IMPORTANT FROM NEW ORLEANS.

The Entente Cordiale Between Gen. Butler and the Acting British Consul Restored.

MR. COPPELL MAKES AMPLE APOLOGY.

CELEBRATION OF THE FOURTH OF JULY.

Flag Presentation by Two Loyal Ladies of New Orleans.

GRAND REVIEW OF THE TROOPS.

Five Thousand Louisiana Volunteers to be Raised.

PROGRESS OF THE CANAL AT VICKSBURG.

GEN. WILLIAMS' OFFICIAL REPORTS

Smart Skirmish at Baton Rouge—Union Troops Triumphant.

LIEUTENANT COLONEL KEITH'S OFFICIAL REPORT, &c., &c., &c.

NEW ORLEANS, July 12, 1862.

The Fourth of July was celebrated in New Orleans in the manner indicated in my letter by the last mail. At sunrise a salute was fired by the First Maine battery, under command of Capt. Thompson, the bells were rung, and the band of the Twenty-sixth Massachusetts performed at the Clay statue. At noon the battery and the ships in the river fired another salute, and at sunset the bells were again rung and the band played on Jackson square. During the day the streets were very quiet, although there was some expectation that there would be a disturbance. The shipping in the river crowded on all the bunting in their possession.

THE EXPECTED DISTURBANCE AND HOW PROVIDED FOR.

Lieut. Weitzel, Assistant Military Commandant, received information the day before that on Wednesday evening there had been two meetings of uneasy individuals, who agreed to raise a rebel flag on the Fourth. Lieut. Weitzel immediately made such arrangements with every corps in the city that in case of any such attempt there would have been a fearful reckoning for any so foolhardy as to defy the authority of the United States. It was also reported that the British gunboat Landrail, which arrived here on Wednesday, intended to raise the rebel flag. Both the above designs, if ever harbored, were not attempted, although the sympathies of the officers on the Landrail are openly and avowedly on the side of rebellion.

APATHY OF THE CITIZENS.

Among the residents of the city, I regret to say, there was not much done in the way of observance of the day. The stores and public buildings were generally closed, but the amount of money expended for India crackers and other fireworks would not have been sufficient for more than a decent outfit for one of the patriotic youngsters of a Northern city.

THE LOYAL DR. KNAPP.

I know of one instance, however, where the day was celebrated by a private citizen with commendable zeal. Dr. F. B. Knapp, a brother-in-law of Hon. Daniel S. Dickinson, and one of the most public spirited gentlemen of this city, got out his six pounder on his fine sugar plantation, about ten miles below New Orleans, and banged away in a most patriotic manner. As the McClellan passed his plantation, Dr. Knapp fired an extra salute for his friend, Colonel H. C. Deming, who was *en route* to Washington as special bearer of despatches.

THE DOCTOR'S CONDUCT TO THE OFFICERS

of this division has been very generous and kind hearted. When he heard that Lieutenant DeKay was at the hospital, suffering from his wounds, he urged that the wounded officer should be taken to his plantation, where he promised that he should be watched over and cared for as a son.

THE UNION ASSOCIATION OF NEW ORLEANS

held a mass meeting in the morning at Lyceum Hall. The room was crowded, a handsome proportion of the assemblage being composed of the fair sex. Mr. Benj. S. Flanders presided and Mr. L. G. Brown acted as Secretary. On taking the chair, Mr. Flanders made a short and appropriate Union address, and was followed by Mr. Chas. Leaumont, who, after a few preliminary remarks, read the Declaration of Independence. The orator of the day, Rev. Wm. C. Duncan, then delivered a lengthy oration, after which the meeting adjourned. Subsequent to the adjournment, a delegation of fifteen members of the Union Association made a social call upon General Butler at his private residence. A pleasant interview ensued, and, after partaking of the General's hospitality, the gentlemen took their departure, evidently much pleased with their call.

A UNION DEJEUNER.

Quite a *recherche* affair took place in the morning at the Washington Hotel, Milneburg, which is at the terminus of the Pontchartrain Railroad "out to the lake." It was a *dejeuner* given by Messrs. James Graham, Julian Neville, J. Ad. Rozier, L. M. Day and Robert Watson, all of them prominent Union citizens of New Orleans. A great press of business, consequent upon the departure of the despatch boat McClellan, prevented General Butler from being present, but he was represented by his Assistant Acting Adjutant General, Captain R. S. Davis. General Shepley, Colonel French, Colonel Birge, Thirteenth Connecticut, and Lieutenant A. G. Bowles, Aid-de-Camp, represented the United States Army, and Thomas J. Durant, Esq., and other distinguished gentlemen in civil life were present as guests. The company numbered about twenty-five. Mr. Neville presided at the head of the table, and Mr. Day occupied the seat at the lower end. The breakfast was of an elegant character, and, with the excellent wines, reflected great credit upon the host of the Washington Hotel.

THE SPEAKERS.

