

# Texas Rocket Built on 'Shoestring' Carries Free Enterprise Into Space

By **ROBERT REINHOLD**

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**MATAGORDA ISLAND, Tex., Sept. 9** — A private corporation with only seven permanent employees launched a spacecraft made out of surplus rocket parts from a cattle ranch here today, ushering in what its promoters believe will be a new era of commercial exploitation of space technology.

The gleaming white craft, carrying a mock payload of 40 gallons of water, lifted off dramatically with a roar and a puff of white smoke at 10:17 A.M. It sketched a high parabola over the choppy waters of the Gulf of Mexico and splashed down 321 miles from this barren island 10½ minutes later.

The successful test flight of the 36-foot rocket, symbolically named Conestoga 1 after the covered wagons used by American pioneers, was a pivotal event for its owner, Space Services Inc. of America. The Houston-based concern had persuaded 57 investors to chip in \$6 million on the argument that the time had come for private enterprise to get a piece of the action in space, which has long been dominated by governments.

The company's chairman, David Hannah Jr., a Texas real estate developer and space enthusiast, said the company was now prepared to push ahead with plans for the first privately launched satellite in 1984. Space Services hopes to sell "low-cost, market-oriented" space services that are tailored specifically to meet the needs of oil companies and other potential customers needing satellite tracking and communication.

"It was a tremendous relief — a real



Associated Press

**The Conestoga 1 being launched from Matagorda Island, Tex.**

gratification," Mr. Hannah said minutes after the launching, his ruddy, sweaty face wreathed in smiles. "The only thing I was worried about was the

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ng, and he clearly expected the ty surrounding today's shot to new investors.

aid about a dozen companies, in the oil industry, had ex- l interest in buying the concern's s. No profits are expected before The company hopes to offer y flights by 1986 or 1987.

first orbital launching is ex- to place a 500-pound payload into orbit of the earth. The company little pretense that it is doing ng very pioneering in space tech- or science. Rather, it says it to capitalize on existing tech- developed by the National Aero- and Space Administration and te it economical by cutting ex- and paperwork. Today's flight neant to demonstrate that a ing could be achieved by a pri- am.

d what was new about today's the director of the mission, Don- Slayton, a former astronaut who

and less than a minute later the 40 gal- lons of water were ejected. The empty vehicle finally splashed down into the Gulf, well away from any land mass, 326 miles from here.

"Obviously we are very happy with the results," Mr. Slayton, the mission director, said. "All systems worked exactly as they were designed to work."

It was unclear whether the euphoria among those present at the launching was premature. Space Services still has no permanent launching site. This site, because of nearby land masses, is unsuited to orbital launches. The company is negotiating for a site on a remote corner of the big island of Hawaii, but it is encountering some opposition from local people who are fearful of develop- ment.

The company is also negotiating with NASA to lease the Atlas Centaur launching complex at Cape Canaveral. With only one Government launching a year scheduled for the next few years, Space Services believes it could use that site to put very large payloads into a high orbit.

By leasing the Atlas Centaur site, the

