FChronicle MAR 1 1976 Alleged Spy For Soviets-Found Dead

Southbury, Conn.

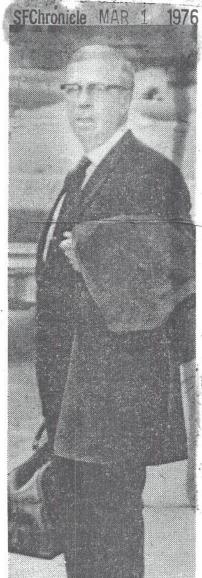
A former Mobil Oil Co. engineer who reportedly sold important oil industry information to the Soviet Union before turning double agent for the FBI died yesterday of what. authorities said was a selfinflicted gunshot wound.

Norman John Rees, 69, admitted accepting money for information he gave to Soviet intelligence agents and said that from 1971 to 1975 he acted as a double agent for the FBI, according to an interview published late Saturday. His work was considered so important that the Kremlin gave him a medal, according to the interview in the Dallas Times Herald.

Rees said in the interview that he agreed to work as a double agent from 1971, when he was confronted by the FBI, until 1976. He continued to meet Soviet contacts at FBI instructions, allowing the FBI to observe and identify a number of Soviet intelligence officers, he said.

"Jesus Christ, that is incredible," said Rees' son, John Warren

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NORMAN J. REES His death was called suicide

AP Wirephote

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Rees of Ashfield, Mass. He said his family knew nothing of his father's alleged connections with either the Soveit Union or the FBI.

The son, 31, said he had been comforting his mother who was unaware of her husband's alleged activity, and said she believed Rees killed himself because of an illness.

The Dallas Times Herald issued a statement yesterday saying:

"Norman Rees requested on several occasions that the Dallas Times Herald withhold publication of the story and refrain from identifying him. We did not feel that we could repress the story and proceeded with publication."

The Times Herald, which published the copyright story in its Sunday editions, quoted Rees as saying his most significant industrial espionage act was the passing to Soviet agents in 1950 of a Mobil design for a newly developed catalytic cracking converter. He won a Soveit medal for that act, he said. Mobil has no immediate comment.

The converter, now standard in the industry, increases the percentage of gasoline that can be derived from crude oil.

The paper also quoted an "intelligence source" as saying that Rees was "the single most important individual in the development of the Russian oil and gas industry during the relevant period (1945-1960)."

"FBI director Clarence Kelley confirmed that the FBI was aware of Norman Rees' contacts with foreign officials in the U.S. and had in fact interviewed Rees on a number of occasions concerning these contacts," an FBI spokesman a said. He declined additional comment.

It was not immediately clear what laws would apply to what Rees said he did. An FBI spokesman in Washington, while not commenting on the Rees' case, said spying generally falls in one of two categories:

In instances where no secret information is involved, espionage statutes do not apply. In cases of industrial espionage, the Foreign Agents Registration Act would normally apply.

The Dallas Times Herald reported that the Sicilian-born Rees told the paper he "was a Communist sympathizer" during World

War II and began helping the Soviets and "just never got out."

"Looking back on it now, it's enough to make me sick," Rees was quoted as saying.

In Connecticut, Assistant Medical Examiner Marcus Cox said it appeared the gunshot wound to Rees' head was self-inflicited.

Cox said Rees was found shot to death on a couch in the study of his apartment about 7:30 a.m. Rees' wife was in the apartment at the time but did not hear the shot, officials said.

Rees w as found with a .38caliber snub-nosed revolver clutched in his fist, officials added. No note was found.

The younger Rees said his father had been depressed recently because he was "getting older and sick. He had lost his memory a couple of times. This is a total shock."

Associated Press