

COPY

March 15, 1949.

Dear Wesley:

The sad truth is that your watch won't run now, but since mine has been returned from Dallas, I am sending yours back to you.

Maybe it is just tired -- I surely am.

Thanks a lot for taking care of my watch problems and hope that you get yours in good shape again.

With best wishes always, I am

Sincerely,

Lyndon B. Johnson.

Mr. Wesley West,
Sterling Building,
Houston, Texas.

m
Johnson personal
wrist watches

6:30 P.M. P.S.T.
Monday 10/6/58

Walter:

This has been an awful
fast pace out here - my first
opportunity to get some material
together to send you. The clippings
are from Orange County papers -
no L.A. paper that I have
seen has mentioned the subject
of Senator Johnson.

I just can't decide who is
responsible for that line of questions.
One time I think it's one side &
the next I think it's the other.

Do you have any ideas?

Hope to see you soon. Bill Smith

W E S L E Y W E S T

P. O. BOX 1656

H O U S T O N 1, T E X A S

ADDRESS REPLY TO
SUITE 803
3460 WILSHIRE BOULEVARD
LOS ANGELES 5, CALIFORNIA
DUNKIRK 5-7136

October 3, 1958

Mr. George Reedy
Hye, Texas

C
Dear George:

O
Enclosed is a transcript of the testimony
pertaining to Lyndon Johnson which was given by me
before the Interim Sub-committee on Tidelands of the
California Assembly on October 1 of this year. This
is not an official transcript. We had provided our
own court reporter as a double check on the testimony
given before this committee, and the copies that are
herewith enclosed are the result of having our reporter
dictate to our Houston secretaries the testimony as he
had recorded it.

P
Y
Obviously, I permitted the testimony to go
further than I had intended. Imprudently, I permitted
this testimony to continue to a point beyond which I had
intended only with the thought that I might end the whole
matter by answering superficial and unimportant questions.
You will note from the testimony that I refused to answer
further questions only when I became thoroughly convinced
that the committee intended to pursue its objective to
the point of accomplishing worthwhile (to them) objectives.

Your statement concerning the subject of this
testimony is, to my mind, adequate for all immediate
purposes, and although I will respect your judgment, I
would not consider it appropriate to enlarge upon the
statement already made.

I sincerely hope you are enjoying the hill
country and that my own activities do not seriously pre-
vent you and your family from enjoying the benefits that
are available in that section.

With best wishes and kindest personal regards, I am

Sincerely,

WW:cc

Walter:
For your
information.
HHS

W E S L E Y W E S T

P. O. BOX 1656

H O U S T O N 1, T E X A S

ADDRESS REPLY TO
SUITE 803
3460 WILSHIRE BOULEVARD
LOS ANGELES 5, CALIFORNIA
DUNKIRK 5-7136

October 3, 1958

C Mr. A. W. Moursund
P. O. Box 125
Johnson City, Texas

Dear A. W.:

O
P It will be several days or longer before we get a complete transcript of the testimony given on October 1 and 2 before the California Assembly Sub-committee on Tidelands. The testimony that I gave concerning Lyndon Johnson was given on October 1. We had concluded prior to this hearing that it would be desirable to have our own court reporter in addition to the report supplied by the sub-committee. This decision was reached as a result of some understandable inaccuracies occurring in the transcript of testimony given on August 26 and 27 of this year.

Y This morning we had our reporter come by and dictate to our secretaries all of the testimony given at this hearing that had any relationship to Senator Johnson. A copy of this testimony as transcribed by the parties hereinabove mentioned is enclosed herewith. I regret that I did not shut off the questions prior to the time that they began to involve gifts, but, unfortunately, I became angry and allowed myself to be led further than I intended in the hope that answers to superficial questions might prove satisfactory and cause the committee to abandon the pursuit of this individual. This was a little naive, for I was informed before I went into the hearings that an attempt would probably be made to bring out Senator Johnson's name for purely political purposes. Like many other things I do, I am forced to offer the enclosed transcript (unofficial; you will later be furnished with a complete transcript) as the results of my best but inadequate efforts.

It is my belief that the statement issued by the Senator's office today in response to the inquiries that were put as a result of this testimony is sufficient

Walter:
for your
information
MSS Jr.

Mr. A. W. Moursund
Page 2

October 3, 1958

and should not be dignified by further comments. You may be assured that I will not again be led astray as easily, and I will appreciate your passing on to the interested parties my apologies for a poor job. Please feel free to call me at any time.

With best wishes, I am

Sincerely,

WW:cc

CHAIRMAN ALLIN

WITNESS: MR. MARTINO

Q Did Mr. Lambert tell you anything further?

A I also questioned Mr. Lambert regarding the \$1,000 checks which were drawn on the account of the American Marine Company made payable to Mr. Lambert and signed by Mr. H. C. Cockburn. Mr. Lambert advised me that these checks were sent to him for the purpose of investing in a corporation known as the Barreras de Mexico located in Mexico City, Mexico, that this corporation was owned by a Mr. Rhas Foust and that the corporation was engaged in the manufacturing of drill bits. He said that this money was sent to him by Mr. Cockburn and was to be given to this corporation. None of this money was given by him to Mr. Foust, but he gave the money to Mr. William G. Ferrer, or Mr. William G. Ferrara (he could not recall specifically the spelling of the last name), who he identified as being the general manager of the Barreras de Mexico. I asked him whether or not he had ever given Mr. Foust personally any of this money and he replied that he had not, that all of this money had been given to Mr. Ferrer in cash. He said that the checks had been cashed by him personally and that on several occasions, because of the fact that the Los Angeles banks were closed on Saturdays, he had requested the Fousts to counter-endorse the checks and cash them for him in Santa Ana.

* * * * *

CHAIRMAN ALLEN

WITNESS: WESLEY WEST

Q Do you know Mr. Shalowitz?

A No sir.

Q Have you ever heard of Mr. Shalowitz?

A Yes sir.

Q Who is he?

A I don't know who he is sir.

Q Well you've heard of him?

A Yes sir, I have heard of him.

Q In some way?

A Some way I have heard of him, but that doesn't indicate that I know who he is or what he is. He is a government employee - I think I can say that much - I understand him to be a government employee.

CHAIRMAN ALLEN

WITNESS: WESLEY WEST

Q Isn't it true that Mr. Shalowitz is a map or geological expert of some kind?

A That I don't know sir.

Q You never heard that?

A I possibly have heard it; you asked me if I knew it.

Q Have you ever had a discussion with Senator Lyndon Johnson regarding any work that Mr. Shalowitz was doing for the Federal Government?

A A discussion with Senator Johnson - no sir, I do not think so.

Q Or any investigations by the Federal Government into this general subject?

A I would like to understand that question.

Q The Orange County coast line?

A I would like to understand that question please; would you repeat that for me?

Q Have you ever had any discussions with Senator Johnson regarding any investigations to be made by the Federal Government regarding the Orange County coast line?

A No sir.

Q You never have?

A No sir; you said by the Federal Government didn't you?

Q That is right.

A No sir, I have not.

Q Or any federal employee?

A Well, I have searched a number of records, or I have had people search a number of public records for me. Is that a government investigation; I don't know how you identify it - they are public records.

Q Do you know what government agency Mr. Shalowitz works for?

A No sir, I do not. I possibly have heard what agency he works for but it just doesn't ring a bell with me.

CHAIRMAN ALLEN

WITNESS; WESLEY WEST

Q Aside from any searches of federal records that you have made yourself or have had people or your attorneys doing, do you know whether or not any federal agency has made any such inquiry?

A No, I don't know of any federal agency that is making any inquiry.

