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The Pittsburgh Gazette.

VERY LATEST NEWS BY TELEGRAPH.

THE ASSASSINS' TRIAL.

Evidence Taken on Thursday.

TERRIBLE TREATMENT OF UNION PRISONERS.

The Mining of Libby Prison.

TESTIMONY OF DR. MUDD'S SLAVES.

WITNESSES FOR THE DEFENSE.

WASHINGTON, May 25.—On the opening of the Court for the trial of the conspirators this morning, at the request of Mr. Cox the record was corrected by excluding from the evidence the oath of allegiance purporting to be signed by O'Laughlin, as a witness could not swear positively as to the signature.

Voltaire Randall testified that he knew the prisoners Harrold; found in his carpet-bag some papers, letters, clothing, a revolver and cartridges; the revolver was handed him.

Major Marsh testified that he was an officer in a Maryland regiment from 1861 to March 31st, 1864; he was a prisoner of war and confined in Libby Prison from the 15th of June, 1863, until the 31st of March, 1864.

To Judge Advocate Holt: I was detained when captured two weeks, at Winchester, on account of ill health. My health is improving. I was compelled to march to Staunton, and was treated kindly on the road by the escort. At first our rations at Libby Prison were small but tolerably fair. A half loaf of bread was given each man, with four ounces of meat and several spoonfuls of rice. After four months, meat as a regular thing was stopped; then we were deprived of wheat bread, and furnished with what was called corn bread, very coarse. I have known prisoners to be without meat for three or four weeks at a time. We had a few potatoes of the worst character. A meeting of the prisoners was held and a remonstrance sent to the authorities. Col. Streight related that the treatment was good enough, and better than rebel prisoners received. After being there five months I was taken sick with dropsy from bad treatment and sent to the hospital. While there I saw men brought in from Belle Isle in a starving condition, and out of forty at least twelve died the first night. The surgeon told me their condition was produced by want of proper treatment. Two of our prisoners escaped, which made Major Turner, who was in charge of the prison, become passionate and insulting. He moved us from the hospital to Libby prison on in a wet room. Some of the sick were in a dying condition, and were compelled to remain there twenty-four hours without cots or a morsel to eat as punishment for the escape of two officers. A Col. Fowler, on being remonstrated with, said: "The treatment was too damned good for you Yankees." A man could not possibly live on rations for the days we received. Meat was called corn bread, which appeared to be meal and bran mixed, and cooked in a rough condition—on that and water alone.

Captain Emery, another prisoner, testified substantially to the same treatment. Tho money belonging to the prisoners was taken from them, and therefore they could not buy food. The bearing of the keeper was very rude; cursing and abusing the prisoners. After the battle of Gettysburg, fifteen or sixteen of the sick were tied on a cart to keep them from falling off, although there were ambulances near by not in use. They were fed on the stalks of grain. The commander of the rebel Senate knew of their horrible treatment but did not notice them on their visit. He asked Turner for medicine, but he said he had none to give him. An inspector, named Turner, said the object of the treatment was to kill the prisoners; adding, "it is good enough for you, you had no business to come here; if I had command I would, hang all of you."

Benjamin Swasey, formerly color sergeant in the army, and a prisoner of war for five months in Belle Island, in 1863, testified that there were about 13000 prisoners there. It was in winter; about half had shelter, and they had about half enough food to live on. He had seen men starved to death, and the bodies of those who died were allowed to lie eight or nine days in trenches without being buried. They would not allow us to bury them. The witness had asked special permission to do so, and was refused. He helped to carry out from ten to twenty per day. He saw men shot dead without cause or provocation. His weight was reduced from one hundred and seventy to one hundred and twenty-three pounds. He did not think that he would have lived three months longer.

Wm Bell, who was a prisoner at Andersonville for eleven months, testified: The treatment was very poor; the men had no shelter, but were compelled to sleep in the swamp; their blankets and their clothes, and in general their money were taken from them; the rations were about a half-pint of corn-meal, two ounces of bacon and half a spoonful of salt for twenty-four hours; the bacon was bad; once in a while we got hold of a good piece, but not very often; this treatment killed the men off; the largest number of deaths in one day, to his recollection, was a hundred and thirty-three; starvation was the cause; the enemy said they did it; care a damn which; the Yankee prisoners died or not; Howell Cobb made a speech in February; his remarks were very bitter; he said the treatment was the best they could do; that if the authorities looked after them a little more probably they would fare better; he only said a few words and didn't seem to care much about the prisoners. The heat was very intense; the water they had to drink had been made filthy by the garbage thrown into the creek; the reply they made to the remonstrance was, they "didn't care a d—n for the Yankees!" When witness went there in June, as many as six or eight were shot dead a day; if a man got a half a foot over the head line, or near it, he was shot; it was said they got a furlough of thirty days for shooting a Yankee. Cobb, in his speech, said something about a plan to burn and plunder the North; I cannot tell what were the words used. The treatment of the sick was very poor; they got pitch-pine pills for everything; they got no regular medicines. Not a cent of the prisoners' money was returned to them for nine months. The witness had nothing to wear but a pair of drawers and shirt; his clothes had been taken from him; slept on the open ground during the time of confinement without a bit of shelter. Thousands were in the same fix. A man who died in the morning could not be approached by night within twenty feet; and pitchforks had to be used to carry the body off to the trenches. Clothing sent them by our Government was taken by the rebel Captain in charge. Over half the deaths were caused by starvation. The food was the cause of their sickness, and after they got sick, the food was no better. He would not think of eating such food now, but a man in danger of starvation might.

