

Chapter 11
The Biggest Bonanza:
Location & Size of Bonanza, The Founders

The Comstock saga would be incomplete without reexamining the history of the biggest and richest strike ever on the Lode and perhaps in the annals of American mining. Two mines located almost directly under the center of Virginia City dominated the headlines for several years in the mid-1870s. Consolidated Virginia and its companion California accounted for three-quarters of all the ore produced between 1865 and 1885. The importance of these two properties to the overall history of the Comstock Lode is hard to overstate. Without these ore bodies the history of mining on the Comstock would have been less spectacular and perhaps no more than a minor event in the history of Western mining.

The individuals who controlled these (and several other mining properties) are well known to mining-history enthusiasts. They were a Quartet of Irish-Americans: John Mackay, James Fair, James Flood and William O'Brien. All had been active in Comstock mining since the mid-1860s and had enjoyed success in opening and rehabilitating other mines before Consolidated Virginia and California almost single-handedly rewrote the history of the Comstock. Although the properties were incorporated in California as mining companies, they were often referred to in the press and among contemporary writers as The Firm or The Bonanza Company. The Quartet's exploits from the earliest years have been the subject of many published works. The Comstock had spawned its share of colorful, flamboyant personalities, many of whom could be portrayed as rascals if not out-and-out thieves. The Quartet was not spared from allegations of outrageous behavior, personal and financial, but their flaws paled in significance against their accomplishments. Unlike so many of their peers they were acknowledged to be serious-minded businessmen with a commitment to, almost an obsession with, having in place systems for organizing, financing and managing their operations. The archives of the Consolidated Virginia Mining Company and the California Mining Company, among the largest of such collections, testify to their skill, daring and foresight. Luck is always part of the equation in mining – who knew their mines held the richest ore bodies until they were actually located – but then luck required execution, the mantra of The Firm.

Work had begun in Consolidated Virginia inauspiciously in 1871 and 1872. It had been created out of smaller claims – Sides and White & Murphy - none of which had ever produced any ore. The State Mineralogist's summary of activities in 1871-1872 (for his 1873 report) was a brief 12 lines. New hoisting equipment had been placed in a shaft that had reached 525 feet. That shaft was to be extended to 1,200 feet to connect with a drift from Gould & Curry (at 1,336-foot level on the survey map). At 525 feet the Lode was 200 feet wide. Although no ore had been removed, the Mineralogist reported that expectations were positive. What encouraged the company to continue was the absence of water, which was drained through adits at Ophir and Gould & Curry. The Mineralogist

provided no details on how these draining operations worked. Many other Comstock probes may have begun the same way, high expectations with few results.¹

Two years later (1875), when the Mineralogist made his next report, the situation had changed radically. The shaft had reached 1,550 feet, and the bonanza was underway. Earlier bonanzas on the southern end at Crown Point and the Belcher had pointed the way because Consolidated Virginia's ore existed at approximately the same level as measured from the survey point of the Savage Mine. Of course the hope was that bonanzas would be found in all the mines across the Lode at the 1,200- to 1,500-foot levels and lower. The Comstock would disappoint again. At these levels there would be only two bonanzas – the southern one that was waning and the northern one that was burgeoning at such a pace that the dozen lines in the 1873 Report became eight pages in the 1875 Report. Not only had the company added 1,000 feet to the shaft, it had also constructed drifts south to Gould & Curry and north to Ophir at depths of 1,200, 1,300, 1,400 and 1,500 feet. The northern drifts actually passed through “Old California” that will be split off into a newly-incorporated company known as California Mining. The massiveness of the ore body almost defied description. Again, as Smith and other writers have done, I turn to George Becker's excellent illustration (Figure 1) of the underground workings at Consolidated Virginia (and California) in the 1882 *Atlas* to assist the reader in visualizing the extent of both the ore bodies and the mining operations at 1,200 to 1,600 feet underground. To begin with, one must orient oneself as if looking down into the underground at locations of either underground works or ore bodies. Colored lines (of varying widths) for tunnels, drifts, shafts, etc. or for ore bodies are correlated with depth. Two figures indicate the depths: distance from the surface (without parentheses) and distance from the surveyor's point at Gould & Curry (with parentheses). In Figure 1 with respect to ore bodies at Consolidated Virginia and California the shallowest was maroon at the 1,300-foot level (approximately 1,200 feet from the surface) and the deepest was green at the 1,700-foot level (approximately 1,600 feet from the surface); in between was beige at the 1,400-foot level, yellow at the 1,500-foot level and brown at the 1,600-foot level. There was a small block of deeper pink at the 1,800-foot level, and below that there were colored lines but no colored blocks. The ore bodies had ended.²

