OBSERVER.

FAYETTEVILLE.

THURSDAY EVENING, JULY 16, 1863.

We have to record a loss in the fall of Port Hudson. The extent of this loss we know not as yet. But with energetic action on the part of our Generals in that quarter, it is far from giving the enemy free control of the Mississippi. There are many points from which any attempt at commerce can be foiled.

The news lately has certainly not been such as we could desire. But we have had gloomier times than the present, and we hope soon to have brighter. There is no reason for despondency. Confederates cannot afford to despond. A disaster now and then is what all countries at war must expect, and what a brave people will meet with fresh and never-failing courage and endurance. It is the will of Providence thus to afflict us. In good time we trust deliverance will come.

We give much space to accounts received yesterday evening of the Gettysburg battles.

The Richmond papers give a statement of a letter from Gen. Lee to the President, as follows:

The Situation in Maryland.—The President received a letter from Gen'l Lee, on Saturday, which puts to rest all anxieties in relation to the situation of our army in Maryland, and confirms the statements which have been made, that our army has been uniformly victorious in its encounters with the enemy in Pennsylvania. The letter states, in effect, that the engagements at Gettysburg resulted in defeating the enemy completely, in killing and wounding a number far exceeding our own, and in the capture of a large number of prisoners; that the falling back of our army to Hagerstown was a prudential move, not occasioned by any success on the part of the enemy, and not through any apprehension of contingencies arising which might ensure his success at that point. The gist of the letter, in a few words, is that the enemy was even more thoroughly cut up and whipped, than he has ever been upon Southern soil, and that the occupation of Hagerstown was a movement dictated by strategy and prudence, as essential to the success of the campaign. The secret involved in this movement may as well be left to Gen. Lee to develope in his own good time. The prisoners in our hands and on the way here, are, we understand, estimated at between 15,000 and 18,000. The army is in fine spirits and excellent condition.—*Enquirer.*

TO YOUR REGIMENTS!—Maj. Jas. H. Hill, A. A. Gen. at Wilmington, advertises by command of Major General Whiting, that—

"All the officers and enlisted men, of Brig. Gen'l Clingman's Brigade, now absent by authority from these Head Quarters, will report without delay, for duty with their respective regiments at Charleston, S. C."

N. C. RAILROAD.—We are favored with the Report of the President, Thos. Webb, Esq., made to the late annual meeting. The receipts of the year ending May 31st were:—

Private passengers,	$704,011	
Gov't passengers,	278,052	
		982,063
Private freight,	315,204	
Gov't "	194,297	
Express Co.,	124,921	
		634,422
Mails, &c.,		33,449
Total earnings		1,649,935
Expenses		631,192
Net earnings		1,018,743

The earnings exceed those of the previous year $858,871. And the net earnings are $668,099 greater than in 1862.

Two dividends, amounting to 18 per cent. $720,000, have been declared, of which the State receives, towards paying off its debt, $540,000.

312,515 passengers have been carried on the road, without an accident. The road is in better order than at the commencement of the war.

The Company owes a debt of $350,000, due March 1st, 1867, to pay which it has already provided a sinking fund of $218,768, invested in State and Confederate bonds, and will regularly add to it so as to provide for payment of the debt in full when due, or sooner if the creditors would part with their bonds.

To say nothing of the incalculable advantage of this great road to the State, it is well to reflect what would have been the condition of the Confederacy in the present war if it had not been built.

THE HABEAS CORPUS.—Our readers, especially those of the legal profession, will be interested in what appears to us, who are not lawyers, to be an able discussion of the subject of concurrent State and Confederate jurisdiction, in which the writer, himself an eminent lawyer and earnest thinker, takes issue with the opinions lately delivered in the Supreme Court by Chief Justice Pearson and Judge Battle.

PROMOTED.—Gen. D. H. Hill has been made a Lieutenant General and sent to Mississippi. He passed through Raleigh on Sunday night.

"And what makes it more curious is that it comes from a paper that not six months ago, deliberately proposed as an "alternative" the repudiation of the Confederate debt."—*Fayetteville Observer.*

The above, as an attack upon this paper, we pronounce a wilful and unmitigated falsehood. We proposed no such measure.—*Winston Sentinel.*

Very well. Now we will prove to be true that which the Sentinel denies. We have no witness except the Sentinel itself:—

From the Winston Sentinel, Jan'y 1863.

"Let the government change its policy; it can as well violate the Constitution, as a military necessity, in one thing as another; let it pass a law setting a fair and reasonable price on every article of necessity until the end of the war, make Confederate money a legal tender in all contracts entered into after a given date, then raise money by taxation sufficient to keep up the credit of the country; and when the war is over, if no feasible plan can be adopted to save the fictitious currency that has been cast afloat, let it all go by the board, and put the speculator, who has hoarded up his thousands, upon an equal footing with the soldier who has fought the battles of the country for eleven dollars per month. So far as the people of the Confederacy alone are concerned, we can see no very great injustice in a course of this kind. It would destroy no property; it would leave it all just where it was when the war began; and at the same time it would renew and put in circulation all our old State money."