(Skip down to testimony relevant to Senator Johnson)

CHAIRMAN ALLEN (Continued)

WITNESS; WESLEY WEST

Q Did you ever discuss Mr. Shalowitz not only with Senator Johnson of Texas, but with any assistants of Senator Johnson?

A I do not recall ever having discussed it with them.

Q Did you ever ask anybody associated with you in any capacity to discuss the subject of Mr. Shalowitz with either Senator Johnson or any of his assistants?

A Not specifically, no sir.

Q Well, tell us just what did happen; what is your understanding?

A I told you what happened; I said not specifically.

Q Well generally tell us what happened?

A Generally?

Q Yes.

A Generally we have done a lot of work in Washington in connection with the public records in searching out information pertinent to the tidelands case in Orange County. I have had people, several people, there I believe; I know I have had Mr. Skipwith there for quite a spell on probably several occasions. I think Mr. Skipwith has contacted Mr. Shalowitz along with a lot of other people.

Q Mr. West, I don't want to banter with you about this.

A I hope you don't sir.

Q We know that Mr. Shalowitz is a map expert, that he worked on the federal case.

A I don't think that is information that I tried to conceal.

CHAIRMAN ALLEN

WITNESS: WESLEY WEST

Q All right, just a minute now. We know that he is an expert, that he worked on the federal controversy with the State of California in relation to the coast line here.

A I have understood that sir.

Q He is a very famous map expert. He is an official employee of the United States Coast and Geodetic Survey in Washington, D. C., and he was assigned the task of making a report on the Orange County tidelands at the request of somebody in Senator Johnson's office. You know that, don't you?

A Yes.

Q All right, now would you tell us how Mr. Shalowitz happened to be told to do this work?

A That I don't know; I didn't talk to Mr. Shalowitz.

Q Do you know who talked to somebody in Senator Johnson's office about this?

A Yes.

Q Who?

A Mr. Skipwith.

Q And who is Mr. Skipwith?

A He is an individual, a good attorney, a nice boy, the father of two children, married to a nice lady.

Q Is he employed by you?

A Yes sir.

Q Or American Marine?

A He is employed by me.

ASSEMBLYMAN SUMNER

WITNESS: WESLEY WEST

Q I would like to know the circumstances, if you know, under which Mr. Skipwith went back to Washington?

A Mr. Skipwith would go to Washington or any other place, as well as a number of other people in my organization, to get pertinent data on the Orange County tidelands.

REPROX FROM QUICK COPY

Q Did you suggest that he go to Senator Johnson's office?

A I could have.

Q Did you discuss it with him?

A Possibly I did; I am not entirely certain.

Q Well what do you think possibly you might have said regarding that?

A I think I might have said get in touch with Albert Thomas or Senator Lyndon Johnson, or anyone else up there that is a public official who has constituents in this part of the country if you need help.

Q Who is Albert Thomas?

A Albert Thomas is a congressman from Houston, from Harris County, Texas.

Q Are you personally acquainted with Senator Johnson?

A We have been friends and our families have been friends for nearly twenty years.

Q Do you know what action, if any, Senator Johnson's office took?

A Specifically I do not, but I know this, I have never asked Senator Johnson or anyone in his office and neither has anyone in my organization or anybody in his organization for anything that we wouldn't ask any public official for and that would not be entirely in the line of duty for them to respond to.

Q Then do you know what was asked by Senator Johnson's office?

A What was asked by Senator Johnson's office?

Q Yes; in other words, what did Senator Johnson's office do?

A I am sure that they helped Mr. Skipwith.

Q By contacting the map man and the Geodetic Survey Service?

A I think possibly that is correct; it is just a matter of getting an introduction. There are some places in Washington I understand where in order to see public records if they have been stored in the Archives you have to have some sort of a pass or introduction before you are permitted to get in, and I presume that Mr. Skipwith called on some of these people for that purpose.

Q You mean on Senator Johnson's office?

ASSEMBLYMAN SUMNER

WITNESS: WESLEY WEST

A It could have been; he could have called on a number of other people. I have quite a few friends up there and I think he may have called on any of them.

Q And they in turn agreed to do what they could to find out about the Orange County tidelands?

A Well, I am sure they would; I am sure any responsible public official would - I can't give you the details of that. Now I would like to stop you and ask you this, what is the pertinency of this question with respect to the tidelands investigation?

Q Well, we are just inquiring into the practices concerning the leasing and also the negotiations--

A Well, contacts that either I or my organization may have had with Senator Johnson's office did not involve any of that.

CHAIRMAN ALLEN

Let me for the record state how this ties in with our inquiry, Mr. West, because I think you are entitled to know.

MR. WEST: I am entitled to know.

CHAIRMAN ALLEN: Why we are asking about Mr. Chalowitz and Senator Johnson, we want to know what has happened in relation to the tidelands along the Orange County coast, if the Federal Government has assigned a federal officer to do some work on this subject in assistance of your side of the litigation. We want to know about that and it is material to our inquiry; we would like to have your answer to those questions.

MR. WEST: I will be glad to do it provided you are not asking me something about the evidence in our case. We are not going to try our lawsuit before this committee.

CHAIRMAN ALLEN: We don't expect you to.

MR. WEST: I hope you will bear that in mind because I have seen some things attributed to this committee, particularly to you sir, that I think otherwise.

ASSEMBLYMAN WEINBERGER

WITNESS: WESLEY WEST

Q Mr. Chairman, after the testimony we have heard from this witness today, I am not prepared to sit here and listen to any criticism of you from him. I would like to know whether or not you had any gifts given to Senator Johnson?

XEROX FROM QUICK COPY

A Any gifts to Senator Johnson?

Q Yes.

A Senator Johnson's and my family and I and his family have always exchanged gifts for the last twenty years.

Q What was the value of the gifts you gave?

A God knows what the value of them was.

Q Well, were they watches with this touching allusion of the Golden Rule on it?

A I am certain that he has one of them; but I will say this to you now, in the face of your line of questioning this moment, I don't think I will answer any more questions.

Q Well, that is a very safe retort after all you have told us so far. I think you have a great deal more to answer and I think if you are going to take refuge in that, you are not only a little late, but condemning something that this committee--

A I am not condemning anyone; I am simply criticizing the treatment this committee gave to Mr. Ogle, and I am not going to be a party to any of it.

Q Mr. Ogle has never yet appeared before this committee.

A No, he hasn't, and I think he should have an opportunity to.

Q Now if we can get back to the gifts to Senator Johnson--

A I said I am not going to answer any more questions about Senator Johnson.

ASSEMBLYMAN BURTON:

WITNESS WESLEY WEST

Q Mr. Chairman, I think it is relevant that this committee ascertain what the Federal Government is doing with reference to our tidelands. I do not personally concede that there is any relevance as to this man's relationship to Senator Johnson.

A It is purely a personal relationship, and I don't think it has anything to do with this committee.

ASSEMBLYMAN WEINBERGER:

Q If there were gifts given to Senator Johnson in return for favors from his office that affect the tidelands.....

A There were no gifts given that affect the tidelands. Let me make that clear to you.

CHAIRMAN ALLIN:

Just a minute. Cool down. Let Mr. Weinberger finish.

ASSEMBLYMAN WEINBERGER:

Q If there were gifts given to Senator Johnson and his office staff in return for favors from you and your employees that affect the tidelands of Orange County, California, I can't think of anything more relevant for this committee, and we have to be the judge of what is relevant.

A Now, you asked a question, and I want to answer it this way. There have been no gifts made to Senator Johnson or any members of his office or staff for the purpose of getting favors from his office with respect to this or anything else.

