

Federal Bureau of Investigation
United States Department of Justice
940 First National Building
Oklahoma City, Oklahoma
May 23, 1950

TO : Director, FBI

AIR MAIL - SPECIAL DELIVERY

FROM : SAC, Oklahoma City

SUBJECT: GEORGE KELLY, was., Et Al;
CHARLES F. URSCHEL - VICTIM
KIDNAPING
(Bureau File 7-115)

ReButel May 10, 1950, instructing this office to review its file for addresses of Subject BATES between the dates of the "Pay-Off" (July 30, 1933) and his apprehension (August 12, 1933) by the Police Department, Denver, Colo.

As a result of the file review conducted, the following observations are noted with respect to the information furnished by informant [REDACTED]

1. Informant states that BATES stated he was in Memphis, Tennessee following the kidnaping and was doing well when Subject KELLY came to Memphis.

File review to date fails to indicate that BATES was ever known to have been in Memphis. This review further reflects that KELLY made his first contact telephonically with his former wife, [REDACTED] a resident of Memphis, from [REDACTED] Memphis, on or about August 29, 1933, which is 17 days after BATES was apprehended in Denver, Colorado. This contact with KELLY's former in-laws resulted in his and KATHERINE KELLY receiving lodging where they were subsequently apprehended on September 26, 1933.

2. It is to be noted that BATES was in Minneapolis, Minnesota as late as August 8, 1933, having registered at the Hotel Radisson on 8-5-33. He sent a telegram from Omaha, Nebraska on August 9, 1933, and arrived in Denver, August 10, 1933, which would indicate that the only place that he could have been any length of time would have been either Chicago or Minneapolis, further noting that in the signed statement of Subject R. G. SHANNON, he admitted that Subject BATES was at his

All b7C

7-5
AMSD

cc: Knoxville (2) (7-195)
cc: San Antonio (1)
cc: Dallas (1)

58 JUL 3 1950

RECORDED - 15

INDEXED - 15

EX-6

MAY 26 1950

31

RE: GEORGE KELLY, was. ETAL
CHARLES F. URSCHEL -VICTIM

farm at Paradise, Texas late on the afternoon of July 31, 1933.

3. Informant states that he believes that the money can be recovered from one of BATES' past residences.

A. DENVER, COLORADO

A review of the OO file reflects that BATES maintained residence addresses in Denver, Colorado, for at least six months prior to instant kidnaping, all of which addresses are believed to be apartment houses. CLARA FELDMAN, BATES' wife, stated at the time of her apprehension that BATES was absent from Denver about three-fourths of the time which is partially verified by the numerous telegrams set forth in this file which were apparently sent by BATES to KELLY under KELLY's known aliases.

B. KANSAS CITY, MISSOURI

Many of these telegrams sent by BATES during February, March and April, 1933, originated in Kansas City, Missouri, and Salt Lake City Letter to Kansas City, Missouri dated September 28, 1933, reflects that BATES gave his address as 418 Gaylord Apts., Kansas City, Mo., on April 25, 1933, to a Veterinarian. Kansas City Letter to Oklahoma City, dated September 13, 1933, reflects that GEORGE L. DAVIS rented P. O. Box 4783 at Station B, on February 14, 1933, giving his address as 2732 Troost Ave., Kansas City. This Box address was used by BATES on some of the telegrams referred to above, however, investigation set forth in this letter failed to reflect that DAVIS was known at the Apartment House located at 2730-32 Troost Ave.

C. KANSAS CITY, MISSOURI

A memorandum of Special Agent [redacted] at Kansas City, dated December 8, 1933, reflects that BATES was interviewed at Fort Leavenworth, Kansas at which time he stated that he had been in St. Paul, Minnesota trying to make contact for the purpose of disposing of the ransom money and he had \$92,000 in a suitcase with him. He proceeded from St. Paul to Chicago where he contacted GUS WINKLER, deceased, who refused to have anything to do with it but recommended that he contact FERRIS J. ANTHON, Kansas City. He claimed to have made an appointment to contact ANTHON at Omaha, and proceeded to Omaha where he rented a day room at the Paxton Hotel at Omaha on August 9, 1933, and left \$90,000 with ANTHON to be disposed of on a 15 per cent basis. This is partially verified by the fact that BATES sent a telegram to his wife in Denver on August 9, 1933, advising that he would arrive on the Burlington the following day. This information is partially discredited by the fact that at the time BATES' wife, CLARA FELDMAN, her brother, GEORGE HURTIENNE, and her son, ED FELDMAN, were arrested there was recovered in excess of \$44,000 of the ransom money. Investigation concerning the money allegedly given to ANTHON is reported in the report of SA [redacted] at Kansas City, dated 2-20-34.

RE: GEORGE KELLY, was, ETAL
CHARLES F. URSCHEL -VICTIM

D. CHICAGO, ILLINOIS

Detroit Letter to St. Paul, dated February 9, 1934, setting forth the results of an interview with KATHERINE KELLY, reflects on pages 8 and 9 that following the URSCHEL Kidnaping that BATES sent \$2700 of the ransom money to [REDACTED] Hayes Hotel, which later led to an altercation between KELLY and BATES because BATES had sent some of this money to Chicago. Salt Lake City Letter to Chicago dated March 29, 1934, reflects that information from [REDACTED] an inmate of the Colorado State Penitentiary reflects that [REDACTED] has BATES share of the ransom money buried. The report of SA [REDACTED] at Kansas City, dated September 19, 1934, reflects that in an interview with [REDACTED] inmate of U. S. P. Leavenworth, and former associate of KELLY and BATES, [REDACTED] stated on one occasion while he, [REDACTED], was with [REDACTED] in Chicago, that [REDACTED] received a telegram from Denver from BATES signed "THOMPSON", advising that he was sending a registered special delivery letter to [REDACTED] [REDACTED] also advised that he was with [REDACTED] when [REDACTED] received this special delivery letter and it contained \$640.00 in twenty dollar bills for payment of a loss [REDACTED] had sustained from the sale of some stolen securities for BATES. The report of SA [REDACTED] at Denver, dated October 15, 1934, and SA [REDACTED] at Chicago, dated October 16, 1934, verified this fact. It is to be further noted that BATES used the alias J. H. THOMPSON in sending a wire to his wife in Denver from Wichita Falls, Texas and set forth in the SIC Letter to the Bureau, dated October 16, 1933.

The report of SA [REDACTED] at Chicago, dated October 16, 1934, reflects [REDACTED] admitted receiving the registered letter from "THOMPSON" but claimed it enclosed a letter for delivery to ED BENITZ. This report further reflects that [REDACTED] denied receiving any part of the ransom money.

File review to date fails to reflect any known addresses for BATES in Chicago, however, he was reportedly an associate of [REDACTED] the Hayes Hotel on So. State Street, and according to the KELLYS they stopped at the Stevens Hotel on numerous occasions when in Chicago. It is to be further noted that CLARA FELDMAN and her son, ED, were known to have spent some of their time, while fleeing from officers, in Chicago, however, there is no indication that BATES was known at these addresses.

Portland Letter to Oklahoma City, with a copy to Bureau, dated August 15 1933, reflects on page 4, that CLARA FELDMAN had a friend, [REDACTED] of the Lawrence Hotel, Chicago, and "BATES for a time maintained an apartment at the St. George Hotel in Chicago, Ill", dates not set forth.

By telegram dated August 19, 1933, the Chicago Office advised that the car in Subject BATES possession at the time of his apprehension at Denver, was sold to Mrs. G. L. DAVIS on April 21, 1933, and the address 5519 Blackstone Ave., Chicago, which is the University Hotel, was given. This telegram further reflects that inquiry at the University Hotel reflected that Mrs. DAVIS was unknown at this address.

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CHARLES F. URSCHEL - VICTIM

E. MISCELLANEOUS ADDRESSES

A memorandum of SA [REDACTED] dated September 8, 1933, reflects that BATES used the following addresses when registering at hotels in Oklahoma City:

On March 4, 1933, G. L. DAVIS registered at the Black Hotel, and gave his address as 2546 St. Charles Street, New Orleans, Louisiana.

On May 9, 1933, DAVIS gave this same address when registering at the Huckins Hotel.

On May 19, 1933, DAVIS gave his address as 2415 Texas Street, Fort Worth, Texas, when registering at the Huckins Hotel. (Salt Lake City Letter to the Bureau, dated October 16, 1933, sets forth the contents of a telegram dated November 2, 1932, addressed to GEORGE L. DAVIS, 1815 Texas Street, Fort Worth, Texas.)

KNOWN ADDRESSES OF BATES BETWEEN "PAY-OFF" (JULY 30, 1933) AND HIS APPREHENSION, (AUGUST 12, 1933.)

1. The report of SA E. J. DOWD at Dallas, dated August 18, 1933, on page 35, reflects in SHANNON'S signed statement that BATES was at the farm of R. G. SHANNON, Paradise, Texas, late in the afternoon of July 31, 1933.
2. July 31, 1933 to August 5, 1933, unknown or not verified.

A memorandum by SA [REDACTED] dated October 2, 1933, concerning leads to be covered in instant case, reflects that KELLY and wife state that while fleeing from Paradise, Texas on July 31 or August 1, they stopped overnight at Hotel Fontenelle, Omaha. (No reference is made whether or not they were still accompanied by BATES). This memo further reflects that KELLYS arrived at the Twin Cities on August 1 or 2, stopping at the St. Paul Hotel, St. Paul, Minnesota, staying one day, thereafter proceeding to Minneapolis where they registered at the Hotel Sherman. This memo reflects "KELLY and wife say that BATES had at the same time registered, under name not known, at Hotel Radisson".

With regard to the statement that the KELLYS arrived at the Twin Cities on August 1 or 2, stopping at the St. Paul Hotel, St. Paul, letter to Oklahoma City, with copy to Bureau, dated October 4, 1933, reflects that inquiry at the hotel St. Paul, St. Paul, Minnesota, failed to disclose that KELLY and his wife, under their correct names, or known aliases, registered from July 15 to August 8, 1933. This letter reflects that R. G. SHANNON, a known alias of KELLY, registered at the Lowry Hotel, St. Paul, at 11:58 AM, August 3, and checked out

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at 6:30 PM, August 4, 1933. These records reflect a call was made to the Hotel Radisson, Minneapolis, Minnesota.

Above referenced St. Paul Letter dated October 4, 1933, further reflects that the records of the Sheridan Hotel reflect that Mr. and Mrs. R. G. SHANNON checked in at 6:19 PM, August 4, 1933, and they checked out at 6:27 AM, August 7, 1933. It is further noted that they called the Hotel Radisson once on August 4, 1933, twice on August 5th, and three times on August 6, 1933. The significance of the fact that only one call to the Hotel Radisson was made from the Lowry Hotel, St. Paul, August 3rd, and the single call from the Sheridan Hotel, Minneapolis on August 4th, while more than one call was made on August 5th and August 6th is not known, but possibly indicates that they were trying to make contact with BATES, who did not arrive at the Hotel Radisson until 4:00 PM, August 5, 1933. This would possibly further indicate that they knew that BATES planned to come to Minneapolis and register at the Hotel Radisson.

3. August 5, 1933 to August 8, 1933.

St. Paul Letter to Oklahoma City, dated October 4, 1933, with copy to the Bureau, reflects that Subject BATES as G. L. DAVIS, Indianapolis, Indiana, registered at the Hotel Radisson, Minneapolis, at 4:00 PM, August 5, 1933, and checked out at 12:40 PM, August 8, 1933. The Summary Report of SA GUS T. JONES at Oklahoma City, dated September 13, 1933, page 10, sets forth a telegram sent by BATES from Minneapolis to KELLY, as R. G. SHANNON, Cleveland, Ohio, which states "DEAL HAS FELL THROUGH JACK AND TOM HAVE LEFT COMMUNICATE WITH ME AT BOX SIX THREE ONE", signed George. This telegram indicates that BATES planned to proceed to Denver as he had previously (June 1933) rented P.O. Box 631 at Denver.

4. August 9, 1933:

Kansas City Letter dated September 10, 1933, reflects that the records of Western Union, Omaha, Nebraska, reflect that BATES sent a telegram on August 9, 1933, at 3:35 PM to Mrs. G. L. DAVIS, Denver, Colorado, advising that he would arrive at 7:00 AM tomorrow on the Burlington, signed George. A memorandum dated December 8, 1933, at Kansas City, submitted by SA [REDACTED] reflects that in an interview with BATES, he stated that he registered for a day room at the Paxton Hotel in the name of GEORGE L. DAVIS, at Omaha, on August 9, 1933. File review to date fails to reflect that this registration was verified.

5. August 10 to August 12, 1933:

A memorandum of SA [REDACTED] at Kansas City, dated December 8, 1933, reflects that BATES stated that he proceeded to Denver, Colorado from Omaha, Nebraska, arriving at Denver on the morning of August 10, 1933. BATES claims that he went to Cheyenne, Wyoming on August 10th and returned to Denver, Colorado on August 12, 1933, at which time he was arrested by the Denver Police Department.

RE: GEORGE KELLY, was. ETAL
CHARLES F. URSCHEL -VICTIM

The report of SA JOHN A. DOWD at Salt Lake City, dated September 9, 1933 and August 24, 1933, reflects that during February, 1933, BATES maintained a residence address as Apt. 104, Pencoal Apts., 1476 Penn Street, and from April until July 17, 1933, had an apartment at 1801 Grant Street. The above referenced reports further reflect that Mrs. DAVIS, identified as CLARA FELDMAN, rented apartment 11 at the Sterling Apartments, at 1275 Pearl Street on August 7, 1933, and checked out on Saturday, August 12, or Sunday, August 13, 1933. The report of SA [REDACTED] at Salt Lake City, dated August 24, 1933, on page 21, reflects that BATES was at the apartment on the night of August 10, 1933, and Mrs. DAVIS asked for an extra pillow, advising that her husband was there. Being noted Mrs. DAVIS had previously advised the Manager that she was expecting her husband. DAVIS was possibly living at this address at the time of his apprehension on August 12, 1933.

With regard to BATES' alleged trip to Cheyenne, Wyoming, on August 10, 1933, from Denver, Colorado, Salt Lake City letter to Oklahoma City, with copy to Bureau, reflects that Sheriff [REDACTED] Cheyenne, Wyoming, received information that [REDACTED] an ex-convict, who was then employed at the Star Cafe, Cheyenne, and resided at [REDACTED] Cheyenne, was a close friend of BATES, and had been visited by BATES immediately prior to BATES' arrest in Denver. File review to date fails to reflect that [REDACTED] was ever interviewed and this information was never verified. The only other information noted concerning [REDACTED] or BATES connections at Cheyenne, Wyoming, are set forth in Salt Lake City letter to Oklahoma City, dated August 29, 1933, copies of which were furnished to the Bureau.

It is to be noted that the file of the Oklahoma City Office does not reflect BATES residence address from the period of July 31, 1933 to August 5, 1933, at which time he registered at the Radisson Hotel in Minneapolis, Minn. It is possible that this information may be incorporated in the Bureau files concerning EDWARD WILHELM BENTZ, Was., or in the file concerning [REDACTED] Was., inasmuch as BATES was allegedly a member of the BENTZ gang and an associate of [REDACTED]

All b7c

SAC, Oklahoma City

June 16, 1950

Director, FBI

GEORGE KELLY, WAS., ET AL
CHARLES F. URSCHAL - VICTIM
KIDNAPING

RECORDED - 92

7-115-2218

Bureau May 23, 1950.

7-6 Your suggestion that the files on Edward Wilhelm Bates, was., and [redacted] was., be checked for possible information as to Bates' whereabouts from July 31 to August 5, 1933, has been complied with. The only thing of pertinence noted was a cross reference into the Urschal case indicating that in the report of SA [redacted] dated 10-15-34, at Denver, in the Urschal case, it is reflected that a search of the registry records of the Denver Post Office showed that a letter was sent by Bates under the name J. E. Thompson on August 4, 1933, to [redacted] a known hoodlum and contact in Chicago, Illinois. This report also showed that the letter was signed for by [redacted] on August 4, 1933.

It appears that the only possible leads as to residences of Bates uncovered in this matter as a result of your file review are the Denver addresses of Apartment 104, Pencil Apartments, 1476 Penn Street, the apartment at 1801 Grant Street, and the Sterling Apartments, 1275 Pearl Street. You are, therefore, instructed to supply the Denver Office with the necessary background information for that office to make a discreet check in order to determine whether any of these addresses could logically be the place where Bates allegedly buried the unrecovered ransom money in this case. Denver is instructed to make this check after the receipt of this information; however, no overt act should be made to attempt to recover the money until the Bureau has been advised of the results of this check. The Bureau will thereafter issue appropriate instructions.

It is also observed that in referenced letter Oklahoma City advised that their file reflects information to the effect that Sheriff [redacted] of Cheyenne, Wyoming, possessed information that one [redacted] an ex-convict who was then employed at the Star Cafe, Cheyenne, and resided at [redacted] Cheyenne, was a close friend of Bates and had been visited by Bates immediately prior to Bates' arrest in Denver. After the receipt by the Denver Office of the above-requested background material from Oklahoma City, an attempt should be made to locate and interview [redacted] if he is readily available. He should be questioned as to any information he may have concerning Bates' being in Cheyenne shortly after the pay off in instant case and if so, the possibility of his knowing where Bates resided while in Cheyenne, as well as any other residences of Bates which may be of pertinence to this phase of the investigation.

This matter should be expeditiously handled so that it may be brought to a logical conclusion at the earliest possible time.

