

230

DISPATCH	CLASSIFICATION SECRET SECRET	PROCESSING ACTION	
			MARKED FOR INDEXING
TO Chief, WH Division		XX	NO INDEXING REQUIRED
INFO.			ONLY QUALIFIED DESK CAN JUDGE INDEXING
FROM Chief of Station, Mexico City			MICROFILM
SUBJECT LIEMPTY Project Renewal			

ACTION REQUIRED - REFERENCES

1. Project LIEMPTY expires on 30 November 1964. Forwarded herewith and under separate cover in split transmission is the Request for Renewal of Project LIEMPTY.
2. It is requested that Project LIEMPTY be renewed for the period 1 December 1964 through 30 November 1965 for the amount of \$45,300. Of this total, \$27,675 should be allotted for FY 1965 and \$17,625 for FY 1966.

for permission
Willard C. CURTIS

65 program 60,000

RECORDS OFFICER STAMP
The following action is authorized: *de-Kapit*

Signed: *Chris Palmer*
R.O. #630 - Unit *watt/R*

Note: If destruction, cite reasons and coordinate if appropriate.

Attachment:
Left hand side h/w
Right hand side usc

Distribution:
3 C/WHD w/att

ES COPY

50-6-74/1

CROSS REFERENCE TO	DISPATCH SYMBOL AND NUMBER HMMA-24650	DATE 29 October 1964
	CLASSIFICATION SECRET SECRET	HQS FILE NUMBER 50-6-74/1

~~SECRET~~

REQUEST FOR RENEWAL

PROJECT LIEMPTY

I. CURRENT OBJECTIVES AND RELATED PROJECT ACCOMPLISHMENTS.

A. The overall objective of the LIEMPTY project activity is to collect operational information on the LIMERICK installation and personnel, as well as related targets of opportunity, through stationary and mobile photographic and physical surveillance coverage. Corollary objectives which are to be fulfilled through the use of the LIEMPTY installations and personnel are as follows:

- 1) To provide operational information pertaining to the daily activities and movements of LIMERICK personnel, particularly those individuals of intelligence interest, as well as information on the LIMERICK physical facilities and visitors to the premises.
- 2) To collect operational information pertaining to other targets of opportunity, other official installations, and persons of intelligence interest operating in Mexico.
- 3) To provide operational support and other protective services to Station personnel and operations as may be deemed necessary.

B. The above objectives are to be fulfilled through the use of the LIMITED, LILYRIC, and LICALLA fixed installations, the LIENIRAP mobile unit, and the services of contract agents Raymond H. GERENDE and Oliver G. SCANTLING. These objectives are in consonance with and represent partial fulfillment of the following sections of the current Related Mission Directive as approved for Mexico City Station:

Priority A, Section 1, Subsection e
Priority A, Section 2, Subsection c

C. Throughout the period under review, Project LIEMPTY continued to contribute directly and significantly to the fulfillment of Station and Headquarters' requests and requirements for coverage of various targets falling within the framework of the above cited objectives and the Related Mission Directive. Specific examples of LIEMPTY progress, accomplishments and contributions by each project component are as follows:

1) LIMITED

Throughout the reporting period, until operational activity was terminated and the photographic equipment evacuated from the LIMITED basehouse on 26 September 1964 (because of security implications stemming from the release of the Warren Commission report, see Section II, CHANGES), the LIMITED installation provided daily photographic coverage and physical surveillance of the main gate of LIMERICK installation during the afternoon and early evening hours. The Station considers the LIMITED photographic

29 Oct. 1964

50-6-74/1

44-1-HMMMA-24650

~~SECRET~~
GROUP 1
Excluded from automatic
downgrading and
declassification

CS COPY

~~SECRET~~

-2-

coverage an essential and reliable tool for following the daily activities of the target personnel and the arrival and departure of visitors, some of whom have been PBRIMERS. In addition, the LIMITED installation provided a fixed radio dispatch base for the LIEMBRACE team. Because of the extremely tight security measures instituted by the local security forces in the immediate vicinity of the LIMERICK installation, stakeouts by the unilateral surveillance team are precluded. However, with LIMITED personnel dispatching the team from positions removed from the protective security ring, onto targets departing the installation, surveillance coverage is made possible.

