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December 1st, 1898

Walter L. Vail, Esq.,

#254 So. Broadway,
Los Angeles, California.

Dear Walter

In regard to the Gillett failure, which I wrote you fully about day before yesterday, you of course see the position that it puts us in in regard to money matters just at this time. As you know, we had the mortgage for \$13,217.50, for the last cattle that we sold him, which is due today, and I expected to get the money on this mortgage without fail as he had agreed to pay the same, but of course, as it is, I have the cattle besides the \$1500.00 that he paid on them and the \$600.00 in freight, which will make us safe, but owing to the condition of the market just now, on account of so many cattle being thrown on at once, it is very seriously demoralized, and we may be compelled to feed these cattle out and put more money in them. The 4662 J.A. cattle that we were just delivering when the crash came, on which we have the deposit of \$10,000.00, and have all of the cattle, as you can see, we are safe, but are compelled to carry these cattle and put up the feed expenses on them until next summer, instead of getting the \$25,000.00 out of them as we had expected to do, as soon as the cattle were delivered. We have \$10,000.88 on hand here with the Bank of Commerce, and we do not owe these banks any money; so whatever is necessary to arrange for feed additional until we dispose of these cattle, I will have no trouble in doing; but under the circumstances, as you can plainly see, if we have to pay the \$25,000.00 to the Savings Union on the 21st of December, we will be compelled to borrow this money from some bank, and it has occurred to me that if the Savings Union understood the situation exactly that we could get them to make an extension of this matter for another year, unless foreclosure proceedings should have to be commenced in the meantime, which, of course, if we should ask them to do that, we would have to fully comply with our contract, as they now have our \$25,000.00 in cash and all of the other securities that they have ever had. If it had not been for this Man's rascality, and his robbing everybody here in this country who had anything to do with him except ourselves, we would have had about \$40,000.00 more cash on hand today and 5204 cattle less on hand to feed. As it is, it looks as though I was going to be compelled to be here the most of this winter to look after these matters, and I think you should go to San Francisco immediately upon receipt of this and see the bank and explain the situation to them. Of course, if they will not grant this extension, you can wire me at once and I will make arrangements to borrow this money and have it ready for them the day we agreed to, December 21st; but it will be a very great inconvenience to us we will be under heavy expense until I can get rid of these

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cattle. Of course there is a great commotion raised in banking circles here by the losses that a great many of them will sustain through handling this man's paper, as he made mortgage after mortgage on cattle that never existed, and duplicated a great many mortgages on cattle that did exist; and of course, this paper is floated in a great many of the eastern banks and banks in this country which will make some quite heavy losses. Please do not fail to wire me about this matter just as soon as possible so that I may have all the time I can get to arrange for this money if we have to pay it. The weather has cleared off very nicely here and the snow has nearly all melted. The storm was quite severe on the cattle, but I have heard of no losses to speak of. I have just had a letter from Mr. Glenn and he says that the storm was quite severe at the ranch, but that none of the cattle drifted clear to the south end--that they all stopped in the brakes--and that we did not lose anything and the cattle have all filled up nicely since the storm and look fine, and have scattered out nicely over the plains. He writes that water and everything is in first class shape at the ranch. Mr. Vickers expects to start for Arizona next Monday.

Yours very truly,