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HUGO SEABERG AND HIS  
LAND SCRIP ENTERPRISE

MELDON J. PREUSSER

NEW MEXICO TERRITORY in the late 1800's displayed the turbulent growth and buoyant spirit of a new land coming of age. The burgeoning population and expanding economy, along with the multiform lawlessness indigenous to the region, created the lusty environment that induced one young immigrant, Hugo Seaberg, to make the Territory his home.

The occasion of Seaberg's arrival in this land so starkly different from his native Sweden was meeting M. W. Mills, a prominent Colfax County attorney. While visiting in Chicago in 1888, Mills happened to make the acquaintance of the nineteen-year-old lad, who was homesick and without work. When Mills offered him fifteen dollars a month and room and board, Hugo immediately set out for Springer, the Colfax County seat, to work in the Mills family orchards.

After a couple of years Hugo began to strike out on his own, selling real estate and insurance in the evenings while working for Mills through the day. These enterprises developed in Seaberg a frugal and aggressive business personality. By 1893 he was admitted to the New Mexico bar and began to cultivate a special interest in land law. His familiarity with the legal aspects of real estate ownership was the base of his professional career and of a most original endeavor, the sale of railroad land scrip.

Any investment that provided attractive short-term returns immediately captured Seaberg's undivided attention, and land scrip happily provided exactly what he so earnestly sought. By 1897,

shortly after the railroads began to sell land scrip, Seaberg had become one of the most widely known and sought after scrip dealers in the Southwest. He made most of his personal fortune in this way, and the significance of his contribution to Southwestern history rests upon an understanding of the intricacies of the scrip business, a viable but seldom considered land policy.

The application of land scrip to realty disposal came only after a series of other methods of land development had failed. As used in connection with railroad land, "land scrip" most often refers to a written claim of "lieu land rights" offered to land-grant railroads by the federal government. The railroads availed themselves of these written claims to the public domain as their compensation for land within their original grant which, for some reason, was not actually at their disposition. Such a claim, called a "lieu right," entitled the railway company to lieu, or compensatory, land of equal value and acreage to that which had been preempted by a government claim of higher priority or by a private claim. The railroad sold these written claims on the open market and allowed the purchaser either to resell the rights to another purchaser, or, in effect, to "cash" them with the government for a specified acreage platted in a designated area of the public domain.

Seaberg purchased many of the lieu rights he handled from the Santa Fe Pacific Railroad, a subsidiary of the Atchison, Topeka, and Santa Fe, although he also acquired some scrip from a variety of other sources. This study is based primarily upon his correspondence with Santa Fe Pacific, which remained one of his chief sources of scrip. Most of his correspondence relating to the scrip industry details transactions with that company.

Federal land grants to railroad companies had begun in 1850 in connection with the Illinois Central Railroad and continued until 1871 for western and southern railroads. Congress had allocated a total of 180,000,000 acres of the public domain to the railroads within this period of expansion. Of this amount, 9,848,354.14 acres had been granted, in 1866, to a western railroad, the Atlantic and Pacific, to be built from St. Louis to the west coast.<sup>1</sup> This grant included every odd-numbered alternate section of non-

mineral land for a distance of forty miles (25,600 acres) on either side of the railroad's projected track through the Territories. This was a generous grant in comparison with that of only ten alternate sections (6,400 acres) allocated in the state of Kansas to the Atchison, Topeka, and Santa Fe Railroad for each mile of main-line track.

The legislation for the Atlantic and Pacific grant also provided for reserving indemnity or "in lieu" zones ten miles wide on each side of the principal grant. Here, compensation in the form of lieu land could be obtained for all acreage within the basic railroad land grant not subject to appropriation at the time the grant was made. In 1866, because of existing land claims and Indian reservations, the Atlantic and Pacific was entitled to claim 1,120,337 acres of indemnity, or lieu land.<sup>2</sup> Little of this acreage was to come from the ten-mile-wide indemnity strip, however, because the "indemnity" land either had not been surveyed or served to replace land that had not been surveyed.<sup>3</sup> Under these circumstances the government could not know precise acreages or boundaries.

