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Patterson Enterprises

P. O. Box 1413
Ada, Oklahoma 74820
Phone 405/436-0256



COPY

December 21, 1984

The President
The White House
Washington, D.C. 20500

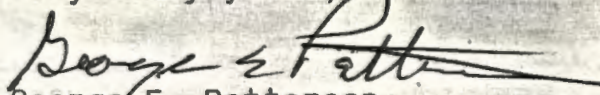
Dear Mr. President:

I respectfully urge your strong opposition to the Treasury Department's tax proposal regarding oil and natural gas. This legislation will force thousands of independent oil and natural gas producers to severely curtail or stop drilling new wells. There is evidence that the rate of decline in drilling will be between 30 - 40%. Similarly, there will be a 30 - 40% reduction in new reserves found, thereby increasing this nation's dependence on foreign oil. Additionally, thousands of Americans will lose their jobs.

Wells that are not drilled will generate absolutely no tax at all. It appears that the Treasury, either consciously or inadvertently, is dismissing the majority of independents and turning over the oil and natural gas business almost completely to the majors.

I am a registered Democrat, and I helped elect you both times you ran for office because I felt you would help our fading industry. If this legislation is not totally rejected, it will mean that I voted for my own demise.

Very truly yours,


George E. Patterson

GEP/sm

COPY



RSVP Oil Operations, Inc.

1007 Industrial Blvd. • P.O. Box 644 • Ada, Oklahoma 74820 • 405-436-0256

December 21, 1984

The President
The White House
Washington, D.C. 20500

Dear Mr. President:

I represent the very backbone of our nation's domestic energy industry. I am an independent producer, and frankly I'm horrified at some of the tax proposals being discussed.

My concerns are very simple. If "Tangible Drilling Costs" and the "Depletion Allowance" are tampered with:

- * Investment dollars will flow away from industry
- * Protection of both oil and gas will decline;
- * Imported crude and crude oil products will destroy the market for both producers and refiners; and
- * Once again our nation will become vulnerable to foreign manipulation.

I helped elect you to the Presidency and supported your party. If this legislation is not totally rejected, it will mean that I voted for my own ruin. The oil industry has been scapegoats long enough. If the government keeps putting taxes on us, there will no longer be independent producers.

Bankrupt businesses and jobless people do not generate tax revenue. Intangible drilling costs, depletion allowances and dry hole cost deductions are not tax "loopholes". They are tax provisions which enable independent producers to attract outside venture capital and maximize internally generated capital so that these independent producers can do more drilling and find more oil and natural gas reserves, which results in more tax revenue for the Federal Treasury.

Very truly yours,

George E. Patterson
G. E. Patterson

GEP/sm

June Brooks
915 Stanley Avenue
Ardmore, Oklahoma
73401

January 2, 1985

President Ronald Wilson Reagan
The White House
1600 Pennsylvania Avenue
Washington, D. C. 20500

Dear President Reagan:

In my 42 years working in the petroleum industry these are the most un-certain times I have yet to see.

I find myself in a state of shock and disbelief that the Administration's Treasury leaders would propose tax changes that would further decimate the domestic petroleum industry.

This nation is bleeding itself to death by sending \$60 Billion Dollars a year out of our economy to pay for imported crude oil while 1/2 of the drilling rigs in this country are idle....stacked in the yards.... because of the uncertainty that Washington has created by advocating the elimination of expensing Intangible Drilling Costs, Percentage Depletion and continuing to leave the Fuel Use Tax in place.

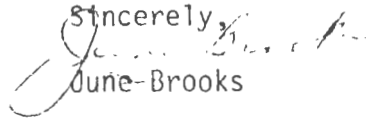
The tax proposals will eliminate outside investment and discourage capital formation for the drilling of oil and gas wells because they can't be drilled without money.

An industrialized nation runs on energy or it simply doesn't run and the Treasury Department's view: "Proposed reforms would be beneficial in the long run because the capital and labor released from the energy and minerals sector as a result of a more neutral tax policy would be employed more productively in other industries"....The treasury Department's further punishing of the petroleum industry...an industry that is already on its' knees.....would leave no ENERGY for production or manufacturing of ANY kind.

WHY deliberately inflict further hardships on an industry that has devoted itself to finding energy, creating wealth, paying taxes and providing jobs? The Petroleum Industry already pays more taxes than any other segment of our society....so, where's the fairness?

My viewpoint comes from working day-to-day in the petroleum industry. I also travel, make speeches and have visited with the folks in more than 40 states since I started my fight for Energy Independence. These people are all agreed that Economic Growth CANNOT occur without an un-interrupted supply of domestic energy.

The Independent Petroleum Association of America and the American Petroleum Institute both have Washington, D. C. offices and will be most obliging in furnishing you all of the statistics you need. I wanted you to know "how it is" out here in the areas where the Energy is discovered and produced. The Treasury proposals will take most of the Independents out of the business and bankrupt the rest of them.

Sincerely,

June-Brooks

jb
enc.

