

EXTRACTS FROM REPORTS ON THE RIO ARRIBA RANCHES.

I.—REPORT OF MESSRS. HODDING & CLUTTON.

The Chama Grant is situated in New Mexico, its Eastern boundary being distant some eighteen miles from Abiqui, which town is about fifty miles *West* of Taos, and sixty miles *North* of Santa Fé.

It is bounded on the *North* by the Cebolla River.

On the *South* by the Capulin Mountains.

On the *West* by the Segita Blanco or the Atlantic or Pacific Divide.

And on the *East* by the Western line of a neighbouring Land Grant.

The Grant is watered by the Arroya Seco, the Cebolla, and the Gallinas Rivers; the Chama River flowing through its centre, and receiving the waters from the above rivers; namely, the Arroya Seco and the Cebolla on the East, and the Gallinas on the West.

Situated in the Chama Cañon, some five miles from its mouth, there is a deserted Settlement formerly peopled by Mexicans, who were driven out by the Navajoe Indians in eighteen hundred and twenty, but who returned again and were once more driven out, this time by Utes, some twenty years ago; since which time the Settlement has been deserted. On it, however, are the ditches which were used for irrigation, still in tolerable repair, and which at a moderate cost could be put in working order, and made to carry water enough to irrigate a large quantity of ground.

For a Sheep or Cattle Range, the Chama Grant is well adapted. It contains a vast amount of rolling grassy land, well sheltered by Pine and Piñon, and covered by Gramma Grass, which is known throughout the West as the best grass for either sheep or cattle. From the warmth of the climate, and the easy access to water, the country is much sought after by the herders of sheep belonging to Southern owners, who bring their flocks there for summer and winter pasture, only returning to the South at shearing time. During our journey across the Grant, we counted eight flocks of sheep, which were fatter and in better order than any we had seen this year. It is useless to make any estimate as to the number of sheep or cattle that the Grant will carry, but in this year, which is renowned as being the driest ever known, the many thousand now depasturing upon it have made no apparent difference in the quantity of grass.

On the Estate there is a large supply of good, straight, pine timber, fit either for boards or sleepers; and as there is plenty of water with ample fall, there will be no difficulty in making saw mills at any future time, when they may be required.

The climate is warm compared with that in Colorado, having a longer summer, and a winter less severe—snow seldom falling in any depth, and never lying long upon the ground. The fact that goes further to prove the mildness of the climate than any other, is the before-mentioned one—that many thousands of sheep are taken there to pass the winter.

Compared with other Land Grants in the neighbourhood for sheep or stock-raising purposes, the Chama shows very favourably, not only from the warmth of its climate, but from the excellence of its grass and the shelter afforded in its slopes and valleys. The rivers, too, run conveniently for watering purposes.

HODDING & CLUTTON,

LA COSTILLA, COLORADO,

Nov. 8, '73.

For

WM. BLACKMORE, Esq.,
Founders' Court, London.

WICKHAM BISHOPS, WITHAM,

28th February, 1883.

DEAR POTTER,

In answer to your letter with regard to the Report made by Mr. Hodding and myself on the Chama Grant, I beg to state that my ten years' further experience in the country has not changed my opinion on the subject. I consider the Chama Grant well suited for the business of raising cattle.

I am, yours faithfully,

FRANCIS CLUTTON.

(To J. C. POTTER.)

2.—MR. DERWENT H. SMITH'S REPORT.

The "RIO ARRIBA ESTATE" is a tract of land forming part of the "San Joaquin del Cañon del Rio de Chama Grant." Name.
Is derived from an old Spanish Grant, dated 1808, to a large number of Settlers (there are 47 [forty-seven] families Title.
claiming as Grantees), which was recognised by the Courts of the Republic of Mexico, was examined and surveyed by the Surveyor-General for New Mexico, and recommended to Congress for confirmation at about 473,000 (four hundred and seventy-three thousand) acres. It has been favourably passed upon by Congressional Committees, and now awaits the action of the House.

