



NEWS from U.S. Senator Bob Dole

(R.—Kans.)

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DOLE CONSIDERING TAX INCENTIVE PLAN ON OIL PRODUCTION

WASHINGTON, D.C.--Senator Bob Dole said today he is working on a plan that could create economic incentives to permit the recovery of as much as 30 to 40 billion barrels of domestic oil during the next decade.

Dole said that, according to experts, the proposal could make it economically feasible to recover oil fields in Kansas and across the country which are being abandoned after primary production has been completed. "Secondary recovery methods are more expensive," said Dole, "but with economic incentives, it might be profitable to undertake them. The results could begin to be felt, in terms of increased domestic production, within a year's time."

Dole, the ranking Republican on the Senate Finance Energy Subcommittee, questioned experts in the field closely on the potential for development of secondary and tertiary recovery operations, in Subcommittee hearings this week.

It is estimated that primary recovery yields only about a third of the total oil available at a given well site. The remainder is left unrecovered because of the expense of producing it. "We know the oil is there," said Dole. "The wells have been drilled, pipelines are available, and the technology for secondary recovery activities has been developed. It appears that all that is needed is a way to make the effort economically feasible. A tax incentive plan could do that."

Dole said such a plan could not only provide badly needed energy sources, but could help revitalize many oil communities in Kansas where recovery operations have been stopped.

Dole said that the specifics of the plan would be developed in further study and hearings but that he thought the concept held promise for easing the oil shortage.

