

IN THE SENATE OF THE UNITED STATES.

FEBRUARY 28, 1878.—Ordered to be printed.

Mr. CHAFFEE, from the Committee on Territories, submitted the following

REPORT:

[To accompany bill S. 144.]

*The Committee on Territories, to whom was referred the bill (S. 144) to establish the Territory of Lincoln and provide a temporary government therefor, have had the same under consideration and beg leave to submit the following report, with the accompanying bill as a substitute:*

The bill proposes to establish a Territory extending from the forty-third to the forty-ninth degrees of north latitude, and from the twenty-third to the twenty-eighth degrees of longitude west from Washington, forming a parallelogram 300 miles in width from east to west by 360 miles in length from north to south, and containing about 108,000 square miles.

The Territory is formed by taking one degree each in longitude from the Territories of Montana and Wyoming and four degrees from that of Dakota, leaving 129,196 square miles in Montana, 90,943 square miles in Wyoming, and 78,132 square miles in Dakota.

There is included within this region all of what is known as the Black Hills country, and it is because of the wonderful change produced therein by the discovery of gold and the subsequent rapid settlement of that country, that we are now asked to form a new Territory, and to provide for its government. The boundaries have been chosen with reference to symmetry and without materially encroaching on the inhabited regions of neighboring Territories, and while about one-half of the Territory of Dakota is included, yet aside from the Black Hills country and that portion on the Missouri River including the city of Bismarck, where about five thousand people reside, no inhabited part of Dakota is included. The Missouri River meandering through this country an estimated distance of about 500 miles, with its numerous tributaries, among which will be found the Lower Yellowstone, Little Missouri, Heart, Cannon Ball, Grand Moreau, Big Cheyenne, White, and many others, waters a very extensive and fertile country capable of sustaining a large population.

In determining whether this bill should become a law, we ought to consider the present condition of the people inhabiting this country; what will it probably be in the near future, and what is necessary to be done to secure to them the preservation of order, encouragement in the development of the resources of the country, the enactment of laws suitable to their condition, an adequate and due administration thereon as well as all the blessings that flow from a well-organized society. If,

1875, the Black Hills country was an uninhabited wilderness, but gold and silver with other valuable minerals were known to exist therein. In 1876, the Indians ceded to the United States all of their rights thereto; and what was then a vast solitude, seldom visited by savages and never by civilized men, is now the scene of busy life and commendable enterprise. It is estimated that from fifteen to twenty thousand people inhabit this country at the present time; of these, about three-fourths emigrated thither during the year 1877, and doubtless its population will be greatly augmented by immigration during the present year. It contains a voting population as large as Montana, and much larger than Wyoming, Idaho, or Arizona.

Your committee find that over \$2,000,000 of gold was produced from the placer-mines in the Black Hills in 1876, and that between \$4,000,000 and \$5,000,000 was derived from all sources in that country in 1877. Since the beginning of the year 1877 forty-five gold-quartz mills, with a capacity of eight hundred and twenty stamps, and one silver-smelting mill have been erected and are now profitably employed there, and that six other gold-quartz mills, with a capacity of four hundred and five stamps, are in process of erection, and it is confidently estimated by gentlemen who have resided in that country, witnessed its settlement, and the development of its mines, that not less than \$10,000,000 of the precious metals will be thrown upon the markets of our country from that locality during the present year; and your committee entertain the opinion from the evidence adduced that the product of the precious metals in that locality will in the near future rival, if it does not exceed, that of our older States and Territories.

As far as explored, the gold region extends a distance of 80 miles from northwest to southeast by from 10 to 20 miles in width from northeast to southwest, and its full extent has not yet been ascertained. New discoveries are of constant occurrence by which the area of its known existence is being enlarged. Within this mineral belt of 80 miles more than three thousand gold-quartz lodes have been discovered, claimed, and recorded, forty of which are furnishing the ore to the forty-five gold-mills now erected and running. More than one hundred have large bodies of ore on the dump ready for milling as soon as mills can be procured, and a large proportion of the remainder are being developed, producing auriferous ore with entirely satisfactory results to the owners. Within this mineral region about three hundred silver-lodes have been discovered, claimed, and recorded, many of which have a good supply of ore for milling purposes. But one silver-mill has been erected; doubtless others will be built during the present season. Coal, iron, copper, and lead have also been found, as well as petroleum and saline springs. There are also within this 80 miles large placer-mines which have heretofore yielded about one-half of the gold product of this country. Along this mineral region more than twenty thriving towns have sprung into existence, where all kinds of business are profitably being carried on. Banks, hotels, stores, and many kinds of manufactories usually found in western cities and towns, are not wanting in the settlements of the Black Hills. Churches and school-houses already exist in considerable number and are being rapidly provided to meet the wants of the population. In short, this region is rapidly becoming the permanent home of a prosperous and enterprising people, whose industries are of a diversified character and who will not be dependent upon the production of the precious metals alone for their sustenance.