Further, so large a number of Grantees necessarily involved many questions of right, to clear which a Partition Suit was entered into, and an Interlocutory Decree has been obtained determining the acreage held by each known claimant. In obedience to this Decree the Estate has been re-surveyed, and a Commission is now engaged in preparing a report for the sub-division of the land amongst the owners by metes and bounds.

During the course of the said Partition Suit the Court granted a ten years' Lease, to run from the 19th of April, 1884, and which has therefore 8 (eight) years to run from this month. I represent the Lessee in this country, and have power to transfer the Lease. I likewise am the legal representative of one of the largest owners in the Grant, who holds, according to the Decree given so far, a little more than half the same, the name of "The Rio Arriba Estate" being given to his property. I expect to obtain the Final Decree next month.

The Estate measures approximately 25 (twenty-five) miles from North to South, and 30 (thirty) miles from East to West. Position.
It lies in Rio Arriba County, N.M., the Northern boundary line being about 25 (twenty-five) miles south of the Durango Branch of the Denver and Rio Grande Railway. The nearest towns of importance are Abiquiú to the South-East and Tierra Amarilla to the North.

The land varies in altitude between six and nine thousand feet above the sea level, the greater part averaging about Topography.
seven thousand. The Grant includes two extensive "Mesas," known as "De las Viejas," on the East, and "Del Capulin" or Mesa "Prieta" on the South side, between which flows the River Chama in a deep Cañon, whence the name of the Estate. These "Mesas" are well wooded and undulating, so as to afford excellent shelter to stock during the cold season. I have had about a thousand head on the first-named "Mesa" through the past winter, and have had less than 1% (one per cent.) loss up to the present time, though the season was exceptionally snowy.

A prominent stockman of El Rito informs me that he run a herd of some 500 (five hundred cattle for 3 (three) consecutive years on the "Mesa del Capulin," and that the stock thrived well at all seasons of the year, notwithstanding that that is the highest land on the Grant.

Towards the West side of the Estate, the land slopes gently up to the Continental Divide, which forms the Western boundary of the Grant. These slopes are well wooded with Piñon and Cedar, and those parts which are not covered with these bushes are well furnished with fine Sage-brush.

Water.

The Estate is traversed by the Chama, Capulin, and Gallina Rivers, which flow through the middle of the Grant, by the Cebolla Creek on the North-East, and the Cangilon and Rito del Teso on the South-East. There are besides sever water holes and natural lakes towards the West. With very slight expenditure many artificial pools could be formed sufficient to water from twenty-five to thirty thousand head of cattle. The water on the Estate controls the land for from ten to twelve miles to the West, there being only one deposit of water beyond the Western side of the Grant along its whole extent, about fifteen miles off.

Grazing.

There is abundance of Grama and many other varieties of pasture; amongst the most valuable and plentiful is the small, grey Sage-brush, "Chamise Pardo," on which both cattle and horses thrive well.

Agricultural Land.

The valleys of the Chama, Gallina, Capulin, and Cebolla are abundantly supplied with water, and in all it is estimated that about 15,000 (fifteen thousand) acres could be irrigated. The soil is excellent, and large crops of wheat, barley, oats, corn, and potatoes have been raised by the natives. Alfalfa would grow admirably in the sandy loam of the Chama Valley. The remains of the old irrigating ditches are easily traced, as well as of the dams; of the latter only the superstructure has been carried away by the floods of the last fifty years, since the Settlements were abandoned in consequence of the incursions of the Indians. To restore these irrigation works would cost but a trifling sum, estimated by a competent engineer at about \$1.25 (one dollar and a quarter) per acre covered by the same.

Lease.

That granted by the Court controls about four hundred thousand acres of the Estate, the balance being the holdings of some of the claimants who are not to be disturbed in their occupancy of their share of the Grant, under stipulations entered into to secure the Lease in the first instance. The Lease has been approved and confirmed by the Court, and the Decree was rendered subject to the same.

It must be remembered that practically a large area, not less than two hundred thousand acres of excellent pasture, is completely controlled by the water rights of the Grant.

DERWENT H. SMITH.

SANTA FÉ, N.M.,
April 6th, 1886.

