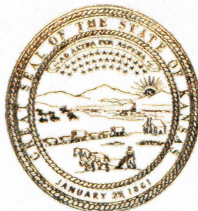
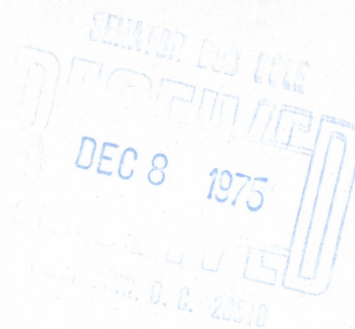


STATE OF KANSAS



OFFICE OF THE GOVERNOR
State Capitol
Topeka



ROBERT F. BENNETT
Governor

December 5, 1975

The Honorable Bob Dole
United States Senator
2327 New Senate O.B.
Washington, D.C. 20510

Dear Bob:

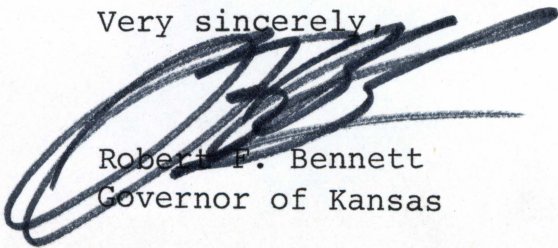
I wish to express my strong opposition to the oil pricing provisions of the Energy Policy and Conservation Act (S622). I am communicating my views to you and asking for your own careful consideration of the pricing formula because of the import it has for our state.

Bluntly speaking, the pricing formula provisions are extremely detrimental to our petroleum industry and hence our state. Almost 70% of oil produced in Kansas is obtained from stripper wells. Under the proposed formula, the current selling price of this category of oil will have to be rolled back significantly (upwards to \$2.00 per barrel) to enable the attainment of a composite price of \$7.66 for domestic oil.

Obviously this sort of price structuring will discourage stripper production. It may lead to premature abandonment of wells, and to a deceleration of exploration and development at the very time when these efforts should be intensified. Moreover the negative effect a rollback of this order is bound to have on our tertiary recovery projects concerns me. Kansas is making significant progress in this area and could be in a position to aid in a breakthrough in tertiary recovery if the economic climate is not unduly distorted.

In sum the pricing provisions of S 622 casts a dark cloud over Kansas' second largest industry. Although my views are primarily parochial, I also believe the pricing provisions do not enhance our national posture. I hope you share my concern and will likewise oppose this measure.

Very sincerely,


Robert F. Bennett
Governor of Kansas

RFB:mh