It is an extremely well-watered and timbered country, and Prof. Walter P. Jenney, in his report upon the agricultural character, climate,

and resources of the Black Hills, made to the Secretary of the Interior, under date of April 20, 1876, says:

That in this respect the Black Hills are unequaled by any region in the great West. \* \* \* A heavy forest covers a greater portion of this area, the trees growing thickly together and attaining full size, not only on the rich bottom-lands, but on the tops of the level limestone mesas; and the steep, rocky ridges are clothed with pine of good size to their very crests. \* \* \* Often in sinking prospecting-pits along the valleys in search of gold the soil would be found to be a black, peaty loam, from two to three feet in thickness, and frequently in the bottom-lands the soil was four feet in depth, resting on a gravelly subsoil. \* \* \* In the valleys of Spring and Rapid Creeks are extensive bottom-lands, which would be excellent for farming purposes did not the underlying gravel contain gold in quantities sufficient to cause it to be mined out in the next few years, to the ruin or serious detriment of the land. \* \* \* Cavalry officers, herders, scouts, and miners all were united in their praise of the grazing. "California Joe," an experienced miner and scout, said of the valley of Spring Creek, "There's gold from the grass-roots down, but there's more gold from the grass-roots up"; and no matter how rich the gold-placers in the Black Hills may prove to be, the great business in this region in the future will be stock-raising and dairy-farming. \* \* \* The Norway pine, black and white spruce, oak, elm, aspen, birch, ash, and other trees are found in the hills, and we are told that it was because of the density of the forest that they received the name of the Black Hills, by which they are known in the Indian dialect.

As a winter-grazing country that region surrounding the Black Hills and extending northwardly to the Missouri and Yellowstone Rivers is most excellent, the grasses are of the same character as those found in New Mexico, Colorado, and Wyoming, and retain their nutritive qualities as well in winter as during the summer months.

Referring to the map, it will be seen that this country is isolated from all other settlements of civilized men; that a broad tract of land known as the Sioux Indian reservation separates it from the white settlements in Southeastern Dakota; that the present and usually-traveled route from Deadwood to Yankton, the capital of Dakota, is via either Cheyenne or Sidney on the Union Pacific Railroad, thence to Omaha, and from the last-named place up the Missouri River; a distance necessary to be traveled of between 900 and 1,000 miles.

It will also be observed that the people residing at and in the vicinity of Bismarck, to enable them to visit the capital during the close of navigation on the Missouri River (which is about one-half of the time), have to travel eastward to Fargo and Saint Paul, in Minnesota, thence to Sioux City, Iowa, and up the Missouri River Valley to Yankton, a distance of between 800 and 900 miles. Visits to the executive, legislative, and judicial departments of the Territory can only be made at great expense and loss of valuable time. At least, ten days is required for an exchange of correspondence between the capital and the Black Hills. This is a cause of loss and great inconvenience to the people living in the latter locality, they being compelled to communicate with the officers of the Territory in the transaction of many kinds of business.

It is necessary to seek the surveyor-general in making final surveys of mining claims preparatory to obtaining patents thereto from the United States.

It is necessary to communicate with the secretary of the Territory in order to perfect an incorporation under the general statute of the Territory and for other purposes.

It is necessary that the executive should at all times be reasonably accessible, in order that he may be consulted on subjects involving the welfare and prosperity of the people.

All litigants who may choose to appeal from the decisions of the district court to the supreme court of the Territory must necessarily, in person or by attorney, visit Yaukton to attend its sessions.

Members of the legislative assembly from this country attend the sessions in Yankton at an expense to the general government for mileage of about \$200 each.

A large number of lawsuits are now pending in the courts, involving questions of grave importance and interests of great pecuniary value, and it is impossible for one judge to try and determine all the criminal and civil causes now pending and that will come before the courts in a reasonable time; consequently, there must be great damage done to litigants as well as embarrassing delay in the settlement of disputed mining claims.

It will be remembered that within the Territories no officer is empowered to exercise the duties of a chancellor except the chief and associate justices of the supreme court; hence, during the absence of the associate, and while he is necessarily in Yankton attending the sessions of the supreme court, no person authorized to grant an injunction or any of the provisional remedies authorized by the statute, or to hear motions to dissolve or modify the same, is to be found in the Black Hills, and great inconvenience and injury must be sustained by litigants from this cause.

It has been the practice of the government from its earliest history to organize temporary governments whenever a community of our citizens push out into the frontier in sufficient numbers to justify it and develop sufficient interest to require it. The additional expense to the government under the present system is trifling compared to the benefits of local government to a large number of our citizens who inhabit these Territories. The additional wealth added to the nation overbalances the cost of such governments, and in this instance the character of the country and the magnitude of its mining interest, as well as the prospective agricultural interest and the imperative necessity of the situation arising from the great distance from its present capital, justify an independent organization, as provided by this bill.

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