E. W. Ross, a clerk in Libby Prison in March, 1864, testifies that the prison was mined at the time of Kilpatrick's raid; had seen the fuse in Maj. Turner's office; it was an eight second fuse; Turner told him it was to set the powder off, in case the raiders got into the city, to blow up the prison and prisoners; the powder was taken away in May secretly; Turner was a subordinate of the rebel War Department.

John Latinche testified that Turner told him Gen. Winder had been to see the Secretary of War, and that they were going to put powder in the building. It was twenty-five pound packages, about one hundred pounds in all. A hole was dug in the centre of the middle basement, and that the powder was put down there. The ground was then covered over with gravel. It took one of the sentries from the outside of the building and placed him over this powder, so that no accident might occur. The next day Turner showed me the fuse in his office. The powder remained there till May, when the prisoners were all removed. Gen Winder then sent word to remove the powder as secretly as possible; heard him say it was to blow up the place in case the raiders got into Richmond.

Levinia Washington was sworn; said she was Dr. Mudd's slave, and left his home nearly two years ago; she had heard Mudd say the summer before left, that Lincoln would not keep his seat long; two or three men were present at the time, dressed partly in grey and partly in black, and they slept in the plantery; Dr. Mudd sometimes carried the victuals to them.

Mary Miley, also a slave of Dr. Mudd, was sworn, and testified that she left his house a month before last Christmas; she saw two or three men, sometimes in the house, and sometimes out in the woods, where they had their bed last summer; one of these men was John Surratt; witness; one of these men was John Surratt; witness; heard Gardner say to Mudd, that "Abe Lincoln, the d—d old son of a b—h, ought to have been dead long ago," when Mudd replied that "he was much of the same mind;" this was in tobacco planting time last year.

Several other colored witnesses testified as to Mudd and others. Conversing in praise of the rebels, Ben. Gardner said to Mudd that Stonewall was going to cross at Point of Rocks, take Washington and burn old Lincoln in his house. Mudd said he would not be his friend.

The defence then opened. The Rev. Father Wagill testified that he had been acquainted with Mrs. Surratt eight or nine years and always had her character good, and had never heard anything that would detract from her christian character.

Rev. Fathers Boyle and Stonestreet testified to the same fact, that they had never heard them utter a disloyal word.

Mrs. John Holohan, who boarded with Mrs. Surratt, testified that she saw Payne there when he called himself Wood. A Baptist minister, a witness, saw Atzerott in the house once or twice. Mrs. Surratt said she would not board the latter. Witnesses from Baltimore were produced, who gave circumstantial accounts of where O'Laughlin was in that city at various times on the 13th and 14th of April. The object being to prove an alibi.

After Mrs. Hallahan, recess was given. Miss Harriet Fitzpatrick testified: She boarded at Mrs. Surratt's from the 5th of October until her arrest after the assassination; only saw Payne there three times, the last time in March. Atzerott only stayed there a short time; believed Mrs. Surratt sent him away; Weichman was treated like a son there; saw Booth there on the Monday before the assassination; the last time witness saw John Surratt was the night he left home, two weeks before the assassination.

L. F. Gwyn, residing near Surrattville, testified.—Was at Mrs. Surratt's house on the day of the assassination; she gave him a letter for Mr. North; saw Jno. M. Lloyd that day at Marlboro; parted with him on the road, that afternoon; didn't see him afterwards; he had been drinking slightly; did not see him at Mrs. Surratt's.

Capt. Geo. Cottingham testified that he was a special officer in Maj. O'Beirne's board of enrollment; was engaged in making arrests after the assassination; saw Lloyd after his arrest; he was put in my care at Surrattville; he denied knowing anything about it; said for two days he continued to deny it; I finally told him that I was satisfied that he knew about; that he had it in his mind, and the sooner he got rid of it the better; he said: "Oh, my God! if I should make a confession they would murder me." I said: "Yes, you will murder you!" He answered: "These parties in the conspiracy." I told him that if he was going to free himself by letting these parties get out of it, that was his business and not mine. I then put him in the guard-house. He seemed much excited. The Lieutenant went to Washington for reinforcements. Lloyd then stated to me that Mrs. Surratt had come down to his place on Friday, between four and five o'clock, that she told him to have the fire arms ready, that two men would call for them at twelve o'clock, and that two men did call. Lloyd discharged and went into Mrs. Surratt's, or rather Lloyd's tavern, and said "I have something to tell you;" that he, Lloyd, said, he did not want to hear it; that Harrold then told him to go up and get those firearms. They were brought down and Harrold told me that Booth's carbine was carried to him, but whether by Harrold or Lloyd I don't remember; but Booth said he could not carry a carbine—it was as much as he could do to carry himself, that his leg was broken; that Booth said we have murdered the President, and that Herold and he have picked off Seward. I was in the house when he came in from Bryantown and commenced crying out "Oh, Mrs. Surratt, this was the woman, she has ruined me." I said to him, you stated there were two carbines, and that Booth could not carry his, where is that carbine, he told me it was up stairs, that Mrs. Surratt had rags over it; I told him I would cut up the house before I would go away without it; with the rags he told the third man to get an axe; I did not go into the room when he did, until I heard three knocks on the wall; I then went in, and after about the second blow I saw the carbine, it had been extended by a string above in the plastering; the string Strong seemed to have broken, and it had fallen down.

