GOVERNMENT SUES TO GAIN FORTUNE

Coal Land Frauds on Big Scale Are Charge in Deal Involving Guggenheims.

PERJURY IS BY WHOLESALE

Smelter Trust and Exploration Company Accused of Obtaining by Fraud and Deceit Two Whole Coal Mining Districts.

DENVER, Colo., March 20.—(Special.)—After holding undisputed sway financially and politically in the Walsenburg and Trinidad district for years, the Guggenheims have received a severe blow from the Government, R. D. Townsend, special assistant to the Attorney-General, having filed two suits here, one for the cancellation of patent to 1280 acres of coal land and the other for the cancellation of patent to 1120 acres. In case the title to the land cannot be cancelled, $5,000,000 damages is asked, $3,500,000 for the land and $2,500,000 for the coal which it is alleged has been taken from one of the mines by the Carbon Coal & Coke Company, since that corporation began operating the mine in August, 1907. Besides the damages, an injunction is asked to restrain the corporations from mining any more coal until the suits are disposed of.

Before these cases are finished they promise to expose one of the biggest sensations of the West, for fraud, deceit, the concealment of facts and the purchasing of county officials to do the bidding of the "interests" are charged in the complaints.

Guggenheims Are Involved.

Involved in the suits are some of the most prominent people in Colorado. One of the suits is against the American Smelting & Refining Company, commonly reputed to be owned by the Guggenheims, and the Carbon Coal & Coke Company, alleged in the complaint to be owned by the American Smelting & Refining Company. The other defendants are Thomas Thacher and William N. Barnum, of New York state. These two are alleged to hold secret title to 1280 acres of land in the Walsenburg and Trinidad district, in trust for the smelting company. They are sued both individually and as trustees.

Franklin Guiterman, general manager of the smelting company's plants in Colorado and political boss in that state, is not named as a co-defendant in the suit, but it is charged that on January 1, 1900, he conspired with Karl Ellers, Jonathan S. Humphreys and H. A. Dubbs to defraud the Government of its title to the land now held in trust for the smelting company by Thacher and Barnum. The scheme was the same as that practiced by Oregon land-fraud operators, eight entrymen being paid, it is alleged, $150 each to file upon the coal lands, and then turn the titles over to the smelting company or some person designated by it, the expense of securing the land being paid by the smelting company or its agent. The entrymen who secured the land for the smelting company are given in the complaint as follows: John C. Febles, Jacob Emrich, Frederick R. Humphreys, Howard F. Wierum, Lewis Hohn, Frank M. Humphreys, Audley C. McKitrick and George Givens.

Wholesale Perjury Alleged.

These, it is alleged, swore falsely that they were taking up the land for their own use and benefit and that they had expended certain sums in mining coal from the land, when in fact they had spent nothing and had bargained to turn the land over to the corporation. The deeds, it is alleged, were made out before entry or final proof was made, and fictitious dates were filled in later. The entrymen were hired about March 7, 1901, it is alleged, the final receipts of the Receiver of the Land Office at Pueblo being issued the same day. False affidavits, bearing dates of February 27 and 28 and March 1, 1901, are alleged to have been sworn to before A. C. Foote and Edward D. Bright, notaries public of Pueblo and Las Animas, Colo., The United States officials having anything to do with the transaction are alleged to have been ignorant of the true conditions, being deceived by the entrymen.

Scheme to Deceive Used.

The Government charges that those involved in the big land steal sought to keep the facts concealed, that the Government might be prevented from commencing prosecution until after the expiration of six years, when a suit would be barred from the court by the statute of limitations. It was with this purpose in view that the land was conveyed to a secret trustee, it is alleged, and the county officials "induced and procured to make it appear in all records relating to the levying and assessing of taxes against said lands that "the owners thereof are unknown." They were also "procured" to conceal the fact that the smelting company had paid all the taxes since patent was issued.

It was still further to deceive the Government, it is alleged, that the coke plant was erected on other lands than those secured through the 12 entrymen. The coal used was taken from this land, however, it is alleged, and the coke delivered to the smelting company. More than 1,000,000 tons of coal are alleged to have been mined here.