Tolson
Ladd
Clegg
Glavin
Nichols
Tracy
Harbo
Mohr
Tele. Room
Nease
Gandy

cc Knoxville
San Antonio
Dallas
Denver

ALL b7C

Office Memorandum • UNITED STATES GOVERNMENT

TO : MR. LADD

DATE: June 14, 1950

FROM : A. ROSEN

SUBJECT: GEORGE KELLY, WAS., ET AL
CHARLES F. URSCHEL - VICTIM
KIDNAPINGTele. Room
Ladd
Clegg
Glavin
Nichols
Rosen
Tracy
Harbo
Mohr
Tele. Room
Nease
GandyPURPOSE:

To advise that the Oklahoma City file in this matter has been reviewed and reflects that subject Albert L. Bates, between the time of the pay off and his apprehension, was in Kansas City, Missouri, Paradise, Texas, St. Paul, Minnesota, Omaha, Nebraska, Denver, Colorado, and possibly Cheyenne, Wyoming, and that no good leads have been uncovered as to where the unrecovered ransom money might be buried. It will be recalled that [REDACTED] who spent time with Bates in Alcatraz, claimed to have information as to the whereabouts of the unrecovered ransom money in this case. He agreed to supply this information only after the victim, Urschel, promised to pay him 20 per cent of any money recovered as a result of [REDACTED] information. After Urschel agreed to this, [REDACTED] advised that Bates, prior to his death, told him on at least three occasions that the money is buried behind a house, 4 feet from the corner of the house, 1 foot out from the house, and 2 to 3 feet in the ground. From conversation with Bates, [REDACTED] believes that the unidentified house is located in Memphis or some other place where Bates resided between the time of payment of the ransom money and his apprehension.

DETAILS:

At the Bureau's instructions Oklahoma City reviewed its file in this matter for possible places where Bates may have resided between the time of the payment of the ransom money on July 30, 1933, in Kansas City, Missouri, and the time of his apprehension in Denver, Colorado, on August 12, 1933. The following are the results:

1. Bates was at the farm of R. G. Shannon, Paradise, Texas late in the afternoon of July 31, 1933.
2. July 31, 1933 to August 5, 1933: Katherine and George Kelly have previously stated that while fleeing from Paradise, Texas, on July 31 or August 1 they stopped overnight at the Hotel Fontenelle, Omaha, Nebraska; however, there is no reference as to whether or not they were accompanied by Bates. The Kellys claimed to have arrived on August 1 or 2 at St. Paul, Minnesota, where they stayed at the St. Paul Hotel for 2 days. They thereafter claimed to have gone to Minneapolis where they stayed at the Hotel Sherman. The Kellys advised that Bates had at the same time registered under an unknown name at the Hotel Radisson. Inquiry at the St. Paul Hotel failed to disclose that the Kellys were registered there between July 15 and August 8, 1933; however, the Kellys, under the alias R. G. Shannon, registered at the Lowry Hotel, St. Paul, on August 3 and checked out on the evening of August 4, 1933. According to the file, the records of the Sheridan Hotel reflect

7-115
Attachment

RECORDED-2

All b7C 9-X3

Memo to Mr. Ladd

that the Kellys again using the name Shannon checked in on the evening of August 4, 1933, and checked out early on the morning of August 7, 1933. During the above period they called the Hotel Radisson once on August 4, twice on August 5, and three times on August 6, 1933. Oklahoma City advises Bates' whereabouts from 7-31-33 to 8-5-33 are unknown.

3. August 5, 1933 to August 8, 1933: Albert L. Bates, using the alias G. L. Davis, registered at the Hotel Radisson, Minneapolis, at 4:00 P. M. on August 5 and checked out at 12:40 P. M. August 8, 1933. The file reflected that a telegram was sent by Bates from Minneapolis on 8-8-33 to Kelly as R. G. Shannon, Cleveland, Ohio, stating "Deal has fell through Jack and Tom have left Communicate with me at Box 631 signed George." This telegram indicates that Bates planned to proceed to Denver as he had previously rented the above post office box in that city.

4. August 9, 1933: Bates, on August 9, 1933, at 3:35 P.M., Omaha, Nebraska, sent a telegram to his wife under the alias Mrs. G. L. Davis, Denver, Colorado, advising that he would arrive at 7:00 A. M. on the following day. Bates has stated that he was registered for the day of August 9, 1933, at the Paxton Hotel in Omaha.

5. August 10 to August 12, 1933: Bates has stated that he proceeded to Denver, Colorado, from Omaha, arriving on the morning of August 10. He claimed that he went to Cheyenne, Wyoming, on August 10, returning to Denver on August 12, 1933, at which time he was arrested by the Denver PD.

The file showed that Bates' wife, Clara Feldman, rented Apartment 11 at the Sterling Apartments, 1275 Pearl Street, Denver, on August 7, 1933, and checked out on either August 12 or 13. Bates apparently stayed at this apartment on the night of August 10, inasmuch as his wife had asked for an extra pillow, advising that her husband was there. She had previously advised the management that she was expecting her husband.

With regard to Bates' alleged trip to Cheyenne, Wyoming, on August 10, the file reflects that Sheriff [redacted] of Cheyenne received information that one [redacted] an ex-convict who was then employed at the Star Cafe, Cheyenne, and resided at [redacted] Cheyenne, was a close friend of Bates and had been visited by Bates immediately prior to Bates' arrest in Denver. The file review failed to reflect that [redacted] was ever interviewed and the above information was not verified.

It should be noted here that the file review failed to reflect that Bates was ever known to have stayed in Memphis.

It is noted that the Bureau files reflect that a search of the registry records of the Denver Post Office show that Bates, using the name J. H. Thompson, sent a letter on August 4, 1933, to [redacted] a known hoodlum and contact in Chicago, Illinois. According to the file this letter was also signed for by [redacted] on August 4, 1933.

Memo to Mr. Ladd

ACTION RECOMMENDED:

It is recommended that an attempt be made at this time to locate and interview [REDACTED] if he is readily available, as to any information he may have concerning Bates being in Cheyenne shortly after the pay off in instant case and if so, the possibility of his knowing where Bates stayed in Cheyenne.

It is noted here that Bates resided in February, 1933, at Apartment 104, Pencil Apartments, 1476 Penn Street, Denver, Colorado, and from April until July 17, 1933 in an apartment at 1801 Grant Street, Denver. The facts that Bates allegedly stayed with his wife in Denver on August 10, 1933, and sent a letter from that city on August 4, 1933, are noted. It is, therefore, recommended that Denver be advised to discreetly observe all of these addresses and advise if any could logically be the place where Bates reportedly hid the money. Denver should make no overt act to attempt to recover the money until the Bureau has been advised of the results of the above. Thereafter, appropriate instructions will be issued as to the handling of the matter. Attached is a letter to Oklahoma City instructing that office to supply Denver with the necessary background information relative to this matter. The letter also sets out the above instructions for Denver.

It is noted that Bates was at the farms of R. G. Shannon, stepfather of Katherine Kelly, and his son, Armon Shannon, Paradise, Texas, on 7-31-33. Urschel had been held at these points and was on that date taken away by Kelly and Bates, later to be released. This stop was for a relatively short period of time and there is no reason to believe Bates would have buried part of his share of the money at this point. It is also noted Katherine and George Kelly were with him at that time and would have known, as well as the Shannons, had any attempt been made to bury any money. The Shannons have made confessions and there is nothing to indicate the burial of any money on their property. It is also noted Bates told [REDACTED] while at Alcatraz that Kelly was trying to obtain information from him as to the whereabouts of the money.

In view of the above, it is not felt that the residences in Paradise, Texas are logical leads in this phase of the investigation, and therefore, no lead is being set out in respect to them.

John

✓ 1/1/37

All b7C

FEDERAL BUREAU OF INVESTIGATION
UNITED STATES DEPARTMENT OF JUSTICE

CC-150

To: COMMUNICATIONS SECTION.

Transmit the following message to:

July 3, 1950

SAC, DENVER

URGENT

GEORGE KELLY, WAS., ET AL, CHARLES F. URSCHEL, VICTIM, KIDNAPING. RE
OKLAHOMA CITY LET JUNE TWENTY-FOUR LAST. PRIOR TO LAST SENTENCE ON PAGE
ONE OF RELET THE FOLLOWING SHOULD BE INSERTED QUOTE THIS BAG WAS RECOVERED
BY MRS. CLARA FELDMAN UNQUOTE.

HOOVER

CC: OKLAHOMA CITY
DALLAS
SAN ANTONIO
KODIVILLE

RECORDED - 17
7-115

-24219

b7c

COPIES DESTROYED
848 MAR 17 1965

Mr. Tolson _____
Mr. Clegg _____
Mr. Glavin _____
Mr. Ladd _____
Mr. Nichols _____
Mr. Rosen _____
Mr. Tracy _____
Mr. Egan _____
Mr. Gurnea _____
Mr. Harbo _____
Mr. Mohr _____
Mr. Pennington _____
Mr. Quinn Tamm _____
Tele. Room _____
Mr. Nease _____
Miss Gandy _____

FEDERAL BUREAU OF INVESTIGATION
U.S. DEPARTMENT OF JUSTICE
COMMUNICATIONS SECTION

JUL - 3 1950

TELETYPE

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58 JUL 1950

**Federal Bureau of Investigation
United States Department of Justice**

940 First National Building
Oklahoma City 2, Oklahoma.
June 24, 1950

TO : DIRECTOR, F.B.I.
FROM : SAC, OKLAHOMA CITY
SUBJECT: GEORGE KELLY, was., ET AL
CHARLES F. OURSCHEL - VICTIM
KIDNAPING

Rebulet to Oklahoma City dated June 16, 1950.

There are being transmitted herewith the following reports and letters to Denver for assistance in conducting the required investigation in instant matter:

1. Copy of a letter from Oklahoma City to Bureau dated May 23, 1950.
2. Letter from Knoxville to Bureau dated April 25, 1950.
3. Report of SA JOHN A. DOWD at Salt Lake City dated August 24, 1933.
4. Letter from Salt Lake City to Oklahoma City dated August 29, 1933.
5. Summary Report of SA GUS T. JONES at Oklahoma City dated September 13, 1933.
6. Report of SA JOHN A. DOWD at Salt Lake City dated September 9, 1933.
7. Letter from Salt Lake City to Oklahoma City dated August 31, 1933.

It is requested that the above reports and letters be returned to this office upon completion of the investigation.

By letter dated March 31, 1950, the Bureau advised as follows:

"The Bureau files in this matter reflect that of the \$200,000.00 in \$20. bills paid as ransom in instant case, \$123,394.50 of ransom money and money obtained in exchange for ransom notes has been recovered. BATES received as his share \$94,250.00 and \$49,257.00 of this amount has been recovered. Relative to BATES' share, he at one time indicated that over \$90,000.00 of it was left in a locked bag in a clothes closet in the apartment where he had been staying in Denver up until the time of his arrest. However, there appears to be an excellent chance that BATES had knowledge of the whereabouts of the outstanding unrecovered ransom money in instant case."

7-6

cc Denver (2) (enclosures) IMAC
Dallas (1)
San Antonio (1)
Knoxville (1)

RECORDED - 109

JUN 27 1950

27

OC 7-6

RE: GEORGE KELLY, was, ET AL
CHARLES F. URSCHEL - VICTIM

Bureau letter to San Francisco dated March 17, 1950 reflects the following excerpt from a letter in this matter from Knoxville Office dated March 10, 1950.

[REDACTED] Kingsport, Tennessee, has recently afforded an Agent of this office the following information:

[REDACTED] Johnson City, Tennessee, has contacted [REDACTED] and confidentially requested his assistance and advice regarding [REDACTED] knowledge of a portion of the ransom money not yet recovered in the Urschel Kidnaping Case.

[REDACTED] stated he served time with ALBERT L. BATES, one of the subjects convicted in this case, at Alcatraz. During their incarceration, [REDACTED] and BATES became close friends and [REDACTED] nursed BATES during the illness which resulted in his death at Alcatraz. During this period, BATES advised [REDACTED] of the location of a reported \$83,000.00 of the Urschel ransom money which BATES informed he understood the Urschel family had stated they would give twenty percent of this sum for its recovery.

[REDACTED] pointed out to [REDACTED] that he does not desire to become involved in this matter and personally fears relatives and friends of GEORGE R. KELLY, some of whom he suspects may also have knowledge that all of the Urschel ransom money has not been recovered. He informed KELLY and BATES were known to be enemies at Alcatraz, and is of the opinion BATES "held out" the above sum on KELLY, which caused this antagonism. [REDACTED] further advised [REDACTED] that none of the gang responsible for the abduction of URSCHER are aware where BATES concealed this money. [REDACTED] stated BATES described this \$83,000.00 as being in denominations of five, ten, and twenty dollar bills. He stated he had been near the spot where BATES had this money concealed, but decided in view of his [REDACTED], extensive criminal record and his desire to stay out of the penitentiary, that it was advisable to have [REDACTED] ascertain whether or not the Urschel family is willing to give him twenty percent of this sum for its recovery."

Excerpts of a letter from San Francisco to the Bureau dated March 23, 1950 are as follows:

"The file at Alcatraz Penitentiary for former inmate [REDACTED] was reviewed and it was

OC 7-6

RE: GEORGE KELLY, was, ET AL
CHARLES F. URSCHEL - VICTIM

determined that [REDACTED] was sentenced at Washington, D. C., on April 2, 1945, to serve a sentence of two years six months to seven years six months for manslaughter. [REDACTED] was received at Alcatraz on March 19, 1944, from the U. S. Penitentiary at Atlanta, Georgia, and on December 17, 1948, [REDACTED] was conditionally released directly from Alcatraz.

*The work record report for [REDACTED] reflects that he had the following work assignments during his confinement at Alcatraz. It should be noted from the dates that [REDACTED] remained on the one assignment until the succeeding date reflecting a change.

March 19, 1944	Idle in cell
April 1, 1944	Laundry
February 20, 1945	Idle in cell
September 13, 1946	Laundry
April 1, 1947	Model shop
November 17, 1947	Laundry
June 10, 1948	Idle - sick (hospital)
June 19, 1948	Laundry
July 25, 1948	Hospital
August 7, 1948	Laundry
November 3, 1948	Hospital
December 11, 1948	Idle - call house

*The above work sheet for [REDACTED] shows that he was in the hospital from June 10 to June 19, 1948; July 25, 1948 to August 7, 1948; and from November 3, 1948, to December 11, 1948. It is noted that the last two dates are after the death of RATES, who died July 4, 1948.

*Associate Warden [REDACTED] advised, however, that [REDACTED] was also confined in the Penitentiary Hospital from May 11 to May 17, 1948. According to [REDACTED] the period of June 9 to 18, 1948, when [REDACTED] was in the hospital, RATES was particularly in a critical condition and it is possible that during this time [REDACTED] in some manner assisted RATES and possibly was given some information regarding instant money by RATES. [REDACTED] was never assigned to work in the hospital as an attendant.

*It should be noted at this time that ALBERT L. RATES, Alcatraz No. 157, last entered the prison hospital on March 24, 1948, and died July 4, 1948. RATES' work sheet shows that he had the following work assignments during the time [REDACTED] was assigned to Alcatraz:

OC 7-6

RE: GEORGE KELLY, was, ET AL
CHARLES F. URSCHKE - VICTIM

August 10, 1943	Yard cleaner
September 19, 1947	Brush shop
October 10, 1947	Yard cleaner
March 24, 1948	Hospital

"With regard to [redacted] association with ALBERT L. BATES and GEORGE KELLY, it was ascertained that [redacted] was congenial and got along very well with most all of the prisoners. [redacted] work sheet indicates he was never assigned to work with either BATES or KELLY, thus indicating that his only opportunity to talk with either KELLY or BATES would have been during his time spent in the prison yard or at the hospital. It was stated by various officials at Alcatraz that [redacted] associated and was friendly with both BATES and KELLY while he was confined. The work sheets of KELLY and BATES reflect that neither of them were assigned to work together in the same work at the penitentiary.

"Associate Warden [redacted] stated further that when KELLY and BATES were first received at Alcatraz, they appeared to be friendly and often played cards and talked with one another. However, about eight years prior to the death of BATES, BATES and KELLY stopped speaking with one another and did not speak again until approximately six weeks prior to BATES' death. One possible reason given for the falling out between KELLY and BATES was that KELLY's wife CATHERINE and CATHERINE's mother, ORA SHANNON, presently confined at Alderson Penitentiary, put pressure on KELLY to learn of the location from BATES of the money, and when he was unsuccessful, he stopped associating with BATES. When it was learned that BATES was very ill, KELLY began visiting BATES at the hospital whenever possible and on several occasions when BATES was very sick, KELLY was allowed to sit up with BATES all night long. It was believed at Alcatraz that though KELLY was generally assisting BATES, KELLY was trying to get him to tell of the hiding place of the rest of the URSCHKE money. However, it is the belief that BATES did not tell KELLY anything about this money.

[redacted] Prison Doctor, advised he recalled [redacted] well and said [redacted] in his opinion, though of average intelligence, was above average so far as the general run of convicts went. [redacted] said he could not recall [redacted] or BATES being overly friendly while together in the hospital but said the two were in the hospital at the same time on more than one occasion.

"It was also learned that when the various inmates at Alcatraz learned that BATES was probably going to die, he had many visitors, one of whom was EDDIE BENTZ, FBI No. 15879, former big-time bank robber and now an

OC 7-6

RE: GEORGE KELLY, was. ET AL
CHARLES F. URSCHEL - VICTIM

inmate at Massachusetts State Penitentiary, Charleston, Massachusetts. It was learned that HENTZ and BATES were very friendly and Alcatraz officials believe that the information as to the whereabouts of the remainder of the URSCHEL money, if given to anyone, was possibly given to HENTZ or [REDACTED]

[REDACTED] at Alcatraz, has advised he is of the personal belief that during the six weeks prior to BATES' death and while KELLY was with BATES so often, KELLY learned of the hiding place of the remainder of the URSCHEL money. [REDACTED] could give no positive reason as to why he believes this. [REDACTED] also stated that he believed if KELLY was approached and told that his wife and mother-in-law would be paroled on the condition that he reveal the hiding place of the remainder of the URSCHEL money, KELLY, if he does know, would reveal the hiding place. [REDACTED] requests that the above information be held in the strictest of confidence."

By teletype dated May 10, 1950, the Bureau furnished the following information as taken from Knoxville teletype to Bureau dated May 6, 1950:

"Quote in interview today [REDACTED] advised subject BATES stated he was in Memphis, Tenn., following URSCHEL kidnapping and quote doing well unquote when subject KELLY came to Memphis. Because of KELLY's presence at Memphis, BATES left Memphis, which fact he stated resulted in his apprehension. From BATES above conversation, [REDACTED] believes BATES concealed the unrecovered portion of the URSCHEL ransom money at the house in which BATES resided in Memphis. [REDACTED] advised BATES did not tell him the address where money is buried but gave him the following information at least three times as to its location at a house in which BATES had resided. The money, eightythree thousand dollars in five, ten and twenty dollar bills is in three mustard jars buried in a hole made by a post hole digger at the back left hand corner of a house, four feet from the corner and one foot out from the house and between two and three feet down in ground. [REDACTED] says he believes the files of the FBI will probably reflect the address where BATES resided at Memphis or some other city prior to his apprehension where BATES is known to have resided. He believes from the above information concerning the money that instant money can be recovered from one of BATES past residences. Stated he does not prefer to participate in the search for money and requests his identity be protected."

