

The Nugget

Gilpin History

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Eben Smith and the First Stamp Mill in Colorado

Reports of gold discoveries in Colorado started circulating as early as 1858, but it was not until early the spring and summer of that a few “stubborn holdouts,” including John Gregory and William Green Russell, discovered the precious metal. News of the discovery attracted a great deal of attention in the Missouri River Valley area, hit hard by the nationwide commercial depression of 1857. Miner Eben Smith and banker Jerome Chaffee spent a great deal of time discussing this discovery, especially after Smith met and talked with John Gregory, William Green Russell, John Lyons and Dick Millsap. Intrigued by what he heard, Smith canceled his planned return to California, where he had been involved with mining for ten years, to join the Colorado gold rush.

Eben Smith’s work at two quartz mills in California made him an expert on milling ore, and the reports from Colorado convinced him that a stamp mill, which crushed the ore between two hard surfaces, would be a welcome and necessary addition to the mining activities there. His new friend Chaffee was “always awake to the possibilities in a money making way,” and he was excited when Smith told him what they could do with a mill in the region. The two quickly formed a partnership in order to have a stamp mill built and shipped to Colorado, but whether Chaffee or Smith convinced the other to join forces is unclear. Some sources even suggest that Eben’s brother Samuel him to take Chaffee on as a

partner even though he had no mining or milling experience.

After forming their partnership in early 1860, Smith and Chaffee had a twelve-stamp quartz mill built at Leavenworth, Kansas. Smith’s step-son Fletcher Jordan believed that Chaffee put up most of the money for construction, but he and Smith were equal partners from the beginning. Once the mill was complete, they had it shipped across the plains to Colorado in preparation for their arrival. Chaffee arrived in Colorado in February 1860, followed by Smith and his family on May 26, 1860. As soon as both partners were in Colorado they surveyed the situation and decided to erect the mill, as well as the building to house it, on Lake Gulch in Gilpin County, southeast of the boom town of Central City.

Many stamp mills claimed to be the first in Colorado, but throughout Eben Smith’s life the Smith and Chaffee Stamp Mill was frequently referred to as the first because of the impact it had on mining. From the moment it opened, it was very busy processing ore from the area. Smith managed the mill, and “at that time he was the only man in Colorado who had the experience in the modern process of milling for the extraction of gold.”

Chaffee settled in Denver and paid very little attention to the mill, instead focusing on the financial aspects of their business dealings and leaving the mill to the more “expert” knowledge of his partner. Smith was an expert in the milling process, known as retorting, and the *Rocky Mountain News* write in 1862 that Smith and Chaffee retorted “the purest and

nicest gold of any mill men in the mountains.” The mill was so successful that at the time of Chaffee’s death in 1886 the *Denver Republican* said that it had “materially assisted in the development of the mines of Gilpin County. It gave the miners renewed hope, and added a great impetus to the industry.”

While profitable, milling was not the only business of Smith and Chaffee. They were also interested in mining, and they owned several lodes, many of which they bought in order to keep their mill running. They bought two claims on the famed Bobtail lode, which produced nearly \$3,000 a week in ore at times, and further developed the Gregory Mine. In addition, their investment in the mill paid off handsomely when, in 1863, they sold it for \$250,000. After selling the mill, the two men continued to work the Bobtail and Gregory lodes for about a year, then sold them as well. Smith and Chaffee then repurchased the properties and consolidated them into what would become the Bobtail Lode and Tunnel.

While Smith never had the political fame that Chaffee enjoyed, he was a respected member of the community in Gilpin County. His house still stands on the Casey in Central City. He represented Gilpin County at the Union State Convention in 1865 and in the Colorado Territorial Council (the equivalent of today’s state senate), but lost his bid for re-election when he voted in 1865 against praising the soldiers involved in the San Creek Massacre. While in the council he proposed moving the state capitol to Central City and also helped create what would become Colorado’s judicial system. Smith was also appointed to serve as postmaster of Central City from 1874 to 1876. Smith also attempted to build a railroad from Denver to Black Hawk

in 1868, four years before the Colorado Central Railroad arrived.

While many debate whether or not Smith and Chaffee’s stamp mill was the first in Colorado, there is no doubt that Eben Smith was one of the most influential early settlers in Gilpin County.