increase during that time of approximately 28.4%. This trend continued as is shown by the fact that in 1965 there was a further decrease of 2.1% and in 1966 the decrease was 11.9%. In 1968 there was a $75,355,401 increase but this was due to a required reassessment.

My concern is exemplified by the fact that the valuation of Kansas oil and gas dropped 35 million dollars in one year and by the fact that in 7½ years 6,200 jobs have been lost.

CONCLUSION

For these reasons, I would ask this committee to assist the domestic industry to get the domestic production of oil back into such a position that the trend is toward a self-sufficiency in time of need, rather than the present trend that could jeopardize the security of our nation because of dependency of foreign oil.

The nation must have an effective oil import control program. No additional exceptions should be effected and we suggest that those that have been granted should be reviewed to the end that they be canceled or phased out in order to restore industry confidence in the program.

At the present time market demand for Kansas crude is good and we have been able to maintain production from semi-depleted fields; we have been able to promote efficient drilling in newly developed pools by adopting wide spacing patterns; and with the aid of unitization statute which became effective on July 1, 1967, we have approved the unitization of pools for pressure maintenance and secondary recovery projects. With sufficient market demand these conservation measures have all been possible. Any increase in imports of foreign crude and refined products which would result in a decrease in market demand for Kansas crude would have an adverse effect on our ability to most efficiently produce the oil already found and further have an adverse effect on stimulating the search for new reserves.

STATEMENT OF HON. BOB DOLE, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF KANSAS

Mr. Chairman, this Nation is drifting toward an unprecedented dependence on foreign oil. The serious economic decline of the domestic oil industry is a result of the systematic dismantling of the mandatory oil import program.

The United States is currently importing almost 3 million barrels of foreign oil per day. Options available to the Department of the Interior could increase that flow to flood-tide proportions in the months ahead.

BASIS OF MANDATORY OIL IMPORT PRORGAM WAS DEFENSE

When the mandatory oil import program was initiated under President Eisenhower in 1955, the Congress and the Administration recognized the crucial position the domestic oil industry held in the defense of the Nation.

Since that time, international developments have documented the soundness of that reasoning. The Vietnam war, the closing of the Suez Canal, renewed pressure on Berlin, periodic Red Chinese attacks on her neighbors, the illegal seizure of the United States warship Pueblo, the French upheaval, increased Soviet presence in the Mediterranean, and a host of other occurrences all serve to underscore the precarious political balance abroad.

A sustained United States response to all these pressures demands many things. Our response demands resolve, fortitude, military flexibility; and—equally important—a totally reliable petroleum supply.

The domestic oil industry is the *only* oil industry not subject to the vicissitudes of international politics.

IMPORTS HAVE CAUSED DECLINE AT HOME

Most regrettably, Mr. Chairman, the domestic oil industry *is* subject to the vicissitudes of the import policies of the Administration. This Administration's policies have created the most serious decline in the domestic oil industry since the depression. This is happening, I might point out, at a time when a reliable fuel supply was never more essential.

Let me document our decline at home. The following facts demonstrate the extent and gravity of the crisis: