

HUMPHREY LINKED TO DAIRY INQUIRY

Jaworski Said to Be Looking
Into '72 Campaign Gifts

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WASHINGTON, July 5—The special Watergate prosecutor's investigation of illegal political contributions by representatives of dairy farm cooperatives has embraced Senator Hubert H. Humphrey's campaign for the Democratic Presidential nomination in 1972, according to reliable sources.

The sources said the inquiry had focused chiefly on donations by the Associated Milk Producers, Inc., the nation's largest dairy cooperative, to Republican and Democratic candidates for the 1972 Presidential nomination.

A part of the prosecutor's inquiry is understood to have been going on at the same time that the Senate Watergate committee was investigating the dairy farm cooperatives. The committee was told in a staff report last week that the Associated Milk Producers had paid \$25,000 to a contractor of computer services for work that was done for the Humphrey campaign.

According to the staff report, Jack Chestnut, the Humphrey campaign manager, "was aware of and promoted this arrangement," with knowledge that Associated Milk Producers was using corporate funds for an illegal political contribution.

Questioned Extensively

Leon Jaworski, the special prosecutor, and Senator Humphrey declined to comment on the reports of a new investigation. Mr. Chestnut, who practices law in Minneapolis, was reported to be on vacation and unavailable for comment. But other witnesses in the case confirmed that they had been questioned extensively on the matter by the prosecutor's office.

Two contributors to Mr. Humphrey's campaign in 1972 were convicted last year of campaign law violations. Dwayne Andreas, a long-time Humphrey friend and backer, is scheduled to go on trial later this month for a contribution in 1968—drawn from a corporate account and later repaid with personal funds—that the special prosecutor's office describes as illegal.

The Minnesota Mining and Manufacturing Corporation and its chairman, Harry Heltzer, pleaded guilty last fall to charges that they disguised corporate contributions to the 1972 Humphrey campaign as personal gifts.

John L. Loeb Sr., the Wall Street investment banker, pleaded no contest last spring to a charge that he tried to hide a \$50,000 personal contribution to the Humphrey campaign by attributing it to a number of business associates. Mr. Loeb was fined \$1,000 on each of three counts.