

Client Is Cooperative That Is Target of Watergate Study

By ROY REED

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HOUSTON, Nov. 3 -Houston law firm of Leon Jaworski, President Nixon's new special prosecutor, is handling a lawsuit against a milk cooperative that is a target of the Watergate investigation.

While the cooperative's sympathizers might see that as a conflict of interest for Mr. Jaworski, the investigators who have been examining the cooperative's affairs could see it operative's affairs could see it as an advantage. It is possible that Mr. Jaworski has information that could help the investigators determine if the cooperative made illegal election campaign contributions.

Mr. Jaworski told The Associated Press today that he was

operative made illegal election campaign contributions.

Mr. Jaworski told The Associated Press today that he was resigning from his law firm, Fulbright, Crooker & Jaworski. He had been with the firm for the last 40 years.

The lawsuit is against the Associated Milk Producers, Inc., of San Antonio. A Houston-based farm organization called the Marketing Assistance Plan has asked a Federal court to enjoin Associated from taking members away from it.

Marketing Assistance Plan is represented by the Houston law firm of Fulbright, Crooker & Jaworski. The attorney in the firm who is handling the case is Thomas McDade.

In a deposition in Kansas City last week, Mr. McDade questioned a former lawyer for Associated, Joseph A. Rose Jr. of San Antonio, and elicited from him an allusion to a scheme to channel cooperative money directly to a political campaign. Federal law prohibits corporations from contributing directly to Federal election campaigns.

Mr. Rose said he had spoken to an employe of the cooperative about retrieving the political contribution and had been told, "It can't be recouped because it didn't go to something like the Committee to Re-elect the President. It went direct."

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Mr. Rose also testified that he had been sked to approve a monetary payment to "secure the silence" of another employe about the alleged conduit activities.

Most of the deposition was taken in secret. Whether Mr. Jaworski has had access to that secret testimony is not known. Neither he nor Mr. McDade could be reached for comment. comment.