This was a plain proposition to repudiate the Confederate debt. We copied it into the Observer of Feb'y 6, and commented upon it as it deserved. The Sentinel then found it convenient to modify its proposition, and advocate repudiation as an "alternative," as a choice between evils. We copy from its next issue:—

From the Winston Sentinel, Feb. 1863.

The Fayetteville Observer is down upon the Sentinel for having, as it states, made a proposition to repudiate the Confederate debt. We tell the Observer that we have done no such thing. We merely stated the proposition as a last resort, and as choice between two 'monstrous' evils.

We need say nothing more on the subject. It seems to us about exhausted. The Sentinel's abuse of us will pass for the little it is worth—not much we should think with its own readers who have doubtless sense enough to see that it is again advocating repudiation of the Confederate debt in the very article denying that it had done so six months ago. The advocate of repudiation is a worse enemy of the Confederate cause than the yankees. They seek our lives and our property. He would destroy our only hope of maintaining the war for the preservation of these, and would also consign us as a people to everlasting infamy. The idea of repudiating the debt created for carrying on the war is *infamous*, no matter what pretence of an "alternative," or what demagogical notion of giving to widows and orphans that which belongs to others. Repudiation would be equivalent to *stealing*, without the excuse of poverty and want which a suffering wretch sometimes has for stealing; for the Confederate States are rich, and, if they put honest men in power, to preserve their good name, will always have the means to pay the interest on their debt and to do such other things as a wise and just people should do.

BATTLES NEAR GETTYSBURG.

From the Correspondence of the Richmond Enquirer.

WINCHESTER, Va., July 8, 1863.—The army of Northern Virginia, in its war of invasion, crossed the Potomac by wading at or near Williamsport, from thence they marched to Hagerstown, to Greencastle, and thence to Chambersburg. Ewell, who held the advance, went as far as Carlisle, some 12 miles from Harrisburg. Meantime, Hooker having withdrawn his forces from Stafford, moved them to and across the Potomac, and took up a line extending from Washington to Baltimore, expecting Gen. Lee to offer him battle in Maryland. Finding himself disappointed in this and having been compelled by pride or his superiors, he relinquished his command to Meade, who, finding out that Lee had deflected in his march through Pennsylvania, and was moving down the Baltimore turnpike from Chambersburg, moved from Baltimore on the same road to meet him. The two armies, which had ceased to confront each other since the breaking up of the Fredericksburg lines, found themselves, however, again face to face, near Gettysburg, on Wednesday, July 1st. Early in the day skirmishers were thrown forward by Gen. A. P. Hill, who had the advance on the pike leading from Chambersburg.

About 1 P. M., a battle began in earnest between Meade's and Reynolds' corps of the Northern Potomac army, and a large body, it is said, of Pennsylvania and New York militia, under Gen. Meade, and A. P. Hill's corps, who held his line immediately in front of town. Soon after A. P. Hill became engaged, Ewell with Early and Rodes' divisions moved down from Carlisle, and took up a position to the left of Hill's corps, and somewhat to the South west of Harrisburg. The battle raged furiously for about two hours, when the yankee line gave back some 4 miles, passing through and below Gettysburg, we occupying the town and capturing their wounded, some 3,500 in number, and also a large number of armed prisoners—these latter being captured, I learn, by Ewell. Thus the fight closed on Wednesday, with a signal advantage to us. It had been an open field fight, and charging over slight acclivities, in which our troops, by intrepid valor, had successfully driven the enemy before them.

On Wednesday night the enemy were heavily reinforced, and took up a strongly fortified position on a series of very elevated hills in the rear of Gettysburg. From these hills an effort was made by us, but unsuccessfully, to dislodge them on Thursday, the 2d. The fight was begun and mainly contested on the right by Hood's and McLaws' divisions of Longstreet's corps—Gen'l L., with his forces, having reached the field after the close of the fight on Wednesday. Ewell was also engaged during this day on the extreme left with the enemy, who attempted to turn his extreme right—our extreme left—by moving in upon him from above, between Gettysburg and Carlisle; but in this they were successfully repulsed. The centre, under Gen. Hill, held its ground firmly. Gen. Longstreet on the right succeeded in driving them in on the right to a distance of fully a mile. The results of this day's fighting cannot be said to have been, by any means, a decided success to us. That they lost heavily cannot be gainsaid, but their position, naturally a very strong one, was held by not less than *four* lines of infantry, and every spot available for artillery bristled with the enemy's cannon. Our men actually got the fortifications once or twice, but so thinned were their ranks by the losses they had sustained that they were compelled to give back. The field was literally strewn with the dead and dying yankees, and no slight sprinkling of our brave defenders mingled with them.

