For your information, Cameron and Jones, Incorporated is an engineering consulting organization with a full-time staff of 18 practicing registered professional engineers whose primary interest and activity is in the field of oil shale technology. The company has headquarters in Denver, Colorado and operates world wide. It has, over a period of more than twelve years, acted as consultants in oil shale matters for many clients including the States of Colorado and Utah; the Department of the Navy; Petroleo Brasiliero, S.A. (the national oil company of Brazil); the Oil and Gas Conservation Board of Alberta, Canada, many of the petroleum producing and marketing corporations of the United States; and other companies, individuals, and organizations interested in shale oil and other minerals in oil shale. A brochure describing more fully the background and activities of the company is attached.

The comments we offer are submitted in the belief that some modification of the proposed regulation is needed to make this instrument effective, not only in the development of the public oil shale lands, but in the early establishment of a viable oil shale industry While we hope the attached report will explain fully our viewpoint, I am available to supplement these comments verbally if you so desire.

Respectfully submitted.

RUSSELL J. CAMERON,
President.

COMMENTS ON THE PROPOSED FEDERAL OIL SHALE LEASING REGULATION

Since we are engineers and not lawyers or technicians of leasing form and practice, our comments will deal with those areas in which we feel some competence, generally the technology and economics of oil shale utilization. The extensive background of our staff in both government and industrial research also qualifies us we believe, to comment on aspects of the proposed regulation concerned with research and development.

We have attempted to look at the regulation without preformed opinion or doctrinaire attitude. However, as representatives of the private sector of our society, our opinions may carry a certain bias in favor of competitive free enterprise. For this we make no apology since we do not believe such bias to be in any way alien to the public interest.

We are in no sense acting for any of our clientele and the opinions, comments and recommendations given are our own. Furthermore, since we played a part in the discovery of the saline minerals in the Piceance Creek oil shale deposit and are an interested party in a contest now before your office regarding a sodium prospecting permit, we shall refrain from comment on this aspect of oil shale leasing.

THE LEASING QUESTION

We agree with the decision of the Secretary of the Interior to open the Federal oil shale lands for lease. An opposing viewpoint has been advanced that there are adequate lands in private hands to begin shale oil production if the owners choose to do so; therefore, the Federal lands should be reserved for the future.

In our view the further withholding of Federal oil shale lands will create an artificial shortage, generate windfall profits for those who hold non-federal lands, limit competition, and generally inhibit the development of oil shale. We agree fully with the concept of a limited leasing program at the present time. This is consistent with the need for acquiring industrial experience before committing substantial reserves for development.

We believe the commercial development of the private lands will precede that on Federal leases. Within 5 years initial large-scale production will begin. However, there probably are only a half-dozen companies with holdings suitable for immediate development. A sizable percentage of the private lands are of marginal quality, in small tracts, in litigation over title, or combine some or all of these deficiencies. An estimate of private land holdings with an indication of their quality is shown in Table 1.