

THE PALMAREJO RAILROAD TOKEN

BY Elwin C. Leslie

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Deep down in the wilderness area of southwest Chihuahua State, Mexico, even the lapse of fifty years has failed to erase traces of a narrow gauge right-of-way winding its way through scrub timber, deep gorges, arroyos and occasional mine tailings. Starting at EL ZAPOTE, a few miles south of the sleepy little river town of CHINIPAS, it winds its way by fill and cut eastward some twelve miles to the long idle gold and silver mine of PALMAREJO. The rails have been removed and much of the serpentine right-of-way has been converted to roadway. A few stray spikes and rotted timbers are all that remain on the site to attest to the existence of this remote little mine railroad. There is, however another memento that takes us back through time to the days when the little 2

ton engine puffed along, its shrill whistle echoing through the hills, and its train of miniature ore cars trailing out behind it. That memento is a brass token nearly the size of a quarter dollar bearing on the obverse the words, OCHÁRAN y Ca, PALMAREJO, and on the reverse MEDIO PASAJE DE FERRO CARRIL. The purpose of this article is to reveal to fellow collectors information regarding this railroad and to draw logical conclusions from evidence available as to the tokens former use.

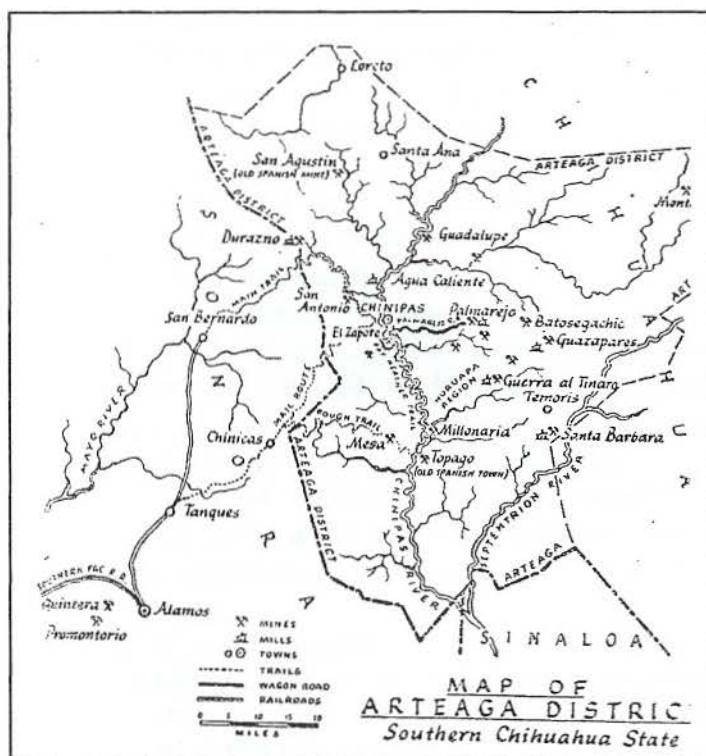
Mineral deposits were discovered at the site of the Palmarejo mine way back in 1818 by Valentine Ruiz, who immediately took on a partner, Tomas Pelayo, and registered the mine as NUESTRA SEÑOR CÁRMEN. Tomas Pelayo passed away in 1823 and that same year Rafael Ayon bought into the firm for \$8000 pesos, but in 1827 sold part of his holdings to Vicente Palacios of Chihuahua and Antonio Lamadrid of Alamos, Sonora. Finding themselves low in funds, the partners obtained a loan in 1837 from Miguel Urrea of Alamos. By 1841 Palacios and Lamadrid had died. Ayón, unable to continue working the mine, sold his interest to Miguel Urrea, who also was successful in purchasing the other partners' interests from heirs to their estates. This turned out to be a rather complicated transaction as the original Pelayo papers and registration had been lost. Fortunately, both the Royal Registrar, José Marií Rodríguez, and the priest, Fr. Gerónimo González, were still living and attested to the facts of the registration and ownership so that Miguel Urrea was at last given clear and complete title to the mines.

By 1853, after an investment of \$1,000,000 pesos, the Palmarejo (by then a walled compound to ward off the Apache raids), the Justina and the San Miguel mines (the latter two miles from Ghinipas near El Zapote) were operating, together with some 35 small crushing mills. After Miguel Urrea's death in 1875 the mines continued to flourish under the ownership of the widow, Justina Almada deUrrea and her brother and brother-in-law. A bonanza existed from 1878-1880 During that time it is claimed that the mines yielded ore to the wealth of one million pesos.

