

[CONTINUED FROM FIRST PAGE.]

WAR DEPARTMENT, WASHINGTON, May 22, 1864.—To Major General Dix:—A despatch received this morning from Gen. Canby, dated May 14, at the mouth of the Red river, says:—"We have rumors to-day from rebel sources that all the gunboats, except two, succeeded in getting over the falls at Alexandria on the day mentioned in General Banks' despatch."

EDWIN M. STANTON, Secretary of War. DESPATCH TO THE SECRETARY OF THE NAVY.—WASHINGTON, May 22, 1864.—The following despatch has been received by the Navy Department:—Hon. Gideon Welles, Secretary of the Navy:—"Have just received a letter from Lieutenant Commander Breese, dated at the mouth of the Bank river, May 15. He writes as follows:—"This morning a bearer of despatches from General Banks was received at Fort De Russy, who says when he left one gunboat was coming over the falls, and it was currently believed that all would get over. He knew nothing more. I have information from a reliable source that the dam has been completed, and we may soon expect to hear that all the iron-clads are over."

Information reached Secretary Wells, on the 22d, from Red river that one of General Banks' gunboats was coming over the falls at Alexandria, and it was thought they would all get safely over. It is said that the dam is completed, and if so, all the iron-clads may soon be released from the duration in which the low water has kept them. Later dispatches from Gen. Canby say that rumors were rife from rebel sources that all the gunboats except two were actually over the falls.

An active campaign in Arkansas is in preparation. The rebel General Kirby Smith is at Camden, where, at last accounts, he was getting in all his scattered forces, and massing supplies, it was supposed with a view of attacking General Steele, at Little Rock. Smith had issued some bombastic proclamations to his soldiers, in one of which he announces the death of four rebel generals—Scurry, Randal, Mouton and Green.

NEW YORK, May 22d.—The U. S. supply steamer Newbern, T. A. Harris commanding, has arrived at this port from the North Atlantic Blockading Squadron. She brings 120 prisoners from the following blockade runners: steamers Tristram Shandy, Young Republic, and schooner Indian, captured off Wilmington. She reports that the rebel iron-clad North Carolina, which recently came a short distance over the Wilmington bar, was found upon her return to leak so badly as to compel them to run her ashore to avoid sinking, and upon the falling of the tide parted amidships from her own weight. The Raleigh, her consort, is in progress of completion, but has not been considered by them so formidable as the North Carolina.

PEOPLE'S CONVENTION IN FLORIDA.

We learn from the Peninsula that a Convention of the loyal citizens of Florida assembled at Jacksonville on the 24th. C. L. Robinson, Esq., of Jacksonville, presided. The following were chosen delegates to the Baltimore Convention: Buckingham Smith, of St. Augustine; John W. Price, of Jacksonville; C. L. Robinson, of Jacksonville; John S. Sammis, of Jacksonville; Philip Frazer, of Jacksonville; Paran Moody, of Jacksonville.

The following were elected substitutes: Hon. David R. Dunham, of St. Augustine; Charles Apple, of Fernandina; Joseph H. Remington, of Jacksonville; Judge Latta, of Jacksonville; C. Slager, of Silver Spring; J. C. Snowball, of Jacksonville.

Resolutions were adopted claiming a right to take part in the National Convention, expressing loyalty and soliciting the protection of the government, and endorsing President Lincoln. An Executive Committee and one to memorialize the President were appointed.

SENTENCE FOR DESERTION.—In the cases of Privates Henry C. Berry, Co. D, 6th Conn. Vols., and Philip D. Atkins, Co. F, 24th Mass. Vols., convicted of desertion, last winter, and sentenced to be shot, the Secretary of War has mitigated

the penalties to imprisonment during the War at the Dry Tortugas.

ARRIVAL OF DESERTERS FROM SAVANNAH.

Three deserters from Savannah arrived here yesterday. They report that Gen. Johnson has retreated before Sherman and fallen back to within four miles of Atlanta, where he proposes to give battle. A contest is expected there which will decide the fall of Georgia.

PRIZE MONEY.—During the month of April the Fourth Auditor of the Treasury settled three thousand two hundred and ninety-nine claims for prize money, amounting to \$506,933 76.

