

FEDERAL OIL SHALE PROGRAM

THURSDAY, SEPTEMBER 14, 1967

U.S. SENATE,
COMMITTEE ON INTERIOR AND INSULAR AFFAIRS,
Washington, D.C.

The committee met, pursuant to recess, at 10 a.m., in room 3110, New Senate Office Building, Senator Henry M. Jackson (chairman) presiding.

Present: Senators Jackson, Moss, Allott, and Hansen.

Also present: Jerry T. Verkler, Staff Director; Stewart French, Chief Counsel; William J. Van Ness, Special Counsel; and E. Lewis Reid, Minority Counsel.

THE CHAIRMAN. The committee will come to order.

This is a continuation of the public hearings begun last February by the Senate Committee on Interior and Insular Affairs on the Federal oil shale program. Late in January, prior to our February hearings, the Secretary of the Interior had announced a five-point program for development of the vast oil shale reserves on the federally owned lands. Then on May 10 he caused to be published in the Federal Register proposed regulations to implement the announced program, and invited comment by interested persons before they are put into effect.

This resumed hearing will focus on these proposed regulations. Specifically, the committee would like to get informed views and comment on the probable effect of the regulations on the development of the oil shale reserves of the public lands and their bearing upon the establishment of an oil shale industry.

It should be pointed out that today there is no oil shale industry in America. As yet not a single barrel of petroleum has been produced from oil shale on a commercial going-industry basis. However, there has been a considerable amount of experimental and exploratory work, as well as pilot plant activity by certain companies on private lands and by the Federal Government, itself, in the facility at Rifle, Colo. The Mideast crisis highlights the need for development of additional sources of energy within our country.

The advancement of the state-of-the-art of producing oil from oil shale and the need for additional domestic supplies, make Secretary Udall's action in attempting to unlock the vast energy resource of oil shale particularly timely and fortunate.

Secretary Udall is to be congratulated most heartily for his initiative and in view of the reaction of some people, perhaps his daring. He is the first Secretary of the Interior in the 37 years since President Hoover's order in 1930 withdrawing the oil shale deposits on the public lands to attempt to take affirmative action on a signifi-