The city of Baker, Oregon, owes its beginning to the gold mines in the Virtue district, about 10 miles east of town. Most of the pay dirt came from the Virtue mine, discovered by a miner on his way to Idaho. He sold the prospect to Colonel J.S. Ruckel, who worked and developed the mine for four years. It was then sold to J.W. Virtue and A.H. Brown and was named the Virtue mine.

The ore at the mine was known as “free-milling ore,” and the prospect became the first large-scale quartz mine in eastern Oregon. It is believed to have produced $2.2 million from 1886 to 1924. The Virtue was among the first mines with a modern 20-stamp mill and hoisting house.

One sample from the mine on display at the Virtue Rank in Baker is the size of a hen’s egg and contains $400 in gold. Samples from the Virtue mine on display in 1898 ran $100,000 to $200,000 per ton. Five hundred dollars was pounded from a five-pound chunk with mortar and pestle.

The First National Bank in Baker exhibited a 10-pound chunk of white quartz from the same district that ran $275,000 per ton and a saucerful of quartz samples from the Auburn district valued at $4 million per ton—it was three-quarters pure gold! The display at the First National is one of the finest in the United States, even though the largest nuggets are surely not included, as they would have been tossed into the melting furnaces with no thought of their value as collector’s items.

Virtue later sold his holdings to San Francisco interests. Other mines in this group were the Staffag, Emma, Hidden Treasure, Friday, Rachel, Mable, and White Swan. Before the days of hard rock mining, rich placers were found in the area between the Virtue and the White Swan.

The Staffag mine, four miles north of the Virtue, was discovered in 1894. Franklin Mallory of Spokane bought a one-third interest for $20; within six months the mine was sold to French interests for $20,000, and production later reached $100,000 a year.

The White Swan mine, three miles southeast of the Virtue and 10 miles east of Baker, was a heavy producer in the early 1860s; production has been estimated at $724,000. It was a good mine, but it fell into the hands of promoters more interested in selling stock than in mining. In 1901, the manager of the mine presented the Baker City Cornet Band with new uniforms and changed the band’s name to The White Swan Band. In 1907, he gave them what was then the largest bass drum in the world, six feet in diameter. The booming bass and accompanying 24 brass instruments were used to promote the sale of mining stocks in the White Swan mine. The U.S. government eventually put a stop to this practice, and the band’s name was changed to The Baker Concert Band. Records on other mines in the district are scarce, but none is believed to have produced more than $200,000.

New mines were discovered northeast of Baker City at Sparta, Sanger, and Cymecopia, and along the tributaries of the Snake River at Connor Creek, Weatherby, and Chicken Creek. In the early 1860s placer mining was carried on at Clark’s Creek, a few miles south of what is now Bridgeport, in Baker County. The camp became known as Clarksville. From 1917 to 1936 a small dredge worked on the lower reaches of Clark’s Creek, and considerable gold was recovered.

In 1868 a toll road was completed between Baker City and Bridgeport. Stice’s Gulch, Rye Valley, Mormon Basin, and Malheur City were all in an area of heavy production of placer gold. Malheur City was an important mining town as early as 1865. Gold was plentiful, but not water. Then was not enough water for placer mining until the Eldorado Ditch was completed.
The gold exhibit at the United States National Bank in Baker, Oregon, is one of the finest to be found in the country. Most of the specimens have been found since 1897. The cream of the nugget crop went to the melting furnaces long before specimen nuggets were held in esteem as collector's items.

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Gold was plentiful, but not water. There was not enough water for placer mining until the Eldorado Ditch was completed in 1878. The ditch was 134 miles long, cost about $500,000, and supplied water to Malheur City, Eldorado, and Amelia. It was engineered by W.H. Packwood, who for a short time realized $600 every 24 hours from the project. However, mining in the area slowed and the ditch never paid for itself.

Malheur City was a ghost town for many years, but in 1957 it was destroyed by fire and the old cemetery is the only remaining landmark today.

Gold was discovered in southern Idaho and on March 3, 1863, Idaho became a territory. Stages, freight wagons, and pack trains moved day and night through Baker City from Umatilla Landing, going southeast to the mines in Oregon and southern Idaho. They traveled on toll roads and toll bridges owned by the Burnt River Bridge and Ferry Co. The toll receipts ran as high as $1,000 a day.

The stages used armed guards riding shotgun, while the men driving freight wagons and pack trains were armed with rifles.

By 1863 Ben Holladay was operating daily stages from The Dalles and Umatilla Landing to Salt Lake City, and by 1870 the Pioneer Stage Line advertised it had reduced the time to three days from Umatilla Landing to Boise. Later these same stages met the railroad in Utah as the tracks continued moving westward.

Charles E. Silbaugh of Pendleton, Oregon, and associates, organized as the Intermountain Mining Company, are reported to be attempting to consolidate properties in the Virtue district about 12 miles east of Baker in Baker County, Oregon. The claims in which the company is interested include the Virtue mine, comprised of 9 lode and 10 placer claims. Several thousand feet of workings have been driven in the property which is owned by William Wendt of Baker. Equipment on the ground includes a 20-stamp mill, compressor, cars, track, air drills, etc. The 800-foot shaft is full of water. Silbaugh is president and general manager of the Intermountain concern and J. C. Robinson of Baker is also a member of the company.