In 1873 the controlling interests in the Atlantic and Pacific fell into the hands of its staunchest competitor, Thomas Scott of the Texas and Pacific Railroad, who immediately allowed his new acquisition to slip into bankruptcy. Construction of the Atlantic and Pacific line halted abruptly in Oklahoma. The following year a group of new stockholders formed another corporation, the St. Louis and San Francisco line (the Frisco), to purchase the land grant. Because Eastern investors hesitated to place their confidence and money in the underdeveloped lands of the Southwest, the Atlantic and Pacific again failed. By 1880, when the Atchison, Topeka, and Santa Fe line built into Albuquerque from the north, a new opportunity for development of the western portion of the Atlantic and Pacific grant arose. The Frisco and the Santa Fe joined forces, divided the Atlantic and Pacific securities between themselves, and began construction of a line westward from Albuquerque late the same year.

Just what happened to the Frisco's portion of the grant is not clear, but in 1897 the Santa Fe created a new subsidiary, the Santa

Fe Pacific Company, to manage its share of the grant from Isleta, New Mexico, to Needles, California. The latter company's jurisdiction included not only the grant acreage, but also an additional 2,277,641.15 acres which the Atchison, Topeka, and Santa Fe had acquired in payment for a debt it held from the Atlantic and Pacific.<sup>4</sup> While the Santa Fe Pacific was engaged in the difficult task of promoting the sale of its surplus land in the arid Southwest, it also had to cope with a growing national sentiment for conservation of the country's natural resources. The forested areas of the western United States, some of which lay within the limits of the Santa Fe Pacific's land grant, fell under the particular scrutiny and desire of the conservationists. The national legislation which conservation sentiment provoked passed the Congress in 1891 and led directly to the establishment of lieu rights by another Congressional action in 1897.

In the West, Congress followed a policy which it had not attempted in the East. Beginning with the establishment of Yellowstone Park in 1872, the national legislature began to reserve certain types of public land from settlement. In 1891 Congress authorized the President to withdraw public lands from private entry by Executive Order, in order to create national parks and monuments, national forests, and mineral reserve lands. Total withdrawals in these categories eventually totaled 235,000,000 acres.<sup>5</sup>

In 1893 President Benjamin Harrison's creation of the Grand Canyon Forest Reserve directly affected the status of a sizeable portion of the Santa Fe's land grant in north central Arizona.<sup>6</sup> Five years later a similar action by President William McKinley, likewise bowing to the strengthening forces of conservation, established the San Francisco Mountains Forest Reserve in eastern Arizona,<sup>7</sup> which affected another major portion of the railroad's land grant. The boundaries of both these reserves enclosed much of the railroad's land but did not preempt it. To eliminate the necessity for the federal government to reimburse Santa Fe Pacific for acreage lost in the creation of the National Forests, as the reserves are called today, the Presidents excluded from the reserves

all of the odd-numbered sections which the railroad had been granted by its original charter of 1866.

This procedure of allowing land within a government reservation to remain unconsolidated and interspersed with sizeable acreages of "private" lands was quite unusual, but renewed criticism of the government's policy toward the railroads would not allow federal acquisition of the railroad lands in question. Public sentiment had turned against the railroads, as well as against the policy of the federal government, which had put these tentacled "trusts" into business by generous handouts of land. Hence, when the two National Forests were created in Arizona, the Executive Orders included no provision for the acquisition of the railroad land within them. If there had been such a provision, the Santa Fe Pacific would have been entitled to reimbursement for the lands lost in the transaction, and new outcries against the collusion of government and corporations would have been raised. No administration cared to draw unfavorable attention to itself by such an action.

The checkerboard pattern created by the alternation of railroad and government land within the reserve soon proved impossible to administer. By 1897 both parties agreed to an exchange of land, as authorized by the Civil Sundry Appropriation Bill of June 4, 1897.<sup>8</sup> At the time of its passage, the bill applied only to the railroad land in the Grand Canyon Forest Reserve, but its authority would again be invoked to provide the road with lieu rights in compensation for lands in the San Francisco Mountains Forest Reserve established in 1898. Although the lieu land provision intended the small settler to be its principal beneficiary, it actually benefited the railroads to a much greater degree, since the railroads owned most of the privately held land within the forest reserve boundaries.

