

BY THE U.S. GENERAL ACCOUNTING OFFICE

Report To The Chairman,  
Committee On Interior And  
Insular Affairs,  
House Of Representatives

What Is The Extent Of Foreign Participation  
In Mineral Leases And Mining Claims On  
Federal Land?  
GAO Analyzes Three States

Foreign citizens and foreign corporations are prohibited from directly acquiring mineral leases or holding mining claims on federal lands. However, federal laws allow foreign participation in leases and claims through stock interest in U.S. corporations. While several federal agencies collect data on foreign investment in various sectors of the U.S. economy, none of the agencies collect or compile specific data on the extent of foreign participation in mineral development on federal lands. GAO reviewed random statistical samples of claim and lease records in Arizona, Montana, and Utah to determine the extent of foreign participation.

On the basis of statewide statistical projections, GAO estimates that about 11 percent of the 32,950 mineral leases and about 9 percent of the 484,878 mining claims on federal lands in the three states reviewed have some foreign participation. GAO's sample of leases and claims identified participation from nine foreign countries. About one-half of all foreign participation in the three states was from Canada.



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UNITED STATES GENERAL ACCOUNTING OFFICE  
WASHINGTON, D.C. 20548

RESOURCES, COMMUNITY,  
AND ECONOMIC DEVELOPMENT  
DIVISION

B-216390

The Honorable Morris K. Udall  
Chairman, Committee on Interior  
and Insular Affairs  
House of Representatives

Dear Mr. Chairman:

In your letter of April 6, 1983, you requested that we (1) determine, if possible, the extent of foreign participation in mining and mineral leasing on federal lands, (2) analyze the adequacy of the federal agencies' controls for collecting, monitoring, and coordinating data relating to foreign participation, and (3) determine whether these data, if available, are actually used.

Regarding the latter two objectives, we subsequently informed your office that we had identified several federal agencies which collect data on foreign investment in various sectors of the U.S. economy, but that none of the agencies collect, monitor, or coordinate data on foreign participation in mineral leases and mining claims on federal lands. In addition, we did not identify any specific requirements for any federal agency to collect such data. Accordingly, your office agreed that we would not pursue these objectives further.

As also agreed with your office, we selected random statistical samples of mineral leases and mining claims in three states to determine the extent of foreign participation. On the basis of statewide statistical projections for the three states reviewed--Arizona, Montana, and Utah--we estimate that 3,755 (about 11 percent) of 32,950 mineral leases and 43,878 (about 9 percent) of 484,878 mining claims have some foreign participation.<sup>1</sup> Our sample of leases and claims identified participation

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<sup>1</sup>Throughout this report, we refer to participation from various foreign countries in mineral leases and mining claims on federal lands. For purposes of this report, foreign participation in a mineral lease means that at least 10 percent of a U.S. corporation, identified as holding 10 percent or more of a lease, is owned by citizens or corporations of a foreign country. We categorized a mining claim as having foreign participation if a U.S. firm with 10 percent or more foreign ownership held any part of that claim. See pp. 3 and 4, and app. I for further discussion on how we determined foreign participation.

from nine foreign countries: Australia, Belgium, Canada, France, the Netherlands, South Africa, Switzerland, the United Kingdom, and West Germany. Canada, with about 6 percent of the mineral leases and about 4 percent of the mining claims, had the highest percentage of foreign participation. Our review results are summarized below, and our projections for the three states sampled are presented in appendix II.

#### INTRODUCTION

The Mining Law of 1872 (30 U.S.C. 21 et seq.) and the Mineral Leasing Act of 1920 (30 U.S.C. 181 et seq.) are the principal laws addressing foreign participation in mining claims and mineral leases on federal lands. Mining claimants and lease applicants must meet qualification requirements provided by law before holding a mining claim or being granted a mineral lease. The 1872 Mining Law stipulates that mining claims may be held only by citizens of the United States, persons who have declared their intention to become U.S. citizens, or corporations organized under the laws of any of the states. Similarly, the 1920 Mineral Leasing Act provides that mineral leases may be granted only to U.S. citizens, associations of U.S. citizens, and corporations organized under the laws of the United States.

Foreign citizens and foreign corporations cannot directly hold mining claims or acquire mineral leases on federal lands. However, foreign investors can participate in leases and claims through stock ownership or control in U.S. corporations. For example, a foreign firm may qualify by incorporating a subsidiary company under the laws of any state. Under the provisions of the Mineral Leasing Act of 1920, however, foreign participation in mineral leases is restricted to corporate stock ownership by citizens of countries which do not deny similar or like privileges to U.S. citizens or firms. This is generally referred to as the "reciprocity" provision. Only one country, Kuwait, has been declared "nonreciprocal" under this provision. The 1872 Mining Law does not have a reciprocity provision.

The Department of the Interior's Bureau of Land Management (BLM) administers all mineral leases and is responsible for recording all mining claims on federal lands. As of September 30, 1982--the latest available data from BLM--there were over 133,000

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<sup>2</sup>See GAO report entitled Mineral Leasing Act Reciprocity Provision--Implementation and Constraints, GAO/NSIAD-84-110, July 2, 1984, for a discussion of the procedures Interior uses in implementing the mineral reciprocity provision.

recorded mineral leases<sup>3</sup> covering over 160 million acres of federal lands, and as of September 30, 1983, about 1.4 million recorded mining claims. About 97 percent of the mineral leases are for oil and gas. Other leasable minerals include coal, phosphate, potash, gilsonite, and geothermal resources. Generally, all hardrock minerals are acquired by claims under the Mining Law of 1872. Hardrock minerals include such minerals as gold, silver, and lead.

#### OBJECTIVES, SCOPE, AND METHODOLOGY

To determine the extent of foreign participation in mineral leases and mining claims on federal lands, we reviewed BLM lease and claim records in Arizona, Montana, and Utah. We chose these states because of their geographical location (Arizona and Montana border on foreign countries) and the numbers of leases and claims in each state. Together, these three states have about one-fourth of all mineral leases and about one-third of all mining claims on federal lands.

From BLM's computer listings, we selected random statistical samples of mineral leases and mining claims from each of the three states; in total, we reviewed 1,222 mineral leases and 975 mining claims. We also matched the mineral leases with production data from Interior's Minerals Management Service to identify producing leases. (See app. I for a detailed discussion of how we determined foreign participation in mineral leases and mining claims on federal lands in the three states; see app. IV for the universe and sample sizes.)

To determine foreign participation through corporate stockholdings, we sent questionnaires to corporations identified as sole or part owners of the leases and claims sampled. (See app. V for a sample questionnaire.) From our statistical sample of leases and claims, we were able to project, with a 95-percent confidence level, foreign participation to each of the three states reviewed and to the combined three-state total. (See app. II for the projection statistics.)

