

National

# Offshore oil

## Watt limits leasing plan

**United Press International**  
WASHINGTON — Interior Secretary James Watt is expected to cut back drastically his controversial plan to put almost all federal coastal waters up for oil and gas leasing in the next five years, a spokesman said Monday.

The Interior Department spokesman said Watt probably will announce a scaled down leasing plan sometime this week, backing away from his original proposal to offer 200 million offshore acres annually for oil and gas exploration.

Watt drew heavy criticism from the oil industry as well as conservationists, state governments and federal officials for his five-year proposal to offer practically the entire federal outer-continental shelf for lease.

The spokesman said the revised plan probably means the agency will "just offer the industry whatever seems to have the best prospects."

"It would be a lot more than what would have been offered under the (Carter administration) program, but it's still a lot less than 200 million acres a year," he said.

Another possible alternative, he said, would be to offer 200 million acres a year and let the companies select what they want to bid on. But he said the second proposal was less likely to be adopted by Watt.

Since the first federal offshore oil and gas leases were offered in 1953, only 42.8 million acres have been leased. Only about 22 million acres are now under lease to oil and gas exploration and production firms.

When Cecil Andrus was running the Interior Department under President Carter, the oil industry complained bitterly about a lockup of public resources and government's alleged refusal to offer the most attractive leasing areas.

But Watt's spokesman gave much of the credit to objections from some oil companies for the decision to rework the secretary's plan.

# DuPont, Conoco sign agreement

**United Press International**  
WILMINGTON, Del. — DuPont Co. said Monday it has signed an agreement with Conoco Inc. under which it could acquire all the stock of the giant oil and coal combine for a total of \$7.3 billion in stock and cash.

DuPont said it would make an immediate offer of \$87.50 a share for 40 percent of Conoco's outstanding stock.

This tops the \$73-a-share offer for Conoco of Joseph E. Seagram & Sons, the U.S. subsidiary of Seagram Ltd. of Montreal, which Conoco has been fiercely resisting.

Seagram has sued Conoco charging it with extensive violations of U.S. securities laws and flagrant dereliction to stockholders.

But U.S. District Judge Edward Weinfeld in New York denied Seagram's motion for a temporary restraining order which sought to bar Conoco from taking certain steps, including a threatened liquidation of the company, to bar the Seagram bid.

In addition to the cash offer, DuPont Chairman Edward G. Jefferson said Dupont will offer 1.6 shares of its common stock for each remaining share of Conoco. But the agreement gives DuPont the option of 15.9 million unissued Conoco shares for \$87.50 a share. The stock swap portion of the deal is expected to be tax-free. Conoco has a total of 86 million shares outstanding.

Jefferson said Conoco would continue to operate completely autonomously. Although DuPont is the acquiring company, it is not quite as large as Conoco, which had \$18.3 billion in revenues last year against \$13.7 billion for DuPont.

Conoco is the ninth largest U.S. oil company and the nation's second largest coal company. DuPont is one of the world's largest chemical companies.

The Seagram offer amounted to \$2.5 billion for 35 million shares or about 41 percent of Conoco.

A special meeting of DuPont shareholders will be called in mid-August to vote on the deal. DuPont will have to borrow \$3 billion to complete the deal. Conoco stockholders also must vote on the deal. Their meeting will be held after regulatory approval and other formalities here been ironed out.

# Congress faced with fast approaching deadline

**United Press International**  
WASHINGTON — President Reagan is putting the pressure on Congress to produce an acceptable tax cut bill before the month-long congressional recess scheduled to begin Aug. 3.

With Congress due to return Wednesday from its extended Fourth of July holiday, both houses will have less than four weeks to pass separate bills and reconcile their differences before sending a tax package to the White House.

The Senate, with its Republican majority, should have little trouble.

The Senate Finance Committee has completed action on the administration's tax proposal, including the president's 25 percent across-the-board tax cut for individuals, spread over 33 months.

