

News from Senator

BOB DOLE



(R - Kansas) SH 141 Hart Building, Washington, D.C. 20510-1601

FOR IMMEDIATE RELEASE
OCTOBER 4, 1989

CONTACT: SARA BELDEN
(202) 224-6521

DOLE AMENDMENT WILL HELP KANSAS' SMALL OIL & GAS PRODUCERS

Washington, D.C. -- THE SENATE FINANCE COMMITTEE, IN ACTION LATE LAST NIGHT ON THE BUDGET RECONCILIATION PACKAGE, APPROVED A DOLE-SPONSORED AMENDMENT THAT WOULD REPEAL MARGINAL OIL AND GAS PRODUCERS FROM THE 50 PERCENT INCOME LIMITATION PER PROPERTY FOR MARGINAL PRODUCTION. PRODUCERS BENEFITED ARE THOSE PRODUCING LESS THAN 15 BARRELS OF OIL PER DAY AND 90,000 CUBIC FEET OF GAS PER DAY.

"I AM PLEASED WITH THE COMMITTEE'S ACTION THAT WILL HELP THE SMALL OIL AND GAS PRODUCER," SAID SENATOR DOLE. "KANSAS INDEPENDENT PRODUCERS ARE STILL VERY VULNERABLE AND NEED ALL THE INCENTIVES THEY CAN GET TO PRODUCE OIL AND GAS DOMESTICALLY. IT IS VERY IMPORTANT THAT THE UNITED STATES REDUCE ITS DEPENDENCE ON FOREIGN OIL IMPORTS.

THE FINANCE COMMITTEE PROVISION WOULD ENABLE OWNERS OF MARGINAL WELLS TO DEDUCT THE FULL AMOUNT OF PERCENTAGE DEPLETION TO WHICH THEY ARE ENTITLED AND THEREFORE KEEP THESE SMALLER WELLS IN PRODUCTION. THE MEASURE NOW MOVES TO THE SENATE FLOOR FOR APPROVAL.