

pinedale AEC

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Important  
El Paso says fund  
shortage will set back  
the timetable —

April 14, 1972

Mrs. Sally Mackey  
P.O. Box 671  
Pinedale, Wyoming 82941

Dear Sally,

According to the Atomic Energy Commission's Congressional Liaison, Bob O'Neill, the decision on public hearings is about to be made, and I'm hopeful it will be favorable, and that we can anticipate a good session in Pinedale.

Sally, I am enclosing for your own information, and not for publication, a copy of correspondence from El Paso, including copies of letters to Chairman Schlesinger. I think you'll agree that the project is seen in a new light from these letters, especially with respect to the timetable and to legislative action on appropriations. The insufficiency of appropriations has already slowed this project down, and that is something to keep in mind with respect to the overall progress of Wagon Wheel. To my knowledge, no one has testified for additional AEC funds with this project in mind, and you know that I won't.

You'll also note the public is termed as being inclined toward progress on the project, a statement which does not coincide with my reading of public opinion. The AEC office tells me that considerable mail has arrived against the project and that the Information Committee's report especially was very thoughtful. I think the Pinedale area input for the final environmental statement will clarify the record on public opinion and through its well researched inquiries, provide the kind of balance which the environmental statement did not. Let's continue to keep in touch on this at every phase of argument.

With warmest regards.

Yours

Teno

TR:kk



wagon wheel pinedale AEC

April 14, 1972

Mr. Philip L. Randolph  
Manager  
Nuclear Group  
Energy Resource Development  
El Paso Natural Gas Company  
El Paso, Texas 79999

Dear Mr. Randolph,

This is to acknowledge and thank you for the correspondence of April 3, stating the view that public hearings on Project Wagon Wheel at this time would be premature.

As you may know, I am in favor of hearings in Pinedale because the public is not as yet as well informed on the nature and extent of the proposal as it should be. I think your information does help clarify the timetable and I appreciate this valuable contribution to the files.

I am grateful for your efforts to keep me posted on this.

With warm regards.

Yours

Teno Roncalio  
Congressman for Wyoming

TR:kk



*El Paso Natural Gas Company*

*El Paso, Texas 79999*

April 3, 1972

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recd. -  
April 5

The Honorable Teno Roncalio  
House of Representatives  
1314 Longworth Building  
Washington, D. C. 20515

Sir:

El Paso is pleased to provide, for your information, the Company's views regarding timing of public hearings on Project Wagon Wheel. Public hearings on Wagon Wheel would be premature at the present time in that such hearings should be preceded by (1) the publication of a jointly developed Project Definition Plan which sets forth detailed plans for conduct of the experiment and (2) the establishment of a target date for the detonation which both El Paso and the AEC believe can be accomplished.

Formal interaction between El Paso and the AEC regarding sequential detonations in the Wagon Wheel experiment began during the Fiscal Year 1971 Authorization Hearings before the JCAE in March 1971. At that time, Mr. Sam Smith, Assistant Vice President, presented testimony reflecting El Paso's judgment that a gas stimulation experiment using sequential nuclear detonations was warranted. In that testimony, El Paso expressed the desire that the detonations be conducted in the Fall of 1972. Funds to begin this development were added to the Fiscal Year 1972 Authorization Bill by JCAE and became available to the AEC in January 1972.

X [ Dr. Roger Batzel, Director of Lawrence Livermore Laboratory, at the Fiscal Year 1973 Authorization Hearings before the JCAE on February 3, 1972, indicated that development of sequential firing requires experiments and funds over and above those available and those reflected in the President's Fiscal Year 1973 budget. El Paso has not been advised as to when progress on sequential firing will be adequate to justify publishing the Project Definition Plan or to justify definitive scheduling of the Wagon Wheel experiment.

( In the attached letter of December 16, 1971 El Paso offered to perform unclassified tasks in the development of sequential firing in an effort to preclude further delays of the Wagon Wheel experiment and to expedite development of badly needed gas supplies. Although formal response to this proposal has not yet been received, serious question as to whether sequential firing development will have progressed sufficiently to permit conduct of the Wagon Wheel



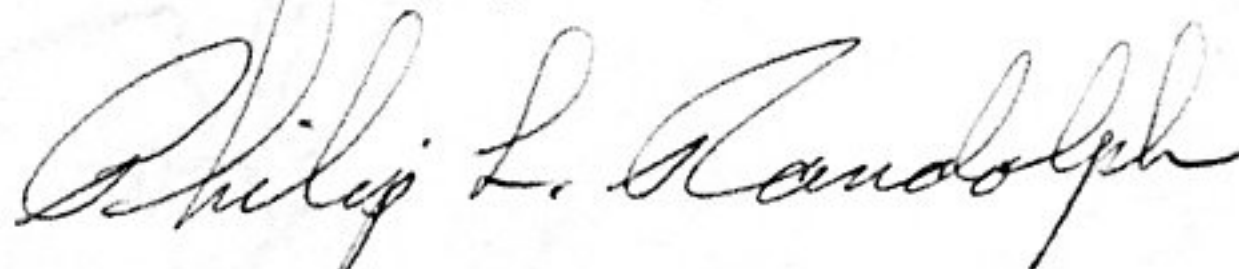
April 3, 1972

experiment in the Fall of 1973 has arisen in meetings pursuant to the letter. These meetings and Dr. Roger Batzel's testimony have revealed that development of sequential firing may require two nuclear experiments at the AEC's Nevada Test Site. Funds for the second of these are not provided in the President's Fiscal Year 1973 budget. It therefore appears questionable whether the Wagon Wheel detonations will be possible during the calendar year 1973.