It is quite remarkable that the mine was successful at all, because the ore was of rather low grade and in addition there was a tremendous transportation problem. The western boundary of

Chihuahua State is a wall of precipitous mountains, ranging from 5000 to 7,000 feet, and it is by mule back over rough mountain trails that all freight and supplies for the mine had to be packed. Every bit of material for the construction of the railroad including the engine and cars had to be packed in piece meal by the same difficult method and then reassembled. The takeoff point was the town of Alamos in Sonora State, about 100 miles to the southwest. Alamos was a branch terminal of the Cananea, Rio Yaqui & Pacific Railroad (later the Southern Pacific) so there was a great problem in getting supplies that far.

From there everything had to be carted by wagon northward some 50 miles over what is described as a "fair" road to San Barnado. At San Bernardo the road ended and the supplies had to be unloaded and transferred to pack burro. The burro trail to the northeast became increasingly difficult as it approach ed the summit pass (5450 feet) of the range dividing Sonora and Chihuahua States. Even the crossing of the summit, however, did not lessen the difficulty of travel too much because the entire District of Arteaga is a topsy-turvy land, wrinkled with arroyos and canyons and spiked with mountainous projections and peaks. From the summit the trail leads generally southeast following as closely as practicable the contours of a protecting arroyo to Chinipas. From Chinipas the supplies were at first carried by pack mules on to Palmarejo but later the railroad took over this task.



This was not the only route from Alamos to Chinipas. Just north of the town of Tanques a trail branched off from the wagon road and went by way of Chínicas in a northeasterly direction through the high mountains to Chínipas. The trail was a poor one and unsuited for packing in supplies, but being a more direct route was used by mail carriers and light travelers. There was one other alternative trail that branched eastward a few miles north of Chínicas and traversed wild rough country to the Mesa Mine and on to the old Spanish town of Topago. In 1750 Topago was a thriving Spanish mining center having a population of about 15,000. The neighboring mines are said to have produced over \$150,000,000 pesos in mineral wealth. By 1911 the town had deteriorated to ruins and "a few poor huts". Continuing northward along the Chínipas River many fords were

necessary, and it is easy to understand why this route was not popular. Within a stretch of 20 miles the trail crossed the river 30 times! Naturally it could only be used in the dry season.

Miguel Urrea and his widow, Justina, during their operations, had built a reduction plant or mill at El Zapote on the Chínipas River several miles south of the town of Chínipas close to the San Miguel and Justina mines. The plant had readily available water from the Chínipas River. Not so fortunate was the old 60-stamp mill at Palmarejo which had to rely on the uncertain flow of several neighboring streams. A British mining engineer, Edward Applegarth, after examining the mining funds (claims, workings, reserves, reduction plants and all facilities and properties) at El Zapote and Palmarejo, returned to England to report. As a result, the Palmarejo Mining Co., Ltd. Was formed in London and the Urrea properties were purchased by them in 1886 for \$800,000 pesos. Plans were immediately initiated by the new owners for a narrow gauge railroad from Palmarejo to El Zapote for the purpose of transporting ore and supplies.

On June 25, 1898 in London, a new firm, Palmarejo & Mexican Gold Fields Ltd. was incorporated as a reorganization of the Palmarejo Mining Co. Ltd. The reorganization also included the purchase of the property of Goldfields of Mexico Ltd at a cost of \$548,800 pesos. Property consisted of an old mill at Guerra al Tinero and 127 1/2 square miles of land containing mines and timber in the Huruapa Canyon region southwest of Chínipas. The newly organized co. concentrated on building a stone aqueduct 14 miles long from the Chínipas River to Palmarejo and completing the railroad from El Zapote to Palmarejo. A year or two later the Mexican Mineral Railway Co. Ltd. did complete the railroad. A 20-ton locomotive was used to pull the little funnel bottom ore cars back and forth between Palmarejo and the mill at El Zapote. The trains entire capacity was 50 tons of ore, but it could make 2 trips a day. As an indication of size, just one of today's monster ore cars could equal the daily capacity of the entire Palmarejo train. A replacement locomotive that was never put into use today rests in an old shed in El Zapotl. Officials of Chínipas are attempting to obtain permission from the owners to transport it to Chínipas where it would be put on public exhibition as a curio in the City. Park. Rather than assume the unfamiliar task of operating a railroad themselves, the Palmarejo & Mexican Gold Fields Co. leased it to Oscar Ocháran, a resident of Alamos. The little railroad was called Palmarejo R. R., but it was operated, by Ocháran & Co. The Co. had big plans for the mine. They poured over \$5,000,600 pesos into development before the first dividend was issued to stockholders. Chínipas attained a population of 8,000 (today it has barely 1000) and Palmarejo reached its peak at 1000 (today about 300).

El Zapote was a bustling place with the busy reduction plant, train terminal, buildings, administrative headquarters and houses for staff and employees. Today it is in ruins and abandoned except for the watchmen who remain to maintain possession of company equipment.