CC: Edwin Meese, III, Counselor to the President
✓ James A. Baker, III, Chief of Staff
Robert C. McFarlane, Assistant to the President for National Security Affairs
Vice-President George Bush
Secretary of Treasury Donald Regan
Secretary of Department of Energy Don Hodel
RAndall E. Davis
Senator David L. Boren
Congressman James R. Jones
Representative Mike Synar
Senator Don Nickles
Representative Dave McCurdy
Representative Mickey Edwards
Representative Wes Watkins
Representative Glenn English
Dick Darman, Assistant to the President
Senator Dick Lugar
Representative Guy VanderJagt
Representative Dan Rostenkowski
Representative Barber B. Conable, Jr.
Representative Wyche Fowler

SUNDAY DECEMBER 2, 1984

Wildcatter Misses Boom; She's Busy on Lecture Tour

By Mary Jo Nelson

ARDMORE — A woman with a deep, foreign accent was tearful when she approached June Brooks of Ardmore to acknowledge the Oklahoman's recent speech in Houston.

"The people in this country don't know what they have," she told Mrs. Brooks. "Keep doing what you're doing."

It's that response — primarily from naturalized Americans and students — that keeps June Brooks spending her own money to seek public support for a "sane, practical national energy policy."

Mrs. Brooks likes to keep the 200 lectures she delivers each year folksy, a style that comes easily for anyone who has spent most of her life in south central Oklahoma.

As one of the nation's few women producers, and a veteran of 43 years in the industry, Mrs. Brooks is at ease in country clubs, before Rotarians, the League of Women Voters or the eastern U.S. Society of Petroleum Engineers, where she spoke last month.

Typically, the producer invites her listeners to take a look at her, as one of a disappearing class.

"Take a really good look. I want you to see when an endangered species looks



June Brooks

like before we go the way of the whooping crane and the buffalo," she implores. "My role in life is that of petroleum landman and wildcatter."

"There used to be 20,000 wildcatters before a cost squeeze and government regulations depleted us to 12,000. We truly are endangered."

Houston was a typical stop on the tour. Listeners like the tearful woman convince Mrs. Brooks to keep going on a crusade she began nine years ago. She even spends her own money flying to cities for appear-

ances, or to be interviewed on radio or television.

Her cause is almost a holy war. Mrs. Brooks gives second place to her exploration and production company since the Arab oil embargo a decade ago plunged the United States into an energy crisis.

"I'm still in the business just enough to stay legitimate," she said. With her son-in-law, Bruce Chappell, Mrs. Brooks maintains production on some of their lease properties. Brooks Oil & Gas Co. is now involved in a waterflood project in western Carter County.

"Some of my best producer friends are upset with me that I spend so much time making speeches," she said. "I've been doing this for nine years. I missed the whole oil boom."

A woman heading her own oil company is novelty enough to explain part of Mrs. Brooks' standing as one of the more popular members of the speaker's bureau of the Independent Petroleum Association of America.

Part of the explanation could be her still-youthful good looks. But her folksy good sense and down-home humor do most to win Mrs. Brooks a solid following among audiences. Most speaking invitations come

See BROOKS, Page 6-B

Brooks —

From Page 1-B
from people who have heard her before and want to share the message or hear it again.

"Some people tell me they've come to hear me three or four times," she said.

Head of her own company for more than 10 years, Mrs. Brooks got into public speaking after the Arab oil embargo "scared the wits out of me and lots of other Americans."

So far, she has appeared in more than 40 states, and traveled more than 4 million miles, speaking often to national conventions.

"I'm grass-rootsing it," she said.

"We don't have Bob Kerr and LBJ to fight for the oil industry any more. There are lots of producers who think we still have somebody in Washington still fighting for us. I'm telling you, we don't have. Our biggest battles are ahead."

She doesn't try to ex-

THE SUNDAY OKLAHOMAN

Brooks

From Page 1-B

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She doesn't try to ex-

plain her appeal.

"I sort of just tell 'em how it is. I couldn't find anybody to tell me what's wrong. I had to find out for myself. I try to tell people what they can do about it."

She asks her audiences in South Dakota or Florida or West Virginia if they are aware of how their congressmen vote on energy issues. Then she tells them.

She even provides postcards, along with correct capital addresses. She asks listeners to scrawl out a message while she talks. As the audience leaves, she gathers the cards and drops them in the mail.

Brooks tries to educate her audiences, giving them the numbers that appall her:

"We're bleeding ourselves to death, sending \$60 billion out of this country to import oil instead of developing a domestic supply. That's \$7 million an hour, and not one cent of that ever

circulates back over here."

To let numbers to sink in, Mrs. Brooks reminds her audiences that a billion seconds ago, "it was 1946; a billions minutes ago, the time of Jesus Christ has just ended; and a billion hours ago, nothing on the planet Earth walked on two feet. That's how much one billion is.

"The United States spends \$1 billion for imported oil every 15 hours."

Mrs. Brooks considers the United States less prepared to supply its own oil and gas needs than it was when the Arabs cut off supplies in 1973.

"I question the wisdom of the United States risking American lives to police oil corridors in the Middle East. I question the wisdom of spending billions to protect shipping lanes and energy supply lines to Japan and Southeast Asia at the same time the U.S. oil industry remains depressed.