The Santa Fe Pacific deeded 552,238 acres to the government to consolidate the federal holdings within the forest reserves. In return, the railroad received 180,000 acres of lieu land rights which it might locate elsewhere.<sup>9</sup> The Santa Fe kept some of these rights for itself but sold the bulk of them to dealers, like Hugo

Seaberg, who, in turn, made them available to individual investors. Thus, the railroad liquidated its land holdings to its own financial gain, as well as that of the scrip dealer. The purchasers of the scrip, like the colonists brought west by many of the other railroads, would settle on the land, cultivate and graze it, and become contributors to the local economy and, ultimately, to the railroad itself.

Since the federal government authorized the use of land scrip, or "railroad scrip," as it was sometimes called, and since it represented a block of land which gave it value, the scrip document could be used as negotiable currency, although this was uncommon in the late 1890's. In the scrip document itself, the Santa Fe Pacific certified that it had previously surrendered to the United States a specifically described parcel of land and that it authorized the purchaser, as the railroad's attorney in fact, to exercise its lieu right in selecting equal acreage elsewhere. With the name of the purchaser entered in the blank space assigned for it, and the signature of the proper company official, the scrip became negotiable. The railroad issued scrip in forty-acre denominations, the smallest legal subdivision of land, or in multiples of forty acres.

Santa Fe Pacific acquired the right to additional lieu lands when the government created the Petrified Forest National Park, Chaco Canyon National Monument, the Navaho and Hualpai Indian reservations in Arizona, and the Laguna Pueblo reservation in New Mexico. All told, between 1897 and 1900, the railroad returned to the government 1,640,796.30 acres in New Mexico and Arizona, for which Santa Fe Pacific received 1,313,393.86 acres in lieu rights.<sup>10</sup>

Most scrip dealers handled a variety of the paper and advertised their holdings throughout the nearby region, and thus built up a clientele. Seaberg entered the scrip business in 1899, traveling and advertising far more widely than most of his competitors. He had established his reputation as a land lawyer and possessed excellent working knowledge of the different varieties of scrip and of the various rights and locations that each type carried. After completing a sale, he carefully instructed his clients in the mechanics

of using the scrip which they had purchased. "I want to fix the matter in such a shape," he wrote, "that no possible loss by accident or fraud could accrue to any person who should deal in this matter . . . through me."<sup>11</sup> In the same letter, Seaberg explained that the firm which issued the scrip actually located the land in its own name before deeding it to the party who bought it through a dealer. The applicant paid for the scrip simply by depositing the required sum of money in the local bank to which the firm always sent a copy of the contract to be signed by each party to the purchase and by the bank. Usually the scrip had to be paid for before the title to the land could be definitely cleared, but on at least one occasion, Seaberg assisted Henry Porter of Denver, Colorado, in convincing a San Francisco scrip dealer to allow Porter to hold off payment until a cleared title was issued.<sup>12</sup> Thus, Porter, who was always fearful of buying scrip that could not be located precisely where he wanted it, did not have to pay for his scrip until it was favorably located.

The procedure for filing scrip lands in the name of another person was somewhat more involved. If all the land desired was vacant, the entry could be processed as usual, but if, in a series of entries made simultaneously, one entry was found to be already occupied, then the whole series would be suspended and it was necessary to make a new application. On occasion, depending most probably on the disposition of the local land official, the multiple entry was allowed to remain and the excess scrip became applicable to some other selection.<sup>13</sup> Any erasures on the original application made it liable to rejection by the land office, as a guard against fraud. Seaberg observed that rejection was actually worse than no entry, since it alerted the people in the neighborhood to the desirability of a particular plot. If this happened, anyone could refile on the land by filling out the proper forms, and obtain the acreage, leaving the original filer without anything to show for his efforts.

