

**Memorandum of Suggestions on Matters
Pertaining to the General Land Office**

Clay Tallman – Commissioner - 1921

INDEX

	PAGE
Accounts of Registers and Receivers ...	5b to 7b
Administration of mineral leasing act ..	29b to 32 b and 11c to 14c
Appointments	4a
Appointees (Presidential)	12 & 13 and 1a to 2a
Appropriation for Field Service	14b
Bureau of Mines (Co-operation)	29b to 1 c
Bureau of Indian Affairs	19b to 25b
Chiefs of Field Divisions	12b to 13b
Classified & non-classified employees ...	29 to 3a
Clerks in local land offices	3b
Conferences with Secretary	5a to 7a
Consultations with associates in G.L.O....	9
Contest Hearings	9b to 11b
Co-operation with other bureaus and Departments	18b to 7c
Pension Office	18b
Federal Power Commission	18b
Bureau of Indian Affairs	19b
Geological Survey	25b
Bureau of Mines	29b
Reclamation Service	1c
Forest Service	2c
Coos Bay Wagon Road Work & O. & C. work ..	14c to 24c
Correspondence, handling of	3 to 9
Division of duties between Commissioner and Assistant Commissioner	10 to 11
Division of work in Secretary's Office ...	5a to 7a
Excepted class of special agents	12b

DEPARTMENT OF THE INTERIOR
COMMISSIONER OF THE GENERAL LAND OFFICE
WASHINGTON

March 22, 1921.

MEMORANDUM OF SUGGESTIONS FOR REORGANIZATION.

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The general organization of the Land Office consists of the following departments:

1. Washington Office;
2. Offices of Surveyors General;
3. The Field Surveying Organization;
4. The Field Service Organization;
5. Local Land Office Organization;
6. A small organization for handling the sales of Shippewa timber in Minnesota.

(Question by Commissioner Spry) Do these come in order named?

I would not say they come in any special order, except the Washington office is first. They are concurrent subdivisions of your business, in a way all on equal standing before you, each having their functions to perform and each under your general control, and some of them have Chiefs or Supervisors under you.

The Washington office, of course, is the headquarters of the whole organization; it consists first of what we call the general officers, all grouped under what is known as Division "A"; that is to say, Division "A" includes the Commissioner, Assistant Commissioner, and their personal clerks, the Chief Clerk and his assistants, the Appointment Clerk and his assistants, the Law Board, the Receiving Clerk, and, when we created the Stenographic Section, as it served all divisions, we placed it nominally in Division "A" as being in the nature of a general organization affecting all divisions. Aside from the general officers, the work of

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the office is divided into divisions to perform certain specific functions or to do certain specified classes of work as I have shown you in our rounds in the office this morning. We have identified these divisions, for convenience and brevity, by letters of the alphabet, and those letters are carried through our correspondence and constitute part of our filing system and system for identification of cases and papers, which I will attempt to explain later. To summarize these divisions:

- "A" - general officers;
- "B" - the Patent Division and certain records. L. C. Lamm, Recorder;
- "C" - Homesteads, isolated tracts, timber and stone entries. A. P. Rice, Chief.
- "D" - The files, consisting of the big filing room that we went over today, and also what is known as the old files in the basement which we went over today. C. W. Drewry, Chief.
- "E" - Division of Surveys. U. L. DuBois, Chief.
- "F" - Is division of everything pertaining to water or the use thereof; that is to say desert land entries, reclamation homesteads, irrigation projects, Carey Act projects, irrigation districts, rights of way for irrigation, rights of way for power, and included also are rights of way for railroads - because while railroad rights of way have no direct relation to the others, the method of handling same and the laws affecting the same are substantially alike and it is convenient to throw railroad rights of way in with the other classes of rights of way. F. H. Dudley, Chief.
- "G" - Land grant division, principally grants to States and grants to railroads and wagon road companies. A. T. Driestock, Chief.
- "H" - Contest Division. A. J. McGee, Chief.

There is no "I" and no "J".

- "K" - Is in a sense the miscellaneous division that I went over with you this morning; that is to say, the division which handles private land claims, scrip, Indian lands, townsites, abandoned military reservations, Chippewa logging, Indian and Forest

- "A" - In the Accounts Division. J. W. Walker, Chief.
- "B" - In the Accounts Division. J. W. Walker, Chief.
- "C" - In the Accounts Division. J. W. Walker, Chief.
- "D" - In the General Division. J. W. Walker, Chief.
- "E" - In the General Division. J. W. Walker, Chief.
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- "J" - In the General Division. J. W. Walker, Chief.
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- "L" - In the General Division. J. W. Walker, Chief.
- "M" - In the General Division. J. W. Walker, Chief.
- "N" - In the General Division. J. W. Walker, Chief.
- "O" - In the General Division. J. W. Walker, Chief.
- "P" - In the General Division. J. W. Walker, Chief.
- "Q" - In the General Division. J. W. Walker, Chief.
- "R" - In the General Division. J. W. Walker, Chief.
- "S" - In the General Division. J. W. Walker, Chief.
- "T" - In the General Division. J. W. Walker, Chief.
- "U" - In the General Division. J. W. Walker, Chief.
- "V" - In the General Division. J. W. Walker, Chief.
- "W" - In the General Division. J. W. Walker, Chief.
- "X" - In the General Division. J. W. Walker, Chief.
- "Y" - In the General Division. J. W. Walker, Chief.
- "Z" - In the General Division. J. W. Walker, Chief.

These letters have a little more detail than the other letters. For instance, our regular letters have a notation at the top of each letter-head like this - "Denver 123456789". At the top of each letter-head is a notation and at the top right to that letter you will find reference to that notation. Now, these figures are work in the office and in the case last cited that the letter in question pertains to the case which was filed in the Denver District and the letter was written in Denver, Colorado. If the letter was written in Denver and it was prepared by a man whose initials were J.W. Walker, you will see that the initials are identical. For the same reason, it at once identifies both the case and the man who understood it and he prepared the letter, and further, unless changes are made, the same man will carry up the case when it comes to for another letter to be written and carry it through to completion.

now, just as in the case of land of mining business through
the office of the Receiver of the land. The application form
in the local office is filled out and is certified on the papers at the
end of the month, and the Receiver's application will be sent up to this office
along with all other applications received during the month, the whole
bundle being sent to the Receiver's office. The Receiver's office at
that month, the Receiver's office will be sent up to this office
all cases which are in the Receiver's office, and it will be
the responsibility of the Receiver's office to examine the records of the
the Receiver of the land. This is done by the money, and those records
reach this office, the Receiver's office is in the Receiver's
Division, and there the Receiver's office will be sent up to this office
certified as to the money part of it, and they will be sent to
the Files Division, where it will be indexed with a card, as was seen
in the Files Division this morning. We have got the cases identified
and tied in, as to the Receiver's records we have in the office
pertaining to the Receiver's office are sent to the Files, then indexed, and
assembled with other papers belonging to the same cases, they then go
to the Trust Book Division (Division 100) where every new entry and new
final certificate is noted on the record against the land affected.
At this point, therefore, we have the papers placed against the Register
and Receiver, checked against the money part of it; we have it indexed
and identified; we have entered it in to the records. If it does come
afterward that a particular tract of land is covered by the
application in question. The next step is reference to the proper

adjudicating division; if a national case, to "1"; if a local case, to "2"; if a state selection, to "3"; if a large lot, to "4"; if an allotment, to "5", and so on. Now, frequently these cases accumulate more rapidly than they can be adjudicated, in which case they are held in the files division in their proper box, etc. until called for by the adjudicating division, the adjudicating division being in the position of a card clerk which shows just exactly what the number of cases in each box is accumulating. Now, a fellow can make a mistake in the files division, let us say the final proof has been made; that final proof will go to Division "1" to be examined; it will be checked over and another card put in the case and referred out to the actual clerk in charge of making the examination; that clerk will examine that final proof; if it is found satisfactory he will approve it and write his name at the bottom of the final certificate; at the end of the week that final certificate, with all others that have been approved during the week, will go to the Patent Division for patenting and the patent will in due time be written and issued and signed by the clerk and signed by the special clerk who attaches the President's name, and that ordinary routine case of that kind you will doubtless never see or hear of. But suppose the final proof is bad or defective, then the clerk who handles the case will prepare a letter or decision; it may be a small defect, it may be one that is serious, it may be one that will involve a complicated question of conflict with some other entry or claim of some sort; then the decision will be prepared by that clerk, written up, submitted to a reviewing officer in the Division, from him to a member of the Law Board, and from

him to you to sign or not to sign as you think best. Ordinarily, when that decision has been whipped into shape by the clerk in the division, by the reviewing officer of the division and has been passed by a member of the Law Board, you will sign it; otherwise you never will get through with your work. This raises the question which is always important - what stuff am I sure in signing and what stuff might be called "loaded", something to which special attention should be given, special study, and perhaps hold up or consideration, either by yourself and associates or even by the Court? Ordinarily, you will see this kind of stuff by the notes and marks you find on it, but as to this you are dependent primarily on your personal clerk in the outer office, who goes through all this mail and all the papers that are prepared for your decision and signature. My practice has been to have him separate the papers into

two classes, one - papers that he is convinced either I ought to read carefully and go over; or papers that have been the subject of difference of opinion and perhaps controversy in the office. He puts those in a separate group and the papers he places in that group, I have made a practice of going over personally and with a good deal of care, depending on how important I may find them on reading, but I do read them. Now, difficult and unusual cases of that kind may be such that you will call a conference with the Law Board or conference with the Chief Law Clerk, or take such steps as you see fit; facility in handling these cases can only come from experience with same. Ordinarily, I have found a number of cases every week that I wanted to take up with the whole Law Board; it has been my practice to have a meeting of the Law Board once a week

formerly, the last year or so, not so frequently; and at the Law Board meeting we take up the unusual questions over which controversies have arisen and about which there is doubt, but the ordinary questions that arise you will be able to settle at least by conference with the Chief Law Clerk, or with a member of the Law Board handling the case, and in that connection I have found it frequently very desirable to call on the clerk who wrote the opinion, not necessarily to get his own view on it, but to show it out more carefully than anyone else, particularly if the difficulty is over a question of fact involved in the record, and it serves in the meantime to get you acquainted with the clerk and get a line on his capacity.

Now, another great class of correspondence is that which arises as the result of inquiry about various cases or about various rights and privileges which people have under the law, and these letters raise all manner of questions. Those letters will take the same road if they involve difficult questions, as the other class, in a general way. That is to say, John Smith of Idaho, writes in here to find out about his rights under his homestead or to ask a question about the way he has been treated. That letter will come in here into the Files Division, be indexed, attached to the case about which he makes inquiry, and referred to the Division. The first you will hear, ordinarily, of John Smith's case is when the answer comes up to you already prepared for your signature. Now, this is the case with respect to all ordinary letters addressed regularly to the Commissioner of the General Land Office, not by name, or not marked personal; they take the road above outlined; but letters addressed by name or marked

"personal" or otherwise indicated to be of a personal character, are sent by the receiving officers direct to the Commissioner's clerk, who will open the letter or not as the Commissioner may direct. It has been my practice that my clerk here opens everything and brings it in to me and I run over such letters. Of course, if they happen to be entirely personal I hold them out and on occasion offers dictate replies, but if they are regular official business, I prefer that they go to the proper division. Mr. Laughlin, the outside clerk, will very kindly show you how this is done, and a large part of them he will pass up to me when he opens them; he knows I don't need to see them. As to general correspondence, this further statement should be made. We take in some money in this office, not very much as most of the money comes in through our field receivers. We take in here, however, two classes of funds, first, a very large number of items of small amounts, usually 10¢, for certified copies of patents, and then certain business money that is transmitted here payable to the Commissioner, that is sent in by special agents in settlement of claims by the United States for trespass on public lands. Recently, we have taken in quite a bit of money in this office in payment of first year's rental on leases, because we issue the lease right here, the parties being here, and hence the money was handled through our own receiving clerk. Therefore, all letters which come to the office, not from official sources, that is to say, not from Registers and Receivers, Surveyors General, Chiefs of Field Divisions, or from Supervisor of Surveys, the character of which is indicated by the mark on the envelope, goes first to the Receiving Clerk who opens the letters. The Receiving Clerk is a bonded officer.