3.—MR. J. GERALD POTTER'S STATEMENT.

Messrs. Summers and Miner, large land and ranche owners in the Indian territory, made a firm offer to hire the Estate on lease, but on terms which I could not accept. They have given me a formal declaration that the land comes fully up to the description in Mr. Derwent H. Smith's report, and they point out the excellent condition of the cattle when they inspected the Ranches in April, 1886.

4.—REPORT OF MESSRS. SUMMERS AND MINER.

To whom it may concern :

We, the undersigned, hereby certify that we visited the tract of land known as the "Cañon de Chama Grant," and spent several days examining the same as a Cattle Range, and it is our opinion, that so far as we were able to see it, it comes fully up to the description previously given to us by Mr. Derwent H. Smith, and contained in his written statement respecting the Estate with date April 6th.

Our visit having been made between the 17th and 22nd of April, the Range was naturally under its worst aspect, but the cattle and horses we saw, which had wintered thereon, were in better condition than any we had previously seen during our tour in New Mexico, showing that, notwithstanding the severe winter, which we are informed has not been equalled in the last fifteen years, the Range maintained its excellence for the purpose of stock-raising.

JAS. W. SUMMERS & CO.

KEOKUK, IOWA,
October 23rd, 1886.

MR. DUFF.

Mr. Duff, a well-known authority on the subject, who has resided many years in Colorado, is of opinion that a lean steer commenced to be fed on Alfalfa grass in November will improve \$20 in value by the following March.

MR. PATTERSON.

Mr. Patterson, Manager of the Nevada Land Company, who has cultivated, and fattened cattle on Alfalfa, fixes the cost of feeding at \$5 a head; and says that an increased value of from \$20 to \$25 may be confidently expected in three-year old steers so fattened within twelve months.

mca p

THE RIO ARRIBA LAND AND CATTLE COMPANY,
LIMITED.

FORM OF APPLICATION FOR PREFERRED SHARES.

(TO BE RETAINED BY THE BANKERS.)

No. _____

To the Directors of

THE RIO ARRIBA LAND AND CATTLE COMPANY, LIMITED,

GENTLEMEN,

Having paid to your Bankers the sum of _____ Pounds, being a
Deposit of £1 per Share on _____ Preferred Shares in the above Company,
I hereby request that you will allot me that number, upon the terms of the Prospectus, dated
the _____ day of _____ 1888, and the Memorandum and Articles of Association of the
Company, and I agree to accept such Preferred Shares, or any less number you may allot
to me, and to become a Member of the Company in respect thereof; and I authorise you to
insert my name on the Register of Members for the number of Preferred Shares allotted to me.

Usual Signature _____

Name (in full) _____

Residence _____

Profession _____

Date _____ 1888.



THE RIO ARRIBA LAND AND CATTLE COMPANY,
LIMITED.

RECEIPT FOR DEPOSIT ON PREFERRED SHARES.

(To be retained by the Applicant after being signed by the Bankers.)

No. _____

Received this _____ day of _____ 1888,

of _____

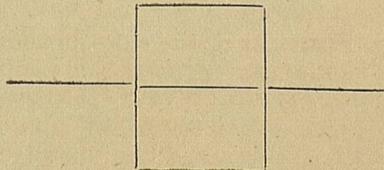
the sum of _____ Pounds, being a Deposit

of £1 per Share on Application for _____ Preferred Shares in

THE RIO ARRIBA LAND AND CATTLE COMPANY, LIMITED.

For

£ : :



THE ARABIAN AND BATTLE COMPANIES

PRIVATE.

THE
RIO ARRIBA LAND & CATTLE COMPANY,
LIMITED.

Incorporated under the Companies Acts, 1862 to 1883.

CAPITAL £160,000 IN SHARES OF £5 EACH,

DIVIDED INTO

£60,000 in 12,000 PREFERRED SHARES of £5 each, entitled to a Preferential Cumulative Dividend of 7 per cent. per annum, and to participation in the surplus profits of each year, after a sum equal to the amount of such Preferential Dividend has been divided among the holders of Deferred Shares;

AND

£100,000 in 20,000 DEFERRED SHARES of £5 each, which are not entitled to any Dividend until after the 7 per cent. Cumulative Dividend has been satisfied: subject thereto they receive in each year a sum equal to the Preferential Dividend for such year, and they participate rateably in the surplus profits.

