found the vessel anchored off the steam landing taking on board wood. We found two of the casks missing, having been re-landed. We seized the vessel; she is now in Port Mulgrave in charge of Mr. Murray. As there has been in times past so many vessels in this same position, stolen away, would it be advisable for you to order a watch, more from Halifax, to keep charge of her until the matter is settled. I am told that this same vessel, on her voyage from Boston to St. Johns, was selling apples and kerosene oil all along the coast, but of this I have no direct proof as yet. I have forwarded the report of seizure to you.

I have the honor to be, Sir, Your obedient servant,

(Signed)

M. MoDONALD.

CUSTOM HOUSE, PORT MULGRAVE, N.S., 10th December, 1879.

To J. Johnson, Esq., Commissioner of Customs, Ottawa.

Sir,—I have collected the expense for attendance on seized schooner M. M. Chase, and have the four casks of kerosene oil in my charge. I have been offered 20 cents per gallon at private sale for it, but the Captain wished me to sell it at auction, as he thinks it will bring more than the \$30.00 that he gave bond for. I collected for all telegrams sent you, and for all you sent me, which I will remit with proceeds of oil. I have kept a copy of all papers and telegrams in connection with the schooner, and, if any use to the Department, I will forward them. As the money has been paid for the fine, whatever the Department allows me, put it to my indebtedness to the Government, instead of sending me the money, as it will suit me better. I am in hopes of a goodly share, as through my promptness the vessel was caught. It was only three hours from the time I received the telegrem, until I had her in dock. You will please write me if I will sell the oil by public auction, or by private sale.

If I had notice from other vessels, as they returned home with oil, probably I

might have caught some others, but now they have all gone home.

I am, Sir, Your obedient servant,

DAVID MURRAY, JR.

On the twelfth day of December, 1879, personally appeared before the undersigned, one of Her Majesty's Justices of the Peace, in and for Kings County, in Prince Edward Island, William Dalzie, locker for the outport of Georgetown, Canada, maketh oath, and saith, that on the ninth day of December instant, about the hour of five o'clock in the afternoon, this deponent delivered five barrels of explosive kerosine oil from the Customs warehouse at Georgetown, to be exported in bond out of Canada, by the schooner M. M. Chase, of Portland, United States, Captain W. S. Beers, master, and that about the hour of one o'clock in the morning of the tenth day of December instant, this deponent found two barrels of said explosive oil on the wharf of McDonald & Westaway, one of which was in the possession of one Henry Cains. This deponent believes that said oil was re-landed from the said schooner M. M. Chase.

(Signed)

WILLIAM DALZIEL.

Sworn before me the day and year first above written.

(Signed) WILLIAM WIGHTMAN, J.P. for Kings County.