The report of SA [REDACTED] at Portland dated December 7, 1933, reflects the results of an interview with [REDACTED] Chief Criminal Investigator for the Sheriff's Office, Tacoma, Washington, that in 1932

OC 7-6

RE: GEORGE KELLY, was. ET AL
CHARLES F. URSCHEL - VICTIM

when he was trying to locate BATES in connection with the Colfax, Washington bank robbery that Chief of Police [REDACTED] Denver, Colorado, and Detectives [REDACTED] and [REDACTED] of the Denver Police Department ascertained that ALBERT BATES, CLARA FELDMAN, GEORGE KELLY and others were receiving mail through Post Office Box 2565, Denver, Colorado and were living at 724 East 19th Avenue, Denver, Colorado with GEORGE HURTIENNE, a brother of CLARA FELDMAN, to whom she was very attached.

The report of SA VAL C. ZIMMER at Salt Lake City dated January 17, 1934 reflects that "724 East 19th Avenue, Denver, the last address of GEORGE HURTIENNE, is now vacant and has been for some time, and no information was secured in that neighborhood helpful in locating him." This address was not furnished to your office by referenced Bureau letter.

The report of SA [REDACTED] at Portland dated February 20, 1934, reflects that GEORGE HURTIENNE, brother of CLARA FELDMAN, advised when interviewed at Tacoma, Washington that he resides at 1755 Marion Street, Denver, Colorado. This address is set forth in view of the close association between CLARA FELDMAN, BATES' girl friend, and her brother, GEORGE.

The Salt Lake City Office advised by letter dated September 13, 1933, that the records of the Colorado State Penitentiary reflect that subject corresponded with [REDACTED] Denver, Colorado, and [REDACTED] Denver, Colorado, during the time he was incarcerated at this institution. This is set forth for whatever value it may be.

All b7C

Federal Bureau of Investigation
United States Department of Justice
518 Railway Exchange Building
Denver 2, Colorado
July 10, 1950

VIA AIR MAIL

Director, FBI

RE: GEORGE KELLY, was., ET AL;
CHARLES F. MURSCHEL - VICTIM
KIDNAPING

Dear Sir:

Re Oklahoma City letter to Bureau 5/23/50 and 6/24/50;
Rebulet to Oklahoma City 6/16/50; and Knoxville letter to Bureau
4/25/50. in captioned matter which refers to information furnished
by [REDACTED] Johnson City, Tennessee,
who has advised that prior to the death of former subject ALBERT
L. BATES at Alcatraz Penitentiary on July 4, 1948, BATES advised
[REDACTED] of the alleged location of \$83,000.00 worth of unrecovered
ransom money in instant case. The money allegedly is composed of
five, ten and twenty dollar bills hidden in three mustard jars
buried in a hole made by a post hole digger at the back left-hand
corner of a house, four feet from the corner and one foot out from
the house and between two and three feet down in the ground.

A review of the above-listed serials, particularly Oklahoma
City letter to the Bureau, dated 5/23/50, reflects that in so far
as the Denver Division is concerned there are three addresses at
which BATES and his paramour, CLARA FELDMAN, lived while in Denver.
Bulet to Oklahoma City, 6/16/50, requested this office to make a
discreet check in order to determine whether any of these addresses
could be logically the place where BATES allegedly buried the un-
recovered ransom money in instant case. This letter also advised
that no overt act should be made to recover the money until the
Bureau had been advised of results of this check.

5-1

7-7-13 2 50 5h
CC - Knoxville (7-195)
Oklahoma City (7-6)
RELE



RECORDED - 105

INDEXED - 105

JUL 12 1950

EX - 78

63 AUG 22 1950

All b7C

12-115-2230
24
BIX

HANDLED BY
STOP DESK

DEN 7-7

The three previous addresses deemed most logical from a review of these files appear to be:

1275 Pearl Street, which was rented by CLARA FELDMAN on 8/7/33 and from which she checked out on 8/12/33, the latter being the date of BATES' apprehension at Denver by officers of the Denver Police Department. From the known activities of BATES, he allegedly arrived in Denver on the morning of 8/10/33 from Omaha, Nebraska and then proceeded to Cheyenne, Wyoming the same date, returning to Denver, Colorado 8/12/33, where he was arrested in a parking lot near the address of 1275 Pearl Street.

Previous investigation in this matter, as set forth in the report of SA JOHN A. DOWD, dated 9/9/33 at Salt Lake City, reflects that CLARA FELDMAN rented apartment 11 at the Sterling Apartments, 1275 Pearl, on 8/7/33, and the former landlady at this place recalled that on the night of 8/10/33, CLARA, using the alias of Mrs. DAVIS, which alias BATES was using at the time of his apprehension, asked for an extra pillow, advising that her husband was there. CLARA FELDMAN previously had advised the manager that she was expecting her husband.

A check of the present property at 1275 Pearl Street discloses that it still maintains the name of "Sterling Apartments". This apartment house is in the middle of the block and faces east. As one faces the front door of this building from Pearl Street it is noted that along the left-hand side of the apartment house is a steel fence about 4½ feet high. The apartment house runs full length from the sidewalk to the alley and the alley is heavily cemented. Also, for the information of the Bureau, this address as well as all subsequent addresses are old established apartment and rooming houses in the city of Denver and, therefore, it would appear likely that all of the alleys at the rear of these addresses were cemented in the year 1933 when this ransom money allegedly was buried.

Continuing with the description of this property, at the rear of the apartment house is a narrow, dirt walk, with about a yard and a half of space between the apartment house and a garage immediately adjacent to the walk. From the appearance of this

garage it would be entirely possible that it was built prior to 1933. It is of brick construction, appears to be weather beaten, and although it could not be definitely determined until specific inquiry is made, it is certainly logical to assume that this garage was erected prior to 1933. Therefore, from the information furnished by the Bureau, it would be logical to assume that if BATES buried this money in Denver it would be located between the rear left-hand corner of the Sterling Apartments and the garage adjacent to it on the south. In the rear of this location looking east, the left-hand corner of this building is presently being used as a drive-in garage housing about two automobiles, however, there is a distance of about a yard and one half of dirt between the north edge of this building, from rear to front, and the adjacent property and, therefore, if BATES were describing this property as looking east from the alley, this would be the left-hand corner and it is entirely possible that the money could have been buried there, however, at this latter place is where the garbage cans are stored.

The information furnished by [REDACTED] is so nebulous, and so unspecific, particularly when he stated that the money was buried "four feet from the corner". In all of these addresses it would have to be four feet toward the front of the apartments rather than the rear due to the fact he would have had to dig through a cement alley to bury the money. b7C

A further review of this file reflects that BATES and CLARA FELDMAN from April 1933 to 7/17/33, lived at 1801 Grant Street. This address is presently known as the Corinthian Apartments and is on a corner lot of 18th and Grant. The front door of this apartment faces east and looking west on the left-hand side is a raised curb or small yard adjacent to the sidewalk about two feet in height. It has a solid cement alley and the alley is flush with corner of the building. Along this two-foot elevation from front to rear of the apartment building is an edge of stone about 1 1/2 feet in width, leaving a small yard between the south side of the apartment building and the sidewalk of about four feet from front to rear and it is entirely possible that this could have been the place where instant money was buried. However, it would not seem logical that BATES would return to this address and bury the money there when he had moved from the address 13 days prior to the payoff of the ransom money in this case.

DN - 7-7

Another address for BATES, where CLARA FELDMAN also lived, was the Pencol Apartments, 1476 Pennsylvania Street. The report of SA JOHN A. DOWD, dated 9/9/55, reflects that BATES and FELDMAN lived at this apartment house in January and February 1933 and again it is not logical that BATES would have buried the money here in August 1933 when he had moved from the building in February 1933. This apartment building faces west on Pennsylvania Street and from Pennsylvania Street looking east it is noted that the left side of this building has a solid cement walk clear to the adjacent building and, therefore, it would not be logical to assume that BATES used this place to bury the loot. At the rear of the building is a delivery door for tradesmen delivering merchandise to this building. At the rear of the Pencol Apartments, facing west, the adjacent ground up to within 1½ feet of the building is used as a parking lot for residents of the apartment house. It is not paved and it is entirely possible from a physical standpoint to dig a hole here for the purpose of planting loot.

The above information was obtained by discreet observation and no effort was made to determine the present ownership of these properties pursuant to Bureau instructions, as contained in Bulet to O.C. dated 6/16/50.

Pursuant to Bureau instructions efforts are being made at the present time to locate [redacted] an exconvict who formerly resided at [redacted] Cheyenne, Wyoming, and a close personal friend of BATES and allegedly visited by BATES immediately prior to BATES' arrest in Denver.

No further action is being taken in this matter in Denver until further instructed by the Bureau, except for efforts being made to locate and interview [redacted] above-mentioned.

Very truly yours,

R. P. Kramer
R. P. KRAMER
SAC

All b7c

Office Memorandum • UNITED STATES GOVERNMENT

TO : Director, FBI

DATE: July 26, 1950

FROM : SAC, Denver

SUBJECT: GEORGE KELLY, was., ET AL
CHARLES F. MURSCHEL - VICTIM
KIDNAPING
Bureau file 7-115

Remylet 7-10-50 in the above-captioned matter, which contained information to the effect that efforts would be made to locate one [REDACTED] ex-convict and alleged personal friend of subject ALBERT L. BATES, this investigation being conducted pursuant to previous information furnished by [REDACTED] Johnson City, Tennessee, concerning the alleged location of \$83,000 worth of unrecovered ransom money in instant case.

This is to advise that SA [REDACTED] contacted [REDACTED] Cheyenne, Wyoming. It is to be noted that [REDACTED] is a wealthy man at this time in Cheyenne and has financial interests in a number of business establishments in Cheyenne. He is one of the leaders among the citizens of Greek ancestry in Cheyenne and has considerable influence with them. During the past three or four years he has been used as a source of information by Bureau Agents and always has been found to be reliable and has furnished information of considerable value in the past.

[REDACTED] advised he was not acquainted with BATES or CLARA FELDMAN or any of the other subjects in connection with this case, and that he could not recall either BATES or CLARA FELDMAN visiting him in Cheyenne. He advised in 1933 he was visiting at his mother's home, [REDACTED] in Cheyenne, and was employed at the Star Cafe in Cheyenne. He advised he has been in the penitentiaries in Lincoln, Nebraska, and Canon City, Colorado, and that since his release he has been visited on numerous occasions by many ex-convicts from those institutions who have contacted him in Cheyenne during the past twenty years. He stated they usually visit him for the purpose of obtaining money. He advised he could not recall, however, having any of these individuals stay at his home. He advised that if he were acquainted with BATES it was under another name and that he would have met BATES at one of the above-mentioned penitentiaries.

No further action in this matter is being taken by the Denver Division.

- RUC -

CC: Knoxville (7-195)
Oklahoma City (7-6)

RECORDED - 6

INDEXED - 6

JUL 31 1950

8

HANDLED BY
STOP DESK

All b7C

cc - Mr. Ladd

Mr. Rosen

7-115-2221
RECORDED - 58

SAC, Oklahoma City

August 15, 1950

Director, FBI

EX-40
GEORGE KELLY, WAS., ET AL
CHARLES F. GUSCHEL - VICTIM
KIDNAPING

Re Denver lets 7/10/50 and 7/26/50. At this time Oklahoma City is instructed to set out appropriate leads to locate and interview Clara Feldman and also her son, Edward George Feldman, for any information they might have as to any additional places where Bates may have resided in between the time of the payment of the ransom and his apprehension or any previous residence that he may have had which he returned to during this period. In these interviews the purpose for which the Bureau desires this information should not be revealed.

Any logical places as to where the money might be buried developed as a result of these interviews should be physically observed as to the possibility of the money being buried there. However, no overt act should be taken to attempt to recover this money until the Bureau has been advised of the results of this check. The Bureau should also be supplied with charts of any places examined where the money could be buried. Following the above, the Bureau will issue appropriate instructions.

The Denver Office should supply the Bureau with charts of the addresses examined as set out in reference letter of 7/10/50, indicating the possibilities of where the money might be buried. All leads in this matter should be handled most expeditiously so that it can be brought to a logical conclusion at the earliest possible time.

cc - Denver
San Antonio

cc - Knoxville
Dallas

Note: Denver physically observed three places in that city where Albert L. Bates resided with his wife, Clara Feldman, just prior to as well as subsequent to the payment of the ransom in instant case. Clara's son, Edward George Feldman, lived with them intermittently during this period and left with his mother on August 12 or 13, 1933 from the apartment at 1275 Pearl Street, Denver, with part of the ransom money after Bates' apprehension.

Over \$44,000 of the money the Feldmans left with has been recovered. The two Feldmans received suspended sentences and probation for their participation in instant case. They may have information as to other places where Bates may have stayed at during the pertinent period and consequently buried the money there.

Tolson
Clegg
Glavin
Ladd
Nichols
Rosen
Tracy
Egan
Gurnea
Harbo
Mohr
Pennington
Quinn Tamm
Lo. Room
Nease
Gandy

7-115
2717
68 AUG 22 1950

FILED 13
AUG 16 1950
COMM - FBI

All b7C

1950
AUGUST 31, 1950

URGENT

SAC, OKLAHOMA CITY

GEORGE KELLY, WAS., ET AL, CHARLES F. URSCHEL, VICTIM, KIDNAPING. REURLET
AUGUST TWENTYSIX LAST. IMMEDIATELY ADVISE SEATTLE AND PORTLAND FULL INFORMATION
AS TO [REDACTED] ALLEGATIONS INCLUDING SUGGESTED AREA IN RELATION TO RESIDENCE
WHERE MONEY MIGHT BE BURIED. ALSO ADVISE THESE OFFICES OF RESULTS OF DENVER
INVESTIGATION TO DATE.

HOOVER

cc: Seattle (Regular Mail)
Portland (Regular Mail)

All b7C

7-115-

7-115-2222

RECORDED - 105

COPIES DESTROYED
848 MAR 17 1965

Tolson _____
Ladd _____
Clegg _____
Glavin _____
Nichols _____
Rosen _____
Tracy _____
Harbo _____
Belmont _____
Mohr _____
Tele. Room _____
Nease _____
Gandy _____

EX 16

U. S. DEPARTMENT OF JUSTICE
COMMUNICATIONS SECTION

11 1950

TELETYPE

10 SEP 4 1950

4³⁵ P A

2

940 First National Building
Oklahoma City 2, Oklahoma
August 26, 1950

AIR MAIL - SPECIAL DELIVERY

Director, FBI

Re: ^①GEORGE KELLY, was. ET AL
CHARLES F. URSCHEL - VICTIM
KIDNAPING

Rebulet 8/15/50.

CLARA OLGA FELDMANN, alias Mrs. GEORGE L. DAVIS, RUTH JOHNSON, Mrs. GEORGE BATES, age 55, according to the records of the U. S. Probation Officer at Oklahoma City, Oklahoma, was residing in 1935 at 6413 South Baltimore, Tacoma, Washington. CLARA FELDMANN was sentenced in the U. S. District Court at Oklahoma City, Oklahoma, on June 15, 1935, to serve five years which sentence was suspended and she was placed on five years probation on a charge of conspiracy in connection with the kidnaping and concealment of ransom money in violation of an Act of Congress dated June 22, 1932, and she was placed on probation under the jurisdiction of the U. S. Probation Officer at Seattle, Washington. She was described in 1935 as being five feet three and one-half inches tall, one hundred ten pounds, blue eyes, brown hair, occupation practical nurse and housekeeper. Her father was WILLIAM HURTIENNE of Tacoma, now probably deceased, and her mother was MARIE HURTIENNE, deceased, and she has the following relatives:

Brothers -

[REDACTED]
Tacoma, Washington

[REDACTED] Tacoma, Washington

GEORGE HURTIENNE, unknown

[REDACTED] Tacoma

Sisters -

[REDACTED] Tacoma

[REDACTED] Tacoma

[REDACTED] Tacoma

[REDACTED] Tacoma

[REDACTED] Tacoma

Mrs. MARTHA RISTIG, Los Angeles

[REDACTED] Medford, Oregon

Daughter -

[REDACTED] Tacoma

Sons

[REDACTED] Tacoma
EDWARD FELDMANN, Tacoma

RECORDED - 105

SE 29

7-6

cc - Seattle (2) AMSD
Portland (2) AMSD

Denver
San Antonio

Knoxville
Dallas

AUG 29 1950

HANDLED BY
STOP DESK

A11
b7C

Let's all
cc Seattle
R.H. House
8-3-50
137

17-115-2222

OC 7-6

EDWARD GEORGE FELDMANN, alias GEORGE EDWARD FELDMANN, alias JOHNSON, the son of CLARA FELDMANN mentioned above, was likewise sentenced in the same place and the same time and for the same offense as was his mother and according to the records of the U. S. Probation Officer at Oklahoma City, he was residing in 1936 while on probation at 29 Jeannett Street, Medford, Oregon, and in 1940 had a contract to haul for the Valley Packing Company of Medford, Oregon, and is reported to be married and have two children. FELDMANN was born May 29, 1913, at Tacoma, Washington, and in 1935 was described as being five feet ten and one-half inches tall, one hundred fifty pounds, slender build, light brown hair, gray eyes, and his wife in 1935 was [REDACTED] b7C

The Bureau has requested the Oklahoma City Office to set out appropriate leads to locate and interview CLARA FELDMANN and her son EDWARD GEORGE FELDMANN for any information they may have as to places where GEORGE BATES may have resided in between the time of the payment of the ransom, July 3, 1933, and his apprehension, August 12, 1933, or any previous residence that he may have had which he returned to during this period.

The Bureau points out that in these interviews the purpose for which the Bureau desires this information should not be revealed.

The Seattle Office is requested to endeavor to locate and interview CLARA FELDMANN at the address set forth above and the Portland Office is requested to endeavor to locate and interview EDWARD GEORGE FELDMANN at the address set forth above in accordance with the above Bureau instructions.

