THE MEMPHIS DAILY APPEAL.

BY M'CLANAHAN, TROUSDALE & DILL. MEMPHIS, SATURDAY, FEBRUARY 12, 1859. VOLUME X.—NUMBER 35.

Daily Appeal.

SPEECH OF MR. NOUGAS, OF TEXAS, BEFORE THE MEMPHIS PACIFIC RAILROAD CONVENTION.

GENTLEMEN: I am happy to be with you, the different projects for a Railway to the Pacific through the State of Texas.

This subject has been very imperfectly and incorrectly understood. The object of the convention being to concentrate and harmonize all interests upon that route which is best located, and which possesses the requisite well insure a certain and speedy construction of a railway from the Mississippi river to the Pacific ocean. In order that you may have a correct idea of the different routes and charter for a Pacific Railway through the State of Texas, I will briefly state the history of each company, the locality of each route, and the principal provisions of each charter, and the general railroad laws of the State affecting such.

The Texas Western railroad charter, was granted in February, 1857, which authorizes the construction of a road commencing on the eastern boundary of the State, thence running such course as the company might deem best to El Paso. The charter provides that the work shall be commenced within five years from the passage of the act, and that twenty miles shall be completed within six years, or the charter to be void; and that the company shall receive certificates for eight sections of land per mile, for every mile of road completed, and ready for use, as soon as twenty miles of road is so completed; and that the certificates so issued may be located upon any vacant lands of the State. Further, the company upon designating the line of its road, shall have a reservation of three miles on each side of the line thereof, each alternate section to be retained by the State.

The company was organized under its charter, and in '53 designated the line of the road, commencing on the Eastern boundary line of the State, east of Marshall, in Harrison county, thence westwardly, on or near the 32d parallel of north latitude, to El Paso, which delectable line was filed in the General Land Office. This is as far as the original company proceeded under its charter. The company then transferred this charter to the Memphis and Pacific Railroad Company.

Texas, the Memphis and Pacific Railroad Company, became the owner of the Texas Western Railway charter, and organized under the same, in 1854, and the company in 1856, applied to the Legislature for some amendments to the Texas Western Railroad charter, which were obtained. The company changed the name of the company to the Southern Pacific Railroad Company, and further, provided that the company should have under any circumstances, receive more than one million of acres of land per mile, and all branch or projections were cut off, and the company was subjected to the general law of the State, which last law decreed that the six of the designated lines in the general land office, should not accrue to the company any rights.

The Memphis and Pacific Railroad charter which passed in 1856, authorized the construction of a road, from the eastern boundary of the State, to El Paso, or near latitude thirty-two degrees, for the construction of which the company was to receive twenty miles of land per mile, and a reservation was made by the charter of all the vacant lands between the thirty-mile limits (twenty miles of land for the benefit of the company; the State retaining each alternate section) and the company was required to equip fifty miles of the road within eighteen months from the passage of the charter, and one hundred miles every year thereafter; to secure the performance of this contract, the company was required to deposit in the State Treasury, $300,000, and if they failed to equip the fifty miles in eighteen months, or one hundred miles every year thereafter, the road made, and the money to be forfeited, and the charter to be void. The company organized under this charter, never deposited the $300,000, as required, whence it follows that the main provisions of the charter; after which it procured the Texas Western Railway charter, and reorganized under that, as I have before stated.

The Mississippi and Pacific Railroad charter, was repealed in 1858, and the reservation expired 1st March, 1857.

The Memphis, El Paso and Pacific Railroad charter, granted in February, '53, authorized the construction of a road from Red river, near Fulton, Arkansas, to El Paso, and upon the completion of five hundred miles in corporate sections of land to each mile completed, and upon the designation of the line of said road, a reservation of alternate sections of land was made to the company, which gives to the State of Texas, the odd sections of land, and the company the even sections, which were reserved to the State, known as the "10th Section Bill," will be to worth one-half the sum.

The vacant lands are our "reservation" have been exempt from location since February, 1857—from the eastern terminus 200 miles, and from this point west to El Paso, the lands have been reserved since 1853. There are about 300,000 acres of vacant lands to our reservation from the Arkansas line to the Brazos river, and north of the Colorado, and south of the Brazos is vacant. We now have lands in our reservation already worth from two to ten dollars per acre, and the country west of the Brazos is vacant, and the government lands are supposed to be in the vicinity of our located lands, they will at once appreciate in value to ten or twenty dollars per acre.

Our company has not a stock subscribed outside of the State of Texas, by persons along the line of the road. Our project is scarcely known beyond the limits of Texas, and we are in the Mississippi and Pacific Railroad Company, which under its charter is entitled to sixteen sections per mile, and a reservation of eight miles on each side of the road—all other railroads in the State are entitled to sixteen sections per mile by complying with provisions of the sixteen section bill, and that requires that a section of twenty-five miles shall be equipped, before it is entitled to any grant of land, and the rights are perishable, and if lost under the "sixteen section bill" is not a vested right and any future Legislature may repeal it, and thereby defeat the right of any company in the future grant of sixteen sections per mile. The sixteen section bill expired by its own limitation in the 1st of March, '54.

Further, the certificates when issued under the "sixteen section bill," must be located upon the reservation of the company, till the land is connected, and the company is then compelled to locate the balance of the certificates issued under the sixteen section bill, in blocks, not less than six miles square, if there be so much vacant land where the alternates are proposed to be located, and of all the lands surveyed by the company, the State is entitled to the alternate sections as surveyed.

There is no railroad company chartered from the eastern boundary of our State to El Paso, that has any reservation except the Memphis, El Paso and Pacific company.

I do not wish to induce this convention to believe that the lands granted to our company are worth from five to ten dollars per acre, for such is not the case. All the lands on or near the point at which the construction of roads are commenced, have been already located. Hence the certificates granted for the construction of the road, must be located at points remote from the road, and consequently, unless subsidized, they will be located with reference to the competition of lands. The result is the present value of the lands of our company does not exceed the value of State scrip, which is worth one dollar per acre in certificates as small as ten acres, to be located on any vacant land in the State. The certificates granted to our company may be located as land scrip, except that ours are not issued for less than 640 acres. Every character of certificate, except land script, and redeemable in Texas, are now quoted, and for the future there will be hardly any certificates except land scrip and those of the different companies, and these are all subject to the general law of the State, which decreed that no company, that is equal to land script, it will be safe to say that our certificates will be worth one dollar per acre, when the subsidized certificates sunk the general railroad law of the State, known as the "10th Section Bill," will be worth one-half the sum.

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