The fight for the possession of the heights was renewed again on Friday. Meantime, Gen. Pickett's division of Gen. Longstreet's corps had reinforced our right, and was principally engaged, with most disastrous loss of officers and men in this day's work—Gen. P. himself being reported wounded, and three brigadiers—Armistead, Garnett and Kemper—being killed. A. P. Hill was also warmly and successfully engaged during this day, but I am not able to speak as to the results which he achieved. Doubtless they were brilliant, for he has a noble corps, and his corps are proud of their leader.

The results of the three days' fights may be summed up in immense losses on both sides; but in the last two days' encounters we were unable to carry the heights beyond and below Gettysburg. The consequence was, that on Friday night our troops fell back some two miles evacuating Gettysburg, and forming our line of battle still some two miles *in advance* of the position which we held at the opening of the fight on Wednesday evening. Our loss has been most serious, especially in general and field officers, and largely in men.

An officer from Gettysburg on Saturday morning saw some three hundred officers and at least three thousand prisoners, which had been captured by A. P. Hill. It is confidently asserted that Ewell has taken at least six thousand. What Longstreet has done, in this particular, I cannot hear. We have lost but few prisoners.

There was little or no straggling, less than ever before known, and the men fought with a will never before excelled. They marched, too, without showing any signs of fatigue, and passed the huge Rappahannock, Shenandoah, and Potomac rivers all by wading.

The line of battle at Gettysburg reached over a field fully six miles long. The enemy being composed of the flower of the yankee army and the New York and Pennsylvania militia, their battle cry being, "fight for your homes." It is said many of the dead Pennsylvania militia were found with their rifles by their sides.

1 P. M., 9th July.—It is fully confirmed here to this hour that our cavalry was yesterday at Frederick, Md., and our infantry at Boonsboro' and Hagerstown. Gen. Lee himself being at Hagerstown night before last. Our forces did not retire from Gettysburg until fully 12 hours after the enemy had abandoned and moved fully away from his entrenched position; our men having gone through and through them. They are said to be of the most extensive and impregnable character.

Our army is certainly now at Hagerstown, Boonsboro', and Frederick, Md., and *seem to be* on the route to Baltimore. My own impression is that the great battle of the war will be fought at or near the Relay House, the prizes at stake being nothing less than Baltimore and Washington.

The positions which the enemy held at Gettysburg in the last *two days* battles were *quite impregnable*, and Gen. Lee has done wisely in changing his base and forcing the enemy to meet him on a fairer field. There is also another reason assigned for our change of position, but, for prudential reasons, I will withhold it.

There has been *no general engagement* since Sunday.

It will be asked what has been gained by this invasion of a free State, since our loss must be quite heavy. I answer, it is valuable in that it demonstrates to the people of the free States *our power* not only to repel aggression, but it will go further, and assist largely in banishing from their minds all schemes for our subjugation. In full, it is a living demonstration of our ability to act successfully on the offensive as well as on the defensive.

Reports from the army all concur that the spirit of the men is invincible, and that they are nothing dampened by the late severe battles, in which our loss cannot, I think, fall far short of ten thousand; some two thousand of these are now here. At least three thousand more are on the road between here and Williamsport, Md. The accommodations for the wounded are quite inadequate, and the patience our brave men have at the lack of preparation is praiseworthy in the highest degree.

The battle field occupied by us is represented to have been on a plain, and our severe loss is attributed to the fact that we had to charge over this long plain, which was completely commanded by the enemy's guns and up the steep hills. And yet this was accomplished, and but for our thinned ranks, it is said, we could have held the fortifications into which we certainly at one time entered.

Our artillery, which first so distinguished itself at Chancellorsville, is said to have won new laurels here, and to have placed beyond doubt its great efficiency as a leading arm of the service. This, indeed, is believed to have been one of the severest artillery fights of the war.

The proportion of wounded is much greater than in any previous fight of the war. Our loss in killed is small compared with the wounded. Our loss in prisoners it is thought will reach at least *three thousand.*

Our army, of course, quartered on the enemy; and our men report that they found no difficulty in getting whatever they wanted to eat. Grazing was fine, and wheat and corn was to be found in abundance.

Our officers and men who have returned, report the prevalence of an *apparently* great peace feeling in Pennsylvania, and great weariness of the war.

The slaughter has been dreadful and the fighting most severe. It is said we had 300 pieces of artillery bearing upon them at one time. The enemy have undoubtedly lost heavily, and the most decisive results must follow this invasion of the Free States; the war has been carried to their doors. God grant it may be kept there until peace is secure.

WINCHESTER, July 10.—I am told that our loss in the way of artillery horses is very heavy. Some say as many as three thousand have been rendered unfit for service.

I think, from what I have been able to see and from what I can gather, that our loss will reach at least *ten*, and perhaps *twelve* thousand men.

The impression here now is that Gen. Lee is moving on to Baltimore. If this be true, it is most likely the enemy will deliver him battle at some point which will be likely to cover both Baltimore and Washington—most probably at the *Monocacy.* X.

STILL ANOTHER ACCOUNT.

From the Richmond Dispatch.

