

Senator HANSEN. That may be received.

Mr. BOGACZ. The Midvale farmer knows the value of these third division lands and has actually shown by performance that these lands are suitable for sustained irrigated farming. Not all of the 25,000 acres of third division are fit for production, but a selective plan could develop approximately 30 diversified farming units that would be good economic units to support a farm family today.

Or, perhaps, productive area on the third division could be offered for sale in smaller parcels to give the Midvale farmers supplemental lands in addition to his present operations. This supplemental land could allow the expansion for the crowded operator and provide additional land for the coming generation.

A tentative farm unit layout has been suggested to accomplish these objectives and I would like to enter this layout, with an accompanying map, in the record at this time. This exhibit and the accompanying map show that 30 farm units could be set up in third division using the land equivalent of 160 acres of class 1 land as provided in the legislation now being considered by this committee.

I would like to enter that map into the record.

Senator HANSEN. Without objection, it may be received.

Mr. BOGACZ. Another very important fact that the leasing program on third division pointed out was that substandard performance by the original owners—generally those who obtained relief from the act of March 10, 1964—could very well have been a factor in third division's poor showing which led up to the buy-out legislation. The yields obtained and the pastures provided during this 3-year leasing program has proven that good third division lands in the hands of experienced, competent farmers can be as productive as the lands in the Midvale Irrigation District.

We do not wish the committee to believe that all of those who obtained relief from the act of March 10, 1964, were all inexperienced and substandard farm operators. On the contrary, there were eight good third divisions farmers who purchased Midvale farms after they sold their third division farms back to the Government.

Twelve third division farmers also owned Midvale farms at the time of the buy-out and continue to own and/or operate their Midvale farms successfully. For the record, I would like to introduce an exhibit which lists in detail the names of 20 farmers who benefited from the third division buy-out but who still own and/or operate Midvale farms.

I would like to enter into the record, if I may, Mr. Chairman, names of the 20 farmers who are still in Midvale and will benefit by the buy-out.

Senator HANSEN. Without objection, it may be received.

Mr. BOGACZ. This leasing program is a proven success despite the fact that these permittees knew that their leases were only for three growing seasons.

The leasing program has proved to be profitable to the Bureau of Reclamation as well as to the permittees. Over the 3-year period it has received \$239,694 in rental income and water charges, while paying to Midvale \$26,895.91 for operation and maintenance for the calendar year 1966, and \$23,532.26 for 1967 through August 31, 1967, for a total of \$50,428.17. The net proceeds of \$189,265.83, less costs of operation and maintenance in 1965, represent surplus funds to the Bureau by virtue of the third division leasing program to date.