The award has recently been made in the case of the Atlanta, captured by the Weehawken, Cimmarone and Nahant. One half the proceeds has been ordered to be distributed, the captors having appealed to the Supreme Court their right to the remaining half, on the ground that the captured vessel was of superior force to the capturing vessels. Of this half, the first-class firemen receive \$533 80; second-class firemen, \$444 84; seamen, \$320 30; coal-heavers, \$320 30; ordinary seamen, 249 11; landsmen, \$213 54; cooks, \$427 04.

THE Navy Department has received a communication from the United States bark Ethan Allen, blockading off Murrell's Inlet, S. C., reporting the destruction of valuable salt works, information being given them by contrabands of the location of works, which were at a place called Cane Pitch, twelve miles from the inlet. Upon reaching the works an armed crew was sent ashore, who succeeded in destroying them and burning the buildings. Extensive arrangements had been made for extending the works to double their size. The pans were of cast iron and easily broken. There were four works, each containing twelve large pans, the water being raised from the beach by horse power, leading into a cistern large enough to contain 100,000 gallons of water. The salt was mixed with sand. When returning to the station a man was taken off the coast who made signals to the Ethan Allen. He gave his name as Allen Jones. He said he was of North Carolina, and was a commissary sergeant in the rebel army.

DUNBARS & FRANZ, No. 10 SUTLER'S ROW, Respectfully inform their friends that they have just received, by the schooner July the Fourth,

LARGE ASSORTMENT OF GOODS, Consisting of the following articles: GROCERIES OF EVERY DESCRIPTION, Gentlemen's and Ladies' Boots and Shoes, Carpenters' Tools, Tin Ware, Cooking Stoves and Utensils, Table Ware, Table and Pocket Cutlery, Segars, Tobacco, Stationery, Suspensives, Gentlemen's Underclothing, Meats, Vegetables and Fruits, And various other articles.

THE PALMETTO HERALD—A JOURNAL OF NOTABLE EVENTS IN THE DEPARTMENT OF THE SOUTH.

The first number of the above Newspaper was published on the 3d day of March, 1864. It will continue to be issued on

THURSDAY of each week, and will aim to be, in all things proper for publication, a truthful record of what occurs in the Department of the South, and among the fleets of the South Atlantic Blockading Squadron.

Each issue will contain the LATEST NEWS from the various Military Posts in South Carolina, Georgia and Florida, together with such General and Special Orders from Headquarters of the Department, or from the Adjutant General's Office at Washington, as may interest the readers of this command. The gist of Northern news, as given by our Regular Correspondents at New York, Boston and other points, will also constitute a regular feature of the sheet.

Keeping aloof from whatever may tend in any way to aid our enemies, or to sow dissensions among our troops, it will be the constant purpose of THE PALMETTO HERALD, by all means in its power, to strengthen our Army and Navy in their labors, and to help them on to a speedy, glorious and final success.

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ADVERTISEMENTS. A limited number of Advertisements will be received at Twenty-five Cents per line for each insertion.

JOB PRINTING. Orders for Army and Navy Job Printing will be neatly and promptly executed. S. W. MASON & CO., Proprietors, Port Royal, S. C.

[Official.] HEADQUARTERS, DEPT. OF THE SOUTH, HILTON HEAD, S. C., May 26, 1864.

GENERAL ORDERS, No. 74.

BY DIRECTION OF THE PRESIDENT, IN Special Orders, No. 168, dated May 5th, 1864, from Headquarters of the Army, the undersigned hereby assumes command of the Department of the South.

All orders and regulations established by Brigadier-General Hatch, and now in operation, will remain in force until otherwise ordered.

J. G. FOSTER, Major-General Commanding.

[Official.] HEADQUARTERS, DEPT. OF THE SOUTH, HILTON HEAD, S. C., May 27, 1864.

GENERAL ORDERS, No. 75.