At length we are beginning to receive something intelligible with reference to the great battles in Pennsylvania, perhaps the most bloody and stubbornly contested of the war. From an officer of the 2d Mississippi regiment, who participated in the three days' engagement, we have the following facts:

On Wednesday the fighting was in the immediate vicinity and around the town of Gettysburg, and resulted in the enemy being driven one mile and a half beyond that place. During the day our forces captured 4,000 prisoners, all of whom were paroled, rather than have the army encumbered with them while the battles were in progress. Their loss in killed and wounded was also very heavy. Our loss in this day's fighting was estimated at from 600 to 800 killed, wounded and missing. During this engagement the corps of Gen. Hill and the division of Maj. Gen. Pender were principally engaged.

On the next day, Thursday, Gens. Ewell and Longstreet engaged the enemy on the right and left, the line of battle extending two miles and a half on each wing. The enemy were driven back, with a loss comparatively small on our side, until their army was concentrated on a commanding hill, two miles beyond the town. This hill was fortified by a stone fence, over and against which dirt had been thrown, constituting a formidable breastwork. After they had been driven back to this position the fighting for the day was discontinued.

On Friday skirmishing was commenced between 1 and 2 o'clock in the day—Hill's corps and Heth's division being principally engaged. They reached the entrenchments as did also the division of Gen. Pickett. After the enemy's works were carried, there was heavy fighting within the entrenchments, but the overpowering masses of the enemy compelled our forces to retire. The yankee batteries were concentrated on a commanding hill, in the shape of a half moon, and our troops in charging them had to advance through an open field, nearly a mile in extent, which was raked by an encircling fire from the batteries posted as above described. Our loss here was heavy, and our forces, after the most desperate fighting, were forced to fall back beyond range of the fire. In this fight our heavy reserves were not engaged.

As our informant came back to the rear he passed our trains of wagons and prisoners, which extended, he thinks, a distance of 15 miles. They were moving in the direction of the river, and his impression is that our army was withdrawn from its position at Gettysburg with a view to the security of these trains.

In the whole three day's fighting we lost but two pieces of cannon, and these were abandoned because of the destruction of their carriages. In the whole distance travelled by this officer, from the time he left the field of battle until he reached Winchester, he did not see a single straggler—a fact which fully disproves the yankee stories of demoralization and disorganization.

The first uneasiness he saw manifested with reference to the situation of Gen Lee's army was on his arrival in Richmond, and not until then did he hear the slightest apprehension expressed of our ability, not only to hold our position, but to advance on the enemy when deemed advisable to do so.

From the Richmond Examiner.

From participants we have the main facts of the first day's battle.

To A. P. Hill was assigned the duty of opening the ball. Tuesday evening skirmishing began between a division on our side and Reynolds' corps of the enemy, and lasted until night. Wednesday morning, Pender's division having come up on the left of the division already engaged, both were, after an hour's skirmishing, attacked by the enemy. Our artillery, stationed on hills in the rear, played over the heads of our advancing columns. The Yankees fought well and contested the ground obstinately. About noon Rodes, of Ewell's division, came into the fight on our extreme left. The enemy also sent forward heavy reinforcements and the battle raged with renewed fury. The conflict began in the open country, some three miles west of Gettysburg, and ended long after dark by our driving the enemy to the east of the town.

Unlike every previous battle of the war, the movements of the two armies were not hidden by forests and dense thickets. The country was broken and rolling, and in a high state of cultivation. On every side were wheat and corn fields, surrounded by stone fences, and dotted here and there by groves and clumps of open timber. The movements of each army were visible from every part of the field, and the game of battle as thus played on a clear board, is said to have been of absorbing interest to such as had time to watch it. Our troops, infantry and artillery, were handled with consummate skill. Again and again they turned the enemy's flank, and drove them from one stone fence to another—from one range of hills to others further east. The enemy's loss in killed and wounded in this day's fight was at least three to one, and we captured from four to six thousand prisoners. The field from the point where the battle was begun to Gettysburg, was thickly strewn with their dead and wounded, and every house in the town, when we took possession of it, was a crowded hospital.

Thursday morning Gen. Hill with Rodes' Division renewed the battle east of Gettysburg, the other two divisions of Ewell's corps falling in on our left, and Longstreet coming up on our right. This day also we met with uninterrupted success, but we are without any particulars of the battle except that by night fall we had driven the enemy 6 miles east of the original battle field.

After the battle of Thursday, the enemy took position on three immense hills, or mountain spurs, and Friday morning's light showed but too plainly that they had not been idle during the night. A long heavy line of earthworks, bristling with cannon, fringed the base of each hill. In front and on the flanks of these the Yankee army was drawn up in line of battle. We made the attack and drove the enemy into their intrenchments. Taking the intrenchments was a more serious matter. We were repulsed several times, and finally succeeded in taking the outer line of works only to find that it was commanded by another equally formidable higher up the mountain side. In the retreat from these intrenchments our greatest loss is believed to have been sustained. The enemy brought their howitzers to bear on our columns, cutting them to pieces horribly.

