not dare to maintain such an extended line in the face of McClellan as from Acquia or Occoquan even to Leesburg which is clearly their left wing in force.

Things are looking more blue than you have any idea of — and our best people know it — Confidentially I head Capt Gray formerly of the Collins Steamer Atlantic give an account to-day of the position of affairs at New Orleans — He has just returned on the Steamer McClellan with despatches from that point — He says the Captain of the Vincennes is not fit for his post — and that the whole affair was disgraceful in the extreme — what is more he says that the ram ship is a very dangerous affair and that shot rattled off her sides like peas, doing no serious damage to her planting bulwarks & iron plated sides — their only hope of injury to her is by dropping bombs down her smoke stack at close quarters — She has a curious arrangement by which volumes of smoke are blown into the enemy at the moment of collision — It is quietly stated as what