General Shepley spoke twice and fully sustained his reputation as a brilliant orator. Mr. Durant made a speech as notable for its strength of Union sentiments as for its exceeding beauty and eloquence, as a literary production. Mr. Durant's reputation is so wide that it is almost unnecessary to say that he stands at the head of the bar in this State. Admirable addresses were also made by Colonels French and Birge. The toasts were of the usual order—"The President," "The Army and Navy," General Butler," "The Day We Celebrate," and the remainder of the catalogue of entirely novel and original sentiments expressed on every such occasion. The whole affair was heartily sociable and agreeable, and undoubtedly strengthened the bond of friendship between our officers and the influential members of this community.

REVIEW AND PRESENTATION OF A FLAG TO THE THIRTEENTH CONNECTICUT VOLUNTEERS.

The feature of the day, however, was the presentation of one of the most beautiful flags I have ever seen to the Thirteenth Connecticut regiment, Colonel H. W. Birge, by two very pretty and loyal young ladies, Miss. Angela Snyder and Lucena Courcelle. To show the appreciation of such praiseworthy conduct on the part of two New Orleans ladies, it was determined to make the affair worthy of the object and the day—consequently General Butler consented to be present with his staff and review the regiment. At six o'clock in the afternoon the General, in full dress uniform, and accompanied by his staff, left his house, and, followed by the Second Massachusetts cavalry, under Lieut. S. A. Perkins, commanding, rode down to the Custom House, and thence to the levee. The Fifteenth Connecticut, with the young ladies and their flag following in a carriage, marched from their quarters through several streets to the levee, where they were drawn up in line near Canal street. The First Maine battery, Capt. Thompson, was stationed a little below, and fired a national salute. The General and staff then rode to the centre and saluted the American flag, while the regiment presented arms. After this the General and staff rode in review along the line, while the band played "Hail to the Chief." The regiment then marched in review before the General, and, after they were again formed in line, the ladies alighted from the carriage, and Miss Snyder, taking the beautiful color in her hand, presented it to Col. Birge, remarking that she entrusted the flag to the gallant men of his command, assured that they would never allow it to be dishonored, adding that her prayers and those of her cousin—Mlle. Courcelle—should ever be offered for the success and victory of the Thirteenth Connecticut regiment. Colonel Birge answered eloquently and with deep feeling, thanking the ladies for their superb gift and complimenting them for their loyalty, which, through all the trials and temptations to which they had been subjected in the midst of treason, they had preserved pure and bright and warm within their faithful hearts. He added that their handsome present should be placed beside the regimental flags, and promised for his command that it should never be torn from their hands or disgraced so long as their stout arms could defend it. Handing it to a color sergeant, it was placed beside the Stars and Stripes and saluted by the regiment. General Butler then rode up to the young ladies, and, in a few words, thanked and complimented them for their courage and generosity. The whole affair passed off very pleasantly. There was nothing to mar the satisfaction, and a large crowd was collected to witness the ceremony.

SKETCH OF THE REGIMENT.

The regiment looked splendidly, and in their marching and the manual of arms acquitted themselves in a manner that one of our "crack" militia regiments needn't have been ashamed of. This regiment is composed of a fine class of men. Added to this, they are handsomely uniformed and equipped, and from this circumstance they derive a commendable pride that evinces itself not only in their fine appearance but in their correct deportment and earnest effort to improve in every soldierly quality. Colonel Birge and his officers have reason to be proud of their fine regiment.

THE FLAG PRESENTED

is of heavy, plain blue silk, doubled, and on each side are thirty-four large silver stars. It is bordered by a heavy silver fringe, with silver cord and tassels. In the centre are the words "Union," "Thirteenth Connecticut Regiment," "New Orleans, 1862." The staff is surmounted by a splendid spear of solid silver.

THE YOUNG LADY DONORS.

Mademoiselles Snyder and Courcelle are cousins, and are both French natives or creoles of New Orleans. Throughout the war their devotion to the Union has never wavered, and their courage is peculiarly manifest from their conduct ever since the occupation of this city by the Union army. It will be remembered that these same young ladies dared to come forward in May, when thousands of men were afraid to speak to a Union officer, and presented a guide color to the Thirteenth Connecticut. All honor to them. They are of the material that infuses new vigor and fidelity into the hearts of men, and elevates the moral and manly tone of society.

The day after the Fourth the ladies wrote the following note to the regiment, through Colonel Birge:—

NEW ORLEANS, July 5, 1862.

GENTLEMEN—We congratulate and thank you all for the manner in which you have received our flag. We did not expect such a reception. We offered the flag to you as a gift from our hearts, as a reward to your noble conduct. Be assured, gentlemen, that that day will be always present in our minds, and that we will never forget that we gave it to the bravest of the brave; but if ever danger threaten your heads, rally under that banner, call again your courage to defend it, as you have promised, and remember that those from whom you received it will help you by their prayers to win the palms of victory and triumph over your enemies.

We tender our thanks to Gen. Butler for lending his presence to the occasion, and for his courtesy to us. May he continue his noble work, and ere long may we behold the Union victorious over its foes and reunited throughout our great and glorious country. Very respectfully,

ANGELA SNYDER,
LUCENA COURCELLE.