Our artillery charge when we took the enemy's works is said to have been magnificent. One hundred and forty of our pieces charged up within three hundred yards of one of the enemy's works, and silenced it in a short space of time, but not without very great loss. Our loss in horses in this part of the fight was heavier than ever before known in a similar length of time. One of our batteries lost 28 horses in as many minutes.

Having abandoned the idea of storming the enemy's position, Gen. Lee fell back towards Gettysburg, and rested there that night. No pursuit was made by the enemy then or during the next day. On Saturday our ambulance and wagon trains began to move back towards Hagerstown. Seeing this movement, and suspecting a design on the part of Gen Lee to turn his flank and march suddenly on Washington, Meade left his position and turned towards Frederick. That night Gen. Lee withdrew slowly towards Hagerstown, where the army now is, in as good condition and spirits as before the fight.

Of the loss on either side we know absolutely nothing. We have heard ours estimated at eleven and the enemy's at forty thousand men. We lost between 1500 and 2000 prisoners, and captured not less than six and perhaps as many as sixteen thousand.

A letter from Gen. Lee was received by the President yesterday morning. We understand that Gen. Lee says he beat the enemy in each day's fight, and took their intrenchments on Friday, but abandoned them on finding they were commanded by more elevated positions in the rear; that the enemy's loss was immense and his own "not small;" that he had inflicted on the Army of the Potomac the most tremendous blow it had ever received, and that his own army was in good condition, ready for any movement offensive or defensive. He gives as the reason for his immediate retirement the desire to secure the vast wagon trains captured by Stuart.

It seems that whilst our infantry and artillery were fighting the battle of Gettysburg, Stuart was scouring the whole face of the earth in search of horses, mules and wagon-trains, and so pre eminently successful was he, that before Friday night he had collected in the rear of our army a mammoth train *over fifteen miles in length.* To secure this plunder, which is of course to be counted as part of the spoils of Gettysburg, our army made its retrograde movement.

CASUALTIES AMONG NORTH CAROLINA OFFICERS.—We copy elsewhere several statements of them. We add the following since received:

A letter from Geo. H. Coke to Dr. Warren mentions the death of Col. James Marshall, 52d; also of his Lieut. Col. and Major, not named, but according to last list, Marcus A Parks and J. Q. Richardson. Capt. Crittenden Warren of the same Reg't badly wounded and prisoner. The writer says that all the field officers and Captains in the Brigade, Pettigrew's, were killed or wounded. He mentions as killed Col. K. K. Burgwin and Capt. C. T. Iredell of Raleigh.

Col. Faribault, 47th, wounded. Lt Col. Graves, Maj. Crudup and the Adjutant missing. Lieuts. Jones and Rogers wounded.

Col. Leventhorpe, 11th, badly wounded. Maj. E. A. Rowe killed.

Capt. West, commanding 5th, said to be killed.

The Raleigh Progress gives the following casualties in the 26th:

Col Lane, feared mortally; Adjt Jordan, Capt Adams, severely; Stokes McRae, thigh broken; Capt Wilson, Lts Richardson and Holloway killed; Lt McCono and Capt Bradford, supposed mortally wounded; Jarratt, wounded; Capt Wagg, Lt Broughton, killed; Lambert wounded and left on field. Capt Albright, only Capt unhurt, commands Reg't. Lts Low, Blair, Cerretine and Sudderth only subordinates left. A son of Gov Graham was wounded."

Col J K Connally and Maj Belo, 55th, Col W J Hoke, Lt Col Ashcraft, 38th, Lt Col Gordon, Adj Riddick, 34th, and Surgeon Fry, 16th, are reported wounded by the Richmond papers.

Of officers from this town we hear, so far, that Lieut Thos W Baker has lost an arm, Lieut H H Smith, a finger, Lieut C P Mallett slightly wounded in hand.

Casualties among officers, 20th N. C. T.—Maj. J. S. Brooks gives the Wilmington Journal the following list:

Field and Staff.—Wounded—Lt. Col. N. Slough, in left arm; Maj. J. S. Brooks, in left arm.

A—Wounded: Capt. P. A. Smith, in foot; Lt. J. D. Irwin, in hand.

C—Wounded: Lt. P. Williams, in face.

D—Killed: Lt. J. L. Gore.

E—Wounded: J. W. Wright, in face. Killed: Lt F. C. Wilson.

G—Killed: Capt. O. E. Mercer, Lt. T. C. Fulwood.

H—Wounded: Capt. C. B. Monk, in breast.

I—Wounded: Capt. D. J. Devane, in hand.

All the wounds are slight.

From Port Hudson.—RICHMOND, July 14.—The following official despatch was received yesterday at the War Department:

MOBILE, July 13.—To Gen S. Cooper:—The New Orleans Era of the 10th announces the unconditional surrender of Port Hudson at 7 o'clock on the 9th inst.

GEO. G. GARNER, Chief of Staff.

