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SIGNING OF NAVAL PETROLEUM
RESERVES PRODUCTION ACT
(Elk Hills)

Monday, April 5, 1976

2:15 p.m.

Rose Garden

EMBARGOED FOR RELEASE
UNTIL 2:15, E.S.T.

APRIL 5, 1976

Office of the White House Press Secretary

THE WHITE HOUSE

STATEMENT BY THE PRESIDENT

In my first State of the Union Message more than a year ago, I set forth goals for regaining energy independence for the United States. I also outlined a comprehensive and ambitious national program needed to achieve our energy goals. The first goal is to reduce our growing reliance on imported oil.

We have launched energy programs that are possible within existing authorities and I have asked the Congress for the additional legislative authority that we must have. My proposed Energy Independence Act of 1975 contained thirteen specific programs to encourage energy conservation and increase domestic energy production. More recently, I sent to the Congress proposals dealing with nuclear energy, investment in energy facilities, and other measures needed to achieve our goals.

One of the original thirteen proposals was especially important because it permitted immediate action to produce more oil here in the United States. There are only a very few steps like this that are possible. Generally, it takes three years or more to bring new oil production on line.

Actions to increase domestic oil productions are critical because oil imports have grown to the point where they now account for almost 40% of the petroleum we are using. We are even more dependent now than we were a little over two years ago when we experienced the disruption of an oil embargo.

I am, therefore, pleased to sign into law today the Naval Petroleum Reserves Production Act of 1976 which puts in place one more element of our program to reduce dependence on foreign oil.

The Naval Petroleum Reserves had special importance when they were established over 50 years ago to guarantee an adequate supply of oil for the U.S. Navy. Today, the Reserves have even greater importance to the whole Nation because they can help reduce our dependence on imported oil and help stem the outflow of American dollars and jobs.

This new Act directs the Secretary of the Navy to commence a vigorous production program from the three Naval Petroleum Reserves located in California and Wyoming. The Act also redesignates the fourth Naval Petroleum Reserve in Alaska as a National Petroleum Reserve and transfers the jurisdiction to the Department of the Interior in June 1977. Production from the Alaskan Reserve is not authorized at this time, but the Act specifically calls upon the President to submit a development plan and appropriate legislation to the Congress. Work has already begun on those measures.

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The new Act also makes it possible for production from the Naval Reserves to contribute directly to the creation of the Strategic Petroleum Reserve authorized in the Energy Policy and Conservation Act which I signed on December 22, 1975. Once established, the Strategic Reserve will provide both a deterrent to future embargoes and a significant means to offset the effects of any future supply interruption.

The Strategic Reserve will permit us to have needed petroleum much more readily available in the case of an emergency for our Armed Services and other critical national needs.

When in full production, the three Naval Petroleum Reserves in California and Wyoming will provide more than 300,000 barrels of oil per day. The development and production of Naval Petroleum Reserve Number One in Elk Hills, California, will make the biggest contribution.

The U.S. share of this production, about 80 percent, may be sold at auction and up to 25 percent of that amount could be set aside for sale to small refiners. At the President's discretion, all or part of the U.S. share may be used to build up the Strategic Petroleum Reserves. The Act authorizes use of revenues from the sale of petroleum for work on the Naval Petroleum Reserves, for the National Reserve in Alaska, and for the Strategic Petroleum Reserve.

This Act is an important step toward reversing our declining domestic oil production and it is another sign that we are making progress. Four of my original 13 proposals were included in the Energy Policy and Conservation Act which I signed into law on December 22, 1975.

The Congress still has before it 18 major energy proposals, including those remaining from the original 13 I submitted in January 1975 and others I have submitted since then. We need those measures to conserve energy and to increase domestic production. Congress must act on those measures so that we can achieve our national goals for energy independence.

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APRIL 5, 1976

Office of the White House Press Secretary

THE WHITE HOUSE

FACT SHEET

SIGNING OF THE NAVAL PETROLEUM RESERVES
PRODUCTION ACT OF 1976 (H.R. 49)

The President today signed the Naval Petroleum Reserves Production Act of 1976 which:

- . Authorizes production of petroleum from Reserves 1, 2 and 3, located in Elk Hills, California; Buena Vista, California; and Teapot Dome, Wyoming.
- . Transfers Jurisdiction of Reserve Number 4 in Alaska from the Secretary of the Navy to the Secretary of the Interior effective June 1, 1977 and redesignates it as a National Petroleum Reserve.
- . Calls upon the President to submit to Congress a proposed development plan and appropriate legislation to authorize development and production from the Alaskan Reserve.

