

In 1992, so the story runs, Puter went

30 amounts to \$238,000,000 war up to Novem-\$161,000,000 was for the army, \$41,000,000 for the navy and \$35,500,000 for various Japanese Bury 150 Russians by Explosion and Take Many Guns. military requirements 500,000 per month. nts, making about \$22,-TOKIO, Jan. 1, 11 A. M .- A telegram 500,000 per "The outs ling credits up to the same rom the besieging army at Port Arthur time were \$126,000,000, of which \$63,000,-000 was for the army, \$31,000,000 for the Through an opening at the entrance was for the army, \$31,000,000 for the mavy and \$12,000,000 for miscellanceus ex-penses. That makes the total war ex-penditures for the year \$354,000,000. "The statement then shows that the treasury possesses \$145,000,000, and that into the bomb-proof gorge at Sungshu were

play should be given Mr. Hall in the trial of the land-fr of which was suggested by Mr. Heney to the President that owing to the powerful influences that would be brought to bear upon the conduct of the cases when they came to trial or before indictment, and as he knew what was coming in the case of th Government, it would hardly be fair to Mr. Hall to be compelled to conduct the cases when he had no assurance that his position would be permanent, provided he had to wait for the recommendation of the

time interested. The lands were held up in the General Land Office, and Puter himself and his fellows to go to Washington and see what could be done to excedite them to patent.

Puter Goes to Washington.

Before he left Portland, it is said, he went to F. P. Mays, and secured from him a letter to Senator Mitchell, though the story of the alleged connection of in fact he was well known to the Sena-Arriving at Washington, the land speculator went to the office of Senator Mitchell and conferred with him in regard to having his claims taken from the it is corroborated in many as soon as possible. He told the Senator, is said, that he had already sunk a large amount of money in the claims. and that Emma L. Watson, a hard-working and honest girl, had also invested in them at his suggestion. It was necessary for him to have some influence with the Commissioner to secure favorable recognition of his claims, and he therefore would like to have the help of Senator Mitchell. He promised to make it right with the Senator in event that he would ve to Puter his will and assistance

Mr. Futer then went to see Einger Hernanh, and talked the matter over with him. Hermann did not see that anything could be done to the lands unless some action should be taken which would make the transaction of record in the office Puter then got into a hack, so it is said, and went to the hotel of Senator Mitchell, the Dewey House, and told him of the conversation with Commissioner Hermann. The famous Puter-Watson affidavits were then made in the hotel of the Senator. and it is said that Senator Mitchell die tated the papers to his own stenographer and had them delivered to Mr. Puter as soon as finished. The affidavits, which told of the settlement of the land and of its cultivation and of the character of the persons making the filings, were then sent to Mr. Hermann, who took them under eration

Hermann Expedites the Claims.

On March 6, 1902, the story continues. Ir. Hermann wrote a jetter to Senato vitchell, stating that he had expedited he claims as per his request. This is the ter which was introduced in the first ial here and over the identific hich both Senator Mitchell and Mr. Herann had so much trouble. It is the same letter to identify which Commiser W. A. Richards made his trip to Portland from Washington.

his letter Mr. Hermann stated that he had expedited the claims and that the clerk of the proper division would take them under his consider tion and make an examination of them. This was done and on the folowing day Lie clerk recommended be returned to the local Land office at Oregon City for further proof The clerk mended that the optrics seemed to be

made a fair case for the homesteaders. the lands of 11-7, in which he was at that and all considered saw no reason why the lands could not be passed, especially as ne was influenced by sympathy guilty of defrauding or alding to defraud thought that it would be of benefit to for the hardships undergone by Emma L. Watson and Maude Witt in their efforts to gain a claim upon which to poor make a home, as shown by the talk of

Puter and the reports of Loomis and the land-fraud matter have been in strict Ormsby.

This completes in part and roughly Senator Mitchell and Mr. Hermann with the conspiracy.