He opens all mail not from official sources and takes out all the checks and money orders and money, and indexes it and cards it, and then sends the mail not involving money to the Files Division to be sent then through the proper channels, but if it is what is called "a money letter" then he makes out his slip of the amount received, his receipt, etc., and sends that letter along to the Division for whatever order is to be filled is handled, and if it is filled on so notes his accounts; if there is an excess he sends a check for the excess to the sender.

You will note from the above that your general officers are the Assistant Commissioner, the Chief Clerk, the Chief Law Clerk, the Chief of Field Service and the Supervisor of Clerks and Associate Supervisor of Clerks. Those directly in this office, however, being the Assistant Commissioner, Chief Clerk, Chief Law Clerk and Appointment Clerk who is under the Chief Clerk. The people with whom you will consult most about appointments, promotions and questions of personnel are your Chief Clerk and Appointment Clerk. It has been my practice to take up matters with them every morning which they may have for consideration. They have administrative matters that will demand your personal attention such as appointment of field officers and promotions and appointments in this office, and they ordinarily arrange their letters with the expectation of being able to take them up with the Commissioner every morning and get them settled so as to get the business off. We do a large part of that business by wire and some of it has to be done throughout the day. All the letters about conditions in local offices, conditions

as to appointments, situations and changes in personnel, and as to the appointment clerk, and he will take that up with the Commissioner and inform him of the situation, suggest what ought to be done, and so forth.

the necessary papers every morning, as soon as you come in, if you wish that hour, or whatever hour is more satisfactory. The whole point is that, you have not to have a load of your own case files.

(Question by Commissioner [?]): Do you have any other points to raise?

(Answer: Titus or both.)

The Assistant Commissioner handles and signs such mail and performs such official functions as you delegate to him, but once acted upon by him has exactly the same force and effect as a matter of law as if done by yourself. It is a matter of judgment and convenience how to divide the business between you and your Assistant Commissioner. As I told you this morning, when Mr. Bennett was in here he had all of the work of some divisions and Judge Proudfit, his Assistant Commissioner, had all of the work of certain other divisions, in fact Judge Proudfit at that time handled more of the strictly legal stuff than did Mr. Bennett, as I am told. The situation was a little different when I came in, the idea was that Mr. Trace should look more after the administrative details and I should handle the law work. As the result, the division of the work at the present time is along a different line, in that I have been handling everything that comes through the Law Board and involves questions of law or policy and everything concerning appointments, personnel and administrative matters and policy in all the field organizations. When I say "field organizations" I mean everything

The plats when made and the field notes written up for the permanent record are all transmitted to this office where they are examined by the examiners of surveys, and when found satisfactory, they are accepted and the official plats filed, one here, one in the Surveyor General's office and one in the local office, and the survey is complete and the land opened for filing.

The surveys aforesaid are made under instructions prepared by the Surveyor General, submitted to this office for approval and returned to him to be turned over to the Supervisor of Surveys who places them in the hands of the man who is actually to do the field work. These are commonly known as "special instructions". They direct the surveyor, with a good deal of detail, how to make his survey and give him a large amount of information as to the other surveys with which he is to connect. This becomes very important in the making of a resurvey. In this connection it may be well to touch upon the question of resurveys.

The Field Surveying operations are supported by an annual appropriation of \$700,000. We are permitted to divert 20% of that money for resurvey work and 10%, if I am not mistaken, for the purchase of iron posts of the

outside of Washington, and as a technical drawing as the result. The same
of course had the benefit of the work sent to his office will go to him for
signature and you will not see that except as he sees fit to call your
attention to it and consult you about it. The plan under which I have
been proceeding has the advantage that it has been in all important cases
to an attention more than a half hour. Division will have. In a letter
last, it was the only one. I would like to see it. I would like to see it,
which, under the same process, is I should like to see it. I would like to see it,
you will see to refer to all.

(Question by Senator Clegg) - During your absence, does the
Assistant Commissioner attend to the same and in what way? All of his own
or does your name appear on the returns?

Answer: - When the Commissioner is absent or otherwise incapacitated,
the Assistant Commissioner automatically, by law, becomes Acting Commissioner
with all the authority, power and responsibility of Commissioner; and at the
same time, under the law, the Secretary is appointed to act as
Acting Assistant Commissioner. The Secretary in the same way
has designated the persons for that duty and responsibility; namely, W.
John McFadden, Chief Clerk, and P. D. H. Ferriss, one of the Law
Board. Now, they can act either in case of the incapacity of the
Assistant Commissioner or in the incapacity of the Commissioner.

I have not touched yet in the matter of relations with the
Secretary. Under various laws authority to do a certain thing is vested
not in the Commissioner but in the Secretary, but if it is a legal matter

him to you to sign or not to sign as you wish best. Ordinarily, when that decision has been whipped into shape by the clerk in the division, by the reviewing officer of the division and has been passed by a member of the Law Board, you will sign it; otherwise you never will get through with the case. This is a very important matter which is always important - that should be kept in mind. It may be called 'to lead', something to lead you to think of it. It may be called 'to lead', and perhaps hold up for consideration, either by yourself and associates or even by the Secretary? Ordinarily, you will detect this class of cases by the notes and marks you find on it, but as to this you are dependent primarily on your personal clerk in the outer office, who goes through all this mail and all the papers that are prepared for your decision and signature. My practice has been to have him separate the papers into

two classes, one - papers that he is convinced either I ought to read carefully and I over; or papers that have been the subject of difference of opinion and perhaps controversy in the office. He puts those in a separate group and the papers he places in that group, I have made a practice of going over personally and with a good deal of care, depending on how important I may find them on reading, but I do read them. Now, difficult and unusual cases of that kind may be such that you will call a conference with the Law Board or conference with the Chief Law Clerk, or take such steps as you see fit; facility in handling these cases can only come from experience with same. Ordinarily, I have found a number of cases every week that I wanted to take up with the whole Law Board; it has been my practice to have a meeting of the Law Board once a week

it falls automatically into the jurisdiction of this office, and this office does everything about it except actually make the necessary order. For instance, the law authorizes the Secretary to issue oil leases and permits, but this office does everything about it except sign the lease or the permit. The Secretary is authorized to approve rights of way; this office prepares everything and submits the proposition to the Secretary in such a way that all he has to do is sign his name. Of course, this is accompanied by such statements and explanations as will enable the reviewing officers of the Secretary's office to act on the matter intelligently, and it does not necessarily follow that just because a thing is recommended by the Commissioner that it will be adopted by the Secretary, at least that has not happened in the past; the Secretary's office does not hesitate to object if they don't like what is recommended and frequently directs that it be fixed in a different way. Primarily the connection between the office and the Secretary is through the Commissioner; the Secretary ought not to appoint anybody in the Land Service at least without the Commissioner's knowledge, and ordinarily, not without his approval. The reason for that is apparent; the Commissioner is responsible for the conduct of the Land Service and the responsibility should not be unaccompanied by the necessary authority. In the past, and probably that will be in the future, the appointment of Presidential appointees, of which you are superior officer over two hundred, has been made by the Secretary without very much or any consultation with this office; that is done because it is to a large extent a political matter handled by the Secretary himself by consultation and correspondence with

the Senators from the various States affected. I, as Commissioner, have been consulted quite frequently on the appointments of Registers and Receivers and in some instances I have been delegated to go into various situations that have arisen and make recommendations. My own view is that the Commissioner ought to have full responsibility and authority to make recommendations as to the appointment of Registers and Receivers and Surveyors General, but it relieves him of a big load for the Secretary's office to handle it. I do not know what the new practice will be, but under Secretary Lane and Secretary Payne no appointment was made of Presidential appointees without an investigation of the candidates, unless the appointee was perfectly well known to the appointing power or to somebody on the inside in whom he had absolute confidence. We found that a necessity, and that even with all the care we could use we frequently made some very rotten mistakes.

These investigations were made usually by the Field Service of this office. The investigation was ordered by wire, report made by wire in code. These reports were on the general standing and integrity of the candidate and were of immense help and information; put us wise to things we ought to know that the candidate had not told us about. These investigations were also made by inspectors of the Department. There are in the Secretary's office a certain number of sort of free-lance inspectors, six I believe, who inspect everything and anything about the Department.

Q. Let me ask, are you familiar with the individuals?

A. No, I am not.

Q. Sort of Secret Service?

A. Not secret to me when we were fully organized, but they can act as Secret Service.

Q. Do you have any of that class of men immediately under you, outside of Field men?

A. No. We have some inspectors which I will refer to later.

Ordinarily there is not much so-called Secret Service business done in the work of this Department. We

do much investigation, but we go directly to the people from whom we want the information, tell them exactly who we are and what we want and what our business is. That is almost the universal practice of the Field Service of this office. On rare occasions when we are dealing with crooks, we have to fight fire with fire, but there is hardly a case that I now recall when we have done what would ordinarily be classed as Secret Service work. Of course the investigators are very astute as to the exact method and manner they use to get the facts in the case but ordinarily they are not doing it under cover. I have known cases where the inspectors of the Secretary's office have not disclosed their identity.

The above statement relates entirely to presidential appointees, or appointees not in the Classified Service.

This leads to another interesting point about which you will have much inquiry immediately, namely, who are classified and who are not. Briefly as to the General Land Office it may be stated that every employee is in the Classified Service, except the following: The Commissioner, the Assistant Commissioner, the Receiving Clerk, the Recorder,

six Special Agents, all Registers and Receivers, and all Surveyors General. If my memory is not at fault the above includes all outside of the Classified Service, but you will note that all Registers and Receivers and Surveyors General make quite a lot not in the Classified Service.

As to those in the Classified Service, this means they came in the Service as the result of competitive examination; it means ordinarily their promotions and positions they hold have been attained strictly on the basis of merit. Fortunately, I found when I came into this office that my predecessor had lived up to the rule and up to the standard pretty strictly. He had succeeded very well at that time in keeping politics out of the Classified Service and unless you can do this, you lose the advantage of the Classified Service. In the Classified Service where merit is supposed to control, politics are pernicious and to act on any other basis than merit is about the most demoralizing thing that can happen. Now, you will be surprised to see the extent to which attempts are made nevertheless by members of Congress to dominate your action in the Classified Service. While I do not presume to give advice, my thought about it is the more

you sidestep acting on their recommendations, unless the same happen to be in accord with your own judgment as to what should be done, the better. In the main, the people to rely on as to these recommendations are the different chiefs, supervisors and directors in your own charge. They know the personal work of each. Occasionally you will find it necessary to overrule them, as I have, but in the main, you will find they know what they are talking about. The only way to run an organization in this respect, as large as this, is to have chiefs and directors in whom you can place reliance, and then act on their advice. If you can not place reliance on the chief or director, replace him.

Now, as to appointments. As above stated, all appointments in the Washington office and all appointments of Special Agents in the Field Service and of surveyors and transitmen in the Surveying Service are made by the Secretary of the Interior on the recommendation of the Commissioner, who in turn ordinarily acts on the recommendations of his assistants and associates. All appointments of clerks in the local land offices and clerks in offices of Surveyors General and of clerks in offices of Chiefs of Field Divisions are made by the Commissioner direct without reference to the Secretary.

Q. Upon whose recommendation do you make these appointments?

A. Very frequently they are made on your own choice, or that of the Appointment Clerk direct by certification from the Civil Service Commission, but if their appointments are in the nature of promotions, then they are made on the ordinary recommendation of the various officers in direct charge. You will soon get to handle local office appointees very much on your own judgment and that of the Appointment Clerk in consultation.

Continuing with respect to the work in the Washington office and your relations to the Secretary: In the Secretary's office the work is divided up; the practice heretofore, which I assume will continue in the main, is that the First Assistant Secretary handles the land business, that, in this instance will be Mr. Finney, which is exceedingly fortunate, because he is very well advised in it. For instance, all appeals from your decision for most part will be acted on by Mr. Finney. Occasionally you will have a situation, or a "mess", that you can not avoid, of such large importance, to see fit personally to take it up with Mr. Finney or the Board of Appeals

and perhaps again you will consider it wise to confer with the Secretary himself; that is simply a question of judgment.

