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Last Updated: 08/07/2025

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THE WHITE HOUSE
WASHINGTON

August 7, 1986

Dear Eddie:

It was great seeing you and Fran again but the time was all too short. Thank you for your generous words.

Eddie, we are monitoring the oil situation and I'm glad to have your input. We are trying to get some things done that should be done even if the present price problem didn't exist, such as deregulating natural gas. I'm also hoping we can rid ourselves of the windfall profits tax, and I'm sure you know the Senate tax reform bill keeps the present law with respect to percentage depletion for oil and gas and the option to expense intangible drilling costs. We, of course, support this.

As for the oil import tax, even though I'm riding a no tax increase of any kind horse, rest assured that we are looking at the Persian Gulf plot you mentioned. If it looks like what you've described, and if we become certain of such a thing, we'll take the right steps. We will not stand by and let our own industry be destroyed.

Nancy sends her love to you both and so do I. Thanks again for writing as you did and for the information.

Sincerely,

Ron

Mr. H. E. Chiles
Chairman of the Board and
Chief Executive Officer
Western
Post Office Box 186
Fort Worth, Texas 76101

P.S. Your federal express letter and the additional information just arrived. I'll see that it's given attention. Thanks.

And now comes word of OPEC's price increase. We have something else to keep an eye on.



August 1, 1986

H. E. Chiles
chairman of the board
chief executive officer

President Ronald Reagan
The White House Code#166-91
Washington, DC 20500

Dear Mr. President:

Following up my letter of July 25, I am enclosing a recent news clipping from the Fort Worth Star-Telegram, giving further evidence of the terribly devastating condition our country's energy industry has gotten into in the past 12-18 months. This situation is purely a result of overproduction on the part of the Arab nations, intent on destroying America's energy industry. I can see no reason to give them any consideration whatsoever.

I am firmly convinced the Arab scheme is to put the American petroleum industry out of business, so they will have a corner on supplying not only this nation, but the whole world with oil. They certainly have the capacity to do this for at least the next 100 years, and of course, they will do it at a price they can set themselves since they will have no competition.

Congress must protect our domestic resources, the future of our country, and particularly our ability to defend ourselves. We must be able to wage war, if the need arises, and we cannot do this if we are totally dependent on the Middle East to supply our oil needs.

Certainly nothing can be done until after November 4, but surely we should be analyzing the situation and planning exactly what action should be taken in order to protect our nation.

I suggest a sliding scale import duty starting at perhaps zero for oil that is priced at \$25-\$30 per barrel, going to an import duty of about \$25 per barrel on oil coming into our country at \$5 per barrel. This will protect our domestic oil industry, help the banks recover the vast losses they are being forced to take, and reinstate hundreds of thousands of energy employees who have lost their jobs over the past 12-18 months.

I believe this Congress will make a tragic error if they do not act on this by the latter part of December. Please do all you possibly can to help in this most important matter.

Sincerely,

H. E. Chiles

HEC/ps

OP leaders urging coherent' oil policy

n Landers
ton Bureau of The News

INGTON — While President Reagan was in Dallas pledging the nation would "never be captive to a foreign oil patch," Republicans in Houston Wednesday were arguing just the opposite due to the administration's hands-off role in the oil-price collapse. "I sense that we're going to be sitting around

on our hands, expressing our displeasure and not doing a lot, and in a couple of years we'll be back in the clutches of the international oil cartel."

Barton, whom Reagan referred to in his speech as "my ally serving the people of Texas," was one of 13 House Republicans (including nine from Texas) who signed a letter urging the Reagan administration to "formulate a coherent national energy policy." The letter was delivered over breakfast.

Please see 'COHERENT' on Page 4D.

4 D

The Dallas Morning News

Thursday, July 24, 1986

'Coherent' oil policy urged

Continued from Page 1D.

Wednesday to Energy Secretary John Herrington and Interior Secretary Donald Hodel.

"If we don't get our message across, we don't think it will be very good for Republicans" in energy-state elections this year, said another signer, Rep. Tom DeLay, R-Sugar Land.

Sen. Lloyd Bentsen, meanwhile, citing a jump in crude oil imports to a level of 39 percent, introduced a bill Wednesday that would ban imports of more than 50 percent of the nation's crude oil demand. The Texas Democrat's measure calls for the president to impose an oil import fee and urges energy conservation actions and domestic production incentives if imports are projected to exceed 50 percent.

The Republican congressmen urged the administration to back five changes in the tax code designed to ease the petroleum industry's tax burden and provide incentives for domestic oil and natural gas exploration. They also sought increased federal funding for enhanced oil-recovery technologies.

"Many still think that while many members of the administration are sympathetic, there's not enough activity, and there's no sense of a policy to help this industry get back on its feet," said Rep. Beau Boulter, R-Amarillo.

DeLay said the administration should use tax cuts to provide relief for the oil patch and should describe it as a policy for cutting petroleum industry costs rather than raising consumer gasoline prices.