Q Well, the purpose of a gift is something that someone else has to go into.

A No.

Q The question that I asked was whether there were any gifts given, and I understood you to answer "Yes", whereupon you then declined to answer any further questions.

A I did decline to answer any further questions because I don't consider them pertinent. They are not related to this investigation. Senator Johnson has no interest in the tidelands or the American Marine either directly or indirectly. He has never had, no member of his family has ever had, and I don't expect them ever to have.

XEROX FROM QUICK COPY

ASSEMBLYMAN WEINBERGER:

WITNESS WESLEY WEST

Q And you still decline to answer what were the gifts you gave him?

A I think they were purely personal gifts. We have been personal friends for many years. Our families have exchanged gifts. My kids have given his kids gifts. They have never been for the purpose of influencing any legislation. They have never been for any purpose any different than any other Christmas present that I would give to any other person or friend I might know.

Q This practice of giving gifts has continued after he has been in Washington, and during this time you sought information from his office?

A I do not think so. I do not think there have been any gifts made...

Q Since he has been in Washington?

A At least since I have tried, my office has tried, to make any contacts with him.

Q You stopped giving him gifts?

A I have not stopped giving him gifts.

Q Then you are still giving them to him?

A No. I will always give him gifts if I want to give them to him, sir. They do not pertain to this committee, and I do not intend to be browbeaten about my friends.

ASSEMBLYMAN BUNION:

I am not sure of the point Mr. Weinberger is trying to establish. The witness has stated he has known Senator Johnson for a number of years and on occasion sent Johnson Christmas gifts. If the witness is to be queried about any and all gifts he has given to all people without regard to relevance, we will be here all this week and next. I submit if the Federal Government has sent someone out to California to review this tidelands question, it is the executive and not the legislative department that has people on their staff performing such a function, and Senator Johnson is in the legislative branch of government, not the executive, and I just can't conceive of how pursuing this matter has any great relevance at all. We are here to pin down the facts with reference to Orange County, and I think we would be a lot more successful in that regard if we don't get afield and get into matters that might turn this impartial inquiry into something other than that.

REPRODUCTION FROM QUICK COPY

CHAIRMAN ALLEN:

WITNESS WISLEY WEST

Q All right, let's slow down a minute now. Mr. Weinberger has asked a question. Mr. West objects to answering it on the ground it is not material.

A I say it is prying into my personal affairs, sir.

Q Just a minute. Mr. Burton upholds Mr. West. We will take the objection and the question under submission. Let's get on to something else at the moment. Mr. West, did you get a report, or did anybody in your organization get a report, from Mr. Shalowitz on this subject of the Orange County coastline?

A I believe perhaps Mr. Skipwith did.

Q Did you see the report?

A I don't know whether I have seen it or not.

COUNSEL COOK:

Q Mr. West, I would like to ask you about the American Marine Co., or American Marine Exploration Co., Inc., and its present financial condition.

A Yes, sir.

Q Would you state to the committee what the present financial status of American Marine Exploration Co., Inc. is?

A Well, I don't know exactly. The books are kept at home. I would say that we had, as of last night, from \$5,000 to \$6,000 in cash at the bank.

Q Do you have any promissory notes outstanding to any person?

A Yes, sir. We have quite a few.

Q To whom?

A Some are payable to Mr. Cockburn and some are payable to me.

Q And does the amount of the promissory notes exceed the amount of assets that the corporation holds?

A Well, that is difficult to say, sir. That depends on the value of the contract.

Q All right. Does the total amount represented by those promissory notes exceed the amount of cash that the.....

RECK FROM QUICK COPY

A Oh, very definitely, sir.

COUNSEL COOK:

WITNESS WESLEY WEST

Q American Marine Exploration Co., Inc. has in its possession?

A Very definitely, sir. I might add

Q By about how much would you say, sir?

A Well, I might say about twenty or thirty times. Something of that sort.

Q Were you going to add something, Mr. West?

A Yes. I might add that if American Marine needs some money, they will get it.

Q Mr. West, I would just like to ask you what would be the position of American Marine at this time in the event, say, that you pull out.

A What would be the position of it?

Q The financial status of American Marine Exploration Co., Inc.

A I imagine they would be looking for an angel.

Q Would you say, Mr. West, if you left the company and no one in a similar position, financial position, as you replaced you that the corporation might be considered insolvent?

A Under those circumstances that you have just outlined, I would say "Yes".

REX FROM QUICK COPY

MR. WEST'S SECOND TESTIMONY, 10-2-58:

I would like to say that while I got a little angry yesterday at some of the questioning, I think, in general, the committee has been very courteous and polite to me, and I have endeavored to do the same thing, and I do appreciate the consideration. If I directed some statements about the committee or to any particular individual in the committee, I would like to say that they were the result of the heat of anger and something that would probably happen to any of us. I respect the committee. I respect the purpose for which it was formed, and I have tried my best to co-operate with it. I have a little quarrel with some of the questions that you brought out about public bidding for leasing. This situation was just not in shape for public bids. Nobody would have bid on it. People think I need a guardian now because I am fighting this case for the County. I happen to believe in it. I didn't believe in it for the first few months. I did a lot of work on it. In the course of my work, I have come to respect the County Counsel because I have been impressed by his dedication and devotion to the County and his almost all-consuming desire to win these tidelands back for the County.

XEROX FROM QUICK COPY

The Houston Chronicle
Houston Texas
October 2, 1958

Claim Lyndon Used Influence In Oil Deal

Buena Park, Cal.—(UPI)—A state legislative subcommittee Thursday continued its probe into tidelands oil contracts in the wake of testimony that undue influence had been brought to bear by the office of Sen. Lyndon B. Johnson, Texas Democrat.

Orange County, in which the hearing is being conducted by an assembly subcommittee headed by Bruce F. Allen of Gatoa, has sued the state over jurisdiction of tidelands in its 43-mile coast line.

Oilman Questioned

At Wednesday's opening session, millionaire oilman Wesley West, of Houston, was questioned on a request by his office asking Johnson to have an opinion drawn up by the United States Coast and Geodetic Survey on the tidelands in question.

The opinion was drawn by

LYNDON --

(Continued from Page 1)

Aaron Shalowitz, considered one of the foremost tidelands definition experts.

West is president of the American Marine Exploration Co. of Houston. His firm signed an agreement with Orange County in 1956 that called for A.M.E.C. to pay all legal costs throughout the lawsuit.

Sole Agents

In return, A.M.E.C. would become sole leasing and drilling agents for the entire 43 miles of coast line, should the suit be successful.

West objected to questions on any friendship between his family and that of Johnson, but admitted giving gifts to the senator. He refused to enumerate or give the value of the gifts.

Shalowitz, now vacationing at Miami, Fla., has admitted the opinion was drawn at the request of Johnson's office but said in fact that the opinion supported the case of the State of California rather than Orange County.

Election Of Supervisor In Virtually Assured By Decision

The State Supreme Court has ruled in effect, that an election may be held Nov. 4 to elect a fifth district Orange County Supervisor.

Thomas A. Broadbent of San Clemente had filed suit in the court against County Clerk Lynn B. Wallace, asking that he be prevented from listing the names of Ben Reddick, Roy Maypole and Claire Nelson — candidates for the supervisorial post — on the ballot.

Stephen K. Tamura, assistant Orange county counsel, said he has just been notified that Broadbent's petition was denied yesterday afternoon by the state's high court.

Tamura declined to comment on other steps which Broadbent could take to prevent the election, but said that as of now the court's decision would permit the balloting for the post.