When Secretary Lane started out he appointed a day once each week when he held a conference on land matters, at which the secretary having charge and the Solicitor and myself and the Secretary were present, when we went over the big problems of policy or legislation or important cases. We found it a mighty good thing and thrashed out a good many problems and settled a good many difficulties. In those cases, being land cases, it was up to me to go to the conference pretty well prepared on the questions which were to be taken up.

As different Secretaries have so many different ways of handling business it is a little difficult to make any more specific recommendation. Some want you in conference a great deal. When I first came into office we had many problems passed over to us from the prior administration. Everything the previous administration had done that some one was sore or disgruntled about was attempted to be reopened. We attempted to inaugurate close team work on these propositions. We felt they were old things we inherited and we wanted the best judgment we could get on it, as the result of common consideration. I do not doubt but that the same thing will hold in this

instance, that there will be a great pressure to reopen old cases which we have decided against people, and you will be compelled to take up those matters and go through them, find out what we have done and whether or not it should be changed. In those times Secretary Jones very frequently called me into conference and hearings. In latter years that has been done more seldom. There are cases, however, arising in which the Commissioner is called in to sit with the Secretary or the First Assistant Secretary, the Board of Appeals and the Solicitor in the hearings of cases or in conference.

Surveyors General
and the
Field Organization.

We will now leave the Washington office.

As I explained this morning, the Surveying branch of this office is a large and important function, and one to which I have given a great deal of attention, for the reason that I found in years past surveying had not been given the attention other branches had been given. We are not strictly a scientific bureau, predominantly we are a judicial, adjudicating and administrative bureau, but in the surveying business we have as an adjunct a

scientific branch. I may say here, it has been attempted many times in years past to take the Surveying business away from this office and put all the surveying and map making activities of the Government in a single bureau. We have gone into this whole question from start to finish, and you will find that the Chief Clerk has very complete briefs and papers on the subject. I am fully convinced that the business of land surveying for the purpose of granting title and determining rights belongs to the bureau of the Government which determines those questions. I will dismiss this comment with the brief statement that this office is the place for the land surveying activities. Most of the argument you will hear about duplication of work and organizations, is "bunk". There is very little duplication. In fact we take full benefit of the work done by the Geological Survey in making our maps, and they take the full benefit of all the work we do. In fact, this Bureau works in close cooperation with the others in many cases which I will later explain.

As I explained this morning, surveying activities consist of three branches (a) the Field Surveying force (b) Surveyors General and (c) the Examiners of Surveys of this office.

The Field Surveying organization consists, first, of a Supervisor of Surveys, whose office is in Denver in the Federal Building, and whose name is Mr. Frank M. Johnston, a first-class, high-class man. He held the position when I came in office; he has held it all the time I have been in office, and has demonstrated time and again to be the right man for the position, and you can place absolute reliance in his advice and counsel is my judgment.

Second, Assistant Supervisors of Surveys which consist of one for Colorado and Wyoming, one for Montana, one for Idaho, one for Washington and Oregon, one for California and Arizona, one for Utah and Nevada, one for New Mexico, one for Alaska, and one yet for certain resurvey work that is being carried on in Nebraska.

There is also the Associate Supervisor of Surveys, Mr. A. D. Kidder, whom you met this morning, who under the general supervision of Mr. Johnston, has charge of various operations in the Eastern states and in states where there is no Surveyor General. You will recall that in states where there is no Surveyor General you are ex-officio such.

These Assistant Supervisors of Surveys have immediate charge of the different field surveying parties

and equipment, and direct charge of their work and outfitting and personnel. The Government owns its own surveying instruments; its own livestock such as horses and mules; its own wagons, and during the last three or four years these have been replaced to a large extent with light trucks. To a considerable extent we use our own equipment, depending on conditions, always where we are doing a large job. Sometimes on a small job, or where we have not the stock available, we make a contract for a man to run a pack train for us, or to haul our supplies or something of that sort.

The Field Surveyors run the lines under instructions issued by the Surveyor General, make their field notes, come in and write up those notes, or have them written up by others, whereupon they are turned over to the Surveyor General who takes these field notes and makes the plats. Hence the principal part of the Surveyor General's office consists of draftsmen, and field note writers.

Except in Alaska and except for the Eastern surveys, the Surveyor General is the disbursing officer for both the Surveyor General's office and the Field Surveying Service, that is to say, he pays the men for services and the expense of subsistence by checks, which he draws on funds allotted from this office for that purpose.

type used for marking official corners. Resurveys are invariably complicated and difficult and present many questions. Not until recent years has the matter of resurveys been placed on a scientific basis of legal and surveying principles. They were made in years past in a rather haphazard fashion. A resurvey presents various difficult questions both of law and practice in the field. I may say generally there are two classes, those known as the independent and those known as dependent.

An independent resurvey places a new survey on the ground regardless of the position of the lines and monuments of the old survey. These are ordinarily made where there is no remnant of the old survey that can be found, or where the old survey was so bad as to render same hopelessly impossible of retracement.

Dependent resurveys, at least in theory, contemplate the replacement in their original position all of the original lines and monuments in accordance with principles worked out by long experience.

Resurveys become necessary by reason of extensive obliteration, or where there are errors in the old surveys. We find many old surveys were fraudulent, having been made in offices, or made by running a very few lines,

or were hopelessly careless or erroneous. A resurvey is an easy enough question, if the land has not been disposed of, but when the land has been disposed of, then we are confronted with the necessity of locating the property lines. If property rights have been acquired then the resurvey is a question of law at the outset, as well as a question of field practice.

I shall call attention also to the fact that Surveyor General offices are supported each by three separate appropriations, for the Surveyor General, for clerk hire, and contingent expenses. As we have thirteen Surveyors General there are thirty-nine separate and distinct appropriations, which is a perfect nuisance, and the records will show that I have recommended almost every year that these should be consolidated. For instance, all of the ninety-four land offices are supported as to contingent expenses out of one general appropriation, and we have less trouble with the ninety-four land offices, by far, than we do of keeping track of thirty-nine appropriations of Surveyor General offices. The truth is that the office of Surveyor General ought to be considered as to appropriations with the Field work, where you would be able should necessity arise to spend the money where it is needed.

This peculiar situation arises as a matter of history. Originally the Surveyor General was a man of considerable importance. Surveys were made by contract and those contracts were made by the Surveyor General and the Surveyor General was the "whole thing" in conducting surveying operations in the States, and it is these old contract surveys that are now making all the trouble we are having with resurveys. Surveying operations have been conducted by direct employees of the Government ever since 1910. They have reached a much higher standard of efficiency and accuracy and the output has been in round numbers up to about two years ago about 10,000,000 acres a year. Incidentally I may state that the cost of making surveys the last two years is pretty nearly double.

You will find that the Supervisor of Surveys has a very complete and accurate cost keeping system. He knows exactly the cost of each man and animal and the cost of the survey of a township. But not all land is surveyed out of the general appropriation of \$700,000. There is work conducted by the Surveying Service and the Surveyors General that is paid for from other sources, e.g. lands in railroad grant limits are surveyed one-half at the cost of the railroad company and one-half at the cost

See page 17
Annual Rep. for 1929

of the Government under another and different set of laws. The railroad company makes a deposit of its one-half and under certain appropriation acts and Comptroller's decisions (Comptroller of the Treasury) these funds are supplemented and made available, that is to say, one-half from the railroad and one-half from the Government. That makes additional funds for surveying operations. There are also a few other "deposit" surveys made in this fashion. Mineral surveys are made at the expense of the applicant for patent by a deputy mineral surveyor. The applicant pays his own surveyor, but the deputy is technically an officer of the Government. The office work, however, is done by the Government and the applicant makes a deposit in the Surveyor General's office to pay that expense.

There is still another class of surveys, that of Forest Homesteads which is done by the Forest Service under instructions from the Surveyor General. The returns are made to the Surveyor General and returned to this office where they are accepted or rejected. During the past few years we have expended for general operations close to \$1,000,000 ^{per year} The railroad surveys however are about completed.

I started to say that the situation as to appropriations is a matter of history. I stated that the Surveyor General was formerly the "whole thing". In 1910 this was changed by placing field operations directly in the Government operatives, which took that work out of the hands of the Surveyor General to a large extent, which leads to the necessity of very close cooperation between the Surveyors General and the Field Surveying Service, which is apparent from what has been heretofore stated. Now, you will find some difficulty in bringing about that cooperation. They do not always work together as well as they might, and my own experience has been that you can place greater reliance on the Field Surveying organization than you can on the Surveyors General. The Surveyor General is jealous of his position, rightly or wrongly, he being a presidential appointee and disposed to regard his authority with some importance. In the main, however, by getting hold of the two parties and explaining the necessity for close cooperation we have been quite successful in eliminating friction. In some instances we could hardly prevent it, and were forced to define pretty distinctly where the authority of one began and the other left off.

You asked me this morning about the abolishing of the offices of the Surveyors General. There will always be controversy over this, for it is difficult to get rid of an office. The office of the Surveyor General would not be so bad if you could get rid of the Surveyor General. He regards his office as a sinecure unless he happens to be an engineer himself. The Chief Clerk does everything and takes all the responsibility. The Surveyor General as such is unnecessary, as a rule.

I have covered this subject very fully in a statement I made at the request of the House Committee on Appropriations on the last legislative bill. It will be available to you and gives my idea about as the matter should be handled as the result of a good deal of experience. Suffice it to say now, my design was to make the Service more efficient rather than less efficient as was charged by some.

In this connection the question arises as to how thirteen different offices doing the same work can be placed on a common and harmonious basis as to cost and method. When I made my first trip around the Surveyor General offices, with the exception of the general principles controlling all offices, I found thirteen different

systems of doing business, and thirteen different bases of efficiency. I found further that no attention whatever had been paid to costs. I took steps to straighten out this matter, and I conceived the idea that the best way to go about it was to have an official representative of this office, who would be appointed as inspector, and have him go from one office to the other and stay with those offices, harmonize their work and make it uniform, thus placing salaries and output upon a common and efficient basis.

I appointed Mr. S. W. Goodale, a man who had been in a Surveyor General's office, whom I thought competent to do this. He has been at it the last four or five years. His headquarters are at San Francisco, but he travels from one office to the other about three or four times a year. On the whole the result of this work has been excellent and you will find coming in every month a complete summary statement of the activities of every Surveyor General office and the cost thereof per acre or per mile. We submit copies of this to all Surveyors General so that they can see what is being done in the other offices. The result on the whole has been entirely satisfactory. We place promotions on a merit basis and

See Annual Rep for 1918 page 23
" " " 1919 " 25
" " " 1920 " 33

I may say that I have made promotions almost entirely on Mr. Goodale's recommendation as to who is doing the work and who is not. I may say very frequently that the recommendation of the Surveyors General as to promotions left me in great doubt and uncertainty by reason of lack of adequate knowledge as to whom to promote. I may state incidentally that routine promotions are made annually at the beginning of the fiscal year. So much for the Surveyors General.

LAND OFFICES

The local offices are where the real business with the public is performed. There all filings, selections, and entries are made. As you know, they are conducted by a register and receiver, the register having charge of what might be called the land end of the business, the administrative end, and the receiver the fiscal end of it, taking in the money and keeping account of it. Registers and receivers are paid each a salary of \$500 per year. In addition to this they are allowed compensation measured by fees and commissions received by them up to a total of \$3,000 per year including the \$500 salary. But they do not take the fee or commission out of the money that is paid them. They are simply paid a compensation measured by the \$500 salary and measured by allowable fees and commissions up to a total of \$3000.

Q.- If they don't take in a sufficient amount to justify that payment of \$3,000, then what is their salary?

A.- They don't get \$3,000.

Q.- It falls below the \$3,000?

A.- It falls below the \$3,000.

Registers and receivers, as I say, do not collect the fees and commissions from the money that is paid them. They are paid out of an appropriation made by Congress, but the amount they are paid is simply measured by their salary

and allowable fees and commissions. They receive their regular allotments from this office, on which the receiver can draw to pay the expenses of his office including the salaries of himself and the register and clerks, and the contingent expenses. For all money they take in they must issue a receipt. The whole system of accounting of registers and receivers was reorganized in 1908, and is on a very satisfactory basis, at least in theory. As to compensation of registers and receivers I can best refer you to a fairly complete report on the subject, made to Secretary Lane at his order, and printed in the annual report of this office for the fiscal year 1920. It is a rather complicated subject in its details. You will note from this that the compensation of a register or receiver can not be less than \$500, nor more than \$3,000. There is one exception to this, viz, the combined register and receiver in one officer at the office at Juneau, Alaska, who receives a straight salary of \$3,000. This was necessary because it cost that much to maintain the office. We have to have an office there, but the business as measured in fees and commissions never would equal \$3,000.

