

procedures were not sufficient to guard the public interest, of incidents in which the Government of United States issued patents on land where the same lands had been the subject of patent applications in previous years, and where the patents had been previously denied upon grounds other than the failure to perform required annual assessment work.

I listened to the president of the Union Oil Co.'s testimony showing the concern that some people have that somebody may make a profit. I am not at all concerned that oil companies or other investors in the development of the art, in the technology of oil shale production, should, because of their investment, make a profit. Indeed, I hope they do, because without such a profit there will be no development of any oil shale industry in Colorado and in Wyoming and Utah; and in common, I think, with virtually all our citizens in those States, we look forward to such development. We want prompt and effective efforts taken to increase that probability of such development.

What we do not want, however, are these kinds of windfall profits the Secretary has listed—the Secretary has listed these windfalls profits—or the prevention of the windfall profits, as one of the purposes of the proposed regulations. I would say that the two cases that I referred to indicate that windfall profits have been taken in the past.

In my prepared statement, I have indicated that I do not bring these cases to the attention of the committee for the purpose of fixing blame in any way on any particular administration or any particular Secretary of the Interior. But again, to illustrate my concern that the Department of the Interior in the past has not had procedures which were sufficient at all times to guard the public interest, I have cited these cases.

In the one case to which I referred, the *Eaton* case, which was the subject of litigation, now no longer before the courts, the patent originally was applied for in, I believe, something like 1928. The application was denied by the Department of the Interior upon the ground of fraud in the location. It was alleged that some of the locators were dummy locators, and that, therefore, the patent application ought not to be granted, and the patent ought not to issue.

In something like 1948, the lands, still in the hands of the same applicant, were again submitted to the Department of the Interior, and patents were applied for. At that time patents were issued to the same applicants, and apparently there was an ignorance on the part of those in the Department who passed upon the second application that the same lands had previously been denied patents.

Now, this error was discovered in the Department of the Interior and steps were taken by the Federal Government, timely, to recover the windfall profits which were made. Because of whatever legal difficulties which may have existed, the Government settled for, in effect, a good deal less money than the particular person in question made out of his investment in these lands.

The second case I discovered, really, by poring through the records in Garfield County. This involved the issuance of a patent to a person, or actually to an oil company, where, as to some 500,000 acres of the total acreage involved, the patent applications had been previously denied upon, in some cases, the claim that some of the lands were