If, at the end of any financial year of the Company ending in or after the year 1892, the Profits available for Dividends for the three consecutive years then ending have been sufficient, after satisfying all arrears of Preferential Dividends, to pay a Dividend equal to 7 per cent. per annum for such years on the whole Paid-up Capital, a right is reserved to buy up the Preferred Shares at the price of £6 for each £5 Share, unless the respective holders of such Shares elect to give up the preferential rights on their Shares and retain them as part of the Ordinary Capital of the Company.

£19,000 of the Preferred Shares have been taken up by the Directors and others, and £10,000 are reserved to be paid to the Vendor in accordance with the terms of the Purchase Agreement.

ISSUE OF £31,000, BALANCE OF THE PREFERRED SHARES.

Payable—£1 per Share on Application;
£1 „ „ on Allotment.

The balance of £3 in Calls of £1 per Share, at intervals of not less than two months.

Interest at the rate of 5 per cent. per annum will be allowed for payments made in full in anticipation of Calls.

Directors.

CHARLES P. HUNTINGTON, Esq., Astley Bank, Darwen.

STONHEWER E. ILLINGWORTH, Esq., Borough Court, Winchfield, Hants.

JAMES MELLOR, Esq., 51, Onslow Square, London.

MARTIN H. PIRIE, Esq., 20, Grafton Street, W.

*J. GERALD POTTER, Esq., Earnsdale, Darwen, and 2, Ennismore Gardens, London.

* Will join the Board after the completion of the purchase.

Bankers.

THE BRITISH LINEN COMPANY BANK, LONDON.

THE MANCHESTER AND COUNTY BANK and its Branches.

Solicitors.

MESSRS. CHESTON & SONS, 1, Great Winchester Street, London.

CHARLES COSTEKER, Esq., Darwen.

Offices.

51, CANNON STREET, E.C.

Secretary.

MR. W. C. SCOTT.

PROSPECTUS.

[A copy of the Prospectus originally issued by the Company is printed below.]

TITLE TO THE RANCHES.

The Alien Land Act having been passed by the United States Congress on the 3rd March, 1887, the Company refused to complete the purchase of the Ranches, except under the sanction of a decision of the Appeal Court of the Territory of New Mexico, that if the Company completed their purchase the property would not be liable to be forfeited under that Act.

On the 2/30 day of January, 1888, the Supreme Court of the Territory of New Mexico, in a suit instituted by Mr. Potter, the Vendor, against the Company, decreed that the Company, by virtue of its purchase Agreement, had

become fully vested with an equitable estate in fee simple in the Rio Arriba Ranches prior to the passing of the Alien Land Act. The Court decreed specific performance of the Agreement, and ordered the Vendor, Mr. J. G. Potter, to execute a conveyance of the Ranches to the Company. A copy of the Decree can be seen at the Offices of the Solicitors to the Company.

DEVELOPMENT OF THE RANCHES SINCE THE PURCHASE CONTRACT, 3RD MARCH, 1887.

Pending the trial of the action above referred to, an Agreement dated 28th June, 1887, was entered into between Mr. J. G. Potter of the first part, the Company of the second part, and the Directors of the Company of the third part, whereby the sums received on subscriptions for Preference Shares of the Company were to be advanced to Mr. Potter, who continued the development of the Ranches.

The Directors and their friends subscribed for £14,000 of Preference Share Capital, the proceeds whereof were, in pursuance of the said Agreement, mainly expended in improvements on the Ranches and in the purchase of further cattle. By the terms of the Agreement the Company are entitled, on the completion of the purchase, to receive stock and effects on the purchased property of a nature suitable for the Company's business of the full value of the moneys advanced to Mr. Potter.