These offices are distributed throughout the country in accordance with the list on your desk, to which you will frequently refer. The live offices are in Montana,

Wyoming, Utah, Idaho, California, Arizona, and New Mexico. These offices also have clerks in some of them, where it is necessary, in accordance with the allowance by the Commissioner. I may say here that no register and receiver may expend one cent for any purpose without the prior authorization of the Commissioner, and if they do, the Auditor will turn it down.

Clerks are paid from a separate appropriation, a lump sum for clerk hire and contingent expenses in local offices. We succeeded in getting an increase in this for next year, of \$25,000 I think, making the total appropriation, if my memory is right, of \$400,000. Clerks are not paid very high salaries, and during the war and some times since, we have had great difficulty in maintaining efficient help in the local offices, as our experienced help left us. The highest salary paid at present is \$1620, but to retain old, experienced clerks we must pay higher salaries. My purpose, in getting this increase, was to raise their pay, in some instances. In this connection it is apparent that local offices get into congested conditions occasionally. The question arises how to inspect and how to keep track of what is actually going on in nearly 100 local offices. It is not easy to get a competent inspector. We have had considerable trouble in so doing. At the present time we have one very excellent man, Mr. George A. Cunningham,

who today is working in the land office at Santa Fe, New Mexico. We keep him on the jump from one place to another, where we know there is congestion or trouble. His instructions are, not to go into an office to find fraud or irregularity, but to go over the whole work of the office, bring it up to date, reorganize it if necessary, stay there long enough to get it in shape, and then go to the next place, where we direct him. Just prior to Santa Fe, he did this in Pueblo and other Colorado offices. Prior to that he went through the Wyoming offices. He makes daily reports of what he does and then makes a complete report on the exact condition in which he finds the office; the work that is being done. These reports are reliable and dependable and furnish your guide for what to do. These reports and instructions, and the correspondence with respect to local offices, are all handled by the Appointment Clerk of this office. He is familiar with the details, with the personnel, with the reports, and he can advise you best as to steps to take in those offices. My recollection is that the total force of clerks in local offices is about 225. They consist for the most part of stenographers and land law clerks. They are all in the classified service, except temporary clerks. I will say here that when you can not get a clerk through Civil Service, you will be authorized to employ help outside of the classified service. The Appointment Clerk will explain the details as to that. Temporary clerks

are to be avoided as much as possible. They don't know the work; they are incompetent, but they are a necessity frequently.

I will not go into the question of policy relative to the consolidation of the offices of register and receiver, and things of that sort. I have written many things about it from time to time which will be available to you if you care to refer to them. Registers and receivers are both bonded officers; the bond of the register is \$10,000, and bonds of receivers vary, under an order of the President, according to the amount of money they handle. Receivers frequently have considerable sums of money on which they can draw checks. All moneys received by a receiver must be receipted for by official receipts which are issued to him by this office and numbered, and all must be accounted for. He can not take in one cent without he issues an official receipt for it. He can not pay out one cent except by his official check.

Q. - How often does he forward his account to you, monthly?

A. - Monthly.

In all the details and methods, the manner of keeping accounts and records is regulated by the account circular, No. 616, which is a considerable proposition. All moneys when received go into the so-called "unearned" account. The receiver can draw his official check on the unearned account either for the purpose of covering the money into the Treasury

or for the purpose of returning it to the man who paid it, and in that way he must account for all of it. In the case of suspended cases, which have to come to this office to have it determined whether or not they will be allowed, an accumulation of considerable sums in the unearned account results. The chief of the accounts division can report this at various times, and it is on this sum that depends the amount of the receiver's bond. The accounting system is pretty complete and is pretty difficult to "fudge" with in any way. Two receivers have tried it in my time, and both have served time for it. Many receivers make mistakes; few are crooked. We have many difficulties in straightening out the accounts of receivers. This is all handled by the accounts division who are continually writing instructions on the monthly accounts, and adjusting differences. You should call on the chief of the accounts division of this office frequently, and particularly with respect to new receivers, as to how they are taking hold, and he will immediately report to you, anyway, if he finds any apparent irregularity, in which case it is some times desirable to send a man like Mr. Cunningham at once to that office to see what the trouble is. In some cases I have detailed men from the Field Service to assist, as they are better able to handle a case of fraud.

FIELD SERVICE

The Field Service of this office is composed of what are commonly known as special agents. They are an entirely separate organization from the others heretofore mentioned, directed by a Chief of Field Service, Mr. Yelverton. Mr. Yelverton, or whoever you want in his place, will be your chief adviser on the conduct and the administration of the Field Service. The Field Service is divided into divisions, with names and headquarters as follows: Denver for Colorado, Nebraska, Kansas, and Iowa; Cheyenne for Wyoming, and South Dakota; Helena for Montana; Salt Lake City for Utah and southern Idaho; Portland for Oregon, Washington and northern Idaho; San Francisco for California and Nevada; Santa Fe for New Mexico and Arizona; Jackson, Mississippi, for the entire southern public land states; Juneau, Alaska, for Alaska. Each division has a chief known as the Chief of Field Division. He directs the work of that office. Men are assigned to these respective divisions, and these division offices are their headquarters, and they make their investigations of cases in their respective divisions. Frequently you will have occasion to give them permission to travel outside of their divisions to investigate special cases. Primarily the

Field Service is designed to investigate fraud and to ascertain if the law has been complied with in entries and selections. In addition to this they do a considerable amount of executive and administrative work, such as making appraisals and classifications. They have two general classes of cases. One class is composed of those cases, much the greater majority, which are sent to them by this office to investigate. The other class consists of those cases which come to their attention and which they are authorized to investigate. For instance, certain orders of the Secretary require all entries in withdrawn areas to be investigated. Hence, cases of that sort go direct to the Field Service for investigation whether they have any suspicion about them or not. Another class of work is arising out of the leasing act. That leads to an immense amount of investigation and classification. The Field Service consists, in round numbers, of 100 special agents, timber cruisers, engineers, and others. For the most part we recruit the Field Service entirely from people who have had experience in our work in other branches of the service. It is not advisable to make a green man a special agent unless he is of very extraordinary character or unless he is an engineer. A special agent is more or less "on his own". A poor special agent will

cause you more trouble than you can straighten out by much hard work. On the other hand a good special agent whose reports you can place absolute reliance on is a comfort and a satisfaction in the adjudication of cases. I have made every effort to make the Field Service as efficient and able as possible, using great care in the selection of men, and placing in the Field Service only men whom we know have had sufficient experience to know what they are doing. They report on cases. For instance, take a simple case. They investigate a homestead entry. The homesteader has made final proof. He says he has lived on the land the requisite time and cultivated the requisite amount, etc. The special agent investigates. If he reports that this is not true then this office directs proceedings against that entry through the local office, notice of which proceedings are served on the entryman and he is given a certain time within which to answer and ask for a hearing. If he does this the case goes to a hearing, and we have what is known as a "Government contest," conducted on behalf of the Government by the Field Service, and on behalf of the entryman by himself or his attorney. There a record is made up by examination of witnesses as in court proceedings and with privilege of cross-examination. The Government puts in its testimony subject to cross examination

the same as the other party does. After the case is closed the register and receiver render their decision and make recommendation to this office. If their recommendation is against the entryman he is so notified and given thirty days in which to appeal. If he does not appeal the decision of the register and receiver becomes final. If he does appeal it is then before this office, and a decision is then rendered on the record thus made up.

Q. - You do not allow other evidence at times to be brought in, outside that given at the hearing?

A. - Well, in Government contests, both here and in the Department, we listen to most everything the man has to say. In a private contest we will consider nothing that he does not serve on the other party.

You will note, therefore, that we take nothing away from a man except as the result of an open hearing and a decision rendered on the testimony thus presented.

under oath, and not with reference to anything the special agents theretofore report. The special agent's report in the first instance is the Government's case and is used by the Government to prepare its case against the entryman. After the case is tried and the evidence submitted, the case is decided on that record thus made up. That is what is known as a Government contest, and of course hundreds of them occur every year.

Another class of investigation is that of lands that have been patented through alleged fraud. Where a patent has been granted it can not be revoked or canceled except on decree of court. Consequently in those cases reports are made by special agents, to this office. If we think the Government has a case of fraud or mistake, or whatever it may be, we transmit, through the Secretary, copies of this report, to the Department of Justice, with recommendation that suit be instituted. The Department of Justice refers the case to the proper United States district attorney to start the suit. The special agents then prepare and submit the evidence and cooperate with the United States attorney in the trial of the case. Then we have some investigations

of crooked land locators, fraudulent promotion schemes; quite a few in which we get the Post Office Department to cooperate, in fraudulent use of the mails in land schemes. The Field Service, as above stated, are all in the classified service, except six, and those six men cause you more trouble than all the others put together.

Q. - How do you get those six?

A. - Those six are more or less political appointees, appointed by the Secretary and frequently selected by him. I have selected several of them. At first the Secretary did. But we have gotten away from that practice as far as we can, though they are political appointees. We have ascertained if the man is any good and we put him up against the other men to do the work, and if he can not do it, he is fired. Not being in the classified service, we do not have to prefer charges, etc. Fortunately the present appointees in this class are all, so far as I now recall, good efficient men, rendering just as good service as the classified men, but it is mostly because we have gotten rid of the useless ones we formerly had, and have appointed these men, after careful selection, the same as we would

anybody else. I am not conscious of having made any political appointments in the Field Service, outside of the six mentioned. We have changed the chiefs a number of times. I think there is only one chief left who was in the service, as I recollect now, as chief. They were all appointed through demonstrated ability after years of service, but I don't know, except as I may have learned by accident, what the politics of any are. I think every Chief of Field Division, of the Field Service, as now constituted, is pretty competent. You will understand that the Field Service sometimes gets into disrepute, for the simple reason that nobody loves a policeman; and they can easily get discouraged if you don't stand behind them when they are doing the right thing. I have made every effort to impress on the Field Service the fact that we are out to help everybody who is right. If a man is right he needn't fear anything from the special agents, and if he is wrong he needn't expect any favors. All the investigations of the Field Service are conducted on a very frank basis, telling the man who is being investigated what the agent is there for and what he wants to know, and everybody who is right has nothing to fear. In fact, it is quite remarkable how well some of our men stand in the community. A settler who is complying with the law doesn't

like to see some other man on the next section of land get away with a patent without compliance with the law, and in the main public sentiment is in favor of the work of the Field Service because they are only seeking to bring about compliance with the law. It is true we get much information from disgruntled neighbors and friends, and we have to make proper discount for its source. The Field Service are on a lump sum appropriation which for recent years has been \$500,000, but which I have been able to get increased to \$550,000 for the next fiscal year. This will enable you to make up the slack caused by extra expenses. They are paid a salary, and per diem of \$3.50 per day in lieu of subsistence when absent from their official headquarters. Next year the per diem will be \$4.00, as the result of another change in the appropriation, and that is necessary to maintain a man in a travel status in the western states, as everybody knows. The cost of doing business has been considerably increased. Railroad fares are higher, automobile charges are high. We have attempted to meet this expense by buying our own cars. We have quite a number of Ford cars. We found it cost us to travel in hired cars about twenty cents per mile, and we figure that

by buying our own Ford cars and having out men run them, it averages about ten cents per mile, giving the life of a car about two years. I am advised that it will be the best practice at the end of the second season, to turn in the old cars and get new ones; it will be the most economical way in the long run. Of course there are many trips that a field agent must make where it is inadvisable to take a car. But ordinarily, when we send a man into a certain section he takes all cases to be investigated in that section, and in that way he may investigate a hundred cases at a time. He has his work all mapped out. If he has to go to the northwest section, he will look over his list of cases and select all for that part of the county. When he cleans up all he has, he comes into headquarters at the end of the month and dictates his reports, which will be prepared for his signature at his headquarters. We do not investigate all entries and selections by any means. As a matter of fact, my recollection is the figures show about fifteen percent, but the investigation of that fifteen percent lets the public know we are on the job, and they expect to be investigated most any time. It has the desired effect. It would cost a million dollars a year to investigate every

case, if not more. We investigate all cases that are required to be investigated under Secretary's orders, as a class, and we investigate other cases in which we have a suspicion something is wrong, or with respect to which we get information to that effect. It is amazing how frequently people inform us voluntarily that somebody is not complying with the law. Some of those informants, of course, are not in good faith. But in the main they are.