The Bureau has stated that any logical places as to where the money might be buried developed as a result of these interviews should be physically observed as to the possibility of the money being buried there. However, no overt act should be taken to attempt to recover this money until the Bureau has been advised of the results of this check. The Bureau should also be supplied with charts of any places examined where the money could be buried. Following the above the Bureau will issue appropriate instructions.

The Bureau has instructed that all leads in this matter should be handled most expeditiously so that it can be brought to a logical conclusion at the earliest possible time.

Very truly yours,

D. A. Bryce
D. A. BRYCE, Jr.
Special Agent in Charge

Office Memorandum • UNITED STATES GOVERNMENT

TO : Director, FBI

DATE: September 1, 1950

FROM: SAC, Oklahoma City

SUBJECT: GEORGE KELLY, was., ET AL
CHARLES F. URSCHEL - VICTIM
KIDNAPING
(Bufile 7-115)

Rebutel 8-31-50, there is transmitted herewith a copy
of a letter directed to the Seattle and Portland Offices in
compliance with Bureau instructions.

7-6

Enclosure.

RECORDED - 64

INDEXED - 64

EX-54

SEP 6 1950

19

56 SEP 12 1950

SAC Seattle

September 1, 1950

SAC, Oklahoma City

GEORGE KELLY, was., ET AL
CHARLES F. URSCHEL - VICTIM
KIDNAPING

Rebulet to the Bureau dated August 26, 1950 and Butel dated August 31, 1950 requesting that Seattle and Portland be advised of the information as to the allegations of [REDACTED] including suggested area in relation to residence where money might be buried as well as the results of investigation conducted by the Denver Office to date.

[REDACTED] who is known to have associated with GEORGE BATES at Alcatraz prior to the latter's death, has stated that BATES told him he wanted him, [REDACTED] to have the unrecovered portion of the URSCHEL ransom money which BATES stated was \$85,000.00 and which money is in denominations of five, ten and twenty dollar bills.

The Bureau has advised its files in this matter reflect that of the \$200,000.00 in twenty dollar bills paid as ransom in instant case, \$128,394.50 of the ransom money and money obtained in exchange for ransom notes has been recovered; that BATES received as his share \$94,250.00 and \$49,257.00 of this amount has been recovered; relative to BATES' share, he, at one time, indicated that \$90,000.00 of it was left in a locked bag in a clothes closet in the apartment where he had been staying in Denver up until the time of his arrest; this bag was recovered by Mrs. CLARA FELDMAN; however, there appears to be an excellent chance that BATES had knowledge of the whereabouts of the outstanding unrecovered ransom money in this case.

The following letters dated July 10 and July 26, 1950 from the Denver Office to the Bureau reflect the information furnished by the Bureau as to the suggested area in relation to residence where money might be buried and the results of the inquiries of that office to date.

July 10, 1950

Re Oklahoma City letters to Bureau 5/25/50 and 6/24/50; Rebulet to Oklahoma City 6/16/50; and Knoxville letter to Bureau 4/25/50, in captioned matter which refers to information furnished

7-6
cc Bureau (7-115)
Portland

All b7C 7-115-2223

ENCLOSURE

b7C
by [REDACTED] Johnson City, Tennessee, who has advised that prior to the death of former subject ALBERT L. BATES at Alcatraz Penitentiary on July 4, 1948, BATES advised [REDACTED] of the alleged location of \$83,000.00 worth of unrecovered ransom money in instant case. The money allegedly is composed of five, ten and twenty dollar bills hidden in three mustard jars buried in a hole made by a post hole digger at the back left-hand corner of a house, four feet from the corner and one foot out from the house and between two and three feet down in the ground.

"A review of the above-listed serials, particularly Oklahoma City letter to the Bureau, dated 5/25/50, reflects that in so far as the Denver Division is concerned there are three addresses at which BATES and his paramour, CLARA FELDMAN, lived while in Denver. Bulet to Oklahoma City, 8/16/50, requested this office to make a discreet check in order to determine whether any of these addresses could be logically the place where BATES allegedly buried the unrecovered ransom money in instant case. This letter also advised that no overt act should be made to recover the money until the Bureau had been advised of results of this check.

"The three previous addresses deemed most logical from a review of these files appear to be:

"1275 Pearl Street, which was rented by CLARA FELDMAN on 8/7/33 and from which she checked out on 8/12/33, the latter being the date of BATES' apprehension at Denver by officers of the Denver Police Department. From the known activities of BATES, he allegedly arrived in Denver on the morning of 8/10/33 from Omaha, Nebraska and then proceeded to Cheyenne, Wyoming the same date, returning to Denver, Colorado 8/12/33, where he was arrested in a parking lot near the address of 1275 Pearl Street.

"Previous investigation in this matter, as set forth in the report of SA JOHN A. DOWD, dated 9/9/33 at Salt Lake City, reflects that CLARA FELDMAN rented apartment 11 at the Sterling Apartments, 1275 Pearl, on 8/7/33, and the former landlady at this place recalled that on the night of 8/10/33, CLARA, using the alias of Mrs. DAVIS, which alias BATES was using at the time of his apprehension, asked for an extra pillow, advising that her husband was there. CLARA FELDMAN previously had advised the manager that she was expecting her husband.

"A check of the present property at 1275 Pearl Street discloses that it still maintains the name of "Sterling Apartments". This apartment house is in the middle of the block and faces east. As one faces the front door of this building, from Pearl Street it

CC 7-8

is noted that along the left-hand side of the apartment house is a steel fence about 4½ feet high. The apartment house runs full length from the sidewalk to the alley and the alley is heavily cemented. Also, for the information of the Bureau, this address as well as all subsequent addresses are old established apartment and rooming houses in the city of Denver and, therefore, it would appear likely that all of the alleys at the rear of these addresses were cemented in the year 1935 when this ransom money allegedly was buried.

Continuing with the description of this property, at the rear of the apartment house is a narrow, dirt walk, with about a yard and a half of space between the apartment house and a garage immediately adjacent to the walk. From the appearance of this garage it would be entirely possible that it was built prior to 1935. It is of brick construction, appears to be weather beaten, and although it could not be definitely determined until specific inquiry is made, it is certainly logical to assume that this garage was erected prior to 1935. Therefore, from the information furnished by the Bureau, it would be logical to assume that if BATES buried this money in Denver it would be located between the rear left-hand corner of the Sterling Apartments and the garage adjacent to it on the south. In the rear of this location looking east, the left-hand corner of this building is presently being used as a drive-in garage housing about two automobiles, however, there is a distance of about a yard and one half of dirt between the north edge of this building, from rear to front, and the adjacent property and, therefore, if BATES were describing this property as looking east from the alley, this would be the left-hand corner and it is entirely possible that the money could have been buried there, however, at this latter place is where the garbage cans are stored. b7C

"The information furnished by [REDACTED] is so nebulous, and so unspecific, particularly when he stated that the money was buried "four feet from the corner". In all of these addresses it would have to be four feet toward the front of the apartments rather than the rear due to the fact he would have had to dig through a cement alley to bury the money.

"A further review of this file reflects that BATES and CIARA FELDMAN from April 1935 to 7/17/35, lived at 1801 Grant Street. This address is presently known as the Corinthian Apartments and is on a corner lot of 18th and Grant. The front door of this apartment faces east and looking west on the left-hand side is a raised curb or small yard adjacent to the sidewalk about two feet in height. It has a solid cement alley and the alley is flush with corner of the building. Along this two-foot elevation from front to rear of the apartment building is an edge of stone about 1½ feet in width, leaving a small yard between the south side of the apartment building

OC 7-8

and the sidewalk of about four feet from front to rear and it is entirely possible that this could have been the place where instant money was buried. However, it would not seem logical that BATES would return to this address and bury the money there when he had moved from the address 15 days prior to the payoff of the ransom money in this case.

"Another address for BATES, where CLARA FELDMAN also lived, was the Fencol Apartments, 1476 Pennsylvania Street. The report of SA JOHN A. DOWD, dated 9/9/53, reflects that BATES and FELDMAN lived at this apartment house in January and February 1933 and again it is not logical that BATES would have buried the money here in August 1933 when he had moved from the building in February 1933. This apartment building faces west on Pennsylvania Street and from Pennsylvania Street looking east it is noted that the left side of this building has a solid cement walk clear to the adjacent building and, therefore, it would not be logical to assume that BATES used this place to bury the loot. At the rear of the building is a delivery door for tradesmen delivering merchandise to this building. At the rear of the Fencol Apartments, facing west, the adjacent ground up to within 1 1/2 feet of the building is used as a parking lot for residents of the apartment house. It is not paved and it is entirely possible from a physical standpoint to dig a hole here for the purpose of planting loot.

"The above information was obtained by discreet observation and no effort was made to determine the present ownership of these properties pursuant to Bureau instructions, as contained in Bulet to O.C. dated 6/16/50.

"Pursuant to Bureau instructions efforts are being made at the present time to locate [REDACTED] an exconvict who formerly resided at [REDACTED] Cheyenne, Wyoming, and a close personal friend of BATES and allegedly visited by BATES immediately prior to BATES' arrest in Denver.

"No further action is being taken in this matter in Denver until further instructed by the Bureau, except for efforts being made to locate and interview [REDACTED] above-mentioned."

All b7C

July 26, 1950

"Rebulet 7-10-50 in the above-captioned matter, which contained information to the effect that efforts would be made to locate one [REDACTED], ex-convict and alleged personal friend of subject ALBERT L. BATES, this investigation being conducted pursuant to previous information furnished by [REDACTED], Johnson City, Tennessee, concerning the alleged location of \$85,000 worth of unrecovered ransom money in instant case.

"This is to advise that SA [REDACTED] contacted [REDACTED] Cheyenne, Wyoming. It is to be noted that [REDACTED] is a wealthy man at this time in Cheyenne and has financial interests in a number of business establishments in Cheyenne. He is one of the leaders among the citizens of Creek ancestry in Cheyenne and has considerable influence with them. During the past three or four years he has been used as a source of information by Bureau Agents and always has been found to be reliable and has furnished information of considerable value in the past.

[REDACTED] advised he was not acquainted with BATES or CLARA FELDMAN or any of the other subjects in connection with this case, and that he could not recall either BATES or CLARA FELDMAN visiting him in Cheyenne. He advised in 1935 he was visiting at his mother's home [REDACTED] in Cheyenne, and was employed at the Star Cafe in Cheyenne. He advised he has been in the penitentiaries in Lincoln, Nebraska, and Canon City, Colorado, and that since his release he has been visited on numerous occasions by many ex-convicts from those institutions who have contacted him in Cheyenne during the past twenty years. He stated they usually visit him for the purpose of obtaining money. He advised he could not recall, however, having any of these individuals stay at his home. He advised that if he were acquainted with BATES it was under another name and that he would have met BATES at one of the above-mentioned penitentiaries.

"No further action in this matter is being taken by the Denver Division."

All b7C

FEDERAL BUREAU OF INVESTIGATION

Form No. 1
THIS CASE ORIGINATED AT **OKLAHOMA CITY**

SE FILE NO. 7-179

REPORT MADE AT SEATTLE, WASHINGTON	DATE WHEN MADE SEP 7 1950	PERIOD FOR WHICH MADE 8/31; 9/1/50	REPORT MADE BY [REDACTED] b7C
TITLE GEORGE KELLY, was. ET AL CHARLES F. MURSCHER - VICTIM			CHARACTER OF CASE KIDNAPING

SYNOPSIS OF FACTS:

CLARA FELDMANN, 6413 South Baltimore Street, Tacoma, Washington, states that she and GEORGE BATES resided continuously during period of July 3, 1933 to August 12, 1933 in an apartment in Denver, Colorado, the address of which she cannot recall but which was known to agents of the Denver Office.

- RUC -

DETAILS: AT TACOMA, WASHINGTON

Mrs. CLARA FELDMANN, 6413 South Baltimore Street, Tacoma, Washington, advised that at the time of instant kidnaping, she had only been married to GEORGE BATES approximately three months and that the only place they had lived was in an apartment in Denver, Colorado, the address of which she cannot now recall but which was known to the agents of the Denver Office at the time. She added that she did not know if BATES had ever resided in Denver prior to this time.

She stated that in the period from July 3, 1933 to August 12, 1933, BATES remained at the apartment, going out only on a few occasions for a short period of time to stores or the barber shop, but at no time did he remain away from the apartment alone for more than an hour to two hours. She added that during this period they went to an occasional movie together during the evenings.

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848 MAR 12 1965

APPROVED AND FORWARDED: <i>[Signature]</i>	DO NOT WRITE IN THESE SPACES
COPIES OF THIS REPORT 2 - Bureau 2 - Oklahoma City (7-6) 2 - Denver (AMSD) 2 - Seattle	7-179-2224 SEP 11 1950 <i>[Signature]</i>
	RECORDED - 93

COPY IN FILE

100-2-1950

SE 7-179

Mrs. FELDMANN voluntarily expressed the opinion that the Bureau was still looking for ransom money and stated that BATES definitely did not have any amount of money at the apartment, to her knowledge, at any time and she had no information as to the whereabouts of the ransom money.

-REFERRED UPON COMPLETION TO THE OFFICE OF ORIGIN-

SE 7-179

LEADS

THE DENVER OFFICE

At Denver, Colorado

Will review the files of the instant case for the address of GEORGE BATES at the time of his apprehension and will determine if any logical place exists where the instant ransom money might have been buried by BATES. The instructions of the Bureau in the referenced letter should be observed in connection with this investigation.

*

*

*

REFERENCE:

Oklahoma City letter to the Director, dated August 26, 1950.

Office Memorandum • UNITED STATES GOVERNMENT

TO : Director, FBI.

DATE: September 12, 1950

FROM : SAC, Denver

SUBJECT: GEORGE KELLY, was, ET AL.
CHARLES F. URSCHEL - VICTIM
KIDNAPING
Bureau File 7-115

Rebulet to Oklahoma City dated August 15, 1950 in captioned matter, which requested the Denver Division to prepare charts of addresses in Denver which might be logical places for BATES to have buried instant, unrecovered loot.

Transmitted herewith to the Bureau are two drawings of the only logical addresses insofar as the Denver file reflects. They are drawings of the Sterling Apartments, 1275 Pearl Street, where CLARA FELDMAN rented an apartment on August 7, 1933 and checked out August 12, 1933, the latter date being the date of BATES' apprehension in Denver.

The other drawing is of the address of 1801 Grant Street, Denver, where BATES and CLARA FELDMAN lived from April 1933 to July 17, 1933.

No drawing was made of the address of the Pencol Apartments, 1476 Pennsylvania, for the reason that BATES moved from this address long before instant ransom money was paid to the kidnapers.

7-7
Enc.
cc Oklahoma City
Knoxville

RECORDED - 107
INDEXED - 107

2 ENCL
107
ENCLOSURE ATTACHED

16-73

16-73

17-115-2225
SEP 15 1950
3HANDLED BY
STOP DECK
2

Re: GEORGE KELLY, Was., ET AL
CHARLES F. URSCHEL - Victim
Kidnaping, Bufile 7-115

Enclosure to Bureau--Drawings of addresses of
1275 Pearl Street and 1801 Grant St., Denver
to possible sites where possible that Albert
Bates could have buried instant loot.

DENVER FILE 1-1
A.S.R. 9-7-50.
ADDRESS - 1801 GRANT ST.

7-15-2025

18th AVE.

CEMENT SIDE WALK.

CEMENT ALLEY.

LAWN

RAISED GRASS

XXXXXX

APT. BLDG.
1801 GRANT ST.

SOLID CEMENT

ADJACENT
PROPERTY +
BUILDING
FLUSH TO
CEMENT

1811
GRANT
STREET

GRANT STREET.

E

KEY - X INDICATES
AREAS WHERE MONEY
COULD BE BURIED.

N

DENVER FILE

7-7.
A.S.R. 9-7-50

ADDRESS - 1275 PEARL ST.
DENVER COLO.

3
CEMENT ALLEY.

GARBAGE CANS.

BUILDING FLUSH WITH
CEMENT ALLEY.

BRICK
GARAGE

GATE.

DIAT

18"

DIAT

DRIVE WAY

7-115-2225
ADJACENT
BUILDING VERY
CLOSE TO SOUTH
DRIVE WAY BORDER.

FENCE-
WIRE-
ABOUT 4 1/2' HIGH.

ADJACENT
BUILDING
FLUSH
WITH PROPERTY
LINE

KEY - Y INDICATES
AREA WHERE
MONEY COULD BE
BURIED

FRONT ENTRANCE.

LAWN

LAWN

CURBING

SOUTH.

PEARL STREET

NORTH



Mr. Charles H. W. Rachel

327 N. W. 18th St.,

Oklahoma City,

Okla.

cc Mr. Ladd
Mr. [redacted]

SAC, Knoxville

October 13, 1950

Director, FBI

GEORGE KELLY, was., etal
CHARLES F. URSCHEL, VICTIM
KIDNAPPING

Re: Rep of SA [redacted] dated September 29 last at
Seattle and Portland letter of September 22 last.

In view of the fact that all offices receiving copies of this letter have not received copies of all previous communications from the various offices relative to the investigation conducted as the result of the information supplied by [redacted] the following is pointed out. It has been determined that between July 30, 1933, the date of the payment of the ransom money in instant case, and August 12, 1933, the date of his apprehension in Denver, Colorado, Bates had been in Kansas City, Missouri, Paradise, Texas, St. Paul, Minnesota, Omaha, Nebraska and possibly Cheyenne, Wyoming, but no logical places were developed in these cities to check as to the possibility of the burial of the ransom money.

However, it was determined that during 1933, prior to his apprehension, Bates resided in three different apartment houses in Denver, Colorado. There is nothing to indicate that he was at two of these apartment houses during the period July 30 - August 12, 1933. However, apparently he did stay at one of the apartment houses, namely that at 1275 Pearl Street on the night of August 10, 1933. A considerable amount of the ransom money was left in this apartment by Bates. Following his apprehension, this money was taken by his wife at that time, Clara Feldman and her son by a previous marriage, Edward George Feldman. Over \$44,000 of this money was later recovered, a considerable amount of it having been dug up in the vicinity of Woodland, Washington, and Medford, Oregon.

