U.S. Agents Expect Indictment of 3 Chilean Officers in Letelier Case

By JUAN de ONIS Special to The New York Times

SANTIAGO, Chile, May 22-United States investigators expect to obtain within a month Federal grand jury indictments of three Chilean Army officers suspected of plotting the assassination of Orlando Letelier, a Chilean exile leader, in Washington.

But sources close to the investigation said that President Augusto Pinochet of Chile was expected to order army trials of any military personnel indicted in the United States. Such a move would prevent extradition until trial action here is completed.

The suspected Chilean officers are Gen. Manuel Contreras Sepúlveda, head of the Chilean secret service when Mr. Letelier, a former Chilean Ambassador to the United States, was killed by a bomb in September 1976, and two other army officers who worked for the secret service. Lieut, Col. Pedro Espinoza and Capt. Armando Fernénder, Larics, It is common knowledge in Chilean military circles that the three may be indicted in the United States.

Since Chile turned over Michael V. 'Propper arrived today on his third visit

cian living here, to agents of the Federal Scherer and Carter Cornick, who took Bureau of Investigation, last month Chil- Mr. Townley to the United States, have ean military investigators have been been here for several days. gathering evidence here on secret service involvement in the killing of Mr. Letelier, including the issuance of false official Chilean passports to Mr. Townley and Captain Fernández Larios to travel to the United States.

Inquiry Moves Rapidly.

"They know what the real story is and I trial. they know that we know," said a source familiar with the investigation, which has ton could begin by September, two years moved rapidly since Mr. Townley was after the murder Mr. Letelier. The public expelled from Chile and taken to Wash-i revelations during such a trial, in which I ington in F.B.I. custody and began talking freely. The United States has said that Mr. Townley, who has been identified as a member of the Chilcan intelligence service, helped plan the murder of Mr. Letelier and an associate.

Gen. Hernán Orozco, the chief of army intelligence, who is conducting the Chilean inquiry, and Gen. Oldanier Mena, who now heads the secret service, have cooperated with Eugene M. Propper, the assistant United States attorney in charge of the Letelier investigation. Mr.

Government Involvement Denied

Charges have been filed in Washington against Mr. Townley and four Cuban exiles living in the United States. Mr. 1 Propper is believed to be seeking the cooperation of Chileans, including military personnel, who might appear at the

The trial in a federal court in Washing-

Townley, an American electronic techni- this year. Two F.B.I. aides, Robert Mr. Townley's testimony is a key factor, is politically very sensitive here.

President Pinochet has repeatedly declared that his Government had nothing to do with the slaying of Mr. Letelier. who was expelled from Chile after two years in military custody. But his decision to turn over Mr. Townley to the United States has aroused indignation among many former secret service officials who are now on other army assignments.

Captain Fernández Larios has been meeting with junior officers in various regiments, openly protesting the "betrayal" of army officers who were involved in the dangerous "countersubversion" work of the secret service.

President Pinochet said at a meeting of high-ranking military officers that he was "not disloyal." He also denied that he had surrendered Mr. Townley to the United States under pressure. But the alternative to delivering Mr. Townley was American diplomatic reprisals, with the possible withdrawal of Ambassador George Landau.