Special agents' reports to this office are regarded as confidential. They are not shown to the public, and this rule is adhered to very strictly as a matter of necessity, for various reasons. You can not get any information from a man's neighbor if it is going to make any trouble for the man giving the information. He will give you more information if informed it is in confidence. Consequently our agents are authorized to inform a man that anything he tells will be regarded as confidential if he says so. And we respect that confidence. In the next place, the report is the Government's case and should not be disclosed as a matter of public policy. In the next place, attempts are made very frequently, and would be made more frequently if the office records were not confidential, to get this information to further some private ends. Anybody is always glad, if he is in a row, to get a Government agent on his

side, and we follow pretty strictly the policy of not being drawn into private quarrels, drawing somebody's chestnuts out of the fire. This action is justified because we never take anything away from a man without a public hearing at which the Government evidence is put in subject to cross-examination, and we decide the case on that hearing, not on the special agent's report. There is one class of case in which we vary, however, and that is in the reports of hydraulic engineers on reclamation projects. There have been cases where it seemed desirable, for us to furnish the state with a copy of that report, or of that portion of the report bearing on purely technical matters and water supply questions. We have endeavored to cooperate with the states, and in this way we have been able to help the state and the state to help us. We don't violate a confidence ; it is simply a question of engineering judgment, and does not possess the objections that have been named above, to the ordinary report.

COOPERATION WITH OTHER BUREAUS AND DEPARTMENTS

Having now outlined very briefly and imperfectly the functions of the different branches of your own bureau, let me call attention to the fact that this bureau has many points of contact, and many occasions for cooperation, with other bureaus of this Department, and with some bureaus in other Departments. This must be, for the reason that other bureaus, under the law, have something to do with public or Indian lands, and under the law the disposition of all such lands, the patenting of all lands, the primary jurisdiction thereover, is in your own bureau. The bureaus with which you have most direct contact and with which you are bound to have cooperative relations, or in respect to which there are matters on which both bureaus must act in order to complete the chain, are the Office of Indian Affairs, the Geological Survey, the Bureau of Mines, and the U. S. Reclamation Service. These are the principal bureaus of this Department with which you have business. You will have a small amount of business with the Pension Office, strange as it may seem, which is confined merely to getting the records of soldier-claimants to land, and is negligible in this connection. You will also have relations with the Federal Power Commission which is not a bureau of this

Department, though the Secretary of this Department is a member of the Commission. The Federal Power Commission is what is ordinarily understood in Governmental parlance as an "independent establishment". It consists of three Cabinet officers, the Secretary of Interior, Secretary of Agriculture, and the Secretary of War. At the present time the Commission is housed in this building, and the Commission, from the very nature of things, has more to do in these ways with this Department than any other. You also have a great deal to do in the way of joint or cooperative work on matters in connection with the Forest Service, Department of Agriculture.

To indicate something of the character of this common function we will refer briefly to the principal ones. Take the Bureau of Indian Affairs; that bureau has charge of the Indians and of Indian reservations, but very frequently, in fact with respect to most every Indian tribe, a treaty has been made with the Indians, or a law has been enacted, usually both, whereby the Indian reservation, or the Indian lands have been broken up. While all these Indian acts are different, all are more or less complicated and designed to meet the particular needs of the particular tribe under consideration. As a general rule the purpose has been to get

money out of the reservation for the benefit of the Indians, and to place the Indians ultimately in a condition of a civilized private owner of land, on their own account. The plan worked out as a general rule to accomplish this is something as follows: First, individual allotments are made of the Indian lands to the Indians. That is always handled by the Indian Office, or by a commission established for that purpose. The Indians, therefore, have their first pick of the reservation. After this is done the balance of the lands are examined and classified. I might say, usually the survey precedes any of these actions, and all lands not taken up in Indian allotments or reserved for permanent reservation, are thereupon ceded to the United States in trust for the Indians, such lands to be sold and disposed of for the benefit of the Indians. Usually such ceded lands are opened to entry if agricultural in character, under the homestead laws for a certain period, say five years. Any such lands classified as mineral are disposed of under the mineral land laws, the proceeds to go for the benefit of the Indians, and after the lands have been opened to homestead entry for a certain period, the laws usually provide that the balance of the lands undisposed of in this way shall be sold for cash, usually at public auction. Sometimes the law provides the price shall not be less than an appraised value;

other times this limitation does not appear. Now, with a few exceptions, disposition of ceded Indian lands falls in the jurisdiction of the General Land Office. The Indian Office has attended to the allotments, and the Indian Office will retain full jurisdiction and charge of lands reserved as a permanent reservation, but the ceded lands are turned over to you, as the representative of the Government in handling the trust for the Indians. In addition to this, all the patents that are made to the Indians are issued by you on the basis of schedules of approved allotments, approved by the Secretary, which are turned over to your office by the Indian Office. All such schedules have to be checked in this office, and as a rule there is much preliminary work to making up this schedule. Usually the records of your office are all examined first before the schedule is prepared in order to get it in proper shape for final approval in correct form. There are some instances in Oklahoma where the Indian Office, by law, is authorized to sell and dispose of lands in the manner of ceded Indian lands. This is the one exception I think of. There are other classes of patents which you make to purchasers of Indian allotments. The sale of such allotments is all handled by the Indian Office.

A common illustration is the sale of the lands of a deceased Indian. The patent is thereupon issued to the buyer, and that patent is issued by your office on the official statement furnished you by the Indian Office. In the disposition of ceded Indian lands, appraisal frequently occurs, and usually those appraisals are made by a board consisting of a representative of your office, usually a special agent, a representative of the Indian Office, and some outsider who knows land values, chosen by the Commissioner of Indian Affairs and recommended to the Secretary for appointment.

Some interesting questions are now pending before you and before the Department on the applicability of the mineral leasing law of February 25, 1920, to ceded Indian lands. It is one of the things that remains unsettled, and right here I may state just the point that arises in that. Section 1 of the new mineral leasing act provides that the deposits named "owned by the United States, including those in national forests" but excluding those in the Appalachian Forest, and excluding those in national parks and lands withdrawn or otherwise reserved for military or naval uses or purposes, are subject to disposition under the act. No other law that I am familiar with defines the lands to which the act is applicable in language like this. You will note it applies to all

lands owned by the United States unless specially excepted. No mention is made of Indian reservations or ceded Indian lands. Reservations proper are presumably owned by the Indians, but who owns ceded Indian lands? They are taken over by the United States in trust for the Indians. There has been a running fight on between your office and the Indian Office, as to the exact status of ceded lands. We have always contended that after being turned over to us for sale they are public lands to be handled as such. But in the Ash Sheep Company case that arose in Montana, and went to the Supreme Court, it was held that the Indian Office still had a right to lease undisposed of ceded lands, and collect rent for them.

Q. - Is it your contention that handling them as public lands, the proceeds from the sale of these lands should go ?

A. - No question as to that. The act specifically provides as to that; such proceeds go to the Indians.

Section 35 of the new leasing act provides specifically that all funds arising from the operations of that act shall be disposed of, viz, 10% to the Treasury, and the balance to the states and Reclamation Service. The various Indian acts invariably provide that the proceeds shall go to the Indians

except in a few rare cases where the Indian act was of such character that the Indians were entirely paid off when the Government took over their lands, and the Government became absolute owner of the ceded lands. This point naturally arose as one of the first things for consideration when we prepared the various sets of leasing regulations. With Departmental approval we concluded at that time that this act could not apply to any ceded lands the proceeds from the disposition of which went to the Indians, because of the express provision of Section 35 of the leasing act as to where the proceeds under that act should go. In a case that arose shortly after the first oil regulations were published, in Ute lands in Colorado, however, the Secretary held that the leasing act would apply to those lands, and the proceeds nevertheless go to the Indians. I at once took the matter up to see if this was intended to be a general rule, for just at that time we were getting out the second edition of the oil regulations. The response was not sufficiently clear in the opinion of the Solicitor, after consultation, to justify our laying down a new rule in the regulations, nor was it sufficiently clear to justify the retention of the old rule. Consequently, you will find on page 7 of Circular 672, second edition, this statement "The application of the act to ceded Indian lands depends on the laws controlling their disposition", an evident truth,

and a rather evident camouflage so far as giving any definite information on this subject is concerned. But numerous applications and inquiries have been made, and it was an important point which of necessity should be settled. I could not very well settle it on mere inquiry, but decided that the first real case presented we would use as a vehicle for presentation to the Secretary. This occurred three or four days ago, in the case of an applicant for coal land on the Fort Peck Indian Reservation, in Montana. So I think this point is on the way to be settled. You will find a memorandum from me on the subject, that went over to the Department with the papers.

Cooperation with the Geological Survey.

With this bureau you have a tremendous amount of correspondence, running to the extent, sometimes, of hundreds of letters a day. The Survey is your consulting engineer on technical questions pertaining to mineral, power, and water resources. A very complete system of cooperation has been worked out. We call on the Survey for report as to the character of the land in many classes of cases, as a matter of regular routine. We get a response advising us whether the Survey knows as to the mineral, water power or other special character of the land. If the Survey has on file specific dependable information such as to justify action on the basis thereof, that

information is furnished this office and we act on it accordingly. If the Survey does not have such information, they so state, and usually recommend an investigation by the Field Service of this office. That investigation will be made and a copy of that report will go to the Survey. A common illustration is state and railroad land grants, all of which are ineffective if the land is mineral. We take up a selection list and refer it to the Survey. If the Survey says "We know this land is non-mineral" we do not look any further, or make any further investigation, but proceed to act on it on the record. If the Survey reports affirmatively and positively that the land is mineral, we act on that accordingly, and hold it for rejection, hearing, or whatever proceedings are necessary, in the usual way. If the Survey says, in effect, "We have no definite or reliable information on this land", then our own office, through the Field Service, must investigate it. As the result of this cooperative system the Survey has the benefit of all the investigations made by this office on mineral, water, water resources, and we have all the benefit of their scientific work. Then again, various classifications are made by the Survey. For instance, all the designations for entry under the enlarged homestead act, or under the grazing homestead act, are made by the Geological Survey and certified to your office, and you act thereon accordingly.

Again, all designations of producing structures under the mineral leasing act are made by the Geological Survey. All applications for permits and leases under the leasing act, or practically all thereof, are referred to the Survey for report as to whether the land is in a geologic structure or otherwise, or other points on which technical information is desired. All leasing units for the leasing of coal lands are blocked out by the Survey, and certified to this office, or are blocked out in cooperation with this office. It does not follow from the above that you are absolutely controlled by their decisions in these matters, though you will be in the majority of cases because you will have no different information. But not infrequently cases will arise where you will have a different opinion of the facts, or the action which should be taken, in which case you may act regardless of the Survey's recommendation or you may submit the matter to the Secretary with a diverse recommendation, for settlement. We have had many little controversies of this character that have had to go to the Secretary in times past, and you will no doubt have ~~many~~ more. For the most part we have always been able to approach them on the merits and settle it satisfactorily in the long run. Incidentally I may say that this is illustrative of a clash between two bureaus in the same Department, and between two bureaus in different departments. For

instance, you and the Director of the Survey get into a row over a question, by that I mean an entirely impersonal row; you can not settle it. You go to the Secretary and present the proposition. He disposes of it and that ends it. There is no inter-departmental correspondence. All parties are assumed to be in good faith and no permanent friction results. But if you get into a controversy, for instance, with the Forest Service, or with any other bureau in another department, then the whole thing becomes a matter of inter-departmental correspondence and always presents a more delicate question than it does if you simply have a difference of opinion with a bureau in your own department. We have had some illustrations of that sort, in cases or controversies with the Forest Service, and some others. Each Secretary takes it upon himself to back up his own bureau chief, and the fight is on. Incidentally this is one of the strongest arguments I know why the Forest Service should be in this Department.