We performed our audit work, including analysis of questionnaire responses, between August 1983 and June 1984. In addition, we interviewed officials and staff from Interior's Office of the Solicitor, Minerals Management Service, and BLM headquarters and state offices in Arizona, Montana, and Utah. We also interviewed

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<sup>3</sup>In addition to leasing mineral rights, BLM also issues (1) permits which allow prospecting and exploring within a permit area to establish the existence of valuable minerals and (2) licenses for coal exploration which allow removal of such quantities of coal necessary for analysis and study. As of September 30, 1982, less than 500 permits and licenses were in effect nation-wide. For purposes of this report, the term "leases" generally includes licenses and permits.

officials from the Department of Commerce's Bureau of Economic Analysis and International Trade Administration, the Securities and Exchange Commission, and the Department of the Treasury to determine the availability of data on foreign participation in mineral leases and mining claims on federal lands.

We conducted our review in accordance with generally accepted government auditing standards, except that we did not assess the reliability of the computer system used to generate the lease and claim records sampled. Therefore, we could not determine if BLM's computer system contained all mineral leases and mining claims existing on federal land. However, we manually verified the sample data by reviewing BLM case files or by discussing the records with BLM state offices staff.

FOREIGN PARTICIPATION IN MINERAL LEASES  
AND MINING CLAIMS ON FEDERAL LANDS  
VARIES BY STATE, MINERAL, AND COUNTRY

Because we reviewed a statistical sample of mineral leases and mining claims, we were able to develop statistically reliable projections of the data we obtained that are representative of each state and the three states combined. Our projections for the three states combined showed that 3,755 of 32,950 mineral leases (about 11 percent) had foreign participation. Furthermore, 43,878 of 484,878 mining claims (about 9 percent) had foreign participation. Specifically, we projected foreign participation as follows:

- In Arizona, 208 of 2,872 mineral leases (about 7 percent) had foreign participation. All 208 mineral leases were for oil and gas. In addition, 12,974 of 168,657 mining claims (about 8 percent) had foreign participation.<sup>4</sup>
- In Montana, 1,682 of 13,939 mineral leases (about 12 percent) had foreign participation. Foreign participation by leasable mineral type included 1,662 oil and gas leases, 2 coal leases, and 18 phosphate leases. In addition, 11,213 of 70,081 mining claims (about 16 percent) had foreign participation.
- In Utah, 1,865 of 16,139 mineral leases (about 12 percent) had foreign participation. Foreign participation by leasable mineral type included 1,825 oil and gas leases, 27 coal leases, 8 geothermal leases, 4 potassium leases, and 1 oil shale lease. In addition, 19,691 of 246,140 mining claims (about 8 percent) had foreign participation.

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<sup>4</sup>BLM's mining claim records do not contain a breakdown by mineral type.

On the basis of our analysis, we estimate that the greatest extent of foreign participation was from Canada, with 2,110 of the 32,950 mineral leases (about 6 percent) and 20,927 of the 484,878 mining claims (about 4 percent) totalling about one-half of all foreign participation in the three states. The remaining countries--Australia, Belgium, France, the Netherlands, Switzerland, the United Kingdom, and West Germany--participated in 1,345 mineral leases combined. Australia, France, South Africa, the United Kingdom, and West Germany participated in 22,951 mining claims combined.

Our sample showed 17 leases with foreign participation, but the respondents to our questionnaire did not identify the specific country involved. Furthermore, we were unable to identify the specific foreign country through our follow-up attempts. In addition, for 561 of the 2,197 leases and claims combined, or about 26 percent, we were unable to determine whether foreign participation took place or not partly because of unreturned questionnaires. Furthermore, as discussed on page 6, most of these "unknowns" were mining claims, and citizenship information was not maintained by the BLM state offices.

Canada had the highest  
percentage of foreign  
participation in mineral  
leases

In each of the three states, our projections showed that Canada had the highest percentage of foreign participation in mineral leases. For example, in Utah, Canadians participated in 1,162, or 7 percent, of the 16,139 leases, followed by the United Kingdom, with 348 leases, or 2 percent. In Montana, Canadians participated in 875, or 6 percent, of the 13,939 leases, followed by the Netherlands with 303, or 2 percent, of the leases. Canada also had the highest percentage of foreign participation in Arizona, with 73, or 3 percent, of the 2,872 leases.

Canada had the highest  
percentage of foreign  
participation in mining  
claims

Our projections showed that Canada also had the highest percentage--4 percent, or 20,927, of 484,878 of overall participation among foreign countries in mining claims in the three states. In Utah and Arizona, Canada had the highest participation among foreign countries, with 10,603, or 4 percent, of the 246,140 Utah claims and 6,227, or 4 percent, of the 168,657 Arizona claims. However, in Montana, the United Kingdom had the highest participation, with 4,744, or 7 percent, of the 70,081 claims followed by Canada with 4,097, or 6 percent.

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HOW GAO MEASURED FOREIGN PARTICIPATION  
IN MINERAL LEASES AND MINING CLAIMS ON  
FEDERAL LANDS IN ARIZONA, MONTANA,  
AND UTAH

The extent of participation by non-U.S. citizens in U.S. mineral leases and mining claims on federal lands is difficult to determine because no comprehensive, coordinated information on foreign participation is available. Because many leases and claims are owned by corporations, the frequent changes in corporate stockholdings increases this difficulty. That is, because stocks are bought and sold daily--some through holding companies and brokerage firms--it is difficult to identify, at any given time, the owner of each share of a company's stock.

However, from data gathered at BLM's Arizona, Montana, and Utah state offices; ownership information provided through our questionnaires; and supplemental sources,<sup>1</sup> we estimated the extent of foreign participation in mineral leases and mining claims in the three states reviewed. For purposes of our review, we classified a mineral lease as having foreign participation if foreign citizens or corporations held 10 percent or greater ownership in a U.S. firm<sup>2</sup> which had 10 percent or greater ownership in a lease, as explained further in the examples on pages 2 and 3 of this appendix. Because the data on the mining claim location notices filed with BLM do not show percentages of ownership for claims with multiple owners, we categorized a mining claim as having foreign participation if a U.S. firm with 10 percent or greater foreign ownership held any part of that claim.

From our random statistical sample of 2,197 mineral leases and mining claims,<sup>3</sup> we obtained from BLM files the names and addresses of the individuals, corporations, partnerships, and associations which held, either solely or in part, one or more of the sampled leases and claims. To determine foreign participation

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<sup>1</sup>Department of Commerce data, Spectrum 5 (a compilation of data based on Securities and Exchange Commission filings), and Dun and Bradstreet's Who Owns Whom.

<sup>2</sup>The 10-percent criterion is used by other agencies (such as the the Department of the Treasury and the Department of Commerce's International Trade Administration and Bureau of Economic Analysis) for identifying firms having foreign participation.

<sup>3</sup>Our statistics relate specifically to leaseholders and mining claimants as recorded by BLM. We did not attempt to identify subleases or contractual arrangements among lessees.

through corporate stockholdings, we sent a questionnaire to each of the 571 firms we identified in our sample,<sup>4</sup> asking whether 10 percent or more of the firm was owned by firms or foreign individuals and, if so, whether such corporate investors were, in turn, 10 percent or more owned by foreign individuals or firms. (See app. V for a sample questionnaire.) Because the questionnaire was designed to trace foreign corporate investment back to two levels only, where applicable, we attempted to determine, from supplemental sources, the "ultimate owner" (i.e., the parent company of subsidiaries).