Because of the deceit and effort at concealment made by the smelting company and its agents and employes, the Government prosecutor says the statute of limitations cannot be pleaded and that the company is liable.

Thacher and Barnum have executed certain deeds or other instruments showing the interest of the smelting company in the lands, it is alleged, but these have been withheld from the County Clerk's records.

Another Big Company Accused.

The other suit is against the Exploration Company, Limited, of Great Britain, also owned by the Guggenheims; R. T. Baylies, of London, chairman of the corporation's board of directors; Alexander Burrell and Albert L. Smith, of Montana; Henry Burrell, of Wyoming, formerly a confidential agent of the Exploration Company, and Philip L. Foster, of Great Britain, living in New York City, a stockholder in the corporation, and its general American financial and confidential representative; John Hays Hammond, a candidate for Vice-President and a close friend of President Taft, is chief engineer of the company.

This complaint is much the same as that against the smelting company, the charge being that the Exploration Company, through its officers and representatives, devised a scheme to defraud the Government and hired entrymen to secure title to coal land, in the same way that the smelting company did. But instead of paying them $150 each, the Exploration Company is alleged to have paid them $2 each and expenses. The scheme is alleged to have been hatched March 1, 1902.

Nine entries were made between May 6 and 12, 1902, the entrymen being as follows: Emma F. Nutter, mother-in-law of Millard Fairlamb; Maggie E. Holmes, Ella Davis, wife of John Davis; Charles P. Nutter, father-in-law of Millard Fairlamb; John Davis, Elyth Cartwright, daughter of John Davis; Anna Nutter, sister-in-law of Millard Fairlamb; Daniel S. Baldwin, Stella M. Fairlamb, wife of Millard Fairlamb. The first six of these entries are alleged to have been made at the land office at Montrose, Colo., and the last three at the office at Gunnison.

$2,500,000 Worth of Land Stolen.

The entries covered 1120 acres of coal land, valued at $2,500,000. False affidavits, as in the case of the smelting company, are alleged to have been sworn to by the entrymen. They deeded, it is asserted, to Alexander Burrell, the secret trustee of the company, the purported consideration being $10 in each case. The Government alleges the deeds were without consideration. The dates in the deeds were left blank when they were made out, it is alleged, and fictitious dates afterward inserted. Burrell deeded the land to Albert L. Smith on November 15, 1902, it is alleged, and Smith deeded to Philip Foster under date of March 1, 1904. Foster is alleged to hold the title as trustee for the corporation.

Ralph S. Kelley and James H. Anderson, special agents of the General Land Office, reported to the Commissioner of the General Land Office on April 12, 1905, detailing the frauds which had been practiced, and ever since that time agents of the Government have been working on these cases, the suits filed today being the fruit of their work.

C. A. Moulsen, now deceased, but formerly confidential and financial representative of the corporation for the Western United States with offices in Salt Lake City; Millard Fairlamb, an attorney of Delta, Colo.; John Davis and Henry Welch, coal experts for the company, and financial agents, are mentioned in the complaint, although they are not made defendants. With R. T. Baylies, Albert L. Smith, Henry Burrell and Philip L. Foster they are alleged to have conspired to rob the Government for the benefit of the corporation.

The Exploration Company is the firm which went into Mexico and bought up all the available gold, silver, lead and copper mines to be had. It was capitalized at several billion dollars, and is the largest corporation in the world for the buying and developing of mines.

It will be remembered that the Government lost its suit against the Colorado Fuel & Iron Company because the statute of limitations had run. Mr. Townsend does not propose to lose the suits he filed today, and to that end has made the allegations of deceit and concealment on the part of the corporations.

The Guggenheim interests are said to control the votes in two counties of Colorado. The scrip system is in use for paying the employes of the mines, the scrip being good only at the company's stores.

