

much great potential economic impact to the areas involved and which also may have a great bearing on our National Security.

Since the last hearings held in May of 1965 the Interior Department has come forward with a so-called Five Point program which would foster the oil shale development in Colorado, Wyoming and Utah.

I was generally pleased with the announcement that the Interior Department has finally acted to take the first step toward unlocking one of the richest oil deposits in the world.

I hope, however, that after almost 40 years of confusion and delay we are not merely getting into a situation where the Department is "beginning to study how to start to commence," as has been said of the Interior Department and oil shale.

Mr. Chairman, I have felt for a long time that there have been three obstacles to early progress toward oil shale development.

1. The lack of clear-cut and workable leasing regulations that could permit and foster development.

2. Uncertainty as to the validity of many of the mining claims which were filed many years ago and which are clouding the picture today.

3. Delays and problems confronting the economic development of oil from oil shale deposits.

Of these items the third has been making the most progress toward solution while the other two have been bogged down in bureaucratic red tape.

Now it appears that some of that tape might be cut as result of the new policy decision handed down in January. However, before any concrete statement can be made or before this Committee can decide exactly which direction the Interior Department plans to go a study must be made of the regulations which the Secretary of Interior promised (in Point Three) within 60 to 90 days when we will see the administrative details of leasing procedures.

I am sure that Congress, private industry and all concerned with our national security will await the Interior Department details on the proposed leasing program with a great deal of interest.

Although it remains to be seen I will be particularly interested in just how many Federal strings will remain attached to the land in question and in knowing whether the Administration has chosen to inhibit rather than to promote the cooperation of private industry into this very important field.

In addition, I am wondering about the question of state indemnity selections which play such a major role in the Utah land picture. I hope that the Secretary, as result of these new policy statements, will come forward when the regulations are printed and expedite the indemnity selections that the State of Utah has requested.

It is my feeling that the government should immediately make certain areas available to private concerns for development. A logical beginning would be an area where there is intermingled state, Federal and privately held fee land.

Oil companies and others have requested or applied for leases on more than 100,000 acres of Federal oil shale lands. In Utah, practically all of the oil shale lands owned by the state—some 160,000 acres, were under lease at the end of 1963.

The opponents to an immediate leasing program maintain that we have not traveled far enough in the research and development area. They say that more research is required before we will be able to open up this industry. Private industry claims it has the methods and that all it needs to get going is someone to cut the red tape. I maintain that we should allow private industry to prove its claims and let us not hide behind a curtain called "lack of research and development."

Mr. Chairman, in conclusion I would like to say that I hope, at long last, that we are on the road to clearing up some of the confusion that has been created by changing attitudes in this entire oil shale area.

The subject has been studied almost to death by almost every branch of the government. One of the major problems has been the failure by the government to act as quickly as it should have so that the development of this resource would not have to commence under the pressure of shortages or merely to conditions of the day. I would hope that we can proceed in the orderly and equitable development of this industry in an independent and positive manner based on careful and comprehensive policies that will give oil shale a chance.

Thank you, Mr. Chairman.