and Wisconsin mineral lands. See *Statutes at Large*, 17:91-96, 465.

⁴⁷Elliot, in White Papers (quoting *Superior Gazette* for July 20, 1867).

according to local rules and expended not less than \$1,000 in actual labor and improvements. Each location acquired after passage of the federal statute could not exceed 200 feet in length along the vein. In addition, an association of miners could not acquire more than 3,000 feet in any one claim.⁴⁶

Thus both state and federal governments supported a possessory title for mineral lands that called for the actual occupation and development of small claims. Mining companies at Lake Vermilion, however, continued to express disagreement over scrip locations and dissatisfaction with the limits placed on individual claims.

Before further problems arose, the Vermilion gold excitement subsided, and interest in the mines steadily declined. By late summer and early fall of 1866, many miners had abandoned the gold fields without locating gold deposits of any value. Large companies with heavy capital investments remained throughout the 1867 season, but they, too, returned empty-handed. Late in the summer of 1867, Newson and most of the Mutual Protection crews traveled back to St. Paul. By July, only seventy miners remained at the lake, prompting the *Superior Gazette* to report "the Vermilion mines played out, no encouraging reports from mining operations."⁴⁷ Within ten years the only white people remaining in the area were a few government employees at the Nett Lake Reservation. About the only individuals who had

OPTIMISTIC GOLD SEEKERS hauled in this gold crusher, now mounted on the historic marker at Tower, during the 1860s excitement over the ore. It was found under water near Lake Vermilion in 1934 and was one of the first pieces of mining equipment in the area, since it preceded by some twenty years the development of the iron range. The inscription on the plaque says that Tower — named for Charlemagne Tower, one of the developers of the Vermilion Iron Range — was the "terminus of the Vermilion Trail built from Duluth in 1865 for the gold rush prospectors pouring into the region."



realized a profit from the gold excitement were teamsters freighting equipment north from the head of Lake Superior, owners of stores handling mining supplies, and operators of boarding houses and saloons.

No serious observer had doubted the existence of gold- and silver-bearing quartz in the Lake Vermilion countryside, although Henry H. Eames never relocated the exact source of the samples that had created the initial excitement. Geologist Albert Chester of New York was hired to search for iron ore in 1882 and also conducted a thorough examination of the "so-called gold deposits." He collected specimens from many quartz veins, carefully analyzed all of them, and concluded that "it was . . . not a matter of surprise that these 'gold ores' did not contain any gold."⁴⁸ Six years later, in 1888, Minnesota State Geologist Newton H. Winchell included a brief description of the Vermilion gold district

in his annual field observations. He agreed with Chester's analysis but explained that what the New York geologist had collected "was magnetic pyrite which is rarely if ever auriferous." After an examination of the former Winston townsite in 1886, Winchell had observed: "Other quartz veins are pervaded by pyrites in abundance." The state geologist concluded that gold-bearing quartz existed in the vicinity of Lake Vermilion in enough quantity "to make a valuable low grade ore that could profitably be mined by the same methods as those employed in the Black Hills."⁴⁹ This report, however, never proved sufficient incentive to encourage further speculation in Vermilion gold ore.

No sizable profits resulted from investments made in the fifteen or so companies which organized, established claims, and sought gold-bearing quartz. The Lake Vermilion gold rush did, however, have other significant results. It evoked a speculative excitement that renewed and redirected attention toward the western Great Lakes, an interest that had diminished as a result of panic and depression in the late 1850s. It briefly attracted national attention to a region of vast potential mineral wealth; it brought about the Chippewas' relinquishment of title to the land; and it helped open the interior of the Arrowhead country through the construction of a road. Later this transportation link was essential for the profitable extraction of vast stores of iron ore. Many men who "caught" the gold fever, including George Stuntz and Lewis J. Merritt, subsequently played major roles in the initial exploitation of both the Vermilion and Mesabi iron ranges. The search for gold in the mid-1860s spurred state government interest in the North Shore that led to the establishment of a regular and scientifically accurate geologic survey. But with the passing of the gold rush, ten years were to elapse, a decade during which an expanding iron and steel industry demanded additional sources of iron ore, before speculators rekindled a concern for the natural resources of the interior of north-eastern Minnesota.

NEWTON H. WINCHELL



⁴⁸ Albert H. Chester, "The Iron Region of Northern Minnesota," in *Geological and Natural History Survey of Minnesota, Annual Report, 1882*, 155-166 (first quote), 167 (second quote).

⁴⁹ Newton H. Winchell, "Record of Field-Observations in 1888," in *Geological and Natural History Survey of Minnesota, Annual Report, 1889*, 19-22.

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