

BALLIET'S GUILTY

Jury Finds He Used Mails to Defraud.

WAS OUT BUT A SHORT TIME

Oregon Mining Promoter Evaded No Great Feeling When Verdict Was Announced—Attorneys Move for a New Trial.

DES MOINES, Ia., June 5.—Lester Balliet was found guilty today using the United States mails to defraud in connection with the promotion of the White Swan gold mine, in Baker County, Oregon, by a jury in the Federal court here.

The indictment was on five counts, which were consolidated, however, so that the extreme punishment for the crime will be 15 months in the penitentiary and a fine of \$500. The jury went out at 1 o'clock and came in at 2, not having any serious disagreement in reaching a verdict.

Sentence will not be pronounced at present. Balliet's attorneys, Judge Charles Bishop, of Des Moines, and Colonel Emmert Calahan, of Baker City, gave notice at once of a motion for a new trial. They have until June 25 to file this motion. It will be passed upon some time during July, or early in August. If refused, sentence will then be pronounced, and if the defense sees fit an appeal will then be taken to the United States Circuit Court of Appeals at St. Louis. The case could be carried up from that court to the United States Supreme Court on certiorari proceedings.

While not willing to state what will be the action until after the motion for new trial is passed upon, it seems to be the intention of Balliet and his attorneys to fight the matter to the end. Pending the decision of the court on the motion for a new trial, Balliet will be at large under the same bond as since he was indicted.

Before reaching a verdict, the jury came back for additional instruction by the court. They asked to know if the subsequent actions of Balliet, since the indictment, could be considered in arriving at his intentions. The court ruled that they could.

Balliet was pale when he came into the courtroom to hear the verdict, but did not evince great feeling when the verdict was announced.

Probably the most important feature of the decision in the case is the effect it will have on the prosecution of other companies supposed to be using similar schemes to defraud the public. It is alleged by the Government agents that there are many such concerns, and it is proposed to investigate them thoroughly.

Widespread investigation has been a result of the success of the Government in this case. In his instructions to the jury Judge Mungler laid down five points which covered the whole situation. They were:

- First—It is not necessary for the Government to prove that any person has been actually defrauded, or for any person to have been deceived.
Second—It is not essential whether Balliet told the truth or falsehoods in his letters and circulars exploiting the White Swan mine, or whether he intended to defraud, or whether he was connected with the scheme as a party towards its furtherance.
Third—It is necessary to show Balliet's intentions at the time he mailed the letters and circulars, and not his subsequent intent, and not his subsequent intent.
Fourth—It is not necessary or essential that Balliet be the originator of a scheme to defraud, or that he be the author of the mail matter complained of, but whether he was connected with the scheme as a party towards its furtherance.
Fifth—Balliet took the stand in his own defense, and the jury must determine whether he gave a satisfactory explanation of the use and disposition of the White Swan mine.

It was proved by the Government that during the 2 1/2 years that Balliet operated he had expended \$25,000 in buying a newspaper at Baker City, about \$50,000 in advertising the mine, and had expended \$25,000 in advertising the mine in various papers of America; that he had expended various sums on actresses and personal outlays, and since the purchase of the White Swan mine he has put practically nothing into it with a view to developing it on behalf of the stockholders. It was essential for the Government to prove that Balliet intended to defraud the investors when he started to use the mails to sell them the stock. This was shown by proving his expenditure of about \$50,000 of the money in the manner described and in connection with the development of the property. The Government clinched the case against Balliet when he went on the stand and failed to testify as to the whereabouts of the remaining \$100,000 which had been collected by the sale of the stock but not accounted for.

Balliet is 35 years old, and the son of J. S. Balliet, secretary of the Polk County District bench, and a citizen of this city. Young Balliet was engaged in no business until he acquired the management of the White Swan Mining & Milling Company. A large number of technical difficulties concerning the title to the property having arisen, he bought the claims and secured a clear title to the White Swan mine. Knowledge he had been selling stock in the property, he had secured possession of the mine he removed his headquarters to San Francisco and operated from that city, where he employed 20 men, and every day sending out circulars and letters advertising his proposition.

