

~~CONFIDENTIAL~~

400751

DRAFT
SWJosephson/ejc
4/12/60

Handwritten notes:
The Suite 6M
by D. Ink.
Progress
check
(4/21)
Sent to Chairman
by A.M.

Dear Mr. Gates:

Handwritten note:
May EPG Cost
Planning

In Acting Chairman Floberg's August 29, 1959 letter to Secretary McElroy and in your October 29, 1959 letter to me the AEC and DoD established agreement that the Eniwetok Proving Ground (EPG) activity could be reduced in scope to a 12-month readiness status. That, of course, has since been accomplished.

Because the likelihood of resuming surface nuclear testing at EPG in the future is so small, Chief, DASA, Commander, JTF-7, and the Director of Military Application, AEC, last month appointed a Joint Study Group to reappraise requirements for EPG, and readiness status and functions of JTF-7. The report of that Joint Study Group, short title RETO, prepared on March 31, 1960, concluded, in part, that the EPG should be placed in a caretaker status. I concur in that conclusion and would like to implement it as soon as practicable in order to further reduce AEC costs at EPG.

In the coming months we may find that the AEC ~~programmatic~~ ^{programmatic} need for the EPG will disappear completely. If the Department of Defense has requirements for retaining Eniwetok and Bikini Atolls, it would be economically advantageous to arrange a non-reimbursable interdepartmental transfer of the plant facilities and the equipment out there before the AEC puts the Proving Ground in caretaker status. Otherwise, when the equipment and supplies now stored at EPG are declared excess, probably several million dollars worth will be disposed of -- equipment which might handily fulfill possible DoD requirements in the EPG.

Therefore, I would appreciate knowing ^{by 12:00} of your interest in ~~retaining~~ ^{acquiring} the EPG for possible DoD use. Additionally if the DoD has no requirement

This material contains information affecting the national defense of the United States within the meaning of the espionage laws, Title 18, U.S.C., Secs. 793 and 794, the transmission or revelation of which in any manner to an unauthorized person is prohibited by law.

DEPARTMENT OF ENERGY DECLASSIFICATION REVIEW	
DETERMINATION (CIRCLE NUMBER(S))	
1. CLASSIFIED - NOT RETAINED	
2. CLASSIFIED - NOW CHANGED TO	
3. CONFIDENTIAL - ONE CLASSIFIED INFO	
4. CONFIDENTIAL - SOURCE	
5. CONFIDENTIAL - SOURCE	
6. CLASSIFIED INFO BRACKETED	
1ST REVIEWER DATE: 4/12/60	AUTHORITY: 48 CFR 1.101
NAME: K. J. [unclear]	
2ND REVIEWER DATE: 4/12/60	AUTHORITY: AEC
NAME: D. [unclear]	

5005349

~~CONFIDENTIAL~~

02090

for the EPG, your concurrence is requested in removing ^a specified degree
of readiness for test resumption there, so that the Commission can ^{begin immediately to} dispose
of the equipment now stored in EPG and place the plant facilities in
caretaker status until ←
complete withdrawal is indicated.

Chaunien McLong

2091