

Bug Case Files
Burned by Gray

FBI Chief to Tell of Burning Hunt File

Gray Learns Folders Contained Faked State Dept. Cables

By JAMES WIEGHART

Washington, April 26 (NEWS Bureau)—Acting FBI Director L. Patrick Gray 3d is prepared to tell the Watergate grand jury that, at the suggestion of two top White House aides, he burned two "highly classified, politically sensitive" files belonging to Watergate conspirator E. Howard Hunt two weeks after the June 17 break-in at Democratic party headquarters.

Sources close to Gray said he told Assistant Attorney General Henry Petersen that he was handed the Hunt files and told "these should never see the light of day" by White House Counsel John W. Dean 3d in the presence of John D. Ehrlichman, President Nixon's chief domestic adviser.

The sources said Gray made the statement when questioned by Peterson in his FBI office on April 16. At this time Gray told Peterson he did not read the Hunt files but destroyed them because Dean assured him they were not connected with Watergate, but were "highly sensitive, classified national security documents of political dynamite."

Gray learned only yesterday from Peterson of the supposed contents of the file. Dean was said to have described the two Hunt files as containing "fabricated State Department cables related to President Kennedy's complicity in the assassination of (South Vietnamese) President Diem."

Not Told Purpose

Gray was told by Peterson that the fabrications were made by Hunt, but he was not informed as to the purpose of the faked cables.

However, it is known that Hunt, a former CIA agent who served as a White House consultant, was compiling a dossier on Sen. Edward M. Kennedy (D-Mass.), particularly on the fatal auto accident on Chappaquiddick in 1969, for possible use by the Nixon reelection committee if

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tion for Nixon on the possible involvement of White House aides or officials from his reelection committee in the Watergate break-in, subsequently obtained the raw FBI files from Gray.

Support Is Weakened

Gray testified before the Senate Judiciary Committee earlier this year that he turned over 82 FBI Watergate files to Dean. This disclosure seriously weakened support for Senate confirmation of Gray's nomination as FBI director, and Gray subse-

Kennedy won the Democratic presidential nomination in 1972.

It could not be learned what happened to that Kennedy file or whether any of the documents in it were also faked.

Dean and Ehrlichman could not be reached for comment. Gray's secretary said that her boss would not accept calls from reporters.

Gray was described as "shocked and surprised" when Petersen

quently asked Nixon to withdraw his name.

Gray's friends said that if he had known that Dean's request for the files had been rejected earlier by Kleindienst and Petersen, he also would have refused the request.

A source close to Gray said it appeared that Ehrlichman and Dean "set Pat up as a patsy" in the attempted cover-up of White House involvement in Watergate by asking him to destroy the files. The source also expressed concern that Petersen and Kleindienst were preparing a record to blame Gray for the fact that Dean obtained access to the FBI files.

Gray's Account Reported

According to sources close to the acting FBI chief, Gray's account of the transfer of the Hunt files seems to lend credence to the "patsy" theory. It runs as follows:

On June 28, just 11 days after five men, including the Nixon reelection committee's security chief, James W. McCord Jr., were arrested inside the Democratic Party offices at the Watergate, Gray went to Ehrlichman's office in the White House to discuss with him alleged FBI leaks about the investigation.

When Gray walked into Ehrlichman's office, he found Dean and Ehrlichman standing there,

ended his questioning about the two Hunt files on April 16 with the announcement that the acting FBI director would be called to testify at the Watergate grand jury.

But the acting FBI chief was even more disturbed when he was informed for the first time Tuesday that Dean's request for raw FBI files on the Watergate investigation last summer was rejected by Attorney General Richard G. Kleindienst and by Petersen.

Dean, who at that time was conducting a separate investiga-

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chatting. He recalls Ehrlichman saying, "Pat, John (Dean) has some papers he wants to turn over to you."

"Never See the Light"

Dean then handed Gray two file folders, each about an eighth of an inch thick. He told Gray, "These are some papers Howard Hunt was working on. They should never see the light of day."

Gray said that Dean implied that he wanted the papers destroyed, but that he could not swear Dean used the word "destroy." Gray said that he considered the youthful Dean, 34, as his superior because as White House counsel, Dean was working directly for President Nixon.

Gray said he took two files and placed them in a manila envelope without even looking through them. Dean then left, and Gray and Ehrlichman discussed the problem of FBI leaks.

That night, Gray took the files home and put them in a closet.

The following day he left Washington for a weekend trip to San Diego to speak at the opening of a new FBI office. When he returned to work in Washington Monday morning (July 3), Gray took the manila envelope with him and, in his office, he tore the files up and placed them in a "burn bag," used for the destruction of confidential material. Gray said he never read the files.

Asked later by a friend why he did not read the files before

having them burned, Gray said because Dean had told him the files were not related to the Watergate case. Gray said that Dean's description of the files as "highly sensitive, classified national security documents of a political nature" indicated they should be read only on a "need-to-know" basis. He said he felt no "need to know."

Gray also said that he did not realize at that time that Hunt was a key figure in the Watergate case. Hunt had not yet been charged with conspiracy in the break-in and bugging.

However, Hunt was the target of a widespread FBI search at that time. Hunt's name had been found in the address books of two of the suspects arrested in the Watergate and investigators had learned that he had worked closely as a CIA agent with the four former Cubans who participated in the abortive 1961 CIA-financed Bay of Pigs invasion.

In fact, Dean on June 19, 1972, drilled open the safe in Hunt's office in the Executive Office Building and said he placed the contents in a cardboard box. The box stayed in the Executive Office Building until it was turned over to the FBI on June 26, 1972.

Informed Immediately

Although Gray has told friends that he did not see the contents of Hunt's safe until much later, he conceded that he was informed of it immediately and in fact, called Dean on June 27 to point out that a gun had been found in the safe, in apparent violation of White House security precautions designed to protect the President.

So it was in this context that Gray attended the June 28 meeting in Ehrlichman's office. Although Dean did not state specifically that the files were found in Hunt's safe, Gray probably concluded the files came from the safe.



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