Q. You did not find the carbine where he told you it was? A. No; I hunted for it, but could not find it.

Q. During these two days, while he was not developing all knowledge of the conspiracy, did he mention the name of Mrs. Surratt? A. Not while he was denying it; after he confessed he did.

Q. Did he tell you Mrs. Surratt brought the firearms there? A. No, I think he said Johnny Surratt brought them there.

R. J. Condy, former witness for the prosecution, was now summoned for the defence and testified to coming from Baltimore with O'Laughlin on Thursday afternoon; went to Lichlion's or Rummon's Hotel; O'Laughlin asked me to go to the National Hotel; when he got there he went to the desk, inquiring for a letter; said that he he would detain me only a few minutes. He left me standing as the door but returned in three or five minutes. We went back to Lichlin's, and then up the avenue. We went as far as Eleventh street, turned back and went to Waller's dining saloon, took supper there, lasting three quarters of an hour; left there about eight or half past seven, returned to Rammon's Hotel, and proceeded as far as the corner of Third street, where O'Laughlin and Murphy left me and Henderson, saying that they were going to see Mr. Hoffman, a sick man, and would see us on the corner again. They returned, accompanied by Daniel Lockran, and the five of us started up the avenue to see the illumination. Lockran wanted us to go as far as the Treasury and the Public Reservation above Seventh street, when one complained of sore feet and would go no farther; we returned down the other side of the Reservation, when Murphy and Henderson said they had to leave, that it was getting on to nine o'clock; we went into the Canterbury Music Hall just as they were finishing the first piece, we remained there until about ten o'clock; thence went to the Metropolitan Hotel, and then to Rummon's Hotel, reaching there about half past ten.

Q. Was O'Laughlin with you all that time. A. He was sir. We remained there about an hour. Mr. Gillett was passing there with a lady at that time, and stopped and spoke to O'Laughlin I believe; we left there then, others joined us, when we went down the avenue as far as Second street; I believe O'Laughlin was acquainted at a saloon on the corner of E and F streets; there was a dance or something going on; he took us over; there one of the party bought tickets and went into the hall; stayed about an hour, when they came out, went up to the Metropolitan Hotel and remained there all the afternoon. We then went out for fifteen minutes; came in, and O'Laughlin was with them all that night.

On cross-examination he said, he was under the influence of liquor, but did not see O'Laughlin drink; had known him four years and never saw him drink but twice.

Mr. Murphy testified he lived in Baltimore and was one of three persons with O'Laughlin on the 13th April, and that Henderson proposed a trip to Washington.

This witness corroborated the statement of the last one relative to the movements that occurred that evening.—O'Laughlin went out once during the day and was gone about twenty minutes to the National Hotel; O'Laughlin was not at the Stanton House on Thursday evening.

O'Laughlin testified that he lived in Washington and had known the prisoner O'Laughlin about twenty months; saw him with a party of friends on the 13th of April, but did not see the party until about eight o'clock. The witness mentioned various places visited by the party in the evening; accused was not at the Stanton's House with Hiles; could not have been there at the time mentioned.

O'Laughlin appeared merry and lively but not intoxicated.

Mr. Rolette testified that he was an agent for a cracker bakery in New York; had known O'Laughlin two years; was with him the evening of the 13th of April with other parties until about twelve o'clock; saw nothing unusual in his behavior, and was with him on the 14th, when he received the news of the President's murder.

Mr. Purdy Reshfield was Superintendent of the Rollmans Hotel. O'Laughlin was there the night of the 13th of April, with a party of friends. They cleared out about twelve o'clock. They were there on the night of the 14th, when they received news of the President's murder. O'Laughlin seemed surprised, and said he had been in Booth's company and people might think that he had something to do with it.

Mr. Fuller testified that he had known O'Laughlin twelve or fourteen years; saw him on the 14th of April at Kullman's Hotel, about eight o'clock in the evening; saw him again later in the evening; do not know where he was between those times. He looked sorry when he heard of the President's assassination, but displayed no alarm.