That is illustrative of your Survey stuff. You are close to them in a lot of things. The above does not begin to relate all the cooperative work you will have with the Geological Survey, but it is fairly illustrative of the bulk of it.

Joint Work With the Bureau of Mines.

Up to recently we did not have very much joint work with that bureau. The Bureau of Mines is a growing concern. Director Manning was very aggressive in developing his bureau and expanding its functions. When the coal leasing law was passed for Alaska, and when the general leasing law was passed for the states, the Director of the Bureau of Mines at once proceeded to take the position that all field operations be under the direction of the Bureau of Mines. We had a long drawn out controversy over it. You will find in the records many memoranda I have written expressing my view. Briefly, the Bureau of Mines won out, so that you are to have a lot of business with that bureau if present orders continue to stand. As the situation stands now, under pending instructions, an oil lease is granted through the Land Office. The Land Office has full jurisdiction up to the time the lease is granted, but when that is done, the supervision of field operations is placed entirely in the Bureau of Mines, as a result of which they are organizing a duplicate organization or field service, in effect, to handle this business, supposedly composed of experts on this subject. The present plan is that the Bureau of Mines representatives will take and approve all production statements,

the value of production, and transmit same to that Bureau, who in turn will turn them over to this bureau and this bureau will collect for the royalty that has been sold to the Shipping Board. But if the royalty is not taken in oil and sold, then the purchaser pays his royalty to the receiver of the proper United States land office. Unfortunately the Bureau of Mines didn't have any money until a few days ago. Consequently they managed to get hold of the nominal jurisdiction, with no money or men to do anything, and we have not as yet got in this office a single report of production coming through the regular channels. We have notified our lessees, however, to go ahead and pay their royalty through the proper receiver, accompanied by a statement in cases where the royalty is not taken in oil.

I might as well explain here the matter of this taking the royalty in oil. The law authorizes the Government to take all its royalty in oil if it so elects, and the law also authorizes the Secretary of the Interior to sell the royalty oil at the market price at private sale, that is, to say, not by competitive bidding, to any other bureau or Department of the Government for Government use. Under this provision Secretary Payne made two contracts with the Shipping Board, in effect three contracts, for the sale of all royalty oil outside of Naval Reserves in California,

Wyoming, and Montana. The Shipping Board were here on their knees, with tears in their eyes, to get this royalty oil for their fleets, and were asking us every few days when they could get this royalty oil, and consequently as fast as we issued leases for lands outside of Naval Reserves in California and Wyoming, we notified the purchaser that the royalty oil would be turned over to the Shipping Board who in turn would pay for it. And after having done this, one of the producers came in one day and said that the Shipping Board was not taking the oil or ready to take it. I immediately got into communication with the Board and was informed that they were not ready yet to take any royalty oil in California. In the meantime the lessees were hung up, not knowing what to do, whether to store the royalty oil or to pay the royalty, and fearful they might violate their lease whatever they did. Immediately on understanding this situation I got out an order, approved by the Secretary, to all lessees in California, to go ahead and pay their royalty in money to the proper receiver until notified to the contrary, and that is now being done. At the same time, also, we took up the matter of royalty oil in Wyoming. In the case of Wyoming the Shipping Board made a contract as above stated with this Department to buy the royalty oil. It then turned around and made another contract with the Midwest Refining

Company to turn over this royalty oil to the Refining Company in consideration for which the Refining Company was to furnish the Shipping Board with fuel oil on agreed basis at coast points. Apparently the Shipping Board is not anxious to take this Wyoming royalty oil any more promptly than possible, though the Shipping Board is taking a large amount of fuel oil. I think this has its origin in the fact that the Shipping Board financed this operation and wants to keep the Refining Company furnishing fuel oil as long as they can. As a result, a few days ago this same order above referred to, notified Wyoming lessees that they would pay all royalty accruing from the time they applied for lease up to the end of the month the lease was actually issued, in money, and following that, at the beginning of the next month they were to turn over all royalty to the Midwest Refining Company to the account of the Shipping Board. In explanation of this will say that all so-called relief leases under Sections 18 and 19 of the act are dated as of the date the application is filed. All applications had to be filed before August 25, 1920, and they are just now being issued. This explains a period of six or eight months accumulating royalties that had to be provided for, and that is what I meant when I stated that they were to pay all royalties accrued from date of the lease up to the date the lease was issued.

The Bureau of Mines also has charge of field operations under coal mining leases substantially the same way in which they have under oil leases.

It may not be inappropriate at this point for me to state what my idea was as to how this should be handled. It was my view that this bureau, through its field service, should handle all these operations of supervision and of checking of production and the representatives of the Bureau of Mines should act merely in the capacity of technical consulting experts on problems pertaining to methods of practice and operation. I think this is the proper function of the Bureau of Mines, and would insure in this office unity of action which it does not now have. In other words, we are right up against the difficulties which I predicted we would be up against under separate jurisdiction. I think it is a great advantage to have these technical experts from mines and survey to give advice, but they should not have administrative function. It results in a duplication of field offices and organizations and consequent extra expense. Full memoranda on this will be found in the records.

CO-OPERATION OF THE RECLAMATION SERVICE.

The principal business that we have in conjunction with the Reclamation Service is acting on reclamation homestead entries. Proofs are made on reclamation homestead entries just like any other homesteads except that in addition the entryman must pay his water charges to the project manager of the irrigation project and show the land office proof that he has made such payment; also, before acting on reclamation homestead entries we have a report from the project manager as to whether the claimant

has complied with the law. All patents to reclamation homesteads are made in this office the same as of other public lands. You will come in contact with the Reclamation Service also a good deal in connection with larger projects, particularly Carey Act projects and other projects that afford a source of water supply for desert land entries. You will also come in contact with them under a new act passed in 1916, wherein it was provided for levying irrigation district tax on Government lands in the projects. This is particularly true under the regulations provided for under this act where the project is a United States Reclamation Project. This arises from the fact that the Reclamation Service is quite disposed to encourage the creation of irrigation districts with which the Reclamation Service can deal rather than individuals. You also have to call on the Reclamation Service for reports of a varied character on lands embraced in reclamation withdrawals. Now, for instance, oil permits and leases may be granted on lands withdrawn for reclamation purposes, and we do that under special conditions and require special bonds for the protection of the reclamation project, the idea being that a mere withdrawal for reclamation should not prevent oil development or exploration, and that the oil work or exploration should not spoil the project any more than necessary. So much for the Reclamation Service.

Co-operation with the Forest Service,
Department of Agriculture.

The Forest Service was formerly a branch of the General Land Office; it was turned over to the Department of Agriculture as the result of the Pinchot conservation movement and there developed into a much larger

concern than it was here. It has two chief branches to its business, one handling the sale and protection of timber, and the other, in the conduct of the grazing business on the forest reserves. Our principal contact with the forest Service is through the Forest Homestead Act of June 11, 1906. When the forests were turned over to the Department of Agriculture under the act of 1905, it was therein specifically provided that all matters pertaining to the patenting or the passing of title or the granting of permanent rights on forest lands should, nevertheless remain in the Department of the Interior. Consequently, the Forest Service cannot make a patent to a tract of land, and under the Forest Homestead Law entries and proofs have to be made through this office the same as any other homestead, and the forest homestead is allowed in the first instance only on the approval of the Forest Service. Under the act of June 11, 1906, forest homesteads may be laid out by metes and bounds and the survey thereof is done by the Forest Service under the supervision and direction of the Surveyor General, that is to say, of this office. They make those surveys in all manner of shapes and forms to save a tree here and to get a piece of arable land there. For a long time their surveys were away below par in point of accuracy. They have improved more or less and the forest homestead business I think is falling off, but if we ever put a regular survey over the land the Government will be confronted with land already disposed of in all manner of shapes. Where practical, the Forest Service is very

agreeable to having this office put a regular survey over the land. You will also have to cooperate with the Forest Service in connection with restorations of land from forests and cases of placing new lands in the forests. You will find the Forest Service perfectly willing to take in the world so as to increase their supervision over the grazing reserves. It is their policy that the remaining public lands ought to all be in a grazing reserve and not be subject to any further disposition under the public land laws. This long-drawn-out controversy was pretty much settled when the grazing homestead act was passed and Congress decided by a very strong majority that the Government would not go out of the homestead business as yet. About the only difference of opinion now between us and the Forest Service is, we are perfectly willing to have regulated grazing on the public domain, but we don't propose to stop the operation of the settlement laws; the Forest Service on the other hand think these remaining public lands should be put into a grazing reserve so that there will be no settlement or disposition of them under the various public land laws. This is probably enough on the Forest Service.

(question by Commissioner Spry. - Is there any chance of Congress placing the Forest Service back in this Department?)

Answer: - You ask about placing the Forest Service in this Department. There is every reason why it should be done; some reasons are apparent from what I have already said; others are that they are handling public lands; they are duplicating our surveying organization,

they duplicate our mineral investigation organization, they duplicate our investigation of claims in the field as to forest lands, they duplicate the power organization and investigations of the Geological Survey, etc. I think that Judge Proudfit can, if you are ever interested, hand you a report on a bill we prepared in which we covered this whole subject, historically and otherwise from beginning to end, and it may come up.

There is one other feature of cooperation with the forest service that I should mention. Under the forest reservation laws, the forests are open to mineral entry, and as above stated, to homestead entry under the forest homestead act. Formerly this office investigated forest homesteads and mineral claims in forests exactly the same way we do the lands outside of the forests, to ascertain if the law had been complied with, and the Forest Service usually cooperated and if we had a hearing it would be conducted by a special agent of this office and by a forest officer working jointly, and when our man went into the forest to make the investigation he was usually accompanied by a forester; when it came to taking action one way or the other it was up to us to do it, particularly on the hearing; that seemed to develop a duplication of work and threw a responsibility on us in some cases which we did not deserve. The real truth of the matter was we had to take the brunt of going after people when, as a matter of fact, the forest service was behind it. All this resulted, about five years ago, in a change of practice. I succeeded in initiating a new co-operative arrangement as to hearings for claims in forest reserves. Under this new

arrangement, if the Forest Service objects to a homestead or thinks the homesteader has not complied with the law or that the mineral claimant is not entitled to the land he is seeking, they now file a formal protest or contest in the Land Office exactly the same as a private contestant would file it. The local land officers cite the defendant to a hearing just the same way as is done in a private contest and the forest officers present their evidence and conduct the hearing on behalf of the Government and then the record is transmitted and we decide the case on the basis of the record thus made up. we reserve the right to go into the forest if we see fit; if on our own account we think the law has not been complied with, we go in and make an independent investigation when we deem it necessary. We consider that we had to do this as a matter of law, for the primary responsibility of procuring compliance with the land laws rests with this bureau. The result is that in nine cases out of ten we don't go into the forest to make investigations at all any more unless they ask for the help of some one of our mineral experts or something of that sort. In a few cases where we have not been satisfied on our own account and the Forest Service did not seem to care, we have nevertheless investigated. That is the present practice. The cost of the hearing conducted by the Forest Service is paid out of our item of appropriation for hearings in land cases, but is a comparatively small amount; there are not so very many forest hearings any more.

The above covers the principal points of contact. There will be some others, but they will come through the Secretary's office, such as military reservations with the War Department; naval oil reserves with the Navy Department; and such like. Besides, the agents of this office work in very close cooperation with the representatives of the Department of Justice in handling court cases.

I think the above is sufficient on the question of cooperation of work with other bureaus.

REPORTS.