The Pinedale Unit Agreement, as amended, requires that on or before January 1, 1973, the AEC shall enter into a written contract with EPNG for the conduct of a nuclear stimulation project within the Pinedale Unit area. Hopefully, progress in the development of sequential firing will warrant publication of the Project Definition Plan as a basis for negotiating and executing the contract by that date. If this schedule is met and if Congress appropriates the additional funds required to develop sequential firing, public hearings may be appropriate as soon as the Fall of 1972.

Enclosed is a copy of a letter addressed to Dr. James R. Schlesinger, Chairman of the U. S. AEC, expressing El Paso's views regarding timing of Wagon Wheel public hearings.

Very truly yours,



Philip L. Randolph, Manager  
Nuclear Group  
Energy Resource Development

PLR/les  
Enclosures



# *El Paso Natural Gas Company*

*El Paso, Texas* 79999

April 3, 1972

Honorable James R. Schlesinger, Chairman  
U. S. Atomic Energy Commission  
Washington, D. C. 20545

Dear Dr. Schlesinger:

El Paso Natural Gas Company feels that public hearings on Wagon Wheel would be premature at the present time. Such hearings should be preceded by (1) the publication of the jointly developed Project Definition Plan in accord with Contract AT-(26-1)-422 and (2) the establishment of a target date for the detonation which both El Paso and the AEC believe can be accomplished.

Fulfilling these prerequisites to public hearings is dependent upon progress in development of sequential firing of multiple explosives emplaced in a single well. Meetings pursuant to Mr. Steen's letter to you dated December 16, 1971 and statements by Dr. Roger Batzel, Director of Lawrence Livermore Laboratory, at the Fiscal Year 1973 Authorization Hearings before the Joint Committee on Atomic Energy, have indicated that development of sequential firing requires experiments and funds over and above those available and those reflected in the President's Fiscal Year 1973 budget. El Paso has not been advised as to when progress on sequential firing will be adequate to justify publishing of the Project Definition Plan or to justify definitive scheduling of the Wagon Wheel experiment.

The Pinedale Unit Agreement, as amended, requires that on or before January 1, 1973, the AEC shall enter into a written contract with EPNG for the conduct of a nuclear stimulation project within the Pinedale Unit area. Hopefully, progress in the development of sequential firing will warrant publication of the Project Definition Plan as a basis for negotiating and executing the contract by that date. If this schedule is met and if Congress appropriates the additional funds required to develop sequential firing, then public hearings may be appropriate as soon as the Fall of 1972.

A copy of El Paso's identical letters to Senators Hansen and McGee, Congressman Roncalio and Governor Hathaway reflecting



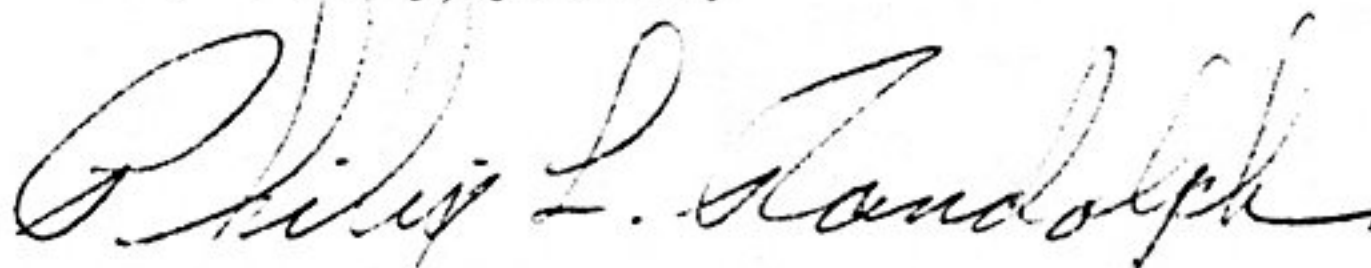
Honorable James R. Schlesinger

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April 3, 1972

...  
these views on the timing of Wagon Wheel public hearing are provided for your information.

Very truly yours,

A handwritten signature in cursive script, reading "Philip L. Randolph".

Philip L. Randolph, Manager  
Nuclear Group  
Energy Resource Development

PLR/les  
Enclosures