The group sought support for proposals that would:

- Provide tax credits for oil production from marginal wells and for exploration costs.

- Raise the depletion allowance for oil producers from 15 percent to 27.5 percent.

- Expand the definition of intangible drilling costs that can be immediately deducted by drillers from their gross earnings for tax purposes.

- Repeal a tax rule that requires independent oil companies to face added tax burdens when they acquire marginal wells from major oil companies no longer interested in producing them.

- Provide a "significant" increase in the \$6.3 million administration budget request for the Energy Department's enhanced oil-recovery research and development efforts.

Boulter admitted that the overall tax reform effort now before a House/Senate conference committee made additional tax changes unlikely this year.

Rep. Dick Cheney, R-Wyo., said the group hoped to meet with Treasury Secretary James Baker soon to discuss the tax changes.

Other Republican congressmen who signed the letter were: Mickey Edwards of Oklahoma; Larry Combest of Lubbock; Henson Moore of Louisiana; Mac Sweeney of Victoria; Bill Archer of Houston; Steve Bartlett of Dallas; Dick Armey of Denton; Jack Fields of Humble, and Bob Livingston of Louisiana.

Five oil companies report poor results

Associated Press

Three of the nation's largest oil companies — Texaco Inc., Shell Oil Co. and Phillips Petroleum Co. — on Thursday reported sharply lower second-quarter earnings, while Standard Oil Co. said it suffered a huge loss. Pennzoil Corp., meanwhile, said its profit was down more than 50 percent from a year ago.

All five blamed the poor quarterly performance on slumping worldwide oil prices.

Texaco, the nation's third-largest oil company, said it netted \$185 million, or 77 cents per share, on revenue of \$7.9 billion. In the second quarter of 1985, it earned \$305 million, or \$1.28 a share, on \$11.7 billion in revenue.

Shell, ranked seventh, said second-quarter

net earnings were \$219 million on revenue of \$4.09 billion, compared to \$317 million on revenue of \$5.07 billion in the comparable period last year. The Houston-based company is wholly owned by the Royal Dutch-Shell Group of Companies, which is based in both London and the Hague, the Netherlands.

No. 8 Phillips said its second-quarter net income was \$8 million, or 1 cent a share, compared with restated net income of \$117 million, or 52 cents a share. Revenue totaled \$2.34 billion, down from \$3.98 billion in 1985.

The Bartlesville, Okla.-based company said it also incurred a \$54 million after-tax charge for a special employee-reduction program.

No. 12 Standard Oil, based in Cleveland, said it lost \$681 million, after a special charge of

\$804 million, on revenue of \$2.6 billion. That compared with second-quarter 1985 earnings of \$390 million, or \$1.66 a share, on \$3.49 billion in revenue.

Pennzoil, based in Houston, said it netted \$25.2 million, or 51 cents a share, in the second quarter, down 52 percent from \$52.6 million, or \$1.12 per share, in 1985. Second-quarter sales totaled \$480 million, compared to \$565 million last year.

Texaco Chairman John K. McKinley said "extremely low crude oil prices in the United States and abroad have adversely affected" quarterly results.

"The petroleum industry continues to be confronted by a large surplus supply in relation to demand," he said.

Oil Price Fall to \$6-\$8 a Barrel Seen Unless OPEC Trims Output Soon

Hopes Dimming for Success Of Cartel's Next Session; Industry Fears Intensify

By YOUSSEF M. IRRAHIM
Staff Reporter of THE WALL STREET JOURNAL

Oil prices are set to fall to \$6 to \$8 a barrel, the lowest level in nearly 15 years, unless the Organization of Petroleum Exporting Countries acts fast to curb runaway production, oil industry officials and analysts say.

And they doubt OPEC can do it. As a result, a sense of impending disaster looms over the world's oil industry, stirring major interest in the next OPEC meeting—the fourth this year—which opens Monday in Geneva, Switzerland. Both OPEC officials and industry observers seem certain that the organization will fail again to reach a production-cut accord among its 13 contentious members.

"I am very pessimistic," said Nordine Ait-Laoussine, a Geneva-based consultant who formerly headed Algeria's national oil company. "The high level of (OPEC) production is pushing back the chance of an agreement, while giving OPEC the illusion that there is a bigger market share out there to keep."

While unrestrained OPEC production has flooded the world's markets, retail demand for petroleum products—primarily gasoline—hasn't kept pace, feeding a huge oil surplus that grows daily.

Edward Krapels, whose Washington-based Stockwatch Update Service monitors global oil storage by companies and gov-

ernments, said cheap oil is encouraging broad stockpiling that "will reduce the possibility of a price recovery for the rest of year." He predicted that unless OPEC reins in production immediately, oil prices may "approach a floor of \$6 a barrel."