Reddick was appointed to the post by Gov. Goodwin Knight following the death last July of Heinz

Kaiser, who was re-elected supervisor in the primary election.

Reddick, Maypole and Wallace are competing for the position following a ruling from the county counsel's office that an election would be necessary to fill the post. Meanwhile, Atty. Gen. Pat Brown's office issued an opinion — following a request from Reddick to the county counsel's office — stating that the supervisorial post could not be filled by an election.

Instead, according to the attorney general's ruling, the supervi-

sor's job must be filled in January by whoever wins the governorship in November.

Brown, retiring as attorney general, and U. S. Senator William F. Knowland, are competing for the governor's post.

Broadbent's suit seeking to prevent the election was filed in the high court after the conflicting opinions from the county counsel and attorney general's office.

Tamura and Robert J. Switzer, also an assistant in the county counsel's office, filed the county's answer to Broadbent's complaint Monday.

Monday in Los Angeles.

Their position favors placing the dates on rather than for a "We feel the office felt the procedure

Supervisor Candidate Delighted

Claire Nelson of Costa Mesa, one of three citizens seeking election to the post of supervisor in Orange County's 5th supervisorial

district, today applauded the Supreme Court decision to call an election for the post.

The high court ruled in the Broadbent case that the supervisorial post will be voted on in the Nov. 4 election.

Nelson told The Register that he was very pleased with the decision permitting residents to elect their own representative.

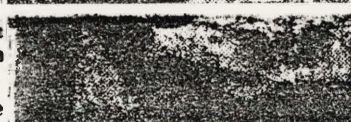
Governor Knight appointed Ben Reddick, Newport Harbor publisher of a three-times a week publication in that area, to fill the vacancy caused by Supervisor Heinz Kaiser's death.

Thomas Broadbent of San Clemente then filed a citizen's action, asking that the office be closed to further candidates.

Nelson said that there were five attorneys who filed a memorandum in his behalf on the Broadbent suit.

"The decision of the high court is to our liking because we spent considerable time, money and effort to provide people of the 5th district with the opportunity of selecting their own representative," said Nelson.

He has been mayor of Costa Mesa and is operator of a hardware store in the area.



MARGARET CALLAGHAN
(Foust's Friend)

The Register

SANTA ANA, CAL., Thursday, October 2, 1958

Arkansans Mystery In Suit Hearing



WILLIAM SKIPWITH
(Washington Influencer?)

Witnesses transported from Arkansas are expected to provide highlights of today's testimony as a State Assembly sub-committee resumes its probe into Orange County tideland dealings.

The hearing, being conducted under the chairmanship of Los Gatos Republican Bruce Allen in the Buena Park city hall, yesterday ran the gamut from the "Solid Gold Cadillac" to a Golden Rule-inscribed gold watch gift.

Allen refused to elaborate on the identity of the Arkansas witnesses although it is known that their testimony will be pertinent to reported dealings with Orange County Counsel Joel Ogle.

The ailing county legal official will not attend the hearings due to a recent attack of pneumonia and pleurisy. While he continues recuperating at his Santa Ana home, former State Bar Association president Joe Ball of Long Beach is representing him at the hearing.

The qu-



Ball's a statement the starting ernoon of a compar ing which Cy Feath more than Featherl circumstan ty's entranc ments wit Corp. in Marine E 31, 1956. Wesley Texan and Marine E show" wit get of inte Lyndon Jo the law s county, an packing up home in The qu particular Johnson i pecially blyman C major pro West to member contacted Washington on a quake Ba (It can as exten in the S Juan Cap In a s by The R disclosed son's a sought an Bay in c Aaron Sh to the di and Geo

isior In Fifth District Decision Of Court

son's job must be filled in January. Monday in the State Supreme Court by whoever wins the governorship in November.

Brown, retiring as attorney general, and U. S. Senator William F. Knowland, are competing for the governor's post.

Broadbent's suit seeking to prevent the election was filed in the high court after the conflicting opinions from the county counsel and attorney general's office.

Tamura and Robert J. Switzer, also an assistant in the county counsel's office, filed the county's answer to Broadbent's complaint.

Their 15-page brief—used by the justices in reaching the decision favoring an election—cited points and authorities favoring placing names of the three candidates on the November ballot rather than waiting until November for an appointment.

"We felt there was a substantial question here as to whether the office should go on the November ballot," said Tamura. "We felt the independent nomination procedure could be used, the at-

torney general's ruling notwithstanding.

"We advised our county clerk to place the office on the ballot. The taxpayer suit would have compelled the clerk to omit the office from the ballot, and this action was opposed to our position.

"As far as we know now it will be on the November ballot, and there are three persons who have filed for the office. We felt there was a serious question here and that instructing the clerk to place the office on the ballot was the safest course to pursue."

egister

ursday, October 2, 1958

nsans New ery In Oil Hearings

Witnesses transported from Arkansas are expected to provide highlights of today's testimony as a State Assembly sub-committee resumes its probe into Orange County tideland dealings.

The hearing, being conducted under the chairmanship of Los Angeles Republican Bruce Allen in the Buena Park city hall, yesterday ran the gamut from the "Solid Gold Cadillac" to a Golden Rule-inscribed gold watch gift.

Allen refused to elaborate on the identity of the Arkansas witnesses although it is known that their testimony will be pertinent to reported dealings with Orange County Counsel Joel Ogle.

The ailing county legal official will not attend the hearings due to a recent attack of pneumonia and pleurisy. While he continues recuperating at his Santa Ana home, former State Bar Assn. president Joe Ball of Long Beach is representing him at the hearing.

Ball's attempt to present a statement on behalf of Ogle was the starting point of a hectic afternoon of testimony which offset a comparatively uneventful morning which saw County Supervisor Cyfe Featherly on the stand for more than two hours.

Featherly was questioned on circumstances regarding the county's entrance into tideland agreements with the Camden Dayton Corp. in 1950 and the American Marine Exploration Co. on Jan. 31, 1956.

Wesley West, multi-millionaire Texan and president of American Marine Exploration Co., "stole the show" with his testimony as a target of interrogation on U. S. Sen. Lyndon Johnson's reported aid in the law suit on the side of the county, and his (West's) action of picking up a mortgage on Ogle's home in late 1957.

The questions and answers got particularly heated on the Sen. Johnson issue with Allen and especially San Francisco assemblyman Casper Weinberger as the major protagonists.

West told the probers that "A member of his staff probably contacted Sen. Johnson's office in Washington" regarding information on an area known as Earthquake Bay.

(It can be generally described as extending from Point Fermin in the San Pedro area to San Juan Capistrano.)

In a story carried exclusively by The Register yesterday, it was disclosed that one of Sen. Johnson's administrative assistants sought an opinion on Earthquake Bay in contacting tideland expert Aaron Shalowitz, special assistant to the director of the U. S. Coast and Geodetic Survey in Washing-



MRS. WILLIAM PARR
(Mystery Man's Wife)



MRS. JOEL OGLE
(County Counsel's Spouse)



CASPER WEINBERGER



Gold Cadillac" to a Golden Rule-inscribed gold watch gift.

Allen refused to elaborate on the identity of the Arkansas witnesses although it is known that their testimony will be pertinent to reported dealings with Orange County Counsel Joel Ogle.

The ailing county legal official will not attend the hearings due to a recent attack of pneumonia and pleurisy. While he continues recuperating at his Santa Ana home, former State Bar Assn. president Joe Ball of Long Beach is representing him at the hearing.



ALICE ANDERSON
(Fount-Ogle Tie-In)

ments with the Camden Dayton Corp. in 1950 and the American Marine Exploration Co. on Jan. 31, 1956.