The three Denver apartments have been physically observed by the Denver office and it was found that from a physical standpoint the money could have been buried in the vicinity of any one of the three. However, from the facts developed and with appropriate consideration being given to the nebulous nature of [redacted] information, it does not appear that any are worthy of any further action in this regard.

In view of the above facts Knoxville is instructed to arrange to reinterview [redacted] and determine whether or not he may have any additional information relative to this matter. The possibility is

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7-115 22215
cc - Oklahoma City
Denver
San Antonio
OCT 17 1950

ALL b7C

SAC, Knoxville

pointed out that [REDACTED] may be withholding definite information with a particular scheme of his own in mind. If this interview is negative, [REDACTED] should be advised that his information is too nebulous to assist in the location of the unrecovered ransom money in instant case. At that time, he should be again reminded of the provisions of Section 1202, Title 18, the "Money Changers Violation".

If nothing additional is gained from [REDACTED] San Antonio should thereafter advise Mr. Charles P. Urschel that based on [REDACTED] information no good leads were developed as to the location of the unrecovered ransom money in this case. It should be pointed out to Mr. Urschel that [REDACTED] is possibly withholding definite information pertinent to this matter and that in the event he is contacted in the future, either directly or indirectly by [REDACTED] it would be appreciated if he would call this to the attention of the Bureau.

This matter should be handled expeditiously and the Bureau advised.

All b7C

Tolson _____
Ladd _____
Clegg _____
Glavin _____
Nichols _____
Rosen _____
Tracy _____
Harbo _____
Belmont _____
Mohr _____
Tele. Room _____
Nease _____
Gandy _____

Office Memorandum • UNITED STATES GOVERNMENT

TO : DIRECTOR, FBI
 FROM : SAC, PORTLAND
 SUBJECT: GEORGE KELLY, was. ET AL
 CHARLES F. WRSCHHEL - VICTIM
 KIDNAPING

DATE: September 22, 1950

Re Oklahoma City letter to the Bureau dated August 26, 1950 and to
 Seattle dated September 1, 1950.

Investigation in the vicinity of Medford, Oregon, disclosed that
 EDWARD GEORGE FELDMAN was last known to be residing in Jacksonville, Oregon.

On September 11, 1950, [redacted] Postmaster at Jacksonville,
 Oregon advised SA [redacted] that FELDMAN was known to her, particularly
 since he was employed as a logger by [redacted]. She added,
 however, that the logging crew of which he was a member was currently working in
 what is known as the Dead Indian country, a remote section located north of
 Ashland, Oregon. The crew would not return to Jacksonville, she said, until
 Saturday, September 16, and she advised against endeavoring to reach him on the
 logging job because of its inaccessibility.

Consequently FELDMAN was interviewed by SA [redacted] on September 16,
 at Jacksonville, Oregon.

When the information desired was outlined to FELDMAN, he asserted
 that he would have difficulty in remembering the exact streets and house numbers
 in Denver, which were involved, but that he would do the best he could. It
 should here be recalled that at the time of the original investigation, FELDMAN's
 mother, Mrs. CLARA FELDMAN, in information carried in the report of SA [redacted]
 dated December 19, 1934 at Denver, said that during the month of May,
 1933 while in Denver she sent for her son, EDWARD GEORGE FELDMAN, then in Port-
 land to come to Denver. She stated that she and ALBERT BATES during the summer
 moved to 1801 Grant Street, Denver. Later, after she and her son made a trip
 from Denver to Portland at the request of BATES, they returned to Denver early
 in August and took up residence in an apartment at 1275 Pearl Street, Denver.
 This was substantially the same information as supplied by EDWARD GEORGE FELDMAN
 at the time.

On the occasion of the present interview, September 16, 1950, EDWARD
 GEORGE FELDMAN, asserted that during the time he resided in Denver with his mother
 and BATES, they lived in only two locations. When he first joined his mother in
 the early summer of 1933, she and BATES were living in an apartment on what
 FELDMAN now recalls as Grant Street. He could not be certain now, he said, that

cc: Oklahoma City
 Denver
 Seattle

RECORDED

All b7C

SEP 26 1950

34

To: DIRECTOR, FBI

RE: GEORGE KELLY was. ET AL
CHARLES F. URSCHEL-VICTIM
KIDNAPING

9-22-50

the address was 1801 Grant but that he was certain that it was the only place they lived prior to their trip to Portland in July and was where they were residing at the time of that trip. He recalled well making the trip to Portland with his mother.

Upon their return in early August, 1933, he continued, they took up residence in the apartment on Pearl Street. Again he could not be certain, he said, that the number was 1275 Pearl but that it was the only apartment they occupied prior to and at the time of BATES apprehension and was the one to which BATES returned from Omaha immediately prior to his arrest.

FELDMAN declared further that he knew of no other residences or apartments with which BATES had any connection. He pointed out that BATES was known to him as GEORGE DAVIS and that BATES was gone frequently and for long periods. In fact, he said, he believed he saw BATES only two or three times. BATES, he added, never confided in him at any time. He asserted that he never knew where BATES went, anything of his background or any place else he might have lived, either in Denver or elsewhere.

FELDMAN did recall, he said, that BATES stored his Buick car in some public garage at that time but added that he felt certain this garage was known at the time of the investigation.

FELDMAN could provide no additional information whatsoever that might be of assistance in connection with current investigation. He maintained throughout that the above two apartments in Denver were the only two with which he ever had known BATES to have any connection.

EDWARD GEORGE FELDMAN now resides in a residence on "G" Street (no number) in Jacksonville and has lived in the Jacksonville vicinity, he said, most of the time since the original investigation. His mailing address is Post Office Box 568, Jacksonville. His wife, [REDACTED] still resides with him, and they have two children, a daughter of high school age, and a son in elementary school. Neither of the children, he commented, know of his connection with instant case.

FELDMAN has been employed as a logger by Christean Brothers, a Jacksonville logging concern, but had been laid off only the previous day, September 15, 1950 because the company had been unable to secure sufficient trucks for hauling logs and had been forced to curtail its operations. FELDMAN said that he would have little difficulty in securing another job as a logger, although he did not yet know for whom he would work. He plans to continue to reside in Jacksonville.

As a matter of information, FELDMAN advised that all his relatives who were involved in this matter are still living, including WILLIAM HURTIENNE, his mother's father, who resides in Tacoma, Washington, and is now in his 90's. The relatives include his mother, Mrs. CLARA FELDMAN, who now lives at 6413 South Baltimore, Tacoma; her sisters, [REDACTED] and [REDACTED]; her brother, GEORGE HURTIENNE; her other son, [REDACTED] and a daughter, [REDACTED]. All now reside in Washington, FELDMAN said, except his brother, [REDACTED] who lives in Los Angeles, California.

FEDERAL BUREAU OF INVESTIGATION

Form No. 1

THIS CASE ORIGINATED AT

OKLAHOMA CITY

FILE NO.

7-179

REPORT MADE AT SEATTLE, WASHINGTON	DATE WHEN MADE SEP 29 1950	PERIOD FOR WHICH MADE 9/21, 28/50	REPORT MADE BY [REDACTED] b7c
TITLE GEORGE KELLY, was et al CHARLES F. PURSCHEL - VICTIM			CHARACTER OF CASE KIDNAPING

SYNOPSIS OF FACTS:

CLARA FELDMAN reinterviewed to determine if she could furnish information concerning other residences where GEORGE BATES lived in Denver, Colorado, with negative results.

*76-1
30-1
1-1*

- RUC -

DETAILS:

At Tacoma, Washington

Mrs. CLARA FELDMAN, 6413 South Baltimore Street, was re-interviewed to determine if she and GEORGE BATES had resided at more than one address in Denver, Colorado, in 1933 or if she had knowledge of other residences where BATES had resided. Mrs. FELDMAN stated that she went to Denver to marry BATES sometime during the summer of 1933. She stated that she and BATES together rented the only apartment in which she lived, which was the apartment in which they were living when BATES was apprehended. She stated that she did not rent any apartment alone and she only stayed in the one apartment. She added that she heard later that there were other women in BATES life and that he may have even been married to one or more women at the time she went to Denver to marry him. She stated that if BATES was staying with a woman in Denver in the early part of 1933, it would have been one of these women.

3

She continued to maintain that because of the lapse of time, she was unable to recall the address or description of the apartment in Denver where she and BATES resided.

STAMP: BY [REDACTED] 10/1/50

APPROVED AND FORWARDED: <i>J. B. Wilson</i> SPECIAL AGENT IN CHARGE	DO NOT WRITE IN THESE SPACES	
COPIES DESTROYED 848 MAR 17 1965 2-Bureau (7-115) 2-Oklahoma City (7-6) 2-Denver 2-Seattle 6 OCT 23 1950	7-1	115-2227
	OCT 3 1950	
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	INDEXED - 5	
EX-50		

7-179

It is noted that the residence where FELDMAN resides is a cheap frame house in a mediocre district. It is clean but poorly furnished, with linoleum as a floor covering in the living room. It is located very close to the street and is surrounded on the other three sides by a large field setting it apart from other houses in the block.

- REFERRED UPON COMPLETION TO THE OFFICE OF ORIGIN -

ADMINISTRATIVE PAGE

The referenced Seattle report of September 7, 1950, was written prior to the receipt of referenced Oklahoma City letter dated September 1, 1950. CLARA FELDMAN was reinterviewed to determine if she had information which she was withholding. It is noted that referenced letter reflects that BATES lived with Mrs. FELDMAN at two other addresses in Denver in 1933. Subsequent to the second interview, referenced Portland letter of September 22 was received which contains conflicting statements by Mrs. FELDMAN with reference to the period of time she was in Denver and the number of addresses at which she resided there. FELDMAN was reluctant to be interviewed on the occasion of the first interview and at the second interview became extremely uncooperative and complained bitterly over being "bothered" about a matter which she has been trying to forget for the past sixteen years. At the outset of the second interview she stated that unless the Bureau could tell her the reason the information is requested of her, she would decline absolutely to discuss the matter. She stated that she answered all questions put to her after BATES arrest in Denver and her answers are in the Bureau files. She added that she is unable to recall at this late date her activities in 1933. However, she was persuaded to discuss the matter further but consistently maintained that she had stayed in only one apartment in Denver in 1933.

In view of FELDMAN's attitude, no further interview with her is contemplated by the Seattle Office at this time.

REFERENCE: Oklahoma City letter to Seattle dated 9/1/50.
Report of SA [REDACTED] dated 9/7/50 at Seattle.
Portland letter to Director dated 9/22/50.

b7C

Office Memorandum • UNITED STATES GOVERNMENT

TO : DIRECTOR, FBI

DATE: October 4, 1950

FROM : SAC, SEATTLE

SUBJECT: GEORGE KELLY, was., et al;
CHARLES F. OURSCHEL - VICTIM
KIDNAPING

G. K. R. - 1

6-1
1-10-1

Rebutel to Seattle October 2, 1950 and report of SA [REDACTED]
dated September 29, 1950 at Seattle, Washington.

It is noted that the referenced report had not been received by the Bureau at the time the referenced teletype was sent, which report reflects a second interview with CLARA FELDMAN because of variances between her statements and the information contained in the Oklahoma City letter to Seattle dated September 1, 1950 and Portland letter to the Director dated September 22, 1950. The referenced report reflects in the administrative section CLARA FELDMAN's present uncooperative attitude, and a third interview with FELDMAN is not deemed advisable and is not contemplated by the Seattle Office unless specifically directed by the Bureau.

[REDACTED]
7-179

All b7C

EX-115
1-10-1

RECORDED - 125

EX-29

17-115-2227
OCT 9 1950
14

66 OCT 23 1950

R. M.

OCTOBER 2, 1950

SAC, SEATTLE

URGENT

GEORGE KELLY, WAS., ET AL. CHARLES F. DRSCHEL - VICTIM, KIDNAPING.

RE REPORT SA [REDACTED] DATED NINE SEVEN FIFTY AT SEATTLE. IN VIEW OF

INFORMATION SET OUT IN OKLAHOMA CITY LETTER TO SEATTLE DATED NINE ONE FIFTY -
CLARA FELDMAN SHOULD BE REINTERVIEWED. FOR YOUR ADDITIONAL INFORMATION
OVER FORTY FOUR THOUSAND DOLLARS OF BATES SHARE OF RANSOM RECOVERED IN
DECEMBER NINETEEN THIRTY FOUR AS A RESULT OF INFORMATION SUPPLIED BY
CLARA. THIS MONEY WAS LEFT AT APARTMENT AT ONE TWO SEVEN FIVE PEARL STREET,
DENVER BY BATES AND LATER TAKEN BY CLARA AND EDWARD FELDMAN FOLLOWING BATES
APPREHENSION. ALSO NOTE DATE OF PAYMENT OF RANSOM MONEY WAS SEVEN THIRTY
THIRTY THREE NOT SEVEN THREE THIRTY THREE AS SET OUT IN REFERENCED REPORT.
SUTEL RESULTS.

7-115

(Note: Seattle was not in possession of Oklahoma City letter of 9/1/50
at time of previous interview.)

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17-115-

OCT 6 1950

FEDERAL BUREAU OF INVESTIGATION
U. S. DEPARTMENT OF JUSTICE
COMMUNICATIONS SECTION

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848 MAR 17 1965

OCT 2 1950

TELETYPE

Tolson
Ladd
Clegg
Glavin
Nichols
Rosen
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Office Memorandum • UNITED STATES GOVERNMENT

TO : DIRECTOR, FBI

DATE: November 22, 1950

FROM : SAC, KNOXVILLE

SUBJECT: GEORGE KELLY, was., et al
CHARLES F. URSCHEL - VICTIM
KIDNAPPING
(Bufile 7-115)

Rebulet 10/13/50, with instructions to again interview [redacted] of Johnson City, Tennessee to determine if he had any additional information in captioned matter, and, in the event he did not, to advise him that the information already furnished by him has been too nebulous to be of any assistance in locating any of the unrecovered ransom money.

[redacted] was again interviewed on 11/18/50 at Johnson City, Tennessee, and he stated that he did not have any additional information. He said he had never known BATES until they met in the Alcatraz Penitentiary, nor had he ever known any of BATES relatives or how to get in touch with them. He stated that BATES was his only source of information pertaining to the unrecovered ransom money, and that BATES was very sick when he discussed the matter with him and could have had elusory ideas under those conditions. It will be noted that [redacted] now says that BATES never specifically told him where the money could be found, but intended to do so only if BATES knew that he could not get well. He went on to state that BATES sent for him just a few hours before he died, but that he had another work assignment and could not see BATES until after he had died. [redacted] said that, if he could have had the opportunity to have seen BATES just before he passed away, BATES would have told him specifically where the money was located.

In view of [redacted] limited knowledge of BATES family background and the fact that he known nothing about BATES relatives, it would appear that his opportunity to get additional information in this matter is negligible and he will not be recontacted unless otherwise advised.

[redacted] was appraised of the Federal Statute, Section 1202 of Title 19, "Money Changers Violations". The San Antonio Office should contact Mr. CHARLES F. URSCHEL as instructed in referenced letter.

RECORDED - 25

7-195

cc - San Antonio

Let + 2. all
cc: [redacted]
11/27/50

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All b7C

SAC, Oklahoma City

November 29, 1950

Director, FBI

GEORGE KELLY, was., etal
CHARLES F. URSCHEL - VICTIM
KIDNAPPING

Enclosed herewith, for informational purposes, is one copy of
Knoxville letter dated November 22, 1950.

Enclosure

cc: Knoxville
San Antonio

7-115 - 2230

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EX-100

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Office Memorandum • UNIT

GOVERNMENT

TO : Director, FBI Att: Assistant Director
Al Rosen

DATE: November 28, 1950

FROM : SAC, New York

SUBJECT: HARVEY J. BAILEY, et. al.;
CHARLES URSCHEL - VICTIM
KIDNAPPING

Re Supervisor [redacted] telephonic conversation with ASAC C. W. Stein, 11/25/50, about statements attributed by BAILEY to former Assistant Director Harold Nathan.

On 11/27/50, Mr. Nathan was interviewed at his home, [redacted] Mr. Nathan said that he never made any such statements that BAILEY attributed to him. He said this case occurred a long time ago and that possibly BAILEY may have told him that he was innocent in this kidnapping and that he may have told BAILEY that, regardless of his statements, there was sufficient evidence to convict him.

The results of this interview were furnished telephonically to [redacted] 11/27/50.

CWS: [redacted]

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Federal Bureau of Investigation
United States Department of Justice
Seattle 4, Washington
December 2, 1950

ATTENTION: ASSISTANT DIRECTOR A. ROSEN

DIRECTOR, FBI

RE: HARVEY J. BAILEY
INFORMATION CONCERNING

Dear Sir:

ReBulet 11/27/50 captioned as above.

Inquiries in Seattle through the firm of attorneys Clark and Clark, who represent the National Board of Fire Underwriters, disclose that HAROLD ANDERSON, former Special Agent, was transferred to Los Angeles, California, approximately one year ago and can be located in that city through the above concern.

It was further learned that the National Board of Fire Underwriters main office on the West Coast is in San Francisco, and they have no office in Los Angeles; however, it is suggested that their representatives in Los Angeles can easily be located through the local fire department.

The Los Angeles Office should conduct investigation requested in referenced letter, the original of which is enclosed with the Los Angeles copies of this letter.

Very truly yours,

AIR MAIL

J. B. Wilcox
J. B. WILCOX
SAC

cc - Los Angeles (AIR MAIL) (Encl.)

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EX-75

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FEDERAL BUREAU OF INVESTIGATION
U. S. DEPARTMENT OF JUSTICE
COMMUNICATIONS SECTION

DEC 7 5 1950

TELETYPE

Mr. Tolson	_____
Mr. Ladd	_____
Mr. Clegg	_____
Mr. Glavin	_____
Mr. Nichols	_____
Mr. Rosen	_____
Mr. Tracy	_____
Mr. Harbo	_____
Mr. Belmont	_____
Mr. Mohr	_____
Tele. Room	_____
Mr. Nease	_____
Miss Gandy	_____

WASH 11 FROM LOS ANGELES

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2-04 PM

DIRECTOR ATTENTION..... ASSISTANT DIRECTOR, A. ROSEN URGENT

HARVEY J. BAILEY, INFORMATION CONCERNING. REBULET NOV. TWENTY SEVEN
FORWARDED HERE FROM SEATTLE OFFICE DEC. TWO. FORMER SA HAROLD ANDERSEN
IS OUT OF THE CITY UNTIL POSSIBLY NEXT THURSDAY, DEC. SEVEN.
WILL HANDLE IMMEDIATELY UPON HIS RETURN.

