Hathaway Resigns as Secretary for Reasons of Health,

By BEN A. FRANKLIN Special to The New York Times

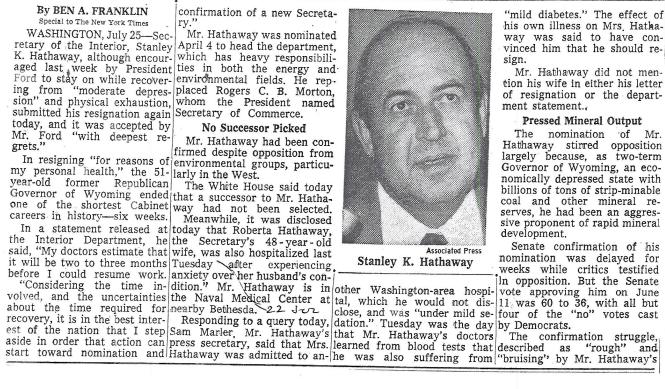
WASHINGTON, July 25—Secretary of the Interior, Stanley K. Hathaway, although encouraged last week by President Ford to stay on while recovering from "moderate depression" and physical exhaustion, submitted his resignation again today, and it was accepted by Mr. Ford "with deepest regrets."

Mr. Hathaway was nominated April 4 to head the department, which has heavy responsibilities in both the energy and environmental fields. He replaced Rogers C. B. Morton, whom the President named Secretary of Commerce.

No Successor Picked Mr. Hathaway had been confirmed despite opposition from WASHINGTON, July 25-Sec-

confirmation of a new Secreta-

Mr. Hathaway was nominated



"mild diabetes." The effect of his own illness on Mrs. Hatha-way was said to have con-vinced him that he should re-

Mr. Hathaway did not mention his wife in either his letter of resignation or the department statement.

Pressed Mineral Output

The nomination of

SATURDAY, JULY 26, 1975

and President Accepts

friends, took 71 days. When it was disclosed last week that it was disclosed last week that Mr. Hathaway went to the President on July 15 to report, on his way to the hospital, that he was "exhausted" and feeling ill, the Secretary's associates explained his state of mind largely in terms of the trauma and the "questioning of his integrity" at the confirmation hearings.

Charge By Hansen

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In an interview last Wednesday, for example, Senator Clifford P. Hansen, the Wyoming Republican largely responsible for bringing Mr. Hathaway to President Ford's attention and then for persuading the former Governor to forgo an impending appointment to a Federal judgeship and take the Cabinet post, said sarcastically that the Secretary's "troubles began with some of the fine reporting in The New York Times."

"He got an awfully tough go-ing over in the hearings, with environmentalists harassing him with unfounded charges,

and the newspapers just spread the word," Mr. Hansen said. Once in office, Mr. Hathaway was reported to have encoun-tered a further series of dis-maying events.

maying events.

According to a friend, one was the nearly total depletion of "the very modest savings" Mr. Hathaway accumulated in eight years as Wyoming's \$37,500-a-year Governor as the money was used for transportation to and living eventses in Washington during the confirmation period. The Secretary's \$60,000-a-year Cabinet salary which began on June 13, will continue until his successor is award in the salary will continue until his successor. is sworn in.

He was angry over departmental "news leaks," which he felt betrayed his expressed wish to impose a low-profile, tightly reined administration

there.

And early in July he learned that he could not have his choice for Under Secretary—a post long vacant that he wished to fill with a career bureaucrat. Instead, he was told he would have to take an unknown man who was plainly a recruit of White House patronage officials, the Rev. Dr. William S. Banowsky.

Dr. Banowsky. a Churches

Dr. Banowsky, a Churches of Christ minister and now the president of Pepperdine

University in Malibu, Calif., had been known as a supporter of and fund raiser for former Gov. Ronald Reagan of California, a potential opponent of Mr. Ford for the Presidential nomination next year, until he made a public endorsement of Mr. Ford on July 10. The college president, a religious Funamentalist. returned to Californege president, a rengious run-amentalist, returned to Califor-nia from Washington on Tues-day after learning through calls on Senators here that he prob-ably could not win confirmaMr. Hathaway, on entering the hospital, complained of sudden, severe weight loss—15 pounds in a matter of weeks, reportedly—and debilitating fatigue. He had been unaware of the diabetes, but aides said today that doctors believed this illness was unrelated to the illness was unrelated to the mental depression diagnosed at the hospital.

At the White House briefing

for newsmen today in which Ron Nessen, the President's Ron Nessen, the President's press secretary, announced the resignation and its acceptance, Mr. Nessen was asked whether, in addition to the routine Federal Bureau of Investigation field check conducted into the affairs of all Presidential appointees, Mr. Hathaway had undergone a "personal profile" that might have disclosed incipient mental depression.

No Previous History

No Previous History

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Mr. Nessen replied sharply,
"I feel compelled to say that
Mr. Hathaway has never had
a previous history of similar
illness."

He said the President had
not talked to Mr. Hathaway
by telephone. He said the resignation letter, bearing today's
date, was delivered to the
White House last night but
was withheld until today pending preparation of the President's letter of acceptance.

Asked what had caused Mr.

Asked what had caused Mr. Ford to receive Mr. Hathaway's second proffer of a resignation when he had rejected the first one on July 15, Mr. Nessen replied, "Secretary Hathaway made clear late yesterday that he wanted to follow this course."

Kent Frizzell, the depart-ment's solicitor, or chief law-yer, is now the Acting Secreta-

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