Wesley West, multi-millionaire Texan and president of American Marine Exploration Co., "stole the show" with his testimony as a target of interrogation on U. S. Sen. Lyndon Johnson's reported aid in the law suit on the side of the county, and his (West's) action of picking up a mortgage on Ogle's home in late 1957.

The questions and answers got particularly heated on the Sen. Johnson issue with Allen and especially San Francisco assemblyman Casper Weinberger as the major protagonists.

West told the probers that "A member of his staff probably contacted Sen. Johnson's office in Washington" regarding information on an area known as Earthquake Bay.

(It can be generally described as extending from Point Fermin in the San Pedro area to San Juan Capistrano.)

In a story carried exclusively by The Register yesterday, it was disclosed that one of Sen. Johnson's administrative assistants sought an opinion on Earthquake Bay in contacting tideland expert Aaron Shalowitz, special assistant to the director of the U. S. Coast and Geodetic Survey in Wash-

ton, D. C.

Shalowitz, in a telephone interview from the Marjorie Hunt in Miami, Fla., said he had been contacted "several months back by Sen. Johnson's office" and prepared the requested analysis.

Shalowitz termed his memorandum as being "ironically, in view of this hubbub, to be in support of the state's tideland contentions not those of Orange County and the American Marine Exploration Co."

During the discussion on the matter, Weinberger and West exchanged bitter words over questions as to whether West had ever given Sen. Johnson presents and the description of such gifts.

Obviously miffed at the inference, the wealthy Houstonite retorted, "As long as you're going to ask questions in that manner, I don't feel obligated to tell this committee anything further about gifts exchanged with the senator . . . our families have been friendly for more than 20 years."

When Weinberger continued to press as to the amounts spent on gifts for the senator, West shot back, "God only knows!"

Following the hearing, West's attorney William Skipwith stated that he felt the request for help from the senator's office was actually pertinent to him.

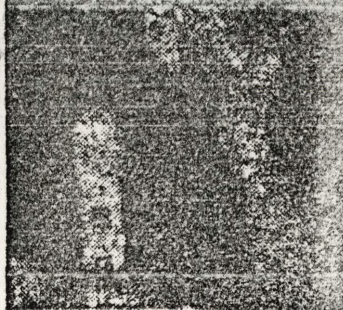
"I went to school with Sen. Johnson's administrative assistant, Walter Jenkins at the University of Texas, and I simply asked for certain advice. This stuff that Shalowitz prepared is available to either side and frankly most of it is a matter of historical record now," Skipwith stated.

West also underwent heavy questioning on a mortgage he currently holds on Ogle's 224 Park Blvd. home in Santa Ana, and the gifts of a high-powered rifle and a gold watch inscribed with the Golden Rule to the county counsel.

West told the committee that he had picked up the \$15,000 house mortgage and lowered its interest rate from 5½ to 3 per cent shortly after Ogle's heart attack in late 1957.

"He (Ogle) expressed some fear that the mortgage was in danger of falling into the hands of some sharpies and so I helped him out," West stated.

The Texan mentioned that Ogle
(Turn to page C2, Column 3)



MRS. JOEL OGLE
(County Counsel's Spouse)



CASPER WEINBERGER
(Questions Gifts)



E. E. PYLES
(Raps Michaels)



PAT MICHAELS
(Newsman Criticized)

New Taxes In State Needed Official Says

The State Legislature may be forced to seek new sources of taxation when it convenes this year because Californians will not compromise the education of their children, said Robert E. McDavid, Southern California member of the Board of Equalization.

McDavid was guest speaker today at the noon luncheon of the Santa Ana Septima Club in the Black Derby restaurant.

He emphasized that the Legislature is facing a grave new situation and may be compelled to enact new tax laws.

"Economists have estimated that this year we will be faced with a \$200 million deficit. This is foreseen because existing revenues of about \$2 billion do not meet the demand for state aid for education, health, welfare and other services," McDavid told the group.

Pointing out the rapid growth of the state, McDavid said that in Southern California alone, a new 52-room school facility will be needed every Monday morning for the next 15 years to cope with the student population.

"And, in addition to this dilemma," he continued, "the people of

California are faced with a vicious and deceptive measure on the Nov. 4 ballot known as Proposition 17."

This proposition would reduce the present sales tax from 3 to 2 per cent and would increase the personal income tax maximum from 6 to 46 per cent, he said.

"This would further decrease our general fund revenue by \$50 million and would have devastating effects on our tax structure."

"The Legislature could, if Proposition 17 becomes law, levy taxes on utility services, and sales tax on gasoline and on food for home consumption," said McDavid.

He also warned that voters be wary of persons who would abolish elective offices such as State Treasurer, Controller and the Board of Equalization. "If these elective offices are done away with, the taxpayers will have lost their last straw of direct representation and control over their taxes."

He revealed that while business was down slightly in most of the state, Orange County's taxable transactions increased \$2½ million in the first quarter of 1958 as compared with the same period in 1957.

Orange Auction Markets

LOS ANGELES (UPI)—Local citrus report as prepared by Federal-State Market News Service:

Oranges and lemons prices unchanged; grapefruit steady.

Grapefruit: Prices unchanged except delete 32s and 36s, add 36s 4.75.

ORANGE AUCTION All Markets:

First Grade:

56	72	83	113	133	163	180
5.78	5.51	5.14	4.85	4.60	4.37	

Second Grade:

56	72	83	113	133	163	180
3.70	3.77	4.15	4.14	4.00	3.98	3.73

Trend: Higher.

LEMONS:

106	126	130	180
3.62	3.83	3.15	2.60
3.62	3.83	3.15	2.60

Trend: About steady.

Arkansas Witnesses Call Oil Suit Hearings Taking

(Continued From Page C1)

had presented him with a "fine transistor model radio."

Gift of a cigarette lighter which West estimated as being "between \$150 and \$250 in value" was also made to Asst. County Counsel Stephen (Cap) Tamura, according to the oil official's testimony.

Sitting in the audience but not called upon to testify was John Lipko, who made the sensation charge at the Aug. 27 hearings that he had paid Ogle \$10,000 in 1955 to "protect" his interests in Camden Dayton Corp.'s dealings with the county.

Lipko's divorced wife was also present under subpoena and it is expected that both will take the stand today sometime.

Mrs. Joel Ogle told the committee of having met the aforementioned Lipko on several social occasions most of which "were marked by his (Lipko's) temper tantrums. She described her husband's accuser as having acted like a "raving maniac" on several occasions including one night when he was in a party planning to attend the "Solid Gold Cadillac" play at the Los Angeles Biltmore Hotel.

Mrs. Ogle, who married the county counsel in 1954, said she had frequently met gambling figure Rhae Foust both in his Newport Beach home and the Ogle's Santa Ana residence in addition to numerous social occasions including a party at the Los Angeles

Santa Ana City Schools Announce Financial Budget For Next Year

(Continued From Page C1)

growth second period, \$21,718; county junior college tuition tax, \$187,067.19; county junior college tuition tax for the prior year, \$1,126.64; district taxes from the secured roll, \$289,964.84; from the unsecured roll, \$29,770.38 and for the prior year, \$3,229.30. "Other income" is listed at \$22,952.77, making the junior college revenue total 739,152.70.

The balance of cash on July 1, 1957 was \$87,124.03, making the total revenue and adjusted balance \$826,276.73.