The statements of the Era are not to be received as infallible truths, but it is not improbable that Port Hudson is now occupied by the Yankees.—*Whig.*

The enemy in James River.—RICHMOND, July 14.—The enemy's flotilla in James river, consisting of two monitors, three wooden gunboats, and several transports, carrying about five thousand troops, were reported slowly moving up stream yesterday afternoon. They had reached the vicinity of City Point. The purpose of this expedition will probably be developed to day.

Whig.

Five Thousand Men at Plymouth.—The Executive office received a dispatch from Gen. Martin yesterday, stating that scouts from the Roanoke reported that Foster had returned to Plymouth with a considerable force, thought to be not less than 5000 men.—*Raleigh Progress, 15th.*

FROM THE NORTH.

Northern papers of the 9th, 10th and 11th inst. have reached Richmond.

Vicksburg.—The most uproarious rejoicings were in progress at the North over the fall of Vicksburg. The rebellion is allowed 6 months longer life. The "spoils" are variously stated, the last and biggest statement being:—

NEW YORK, July 11.—Particulars have been received of the capture of Vicksburg. We have taken about 27,000 prisoners, besides 4,000 non-combatants, 102 field pieces, 30 siege guns, 50,000 stand of arms, and 57 stand of colors. There are 550 Rebels in hospitals, one half of whom are wounded. Only 150 of the garrison are reported as fit for duty.

The Cincinnati Gazette's Vicksburg correspondent says that among the Confederate officers captured there are one Lieutenant General, four Major Generals and between fifteen and twenty Brigadier Generals.

From Maryland.—A battle is daily expected at Hagerstown. The Baltimore American of the 11th thought it would take place that day. Its correspondent and itself think Lee anxious to avoid a battle, and Meade desirous of forcing one. They have no doubt of the complete rout of Lee's army when the fight takes place. The other Northern papers seem less sanguine. *They* have found out that the stories of Lee's rout and demoralization after Gettysburg were all lies. There has been a good deal of cavalry fighting, in which rebel success is conceded by all except the American, which claims yankee victory. As some evidence of the extent of cavalry fighting the Herald says that since Gen. Kilpatrick assumed command of the division, ten days since, his casualties have been 66 commissioned officers, and 1,078 men killed, wounded and missing. The American says that Lee's army has entirely changed its front, having fallen back to St. James' College, 4 miles from the Potomac.

More Soldiers.—The draft is being enforced throughout the North. It was ordered some months ago.

The Richmond papers all say that Lincoln has called out 300,000 conscripts. There is no such statement in any extracts they make. The Herald, however, says that "the indications are that the Government will demand under the conscription law about 400,000 men." And that the law will be enforced.

Great Excitement in Kentucky and Indiana.—John Morgan, with 5000 men, has invaded Indiana, giving out that his destination is the State Capital, whence all the valuables are being removed to Cincinnati. Martial law is declared in Kentucky and Indiana border counties. 50,000 militia are called out. Morgan at last accounts had possession of Corydon, an Indiana town of 8000 inhabitants, 25 miles from Louisville. It was supposed that New Albany, the largest city in the State, and full of spoils, would next attract his attentions.

A Fight in Arkansas.—Gen. Prentiss telegraphs from Helena that on the 4th he whipped Holmes, Price, Marmaduke, and 15,000 rebels "handsomely;" capturing 1000 prisoners, 1200 stand of arms, and 2 colors. Yankee loss 250. Rebel loss 2500.

Florida.—The yankees say that this "pirate" is off Martha's Vineyard, and captured last week 41 vessels, besides running off a U. S. Steamer, which had gone out to catch her.

Port Hudson.—Its fall was daily expected, Grant having sent Banks 30,000 men.

Peace.—The Herald advertises a peace meeting, urging Lincoln to offer an amnesty to the rebels, except Jeff. Davis and other leaders.

Foreign.—Foreign news is to the 27th ult. In the British Parliament Earl Russell had replied to inquiry that Napoleon had *not* renewed the proposal for mediation or recognition. Mr. Roebuck gave notice that on the 30th June he would bring on the motion for recognition. A Vienna letter says that Lord Palmerston is reported to have conceived *the idea of submitting the American quarrel to the arbitration of the King of the Belgians.* The Philadelphia Inquirer says:—

"Our European files by the Asia contain the important information that Gen. Forfeit, of the French army, had left Paris for Mexico, bearing dispatches from the Emperor to Gen. Forey, in which he was ordered that when he entered the city of Mexico he should issue a proclamation announcing Napoleon's intention to recognize the Davis Government. This news is contained in "La France," of Paris, the special organ of the Empress Eugenie and the High Church party of France."

MARRIED,

In Robeson county, on the 5th inst., by S. B. Rozier, Esq., Mr. LEWIS MUSSELWHITE, a soldier of Capt. Menacheme's Company, 51st Reg't N. C. T., to Miss MARY BARKER, daughter of Jas Barker, dec'd.

DIED,

Departed this life, at her residence in Richmond Co., N. C., July 24, 1863, Mrs. MARY SUTHERLAND, relict of Mr. Alexander Sutherland, aged 79 years, and 5 months.