"How in heaven's name can the people of America permit billions of dollars to be spent and young lives to be risked when nearly half the drilling rigs in this country are stacked?"

She sees hope. Ap-

pearing often on college campuses, she's impressed with today's more serious-minded students.

"I've had students come up to me and say, 'I heard you last year and I came early this year so I could get a good seat.' Student attitudes have changed drastically."

Mrs. Brooks recently has gone a step farther in spreading the gospel of energy self-sufficiency. She recently established Free Enterprise Advocacy Inc., based in Washington, D.C., to help foster national energy independence.

Through it, she said, "I expect to build a constituency for the oil industry."

JUNE BROOKS

"The Mad Mam of Ardmore"

A dynamic spark generating enthusiasm by offering practical suggestions to solve our nation's energy problems.

This "Mad Mam" is mad because of the lack of concern over the seriousness of the energy crisis in the United States. She is plain-spoken and emphatic in her crusade to spread the truth about the crisis — the truth which the American people are being denied.

Filled with vitality and creativity, she describes herself... "Hoister of sails on a junk in the South China Seas; survivor of a traffic-jam on klongs, Bangkok, Thailand; living consumer of 96 oriental meals in 32 days; and granddaughter of a Methodist minister."



MEMBERSHIPS

- World Who's Who of Women — Cambridge, England 1978, 1979, 1980, 1981, 1982, 1983
- Society of Petroleum Engineers — AIME
- International Platform Association

American Petroleum Institute
—General Committee of Exploration Affairs
& Onshore Exploration Subcommittee
Independent Petroleum Association of America
—Board of Directors for 1977, 1978, 1979
Oklahoma Independent Petroleum Association
Oklahoma Petroleum Council
American Association of Petroleum Landmen
Oklahoma City Landmen's Association
Interstate Oil Compact Commission
Center for International Business
Oklahomans for Energy & Jobs—
Board of Directors
National Energy Policy Committee:
Texas Producers & Royalty Owners Association
Public Lands Committee: Independent Petroleum
Association of America

Texas Independent Producers & Royalty Owners
Association
Delegate to World Petroleum Congress — Tokyo,
Japan
Member of the Speakers Bureau of
Independent Petroleum Association
of America;
American Petroleum Institute and
Society of Petroleum Engineers — AIME
Land Use Task Force (Public Lands) A.P.I.
(American Petroleum Institute) Washington, D.C.
National Royalty Owners Association
National Advisory Board of Oil Heritage
Center, Arkansas
Free Enterprise Advocates, Inc.;
Washington, D.C. (President)
National Organization of Women in Energy

DISTINGUISHED SERVICE AWARDS FROM:

American Association of Petroleum Landmen
Oklahoma Petroleum Council
Outstanding Woman in Energy Award
—Women in Energy
"Women in the News" Award
—Oklahoma Hospitality Club
Oklahoma Woman's "Hall of Fame"

Speaker's Bureau Award from
Oklahoma Petroleum Council
1978, 1979, 1980, 1981, 1982
Speaker's Bureau Award from
Oklahoma-Kansas Midcontinent
Oil & Gas Association—1982

As your
next speaker...

JUNE BROOKS

JUNE speaks out...

"I'm proud of my industry and I am campaigning for decontrol of crude oil and natural gas at the wellhead...because we have an energy crisis in America...it is real...it is severe...it is now! This is the best solution to the problem and the best way to get OPEC off our necks."

"Congress is causing the oil and gas industry to die a slow, painful death. If oilmen can't make a profit on their investment, then the next step will be total government control. All that the people in the oil and gas business are really asking for is the chance to be treated like any other business...not denied the same rights that other businesses enjoy and take for granted!"

"I know when the people of this nation are told the truth they will demand that the House and Senate return the free enterprise system to the oil and gas industry and to America."

CALL OR WRITE

June Brooks Brooks
915 Stanley Avenue
Ardmore, Oklahoma 73401
(405) 223-6841

*Has Speech...
Will Travel!*



**The
Mad Mam
from
Ardmore**

Ms. Susan M. Habeck
P. O. Box 2518
Ardmore, OK 73402

December 18, 1984

The President
The White House
Washington, D.C. 20500

Dear Mr. President:

I am a petroleum geologist who strongly objects to the Treasury Department's Tax Reform proposals. I object specifically to the repealing of percentage depletion and expensing of intangible drilling costs and also to the provision disallowing deduction of dry hole costs until a property is abandoned.

Please reject these tax reform proposals.

Yours truly,

Susan M. Habeck

Susan M. Habeck

R. D. Williams

PETROLEUM LANDMAN

December 28, 1984

P.O. Box 782
ARDMORE, OKLAHOMA 73402
(405) 226-4100

The President
The White House
Washington, D.C. 20500

Please avoid congressional and staff pressures to consider the oil industry an easy target for tax revenue.

The depletable nature of its resources and the necessity of attracting private investors for exploration make any major change in tax status potentially disastrous. The oil industry, as one of the last bastions of free enterprise, deserves your continuing support.

