

members of the industry through licensing, and I also hasten to add that those licenses are at modest rates.

Why? Because you never know when you are going to have to take a license from the other fellow. This is the discipline that causes this type of exchange to occur.

I can assure you that we have made our information available under agreement with several companies in the United States. We are prepared to license our inventions, and any additional inventions we make we will be prepared to license those.

As a matter of fact, we licensed and provided the basic information for the refining of tar sands up in Alberta, and that plant up there is running under technology developed to a great extent, as far as the hydrogenation process is concerned, by the Union Oil Co. of California.

Senator ALLOTT. I have just one further question with respect to this royalty. You mentioned that Battelle now had a research project going on, for which you are supplying the oil shale. Are you charging them any royalty?

Mr. HARTLEY. No. They have a retort worth testing in the field, and they need a supply of oil shale. They need a site close to a supply of oil shale in order to continue to carry out these tests.

They approached us as to whether our oil shale experimental site was available. We said it certainly was, they were responsible people, and under the proper terms and conditions, we are leasing our site to them at a nominal sum of \$1,000 a month. That includes the laboratory we built, office buildings, and so on, and also it is quite a lot of nice, level land which, in that area, is a little hard to find; and they will also pay taxes on any investment they make there that requires an increase in taxes on that site.

They have a 2-year period to operate on. We will not have access to their patents. We will get nothing out of this in their first phase other than in the event we ever proceed with commercialization of their retort in the future we will get nominal royalty credit for the services that we are supplying them with.

Senator ALLOTT. But you do not participate in their patents in any way.

Mr. HARTLEY. That is correct, sir.

We are also making available to them free of charge—they are going to have to pay the cost of mining, but free of charge, as far as we are concerned—giving them access to our mountain road, and access to our oil shale mine, and they can take up to 300,000 tons out without accounting to the Union Oil Co.

Senator ALLOTT. Thank you very much, sir.

Mr. HARTLEY. Incidentally, we wish them a lot of luck.

Senator MOSS (presiding). Senator Hansen.

Senator HANSEN. I do not have any questions, Mr. Hartley. I would like to compliment you on an excellent statement.

I must say that it is refreshing to hear a presentation, and yours has been the second one this afternoon, that I think gets down to realities in discussing the facts and the road blocks that are ahead of you and other companies as you contemplate the conversion of oil shale into a usable source of energy that people will have at their disposal, and I think you have done a good job in pointing out what the