The Government objected to his use of the mails to procure money in the first place for the sale of the stock in a company which had no valid title to the property, in which its stockholders were assured they would participate; secondly, to his use of the mails to procure money without expending the money he received in developing the property he was selling, according to his agreement. He was indicted about 16 months ago, and a year later this summer his trial was held at Des Moines. A juror died, and the case went over to the May term, 1902, of the Federal Court here. Attorneys for Balliet propose to take the case to the Supreme Court of the United States.

Postoffice Inspector Mayer promises that if Balliet escapes on this prosecution eventually he will be tried in San Francisco because of his use of the mails in California to push his scheme.

PIONEERS HOLD REUNION.

Yamhill County Association Has Great Meeting at North Yamhill.

NORTH YAMHILL, June 5.—The Pioneer Association of Yamhill County assembled in the oak grove near here yesterday. There was an attendance of 1500 persons, and among them the following pioneers: 1834, Mrs. Frederick Florey, Guston; 1834, Mrs. M. C. Kirkwood, Minnieville; 1834, J. C. Nelson, Newberg; J. B. Perkins, John Nelson Perkins, Mrs. William Russell, G. L. Rowland, J. H. O'Leary, North Yamhill; 1834, Mrs. M. J. Hendricks, Carlton; J. W. Gant, H. P. Morse, North Yamhill; 1834, Mrs. J. W. Laughlin, Carlton; Mrs. Mary Gilkey, Dayton; J. P. Davis, McMinnville; 1837, Rev. J. Hunsaker, Mrs. C. A. Walker, Mrs. Mary Hunsaker, McMinnville; Mr. and Mrs. William Laughlin, James Wright, Lee Laughlin, J. Johnson, R. D. Shuck, Mrs. Beulah, Mrs. Emma Kramer, North Yamhill; Mrs. Emma Kramer, Mrs. Irene Everett, Newberg; 1841, D. P. Trullinger, Mrs. M. Dudley, B. Roberts, William Roberts, Mrs. W. W. Walker, North Yamhill; Warren Merchant,

WOOL BRINGS BIG PRICE

500,000 POUNDS SOLD FOR 13 1-2 CENTS AT HEPPNER.

Sale Was by Sealed Bids, and Under Auspices of the Oregon Growers' Association.

HEPPNER, Or., June 5.—The Oregon Woolgrowers' Association's wool sale here yesterday and today was a great success. A little over a half million pounds of wool were sold under a sealed bid system, at prices ranging from 11 to 15 1/2 cents per pound, showing an increase over last year's prices of one to two cents a pound. The Penland clip of 150,000 pounds was the largest lot offered for sale, and sold at 15 1/2 cents a pound. There were 12 wool buyers at the sale. R. Kuhn, representing the Botany

YOUNGEST MEMBER OF THE NEW OREGON LEGISLATURE



CHARLES V. GALLOWAY, DEMOCRATIC REPRESENTATIVE FROM YAMHILL COUNTY.

MINNIVILLE, June 4.—Charles V. Galloway, who has just been elected to the Legislature from Yamhill County, is the first regular Democrat chosen for this position since the election of his father, Hon. William Galloway, in 1880. Young Galloway was born here this 1st of January, 1873, and spent his boyhood on his father's farm, attending the McMinnville public schools. He afterward entered McMinnville College, and as representative of that institution won the intercollegiate oratorical contest in 1892. In the Fall of the same year he matriculated at the University of Oregon, graduating with high honors in 1895. He was a member of the university debating team during his senior year, and was a recognized leader and manager of many student enterprises, including the student body. Last year he was unanimously elected president of the University Alumni Association. It was Mr. Galloway's intention to enter an Eastern law school, but poor health caused him to return to the farm, where he has direct supervision of one of the largest prune orchards in the country. He had the highest vote of any man on the Legislative ticket in Yamhill County, and is the only Democrat elected.

