

CIA

EXTORTION IS LAID TO HUGHES THIEVES

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Aide Says That \$500,000 Is
Demanded for Papers in
Burglary Last June

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Special to The New York Times

LOS ANGELES, Feb. 7—A middle-of-the-night burglary of Howard Hughes' headquarters here in 1974 is under intense investigation following a \$500,000 extortion demand made upon the Hughes organization.

The money was demanded, according to a Hughes security agent, by men who say they have a large collection of confidential document stolen in the burglary.

Sources close to the investigation describe the stolen documents as containing "political dynamite" and information embarrassing to the Federal Government.

A spokesman for the Los Angeles police department refused to discuss the matter.

"The District Attorney is going to bring this case to a grand jury on Feb. 11 or 12," said Comdr. Pete Hagan, "and he has asked us to say nothing about the case."

He said that all police files on the matter had been impounded, including the original burglary report.

The Hughes headquarters, at 7020 Romaine Street, was broken into shortly after midnight on June 5, 1974, by armed men who gained entry by adding a gun to a security guard as he made his rounds. The guard, Mike Davis, said that he "glimpsed" the men and thought there were four or five.

Left in Basement *

Mr. Davis said he had been bound, gagged, blindfolded and left on a sofa in the basement of the large, two-story building that serves as communications headquarters for the reclusive millionaire.

The men then brought in acetylene equipment and burned open two safes, pried open two smaller filing safes and ransacked files and desks.

They spent four hours looting the offices without disturbing other Hughes employes who man the telephone switchboard on a 24-hour basis, Mr. Davis said. Shortly after they left, at 4:45 A.M., the guard said he freed himself and called the police.

Late last July, an anonymous caller telephoned the Hughes security agent and offered to return the documents for \$500,000. The documents were said to fill two large footlockers.

The agent said that the Hughes organization decided not to negotiate because the material would probably be copied before it was returned.

Salvage Accord Reported

He said the Los Angeles police had been investigating the case since July.

The Saturday edition of The Los Angeles Times reported that the stolen documents disclosed a "contract" between the Central Intelligence Agency and the Hughes organization to help salvage a sunken Russian submarine. The newspaper said that the alleged rescue effort was to be made by the secret Glomar Explorer, a Hughes vessel intended for undersea mining.

Robert A. Maheu, the deposed former Hughes executive, testified in his recent defamation suit against Mr. Hughes that the billionaire repeatedly importuned him to get a "connection" with the C.I.A. Mr. Maheu, who worked for the agency in the early nineteen-sixties, said he "wouldn't touch the proposal with a 40-foot pole."

The Hughes building is reportedly equipped with a network of sophisticated electronics security devices.

* For story of this burglary, see SFOChronicle 6 Jun 74,
filed W/gate.