Very truly yours,



R. D. Williams

RDW/dh

cc: Edwin Meese, III, Counselor to the President
James A. Baker, III, Chief of Staff
Robert C. McFarlane, Assistant to the President for
National Security Affairs
Vice President George Bush
The Honorable Donald Regan, Secretary of Department
of Treasury
The Honorable William Clarke, Secretary of Department
of Interior
Senator David L. Boren
Representative Wes Watkins
Senator Don Nickles

3112 North Briarwood
Bethany, OK 73008
December 28, 1984

President Ronald Reagan
The White House
Washington, D.C. 20500

Re: Tax Reforms
Oil and Gas Exploration

Dear Mr. President:

The recent news concerning tax reforms for the oil and gas industry have alarmed me. Of specific concern to me are the following proposals:

1. Repeal of percentage depletion.
2. Repeal of the expensing of intangible drilling costs.
3. Disallowing deduction of dry hole costs for development wells until abandonment of the property.

The immediate effect would be to tax an already overtaxed industry. Furthermore, the smaller independent energy firms are primarily dependent on funds generated by those specific tax incentives which are the target of the current reform discussions. Without such funds, the independent companies who traditionally drill most of our domestic wells, may be forced to discontinue further exploration. That action would plunge our nation into an energy shortage that will far surpass anything we have ever experienced.

In the event such a shortage developed, there would be no way to pass corrective legislation in time to avoid a lengthy energy crisis due to the large amount of time needed to solicit funds, obtain leases, and drill, complete, and produce wells at a rate and quantity sufficient to meet our energy demands. The OPEC nations would triumph once again.

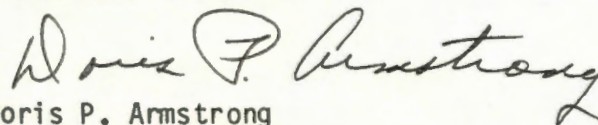
Any energy crisis would be exacerbated in states such as Oklahoma, Texas, Louisiana, Arkansas, Colorado, and California because of the high numbers of people who are currently employed by energy related companies. The rippling effects of massive layoffs would then diminish state and national income tax receipts and add to the unemployment financial burdens. I seriously doubt the end result would be greater tax revenues in the long run.

President Ronald Reagan
December 28, 1984
Page Two

Please act to prevent the previously listed proposals from becoming reality.

Very truly yours,

TXO PRODUCTION CORP.

A handwritten signature in cursive script that reads "Doris P. Armstrong". The signature is written in dark ink and is positioned above the typed name.

Doris P. Armstrong
Senior Landman

ar

cc: Edwin Meese III, Counselor to the President
James A. Baker III, Chief of Staff
Robert C. McFarlane, Assistant to the President for
National Security Affairs

Community Bank



P.O. BOX 1020
BRISTOW, OKLAHOMA 74010
(918) 367-3343

D. MIKE MOODY
President

December 17, 1984

President Ronald Reagan
The White House
Washington, D. C. 20500

Dear Mr. President:

Please use the power of your office to discourage the Treasury's tax proposals for the petroleum industry.

Our state encourages and depends heavily on independent oil and gas exploration. While we are committed to "oil independence", we need to be assured that the rest of the country feels the same. Even the Treasury Department must appreciate the cost of finding new oil.

Mr. President, we need you to publicly reject the Treasury's proposals. They are damaging to exploration and as oil exploration goes, "so goes the nation".

Sincerely,

D. Mike Moody
President

DMM/dc

CC: Edwin Meese
James Baker
Robert C. McFarlane
George Bush
Donald Regan
William Clark



MORTON DRILLING COMPANY

P.O. BOX 1279
BRISTOW, OKLAHOMA 74010
PHONE 918 367-2322

December 17, 1984

The President
The White House
Washington, D.C. 20500

Dear President Reagan:

As a crude oil producer and a contract driller we are obviously concerned about federal policies that effect the domestic oil industry. We are writing to let you know our feelings for the proposed federal income tax changes. We are not against tax reform, and we do support measures to balance the federal budget. However, we are against a reform package that would treat different segments of our tax paying economy unequally. Historically, the oil industry has carried a larger than normal portion of our nation's tax burden.

The oil industry, particularly the independent portion, has been struggling to remain profitable the last two years. We have tightened our proverbial belts as far as our cost cutting steps will allow. Because of the risk factors inherent in oil exploration, tax provisions such as the percentage depletion and expensing of intangible drilling costs are needed to attract investment. These provisions were established for valid reasons which are certainly no less valid today.

We ask that these tax incentives for investment in oil exploration and production remain. We strongly believe that their removal would have a severe adverse effect on our industry as well as the independence of our nation in the future.

Thank you very much for your time and consideration.

Sincerely,

A handwritten signature in dark ink, appearing to read "Everett Morton". The signature is written in a cursive, flowing style.

Everett Morton

EM/rm

December 21, 1984

James A. Baker, III,
Chief of Staff
The White House
Washington, D.C. 20500

Dear Mr. Baker,

I ask you to publicly reject the Treasury Department's Tax reform proposal as it relates to the petroleum industry. While we do need tax reform, proposals to repeal percentage depletion and the expensing of intangible drilling costs would be counter productive (primarily to independent producers) in achieving energy independence. If we want to locate and develop oil and gas reserves here in the United States, we must continue to provide the necessary financial incentives to do so.