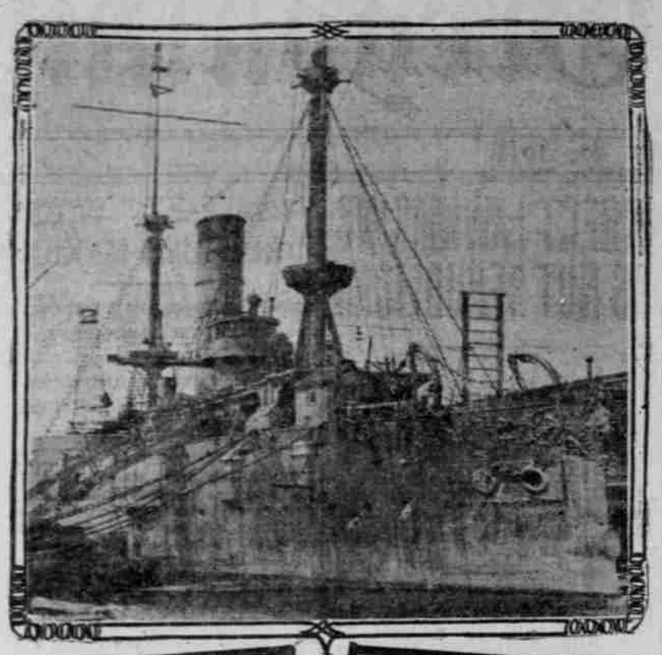
GRAZING LAWS AMENDED

Sheep and Cattle Men Confer With Secretary of Agriculture.

OREGONIAN NEWS BUREAU, Washington, March 20.—The Secretary of agriculture, after a conference with representatives of the National Woolgrowers' Association and the American National Livestock Association, has amended regulations governing grazing on the National forest reserves in two important and several minor particulars.

Hereafter the department will recognize a permanent National advisory board, representing sheep and cattle interests, which will confer annually with the Secretary of Agriculture concerning grazing matters. Beginning next season on all reserves where quality of range and advantages for raising sheep and cattle are equal, the yearling rate for sheep will be 20 per cent of the yearling rate for cattle. The department also modified its regulations to prevent speculation in grazing privileges.

VESSEL TO BE DESTROYED THAT NAVY MAY IMPROVE BY LESSON.



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Above, Historic Battleship Texas, from Photograph Taken After She Was Prepared for Tomorrow's Slaughter. Below, Secretary Von L. Meyer, and Admiral Richard Wainright, Who Will Direct Target Practice.

TEXAS IS TARGET

Atlantic Fleet Prepares to Riddle Warship.

47 MEN REMAIN ABOARD

"Hoodoo of Navy" Taken to Tangier Sound, Chesapeake Bay, Where Tests of Effect of Shells on Armor Will Be Seen.

ON BOARD U. S. S. VERMONT, Chesapeake Bay, March 20.—The guns of the battleship New Hampshire tomorrow will open fire on the battleship San Marcos, formerly the Texas. All is in readiness for the tests. The execution is contingent solely upon the weather.

The firing was to have begun today, but there was a heavy fog over Tangier Sound, and at no time did it lift sufficiently to permit of the plans being carried out. Thirteen vessels of the Atlantic fleet are gathered either for participation or observation.

Twenty-two ships are on the scene to allow their officers to witness the firing. Accompanying the fleet is the gunboat Dolphin, with the Secretary of the Navy, Senator Clapp, of Minnesota; Representatives Roberts, of Massachusetts; Loud, of Michigan, and Gregg, of Texas; Admiral Wainwright, chief of operations, and Commander Andrews, naval aid to the Secretary.

Firing on the San Marcos will begin with the New Hampshire opening the bombardment at a range of 8000 yards. Later the guns of the Louisiana may be trained on the ship at shorter range.

Tangier Sound was selected for the tests because of its shallow water. Should the San Marcos be sunk, operations for raising the ship would be simple.

On the old battleship Texas when the firing begins will be 47 men who have volunteered to remain aboard and note the results of the shells.

GUARD TO CURB RIOTS

SOLDIERS CALLED TO PUT END TO BATTLE OF MINERS.

Deputies Rushed to Benld, Ill., Are Driven Back by Armed Mob. Coal Employes Drunk.