Henry Porter, one of Seaberg's most favored clients, seemed to prefer filing his scrip in forty-acre plots. These small tracts were much easier to locate than the large ones,<sup>14</sup> but the cost of the locations was correspondingly higher. As Seaberg explained to Porter:



For each location of a forty-acre plot, there is required a selection, a deed to the Government, an abstract, then a deed to me and a deed from me to you. All these have to be written, and many of them recorded.<sup>15</sup>

Although the extra expense amounted only to about thirty-five cents per forty-acre lot, this small charge seemed to be a deterrent to some prospective purchasers in 1903. The expense of handling scrip remained high. Hugo once enumerated the steps in filing a scrip entry:

Every piece of scrip required a deed to the Government from the owner of the lieu land [Santa Fe Pacific railroad], a blank-selection [to be filled in by the purchaser of the scrip], power of attorney to locate [the land], power to take possession and convey [the land] and abstract [the] title, and . . . the papers have to be sent to Flagstaff, Arizona, being the county seat where the land conveyed to the U.S. is located, . . . consequently [the] abstract and recording must originate there.<sup>16</sup>

Of course, a variety of fees accompanied this rather involved procedure. In a letter to Howel Jones, the land commissioner of the Santa Fe railway system (1901-1928) and one of his close personal friends, Seaberg listed the fees which he had to consider in each transaction. They included the fee for recording the deed which relinquished the title of the land to the United States; a fee for the abstract of the title; a fee for the taxes which might accrue on base land after Seaberg had purchased the lieu rights and before he could resell the land; a fee of \$2.00 for each quarter section filed with the Government Land Office; a fee for a "disinterested person" who could make an affidavit that the base and lieu lands were of equal quality (a stipulation added later by the Government); a fee to reimburse the Government for its office and field expense in surveying the lieu; and finally, the conveying fee assessed when the patent to the land was issued.<sup>17</sup>

Beginning in 1909, a new ruling which required that a notice of each selection be published in the paper of the county where

the entry was to be made added another cost, but this was to be charged to the purchaser instead of to the seller. Seaberg, however, assured his clients that he would continue to bear the cost of the clerical work involved in the scrip sale.<sup>18</sup> Beginning in 1904, affidavits that the land was to be used only for grazing or cultivation, and not for mining, were required. The land office rejected entries not accompanied by these affidavits.<sup>19</sup>

Porter once complained that excessive paperwork complicated the scrip sale. His correspondence with Seaberg regarding correction of clerical errors in claims filed sometimes spanned more than a year. Clerical inefficiency, misfiling, the understaffed and overwhelmed Government Land Office in Washington, and the failure of purchasers of scrip to follow proper entry procedures most often caused these lengthy delays. Moreover, scrip from different sources had to be processed through different channels. The Santa Fe Pacific scrip, for example, was always deeded directly to Seaberg when he purchased it from the railroad. He then deeded it to his clients. The Aztec Land and Cattle Company, a subsidiary of the Frisco Railroad which disposed of a sizeable portion of the scrip lands derived from the original Atlantic and Pacific grant, deeded its scrip directly to the person who made entry on it, even though Seaberg actually sold it to the third party. The Company invoked power of attorney to authorize the sale and completed the title simply by recording the patent.<sup>20</sup>

The zeal with which Seaberg pursued the sale of his scrip could scarcely be excelled. His correspondence offers abundant testimony to the constantly changing status of the scrip industry and to his varying sales techniques. In a letter written in 1902 he mentioned that as much as 250,000 acres of scrip was available,<sup>21</sup> but he, like other dealers, realized that the supply would soon dwindle and prices would rise. Competition among scrip agents tended to keep the prices of the paper at a minimum and keep the agents' commissions low. In 1900 Seaberg's commissions were as high as fifty cents per acre,<sup>22</sup> but within two years he mentioned to Porter that a commission of ten cents per acre was not uncommon.<sup>23</sup> Prices for regular scrip ranged from \$2.50 per acre in 1902 to

\$9.50 per acre in 1908. In 1908 Indian Exchange scrip sold for \$4.50 and soldiers' scrip for \$8.00. Sometimes Seaberg dropped hints that all was not well in the scrip business, and sometimes he did more than just hint:

I am really beginning to question whether the Company is giving me a fair chance in the matter [of scrip sales]; for instance in these small holders' [transactions] . . . when there is a loss I have to stand it, but where I find something of real value, such as that coal scrip, then they [the Santa Fe Pacific?] want to get it back. I do not like to be disagreeable with people that I have always considered my friends, but it is hard sometimes to believe, that losses should only gravitate in one direction.<sup>24</sup>

His liaison with the Santa Fe Pacific worked famously for the most part. The voluminous correspondence between Seaberg and Howel Jones, the Santa Fe Pacific land commissioner, led to a lasting friendship between the two men as well as being of immediate benefit to both of them.