Com.

At Floral College, June 29th, after a protracted illness, Miss MAGGIE, eldest daughter of Rev. Daniel Johnson, aged 18 years and 3 months.

FAYETTEVILLE MARKET.—July 16.

REVIEW OF THE MARKET.

Bacon 95 to $1. Lard 1 10.
Beef 50 cts. by side, 60 at retail.
Butter 1 50 to $2.
Beeswax $1.
Chickens 75 to 1 50.
Coffee—Small lots for retail, 3 75 to 4 50 per lb.
Coppers 1 25 to 1 50.
Cotton—40 to 45.
Cotton Yarn—$5 to $15 per bunch.
Dried Fruit—Apples 25 to 30, Peaches 35 to 40.
Eggs 65 per dozen.
Extract Logwood $4 to $5 per lb.
Flour—45 to 50 00.
Fodder 7 50 per hundred. Hay $4. Shucks $4.
Flaxseed $5 per bu.
Grain—Corn 6 00. Wheat 8 00 to 9 00. Rye 7 50. Oats 2 25. Peas, cow 4 50, white 5 50 to $6.
Hides—Green 75, dry 1 50.
Iron—Swedes 75.
Leather—Sole $4 per lb., Upper 4 50.
Liquors—Corn Whiskey $20 00 per gallon; Apple Brandy $20; Peach Brandy $20.
Molasses—N O $10 per gallon.
Nails—Retailing at 1 25 to 1 50 per lb.
Onions $6 to $7 per bushel.
Potatoes—Irish, new, $6 to $8, per bushel.
Rice 20 to 25.
Sugar—1 75 to $2 at retail.
Salt $12 50 per bushel.
Soap—Family Bar 60 cts. per lb.; Toilet 1 60.
Fayetteville Sheetings 40 to 1 50.
Spirits Turpentine 1 00 to 1 15 per gallon.
Tallow 1 25 to 1 50. Wool $3 to $4.

Corrected by E. L. PEMBERTON.

FOR THE OBSERVER.

LUMBERTON, N. C., July 13, 1863.

Messrs. E. J. Hale & Sons: Gentlemen: As I have been recommended as a Candidate for Congress in this District, you will please do me the kindness to make known through the columns of the Observer that under the circumstances, I will not be a Candidate.

Lieut. T. C. Fuller is already a Candidate to represent this Congressional District; his short platform accompanying his letter of acceptance meets with my entire approval. I therefore ask my friends to join me in giving him a liberal support.

N. A. McLEAN.

FOR THE OBSERVER.

Editors of the Observer:—Gentlemen:—Permit me through the medium of your columns, to return thanks to the following Ladies and Gentlemen of Montgomery and Richmond counties, whose names and contributions are given, for their kindness in sending supplies to the sick and wounded soldiers of this Hospital.

Very Respc'ly, your obd't ser'vt.

E. BURKE HAYWOOD, Surgeon in charge.
General Hospital No. 7, Raleigh N. C.

A List of contributions sent to Fair Ground Hospital Raleigh, N. C., by different persons in Montgomery and Richmond Counties viz:

Mr J Skinner 2 hens, 3¼ lbs. butter and 2 doz eggs; Mrs R Steele, 2 hens and 5 doz eggs; Mrs J Chambers 2 hens, 4 doz eggs, 11 lbs beef and 12 lbs pears; Mrs W Stanback 2 turkeys, 6 lbs butter and 14 lbs lard; Mrs J Little 4 lbs butter; Mrs F Little 2 lbs butter, 3 doz eggs and 12 lbs lard; Mrs J Ledbetter 2 lbs sausages, 3 lbs butter, 6 doz eggs, 1½ bu. fruit and 10 chickens; Mrs J Robison 2 hens, 11½ lbs beef and ¼ bu fruit; Mrs Martha Wooley 4 lbs butter, 2 hens, 3 doz eggs; Mrs Eliz Wooley 3 doz eggs; Mrs J Bird 2 hens and 2 lbs butter; Mrs G Tyson 2 hens; Mrs P Stanback 52 lbs dried peaches, 27 lbs apples, 42 lbs hams, 12 lbs lard, 4 lbs butter, 6 lbs dried beef, 6 chickens and 10 doz eggs; Mr J Gay 2 hens and 5½ lbs lard; Mrs A Chambers, 1 ham, 11 lbs lard, 25 lbs light bread 4 doz eggs and 2 hens.

FOR THE OBSERVER.

At Camp Gregg, Caroline county, Va., on the 31 of June, private D. D. WEBB, of Co. K, 33d Reg't N. C. T., in the 22d year of his age. He was born and raised in Richmond county, served 12 months in the defence of his country as a soldier; he was ever obedient, ready and willing to aid and comfort his fellow soldiers under all circumstances. Early in life he embraced the christian religion and joined the Methodist E Church, in which he remained an acceptable member until his death. He died very suddenly of congestive fever. He bore all his sufferings with great patience and resignation to the Divine will. He was attended by an able and skillful physician. He has left a large circle of friends, as well as his parents, brothers and sisters, to mourn their loss; but they do not, they need not, mourn as they who have no hope; they feel that he died in Jesus and is blessed.

