

But you used the word "windfall" in your statement at one point, Mr. Cameron, and this has bothered me because it goes back to the Teapot Dome syndrome I was talking about yesterday, which Senator Moss just referred to in another way. With your long knowledge in this, beginning back as a member of the Bureau of Mines Research team at Anvil Points, can you see any possibility, considering all of the indefinite factors which must come into play in one of these things, a windfall to any person—unless they would just simply give a lease to one company?

Mr. CAMERON. I can see no possibility for windfalls in the production and development of oil shale. The windfall to which I referred was what the Secretary will create if he continues the de facto withholding of oil shale lands, because he is creating an artificial shortage of developable properties.

Senator ALLOTT. In that respect, the so-called need criteria that he has placed in his regulations might very definitely result in a windfall, coupled with his regulations concerning patents in that someone who had exerted no effort in this field could step in and, perhaps, if you are down the road in a production lease, utilize the patents which others gambled their money to develop, and their only criteria for such a lease would be their need, in that they did not presently have any available acreage.

Mr. CAMERON. I would agree with that, sir.

Senator ALLOTT. So that the other factor in this—which seems to be forgotten by those who feel constrained to comment on this—is that into this must go the millions of dollars of research. We have had some evidence on that here. Mr. Jones said yesterday that he thought it would go well over \$100 million in research, and from that evidence the total looked for here by the private sector might well go into hundreds of millions of dollars for research into this area, plus the actual construction of the retorts and mine operation, plus the continuing expense of mining and operating of the mines, plus the expense of retorting, plus the expense of hydrogenation and the elimination of undesirable qualities in the crude that you get. So that, in the total product that could be expected from this, about the most that would be expected under the acreage limitations provided under law, are that a company could provide itself with reserves, but in the production of those reserves it could hardly be expected to find any such thing as a "windfall." Is that true?

Mr. CAMERON. That is exactly true.

I have been in this oil shale business for almost 20 years, and for about 19 of them I have had to explain to almost everyone why I thought shale oil could be produced economically. In the last year I have been astounded that I have had to explain why there was no bonanza in it.

Senator ALLOTT. Now, just one other comment I would like to make. I would like to compliment you particularly on your statement with respect to conservation. I know of no company that is interested in oil shale development which is not fully aware of the need to take care of conservation, and to provide against air or water pollution in this area.

However, as you point out, the ecology of this country, if an oil shale development actually occurs, is going to be modified somewhat,