

Ecology Unit Sends Dean Data to Court

By E. W. KENWORTHY
Special to The New York Times

7/5/73

WASHINGTON, July 4—Opponents of Big Sky of Montana hope to halt construction of the \$20-million recreational complex as a result of disclosures last week in the Senate Watergate hearings.

This hope was voiced in a telephone interview today by James H. Goetz, attorney for the National Forest Preservation Group, an environmental organization that is contesting exchanges of land required for Big Sky. He said that he had forwarded to the United States Court of Appeals for the Ninth Circuit, in San Francisco, a copy of a memorandum submitted to the Senate Watergate panel by John W. Dean 3d, former counsel to President Nixon, as well as a part of the hearing transcript dealing with Big Sky.

Both the memorandum and Mr. Dean's testimony indicate that John C. Whitaker, then a White House aide, put pressure on the Department of Agriculture and the Forest Service to speed approval of an exchange of national forest lands for land owned by Burlington Northern Railroad. Mr. Whitaker, now Under Secretary of the Interior, said in a telephone interview that he had made calls but denied exerting pressure.

Decision Is Pending

After the land exchange was approved in October, 1971, by Edward P. Cliff, then head of the Forest Service, and in April, 1972, by Secretary of Agriculture Earl L. Butz, the National Forest Preservation Group took the issue to the Federal District Court in Butte. Judge W. D. Murray ruled in favor of the Government and Big Sky on May 23, 1972. The environmental group appealed, oral argument was heard last Feb. 14, and a decision is pending.

Mr. Goetz said that he hoped the Court of Appeals, as a result of Mr. Dean's testimony, would remand the case to the District Court for further hearings in which White House, Agriculture and Forest Service officials would testify.

The conceiver and chief promoter of Big Sky is Chet Huntley, former newscaster for the National Broadcasting Company. He organized the financing—51 per cent by the Chrysler Realty Corporation, a subsidiary of the Chrysler Corpo-

ration, and the rest divided among the Burlington Northern Railroad, the Montana Power Company, Northwest Airlines, the Continental Oil Company, the Meridian Investing and Development Corporation, (a Florida real estate company) and the General Electric Pension Fund. Mr. Huntley has about a 2 per cent interest.

Federal Land Needed

Plans call for Big Sky to cover 10,647 acres in the narrow valley of the West Fork of the Gallatin River and on the slopes of Lone Mountain, about 40 miles south of Bozeman. The development will include a Meadow Village surrounding a golf course, and a Mountain Village at the base of the ski runs on Lone Mountain. There will be 1,200 condominiums and 800 detached homes, lodges, restaurants, bars and shops. Seventy houses have been built, and work on the ski lifts has started.

Big Sky began with 8,720 acres purchased from private owners. However, it needed 1,920 acres owned by the Forest Service for its ski trails, and seven more Forest Service acres in the valley for two golf fairways.

Much of the Forest Service land sought by Big Sky was interspersed in checkerboard fashion with land owned by the railroad under an 1864 Federal grant. The squares of national forest and railway land are in 640-acre sections—square miles.

A 1922 law provides for consolidating holdings through an exchange of national forest lands for private lands within national forest boundaries. The law requires, however, that the Government get at least equal value in the exchange.

Appeal Made to Butz

In 1970, two exchanges between the Forest Service and the railway were advertised. Burlington Northern was to give the Forest Service 21,479 acres in return for 10,243 Federal acres and then sell 1,927 acres to Big Sky.

Through 1970-71, the proceedings moved slowly. When the regional forester approved the exchanges, the National Forest Preservation Group appealed to Mr. Cliff in Washington, and when Mr. Cliff approved the exchanges, the

group appealed to Dr. Butz. The group contended that the Forest Service had not filed a statement of the project's impact on the environment, which is required by the Environmental Policy Act of 1970, and the service, after two false starts, finally produced a statement.

However, the environmental group was unable to convince the Agriculture Secretary that the law was being violated because the land the Government would get was largely "goat rock" at high altitudes while the railway, getting only half as many acres, would receive developable land.

The testimony of Mr. Dean last Friday suggests a reason for the slowness of the Agriculture Department and the Forest Service.

In response to questions by Senator Daniel K. Inouye, Democrat of Hawaii, he said:

"There was at one point in time an effort, because of a comment, a rather hostile comment that Mr. Huntley had made regarding the President, to make it as difficult as possible for him to get his Big Sky project moving. I would receive periodic calls [presumably from Mr. Huntley or his attorney, David Penwell] asking me what is happening on that and the like. I would in turn call John Whitaker [White House official in charge of matters affecting the Department of Agriculture and Interior and the environment]."

"At one point in time, apparently, there was a change in heart of Chet Huntley, and there was a turnaround and Interior [he meant Agriculture] was given the signal that they should sign off on whatever it was he needed to get this Big Sky project accomplished."

Mr. Dean also submitted to the Watergate committee a memorandum to H. R. Haldeman, formerly the President's chief of staff, from Lyn Nofziger at the Republican National Committee. It said:

"1. The state chairman of Montana tells me Huntley claims to be a Republican and will support and work for whatever Republican runs against Senator [Lee] Metcalf next year.

"2. John Whitaker has ordered the Department of Agriculture to quit dragging its heels on Big Sky."

3 Options Listed

The memorandum then suggested that Mr. Haldeman check

one of three alternatives: "(1) Give Mr. Huntley all the help we can with the clear understanding that he reciprocate with help to us in Montana. (2) Continue along the course we have been following since Mr. Huntley's intemperate remarks. (3) Same as No. 2 until we see how Mr. Huntley performs."

There were two written notations on the memorandum, apparently by Mr. Haldeman. The first, written beside a check of the third alternative, said, "Agree—so inform LN." The second, written beside the sentence referring to Mr. Whitaker, said, "Spoke with JW and he said he will inform Ag. That we should be kept posted, but matter will move at normal pace."

The date of the memorandum was Oct. 19, 1971. The next day Mr. Cliff approved one land exchange; six days later he approved the second.

In a telephone interview, Mr. Cliff, now retired, said, "I never got a call from the White House or from Eari Butz. I don't recall any call to get moving on Big Sky."