It may be helpful at this point to touch very briefly on what reports you have to make and what reports others make to you. The question of reports and records such as will keep you adequately informed about the multitude of details of this office is very necessary and it is impossible to do business without them. First, I will name the reports that are provided for by existing regulations or law. The principal one of these is your annual report to the Secretary of the Interior. Aside from that, under present orders you are required to make a monthly report to the Secretary of the Interior. This monthly report is rather a new thing and has only been in vogue some two or three years. It follows a peculiar and unusual form and I have had some doubt as to its very great value in proportion to the time required to make it up, but under existing orders, until discontinued, you will have to make them. Since the first two or three of these reports, which I got up, Judge Proudfit has had charge of these reports, has gotten them together and made them

up. As a matter of fact, these monthly reports to the Secretary and the Land Service Bulletin have been worked in conjunction, as the material that was good for one was good for the other; in fact if we discontinue the Bulletin we will be shy on material for the report which we would otherwise have to get up anyway, and conversely. Judge Proudfit has a full set of copies of these reports we have furnished in the past, which you can examine and see what they are like. These are all the reports that are dependent on you to make excepting a few special reports to Congress or the Secretary required by law, which need not be referred to here. As a basis of finding out the work of your own office, a monthly report is made up in the Accounts Division, designed to show at a glance the status of the work in the different divisions of this office. This particular report has been the source of much study on my part. When I came into office, and for two years thereafter, I am frank to say I had the devil's own time finding out "where I was at," as to whether I was going ahead or falling behind, and if so, -where. The report now made is all right theroretically; I am not so dead certain about the absolute reliability of some of the sources of information on which it is based, simply because there are so many hundreds of cases here being acted on partly today and partly tomorrow and referred, under the regulations, half a dozen times to different divisions, so that to keep track of every one and not get it charged to the wrong place in the course of the month's work involves some difficulty. I can only say it is my hope that our mistakes probably offset each other.

For instance, a man makes a homestead entry; he makes a final proof on that homestead; you think there is something wrong with it and you send it out for investigation. Now there is nothing for this office here to do until you get that report in. Now, the fact that there is not something being done, the fact that that case is pending here, does not make arrearage for you; you are simply waiting for the other fellow to do his part. Now, the difficulty I had in finding out exact conditions was the fact that the whole thing was counted in as cases pending; I would ask a Chief how many cases he had, and he would say - "I have 10,000 cases"; I would say - "how far behind are you?" "not so very far," would be the reply, "five thousand are awaiting investigation somewhere else." I wanted to separate out that class of cases from those actually awaiting action here in the office; so now we have the distinction in the report as "cases pending", and "cases pending elsewhere." There is another class of cases in the report, which should be explained. The class of work such as homesteads, is counted as cases, while another class such as railroad and state selections, are counted on an acreage basis. A big railroad selection may embrace a million acres, but that would make only one case, and one case would not mean anything as to the amount of work involved, consequently we have one class of work which we count by cases and one class, including wagon roads, Carey Act Projects, State Selections, etc., which we count on an acreage basis.

The monthly report on status of work of this office is made up from separate reports furnished the Accounts Division by each division of the office. You can take this report and follow it right back through the division reports to the actual work which those figures represent whenever you see fit.

Every local office furnishes a monthly report that is designed simply to show you how they stand with respect to their work; that is to show the Appointment Clerk what the necessity is for more help and whether they are falling behind. Besides this, the local offices all furnish every month complete schedules and statements of accounts of all the business they have transacted. We called attention to this when we were visting the Accounts Division.

Mr. Goodale, the man who has charge of the investigation of Surveyors Generals, will make you a monthly report compiled by him from reports received from each office of Surveyors General, which shows the exact work done in each office and the cost thereof during the month. These reports are used as a basis for annual reports at the end of the year.

Mr. Yelverton, Chief of Field Service, will furnish you a monthly report, showing the condition of the work in each field division and the number of cases investigated and closed during the month, and the cost. Every special agent makes a daily report to his Chief of just what he has done and the Government money he has expended. All those daily reports are transmitted to the Chief of Field Service who goes

over them constantly to get a line on how the work is progressing.

The Field Surveying organization makes still another class of monthly reports to show just exactly what they have done in the field. They make very complete fiscal reports. Aside from this, their report is in the nature of a diagram of the lands they have surveyed and the lines they have run, with new lines added each month as they progress with the work, so that the Surveyor General's office and the Supervisor of Surveys have data available from which they can tell each line which each man ran each day in the field and how much it cost.

There are various sorts of reports which have to be made to the Civil Service Commission, but they are entirely routine and the Appointment Clerk will make them up regularly.

SPECIAL MATTERS.

There occurs to me a few of the larger matters of which special mention might be made. Outside of the regular routine, the biggest thing before the office at present is administration of the mineral leasing act. This necessitated the creation of some new units and we had some difficulty in finding enough people who were qualified to handle that work. At the present time, the oil leasing under the relief leases (Sections 18 and 19 of the Act) is in charge of Mr. Eddy in the Field Service Division of the office, placed in that division because we have Field Service reports on all of those cases, and moreover the right to a lease in each instance is very closely related to the history of

the case which has been fully reported before. For instance, Sec. 18 provides that if a man without fraud made a location prior to July 3, 1910, maintained it since, pays up the back royalty, has a well to discovery, he would be entitled to a lease. Most of these former oil land cases have been very fully investigated and have been the subject of controversy, and all that work has been handled by the Field Service Division, hence all those records and experience with them are lodged in that division. This is the reason for placing the granting of relief leases in that division. When the leases are granted, then the work will be finally turned over to the regular mineral division for subsequent action necessary. The principal of these applications for lease on producing lands came from California and Wyoming. The Wyoming situation was peculiarly complicated and difficult, particularly that in Salt Creek; the cases were all related and presented a most complicated situation as to ownership and condition of title. For this reason, it was a class of work that could not be distributed around to a good many people. That is to say, there was hardly a single case in Salt Creek that could be adjudicated without reference to the history of all the other cases. Special Agent Tallman and Mineral Examiner MacFarren have made the principal investigations of the lease applications in Salt Creek. I brought them in to work on these cases; they are here yet, and I think should be retained for a few days until the Salt Creek cases are pretty much out of the way. I will not attempt to go into the history of the Salt Creek at this time. The California cases were different in character

from Salt Creek, in that they were not inter-dependent and inter-related like the Salt Creek cases, each one practically stood on its own feet, to a large extent separate and apart from the rest, and thus presented a separate case. Realizing the pressure to get out this work, I selected about fifteen or twenty of the best and most experienced adjudicating clerks in the office and distributed these California cases among them and asked them to do that work sort of on the side along with their regular work. There were not so many of these California cases in number but they were all large cases with big bulky records. As the result of that plan we have got the California work very well under way and a good many of the larger and more important leases have already been granted and the cases disposed of. There are a few left but they are all well under way, and I think all have been examined. That left the rest of the force to act on the Wyoming cases. I forgot to mention that Mr. Gauss is also handling Salt Creek cases and he takes care of all the work of seeing that the money is paid over, proper reports made before the lease is actually granted, writing letters to the different banks to cut loose the impounded funds and pay part of it over to the Government.

For the prospecting permits on unproven fields, another section has been organized. As to this work, it was absolutely necessary to take on new people; nobody understood it, so we took for the most part green men and built up a section. This is the work that Mr. Obenchain has charge of; he has rooms on the fourth floor next to Division "C", not the proper place for him, so far as the character of work is concerned;

if you can get more rooms, his section should be joined up with the Mineral Division where it belongs.

The matter of coal under the leasing act is being handled by the Mineral Division proper. We have a good many applications for coal and the work is a little in arrears. All coal applications are referred to the U. S. Geological Survey as above stated.

The sodium, phesphate, potash, applications are so few in number that they need not be referred to now. They are handled in the Mineral Division. In round numbers, I presume, up to date, more than 10,000 applications have been filed under the leasing act. Of these, the great majority of applications are for oil prospecting permits. We have granted, up-to-date, about 1600 prospecting permits, which means that we have acted on probably 5,000 cases. The work is progressing fair and new applications are coming in at such a rate it is quite evident that further expansion should be made, if possible, and more help procured.

O. AND C. ORK.

Another one of the larger matters of the office is disposition and administration of the revested O. and C. Grant lands. The revested O. and C. Grant lands consist of, in round numbers, two million acres, situated in the Willamette, Umpqua and Rogue River Valleys, Oregon, along the line of the railroad from Portland to the California boundary. They consist of timber lands and otherwise. These lands were taken away from the Railroad Company as the result of the decision of the Supreme Court and as the result of the Revesting Act of Congress of June 9, 1916.

That Act put these lands back into the Government, but, in accordance with the Supreme Court's decision, provided that the Railroad Company should get its \$2.50 an acre out of the land. The Act further provided that the land should be classified into timber lands, agricultural lands and power site lands; all land was power that was more valuable for power than anything else; all land was agricultural that was not power or did not carry merchantable timber to the extent of 300,000 board feet to the 40-acre tract; all other lands were timber lands. The Act provided for a classification of the lands into these classes. We proceeded to do that work. We have practically completed the classification. Roughly and in round numbers, there were 800,000 acres agricultural land, and 1,200,000 acres of timber lands. Of the timber lands, we have cruised in round numbers 30,000,000,000 board feet; there are also some power lands. In addition to the O. and C. lands, there was another tract of 90,000 acres, known as the Coos Bay Wagon/^{Road} Grant lands, which are in practically the same situation as the result of another case in court and another act of Congress; and the two tracts of land are handled practically as one lot. The Coos Bay lands have also been cruised and examined and carry some of the heaviest timber in Oregon. The Act further provides that agricultural lands shall be open to homestead entry; on the timber lands that the timber shall be sold at public auction for cash and after the timber is taken off then those lands are to be open to homestead entry without cost to the homesteaders; the lands classified as agricultural and open to homestead entry are with a charge of \$2.50 an acre, 50¢ an

acre down and the balance on submission of final proof; that is to cover the money that is to go to the Railroad. In addition to this, the Railroad Company had failed to pay its taxes on these lands and it appeared to Congress that to get complete title it was necessary to pay the back taxes. That has all been attended to and payments made aggregating in round numbers a million and a half dollars. We have opened up the great bulk of the lands classified as agricultural, aggregating about 800,000 acres, in two openings, and the lands not taken are now open to entry under the homestead law at \$2.50 per acre. The next step now is to offer for sale, when the market will take it, the timber on 1,200,000 acres. So far we have only sold the timber on what we call isolated tracts or segregated areas that were in the way of existing cutting units. These total sales only aggregate about \$800,000. These timber lands the Government got were in checker-board shape with other people owning the intervening lands, principally the Coos Bay Lumber Company, the Pillsburys and the Weyerhaeusers. It left the Government in not very good shape to make sales and it left the other fellow in about the same shape as is apparent. Consequently, we got through Congress a bill which authorizes the Department to block up these timber lands by exchange and we have been trying to do it. There have been a number of cases of applications for exchange under the regulations which we prepared to carry out that act. Most of these cases have been rejected because they were manifestly not in the interest of the Government. Three big cases have been presented; namely, those of the Coos Bay Lumber Company, the Pillsbury Company and the Weyerhaeuser

Company. Two of these cases; namely, the Coos Bay and the Pillsbury, have been carried to the point where the Land Office is ready to trade. All the expense of examination of timber and cruising of timber for the purpose of the trade is paid by the applicant company. As to the facts with respect to these, special attention is called to a recent letter of mine to Representative Sinnott, on the matter of a Resolution introduced into the Oregon State Legislature by Speaker Bean of the Oregon Assembly. None of these exchanges were satisfactory as originally presented. We examined the land, made counter propositions and finally got these two in shape where we were ready to do business. The only reason the other people cannot now do business is because they have recently found out that if they make the trade it will constitute a sale under the Internal Revenue Laws and they will be charged up with the income tax on the difference between what they originally paid for their lands and the estimated value of the lands they now take in exchange; in fact it is so much they cannot do business under this scheme. This has led to another bill in Congress to eliminate this class of exchanges from the effect of the Revenue Laws; that bill is now pending in Congress.

(Question of Commissioner Spry: - Was this bill prepared by this office, or these people?)

(Answer: - This was prepared in this office and recommended by the Secretary.