In the oil industry, fear is growing that even the sturdiest companies may need to fire more employees and intensify their cost-cutting measures to offset additional revenue losses if oil prices plunge anew. Bankers also worry that a new fall of oil prices will further impair the ability of such oil-producing countries as Venezuela, Egypt, Nigeria, Ecuador, and Mexico—some of which are veering toward the edge of default—to pay their debts.

For oil traders, the immediate worry is a burgeoning international market fraught with fear and instability.

"I smell catastrophe. This circus is getting completely out of control," said Peter Gignoux, manager of the international energy desk in London for Shearson Lehman Brothers Inc. With so many traders and speculators lured by oil's instability, "the commoditization of oil on a global basis has reached an unprecedented level," he said.

Oil traded yesterday for future deliveries in New York plunged to about \$11 a barrel (and \$9 a barrel in London), as recent rallies fizzled on growing pessimism about OPEC's prospects for harnessing production (see story on page 32).

The bulk of oil being traded now in the world is moving at prices firmly below the New York futures market level. For example, Dubai crude from the Persian Gulf region is selling for under \$8 a barrel, as are crude exports from Saudi Arabia, Iran,

Iraq, Egypt and Venezuela, among others.

"The assumption that all things will remain equal in today's environment of falling oil prices is dangerous," said Lawrence Goldstein, executive vice president of the New York-based Petroleum Industry Research Foundation. "Economically, the situation is getting out of hand for many countries."

For some countries highly dependent on exporting oil, the loss of revenue resulting from collapsing prices is taking a severe toll. Most recently, Venezuela attempted to convert \$7 billion of private-sector debt to long-term 5% government bonds.

Also, Egypt is seeking loans from the International Monetary Fund to help restructure some of its large military debts. Egypt's president Hosni Mubarak described the fall in oil prices to members of his ruling National Democratic Party as "fantastic." He noted that Egyptian oil that sold in December for \$28 a barrel is now fetching about \$7 a barrel.

Meanwhile, many oil producers are expanding discounts on their official price, feeding the cycle of falling prices. Saudi Arabia has extended into next month a discount system it started in June for large buyers. Nigeria and other producers inside and outside OPEC are following suit.

Experts say these growing discounts are prompted by four crucial developments:

—OPEC production has zoomed to near 20 million barrels a day—a 15% increase since spring.

—Saudi Arabia, OPEC's largest producer and the world's largest exporter of oil, seems to have abandoned all production restraint. It is pumping some six million barrels of oil a day—triple what it produced a year ago.

—Oil companies and consumers, including home owners in Western Europe, are taking advantage of the cheapest oil in more than a decade to fill storage tanks. This stockpile, which grew as much as three million barrels daily in June, will distort the market for at least the next few months, experts estimate.

—Within OPEC, hope is quickly fading for compromise among the various factions, raising the specter of an impasse that could last into winter.

Advance notice from Iraq, Iran and the United Arab Emirates that they won't agree during next week's OPEC meeting to lower their oil production has stirred particular apprehension.

"I don't understand why (OPEC) has increased production so much and I am . . . surprised . . . they haven't come to a (production) allocation program among themselves," George M. Keller, chairman of Chevron Corp., said. "They are just dumping oil in a market that can't possibly use it. This is a terrible mistake many of us have done from time to time, thinking that getting a bigger market share is all that counts." As a result, Mr. Keller said, "I don't anticipate a real stable oil price for some time to come and I don't think any of my associates do."

Said S. J. Falmour, president of King

7 Mr. H. E. Chiles P.O. Box 186 Ft. Worth Texas
76101

Dear Eddie

It was great seeing you & Fran again but the time was all too short. Thank you for your generous words.

Eddie we are monitoring the oil situation and I'm glad to have your input. We are trying to get some things done that should be done even if the present price problem didn't exist, such as deregulating natural gas. I'm also hoping we can rid ourselves of the windfall profits tax and I'm sure you know the Senate tax reform bill keeps the present law with respect to percentage depletion for oil & gas & the option to expense intangible drilling costs. We of course support this.

As for the oil import tax, even though I'm riding a no tax increase of any kind, horse rest assured that we are looking at the Persian Gulf plot you mentioned. Once we are certain we'll take steps and I'll get down off that horse. I have to say it's looking very much like what you've described and we will not stand by & ~~allow~~ let our own industry be destroyed.

Nancy sends her love to you both and so do I. Thanks again for writing as you did and for the information.

Sincerely Ron

P.S. Your Fed. express letter & the additional information just arrived. I'll see that it's given attention. Thanks.

THE WHITE HOUSE
WASHINGTON

August 6, 1986

Re: Oil Import Tax

DONALD T. REGAN:

Attached are two versions of the President's response to the Eddie Chiles letters, which you mentioned you wanted to discuss with him. The original and revised texts are marked as such.

David
David L. Chew

Send in revised version

*gg
DJA
8-6-86*

THE WHITE HOUSE
WASHINGTON
August 6, 1986

MR. REGAN:

For discussion with the
President.

