

GEOLOGIST: OIL SCANDAL ON

Prevent: Leases Filed After Land Freeze Should Be Invalidated

"The framework for the biggest natural resources scandal in the annals of America" has begun and is taking place today—in Alaska, a registered land surveyor and geologist charged this week.

To prevent such a scandal, the federal government should invalidate all Offers to Lease filed after the land freeze of 1966, according to George Utermohle, Jr. of College, Alaska.

He made the above statements in an article released to the Tundra Times March 2.

His objective, he said, was to "get nationwide coverage so that this article will become general knowledge" and to inform the readers as a matter of public service.

Listing his qualifications—registered land surveyor, registered geologist, B.S. in Geology, M.A. in Geography, over 15 years in petroleum, mining and engineering geology—Utermohle wrote that the situation would only be apparent to an individual working on a day to day basis with federal land in Alaska.

Some of his ideas were aired earlier in a Feb. 13 issue of the Tundra Times in a report that he had filed a formal protest with the Bureau of Land Management in Anchorage opposing any leasing of lands, when the land freeze is lifted, if the Offer to Lease for that land does not fully comply with the regulations of the BLM.

He implied that some Offers to Lease had been accepted with no documentary proof that a reasonable effort had been made to determine whether settlers

Geologist Says Scandal

(Continued from page 1)

were on the land. Persons filing such offers must state whether there are settlers on the land and if so give their name and address.

In his most recent statement, he seems to be going one step further as he charges that all of the "black pages of the rape of the resources of America's land are not history."

The events leading to the present situation, he contended, began back in 1966 when the Secretary of the Interior instituted the unofficial land freeze.

Subsequently, the Johnson administration ordered the Bureau of Land Management to stop issuing oil and gas leases in Alaska.

The next step taken, according

to Utermohle, was "either the biggest mistake or the most astute manipulation ever made by a government land agency."

For a while no leases could be issued, the BLM accepted Offers to Lease. On an Offer to Lease, no rent is charged until the lease is actually issued, but the person filing for the offer is, in ordinary cases, given priority over offers that might be filed later.

As a result, Utermohle wrote, the oil lease brokers and speculators have garbaged up and held over 20 million acres of federal leases without the payment of a single cent of rent to the government.

Some, he continued, have already sold many of their priorities for millions of dollars.

And, he added, the rent-free period will extend into 1971 when the official Alaska freeze will be lifted.

The geologist termed the situation a "tragicomedy" instituted by one administration—that of Johnson—and allowed to continue into the next.

The government, he continued, can accept or reject an Offer as it sees fit.

And, according to Utermohle, the offers described above should be rejected.

If they are not, he explained, when the land freeze is lifted 20 million acres of potential Alaska oil lands "will be leased to the broker and speculators" at only 50 cents an acre—the rent charged on most federal lands in Alaska.

If the Nixon administration invalidates the Offers to Lease, he added, then the taxpayer will gain while the oil operators and speculators watch their "get rich at the expense of the taxpayer dreams" go up in smoke.

In concluding, he noted that "if the silent majority consents to the exploitation and misappropriation of America's last and possibly richest oil provinces, they should not at some later date complain about our wasted natural resources."