

has been or is being caused by federally constructed or operated projects on navigable streams.

Accelerated construction in all areas where uncontrolled erosion is causing loss of lands. Assumption by the Federal Government of its responsibility for the construction, maintenance and operation of adequate bank stabilization and protective works below main stem Missouri River dams where increased bank erosion has caused or is causing damages to riparian lands, without cost to local interests, pursuant to the provisions of the Missouri Basin original authorization.

Mr. JONES. Mr. Hart, we will now call you to the witness table and you may proceed on the Carlyle Reservoir project in Illinois.

Mr. Hart has been before this committee many, many times throughout the years and has always done such an excellent job and it is always refreshing to have Mr. Hart before this committee.

CARLYLE RESERVOIR, ILL. (H.R. 1095)

Mr. HART. Mr. Chairman and members of the committee, the purpose of H.R. 1095 is to authorize the Secretary of the Army to modify certain deeds conveying mineral rights to the Government, in connection with the Carlyle Reservoir project, to provide a 3-month extension of the reservation of royalties to the former owners within areas of the Boulder oil field.

This department is not opposed to the enactment of this bill provided it is amended to more clearly define the objectives as set forth in the report to the committee, dated October 11, 1967.

The Boulder oil field was one of several producing fields required to discontinue operations. It was operated by Texaco, Inc., under leases with 101 owners of mineral rights whereby the owners received royalties of one-eighth of the production.

Negotiations for acquisition of mineral rights were initiated in 1962 based on a production cutoff date of July 1, 1964. Owners of 38 tracts executed deeds to the Government on this basis. The remaining 63 owners deferred settlement pending agreement between Texaco and the Government. During 1963, a settlement was effected with Texaco and the remaining owners based on a production cutoff date of October 1, 1964. Thereafter, Texaco intensified operations up to September 30, 1964, when the wells were plugged. Royalties were paid to all owners through this extended period. As a result, the Government received \$6,401.16 for the 3 additional months, representing the shares of the 38 owners who had assigned their rights as of July 1, 1964. These owners consider they have been penalized.

Original estimates indicated only minor differences for the extended period, however, the augmented operations widened the disparity of benefits. This Department recognizes the equities herein, but is without authority to modify the executed agreements. H.R. 1095 would provide this authority; however, it is recommended that specific authority be included for the return of the royalty payments from the U.S. Treasury. An amendment for this purpose is attached.

If I might, Mr. Chairman, the amendment is very short and I should like to read it:

Recommend the following new section be added:

"Sec. 2. The Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to such persons designated by the Secretary of the Army, whose rights are authorized to be extended by the above section, the amount of money determined by the Secretary of the Army to represent their respective interests in royalty payments received by the