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Oil Firms Zero In on Navy Reserve

By Jack Anderson

The oil barons are pulling strings in Washington for drilling rights to spring a leak in the Navy's Alaskan oil reserves.

At stake is the future of an oil field that nearly equals the size of all other known U.S. reserves combined. Located under Alaska's North Slope, it is listed on the books as Naval Petroleum Reserve #4 but is known to oilmen everywhere simply as "Pet 4."

The oilmen would like to put their rigs three miles closer to the rich reserve, which would probably enable them to tap into the Navy's oil. To accommodate them, the Bureau of Land Management has raised a boundary dispute in an attempt to pry the desired area away from Navy control.

BLM's top spokesman in the secret meetings over the boundary claim is Interior Under Secretary John Whitaker, who came to the Nixon administration from Standard Oil of California. His former company has been charged with illegally draining the Navy's reserve at Elk Hills, Calif.

But the oil crowd has an even more potent friend in the Pentagon. He is Deputy Secretary of Defense William P. Clements Jr., also a former oil industry executive, who established and, for a time, headed the task force dealing with military oil decisions.

In a memo intended strictly for official eyes, one of Clements' consultants, oil execu-

tive John A. Harbeck, recommended "that the Navy should place NPR #4 into the federal lands program in order that it can be developed by the petroleum industry."

Argued the memo: "The Navy has neither the capital resources, the manpower, the expertise, nor the experience to aggressively explore NPR #4. I believe NPR #4 should be explored by the petroleum industry."

Clements is a \$100 million stockholder and former chairman of Sedco, a Dallas drilling firm. Rep. John Moss (D-Calif.) has called for his resignation, because of Sedco's potential involvement in the Alaskan oil scramble. Sedco is readying a bid for some of the construction rights on the Alaskan pipeline, and many of its client firms are participating in the project.

Credit Snoops — Several weeks ago, we published a detailed report on the operations of the credit investigators, who file 100 million reports a year on those seeking insurance, bank loans, credit cards and other services.

The Federal Trade Commission has now moved in on the biggest of the back-fence firms, Retail Credit Co. The gigantic, Atlanta-based company has been charged with a variety of shady practices, all of which it has denied.

Meanwhile, the complaints have continued to pour in to us, the FTC and the Senate. Here are a few typical examples,

with the names omitted of those who don't want to be identified:

• Charles K. Herbert of Stewartstown, Pa., who easily qualified for seven other credit cards, was turned down by BankAmericard. He learned that the York, Pa., Credit Bureau had informed BankAmericard that Herbert was welshing on a \$20.57 debt at a local department store. In fact, it was a different man with a similar name. Yet BankAmericard, without so much as a phone call to Herbert, rejected his application.

• A Chicago teacher was turned down for credit because of a supposed \$54 debt. It was another mistaken identity case, but the teacher had to get lawyers to write the credit agency a letter before the records finally were cleansed two years later.

• A Washington medical equipment dealer was rejected by his own bank and a department store on the grounds he had deserted his wife. The "deserted" woman was someone he had never heard of.

• A Tennessean received a notice that his 4-year-old son was being refused credit.

• When aggrieved victims try to correct their records, the results often are harrowing. An Oregonian made six calls to a credit agency and was put on "hold" for a total of 65 minutes. When he finally heard a human voice on the third evening, he was told: "Everyone has gone home."

• A Nebraskan wrote similarly: "I've spent probably... \$10 on phone calls, have had substantial rate increases on insurance policies on all three cars and... am just as far from learning the reasons as I was 10 days ago."

• From Seattle, E. N. Deane wrote us that he observes three "golden rules" in handling credit snoops. Rule one, he says, is to "shut up when anyone calls to ask questions about neighbors." Rule two: "Ask neighbors to observe this rule." And rule three: "Do not answer personal or impertinent questions about yourself... other than name, address, age and place of employment."

Because credit reports go out to airlines, banks, insurance companies and countless other businesses, Sen. Joe Biden (D-Del.) and William Proxmire (D-Wis.) have demanded that the credit bureaus give copies of all written reports to the credit applicants so mistakes can be corrected. Their bill has been blocked so far by Sen. William Brock (R-Tenn.), a bank director's son.

Footnote: The Credit Bureau of York told us they go beyond the requirements of present law and allow those investigated to see their entire files. A spokesman said the error on Herbert was quickly corrected. But as so often is the case, the damage already had been done.