

12. Insistence that the headquarters of the foreign company be in the host country.

In this 2-year period five foreign countries have levied retroactively over \$450 million in taxes.

The additional taxes paid to these foreign governments are dollars right out of the Treasury of the United States, because they are a tax credit deductible directly from taxes which otherwise would be paid to the United States.

We doubt if this situation can be remedied by any means other than the availability of a new alternate domestic supply of oil. Assuming it will take 10 years from the date of the Government's "go" signal to achieve significant production of oil from the Green River formation (or any other new domestic source) we are already exposed to a long period of adverse actions.

This is a matter of national concern and while many of the directors and officers of this company are local Colorado people, their interest is far from local. Individually for many years they have watched the increasing reliance of the United States on foreign sources of raw materials in the face of a rising spirit of nationalism. During this period disturbing trends have been apparent in the following areas:

1. The national debt;
2. The balance of payments;
3. The gold reserve;
4. The reliance on foreign-flag shipping to handle our peacetime imports;
5. The need for a continuing major antisubmarine effort to assure the safety of such shipping as will be at our disposal in wartime;
6. The migration of U.S. industry with a reduction in job opportunities in the United States;
7. The determination of countries now furnishing raw materials to engage in the processing themselves;
8. The availability of cheap power through nuclear energy to countries heretofore believed to have no economic potential; and
9. The entry of the Soviet Union into the oil and gas market primarily on a barter and long-term government-to-government trade agreement basis.

These trends and conditions which we consider unfavorable can be reversed by policy decisions of the United States. At least \$100 billion of new capital will be invested in the oil industry in the next 10 years. Whether this invention will tend to ease or increase our problems will depend largely on the policy adopted for our own natural resources.

The second important change since the Board's report in 1965 has been the recognition of the dawsonite, nahcolite, and other minerals potential.

While neither the Department nor anyone else knows the extent of the deposits of "other minerals" it is more than probable that the usable dawsonite and nahcolite deposits are smaller horizontally than the 16,000 square miles of the Green River formation. It is certain that these deposits occur only in a fraction of the total vertical deposit of shale. It is certain from the Wolf Ridge minerals cores that these deposits are large when considered by themselves, but small quantitatively when considered in relation to the shale deposits.