The President also urged the Congress to pass the 17 major energy proposals which are still awaiting action.

BACKGROUND

- . Legislation authorizing production from the Naval Petroleum Reserves was one of thirteen proposals submitted to the Congress by the President in January 1975 as a part of his Energy Independence Act.
- . During the past year, the President has proposed additional energy legislation, including bills concerned with uranium enrichment, financing energy facilities, energy resource development impact assistance and Alaskan natural gas. (Eighteen proposals awaiting action were identified in the President's February 26, 1976, Energy Message.)
- . Four of the original thirteen proposals were included in the Energy Policy and Conservation Act which the President signed on December 22, 1975. The Naval Petroleum Reserve legislation is the fifth proposal now in law.

PRINCIPAL PROVISIONS OF THE NEW ACT

The principal provisions of the Naval Petroleum Reserves Production Act are outlined below. Under the previous law, all of the NPR's were under the jurisdiction of the Secretary of the Navy and were held in reserve for use only in times of national emergency.

- . National Petroleum Reserve in Alaska
 - NPR-4 is redesignated as a "national" petroleum reserve and is transferred effective June 1, 1977, to the Secretary of the Interior who shall assume all administrative responsibilities formerly held by the Secretary of the Navy.

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- Interior shall continue Navy's exploration activities and report annually to the Congress on further exploration plans.
- The President is called upon to submit to the Congress no later than January 1, 1980, a plan for the development of the Alaskan Reserve, appropriate legislation, and economic and environmental impact assessments. Development plans are to be prepared in consultation with the State of Alaska and appropriate Federal agencies.
- . Naval Petroleum Reserves 1, 2 and 3.
 - The Secretary of the Navy is directed to begin producing within 90 days NPR's 1, 2 and 3 at their maximum efficient rate consistent with sound engineering practices for a period of 6 years.
 - Production can be continued for additional increments of 3 years if the President certifies that such production is in the national interest and neither House of Congress disapproves the action within 90 days.
 - The Secretary of the Navy is directed to provide storage and transportation facilities for NPR-1, within three years of enactment, to accommodate production of not less than 350,000 barrels of oil per day.
 - Sales of the U.S. share of oil (about 80%) shall be made at public auction to the highest bidder for periods not to exceed one year. Up to 25% is set aside for sale to small refiners at prevailing market prices.
 - The Secretary of the Navy must consult with the Attorney General on matters which may affect competition and may not sign a contract inconsistent with anti-trust laws.
 - The President may direct all or part of the U.S. share to be placed in the Strategic Petroleum Reserve directly or through exchange agreements. The Strategic Reserve was authorized by the Energy Policy and Conservation Act (December 22, 1975).
 - Proceeds from the sale of NPR production shall be credited to a Naval Petroleum Reserve Special Account which, subject to the appropriations process, shall be made available for:
 - . Exploration, development and production of NPR's 1, 2 and 3, and for exploration and study in regard to the National Petroleum Reserve in Alaska.
 - . Facilities incident to production and delivery of petroleum.
 - . Petroleum and facilities for the Strategic Petroleum Reserve.

IMPACT OF THE BILL

- . NPR-1 at Elk Hills has proven resources of approximately 1.25 billion barrels of oil -- one of the largest petroleum fields in the U.S. Fully developed, it could produce oil at the rate of 200,000 to 300,000 barrels per day. Current

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production is about 2,000 to 3,000 barrels a day, principally from production to offset private production in adjoining fields and for testing and maintenance purposes.

- . NPR-2 at Buena Vista is currently in full production, allowing a U.S. share of about 600 barrels per day.
- . NPR-3 at Teapot Dome has reserves of 42.5 million barrels and could produce at the rate of 21,000 barrels per day.
- . NPR-4 in Alaska has only 100 million barrels of proven reserves, but estimates of potential reserves run as high as 30 billion barrels.

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OFFICE OF THE WHITE HOUSE PRESS SECRETARY

THE WHITE HOUSE

REMARKS OF THE PRESIDENT
UPON SIGNING THE
NAVAL PETROLEUM RESERVES
PRODUCTION ACT

THE ROSE GARDEN

2:23 P.M. EST

Secretary Rumsfeld, Secretary Kleppe, Secretary Middendorf, Administrator Zarb, distinguished Members of the House and Senate:

Just over two years ago the Arab oil embargo taught the United States a lesson, that we should not be too dependent on other nations for our oil supplies. We learned all too well the high price of energy dependence, both in the terms of inflation and lost jobs.

