ce Memorandum UNITED STATES GOVERNMENT Mr. Tolson Dec. 28, 1955 1955, in the afternoon, Olney came by my office again and stated that they had re what appeared to be a log showing work which d done investigating that this prestigation was undertaken for a insisted that he had known twenty years, had worked with previously; that he had done work with him in New York, that used a wire recorder for the job at the Willard Hotel. on the other hand, states that he used a Presto recorder; that he never knew to work on this specific case; that until he was called be log reflects investigative efforts for approximately two years and was the type of thing that could not be prepared overnight; that the log purported to show what was doing. told Murphy of Olney's staff that and were very close friends and that he understands that was the "bagman" for the Olney stated that tells some kind of a story about a former Congressman or Senator who was involved in some manner in giving advice to further states that the recording made by did not amount to anything and that, in fact, was not information enough to even make a typed transcript. Olney stated that the situation is now very rapidly getting to the point where our source is the key to the situation and that they might by want to be put in touch with the source in view of the conflicting statements between on the one hand and and and the source on the other. It is being pointed out that claims to Olney that he did the recording job at the solicitation of and out of the White House, whereas on one occasion, RECORDED-27 cc: Mr. Boardman Mr. Rosen INDEXED-27 12 JAN 12 1959 SENT DIRECTOR

Memorandum to Mr. Tolson from L. B. Nichols RE:

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The foregoing, of course, has been given to Olney in conversations sarlier in the week. Now that Olney raised the basic question about talking to the source and how certain can we be that the source is telling the truth, Olney was told that we, of course, could not divulge the identity of the source and would not under any circumstances, without the source's permission; that the source had been reliable in the past, it would be inconceivable that the source would be making a statement unless their was a basis for it.

Olney inquired if we could recheck with the source. I told him that we, of course, could do this but that it was felt that the source would furnish the same information he had previously furnished. Olney then stated that he felt dutybound to mention another matter which he wanted to preface by stating that he did so most reluctantly because he did not want any erroneous interpretation placed upon it. He then pointed out that on the preceding day, when he came in to see me, was sitting in my outer back office; that he knew and they merely passed the time of day. On December 23 1955, however, Wyllys S. Newcomb, his Special Assistant handling the case in St. Louis direct, received a call from the St. Louis Globe-Democrat inquiring whether Newcomb of the Department was looking for the recordings in the case. Olney stated that he knew the Bureau too well and knew that the Bureau would not by have passed out any information, but he was wondering if by any chance could have gotten the information from the source. I told him I could not miswer as to this; that I knew that the same had been to the Bureau; that I knew the nature of his inquiry; that I knew without even checking that no information would be furnished him

I subsequently checked with Mr. DeLoach who informed me that he made no reference whatsoever to the matter at the time called on him.

Since this has been the subject of previous press releases, I told Mr. DeLoach to go ahead and furnish him with the information we had previously given out.

that

I, accordingly, told Mr. DeLoach on Friday to

endeavor to contact

over the weekend and to goover the information previously
furnished by

which Mr. DeLoach did do. I also told him to point out that

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Mr. Olney had taken up with us the matter of identifying our source of information which we had declined to do and to mention the St. Louis Globe-Democrat inquiry on whether the Department was looking for recordings in the case, to mention the meeting of the looking for many office, and to point out to the look of th

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Mr. DeLoach had an occasion to see on December 24, 1955, and the foregoing matters were raised. Mr. DeLoach tells manufactured him as follows:

Memorandum to Mr. Tolson from L. B. Nichols 67C Should Olney recontact me, I will tell Olney that

is, of sourse, obvious that Olney if he pressed the matter with

in an effort to find out the names of all person to whom had made the

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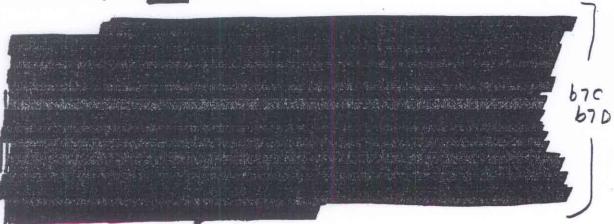
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Statements, could identify In fact, in one of the earlier conversation,
Olney stated that I had told him that

I told

Olney at the time that I knew of Olney then stated that was somewhat indefinite about this and referred to the fact that the individual rides towork with an FBI Agent and his name was something like Nellis or some such name.

ADDENDUM, LBN 12-28-55



ADDENDUM, LBM 12-28-55

Late on the afternoon of 12-28-55, Olney came to my office and inquired if we had heard anything further from the source. I told him we had talked to the source over the week end and the source had reaffirmed the statements previously reported as having been made by and which had been reported to the Department. I further told Olney that the source had reminded us that he had given us the information in confidence and for which reason it would be impossible to divulge the identity of the source. Olney stated that he has now concluded that the tory was a diversion and that the incident which related actually did take place but that this was factic being employed by

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to avoid telling of the incident which we reported. He stated that he has now concluded that he would take before the Grand Jury and that he has now concluded the state of the concluded that he has now concluded the state of the concluded that he has now concluded the state of the concluded that he has now concluded that he would take the has now concluded that he has now concluded the heart that he has now concluded that he has now concluded the heart that he has now concluded t

Olney further stated that he is satisfied himself that
did not hold out on Rogers since was the individual who told Rogers
that he had been caught with the recordings,
that he was desperate and needed money. Olney states that he is also planning
to take before the Grand Jury and question him about
conversation with and after this then call before the Grand
Jury. Olney states that it would be very helpful to him if he could be put in touch
with the source directly so that he could reconstruct the source's information
as best he could so that he could be in a position to question before the
Grand Jury.

I told Olney that this we could not do. Olney then inquired if there was some particular reason why the source wanted to have his identity concealed. I told him quite frankly the source was in a delicate position, that he was a chap who had been around town many years, and had been helpful in the past, and that under these circumstances we certainly could not violate a confidence. Olney stated that he did not want us to violate any confidence, that he deeply appreciated the promptness in which we had reported the situation to the Department, and that he could very well appreciate our position which he would respect.

The question did arise as to what might happen should give a statement as to the individuals he had related the information to, that it was entirely possible the source might be identified in this manner. I told Olney that was a bridge to cross when we came to it, that certainly if this occurred, it would not be us who would be violating a confidence. He stated he agreed.

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