Worsted Mills, of New York, was the largest purchaser. This is the first wool sale of the year, and the prices being so much higher than last year, the growers are very well pleased. They regard the selling of wool under sealed bids as responsible, to some extent, for the high price obtained. The next large sale will be on June 25-28, when it is expected 1,500,000 pounds of wool will be offered for sale.

SALEM WORKMEN'S PLANS.

They Propose to Give Supreme Lodge a Great Time.

FUNERAL OF WELL-KNOWN FOREST GROVE WOMAN.



FOREST GROVE, June 5.—Mrs. Sarah A. Sloan, whose funeral will occur tomorrow, was one of the best-known women in this section of Oregon. She had conducted a hotel here for nearly 40 years. Mrs. Sloan was a woman of rare intelligence and remarkable executive ability. She was of Puritan ancestry, and was born in the State of New York, in 1828, where she resided until 1861, when she came to Oregon with her husband, C. A. Sloan, to whom she was married in 1838. In 1862, she moved to Eastern Oregon, where Mr. Sloan followed the stock business for three years, after which they returned to Forest Grove, opening the Forest Grove Hotel. Mrs. Sloan was characterized by a generous, painstaking hospitality, and many a weary guest has found a hearty welcome at that popular tavern.

TO STOP KILLING OF BIRDS.

Salem Society Makes Complaint to State Game Warden.

ON UNDERWOOD'S TRACK

Eludes Constable, but Officers Are Confident of Capturing Him—All Roads Guarded.

BEREEN, Wash., June 5.—Paul Underwood, the alleged murderer of his 3-week-old babe at Ballard Saturday, who eluded the officers here Tuesday, was seen at Tokeland this afternoon. This information was brought here by the steamer Harbor Queen this afternoon on the Chehalis River, at the mouth of Gray's Harbor, and was at once wired to every one in the South Bend county who could be reached by telegraph, so that it is expected here that Underwood will soon be run down and captured. Sheriff Cuddehe, of King County, arrived here late yesterday afternoon, and working on the theory that Underwood had crossed the Chehalis River to the south side and made his way down towards Ocoea, Westport and the Pacific Coast, with the intention of getting over to the Columbia River, he had a steam launch late last night, went down the harbor to Westport, took a rowboat over to Ocoea, and commenced a search of mills and camps around there. At Dungeness, where he had a search party, he found that Underwood had spent Tuesday night with the men there, changed clothes with the fireman, and early Wednesday morning had hired a man by the name of Simford to row him across to the wharf at Westport. He went through that village just about sunrise, passed over to the beach and struck off south towards Willapa Harbor. Sheriff Cuddehe returned here as quickly as possible, took the train for Astoria, and sent Sheriff Hunt to South Bend on the same train. If Underwood was at Tokeland this morning his pursuers are closing in on him from all sides. He had with him \$50 and a six-shooter, and it is possible he has crossed Willapa Harbor and gone down to Naches, where he can receive help. He is expected to be captured here as he has made such slow progress thus far, however, that there are but few chances of his evading the officers who are so close upon him.

Eludes the Constable.

SOUTH BEND, June 5.—Paul Underwood, the alleged murderer of his three-week-old babe at Ballard Saturday, who fled from Albert Wash, Tuesday, was seen at Tokeland this afternoon, but eluded Constable Smith, of Ocoea. Sheriff Roney and Hunt left for Tokeland on Tuesday morning, but Underwood was there. It is almost certain the man will be captured. All the roads and trails are guarded.

PRISONER CHANGES HIS MIND.

Highwayman Will Return to Oregon Without Requisition Papers.

WRECKER ST. JOHN.