Mr. Martin testified: Saw O'Laughlin in Baltimore April 18; said he was going to give himself up on Monday morning.

Geo. B. Woods said he had seen photographs in the hands of loyal persons.

The Court here adjourned until o'clock tomorrow morning.

WASHINGTON, May 25.—This morning a witness was called who testified that on the 17th of April, he searched the baggage of Arnold a short distance from Fortress Monroe, and found papers, clothing and a navy revolver. The court here produced the pistol, which the witness identified. It was loaded then as it was at this time. The court ordered the pistol to be discharged.

Two other witnesses testified as to the shocking treatment of the sick and wounded Union prisoners, both in the Hospital and Libby prison. They were told by Maj. Turner, the keeper of Libby prison, that the treatment was good enough for Yankees. Out of forty sick men brought in, eight or twelve died the first night. The weakness and emaciation of the prisoners was owing to the bad character and insufficiency of the food. They were told that the bad treatment was in way of retaliation, on the ground that the rebel prisoners had been treated worse than the Union prisoners.

Another witness testified that Libby prison was mined, and that Major Turner informed him that he had seen Gen. Winder on the subject. The fuse was ready for the mine at time of the Kilpatrick raid.

Another witness named McGee was called, when the Judge Advocate General asked him whether Arnold was ever in the rebel service.

Mr. Ewing objected to the question.

The Judge Advocate General briefly argued that the interrogatory was pertinent, as history had proved the connection between treason and the assassination of the President. The assassination was manifestly a political offence, and was the consequence of disloyalty.

Mr. Ewing responded, when the court decided that the question should be answered.

The witness then replied that he saw Arnold in the rebel uniform in the city of Richmond at the beginning of the war.

Three colored persons who testified as to their acquaintance with Dr. Mudd, said: His conduct showed him to be a rebel sympathizer, and stated that he had assisted rebel soldiers.

A young man from Georgetown, testified that the morning after the assassination he loaned Atzerott ten dollars, the latter leaving with him a revolver as security. The pistol was produced, which the witness identified; it had been loaded ever since.

REBEL RAM STONEWALL SURRENDERED.

THE PRESIDENT'S BUSINESS OFFICE.

VISIT OF SECRETARY SEWARD TO THE PRESIDENT.

PAYING AND MUSTERING OUT THE TROOPS.

GENERAL CUSTAR'S NEW COMMAND.

IMPRISONMENT OF GOVERNOR LETCHER.

JEFF. DAVIS' FEMALE APPAREL.

WASHINGTON, May 25.—Official intelligence has been received of the unconditional surrender of the rebel ram Stonewall to the Spanish authorities at Havana.

The Shenandoah is believed to be the last remnant of the rebel navy. When last heard from she was prowling in the Indian Ocean.

President Johnson has removed his business office from the Treasury Department to the Executive Mansion, which for the first time since President Lincoln's death, was to-day thrown open to visitors.

Secretary Seward, supported by two servants and accompanied by his daughter, visited the President this morning; the latter giving him audience in the Blue Room, below stairs.

Secretary Welles and Wm. Faxon, Esq., Chief Clerk of the Navy Department, accompanied by Postmaster Dennison and a number of friends, left Washington to-day on the Santiago De Cuba for the Blockade and West Blockading Squadrons, on inspection duty.

The offices of the various paymasters are crowded to-day with the officers of the army now encamped around Washington, drawing their back pay. The troops are to be discharged in the respective States in which they were mustered.

Gov. Fenton has made application to the Secretary of War, to have the regiments from the State of New York, mustered out in the Districts in which they were organized. This will probably be acceded to if a sufficient number of paymasters could be detailed to pay the soldiers.

Major General Custar, has been assigned to the command of a new department, formed of the States of Arkansas and Missouri, under General Sheridan.

Ex-Governor Letcher, who was captured on Monday, at Lexington, Va., by a detachment of Terbett's cavalry, arrived here to-day on a special steamer and has been committed to the Old Capitol prison. He was dressed in the garb of a farmer at the time of his capture.

Colonel Harrison, Jeff. Davis' Private Secretary, has also been brought to Washington and lodged in prison.

The water-proof cloak and shawl, worn by Jeff. Davis at the time of his capture, was presented to the War Department to-day by Colonel Pritchard, of the 4th Michigan Cavalry. The cloak was worn as a shirt, when the shawl as a hood. The Colonel stated that under this female apparel Davis wore a full suit of drab and a pair of cavalry boots.

He also transferred to the Department the colors of the 150th Pennsylvania volunteers, found in the baggage of the rebel party. Both Mrs. Davis and Mrs. Clay were very defiant and sarcastic. The Secretary of War, in behalf of the people and President, returned thanks to Col. Pritchard for gallantry and activity exhibited by him in the pursuit of the greatest criminal of the age; remarking, that upon the receipt of his report, the reward offered for the apprehension of Davis would be distributed to the men who were properly entitled to it; and a medal of honor awarded to each one who participated in the capture.

INTERESTING FROM MEXICO.