Over a year ago, in my First State of the Union Message, I set forth goals for regaining our energy independence and a comprehensive program for achieving those goals. Shortly thereafter I submitted to the Congress my comprehensive energy independence plan, which contained specific programs to encourage conservation and increase domestic production.

One of my proposals called for development and production of our Naval Petroleum Reserve. This step is especially important because it is one action we can take to get an immediate increase in domestic oil production, thereby lessening our dependence on foreign oil.

Accordingly, today I sign into law the Naval Petroleum Reserves Production Act of 1976. This act directs the Secretary of the Navy to begin full-scale production from the two petroleum reserves in California, including Elk Hills, and one from Wyoming.

When in full production, these three reserves will provide more than 300,000 barrels of oil per day, which represents about 4 percent of what we now import daily from foreign suppliers.

The new act also makes it possible for production from the Naval reserves to contribute directly to the creation of strategic petroleum reserve authorized in the Energy Policy and Conservation Act, which I signed into law December 22, 1975.

MORE

Once established, the strategic reserve will provide both a deterrent to future embargoes and a significant means to offset the effects of any future supply interruption. The strategic reserve will permit us to have needed petroleum much more readily available in case of emergency for our Armed Forces and other critical national needs.

The act also redesignates the Naval Reserve in Alaska as a Naval Petroleum Reserve to be managed by the Department of the Interior.

This act is a very important step toward reversing our declining domestic oil production, but other steps obviously must be taken.

Eighteen major energy proposals still await Congressional approval on Capitol Hill. I strongly urge the Congress to move ahead on these additional initiatives so that as we celebrate our 200th year of independence, we take an affirmative action toward achieving energy independence as well.

END (AT 2:26 P.M. EST)

THE WHITE HOUSE

WASHINGTON

April 3, 1976

MEMORANDUM FOR: THE PRESIDENT

FROM: JIM CANNON *JC*

SUBJECT: H.R. 49 - Naval Petroleum
Reserves Production Act of 1976

Attached for your consideration is H.R. 49, sponsored by Representative Melcher, which authorizes immediate petroleum production from Naval Petroleum Reserves 1 (Elk Hills - California), 2 (Buena Vista - California), 3 (Teapot Dome - Wyoming), redesignate Naval Petroleum Reserve 4 (Alaska) as the National Petroleum Reserve and transfers jurisdiction to Interior in June 1977.

H.R. 49 conforms to the objectives of the original Administration proposal, although the approach taken on certain provisions of the bill varies somewhat. The major features of the enrolled bill are outlined in the OMB enrolled bill report at Tab A.

OMB, Max Friedersdorf, Counsel's Office (Lazarus), NSC Alan Greenspan, Jack Marsh and I recommend approval of the enrolled bill (Tab B) and the proposed signing statement (Tab C) which has been cleared by Bob Hartmann.

RECOMMENDATION

That you sign H.R. 49 (Tab B) at the Signing Ceremony scheduled for 2:15 p.m., Monday, April 5.



TAB A





EXECUTIVE OFFICE OF THE PRESIDENT
OFFICE OF MANAGEMENT AND BUDGET
WASHINGTON, D.C. 20503

APR 2 1976

MEMORANDUM FOR THE PRESIDENT

Subject: Enrolled Bill H.R. 49 - Naval Petroleum
Reserves Production Act of 1976
Sponsor - Rep. Melcher (D) Montana

Last Day for Action

April 13, 1976 - Tuesday

Purpose

Authorizes immediate petroleum production from Naval Petroleum Reserves 1, 2, and 3; authorizes further exploration of Naval Petroleum Reserve 4.

Agency Recommendations

Office of Management and Budget

Approval

Department of the Interior

Approval (Informally)

Department of the Navy

Approval (Informally)

Federal Energy Administration

Approval (Informally)

Department of Commerce

No objection (Informally)

Department of Justice

No objection (Informally)

Discussion

Your 1975 State of the Union Message set forth a comprehensive national program for achieving energy independence by reversing our growing reliance on imported petroleum. The legislation necessary to implement this program, the Energy Independence Act, was submitted to Congress shortly thereafter.