NEW WHATCOMB, June 5.—Nearly the entire day of the St. John wreck was taken up with the examination of the state experts, who told of receiving offers of settlement from defendant while he was still in the custody of the sheriff. It is believed that the man will be released, and that he will return to his home in Idaho. The man is in jail at Whitney.

KNIGHTS TEMPLAR ELECTION.

Officers Chosen by the Grand Commandery of Washington.

CONVICTED OF MANSLAUGHTER.

MONTESANO, Wash., June 5.—W. J. Youers, who shot County Commissioner Shively, at Montesano, and seriously wounded Constable Fenwick of the same place, last November, was convicted yesterday of manslaughter. This was his second trial. On the first trial the jury disagreed.

RUSHING TO THUNDER MOUNTAIN.

Weiser in Fall of Men Bound That Way—Food Is Scarce.

WEISER, Idaho, June 4.—Weiser continues to be full of men bound for the Thunder Mountain gold district, and every morning the Pacific & Idaho Northern takes out good loads of miners, prospectors and capitalists. After the 90 miles ride to Coeur d'Alene, the men are transferred to stages and driven to Meadows, 35 miles, before dark. The next morning they are off for Warren, and as that road is now open, the trip is easily made in a day. The boys take their families from Thunder Mountain, and parties just in say the road is lined with gold hunters. The road has been very bad, occasionally by deep soft snow, and the best people for information on the road are those who have been there before July 1.

BRAKEMAN FATALLY INJURED.

GRANT'S PASS, Or., June 5.—A. E. Grove, of Ashland, a brakeman on the Southern Pacific, was caught between two gravel cars at Merlin this afternoon and badly injured. The physicians say he will die. Grieve was brakeman of the gravel train and was riding in the switching at Merlin. A number of his ribs were broken, and severe internal injuries received. He was brought to this city for medical aid.

ALLEGED CHILD MURDERER SEEN ON WILLAPA HARBOR.

Eludes Constable, but Officers Are Confident of Capturing Him—All Roads Guarded.

DEATH OF A PIONEER.

Resident of Oregon for Nearly 40 Years.

OREGON CITY, June 5.—The funeral of John Clark Taylor, who died in this city yesterday, occurred today. He had resided in Oregon nearly 40 years. He was born in Fleming County, Kentucky, February 24, 1814. He was married in 1838 to Mrs. E. B. Taylor, of Fort Union, Iowa. He came to Oregon in 1848. During the last eight years he had lived in this city. He is survived by a wife and seven children. Mrs. E. B. Taylor, of Fort Union, Cal.; Mrs. Ed Harrington, of Highland; Mrs. E. E. Martin, of Whittier, Cal.; and Mrs. C. D. Story, Mrs. Frank Welsh, Mrs.

Shriners Leave for California.

KANSAS CITY, June 5.—The Kansas City delegation of Shriners to San Francisco left on a special train over the Rock Island at 6:30 o'clock tonight. The train consists of six standard Pullman cars and a commissary car. It is fitted with all modern conveniences, including a telephone system and a piano in the parlor car. The train will be transferred to the Colorado Midland at Pueblo for the daylight ride through Colorado. From Grand Junction, Colo., the ride will be over the Rio Grande system and the Southern Pacific, arriving in San Francisco June 8.

One of Noyes' Decisions Reversed.

SAN FRANCISCO, June 5.—The United States Court of Appeals today reversed the decision of United States District Judge Noyes in the case of the United States against Hawkins. Hawkins was convicted of robbery with Thomas Dolan and George Allen. The reversal is on the ground that Judge Nolan permitted a citizen, a member of the jury, who had expressed an opinion in the case, to be a juror. The decision was set aside several months ago by the United States Circuit Court of Appeals because of errors committed by Noyes during the trial.

Walla Walla Soldier Honored.

