

This project is a project of the utmost urgency, not only from an economic standpoint, but from the standpoint of safety.

Now, the project is a relatively small one. It is a simple project. The interim report is here in Washington. It calls for an investment, initial investment, of something like \$11 million.

The Board of Rivers and Harbors has recommended certain modifications of the project, each of which will, as a matter of mechanical certainty, greatly enhance the benefits.

Now, there is a great Federal interest in this project and I want to say this to you and I have this supported by the exhibits attached to my brief written statement.

Recently, within the last month, the Federal Government has leased the first 750,000 acres immediately adjacent to this project in the Gulf of Mexico as the first increment of something like 8 million acres which will be leased in offshore land.

The Bureau of Land Management expects to receive something like \$200 million in lease bonuses for these leases.

The Federal Government has to date been paid for these leases more than \$600 million, right here in front of this small project, that will contribute so much to the efficiency, the economy, and the safety of its operation.

I am just appalled and shudder to think of what will happen in the operation of this Federal interest, offshore there when these hurricanes as they do, come up this coast and sometimes blow right up in these areas, as Candy did, and jeopardize this operation.

With this project, this production, this great activity, we will be within some 6 miles of a safe harbor. Without it they must travel many miles of open seas.

Now, I have a supporting letter which I have included as an exhibit in my statement from the president of the American Petroleum Institute. He advises in the next 5 years the major oil companies expect to drill more than 6,500 oil wells in the gulf, 350 of which they anticipate will be in this immediate vicinity and will be using this project.

In his letter he points out the safety features. Now, as Mr. Cramer pointed out a minute ago, what my problem is, in time, because if I have to wait 2 years for an authorization of this project, then I do not know what will happen out there with these activities and these hazardous conditions in these federally operated oil-producing areas.

The Governor of Texas, all of the Texas authorities, all have approved this and I most urgently request the committee to give its most careful consideration to it and with it I am sure that we will have a project that will be most beneficial and we will all be proud of.

Thank you, very much.

Mr. BLATNIK. Thank you for your very impressive statement. You have one problem on the mouth of the Colorado River, as you know. We still have a problem on getting the processing, which is a little behind.

Mr. YOUNG. That is true, Mr. Chairman. The Board did not have the benefit of this very recent Federal interest offshore there and I have every reason to believe the Board will move on this.

Mr. BLATNIK. That is correct.