HOOD

HOLD LINE PLS

51 DEC 26 1950

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17-115-2233
DEC 7 1950

EX-75

Office Memorandum • UNITED STATES GOVERNMENT

TO : Mr. Ladd

DATE: December 11, 1950

FROM : A. Rosen

SUBJECT: HARVEY J. BAILEY, wa;
INFORMATION CONCERNING

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PURPOSE:

To advise that former Assistant Director Harold Nathan denies that he ever made any statements to Bailey indicating belief that Bailey was not involved in the Urschel kidnaping. Former SA Harold E. Andersen, who Bailey claims was present at the time such statements were made, cannot recall any such conversation.

DETAILS:

Harvey J. Bailey, who is presently serving a life sentence at Leavenworth Penitentiary in connection with the kidnaping of Charles F. Urschel on July 22, 1933, recently advised an Agent of the Kansas City Division that he was going to apply for clemency. Bailey stated that during the investigation of the Urschel case Mr. Nathan had told him that, while he knew he was not "right" on the job for which he was to be tried, he was going to send him up anyhow. Bailey further claimed that this conversation had been overheard by SA Harold Andersen. Bailey stated that in applying for clemency he intended to bring the above to the attention of officials who would consider his application.

REFUTATION OF BAILEY'S ALLEGATIONS:

Mr. Nathan has been interviewed by the New York Office and states that he never made any such statements as Bailey attributes to him. He points out that this case occurred a long time ago and that possibly Bailey may have told him that he was innocent in this kidnaping and that he may have told Bailey that regardless of his statements there was sufficient evidence to convict him.

Former SA Harold E. Andersen has been contacted by the Los Angeles Division and advised that he was present on various occasions when Mr. Nathan dropped in to see Bailey, but that he was never present when Bailey was interrogated by Mr. Nathan. Andersen definitely does not recall overhearing any conversation between a Nathan and Bailey such as claimed by Bailey.

ACTION RECOMMENDED:

Since Bailey has indicated that he desires to bring his alleged conversation with Mr. Nathan to the attention of the officials who will consider his application for clemency, a letter has been prepared for your approval to Mr. Daniel M. Lyons, Pardon Attorney, setting forth the true facts.

RECORDED - 17

17-115-2234

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Attachment

Office Memorandum • UNITED STATES GOVERNMENT

TO : DIRECTOR, FBI

FROM : SAC, LOS ANGELES

SUBJECT: HARVEY J. BAILEY
INFORMATION CONCERNING

DATE: 12/7/50

Attention: Assistant Director A. ROSEN

ReBulet November 27, 1950 to Seattle, the original of which was received at this office on December 4, 1950.

Former SA HAROLD E. ANDERSEN was contacted at his home, [REDACTED] immediately upon his return to the city by SA (A) [REDACTED] on December 7, 1950.

Mr. ANDERSEN stated that he was present many times when HAROLD "POP" NATHAN dropped in to see BAILEY, but he was never present when BAILEY was interrogated by NATHAN. ANDERSEN definitely does not recall overhearing any conversation between NATHAN and BAILEY, as referred to, when it is claimed NATHAN told him, "that while he knew he was not "right" on the job for which he was being tried, that he was going to send him up anyhow."

Mr. ANDERSEN also stated that he is positive that he had never made any such statement to BAILEY as alleged, such as "that he had never heard a department man talk like that." He denied ever discussing the matter with SA [REDACTED] or anyone else. He has no recollection of the conversation BAILEY refers to, and cannot recall any circumstances concerning this matter.

He stated he would like to add, however, that he talked with BAILEY on numerous occasions, alone, and in the presence of SA [REDACTED] while BAILEY was being held for trial, and had talked with him many times at the Leavenworth Annex, after he had been sentenced, and BAILEY had always maintained that "although he was guilty of many things, he did not participate in the kidnaping".

AMSD

62-3612

*Memo to Mr. Ladd 12-11-50;
Memo to the Attorney 12-12-50;
JHS*

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INACQUAINTANCE WITH THE
RECORDED

Mr. Daniel M. Lyons
The Pardon Attorney
Director, FBI

December 12, 1950

RECORDED - 17 7-115-2235
HARVEY J. BAILEY, with alias

401 X3
Harvey J. Bailey is presently serving a life sentence at Leavenworth for his participation in the kidnaping of Mr. Charles F. Urschel on July 22, 1933. He was indicted by the Federal Grand Jury at Oklahoma City, Oklahoma, on August 23, 1933, with thirteen other defendants, charged with a conspiracy to kidnap Mr. Urschel and transport him in interstate commerce and hold him for ransom and reward. Bailey was convicted with six other defendants in Federal Court at Oklahoma City on September 30, 1933, and sentenced by Judge Edgar S. Vaught on October 7, 1933, to serve the rest of his natural life in a United States Penitentiary.

You will recall that Mr. Urschel was kidnaped from his home at Oklahoma City in 1933 by George R. "Machine Gun" Kelly and Albert L. Bates, who thereafter removed him to the farm of R. G. Shannon near Paradise, Texas, where he was held chained to a chair and under armed guard until July 31, 1933, when he obtained his release by the payment of \$200,000 in ransom.

On August 12, 1933, Bailey was arrested at the R. G. Shannon farm during a raid by Federal and State officers, and was in possession of thirty-five \$20 bills which were identified as being part of the ransom money paid for Mr. Urschel's release. At the time of his arrest he had three firearms in his possession, including a Thompson submachine gun which he admitted owning and which was the one alleged to have been used in the abduction.

Bailey recently advised an Agent of our Kansas City Division that he intended to apply for clemency. He stated that former Assistant Director Nathan of this Bureau had told him prior to his conviction that he was not "right" on the job for which he was being tried but that he would be convicted. Bailey further claimed that this conversation had been overheard by former Special Agent Harold E. Andersen of the Bureau.

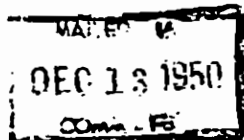
Former Assistant Director Nathan has been contacted concerning Bailey's allegations and has advised he never made the statements that Bailey attributes to him. Former Special Agent Harold E. Andersen has also been contacted and has advised that he definitely does not recall overhearing any conversation between Nathan and Bailey as claimed by Bailey. Mr. Andersen further pointed out that he was present on various occasions when Mr. Nathan dropped in to see Bailey, but that he was never present when Bailey was interrogated by Mr. Nathan.

SEC. 10-10720H.2 OFFICE

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Mr. Daniel M. Lyons

Since Bailey has indicated that in applying for clemency he will include the above false allegations in his petition, I want to advise you of this matter so that you will be in possession of the true facts.

Office Memorandum • UNITED STATES GOVERNMENT

TO : DIRECTOR, FBI
FROM : SAC, SAN ANTONIO

DATE: December 16, 1950

SUBJECT: GEORGE KELLY, was., ET AL;
CHARLES F. URSCHEL, VICTIM
KIDNAPING
BUREAU FILE 7-115

The instructions contained in the Bureau letter of 10/13/50 to Knoxville office with reference to a contact with Mr. CHARLES F. URSCHEL in San Antonio, have been complied with. It was explained to Mr. URSCHEL the manner in which [REDACTED] received his information from BATES, and the possibility that [REDACTED] is still withholding definite information concerning this matter.

On this occasion Mr. URSCHEL reiterated statements previously made by him in which he expressed the very definite opinion that none of the ransom money that was ever in BATES'S possession could have been concealed or not accounted for.

He expressed considerable appreciation of the Bureau's efforts in this case to locate this money based on [REDACTED] statements.

Mr. URSCHEL very definitely stated that in the event he is approached by [REDACTED] or anyone else concerning this matter at any future date, he will refrain from taking any action requested of him and will immediately notify the Bureau.

[REDACTED]
SA-7-11

cc: Knoxville (7-195)

All b7C

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17-115-22

DEC 16 1950

16

EX-14

55 DEC 26 1950

Office Memorandum • UNITED STATES GOVERNMENT

TO : Director, FBI

DATE: December 20, 1950

FROM : SAC, New York

SUBJECT: GEORGE KELLY, et. al.
CHARLES URSCHEL - VICTIM
KIDNAPPING

Rebulet 12/18/50.

On 12/20/50, ASAC C. W. Stein talked to Mr. ALAN HYND regarding the changes suggested in your letter. Mr. HYND accepted them very graciously and said he was most pleased with the suggestions.

As to the suggested change on page 6, beginning with the end of line 3, starting out "The Bureau was such a cesspool of chicanery that Hoover later said that he and the other honest career men there made a secret, when out socially, of their place of employment", Mr. HYND said that he took this quotation from an article that "Time" did on you several years ago but since we feel that it would be better left out of his article, he will delete it.

Mr. HYND said that his article on the URSCHEL case is scheduled to appear in the April, 1951 issue of "True Detective".

CWS

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FEDERAL BUREAU OF INVESTIGATION
RECORDS SECTION
12-26-1950

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For STOP DESK ☒
For NUMBERING ☐
For RECORDING ☒

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✓ Mr. [REDACTED] Room: 5263-
Mr. [REDACTED]

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XXXXXXFEDERAL BUREAU OF INVESTIGATION
FOIPA DELETED PAGE INFORMATION SHEET

1 Page(s) withheld entirely at this location in the file. One or more of the following statements, where indicated, explain this deletion.

- ☐ Deletions were made pursuant to the exemptions indicated below with no segregable material available for release to you.

Section 552Section 552a☐ (b)(1)☐ (b)(7)(A)☐ (d)(5)☐ (b)(2)☐ (b)(7)(B)☐ (j)(2)☐ (b)(3)☐ (b)(7)(C)☐ (k)(1)☐ (b)(7)(D)☐ (k)(2)☐ (b)(7)(E)☐ (k)(3)☐ (b)(7)(F)☐ (k)(4)☐ (b)(4)☐ (b)(8)☐ (k)(5)☐ (b)(5)☐ (b)(9)☐ (k)(6)☐ (b)(6)☐ (k)(7)

- ☐ Information pertained only to a third party with no reference to you or the subject of your request.

- ☐ Information pertained only to a third party. Your name is listed in the title only.

- ☒ Documents originated with another Government agency(ies). These documents were referred to that agency(ies) for review and direct response to you.

Pages contain information furnished by another Government agency(ies). You will be advised by the FBI as to the releasability of this information following our consultation with the other agency(ies).

Page(s) withheld for the following reason(s):

- ☐ For your information:

- ☒ The following number is to be used for reference regarding these pages:

7-115-2238

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SAC, New York

December 18, 1950

Director, FBI

GEORGE KELLY, et. al.
CHARLES URSCHEL - VICTIM
KIDNAPPING

RECORDED - 5
EX-31

7-115-2239

Reurlet December 19, 1950, enclosing a manuscript prepared by Alan Hynd on the above-named case.

Mr. Alan Hynd has done an excellent job of portraying in an interesting fashion the facts surrounding the Urchsel Kidnapping case.

As you did not request the manuscript to be returned, it is being retained for the Bureau's files.

It is desired that you mention the following suggested changes to Mr. Alan Hynd as it is felt these changes are necessary prior to publication.

Page 1, first paragraph, last sentence - "The people on the sun porch that hot night almost eighteen years ago were really loaded." In this particular instance, Mr. Hynd means they were loaded with millions of dollars but it might convey the idea to a casual reader that they were loaded with intoxicating beverages. Due to this connotation, it is felt that Mr. Hynd might want to add after the word "loaded" the words "with money" or "with millions."

Page 2, first paragraph, line 7 - "Nobody could speak." It is felt it might be better to change this to read "Nobody spoke." The reason for this is the connotation of fear which might be derived from the words "Nobody could speak." Actually, nobody knows why no words were spoken on the porch that night and certainly Mr. Urchsel showed great fortitude subsequent to his kidnapping both during the investigation and at the trial.

Page 5, first paragraph, line 3 - "no longer a good five-cent cigar but a Federal police service that would be permitted not only to cross State lines after criminals but to carry the guns with which to shoot them down." The last three words in this sentence "shoot them down" portrays a viciousness on the part of FBI Agents which should be avoided. It is felt it would be much better to say something to this effect: "but to carry the guns with

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COMM - FBI

55 JAN 6 1951

Memorandum to SAC, New York

December 18, 1950

which they might protect themselves against vicious kidnappers, bank robbers and other such criminals." Please try to convey to Mr. Hynd the idea that Agents of the FBI use guns only as a matter of self-defense and never for the purpose of maliciously shooting down a criminal. It might be well to recite to him several instances where Agents have allowed criminals to draw their guns first before firing a shot. You might recite for him the instance of John Dillinger's apprehension near the Biograph Theater in Chicago on July 22, 1934. In this instance, Agents had their guns drawn on Dillinger and requested him to put his hands up and identified themselves as FBI Agents, but they did not fire. Dillinger jerked a .380 caliber automatic out of his right-hand pocket, turned and had the gun in his right hand at the point of his left shoulder before the Agents fired. You might also mention other similar cases to him.

Page 6, beginning with the end of line 3 - "The Bureau was such a cesspool of chicanery that Hoover later said that he and the other honest career men there made a secret, when out socially, of their place of employment." It is desired that you point out to Mr. Hynd that regardless of the fact that this might be true, it is not felt that it adds much to the story and it is definitely felt that it would be better left unsaid. It is, therefore, suggested that this entire sentence be deleted from the story.

Page 28, line 7 - "wanted for a prison break and the murder, a month before the Urachel snatch, of three police officers ..." Mr. Hynd is here referring to the Kansas City massacre and although Bailey was wanted for questioning in the Kansas City massacre, it was later proved that "Pretty Boy" Floyd, Adam Richetti, and Verne Miller were responsible for the Kansas City massacre. Therefore, it is suggested that the words "for questioning in" be inserted between the words "and" and "the" so the sentence will read as follows: "wanted for a prison break and for questioning in the murder, a month before the Urachel snatch, of three police officers"

Office Memorandum • UNITED STATES GOVERNMENT

TO : Director, FBI Att: Mr. John McGuire

DATE: December 13, 1950

FROM : SAC, New York

SUBJECT: GEORGE KELLY, et. al.
CHARLES URSCHEL - VICTIM
KIDNAPPING

Enclosed herewith is the manuscript prepared by ALAN HYND on the above case received in this office 12/13/50. (g)

Quoted herewith is a letter received from Mr. HYND. You will note that he said he would appreciate a prompt review of this manuscript because of his deadline.

"Dec. 6, 1950

"Dear Mr. Stein,

"Herewith enclosed are the uniform crime reports you were kind enough to lend to me.

"Thank you very much for your valuable assist on that piece I was assigned to for Nation's Business, on police departments. I am using the quote by Mr. Hoover about the value of a good police department. I got in touch with Mr. Bruce Smith of the Institute of Public Administration and he was of invaluable aid to me. The piece will appear in the February issue of Nation's Business under what title I don't know but under my own name.

"Thank you also for your material on the Urschel kidnapping, which I am including in my series of great crimes for True Detective under a new contract. It will appear in the April issue. I am just finishing it off now and you will receive a copy for F.B.I. review either this coming Friday or next Monday. I wonder if I could ask the favor of getting any changes the F.B.I. might require very fast on the Urschel piece since we will be up against a deadline; I am sticking faithfully to the facts as I know or interpret them so there should be a minimum of factual changes. I am also taking the same kind of a crack at fellows like Lowenthal as they have been taking at the F.B.I. I am also fixing the F.B.I. in time and space in the Urschel piece. You all ought to like it.

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THANKS AGAIN FOR EVERYTHING AND ALL BEST."
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EX-37

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F.B.I. Case In Alan Hynd Series Famous Crimes

* * * *

Four persons---two multi-millionaire oil men and their wives---were finishing up a few rubbers of bridge on the sun porch of a gray stucco mansion in Oklahoma City a few minutes after 11 o'clock the night of Saturday, July 22, 1933. The night was hot, still, oppressive. The men, Charles Urschel, who had a piece of one of the world's greatest independent petroleum-producing properties, and Walter R. Jarrett, who had withdrawn from the realm of derricks and black gold, were in their shirt sleeves and wearing linen trousers.

Urschel, who owned the mansion, was married to the beautiful widow of his one-time partner, Thomas Slick, who had left an oil fortune estimated at about fifty million dollars. The people on the sun porch that hot night almost eighteen years ago were really loaded. ✓ *with millions.*

So were two strangers who appeared out of the darkness, only in a different way. The strangers---one a

six-footer with exceptionally broad shoulders, the other a mean-looking customer of medium height---carried, respectively, a machine gun and a pistol. They, too, were in shirt sleeves, but not linen trousers, and they wore snap-brim hats in such a manner as partially to obscure their eyes. "Which one of you," asked the character with the machine gun, "is Urschel?" ^{Nobody spots.} ~~Nobody could speak.~~ The intruders were impatient with the silence. "All right," said the one with the machine gun, "we'll take both of you."

Urschel, a tall, lean and handsome man in his forties, and Jarrett, plump, balding and older, were hustled with cold dispatch into a waiting Chevrolet sedan. The machine gunner warned the women not to go near a telephone or otherwise make the crime known. Urschel's wife had, only a week or so before, read a statement in the papers from Homer S. Cummings, the Attorney General of the United States, urging that all kidnappings, no matter what the nature of attendant threats, be reported forthwith to J. Edgar Hoover, Director of the Bureau of Investigation, United States Department of Justice, in Washington.

Mrs. Urschel called the quiet, dark-haired 38-year-old ex-lawyer and got him. Hoover made some notes as the woman's voice travelled over some fourteen hundred miles of telephone wire, advised her to sit tight and hung up. Then

? he set off an investigative chain reaction that was to be unique in scope and which was to have for its end result the conviction of twenty-one men and women who received a total of six life sentences and fifty-eight years, two months, and two days imprisonment. Within fifteen minutes of the abduction, the first of Hoover's special agents, from the Oklahoma City offices of the Bureau of Investigation, checked in to the Urschel mansion; others were preparing to converge on the kidnap scene by train, plane and car from various points throughout the southwest.

