

Mr. SHINKLE. It is like a lot of other things. I might take the position that there may be objection in some quarters to a wholly independent-operated line, one that is not controlled by the great integrated companies—

The CHAIRMAN (interposing). Do you mean that this will be an independently owned pipe line?

Mr. SHINKLE. Yes, sir; probably the first pipe line not to be under the control of the great integrated oil companies that build lines for their own production.

The CHAIRMAN. Are these other pipe lines, or proposed pipe lines, through the country independently owned?

Mr. SHINKLE. No, sir; they are owned by the major integrated oil companies. They operate technically as common carriers, but it is sometimes hard to get oil delivered through them.

The CHAIRMAN. Would not the same companies have an interest in this line, or would the major oil companies have an interest in this line?

Mr. SHINKLE. None whatsoever. This is a wholly independent line. The thing we have particularly aimed at is linking these oil-producing areas with the Atlantic coast, where it will be carried through the intercoastal waterways.

The CHAIRMAN. You say that this is the first independently owned pipe line?

Mr. SHINKLE. This will be the first independently owned common-carrier pipe line in this country operating interstate.

Mr. VOORHIS. Will you explain what you mean by the integrated companies?

Mr. SHINKLE. We have a great group of integrated oil companies engaged in production, transportation, refining, and marketing, and their pipe lines are built to take their oil from the fields to their own refineries. That is all in a family group.

Mr. VOORHIS. You say they form a family group: What are those companies?

Mr. SHINKLE. There are about 22 great major integrated companies. The independent producers who put up their money for the drilling of wells, last year, drilled about 75 percent of the wells. Of course, through control of the refining and transportation, these major companies control the price that is paid for it.

Mr. CULKIN. Were you here yesterday?

Mr. SHINKLE. Yes, sir.

Mr. CULKIN. In your opinion, would this pipe line that was discussed yesterday be controlled by the independents or by somebody else?

Mr. SHINKLE. It would be in operation by the major companies.

Mr. CULKIN. Would the independent companies have access to the line, or the proposed line from Longview, Tex., through Illinois to Pittsburgh?

Mr. SHINKLE. I imagine they would operate it as a common carrier, and they would have to accept tenders of oil.

Mr. CULKIN. Is there any difficulty about that, in practice?

Mr. SHINKLE. In normal times there has been some difficulty, because the line may be full of oil for the companies that own the line. In north Texas and at other points in west Texas there has been