In April 1902 President Roosevelt proclaimed an enlargement of the San Francisco Mountains Forest Reserve which yielded a total of 225,000 acres of restricted lieu rights.<sup>25</sup> Santa Fe Pacific held by far the largest number of these rights, with lesser quantities in the hands of the Aztec Land and Cattle Company, a lumber corporation, and a few private individuals. The sum total of the scripped acreage was 225,000 acres.<sup>26</sup> Only two months later Seaberg explained in a letter to one of his clients that a forest reserve had recently been consolidated to include some railroad lands and those of its principal grantees and that 225,000 acres of scrip had been freed in the transaction and were available to him for purchase.<sup>27</sup> Not all of this scrip acreage would reach the public market. The parties who surrendered their acreage within the forest boundaries were entitled to draw upon the lieu selection rights first.

The scrip market became unsettled in 1902 and alarmed the famous Raton scrip dealer. In mid-year, he asked his friend Porter

how much scrip he would like to buy "at the usual low price." He added, "Our people have as many acres as you could perhaps use, possibly as much as two hundred and fifty thousand acres."<sup>28</sup> Scrip had been selling for three dollars an acre, although Seaberg admitted the possibility of selling a 3,000-acre block at \$2.50 per acre if his friend was interested in buying that much land.<sup>29</sup>

By the end of the year, such large tracts were no longer available, and the price of scrip rose sharply. John Benson, a San Francisco scrip dealer, wrote: "It [scrip] is not nearly so plentiful as it was, and the price of [such] as we now handle has materially advanced."<sup>30</sup> The letter indicated that the price of restricted scrip had risen from the base two dollars and fifty cents per acre to approximately three dollars per acre. "I am satisfied," Seaberg wrote, "this scrip will sell at \$4 and over soon as the supply is being exhausted fast." He further advised Porter that "if I had the cash to spare I would take a couple thousand acres extra to hold for an advance. I do not know how much they have left yet, but likely four or five thousand acres."<sup>31</sup>

In this letter to Porter, Seaberg quoted the prices of a variety of scrip he had available. A thousand acres could sell for \$2.85 per acre, a small amount of scrip that could be located in Colorado would sell for \$5.75 (including a 25 cent per acre commission), and some unrestricted scrip would bring \$6.50 per acre. Hugo explained why the last type was more expensive:

They are using it on timber lands up in the North. It looks to me there are one or two more forrest [*sic*] reserves comming [*sic*] in of the unrestricted kind, and it is barely possible it may not advance as rapidly as the restricted.<sup>32</sup>

The railroad scrupulously controlled its supply of scrip, and, by adjusting its prices, sought to suppress speculation. Not all of the scrip available at a certain time was thrown on the market at one time. The current price was determined, consequently, by the amount and price of the block of scrip on hand. This policy often restricted Seaberg's speculative tendencies. He once bought a

10,000-acre block of scrip on condition that "it must be used promptly . . . they will not permit me to put away to use at my convenience."<sup>33</sup> He continued:

The reason why they will not allow me to save the scrip for future use is that according to contracts they have with the Secretary of the Interior, they cannot get any unrestricted scrip until they have used up the restricted, and they are anxious to get the unrestricted on the market as there seems to be more money in that to them.