Original

THE WHITE HOUSE

WASHINGTON

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Mr. H. E. Chiles
Chairman of the Board and
Chief Executive Officer
Western
Post Office Box 186
Fort Worth, Texas 76101

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THE WHITE HOUSE
WASHINGTON

August 5, 1986

DONALD T. REGAN:

Just to be sure that we are all clear about this question. Attached is RR's personally drafted reply to a letter from an old friend from Texas who argues strongly for an oil import tax, citing the Middle East oil conspiracy to drive down oil prices.

The letter represents a signal of a shift in our position, and were it to get out (spread around the oil community) it could cause problems. My fear is that with the big push on in Texas and the oil community for an import fee, this letter could get wide circulation. I've made a suggested fix, but am frankly hesitant to suggest it for fear of: (1) upsetting some grand plan or (2) upsetting RR.

Let it go as is _____

Prepare fix & DTR
to discuss with RR

EJK 8/5

Other _____

DC
David Chew

THE WHITE HOUSE
WASHINGTON

July 29, 1986

DONALD T. REGAN:

Because I got into hot water the last time I did this issue (Charlie Wick letter), you ought to look quickly at this Presidential response to a long-time Ronald Reagan Texas oil friend who surfaced at the Clements' rally. The gist of the incoming letter is the Saudi low-price conspiracy to disrupt our domestic industry, the need for an oil import fee, and the dire straights of the banking system. (You get mentioned too.)

The President's response deftly turns aside the "conspiracy" issue and focuses on the oil import fee.

DC
David Chew

Ok _____

Change /

THE WHITE HOUSE

WASHINGTON

Dear Eddie:

It was great seeing you and Fran again but the time was all too short. Thank you for your generous words.

Eddie, we are monitoring the oil situation and I'm glad to have your input. We are trying to get some things done that should be done even if the present price problem didn't exist, such as deregulating natural gas. I'm also hoping we can rid ourselves of the windfall profits tax, and I'm sure you know the Senate tax reform bill keeps the present law with respect to percentage depletion for oil and gas and the option to expense intangible drilling costs. We, of course, support this.

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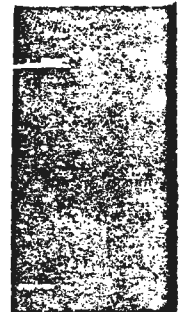
Sincerely,

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delete the brackets

Mr. H. E. Chiles
Chairman of the Board and
Chief Executive Officer
Western
Post Office Box 186
Fort Worth, Texas 76101

P.S. Your federal express letter just arrived. I'll see to it

letter being retyped
8/5



and income
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THE WHITE HOUSE
WASHINGTON

July 29, 1986

letter being
retyped by
Clarey 7/30

Dear Eddie:

Thank you for your kind words about my recent appearance in Texas -- needless to say, I was glad to see Fran and you again. Also, I appreciate your providing me with your thoughts on the current state of the oil industry.

We have been carefully monitoring the entire oil price situation, as well as other developments, ^{to us} and we ~~have~~ ^{while} ~~not been able to detect an~~ ^{are mindful of} organized efforts to drive down prices, ~~rather~~, it looks like the disarray in OPEC has contributed to excessive supply which has caused this precipitous decline. While there have been calls for the imposition of an oil import tax, I have decided to oppose a fee on the importation of crude oil and refined petroleum products. Such a measure would be counterproductive and, in my opinion, in the long run would not necessarily be beneficial to the domestic industry as it would likely result in the return of a large bureaucracy to administer exemptions that Congress would most likely enact. Recognizing, however, the importance to our Nation of the domestic oil industry, at my direction, the Economic Policy Council met to consider actions we could take to preserve a strong industry, particularly stripper and other marginal production. As a result, several Departments and Agencies are taking steps to ease regulatory burdens and remove some economic disincentives for this type of production.

As you may know, the Senate's tax reform bill keeps the present law with respect to percentage depletion for oil and gas and the option to expense intangible drilling costs. We strongly support this approach. In addition, I have announced our support for the repeal of the windfall profit tax.

^{what}
I want you to know that I am acutely aware of the serious situation that faces all the individuals in the oil business. We are doing ~~all~~ we can to assist without returning to the dark days of government interference. I am confident that if we maintain this approach, the industry will become strong again.

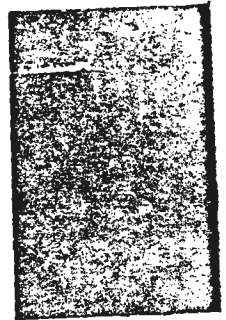
Again, I appreciate hearing from you and look forward to seeing you both again soon.

