

**SECRET**

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copy 5 of 5

25X1

13 April 1956

**MEMORANDUM FOR: Ted Anderson**

**SUBJECT: Audits under Project AQUATONE**

25X1 1. As you know, Walt and I, along with [redacted]  
25X1 talked with [redacted] Room 4C1075 Pentagon, recently  
25X1 on the subject of the Air Force furnishing cleared auditors for  
25X1 AQUATONE. [redacted] so agreed.

25X1 2. On April 12 [redacted] and I, again with [redacted]  
25X1 visited with [redacted] about this matter. The General  
25X1 introduced me to [redacted] his top civilian for the  
Western Audit District who will be our liaison officer for audits  
for all AF and Navy contracts. He will be the only auditor to be  
knowledgeable of our association.

25X1 3. The pertinent facts re: [redacted] are as follows:  
25X1

[Large redacted block]

25X1 4. I will be in touch with [redacted] again next week (about  
25X1 19-20 April) since he is on two weeks military duty (Lt.Col.) here as  
an assistant to [redacted] I would like for you to attend  
the meeting with me to discuss security problems involved.

[Redacted block]

**Distribution:**

- Orig - [redacted]
- 2 - [redacted]
- 3 - GFK
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GFK:lmw (13 Apr 1956)

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