One of the significant actions in your energy program, title I of the Energy Independence Act, provided for increasing domestic petroleum supplies through



the use of the nation's Naval Petroleum Reserves (NPRs). Briefly, title I provided for the following:

- full development and production of NPRs 1 (Elk Hills - Calif.), 2 (Buena Vista - Calif.), and 3 (Teapot Dome - Wyoming).
- exploration, development, and production of NPR-4 (Alaska).
- above actions to be undertaken by the Secretary of the Navy upon Presidential authorization.
- the Government share of petroleum to contribute to both the National Strategic Petroleum Reserve and the public economy.
- proceeds derived from the sale of the government share to be credited to a National Strategic Petroleum Reserve Special Fund; these monies to be used to further explore, develop and produce the NPRs, to construct facilities on and off the reserves, and to construct and manage the National Strategic Petroleum Reserve.

H.R. 49, as enrolled, conforms to the objectives of the original Administration proposal, although the approach taken on certain provisions of the bill varies somewhat. Outlined below are the major features of the enrolled bill.

Naval Petroleum Reserves 1, 2, and 3

The Secretary of the Navy is directed to begin production within 90 days at NPRs 1, 2, and 3 at their maximum efficient rate consistent with sound engineering practice for a period of six years. Production can be continued for additional increments of three years if the President certifies that such production is in the national interest and neither House of Congress disapproves the action within 90 days.



The Secretary of the Navy is directed to provide storage and shipping facilities for NPR-1, within three years of enactment, to accommodate production of not less than 350,000 barrels of petroleum per day. Sales of the U.S. share of petroleum (about 80 percent) shall be made at public auction to the highest bidder for periods not to exceed one year. Up to 25 percent is set aside for sale to small refiners at prevailing market prices. The President may direct all or part of the U.S. share of petroleum production to be placed in a Strategic Petroleum Reserve directly or indirectly through exchange agreements.

The Secretary of the Navy must consult with the Attorney General on matters which may affect competition and may not sign a contract inconsistent with anti-trust laws. Pipelines serving the NPRs will be operated and maintained as a common carrier -- the Secretary could acquire by condemnation any pipeline which refuses to accept, convey, and transport without discrimination and at reasonable rates any petroleum produced at the NPRs. NPR produced petroleum would be subject to the Export Administration Act of 1969, and it could not be exported unless the President finds that such exports: (a) will not diminish the petroleum available to the U.S.; (b) are in the national interest; and, (c) are in accord with the Export Administration Act of 1969.

Proceeds from the sale of NPR production shall be credited to a Naval Petroleum Reserve Special Account which, subject to the appropriations process, shall be made available for: (a) exploration, development and production of NPRs 1, 2, and 3, and for exploration and study in regard to the National Petroleum Reserve in Alaska; (b) facilities incident to production and delivery of petroleum; and, (c) petroleum and facilities for the National Strategic Petroleum Reserve.



Naval Petroleum Reserve 4

NPR-4 (Alaska) is redesignated as a "national" petroleum reserve and is transferred effective June 1, 1977, to the Secretary of the Interior, who shall assume all administrative responsibilities formerly held by the Secretary of the Navy. Interior shall continue Navy's exploration activities and report annually to the Congress on further exploration plans. With respect to such exploration activities, review by the Attorney General is required to assure that exploration contracts are not inconsistent with anti-trust laws. Furthermore, if the Secretary determines that as a result of exploration activities, there is an immediate and substantial increase in the need for municipal services and facilities in communities located on or near the reserve, and that this would place an unfair and excessive financial burden on the affected communities, then he is authorized to assist such communities in meeting the costs of providing increased municipal services and facilities. Existing Federal programs are to be used in providing such assistance.

The President, no later than January 1, 1980, would be required to submit to Congress a development plan, together with appropriate legislation and economic and environmental impact assessments. Development plans are to be prepared in consultation with the State of Alaska and appropriate Federal agencies.

As can be seen from the above comparison, H.R. 49 meets most of the Administration's key objectives. Only one major non-conforming feature and several lesser provisions warrant being noted:

1. Production at NPR-4, the largest of the Naval Petroleum Reserves, is not authorized; however, a clear procedure is set forth to study and recommend to Congress the best way to develop, produce, transport, and distribute the reserve's petroleum resources. We believe this process can be carried out expeditiously and in a manner which will minimize any delays in achieving NPR-4 production.