We did not send questionnaires to individual mineral lessees or mining claimants. For individual lessees, we obtained information on citizenship from lease applications in BLM case files. For individual claimants, we could not always determine citizenship from BLM case files (see letter, p. 6). We did not send citizenship questionnaires to individual claimants because we believed it unlikely that the individuals would readily respond to questions regarding their citizenship.

#### HOW GAO DETERMINED CORPORATE FOREIGN PARTICIPATION IN MINERAL LEASES

From BLM lease records, we determined whether a lease was (1) wholly owned by a firm (corporation, partnership, or association) or an individual or (2) jointly owned by two or more firms, two or more individuals, or a combination of firms and individuals. In the cases of joint ownership, we could also determine the percentages of lease ownership. By reviewing BLM case files, we were able to determine that all individual lessees, whether sole or joint, attested to being U.S. citizens. Therefore, we restricted our examination of foreign participation to corporate lease ownership, whether sole or joint.

If a lease was wholly owned by a single firm, we then determined (from the questionnaire response and/or supplemental sources) whether that firm had 10 percent or more foreign investment in it--through either its stockholders or other firms. For example, if company A owned 100 percent of a lease, and we determined that a Canadian firm owned 10 percent or more of company A, we then considered the lease to have foreign participation and categorized the lease as Canadian.

If a lease was jointly owned by two or more firms, we then determined whether foreign investment in any of the firms was 10 percent or greater. If, for example, company B owned 40 percent of the lease, company C owned 30 percent of the lease, and company D owned 30 percent of the lease, we then determined whether

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<sup>4</sup>Of the 571 questionnaires we mailed, 452 (79 percent) were returned completed, 42 (7 percent) were returned as "undeliverable," and 77 (14 percent) were not returned.

foreign investment in any of the three companies was 10 percent or greater. We might then have found, for example, that a Canadian firm owned 10 percent or more of company B and that no foreign interest owned 10 percent or more of companies C or D. In this case, we would have categorized the lease as having foreign participation because the Canadian firm owned 10 percent or more of a firm (company B) which, in turn, owned 10 percent or more of the lease. In other words, we would consider the lease to have foreign participation--Canadian--even though the remaining joint lessees with the largest percentage of lease ownership (companies C and D with 60 percent of the lease) had no or less than 10 percent foreign investors.

STATISTICAL PROJECTIONS OF PARTICIPATION BY COUNTRY  
IN UNIVERSE OF MINERAL LEASES AND MINING CLAIMS ON  
FEDERAL LANDS IN ARIZONA, MONTANA, AND UTAH

Because we reviewed a random statistical sample of mineral leases and mining claims, each estimate developed from the sample has a measurable precision, or sampling error. The sampling error is the maximum amount by which the estimate obtained from a statistical sample can be expected to differ from the true universe characteristic (value) we are estimating. Sampling errors are usually stated at a certain confidence level--in this case, 95 percent. This means that the chances are 19 out of 20 that, if we reviewed all mineral leases and mining claims on federal lands in the three states, the results of such a review would differ from the estimates obtained from our sample by less than the sampling errors of such estimates.

At the 95-percent confidence level, our maximum sampling errors do not exceed plus or minus 6.5 percentage points for any state, and plus or minus 3.6 percentage points for the three states combined. In other words, the chances are 19 out of 20 that key estimates describing foreign participation in mineral leases and mining claims in each state will be within 6.5 percentage points of the corresponding universe characteristic (value), and that such estimates for all three states combined will be within 3.6 percentage points of the corresponding universe characteristics (value).

The tables in this appendix contain our estimates of foreign participation in the universe of mineral leases and mining claims on federal lands in Arizona, Montana, and Utah.

Table II-1

Projection of Participation, by Country, in Federal Mineral Leases, Licenses,  
and Permits in Arizona, Montana, and Utah Combined

Country	Oil and gas			Coal			Geothermal			Other minerals <sup>a</sup>		Total		
	Projection to universe <sup>b</sup>	Percent <sup>b</sup>	Range <sup>c</sup>	Projection to universe <sup>b</sup>	Percent <sup>b</sup>	Range <sup>c</sup>	Projection to universe <sup>b</sup>	Percent <sup>b</sup>	Range <sup>c</sup>	universe	Percent <sup>b</sup>	Projection to universe <sup>b</sup>	Percent <sup>b</sup>	Range <sup>c</sup>
Canada	2,070	6.4	1,451 to 2,689	21	8.3	14 to 28	2	1.1	1 to 4	18	14.2	2,110	6.4	1,491 to 2,729
France	57	.2	1 to 168	-	-	-	-	-	-	4	3.1	61	.2	5 to 172
Netherlands	359	1.1	98 to 620	1	.4	-	-	-	-	-	-	360	1.1	99 to 621
United Kingdom	655	2.0	297 to 1,013	3	1.2	1 to 6	2	1.1	1 to 4	1	.8	661	2.0	303 to 1,019
West Germany	151	.5	3 to 319	-	-	-	-	-	-	-	-	151	.5	3 to 319
Australia	57	.2	1 to 168	-	-	-	-	-	-	-	-	57	.2	1 to 168
Belgium	50	.2	1 to 148	-	-	-	-	-	-	-	-	50	.2	1 to 148
Switzerland	-	-	-	-	-	-	5	2.9	2 to 8	-	-	5	.01	2 to 8
Foreign, but unable to determine country	<u>296</u>	<u>.9</u>	94 to 498	<u>4</u>	<u>1.6</u>	1 to 7	-	-	-	-	-	<u>299</u>	<u>.9</u>	97 to 501
<b>Total (foreign participation)</b>	<u>3,695</u>	<u>11.4</u>	2,900 to 4,490	<u>29</u>	<u>11.5</u>	21 to 37	<u>8</u>	<u>4.6</u>	4 to 12	<u>23</u>	<u>18.1</u>	<u>3,755</u>	<u>11.4</u>	2,960 to 4,550
United States	26,119	80.6	25,132 to 27,099	175	69.2	163 to 187	148	85.1	141 to 155	89	70.1	26,531	80.5	25,551 to 27,511
Unable to determine if foreign or U.S.	<u>2,582</u>	<u>8.0</u>	1,917 to 3,247	<u>49</u>	<u>19.4</u>	39 to 59	<u>18</u>	<u>10.3</u>	12 to 24	<u>15</u>	<u>11.8</u>	<u>2,664</u>	<u>8.1</u>	1,999 to 3,329
<b>Total</b>	<u>32,396</u>	<u>100.0</u>		<u>253</u>	<u>100.0</u>		<u>174</u>	<u>100.0</u>		<u>127</u>	<u>100.0</u>	<u>32,950</u>	<u>100.0</u>	
	=====	=====		=====	=====		=====	=====		=====	=====	=====	=====	

<sup>a</sup>Other minerals include phosphate, hard rock minerals, potassium, gilsonite, and oil shale. Because of the small numbers involved, we reviewed all of these leases. Table III-1 shows the number of leases for each of these minerals.