Sincerely,

^{are}
We ~~will be~~ watching the condition of the energy industry very closely. ~~to be sure that~~

Mr. H. E. Chiles
Chairman of the Board
Western
Post Office Box 186
Fort Worth, Texas 76101

and the financial system



May X2800

Rm 235

Don Clary

Need by
tonight 7/30

HOUSE

TON

1986

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is to say, I was glad
also, I appreciate your
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to us

While

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oil

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Mr. H. E. Chiles
Chairman of the Board
Western
Post Office Box 186
Fort Worth, Texas 76101

And the financial system



S. Chew

July 25, 1986

H. E. Chiles
chairman of the board
chief executive officer

President Ronald Reagan
The White House
Washington, DC 20500

Dear Mr. President:

Fran and I enjoyed seeing you at the Bill Clements party yesterday. As always, you looked great and we thought your speech was terrific!

There was one important matter that I had hoped to hear your comments on, but the subject didn't come up. The subject is the situation that the oil and gas industry in the State of Texas, and the great southwest, finds itself in at the present time.

I have been in the oil business all my life. Bill Clements and I have been friends for many, many years even though we were competitors before he sold his company to Schlumberger. I hope Governor Clements had a chance to discuss with you the chaotic situation in the oil and gas business, which has been caused solely and entirely by the Arabs. Whether this has developed on purpose or accidentally makes little difference. The result will be the same if something is not done very soon.

The price of oil today is about \$10.75 per barrel. This price is below the cost of finding and producing oil in any field in the United States. With prices like this, the entire oil industry will be bankrupt in a matter of a few short years.

I am a firm believer in the free market system and I always have been. I am as strong for the free market as Phil Gramm or Dick Armey, but in this case, I am absolutely convinced that we do not have a free market. I am sure, and I have evidence to support, that we are being victimized by a Machiavelian scheme by the big Arab producers to ultimately and totally bankrupt our oil and gas industry in the United States, so we will be dependent on the Arabs for the 15 million barrels to supply our daily needs. Today the USA produces between nine and ten million barrels per day. We buy some from Mexico, some from Canada and the rest from the Arab nations.

I have it on good authority that the Arab nations expect to hammer the

price of oil down to \$6, \$7 or \$8, and if this does happen it will bankrupt the industry as well as severely damage most of the banks in the country. Many of the very large money-center banks which have big energy loans to the oil companies, as well as to Mexico, will suffer financial problems.

Mr. President, believe me the energy situation in the good ol' USA is probably one of the most serious problems we are facing, with the possible exception of war with Russia. The Arabs in their scheme will ultimately gain complete control of the supply of energy to this nation if they are permitted to hold the price of oil where it is today or to lower it to a price of about \$6, and I am totally convinced they intend to do.

Free market or no free market, we cannot afford to let the Arabs control our future. I urge you and the Congress as soon as possible to impose a variable import duty on oil shipped into this country, with the duty starting at \$20 per barrel and increasing as the price drops, so as to protect our domestic industry.

Mr. President, believe me when I say that I do not believe for one minute that this situation is anything but a big frame-up by the Arab nations to destroy the American energy industry and I do not think any of us can sit idly by and let this happen.

As you know, drilling in this country has virtually come to a standstill and we are making no new discoveries. Many, many, many of the independent oil people are going bankrupt and others are quitting business. Even some of the larger companies are taking huge losses and will not be able to continue in business much longer. All of the large money-center banks and other banks in the southwest are taking huge losses on their energy loans. If this continues much longer it will amount to a national financial disaster, and we will find ourselves dependent on the Arab nations for our energy supply. This would be absolutely devastating in time of war.

Please, Mr. President, give this matter your closest attention and please call in a number of your friends around the country who are energy experts and get their opinions on this vital issue. Please do not let Secretary Regan, who knows very little about the energy industry, mislead you into thinking that this situation will cure itself if we let the free market work.

President Ronald Reagan
July 24, 1986

Page 3

Again, Fran and I loved seeing you in Dallas and we are putting forth every effort possible to get Bill Clements elected. Your trip to this area was very well timed and was a big help to all of our Republican candidates. I predict a great Republican victory in November.

Best personal regards.

Sincerely,

A handwritten signature in dark ink, appearing to read "H. E. Chiles", written in a cursive style.

H. E. Chiles

HEC/ps

Enclosures (2)

cc: Honorable James A. Baker III

En
case
File

434535
61002

THE WHITE HOUSE

WASHINGTON

August 7, 1986

Dear Mrs. Schaeffer:

Thank you very much for sending us your book and thank you for the inscription. We are both grateful for your kind and generous words.

Now our only problem is, who is going to get to read your book first. I think it will be Nancy but I'll be waiting with outstretched hand.

You were more than kind. We wish you the very best.

Sincerely,

A handwritten signature in dark ink, appearing to read "Ronald Reagan". The signature is fluid and cursive, with a large initial "R" and a long, sweeping tail.

Mrs. Edith Schaeffer
215 15th Avenue, S.W.
Rochester, Minnesota 55902

^{Mrs.}
To Edith Schaeffer

Dear Mrs. Schaeffer

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Now our only problem is, who is going to get to read your book first. I think it will be Nancy but I'll be waiting with outstretched hand.

