

# The PAYSTREAK

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The Newsletter of the Alaska Mining Hall of Fame Foundation (AMHF) Published Bi-Annually.

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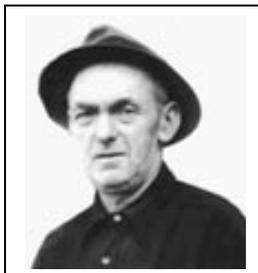
## Alaska Mining Hall of Fame Foundation to Induct Three Immigrant Pioneers



**Peter Miscovich-** an immigrant from Croatia, arrived in the gold rush town of Flat in 1910 to escape old world oppression and pursue the American dream. The self educated miner and his immigrant wife Stana quickly developed reputations for honesty, hard work, and compassion for the citizens of Flat, Alaska. Miscovich pioneered the use of diesel bulldozers for mining, hydroelectric power for energy, and backhoes for exploration in the historic Iditarod district. The well known Miscovich name is a tribute to the role of Eastern European immigrants in the Alaska-Yukon Gold Rush and their continuing role in the future of the 49<sup>th</sup> State.



**David Strandberg-** logged in the forests of Minnesota and Washington State before joining the Klondike Gold Rush in 1898. He later mined in the Fairbanks, Iditarod, Tolstoi, and McGrath districts. The Swedish immigrant founded Strandberg and Sons, one of the most successful mining dynasties in Alaskan history. The firm was very active in many remote mining districts of interior and western Alaska during the 1930s until Statehood. David and wife Jenny Strandberg were among the most respected citizens of Anchorage, Alaska. Their numerous offspring have led active civic and business lives and have also contributed greatly to the development of Alaska.



**"Big Lars" Ostnes-** was a Norwegian immigrant who mined in the Iditarod district, drilled for oil in Texas and Washington, and developed placer mining properties in the remote Marshall district of western Alaska. Like AMHF inductees Strandberg and Miscovich, Ostnes pioneered in the use of newly introduced diesel powered heavy equipment that revolutionized small scale placer gold mining opportunities throughout Alaska. Lars Ostnes and his practical wife Elise personified the pioneering spirit of Alaskans of Scandinavian origin, who provided employment opportunities and vision to remote north-country mining districts.

## **Alaska Mining Hall of Fame Foundation Induction Ceremony, November 7<sup>th</sup>, 2002**

7:00PM to 9:30PM, Anchorage Sheraton Hotel, Anchorage, Alaska  
During the 2002 Annual Convention of the Alaska Miners Association

### **PROGRAM**

The general public is invited to the Alaska Mining Hall of Fame Foundation (AMHF) induction ceremony. There is no charge for admission. Coffee will be served.

Introduction and Purpose of the AMHF, by Earl H. Beistline-----7:00-7:10PM.

Comments about the 2002 Induction Ceremony, by Chuck Hawley---7:10-7:20PM

Peter Miscovich, by Chuck Hawley ----7:20-7:35PM

David Strandberg, by Tom Bundtzen---7:35-7:50PM.

Lars Ostnes, by Curt Freeman-----7:50-8:05PM

Coffee Break-----8:05-8:15PM

Panel Discussion; Recollections of Relatives and Attendees, by Rolfe Buzzell and Curt Freeman-----8:15-9:30PM

### **ACKNOWLEDGMENTS**

The November 7<sup>th</sup>, 2002 induction ceremony of the Alaska Mining Hall of Fame Foundation will feature three inductees: Peter Miscovich, David Strandberg, and Lars Ostnes. These miners, who immigrated from Scandinavia and Eastern Europe, sailed across the ocean to find the American dream and traveled north during the Alaska-Yukon Gold Rush. Their careers blossomed in the historic Iditarod mining district. Overcoming language barriers and the challenges of working in remote Territorial Alaska, all three built placer mining dynasties known for technological innovation and organizational excellence that lasted from the late 1920s to Statehood. This is the third time we have featured pioneers from the Iditarod (Flat) district, which was discovered by John Beaton and William Dikeman on Christmas day, 1908.

Honors Committee Chair Chuck Hawley laid much of the groundwork for this induction ceremony. He compiled much of the biography of Peter Miscovich, with contributions by John and Andrew Miscovich. Hawley also organized the biography of David Strandberg with significant contributions by Sig, James, and Arlene Strandberg and Tom Bundtzen. The biography of Lars Ostnes was compiled by Curt Freeman utilizing a more detailed family history written by Jean Ostnes Rinear and Eleanor Ostnes Vistaunet. Tom Bundtzen and Nori Bowman prepared and edited the texts of the AMHF newsletter for publication.

## **Previous Inductees**

### **Alaska Mining Hall of Fame Foundation**

#### **National Mining Hall of Fame Inductees**

Six charter members of Alaska Mining Hall of Fame Foundation who were previously elected into the National Mining Hall of Fame in Leadville, Colorado