<sup>b</sup>Projections and percentages do not total because of rounding.

<sup>c</sup>Estimated range of universe at the 95-percent confidence level.

Table II-2

Projections of Participation, by Country, in Federal  
Mineral Leases in Arizona

Country	Oil and gas			Other minerals <sup>a</sup>		Total		
	Projection To universe	Percent <sup>b</sup>	Estimated range at the 95-percent confidence level	Universe	Percent	Projection To universe	Percent <sup>b</sup>	Estimated range at the 95-percent confidence level
Canada	73	2.6	37 to 143	-	-	73	2.5	37 to 143
United Kingdom	10	.3	2 to 54	-	-	10	.3	2 to 54
Foreign, but unable to determine country	125	4.4	74 to 208	-	-	125	4.4	74 to 208
<b>Total (foreign participation)</b>	<u>208</u>	<u>7.3</u>	139 to 307	-	-	<u>208</u>	<u>7.2</u>	139 to 307
United States	2,412	84.4	2,283 to 2,516	13	100.0	2,425	84.4	2,283 to 2,516
Unable to determine if foreign or U.S.	<u>239</u>	<u>8.4</u>	164 to 344	-	-	<u>239</u>	<u>8.3</u>	164 to 344
<b>Total</b>	<u>2,859</u> =====	100.0 =====		13 ===	100.0 =====	<u>2,872</u> =====	100.0 =====	

<sup>a</sup>Other minerals include geothermal and hardrock minerals. We reviewed all leases for both of these mineral types; therefore, no projections were necessary. Table III-2 shows the number of leases for both of these minerals.

<sup>b</sup>Projections and percentages do not total because of rounding.

Table 11-3

**Projections of Participation, by Country, in Federal  
Mineral Leases, Licenses, and Permits in Montana**

Country	Oil and gas			Other minerals <sup>a</sup>		Total		
	Projection to universe <sup>b</sup>	Percent <sup>b</sup>	Estimated range at the 95-percent confidence level	Universe	Percent <sup>b</sup>	Projection to universe <sup>b</sup>	Percent <sup>b</sup>	Estimated range at the 95-percent confidence level
Canada	856	6.2	542 to 1,335	19	22.4	875	6.3	485 to 1,265
Netherlands	302	2.2	140 to 643	1	1.2	303	2.2	66 to 540
United Kingdom	302	2.2	140 to 643	-	-	302	2.2	65 to 539
West Germany	151	1.1	52 to 433	-	-	151	1.1	3 to 319
Belgium	50	.4	9 to 278	-	-	50	.4	1 to 148
<b>Total (foreign participation)</b>	<u>1,662</u>	<u>12.0</u>	1,206 to 2,262	<u>20</u>	<u>23.5</u>	<u>1,682</u>	<u>12.1</u>	1,155 to 2,209
United States	10,932	78.9	10,219 to 11,537	57	67.1	10,989	78.8	10,328 to 11,650
Unable to determine if foreign or U.S.	<u>1,259</u>	<u>9.1</u>	867 to 1,805	<u>8</u>	<u>9.4</u>	<u>1,267</u>	<u>9.1</u>	801 to 1,733
<b>Total</b>	<u>13,854</u> =====	<u>100.0</u> =====		<u>85</u> =====	<u>100.0</u> =====	<u>13,939</u> =====	<u>100.0</u> =====	

<sup>a</sup>Other minerals include coal, phosphate, and hard rock minerals. We reviewed all leases for each mineral type. Table 111-3 shows the number of leases for each of these minerals.

<sup>b</sup>Projections and percentages do not total because of rounding.

Table II-4

Projections of Participation, by Country, in Federal Mineral Leases, Licenses,  
and Permits in Utah

Country	Oil and gas			Coal			Geothermal			Other minerals <sup>a</sup>		Total		
	Projection to universe <sup>b</sup>	Percent <sup>b</sup>	Range <sup>c</sup>	Projection to universe <sup>b</sup>	Percent <sup>b</sup>	Range <sup>c</sup>	Projection to universe <sup>b</sup>	Percent <sup>b</sup>	Range <sup>c</sup>	Universe	Percent <sup>b</sup>	Projection to universe <sup>b</sup>	Percent <sup>b</sup>	Range <sup>c</sup>
Canada	1,141	7.3	749 to 1,714	20	8.9	14 to 28	2	1.2	1 to 5	-	-	1,162	7.2	685 to 1,639
France	57	.4	10 to 315	-	-	-	-	-	-	4	6.1	61	.4	5 to 172
Netherlands	57	0.4	10 to 315	-	-	-	-	-	-	-	-	57	.4	1 to 168
United Kingdom	342	2.2	158 to 729	4	1.8	1 to 8	2	1.2	1 to 5	1	1.5	348	2.2	80 to 616
Australia	57	.4	10 to 315	-	-	-	-	-	-	-	-	57	.4	1 to 168
Switzerland	-	-	-	-	-	-	5	3.0	3 to 9	-	-	5	.03	3 to 9
Foreign, but unable to determine country	<u>171</u>	<u>1.1</u>	59 to 491	<u>4</u>	<u>1.8</u>	1 to 8	-	-	-	-	-	<u>175</u>	<u>1.1</u>	5 to 366
<b>Total (foreign participation)</b>	<u>1,825</u>	<u>11.6</u>	1,316 to 2,497	<u>27</u>	<u>12.1</u>	19 to 36	<u>8</u>	<u>4.8</u>	5 to 13	<u>5</u>	<u>7.6</u>	<u>1,865</u>	<u>11.6</u>	1,276 to 2,454
United States	12,775	81.5	11,995 to 13,420	155	69.2	143 to 166	140	84.3	133 to 147	47	71.2	13,117	81.3	12,403 to 13,831
Unable to determine if foreign or U.S.	<u>1,084</u>	<u>6.9</u>	703 to 1,647	<u>42</u>	<u>18.8</u>	33 to 53	<u>18</u>	<u>10.8</u>	12 to 24	<u>14</u>	<u>21.2</u>	<u>1,157</u>	<u>7.2</u>	691 to 1,623
<b>Total</b>	<u>15,683</u>	<u>100.0</u>		<u>224</u>	<u>100.0</u>		<u>166</u>	<u>100.0</u>		<u>66</u>	<u>100.0</u>	<u>16,139</u>	<u>100.0</u>	
	=====	=====		=====	=====		=====	=====		=====	=====	=====	=====	

<sup>a</sup>Other minerals include phosphate, hard rock minerals, potassium, gilsonite, and oil shale. We reviewed all leases for each of these mineral types. Table III-4 shows the number of leases for each of these minerals.

<sup>b</sup>Projections and percentages do not total because of rounding.

<sup>c</sup>Estimated range of universe at the 95-percent confidence level.

