

"The public interest requires," he said, "that in our efforts to develop the technology of extracting oil from shale, we write into every rule, regulation, contract, and permit affecting the public lands those terms and conditions that will—

"Encourage competition in development and use of oil shale and related mineral resources;

"Prevent speculation and windfall profits;

"Promote mining operation and production practices that are consistent with good conservation management of overall resources in the region;

"Encourage fullest use of all known mineral resources;

"Provide reasonable revenues to the Federal and State Governments.

"We intend," the Secretary said, "to seek the broadest possible participation in the development of our oil shale resources. The public lands in the region, representing the largest untapped sources of hydrocarbon energy known to the world, belong to all of the people and must be used for the benefit of all the people."

The Secretary emphasized that the contracts involved in Point 3 of the oil shale program will involve two distinct phases. The first phase, in which the contractor expends research and development funds, will require only small acreages of public lands necessary for research and development operations. The second phase, reached only when the research and development work has proved successful, will require acreages large enough to assure an adequate supply of oil shale and other minerals for a commercial operation of specified capacity over an agreed term of years.

Total Federal holdings of oil shale lands approximate seven million acres, but these holdings vary widely as to the richness and thickness of the shale.

"I do not underestimate the difficulties that will attend all five parts of our program," the Secretary said. "For at least 50 years legal, economic, and technical difficulties have stood in the way of efforts to develop the Nation's oil shale resource. To bring this program to fruition may take more than a decade, but if we are to realize the potential of our vast oil shale resources we must undertake intensive efforts now."

Although oil shale deposits are found in several States, the richest deposits are found in the Green River Formation of Colorado, Utah and Wyoming. It is in this area where the Department anticipates the greatest interest under Point 3 of its program.

The amount of oil that can be recovered will depend upon technology and economics. The Green River deposits extend over about 16,000 square miles and include several geologic basins. The total thickness ranges from a few hundred feet to more than 2,000 feet and the potential oil yield ranges from a few gallons to more than 65 gallons per ton of shale. The Federal Government has title to about 72 percent of the total oil shale acreage with potential yield of at least 15 gallons per ton; this amounts to about 79 percent of the estimated equivalent oil in place. Some of this acreage, however, is the subject of mining claims not yet adjudicated. The remaining acreage is owned by the States or private individuals or companies.

The Bureau of Land Management will today submit an application for a withdrawal order and the Department will begin to take the other steps necessary to clear title to the Federal oil shale lands.

Proposed regulations setting forth the terms and conditions under which the Department will administer the oil shale program should be promulgated within sixty to ninety days.

[From the Congressional Record, Jan. 31, 1967]

OIL SHALE HEARING

Mr. JACKSON. Mr. President, for the information of Members of Congress and other interested persons, I announce that the Senate Committee on Interior and Insular Affairs, which has initial legislative responsibility for development of the mineral resources of the public lands of the United States and for mineral production generally, has scheduled a public hearing on oil shale for Tuesday, February 21. Last Friday, the Secretary of the Interior, Stewart L. Udall, made public a proposed five-point action program for economic development of the vast deposits of shale oil and associated minerals in the fabulously rich Green River Formation which underlies millions of acres and thousands of square miles in parts of Colorado, Wyoming, and Utah.