Thus has closed one of the pleasantest episodes of our experience in New Orleans.

SERENADE TO GENERAL BUTLER

I cannot finish my account of the observance of the Fourth without mentioning that just before midnight General Butler was serenaded by a citizen band. After playing several fine pieces, including the national airs, they were invited into the house, where they partook of the General's hospitality and listened to a short speech of thanks from him for the compliment they had tendered. The day was also celebrated with military honors at Camp Parapet, Carrollton, at the forts and at Baton Rouge.

ACCIDENT.

The only accident that I heard of happened at Fort Pike. Two soldiers, named Oscar Robinson and Abram Butler, while firing a national salute, were badly wounded. Robinson lost one arm and an eye; but is probably not fatally injured. Butler had an arm and both eyes blown out, and a piece of the rammer driven through his mouth, and but little hope of his recovery is entertained. They are at the general hospital in this city.

ARRIVAL OF THE ROANOKE WITH SUPPLIES.

While the review of the Thirteenth Connecticut regiment was going on the steamer Roanoke arrived at the levee, bringing New York dates to the 25th ult. She has a cargo of three thousand barrels of flour, besides other provisions. Her arrival is very opportune; for with this flour and eighteen hundred barrels brought from Mobile on the 3d inst. the poor will find partial and immediate relief. On the 2d of July flour was selling at $38 and $40 per barrel, and hardly to be obtained at that; now General Butler has ordered that not more than $24 per barrel shall be demanded.

THE EFFECT OF LORD PALMERSTON'S SPEECH ON GEN. BUTLER.

We have received, both by the Roanoke and through rebel sources, news of the debate in the English Parliament upon General Butler's famous Order No. 28 in regard to women. The General's friends will be glad to learn that he is not entirely prostrated from the effect of "Pam's" virtuous indignation, but that he is still able to sit up and take kindly to his roast beef. He is conscious of having issued the order with the best intention and for the good of the ladies of New Orleans, and would, under similar circumstances, act again in precisely the same manner. Instead of inducing outrages, such as the snobs in the British Parliament affect to believe would result from the order, it has protected the ladies from the retaliation by our officers and men which exhausted endurance could no longer have endured. I defy any one to point to a single instance in this city where a lady has been insulted, much less outraged, by an American officer or soldier since our army has been here.

GENERAL BUTLER'S APPRECIATION OF TRUE LADIES.

As a specimen of Gen. Butler's generous appreciation of a true lady and his treatment of such, I will relate a little incident that occurred last month. Mrs. Slocumb, a very wealthy and respectable lady, who has a fine, large house on St. Charles street, opposite Lafayette square, solicited a pass for herself and family (consisting of two married daughters, with their children) to their country residence, but frankly stated that she could not take the oath of allegiance to the United States. The General replied that he would make her an exception to the rule and grant the pass as a favor, if she would reciprocate by a favor to the United States in allowing him to appropriate her town house as his residence during her stay in the country. Mrs. Slocumb and her daughter, Mrs. Urquhart, called upon the General and stated that up to the commencement of the war their hopes and wishes were for the maintenance of the Union, but that now nearly all of the male members of their family were in the Confederate army. One son of Mrs. Slocumb had been killed in the war, and their hearts were unalterably devoted to the cause of the South, which they believed to be just and holy. Mrs. Urquhart, a noble, dignified lady, expressed, with the utmost candor, the above sentiments, and commented upon the conduct of the men of New Orleans in allowing the capture of the city in a manner not highly flattering to them. But with all her candor she never forgot that she was a lady, and any one who had seen and listened to her could not but have been convinced that she would never descend to a dishonorable action, even for the cause which is dearer than her life. Mrs. Slocumb, with the tears streaming down her face, spoke of the associations connected with her house, now more tender than ever before, and said she did not see how she could give it up.

The General, in reply, told the ladies that he experienced peculiar pleasure in meeting ladies who, while they were enemies to his country, were yet so frank, so truthful and devoted, and remarked that if New Orleans had been defended by an army of such women as Mrs. Urquhart he believed the Union army would have had considerable trouble in capturing the city. In regard to their house he assured them that, although he had the power to take it, yet without their permission it should not be occupied nor a brick of it be molested, unless indeed the city should be ravaged by yellow fever, in which case he might be obliged to take every house suitable for hospital purposes; and, he added, if I can find any other reason for making you an exception to my rule, prohibiting passes to any who refuse to take the oath, I will do it. A few days after he addressed the following letter to the ladies:—

GENERAL BUTLER'S LETTER.

HEADQUARTERS, DEPARTMENT OF THE GULF,
NEW ORLEANS, June 23, 1862.