It is supported by the stories of some of those who have confessed, but dent. Investigation has been conducted details suspended list and put through to patent which have not been and will not be further in all public land states. made public at this time. Original copies of letters writen by Hermann which were saved by Ogden, it is said, will be brought forward to prove what was apparently hidden by Hermann when he destroyed the record books as he went out of the Land Office at Washington. Account books wrested from Puter and letters to and from various persons will also go to make up the net which is being woven by

the prosecution and which has been gathered for two years past with tireless energy by Colonel A. R. Greene, the special inspector of the General Land Office; W. J. Burns, of the Secret Ser vice Department, and his assistants.

Sorenson Tried to Bribe Hall,

The indictment against Sorenson was made upon the testimony of John Hall, who told Mr. Heney and Mr. Burns that Sorenson came to him on March 28 and offered him \$5000 to let Walgamot and the rest off in the case which was about to be tried. The grand jury, after returning the

verdicts, was excused until January 10 at 10 o'clock, when it will reconvene for the rest of the session. The United States Marshal was notified by the court to serve notice upon

those indicted that their bonds were the same as had been fixed in the other cases, \$4000, and that they would be given a convenient time in which to

return them to the court. Mr. Heney Goes to San Francisco.

Mr. Heney left last night for San Francisco, having been called to that city by an important case which he is scheduled to argue on January 3. He will return in time to take up the con duct of the investigations before the grand jury on the day it begins to

work again. Mr. Burns will remain in Portia during Mr. Heney's absence and will continue his work during the vacation time.

number of the witnesses from Washington left last night for their homes, having finished with their testimony before the jury. All who have been before the jury will return to

(Cuncluded on Page 2.)

ne, at least, of over two years' work. There will be further investigations, and no person, man or woman, who has been the Government of the public domain will

Features and Departm Editorial. Page 4. be spared, be he high or low, rich or Church announcements. Page 23 Classified advertisements. Fage 28-29. Portland's first military company. Page 33. "The investigation and prosecutions in Elizabeth in her Oregon home. Page 35. West Point the best training school in the world. Page 32. accordance with the principle of clean

government, for which President Roose velt stands, and developments are coming thick and fast in the nature of a vindication of the high principle of honest Government, represented by the Presi all over the West and will be extended

HILL RETIRES TODAY.

New York Democratic Leader Really Out of Politics.

ALBANY, N. Y., Dec. 31 .- The retirement of ex-Senator David B. Hill from active politics, after 40 years' uninterrupted participation in the Democratic

ncils in this state and the Nation, will take effect tomorrow, according to the authorized statement made through the Associated Press August 29 last, upon the

Youths' department. Page 42. Contract let for new portage road. Page 13. MUKDEN, Dec. \$1 .-- Nemirovitch anchenko, the famous Russian war Rumor afloat that Mayor Williams has been indicted, but confirmation is lacking. Page 9. Troubles of T. P. A. ended at annual meeting. orrespondent, who has just returned Page 36

from an inspection of the quarters oc-cupied by the Russian officers and privates at the front, says: New Year welcomed in hearty style. Page 13. First exhibits arrive for Lewis and Clark Exposition. Page 12. One could hardly imagine a great-

SUMMARY OF YESTERDAY'S DEVELOPMENTS IN LAND-FRAUD CASES THE MITCHELL INDICTMENT-Hall, District Attorney for the United States in Oregon, the sum of \$5000 with intent to influence the said John H. Hall in his official ca-

It alleges that John H. Mitchell and / nger Hermann did, on January 2, 1902, unlawfully and feloniously conspire together and with each other and with S. A. D. Puter, Hor-ace G. McKinley, D. W. Tarpley, Emma L. Watson, Salmon B. Orms-by, Clark E. Loomis, William H. pacity when acting on the indict-ments returned against S. A. D. Puter, Horace G. McKinley et al. Davis and others, to defraud the Government of the United States out of a portion of its public lands, situ-ated in township II south, of range east, by means of forged and false affidavits and fictifious persons, and that in the furtherance of such con-spiracy S. A. D. Putzr did. on March 9, 1902, pay to John H. Mitchell the sum of \$2000 to secure his influ-ence with Binger Hermann, then Cummissioner of the General Land Office at Washington, and that in

furtherance of the conspiracy Mitchell dictated and caused to be the conspiracy prepared the Puter affidavits, know them to be false