Hugo also considered that an impending settlement of a sizeable number of immigrants "from the Boer country" would absorb about a million acres from the open land market, and would contribute substantially to the steadily advancing price of land.<sup>34</sup>

By early 1903, Hugo could still see no improvement in the scrip situation. "So far as I know now there is no scrip to be had anywhere for a year," he confided, "except the 7,000 acres which I yet have unsold."<sup>35</sup> In an attempt to dispose of this remaining quantity, he reported:

A whole lot of people have been procrastinating thinking the scrip will be getting cheaper and if you could see the large quantity of inquiries I have for this particular [*sic*] class of scrip you wanted the enormous demand there is for it with no supply to speak of hardly.<sup>36</sup>

More scrip became available shortly afterwards, but its price steadily spiralled, eventually reaching eleven dollars per acre in 1907, the highest quotation listed in Seaberg's correspondence.<sup>37</sup>

Seaberg's confidence in the future of the scrip industry may have been temporarily shaken in 1902, but after the brief period of tumult, his characteristic optimism soon returned. By mid-1904 his penchant for the spectacular shone again in his efforts to form a scrip syndicate. He proposed that ten men buy 5,000 acres each of restricted scrip, thus creating a 50,000-acre reserve to hold for resale at an advanced price. The possibility of developing this vast acreage into a ranching or similar enterprise was probably not part

of Hugo's plan. Since Porter was in no way interested in this proposal, no further mention was made of it. If something had actually come of this idea, Seaberg would doubtless have reminded Porter of the opportunity he had missed.<sup>38</sup>

Hugo retained his optimism even through the unsteady economy of 1907 and 1908. In a circular sent to all the banks of New Mexico, he cleverly asserted with his characteristic verve:

You have probably noticed that during the eleven months of limited activity since the panic, that safe land scrip has not declined in price. This is significant. We are now approaching a period of great activity, which is expected to last several years. If the future may be judged by the past, it is safe to predict that good land scrip is an investment. I am in the business of buying, and then selling at a profit, which answers the suggestion why don't I buy it all and keep it. But I am taking some of my own 'medicine' prescribed above. Don't you want some[?]<sup>39</sup>

He was willing to allow a twenty-five cent commission on each acre of all the scrip orders sent him by the banks. Quite a generous offer! He similarly exhibited his generosity when he offered Porter some ten-dollar scrip for nine dollars and fifty cents. "In consideration of your good will often manifested I make you this special discount," he concluded.<sup>40</sup>

Seaberg's widespread advertising, his familiarity with land law, and his close connections with the Santa Fe Pacific Company, to say nothing of his unrelenting ambition, made scrip enterprises by far the most lucrative of his career. Greever, in his study of the disposal of the Atlantic and Pacific land grant, mentioned that Seaberg estimated in 1939 that his net profits from the sale of Santa Fe and other varieties of scrip exceeded half a million dollars.<sup>41</sup> On the occasion of Edward L. Engel's retirement from the presidency of the Santa Fe railway system, Seaberg, like many others who knew Engel personally, wrote to congratulate him. In the lengthy letter, Engel's admirer reminisced on the careers that each of them had dedicated to the Santa Fe and, in particular, to the scrip business. Hugo recalled:

The business I carried on with Mr. [Howell] Jones was only about one half of the land scrip business that I transacted, and I made more money per acre on scrip I bought from less financially strong individuals [than Jones and the Santa Fe Pacific], but all told I made about two hundred thousand dollars. Some people thought a young and inexperienced individual, dealing with so large a corporation as the Santa Fe should lose money rather than make a profit. That did not apply to me.<sup>42</sup>

The sum total of Seaberg's financial gain is actually not important. What is important is that he worked so satisfactorily and profitably with the Santa Fe Pacific in helping it dispose of its land. Greever indicated that Hugo bought lieu rights from the Santa Fe Pacific Company amounting to 119,796.24 acres,<sup>43</sup> although a Deed Book of the Santa Fe Pacific Railroad, examined by the author, revealed that he purchased a total of 136,633.41 acres.<sup>44</sup> Yet, this sum, according to his letter to Engel, represented only about half of his total scrip purchases. The real estate records of Colfax County, New Mexico, his residence for most of his life, revealed that a total of 113,972.62 acres passed directly through his hands in that county alone.<sup>45</sup> A breakdown of this figure indicated that in the county he bought 34,786.35 acres of lands with scrip, and recorded sales of 54,006.59 acres. The Santa Fe Pacific furnished 23,911.22 acres, or about two-thirds of the land he bought. The records of lands transacted in Seaberg's name with other than scrip deeds totaled 19,385.12 acres sold and only 5,794.56 acres purchased. This acreage consisted largely of individual land holdings purchased through sheriff sales or by outright purchase from the owner.<sup>46</sup>