You were more than kind. We wish you the very best. Sincerely RR

215 15th Ave, S.W.
Rochester, Minn. 55902

End
case
File

434587
PR 018

THE WHITE HOUSE
WASHINGTON

August 8, 1986

MEMORANDUM FOR MELINDA ANDREWS

FROM: JEAN JACKSON *Jean*
SUBJECT: Tour for Uli and Lorien Family

Melinda, per our conversation today, attached is the letter which Carol Lorien sent to the President through Neil Reagan.

I talked with Bobbi Uli today and told her that either you or someone from your office would be calling to make arrangements for the special tour. I assume that you would set up the special 8:45 a.m. time with them.

Mrs. Uli's phone number in Woodbridge is 703-491-6651.
(You need to dial the area code because of distance.)

She was sorry that they would miss the President, but pleased with getting a special tour.

cc: Kathy Osborne - FYI



THE WHITE HOUSE
WASHINGTON

TO: Fred Ryan

FROM: KATHY OSBORNE

DATE: 8-8-86

Please take care of this for the President. RR's note should be sent to Biff Henley for special handwriting file along with a copy of incoming letter. Thanks.

-- Note, this was sent to Neil Reagan who sent it to RR.

1986
SCHEDULING
OFFICE

It's lonely at the top.

Can we arrange this
trip - end of letter -
dates are Aug. 26 through
Sept. 1

She'll have to be told
I can't meet them because
I'll be in Calif.

RR



PJB

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7 PEOPLE

7118 Elm Ave

Chula Vista, Ca 92010

July 12, 1986

Dear Mr. Reagan,

Thank-you for allowing me to present my request to you. Now as you asked me to do, I shall explain my boldness in asking this favor.

Last summer my daughter, Rani, was going to visit her pen-pal, Olaf Brettschneider, and his family in Akenburg, Germany, but unfortunately her plans were canceled. Because of this, we called him and apologized about the plan changes and asked him to visit us this summer. He and his family gave us an excited "yes."

I had made plans to take the kids car vacationing around southern California and camping in Yosemite, but once again plan changes.

After 8 years living here in San Diego, I decided to return to Virginia where all my family live. This was to be done in October. My children wanted me to move

back before school started, which I realize is the best thing to do.

With this change, our southern California tour had to be canceled. I wrote the Brettschneider's telling them my decision and asking if Olaf could stay longer and drive across the country with us.

Since Olaf would be missing four weeks of school, he had to get permission from his headmaster. Therefore, I not only want the trip for him to be fun but educational. I want to include a trip to Williamsburg and a tour of Washington, D.C.

My mother told me of a lady she once worked with who had a V.I.P. tour of the White House. I thought how special it would be to take Olaf on that tour. It would be a part of the trip he would always remember.

That's when I decided to ask Dr. Jordan if he objected to my phoning you with the tour request. I respect his relationships with his patients and their privacy and would not have called you without his consent.

That brings me back to thanking

you for forwarding my request.

Those who would be with me are my two daughters, Rani (age 16) and Renee Erwin (age 14), Olaf Brettschneider (age 17), my sister Bobbie Dovel and her children, Kelly (age 11) and Ricky (age 8) of Woodbridge, Va. and my mother Bobbie Uli, also of Woodbridge.

If you are able to get us the tour, please mail the information on the tour date and time to my mother's address:

Bobbie Uli
1524 Woodside Drive
Woodbridge, Va. 22191

We will be arriving in Woodbridge on August 24 or 25. Sight seeing days shall be August 26 through September 1.

Once again, I thank-you.

Sincerely,
Carol Lexien

p.s. Today we drove to L.A. airport
and picked up Olaf.

Allowing myself to use an "antique"
term to describe a young modern boy —
he's just charming.

I think it's going to be a fun
summer for all of us.

Carol

End
Case
File

THE WHITE HOUSE
WASHINGTON

August 8, 1986

VIDEOTAPING SESSION FOR U.S. SENATE/HOUSE CANDIDATE
TV ADVERTISEMENTS

DATE: Monday, August 11, 1986
LOCATION: Diplomatic Reception Room
TIME: 4:45 p.m.

Mitchell E. Daniels, Jr.

I. PURPOSE

To provide 16 Presidential endorsements in television advertisements to key Senate/House incumbent and challenge candidates, facing election Nov. 4, 1986.

II. BACKGROUND

Remaining spots for 7 Senate incumbents; 4 Senate challenge candidates, and 3 House incumbents; 2 House challenge candidates will be videotaped for airing by each campaign this fall. All but one of these spots are 30-second scripts; one is a 60-second script.