2) LILYRIC

The LILYRIC installation also provided photographic and fixed visual surveillance of the front of the LIMERICK installation throughout the period under review, during the morning and early afternoon hours. This photographic coverage and the written logs of the movement of LIMERICK personnel prepared by LILYRIC personnel, complements the LIMITED coverage used by the Station in its KUDESK operations against the LIMERICK target and has been judged to be of equal quality and value to the LIMITED coverage.

3) LICALLA

The LICALLA installation continued to provide coverage of the back of the LIMERICK installation, the garden, and patio area where many of the personnel and their families congregate. This coverage gives the Station its real insight into the LIMERICK target and provides a large part of the information on which the Station bases its identification of LIMERICK staffers, their rank and positions, the staffing estimates, and the intelligence connections of the various officers. In addition some information of LAURICLE interest is provided by LICALLA (see paragraph 2, section f of HMA-24235 dated 2 September 1964 for further details).

4) LIENTRAP

A greatly increased use of the LIENTRAP unit was evidenced throughout the period under review. This asset was employed extensively for photographic coverage of PCM Headquarters, the PCM Women's Congress, the homes of PCM members and the residences of foreign Communist exiles in Mexico. Much of this coverage was in support of past or planned recruitment attempts and was needed to provide identifications of other local or visiting Communists. Specifically LIENTRAP coverage assisted in the identification and the verification of the address and contacts of LIXIDE-1, prior to the Station's successful recruitment of this high-level PCM member. The section primarily responsible for the Station's anti-PCM activity has classified the LIENTRAP coverage as a most "valuable" part of their effort.

~~SECRET~~

~~SECRET~~

-3-

5) PHOTO COVERAGE - GENERAL

During the 9 month period from 1 November¹⁹⁶³ to 1 August 1964, the LIEMPTY project produced approximately 770 rolls of operational still photographs, of which 595 rolls were directly concerned with the LIMERICK target. This coverage, linked with the daily logs kept by the basehouse keepers of the activities of the LIMERICK personnel, while continually contributing to the Station's regular CE effort, has been particularly effective during crisis times such as the GPFLOOR investigations. While the photographic coverage is used almost exclusively for Station operations in the LIMERICK area, LIEMPTY has also provided direct support to other operations such as providing verification of a double-agent's visits to the LIMERICK installation.

6) Oliver G. SCANTLING

During the period 1 December 1963 through 30 August 1964, long-term Station asset, Oliver G. SCANTLING (ps) continued as the cutout to the LIMITED basehouse, and made his regular contribution as the alternate contact of LICASA-1 in this sensitive LAURICLE operation. SCANTLING also performed numerous pretext investigations, serviced accommodation addresses, and prepared formal casing reports. Of particular significance were SCANTLING's regular checks of the accommodation address used in the sensitive AEIMPULSE operation, the thorough investigation of a former SMOTH agent of interest to KUBARK, and detailed casings of the Chinese Communist Fair. (See also Section VI, PLANS, for SCANTLING's future operational assignment).

7) Raymond H. GERENDE

During the period under review, GERENDE continued in his assignment as the Station cutout to the LILYRIC and LICALLA basehouses, the LIENIRAP unit and as the processor of the raw photographic take, and with the assistance of LIEMPTY-10, continued to provide and service the majority of the accommodation addresses used by the Station. The contributions made principally by GERENDE (and to a limited extent by SCANTLING) to the sensitive AMROD operation can accurately be described as unique and essential to the success of that operation. Although this activity is necessarily a Headquarters directed effort, the local contributions of GERENDE and SCANTLING are integral ingredients of that operation.

- D. It will be noted from the above samples of LIEMPTY contributions to the Station's progress towards fulfillment of the pertinent sections of the Related Mission Directive, that notwithstanding their demonstrable value and importance, these contributions actually represent only a portion of the activity directed towards the fulfillment of each objective. Therefore, any precise measurement of project progress is precluded. However, based on the performance and overall contributions of the LIEMPTY project during the past project year, the Station concludes that this project is essential to the fulfillment of the Related Mission Directive and must be continued during the forthcoming project year.