**Stephen Birch:** Founder and Developer of Kennecott Copper Mines

**Frederick Bradley:** Successful Manager of Treadwell and A-J Mines, Juneau

**John Treadwell:** Founder of Treadwell Mine, Juneau

**Alfred H. Brooks:** Chief Geologist of U.S. Geological Survey in Alaska

**Ernest Patty:** University of Alaska, and Manager of Placer Dredging Ventures

**Clarence Berry:** Prominent Klondike and Interior Alaska miner

#### **Alaska Inductees**

##### **Fairbanks Spring 1998**

Induction Ceremony Honoring Early Yukon Basin Traders and Prospectors

**Alfred Mayo:** “Captain Al” well known Yukon River trader, prospector

**Jack McQuesten:** Known as the “Father of the Yukon” grubstaker for prospectors

**Arthur Harper:** Well known and respected trader and prospector and promoter of the Yukon

**Howard Franklin:** Fortymile prospector who discovered first “bedrock” placer gold in Alaska

**John Minook:** Creole-Athabaskan prospector who discovered Rampart district

**Felix Pedro:** Discoverer of Fairbanks district in 1902

##### **Nome Spring 1998**

Induction Ceremony Honoring Pioneers of the Nome Gold Rush

**John Brynteson:** One of the Lucky Swedes; an experienced hard-rock miner, discoverer of the Cape Nome district

**Erik Lindblom:** The eldest of the Lucky Swedes

**Jafet Lindeberg:** The Norwegian of the Lucky Swedes

**Charles D. Lane:** Tough, honest and wealthy miner who helped the Lucky Swedes in their legal battles

##### **Juneau Spring 1999**

Induction Ceremony Honoring Discovery of Juneau District

**Joe Juneau:** Native of Quebec, a California 49er, co-discoverer of gold in Juneau district

**Richard T. Harris:** Irish immigrant, co-discoverer of gold in Juneau district

**George Pilz:** German immigrant who sent Juneau and Harris into the Juneau area

**Kawa/ee:** Tlingit leader who brought rich gold samples from Gastineau Channel area to George Pilz

**Livingston Wernecke:** Geologist-engineer for the Bradley companies of Juneau

**Bartlett Thane:** Promotor-founder of the worlds largest gold mine, the Gastineau at Juneau

### **Anchorage Fall 1999**

Induction Ceremony Honoring Mining Pioneers of Southern/Southwest Alaska

**Andrew Olson:** Swedish immigrant, innovator at Flat; long-time miner of platinum

**Evan Jones:** Welsh immigrant; father of Alaska coal mining

**Wesley Earl Dunkle:** Kennecott engineer and innovative geologist, co-founder of Star Air Service, predecessor of Alaska Airlines

### **Fairbanks Spring 2000**

Induction Ceremony Honoring Early 20<sup>th</sup> Century Interior Pioneers

**Emil Usibelli:** Founder of Usibelli Coal Mine, civic benefactor at Fairbanks

**John B. Mertie:** Leading U.S. Geological Survey geologist; world expert on platinum

**Fannie Quigley:** Prospector, mistress of bush skills, legendary Kantishna character

### **Juneau Spring 2001**

Induction Ceremony Honoring Early Government Role In Mining

**Benjamin D. Stewart:** State and Federal mining administrator, Alaska constitutional delegate

### **Fairbanks Summer 2001**

Induction Ceremony Honoring the Pioneers of the Large Scale Gold Dredging Industry of Nome and Fairbanks Districts

**Norman C. Stines:** Planned and supervised USSR&M activities in Fairbanks district

**Wendell P. Hammon:** Installed the first three large dredges in Cape Nome district

**James K. Davidson:** Designed and built Miocene and Davidson ditch systems

### **Anchorage Fall 2001**

Induction Ceremony Honoring Discovery of Flat District

**John Beaton:** Co-Discovered Iditarod district with William Dikeman

### **Fairbanks Spring 2002**

Induction, Successful Miners and Engineers of Early 20<sup>th</sup> Century

**Frank G. Manley:** Highly successful miner in Fairbanks, Hot Springs District, and Flat. Founder of the First National Bank in Fairbanks

**Herman Tofty:** Norwegian immigrant who worked prospects near Manley Hot Springs

**Chester Purington:** Acclaimed international mining engineer; wrote treatise on Alaskan placers

**Tom Aitken:** Important developer of mines during Alaska-Yukon Gold Rush; worked both lodes and placers in Alaska and Yukon



Photograph courtesy of John Miscovich

### **PETER MISCOVICH (1885-1950)**

Peter Miscovich was born Pero Miscovic in Imotica, a small village on the Adriatic Coast of what is now called Croatia. The Miscovich family and their neighbors, the Stankovich clan, raised tobacco as a cash crop. Both families survived on the potatoes and cabbage grown in hardscrabble gardens and on their small herds of sheep and goats. Peter and most of his relatives had no formal education. Although village elders tried to discourage him, Peter decided that America offered far more opportunity and he decided to emigrate. He arrived at Ellis Island, New York, single at the age of eighteen on May 25<sup>th</sup>, 1903. He had shipped out of Le Havre, France, on *La Gascone*, a week or so before.

Peter only stayed in New York for a few months before heading west, beginning an almost six-year apprenticeship in underground mining, first at Butte, Montana, and then at Angels Camp, California. He decided that underground mining for copper and gold was not conducive to his health, so he moved on to a coal mine at

Wilkensen, Washington, where other Croations worked. Unfortunately he found that coal mining was as bad or worse than metal mining. Peter was becoming discouraged with his new occupation. But news of an Alaskan gold rush published in a Tacoma paper renewed Peter's enthusiasm for the American dream.

When Peter heard of the Iditarod stampede in 1910; he withdrew his last pay at the coal mine, and went to Seattle where a steerage ticket took him as far as St. Michael, at the mouth of the Yukon River. He worked his passage upriver from St. Michael to Iditarod, a bustling community with a shortage of labor. Peter began to accumulate a stake by cutting wood for six dollars a cord. In the previous six years, Peter added to his native Slavic and fragmentary Italian an understanding and speaking grasp of English. He soon landed a job as construction foreman on the seven-mile-long rail tramway that connected Iditarod with the mining town of Flat. The job allowed Peter time to search for a mining opportunity which he found on the fifteen-acre Hensley fraction at Discovery, not far from John Beaton's original gold rush find.