Breakdown on the junior college expenditures for 1957-58 is as follows:

Administration, \$27,940.74; instruction, \$311,060.41; auxiliary, \$17,665.18; operation, \$108,840.77; maintenance, \$27,146.84; fixed charges, \$30,650.83; transportation, \$61.36; food services, \$1,759.18; community services, \$1,960.65; capital outlay, \$16,924.28 for total expenditures of \$744,610.24. Excess expenditures of \$194,010.29. Excess revenue was listed at \$82,266.49.

but stores took \$8,000 of that, leaving a balance of \$71,266.49.

Accounts payable were listed at \$4,335.77 leaving a net fund balance on June 30, 1958.

In the high school district revenue in 1957-58 was:

Federal subvention, Public Law \$74, \$32,580; federal state apportionments, \$1,617.91; state, basic aid, \$651,023; state, excess expenses for physically handicapped \$8,342; state, excess expenses for mentally retarded, \$9,538; state, transportation expenses for physically handicapped, \$2,948; state, driver training, \$14,490 state, growth first period, \$17,318; state, growth second period, \$34,329; county taxes for solvent credit and trailer fees, \$5,540.74; county taxes prior year, \$8,445.20; district taxes from the secured roll, \$904,890.22; from the unsecured roll, \$90,424.72; district taxes the prior year, \$9,808.44. "Other income" is listed at \$32,497.52 and transfer tuition from other districts at \$402,413.82 for the total revenue figure of \$2,226,311.57.

Cash on July 1, 1957, totalled \$52,393.57; accounts receivable \$41,375.85 and stores, \$18,000 for total assets of \$111,769.42. Accounts payable were \$3,763.7 making the total of cash \$108,004.69. With adjustment to account receivable at \$80.30, the total adjusted balance was \$108,084.99 and the total revenue and adjusted balance for the High School District, \$2,334,286.56.

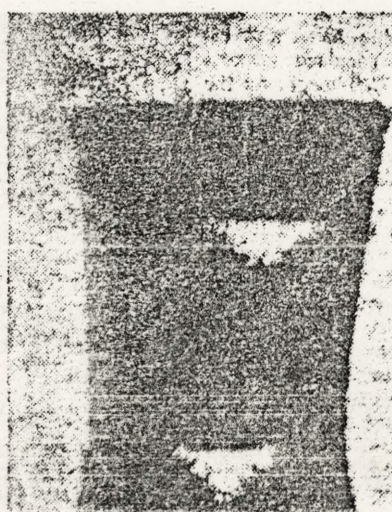
High School District expenditure last year were as follows:

Administration, \$93,988.24; tr

NOW OUR NINTH



...DESMOND'S SANTA ANA IN FABULOUS FASHION SQUARE!



Witnesses Called To Testify in Haelands Hearings Taking Place In Buena Park

Mrs. Joel Ogle told the committee of having met the aforementioned Lipko on several social occasions most of which "were marked by his (Lipko's) temper tantrums. She described her husband's accuser as having acted like a "raving maniac" on several occasions including one night when he was in a party planning to attend the "Solid Gold Cadillac" play at the Los Angeles Biltmore Hotel.

Mrs. Ogle, who married the county counsel in 1954, said she had frequently met gambling figure Rhae Foust both in his Newport Beach home and the Ogle's Santa Ana residence in addition to numerous social occasions including a party at the Los Angeles

Athletic Club. She was queried about various trips she had made during recent years, also.

Marian Parr, wife of "mystery man" William Parr, testified that her husband was believed to be in Kingman, Arizona at the present.

During her testimony, she mentioned that Mr. Parr was currently preparing to operate a resort enterprise in Mexico.

She denied knowledge of anything pertinent to the Seal Beach Airport Club, a gambling casino in which Parr reportedly held a major interest.

Subsequent testimony by West disclosed that Parr owned 15,000 shares of stock in American Marine Exploration Co. which West described as "representing about seven-and-a-half percent."

Another hint of Ogle's alleged connections with Foust came in testimony from Mr. and Mrs. Al Anderson, operators of the Balboa Fun Zone.

Both mentioned that Foust approached them in the early fifties with a deal to buy up land along the coast because "he (Foust) had it set up to make a killing in tideland oil and had made arrangements through the county counsel for such a deal."

Margaret Callaghan, former bookkeeper for Henry F. Foust Sr. of the F and S Sales Co. punchboard enterprise, shed only a very little light as to the recent activities of his son, Rhae Foust, and virtually no enlightenment on his present whereabouts.

She said she was presently staying in Foust's Santa Ana home

while "Rhac and Julia, his wife are away on a trip."

Mrs. Callaghan said she has been in telephone contact with Rhac but had not seen him since early last week.

The full-day's hearing culminated with the appearance of former Station KWIZ newscaster and Orange County News Service reporter Pat Michaels.

He sought to clarify his "public relations work" for American Marine Exploration Co. which was mentioned by the late Frank Evans during the Aug. 26 and 27 hearings.

Michaels was questioned at length as to what sources he used to back up various comment made to the committee including allegations that a certain harbor area paper was under the control of Monterey oil via financial obligation.

E. E. Pyles, top Monterey Co. official, and Newport Beach News Press Publisher (also county supervisor) both testified in refutation of Michaels' charges.

Weinberger was the strongest in his criticism of Michaels' method both in the methods of new gathering and also on his testimony before the committee with out total substantiation for serious charges.

City Schools Announce Budget For Next Year

but stores took \$8,000 of that, leaving a balance of \$71,266.49.

Accounts payable were listed at \$4,335.77 leaving a net fund balance on June 30, 1958.

In the high school district revenue in 1957-58 was:

Federal subvention, Public Law 874, \$32,580; federal state apportionments, \$1,617.91; state, basic aid, \$651,023; state, excess expenses for physically handicapped \$8,342; state, excess expenses for mentally retarded, \$9,308; state, transportation expenses for physically handicapped, \$2,918; state, driver training, \$14,490 state, growth first period, \$17,318; state, growth second period, \$34,329; county taxes for solvent credit and trailer fees, \$5,540.74; county taxes prior year, \$8,445.20; district taxes from the secured roll, \$904,890.22; from the unsecured roll, \$90,424.72; district taxes the prior year, \$9,808.44. "Other income" is listed at \$32,497.52 and transfer tuition from other districts at \$402,413.92 for the total revenue \$402,413.82 for the total revenue figure of \$2,226,311.57.

Cash on July 1, 1957, totalled \$52,393.57; accounts receivable \$41,375.85 and stores, \$18,000 for total assets of \$111,769.42. Accounts payable were \$3,763.7 making the total of cash \$108,004.68. With adjustment to account receivable at \$80.30, the total adjusted balance was \$108,084.99 and the total revenue and adjusted balance for the High School District, \$2,334,286.56.

High School District expenditure last year were as follows:

Administration, \$93,988.24; for

GLOW ON, SIR

NEWPORT BEACH — Police said today that Manual Brilliant really had a "glow on" when he was arrested yesterday on suspicion of drunk driving in Newport Beach.



SECOND — PRODI

Tokay

APES



Senator Lyndon Johnson Named As Active In Tidelands Oil Fight

Directed Preparing Of Opinion

By BILL FARR
Register Staff Writer

U. S. Senator Lyndon Johnson directed the federal government's foremost tidelands expert to prepare an opinion for use in the current Orange County versus California law suit as a favor to multimillionaire constituent Wesley West.

Results of a lengthy investigation by The Register on the Texas senator's action were confirmed today by Aaron Shalowitz, special assistant to the director of the United States Coast and Geodetic Survey.

Shalowitz, the federal government's major expert witness in the United States versus California tidelands case held before a special master of the U. S. Supreme Court, in the early fifties was contacted at the Mar-a-Lago Hotel in Miami, Fla. where he is vacationing.