**Table II-5**  
**Projections of Participation, by Country, in**  
**Mining Claims on Federal Lands in Arizona, Montana, and Utah**

Country	Arizona			Montana			Utah			Total		
	Projection to universe <sup>a</sup>	Percent <sup>a</sup>	Range <sup>b</sup>	Projection to universe <sup>a</sup>	Percent <sup>a</sup>	Range <sup>b</sup>	Projection to universe <sup>a</sup>	Percent <sup>a</sup>	Range <sup>b</sup>	Projection to universe	Percent <sup>a</sup>	Range <sup>b</sup>
Canada	6,227	3.7	3,585 to 10,691	4,097	5.8	2,648 to 6,266	10,603	4.3	6,360 to 17,470	20,927	4.3	14,249 to 27,605
France	-	-	-	431	.6	119 to 1,549	8,331	3.4	4,679 to 14,660	8,762	1.6	3,890 to 13,634
South Africa	1,038	.6	285 to 3,733	-	-	-	-	-	-	1,038	.2	285 to 2,471
United Kingdom	2,595	1.5	1,112 to 5,983	4,744	6.8	3,165 to 7,027	757	.3	134 to 4,235	8,096	1.7	4,791 to 11,401
West Germany	1,038	.6	285 to 3,733	216	.3	38 to 1,203	-	-	-	1,254	.3	285 to 2,747
Australia	<u>2,076</u>	<u>1.2</u>	810 to 5,260	<u>1,725</u>	<u>2.5</u>	879 to 3,346	-	-	-	<u>3,801</u>	<u>.8</u>	1,463 to 6,139
<b>Total (foreign participation)</b>	<u>12,974</u>	<u>7.7</u>	8,882 to 18,729	<u>11,213</u>	<u>16.0</u>	8,705 to 14,274	<u>19,691</u>	<u>8.0</u>	13,584 to 28,210	<u>43,878</u>	<u>9.0</u>	34,700 to 53,056
United States	75,766	44.9	66,806 to 84,925	36,442	52.0	32,650 to 40,201	90,882	36.9	78,422 to 104,094	203,090	41.9	186,841 to 219,339
Unable to determine if foreign or U.S.	<u>79,917</u>	<u>47.4</u>	70,576 to 89,062	<u>22,426</u>	<u>32.0</u>	19,044 to 26,101	<u>135,566</u>	<u>55.1</u>	122,195 to 148,646	<u>237,910</u>	<u>49.1</u>	221,381 to 254,439
<b>Total</b>	168,657 =====	100.0 =====		70,081 =====	100.0 =====		246,140 =====	100.0 =====		484,878 =====	100.0 =====	

<sup>a</sup>Projections and percentages do not total because of rounding.

<sup>b</sup>Estimated range of universe at the 95-percent confidence level.

SAMPLE DATA ON PARTICIPATION, BY COUNTRY,  
OF MINERAL LEASES AND MINING CLAIMS ON  
FEDERAL LANDS IN ARIZONA, MONTANA, AND UTAH

The tables in this appendix show the extent of participation by country in the GAO sample of mineral leases and mining claims on federal lands in Arizona, Montana, and Utah. Specifically, tables 1 through 4 show, by type of mineral, the sample data numbers and percentages of mineral leases with foreign participation in each state sampled. Table 5 contains sample data on acreage figures for those leases, and table 6 shows the number of producing leases by type of mineral (Montana and Utah only). Table 7 contains data on mining claims with foreign participation.

Table III-1

**Participation, by Country, in Federal Mineral Leases, Licenses, and Permits<sup>a</sup>  
Sampled in Arizona, Montana, and Utah Combined**

Country	Oil and gas		Coal		Geothermal		Phosphate		Hard rock minerals <sup>b</sup>		Potassium		Gilsonite		Oil shale		Total			
	No.	Percent	No.	Percent	No.	Percent	No.	Percent	No.	Percent	No.	Percent	No.	Percent	No.	Percent	No.	Percent		
Canada	44	5.3	13	8.2	1	0.9	18	45.0	-	-	-	-	-	-	-	-	-	76	6.2	
France	1	.1	-	-	-	-	-	-	-	-	4	11.1	-	-	-	-	-	5	.4	
Netherlands	7	.8	1	.6	-	-	-	-	-	-	-	-	-	-	-	-	-	8	.7	
United Kingdom	13	1.6	2	1.3	1	.9	-	-	-	-	-	-	-	-	1	50.0	-	17	1.4	
West Germany	3	.4	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	3	.2	
Australia	1	.1	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1	.1	
Belgium	1	.1	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1	.1	
Switzerland	-	-	-	-	3	2.7	-	-	-	-	-	-	-	-	-	-	-	3	.2	
Foreign, but unable to determine country	<u>15</u>	<u>1.8</u>	<u>2</u>	<u>1.3</u>	-	-	-	-	-	-	-	-	-	-	-	-	-	<u>17</u>	<u>1.4</u>	
<b>Total (foreign participation)</b>	<u>85</u>	<u>10.3</u>	<u>18</u>	<u>11.4</u>	<u>5</u>	<u>4.5</u>	<u>18</u>	<u>45.0</u>	-	-	<u>4</u>	<u>11.1</u>	-	-	<u>1</u>	<u>50.0</u>	-	<u>131</u>	<u>10.7</u>	
United States	673	81.6	109	69.0	96	85.7	18	45.0	37	100.0	21	58.3	12	100.0	1	50.0	-	967	79.1	
Unable to determine if foreign or U.S.	<u>67</u>	<u>8.1</u>	<u>31</u>	<u>19.6</u>	<u>11</u>	<u>9.8</u>	<u>4</u>	<u>10.0</u>	-	-	<u>11</u>	<u>30.6</u>	-	-	-	-	-	<u>124</u>	<u>10.1</u>	
<b>Total</b>	<u>825</u>	<u>100.0</u>	<u>158</u>	<u>100.0</u>	<u>112</u>	<u>100.0</u>	<u>40</u>	<u>100.0</u>	<u>37</u>	<u>100.0</u>	<u>36</u>	<u>100.0</u>	<u>12</u>	<u>100.0</u>	<u>2</u>	<u>100.0</u>	-	<u>1,222</u>	<u>100.0</u>	
	====	=====	====	=====	====	=====	==	=====	==	=====	==	=====	==	=====	==	=====	==	=====	=====	=====

<sup>a</sup>In view of the small numbers involved, licenses and permits have been grouped together with leases. Included in the totals for the sampled minerals are 7 coal licenses, 8 potassium permits, 32 hard rock permits, and 2 phosphate permits.

<sup>b</sup>Hard rock minerals include gold, silver, copper, vanadium, bentonite, and related minerals.

