

Section 3172.10 covers antitrust consultation.

This section provides that prior to issuance of a lease, the Attorney General will advise if issuance conflicts with the Federal antitrust laws.

Our position here is that this regulation is unnecessary because of the acreage limitations contained in the Mineral Leasing Act.

The proposed regulations also set out a position with regard to exchange of oil shale lands. These provide that under the Taylor Grazing Act, we point out that under the Taylor Grazing Act, oil lands to be exchanged would have similar geological characteristics. We think these limitations are too restrictive because of technical difficulties in evaluating such characteristics. Such a requirement would cause numerous administrative problems.

Our position here is that the criterion should be that the offered oil shale land be of a value approximately equal to or exceeding the value of the selected public land.

Now, in conclusion, I would like to summarize our views concerning the development of oil shale on the public domain.

1. Liquid fuels from nonconventional sources could be needed in the next 10 to 15 years, and oil shale could become a supplemental source of energy.

2. Because of leadtime requirements, steps should be taken now to encourage the necessary research and development of oil shale on the public domain.

3. Oil shale on the public domain can best be developed by private enterprise.

4. Clear title to the public domain oil shale lands is essential to such development.

5. Regulations proposed by the Department of the Interior do not provide the necessary encouragement and incentives for private enterprise to commit its technical and capital resources to the important task of developing this industry on the public domain.

6. Revised regulations should be issued by the Department of the Interior without delay. These regulations should be conducive to the diligent advancement of research and development by private enterprise so that shale oil can make its proper contribution as a supplemental energy source when the need arises.

Mr. Chairman, this concludes my prepared remarks. Thank you.

The CHAIRMAN. Thank you, Dr. Jones.

You state that Humble believes that, in the best interests of the Nation, the mineral energy resources contained within the public domain should continue to be developed by private enterprise under a minimum of Federal controls, as in the case of oil and gas, and without further Government expenditures on research.

Is it not true that if some of the smaller companies are going to have an opportunity to participate in a competitive way that the research being done by the Government could be of considerable help in giving them a better competitive position? I am not saying that the Government should subsidize other companies, but they are not all equal in their research capability. Would you cut off all Federal research in this area?

Mr. JONES. Mr. Chairman, I believe that my position on Federal research is that there are certain areas that transcend individual com-