At the present time, the work on the O. and C. land classification and completion of surveys in the Government limits of this grant are paid for out of the appropriation for surveying public lands, from which you are at liberty to divert as much as \$50,000 for this purpose. The bulk of this work has been paid for by a special appropriation made for that purpose at different times. You will not need to spend near the entire \$50,000 in all probability, but it was carried in the act the year before and as it was merely permissible, I thought it best to leave it the way it was, so that you could spend whatever was necessary to handle that work. We found it necessary in Oregon to organize a separate and complete organization to handle all this cruising business as it was an enormous job. During the latter part of the job, I have had in charge of that work, Mr. E. P. Rands. Mr. Rands was formerly an Assistant Supervisor of Surveys for Oregon and Washington; he knew the country and knew quite a lot about timber, and knowing him to be a responsible and capable engineer, he seemed to be the most available material to put in charge of this work at the time it was done. Mr. Rands had an office, or he had rooms, in connection with the office of the Chief of the Portland Field Division, but as the special work of cruising and preparing for the exchanges is now practically completed, effective January 1, 1921, we transferred Mr. Rands from the Field Service appropriation on which he had heretofore been working, back to his old position as Assistant Supervisor of Surveys, but he is still closing up the matters pertaining to the timber work with which he is familiar and at the same time taking on his old job of directing surveys in Oregon and Washington. The idea of this is that the heavy

work of cruising having been performed, the balance of it may well be handled by Mr. Laughlin, Chief of Field Division, in connection with his regular work.

You will frequently find it necessary, perhaps, to make re-cruises. We have found it so in the exchanges and in the sales. We employed regular practical timber cruisers to do this work, all men who lived on the coast, for the most part on a temporary basis, with the permission of the Civil Service Commission. When we first organized our crew, it took us some time to find out to our satisfaction which of these men were competent and square, and some reports of mistakes and errors in cruises were such that could be explained only on the theory that the man made an entire mistake as to the description of the land and was never on it, or else that he was crooked, and such cases arose. These cruisers had been for the most part employees of big timber companies out there; the majority of them had reputations to sustain and cruised accurate and right; we got some in our lot who were not square. Also, there was a little misunderstanding at first as to the care with which the cruise was to be made, there being an impression prevalent that all that was necessary was to make the classification into timber and agricultural land, but I soon made it clear that while we had the classification to make we could not presume to sell timber without having an exact knowledge of what was on the land, so we employed the regular "double run" cruise, that is, each 40-acre tract was run twice the same as the timber companies make it, as a basis for the sale of timber, and I have not hesitated, whenever there

was doubt or suspicion, to have another cruise made, and we have had as high as three made in some instances. Of course, there is the regular variation that you can expect from a difference of judgment, also a variation that results from allowance that is made by reason of the condition of the timber, but those allowances did not explain some of the discrepancies we found from time to time.

Probably the best thing to do with the O. and C. lands now left is to sell the timber and get the money for it for the purpose of reimbursing the Government for its expense, and disbursing the balance to the Government and States and Counties of Oregon, as provided by the act of June 9, 1916. Incidentally, here I may say there is now pending a suit against the O. and C. Railroad (Southern Pacific) for an accounting, to determine how much we do owe the Railroad Company, if anything, for, under the Supreme Court decision, the Railroad was to be charged with all money it has received from the disposition of these lands and then the Government was to make up what would be the equivalent of \$2.50 per acre for the whole grant. The Railroad Company had already sold land and timber and had realized an income from it; some of the items of this income are subject to dispute and difference of opinion which can only be settled by court action. Among other things, the Government is seeking to charge the Railroad Company with the taxes the Government had to pay to clear the title. I have not found any big demand for O. and C. timber at what I consider a fair price. We have sold, as I say, small tracts, and our regulations thus far only provide for a sale of limited areas. As a rule, these sales were where a private owner had a piece of timber which

he was cutting right alongside a piece of Government timber which he could put right in with his own job.

Question by Commissioner Spry: - What do you call a fair price for this timber?

Answer: - It ranges from a dollar to \$2.50 per thousand, around, at the present time \$1.75. I found on investigation the price of stumpage varied much; fine timber right near Columbia River would bring \$4.00 to \$5.00 a thousand, while timber situated back in the range, inaccessible, was valued at much less. I was also cognizant of and felt that there was a sort of a tacit understanding among the big operators, to hold down the price of stumpage. Notwithstanding the fact that during the war the price of lumber doubled and trebled, the change in the price of stumpage was hardly perceptible, but I was disposed to insist that at the high prices they were getting for lumber, stumpage ought to bring a little more as the result and snare in that increase. In fact, I have told some timber buyers and operators that, so far as I was concerned, that timber would stay there until it rotted unless they would pay a fair price for it.

Question by Commissioner Spry: - What do they offer usually?

Answer: - They offer anywhere from a dollar to \$2.25. We have never received a single offer, so far as I recall, for a really big cutting unit on any satisfactory terms. Now this is explainable largely by the fact that the timber operators out there were loaded up with stumpage which naturally they sought to unload first when the market developed during the war, and they would not buy any stumpage if they had

it of their own. Another difficulty you are up against is that the law provides this timber shall be sold for cash, and when the timber is sold a patent shall issue for the timber, separate and apart from the land, something that has never been provided for under any other public land law that I know of. You can see the theory of this. When this bill was passed, we were before the Committees of Congress and we made it very clear that the requirement of full cash payment for great bodies of valuable timber would make it very difficult to make advantageous sales. As opposed to that, were the people of Oregon who did not want to let this property loose from taxation, when it had been subject to taxation theretofore, and that resulted in this scheme to grant a patent to timber separate and apart from the land, the patent to provide on its face the limit of time within which the timber was to be cut and moved. In the small tracts we have sold, we have fixed that limit at ten years.

Question of Commissioner Spry: - On what basis do you fix the price, the stumpage or sawed lumber?

Answer: - We have sold all timber thus far on the basis of the standing cruise. Under the law, we have to offer it all at public auction. Another singular fact is that in only one or two instances, in the tracts we have sold has there been more than one bidder for the timber. We have simply got the value of the timber by putting on it the price we were willing to take if we could not get more, and the applicant got it.

There are some problems in this connection through the classification of power lands, resulting from a recent decision of the Chief Counsel of the Federal Power Commission, in which he holds, in effect, that certain lands in the O. and C. grant limits which have been withdrawn for power purposes cannot be restored except on the order of the Federal Power Commission. I had intended to endeavor to re-open this question, for I think the opinion of the Chief Counsel is entirely wrong, for the reason that it entirely overlooks the provisions of the Act of June 9, 1916 which places the sole authority in the Secretary of the Interior to classify O. and C. Grant lands and determine whether they are power lands or agricultural lands or timber lands, and Congress never intended by the Federal Power Act to repeal the O. and C. Grant Revesting Act and take out of the Secretary of the Interior the authority thereby vested in him. It puts the Secretary in the anomalous situation of being able to say that a piece of land is timber and not being able to say that it is not power, notwithstanding the fact that the act of June 9, 1916 specifically provides that the Secretary of the Interior may re-classify lands in order to fit their proper character whenever he shall find that the prior classification was erroneous. In this particular case, when we first started in on the classification work, the Geological Survey caused to be withdrawn for power purposes lands which had a suspicion of power value, along streams which had a possible power value, dependent on future classification in the field by competent men. The land in question was also embraced in the Pillsbury exchange proposition. If the land was

power, under the law, we could not exchange it; the land in question was withdrawn merely for classification as power or non-power. The Pillsburys were so convinced that the land was not of power value that they offered to put up the necessary money, in addition to the cruise examination, to have the engineers of the Survey make a detailed examination to determine just exactly how much of the land they had withdrawn for power really was valueable for power. That was done and the Survey made its classification and cut out a very considerable portion of the land theretofore classified as power, and recommended to the President that it be restored from the power withdrawal in order to make the exchange. This was put up to the President on the recommendation of the Secretary of the Interior. For some reason this order was not signed by President Wilson and in the meantime the Federal Power Act was passed and the Federal Power Commission, as stated in the first instance, now claim that they are the "whole thing" in regard to power and the President hasn't the authority any more to restore the land he had theretofore withdrawn, even though the Secretary of the Interior has classified it as non-power.

Another O. and C. Bill passed Congress, to authorize the Department to sell the timber on land classified as power; that, by an oversight, was omitted from the original act. You can readily see that just because the land is classified as power, or having power value, is no reason why the timber should not be taken off, yet, strictly under the Act we would not have the authority to do it; consequently, another bill was passed which authorized that. My recollection is this bill became law; it covered

two or three other minor points, that I do not now recall.

That covers the O. and C. situation.

STOCK RAISING HOMESTEAD ACT.

The other big bill passed by Congress during the past administration was the stock raising homestead act, but the operations under that act have gone so far now and have been reduced so much to routine system that I do not think it is necessary to go into details about it. Suffice it to say, by this time the Survey has designated something like one hundred million acres as subject to entry under that act; our last figures showed that 36,000 entries have been allowed. I believe that was at the end of the fiscal year 1920; and the designations and applications we know of showed that we would have at least that many more allowed applications. All I would call attention to about the stock raising act is that it develops all manner of difficult questions. Strange as it may seem, the law which ought to be the simplest and most understandable, by reason of piecemeal legislation, and in an endeavor to introduce every new wrinkle into the legislation that anybody had ever thought of in the past, has made the stock raising act the most difficult of any to administer. I have frequently said that there are only two in the office who know what the law is and we cannot expect the public to know what it is all about.

LEGISLATION.

One other point I might speak of is legislation. An important part of the work of the Land Office, particularly for the Commissioner, is matters pertaining to pending legislation; that comes directly to him, and is a matter which must have the Commissioner's personal and detailed

attention, and refers to matters which I frequently took up with the Secretary in person. Much land legislation arises right here in the Land Office because the Land Office, knowing the facts and certain conditions, finds that the legislation is necessary to meet a certain situation. In that case, the Land Office will prepare its bill and its recommendation and submit the whole thing to the secretary of the Interior with a report to be signed by the secretary, in the form of a letter to the Chairman of the House Committee and another to the Chairman of the Senate Committee on Public Lands. That is the regular way in which the Secretary or the Department will initiate legislation on land matters, by transmitting a report and recommendation to the Chairmen of the two public lands committees simultaneously. It has always been the rule that matters pertaining to legislation are in the sole jurisdiction of the secretary, which means that even Bureau Chiefs will not make recommendations to Congress direct, except as the Secretary has already mapped out the program or the line of policy which the Bureau Chiefs are supposed to back up so far as they consistently can. You will be called on frequently by members of Congress to draw bills on every conceivable aspect of public land matters. We have always done that simply for the reason that we know and the Congressman knows that we can draw a better bill than he can because it is work with which we are familiar. We frequently do that without reference to the Secretary. When we transmit the bill to the member we are careful to tell him that he must understand

we are simply doing that for him as a piece of work and the fact that we did it must not be considered as a recommendation or anything of that sort, as that matter is entirely in the Secretary's jurisdiction. As a rule the Congressman will introduce the bill and then it will be referred back to this Department for report. Generally speaking and almost as a matter of routine, the public land bills introduced in Congress are referred to the Public Lands Committees and then referred by the Committees or the Committees' clerks to this Department for report. Nine-tenths of them come down daily just as fast as they are referred. If it is a public land bill that request for report will come direct to this office; it is a matter that is handled by the Chief Law Clerk; the Chief Law Clerk will assign that out to the Chief of the Division handling that matter, and the Chief will turn it over to one of his best men to look up the subject and prepare a report, which will be submitted to the Chief Law Clerk for O.K. and which he in turn will take up personally with the Commissioner for consideration. The facts thus having been gotten together, the report will be sent, in the form of a letter to the Chairman of the Committee, for the Secretary's signature; but they frequently are subjected to many changes in the Department before signature. In matters of larger importance you will find it necessary to spend a good many hours on legislation, because it is a question of devising what to do. There are many other matters of legislation that are almost routine, to which you will not have to devote much attention. Moreover, there are hundreds of public land bills that have been introduced in Congress that have never passed and they are all regularly re-introduced at

the beginning of the new session, consequently you will get all that mass of legislation thrown at you shortly after April 11 when the new session begins and you will have to work it off. The new Secretary, (Secretary Fall) has just issued a recent order that in making reports on bills theretofore reported on, you will make a complete new report instead of making reference to other reports theretofore made, which is contrary to the former practice. I can see the purpose of this, as the new Secretary is not familiar with what has gone before and is not certain he wants to concur in what has gone before, hence wants a ^{complete} new report, which will make more work. Heretofore, when a report was made under Secretary Lane for instance, and three years later, still under Secretary Lane, the bill has been re-introduced and we are called on for report, we would just write a letter to the Chairman of the Committee, making reference to the former report and transmitting a copy of that former report.

Hoping that this hasty and more or less
disconnected sketch, may be helpful, I am

Cordially yours

March, 1921.

W. J. Fall