THE HERMANN CONNECTION-The indictment alleges that, acting on the suggestion and the wish of Senator Mitchell, and influenced by him, knowing that the transactions were unlawful and felonious, Binger Hermann used his power as Com-missioner of the General Land Office to expedite 12 claims in town ship 11-7, and had them passed to patent when he knew them to be illegal and not according to the re-quirements of the law.

THE SORENSON INDICTMENT It alleges that, on March 28, 1904, George Sorenson offered to John H.

SENATOR MITCHELL'S STATE-MENT-If an indictment has been returned against me, I am prepared meet it before a trial jury imme diately, and in this connection. I defy the prosecuting officer to pro-duce against me one particle of evidence worthy of a moment's be lief. . . I denounce this prosecution against me as the result of a most damnable and cowardly conspiracy, in which Secretary Hitchcock and this man Heney are the chief conspirators. BINGER HERMANN'S STATE-MENT-I believed the law had been

· Hall, Page 1.

Page 34.

Real estate transfers of 1904 show increase of \$5,000,000. Page 22.

Death's harvest the past year. Page 35

Jottings of old Lim Jucklin. Page 41.

March of the White Guard. Page 41.

Household and fashions. Pages 38 and 39.

Peck's Bad Boy. Page 41.

The Simple Life. Page 43.

Dramatic. Pages 18 and 19.

Social, Pages 20 and 21.

Musical. Page 19.

compiled with. I had no acquain-tance with the lands, no intimacy or association with any of those to be benefitted, no interest in the transactions, direct or indirect, and had no promise, no consideration, no in ducement, and I scorn any sugges-tions that I ever hesitated to stand by my sworn duty in this or any other trust imposed upon me. The indictment returned against me is the result of the basest of compira-cies and mailclous persecution. The

CAUSES FOR JOHN HALL'S RE-MOVAL-It is alleged that United States District Attorney Hall has been a stumbling-block in the path of the prosecution; that he has tried to obstruct the course of the in-

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vestigation now being carried on before the Federal grand jury; that he has attempted to prevent certai witnesses being brought before the grand jury and that he has in the past shielded and recently has attempted to shield those who were supposed to be guilty of crimes against the Government.

STATEMENT OF FRANCIS J. HENEY-MR. Hall was removed by my personal request made to the President and for reasons which to me were good and sufficient. Other than that I do not wish to discuss the matter at this time other than to say that it was more were to say that it was upon my personal request and recommenda-tion that Mr. Hall was reappointed on the day following the November election, and at that time I had absolute faith in his loyaity to cause of the Government. I th to the ti but fair to him that he should re-ceive assurance of continuing in of-fice, knowing as I did, the path which the Government would take in the land-fraud develop

ment to me, but my good name is precious, and I will leave no stone unturned to prove to the people of Oregon that my honor is untouched

there is a stock of gold amounting to \$510 .

force is a stock of gold amounting to \$20.-500.000 to secure the note circulation. The statement concludes: "It is quite probable that Russia will resort to another ioan in 1965 of about an equal amount to those of 1904. A poron will be placed in Berlin during the first quarter and the balance at Paria."

NAVY-YARD IN DANGER.

Marines and Sailors Extinguish Two Mysterious Blazes.

PHILADELPHIA. Dec. 21.-Hundreds of marines and sailors, buckets in hand, ald-ed the Navy-Yard Fire Department and the crew of the Government tug Modoc in fighting two small fires of my origin at League Island, sparks from which threatened to destroy the great drydock in course of construction last night The fires started within an hour of each other, on the platform of a towering wooden crane on the bank to the west of the drydock. The crane, 175 feet high. was saved by a party of marines, who climbed up the blazing structure and fought the fire at close range. Four marines were overcome by smoke and two sailors from the Denver in their eagerness to reach the scene, fell into the river.