In Figure 1 the levels with ore bodies lie on top of each other. Hence, at the 1,400-foot-level at the upper end of the colored block one can observe the overlay of the ore body at the 1,300-foot level. Following the beige color one can observe that it overlay ore bodies at the next two lower levels. Each square is 100 square feet so that the extent of these ore bodies, especially at the 1,600-foot level is readily observable. This was typical of other ore bodies in other bonanza mines.³ In mining parlance they were known as horses because of their shape. In simple language they were almost like solid walls of

¹ “Biennial Report of the State Mineralogist of the State of Nevada for the years 1871 and 1872” in *Appendix to Journal of Senate*, 6th Legislative Session, 1873, 136-137.

² George Becker, *Atlas to Accompany the Monograph on the Geology of the Comstock Lode and the Washoe District* (Washington: Department of the Interior, United States Geological Survey, 1882), Sheet 15. Smith, *The Comstock Lode*, 165-171.

³ Becker provided illustrations of all mining properties from Utah on the north to Baltimore-American on the south, and the extent of the ore bodies can be compared.

The underground cavern, shown in Becker's 1882 mapping, was carved out over a period of five to ten years, but the size of workings at the time of the report by the Mineralogist in 1875 was considerably smaller. While the main shaft was still under construction, explorations were underway at several levels between 1,200 feet and 1,600 feet through drifts being dug from Gould & Curry through Best & Belcher into Consolidated Virginia. Gould & Curry was under the control of William Sharon, an acknowledged adversary of the Mackay-Fair crowd. Gould & Curry had yielded little or no profitable ore since the earliest years of the Comstock boom. It had, though, an extensive tunneling system with airshafts and pumping facilities that allowed for a connection with Consolidated Virginia. Sharon granted permission to use his drift and shaft because, it was alleged, he wanted to teach the Quartet a lesson – as they were unlikely to find any profitable ores, they would not only end up bankrupt but they would also have to pay him in the process.⁴ However strong his animosities – and he was not known for a generous and forgiving nature – such deals were not uncommon around the Comstock. For Sharon Gould & Curry had generated little income, and this was an opportunity to change that if just briefly.

The discovery of the massive and rich ore deposit that straddled the boundary of Consolidated Virginia and California (but not beyond) resulted after many years of fruitless explorations by the owners of the properties that eventually were combined into Consolidated Virginia and California and of relentless criticism by the local press of the way in which the explorations had been carried out. In the Mineralogist's 1875 Report he quoted a long passage from the *Territorial Enterprise* concerning the discoveries at Consolidated Virginia. The newspaper noted that work had been done near the surface "in a line with the Ophir and the outcroppings of the Gould & Curry" with few favorable results. The owners of the properties came to the conclusion mistakenly that they held barren ground along the ledge from which Ophir and Gould & Curry had realized their bonanzas. "Years ago, in these columns, long before there was any Consolidated Virginia Company, we [editors of the *Territorial Enterprise*] urged these small companies to unite and sink a large prospecting shaft on E street [sic], east of Piper Opera House, but no attention was paid to the suggestion – at least not by the men who owned the ground."⁵ By the 1870s, however, the eastward shift in the ore-bearing quartz was more widely accepted among the active miners than was true a few years earlier. The *Territorial Enterprise* like many other promoters and entrepreneurs believed that what had been found in Consolidated Virginia would extend southward through Gould & Curry and northward into Union Consolidated. That proved to be unfounded. In 1869 four of the properties – Central #2, Kinney, White & Murphy and Sides joined forces to create the original Virginia Consolidated Mining Company. Assessments were issued, work commenced and results were discouraging. In 1871 Mackay, Fair, O'Brien and Flood paid about \$50,000 acquire the company's stock. Both a new shaft and a drift from Gould & Curry through Belcher & Best were pursued vigorously. A thin seam was found in Best & Belcher at about 1,200 feet, and under Fair's guidance that seam, which was not always easy to follow, led to a vein of ore about seven feet wide with assays of \$60 per

⁴ Smith, *The Comstock Lode*, 149.