Again, please reject the Treasury Departments tax proposal regarding oil and gas depletion and the intangible drilling cost deductions. I would like to hear from you regarding this matter.

Very truly yours,

Mark Glover

J. Mark Glover
502 E. Sunnybrook Dr.
Edmond, Okla. 73034



MID-CENTRAL LAND SERVICES INC.

DALE E. PERDUE CPL
PRESIDENT

3004 E. MEMORIAL ROAD
EDMOND, OKLAHOMA 73034
P. O. Box 3027
Edmond, OK 73083

AREA CODE 405
TELEPHONE 478-3740

January 2, 1985

President Ronald Reagan
The White House
Washington, D. C. 20500

Dear Mr. President:

This letter is written to implore you to totally reject the Treasury Department's proposed new tax law which would repeal both the percentage depletion deduction and the deduction for intangible drilling expenses for the oil and gas industry.

If these proposals should become law the following results will occur:

- (1) No one but the major oil companies will drill for oil and gas as the risk is far too great without the existing tax incentives.
 - a. Statistics show that over 80% of all exploratory oil or gas wells are drilled by independent oil and gas operators.
- (2) At the present time we are 30% - 40% dependent upon foreign countries for our oil and gas needs at our existing level of exploration. If exploration is stifled by tax disincentives, this country will be increasingly dependent upon foreign countries for a critical resource.
- (3) Hundreds of thousands of people who work on drilling rigs, for oil and gas service related businesses and the like will be put out of work, thus adding to the Federal and State costs of welfare.
- (4) In a very few years a natural gas shortage will develop causing similar shut downs which occurred prior to the Natural Gas Policy Act, of factories, schools, etc. throughout the country during a severe winter.
 - a. This will then cause the price for gas and electricity to escalate causing economic hardship to millions of persons on fixed incomes.
- (5) With drastically reduced drilling, there will be a drastically reduced need for pipe, thus causing the U. S. steel mills major losses.

Indeed, one would think that government leaders would be interested in providing additional incentives to keep the oil and gas industry healthy and growing, instead of trying to cripple it.

If these two provisions become law, there will be economic repercussions throughout this country beyond anyone's imagination.

President Ronald Reagan

- 2 -

January 2, 1985

Please work against the elimination of depletion and intangible drilling costs as deductions for Federal income tax purposes.

Sincerely,

Marla K. Adams

Marla K. Adams
Asst. Land Manager

MKA:pt

cc: Edwin Meese III, Counselor to the President
✓ James A. Baker, III, Chief of Staff
Robert C. McFarlane, Asst. to the President for National Security Affairs

MID-CENTRAL LAND SERVICES INC.

3004 E. MEMORIAL ROAD · EDMOND, OKLAHOMA 73034 · PHONE (405) 478-3740

VICTOR E. RATLIFF, SR.

P. O. BOX 50
EDMOND, OKLA.
73083-0050

405-341-4302

December 14, 1984

James A. Baker III
Chief of Staff
The White House
Washington, D.C. 20500

Re: Proposed Treasury
Tax Reform Act

Dear Mr. Baker,

I am a geologist and an Independent Oil Producer.


I am writing to you to state my extreme opposition to the proposals affecting the oil industry in the proposed Treasury Tax Reform Act. These proposals, if effected, would cripple the Independent Producers so severely that they would not survive as a viable part of our nation's energy program. Domestic onshore drilling would be drastically reduced, with only the major companies and a very few large independents having the capital resources to maintain any activity. Even their efforts would be severely curtailed.

One of the least understood parts of the industry is the constant risk involved in finding and developing reserves. A producer is unsure until a well has produced for some time as to the reserves or value of that well. Many wells are completed that appear to be commercial, but are not. They may produce for years as marginal or stripper production. Onshore fields today are much smaller than in earlier years, resulting in a higher ratio of dry holes in defining these fields. The removal of the intangible drilling write off would dry up the capital needed by the industry to explore under today's conditions.

The Independent Producers are, by far, the largest segment of the domestic industry. The Tax Reform Act, if passed in it's present form, would basically destroy the Independent sector of the oil industry, leaving the nation without those oil and gas resources that this part of the industry has been producing.

I urge you not to support this tax proposal.

Very truly yours,


Victor E. Ratliff, Sr.

P.S. I am enclosing a letter I have written to President Reagan on this matter.

VICTOR E. RATLIFF, SR.

P. O. BOX 50
EDMOND, OKLA.
73083-0050

405-341-4302

December 13, 1984

The Honorable Ronald Reagan
President
The White House
Washington D.C. 20500

Re: Proposed Treasury
Dep't Tax Reform

Dear Mr. President;

I want to convey to you my utmost concern about the proposed Treasury Tax reform in general, and, in particular, as it relates to the oil and gas industry. The Daily Oklahoman newspaper of Dec. 13, 1984, in it's business section, lists 55 wells in the State of Oklahoma, as being completed as oil or gas wells or dry holes, on that date. Of these, only two were major company wells.