THE FOLLOWING NAMED OFFICERS ARE hereby announced on the Staff of the Major-General Commanding, and will be obeyed and respected accordingly:

- Capt. W. L. M. Burger, Assistant Adjutant General. 1st Lieut. T. J. Robinson, 21st U. S. C. T., Act. Asst. Adjt. Gen'l. Lt.-Col. B. T. Morgan, 54th N. Y. Vols., Act. Asst. Insp. Gen'l. Capt. J. H. Moore, A. Q. M., U. S. Vols., Chief Quartermaster. Capt. T. A. P. Champlin, C. S., U. S. Vols., Chief Com. Sub. Lt.-Col. Peter Pineo, Medical Inspector. Surg. Eben. Swift, Medical Director. Surg. Charles L. Allen, Medical Purveyor. Major E. D. Judd, Chief Paymaster. 1st Lieut. C. R. Suter, Engineer Corps, U. S. A., Chief Engineer. 1st Lieut. J. R. McGinniss, U. S. A., Chief of Ordnance. Col. C. R. Brayton, 3d R. I. Arty., Chief of Artillery. Col. P. P. Brown, Jr., 15th, N. Y. Vols., Provost Marshal Gen'l. Capt. H. R. Cham, Chief Signal Officer. Col. M. S. Littlefield, 21st U. S. C. T., Gen'l Superintendent of the Recruiting Service for Colored Troops. Capt. Lester Smith, 1st U. S. Arty., Commissary Musters. Major Jno. F. Anderson, A. D. C. Major E. N. Strong, A. D. C. Capt. Geo. E. Gonraud, A. D. C. Capt. Louis Fitzgerald, A. D. C. Lt.-Col. S. L. Woodford, 127th N. Y. Vols., Act. Judge Advocate. Act. Ensign, C. C. Nell, U. S. N., A. D. C., Chief of Arm'd Transports. John H. Mars, Esq., Chief Marine Engineer. By COMMAND OF BRIG. GEN. J. G. FOSTER, W. L. M. BURGER, Assistant Adjutant General.

OFFICIAL: THOMAS J. ROBINSON, 1st Lieut. 21st U. S. C. T., Act. Asst. Adjt. General.

[Official.] HEADQUARTERS, DEPT. OF THE SOUTH, HILTON HEAD, S. C., May 27, 1864.

GENERAL ORDERS, No. 76.

BRIGADIER-GENERAL JNO. P. HATCH, U. S. Vols., is hereby assigned to the command of the District of Hilton Head, Fort Pulaski, St. Helena, and Tybee Island.

By COMMAND OF MAJ.-GEN. J. G. FOSTER, W. L. M. BURGER, Assistant Adjutant General.

OFFICIAL: THOMAS J. ROBINSON, 1st Lieut. 21st U. S. C. T., Act. Asst. Adjt. General.

THE PALMETTO HOUSE, No. 13-12 MERCHANTS' ROW, BY MRS. HIGGINS.

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MILITARY AND NAVAL GOODS.—A Large Assortment of Army and Navy Goods may be found at the Military Store, 11 Merchants' Row. DOUGLAS & CO.

DUNBARS & FRANZ, 10 SUTLERS' ROW, Dealers in Suters' Goods, Wholesale and Retail.

C. N. BELLOW'S, No. 8 SUTLERS' ROW, Dealer in BOOTS, SHOES, CLOTHING, FURNISHING GOODS, and Suters' Goods of Every Description. Wholesale and Retail.

PORT ROYAL HOUSE, UNION SQUARE, Hilton Head, S. C. GILSON & RIDDELL, Proprietors.

NOTICE TO NEWS-DEALERS. PARTIES desiring copies of THE PALMETTO HERALD, at wholesale rates, on the day of publication, are requested to send in their orders as early as Saturday evening of the previous week. S. W. MASON & Co., Proprietors, Port Royal, S. C.

AMERICAN WATCH AGENCY.—AMERICAN WATCHES, Solid Fine Gold Vest Chains, Solid Rings, 14, 16 and 18 K. stamped, and a variety of Masonic Emblems, may be purchased at the Military Store, 11 Merchants' Row. DOUGLAS & CO.

E. W. SINCLAIR, PHOTOGRAPHER, Galleries at Beaufort, and Hilton Head, S. C., and Jacksonville, Fla.

OFFICE OF U. S. MIL. TELEGRAPH, HILTON HEAD, S. C., May 12, 1864.

ANY SUBALTERN OFFICER, OR ENLISTED MAN, instructed in telegraph duties, desiring to be placed on such duty, will communicate direct to this office.

L. F. SHELDON, Capt., A. Q. M. and Supt. of Telegraphs, Department of the South.

ICE CREAM SALOON. The undersigned respectfully informs the Public that he has opened an Ice Cream Saloon in

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ORDERS BY MAIL OR EXPRESS Will be promptly attended to. Samples of our printing, in all styles, can be seen at the office, and we invite examination by all who have work to be done.

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