~~SECRET~~

SECRET

-4-

II. CHANGES

- A) On 24 September 1964, the Station was informed by Headquarters that a LIEMPTY project photograph which was one of several supplied to the Warren Commission in November 1963, would be published in that Commission's formal overt report. Since LIMERICK officials would undoubtedly be able to recognize the individual in the photographs as a visitor to their installation and with a view towards the attendant possible security problems, the LIMITED, LILYRIC, and LICALLA operations were suspended on 26 and 27 September and all photographic and other compromising equipment was evacuated from these basehouses. All basehouse personnel were briefed in general on the situation and specifically on how to cope with any possible inquiries from Government officials or LIMERICK inspired or prompted newsmen. Complete emergency communications systems were arranged for all basehouse personnel, Raymond H. GERENDE and Oliver G. SCANTLING. Upon receipt by the Station of a copy of the photograph, it was determined that the LIMITED basehouse had provided the photograph in question. This consideration, linked with further analysis of the limitations upon any counteractions available to LIMERICK officials, allowed the Station to re-activate the LILYRIC and LICALLA bases on a phased basis in early October 1964. However, because LIMITED was the originator of the to-be-published photograph and due to the age and deteriorated condition of the LIMITED property (owned by KUBARK), Station Mexico City did not reactivate LIMITED and presented to Headquarters a plan for the demolition of the present LIMITED structure with recommendations for the construction of a new building complex. (See MEXI 1307 dated 20 October 1964 for additional details).
- B) In accordance with paragraph 2 of HMMW-12297 dated 28 January 1964, the value and productivity of all assets under Project LIEMPTY was closely reviewed against the necessary security and efficiency requirements. It was determined that LIEMPTY-12 and LIEMPTY-8 could be terminated without causing intolerable gaps in operational coverage or an unacceptable decrease in efficiency. Both LIEMPTY-12 and LIEMPTY-8 were terminated on 30 June 1964; at the same time, in keeping with the ODYOKE economy program, a further effort was made to reduce the costs of this project by placing LIEMPTY-19 on an hourly rate for work performed for the Station.
- C) On 30 September 1964, the field Case Officer responsibility for Project LIEMPTY was transferred from Jeremy L. NIARCOS to Cornelius L. PEUVION; however, the analysis of the finished take from the photographic basehouses continues to be performed by Robert B. RIGGS.

III. EFFECTIVENESS

The effectiveness of the LIEMPTY project must be judged on the basis of the reliable daily coverage provided rapidly and securely for the Station and interested Headquarters' components on the LIMERICK installation; the rapid mobile coverage provided regularly by LIENTRAP; and the support to these and other operations provided by Raymond H. GERENDE and Oliver G. SCANTLING. (See Section I, Subsection C for specific examples of this effectiveness).

~~SECRET~~

-5-

In the opinion of Station officers who use the LIEMPTY photographic product or receive LIEMPTY operational support, this project has responded most satisfactorily to the needs and requirements.

IV. PROBLEMS

- A) The only major operational/security problems which confronted project LIEMPTY during the period under review were the security implications stemming from the release of the overt Warren Commission report. (See paragraph II, Section A). The precise damage occasioned locally by the report, cannot be measured until the mid-November release of the report annex containing the actual LIMITED photograph. During the interim period, the emergency contact systems are being maintained in readiness, the cover stories of all personnel involved have been reviewed and strengthened, and no undue concern has been displayed by any of the project personnel. Potential Station countermeasures to the possible LIMERICK reaction to the publication of the subject photograph were outlined in NEKI-1018 dated 25 September 1964.
- B) No unusual personnel problems have arisen and the overall performance of all agents connected with this project has been satisfactory.

V. LIAISON AND INTERAGENCY COORDINATION

Not applicable.

VI. PLANS

- A) The future of the LIMITED basehouse, property and personnel will be determined within the near future. (See Section 2, subsection a). Station has acquired another apartment on a temporary basis in the LILYRIC complex to replace the loss of LIMITED coverage and it will be activated after the acquisition and clearance of basehouse keepers.
- B) No basic changes are contemplated in either the administration or operation of the LICALLA or LILYRIC bases. Station will again initiate motion picture coverage of selected LIMERICK personnel engaged in conversation in the garden area in an attempt to obtain film which will lend itself to lipreading by Headquarters' specialists.
- C) The Station plans to maintain the increased level of LIENTRAP operational activity, with this asset being targetted in the near future against the Partido Popular Socialista (PPS) in support of the Station's new PPS penetration program.
- D) Effective on 1 September 1964, Raymond H. GERENDE assumed the cutout role and responsibility for the LIMITED basehouse in addition to his other operational duties outlined in Section I. No other basic operational or administrative changes are planned for GERENDE for the ensuing period.
- E) The removal of Oliver G. SCANTLING as the cutout to the LIMITED basehouse was a result of the recent death of his wife, his pending trip to Japan as sa and the Station's desire to give more operational responsibility to Raymond H. GERENDE. After SCANTLING's

~~SECRET~~

~~SECRET~~

return from Japan, he will assume operational duties and responsibilities in an activity not connected with Project LIEMPTY. Therefore, salary and operational expenses for SCANTLING are programmed for six months only.