MESDAMES—I have the pleasure to inform you that my necessities, which caused the request for permission to use your house during your absence this summer have been relieved. I have taken the house of General Twiggs, late of the United States Army, for quarters. Inclined never on slight causes to use the power entrusted to me to grieve, even sentiments only entitled to respect, from the courage and ladylike propriety of manner in which they were avowed, it is gratifying to be enabled to yield to the appeal you made for favor and protection by the United States. Yours shall be the solitary exception to the general rule adopted, that they who ask protection must take upon themselves corresponding obligations or do an equal favor to the government. I have an aged mother at home who, like you, might request the inviolability of hearthstone and roof tree from the presence of a stranger. For her sake you shall have the pass you ask, which is sent herewith. As I did myself the honor to say personally, you may leave the city with no fear that your house will be interfered with by any exercise of military right, but will be safe under the laws of the United States. Trusting that the inexorable logic of events will convict you of wrong toward your country, when all else has failed, I remain your obedient servant,

BENJ. F. BUTLER, Major General

Mesdames SLOCUMB and URQUHART.

THE LADIES' REPLY.

To this letter Mrs. Slocumb returned the following answer:—

GENERAL BUTLER—Permit me to return my sincere thanks for the special permit to leave which you have so kindly granted to myself and family, as also for the protection promised to my property. Knowing that we have no claim for any exception in our favor, this generous act calls loudly upon our grateful hearts, and hereafter, while praying earnestly for the cause we love so much, we shall never forget the liberality with which our request has been granted by one whose power here reminds us painfully that our enemies are more magnanimous than our citizens are brave. Most respectfully yours, C. A. SLOCOMB.

NEW ORLEANS, June 23, 1862.

I respectfully submit the above to my Lord Caernarvon as the most flagrant outrage that has yet been committed by General Butler.

THE BRITISH COMMANDER'S VISIT TO GENERAL BUTLER—MR. COPPELL.

On the morning of the 5th Commander Hewett, of her Britannic Majesty's sloop-of-war Rinaldo, called upon General Butler, and stated that he had been instructed by Lord Lyons to recognize Mr. Geo. Coppell as Acting British Consul, and expressed the wish that General Butler would now withdraw his objections to recognizing him as such.

GENERAL BUTLER'S OBJECTION TO MR. COPPELL.

The General replied that he had now, since Mr. Coppell's recognition by the agent of Lord Lyons, but one objection to official communication with him, and that was, that at present there is a letter in existence from Mr. Coppell to him, dated June 14, in which there are expressions offensive and insulting. This letter, which has been printed in the HERALD, concluded with the following remarks:—

Objections have also been very generally urged against the oath prescribed to duly registered aliens, on the ground that it imposes upon them (in words, at least) the office of a spy, and forces them to acts inconsistent with the ordinary obligations of probity, honor and neutrality.

WHAT IS PROBABLY HONOR AND NEUTRALITY.

General Butler contended that while there might be differences of opinion on questions of neutrality or courtesy (such for instance as the difference between himself and Lord Palmerston on Order 28 relative to women), on questions of probity and honor there could be but one opinion between gentlemen; and Mr. Coppell's remarks on those subjects implied that he (General Butler) required acts of British subjects inconsistent with the honor of a gentleman, and thereby placed himself on a par with those guilty of such acts. Captain Hewett said that Mr. Coppell had told him that he had no intention of conveying insult or offence, and he thought Mr. Coppell would be willing to withdraw the expressions. Captain Hewett was very anxious that the matter should be amicably settled, as there were a great many British residents who wish to passes to Havana, New York and Europe.

He then went to see Mr. Coppell, and a few hours later the General received the following letter from that gentleman:—

MR. COPPELL'S APOLOGY.

BRITISH CONSULATE, NEW ORLEANS, July 5, 1862.

SIR—Captain Hewett, of H. B. M. ship Rinaldo, has informed me that in conversation with you on the subject of a letter which I had the honor to address to you on the 14th of June, you stated the letter contained an offensive expression. Whilst under this impression you caused a reply to be made to that letter which threw doubt on my official position and temporarily suspended official communication between yourself and this consulate. I have now the honor to inform you that I had no idea that such a construction as insulting could or would have been placed upon the letter in question, and as there was no such intention on my part, I willingly withdraw any expressions in that letter which you may consider offensive. I have the honor to be, sir, your most obedient servant,

GEO. COPPELL, H. B. M. Acting Consul.

Major General B. F. BUTLER, Com. Dept. of the Gulf.

GEN. BUTLER'S REPLY.

To this Gen. Butler replied as follows:—

HEADQUARTERS, DEPARTMENT OF THE GULF,
NEW ORLEANS, LA., July 7, 1862.

SIR—Your note received Saturday removes all difficulty of personal intercourse. The withdrawal of the offensive expressions is sufficient and accepted. Commander Hewett, of H. B. M. sloop-of-war Rinaldo, now in this harbor, informs me that he is instructed by Lord Lyons to recognize you as Acting Consul of her Majesty the Queen of Great Britain, and that Commander Hewett does recognize in you that official capacity. This seems sufficient for the re-establishment of official relations. To your inquiry whether all neutrals (British subjects) wishing to go to New York or abroad, furnished with proper passports from their government, will be required to take the oath prescribed for aliens in General Orders Nos. 41 and 42, it is answered that a pass differs from a passport, as I had the honor to explain in my letter to the Consuls upon this subject, and that as a rule the oath would not be required. Such persons will be allowed to pass on board ships to go abroad or to New York whom, in my judgment, it is not necessary to retain here, from some act either done or contemplated to be done in favor of the Confederate States—for example, by bearing arms, forwarding money or intelligence. I have the honor to be, very respectfully, your obedient servant,

BENJ. F. BUTLER,
Major General Commanding.