By an Agreement of the 20th July, 1887, made between the Company of the one part, William Henry Bush and William Samuel Morse of the second part, and Leveritt Leonard of the third part, a further sum of £5,000 Preference Shares was issued to Messrs. Bush, Morse and Leonard in payment for additional cattle purchased under the advice of Mr. Illingworth, one of the Directors.

Mr. Illingworth, one of the Directors, went out expressly to inspect the property, on which he has made a Report, speaking most favourably of its value and facilities for improvement.

Mr. Illingworth and another Shareholder have expended another sum of £5,000 in the purchase of 1,000 heifers and 50 thorough-bred bulls, which are now on the Ranches, and which the Company will take over at the cost price with interest at 6 per cent. per annum.

PURCHASE OF MR. POTTER'S HERD.

The value of this herd in the books of the Ranches being found considerably greater than £10,000, the agreed purchase money, the Directors have elected to take it over at that price, and to pay the same in fully paid-up Preference Shares of the Company.

MANAGEMENT.

The Ranches are still being managed by Mr. Derwent Smith, the resident Agent of the Vendor, who, in a letter dated the 12th November, 1887, states that during the season of 1887 the increase in the old established herd purchased from Mr. Potter was at the rate of 82 calves per cent. of cows, and that during the winter 1886-7 there was no loss. A cable has been received from Mr. Derwent Smith, dated 27th February, 1888, stating that the herd had wintered well up to the 21st February, 1888. He also reports the total herd on the Ranches at the end of February, 1888, to be 3,918 head.

Copies of the Contracts of 28th June, 1887, and 20th July, 1887, above referred to, and of the pleadings and Decree in the said action, and of the Contract of 3rd March, 1887, and other documents referred to in the subjoined copy Prospectus, can be seen at the offices of the Solicitors to the Company.

Applications for Shares, when filled up and signed, should be accompanied by the deposit of £1 per Share, and lodged at the Company's Bankers.

Prospectuses and Forms of Application may be obtained from the Secretary of the Company, or from the Bankers and Solicitors.

Where no allotment is made, the application moneys will be returned in full; and in case the number of Shares allotted is less than the number applied for, the surplus will be returned to the applicant.

[The following is a reprint of the Company's former Prospectus]—

[THIS Company has been formed for the following purposes:—

- (1.) For the purchase of the Rio Arriba Ranches, with about 1,400 head of cattle which are now thereon.
- (2.) For the purchase of additional cattle to make up a herd of from 8,000 to 10,000 head, with a sufficient number of bulls; the land being capable of carrying from 20,000 to 30,000 head.
- (3.) To provide working capital for the further development of the Ranches, by the erection of further buildings and by fencing-in and otherwise preparing the Ranches for carrying on the business of cattle-breeding and dealing in all its branches.

The Rio Arriba Ranches comprise about 270,000 acres of land, and are part of the Chama Land Grant, which has recently been divided between the joint owners under a partition Decree made by the Chancery Court of the State of New Mexico.

The title is derived under one of the Spanish Grants, the validity of which Mr. STERNE, the American Counsel, states "has repeatedly been recognised by the Congress of the U.S.A., and the acknowledgment of "which is placed under the protection of the Treaty between the U.S.A. and Mexico."

The 270,000 acres of land which the Company is formed to develop, were declared by the Partition Decree to be the property of Mr. J. Gerald Potter, of Darwen and London, who has also acquired a leasehold interest in 80,000 acres of adjoining land at a very moderate rent for an *unexpired term of seven years*.

The water rights on the estate are believed to control an additional area of 100,000 acres outside the boundaries of the estate, over which the Company can probably graze their cattle for some years to come.

Mr. Potter has agreed to sell the Ranches, and his leasehold interest in the additional land (forming together an area of 350,000 acres), with all improvements made by him thereon, to the Company for the sum of £100,000, **payable entirely in Deferred Shares of the Company**, which will receive no dividend until the Capital raised for the development of the property by the issue of Preferred Shares has received a preferential cumulative dividend of £7 per cent. per annum. Mr. Potter has further agreed that after this preferential dividend is provided for, the Deferred Shares shall only receive for division in each year a sum equal to that actually paid for that year as preferential dividend: subject thereto the surplus profits of each year are divisible rateably among the whole Capital of the Company.

