Any doubt, in my opinion, would not lie within the present Mineral Leasing Act. Its provisions and its legislative history seem clearly to cover the types of mineral deposits cited above. The possible doubt depends upon the turn that may be taken by Congress in the future, perhaps as a result of recommendations of the Public Land Law Review Commission.

Mr. BARRY. Mr. Chairman, I suppose we will be leaving right away. Yesterday afternoon I got a call from one of the staff of the committee that something had come up about the percentage of royalty which the Government charges on so-called extractive minerals, and I have secured a memorandum. Unfortunately the way bureaucracy works I wind up with a carbon copy, but at any rate it is a memorandum for the record signed by Mr. Wayland, who, as just mentioned, is the Chief of the Conservation Division of the U.S. Geological Survey.

Senator MOSS. That may be printed in the record at this point.

(The memorandum referred to follows:)

DEPARTMENT OF THE INTERIOR,
GEOLOGICAL SURVEY,
Washington, D.C., September 15, 1967.

Memorandum for the record.
From: Chief, Conservation Division.
Subject: Current Federal royalty provisions in new mining leases.

Coal.—30 USC 207 specifies a royalty of not less than 5 cents/ton. New leases provide for considerably higher royalties, for example:

a. A strip-mined bituminous coal used for steam power is valued at \$3/ton at the mine and brings 17½ cents/ton royalty for the first 10 years and 20 cents/ton for the second 10 years of the lease, or 5.83 and 6.67 percent royalty respectively.

b. A strip-mined lignite used for steam power is valued at \$1.65/ton at the mine and brings 15 cents/ton royalty, or 9.1 percent.

c. A coking coal mined underground under difficult mining conditions is valued at \$8 per ton at the mine and brings 20 cents/ton royalty, or 2.5 percent.

Phosphate.—30 USC 212 specifies a royalty of not less than 5 percent of the gross value of the output of phosphates or phosphate rock and associated or related minerals at the mine. New leases typically provide for 5 percent royalty on gross value but not less than 25 cents/ton. For some thick deposits readily strip-mined, the royalty goes to 6 percent in the second 10 years. Other variations in royalty are based on ore grade, mining methods and conditions, and beneficiation. Step scales are used for low grade ores, based on ore analyses.

Potash.—30 USC 283 specifies a royalty of not less than 2 percent of the quantity or gross value of the output of potassium compounds and other related products at the point of shipment to market. New leases typically provide for a royalty of 5 percent of the gross value of refined chloride salts; 2½ percent of the gross value of refined sulfate salts; and 3½ percent of the gross value of unrefined potash ore sold and used as manure salts.

Sodium.—30 USC 262 specifies a royalty of not less than 2 percent of the quantity or gross value of the output of sodium compounds or other related products at the point of shipment to market. New leases typically provide for a royalty of 5 percent of the gross value of refined products at the point of shipment.

RUSSELL G. WAYLAND.

Senator MOSS. Are there further questions?

Senator ALLOTT. This gives the percentage of royalty on the various minerals?

Mr. BARRY. Yes.

Senator ALLOTT. This is what we were asking.

Mr. BARRY. Of course, we are limited because the only solid mineral—let us say oil and gas are the principal leasing. However, you have potash and coal and so forth, and we charge royalties on them