Maximilian's Rule Unpopular.

OUR SUCCESSES VIEWED WITH JEALOUSY.

An American Invasion Expected.

NEW YORK, May 25.—The New Orleans *Times* Mexican correspondent contradicts the accounts published outside of that country, representing vast improvements being made by the Imperial administration. The writer says: Maximilian's rule is unpopular. He has secured to himself an annuity of two millions dollars, and has applied to his private use the castle of Chapultepec. The organic statute, published on the 9th ult., declaring himself Emperor by the will of the people, is not acceptable. Even his own friends are displeased whilst.

The *sutpick* as jealousy with which events in the United States are watched, grow greater every day. The success of the Federal armies caused a depression in the Imperial circles.

The Liberals lately gained several advantages, and quite a number of small parties of Imperialists have been defeated, and they dare not extend their lines beyond the ground they occupy.

The *Etoile* newspaper, a French organ, admits that the empire is not pacified, and gives this as a reason why the constitution should not be granted.

An American invasion is considered so certain that Marshal Bazine leaves for San Luies Palace to establish a camp and fortify the city.

A foreign anxiety exists everywhere for news from the United States.

Questions are now reduced to two policies, European and American, the latter is represented by a large majority of the nation.

No confidence is felt in the stability of the Empire. The finances are in a deplorable condition, the deficit between incomes and expenditures being twenty millions, which the French treasury supplies. A majority of the people look to the United States for aid to expel the invaders. The foreign legion has been increased twenty thousand men, the rank of a redaction being some quibble. Guaymas is to be heavily fortified, also the entrance to the Gulf of California; large shipments of improved ordinance was made from France for that object. Juarez was still at Chihuahua, where he is said to have a large army, with two thousand American gunners. Monterey and Matamoras were also to be fortified. Camps of conscription for ten thousand men are to be established at the former place.

The French affair is finally settled. Count Demorry and other high officials in the Court of France, and interested in the Imperial Government, agrees to pay six millions, one million annually.

Mrs. Gen. Buckner has arrived here from the mouth of the Red river, and Mrs. Kirby Smith came up to Memphis. Col. Sprague and Maj. Hundy, with Gen. Pope's staff, who went to Shreveport to arrange for the surrender of Kirby Smith's army, have also arrived, en route for St. Louis. 3,200 bales of cotton passed here for Louisville and Cincinnati.

LATEST ADVICES FROM TEXAS.

Strenous Efforts to Carry on the War.

ALL MALES OVER THIRTEEN TO BE CONSCRIPTED.

THE WOMEN TO BE FURNISHED WITH WEAPONS.

NEW YORK, May 25.—Texas papers of the 10th contain amusing accounts of attempts to fire the hearts of the Texans. A meeting was held at Chappell Hill, and a committee appointed to devise measures to assist Magruder to continue the war. A proposition to conscript all males, white and black, over thirteen years of age, was submitted, and masters will be compelled to drive their slaves and lead them in battle.

The women are also to be furnished with weapons to defend themselves at home. These measures to be finally submitted to Kirby Smith and the President, Jeff. Davis. They claim to be able to bring 80,000 men into the field, every one of whom will be above thirteen years of age.

THE YELLOW FEVER PLOT.

Blackburn Held in $8,000 Bail.

TORONTO, C. W., May 25.—In the case of Blackburn, of yellow fever notoriety, the magistrate to-day said that owing to the uncertainty of the English law, required in such cases of conspiracy, he should not assume the responsibility of deciding the case, but would send the prisoner before the Judges at the next Assizes. Bail was accepted in the meantime to the amount of $8,000.

FROM CAIRO AND BELOW.

PLOT TO MASSACRE PAROLED REBEL TROOPS.

KIRBY SMITH REPORTED REINFORCED.

HIS POSITION EXTREMELY CRITICAL.

Dick Taylor and Other Generals Paroled.

RETURN OF MEXICAN EMIGRANTS.

CAIRO, May 25.—General Washburne states that the report from Memphis, telegraphed a few days since, giving an account of a plot among the negro troops there to massacre paroled rebels, and the subsequent shooting of colored troops, is false in every particular.

Twenty vessels of the Mississippi fleet have been ordered to Cairo to be discharged.

There is considerable cotton up the river waiting transportation.

It is reported at Little Rock that Kirby Smith was being reinforced by men from the east side of the Mississippi river.

The pacification in Arkansas is progressing rapidly. The people are taking the management of the guerrillas in their own hands.

About 1,000 bales of cotton passed here within the past two days.

The New Orleans *Times* of the 20th, was very positively informed that Kirby Smith was not assassinated. Mrs. Kirby Smith, reported to have arrived at the mouth of the Red river, represented the position of her husband extremely critical, as one party is threatening to assassinate him if he surrendered, and another threatened to forsake him if he continued the struggle.

The *Times* also learns that the rebel General Hood and staff crossed the Mississippi river at Louisa Bend... About seventy of an expedition was sent in pursuit and captured their baggage and the General's uniform at Sommesport, Hood escaping to the night.

