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SUNBURST EXPLORATION, INC.
P.O. Box 2608
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Larry Hunnicutt
David S. Harle

December 17, 1984

Mr. Ronald Reagan
President of this United States
The White House
1600 Pennsylvania Avenue N.E.
Washington, D. C. 20500

Dear Mr. President:

The recent proposals by the Treasury Department concerning the repeal of the percentage depletion deduction and expensing of intangible drilling costs is of great concern to me. This proposal is disastrous and comes at a time when the independent oil industry is already crippled by lower prices and decreased demand.

I am writing to offer my objections to this proposal and to ask your serious consideration of the consequences of the proposal upon the independent oil industry. This proposal will not only be detrimental to the domestic drilling industry but could also endanger national security. It is hard to believe that anyone could support the elimination of percentage depletion and intangible drilling costs, while continuing foreign tax credits on imported oil.

I know, Mr. President, that you are aware of the importance of a strong, independent segment in our oil industry and are concerned that we have the capacity within the structures of our laws to make a profit. I urge you to consider that our chances of making a profit and building a strong alternative to foreign oil will be greatly reduced under the proposals which Secretary Regan has offered.

Thank you very much and I wish you well through the major decisions which you face in the upcoming year.

Very truly yours,



Larry Hunnicutt

cc: The Honorable Don Hodel
Secretary Department of Energy
1000 Independence Avenue, S.W.
Washington, D.C. 20585

The Honorable Donald T. Regan
Secretary Department of Treasury
15th and Pennsylvania Avenue, N.W.
Washington, D.C. 20220

Randle E. Davis
Special Assistant to the President
Energy and Natural Resources
227 Old Executive Building
Washington, D.C. 20500

James A. Baker III
Chief of Staff
The White House
1600 Pennsylvania Avenue, N.W.
Washington, D.C. 20500

The Honorable Joe Skeen
1508 Longworth
Washington, D.C. 20515

Senator Pete Domenici
Rm SD 434
Dirksen Office Building
Washington, D.C. 20510