If the restrictive tax measures now proposed were to be passed, then drilling activity would be decreased by 85-90%, effectively crippling the Independent Oil industry. Only the very largest companies would have the capital to finance exploratory drilling.


The expensing of intangible drilling costs is a necessity for the Independent Oil Producers to survive. Only those dollars spent are written off, therefore, each dollar spent provides one dollar's worth of jobs. In effect, the disallowing of this write off would result in tremendous unemployment in the oil industry, and jeopardize the long term energy resources of this country.

The result of this proposed so called reform act, which in effect is a large tax increase on business, would cost millions of jobs and may very well throw the country into a severe recession.

A broad based tax would still be the most equitable. I feel that most people who work for a living would rather have a job and pay more taxes than to be unemployed.

I support you because I believe that you feel that private enterprise and private initiative are the keystones of our economy.

I urge you, for the good of the country, not to support this tax proposal.

Very truly yours,

Victor E. Ratliff, Sr.

December 13, 1984

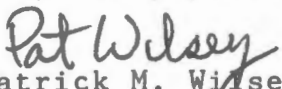
James A. Baker, III
Chief of Staff
The White House
Washington, D.C. 20500

Dear Mr. Baker,

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Again, please reject the Treasury Departments tax proposal regarding oil and gas depletion and the intangible drilling cost deductions. I would like to hear from you regarding this matter.

Very truly yours,


Patrick M. Wilsey
1700 Sleepy Hollow
Edmond, OK 73034



Petro-Energy Exploration, Inc.

Route 4, Box 15-A
5220 North 81 Bypass
Enid, Oklahoma 73701
Phone (405) 233-9551

December 18, 1984

James A. Baker, III
Chief of Staff
White House
Washington, D. C. 20500

Dear Mr. Baker:

The Treasury's proposed changes to the Tax Code will put most of us as independent oil and natural gas producers in the United States out of business! Without the Intangible Drilling Cost deduction and the Percentage Depletion Allowance, we will be unable to raise the capital necessary to continue drilling. Elimination of these investment incentives will mean less oil and gas produced, an increased reliance on foreign oil and decreased revenues to the Treasury. When the tax bill is sent to Capital Hill, you must not support the elimination of the IDC or depletion provisions. Please help us keep working toward a national level of energy independence.

Kindest Regards,

Douglas R. Faulkner
President
Petro-Energy Exploration, Inc.

DRF/mr

Phillips Oil Operating Co.

TELEPHONE 405/233-6201

P. O. BOX 1728

ENID, OKLAHOMA 73702

December 20, 1994

The President
The White House
Washington, D.C. 20500

Re: Treasury Proposals for Increasing
Taxation of Oil and Gas

Dear Mr. President:

The "taxation reform" proposals as are presently being floated by the Secretary of the Treasury for "revenue enhancement" purposes and deficit closing purposes are a potential disaster. The national security implications are also very grave.

Drilling for oil and gas is a risky business, just as making movies, a subject about which I am sure that you are much more familiar. Without the necessary incentives to drill, no domestic oil and gas will be found. As in the movies, absolutely no one knows in advance whether a specific project will be successful. Without sufficient incentives, either in the form of tax credits and deductions or an extremely lucrative price, a prudent investor will place his investment dollars in a more secure and more predictable place.

Present prices are woefully inadequate to provide the necessary incentive without the additional tax benefits which oil and gas producers presently enjoy. Oil producers are not anti-tax reform either. We do want fairness in tax policy. Oil and gas already are the most heavily taxed commodities in the United States economy. As an industry, we more than bear our fair share of taxes.

No one in our business disputes the need to reduce the deficit and to simply tax reporting, but the present proposals, as suggested would totally destroy our industry at the independent level. If independent oil producers are wiped out in this fashion, the U. S. will be eighty percent (80%) dependent on foreign oil in five years. Further, OPEC will be back in a position to dictate oil prices internationally and oil will be \$60 to \$100 per barrel. For those who could survive that long in our business, the present proposals would be sensational. Unfortunately, only the majors and a very select few independents (those with little or no debt - a small group indeed) would be in existence five years hence without immediate deductions for dry holes and without immediate write-off of intangible drilling costs.

An import tariff of \$5 to \$10 per barrel of oil and an equal amount on the BTU equivalent of imported natural gas would provide the Treasury with huge volumes of money, would increase domestic prices for oil and gas by about the amount of the tariff, and the reduction in the deficit would be dramatic. Reduced volumes of imported oil and gas would correct our balance of trade problem and increased domestic production would enhance our national security plus provide a tremendous economic boost.

Of course, nothing in life is free. Trade-offs must be made. If the loss of the present tax benefits are what must go to secure the benefits of a tariff on imports of oil and gas, oil and gas producers could probably live with such a bargain. However, do not think that our industry will be naive enough to be sold the idea that the tax breaks must be taken today and that the tariff will be imposed later. The only way this suggested trade-off could be supported by the industry as a whole would be for your Administration and the Congress to impose the tariff first, or to implement the tax reforms in immediate conjunction with the tariff.

Another unmentionable tax topic is the foreign tax credit. Few independent producers benefit from this exemption and to eliminate same would cause increase domestic investment. Lastly, an increase in domestic prices for oil would result in much larger returns from the windfall profits tax to the Treasury.

