

'People on Your Staff'**Gray Tells of Warning Nixon on****Washington**

L. Patrick Gray III, former acting director of the FBI, told a Senate appropriations subcommittee yesterday that he had warned President Nixon last July 6 that "people on your staff are trying to mortally wound you" by hampering an FBI probe of the Watergate affair.

Gray also testified that he had allowed the Watergate investigation to lag for two weeks before he talked to the President because of confusion over whether it might interfere with covert operations of the Central Intelligence Agency.

Emerging from seclusion after many weeks, Gray underwent more than four hours of intensive questioning about Watergate.

He was not available for comment either before or after the hearing.

**CONFLICT**

His testimony, recounted later by Senator John L. McClellan (Dem-Ark.), the subcommittee chairman, conflicted in one major respect with that given several Congressional committees in the last few weeks by Lieutenant General Vernon A. Walters, deputy director of the CIA.

Walters, in an affidavit, had said that on June 23 he was ordered by H.B. Halde- man, the White House chief of staff, to persuade Gray to call off the FBI investigation into campaign funds "laundered" through a Mexico City bank.

The general said that he

went to see Gray that same day and told him he had been "directed by top White House officials" to tell the FBI that further investigation "into the Mexican aspects of the Watergate episode might jeopardize some of the agency's covert actions in that area."

Yesterday, according to McClellan, Gray said that Walters had not informed him at that meeting that he was acting under White House orders. Gray said he let the investigation lag because he thought covert CIA operations in Mexico might be jeopardized, as suggested by Walters.

**'CONFUSED'**

"Mr. Gray kept telling us today that during that period he was confused and doubting, that he was uneasy and uncertain if the CIA might not really have had some interest in the Watergate affair," McClellan said.

Aside from this major conflict in testimony by Gray

and Walters, their versions of what subsequently happened appeared to be basically the same.

Gray's recollections of his July 6 telephone conversation with the President were transcribed verbatim during the hearing and later made public by McClellan.

Mr. Nixon had touched on this telephone conversation in his statement earlier this week about the Watergate affair, but Gray's version is far more explicit.

**VISIT**

Gray said that on July 6, Walters came to his office and informed him that CIA operations would not be jeopardized by the FBI investigation.

Gray said that he and the General decided that the CIA and FBI were being "used" to hamper the investigation and they agreed that President Nixon should know what was going on. Walters had also said this in his testimony.

N.Y. Times Service

San Francisco Chronicle

**Probe**