

Senator ALLOTT. I know you are aware of the fact that for the past several Congresses I have had bills pending to do exactly the same thing that you have suggested with respect to depletion allowances, and that is moving the point of depletion—it only requires a change of a few words—over from the extraction of the shale itself to the point of retort, and I think this is one of the necessary things.

There has been a considerable amount of discussion here throughout the day with respect to the Government's wanting to have all the patents go into the public domain and, of course, having spent the money that your company has and that other companies have spent, and particularly your company in this instance, on developing processes, I assume from what you say, this would be a bar to your moving forward in the oil shale industry.

Mr. HARTLEY. Yes; definitely.

May I tell you a story of actual facts? When we started our oil shale program in 1955, we either had to develop our own mine and enter into all the costs of doing that, or we had what I thought was a very fine alternative; namely, that we could buy the shale rock that was coming out of the mine operated at that time by the Department of the Interior, and we were willing to pay whatever the Department of Interior was spending to end up with that mined rock, and that turned out to be, as I recall, somewhere between \$4 and \$5 a ton.

That money would have gone, of course, into the Treasury of the United States and reduced the cost to the taxpayers of the Bureau's program.

We tried every possible avenue to get our hands on that rock, and we had one legal expert after another in practically all branches of the Government make sure that we didn't get our hands on it.

One of the aspects of that was, of course, if we used that rock we would have to turn over our developments to the U.S. Government, so they merely continued to take the dump truck, run it to the end of the mountain up there at Rifle, push a button, push the hoist up and put \$5 a ton over the mountain down on the other side. It ended up in dust at the bottom, I guess.

So that, perhaps, tells you how; that illustrates to you some of the problems we have had in trying to get realistic Government-industry partnership in this problem.

So, naturally, we went ahead and opened our own mine. Why? Because we felt if we spent the kind of money that we had in mind, which turned out to be around \$10 million, certainly we were entitled to have patent protection, and on that subject, there seems to be a tremendous amount of misconception.

I notice one organization after another in the United States, including the committee which met here in Washington not too long ago, where they seemed to associate the patent system with monopoly. The patent system, yes, on paper, I suppose, could be said to be monopolistic, but basically it is a system to give a man a chance to handle his property rights and not have them taken away from him with no repayment for the investment he has made in achieving same.

I can assure you that in the oil industry today I do not think I know of any development in the oil refining and the oil exploration business where the developments of the industry are not made available to other