

simply from public lands within a State, but from lands which would adjoin the outer boundaries of the State. Is that not true?

Governor McKEITHEN. I think that is a fair statement. We would rather say "extend" rather than "change," but if you prefer "change," we will—

Senator LONG. Could I comment on that for a second?

Senator KUCHEL. Surely.

Senator LONG. You see, the Federal Government derives its revenue from that land by virtue of the fact that it adjoins, it is adjacent to, the United States, and the United States has a better claim on it than anybody else. But it is equally contiguous to the State, and the State has an interest in that.

Senator KUCHEL. What kind of an interest do you mean, Senator? The State has what kind of an interest in that land?

Senator LONG. Well, let's take, for example, the land off the California coast, Senator Kuchel. The land beyond your 3-mile limit adjoins the United States, it is adjacent to it.

Senator KUCHEL. I can't disagree with that.

Senator LONG. It borders on it. And your State was deriving revenue from that 3-mile limit, even at the time the Federal Government said that the land adjoins your State.

Senator KUCHEL. But tell me what interest California has in that area seaward of the State's boundary.

Senator LONG. California has this interest: It adjoins that State to the same extent that it adjoins the United States, so if the claim is that it adjoins, you have an interest because it adjoins your State, just as it adjoins the United States. It is adjacent to it.

So much so that if you are going to produce oil out of it, you are going to produce it with California people, on California land, drilling from the California mainland out there to get it, and that is going to be California labor.

Now, in your particular case, you are going to collect your income tax from it, and you will collect your sales tax, unless somebody decides to go further out and drop a rod down from a boat to reach the seabed.

Senator KUCHEL. Is that different, Senator, than any other State? Is it different from your State? It is precisely the same, isn't it?

Senator LONG. Well, in our case, we are not going to slant-drill it, because it is so much more practical to go out there and build a platform in 40 feet of water or 50 feet of water, and just put that on the Outer Continental Shelf shore than it is to go out 50 miles, to slant-drill 5 miles beneath the sea. However, in your case, Senator, the shelf falls off so fast on California that to get at it, it is more practical to drill at an angle, let's say, about a 45° angle, out from the shore itself. Most of your wells, I think, will be drilled from the mainland, while our wells will be drilled from boats that will go out and put a platform out in the ocean.

Governor McKEITHEN. I just suspect there are going to be a lot of lawsuits over that, though, Senator, if that well is within the 3-mile limit, and the mineral resources out there. There are going to be a lot of lawsuits about whether or not the States can collect income taxes out beyond the 3-mile limit, and I don't think California's position will be any different from ours.