WALLA WALLA, Wash., June 5.—Captain M. C. Gustin, formerly of the Eleventh United States Volunteer Cavalry, and a member of the First Washington Cavalry of the Spanish-American War, and a citizen of this city, has been made an aid-de-camp on the staff of Supreme Commander J. R. Coryell, of the Spanish-American War Veterans' Association, with headquarters at Philadelphia.

Shingle Mill For Elma.

ELMA, June 5.—Walter Johnson, of Elma, is putting in a shingle plant, to be run in connection with Vance Bros. lumber yard. One mile west of town, Vance Bros. are again running full capacity.

State University Regent.

OLYMPIA, June 5.—Governor McBride has appointed John H. Powell, of Seattle, to the vacancy on the board of regents of the University caused by the resignation of John P. Hoy. Mr. Powell is a well-known lawyer of Seattle.

R. encampment elected officers this afternoon as follows: M. L. Pratt, Summer Post, No. 12, commander; Thomas Dealey, Channing Post, No. 14, senior vice-commander; J. A. Leonard, Post 17, Huntington, junior vice-commander; Dr. H. B. Littlefield, Portland, medical director; R. V. Pratt, Lincoln-Garfield Post, of Portland, chaplain.

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The Late John Clark Taylor.

E. F. Story and Miss Myrtle Taylor, of Oregon City; if grandfathers and four great-grandchildren. Interment was in Mountain View cemetery.

Funeral of Spanish War Veteran.

OREGON CITY, June 5.—The funeral of Oliver Lipes, a Spanish War veteran, was held in this city this afternoon. Company A, Third Regiment, Oregon National Guard, escorted the funeral cortege to the First Presbyterian Church, where services were conducted by Chaplain W. S. Gilbert, of the Second Oregon Regiment, of which Lipes was a member. General Owen Summers, Captain Charles E. McDonnell, and several other Spanish War veterans were present. The body was interred in Mountain View cemetery. The pallbearers were members of Company A, Second Oregon Volunteers, as Lipes went with this company to the Philippines.

Pioneer of Pacific Coast.

ILWACO, Wash., June 5.—Mary E. Williamson, a pioneer of Pacific Coast, and continuous resident of Ilwaco for 15 years, died yesterday. Death was due to heart failure. Mrs. Williamson is the mother of 12 children, 10 of whom are living and mostly residents of Ilwaco. Deceased was born in Johnston, Pa. Her father was a prominent lawyer and instrumental in laying out the city of Ilwaco. She was a member of her near relatives perished in the flood which destroyed the city. Her children are prominent in business circles here, and the funeral today was largely attended by the people of the peninsula.

George Reed Kelloog.

George Reed Kelloog, formerly of Portland and Astoria, Or., died on May 23 at Roseburg, at the home of his sister, Mrs. Leige Otey, aged 82 years. Death was due to consumption.

Oregon City Revisited.

OREGON CITY, June 4.—The case of George Adams vs. Oregon City and Bruce C. Curry, City Recorder, has been appealed to the Supreme Court. Adams was a motorman on the Portland City & Oregon Railway Company's electric line, and was arrested by the city authorities for running more than one freight car through the streets of the city, in violation of an ordinance.

Advertisement for Dr. Walker's Mother's Friend. Text: 'Is to love children, and no home can be completely happy without them, yet the ordeal through which the expectant mother must pass usually is so full of suffering, danger and fear that she looks forward to the critical hour with apprehension and dread. Mother's Friend, by its penetrating and soothing properties, always nausea, nervousness, and all unpleasant feelings, and so prepares the system for the ordeal that she passes through the event safely and with but little suffering, as numbers have testified and said, "it is worth its weight in gold." \$1.00 per bottle of druggists. Book containing valuable information mailed free. THE BRADFELD REGULATOR CO., Atlanta, Ga.

WIM VIGOR, VITALITY FOR MEN

Advertisement for Wim Vigor, vitality for men. Text: 'WIM VIGOR FILLS have been in use over fifty years by the lazier, older, and their...'