Chairman Bob Dole, R-Kan., expects to bring the bill to the Senate floor around July 15 for reasonably prompt approval.

The rub, however, will come in the House.

House Democrats, working on their own tax cut alternative, planned to get down to business this week in the Ways and Means Committee, where they hold a commanding 23-12 edge.

The Democratic alternative — which would cut tax rates by an average 15 percent over 21 months — is assured approval by the panel.

The Democrats target their cuts more toward taxpayers in the \$15,000 to \$50,000 income range by boosting the standard deduction and increasing the earned income credit for the working poor.

A committee staff member indicated the panel would need about two weeks to complete work on the tax bill. So far, it has approved a package of business tax cuts and savings incentives.

Although a giant conference committee still has to put together a final budget cut bill, the House and Senate measures are similar.

Both reduce spending in fiscal 1982 by about \$38 billion. The bills also would cut spending in the 1983 and 1984 fiscal years, although not enough to balance the budget in 1984 as Reagan wanted.

A major difference is the approach the two bodies take to cutting about \$1 billion in Medicaid funds. The Senate took a more rigid approach, placing a legal limit on the amount the federal government could contribute to Medicaid.

The House rejected the idea of a legal cap although it reduced funds almost as much as the Senate. The House method would allow funds to be increased if necessary.

Both bills tighten food stamp eligibility, cutting about \$1.8 billion; accept a watered-down version of Reagan's block grant proposals; reduce education funds, including college student loans; and cut school lunch funds, housing programs and a variety of domestic social services.

And the Senate resumes action on the Justice Department authorization bill, still stymied by a filibuster against a sweeping anti-busing amendment.

There are indications that more and more liberal senators are ready to join Sen. Lowell Weicker's one-man filibuster against an amendment that would bar the Justice Department from ordering busing beyond the school nearest a student's home and forbid the court from creating plans that take students by bus more than 10 miles or 30 minutes.

# NY bridge

## Cables sag, bridge closes

**United Press International**  
NEW YORK — The old nursery rhyme about London Bridge falling down perhaps should also include the Brooklyn Bridge. For the second time in a week, the 98-year-old span had to be closed because of trouble with one of its suspension cables.

Police shut down the span Sunday for two hours because one of the cables involved in the incident a week ago sagged and authorities thought it would snap.