GEO. COPPELL, Esq., Her Britannic Majesty's Acting Consul.

LOYAL LOUISIANA TROOPS TO BE RAISED.

By the steamer Fulton, which arrived here on the 7th, General Butler received authority from Washington to raise five regiments of troops in this State. The arms, uniforms, equipments and clothing all came on the Fulton, and the organization of the brigade has been placed in the charge of Lieutenant Godfrey Weitzel, United States Engineers and Assistant Military Commandant. He has already commenced active preparations for performing this important service, and in a very short time we shall undoubtedly have five thousand Louisianians ready for the service of the United States Army. The extensive acquaintance in this city, and thorough military knowledge of Mr. Weitzel, render him peculiarly fitted for the duty assigned him.

ARRIVAL OF THE HON. REVERDY JOHNSON.

Among the passengers by the Fulton were the Hon. Reverdy Johnson, Commissioner for the State Department, and Cuthbert Bullitt, Esq, of New Orleans, who has been an exile from the city during the war on account of his Union sentiments. General Butler has assigned Mr. Johnson rooms in the Custom House, and he is now engaged in investigating the seizure of money at the Consulate of the Netherlands and other financial questions which have arisen since the national occupation of New Orleans. It is supposed by Mr. Bullitt's friends here that he is to be Collector of the Port.

GEN. SHEPLEY APPOINTED MILITARY GOVERNOR OF LOUISIANA.

Among the despatches from Washington, received per steamer Fulton, is the commission of General Geo. F. Shepley as Military Governor of Louisiana. The administration could not have made an appointment more acceptable to the people of this State. As Military Commandant of New Orleans General Shepley has gained the most decided popularity.

NEW ORLEANS TO BE THE NEW SEAT OF GOVERNMENT.

He has resigned his position as Military Commandant of New Orleans, to take effect when his successor is appointed, and on Friday last left here for Baton Rouge, to assume the gubernatorial functions and organize the departments. When this is accomplished he will return to this city and establish the seat of government here. During his absence the Assistant Military Commandant of New Orleans, Lieutenant Godfrey Weitzel, will assume the duties recently performed by General Shepley.

A COURT MARTIAL—ITS COMPOSITION.

In accordance with an order from Gen. Butler, the following officers are now sitting in general court martial at the Custom House. It is as fine a looking body of men as one often sees, and the General seems to have made intelligence and capacity the requisites for membership of the court. Capt. P. Haggerty, A. D. C., was originally the Judge Advocate, but being suddenly summoned home by family affliction, Major D. R. Hastings, Twelfth Maine regiment, was appointed in his place. The court has a considerable number of cases on hand, and will continue its sittings for several days to come. The proceedings cannot, of course, be published until the court adjourns *sine die*:—

DETAIL FOR THE COURT.

Lieutenant Colonel W. K. Kimball, 12th regiment Maine Volunteers; Major R. E. Holcomb, 13th Connecticut Volunteers; Major Robert Pache, 31st Massachusetts Volunteers; Capt. Gid. H. Hastings, 12th Maine Volunteers; Capt. Elisha Winter, 12th Maine Volunteers; Capt. S. Tyler Read, Massachusetts cavalry; Capt. H. B. Bidwell, 13th Connecticut Volunteers; Capt. Apollo Comstock, 13th Connecticut Volunteers; Capt. Chas. D. Blum, 13th Connecticut Volunteers; Capt. Washington J. Allen, 31st Massachusetts Volunteers; Capt. John W. Lee, 31st Massachusetts Volunteers; Capt. Ewd. P. Nettleton, 31st Massachusetts Volunteers.

Major David R. Hastings, 12th Maine Volunteers, Judge Advocate.

W. K. Kimball, Lieutenant Colonel commanding 12th Maine, President.

THE PENSION AGENCY OF NEW ORLEANS.

The Pension Office at Washington sent out to Major E. K. Scott, special mail agent, a request that he would investigate the condition of the Pension agency in this city. He consequently ordered Dr. S. W. Dalton, the Commissioner of Pensions previous to the secession of the State, and his clerk, H. G. Hearst, to report to him. Dr. Dalton appeared, and stated that at the commencement of the war he held the draft of the Pension Office for five thousand dollars, and that he negotiated the draft and paid out the money to the persons entitled to pensions. That now he has only one hundred and eighty-eight dollars, for which he is ready to account and to furnish a full report of his accounts with the office at Washington. Dalton is a bitter secessionist. Major Scott having been obliged to go to Washington by the Rhode Island, which left here on the 10th, he turned over the matter to the Collector of the Port, who will continue the investigation of the affair.

