including import controls, we must see to it that we do not lose our capability to fuel our industrial plants, our vast transportation systems, and our military.

"An overextension of our dependence on foreign oil could undeniably thwart our efforts to maintain a strong position as to these basic fuel supplies. I choose to discuss this issue in terms of fuel supplies as opposed to oil because I am convinced that within a shorter time than any of us suspect, the liquid fuels for our 90 million family automobiles, for our public transportation system, and for our Armed Forces, will be commingled from a number of so-called synthetic sources as well as from conventional petroleum liquids.

"We will be fueling the economy, in the not too distant future, with supplementary supplies of liquid fuels from the great shale beds of the Rocky Mountains and from the coalbeds of Kentucky and Appalachia. The technology for extraction of such fuels already is in standby. Their development awaits two things: (1) the need, plus (2) economic incentive. Both the need and the incentive could be postponed for years if not decades should we choose the disastrous course of purposely expanding our use of and dependence upon foreign oil.

"Should this Nation ever find its dependence on a day-by-day basis, upon the tenuous oil supply lines which stretch those thousands of miles from the Middle East and north Africa, it will be by design and by choice and by folly. It will not be by necessity.

"Beyond our presently adequate, but unfortunately declining reserves of conventional oil, the United States has combined sources of liquid fuels adequate to last hundreds of years.

"The estimation for shale oil alone is 1.8 trillion barrels. The potential for liquid fuels through hydrogenation of coal is virtually inestimable. We need not ever find ourselves short of energy, but just as a search for crude oil is made more expensive, it will take much costly research and highly sophisticated technology to bring to reality the production of synthetic fuels.

"As Governor of a State where coal is our primary resource, Mr. Chairman, I am highly concerned with maintaining Government policies that will not frustrate the potential of liquid fuel's extraction from coals, with immeasurable benefits to Kentucky and to the Nation. And, I am convinced that the piece-by-piece growth in imports which has been permitted under the present mandatory oil import program could frustrate our oil-from-coal hopes not just for a few years but for the foreseeable future.

"This fear and this conclusion is based upon simple arithmetic. It happens that the Commonwealth of Kentucky has an oil-producing industry of which we are justifiably proud. Synthetic oils cannot yet compete with conventional oil production. And, our conventional oil production cannot compete with foreign oil. The oil-producing industry in the Commonwealth of Kentucky is not healthy, is not expanding; in fact, it is declining.

"In the past 10 years, the number of producing wells in Kentucky has declined from 17,702 to 16,000; it simply means we are abandoning more wells than we are adding. In this same period, Kentucky's crude oil reserves have declined 32 percent. I am told that this is the disturbing trend for the Nation as a whole. We have found, in the United States, less oil than we have produced in 4 of the 10 years.