They were rescued. Rear-Admiral Dickens, the commandant probably will appoint a board of inquiry and have a thorough investigation made as to the cause of the fires. The marine guard was at once doubled.

Japan Will Never Yield.

LONDON, Dec. 31.—"This war will end when Russia asks for terms of peace or, in the contrary event, when the last Japanese creature of either sex, capable of bearing arms, dies fighting against her." Such was the emphatic declaration of Arthur Diosy. F. R. G. S. founder of the Japan So-clety, this week. Intervention he regarded as practically out of the g tion; Japan would take care not to swindled a second time.

Will Try Russian Murderer.

SHANGHAL Jan. 1.-The trial of the ailor belonging to the Russian ero Askold, who December 15 murdered a Chinese on the Bund as the result of 1 te over payment for the hire of a jinriksha, will be commenced "uesday a the Russian Consulate. The Russian Consplate will be advised by a Chi

North Sea Commission Complete.

PARIS, Dec. 31.-The Foreign Office has een officially advised that Admiral Bar Spath, of the Austro-Hungary navy, has been accepted as the fifth member of the International Commission which is to in-ventigate the North Sea incident, thus completing the organization of the com-

Oregon delegation. This view of the matter was accepted by Attorney-General Moody and by the President, and Mr. Heney was authorized. to announce to Mr. Hall that he would be reappointed immediately after election Mr. Hall's notice of appointment came the day following the election, without any advice being asked from the Oregon delegation in regard to the action

Accused of Shielding Guilty.

Of late, however, it is reported, friction has arisen in the conduct of the cases now being investigated at Portland, and Mr. Heney has assumed full control of the Government's work before the grand jury. He has at last asked for Mr. Hall's removal for the betterment of the service, though no charges which he has made, if he has made any, will be divulged by the officials here.

It is reported, however, that the cond of the office under Mr. Hall hus under investigation for some time by Government officials, and reports b been made that Mr. Hall has shield guilty men from investigation becan they were friends of his; that efforts i been made to prevent evidence reaching the grand jury, and that it has b en attempted to prevent certain persons from going before the grand jury with their evide

Chance to Clear Himself.

The President has announced that it is his intention to give Mr. Hall a chance to explain away any charges which may have been made against him as soon as the land-fraud cases have been put out of the way. If he clears himself of any reproach, he may be considered for reappointment, but in that case he will have to be recommended as though he had never held the office.

Oliver E. Pagin, special assistant attorney in the Department of Justice, will be sent to Portland to assist Mr. Heney in his conduct of the cases now under con sideration and to help in bringing any further indictments which may be made possible by the evidence gathered by the Gøvernment,

CAUSE OF THE REMOVAL.

Made at Heney's Request Because Personal Ties Checked Action. District Attorney Hall has been re noved from his office by the President, at the direct instance of Francis J. Heney.

"Concluded on Pase Three."

know upon what charges the Freat-dent has taken the action he has, but I do know that I can prove to any fair-minded man I am innocent of wrong. The office is of little mo-

WHAT MR. HALL SAYS-1 do not

by reproach and untarnished by wrong done in office. I will prove that I have been made the victim of misrepresentation and of falsehood.

D

gradually brought out. The rescued num-Future states of Oklahoma and Arisona. Page er two officers and over 160 men. "According to the prisoners about 150 plements used by Oregon Indians. orpses are buried under the debris caused Japanese as enterprising fishermen. Page 36. by the explosion of our mines. The tro phies taken include field and machine guns not yet enumerated. "At 5 o'clock Saturday morning ou Future of the livestock industry, Page 44.

untain all the entombed Russians

AWFUL HAVOC WRO

received today says:

sdy in front of the east fort on sapping | Panlung Mountain blew up a part of the old Chinese wall and are now constructing defense works there."

HOW THE SOLDIERS LIVE.

Russian Correspondent Draws Favor able Word-Picture of Camps.