At Flat, Peter became acquainted with John and Marie Bagoy, who also were Croatian immigrants. John had a sister, Stana, back home in the village of Chillipi, who might be enticed into coming to Alaska. Peter Miscovich bought Stana a ticket and she arrived in Flat on the last steamer up the Yukon in the fall of 1912. Although Stana's travel to Alaska was paid for by Peter, older heads tried to turn Stana toward more established miners in the district. After all, Peter did not even have a bank account. Peter, however, deposited \$15 in the Miners and Merchants Bank, and, with a new blue bank book imprinted

Peter Miscovich, persuaded Stana that her prospective husband was an established man of some means. Peter and Stana Miscovich were married on December 24, 1912, in Iditarod. Stana moved to a cabin on the claims where Peter, his brother Andrew and another Slav were drift mining

Peter's first son, George, was born in Flat in April 1915. George was followed by Eva, John, Annie, Olga, Howard and Andrew. Conditions must have been about as tough as in Croatia, but at least Miscovich owned the claim where he eked out a living, and later began a lifetime of experimentation with steam and hydraulics. At Stana's insistence, some of the experiments were domestic in nature, and Peter built Stana a steam-powered washing machine. A nearby boiler also provided steam for baths that were offered to the community on Saturday nights. At times, the revenues that Stana received from steam baths and laundry were the main cash income for the Miscovich family.

Toward 1920, there were rumors that the Guggenheims, who operated a large dredging operation on Flat Creek, were going to pull out of the Iditarod district. Peter approached a good friend and Guggenheim representative, "Cap" Osborne, and arranged to acquire the Guggenheim ground on a reasonable lease-option basis. He also found a tract of better ground near the community of Flat, where he planned a hydraulic operation and, with the rental of one of David Strandberg's supply ditches, took out a good cut. In the winter of 1923, Peter's arrangement with the Guggenheims ended, and the Miscovich family had to move back to the fractional claim at Discovery.

At Flat, most of the operations, except the dredges, mined with so-called hydraulic lifts. The lifts, sometimes called gravel elevators, operated on the basis of the Bernoulli principle—pressure in a moving liquid decreases

with velocity. A constriction in the lift, just above a powerful hydraulic nozzle, increased velocity and reduced pressure, which acted, vacuum-like, on water-entrained placer gravel, vertically lifting the latter 20 or 30 feet to the sluice box. The ground at Flat is just that, flat, so the lifts tended to be high and the tailings were run out over long distances in low-angle sluices.

Peter had little hydraulic head at Discovery, but he reasoned that he could lift the gravel about 15 feet and still have adequate slope for his sluice boxes. Peter, with his working-age sons and a few miners, hand dug a ditch two and one-half miles long to Slate Creek that would give him 100 feet of hydraulic head. Peter designed and constructed his own lift in a little blacksmith shop. He was ready to mine by the middle of the 1924 season but ran into another problem. Adjacent claim owners, the Richardson brothers, would not let Peter discharge his tailings across their ground. Peter became angry with the Richardson brothers and a serious impasse developed, but Stana convinced him to approach the U.S. Marshall at Iditarod and negotiate a peaceful settlement. Peter took out more than 400 ounces of gold in the abbreviated season to survive once again.

Events gradually began to turn in Peter's favor. The Richardson brothers decided to sell their claims to Martin Roslyn. Martin, who was in poor health, sold claims, equipment, and a first water-right on Slate Creek to Peter for \$2,500 cash, which increased the Miscovich holdings to several hundred acres. Additionally, Johnny Beaton, the original discoverer of the Iditarod-Flat mining district, sold Peter another 136 acres of adjacent ground on a pay-as-mined basis, so that gradually Peter Miscovich had acquired the dominant position on Otter Creek between the mining communities of Flat and Discovery. Old timers at Flat were

skeptical of Peter's land-play because much of the ground had been drift mined, mined with Bagley scrapers, and then dredged, sometimes more than once.

In addition to his studies of hydraulics, Miscovich had also been watching the gradual development of heavy equipment that could be adapted to mining. He reasoned that the coarse nuggets and richest ground on Discovery lay below the effective digging depth of small wooden-hulled dredges and the scrapers. In 1934, Peter purchased, on time, a Caterpillar Diesel Fifty tractor with an *Isaacson* Bulldozer, the first diesel tractor to be used in the Iditarod district. The use of the tractor increased production from \$8,000 to \$60,000 per year—aided by the escalation of the gold price from \$20 to \$35 per ounce.

In the meantime, Stana Miscovich had placed her own plans in operation. In 1929, a con-man named Spencer arrived in Iditarod with Revigator water jugs which supposedly contained a radium lining. Water treated in the jugs for three days could, according to Mr. Spencer, cure anything. Later it was found that the jugs were lined with ordinary concrete, but Spencer sold all of them to credulous miners. Stana, without formal education herself, had been worried for some time about the education of her children. Stana trusted Spencer to the extent that she told him that she had saved \$1,700 to purchase a home and asked Spencer to look for one in Fairbanks. Spencer found an old log cabin in Fairbanks and arranged for Stana Miscovich to buy it. In the summer of 1930, Stana made plans for George and Eva to move to Fairbanks where they could attend high school. Peter, who would have vetoed the move because of the loss of his mining crew, was not informed of Stana's decision to relocate to Fairbanks. Stana, with barely a good-bye to her husband, boarded the steamboat *Dannaco No. 1*, accompanied

by her oldest daughter, Eva, and younger children. Stana and the children were able to catch the last Fairbanks-bound Yukon steamer of the year at Holy Cross. John and George remained to help their father make a last clean-up, but then flew to Fairbanks to join the rest of the Miscovich family.

The years from 1936 to World War II were the glory years for Peter Miscovich and his sons. In 1936, Peter bought a new 1 ½ cubic yard capacity back hoe, and brought it into Discovery camp, the first to be used in the Iditarod district. The machine could dig hard blocky bedrock better than anything previously used in the Iditarod district, and gold production increased to thousands of ounces per season. At the same time, diesel driven pumps were being brought into the district. However, Peter believed he could generate the necessary power with a large-capacity low-head hydro system without the cost of the diesel fuel. His idea incorporated a 2 ½ mile ditch to divert Otter Creek, a 5,000 foot drain, a steel penstock, a fish elevator, and a used low-head water-driven turbine purchased from a defunct mining operation in Idaho for \$500. By the end of the 1938 season, the hydroelectric plant developed about 200 horsepower and generated enough electrical power to supply the camp and shops.