Cotton 40c for strictly low middling.

Sugar dull at 18c for white clarified Louisiana.

Cairo, May 25.—The New Orleans *Times* says: 8000 rebels are now in Mobile being paroled. Among them is Dick Taylor and several other prominent Generals.

Cotton is not allowed to come in, as the government cotton is the first to be disposed of. The amount surrendered is 100,000 bales, but is largely rotted and mainly in bad order. That which is now in the city is being prepared for shipment to New York.

The *Etoffard*, a French paper, published in the City of Mexico, says: The emigrants lately from the United States have returned, being unable to find land or labor to support them. The same paper says: The American news caused a protracted sensation in Mexico, and such powerful and shocking events must convulse the Northern party, and ultimately result in war. The policy of Mexico and the others powers of Europe must be indifferent to them. It was—offering advantages to Southern emigrants as the only means of stemming the torrent which threatens to overwhelm them. The condition of Mexico occupies serious attention by the French Government, and the Emperor has said he is resolved to sustain the honor of the French flag thereon establishing an out of French blood.

In speaking of probable intervention by the United States, it says: Three European nations at least, France, Australia and Belgium, are ready to support the Empire. A conflict the United States will not provoke.

Maximilian will visit Orizaehar, Jalapa, and Vera Cruz.

SERENADE TO GENERAL SHERMAN.

Brief Response of the General.

REMARKS OF GENS. HOWARD, SLOCUM AND ESTE.

WASHINGTON, May 25.—A large number of persons to-night, accompanied by a band of music, proceeded to the residence of Major General Sherman to compliment him with a serenade. He, however, was out spending the evening. At a subsequent hour it was ascertained he was at the Metropolitan hotel, and thither the party repaired. In response to vociferous cheers and calls for Sherman, he appeared on the balcony and spoke as follows:

I was sorry I was not at home when you called to-night, for I am here a stranger in a strange house, and have to go out to find it. I went to the door to thank you for your kindness to me, and the army I command. (cheers.) There are too many noisy gentlemen and street orators in this town to allow me to address you. I like the woods better, for there we can be heard and felt too. (Applause; cries of that's so; hurra for Sherman; he's the boy for the rebels, &c.) He reminds me of the great appreciation which they have done in the past, promising they will, in future, reciprocate it. I have not, and will not make a speech, but you must regard all farther talk from me as spoken.

Three cheers and a tiger were given and heartily lined during a patriotic air by the band.

Generals Howard, Slocum and Este were called out and made brief speeches, which were enthusiastically received.

The crowd had now largely increased, and in response to the impatient cries for Sherman, he again appeared and said they did not expect him to make a speech, but merely to say I am a thousand times obliged to you—I speak it from my heart—for the magnificent reception which you have to-yesterday."

Generals Logan, Jeff. C. Davis, (the right Davis as some on in the crowd said,) Hancock and others were called for but they were not present to respond. The meeting was of the most enthusiastic character.

FAMILIES OF DAVIS AND CLAY SENT SOUTH.

The Steamer Clyde Searched.

JEFF DAVIS REPORTED MANACLED.

The Arrest of Ex-Governor Letcher.

FORTRESS MONROE, May 24.—A steamer sailed from here this forenoon for Savannah, under sealed orders.

Mrs. Davis, her four children, brother and sister and Mrs. Clay go to Savannah in the steamer Clyde, as permission for them to proceed North has been refused by the War Department.

Yesterday afternoon a guard was sent out to the Clyde and searched the steamer and all the baggage and effects of the rebel party, remaining on board. A large amount of gold, valuable jewelry, &c., was found in the baggage of the ladies, but with the exception of several important documents, which were found by the guard, everything was left unmolested.

Among the military rumors flying about today in regard to the confinement of Jeff. Davis, has been one to the effect that yesterday evening he was manacled in order to prevent, no doubt, any injury to his guard, should he, as Mrs. Davis remarked, become provoked at the strict surveillance to which he is now subjected. The strictest regulations respecting persons visiting the Fortress are still rigidly enforced by Gen. Miles, the commander of its post. No person, either officer or civilian, is allowed to enter to the Fortress unless duly provided with the requisite passes.

The *Americus* states that Ex-Governor Letcher was arrested at his home in Lexington, Va., on Sunday last, and last night he arrived in Washington in custody.

Wednesday's Grand Review—Example Commended.

NEW YORK, May 25.—The morning papers devote much space to accounts of the review of the armies of Tennessee and Georgia. The reception of those armies is represented as being very enthusiastic, surpassing that of the Army of the Potomac the day before. The cheering was loud and prolonged as various Generals rode along the line and in front of the principal stands. Gen. Blair's corps was followed by a small train of pack mules, with crowds of contrabands and droves of animals of all kinds, as if they had just returned from a foraging expedition. The appearance of the troops was highly creditable to all their officers, and evinced thorough discipline and splendid martial spirit throughout the entire ceremonies. Most of the papers publish the organizations.