Unfortunately the improvements and even the little toy railroad soon outlived their usefulness. In 1910 plans were made to tear down the mill at El Zapote and erect a new 300-stamp mill and build an aerial tramway from Palmarejo to the mill to replace the railroad. By the end of 1911 a hydro-electric plant was completed and the new mill and aerial tramway were en route to the mill to be assembled. It was just at this hopeful period of growth and expansion that disaster struck. The Orozquista revolutionary movement erupted and caused all mining operations to be abruptly suspended. All activity ceased and even the material en route from San Bernardo was abandoned on the trail. The little engine had chugged its last and the operator Oscar Ocharan was exiled the following year to the United States. During the period of the revolution, the railroad, the mine and much of the company's property was lost, not because of any military action but because of

abandonment and deterioration. As a result, the company entered a claim with the Anglo-Mexican Special Claims Commission for \$2,600,000 and in August 1931 a decision was made to award the Co. for loss and damages the sum of \$412,000 gold pesos to be paid in eleven annual installments. The Company had continued paying its taxes throughout the troubled times, and finally in 1933 again went into production for a short while. By 1940 some 500,000 tons of ore had been blocked out and there were still plans for building a new mill and tramway. About 10 years ago Mexican mining laws were revised making idle mines susceptible to expropriation. Residents of Palmarejo petitioned the President of Mexico requesting that the mines either be worked or that they be allowed to do so as best they could. The owners announced that the mine would be renovated and reopened and after several years construction was started on an access road between Temoris Station of the Chihuahua to Pacific Railroad and Agua Caliente passing through Palmarejo and Chínipas and using portions of the old Palmarejo Railroad right-of-way as its path. Today there is great activity at both the Palmarejo mine and Agua Caliente where the mines are being prepared and apartments are being constructed for employees.

During the time when the railroad was in operation, little brass tokens were issued, bearing on the reverse side, the words MEDIO PASAJE DE FERRO CARRIL. There are several interpretations of this wording and possible use. One would be---fare for children at half price; this is hardly a reasonable assumption for the reason that this was in fact a mining railroad whose tracks went only from mine to mill. The second possibility would be: half fare for mine employees. This also is an unlikely assumption for a mining railroad whose only possibility for riders would be the mine or railroad employees. Actually it is not even known that the rolling stock included anything other than ore cars. The third possibility is that the MEDIO PASAJE refers not to half-fare, but rather to half passage. A full trip would be to the mine and back. A medio pasaje would be one way between the two terminals. Tokens such as these are usually used for human passengers and yet it is difficult to see the need for such tokens on an isolated mining railroad. There remains the possibility that they may have been used to pay the transport of a load of ore or freight one way between mine and mill. The true answer is probably lost with the years.



The OCHÁRAN Y CA. PALMAREJO token is also found with a steer head counter-stamp, and this takes us back to Oscar Ocháran's home town, Alamos Sonora. Some ten miles west of Alamos lies the Quintera Mine, purchased from José Mariá Almada of Alamos in 1888 by

Quintera Mining Co. LD. a London firm. The Company had brass tokens struck by L. H. Moise, a die sinker of San Francisco, California. Following the custom of many mines and haciendas in Mexico, such tokens were given to employees in payment for services performed and were redeemable for the purchase of food and merchandise at the company store. The Quintera tokens were issued in denominations of 5, 10, 25, 100 (centavos). From the denominational sequence it is very likely that a 50 centavo token also may exist. They were more attractive than most mine tokens because of their diversity of shape and pictorial representation.

The company owned various mining properties, but also owned ranches of about 7,400 acres in the state of Sonora and in the Fuerte District of Sinaloa. These ranches unquestionably had company stores for employees. After the Quintera mine was shut down in 1916 the mining tokens may have

of Quintera tokens that do not have the steer head counter stamp. (Only the 100 and the 5 centavos denominations are known to the author, lacking the counter stamped only one specimen of each of these) In addition to the Quintera tokens a hoard of Palmarejo tokens may have been procured by the Quintera Co. and counter stamped with the steer head impression and put to use on Quintera ranches.

There are several ties that could have brought the Quintera and the Palmarejo tokens together. There was the geographical connection because of Alamos being the supply depot for Palmarejo. Oscar Ocháran, the lessee of the railroad, lived and undoubtedly had many social and business connections in Alamos. Both the Quintera and Palmarejo companies were English controlled and as such there may have been close personal relationships between head personnel. Whatever the catalyst, it served an accomplished fact that the Palmarejo token by means of the steer head counter stamp served a common purpose with the Quintera counter stamped tokens and the probabilities are that this use occurred at the Quintera owned ranches of Sonora and Sinaloa.

Elwin C. Leslie - #C-87 T.A.N.S.