- F) Other than presented above, Mexico City Station plans no other significant project changes since it is felt that this project is now operating at its optimum size. Justification for the retention of three basehouses was presented in detail in HMMA-23343 (which is available at Headquarters). Efforts will be continued, however, to refine and better utilize the existing project organization and assets.

VII. COSTS (All figures are dollars, U. S.)

- A) Past Project Year - Station records indicate that Project LIEMPTY expended \$35,952.78 during the period 1 December 1963 through 30 September 1964. Approximately \$9,000 will be expended during the remainder of the present project year. It is estimated that approximately 20 hours of case officer time per week is necessary to satisfactorily fulfill the operational, administrative and analytical requirements of this project. Bi-weekly accountings with receipts and/or certifications are submitted by Raymond H. GERENDE and Oliver G. SCANTLING to the Station Finance Officer, via the case officer for all Project LIEMPTY expenditures.
- B) Ensuing Project Year - Project LIEMPTY was programmed for \$60,000 for the forthcoming project year. Due to the Station's economy measures, however, only \$45,300 is requested for the ensuing year. Of this amount, \$27,675 will be expended in FY 1965 and \$17,625 in FY 1966. A detailed breakdown of project expenditures follows:

<u>Salaries (including Christmas bonus)</u>	<u>FY 65</u>	<u>FY 66</u>
Raymond H. GERENDE	\$6,500	
Oliver G. SCANTLING for 6 months	3,260	
LIEMPTY-4 (photo lab)	2,400	
LIEMPTY-5 (photo lab)assistant)	1,100	
LIEMPTY-6 (LIMITED basehouse keeper)	3,700	
LIEMPTY-7 (LIMITED assistant)	no salary	
LIEMPTY-8	Terminated 1 July 1964	
LIEMPTY-9 (LICALLA basehouse keeper)	3,600	
LIEMPTY-10 (LIENTRAP operator)	4,400	
LIEMPTY-11 (LIENTRAP assistant)	2,500	
LIEMPTY-12	Terminated 1 July 1964	
LIEMPTY-13 (LILYRIC basehouse keeper)	2,000	
LIEMPTY-14 (LILYRIC assistant)	2,000	
LIEMPTY-19 (Typist)	2,000	
Temporary basehouse keeper	2,000	
LIEMPTY-24 (LICALLA assistant)	no salary	
	<u>\$35,360</u>	<u>\$21,760</u> <u>\$13,600</u>

~~SECRET~~

-7-

		FY 65	FY 66
<u>Vehicle Maintenance</u>			
MV 2606, 2284, 2279	\$2,000 \$2,000	\$1,190	\$810
<u>Real Estate (rent, utilities)</u>			
LIMITED	\$3,300		
LILYRIC	1,500		
LICALLA	1,600		
Photo lab	200		
	\$6,600	\$3,850	\$2,750
<u>Equipment</u>			
Maintenance and replacement of photo equipment; film purchase	\$ 500 \$ 500	\$ 375	\$ 125
Operational Expense PO Box rental; vehicle rental	\$ 840 \$ 840	\$ 500	\$ 340
TOTAL	\$45,300	\$27,675	\$17,625

(GERENDE's Christmas bonus, the temporary basehouse keepers' salaries, and the photo lab rent, are included in Project LIEMPTY for the first time).

VII. EMERGENCY CONDITIONS

Emergency communication plans for Oliver G. SCANTLING and Raymond H. GERENDE are on file in the Station and at Headquarters (See HMMA-15982 and HMMA-15981 of 23 November 1960). In early 1964, a review was held for the active agents in this project of their recontact instructions and verbal recognition signals. In addition the emergency contact plans for the LIMITED, LILYRIC and LICALLA basehouse keepers were expanded and refined during the "crisis" outlined in paragraph II, Section A.

44-1-HMMA-24650

CS COPY

CS COPY

28 Oct 1964
50-6-74/1