

- (1) It be made explicit that the renewal of present or future sodium leases is not subject to the withdrawal or the policies stated therein; and
- (2) So far as Sweetwater County, Wyoming is concerned, the leasing of sodium (trona) lands be continued, and such mineral deposits in Wyoming be excluded from the withdrawal and the policies stated therein.

BACKGROUND

This Company is currently developing trona reserves contained in sodium lands located in Sweetwater County, Wyoming, pursuant to leases from the federal government. These lands are embraced within the area covered by the proposed withdrawal. We have presently invested in excess of five million dollars in shaft construction and in preliminary mining operations on these lands, and the immediate projected capital outlay for facilities necessary to mine and process sodium is anticipated to be over twenty million dollars. Furthermore, proposed plans for the near future include increasing the capacity of the proposed processing facility and mining operation with the result that the Company's capital investment would be increased to approximately forty million dollars. To understand the substantiality of the trona industry in Wyoming, these capital investments, representing the commitments and plans of only one of several companies that are currently developing or have announced plans to develop lands held under federal sodium leases, must be multiplied several fold.¹

I. *Renewal of Existing Federal Leases*

Contemplated financial investments of the magnitude stated above obviously cannot be made if any uncertainty is created about the renewal of sodium leases which, in our case, have only 10 to 14 years to run.² These leases grant the "preferential right in the lessee to renew the same for successive periods of 10 years under such reasonable terms and conditions as may be prescribed by the Secretary of the Interior, unless otherwise provided by law at the expiration of any such period". Unless specific exception is made in the proposed oil shale withdrawal, it would seem possible to contend that existing leases should not be renewed because the oil shale withdrawal creates a situation where "it is otherwise provided by law". It is hardly fair to expect anyone to make a substantial investment in the face of any such uncertainty. We recognize, of course, that the proposed withdrawal does not apply to sodium leasing "where the Secretary finds that development of the sodium deposits would not adversely affect in any significant way the oil shale values of the lands". This, however, presents a difficult burden of proof, because in Wyoming sodium and oil shale deposits are often adjacent and the mining of sodium would necessarily affect the oil shale values. In addition, while we do not believe the oil shale in Wyoming adjacent to the trona is of commercial significance, a map published by the Department of the Interior (Geological Survey Circular 523 *Organic Rich Shale of the United States and World Land Areas* by Duncan and Swanson (1965), p. 12), attached hereto as Exhibit A, does show some high content oil shale lands to be in the same general area as the Wyoming trona lands. On the foregoing basis, it is urged that the renewal of any sodium leases now existing or hereafter issued be excepted from the proposed oil shale withdrawal and the policies stated therein.

II. *Insofar as Wyoming is concerned, the proposed withdrawal should not apply to the leasing of sodium (trona) lands*

The proposed withdrawal should not apply to all oil shale lands in Wyoming because it would interfere with the leasing of sodium lands. The leasing of Wyoming sodium lands should not be interfered with because:

A. The Wyoming sodium lands have demonstrated commercial value whereas the commercial value of most—if not all—of the oil shale lands in Wyoming is extremely speculative;

B. The purpose of the withdrawal could be effected by merely withdrawing the oil shale lands in states other than Wyoming, since it is admitted that the extremely rich deposits are in the Piceance Creek basin in Colorado and the

¹ FMC and Stauffer are both currently expanding existing operations. Texas Gulf has announced plans to initiate shaft construction, and others have expressed interest in developing their reserves.

² In informal discussions with the Department of Interior we have sought to have these leases extended to 20 years from when our plant commences commercial operations and have been advised that the existing leases could not be so extended.