

to enable any qualified person to carry out the work performed under the lease.

It is also to include recommendations for further improvements and such other representations and information as the Department may specify. Persons designated by the Department are to have access to all operations and facilities. No report may be copyrighted and the Secretary has the full right to publish, reproduce, and use, and to have others do so, the reports and any information obtained by the Secretary pursuant to his regulations. The Secretary must promptly publish reports received, and make other information available to the public.

These provisions are most objectionable. Each applicant, who has not already done so, will doubtless develop its own processes and technology through the use of its own funds. There is neither precedent nor moral justification for requiring it to share its hard-won knowledge with the Department or with others.

Provision is made for acquisition by the Government of title to all inventions made in the course of or under the research term of the lease. The lessee is required to issue licenses—at reasonable rates—on patents owned by it which are necessary to permit others to practice inventions made in the course of or under the research term. In the case of a proper showing of exceptional circumstances, the lease may contain provisions granting greater patent rights to the lessee.

Whatever justification there may be for such provisions in the case of contracts covering Government projects to be carried out by private contractors financed by Government funds, none exists in the case of a lessee of Government oil shale lands. In addition, they place severe penalties on those who, like Union, have pioneered in the field of oil shale mining and retorting and have achieved at considerable expense, their own patented processes and their own know-how.

These disclosures and sharing requirements constitute a serious bar to the future development of the shale oil industry and these restrictions should be deleted. Further, they encourage speculation by companies unwilling to commit their capital, and place the Government in the position of handing out windfall profits to inactive or unsuccessful companies.

President Johnson is reported as saying he doesn't think Middle East conditions require a speedup now in development of oil-bearing shale deposits in Colorado and neighboring Rocky Mountain States. But if U.S. petroleum supplies are threatened more than they are now, steps can be taken to develop shale oil faster.

I do not interpret the President's reported remarks as indicating any difference in views from those which I have expressed. So far as I am aware, there is nothing in the present Middle East situation which imperils the adequacy of petroleum supplies to meet the present requirements of the United States.

The situation does, however, point up our country's need for assurance of a high level of domestic petroleum supplies to meet vastly increased future requirements for civilian use, of which I am sure the President has knowledge from the Government's own economists. Moreover, there is always the possibility of substantially increased defense demands.