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*AM-McNELL MYSTERY,600

*DA PROBES McNELL DEATH AND TIE TO CIA'S HUGEL

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NEW YORK (AP) - A DISTRICT ATTORNEY SAID WEDNESDAY THAT HE IS INVESTIGATING THE MYSTERIOUS DEATH OF DENNIS McNELL, BROTHER OF TWO MEN WHOSE ALLEGATIONS LED TO THE RESIGNATION OF CIA SPY MASTER MAX HUGEL.

SOURCES WHO ASKED NOT TO BE IDENTIFIED TOLD THE ASSOCIATED PRESS THAT SERIOUS CONSIDERATION WAS BEING GIVEN TO EXHUMING McNELL'S BODY, EITHER BY CONSENT OF HIS WIDOW OR BY COURT ORDER.

WHEN HE DIED JUNE 1, NO AUTOPSY WAS PERFORMED AND HIS DEATH WAS ATTRIBUTED TO NATURAL CAUSES, PERHAPS A RUPTURED SPLEEN.

McNELL IS THE BROTHER OF SAMUEL AND THOMAS McNELL, WHO DISAPPEARED AFTER MAKING ALLEGATIONS THAT APPARENTLY SPARKED THE RESIGNATION OF HUGEL AS DIRECTOR OF THE CIA'S CLANDESTINE SERVICES.

LAST THURSDAY, THE SECURITIES AND EXCHANGE COMMISSION ORDERED A 10-DAY SUSPENSION IN TRADING OF STOCK IN TRIAD ENERGY CORP., A NEW YORK FIRM HEADED BY SAMUEL McNELL AND LISTING THOMAS AND DENNIS McNELL AS EMPLOYEES.

COINCIDING WITH THE McNELLS' DISAPPEARANCE WAS THE DISCLOSURE THAT ABOUT $3 MILLION IN FUNDS FROM TRIAD AND ANOTHER McNELL COMPANY WAS MISSING.

REGARDLESS OF THAT CONTROVERSY, SAID JOHN J. SANTUCCI, DISTRICT ATTORNEY OF THE NEW YORK CITY BOROUGH OF QUEENS, DENNIS McNELL'S DEATH - IF A HOMICIDE - WOULD COME WITHIN HIS JURISDICTION.

''NO MATTER WHAT, IF THE GUY DIED BECAUSE OF A BEATING AND THE BEATING TOOK PLACE HERE, IT WOULD BE A LOCAL CRIME,'' SAID THOMAS McCARTHY, SANTUCCI'S SPOKESMAN.

THE DISTRICT ATTORNEY SAID HE HAS ''BEEN IN CONTACT WITH OTHER AGENCIES IN REGARD TO THE DEATH.''

HIS REMARKS CAME SEVERAL HOURS AFTER FBI SPOKESMEN IN NEW YORK AND WASHINGTON DENIED A CHICAGO TRIBUNE REPORT THAT THE AGENCY WAS EXPANDING THE INVESTIGATION OF THE BROTHERS' DISAPPEARANCE TO INCLUDE DENNIS McNELL'S DEATH. THE SPOKESMEN DID, HOWEVER, SAY THEY WERE AWARE OF HIS DEATH.

(OVER)

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