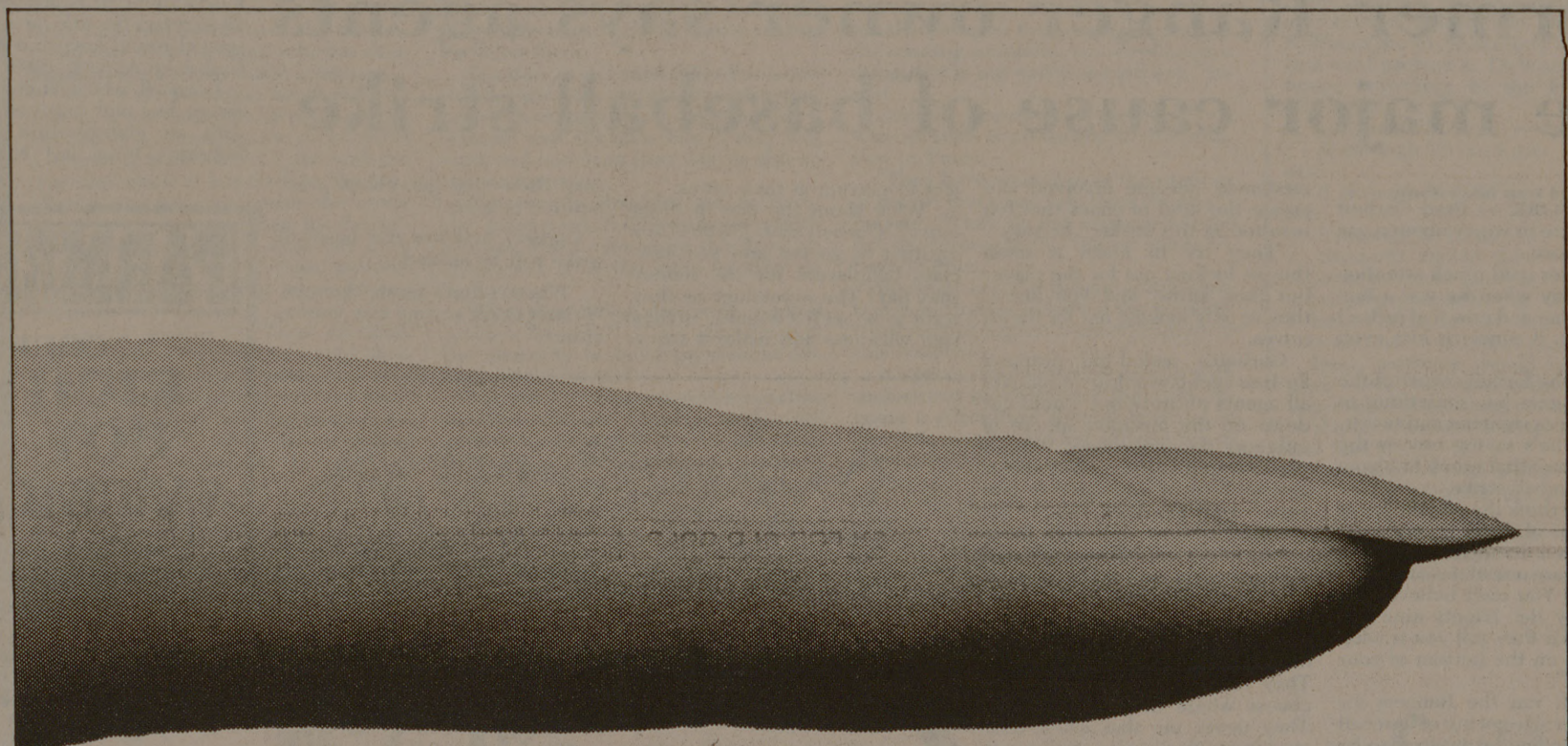
In the earlier incident, a man on the pedestrian walkway of the span was injured when he was struck by the cable that snapped, prompting authorities to close the bridge for vehicular traffic for several hours. The walkway has remained closed.

The snapped cable also struck several other similar lines when it fell. One of those lines was involved in the incident Sunday, authorities said.

They said the cable snapped because it was corroded with age. The diagonally-hung line, one of hundreds on the span, was originally intended to stabilize the bridge in crosswinds.

The bridge, which connects lower Manhattan with Brooklyn Heights, was opened in 1883. It is 1,597 feet long.

**PROBLEM PREGNANCY?**  
Are you considering abortion?  
Free counseling and referrals  
Call  
**(713) 779-2258**  
Texas Problem Pregnancy, Bryan, Tx.




**Reward it with Touch Calling.**

It points. It pokes. It scratches. And it does a million other things you just take for granted.

Do something nice in return. Give it a Touch Calling phone from General Telephone. It's faster and more fun to use than dial phones. (Not to mention more efficient.) You can choose from a variety of styles and colors. And your finger will absolutely adore the effortless calling.

All in all a really inexpensive way to express your gratitude.

**GTE PHONE MART** Touch Calling available in most areas



**TUESDAY BUFFET**

**RAIN OR SHINE**

**PASTA'S TUESDAY NIGHT BUFFET goes on!!**

**6 to 8 p.m.**

All the pizza, fried chicken and salad you can eat for

**\$3.99**

only

And don't forget our daily lunch special!!

OPEN

Sun.-Thurs. 11 a.m.-11 p.m.  
Fri.-Sat. 11 a.m.-12 a.m.

There's no pizza like Pasta's pizza!  
We guarantee it!

**PASTA'S** 807 TEXAS AVE.  
PIZZA SPAGHETTI LASAGNA 696-3380