Other innovations further increased the efficiency of Miscovich operations. Hydraulic elevators are mechanically inefficient. By using his tractors to aid the hydraulic giants in delivering the pay gravel to the elevator, Miscovich increased efficiency from about ten to thirty percent. He also designed his own riffle system, using light-weight but high strength manganese steel.

Most gold mines were shut down in World War II, but because Peter could generate his own power, he continued to mine at Flat with a couple of miners who

were too old for the war. For many years, Andrew, the youngest Miscovich son, helped his father with the operation. John Miscovich followed his father's inventive footsteps and continued to perfect the use of both hydraulic elevators, which are sometimes used to unload ocean-going ships, and hydraulic giants. John invented the *Intelligent*, a patented water cannon now used on fire trucks and fire boats throughout the world.

In the late 1940s, Peter Miscovich began to have significant health problems. His heart and a cancerous liver failed in 1950. Stana finally left Fairbanks and moved to Seattle where she died in 1969. The Miscovich sons tried many operations, some better than others. None were as successful, however, as the Miscovich mine on Otter Creek that operated from 1934 through the years of World War II.

Perhaps because of their own hardships and Stana's strong Roman Catholic faith, the Miscovich family was composed of compassionate individuals. While many of the good women of Flat-Discovery ostracized the girls of the line, Stana made sure that they could get away from their work for a time on early Saturday evening and relax with a steam bath and conversation. Peter hired Natives from down river, taught them to operate machinery, weld, and mechanic. He advanced them money for family needs, but, as with his own family, would not tolerate drinking or absence from work. Elderly miners and blacks, stranded in Flat, could get work from Peter when it was not available elsewhere.

Peter Miscovich was easily angered by foolish mistakes; his favorite Croatian saying was "racunat," pronounced rachunat, meaning think before you act. He usually was serious, but he loved to tell humorous stories, joke with Stana, and to dance all night. He might deny his wife some of her

wants while he bought another piece of expensive mining equipment, but Stana prevailed on important family issues, not too bad a basis for a solid union, a relationship which has set the tone for Miscovich families to the present.

Upon Peter's death, *Jessen's Weekly* in Fairbanks concluded a lengthy editorial with this eulogy: "His adopted homeland blessed him with opportunity. And he enriched America through the manner of his living and by his devotion to the principles which have made the nation a symbol of decency and promise to the rest of the world."

Contributing authors were John and Andy Miscovich. Much of the material was taken from chapters and sections that John A. Miscovich is preparing for book publication.



Photograph courtesy of UAA/APU Consortium Library

### **DAVID STRANDBERG (1875-1949)**

David Strandberg was born to Johan Peter and Johanna Strandberg on September 27, 1875, near the village of Halmstad, Gottland, Sweden, where David and his brother Charles attended

the local school. At age twenty, David emigrated to America.

David Strandberg first worked in the coal mines and forests of Pennsylvania, and Minnesota before moving to Shelton, Washington. At Shelton, David learned the skills of a high-line logger and became adept at rigging and the use of the gin-pole, skills directly transferable to the placer gold mining technology of the day. He did not, however, confine his learning to the woods. In Seattle, David attended Wilson's Business College where he learned the value of systematic record keeping, a valuable skill that was applied in later years during the management of a small but complex mining corporation.

In 1898, David and his brother Charley Strandberg responded to the news of the Klondike gold discovery by taking passage to Alaska. The men crossed Chilkoot Pass to the Klondike with hundreds of other gold seekers. On this grueling trip, a twenty-three year old David and his tall good-looking brother, both men strengthened by work in the mines and woods, minimized their expenses by helping others haul freight up the steep trail. Because of their previously acquired skills and a lot of hard work, David and Charles acquired working interests in valuable Klondike claims. The 1902 Golden Cleanup Edition of the "*The Dawson News*" (page 44) reports that David Strandberg and partners Alex Matheson and Jim Lund mined on the left limit of #5 Below Discovery within the Dominion Creek subdivision of the greater Klondike Mining District. According to the brief published account, the Strandberg partnership mined the claim, originally located in 1898, "with large cars to carry pay from the face of the open cut along a 100 yard rail track to sluice boxes placed in the creek." Although the pay streak on Dominion Creek was not nearly as rich as those found on Eldorado or Bonanza Creeks to the north, ground

immediately adjoining David's claim yielded a 20 ounce gold nugget, one of the largest found up to that time in the area.

There was a notable Swedish contingent in the Klondike. This contingent included two young women, Jenny Johanson and her younger sister Hilma, immigrants who joined their uncle Girard and his wife in Dawson City in 1904. In 1905 David and Charley Strandberg and the Johansons left the Klondike for the Fairbanks, Alaska, gold camp discovered only three years before. Shortly after that Girard commenced mining ventures with the Strandberg brothers. In 1908, Jenny Johanson married David Strandberg.

At Fairbanks, David and Charley acquired good ground in the Ester Dome area, where they operated as Strandberg Brothers on No. 3 Below and nearby claims. A contemporary photograph shows a neat operation, with gravel ready for summertime washing and stacks of wood to feed the always-hungry steam boiler. David and Jenny's oldest child, Harold David, was born at Ester in 1909. Olga Virginia was born in Fairbanks a year later.

By 1910, word of the 1908 gold discovery of Beaton and Dikeman in the Iditarod River Basin caused the last of the great Alaska stampedes to the diggings at Flat and Discovery. David, Jenny, Charles Strandberg, and Girard [Johanson?] and his wife, decided to chance the new Iditarod district, arriving in Flat in the spring of 1911. Apparently the Strandberg-Johanson party had sufficient assets to acquire valuable claims and commenced productive mining near Flat.

