



FEDERAL BUREAU OF INVESTIGATION

**ARMAND HAMMER/
OCCIDENTAL PETROLEUM**

PART 9 OF 12

FILE NUMBER: 46-61658

46-61658

Occidental
Petroleum
Corp.



UNITED STATES DEPARTMENT OF JUSTICE

FEDERAL BUREAU OF INVESTIGATION

In Reply, Please Refer to
File No.

11000 Wilshire Boulevard
Los Angeles, California 90024
July 18, 1973

Mr. William D. Keller
United States Attorney
U. S. Department of Justice
U. S. Courthouse, Room 1269
Los Angeles, California 90012

RE: Occidental Petroleum
Corporation
Fraud Against the
Government

Attention: AUSA Elgin C. Edwards

Dear Mr. Keller:

67C This is to confirm a conversation between Special Agent [REDACTED] of this office and Assistant United States Attorney Elgin C. Edwards of your office on July 13, 1973, in which the following was discussed:

Mr. Edwards had requested investigation regarding an allegation of fraud Kerr Mc Gee Chemical Corporation against Occidental Petroleum Corporation by letter dated June 29, 1973.

During the above conversation Mr. Edwards stated that the request had inadvertently been sent to the Federal Bureau of Investigation because he has determined the same factshas previously been investigated by the Federal Bureau of Investigation, and that Assistant United States Attorney John M. Newman, Jr., indicated the facts developed did not indicate any specific violation of the fraud statutes which would warrant criminal prosecution, and according to the attorney mentioned in the original affidavit was hearsay with no new documentation. Assistant United States Attorney Newman referred the matter at that time back to the Civil Division of the Department of Justice for handling.

① Bureau

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Mr. Edwards advised that no further investigation was necessary at this time with regard to this matter.

In view of the above, this case is being returned to a closed status.

Very truly yours,

Joe D. Jamieson

JOE D. JAMIESON

Assistant Director in Charge

FEDERAL BUREAU OF INVESTIGATION

REPORTING OFFICE LOS ANGELES	OFFICE OF ORIGIN LOS ANGELES	DATE 10/1/71	INVESTIGATIVE PERIOD 8/18/71 - 9/3/71
TITLE OF CASE OCCIDENTAL PETROLEUM CORPORATION		REPORT MADE BY [REDACTED]	TYPED [REDACTED]
		CHARACTER OF CASE FAG	

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4

ACCOMPLISHMENTS CLAIMED						<input checked="" type="checkbox"/> NONE	ACQUIT- TALS	CASE HAS BEEN:
CONVIC.	AUTO.	FUG.	FINES	SAVINGS	RECOVERIES			
								PENDING OVER ONE YEAR <input type="checkbox"/> YES <input checked="" type="checkbox"/> NO PENDING PROSECUTION OVER SIX MONTHS <input type="checkbox"/> YES <input checked="" type="checkbox"/> NO
APP. [Signature]						SPECIAL AGENT IN CHARGE		DO NOT WRITE IN SPACES BELOW
COPIES:						4 - Bureau 1 - USA, Los Angeles 1 - Los Angeles (46-10329) 1 - copy made & forwarded to MR. LAWRENCE H. O'NEILL, c/o Solicitor off. Div. of Public Lands, Dept. of Interior Antenna Bldg. Wash. D.C. 20240 - 10/1/71		61658 15 OCT 4 1971 EX-103
Dissemination Record of Attached Report						Notations		
Agency	1cc Antenna 2cc RAO					STATE SECT. [Signature]		
Request Recd.	6-20 OCT 26 1971							
Date Fwd.	10/1/71							
How Fwd.	JS							
By								

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UNITED STATES DEPARTMENT OF JUSTICE
FEDERAL BUREAU OF INVESTIGATION

Copy to: 1 - USA, Los Angeles

Report of: [REDACTED] b7c

Date: 10/1/71

Office: Los Angeles

Field Office File #: 46-10329

Bureau File #:

Title: OCCIDENTAL PETROLEUM CORPORATION

Character: FRAUD AGAINST THE GOVERNMENT

Synopsis: AUSA, Criminal Division, Los Angeles, advised the Civil Division of the USA's Office was handling a suit involving a complaint filed by the Kerr-McGee Chemical Corporation concerning the issuance of Sodium Leases to Occidental Petroleum Corporation by the Department of the Interior. The Civil Division received an affidavit from PETER J. NICKLES of Kerr-McGee concerning a telephone call from an attorney named JIM ROSS who claimed he had a client who had information having a direct bearing on the suit. ROSS turned the phone over to an unidentified spokesman who advised he had written documents that would show a fraud on the Government by Occidental and envisioned a two-step deal for the documents that would involve a price for delivery of the documents and further consideration if the documents proved valuable to Kerr-McGee. AUSA requested that Attorney ROSS be contacted to identify his client so that a determination could be made as to the existence of any violation of the Fraud Statutes. ROSS was interviewed and declined to identify his client. He said the information of his client was hearsay and he was not aware of any documents in the possession of his client. He stated the word "fraud" was not used by his client and was injected into the conversation by attorney NICKLES. AUSA declined to consider criminal prosecution and was referring the matter back to the Civil Division.

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DETAILS:

This investigation was predicated upon receipt of the following information from Assistant U.S. Attorney JOHN NEWMAN, JR., Complaint Unit, Criminal Division, Los Angeles on August 18, 1971.

