

President's Report



As the nation anxiously watches the health care debate, the energy issue is still looming right around the corner. The presidential budget proposal hasn't been changed one bit since we went to Washington last Spring. All of the onerous line items are there: repeal of the percentage depletion allowance, repeal of intangible drilling costs and all the rest.

The President made it clear last night in his speech to Congress that he believes we should all make certain sacrifices in order to help those more unfortunate. I agree. However, I do not believe it is the government's job to forcefully achieve this end -- which is what I perceive will be the outcome of the energy package he proposes if passed by the House and Senate.

When visiting Congress, we were told that by repealing these deductions from our income, the government could pay for the things it wants to do. Yep, no new taxes -- just a rearranging of the cash flow. Taking from Peter (*you and me*) to pay Paul (*whoever the government declares more worthy*). It still angers me.

On top of all that, certain energy companies are still out there trying to take advantage of the down market with some

age-old shenanigans and some new ones. The way they are going about this is bully-like and shameful.

I have turned down lease offers (if you can call them that) lately, where they were demanding a so-called "clean lease." That means a lease with no protective clauses added by myself as the lessor. They have been unwilling to negotiate on any point...royalty, bonus, clauses. "Just take our offer and be happy with the bonus." Well folks, I may be naïve still, but I will not bow down to those methods. I can use the money, but I want to keep my integrity intact.

My point in bringing all this up is to try to encourage any of you out there to jump in to the fray. We need you. You know the letters you need to write. Join the committees we are working on. Simply provide any advice or help you can, in order to fight this multi-front battle. If anyone thinks these are scare tactics...they are. We have a lot to be afraid of these days.

I will be in Las Vegas for the convention at the end of the month and look forward to visiting with many of you there. It is my hope that we can formulate some sort of grassroots movement between now and the end of the year, in order to have an effective voice in Congress, with the American public, and in dealing with the oil companies.

-- Jeff Miller, NARO National President