The curtain had gone up on a major crime---a major crime and a good deal more. The Urschel case, as the outrage came to be known, symbolized an era. It was the era of the professional public enemy, the era of the real-life prototype of movie gangsters like Jimmy Cagney and Edward G. Robinson and Humphrey Bogart. Unwashed, unlettered, ex-juvenile delinquents were stalking the land with tommy guns, heisting banks, putting the snatch on affluent citizens, intimidating judges, prosecutors and juries, and generally superimposing authentic terror on everyday life.

This was the era of John Dillinger, the Indiana farm boy who incorporated the dry run, or dress rehearsal, into the technique of the bank stick-up; of Pretty Boy Floyd and Baby Face Nelson, men of uncounted crimes; of Creepy Alvin Karpis, the anti-social Lithuanian, and his associates, cunning old

Katherine (Ma) Barker and her desperate sons, Freddie and Arthur; of the sadistic Barrow Brothers, Marvin and Clyde, two bush-league filling-station sticker-uppers who achieved the criminal big league, and Clyde's moll, a cigar-smoking sweater girl named Bonnie Parker. It was the era of the Lindbergh baby kidnapping, of Al Capone, the bootleg booze and murder baron, and of that civic improvement in Chicago in which one gang, dressed as cops, moved down another gang in a garage one St. Valentine's Day. It was, all things considered, the most lawless era in the nation's history.

In the beginning of the public-enemy era, bank robbery and kidnapping were not Federal crimes. The other side of a State line offered asylum to the dangerous hoodlum even as the smoke of his guns lay acrid over a human victim. A man could put on a snatch or heist a jug and commit a murder in the process yet short-circuit uninterrupted pursuit the moment he left the State. Nobody, including the agents of the Bureau of Investigation of the Department of Justice, was allowed to cross a State line during such a chase. And don't think the hoods weren't making the most of it.

One man, perhaps to a greater extent than any other man in the land, became sickened by this state of affairs. John Edgar Hoover, to be sure. Hoover, above all men, had the vision to see that what the nation needed was

no longer a good five-cent cigar but a Federal police service that would be permitted not only to cross State lines after criminals but to carry the guns with which to shoot them down.

Hoover's work was cut out for him. The Bureau of Investigation did not, in 1933, when Charles Urschel was plucked off his sun porch, have the prestige that it was shortly to acquire. At the time of the Urschel crime, the man in the street had just begun to be conscious of Hoover's men (they were yet to tangle with Dillinger, Pretty Boy Floyd, the Bloody Barrows and the others) although the Bureau of Investigation was already twenty-five years old. It had begun back in 1908 and, up until the period of the first world war, when it performed outstanding anti-spy service, had been principally concerned with the enforcement of the Mann Act, which prohibited inter-State commercial traffic in vice.

Hoover himself, a native of Washington and a graduate of George Washington Law School, had become Assistant Director of the Bureau in 1921, at the age of twenty-six, after having served the Department of Justice in various capacities for five years.

In the early Twenties, during the Harding Administration, when political burglars were making off with everything but the capitol dome, the Bureau, under William J. Burns, fell into bad odor. Two of Burns' chief investigators

(early-day G-Men, mind you) were John Maragon, a political fixer from away back, and Gaston Bullock Means, perhaps the most intelligent all-around criminal of modern times. The Bureau was such a cesspool of chicanery that Hoover later said that he and the other honest career men there made a secret, when out socially, of their place of employment.

It was the Lindbergh kidnapping, more than sixteen months before the Urschel job, that crystallized public opinion on Hoover's long-held stand that his agents should be permitted to carry guns and cross State lines after big-time criminals. Various Federal enabling statutes were enacted, and none too soon. At the time of the Urschel crime in the summer of 1933, Dillinger, Pretty Boy Floyd, Creepy Karpis and the whole bloody crew were already up to their necks in guilt.

The Urschel case was the case that made the F.B.I. It made it in the sense that it revealed to the man in the street, as had no Bureau case up to that time, the cool, intelligent, inexorable precision with which the Bureau was beginning to function. Although a kidnapping, per se, was not extraordinary, especially in an era that produced an epidemic of kidnappings, the Urschel case presented a certain problem in deduction to Hoover and his men; the nature of that problem and the way the Bureau resolved it captured

the public imagination as had no previous Bureau investigation.

In these days, when the G-Men, as they have been called all these years now, are faced with the gravest responsibility in the Bureau's almost-half-century of existence ---the internal security of the United States---it's more than a little comforting to know how they functioned eighteen years ago, when the name of J. Edgar Hoover was not a household word and when his agents were, so to speak, just cutting their investigative teeth. The pinks and the reds are very busy these days, throwing mud at Hoover and the F.B.I.; somehow it doesn't stick to the record---such a record as that which opened that hot, still night in Oklahoma when two gangsters walked off a sun porch with two hostages.

At 1 o'clock on the Sunday morning, less than two hours after the abduction, one of the kidnapped men---Walter Jarrett---turned up at the Urschel home. He and Urschel had been driven ten or twelve miles northeast of the city; by that time the two criminals had determined which was Urschel. Jarrett was relieved of his cash, fifty-odd dollars (a petty touch, as it turned out, by two men who were playing for two-hundred-thousand-dollar stakes) and turned loose. Urschel had proceeded into the night with his captors in the Chevrolet sedan, the license number of which Jarrett had been unable to get.

The first consideration of the Hoover organization then, since, and now, in a kidnapping, is to get the victim back alive. Insofar as possible, G-Men steer clear of the zone of negotiation between the criminals and whoever it is they are dealing with; that zone remains a vacuum until the victim turns up alive, or dead. Meantime the special agents work all around the inviolate zone---studying handwriting or typewriting on ransom notes, showing rogues' gallery portraiture to witnesses, noting serial numbers on ransom bills, secretly marking for subsequent identification a bag or a suitcase in which ransom is delivered, and so on. Criminals, despite their threats that the F.B.I. is not to be notified, that ransom money is not to be recorded for identification, know that these things are done. It is the unwritten rule of the game that the chase is not to get under way in earnest until the ransom is paid and the victim returned; then the rules are suspended and it's every man for himself.

On the Wednesday following the Saturday night of Urschel's abduction, a fairly close friend of his---J. G. Catlett, another wealthy oil man, residing in Tulsa, Oklahoma ---received a small package from a Western Union messenger boy. The boy, it turned out, had been stopped on the street by a man he had never seen before, and whom he wouldn't recognize again, and paid to make the delivery.

The package contained two handwritten letters, composed by the kidnapped Urschel, and two typewritten letters, composed by the kidnappers. One of Urschel's two letters was to his wife, informing her that he was well, advising her not to worry, and cautioning her to see to it that any instructions received from his abductors were faithfully followed. Urschel's second letter was to Catlett, the recipient of the package; it requested that he follow the instructions in one of the two typewritten letters by the kidnappers. The first typewritten letter merely requested that Catlett deliver the second one to another Tulsa oil millionaire--- E. E. Kirkpatrick, a rangy, weatherbeaten man who had once been a Texas Ranger and who had later become one of Urschel's closest friends.

The letter to ex-Ranger Kirkpatrick was the most pertinent of the four. It instructed him to gather together the sum of two hundred thousand dollars in used Federal reserve currency (the age of the currency, rather than its acquisition, presumably posing the only problem for a big oil man), insert a blind ad in the real estate columns of the Daily Oklahoman and stand by for action. The Bureau of Investigation men examined the notes signed by Urschel, decided they were genuine, kept the typewritten notes for future evidence, and told Kirkpatrick to go ahead with the ad. Two hundred thousand dollars represented the highest ransom ever

demanding in an American kidnapping case---a record is still to be shot at.

The ad appeared the following day, Thursday. On the Friday, the sixth day after the abduction, Kirkpatrick received a letter from the kidnappers, postmarked Joplin, Missouri. The letter gave him detailed instructions as to how to throw the ransom money from a moving train---a ransom-collection technique that was not new to kidnapping circles but which had not been used for many years. Kirkpatrick was to place the money in a light-colored bag, light-colored so that it would be visible at night, board Train No. 28, the Katy Sooner Flyer, which departed from Oklahoma City at 10:10 the following night for an overnight run to Kansas City, Missouri, sit on the rear platform of the observation car, watch for two fires on the right hand side of the tracks in the direction of the train, and heave the bag off at the point of the second fire. If, for any reason, unforeseen circumstances prevented the kidnappers from building their fires, the first of which was to alert Kirkpatrick for the second one, Kirkpatrick was to proceed to the Muehlebach Hotel in Kansas City, which has since served as a temporary White House for President Truman, register as E. E. Kincaid of Little Rock, Arkansas, and wait there for further instructions.

The former Texas Ranger, wise to the criminal mentality, packed a gun, picked up a yellow Gladstone bag

containing two hundred thousand dollars in used twenties from the Federal Reserve Bank, Tenth District, packed and recorded by Bureau men, and caught the Katy Boomer Flyer. As the train raced across the prairies he leaned over the side of the rear platform of the observation car, peering into the darkness, looking for the first fire.

Then the unexpected happened. The train made an unscheduled stop to pick up two cars of week-end travellers. The extra cars were coupled to the end of the train, so that the observation car became the third car from the end. Kirkpatrick feared that this would interfere with the plans of the kidnappers. Apparently it did; Kirkpatrick sat on the platform all night and never saw the first fire. On the Sunday morning he pulled into Kansas City and registered at the Muehlebach Hotel as Mr. Kincaid of Little Rock.

About noon he received a Postal telegram from Tulsa, signed by a person named Moore, saying the appointment had not been kept owing to an unavoidable incident but that someone would phone him at the hotel about 6 that evening. When the call came through Kirkpatrick was instructed to take the bag and walk to the LaSalle Hotel, a few blocks distant, then proceed west two blocks. Two blocks west of the LaSalle Hotel a man suddenly appeared at his side. "I'll take that bag, Mr. Kincaid," said the man. "But I must have some assurance," said Kirkpatrick, "that you will keep your end of the

bargain." The ex-Ranger, towering over the stranger, found that he couldn't get a look at the man because the collector kept his head down. "Don't worry," the collector said.

"Check out of the Muehlebach and go home." With that he was off---with two hundred thousand dollars. Kirkpatrick returned to Oklahoma City.

Late on Monday night, July 31, nine days almost to the minute from the hour he had been snatched from the sun porch, Charles Urschel, looking very shopworn, stumbled into his gray stucco mansion.

Charles Urschel had been blindfolded and manacled almost constantly from shortly after the time his friend Jarrett had been dumped from the abductors' car ten miles or so northeast of Oklahoma City until he had been released at a point near Norman, about 20 miles south of his home, handed a ten spot and told to be on his way. He had ridden all night the night of the abduction, and part of the next day, changing cars in the process, in either a barn or a garage, and then taken into a house, where he slept on the Sunday night. On the Monday he was removed to a second house; it was there that he was held prisoner until the ransom was paid.

The human eye is the great collector of evidence in a criminal case. Here, however, the Bureau agents were to be obliged to function without its benefits since Urschel had been deprived of the use of his sight ^{for most of the period of} during his period of

captivity. Urschel did, however, have his other senses, notably those of smell, touch and hearing, and it was almost solely upon those factors that Hoover's men were to construct the foundation of their case.

The idea of detectives extracting clues by questioning a man about what he has heard and smelled and touched was not unique with the Government men; the New York Police Department had on occasion utilized the technique with notable success. But no group of criminal investigators before or since distilled the amount of potent evidence from the senses of a witness that the Bureau agents were to distill from the senses of smell, touch and hearing of Charles Urschel. They were aided immeasurably by the fact that Urschel was not only a man of extraordinary intelligence but one who was shot through with moxie and who had prevented fear from clouding the full clarity of his senses during the nine days and nights he spent in the twilight zone between life and death.

The last thing that Urschel had seen before his two captors had bandaged his eyes and stuck cotton in his ears were the lights of the power plant at Harrah, some twenty miles east of Oklahoma City. The cotton was not to prove very effective. About an hour later, or perhaps forty miles further on, since Urschel judged from the sound of the car's motor and the feel of his passage through space that it was

going about forty miles an hour, it passed an oil field.

Urschel could smell the oil and hear the sound of the pumps through the cotton in his ears. About half an hour further on, the car passed another oil field. Judging from the amount of pungency in the air, Urschel, an expert in the smell of oil, was under the impression that the fields were either small ones close to the road or large ones some distance back from the road. The road was apparently a dirt one.

Sometime between 3 and 4 o'clock in the morning, as nearly as Urschel could judge, the car, which seemed to be travelling exclusively on secondary and dirt roads, made a stop. Urschel was taken from the car and told to sit down on the ground. He explored the ground with his hands and found he was sitting in underbrush. He learned later that the spot was alive with red bugs known as chiggers because he carried them away with him. While Urschel was sitting on the ground one of his captors was absent for about fifteen minutes; he returned with canned gasoline which he emptied into the tank of the Chevrolet.

The bandages on Urschel's eyes were not tight enough to prevent his knowing when daylight came. Nor was the cotton in his ears; he could hear the first crowing of the roosters on farms the car was passing. There were some things that even the most resourceful criminals could not plan against.

It was about daybreak when the car stopped and one of the men got out to open a gate. About three minutes further on, after slow travel over a rutty road, another gate was opened. About a minute after passing through the second gate, the car entered a building of some sort, either a garage or a barn. Urschel could tell this from a diminishment of the light that was coming through his eye bandages and from the sound that a motor makes when confined to a relatively small indoor area.

Urschel's captors got busy at once, changing the license plates on the Chevrolet to another car that was waiting for them. One of them complained that the gas tank of this second car was only partly full. When Urschel was transferred to the second car, he judged, by the general feel of it, by the amount of room in the rear, and by listening to the sound of the motor, that it was a seven-passenger job and either a Buick or a Cadillac. The kidnapers had fashioned a bed of sorts on the floor and Urschel was told to lie down on it and then covered over.

About three hours later, or about 8 o'clock on the Sunday morning, the car drew into a gas station. Urschel heard a woman at the pump. One of the captors engaged in brief time-of-day talk with the woman, no doubt to appear natural and unsuspecting in the event that an alarm was already out for them; in the course of this conversation Urschel

overheard the woman complaining that all the crops in the vicinity had been burned up.

About two hours later, or around 10 o'clock, the car ran into rain. It was travelling on what was obviously a dirt road and Urschel could hear and feel the rear tires slipping in mud. Some four or five hours later, or about 2 or 3 o'clock on the Sunday afternoon, the car was driven into an enclosed space, probably a garage. Urschel didn't know whether either of his captors had eaten since 11 o'clock the night before, but he hadn't and he was hungry. One of the men went away and came back with some coffee and ham sandwiches. Later, after dark, Urschel was led from the barn or garage, turned to the left, walked a short distance, and taken through a gate. Upon passing through the gate, he found himself on a board walk. He took about fifteen steps on this board walk and came to a stoop. He took three upward steps and then found himself passing through a doorway into a room. He felt that he was led through this first room into a second room. There were two iron beds in the second room. Urschel was told by one of his captors that he could occupy either bed he chose and that the captor would occupy the other.

The walls of the house were thin and Urschel could detect the voice of a man other than his captors, and the

voice of a woman, in an adjoining room. He lay on his iron bed, pretending to be asleep by breathing heavily but listening for sounds. He didn't hear anything else that night; there seemed to be silence all around the house, so he figured it was in a remote section somewhere. In the morning ---Monday morning---he heard the sound of chickens, cows and guinea hens. He heard no sound of street cars, automobile horns or other sounds indigenous to a populous district. Now he was sure he was in the country.

He was given ham and eggs for breakfast. The food was served to him on a table that had no cloth; it was a wooden table, not too smooth. Urschel got a good feel of it by rubbing his fingers over the surface, pretending he could not locate his eating utensils. Some time around noon on the Monday Urschel was taken from the first house, placed in the car, driven over bumpy dirt roads for about twenty minutes, and taken into a second house. This was the place where he was to spend the balance of his captivity; everything he could learn about it was to be of inestimable value.

There was no floor covering in the second house. Urschel's bed consisted of some blankets in one corner of the floor. The two kidnappers began to discuss ransom negotiations with him, then left. The captive was taken over in turn by two new guards. From the quality of their voices

Urschel decided that one was an elderly man and the other a young man. He also heard the voice of another man, and a woman, the first day he was at the second house; whether they were the pair he had heard at the first house he couldn't tell. It is difficult for men of limited intelligence, to whom reading or thinking is not attractive, long to remain silent in the presence of someone else, no matter who that someone else may be. So the elderly guard, who had the speech mannerisms of a farmer, fell into not unfriendly conversation with Urschel. He divulged that he owned four milk cows.

As at the first house, Urschel had heard the sounds of farm animals; here he heard chickens, cows and hogs, the hogs replacing the guinea hens that he had heard at the first place twenty minutes away by dirt road. When he asked for a drink of water, Urschel was obliged with a brimming tin cup, dented and without a handle. The water had a decided mineral taste; well water. The taste was not the only thing about the water. Each time Urschel asked for a drink he heard a sound not far from the house---a sound he couldn't identify at first. Then he recognized it as that of a well from which the water was taken by a bucket and pulley; the pulley was, ironically, in need of oil---the very commodity that was making this whole criminal enterprise possible. This man was

noticing everything.

As time went on, the bandages were removed from Urschel's eyes temporarily, so that he could eat and write the letters having to do with the ransom negotiations. When the bandages were not on his eyes his captors or the kidnapers, whoever was in the room, remained behind him so that he could not see their faces. To have turned would have been to get shot. There was a window in the room where Urschel was held; it was covered over so that he could not see out. Since the bandages were removed from his eyes at different times of the day, however, Urschel was able to determine, from the strength of the midsummer light that struck the covering, which way the window faced. Since he had already figured out that he was in a rear room, he was able to determine that the well with the bucket-and-pulley was northwest of the house.

One of the most fascinating observations that Urschel made had to do with sound---the sound of airplanes. Each morning and each evening a plane passed almost directly overhead. As the days wore on, Urschel realized that the sounds of the morning and evening planes fell into a pattern, a schedule. By surreptitiously glancing at his watch during meal times, Urschel was able to satisfy himself that the morning plane passed over at about 9:45 and the evening one about

5:45. On the morning of Sunday, July 30, Urschel's eighth day of captivity, it rained very hard. There was no morning plane that day.