Table III-2

**Participation, by Country, in Federal Mineral  
Leases Sampled in Arizona**

Country	Oil and gas		Geothermal		Hard rock minerals		Total	
	No.	Percent	No.	Percent	No.	Percent	No.	Percent
Canada	7	2.5	-	-	-	-	7	2.4
United Kingdom	1	.4	-	-	-	-	1	.3
Foreign, but unable to determine country	<u>12</u>	<u>4.4</u>	-	-	-	-	<u>12</u>	<u>4.4</u>
<b>Total (foreign participation)</b>	<u>20</u>	<u>7.3</u>	-	-	-	-	<u>20</u>	<u>6.9</u>
United States	232	84.3	8	100.0	5	100.0	245	85.1
Unable to determine if foreign or U.S.	<u>23</u>	<u>8.4</u>	-	-	-	-	<u>23</u>	<u>8.0</u>
<b>Total</b>	<u>275</u>	<u>100.0</u>	<u>8</u>	<u>100.0</u>	<u>5</u>	<u>100.0</u>	<u>288</u>	<u>100.0</u>

Table III-3

Participation, by Country, in Federal Mineral Leases, Licenses,  
and Permits Sampled in Montana

Country	Oil and gas		Coal		Phosphate		Hard rock minerals		Total	
	No.	Percent	No.	Percent	No.	Percent	No.	Percent	No.	Percent
Canada	17	6.2	1	3.4	18	60.0	-	-	36	10.0
Netherlands	6	2.2	1	3.4	-	-	-	-	7	1.9
United Kingdom	6	2.2	-	-	-	-	-	-	6	1.7
West Germany	3	1.1	-	-	-	-	-	-	3	.8
Belgium	1	.4	-	-	-	-	-	-	1	.3
<b>Total (foreign participation)</b>	<u>33</u>	<u>12.0</u>	<u>2</u>	<u>6.9</u>	<u>18</u>	<u>60.0</u>	<u>-</u>	<u>-</u>	<u>53</u>	<u>14.7</u>
United States	217	78.9	20	69.0	11	36.7	26	100.0	274	76.1
Unable to determine if foreign or U.S.	25	9.1	7	24.1	1	3.3	-	-	33	9.2
<b>Total</b>	<u>275</u>	<u>100.0</u>	<u>29</u>	<u>100.0</u>	<u>30</u>	<u>100.0</u>	<u>26</u>	<u>100.0</u>	<u>360</u>	<u>100.0</u>

Table III-4

Participation, by Country, in Federal Mineral Leases, Licenses,  
and Permits Sampled in Utah

Country	Oil and gas		Coal		Geothermal		Phosphate		Hard rock minerals		Potassium		Gilsonite		Oil shale		Total	
	No.	Percent	No.	Percent	No.	Percent	No.	Percent	No.	Percent	No.	Percent	No.	Percent	No.	Percent	No.	Percent
Canada	20	7.3	12	9.3	1	1.0	-	-	-	-	-	-	-	-	-	-	33	5.7
France	1	.4	-	-	-	-	-	-	-	-	4	11.1	-	-	-	-	5	.9
Netherlands	1	.4	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1	.2
United Kingdom	6	2.2	2	1.6	1	1.0	-	-	-	-	-	-	-	-	1	50.0	10	1.7
Australia	1	.4	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1	.2
Switzerland	-	-	-	-	3	2.9	-	-	-	-	-	-	-	-	-	-	3	.5
Foreign, but unable to determine country	<u>3</u>	<u>1.1</u>	<u>2</u>	<u>1.6</u>	-	-	-	-	-	-	-	-	-	-	-	-	<u>5</u>	<u>.9</u>
<b>Total (foreign participation)</b>	<u>32</u>	<u>11.6</u>	<u>16</u>	<u>12.4</u>	<u>5</u>	<u>4.8</u>	-	-	-	-	<u>4</u>	<u>11.1</u>	-	-	<u>1</u>	<u>50.0</u>	<u>58</u>	<u>10.1</u>
United States	224	81.5	89	69.0	88	84.6	7	70.0	6	100.0	21	58.3	12	100.0	1	50.0	448	78.0
• Unable to determine if foreign or U.S.	<u>19</u>	<u>6.9</u>	<u>24</u>	<u>18.6</u>	<u>11</u>	<u>10.6</u>	<u>3</u>	<u>30.0</u>	-	-	<u>11</u>	<u>30.6</u>	-	-	-	-	<u>68</u>	<u>11.8</u>
<b>Total</b>	<u>275</u>	<u>100.0</u>	<u>129</u>	<u>100.0</u>	<u>104</u>	<u>100.0</u>	<u>10</u>	<u>100.0</u>	<u>6</u>	<u>100.0</u>	<u>36</u>	<u>100.0</u>	<u>12</u>	<u>100.0</u>	<u>2</u>	<u>100.0</u>	<u>574</u>	<u>100.0</u>
	====	=====	====	=====	====	=====	==	=====	==	=====	==	=====	==	=====	==	=====	====	=====

Table III-5

Acres for Federal Mineral Leases, Licenses, and Permits  
Sampled in Arizona, Montana, and Utah

Country	Oil and gas		Coal		Geothermal		Phosphate		Hard rock minerals		Potassium		Gilsonite		Oil shale		Total	
	Acres	Percent	Acres	Percent	Acres	Percent	Acres	Percent	Acres	Percent	Acres	Percent	Acres	Percent	Acres	Percent	Acres	Percent
Canada	61,864	4.5	22,823	10.1	1,920	1.0	11,203	30.5	-	-	-	-	-	-	-	-	97,810	5.0
France	1,920	.1	-	-	-	-	-	-	-	-	3,757	6.6	-	-	-	-	5,677	.3
Netherlands	7,797	.6	541	.2	-	-	-	-	-	-	-	-	-	-	-	-	8,338	.4
United Kingdom	23,357	1.7	2,732	1.2	1,200	.6	-	-	-	-	-	-	-	-	5,120	50.0	32,409	1.7
West Germany	3,117	.2	-	-	-	-	-	-	-	-	-	-	-	-	-	-	3,117	.2
Australia	2,106	.2	-	-	-	-	-	-	-	-	-	-	-	-	-	-	2,106	.1
Belgium	2,099	.2	-	-	-	-	-	-	-	-	-	-	-	-	-	-	2,099	.1
Switzerland	-	-	-	-	5,761	3.0	-	-	-	-	-	-	-	-	-	-	5,761	.3
Foreign, but unable to determine country	27,730	2.0	476	.2	-	-	-	-	-	-	-	-	-	-	-	-	28,206	1.4
<b>Total (foreign participation)</b>	<u>129,990</u>	<u>9.5</u>	<u>26,572</u>	<u>11.8</u>	<u>8,881</u>	<u>4.7</u>	<u>11,203</u>	<u>30.5</u>	<u>-</u>	<u>-</u>	<u>3,757</u>	<u>6.6</u>	<u>-</u>	<u>-</u>	<u>5,120</u>	<u>50.0</u>	<u>185,523</u>	<u>9.5</u>
United States	1,101,776	80.6	157,387	69.9	165,774	87.0	22,186	60.5	59,003	100.0	38,604	67.9	3,210	100.0	5,120	50.0	1,553,060	79.7
Unable to determine if foreign or U.S.	134,776	9.9	41,292	18.3	15,875	8.3	3,312	9.0	-	-	14,508	25.5	-	-	-	-	209,763	10.8
<b>Total</b>	<u>1,366,542</u>	<u>100.0</u>	<u>225,251</u>	<u>100.0</u>	<u>190,530</u>	<u>100.0</u>	<u>36,701</u>	<u>100.0</u>	<u>59,003</u>	<u>100.0</u>	<u>56,869</u>	<u>100.0</u>	<u>3,210</u>	<u>100.0</u>	<u>10,240</u>	<u>100.0</u>	<u>1,948,346</u>	<u>100.0</u>

