

an initial lease for research and development with performance conditions, and if the people perform and do their part under the contract, that then it ripens into a lease for large scale development. This, of course, is the thing that we are going to be trying to perfect, both to protect the public interest, to prevent windfall, and at the same time to permit development to move forward.

Senator ALLOTT. Do you think it would be feasible, Mr. Secretary, to hold separate hearings here in this committee on just the lease aspect to try to develop and explore all of the problems and perhaps get some definition and delineation of the directions we ought to go on this, eliminating all the other problems that Mr. Barry has gotten grayhaired about? Do you not think this would be advisable?

Mr. UDALL. Senator, I do at the right time, and I want to indicate to the committee what I think the right time would be. I think this is the most controversial, crucial question. I personally feel very strongly that the Oil Shale Advisory Board and every member on it made a very big contribution in focusing on this as the controversial question. As a consequence, I think the whole problem is illuminated and we at least know what some of the alternatives are.

Once we have put out our regulations, once we have had comments from industry and from others, once we have then made our regulations final, and we are moving on into the development of the new leasing techniques, if they are new, I think this would be a time when it would be useful to us to have the committee get into this picture.

One thing I have learned in my 6 years as Secretary, if I may say so, is that when I have a matter that is highly controversial before me, rather than take it off into the back room and decide it, that the more public discussion there is the better, and the more opportunity you have to discuss alternatives and let everybody be heard, the less chance there is that you are going to make a mistake in terms of the final decision that you come up with.

Senator ALLOTT. I agree with this and this is exactly the reason that I suggested that it might be feasible for this committee to start this study now because I cannot conceive of us developing a rational leasing policy in less than 2 or 3 years, or maybe longer, and I simply close at the moment with this one point, that I cannot envision any great developmental research over there. Perhaps those who already own substantial blocks might do this, but generally I cannot envision any great steps forward in this until we have formulated some basic leasing policy.

Mr. Chairman, I have taken a lot of time and I hope my colleagues will forgive me, but we are slightly interested in this in my own State, as you are, and Senator Hansen is, and I will retire with the opportunity to come back.

Senator MOSS. Thank you.

Is there a depletion allowance granted on oil shale, Mr. Secretary?

Mr. UDALL. Well, I found that in my press conference 3 weeks ago this is a more involved question than you would think and it is one that I do not pretend to be expert on because it is an area where the Treasury Department and not my own, has the responsibility. I think that my Solicitor can give you some kind of answer on this. But we have not at this point gone into this in great detail because this is really