Magruder Named as Source

N.Y. Times Service

Washington

Former Attorney General John N. Mitchell personally chose three sites, including the Watergate complex, for electronic bugging of the Democrats in 1972, according to information that former presidential aide John D. Ehrlichman said he gathered for the President earlier this year.

The information, Ehrlichman testified, was supplied to him by Jeb Stuart Magruder, who was second in command at the Committee for the Reelection of the President. As such, it was hearsay.

Ehrlichman's statement was taken under oath as testimony in the Democratic party's \$6.4 million damage suit against the Committee for the Re-election of the President in connection with the break-in at the party's national headquarters in the Watergate complex last June 17.

DEPOSITION

The 187-page deposition was taken in private May 22 and 23 and released yesterday. Ehrlichman, before his resignation, was assistant to the President for domestic affairs.

In the deposition Ehrlichman said that an electronic bugging plan had been put forward by John W. Dean III, the President's former counsel, and G. Gordon Liddy, a convicted Watergate burglar and had been accepted by Mitchell, who resigned as attorney general to head the re-election committee.

Ehrlichman said Mitchell had personally circled or checked off three targets on a listed handed him; the Watergate, Senator George McGovern's headquarters in Washington and the Demo-

Back Page Col. 1

From Page 1

crats' National Convention headquarters at the Fountainebleau Hotel in Miami Beach.

In his extensive answers to questioning by one of the Democrats' lawyers, Maurice Dunie. Ehrlichman commented on major figures in the Watergate scandals, generally laying blame at the feet of Mitchell, Dean and Magruder.

The President's role in Watergate was never directly discussed in the interrogation. Ehrlichman pictured him as generally unaware of the events that led up to Watergate.

However, Ehrlichman said, Dean had been asked, in his role of handling political matters for the White House, to watch the criminal investigation as it developed after the break-in.

Dean, he said, had reassured the President's staff that there had been no White House involvement.

INQUIRY

But when the Senate Watergate committee began its Ehrlichman investigation, said, the White House reopened its inquiry.

Ehrlichman said that he and chief of staff H. R. (Bob) Haldeman "pressed continually" for a written report on Dean's investigation and Dean said he "just couldn't get to it."

Ehrlichman went on: "Finally, the President said, 'We will send him to Camp David and have him hole up there until he can produce it.' So, on about the 22nd of March, I guess it was . . . he went to Camp David. He was there for six days. He came down on the night of the 28th and delivered nothing.

"It was within 24 hours after that that the President relieved him."

Ehrlichman added:

"The President called me in on the 30th and said, 'My suspicions (of Dean) are crystalized and I want you to get into this."
"He said it was evident to

him at that point that Dean was in the thing up to his eyebrows. The President, incidentally, had a number of conversations with Dean starting, I think, the last week in February and running through the time that he sent him to Camp h e sent David.''

- INFORMATION

Ehrlichman said that while the President's suspicions grew about a coverup, he and Haldeman "generally tried to avoid learning much" about the situation.

He said he could picture himself in the office of a lawyer for the Democrats "and being asked for something that somebody had inadvertantly told me and so I didn't run around with a butterfly net trying to collect facts" during the early stages of the President's growing suspicion about Dean.

TOPICS

For the most part, however, Ehrlichman's deposition dealt with matters that occurred before the break-in at Watergate.

He said his former assistant John J. Caulfield, came to him 18 months before-Watergate with "a prospectus for the creation of a private detective agency, (which) is about the best way I can describe it, which he proposed to have the government go out and form.

He said the idea was to "contract with the presidential campaign" and that he was shopping around for a sponsor.

Ehrlichman said, "I gave him this prospectus back and sent him on his way."

Proposals for intelligencegathering went back to 1971. Ehrlichman said, and a pro-posal he identified as "sand-wedge," but he did not elaborate.

MAGRUDER

He said that when Magruder became worried about the widening Watergate investigation in early April, Magruder outlined in detail a number of proposals that went to high officers in the Committee for the Reelection of the President.

Ehrlichman said, Magruder outlined a series of at least three meetings attended at various times by Mitchell, Liddy, Dean, Magruder and Frederick C. La-Rue, an aide at the reelection committee.

MEETING

The first presentation made by Liddy for "establishment of an information and intelligence gathering facility" was made at a meeting in January, 1972, when all except LaRue were present, he said.

"This was so grandoise

and so extreme in its con-cept that it was rejected by the other three gentlemen out of hand."

Ehrlichman said it was called the \$1 million plan. A second, modified proposal, called the \$500,000 plan, was also rejected by the same three, he said.

The money figures related to the cost of the plans, he said.

PLAN

The group was asked to work out another plan, Ehrlichman said.

Magruder and Liddy, who were working on the plans, were not getting along and according to Ehrlichman, Magruder said at one point that Liddy threatened to kill him.

He also was undecided on whether to go ahead with the bugging proposals, Ehrlichman said.

At that time Magruder said to Ehrlichman that he had received a telephone call from Charles W. Colson, special counsel to the President, urging him to go forward with the intelligencegathering operations.

However, Ehrlichman said, it was his understanding that at no time did Colson recommend illegal activities.

The final plan was presented to Mitchell in The Florida in March 1972, and was for \$200,000 to \$250,000, Ehrlichman testified.

BUGS

At that meeting, Ehrlichman said, Mitchell was said to have indicated the bugging sites. He discribed it this way:

"This is based either on a conversation which Mr. Dean had with Mr. Mitchell or Mr. Magruder had with Mr. Mitchell and reported to Mr. Dean - one or the other and I can't recall which."

He said it was "that the proposal for the electronic surveillance of the three locations was a written proposal and that Mitchell had actually in writing selected those premises which were to be bugged from a number of choices."

Ehrlichman said he recalled that Dean told him later that he had confronted Mitchell and that Mitchell agreed it had happened that

REPORTS

When the bugging went into effect, Ehrlichman said, the reports appeared in summary form under such

reports went to Gordon C. Strachan, an assistant to Haldeman.

One of the taps, Ehrlichman said, was to have gone code names as Gemstone, on the telephone of Law-Sedan Chair, Ruby and rence F. O'Brien, then chair-Crystal. He said that some man of the Democratic Naman of the Democratic National Committee.

Ehrlichman said Magri der told him that when Mitchell first saw the reports from the taps and saw that the tap on O'Brien's phone had failed to work, he chewed out" Liddy.

The second entry into the

Mitchell had complained, Watergate to fix the tap on that the results were "junk O'Brien's phone had been in or useless or words to that seffect," Ehrlichman said. response to Mitchell's anger and not to any specific di-

ection, Ehrlichman said. nan said of Liddy, "He was a self-starter.

The only tap that worked men. was on the telephone of R. "They learned a great "In other words," EhrlichSpencer Oliver, executive deal more about Oliver than director of the Organization anybody really wanted to of State Democratic Char know," Ehrlichman said.

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