An oft-told mining tale of the Flat district, with a probable basis in fact, tells that the party had an opportunity to buy into the bonanza Marietta claims on Flat Creek, but Charley Strandberg lost their stake in a poker game on the way to make the

payment. Something evidently did happen to split the brothers' partnership, as shortly after the group arrived in Flat, David began to mine with a man named Johnson in a high-line scraper operation on Flat Creek. Reportedly Jenny Strandberg did not forgive her brother-in-law. Her reaction was predictable—doubtless any wife trying to keep a young family clothed and fed in remote Flat would have had problems with such male foolishness. Regardless, the breach appears to have been almost healed in one generation: David's son Odin met and befriended Charley years later and in the following generation Charley's grandson, C. B. Bettisworth, Jr., and David's grandson, James Strandberg, shared an architectural practice in Fairbanks and could joke about the story.

Three more children were added to the David Strandberg family in the early years at Flat. William John, "Bill;" was born in 1912, Theodore Roosevelt, "Ted;" in 1913, and Edward Odin, "Odin;" in 1915. David also acquired rich ground on the Upgrade claims above the Marietta claims at the head of Flat Creek, where he mined with a large crew of men. At about this time, David was photographed at his rolltop desk, piled high with books and catalogs, and a Victrola on one corner on top. A vivacious Jenny posed (ca 1914) with her dog team and children Olga, Bill and baby Ted, at about the same time. Operations slowed down during the World War I years at Flat, but David continued to do well at mining, and one last child, Linnea Genevieve, was born there in 1918.

At Flat, David acquired a reputation not only for finding new pay but also for fair business dealings. A rough pecking order existed at Flat with the Swedes about in the middle. However, Strandberg extended fair deals to other miners without regard to their ethnic background, as indicated by a

transaction between David and Croatian immigrant Peter Miscovich. On April 3, 1919, Peter Miscovich phonetically pecked out a letter to "David Stranberg:"

"Dear sir on my away home i ves thinking tha it would bi better for mi to paid to you some Rent on you dich than to bother with Fox Dich . . . i know it would put you aut by letmi to use Dich but i would paid to you \$100 of corse it realy would wert to mi more than that but i think it vont put you aut more than hundred dollars and i wanted only for a short time . . . yours very truly (signed Peter Miscovich)."

David Strandberg let Peter use his ditch and it saved the Miscovich operation because Peter took out a rich cut before the Guggenheims reneged on a lease that they had promised him. In later years, Peter Miscovich became fluent in English and began his own mining empire. Peter and the rest of Miscovich clan retained a high regard for David Strandberg.

David also established a reputation for fair dealings with Alaska Natives. He always believed that their rights must be protected, and he hired them for his mining operations. To back up his beliefs David joined the Alaska Native Brotherhood, and was proud of his acceptance by Alaska's Natives.

In 1923, the Strandbergs continued to mine on the Wildcat Association claims on lower Flat Creek. However, because their older children needed more education than provided by the one-room school at Flat, David and Jenny decided to move their winter headquarters to Anchorage, where it remained for the next several decades. As the older boys grew up and acquired the ability to operate independently, Strandberg operations expanded into other mining districts of interior and western Alaska. In 1933, David acquired ground on Bear, Cripple, and Colorado Creeks in the Cripple Creek Mountains where he began to operate as

the Cripple Creek Mining Company, later to become Strandberg and Sons. Father and sons opened other mines: at the platinum-bearing Clara Creek near Goodnews Bay, at Tofty near Manley Hot Springs, Candle Creek near McGrath, and on Indian Mountain near Hughes in the “Koyukuk” district. The Strandbergs took a very hard look at one hard rock operation—the high-grade Nixon Fork gold deposits east of McGrath, but backed out after a systematic effort to find more ore at the property proved too costly.

David Strandberg was a master of ground-based winter logistics, but he quickly perceived the value of aviation in supplying his camps, using larger and more powerful aircraft as they became available—Stinsons and Ford Tri-Motors and finally the Douglas DC-3. In 1938, an opportunity arose to participate directly in the aircraft industry. W. E. Dunkle, fellow miner and president and chief shareholder in Star Air Lines, sold his shares to Strandberg who assumed control of the company for several years. The company ultimately evolved into Alaska Airlines. David’s investment in Star Air Lines was symbolically a tribute to the bush pilots who risked their lives and planes to save his son Odin’s life after a mine accident in Flat in 1930.

As time went on, David Strandberg’s sons assumed more of the operating responsibilities of the company. Oldest son Harold was made vice-president of Strandberg and Sons, Inc. in 1937. Harold and his younger brothers Bill, Ted, and Odin all had been taught sufficiently well that they could run complex and remote placer operations. One of the Strandberg daughters stayed within the larger Alaska mining family. Olga, the oldest daughter, married well-known mining engineer Larry Doheny and assisted him throughout his career. The youngest daughter, Genevieve, attended the

University of Washington, married Oscar N. Kuntz (who was in the timber business), and did not return to Alaska.

In Anchorage, David and Jenny Strandberg became highly regarded pioneer citizens of the community. The Strandberg family home and office was at 926<sup>th</sup> Fourth Avenue. Jenny was active in civic affairs and her garden was one of the cities best. David proudly drove the few streets of Anchorage in a big *Pierce-Arrow* and occasionally had to be reminded by Anchorage’s lone policeman to refrain from taking his lane in the center of the road.

In 1949, David suffered a stroke and quickly afterwards, a fatal heart attack. Jenny Strandberg died of heart failure in 1951.

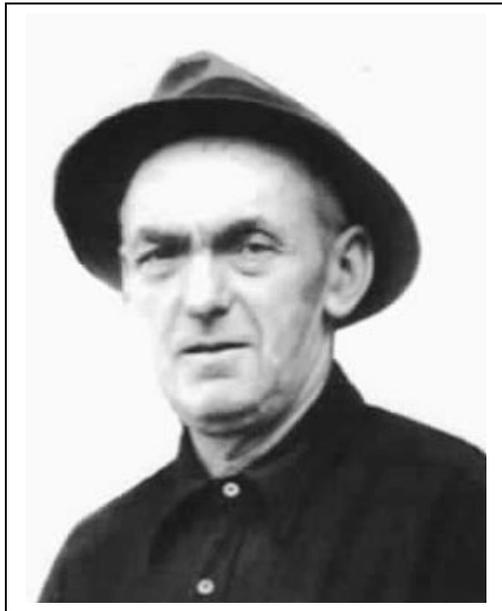
Alaska’s placer gold mining industry experienced a profound decline in the years following World War II. The deposits and districts that were discovered during the Alaska-Yukon Gold Rush were depleted and operations became increasingly expensive, largely due to the fixed price of gold. Territorial Days were coming to a close and Alaska was moving in other directions. The extensive Strandberg mining holdings remained intact during the transition from territory to state, but the family was devastated by the deaths of Bill in 1963 (who was tragically killed by a black bear north of Fairbanks) and Ted in 1965.