DANVILLE, Ill., March 20.—Captain D. R. Swain, of Company I, Illinois National Guard, at midnight received orders from the Adjutant-General to assemble his company and proceed at once to Gillespie, Ill., where more than half of the colony of 200 foreign miners, principally Italians, are reported fighting among themselves following several days of hard drinking begun when they quit work in the mines of the Superior Coal Company at Benld, three miles south of there.

Deputy Sheriff Knamiller and eight deputies, who went to Benld Sunday morning to furnish protection to a shift of miners who sought to return to work, encountered 300 miners armed with shotguns and were obliged to return to Carlinville.

NEW STATES MAY TRY EXPERIMENT

Roosevelt Upholds Arizona's Right to Adopt Direct Legislation.

JUDICIAL RECALL OPPOSED

Ex-President Says He Thinks It Bad, but if Arizona Wishes to Try It, She Has Right--Direct Lawmaking Not Unrepublican.

PHOENIX, Ariz., March 20.—Theodore Roosevelt completed his tour through the Southwestern section, where his Rough Rider regiment was raised, when he departed tonight for Los Angeles. The private car in which he and his personal party are traveling was attached to the Santa Fe train which left here at 6:30 P. M., and is due to arrive in Los Angeles at 10:15 tomorrow.

Mr. Roosevelt, sunburned to a ruddy hue by his long motor rides of the last two or three days, spent a very busy time in Phoenix. His address to a gathering of more than 5000 people in the City Plaza at midday was the feature of the day. He visited Governor Sloan at the executive mansion, motored about the great valley irrigated by the Roosevelt dam and arrived at his car just before the train started. The last event of the day was a talk at the dedication of St. Luke's Home for Tubercular Patients, fostered by Bishop Atwood.

Mrs. Roosevelt and Miss Ethel Roosevelt did not participate today in any of the ceremonies of Mr. Roosevelt's reception.

Recall of Judges Main Topic.

Mr. Roosevelt's declaration that the Federal Government should immediately admit the territory into the Union, although he opposed the recall provision of the constitution as applied to the judiciary, was the main topic of conversation about Phoenix this afternoon.

The address was enlivened by interjections from the crowd in the shape of questions or suggestions, and Mr. Roosevelt answered every one.

When he declared himself as to the recall of the judiciary, a voice from the crowd called:

"We're going to have it too." From another section of the audience came the additional statement: "We need it."

Mr. Roosevelt paused a moment and then replied:

"When you say you are going to have it, I agree with you. It is your right if you want it. But when you say you need it, I do not agree with you."

A few minutes later another voice broke in. The owner was of foreign birth and his English was so broken that those on the stand could not understand him. Mr. Roosevelt asked him to repeat his remark, then shook his head, saying that an interpreter seemed necessary. As he caught the drift of the remark, Mr. Roosevelt said it had been suggested that workmen should help each other. He promptly agreed.

All Should Help Workmen.

"I will go even farthur," he said, "I will say that all Americans should help the workingmen. But the workingman should be a good American. If he seeks only to have others help him, and does not attempt to help himself, then heaven help him."

There was no reply from the man in the crowd.

A slight change in Mr. Roosevelt's programme in Los Angeles has been made necessary by the desire of President Wheeler, of the University of California, that he should arrive without fail in Berkeley on Thursday morning. On receiving a telegram from Dr. Wheeler, Mr. Roosevelt's secretary decided that the party must leave Los Angeles by the San Joaquin Valley route on Wednesday evening instead of going over the coast line.

Mr. Roosevelt's car will be run as a second section of the northbound limited. Mrs. Roosevelt and her daughter will not alter their plans, but will proceed to San Francisco by the coast line, meeting Mr. Roosevelt on Thursday at Dr. Wheeler's home in Berkeley.

Arizona Should Be State.

In his speech here today Mr. Roosevelt said:

"I regret that Arizona was not admitted to statehood by the last Congress and I trust that the next Congress will without fail admit it. The objections to admitting it I regard as without warrant of justice. Apparently these objections have been chiefly or entirely due to the fact that Arizona has adopted in its constitution the referendum, initiative and recall.