Please give these suggestions serious consideration. Large segments of the petroleum industry will complain about tariffs (only the segment which benefits from imports), but national security and economic considerations affecting all Americans are at stake here. A United States without a strong, vigorous domestic petroleum industry of major and independent companies will soon be a place subject to political, economic and military blackmail. You do not want that and neither does any true patriotic American.

Thank you in advance for your consideration of these proposals. Best of luck to you and your second Administration through 1988.

Sincerely yours,


Stanley R. Phillips
General Counsel

CC: Edwin Meese, III
James A. Baker, III
Robert C. McFarlane
The Oklahoma Congressional Delegation
Vice-president George Bush
The Honorable Donald Regan
The Honorable William Clarke
The Honorable Don Hodel
Randall E. Davis



C. P. VOOGT

P. O. BOX 9

GOODWELL, OKLAHOMA 73939

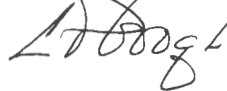
December 14, 1984

James A. Baker, III, Shief of Staff
The White House
Washington, D. C. 20500

Dear Mr. Baker:

Enclosed is a copy of my letter to the President regarding my opposition to the Treasury Departments tax reform proposals for the petroleum industry.

Respectfully yours,



C. P. Voogt



C. P. VOOGT

P. O. BOX 8

GOODWELL, OKLAHOMA 73939

December 14, 1984

The President
The White House
Washington, D. C. 20500

Dear Mr. President:

I strongly oppose the Treasury Department's tax reform proposals for the petroleum industry as they will tend to force the independent operators out of business.

It is the independent, with money from individual citizens such as myself, that do most of the inland drilling. If the percentage depletion is repealed, expensing of intangible drilling cost and deductions of dry hole cost disallowed, there would be no incentive left for the individual to invest in the high risk of drilling.

The burden placed on the industry in the past has driven them overseas and has created the dependence on foreign oil. At present our oil producing states have all felt the loss of revenue created by the oil glut and I feel that this proposal would only increase the burden on these states by creating tremendous unemployment.

Mr. President, I support you and know that you will do what is right for all.

Respectfully yours,

C. P. Voogt

Member of: National Republican Congressional Comm.
American Security Council
Republican Presidential Task Force



December 19, 1984

The President of the United States
The White House
Washington, D. C. 20500

Dear Mr. President:

As a small, independent oil company, we are greatly concerned about the tax reform changes as proposed by the Treasury Department. Enactment of these proposals would have a disastrous effect on the oil and gas business in general and would insure much, if not all, of the smaller companies to close their doors.

We urge you to consider the consequences of this action not only to the Oklahoma economy but to the nation's future exploratory and development of oil resources.

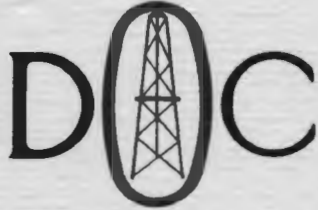
We feel sure after you have carefully studied the deleterious effect on our economy and nation as well, you will not only agree but will publicly reject these proposals.

Sincerely,

A handwritten signature in cursive script that reads "C. W. Collins".

C. W. Collins
President

cc: Edwin Meese, III
James A. Baker, III
Robert C. McFarlane
Vice President Bush
Honorable Donald Regan
Honorable William Clarke
Honorable Don Hodel
Randall E. Davis
Senator David L. Boren
Representative James R. Jones
Representative Mike Synar
Representative Mickey Edwards
Representative Wes Watkins
Representative Dave McCurdy
Representative Glenn English
Senator Don Nickles



DeMier Oil Company

Independent Oil Producer

GEORGE S. DeMIER
Post Office Box 1377
Miami, Oklahoma 74354
(918) 542-5856

December 20, 1984

The President
The White House
Washington, D.C. 20500

Dear Mr. President:

In response to your proposed tax changes concerning the petroleum industry, I would like to protest strongly. Your removal of intangible drilling cost expensing, percentage depletion, investment tax credits, etc. would mean the sure demise of exploration by the independent operators, who are responsible for the majority of our domestic onshore production and new field exploration.

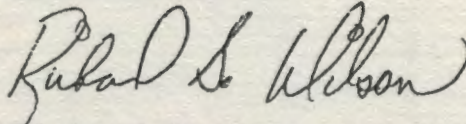
We are statistically proven to be the most heavily tax burdened industry in the free world today, yet, due to the biased media coverage and image fantasies that the common man has of the oil man, we are seen as a never ending source of revenue for a stagnant economy. The independent operator returns more net profit to his business than most any other businessman would ever dream of doing. The very tax advantages you talk of removing are the only incentive we have to continue to stimulate our business and further reduce our dependence on foreign oil. Has the decline of OPEC worried Washington to the point they will subsidize it by ruining the domestic oil industry?