In the event of a winding up, the holders of Preferred Shares are entitled to a preferential claim on the proceeds of sale of the cattle and other live and dead stock.

In consideration of these exceptional advantages, a right is reserved to buy up the Preferred Shares at the price of £6 for every £5 Share at any time after the expiration of five years from the date of issue, if the Company shall then for the last three consecutive years have earned profits available for dividends, sufficient, after satisfying the arrears of preferential dividends, to pay a dividend equal to 7 per cent. on all its Paid-up Capital; but each holder of Preferred Shares has the option of retaining his holding on giving up the preferential rights attached thereto.

The Preference Shares have, therefore, in addition to a preferential dividend of 7 per cent. and a share in the surplus profits of the Company, a preferential security over the cattle and moveable property of the Company, and are, after five years, either redeemable with a bonus of 20 per cent., or exchangeable for Ordinary Shares.

The Rio Arriba Ranches are situated in Rio Arriba County, in the north-western portion of the territory of New Mexico, U.S.A. They are about 20 miles from the Chama Railway Station on the Denver and Rio Grande Railway, and 35 miles from the Española Station (which gives direct communication with the Atchison and Topeka Railway system), and are about 60 to 70 miles from Santa Fé, the capital of the territory. A direct line from Española to Santa Fé, giving increased facilities of communication with Santa Fé, has recently been opened for traffic.

Surveys have been made for a Railway from Española which will open up direct communication between Santa Fé and the San Juan Mining district, and the line has been graded, and the earthworks executed, as far as the Cañon de Chama on the Chama Land Grant.

This line would necessarily run through the Company's estate, and would provide a ready market for the timber, and otherwise enormously enhance the value of the property.

A considerable sum has been expended by Mr. Potter on the Grant in the erection of buildings, fencing, and equipments ample for a herd of about 5,000 cattle; these improvements are all included in the purchase price.

The live stock on the Ranches, consisting of about 1,400 head of cattle (many of which are thorough-bred stock), together with about sixty horses and the farming implements upon the Ranches, are to be taken over from Mr. Potter by the Company at the price of £10,000, or, if the Company prefer it, at a price to be ascertained by valuation, the Ranches being taken as a going concern. The purchase money in either case is payable at the option of the Company, either in cash or in Preferred Shares of the Company.

New Mexico combines in a greater degree than any other portion of America the conditions most favourable for cattle breeding and fattening, being neither too far north to incur loss by storms, nor too far south for deterioration of cattle from intense heat.

The mean altitude of the Rio Arriba Ranches is about 6,500 feet above the sea level. Denver City is 5,500 feet, and Santa Fé City 7,000 feet above the sea level. These Ranches are peculiarly well adapted for stock raising, as they lie in one block, and are sheltered from the north and north-east by the San Juan range, by the mountains dividing the Chama and Rio Grande Valleys, and by the central mass of the Rocky Mountains; and the shelter afforded by the ravines and valleys and the pine trees is of the most desirable description.

The land is undulating and covered in part with timber, and affords excellent grazing and fattening ground. It is well watered by the Chama River, a large tributary of the Rio Grande, which flows through the centre of the property, also by the Gallinas, Cebolla, and Capulin Rivers, and numerous springs.

The climate is considered to be among the best in the world, and no instance of cattle or sheep disease has hitherto been known in that part of New Mexico. Owing to the mildness of the winter season, and the good natural shelter possessed by the estate, cattle can be maintained in good condition, and some even be kept fit for market, through the winter by grazing alone. This can be done on few if any of the ranches on the plain.

Tracts of land capable of grazing from 20,000 to 30,000 head of cattle are becoming more and more difficult to obtain, and the permanent ownership of a large acreage is essential to the success of cattle breeding enterprises. Experience has shown that Companies which have acquired large herds, with an inadequate area of land, have been compelled at heavy cost to acquire additional freehold lands to permit of the permanent maintenance of their herds.