The scrip business was lucrative, but the strain of the seemingly endless negotiations for purchases, the fluctuating market, and the pressure to unscramble land titles lost and misfiled in cluttered, understaffed offices demanded a terrific price in terms of Seaberg's physical well-being. He recalled:

This recent scrip game has been a nightmare and I am glad I tackled it while young. There is a big difference playing the game as

an officer with no personal responsibility, or as I have done: with important personal results at stake.<sup>47</sup>

Late in 1912 he began to detect the portents of a major personal setback. One case for clearing a title had become particularly involved and caused him to comment: "If I am able to maintain my mental equilibrium I shall not fall into another like it." Still, he managed to maintain the enthusiasm which never failed him:

If I could with a magic wand touch the heavens and see all my [land] patents shower down and thus clean up an agitation which has been very torturous I would still say that I have been fortunate.<sup>48</sup>

Nevertheless, within three months he suffered a nervous breakdown and was forced to recuperate in a Boulder, Colorado, hospital for a part of the summer of 1913. After this experience he wrote to his friend that "my scrip troubles came very nearly costing my life." He then asked Porter to postpone the payments due on the note which Porter had been holding. He continued:

I am not requesting any more than I would be willing to have you request me were the conditions reversed. It is all I can do to find money to keep my business projects going properly, and I do not want to revert to my previous worrying habit. I am getting well again, and I will soon be able to make money as before.<sup>49</sup>

Hugo's recovery was a speedy one, the only kind that would have been satisfactory to him. His 1912 prediction that his business would conclude satisfactorily, even though his physical endurance was beginning to drain away,<sup>50</sup> seemed near realization as his health returned within the year. He spent his busiest and most lucrative years handling Santa Fe Pacific scrip during 1914-1916.<sup>51</sup> This favorable outcome to a situation which might have ended in disaster led him to recall nostalgically, in 1939, that he had spent most of the fortune he accumulated in the scrip industry, on an adventure in politics, in building and maintaining his hotel



in Raton, and in making a variety of other investments—all of which ultimately were to fail.

The Great Depression took from Seaberg almost all he had won in the eventful years preceding it. In 1937 his 175-room hotel fell into receivership and he and his wife Lottie moved to Trinidad, Colorado, though Hugo continued his scant legal counseling in Raton. Until his death in 1945 he tenaciously held to the idea of someday regaining the wealth and reputation that had once spread far beyond New Mexico.

#### NOTES

1. Roy M. Robbins, *Our Landed Heritage, The Pacific Domain 1776-1936* (Gloucester, 1960), p. 224. William S. Greever stated that the Atlantic and Pacific grant in New Mexico and Arizona totaled 13,413,272 acres. "Railway Development in the Southwest," NMHR, vol. 32 (1957), p. 199.
2. L. L. Water, *Steel Trails to Santa Fe* (Lawrence, 1950), p. 249.
3. William S. Greever, *Arid Domain* (Stanford, 1954), p. 41.
4. *Ibid.*, p. 33.
5. Charles E. Winter, *Four Hundred Million Acres* (Casper, 1932), pp. 75-76.
6. U.S., *Statutes at Large*, XXVII, 1064.
7. U.S., *Statutes at Large*, XXX, 1781.
8. *Ibid.*, 36.
9. Greever, *Arid Domain*, p. 59.
10. *Ibid.*, p. 102.
11. Hugo Seaberg to Porter, June 28, 1899. Henry M. Porter Collection. Letterbox 4, Colorado Historical Society, Denver, Colorado. Hereafter all sources located at the Colorado Historical Society will be designated CHS.
12. HS to Porter, August 5, 1899. *Ibid.*
13. HS to Porter, August 2, 1902. Letterbox 14, CHS.
14. HS to Porter, August 23, 1902. *Ibid.*

