

Budget Chief's Land Deal

Elko, Nev.

President Nixon's new budgetary watchdog was one of several traders who acquired thousands of acres of Western public land in a series of controversial deals with the Interior Department.

Roy L. Ash, named last week as new head of the Office of Management and Budget, and his business partner, Charles B. Thornton, in 1969 swapped 22 acres of ocean-front land in California for 14,145 acres of arid range land in Nevada.

Some federal agencies split over whether such trades were in the public interest.

DISPARITY

Officials of the U.S. Bureau of Land Management (BLM) said that despite the huge disparity in size the two parcels of land had the same monetary value.

Ash—who resigned as the president of Litton Industries after his federal appointment — and Thornton had brought land in Point Reyes just north of San Francisco for the purpose of trading it with the government for acreage adjacent to the T Lazy S cattle ranch they owned in a remote section of northern Nevada near Elko.

The government does not sell large parcels of public land, except to other govern-



ROY ASH



CHARLES THORNTON

They traded 22 acres for 14,145 acres

AP Wirephotos

mental bodies. But such parcels sometimes are traded, usually for the purpose of consolidating holdings to make them easier to administer.

ACRE

Ash and Thornton paid \$142,000—about \$6500 an acre—for the Point Reyes land. In the swap, based on that \$142,000 figure, the Nevada land was obtained for about \$10 an acre.

Like most big landowners in that ranching and mining section of Nevada, where 90 per cent of the land is publicly owned, Ash and Thornton had many routine dealings with Federal agents.

Their cattle grazed on public lands and they had numerous mining claims on file.

Papers filed in the Elko county Courthouse on Oct. 10, 1972, six weeks before his White House appointment, show that Ash sold his half interest in the T Lazy S to Thornton for \$10 "and other good and valuable consideration."

The other consideration was never defined. Reached in Los Angeles, Ash said that while he would have no particular objection to disclosing the payment he received for his interest in the 200,000-acre ranch, he said it would be something about which Thornton also would have to be consulted.

BUYER

Ash said he had been looking for a buyer for a couple of years and that the sale had nothing to do with his White House appointment.

Asked about the vast difference in acreage in the Point Reyes land trade, he replied, "the Nevada land

was quite a different property than the Pacific Coast land," referring to the desert-like nature of the ranch land.

Ash told a news conference after his appointment was announced that he would resign his \$195,000-a-year job as president of Litton and would dispose of his \$3 million stock in Litton which is involved in a \$270-million shipbuilding contract dispute with the Navy.

GOVERNMENT

As head of the Office of Management and Budget Ash will be one of the most powerful men in the federal government. The position is considered part of the White House staff and does not require Senate confirmation.

When Ash sold his interest in the ranch he retained some of the mineral rights, a common practice in real estate transactions in the Elko area. He and Thornton had an interest in a number of mining claims, most of which they subleased to Newmont Exploration Ltd., a New York-based mining company.

The Ash-Thornton swap was just one of several in the Interior Department's ten-year struggle to acquire the land for Point Reyes National Seashore, across the Golden Gate from San Francisco.

PRICE

One BLM official in Nevada at the time defended the \$10-an-acre price saying that there was never any question in his mind of the value.

"Ranchers are the market and they won't pay any more," he said. He said that land values had changed lit-

tle in 25 years in that sparsely populated part of Nevada.

Less than a year after that swap, a 240-acre tract in the same area sold for \$15 an acre, a price now considered about the lowest for which rangeland can be obtained.

Jerry Hendershot, realty specialist for the BLM's Elko district, said rangeland throughout the area is currently selling for an average of between \$25 and \$30 an acre.

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