⁵ "Biennial Report of the State Mineralogist...1873 and 1874" in *Appendix to Journals of Senate and Assembly*, 7th Legislative Session, 1875, 131. According to Eliot Lord the *Territorial Enterprise* "repeatedly" urged the owners to pursue this action in 1867. See *Comstock Mining and Miners*, 308.

ton at a point less than 200 feet from Belcher & Best in Consolidated Virginia ground. Without this discovery the company would have had to request additional assessments to keep the work on track. So rich was the initial discovery that company could postpone any further assessments and push ahead with the sinking of the shaft, which was connected to the drift in October 1873. In following the vein Fair affirmed what many had believed, the ledge that contained the ore-bearing quartz had shifted to the east; without the vein, however, it would have been difficult to determine where the shift had occurred. The cut into the bonanza was made at “1167” feet below the surface or at the “1367-foot level” from the surveyor’s point at Gould & Curry. The direction that the drift took from Gould & Curry through Belcher & Best was clearly marked in Becker’s *Atlas*. The surprising feature about this bonanza was how far away it was from the Lode. The companies had known for some years that the Lode shifted eastward away from Mt Davidson, but the prior bonanzas on the southern end had been in the proximity of the Lode. This vein was further away from the Lode and closer to the hanging wall. They followed the vein, northeastwardly instead of northwestwardly, for several hundred feet, and in so doing they found the vein grew in size although not necessarily in quality. In Lord’s words this “lid, so to speak, of that wonderful ore-casket, termed commonly the Big Bonanza, had been lifted off.” This casket would be several hundred feet deep with the richest ores lying near the bottom of the casket. The trip through the drift to the hoist in the Gould & Curry shaft was now nearly 1,500 feet. It became imperative to finish the Consolidated Virginia Shaft, which was an extension of older shafts, which was to terminate at about 1,200 feet (1,300-foot level), even though that would be short of where the heart of the bonanza lay. This was necessary not only to expedite the transport of ores and workers but also to improve the quality of air. In October, 1873, it reached the extension of the Gould & Curry drift that would serve the upper ore galleries under construction. At time the vein that Fair had been following was as much as 50 feet thick and virtually solid ore of high grade. Newspapers were allowed to follow the progress of the work, and while surviving company documents unfortunately are sparse, newspapers around the Comstock and in San Francisco filed daily reports on the progress of the mine.⁶ Since it was determined that the vein continued into the adjoining property a second company, California, was created in 1873 from “Old” California plus smaller claims. Consolidated Virginia’s ores began to appear in the assessment rolls in the first half of 1873, but California’s ores did not appear until the first half of 1876. As so often happened in this and other mining camps, as soon as the news of the new bonanza began to circulate, former holders of older claims, now assembled under The Firm, began to file grievances and lawsuits against in order to try to share in the bonanza. Mackay, Fair *et al.* prevailed against these often bogus legal maneuvers and lost little time in expanding their operations.

By every measure applied to Comstock mining operations the dominance of Consolidated Virginia and California clearly stood out. More than 50 mines, mills and individuals declared ores to be assessed from the third quarter 1875 through 1884 (1885 excluded because data incomplete), and they declared 2.9 million tons of ore (almost 6

⁶ Lord, *Comstock Mining and Miners*, 309-311; Smith, *The Comstock Lode*, 145-158. Some of the information in Lord (and perhaps Smith) was taken from various Consolidated Virginia Annual Reports. Some of these reports may be found in NC99/1/5/1, Special Collections, Library, University of Nevada at Reno.

billion pounds) of which Consolidated Virginia and California accounted for 1.2 million tons or 42 percent. Consolidated Virginia produced slightly more than California: 624,000 tons versus 588,000 tons. The yield per ton underscored the richness of their ore deposits at Consolidated Virginia and at California. The average for all declarations was \$44 per ton, but at \$82 per ton and \$80 per ton respectively Consolidated Virginia and California clearly skewed the average. Without these record yields it was \$18 per ton. The Firm's properties had a yield 4.5 greater than the average of the remaining companies. The bullion value of Consolidated Virginia's ores was \$51 million or 40 percent and California's ores \$47 million or 37 percent.⁷ Of the total bullion value of \$128 million, \$30 million or 23 percent came from all the other Comstock operations with ores to declare. Consolidated Virginia and California accounted for \$98 million or 77 percent of the total. The magnitude of this bonanza assured the Comstock of a grand status in the history of mining.⁸