Scripts to be videotaped are for:

Sen. Arlen Specter (R-PA)
Sen. Warren Rudman (R-NH)
Sen. Jake Garn (R-UT)
Sen. Mark Andrews (R-ND)
Sen. Alfonse D'Amato (R-NY)
Sen. Slade Gorton (R-WA)
Sen. Paula Hawkins (R-FL)
Rep. Henson Moore (R-LA)
St. Rep. Judy Koehler (R-IL)
Jackson Andrews (R-KY)
Henry McMaster (R-SC)
Rep. George Wortley (R-NY27)
Rep. Jim Hansen (R-UT1)
Rep. Mike Strang (R-CO3)
Marc Holtzman (R-PA11)
Rick McIntyre (R-IN8)

All spots will be of tremendous value to each campaign, due to your high popularity in each state, and provide a boost to efforts to retain GOP control of the U.S. Senate.

III. PARTICIPANTS

The President
Elizabeth Board

IV. PRESS PLAN

None.

V. SEQUENCE OF EVENTS

You will videotape each 30- or 60-second script, aided by teleprompter.

I've made changes in those for timing purposes - send them to teleprompter right away

RR

SENATOR SPECTER

60 SECONDS

The President has seen *8/11*

In 1980, Arlen Specter and I were elected to the offices we now hold with a similar commitment to strengthen our economy at home and our defenses abroad...and I think we've done a solid job.

We've reduced the tax burden, cut the inflation rate by two-thirds, created over ten million new jobs since the recovery began, and lowered interest rates so that Americans can afford to buy homes again.

With Arlen Specter's help, America's defenses are once again second to none and we're in a position of strength, not to wage war, but to preserve the peace. Senator Specter's anti-terrorism bill will help us bring to justice and deter those who resort to terror. His legislation, coupled with our actions, clearly demonstrate that America will protect its citizens abroad and bring to justice those who commit crimes against our people.

Arlen's been an independent Senator who has always placed the interests of the people of Pennsylvania first and he gets results...you can't ask for more than that.

SENATOR RUDMAN
30 SECONDS

When they write the legislative history of these times, one name that will receive special mention is Warren Rudman.

Warren is one of the most dedicated and effective leaders I've ever known.

He co-wrote Gramm-Rudman-Hollings, the ~~landmark~~ law that will once and for all reduce our budget deficits.

But that's just one of many Rudman accomplishments ranging from cracking down on crime to creating more jobs in small business.

Warren Rudman is a Senator New Hampshire can be proud ^{of.} ~~to~~
~~call its own.~~

~~I urge you to~~ Reelect my good friend, Warren Rudman.

SENATOR GARN
27 SECONDS

I'd like to speak to the people of Utah. You have been
among my strongest supporters, ~~and~~ Nancy and I will ~~never forget~~ ^{ALWAYS REMEMBER}
that.

One of the greatest pleasures I've had ~~while serving~~ as your
President has been working with your Senator, Jake Garn. I ~~we~~
~~came~~ to regard him as one of the finest. Jake is candid and
tough; honest and direct. You know where ~~Jake~~ ^{HE} stands, and you
can trust his word. He works hard and knows his stuff.

I hope you'll give Jake your vote of confidence this
November and keep him in the United States Senate.

SENATOR ANDREWS
26 SECONDS

Mark Andrews' independent leadership in the U.S. Senate is helping to build a better future for all North Dakotans. No one has fought harder or more effectively for the farmers and ranchers of North Dakota than Mark Andrews. Mark has also provided strong, out-front leadership in education and health care, and he's committed to a balanced budget and strong national defense. We need to keep Mark Andrews in the U.S. Senate working hard for North Dakota and America.

SENATOR D'AMATO
30 SECONDS

With Al D'Amato leading the team there's no way New York can loose.

When Al D'Amato comes to me he knows what he wants; no Senator in Washington is more effective in fighting for the interests of his state.

He is New York's most important and influential spokesman. I need him and the nation needs him.

Believe me, Al D'Amato is getting it done for New York and America.

TAG: Senator Al D'Amato...getting it done.

SENATOR GORTON
29 SECONDS

If you look back to where we were six years ago, you can see how far America has come. The people of Washington State can take great pride in the key role Slade Gorton has played in America's resurgence.

Time and time again, Slade Gorton has shown the leadership, vision, and the courage that has our economy growing again.

Slade and I don't agree on every issue, but you can always count on Slade's dedication and care for the people of Washington State.

I urge you to reelect my good friend, Slade Gorton.

SENATOR HAWKINS
30 SECONDS

I have a very simple message for the people of Florida:
Please reelect Senator Paula Hawkins.

Paula is truly unique and irreplaceable. She fights for
Florida and wins.

And, Paula does the same for this entire country.
She looks out for the rights of people who never had a
Senator before she came to Washington.

These millions of disadvantaged Americans need her. Florida
needs her. I need her.

Please send Paula Hawkins back to Washington on November 4.

HENSON MOORE
30 SECONDS

This fall, Louisiana will send a message to America.
By voting for Henson Moore as your United States Senator, you'll
be telling me personally that you want to continue the direction
I've set for America.

And something else.