The Hoover agents questioned Urschel in great detail about the conversation he had held with one of his guards---the seemingly elderly man who had volunteered the information that he owned four milk cows. Had the man let slip any other revelatory remark? Had he had any speech mannerisms indigenous to any particular State? The man had once spoken of drought conditions on his farm, wherever, exactly, it was, and had added that he understood that the drought had not been so bad "down Oklahoma way." The man had, now that Urschel thought about it, sounded like a Texan.

The Bureau men began to pore over road maps and weather maps and schedules of air lines; by superimposing Urschel's observations on such data they hoped to come up with the answer to where he had been taken. The theory that Urschel had been taken into Texas, although practically pulled out of thin air, seemed to be tenable enough. There was all to gain, nothing to lose, by running it through the map-and-weather test. Had Texas been the destination of the abductors it would have been typical criminal psychology for them to have driven twenty miles to the East the night of the kidnapping, which they did, then taped Urschel's eyes and doubled

back on their tracks. Texas lay not to the East, but to the West and South of Oklahoma City. Urschel's point of release on his return trip---Norman---had been southward toward Texas from Oklahoma City.

The agents got into automobiles and began hitting the various back roads, such as Urschel said his captors had travelled after taping his eyes, at Harrah, and travelled south by west in the direction of the Texas border. One pair of agents came upon two oil fields, about half an hour apart, striking the first one an hour out of Harrah after travelling at the rate of the abductors. Assuming that these were the same two fields that Urschel had smelled and heard (the pumps), the Texas theory became more tenable than ever. The fields were in the direction of Ardmore, Oklahoma, and Ardmore was in the direction of Forth Worth, Texas.

Urschel had travelled through two severe rain storms during the period of his captivity---one about eleven hours after his abduction, around 10 o'clock on the Sunday morning; the other in the region of the house where he was held captive most of the time, on the morning ^{before the day} of his release. Meteorological records turned up two severe storms that simply fascinated the agents. One had struck in the region of Ardmore, Oklahoma, around the time Urschel had passed through his first storm. Ardmore, which was leading the sleuths even closer to

the Texas border, was in a region that had been particularly hard hit by drought; the woman who had sold gasoline to the abductors had spoken of the severe drought. The second storm had lashed Wise County, Texas, northwest of Fort Worth on the day of Urschel's release.

Was Wise County, Texas, the locale of the two houses, some twenty minutes apart by dirt road, where the kidnap victim had been held? Wise County was some two hundred miles south by west from Oklahoma City. The kidnappers had travelled from shortly after 11 o'clock on the Saturday night until mid-afternoon on the Sunday, as nearly as Urschel could judge, with only ^{three} ~~two~~ short stops---one to change cars, ^{two} ~~one~~ for gasoline---before arriving in the barn or the garage of the first house where Urschel was held. Two hundred miles wasn't much ground to cover in that length of time, even over secondary and dirt roads, and through a bad rainstorm. But here again the agents considered the psychology of the underworld. The criminals had been in motion practically all of the time but had probably been doing considerable doubling on their tracks for the dual purpose of confusing Urschel as to the general direction and to lead him to believe that their destination was much further than it was. Then, too, they had made only one stop for gas in either a Buick or a Cadillac; they couldn't have travelled a great distance in such a car on one tankful of gas.

Uncle Sam's detectives became really excited when they began to examine the logs of the Forth Worth-Amarillo run of the American Airways. It was now that Wise County became really clouded by suspicion. Urschel had spoken of hearing a plane passing overhead each morning about a quarter to ten and another one in the afternoon about a quarter to six. The Forth Worth-Amarillo run sent a plane out of Fort Worth each morning and one out of Amarillo in the afternoon that could very well have been the planes that Urschel heard.

The planes were Pilgrim jobs with Hornet motors. The morning departure from Forth Worth was made at 9:15---half an hour before Urschel had heard his first plane of the day. The plane from Amarillo, travelling the reverse route of the morning plane, was due in Fort Worth each afternoon at a quarter after six---half an hour after Urschel had heard the second plane of the day. If the schedule of the Fort Worth-Amarillo run sounded good when it was determined that the planes travelling in each direction passed a certain area over Wise County at the same hours as Urschel had heard the motor sounds, the clue sounded better than good when the log revealed that on July 30---^{next to the} the last day of Urschel's captivity, the day he had failed to hear the sound of the morning plane ---the regular flight from Fort Worth had been delayed for

two and a half hours because of the severe storm over Wise County. When the flight did depart, it travelled south of Wise County to avoid the aftermath of the storm. That, coupled with the other deductions, just about wrapped it up so far as concerned the locale of the captivity. Hoover, analyzing the information as it was flown and teletyped to him in Washington, decided it was time to move a large corps of agents into Wise County. Into it and over it---over it in airplanes.

The area over which the airplanes had passed at the hours Urschel had heard then embraced open farming country in the vicinity of the town of Paradise, thirty-odd miles northwest of Fort Worth. Bureau agents took to the air and scanned the countryside through powerful glasses. On the ground, agents travelling under various covers---salesmen, canvassers, tourists, job-seekers---infiltrated into the life in and around the town of Paradise.

The agents in the planes spotted two farms, about a mile apart, that invited investigation. One property could have been the place where Urschel had first been held since it had a large barn, a gate that led to a board walk which in turn led to a house with an entrance stoop comprising three steps. The second place had a bucket-and-pulley well northwest of the house.

Now the agents on the ground began to buzz the two farms---seeking work, seeking directions, or seeking to interest the occupants of the two places in articles of merchandise they were peddling. They learned that the first house was occupied by an elderly man named Shannon---R. G. Shannon, locally known as Boss because he was something of a power in Paradise politics; and that the second place was owned by his son, Armon, a farmer.

The farm of the elderly Boss Shannon was stocked with chickens, hogs and cows---four milk cows, the number and kind

that the elderly man who had guarded Urschel had spoken of. The stock on the farm of Shannon's son Armon differed from that of the first farm to the precise extent that the stock on the first and second places where Urschel had been held had differed: guinea hens replaced the hogs at the second place.

Charles Urschel had meantime been looking at pictures ---the full faces and the profiles recorded by police cameras. He had put the finger on one set of pictures---those of a big, broad-shouldered man in his forties, crudely handsome, known to police and penitentiary wardens as George (Machine Gun) Kelly. Kelly, which was not the man's right name, was the son of an eminently respectable insurance broker of Memphis, Tennessee; he was, at the moment Urschel made him as the taller of the two men who had snatched him from his sun porch, wanted for bank robbery.

The Bureau of Investigation was only beginning, back in 1933, to amass its stunning dossiers on public and not-so-public enemies; it did not immediately realize that Kelly was to drop into the picture in Wise County, Texas, as neatly as a bucket into a well. In unpeeling Kelly's past, the agents learned that he had been married twice; he was divorced from his first wife but, according to information developed from police and underworld sources, his second wife, an exciting red-head, travelled with him. The second Mrs. Kelly thus became of prime interest to the investigators. She had been born Kathryn

Thorne. Her mother had divorced her father and married a man named Shannon---R. G. (Boss) Shannon, no less, of Paradise, Texas.

Now it was all over but the shooting---and Hoover's agents hoped there would be no shooting. They kept the farms of Shannon and his son Armon in the sights, trying to determine whether Machine Gun Kelly and the co-author of the plot, whoever, precisely, the co-author had been, were hiding out at either place or were in touch with the Shannons by telephone, telegraph or the mails.

On another investigative level the Hoover organization, sinking pipe lines into every criminal strata, learned that Machine Gunn Kelly's partner in the snatch had been Albert L. Bates. Here was a public enemy in the popular tradition---a genuinely mean customer with a criminal record down to his knees and so many aliases that there were probably times when he had to think twice to remember his real name.

The investigation and the planning that have always preceded F.B.I. arrests often make the arrests look anti-climactic, even easy. Thus the initial arrests in the Urschel case, in fact all of the arrests, were, per se, fairly unspectacular. Albert Bates was picked up in front of a hotel in Denver less than three weeks after the kidnapping. The Shannon farms were hit at dawn the same day. Boss, Shannon and his

wife, Ora, a hard-faced woman some years his junior, and his son were quietly netted. So was a surprise fish who happened to be sleeping when the agents called---Harvey Bailey, a one-time railroad engineer and liquor hi-jacker who enjoyed the dubious distinction of being the country's number-one bank robber. Bailey was, when the agents aroused him from his slumbers, wanted for a prison break and ^{for questioning in} the murder, a month before the Urschel snatch, of three police officers/and a Bureau agent during a gangster attempt to wrest a Federal prisoner from official custody at the Union Station Plaza in Kansas City. Machine Gun Kelly and his wife weren't around. Bailey seemed more concerned by the fact that he had been caught napping than by the fact that he had been caught. "You got to sleep," he said, "sometime."

Urschel was along with the Government men on the Paradise raids. He laid eyes on Boss Shannon and his wife and son for the first time. He identified the Shannons, father and son, as the two who had guarded him---identified them by their voices. That cracked the Shannons. They confessed those details of the plot with which they were familiar. Bailey and Bates, of course, had long since learned how to keep silent in the presence of the law.

The Shannons had none of the ransom money on them. Bates and Bailey were carrying a few hundred dollars each. Where the bulk of it had gone was a poser.

The whole trouble, it seemed, had begun with Mrs. Shannon's daughter's choice of Machine Gun Kelly for a husband. Kelly, a man quick to sense the exploitation value of anything, had begun to look upon the Shannon farms as ideal drops for kidnap victims as soon as Kathryn brought him home to meet the folks. Kelly and Kathryn had brought Albert Bates and Harvey Bailey to the farm of Boss Shannon and his wife and there, with Boss Shannon's wife in on the plot, detailed plans to snatch Urschel.

Although Kelly and Bates had master-minded the crime, Bailey had been brought in on it as a full partner. He had been the outside man who had sent the telegrams during the ransom negotiations and kept an eye on the principals in the case while Kelly and Bates went about the business of negotiating for and collecting the ransom. Kelly himself had been the man who had taken the ransom from Kirkpatrick, the intermediary, in Kansas City.

Hoover's investigators, mostly lawyers, set the pace in the Urschel investigation for their practice of gathering evidence that didn't contain a loophole in a carload. Not long after they had removed the Shannons, Bates and Bailey from circulation they reconstructed every foot of the abduction route that Kelly and Bates had travelled in taking Urschel from and back toward Oklahoma City. They located the spot where Urschel

had sat in the brush while one of his captors went for gasoline, and where he had picked up the red bugs called chiggers; they found the barn where cars and license tags had been changed; they found the woman who had sold the kidnappers the gas and who had complained about the drought; they even got hold of the tin cup out of which Urschel had drunk the water from the squeaking well; and they found fingerprints of the kidnappers, and of Urschel himself, in the room where he spent eight days.

The Bureau had meantime supplied banks and large and small business establishments with lists containing the serial numbers of the ransom bills. The bills began to turn up in various banks in the mid-West; from there on the ransom trail was long, tedious and complicated, and destined to pay off only partially. Some seventy thousand dollars was found in a cotton patch in Texas, secreted in a Thermos bottle and a syrup jug, and smaller amounts, bringing the total to less than half of what was paid, were found on people on the outer fringes of the crime.

The three Shannons, Bates and Bailey went on trial without Machine Gun Kelly and his wife, still at large. The prosecution was handled by a vigorous, red-faced man named Joseph B. Keenan, Assistant Attorney General of the United States and, more recently, prosecutor in Tokyo of Japanese war

criminals. Keenan was the right man to handle the evidence developed by the Bureau; he got life sentences for Boss Shannon and his wife and for Bailey and Bates. Armon Shannon, the Boss's son, got off with ten years probation.

Machine Gun Kelly, wherever he was, followed the trial almost as closely as if he were right in the courtroom. He wrote Urschel, the star witness, a letter. He posed a question in the letter: Did Urschel think the Government could guard him forever? It must be said about Kelly that people always knew where they stood with him. He signed his letter to Urschel, "Your Worst Enemy." Kelly wrote to Keenan, too. He reflected on the ancestry of the Assistant Attorney General, and then, just to prove to Keenan that the letter was genuine, signed it with his fingerprints.

Machine Gun Kelly and his wife were finally taken by surprise in a private arsenal in a Memphis rooming house in September, two months after the crime. They, too, got life. During the trial, Kelly demonstrated one way in which a defendant could alienate a jury when, catching the attention of Urschel, he slowly drew his finger across his throat in a gesture meant to threaten a severed jugular vein.

A whole flock of assorted characters who were either mixed up with passing some of the ransom money, or in harboring the Kellys during their flight from justice, were brought

to trial and given varied sentences. That was how the total score was to add up to twenty-one convictions with six life sentences, and fifty-eight years, two months, and two days imprisonment.

Machine Gun Kelly had a point of sorts when he inquired of Urschel if he thought the Government was going to guard him the rest of his life. The Government didn't have to guard Urschel after the G-Men got through with Kelly's associates in the underworld and with the Pretty Boy Floyds, the Dillingers and the Bloody Barrows of the public-enemy era. But the Government has remained thoughtful enough of other likely candidates for the clutch of the professional snatcher by guarding Machine Gun Kelly and his wife, Bates, Bailey and the two Shannons; they are, after all these years, still in Uncle Sam's big cages.

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STANDARD FORM NO. 64

Office Memorandum • UNITED STATES GOVERNMENT

TO : DIRECTOR, FBI

DATE: November 13, 1950

FROM : SAC, KANSAS CITY

SUBJECT: HARVEY J. BAILEY
INFORMATION CONCERNING

Mr. Tolson
Mr. E. A. Tamm
Mr. Clegg
Mr. Glavin
Mr. Ladd
Mr. Nichols
Mr. Rosen
Mr. Tracy
Mr. Harbo
Mr. Belmont
Mr. Mohr
Tele. Room
Mr. Nease
Miss Gandy

On October 30, 1950, HARVEY J. BAILEY, FBI #312470, whose identity is well known to the Bureau, was interviewed by an Agent of this office on a matter of official business. This interview was conducted in the case in which Washington Field is office of origin, entitled "UNKNOWN SUBJECTS, Three (3), Hamilton National Bank, Shepherd Park Branch, 7731 Alaska Avenue Northwest, Washington, D. C., February 17, 1950; BANK ROBBERY".

As a matter of possible interest to the Bureau, BAILEY advised that his attorney was going to apply in his case for clemency. He said that he had been sent up by "POP" NATHAN, who was at that time an Inspector of the F.B.I. He said that NATHAN told him that while he knew he was not "right" on the job for which he was being tried, that he was going to send him up anyhow. He said that this conversation had been overheard by HAROLD ANDERSON, a Special Agent at that time, who said to BAILEY later that he had never heard a department man talk like that. He said that he had discussed the matter many times in the past with Special Agent [REDACTED].

BAILEY said that in applying for clemency all these matters were to be brought to the attention of officials.

An examination of BAILEY'S file at the U. S. Penitentiary, Leavenworth, Kansas, reflects that he has secured the services of [REDACTED] attorney, Green City, Missouri.

The above information is forwarded for any possible interest to the Bureau.

All b7C

RECORDING

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7-8-

7-115-2240

RECORDED - 76

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INDEXED - 76 3

11/27/50
BIS

EX-115

November 27, 1950

SAC, Seattle

Director, FBI

RECORDED - 76

7-113-2240
HARVEY J. BAILEY
INFORMATION CONCERNING

91-3-61-211
On October 30, 1950, Harvey J. Bailey, FBI #312470, whose identity is well known to the Bureau, was interviewed by an Agent of the Kansas City office on a matter of official business. This interview was conducted in the case in which Washington Field is office of origin, entitled "UNKNOWN SUBJECTS, Three (3), Hamilton National Bank, Shepherd Park Branch, 7731 Alaska Avenue Northwest, Washington, D. C., February 17, 1950; BANK ROBBERY".

During this interview Bailey advised that his attorney was going to apply in this case for clemency. He said that he had been sent up by "POP" NATHAN, who was at that time an Inspector of the F.B.I. He said that Nathan told him that while he knew he was not "right" on the job for which he was being tried, that he was going to send him up anyhow. He said that this conversation had been overheard by Harold Anderson, a Special Agent at that time, who said to Bailey later that he had never heard a department man talk like that. He said that he had discussed the matter many times in the past with Special Agent [REDACTED]

You are instructed to have former SA Harold Anderson contacted immediately and ascertain if he has any recollection of the conversation Bailey refers to or can recall any circumstances concerning this matter. The latest 1950 address available for SA Anderson is [REDACTED] Your inquiry should be expedited and the Bureau furnished with the results promptly. Your reply should be addressed to the attention of Assistant Director A. Rosen.

11-2 DEPT OF JUSTICE
B I
RECEIVED - ROOM
NOV 25 1950
(On November 25, 1950, New York was telephonically instructed to interview Mr. Nathan relative to this matter.)
DIRECTOR

All b7C

RECEIVED READING ROOM
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F B I
U.S. DEPT. OF JUSTICE

NOV 21 1951

Office Memorandum • UNITED STATES GOVERNMENT

TO : DIRECTOR, FBI

DATE: January 17, 1951

FROM : SAC, KNOXVILLE

SUBJECT: ⁽¹⁾GEORGE KELLY, was., ET AL;
CHARLES F. URSCHEL, VICTIM
KIDNAPING
BUREAU FILE #7-115

I. R. -8

Reference is made to Bureau memorandum by the San Antonio office dated 12/16/50 as well as a memorandum from the Knoxville Office to the Bureau dated 11/22/50 of which San Antonio received a copy.

It would appear from the contents of referenced memorandums that all logical leads in the above captioned matter have been exhausted, that Mr. CHARLES F. URSCHEL, the victim, has been appropriately advised of the information furnished by [REDACTED] as well as the circumstances under which he obtained the same and that Mr. URSCHEL is satisfied that information furnished by [REDACTED] could be authentic. It is noted that Mr. URSCHEL was very appreciative of the Bureau's recent efforts in this matter, and unless additional information is obtained, the Knoxville Office will not conduct any further investigation in this case.

7-195

All b7C

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17-115-2241
JAN 19 1951

EX-4

5 JAN 27 1951