from 125 million barrels a year to 98 million, a drop of 27 million, and our reserves dropped from 950 million barrels to 700 million barrels, and these figures came from the Kansas Corporation Commission and the API.

Our gas reserves dropped from 1959, at which time we estimated 20 trillion cubic feet, to currently 15 trillion cubic feet, a little bit over 15 trillion cubic feet.

In 1957 we were a net exporter of crude oil from the State of Kansas to other refineries outside the State and as of today we import approximately 70,000 barrels a day into the State.

Our well completions have dropped from 3,306 in 1960 to 2,572 in 1967. And our rotary activity is practically identical as one on the national scale. We dropped from 155 in 1957 to 41 in 1967 and currently it is estimated at 32 for 1968.

Mr. Chairman, I appreciate the opportunity to appear before this committee.

The CHAIRMAN. Without objection your entire statement will be made a part of the record.

Mr. ENGSTRAND. Thank you.

(Mr. Engstrand's prepared statement follows:)

STATEMENT OF CLINTON ENGSTRAND, VICE PRESIDENT AND DIRECTOR, KANSAS INDEPENDENT OIL AND GAS ASSOCIATION

The State of Kansas historically and currently is one of the leaders in the production of both crude oil and natural gas in the United States. Activity in the state is carried on mostly by independent operators, especially in the field of exploration.

KANSAS IN DECLINE

Within the past decade the producing industry in Kansas has been devastated by powerful economic forces and government action. Its numbers have been drastically reduced, its productive capacity has dwindled, the search for vital energy reserves has declined alarmingly and daily production has diminished.

MANDATORY OIL IMPORT PROGRAM—ITS DEFECTS

This near depression and its acceleration have coincided almost precisely in point of time with the administration of the mandatory oil import program. In terms of its stated purpose of assuring a vigorous domestic petroleum industry for national security reasons, the program has failed miserably. Moreover, the program has come to be a principal factor in the frightening adverse balance of payments which now confronts the United States.

In the past year there have been mounting signs that the program is being totally dismantled. There are also unmistakable signs that this is the result of design rather than inadvertence.

Time here will not permit a delineation of all of the loopholes that have crept into the program. The record is replete on this point. As proceeding, the program can only lead to the use of autocratic power by the Secretary, unjust enrichment of international oil companies, ruination of the domestic independent operator and chaos in the producing areas of the United States.

What is needed is some stability in the program. Originally that was supposed to be one of its chief assets. It is now a factor least in evidence. Suffice it to say that the Secretary has ordered a bewildering array of exceptions to the program, none of which are grounded on national security. Most all have been totally unrelated to national security.