



Gannett News Service

# Tangled web of claims on Palmyra

## Presumed buyer now keeps silent

By Thomas Kaser  
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Last week's announced sale of tiny Palmyra Atoll to a New York-based investment firm is raising a number of questions about the sale itself and about the ownership of — and access to — the ring of islets, 1,000 miles south-southwest of here.

Since the announcement, these points have come to light:

- A spokesman for the investment firm, KVR Inc., declined this week to answer Advertiser questions about the company and its purchase of Palmyra. At one point, he questioned whether the company is even buying it.

- Heirs of the former owner of Palmyra say a small part of the atoll belongs to them and is not for sale.

- The three Hawaii brothers who say they own the entire atoll claim they control not only its dry land but also its lagoons and reefs — and thus no one may enter those areas without permission. Yacht sailors say they have been intimidated and threatened at gunpoint by a French "caretaker" who lives on Palmyra.

- The U.S. Department of the Interior and the Coast Guard say the three brothers have no control over the areas beyond the atoll's line of mean high tide.

- A San Diego treasure hunter claims ownership of what he believes to be the remains of a treasure-laden Spanish ship that was wrecked on a Palmyra reef in 1816. A representative of the three brothers, saying they own "underwater property" at the atoll, threatens to take legal action against the treasure hunter if he comes onto that property.

The principal players in this tangled web are: KVR Inc., said to be a Nevada-registered, New York City-headquartered investment firm involved in scientific ventures and land development; brothers Ainsley, Dudley and Leslie Fullard-Leo, who say their parents acquired all of Palmyra in 1922 from Hawaii Territorial Judge Henry Cooper; heirs of Judge Cooper; Hawaii real estate broker Peter Savio, who disclosed the impending sale, represents the Fullard-Leos, and intended to develop the atoll himself before KVR expressed an interest in it; and San Diego treasure hunter Bill Warren.

The heirs of Judge Cooper, led by Henry E. Cooper III of Marblehead, Mass., say they have proof that when the Fullard-Leos' parents acquired most of Palmyra Atoll in 1922,

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Judge Cooper kept two small islets — together called Home Island — for himself.

Home Island, which at one time totaled 6 acres, has since passed to Cooper's approximately 20 current heirs here and on the Mainland, says Mary Cooper Smith of Honolulu, a granddaughter of the judge.

Savio and Ainsley Fullard-Leo say Cooper's ownership of Home Island was valid only through his lifetime, not beyond.

"His heirs say they have a deed from him," says Savio. "In fact, all they have is a life estate, which gives someone the right to walk Palmyra's reefs and sail its lagoons as long as they are accompanied by Judge Cooper.

"Obviously, that time has passed. In any event, Home Island has since virtually disappeared through erosion. There's nothing left to own."

The Cooper heirs and treasure hunter Warren say they also dispute the Fullard-Leos' claim of owning not only the atoll's land but also its reef and lagoons.

They say yacht crews, some of whom the Cooper heirs have given permission to visit Palmyra, were insulted, turned away and threatened by a gun-wielding French caretaker whom Savio has hired for the atoll.

On the reef/lagoon issue, Warren produces a Nov. 14, 1995, letter written to Savio by Allen Stayman, director of insular affairs for the Interior Department, saying: "In our view, the (federal government) holds unquestioned title to the lands and waters up to but not above the line of mean high tide and seaward to a line three geographical miles distant from (that)."

Warren also produces a July 1992 letter to Mary Cooper Smith from Capt. J.H. Donahue, Coast Guard chief of staff here, saying any vessel "may freely enter the (Palmyra) channel and anchor in the lagoons without prior permission from (Savio's) Palmyra Development Co. No permission is needed."

The matter may end up in court. Savio and an attorney familiar with the conflict say the Interior Department and the Coast Guard have overlooked the fact that Palmyra was part of the Kingdom of Hawaii, the Republic of Hawaii, and the Territory of Hawaii (but did not become a part of the state of Hawaii), and all of those former jurisdictions recognized that the Fullard-Leo family owns the reefs and lagoons.

As for the the French caretaker — Roger Lextrait — Savio says he's not hostile.

"When people go to Palmyra, we ask that they sign a release form that releases the Fullard-

Leos and me from liability," Savio said. "If they go ashore, they must sign the release."

"Roger is there to enforce that. Thousands of yachties have been to Palmyra, and all but a handful are pleased with the way they were treated. A few refused to sign the release, went ashore anyway, therefore broke the rules, and were asked to leave. They threatened Roger and there was an argument."

Meanwhile, Warren has filed a suit in federal court here seeking 100 percent of any treasure he finds from the Spanish galleon *Esperanza*, which he says was laden with gold and silver bars and Spanish coins when it was wrecked on the Palmyra reef in 1816 while en route from Acapulco to Manila.

Earlier, Warren filed a three-page document in federal court claiming something like a citizen's arrest on the wreck, if he finds it. He says U.S. admiralty law allows finders and salvagers of shipwrecks to keep whatever they find in U.S. territorial waters.