THE NEW POSTMASTER OF NEW ORLEANS.

In accordance with his instructions from Washington by the Fulton, Major Scott turned over the property of the New Orleans Post Office to J. M. G. Parker, Esq., late Postmaster of Ship Island, thereby constituting him acting Postmaster of this city. Since Major Scott's administration of the postal service here he has won the esteem and warm regard of all who have been brought in contact with him, either officially or socially, and the only consolation we have in his leaving us is that so amiable a gentleman as Mr. Parker is appointed as his successor. I omitted in my last to mention that Captain P. Haggerty, Aid-de-Camp, of General Butler's staff, left here on the McClellan to visit his home in Massachusetts. He had just received by mail a perfect avalanche of afflicting news. Death and illness had occurred in his immediate family, sufficient almost to crush an ordinary man, and his immediate presence at home was required.

IN THE MATTER OF ARCHIBALD M'LAURIN,

whose arrest for purchasing and importing arms from Europe I mentioned in a recent letter, Mr. McLaurin has made and sworn to a statement, in which he says that he has been acting in the capacity of agent for the house of Scholefield, Sons & Goodman, of Birmingham, England, and has been in the habit of receiving from them invoices of hardware and selling the goods for their account and also of soliciting orders for them.

HIS SALE OF ENGLISH ARMS ONLY AN AGENCY.

In March, 1861, he received sixty Enfield rifles in this way, and in February, 1861, he received an invoice of two hundred more, which was extended to January or February, 1862. One hundred of these were captured by an American cruiser and the other one hundred he sold to the Confederate Guards, deliverable in Havana, where they had arrived. Since then he has received no more arms, and knew nothing of the contents of the letters intercepted by General Butler. By those letters it is evident that the three thousand arms mentioned as having been shipped per steamer Pacific had been purchased by Col. Le Mat, agent of the confederacy, and had been consigned to Mr. McLaurin, simply as the agent of Scholefield Sons & Goodman. This Mr. Goodman, whose cupidity has induced him to aid the great crime against humanity, is the "Chairman of the Birmingham Board of Trade for small arms."

The correspondence and McLaurin's statement have been forwarded to the Secretary of State, and Mr. McLaurin has been released on parole.

THE NEGROES AND THEIR MASTERS.

In a recent letter from this city to the New York *Times*, the writer says he understands that negroes, secreted in the Custom House, Mint and other public buildings, have been returned to their masters, by officers of high rank, for a consideration. I believe there is not a word of truth in this, and that it does great injustice to honorable officers and gentlemen; but one thing I know, and that is, if such a thing has been done, the guilty parties have been as acute as lucky in eluding the vigilance of General Butler; for if he should catch any one in that business (and he would be pretty sure to do so if any such game was being played), he would hang him just as surely as he hung the men who robbed private citizens. There is no rank here high enough to save a man guilty of such an act. It would be more creditable to give the name of one's informant to the Commanding General, so that he might investigate the matter, instead of publishing a rumor that casts a reflection on all the officers of the division. The officers of the various regiments quartered at the building mentioned feel much aggrieved, and in the Twelfth Maine at least, quartered at the Mint, they are going to publish an explicit denial of the statement, as far as they are concerned.

THE NEWS OF THE RECENT BATTLES ON THE PENINSULA.

We have received all sorts of rumors within the last few days, none of which are positively authentic. One hour we hear through secesh sources that McClellan has been all cut to pieces, himself and forty thousand soldiers, including two Major Generals (I would like to know who they can be), an unlimited number of Brigadiers and an immense quantity of stores and ordnance captured. Then General Butler gets a note from Flag Officer Farragut, stating that Commodore Davis has received a telegram from General Grant as follows:—"Richmond is ours, with fifty thousand prisoners; so says rumor." These stories have worked the citizens here into a great state of excitement. Secesh believes that we have been defeated, and has consequently been on a tremendous "rampage" for several days.

A CONSPIRACY HAS BEEN DISCOVERED

among the firemen, for the purpose of rising at a given signal and attempting to dethrone the United States forces here. They have no idea that their plotting is known, but Lieut. Weitzel has his eye on them and keeps himself posted as to their movements. They hold meetings almost nightly in various engine houses, and are soon to have a general meeting. In the meantime Lieut. Weitzel allows them to go ahead quietly so that he can obtain complete evidence and then they will find themselves suddenly "gobbled." If the good news from Richmond is confirmed then there will be no attempt at disturbance; but if, on the contrary, the secesh story is correct there may be a row. We be to the participants if there is a riot. Gen. Butler believes, with the first Napoleon, in sweeping the streets with artillery.

CAPTURE OF THE NOTED THUG, RED BILL NO. 1.

The very worst of the gang of Thugs and murderers that have held this city in terror for years past was arrested on the 7th, by Lieutenant Henry Finnegass, of the Provost Marshal's office, and Lieutenant of Police Duane. The culprit is William Wilson, alias Red Bill No. 1. He has been reported to have been arrested before, but it has turned out a mistake.