Table III-6

Participation, by Country, in Producing Federal Mineral Leases Sampled in Montana and Utah<sup>a</sup>

Country	Oil and gas		Coal		Phosphate		Potassium		Gilsonite		Total	
	No.	Percent	No.	Percent	No.	Percent	No.	Percent	No.	Percent	No.	Percent
Canada	-	-	-	-	2	100.0	-	-	-	-	2	3.1
United Kingdom	3	17.6	-	-	-	-	-	-	-	-	3	4.7
Foreign, but unable to determine country	-	-	2	6.3	-	-	-	-	-	-	2	3.1
<b>Total (foreign participation)</b>	<b>3</b>	<b>17.6</b>	<b>2</b>	<b>6.3</b>	<b>2</b>	<b>100.0</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>7</b>	<b>10.9</b>
United States	13	76.5	22	68.8	-	-	10	100.0	3	100.0	48	75.0
Unable to determine if foreign or U.S.	1	5.9	8	25.0	-	-	-	-	-	-	9	14.1
<b>Total</b>	<b>17</b>	<b>100.0</b>	<b>32</b>	<b>100.0</b>	<b>2</b>	<b>100.0</b>	<b>10</b>	<b>100.0</b>	<b>3</b>	<b>100.0</b>	<b>64</b>	<b>100.0</b>

<sup>a</sup>Arizona had no producing leases.

Table III-7

Participation, by Country, in Mining Claims on Federal Lands  
Sampled in Arizona, Montana, and Utah<sup>a</sup>

Country	Arizona		Montana		Utah		Total	
	Claims	Percent	Claims	Percent	Claims	Percent	Claims	Percent
Canada	12	3.7	19	5.8	14	4.3	45	4.6
France	-	-	2	.6	11	3.4	13	1.3
South Africa	2	.6	-	-	-	-	2	.2
United Kingdom	5	1.5	22	6.8	1	.3	28	2.9
West Germany	2	.6	1	.3	-	-	3	.3
Australia	<u>4</u>	<u>1.2</u>	<u>8</u>	<u>2.5</u>	<u>-</u>	<u>-</u>	<u>12</u>	<u>1.2</u>
<b>Total (foreign participation)</b>	<u>25</u>	<u>7.7</u>	<u>52</u>	<u>16.0</u>	<u>26</u>	<u>8.0</u>	<u>103</u>	<u>10.6</u>
United States	146	44.9	169	52.0	120	36.9	435	44.6
Unable to determine if foreign or U.S.	<u>154</u>	<u>47.4</u>	<u>104</u>	<u>32.0</u>	<u>179</u>	<u>55.1</u>	<u>437</u>	<u>44.8</u>
<b>Total</b>	<u>325</u>	<u>100.0</u>	<u>325</u>	<u>100.0</u>	<u>325</u>	<u>100.0</u>	<u>975</u>	<u>100.0</u>

<sup>a</sup>Information on type of mineral is not available for mining claims.

UNIVERSE AND SAMPLE FOR MINERAL LEASES,  
LICENSES, PERMITS, AND MINING CLAIMS ON  
FEDERAL LANDS IN ARIZONA, MONTANA, AND UTAH

	Arizona		Montana		Utah		Total	
	Universe	Sample	Universe	Sample	Universe	Sample	Universe	Sample
<u>Mineral leases, licenses, and permits</u>								
Oil and gas leases	2,859	275	13,854	275	15,683	275	32,396	825
Coal leases	-	-	27	27	219	124	246	151
Coal licenses	-	-	2	2	5	5	7	7
Geothermal leases	8	8	-	-	166	104	174	112
Potassium leases	-	-	-	-	28	28	28	28
Potassium permits	-	-	-	-	8	8	8	8
Hardrock leases	5 <sup>a</sup>	5 <sup>a</sup>	-	-	-	-	5 <sup>a</sup>	5 <sup>a</sup>
Hardrock permits	-	-	26	26	6	6	32	32
Phosphate leases	-	-	28	28	10	10	38	38
Phosphate permits	-	-	2	2	-	-	2	2
Gilsonite leases	-	-	-	-	12	12	12	12
Oil Shale leases	-	-	-	-	2	2	2	2
<u>Total leases, licenses, and permits</u>	<u>2,872</u>	<u>288</u>	<u>13,939</u>	<u>360</u>	<u>16,139</u>	<u>574</u>	<u>32,950</u>	<u>1,222</u>
<u>Mining claims<sup>b</sup></u>	168,657	325	70,081	325	246,140	325	484,878	975

<sup>a</sup>Includes one uranium lease.

<sup>b</sup>Claims records do not contain a breakdown by mineral.



U.S. GENERAL ACCOUNTING OFFICE

**SURVEY OF OWNERSHIP OF MINERAL LEASES AND MINING CLAIMS ON FEDERAL LANDS**

**INSTRUCTIONS**

The U.S. General Accounting Office (GAO), an agency of the Congress, is reviewing the ownership of mineral leases and mining claims on federal lands.

Please complete the questionnaire and return it in the pre-addressed envelope within 10 days after you receive it. Complete your answers by either checking the appropriate box or filling in the indicated blank. The questionnaire should take no more than 15 minutes to complete.

Throughout this questionnaire there are numbers printed within parentheses to assist our key punchers in keying responses for computer analysis. Please disregard these numbers.

If you have any questions, please call Sherry Brenner or Don Hahn on (303) 837-4621 or Ray Ridgeway on (202) 254-6937.

In the event the envelope provided is misplaced, mail to:

Mr. Don Hahn  
U.S. General Accounting Office  
Suite 300-D  
2420 W. 26th Avenue  
Denver, CO 80211

Thank you for your help.

(NOTE: THE TERM, "YOUR FIRM", REFERS TO THE ORGANIZATION TO WHICH THIS QUESTIONNAIRE WAS ADDRESSED.)

1. Which of the following best describes your firm? (Check one.) <sup>(5)</sup>

- 1.  Limited partnership
  - 2.  General partnership
  - 3.  Association
  - 4.  Cooperative
  - 5.  Corporation (Skip to Question 4.)
  - 6.  Other (Please specify and then skip to Question 9.)
- } (Go to Question 2.)