2. There are no provisions relating to the sharing between Alaska and the U.S. of NPR-4 revenues, and to the question of whether future leasing would be competitive or non-competitive. These issues will have to be closely examined at the time Congress acts to authorize NPR-4 production and the President will have an opportunity to offer his recommendations at that time. Billions of dollars are at stake because of the large production potentially available at NPR-4.

3. By adopting a resolution of disapproval, either House of Congress could veto the President's plan to extend production of NPRs 1, 2, and/or 3; such provisions have been consistently held by the Executive to be unconstitutional.

This legislation will increase the nation's domestic supply of petroleum by up to 300,000 barrels per day over the near term and it also enhances our ability to recover potentially vast reserves (up to 30 billion barrels) over the longer term.

A draft signing statement prepared by FEA has been forwarded directly to the White House for your consideration.

James M. Frey
Assistant Director for
Legislative Reference

Enclosure



TAB B



TAB C



STATEMENT BY THE PRESIDENT

In my first State of the Union Message more than a year ago, I set forth goals for regaining energy independence for the United States. I also outlined a comprehensive and ambitious national program needed to achieve our energy goals. The first goal is to reduce our growing reliance on imported oil.

We have launched energy programs that are possible within existing authorities and I have asked the Congress for the additional legislative authority that we must have. My proposed Energy Independence Act of 1975 contained thirteen specific programs to encourage energy conservation and increase domestic energy production. More recently, I sent to the Congress proposals dealing with nuclear energy, investment in energy facilities, and other measures needed to achieve our goals.

One of the original thirteen proposals was especially important because it permitted immediate action to produce more oil here in the United States. There are only a very few steps like this that are possible. Generally, it takes three years or more to bring new oil production on line.

Actions to increase domestic oil productions are critical because oil imports have grown to the point where they now account for almost 40% of the petroleum we are using. We are even more dependent now than we were a little over two years ago when we experienced the disruption of an oil embargo.

I am, therefore, pleased to sign into law today the Naval Petroleum Reserves Production Act of 1976 which puts in place one more element of our program to reduce dependence on foreign oil.

The Naval Petroleum Reserves had special importance when they were established over 50 years ago to guarantee an adequate supply of oil for the U.S. Navy. Today, the Reserves have even greater importance to the whole Nation because they can help reduce our dependence on imported oil and help stem the outflow of American dollars and jobs.

This new Act directs the Secretary of the Navy to commence a vigorous production program from the three Naval Petroleum Reserves located in California and Wyoming. The Act also redesignates the fourth Naval Petroleum Reserve in Alaska as a National Petroleum Reserve and transfers the jurisdiction to the Department of the Interior in June 1977. Production from the Alaskan Reserve is not authorized at this time, but the Act specifically calls upon the President to submit a development plan and appropriate legislation to the Congress. Work has already begun on those measures.

The new Act also makes it possible for production from the Naval Reserves to contribute directly to the creation of the Strategic Petroleum Reserve authorized in the Energy Policy and Conservation Act which I signed on December 22, 1975. Once established, the Strategic Reserve will provide both a deterrent to future embargoes and a significant means to offset the effects of any future supply interruption.

The Strategic Reserve will permit us to have needed petroleum much more readily available in the case of an emergency for our Armed Services and other critical national needs.

When in full production, the three Naval Petroleum Reserves in California and Wyoming will provide more than 300,000 barrels of oil per day. The development and production of Naval Petroleum Reserve Number One in Elk Hills, California, will make the biggest contribution.

The U.S. share of this production, about 80 percent, may be sold at auction and up to 25 percent of that amount could be set aside for sale to small refiners. At the President's discretion, all or part of the U.S. share may be used to build up the Strategic Petroleum Reserves. The Act authorizes use of revenues from the sale of petroleum for work on the Naval Petroleum Reserves, for the National Reserve in Alaska, and for the Strategic Petroleum Reserve.

This Act is an important step toward reversing our declining domestic oil production and it is another sign that we are making progress. Four of my original 13 proposals were included in the Energy Policy and Conservation Act which I signed into law on December 22, 1975.

The Congress still has before it 17 major energy proposals, including those remaining from the original 13 I submitted in January 1975 and others I have submitted since then. We need those measures to conserve energy and to increase domestic production. Congress must act on those measures so that we can achieve our national goals for energy independence.