His office is in the Washington, D. C. headquarters of the U. S. Coast and Geodetic Survey.

Senator Johnson was in the hill country near the Johnson City, Texas, legislative offices and not accessible to a telephone, according to administrative assistant

Of Opinion

By BILL FARR
Register Staff Writer

U. S. Senator Lyndon Johnson directed the federal government's foremost tidelands expert to prepare an opinion for use in the current Orange County versus California law suit as a favor to multimillionaire constituent Wesley West.

Results of a lengthy investigation by The Register on the Texas senator's action were confirmed today by Aaron Shalowitz, special assistant to the director of the United States Coast and Geodetic Survey.

Shalowitz, the federal government's major expert witness in the United States versus California tidelands case held before a special master of the U. S. Supreme Court, in the early fifties was contacted at the Marcellus Hotel in Miami, Fla. where he is vacationing.

His office is in the Washington, D. C. headquarters of the U. S. Coast and Geodetic Survey.

Senator Johnson was in the hill country near the Johnson City, Texas, legislative offices and not accessible to a telephone, according to administrative assistant George Reedy.

Reedy promised to inform the Senate majority leader of the situation and have a statement forthcoming from Johnson as soon as possible.

It is possible that the matter will be taken up during the two-day hearing of the State Assembly sub-committee on tidelands which commenced this morning in Buena Park.

A brief and sketchy reference to Johnson's request was made at the sub-committee's initial hearings Aug. 27 in Los Angeles but was overlooked by the press when John J. Lipko's sensational allegations of a \$10,000 payoff to County Counsel Joel Ogle were made.

Shalowitz cautioned that the sub-committee "might find itself making a mountain out of a molehill" on this matter since it was "merely a routine matter."

The tidelands expert stated, "I want it made clear that the fact this opinion or memorandum was sought through Senator Johnson doesn't mean it was given any preferential treatment."

Shalowitz also stated that the approach to him was not made directly by the senator but rather by an administrative assistant on Johnson's staff whose name he couldn't recall.

The matter was referred to Adm. H. Arnold Karo, director of the U. S. Coast and Geodetic Survey, for authorization before he began work on the project, Shalowitz

(Turn to page C2, Column 1)

Senator Johnson Named In Oil Fight Studies

(Continued From Page C-1)

Witz said.

In the exclusive telephonic interview with Shalowitz, he conceded that "ironically, the memorandum which resulted from this request does anything but favor the Orange County viewpoint. In fact it strongly supports many of the state's contentions. We find that the state has taken the point of view that we (the federal government) took in the U. S. versus California suit which we won. The shoe's on the other foot now, I guess."

The government official also made it clear that the memorandum was available to both sides and also other interested parties since it was a matter of public record.

"There was never any attempt to keep this thing a secret for the purpose of aiding Mr. West's American Marine Exploration Co. which you tell me is involved in the litigation on the side of the county," Shalowitz added.

He continued, "In fact, prior to the Sen. Johnson request a few months back, California's Assistant Attorney General Herbert Wenig was in my office en route back to your state from a London convention and he was given certain documents from our files."

"It should be understood that my opinion, memorandum or call it what you will is not an opinion which takes side. There was no attempt to slant it towards the county's contention in any way. It is merely a statement of facts," Shalowitz commented.

Specifically, Sen. Johnson's request was for an analysis of the status of Earthquake Bay.

According to Shalowitz, Earthquake Bay appears on the U. S. Coast and Geodetic Survey charts only for a brief period of "Maybe ten years in the 1850s or 1860s."

It extended from Point Fermin northwesterly of what is now known as San Pedro Bay to a point on the coast near San Juan Capistrano.

Difference of theory on "what constitutes a bay" is the crux of the law suit filed by the county Dec. 4, 1956 against the state.

Attorneys supporting the county's argument maintain Newport Bay extends from Point Lasuen above Huntington Beach to Dana Point.

They further claim that a 1919 tideland grant by the State Legislature gave the country a right to the entire 43-mile coastline when it referred to Newport Bay.

Asst. Atty. Gen. Wenig and his right hand man, Dep. Atty. Gen. John Hassler, maintain that the tideland grant was limited to Newport Bay "extremities" at Bulkhead 106 in Corona del Mar on the south and the present mouth of the Santa Ana River on the north.

The complex case, which both sides predict will finally be decided by the U. S. Supreme Court, has yet to go to trial due to numerous intervenor's suits and legal maneuvers set before neutral Inyo County Superior Court Judge John P. McMurray.

The American Marine Exploration Co. backed by a group of wealthy Houston investors headed by West, has entered as an intervenor on behalf of the county.

Intervenor's suits supporting the state have been filed by the city



record.
"There was never any attempt to keep this thing a secret for the purpose of aiding Mr. West's American Marine Exploration Co. which you tell me is involved in the litigation on the side of the county," Shalowitz added.

He continued, "In fact, prior to the Sen. Johnson request a few months back, California's Assistant Attorney General Herbert Weng was in my office en route back to your state from a London convention and he was given certain documents from our files.

"It should be understood that my opinion, memorandum or call it what you will is not an opinion which takes side. There was no attempt to slant it towards the county's contention in any way. It is merely a statement of facts," Shalowitz commented.

Specifically, Sen. Johnson's request was for an analysis of the status of Earthquake Bay.

According to Shalowitz, Earthquake Bay appears on the U. S. Coast and Geodetic Survey charts only for a brief period of "Maybe ten years in the 1850s or 1860s."

It extended from Point Fermin northerly of what is now known as San Pedro Bay to a point on the coast near San Juan Capistrano.

Difference of theory on "what constitutes a bay" is the crux of the law suit filed by the county Dec. 4, 1956 against the state.

Attorneys supporting the county's argument maintain Newport Bay extends from Point Lasuen above Huntington Beach to Dana Point.

They further claim that a 1919 tideland grant by the State Legislature gave the country a right to the entire 43-mile coastline when it referred to Newport Bay.

Asst. Atty. Gen. Wenig and his right hand man, Dep. Atty. Gen. John Hassler, maintain that the tideland grant was limited to Newport Bay "extremities" at Bulkhead 106 in Corona del Mar on the south and the present mouth of the Santa Ana River on the north.

The complex case, which both sides predict will finally be decided by the U. S. Supreme Court, has yet to go to trial due to numerous intervenor's suits and legal maneuvers set before neutral Inyo County Superior Court Judge John P. McMurray.

The American Marine Exploration Co. backed by a group of wealthy Houston investors headed by West, has entered as an intervenor on behalf of the county.

Intervenor's suits supporting the state have been filed by the city of Newport Beach, Signal Oil Co., Monterey Oil Co., and the Texas Co.

American Marine Exploration Co. is footing all the legal costs for the county via an agreement entered into with the Orange County Board of Supervisors Jan. 31, 1957.

In return for their financial support, the Texas oil investors would be granted sole leasing and drilling rights on the county's tidelands if the suit is successful.

It is this very contract which is under fire today at the sub-committee hearings in Buena Park. Orange County Assemblymen and Richard Hanna of Westminster are members of the probe group chairmanned by Bruce Allen of

NEWPORT HARBOR
NEWS PRESS

NEWPORT BEACH, CALIFORNIA, MONDAY, SEPT. 29, 1958

HIT TESTIMONY ON OGLE PAYOFF

Oil Official Repudiates Lipko Story As Assembly Prepares to Reopen Quiz

BULLETIN

SANTA ANA (OCNS)—The Assembly subcommittee testimony of John Joseph Lipko that he gave \$10,000 in cash to County Counsel Joel Ogle in connection with a tideland oil contract was repudiated this morning in a letter to the Board of Supervisors by the man who Lipko said witnessed the payoff.

