

"Towards the end of August, 1847, Capt. Sutter and I formed a copartnership to build and run a saw-mill upon a site selected by myself (since known as Coloma). We employed P. L. Weimer and family to remove from the Fort [Sutter's Fort] to the mill site, to cook and labor for us. Nearly the first work done was the building of a double log cabin, about half a mile from the mill site. We commenced the mill about Christmas. Some of the mill hands wanted a cabin near the mill. This was built, and I went to the Fort to superintend the construction of the mill irons, leaving orders to cut a narrow ditch where the race was to be made. Upon my return, in January, 1848, I found the ditch cut as directed, and those who were working on the same were doing so at a great disadvantage, expending their labor upon the head of the race instead of the foot.

"I immediately changed the course of things, and upon the nineteenth of the same month of January, discovered the gold near the lower end of the race, about two hundred yards below the mill. William Scott was the second man to see the metal. He was at work at a carpenter's bench near the mill. I showed the gold to him. Alexander Stephens, James Brown, Henry Bigler and William Johnston were likewise working in front of the mill, framing the upper story. They were called up next, and, of course, saw the precious metal. P. L. Weimer and Charles Bennett were at the old double log cabin (where Hastings & Co. afterwards kept a store) and in my opinion, at least half a mile distant.

"In the meantime we put in some wheat and peas, nearly five acres, across the river. In February the Captain [Captain Sutter] came to the mountains for the first time. Then we consummated a treaty with the Indians, which had been previously negotiated. The tenor of this was that we were to pay them \$200 yearly in goods, at Yerba Buena prices, for the joint possession and occupation of the land with them; they agreeing not to kill our stock, viz.: horses, cattle, hogs or sheep, nor burn the grass within the limits fixed by the treaty. At the same time, Capt. Sutter, myself and Isaac Humphrey entered into a copartnership to dig gold. A short time afterwards P. L. Weimer moved away from the mill, and was away two or three months, when he returned. With all the events that subsequently occurred, you and the public are well informed."