All the daily papers have editorials commending President Johnson's good example in refusing the gift of the horses and carriage tendered him by merchants of New York.

Seven-Thirty Loan Subscriptions.

PHILADELPHIA, May 25.—The subscriptions to-day to the 7-30 loan as telegraphed to Jay Cooke amounted to $2,127,000. The largest subscriptions were: $339,600, from the 9th National Bank of New York; $300,000 from the 1st National Bank of New York; $200,000 from the 1st National Bank of Philadelphia; $358,850 from Risk & Hatch, of New York; $80,000 from the Second National Bank of Cleveland, and $100,000 from the Exchange Bank of Pittsburgh. The subscriptions include $5,000 from the First National Bank of Richmond, and $2,000 from Philps & Bros., of St. Johns, New Brunswick. The individual subscriptions numbered 1,497.

THE REMOVAL OF GEN. WARREN.

LETTER DEFENDING HIS ACTION.

Changes of Commanders.

GRIERSON'S RAID THROUGH ALABAMA.

NEW YORK, May 25.—Gen. Warren publishes a letter on the subject of his removal from his command, by the commander of the 5th Corps. He says he was removed after the battle of Five Forks was over and not an enemy in sight. He asked Sheridan for the reasons of his removal, but he could not, or would not, give any. He reported to Gen. Grant, who gave him another command. He then (April 9th,) asked an investigation, and again on the 23d, but he could not get a court, but was put in command of the Department of Mississippi.

He then details the operations of the 1st of April, from which it appears he received an order from Gen. Meade to report to him for duty, after he had joined Sheridan, which he did, taking parign the Five Forks battle. Perhaps this was his offence, obeying orders from General Meade after being placed under command of General Sheridan, though it does not so appear.

A special to the *Times* from Washington says: General Carter takes command of the Department of Missouri, embracing the States of Missouri and Arkansas. General Merritt goes with him with the second division of the cavalry corps.

General Hazen succeeds General Logan in command of the 15th corps, General Logan having taken command of the Army of the Tennessee.

The *Herald's* Montgomery, Ala., correspondent details Gen. Grierson's raid through Ala. He passed through Greenville, marching about 400 miles and reaching Montgomery on the 7th inst., destroying on the way a large quantity of rebel stores.

On the 3d inst., Gov. Watts was arrested and reached Montgomery on the 5th. The people of Alabama appear satisfied with the situation, and Union meetings are largely attended in various portions of the State.

The rebel Gen. Forrest issued an address to the soldiers giving submission to the laws and aid in the reconstruction of peace.

Mail Contract—The Death of President Carrera.

NEW YORK, May 25.—The Panama *Star and Herald* of the 16th has the following: The contract for carrying the mails between England, New Zealand and Australia, has been finally accepted.

The death of President Carrera has had a serious effect on the minds of the citizens of Gautemala, and trouble was anticipated.

Kirby Smith.

NEW YORK, May 25.—The *Commercial Advertiser* says: Capt. McCloskey, of Dick Taylor's staff, has arrived in New Orleans, bearing Kirby Smith has considerable blow about him, but has no real genuine stability about him, and is of the impression that as soon the Federals make their appearance in that region, Kirby will either surrender or skedaddle to Mexico, rather than die in the last ditch.

Important Decision.

HARTFORD, May 25.—An important suit which has been pending between Judge Colt and the estate of the late Samuel Colt, was decided this morning in favor of Judge Colt. The amount due to Judge Colt is $500,000. The decision is final.

Death of a well known Telegraph Operator.

NEW YORK, May 25.—Mr. John Wesley Fish, for many years favorably known as a telegraph operator throughout the United States, died on the 23d inst., after a brief illness.

The Steamer Olympus Sunk.

NEW YORK, May 25.—The steamer Olympus hence Tuesday morning for London, with a cargo of cotton, sank on Friday night, 60 miles east of Sandy Hook. The crew were all saved by a pilot boat. The vessel was owned in London.

Alex. H. Stevens and Postmaster Regan.

BOSTON, May 25.—The U. S. Gunboat Tuscarora, from Fortress Monroe, with Alex. H. Stevens and Postmaster Regan on board, arrived below this port this morning. The rebel party will be lodged in Fort Warren to-day.

Gold.

NEW YORK, May 25.—The price of gold still tends downward, partly the result of the demand for export. The premium this morning is inclined 53¾.

EVENING.—Gold closed at 137½.

Arrival of the Steamer Ariel.

NEW YORK, May 25.—The steamer Ariel, from Aspinwall on the 16th, with $360,000 of treasure, has arrived.

Frauds on the Government.