15. HS to Porter, June 3, 1903. Letterbox 18, CHS.
16. Copy of a letter from Seaberg to Bartlett Richards, n.d., included in Henry M. Porter Collection. Letterbox 18, CHS.
17. Greever, *Arid Domain*, p. 86.
18. HS to Porter, July 24, 1908. Letterbox 44, CHS.
19. HS to Porter, May 13, 1904. Letterbox 23, CHS.
20. HS to Porter, January 29, 1906. Letterbox 23, CHS.
21. HS to Porter, June 2, 1902. Letterbox 14, CHS.
22. A notification from Hocomb and Keegin (Washington, D.C.) to Seaberg, n.d., forwarded by the latter to Porter. Letterbox 8, CHS.
23. HS to Porter, June 4, 1902. Letterbox 14, CHS.
24. HS to Porter, March 28, 1902. Letterbox 50, CHS.
25. Restricted scrip could be sold only for non-mineral, non-timbered land, south of the 37th parallel in New Mexico and Arizona and south of the Tehachapi range in California. Unrestricted scrip could be sold for any type of land, anywhere in the country and could draw a much higher price on the scrip market.
26. Greever, *Arid Domain*, p. 62.
27. Seaberg to Bartlett Richards, included with a letter from Seaberg to Porter, June 25, 1902. Letterbox 14, CHS.
28. HS to Porter, June 2, 1902. *Ibid.*
29. HS to Porter, June 7, 1902. *Ibid.*
30. Letter of John A. Benson to Seaberg, December 4, 1902, included with Seaberg's letter to Porter, n.d. *Ibid.*
31. HS to Porter, December 10, 1902. *Ibid.*
32. *Ibid.*
33. HS to Porter, December 21, 1901. Letterbox 11, CHS.
34. *Ibid.*
35. HS to Porter, January 25, 1903. Letterbox 18, CHS.
36. HS to Porter, January 30, 1903. *Ibid.*
37. HS to Porter, April 18, 1907. Letterbox 35, CHS.
38. Seaberg mentioned in 1904 that the profits of his business of the past fifteen years often averaged a thousand dollars per month. HS to Porter, May 24, 1904. *Ibid.*
39. Seaberg included the circulars with a letter to Porter, September 26, 1908. Letterbox 44, CHS.
40. HS to Porter, July 24, 1908. Letterbox 44, CHS.
41. Greever, *Arid Domain*, p. 77.
42. HS to Edward J. Engel, August 11, 1944. Richard de Lambert, La Jolla, California.
43. This sum can be divided into the different categories of scrip which he handled: 39,389.69 acres of restricted forest lieu; 19,471.91

acres of unrestricted forest lieu; 14,515.36 small holders scrip; 1,200 acres of scrip authorized by a federal statute of 1874; and 45,220.18 acres of Navaho Exchange scrip located in New Mexico. Greever, *Arid Domain*, p. 77.

44. Record of Deeds, Santa Fe Pacific Railroad Company, Santa Fe Building, Amarillo, Texas. Because the price was quoted for all of the acreage listed, except for 800.90 acres, the total cost for the purchases amounted to \$394,813.48. An examination of comparable purchases in the Deed Book indicated that J. J. Hagerman bought a total of 185,552.32 acres at a cost of \$284,076.52. The firm of Maginnis and Son, the largest purchaser, bought 147,229.65 acres of Santa Fe Pacific scrip at a cost of \$596,767.03.

45. This figure is the sum of acreages bought and sold in the county but obviously could not include acreages represented by the hundreds of town lots and the acres of commercial property he also bought and sold in the towns scattered through the county.

46. Public real estate records of the County Clerk's file, Colfax County, Raton, N.M.

47. HS to Porter, November 22, 1912. Letterbox 50, CHS.

48. HS to Porter, December 12, 1912. *Ibid.*

49. HS to Porter, August 20, 1913. Letterbox 52, CHS.

50. HS to Porter, November 22, 1912. Letterbox 50, CHS.

51. The Colfax County Real Estate Records indicate nearly 21,000 acres of Santa Fe Pacific scrip transacted in this three-year period.