JUN 1 2 1973 SFChronicle JUN 1 2 1973

Gray to Testify--No Immunity Bid

Washington

L. Patrick Gray III, the former acting director of the FBI, has agreed to testify without immunity in any Watergate criminal trials about his dealings with President Nixon and other top administration officials after the June 17, 1972, episode, sources close to the case said yesterday.

A source close to Gray said that he had decided to testify without making any demands for immunity in the hope that he would not be indicted as a result of any high-level attempts to cover up the Watergate scandal.

Gray is going to tell all, the associate said. "There's no question of loyalty or non-loyalty involved," he aded. Don't forget," the associate added. "it was he (Gray)

Don't forget," the associate added. "it was he (Gray) who first raised the question of the coverup when he talked to the President"—a reference to Gray's telephone talk with Mr. Nixon last July 6.

At that time, it has since been learned, White House advisers urged Gray to set aside an FBI inquiry into campaign funds being funneled through Mexico on the false ground that some covert Central Intelligence Agency operations would be compromised.

N.Y. Times Service