David and Jenny’s oldest son Harold entered public life serving two terms in the 1960s state legislature. In 1968, Harold was appointed Commissioner of Public Works by Governor Walter J. Hickel. Odin Sr. faithfully served for many years on the Anchorage School Board. Of the grandchildren, only the late Edward Odin Strandberg Jr., became a practicing mining engineer. (Harold’s son, David H. Strandberg, graduated from Colorado School of Mines and worked for Consolidation Coal Company before

entering the oil business.) Odin, Sr., and several of the grandchildren and great-grandchildren hold interests in Alaska lode and placer properties and still plan for a reborn Strandberg mining presence in Alaska. The Strandberg family contributed to another Alaska dynasty when it sold land in downtown Anchorage to Walter J. Hickel, who erected the first tower of the Captain Cook hotel there.

Recently the senior Odin Strandberg briefly summarized his father's mining life: "He was a miner, that's for sure. . . Dad was straightforward in his business dealings. Putting those mining deals together was an art. He had a facility for making bankable deals. People believed what he said." Which, after all, is one of the best tributes that can be offered.

Contributing authors: Sig, Arlene, and James Strandberg, and Tom Bundtzen.



Photograph courtesy of Jeane Ostnes Rinear

### **LARS OSTNES (1883-1972)**

Lars Rasmussen Ostnes was born in Ostnes, Norway, on March 31, 1883, the second of five children. Lars lost his father to a North Sea accident in 1892. In order to help out his widowed mother, at

the age of 14 Lars went out to sea but continued his education in the fall and winter months. Soon stories of the fabled Klondike Gold Rush began to filter into Norway. Lars continued to support his family in the North Sea fisheries but the lure of gold had already made its mark.

When Lars turned nineteen he and his sister Lena left Norway arriving in New York in early 1903. Almost immediately, the two traveled to Seattle where Lars joined the crew of the schooner *Nellie Coleman*, a sail-driven commercial craft of 160 tons, fishing in the Bering Sea. Heavy double-ended dories were sent out from the mother ship daily and were normally operated with two men. Lars, six feet four inches tall and extremely strong, often handled a dory by himself. Even in those days of iron-tough men, this was unheard of. Lars stayed with the *Nellie Coleman* for two years before deciding to try his luck in mining.

In 1905 Lars went to work at a hydraulic mine in the Silver Bow Basin outside Juneau. At the end of the mining season he traveled to Skagway where he spent the winter working for White Pass and Yukon Railroad (WP&YR). Lars efforts on the WP&YR served two purposes: money to buy his own mining ground and free transportation to Whitehorse at the head of rail navigation.

In June 1906, Lars set off down river for Dawson with the water high and fast. He bought a sixteen foot boat, took on four paying passengers and guided them through the 460 river miles to Dawson. That summer Lars probably had a lease on the celebrated #27 Eldorado claim owned by the "King of the Klondike", Alexander McDonald. Lars recognized that opportunities in the Klondike were diminishing for individual miners, but he saved enough money in the spring and summer of 1906 allowed him to travel to Fairbanks where he stayed for about two years. Lars was

in demand because he knew how to repair the cables used in the drift mines of the Fairbanks District. One mine owner asked his foreman how many men it would take to repair the camp's broken cables. The foreman pointed to Lars and said, "Just that big Norwegian over there."

In the fall of 1908 Lars leased the Cushby Fraction between 1 and 2 Below on Dome Creek and conducted drift mining. By fall of 1909, Lars and his partner George Lippett were among several hundred prospectors that had arrived in the Iditarod region where gold had been discovered the previous year. Lars operated a drift mine on First Chance Creek. By spring of 1910 Lars had purchased No. 1 Above Discovery on Otter Creek with partners Jack Merrit, Angus MacKenzie and the Bates brothers, Bill and Gil. 1910 was a good year for Lars and his partners: one clean up of their open cut operation returned 380 ounces of gold in 80 hours and another produced 265 ounces in 60 hours. Their biggest clean up was about 1,300 ounces of gold, worth \$27,000.00.

The relationship between the Bates brothers and Lars continued for quite some time. Of the five partners Lars was singled out as the best prospector in the group and often spent his summers looking for replacement ground in anticipation of the day when #1 Above Discovery on Otter Creek would be mined out. In 1911, he was part of the Aniak stampede, mushing his dog team with loaded sled 110 miles to the new discovery. Lars was successful to such an extent that he made the decision to go "outside" to Seattle for the winter to visit his sister Jakopia, and spend some of his hard-earned dollars on new clothing, fresh cigars, fresh fruit and vegetables, and church and lodge social events. By all accounts, Lars took to the softer ways of the city folk and was frequently seen at social functions around Seattle. In March 1912 Lars took

the first steamboat back to Seward and then hit the Iditarod Trail again back to Discovery Otter. Lars remained at Discovery on Otter that winter and played Santa Claus at the annual Christmas celebration. By 1914 Lars probably began working for Riley and Marston Company on their dredge near Black Creek on Otter Creek as rigging foreman. That winter Lars returned to Seattle where he stayed with his sister. When Lars arrived back in the Iditarod country in the spring of 1915 he brought with him a 93-foot Douglas fir pole. With it, Lars erected the first slack-line scraper in Iditarod district at Frank Manley's operation on Willow Creek.