It would be an impossibility to depreciate an intangible drilling cost. How can you depreciate something which you have never physically taken possession of? The percentage depletion we now enjoy has steadily decreased over the past years and we have said little. An absence of percentage depletion would be devastating. Please remember that by continued exploration and production of an ever-decreasing product, the oil producer is slowly putting himself out of business by depleting his inventories. The investment tax credit is simply a way of encouraging the producer to buy new equipment and stimulate other areas of our economy.

Your offer of an accelerated phaseout of the Windfall Profits Tax is a weak offer at best. You are offering to return what was taken from us unjustly to take ten times more again.

Gentlemen, I beg you to reconsider what new taxes you levy on an already unstable industry and please consider the ramifications of the ceasing of domestic oil explorations before making your decision.

Sincerely,

A handwritten signature in cursive script, appearing to read "Richard S. Wilson".

Richard S. Wilson

cc: Edwin Meese, III
James A. Baker, III
Robert C. McFarlane
George Bush
Donald Regan
William Clarke
Don Hodel
Randall E. Davis
David L. Boren
James R. Jones
Mike Synar
Mickey Edwards
Wes Watkins
Don Nickles
Dave McCurdy
Glenn English

December 13, 1984

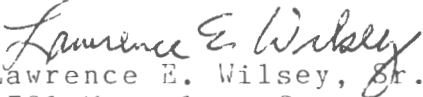
James A. Baker III,
Chief of Staff
The White House
Washington, D.C. 20500

Dear Mr. Baker,

I ask you to publicly reject the Treasury Department's Tax reform proposal as it relates to the petroleum industry. While we do need tax reform, proposals to repeal percentage depletion and the expensing of intangible drilling costs would be counter productive (primarily to independent producers) in achieving energy independence. If we want to locate and develop oil and gas reserves here in the United States, we must continue to provide the necessary financial incentives to do so.

Again, please reject the Treasury Departments tax proposal regarding oil and gas depletion and the intangible drilling cost deductions. I would like to hear from you regarding this matter.

Very truly yours,


Lawrence E. Wilsey, Jr.
1701 Montclair Ct.
Norman, OK 73071

December 13, 1984

James A. Baker, III
Chief of Staff
The White House
Washington, D.C. 20500

Dear Mr. Baker,

I ask you to publicly reject the Treasury Department's Tax reform proposal as it relates to the petroleum industry. While we do need tax reform, proposals to repeal percentage depletion and the expensing of intangible drilling costs would be counter productive (primarily to independent producers) in achieving energy independence. If we want to locate and develop oil and gas reserves here in the United States, we must continue to provide the necessary financial incentives to do so.

Again, please reject the Treasury Departments tax proposal regarding oil and gas depletion and the intangible drilling cost deductions. I would like to hear from you regarding this matter.

Very truly yours,

Lawrence Earl Wilsey Jr
Lawrence E. Wilsey, Jr
2605 Barry Switzer
Norman, OK 73069

December 12, 1984

The President
The White House
Washington, D. C. 20500

Dear President Reagan,

I was very disappointed to learn of Treasury Secretary Donald Regan's tax proposals involving the oil and gas industry.

If his recommendations were followed; repeal of percentage depletion, expensing of intangible drilling costs and disallowing deductions of dry hole costs, until a property is abandoned, hard earned progress in achieving energy independence would be quickly lost and once again we would become dependent upon foreign sources of oil. Also, vast unemployment in energy related industries and a drastic reduction in oil and gas exploration which would surely result, would produce a negative impact on our national economy.

Mr. President, there are good and sound policy reasons why the above mentioned tax considerations have been allowed to exist. Please, lets not tamper with a successful formula in an unpredictable and volatile world and in my opinion Secretary Regan's proposal strongly suggest that possibility.

Very Sincerely,

Mrs. Laura Hamilton Badger

Mrs. Laura Hamilton Badger

LHB/kc *P.O. Box 1023,
Shmuley, Okla 74447*

copy

LANDERS

OIL WELL SERVICE

PHONE 918/623-0811 — 601 S. 7th
OKEMAH, OKLAHOMA 74859

December 18, 1984

The President
The White House
Washington, D.C. 20500

Re: Treasury Sec. Regan's
flat tax proposal

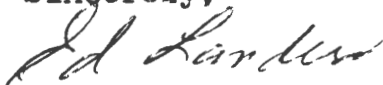
Dear President Reagan:

I am writing this letter to urge you not to support Sec. Regan's flat tax proposal. Doing away with depletion allowances and intangible drilling costs would have a disastrous effect on every oil producing state in the United States!

Oklahoma is still struggling to recover from the recession. She depends heavily on the oil and gas business. If Sec. Regan's proposal is accepted, Oklahoma will grind to a halt! We cannot survive a blow such as that!

Oklahoman's turned out in full support of you in November!
PLEASE DON'T FORGET US NOW!!

Sincerely,



Edwin D. Landers
EDL/bl

cc. Edwin Meese III
James A. Baker
Robert C. McFarlane
Vice President George Bush
Honorable Don Hodel
Honorable William Clarke
Honorable Donald Regan
Randall E. Davis
Senator David Boren
Senator Don Nickles
Rep. James Jones
Rep. Mike Synar
Rep. Mickey Edwards
Rep. Wes Watkins
Rep. Dave McCurdy
Rep. Glenn English