FACT SHEET

SIGNING OF THE NAVAL PETROLEUM RESERVES
PRODUCTION ACT OF 1976 (H.R. 49)

The President today signed the Naval Petroleum Reserves Production Act of 1976 which:

- . Authorizes production of petroleum from Reserves 1, 2 and 3, located in Elk Hills, California; Buena Vista, California; and Teapot Dome, Wyoming.
- . Transfers Jurisdiction of Reserve Number 4 in Alaska from the Secretary of the Navy to the Secretary of the Interior effective June 1, 1977 and redesignates it as a National Petroleum Reserve.
- . Calls upon the President to submit to Congress a proposed development plan and appropriate legislation to authorize development and production from the Alaskan Reserve.

The President also urged the Congress to pass the 17 major energy proposals which are still awaiting action.

BACKGROUND

- . Legislation authorizing production from the Naval Petroleum Reserves was one of thirteen proposals submitted to the Congress by the President in January 1975 as a part of his Energy Independence Act.
- . During the past year, the President has proposed additional energy legislation, including bills concerned with uranium enrichment, financing energy facilities, energy resource development impact assistance and Alaskan natural gas. (Eighteen proposals awaiting action were identified in the President's February 26, 1976, Energy Message.)
- . Four of the original thirteen proposals were included in the Energy Policy and Conservation Act which the President signed on December 22, 1975. The Naval Petroleum Reserve legislation is the fifth proposal now in law.

PRINCIPAL PROVISIONS OF THE NEW ACT

The principal provisions of the Naval Petroleum Reserves Production Act are outlined below. Under previous law, all



of the NPR's were under the jurisdiction of the Secretary of the Navy and were held in reserve for use only in times of national emergency.

. National Petroleum Reserve in Alaska

- NPR-4 is redesignated as a "national" petroleum reserve and is transferred effective June 1, 1977, to the Secretary of the Interior who shall assume all administrative responsibilities formerly held by the Secretary of the Navy.
- Interior shall continue Navy's exploration activities and report annually to the Congress on further exploration plans.
- The President is called upon to submit to the Congress no later than January 1, 1980, a plan for the development of the Alaskan Reserve, appropriate legislation, and economic and environmental impact assessments. Development plans are to be prepared in consultation with the State of Alaska and appropriate Federal agencies.

. Naval Petroleum Reserves 1, 2 and 3.

- The Secretary of the Navy is directed to begin producing within 90 days NPR's 1, 2 and 3 at their maximum efficient rate consistent with sound engineering practice for a period of 6 years.
- Production can be continued for additional increments of 3 years if the President certifies that such production is in the national interest and neither House of Congress disapproves the action within 90 days.
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- Sales of the U.S. share of oil (about 80%) shall be made at public auction to the highest bidder for periods not to exceed one year. Up to 25% is set aside for sale to small refiners at prevailing market prices.
- The Secretary of the Navy must consult with the Attorney General on matters which may affect competition and may not sign a contract inconsistent with anti-trust laws.

transportation



- The President may direct all or part of the U. S. share to be placed in the Strategic Petroleum Reserve directly or through exchange agreements. The Strategic Reserve was authorized by the Energy Policy and Conservation Act (December 22, 1975).
- Proceeds from the sale of NPR production shall be credited to a Naval Petroleum Reserve Special Account which, subject to the Appropriations process, shall be made available for:
 - . Exploration, development and production of NPR's 1, 2 and 3, and for exploration and study in regard to the National Petroleum Reserve in Alaska.
 - . Facilities incident to production and delivery of petroleum.
 - . Petroleum and facilities for the Strategic Petroleum Reserve.

IMPACT OF THE BILL

- . NPR-1 at Elk Hills has proven resources of approximately 1.25 billion barrels of oil - one of the largest petroleum fields in the U.S. Fully developed, it could produce oil at the rate of 200,000 to 300,000 barrels per day. Current production is about 2,000 to 3,000 barrels a day, principally from production to offset private production in adjoining fields and for testing and maintenance purposes.
- . NPR-2 at Buena Vista is currently in full production, allowing a U.S. share of about 600 barrels per day.
- . NPR-3 at Teapot Dome has reserves of 42.5 million barrels and could produce at the rate of 21,000 barrels per day.
- . NPR-4 in Alaska has only 100 million barrels of proven reserves, but estimates of potential reserves run as high as 30 billion barrels.

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