In the winter of 1915 – 1916, Lars once again traveled to Seattle as a mining magnate. While at a church gathering he met a beautiful Norwegian immigrant named Elise Rudi. She was as practical as Lars was daring. Lars would call for Elise with a horse and buggy, a most impressive gesture at the time. The relationship flowered and when it came time for Lars to return to Alaska in the spring he proposed. Elise felt that Lars was overly generous and free with his money, but in the end, answered by telling the deflated Lars "You have spent all your money now, so you go back up to Alaska and make your big stake, then we'll discuss marriage". That spring Lars heard of a new strike in the Tolstoi District. He spent part of the summer prospecting and mining there, and apparently did well, but went back "outside" for the winter with no plans to return to Tolstoi.

On his arrival in Seattle Lars renewed his courtship with Elise and on February 16, 1917 they were married. They concluded an extensive honeymoon trip with a month long journey from Seattle to Iditarod covering almost 3,000 miles. Gil Bates and his new bride traveled with them, and when the couples arrived in Iditarod the community went "all out" to celebrate

the marriages. A big party was held at the McDonald Hotel. Elise was a big hit, in part because she went right to work helping prepare the food for her own welcoming party. The next day Lars and Elise traveled to Flat over the wooden tramway previously built by Peter Miscovich and his crew.

The summer of 1917 Lars worked as rigger foreman on a dredge for Beaton, Bates, Dawson and Longten near Black Creek. Lars and Elise decided to remain in Flat during the winter of 1918-1919 as Lars had a winter job and more importantly because Elise was six months pregnant when navigation closed for the year. They sold their return round trip tickets to Mrs. Johnny Beaton. Mrs. Beaton and her two children boarded the ill-fated *S. S. "Princess Sophia"* bound for Victoria; the boat sank in a storm in Lynn Canal and all 400 aboard were drowned. Lars and Elise were devastated by the deaths of Mrs. Beaton and her children as were many others in the Iditarod country. The year ended on a happier note: Lars and Elise had their first child, a son, Leif Robert Ostnes on December 28, 1918 in their cabin in Discovery Otter. She remembered it was 60 degrees below zero when she went into labor. Lars rushed to Iditarod to get Dr. Behla and his nurse Mrs. Young.

During the winter of 1918, Lars was one of twenty men employed in the three mines working the Iditarod district. He was involved in the towing of the Beaton & Donnelly Dredge down Black Creek to Otter Creek. In the early summer of 1919 Lars received a letter for which he had been waiting for nearly a year. On June 9, 1919 Lars Rassmuson Ostnes became a citizen of the United States. Elise too became a citizen by marriage.

That fall Lars and Elise decided to take a vacation to Norway. Though they were urged to stay in Norway, Lars and Elise headed back to America. On their

way back from Norway Lars was offered a job with the Concord Oil Company in Texas. Since many former gold miners were now in the black gold game, Lars and family headed to Mexia, Texas in 1921. Over one hundred men worked at the work site and Lars brought in several big "gushers". When their second child Eleanor Sophia was born on May 2, 1922, there was no time to get the doctor so Elise took charge and coached an excited Lars through the process.

Lars did not adapt well to the heat of Texas. Concord Oil Company wanted Lars to stay and offered him significant financial incentives to do so, but as was her nature, Elise distilled the problem one evening when she took Lars out behind their house and asked "Lars, where do you want me to bury you? If we stay here I'll have to bury you here". The next day Lars returned home with a new car and camping equipment. He told Elise, "I've never gone wrong yet in taking your advice." They left Texas in 1924 and toured the western U.S. on their way to Seattle.

Shortly after arriving in Seattle their third child Olive Adeline was born on November 26, 1924. In a quirk of fate, Olive was born at home and delivered by the same Dr. Behla from Alaska who had delivered Leif. Lars worked with N. C. Jensen doing "wildcat" oil drilling in Washington until around 1929. But Alaska remained in his mind as his real home so when the effects of the Great Depression began to be felt, Lars made the decision to return to Alaska.

By the summer of 1930 Lars and his partner Jim Johnston were in the Marshall District in western Alaska, where they leased the Bon Rosa claim on Willow Creek from George Marsh. In the 1930's Willow Creek was one of the few creeks in the district with good pay. Starting this new operation from scratch, they returned to hand mining. When weather conditions made it impossible to

continue the two partners would work at various settlements along the Yukon River. They stayed at Mountain Village through two winters but after 1932 they stayed at Willow Creek. Lars worked there through 1936 while Elise and the children remained in Seattle.

By 1936 Lars was confident enough to apply for a large equipment loan at the First National Bank in Seattle. When he was asked how he would repay the loan Lars responded without hesitation "Cash, 120 days from delivery". The loan was approved by a handshake. With it Lars purchased one RD-7 Caterpillar tractor, a P & H model 705 dragline, a welder, sluice box parts and a water pump; the outfit was transported by boat, then rail, and finally delivered at Marshall Landing by barge with the riverboat "*Nenana*".

Lars ran a two-shift-per-day operation that year with wages of \$6.00 per 12-hour shift. The camp was known for its superior grub, an important consideration for those seeking work in the depths of the Depression. Elise and the children joined Lars that summer, arriving by bush plane following a long sea voyage from Seattle. Leif Robert, the eldest Ostnes son, immediately began a mining apprenticeship. Lars made Leif his Assistant Superintendent when Jim Johnston passed away in the mid 1940's. The ground being mined by their Willow Creek Mining Company averaged \$1.25 per bedrock foot, or about \$1.15 per cubic yard, which was good pay by any standard. Unlike the Iditarod gravels, Willow Creek was full of coarse gravel and large boulders, which presented continuing challenges to the operation. The gold was coarse and rough, and occurred throughout the lower eight feet of gravel instead of on bedrock as in most other creeks. In the early 1940's the Willow Creek Mining Company worked a 300 to 500 feet wide pay streak in lower Willow Creek. It was reported to contain a phenomenal

\$3.00 a bedrock foot. That year a D8 Caterpillar was delivered to Willow Creek as well as a new Washington Iron works washing plant. By the late 1940's the mine reverted to wing gates and hydraulic nozzles to push gravels toward elevated sluice boxes. During one of their more successful years, a single clean up produced 1,785 ounces of gold. Close to 40 miners held that gold and many pictures were taken.