FIGURE 2
OUTPUT AND COST TOTALS OF CONSOLIDATED VIRGINIA AND CALIFORNIA MINING COMPANIES, 1875-1884

	Tons	Total %	Per-Ton Value	Total Value	Total %	Total Cost	Per-Ton Cost
Consolidated Virginia (CVMC)	624,394	21.7	\$82.08	\$51,252,898	40.1	\$18,800,767	\$30.11
California (CMC)	587,504	20.4	79.71	46,830,260	36.7	15,866,842	27.01
Total (All Companies)	2,879,597	100.0	44.38	127,792,693	100.0	64,278,355	22.32
Total (without CVMC/CMC)	1,667,699	57.9	\$17.81	\$29,709,535	23.3	\$29,610,746	\$17.76

On the expense side Consolidated Virginia reported costs of \$30 per ton and California \$27 per ton. Their total expense for extraction, transportation and reduction (usually not detailed by category) was \$34 million. Total costs for all operations were reported to be \$64 million, and average cost per ton was calculated to be \$22 per ton. Operating costs at Consolidated Virginia and California were obviously higher than the average for all operations. But the difference was in the yield per ton. For each dollar spent at Consolidated Virginia and California the mines realized almost three dollars (\$2.90) in bullion. As a group the remaining mines barely broke even: costs of \$17.76 per ton for yields of \$17.81 per ton. Consolidated Virginia and California were not the only bonanza mines high yields accompanied by higher than normal costs. In three quarters in 1872 for which assessment data exist prior to the 1875 fire Belcher had yields of \$60 per ton and costs of \$35 per ton for a gross operating profit of \$25 per ton. Crown Point had similar yields to but higher costs than Belcher, but even so the spread between revenues and costs was between \$10 and \$20 per ton in gross operating profits.⁹ The costliness of developing bonanzas mines must be weighed against the potential profits. Another factor,

⁷ Because the market value of silver was 20 to 40 cents lower than the assigned value, total values should be discounted by 10 to 15 percent in any given year.

⁸ Data from The County Records Microfilm Project, ST 67 Story County, Special Collections, Library, University of Nevada, Reno. Since bullion accounts kept by Consolidated Virginia and California exist for all the years between founding of the mines and their closing, the data in the Assessment Rolls can be checked against the companies' own records.

⁹ See microfilm in The County Records Microfilm Project, ST 67 Story County, Special Collections, Library, University of Nevada, Reno. Data on Belcher and Crown Point from Abstracts of Story County Assessment Rolls in the Nevada State Archives.

hard to document, was that The Firm was managed by executives who had a history of spending to achieve their goals. Executives of different personalities or with lower yields might have held back on purchases of capital goods and taken a less aggressive approach, but that was out of character for Mackay, Fair *et al.* They were not necessarily reckless, but they were proactive.

When the State Mineralogist filed his biennial report in 1875, he was manifestly exuberant about the accomplishments at Consolidated Virginia and California. The condition of the two mines was a model of orderliness and cleanliness. Furthermore the willingness of the owners to invest in new plant and equipment appeared to be unbounded.¹⁰ Two years later (1877) the Mineralogist's exuberance had not waned. His report included a description of the vein being worked - 600 feet high (1,200 feet to 1,700 feet), 100 feet wide (north to south) and at least 700 feet long (west to east toward hanging wall – with an estimated yield of more than \$140 million in bullion. Not every square inch was filled with ore, but most of it was. The yield proved to be an exaggeration, but such pronouncements were not uncommon during the height of a bonanza.¹¹ As spectacular as the record was in and of itself, it was portrayed in a way to fuel even bolder expectations than may have been warranted. The expectations did not escape the notice of the stock-market bears. From time to time, despite the exuberance of officials and experts, the bears could sow enough doubt to pummel mining-company stocks. The history of the Comstock was probably the bears' staunchest ally – no bonanza had ever lived up to its advanced billing, and this bonanza would be no different. Gyration in stock prices of all active companies became standard fare during bonanza periods. The mid-1870s was no exception. The Mineralogist cited rising prices of Consolidated Virginia and California stocks as evidence of a new era in the Comstock saga. It was true that Consolidated Virginia's stock had reached \$610 per share in December of 1874 after a high of \$110 per share in July of 1873 and California's stock had sold for \$510 per share in December of 1874 even though the mine was not yet officially in production. In the early months of 1875 these stocks would reach or exceed \$700 per share. At this price the combined value of these companies probably exceeded the worth of their underground treasures. The stock-market bears would have their way as they began to short the stocks, that is, short sellers borrowing stocks at high prices, intending to replace them with stock purchased at lower prices and pocketing the difference as profit. What heavy short-selling did then (as it does now) was to raise doubts about the future viability of the current stock prices. Short sellers could guess wrong, of course, and their need to "cover" their shorts meant that they had to enter the market and buy the stocks, and that would have the effect of raising the prices of the stocks further. In this instance, however, the short sellers succeeded. The stock prices fell over the next two years although with considerable volatility. Even the bears could be trapped at times because stocks, which appeared to be in a downward spiral, would unexpectedly gyrate higher.¹² Prices of stocks in adjoining or nearby mines also enjoyed