HOW HE WAS TAKEN.

Lieutenants Finnegass and Duane having obtained information that Wilson was living concealed in a swamp on the border of Lake Salvador, on the opposite bank of the river, they crossed the river at Carrollton on Monday, and, disguised as fishermen, took a boat, and, accompanied by a guide and a man to row, proceeded through the Old Company Canal to Lake Salvador and on up to the swamp, where they arrived at a little after midnight.

WHERE HE WAS FOUND.

Creeping cautiously to the place of concealment, they found Bill partially dressed, and with his shoes on, lying in a sound sleep on a mattress, with a mosquito bar covering him. By his side lay a very sharp hatchet and under his head a pistol. Finnegass approached the murderer on one side and Duane on the other, and, pulling up the bar, each clapped a pistol to his head and then awoke him. He jumped up and looked around to see if there was any chance of escape, but on being assured that if he moved his brains would be blown out, he quietly submitted.

THEY TOOK HIM TO THE BOAT

and started for this city, where they arrived at five o'clock in the morning. On the way down he asked what he was arrested for and what would be done with him? He was told that the charge was murder, and that he would be hung. He was perfectly unconcerned, and said that he had never killed anybody, but he didn't care what was to be done with him, for he had been sick of life for years. He also said that if it hadn't been for Lucien Adams (the Recorder, who is now at Fort Jackson), he wouldn't be in this fix now, for he had been a tool to Adams for many years.

HIS MURDERS AND THE PROOF.

This Red Bill is said to have killed at least twenty men, and we have the strongest evidence that the day that the fleet arrived he threw a German overboard at the levee, drowning him, just because he expressed satisfaction at the approach of the Union forces. The proof is now being worked up, and as soon as it is complete the prisoner will be tried, and he is as sure to be hung as he can be of anything in this life. It will be difficult to convict him of the murders committed previous to the arrival of the fleet, because the people are afraid to come forward and testify against him, although it is almost impossible to find one respectable citizen but what says Wilson is guilty of an indefinite number of murders, and deserves hanging twenty times over.

HIS PERSONAL APPEARANCE.

In person the assassin is about five feet nine inches high, of a brutal, cunning expression of countenance, fiery hair, eyelashes, face and neck; indeed, he is fully entitled to his cognomen of "Red Bill."

OUR TROOPS AT VICKSBURG.

The following official despatch of Gen. Williams to Captain R. S. Davis, Acting Assistant Adjutant General, shows the important service being performed by our troops at Vicksburg, and the peculiar method for outwitting the rebel army at that place, which I indicated in a previous letter:—

GENERAL WILLIAMS' OFFICIAL REPORTS.

HEADQUARTERS, SECOND BRIGADE,
VICKSBURG, July 4, 1862.

CAPTAIN—Leaving the Twenty-first Indiana, Sixth Michigan, a section of Everett's battery and McGee's cavalry, and taking with me the Thirtieth Massachusetts, Ninth Connecticut, Seventh Vermont and Fourth Wisconsin, regular Nims' battery and two sections of Everett's, I left Baton Rouge on the morning of the 20th of June; arrived off Elles Cliff in the afternoon of the 22d, where I found three gunboats awaiting my approach. To cover the transports in passing the cliffs I landed, so as to occupy all the woods leading from the cliffs to the interior, and cut off two field guns reported to be in position on the cliffs. The Thirtieth Massachusetts and two guns of Nims' made a touring march of eight miles, while the Fourth Wisconsin, with skirmishers in advance, followed by the Ninth Connecticut and four guns of Nims' and two of Everett's, marched directly forward by the cliff road leading to the battery and to Natchez, distant eighteen miles, giving time, however, for Dudley's column first to reach this road and cut off the retreat to Natchez. Soon the skirmishers of the Fourth Wisconsin came upon the abandoned battery, abandoned save by a gun limber left behind in the abandonment. Limber benches, tables, a broken whiffletree, some few ears of newly gathered green corn, from a neighboring field, and the well trodden earth marked the place of the camp, near the battery, which was spacious, shaded and afforded a clear view of the river, up and down, and was perfectly protected by its height above the river from the fire of the gunboats. The rebel method of using their guns from the cliffs is to run the gun forward till it projects beyond the cliff, depress it, fire and run the gun back out of sight, load and repeat.