Very few of our citizens, outside of the government officers, have any conception of the means and devices resorted to, to evade the payment of duties under the Internal Revenue Act. In the manufacturing, income tax, stamps and licences; in fact in every branch of business, frauds are perpetrated, but the grand eldorado is found in distillation. The recent seizures of whisky in this city, Chicago, Cincinnati and Boston, have fully proved that the saving of the heavy tax of two dollars per gallon is too great an inducement to resist, even for those who have heretofore occupied a position in the community as high minded and honorable merchants. Thousands of dollars have been saved to the government through the vigilance of its officers, but with all their vigilance, it is estimated by the Commissioner of Internal Revenue, that out of the one hundred millions of gallons annually manufactured, not more than twenty millions will pay tax.

Since the 1st of January last, when the law making the duty two dollars per gallon went into effect, the number of stills of every conceivable capacity that have been put in operation is absolutely incredible. Wherever you find a German or Irish drinking shop, ten to one, the inspection of the cellar or some part of the establishment, will show you a still at work, converting molasses, sour beer, or something that can be used, and which can be bought cheap, and quietly smuggled into the premises, into spirits, which are as quietly put on the market, at such low prices, that even the purchaser finds it to his interest to keep quiet, and such as utterly astonishes the legitimate operator.

Many of these men have resorted to throw the effects off the scent are ingenious and worthy of a better cause. Some of the smaller operators do not hesitate to openly defy the operations of the revenue law, in confident are they of their continuing, while the more pretentious manufacturer as readily perjures himself to make his account square with the government.

To such an extent has this nefarious business carried on, and so utterly ruinous to the legitimate trader, the distillers and rectifiers of this city and Brooklyn have deemed it necessary, for their protection, to organize themselves into an association for the detection and punishment of these frauds. At a preliminary meeting it was decided that Mr. E. J. Lowber, of the firm of Lowber, Gorman & Co., should visit Washington for the purpose of obtaining the appointment of a detective, who had been recommended as every way competent by the chief of police and detective, and inspector, with full power to act. He was successful, and on his return the association was fully organized by the election of Mr. Lowber as President; J. H. Cunningham, of the firm of J. H. Cunningham & Co., Secretary; and T. P. Nichols, Treasurer. Articles of association were adopted, and a fund of $10,000 pledged for the payment of a competent force of detectives, which the Inspector is chief, to work up the cases. That force is now at work, and embraces thorough detectives, practical distillers and gaugers, who devote their whole time to the business, and unless we are much mistaken, some of these gentry, who are engaged in this illicit business, will find it not quite so profitable as they anticipated. There will be no compromising of cases, as heretofore, and as the new law provides for their incarceration, they may have ample time for reflection within the prison walls.—*N. Y. Times.*

Texas to Feel the War.

What is in store for the unhappy people of Texas may be seen by the instructions of Grant to Sheridan for the campaign about to be inaugurated in that State. These authorize him to lay waste the whole country within the scope of his operations, in order to cut off the resources upon which the rebel generals in that quarter rely to enable them to carry on the war. A more effectual method of bringing the enemy to a realizing sense of the folly of protracted resistance has not been discovered during this contest; and although it seems harsh and cruel, it is necessary and unavoidable. It will save the effusion of blood and much suffering, to make this struggle in Texas as short and severe as possible. Nothing less than the same wholesome experience of the horrors of this conflict endured by the rebel States will curb the haughty spirit of these Texan rebels.—*Philadelphia N. American.*

Jeff Davis and Gen. Lee.

NEW YORK, May 25.—A special to the New York *Post*, dated Washington, May 25, says: There is no longer a doubt that Jeff. Davis will be tried for treason very soon, in a civil court, probably in Washington.

Gen. Lee will be indicted by a Grand Jury in Richmond, in a civil court, for treason. The moment he is indicted his parole is of no further use to him.

THE PIRATE STONEWALL AT CUBA.

Correspondence Between Admiral Stribling and the Captain General.

NEW YORK, May 25.—The *Herald's* Key W. correspondence contains a correspondence between Admiral Stribling and the Captain General of Cuba. Admiral Stribling notifies the latter that the rebel armies east of the Mississippi have all surrendered, and says if the Stonewall is allowed to go to sea, the Spanish Government will be called to account for tolerating piracy.

Capt. Gen. Dulce replies that he has had no new instructions since those of November and December, 1861, which commanded him to observe the strictest neutrality, and that he should cause the Stonewall to depart as soon as the repairs to her machinery were completed. He expressed the hope that nothing would occur to imperil the friendly relations existing between the two nations.

THE QUARREL BETWEEN STANTON AND SHERMAN.

POSTAL COMMUNICATION SOUTH.

NEW YORK, May 25.—A special to the New York *Commercial Advertiser*, dated Washington, May 25, says: The quarrel of Sherman and Stanton increases in intensity and bitterness.

The *Chronicle* contains a long communication from one of Sherman's friends, on the recent events, and the general management of the War Department. The action of Secretary Stanton is reviewed in scathing terms.

The Post Master General has started south, to make arrangements to reestablish postal communication.

Anniversary of the Fall of Vicksburg.

WASHINGTON, May 26.—The Committee appointed by the officers of the Army of the Tennessee, headed by Gens. Logan, Frank Blair, and Oglesby, have decided through their Chairman, Col. Rillier, to give an