

JUN 4 1975

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Honorable Carl Albert  
Speaker of the House  
of Representatives  
Washington, D. C. 20515

Re: FEA Amendment of Stripper  
Well Lease Exemption  
Regulation

Dear Mr. Speaker:

On May 15, 1975, pursuant to section 4(g)(2) of the Emergency Petroleum Allocation Act of 1973 ("Act," Pub. L. 93-159, as amended, Pub. L. 93-511), the FEA submitted to the Senate and to the House of Representatives findings and a proposed amendment to the stripper well lease exemption of 10 CFR 210.32. The amendment provides that once a property qualifies as a stripper well lease based upon its per-well production for any calendar year beginning after December 31, 1972, the property will continue to enjoy exempt status, regardless of any increased production in a subsequent calendar year. As I noted in my letter of May 15, the amendment is designed to remove a disincentive to increased production from marginally-producing stripper well leases that existed under the previous regulation.

Section 4(g)(2) of the Act provides that an amendment submitted pursuant to that section

shall take effect on a date specified in the amendment, but in no case sooner than the close of the earliest period which begins after the submission of such amendment to the Congress and which includes at least five days during which the House was in session and at least five days during which the Senate was in session; except that such amendment shall not take effect if before the expiration of such period either House of Congress approves a resolution of that House stating in substance that such House disapproves such amendment.

The amendment and findings were submitted to each House of Congress on May 15, 1975, and the five day period for Congressional review therefore began on May 16, 1975. (The amendment and findings were formally received by the Senate on May 16, 1975 (121 Cong. Rec. S 8443, daily ed. May 16, 1975), and by the House of Representatives on May 19, 1975 (121 Cong. Rec. H 4290, daily ed. May 19, 1975).) The period beginning May 16, 1975 and ending June 2, 1975 includes five days during which each House of Congress was in session, and during which neither House of Congress approved a resolution stating in substance that such House disapproved the amendment.

Accordingly, FEA will cause due notice to be given that the amendment and findings were submitted to Congress pursuant to section 4(g)(2) of the Act and that not having been disapproved, the amendment is effective June 3, 1975.

sincerely,

Frank G. Zarb  
Frank G. Zarb  
Administrator

✓ CC: Chairman  
Committee On Interstate  
& Foreign Commerce