¹⁰ "Biennial Report of the State Mineralogist...1873 and 1874" in *Appendix to Journals of Senate and Assembly*, 7th Legislative Session, 1875, 130-133 and 140-141.

¹¹ "Biennial Report of the State Mineralogist...1875 and 1876" in *Appendix to Journals of Senate and Assembly*, 8th Legislative Session, 1877, 120-121.

¹² Even the owners of the mines would engage in shorting their own company stocks if they wanted to acquire more shares at lower prices. The risk was that they could precipitate a downdraft in the price of the

periods of revival and rejuvenation because of their neighboring bonanza mines. What ultimately came to bear so heavily on the prices of all mining stocks including Consolidated Virginia and California was the failure to replicate their bonanzas anywhere else. By the time the Mineralogist issued his next (and last) report in 1879, the bloom was off the rose. Not only were Consolidated Virginia and California in trouble, but also future prospects for the northern branch had been called into question. After so many escapes in the past it took a while to comprehend that losing money this round was the final installment.¹³

The Quartet of Mackey, Fair, Flood and O'Brien split their duties as the principals in Consolidated Virginia and California as well as other enterprises (including mines) that they owned. Mackay and Fair ran the operations from Virginia City while Flood and O'Brien managed the finances from San Francisco, which was the home office of these California-incorporated companies. From the company accounts the roles of Fair and to a lesser degree Flood can be fleshed out whereas the roles of Mackay and especially O'Brien remain obscure. None of them served as corporate officers and only Flood had a board seat among the majority stockholders. That Mackay and Fair should direct mining and milling operations made eminent sense since they had been involved in the Comstock since the early 1860s and were among the most knowledgeable and most competent of the Comstock mining men. When Consolidated Virginia was reorganized under The Quartet in 1871, Fair was named superintendent, a position that he held until 1878. In the first two years T. S. Smith and after him (Captain) S. G. Curtis may have been more active in supervising the daily operations than Fair, but once the bonanza was confirmed in 1873 Fair became the man in charge.¹⁴ And once California was opened he served as its superintendent as well. Fair signed most of the correspondence contained in scores of letterpress volumes from 1874 through 1878. The handwritten weekly reports (sometimes daily) to an officer of the board were generally between three and six pages in length and were filled with details on internal mining operations. In addition, the correspondence covered purchases of supplies, bids on equipment and general company affairs. The contents of the letters could be as technical as the thickness of the hoisting rope or cable and as solicitous as the state of a worker's health. J. M. Taylor, the longtime administrator (or clerk) of the Virginia City office, actually wrote the letters as they appeared in the letterpress volumes and may have composed the letters based on information provided by Fair since Taylor's signature or initials appeared most frequently along side of Fair's signature. From time to time, especially during Fair's absence from Virginia City, Mackay signed the correspondence. Smith preferred to describe the relationship as one in which Fair and Mackay shared the management of the mines, although Mackay never officially assumed the title of superintendent. Mackay stuck to what he knew best, mining, "legitimate mining" as opposed to the other mining endeavor,

stock that would dilute their own portfolio or by miscalculating the demand for the stock they would find it necessary to cover their shorts and would end up paying more than they had intended to purchase additional shares. It has been alleged that James Flood held sizable short positions in Consolidated Virginia and California stocks and from time to time lost money to cover his shorts.

¹³ Stock prices at their highs and lows in any given year can be found in Table V from the Appendix in Lord, *Comstock Mining and Miners*, 432-435.