As in Lars' earlier years another World War affected his life during the 1940's. The Willow Creek Mining Company must have received a special permit to continue gold mining during World War II since non-essential mining activities were banned by the War Production Board in 1942. Because of costs and equipment availability, Lars' efforts on Willow Creek were significantly reduced during the war. Elise took over the job of cooking for the camp and ordering supplies for the season. Supplies were delayed, travel was curtailed and most of the manpower was off to war, including Leif. In February 1943 Lars went to Texas to pin Pilot wings on Leif. Leif went on to pilot B-17 bombers in Europe.

After the war Leif returned and established a family in Fairbanks, returning also to Lars' mine on Willow Creek. The mining was done with the dragline, bulldozer and the washing plant. Leif continued work at Willow Creek through 1949. By that time he and Meredith had four children. In 1950 Leif worked at Morelock Creek mining for Earl Wyman, Max Fenton and Ed Ferrel. In 1951 Leif worked for the Strandberg and Sons and for Miscovich operating in his birthplace, Discovery on Otter Creek near Iditarod. In 1951 and 1952 Leif and son Larry returned to work with the Willow Creek Mining Company. Lars continued his bulldozer and hydraulic operation with 4 workers. Lars hired local residents at different times over the years including Bill

Amouak, Bob Kamoka, Vernon Evan, Tom Oney, Johnny Oney, Don Hunter, Vernon Hunter, George Dahl and John Fitzhugh, Jr. Vernon worked at Willow Creek Mine in 1948 and again in 1952 and indicated that the mine should have been called “Vat in Hell” for the number of times he heard Lars exclaim those words.

In 1953 the Willow Creek Mining Company changed its name to Lars Ostnes and Company. Lars and Elise had 3 workers including Leif and Lars’ grandson Larry. By 1954 only the Ostnes operation remained in the Marshall District. By December of 1954 Lars was 71 years old and had decided to sell his mining equipment. A Fairbanks Daily News article indicated that though he had “decided to sell his mining equipment he made it clear to his friends that he does not intend to retire.” Another article mentioned, “He is not retiring though—he has seen too many men retire then die. When he disposes of his mining equipment he is going prospecting again—and for gold....”

Lars was a soft as he was tough. Throughout the camps and towns, Lars Ostnes was known simply as “Big Lars”. Dorothy Hunter remembers that when Lars would come to Marshall in the “*Molly Lee*” she, Jeanne Bahls and other children would hurry to see if they could “clean the boat up” as a chore. Lars would turn them loose on the boat and head off to his house up the hill. The children would later go to the house and Lars would get down on his knees and say “who is going to give me a hug

first?” They all gave him hugs and received their just rewards in candy.

In February 1972 Lars passed away. Their youngest daughter Olive also passed away the same year. At the time of his death the Alaska State Legislature honored Lars in House Concurrent Resolution No. 58, passed April 4, 1972 and signed by Speaker of the House, Gene Guess and President of the Senate, Jay Hammond. It stated in part that Lars was one of the earliest pioneer Alaskan miners and that he also employed all methods of mining in the far north during his career, from the industry’s crude beginnings to modern methods currently utilized. Lars Ostnes’ fortitude and perseverance typify that of pioneer Alaskans who opened many areas of the state to settlement.

Elise continued to live independently in Seattle until she was 92. She fell and broke a hip in 1982 and entered the Riverton Heights Nursing Home at the age of 98. She lived well and happy until September 15, 1985 when she passed away in her sleep two months past her 100<sup>th</sup> birthday.

Lars and Elise are buried in a Mausoleum at the Washeli Evergreen Cemetery in Seattle, Washington. Near this Mausoleum is the family plot that now has Olive Ostnes McClain, Leif Robert Ostnes, Oswald “Ozzie” Vistaunet, and Lars’ sister Jakopia Olive and her husband Olaf Ovaara.

The efforts of contributing authors Jeanne Ostnes Rinear of Fairbanks and Eleanor Ostnes Vistaunet of Seattle are gratefully acknowledged.

## **Distinguished Alaskans Aid Foundation as '98ers**

The Alaska Mining Hall of Fame Foundation was incorporated as an Alaskan non-profit corporation on April 27, 1997. The Foundation was organized exclusively for educational and charitable purposes, including donations to organizations that are tax exempt under Section 501(c)(3) of the federal tax code. The foundation is a non-membership corporation that depends on services provided by its officers and directors, others interested in Alaskan mining, and on donations and grants.

The Foundation is especially indebted to fifteen persons who have each contributed \$1,000 to become 98ers, in honor of the first stampedeers to Alaska in 1898 at Nome.

### **The 98ers**

Earl Beistline  
Thomas K. Bundtzen  
Glen Chambers  
Douglas Colp  
Wendell Hammon Jr.  
Walter Johnson  
Wallace McGregor  
John Mulligan  
Patrick H. O'Neill  
Elmer E. Rasmuson (deceased)  
William Stroecker  
Robert H. Trent  
Mitch Usibelli  
Joe Usibelli, Sr.  
William R. Wood (deceased)

Most of the 98ers are recognizable as miners of national or international reputation. The late William R. Wood was President, Emeritus, of the University of Alaska. Dr. Wood suggested the organization of the Foundation. The late Elmer E. Rasmuson was an Alaska banker and benefactor, long interested in Alaska natural resource history. Dr. Walter Johnson's career was mainly in Native public health, but he knew many pioneer Alaskans. His own research has taken him to Sweden and Norway in search of the true story of the so-called "three Lucky Swedes" of fame at Nome.

The Foundation is seeking about ninety more 98ers, but it welcomes contributions at every level. For further information contact:

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