Negroes afterwards told us that the battery, consisting of two guns and ninety mounted men, left some five hours before our landing; but the fellows had greatly loitered on the way, for Col. Dudley reported he was within an hour of intercepting them. The 23d of June Rodney was passed without molestation; but having learned from various sources that resistance to the further advance of the transports would certainly be made by guns in position on the heights of Grand Gulf, we entered Bayou Pierre about three o'clock on the morning of the 24th, and attempted to reach its point of intersection with the Port Gibson and Grand Gulf Railroad in order to move from thence on the rear of the town and heights of Grand Gulf. After passing up the bayou some nine miles, and still eight miles from Port Gibson, a raft across the bayou stopped us. We then backed down, for the bayou was too narrow to turn in, to one Colonel Berry's plantation, four miles only by a good wagon road. Here, at about eleven o'clock in the morning, the troops were landed. The Fourth Wisconsin, Ninth Connecticut and four guns, after marching two miles, taking a branch road by Hamilton's plantation, which led to the rear of the reported rebel camp—some said 500, some 900 strong, pitched between the Port Gibson Railroad and the road from Grand Gulf to Willow Springs, and which branch road produced the only two roads—viz: the railroad and Willow Springs road leading from Grand Gulf to the interior—took the direct road which cuts the railroad about one mile in rear of Grand Gulf. One of the regiments—the Seventh Vermont—was to co-operate with the Fourth Wisconsin and Ninth Connecticut in the contemplated attack on the camp, and the other Colonel Dudley's to be held in reserve at the fork of the two roads. The rebels, apprized of our coming, had decamped, leaving some of their sick, a few old tents, numerous booths, some articles of household furniture and a secession flag. (See herewith Colonel Paine's report.) The town of Grand Gulf, which our troops, before leaving, burned to the ground, was abandoned by all save a single sentinel on picket, who, left behind, was captured by Col. Dudley's flankers.

On the 25th we arrived here off Vicksburg, and commenced running and levelling the line of the cut off canal, and on the morning of the 27th broke ground. Between 1,100 and 1,200 negroes, gathered from the neighboring plantations by armed parties, are now engaged in the work of excavating, cutting down trees and grubbing up the roots. The labor of making this cut is far greater than estimated by anybody. The soil is hard clay, as far as yet excavated—sixteen and a half to seventeen feet—and must be gone through with, say some four feet more, before the water can be let in; for all concur in this: that we must come to sand before the clay.

Yesterday the river fall was only two inches. Drift wood was seen coming down, and the Missouri *Republicans* of the 28th of June announces the flooding up of the Missouri river and the rise of the Upper Mississippi. Under the heading of the June rise, with the hard working 1,200 negro force engaged, and this prospect of a rise, we are in good heart. The project is a great one, and worthy of success. In the next three days we expect to be ready for the water of the Mississippi. The fleet of Flag Officers Farragut and Davis are awaiting the result with great interest, seven of Flag Officer Farragut's vessels having passed Vicksburg at eleven o'clock on the morning of the 28th without alarming the batteries of the town, and are anchored with Flag Officer Davis' fleet of six mortar boats and four gunboats on the west side of Burney's Point. The mortar vessels of Commodore Porter and the remainder of Flag Officer Farragut's fleet remain below Vicksburg. Captain Davis arrived from Memphis on the 1st of July.

To protect Commodore Porter's mortar fleet, lying close along the east bank of the river, within range of the batteries of Vicksburg, but concealed from their view by a dense forest from the enemy's skirmishers, I have despatched some three hundred men, under Major Whitmore, of the Thirtieth Massachusetts, for picket and reconnoitering on that side of the town. In the next five or six days I hope to be in the possession of much information regarding the batteries, their approaches and the forces in support. Respectfully, your obedient servant,

T. WILLIAMS, Brig. Gen. Volunteers Command'g.

P. S.—Lieutenant Elliott's Brigade Quartermaster goes down for supplies, and can furnish details not given here.

HEADQUARTERS, SECOND BRIGADE,
BELOW VICKSBURG, July 6, 1862.

CAPTAIN—The Tennessee left here last evening with the mail, but hearing the beating of drums at Grand Gulf, proceeded no further, and returned this evening for an additional gunboat to protect her in passing that point. Her return enabled me to supply an omission in my report of the 4th inst. It is that the eight long ranged rifled guns of Nims' and Everett's batteries, from their position behind the levee at Burney's Point, distant seven-eighths of a mile from the enemy's nearest battery on the upper side of Vicksburg, co-operated gallantly and effectively with the fleet in the cannonade and bombardment of the 28th ult. Everett's battery lost one man and one horse killed. The fall of the water in the river is nearly at a stand point, and the drift of logs and brush foreshadow what the newspapers promise—viz: a June rise. The work of the negro force on the cut off, they being organized into squads of twenty, with an intelligent non-commissioned officer or private to each, superintended by officers, and is satisfactory. The Flag Officer and his fleet are most sanguine and even enthusiastic. I regard the cut off to be my best bower. Should it fail me, I shall resort to the next best—to seize and hold the enemy's batteries, or at least spike their guns. Respectfully, your obedient servant,

T. WILLIAMS, Brigadier General of Volunteers.

P. S.—The reconnoissance of to-day has shown how we ought not to approach the batteries; that of to-morrow will probably give the affirmative side.

SKIRMISH AT BATON ROUGE.

From Baton Rouge we have received intelligence of quite a spirited little skirmish between Captain Magee's company of cavalry and a considerable body of mounted guerillas, in which the rebel camp was broken up, several of the guerillas killed and wounded, eight prisoners taken, tw