"I do not agree with the form in which Arizona has adopted the recall, especially as regards the judiciary; but while I regret that Arizona should have adopted the recall in this fashion, I not merely admit, but insist, that this is a matter purely for Arizona's own decision and that neither the opinion of myself or any other outsider has the slightest bearing on Arizona's right to the privileges of statehood. What the views of New York and Texas upon the question may be has nothing whatever to do with Arizona's right to its own views.

Government Still Republican.

"It is difficult for me to discuss seriously the assertion that the adoption of the initiative, referendum and recall make a form of government which is not Republican. Switzerland has adopted all three, and to say that Switzerland is not a republic is simply a contradiction in terms. Surely no one can expect to be taken seriously if he asserts that Oregon or California in its form of government is not as absolutely republican as Connecticut or Pennsylvania or Minnesota. This being so, there can be no ground for refusing to admit a territory to statehood when its proposed constitution does not essentially differ from the actual constitutions of certain states already within the Union.

"The principles of the initiative and referendum may or may not be adapted to the needs of a given state under given conditions. I believe they are useful in some communities and not in others. But to deny a territory the right of statehood because it has adopted these principles is as wrong as to say that Vermont should not be a state because its governmental system is based upon the principle of the town meeting.

"If the Constitution of the United States forbids the use of the referendum or initiative, then the Constitution should be amended without delay.

"It is so with the principle of the recall. I do not believe in its wisdom here in Arizona as provided in the Arizona constitution, but Arizona has an absolute right to try the experiment if it sees fit. Indeed, a system under which judges are appointed for life differs more from one under which they are elected for very short terms, than the latter does from a system which provides for the recall. Each state should have full liberty to act as it chooses in such a matter, and therefore each territory desirous of being admitted as a state should have the same liberty.

"I am a strong Nationalist, but I am no less a believer in the rights of the states wherever the rights of the states mean the rights of the people, and in this case the rights of the people include the right of the people of any state to decide upon any course of action it deems best in this matter. The United States Government is in honor bound to admit Arizona under its present constitution."

Mr. Roosevelt said there were some provisions in the Arizona constitution with which he did not agree, and continued:

Recall of Judges Opposed.

"Notable among these is the provision of the recall, especially affecting the judiciary. I uphold your right to act as you think fit in this matter, but I do not believe the position you have seen fit to take is wise. I feel strongly the wrongfulness of the position your opponents take in treating your adoption of the recall of the judiciary as a justification for refusing to admit you to the Union, yet I also emphatically feel that under your conditions, the proposal you have made is against the interests of justice and therefore against your interests.

"I admit the melancholy fact that there are states where judges have so acted as to make it justifiable and necessary for the people to adopt measures for retiring all such judges from office. But speaking generally and as regards most communities under normal conditions, I feel that it is to our self-interest, to the interest of decent citizens who want nothing but justice in its broadest and truest sense, not to adopt any measure which would make judges timid, which would make them fearful lest deciding rightly in some given case might arouse a storm of anger, temporary but fatal. You should shun every measure which would deprive judges of the rugged indifference and straightforward courage which it is so pre-eminently the interest of the community to see that they preserve.

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Portland Boiler Works.
Portland Iron Works.
Portland Pattern Works.
Portland Tool Works.
Portland Wire & Iron Works.
Prehn, Wm.
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To make every bite of food you eat aid in the nourishment and strength of your body, you must rid your Stomach of poisons, excessive acid and stomach gas, which sours your entire meal—interferes with digestion and causes so many sufferers of Dyspepsia, Sick Headache, Biliousness, Constipation, Griping, etc. Your case is no different—you are a stomach sufferer, though you may call it by some other name; your real and only trouble is that which you eat does not digest, but quickly ferments and sours, producing almost any unhealthy condition.

A case of Pape's Diapepsin will cost fifty cents at any Pharmacy here, and will convince any stomach sufferer five minutes after taking a single dose that Fermentation and Sour Stomach is causing the misery of Indigestion.

No matter if you call your trouble Catarrh of the Stomach, Nervousness or Gastritis, or by any other name—always remember that a certain cure is waiting at any drug store the moment you decide to begin its use.

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