NEWMAN advised the Civil Division of the U. S. Attorney's Office was handling a suit wherein the Kerr-McGee Chemical Corporation filed a complaint concerning the issuance of Sodium Leases to the Occidental Petroleum Corporation by the Department of the Interior. The defendants in the suit were ROGERS MORTON, Secretary of the Interior; Occidental Petroleum Corporation; WILLIAM R. WHITE; MAURITZ J. KALLERUD; and HOWARD J. WINTERBOTTOM. The Civil Division referred for criminal consideration an affidavit of PETER J. NICKLES of the Kerr-McGee Chemical Corporation which is as follows: and requested that attorney JIM ROSS be contacted to identify his client so that a determination could be made as to whether a violation of the Fraud Against The Government Statutes existed.

1 IN THE UNITED STATES DISTRICT COURT
2 FOR THE CENTRAL DISTRICT OF CALIFORNIA
3

4 KERR-McGEE CHEMICAL CORP.

NO. 71-1852-F

5 Plaintiff,

6 vs.

7 ROGERS MORTON,
8 Secretary of the Interior;
9 OCCIDENTAL PETROLEUM
CORPORATION; WILLIAM R.
WHITE; MAURITZ J. KALLERUD;
10 HOWARD J. WINTERBOTTOM,
11

12 Defendants.

COMPLAINT FOR TEMPORARY
RESTRAINING ORDER, PRELIMINARY
INJUNCTION, PROHIBITORY AND
MANDATORY INJUNCTION, AND
DECLARATORY AND OTHER RELIEF
TO ENJOIN INTERIOR SECRETARY
FROM ISSUING SODIUM LEASES
UNDER MINERAL LEASING ACT
30 U.S.C. § 181 ET SEQ.

13 AFFIDAVIT

14 WASHINGTON, D.C.) SS:
15

16 I, PETER J. NICKLES, hereby depose and say:

17 This affidavit is made of the affiant's personal
18 knowledge and if called to testify, he would testify as follows:

19 1. On Wednesday, August 11, about 3:30 p.m., I re-
20 ceived a phone call from a Mr. Jim Ross of Los Angeles, Cali-
21 fornia. He stated that he was an attorney and represented a
22 client who had information that had a direct bearing on the
23 position taken by the plaintiff, Kerr-McGee Chemical Corporation
24 with respect to the alleged violations by Occidental of the
25 acreage limitations contained in Section 184 of the Mineral
26 Leasing Act.


27 2. Mr. Ross turned the phone over to a man who desig-
28 nated himself as the spokesman for a small group that had infor-
29 mation that, to use his words, would "negate the Occidental
30 position in Searles Lake, California." This individual would
31 not give his name and he and the members of his group remain-
32 unknown to the affiant. - 3-

1 3. The affiant questioned the spokesman as to the
2 nature of his interest in this proceeding and the nature and
3 type of information which the spokesman possessed. Upon
4 questioning, the spokesman stated that he had written documents
5 that would show a fraud on the Government by Occidental. The
6 spokesman went on to say that he envisioned a two-step deal for
7 the documents that would involve a price (unspecified) for
8 delivery of the documents and further consideration if the docu-
9 ments proved valuable to Kerr-McGee in winning this action.

0 4. Mr. Ross gave his phone number as 213-626-8605
1 and asked me to call if we were interested in the documents.
2 I have not returned the call.

3
4
5 
Peter J. Nickles

6 Sworn to and subscribed before me this 11th day of
7 August, 1971.

8
9
10 
11 Notary Public
12 My Comm. Expires Oct. 31, 1972

FEDERAL BUREAU OF INVESTIGATION

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Date 9/2/71

Attorney JAMES G. ROSS, Resident Counsel, Walt Disney Productions, 1313 Harbor Boulevard, telephone number (714) 533-4456, furnished the following information:

During the first part of August 1971, ROSS had a client contact him and this client requested that ROSS represent him in making contact with Kerr-Mc Gee Chemical Corporation. ROSS explained that his client did not know how to approach these individuals and therefore asked ROSS to represent him.

ROSS stated that he then made a telephone call from his office to Washington, D. C., and talked with an Attorney NICKLES. He then put his client on the phone and his client talked to Attorney NICKLES.

ROSS stated that his client wanted to remain anonymous and therefore did not furnish his name to Attorney NICKLES. The information that ROSS' client has is heresay information and ROSS was not aware of any documents in the possession of his client with respect to this matter. ROSS stated that the word "fraud" was not used by his client and was injected into the conversation by Attorney NICKLES.

ROSS stated that his client had no personal information or knowledge regarding this court action and that the information received by his client was information obtained from other individuals. ROSS explained that his client felt that he had information that would be of help to the plaintiff in the court action and not to the U. S. Government.

ROSS stated he would contact his client to determine if he wanted to furnish information to the FBI regarding this matter.

ROSS then telephonically contacted the Santa Ana Resident Agency of the FBI and advised he had contacted his client and his client had advised that he wanted to remain anonymous and declined to be interviewed or furnish information to the FBI.

On 8/30/71 at Anaheim, California File # Los Angeles 46-10329
by SA [REDACTED] 674 Date dictated 8/31/71

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On September 3, 1971, this matter was discussed with Assistant U.S. Attorney JOHN NEWMAN, JR., who advised he was referring the matter back to the Civil Division for handling. The facts developed did not indicate any specific violation of the Fraud Statutes which would warrant criminal prosecution and according to the attorney mentioned in the original affidavit was hearsay with no documentation. Further there was no way to require the attorney to divulge the identity of his alleged client.