Over his grave comrades will sing—
The pains of death are passed,
Labor and sorrow cease.
And life's long warfare closed at last,
His soul is found in peace.

FOR THE OBSERVER.

Killed, in the battle of Fredericksburg, May 24, 1863, WILLIAM WADDILL LANIER, of Co. H, 14th N. C. Reg't, aged 21 years. Another soldier has gone, another home made desolate, father, mother, sisters and brothers left to mourn for their loved one. We can but lament when one so youthful and buoyant is cut off in our midst, but when one who is endowed with high aspirations, all ennobling qualities and generous feelings, but above all a follower of the meek and lowly Jesus, then indeed do we feel as though we had lost a pearl of great price. Possessed of these sentiments William has passed away, he has gone to that bourne from whence no traveller returneth. Never again will his slumbers be disturbed by the roar of cannon or the beat of the drum. He fell gallantly defending his country. In the hearts of his fellow-soldiers he will ever be remembered as a brave youth, and when the blood-stained fields of the South give up their dead, he will arise to glory. May his bereaved parents and friends be consoled in knowing that he discharged his duty faithfully, was a professor of religion and a member of the Church of Christ. ***.

LABORERS for the Defences.

Major Childs, considering it important that the defences commenced at Clarendon Bridge should be finished at once, asks for 50 to 75 laborers. Let all who can spare hands send them immediately to the work. If the number mentioned is supplied the work can be completed in three days.

ARCH'D McLEAN, Mayor.

Fayetteville, July 15, 1863.

The hands will take with them such tools as they may have, or call at the Market House to be supplied.

FAYETTEVILLE ARSENAL AND ARMORY, JULY 15, 1863.

WANTED,

3 GOOD Harness Makers,
1 first rate Wood Turner,
1 first rate Slater,
6 No. 1 House Carpenters.

Steady employment and good wages will be given. Apply to Maj. F. L. CHILDS, 46-6t Comd'g Officer.

FAYETTEVILLE ARSENAL AND ARMORY, JULY 15, 1863.

WOOD WANTED.

PROPOSALS will be received until the 1st day of AUGUST next for the delivery at the Arsenal and Armory of 1,000 cords Pine and 300 cords Oak Wood.

The pine wood to be delivered monthly at the rate of 60 cords per month, the oak wood to be all delivered by the first day of December next. Apply to

46t1A] F. L. CHILDS, Maj. Comd'g.

AUCTION.

MONDAY evening next at 8 o'clock, I shall sell at Auction: Dry Goods, consisting of English Prints, Spool Cotton, Ladies' Fine Cloth Cloak, Ladies Fine Silk Dusters, Black and Green Tea, superior grade Sewing Silk, English Mustard, Pins, Needles, Fine Ivory Combs, Augers, Chisels, Drawing Knives, Buggy and Carriage Lamps, Suspenders, Superior Matches, Bonnets, Hats, Buggy Umbrella, and Manufactured and Smoking Tobacco.

JOHN H. COOK, Auc'r.

July 14, 1863. 1t

AT AUCTION.

ON Friday 17th at 3 o'clock, will be sold at the store occupied by P. P. Johnson, the remnant of his stock of Hardware, Coopers' and Carpenters' Tools, Anvils and Hammers, Draw Knives, Hackers, Wagon Boxes, Broad Axes, &c. &c.

A. M. CAMPBELL, Auc'r.

July 16. 1t

Cotton for Sale at Auction.

WE will sell to the highest bidder in the rear of Store to-morrow afternoon at 4 o'clock, about 30 bales of damaged Cotton.

GEO. W. WILLIAMS & CO.

July 15, 1863. 1t

VALUABLE REAL ESTATE FOR SALE.

A HOUSE and LOT on Mumford Street, with 6 rooms and a good well of water in the yard.

1 BRICK STORE, two stories, on Person street.

1 HOUSE on Arch street, 40 x 20, Lot about 150 feet by 60.

P. S. All those indebted to me are requested to come forward and settle forthwith, as I cannot afford to hold notes and accounts and pay taxes on them. All those that can pay and will not do it by the 9th September, it being Court week, their notes and accounts will be sold at Auction by J. H. Cook, Auc'r.

R. D. DAVIS.

July 16, 1863. 46tf

DEPOSITORY, C. S. A.,

FAYETTEVILLE, 25th April.

NOTICE is hereby given, that Treasury Notes, *not bearing interest*, dated prior to 1st Dec'r 1862, may be funded into Seven per cent. bonds or stock, until the 1st day of August 1863. After that date they are not fundable.

Treasury Notes not bearing interest, dated subsequently to 1st Dec'r 1862 and before the 6th of April 1863, may be funded in Seven per cent. bonds or st