

eral land management agencies. In short, the task of keeping up with all of the claims on oil shale lands was beyond reason, especially when there was no requirement that the Federal Government even be notified and in the light of conflicting and outmoded laws and court interpretations. Claims are superimposed upon others. Some few people each located more than 50 claims!

Mr. Chairman, it is our opinion that the time has come for the Congress to bring order into this confused and contradictory situation. Now that research appears to be on the threshold of important breakthroughs in the processing of oil shale, it is even more urgent that basic decisions be made.

The National Wildlife Federation believes the Congress soon must take these highly significant steps:

1. Recognize by a suitable policy statement that the oil shale lands are public assets which will remain in public ownership and management. This declaration will discourage private speculation.

2. Declare invalid—or null and void—all old claims on lands on which the required assessment work has not been done. The original claimants have long since passed on from this frail existence. Attorneys out for a fast buck and some oil companies apparently are now showing an almost exclusive interest in reviving the validity of what was once determined by the Interior Department and the Courts to be an invalid mining claim. Otherwise, the entire oil shale program seems destined to settle into a morass of inactivity necessitated by the resolution of claims and counter-claims—a process which could take decades.

3. Adopt laws which require utilization of the oil shale resources in the manner best designed to protect the surface. The oil shale country is the wintering grounds for the largest migrating deer herd in North America and these assets also must be safeguarded. Protection of the land surface is one reason we hope the in situ retorting method proves the most successful. Opening these lands to one gigantic strip-mining, or open pit mining, operation would be tragic.

Without casting aspersions at any agency, or individual, or administration, we think these basic policies and regulations governing the development of such a vast and valuable public resource should be set out by law. In this manner, any temptation for another "Teapot Dome" scandal will be lessened. Sen. Douglas might not even need a "Watchdog Committee" although we are inclined to agree with him on its desirability.

4. Set out a revised distribution formula for royalties. We agree that the States involved should benefit from this public resource, but believe there is no justification whatever for diverting 52½ per cent to the Reclamation Fund. The Reclamation Fund is designed principally to help finance the irrigation and reclamation of agricultural lands in the western states. There is no solid rationale whatever for giving these special interests such a windfall.

In our opinion, the Federal Government must retain a much greater portion of the royalties. Surely the people of the U.S. who own this land are entitled to at least a ½ royalty—the same amount usually provided private landowners on any oil development lease. Under no circumstances should a low-fixed fee for lease holders be developed. All lease monies, except that paid to state and local governments, should be set aside for broad public benefits such as the Land and Water Conservation Fund, education, health, and other projects the Congress would approve.

5. Remove the depletion allowance on Federally leased land. If the land remains in Federal ownership, as we believe it should there is no reason for the oil companies which utilize the resources to get this generous tax consideration. In this manner, the Treasury of the United States and the proper financing of badly needed social programs should benefit in still another way.

6. Care should be taken that this vast amount of public wealth be developed competitively with the small oil companies entitled to share in the leasing and extraction of this valuable mineral resource.

In conclusion, Mr. Chairman, we should make the observation that this matter is of extremely high importance and significance. In fact, we doubt that the Congress has a more important single principle to consider, from a financial point-of-view, than this policy relating to oil shale. From the long-range point-of-view, this certainly is one of the most important decisions ever to be made in the resources field. Therefore, we urge that this august body not procrastinate until the decisions are made.

Thank you for the opportunity of making these observations.