About 15,000 acres of land are enclosed and can at small expense be converted into pasture and arable land. Large portions have virgin soil from 30 to 40 feet deep, and it is proposed to devote about 1,000 acres of this land to the growth of Alfalfa grass, which in New Mexico yields four crops in the year of from 1½ to 2 tons per acre each, on which cattle can be fattened fit for market in the winter months, when the highest prices are obtainable.

The markets of Santa Fé, Las Vegas, and Albuquerque in New Mexico, and of the San Juan Mining district and Denver in Colorado, will readily absorb the stock fattened on the Ranches; the butchers from many of these towns now buy their cattle on Ranches.

It is intended to acquire a herd of about 9,250 head, consisting of 6,000 heifers and cows, 3,000 yearling and two year old steers for fattening, and 250 bulls. It is considered a most desirable time to buy cattle at the present moment, as a great rise in price is confidently expected this summer.

It is estimated that when the Estate is fully stocked, there will annually be sold about 2,000 fatted steers, 1,250 fatted cows, and 2,400 yearlings, for which there is a ready sale.

These may be estimated to produce the following sums:—

	Dollars.
2,000 fat three year old steers at \$40	80,000
1,250 fat cows at \$35	43,750
2,400 yearlings at \$15	36,000

The working expenses are estimated as follows:—

	Dollars.
Cost of ordinary staff (given in detail below*)	21,890
Cost of feeding 3,250 head of cattle, at \$5	16,250
	<u>38,140</u>

Giving an annual profit of \$121,610

or upwards of £24,000, equal to a Dividend of 15 per cent. on the total Capital of the Company.

A large portion of the estate is covered in patches with fine timber, which in the aggregate is estimated to be equal to 50,000 acres of dense forest. This timber being in the main adjacent to the rivers which intersect the estate, will be a further source of profit.

Coal, Copper and Iron are believed to exist on parts of the Ranches.

The titles to the Ranches have been submitted for examination to Mr. Russell Roberts and to Mr. Simon Sterne, an American Counsel of high standing, whose opinions can be seen at the Offices of the Solicitors to the Company.

The Directors propose to appoint as the General Manager of the property, Mr. Derwent Smith, an Englishman, who has been known to the Vendor for many years, and who has examined and reported on the Ranches, and is now residing there as Agent to the Vendor.

Copies of Reports which have been made upon the property by Messrs. Hodding and Clutton, of La Costilla, Colorado; by Messrs. Summers and Miner, of Dodge City, Kansas; by Mr. Derwent Smith, the present Manager; by Mr. John Wood, Mr. Arthur Boyle and others, and of Colonel Irvin's report on the water supply, on which the statements in this Prospectus are based, can be seen at the Office of the Solicitors to the Company. Extracts from several of these Reports accompany this Prospectus.

The only contract entered into by the Company is a contract dated the 3rd March, 1887, and made between John Gerald Potter of the first part, Valentine Walbran Chapman of the second part, and the Company of the third part.

Applications for Shares, when filled up and signed, should be accompanied by the deposit of £1 per Share, and lodged at the Company's Bankers.

Prospectuses and Forms of Application may be obtained from the Secretary of the Company, or from the Bankers and Solicitors, and a copy of the Contract above-mentioned may also be seen at the Offices of the Company's Solicitors.

Should no allotment be made, the application moneys will be returned in full; and in case the number of Shares allotted is less than the number applied for, the surplus will be returned to the applicant.]

* The details of the Working Staff are as follows:—

18 Cowboys @ \$30 per Mensem	540	\$6,480
3 "Bosses" @ \$45	135	1,620
4 Labourers @ \$25	100	1,200
1 Foreman @ \$125	125	1,500
Manager's Salary	6,000	6,000
Board for 26 Men	5,090	5,090
		<u>\$21,890</u>

[End of former Prospectus.]

THE
RIO ARRIBA LAND AND CATTLE
COMPANY, LIMITED.

Memorandum of Association
OF THE
RIO ARRIBA LAND AND CATTLE COMPANY, LIMITED.

