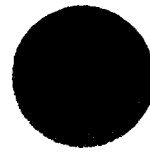


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CONFIDENTIAL

April 22, 1960

Dear Mr. Gates:

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 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 May 15 of your interest in acquiring the EPG for possible DoD use. Additionally if the DoD has no requirement for the EPG, your concurrence is requested in removing a specified degree of readiness for test resumption there,

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AUTHORITY: DOE/SA-20

BY R.S. DEWEY, DATE:

6/10/94

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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.

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CLASSIFICATION CANCELLED

BY AUTHORITY OF DOE
BY Superintendent DATE 7/7/77

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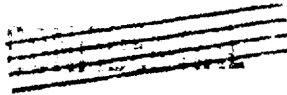
so that the Commission can begin immediately to dispose of the equipment now stored in EPB and place the plant facilities in caretaker status until complete withdrawal is indicated.

Sincerely yours,

(Signed) John A. McCone

Chairman

Honorable Thomas S. Gates
Secretary of Defense



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SEC DEF CONT NO. 5-452

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