¹⁴ There is actually little surviving documentation about their activities prior to 1873. Much of what has been written about them came from newspaper and journal reportage.

speculating in stocks. From various reports he spent his days moving about the mines and mills under his control. Fair was more likely to represent the public face of The Firm. But there was no doubt that these were “hands-on” owners who knew on a daily basis how the business was performing.¹⁵ Flood and O’Brien, on the other hand, besides handling certain accounts such as mercury purchases and bullion shipments, gave much attention to the San Francisco Stock Exchange where they would do battle with the bears and speculators who were intent upon doing harm to the company. The Quartet owned the majority of the mining stock, and their financial wellness depended in part on managing the trading of stock. The task fell mainly to Flood, whose success in protecting his or their investments was hardly resounding. He made some missteps that were costly, but on the whole, according to Smith, he was honest and diligent in his business dealings.¹⁶ Mackay’s comment about “legitimate mining” was to downplay the importance of stock traders in the actual operations of the mines and mills. On making money Mackay was correct to say that his financial success derived from mining and milling ore and not from buying and selling stocks. And that was true of the Quartet and other minority stockholders for the most part. They made money from the profits and dividends of the mining operations and not from the stock manipulations. There is no denying that traders could control the financial destiny of many mining companies, but those few that actually found rich ore bodies could still make their stockholders wealthy not through stock manipulations but through company dividends.

Both Mackay and Fair had been active in Comstock mining for a decade before the success of Consolidated Virginia and California. Mackay had made a small fortune in the recovery of the Kentuck mine, and Fair had worked at Ophir and Hale & Norcross mines. After a contentious and expensive war by Sharon to gain control of Hale & Norcross, Fair convinced Mackay (and Flood and O’Brien) to begin to buy shares of Hale & Norcross, which Fair believed had profitable ores but was badly managed. Flood and O’Brien purchased enough shares to oust Sharon and his board. Once the Quartet had gained control of Hale & Norcross, they refunded the final assessments ordered under Sharon’s management and began lifting millable ores. Mackay, the wealthiest of the four, owned three-eighths of the Hale & Norcross, Flood and O’Brien jointly owned another three-eighths and Fair owned two-eighths. Flood, O’Brien and Fair had to rely on Mackay and others to help them finance their shares. As Fair had predicted, Hale & Norcross hoisted enough profitable ores between 1869 and 1872 to allow the distribution of dividends worth about \$800,000. This was the same ore body from which the Savage Mine, on the northern boundary, had realized several million dollars worth of ore in the late 1860s. It stretched from the 500-foot level to the 1,400-foot level, although the quality of the ore at the lower level proved to be streaky. Fair’s experience at Hale & Norcross persuaded him that the mines to the north of Hale & Norcross, those properties that would eventually become the base for The Firm, could yield profitable ores at 1,000 feet and below. The success at Crown Point and Belcher to the south of Hale & Norcross

¹⁵ Many of the most prominent writers such as Eliot Lord, Grant Smith or Dan DeQuille can be consulted for details about their lives and activities. Also James, *The Roar and the Silence*, examines the lives of Mackay and Fair and the companies that they founded in Chapter 5.

¹⁶ Smith, *The Comstock Lode*, 116-117, 178-179, 202-203.

did not dissuade Fair from that view. Indeed their success below 1,000 only reaffirmed his conviction.¹⁷

The so-called gentleman's agreement by which the Quartet operated Hale & Norcross became the basis for their later business ventures. There is no evidence that the principals ever signed a contract with respect to responsibilities and duties. The original Virginia Consolidated Mining Company was organized in 1867 through the incorporation into a single company of several small mining properties of little consequence. The owners included prominent Comstock promoters: The plan was to drop a shaft that would intersect with the Lode in its eastward slant (toward the hanging wall) at the 1,500-foot level. It turned out that this shaft would not have intersected the Lode until 2,000 feet, ground that was barren. At 500 feet they decided to run a drift back toward the Lode, but found no ore and abandoned the shaft. Even if they had continued to drive the shaft to the 1,500-foot level and then run a drift toward the Lode, they would have missed the ore body, which was in the direction toward the hanging wall. The Lode narrowed at 900 feet until its walls touched. Nothing was ever found below that point. What the Mackay-Fair team did, as described earlier, was to explore away from the Lode toward the hanging wall. And in a "rift" created over millennia by steam, water and pressure, more than 700 feet away from the Lode at the 1,200-foot level lay the bonanza. It was not where conventional wisdom would have put it. In the wake of the failure of the first Consolidated Virginia Company the stock had fallen to \$1. Under the circumstances the Quartet bought at least three-quarters of the outstanding stock for perhaps \$100,000, a fraction of what they had made from Hale & Norcross.¹⁸

¹⁷ Smith, *The Comstock Lode*, 146-147; Lord, *Comstock Mining and Miners*, 308-309.

¹⁸ Smith, *The Comstock Lode*, 148-150.