- 1.—The Name of the Company is "THE RIO ARRIBA LAND AND CATTLE COMPANY, LIMITED."
- 2.—The Registered Office of the Company will be in England.
- 3.—The Objects for which the Company is established are :—
 - (a.) To acquire by purchase or lease, or partly in one way and partly in another, the whole or part of a tract of land situate in the territory of New Mexico, in the County of Rio Arriba, in the United States of America, known as the Rio Arriba ranches, or any right or interest therein, and any other property convenient to be held therewith, and to work and develop the same; and from time to time to acquire, work, develop and turn to account any property, and rights and interests in property, in New Mexico or elsewhere.
 - (b.) To carry on the trade and business of cattle breeding, feeding, and fattening, and the breeding, feeding, and fattening of other live stock; and to buy and sell and generally to deal in cattle, or other live stock, and to do all other acts and things usually included under the common term of ranching.
 - (c.) To slaughter cattle and other live stock, and prepare the carcasses for sale and dispose of the same, and to make and dispose of any marketable products usually or conveniently associated with the slaughter of cattle and other beasts, and the sale of slaughtered cattle and other beasts.
 - (d.) To carry on the business of winners, and miners and workers of minerals, and the business of smelting, reducing, washing, or otherwise preparing mineral substances, or any products of mineral substances, for sale or for treatment in manufacturing processes; and the business of mill-owners, millwrights, engineers, machinists, fitters, and other branches of trade or business connected with any such mining or metallurgical business as aforesaid, and either as ancillary to the Company's business, or as an independent source of profit.
 - (e.) To cultivate and carry on the business of cultivators of the lands and property of the Company; to carry on the business of timber planters, growers and merchants and saw-mill owners, and generally to deal in and dispose of the produce of the cultivation and user of the Company's lands and property.
 - (f.) To make and construct such tramways, roads, buildings, canals, reservoirs, waterways, waterworks, or other works as may be necessary or suitable for all or any of the purposes of the Company, and to promote, facilitate, or hold shares in any undertaking offering facilities for the business of the Company.
 - (g.) To purchase or otherwise acquire, build, construct, and establish any lands, buildings, water-rights and privileges, machinery, horses, and other property, either of the nature of real, personal, and mixed, or any interest in such property which may be necessary or suitable for the prosecution of the aforesaid trades or businesses, or any one or more of them; and to deal in all stores, articles, substances and things purchased, produced or used in the course of the Company's business, or usually or conveniently associated therewith, and to acquire patent rights and privileges of a like nature in the United Kingdom or any other Country, Colony or State, and to turn the same and any property aforesaid to account by user, lease, licence, sale or otherwise.
 - (h.) To raise, borrow or lend money, and conduct any financial operation in any way calculated to further or assist in the business of the Company.
 - (i.) To manage, dispose of, either by way of lease, allotment, mortgage or absolute sale, or otherwise deal with all or any part or parts of the lands and premises, properties and effects of the Company, and either together with the surface, minerals or timber, or separately and apart therefrom.
 - (k.) To employ such managers, servants, and agents as may be necessary or considered desirable for the conducting or prosecution of the aforesaid trades or businesses or any one or more of them.
 - (l.) To procure the Company to be registered or recognised in any Colony or foreign country.
 - (m.) To pay, or procure to be paid, out of any funds in the Company's possession, dividends, or interest on the Capital of the Company for the time being subscribed, or any part thereof, during the first two years of the Company's operations, computed from the first issue of shares, although the Company shall not have received, in cash, profits earned during such period, and available for payment of such dividends or interest.
 - (n.) To do all such other acts and things as are incidental or conducive to the attainment of the above objects, or any of them.

4.—The Liability of the Members is Limited.
5.—The Capital of the Company is One hundred and Sixty thousand pounds, divided into Thirty-two thousand shares of Five pounds each, with powers to increase, and the Share Capital of the Company may be divided into different classes on the terms prescribed by the Articles of Association or Special Resolutions of the Company, and so that the respective classes of shares may have and be subject to such preferences and restrictions as are prescribed by the Articles or as may be prescribed by Special Resolutions.

PROSPECTUS.

RRACKOR