In Henson Moore, Louisiana will be sending to
Washington a man of incredible energy, effectiveness and
integrity. His election really means a lot to me, and I can
promise: he'll make you proud.

JUDY KOEHLER
30 SECONDS

ANNOUNCER: Ladies and Gentlemen, the President of the United States.

I know of Judy Koehler's outstanding record of fighting for less waste in government. Judy Koehler has fought the politicians in Springfield and won time and time again. Tough, courageous and competent, Judy is a woman who has earned our support. Send me Judy Koehler and she'll never let us down. All America needs Judy Koehler's fighting spirit in the U.S. Senate.

JACKSON ANDREWS
27 SECONDS

I'd like to talk with you about Jackson Andrews, who's running for U.S. Senate from Kentucky. Your state has rich tradition of electing great Senators, like John Sherman Cooper and Thruston (THREW-ston) Morton ~~Senators~~ who provided leadership ~~not only~~ ^{AND} for your State, ~~but~~ for the ~~entire~~ Nation.

~~I believe~~ Jack is from the same mold. He knows Washington, ^{HE} ~~having~~ served over 5 years on Capitol Hill with the Senate. ~~And~~ He can help me keep this country moving forward.

~~Please~~ Support Jackson Andrews as the next great Senator from Kentucky.

HENRY McMASTER
27 SECONDS

By rejecting the liberal policies of the past, together we've been able to bring America back. For that fight to continue, I need conservatives like Henry McMaster in the United States Senate.

As the very first U.S. Attorney I appointed, Henry McMaster put drug smugglers in jail and organized South Carolina's first statewide anti-pornography conference.

Henry McMaster is one man who has always been there when South Carolina needed him...and I need him now in the United States Senate.

Congressman Jim Hansen (UT-1)

When I came to Washington in 1981, this country faced run-away inflation and record high interest rates. To reverse these trends, Congressman Jim Hansen and I saw a need for an agenda that would ~~unite the American people~~, bring about economic recovery and return a sense of pride to our great country.

~~Jim and I share an optimism for the future of America and his~~
hard work has helped many of our dreams come true. ^{His} ~~Jim's~~
effectiveness and dedication in representing Utah's interests
have earned him the respect ~~that is~~ needed to get things done in
Washington.

I ask that you re-elect Jim Hansen to Congress.

Congressman Mike Strang (CO-3)

I want to talk to you about your Congressman, Mike Strang and the job he's ~~been~~ doing for you. Mike has established himself as one of the most effective representatives in the Congress, with the ~~kind of~~ conviction and belief in traditional values ~~that~~ we in the West treasure. ^{I admire} His tough ~~and forceful~~ stands for more jobs, protection of western water, a balanced budget --- and against higher taxes, ~~has earned my respect.~~

~~To finish the job you sent me here to do --~~ I need Mike Strang back in Washington, ~~with me.~~

On November 4th re-elect Colorado's kind of Congressman, and my kind of Congressman -- Mike Strang.

Marc Holtzman

When I first ran for the Presidency some people said my age might be an issue.

Well....

I guess that's one thing Marc Holtzman and I have in common.

Another is that we share the same goals - balancing the federal budget, reducing interest rates, and bringing new jobs to Northeastern Pennsylvania.

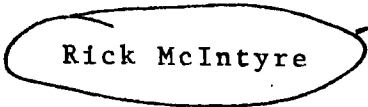
I've known Marc Holtzman for nine years, and I greatly admire his energy and enthusiasm.

I know Marc Holtzman will listen to you.

He's an effective leader we both need in Congress.

Rick McIntyre

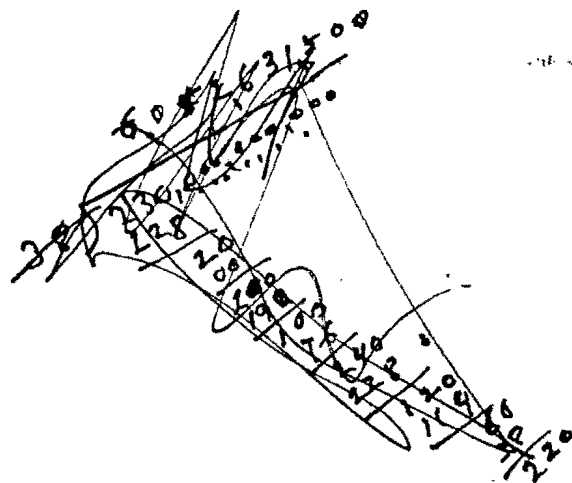
Before I leave office I'd like to see a House of Representatives that shares a vision of the future that most of us do. You can help me by sending ~~a man I admire~~ to Congress.



Rick McIntyre

Rick's education, civic involvement, and experience in the Indiana legislature, represent the finest America has to offer. His priorities of bringing new businesses and jobs to this area and leaving a strong and economically sound country for his two children are my priorities too.

Help me by voting for Rick McIntyre for Congress.



End
Case
File