C. E. Lambert, president of the Camden - Dayton Oil Co. in 1955, said in his letter that he had not witnessed Lipko giving money to Ogle at the Statler Hotel three years ago, and he doubts that such a transaction took place.

On August 27th, Lipko told an assembly subcommittee in Los Angeles that he was interested in the Camden - Dayton Co. in 1955, and that he had been instructed to give \$10,000 to Ogle and another \$10,000 to Roy Maggart, in connection with a lease on the county tidelands which the firm held at that time.

His testimony August 27 of an alleged payoff to Ogle has rocked Orange County, and resulted in the board of supervisors requesting that Ogle take a leave of absence.

Lambert's letter written from Denver, Colorado, states that he was interviewed Sept. 7th at Estes Park, Colorado by a deputy investigator of the state assembly subcommittee.

Lambert said that he questions the motive of the subcommittee, other than character assassination. He

committee Committee on Tidelands convenes Wednesday and Thursday in Buena Park.

The two-day hearings will begin at 10 a.m. each day in the city council chambers, said Assemblyman Bruce F. Allen, chairman of the Assembly Interim Judiciary Subcommittee.

The hearing is set for continuing study of the tidelands oil contract entered into between (See HEARINGS Page A-2)

n
c
S
d
r
c
b
n
g
c
E
u
ir
n
b
C
C
n
to
s
tl
b
s
n

HIT TESTIMONY ON OGLE PAYOFF

Oil Official Repudiates Lipko Story As Assembly Prepares to Reopen Quiz

BULLETIN

SANTA ANA (OCNS)—

The Assembly subcommittee testimony of John Joseph Lipko that he gave \$10,000 in cash to County Counsel Joel Ogle in connection with a tideland oil contract was repudiated this morning in a letter to the Board of Supervisors by the man who Lipko said witnessed the payoff.

C. E. Lambert, president of the Camden - Dayton Oil Co. in 1935, said in his letter that he had not witnessed Lipko giving money to Ogle at the Statler Hotel three years ago, and he doubts that such a transaction took place.

On August 27th, Lipko told an assembly subcommittee in Los Angeles that he was interested in the Camden - Dayton Co. in 1935, and that he had been instructed to give \$10,000 to Ogle and another \$10,000 to Roy Maggart, in connection with a lease on the county tidelands which the firm held at that time.

His testimony August 27 of an alleged payoff to Ogle has rocked Orange County, and resulted in the board of supervisors requesting that Ogle take a leave of absence.

Lambert's letter written from Denver, Colorado, states that he was interviewed Sept. 7th at Estes Park, Colorado by a deputy investigator of the state assembly subcommittee.

Lambert said that he questions the motive of the subcommittee, other than character assassination. He also said that Lipko's testimony has done irreparable damage to Orange County and its board of supervisors.

Finger-pointing John Lipko, bounce suspect who last month told subcommittee investigators he had paid \$10,000 to County Counsel Joel Ogle three years ago in connection with renegotiations of an oil contract with the County, will be a star witness when the State Assembly Sub-

committee Committee on Tidelands convenes Wednesday and Thursday in Buena Park.

The two-day hearings will begin at 10 a.m. each day in the city council chambers, said Assemblyman Bruce F. Allen, chairman of the Assembly Interim Judiciary Subcommittee.

The hearing is set for continuing study of the tidelands oil contract entered into between
(See HEARINGS Page A-2)

n
c
S
d
r
c
b
s
g
c
E
te
ir
ri
b
C
C
ir
ti
s
ti
b
s
n
A
v
n
s

c
s
s
t
t
b
c

HEARING

(Continued from Page A-1)

Orange County and the American Marine Exploration Co., Inc., on the County's disputed claim to its tidelands.

Among witnesses to appear are Wesley West, exploration company president and Texas oil and lumberman; and members of the Orange County Board of Supervisors.

The hearings began Aug. 27-28 at the State Building in Los Angeles. At the session, Orange County was rocked by the testimony of Former Oilman Lipko that he had given the \$10,000 sum to Ogle. Lipko is now being held in Los Angeles County on a grand theft charge.

WITNESS DIES

Other witnesses who appeared before the Assembly subcommittee to testify on negotiations in Orange County included Frank Evans, Santa Ana shoe store manager and would-be public relations man who died of a heart attack on Saturday.

Evans had been requested to return to the hearings when they resumed. The shoe clerk recanted in his testimony a letter in which he stated he had been able to establish "favorable" relations with press of the county for American Marine.

Also appearing at the August hearing was Mrs. Rhae Foust, wife of the Orange County oil promoter. She testified as to details of cashing two checks from American Marine in October 1956.

Earl Hightower, Los Angeles attorney who drew the American Marine lease, Jack Crawford and Wilton Crawford, Long Beach oil promoters, were also among those who appeared in August.

Ogle, controversial county counsel, was reported still confined to his home after a heart and pleurisy attack several weeks ago. It was still a question as to whether or not he would appear at Buena Park.

The counsel has not been served with a subpoena although named in such a document by the Assembly subcommittee. He was present in Los Angeles as a parade of witnesses named him in various connections with the oil leases.

Ogle has professed innocence and stated he was acting "in the best interests of the people" of Orange County.

Subcommittee members attending the hearings include Allen, Phillip Burton, Richard T. Hanna, Allen Miller, John A. O'Connell, Bruce Suraner, Howard J. Thelin and Caspar W. Weinberger.

Reports from Buena Park indicated that city officials are preparing for the hearings and regard them as one of the biggest events of recent months.

Nine reservations have already been made at the press table by Orange County newsmen. Another half-dozen requests for space are expected from Los Angeles scribes.

Cyclist Injured

A 10-year-old Costa Mesa girl received serious injuries late Friday afternoon when she apparently slipped on the slick pavement while riding her bike.

Lotre Langdow was treated for a lacerated hip, a skinned and bruised face and a possible brain concussion at Hoag Hospital.

According to a witness, she was riding her bike in front of 327 W. 14th St. Costa Mesa.

County in America—the nation's tight spot. And in our area, we are to feel that our savers are responsible for a great portion of that growth. For it is their funds, invested in prime first class deeds, that have made possible such developments as West-iff, the first and second Irvine erraces and Lido Sands, as well as many individual homes and office buildings."

Today's N. Y. Stock Report

Stock market report direct from private wire of Shearson-Ammill & Co., 1:30 EST by Lucille Thompson.

DOW-JONES AVERAGES

Industrials	528.57 up 1.74
Rails	142.63 up .83
Utilities	80.17 dn .06
1 P.M. Volume	2,460,000
American Smelting	48 1/4
American Telephone	191 3/4
Alcoa	55 3/4
A Chrysler	58
JPont	199
General Electric	66 1/4
General Motors	48 1/4
Great Northern R.R.	45 1/4
N. Y. Central	23 3/4
Montgomery Oil	30 1/2
McLair Oil	60 3/4
Standard Oil of Calif.	54 1/4
Transamerica	27 1/2
U. S. Steel	79 3/4

FEATURE LARGER HOMES — There are new homes under construction at Harbor Highlands on the new Dover Drive. Mellott is completing model homes with construction Company crews and will feature larger houses. Pictured above is a partially completed 5 bedroom, two bathroom of several such large houses planned in the Mellott News-Press Photo

BLAST

(Continued from Page A-1) and lifted from the burden on the "blast" was a "blast" of

Group to Meet

The Central Newport Beach Community Association will resume its activities, scheduled for