2. Approximately what percentage of your firm is owned by foreign (non-U.S.) citizens? (Check one.) <sup>(6)</sup>

- 1.  None, all owned by U.S. citizens (Skip to Question 9.)
- 2.  1 to 9% (Skip to Question 9.)
- 3.  10 to 49% (Go to Question 3.)
- 4.  50 to 100% (Go to Question 3.)
- 5.  No basis to judge (Please explain and then skip to Question 9.) \_\_\_\_\_

3. Please estimate the percentage of your firm owned by citizens of the following countries. (Enter appropriate percentages or check box.)

- 1. \_\_\_\_\_ % United States (7-9)
- 2. \_\_\_\_\_ % Canada (10-12)
- 3. \_\_\_\_\_ % France (13-15)
- 4. \_\_\_\_\_ % Italy (16-18)
- 5. \_\_\_\_\_ % Japan (19-21)
- 6. \_\_\_\_\_ % Mexico (22-24)
- 7. \_\_\_\_\_ % Netherlands (25-27)
- 8. \_\_\_\_\_ % Saudi Arabia (28-30)
- 9. \_\_\_\_\_ % South Africa (31-33)
- 10. \_\_\_\_\_ % United Kingdom (34-36)
- 11. \_\_\_\_\_ % West Germany (37-39)
- 12. \_\_\_\_\_ % Other (Please specify.) (40-42)

100% TOTAL

13.  No basis to judge (Please explain and then skip to Question 9.) \_\_\_\_\_ <sup>(43)</sup>

(Skip to Question 9.)

**PLEASE NOTE: QUESTIONS 4-8 ARE FOR CORPORATIONS ONLY; OTHERS, PLEASE SKIP TO QUESTION 9.**

4. Approximately what percentage of your firm is owned by (1) individual shareholders, and (2) other firms? *(Enter appropriate percentages or check box.)*

1. \_\_\_\_\_ % Individual shareholders (44-46)  
*(Go to Question 5.)*

2. \_\_\_\_\_ % Other firms *(If 100%, skip to Question 8.)* (47-49)

100% TOTAL

3.  No basis to judge *(Please explain and then skip to Question 9)* \_\_\_\_\_ (50)

\_\_\_\_\_

\_\_\_\_\_

5. Approximately what percentage of your firm's total voting stock held by individual shareholders *(see Question 4.1 above)* is owned by foreign (non-U.S.) citizens? *(Check one.)*

1.  None, all owned by U.S. citizens *(Skip to Question 7.)* (51)

2.  1 to 9% *(Skip to Question 7.)*

3.  10 to 49% *(Go to Question 6.)*

4.  50 to 100% *(Go to Question 6.)*

5.  No basis to judge *(Please explain and skip to Question 7.)* \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

6. Please estimate the percentage of your firm owned by shareholders who are citizens of each of the following countries. *(Enter appropriate percentages or check box.)*

1. \_\_\_\_\_ % United States (52-54)

2. \_\_\_\_\_ % Canada (55-57)

3. \_\_\_\_\_ % France (58-60)

4. \_\_\_\_\_ % Italy (61-63)

5. \_\_\_\_\_ % Japan (64-66)

6. \_\_\_\_\_ % Mexico (67-69)

7. \_\_\_\_\_ % Netherlands (70-72)

8. \_\_\_\_\_ % Saudi Arabia (73-75)

9. \_\_\_\_\_ % South Africa (76-78)

10. \_\_\_\_\_ % United Kingdom (79-81)

11. \_\_\_\_\_ % West Germany (82-84)

12. \_\_\_\_\_ % Other *(Please specify.)* \_\_\_\_\_ (85-87)

\_\_\_\_\_

100% TOTAL

13.  No basis to judge *(Please explain and go to Question 7.)* \_\_\_\_\_ (88)

\_\_\_\_\_

\_\_\_\_\_

7. Do any individual firms own 10 percent or more of your firm? *(Include voting stock or equivalent interest.) (Check one.)* (89)

1.  Yes *(Go to Question 8.)*

2.  No *(Skip to Question 9.)*

8. For each company owning 10 percent or more of your firm (voting stock or equivalent interest), please indicate below: (A) the names of those companies; (B) their addresses; (C) approximate percentage of your firm they own; and (D) if 10 percent or more of this firm (voting stock or equivalent interest) is owned by foreign (non-U.S.) companies or individuals.

(A) Companies owning 10 percent or more of your firm	(B) Address of headquarters	(C) Approximate percentage of your firm they own	(D) Is 10 percent or more of this firm (voting stock or equivalent interest) owned by foreign companies or individuals? (Check one box for each row.)			
			Yes (1)	No (2)	Not Sure (3)	
1) _____	_____ _____ _____	____ %	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	(90-95)
2) _____	_____ _____ _____	____ %	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	(96-101)
3) _____	_____ _____ _____	____ %	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	(102-107)
4) _____	_____ _____ _____	____ %	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	(108-113)

(If there are more than four companies, each owning 10 percent or more of your firm, please use the space below or attach an additional sheet listing the information for columns A through D above.)



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## COMMITTEE ON INTERIOR AND INSULAR AFFAIRS

U. S. HOUSE OF REPRESENTATIVES  
WASHINGTON, D. C. 20515

April 6, 1983

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STAFF DIRECTOR  
AND COUNSEL

ROY JONES  
ASSOCIATE STAFF DIRECTOR

LEE MC ELVAIN  
GENERAL COUNSEL

TIMOTHY W. GLIDDEN  
REPUBLICAN COUNSEL

The Honorable Charles A. Bowsher  
Comptroller General  
U.S. General Accounting Office  
441 G Street, Northwest  
Washington, D. C. 20541

Dear Mr. Bowsher:

There is growing concern among many members of the Congress over the extent of foreign mineral exploration and development on Federal lands because of the possibility of foreign control of domestic Federal mineral deposits. Recent actions by the Secretary of the Interior regarding the question of reciprocal rights to Kuwait under the U.S. mineral leasing laws have heightened this concern. I believe the Congress and this committee should have as much information as possible regarding this matter. Therefore, I have requested that the Congressional Research Service (CRS) develop a legislative analysis of the reciprocity provisions of the U.S. mining and leasing laws to more clearly establish what the Congress intended reciprocity among nations to mean under these laws.

To have a better understanding of the magnitude of this problem requires information regarding the extent of foreign mineral exploration and development on Federal lands. Therefore, I request that GAO initiate a review to help make this determination. Specifically, I would like GAO to determine, if possible, the extent of exploration activities and the amount of Federal acreage being mined or leased for all minerals by foreign concerns. The review should also include an analysis of the adequacy of the administrative controls Federal agencies, such as the Department of the Interior, have in place to collect, monitor, and coordinate this type of data, and whether this information, if available, is actually used.

I realize that this would be a complex and difficult review and that the availability of such information may be limited. However, I believe that any information on this matter would be helpful to understanding the magnitude of the problem. Because hearings may soon be held on the subject, any information your staff develops can be transmitted to the committee through staff briefings. A formal report on the subject could be developed at a later date if warranted.

Comptroller General Bowsher, GAO, Washington, D. C.  
April 6, 1983  
Page 2

I appreciate your prompt attention to this matter. William L. Shafer, of the committee staff, will assist in coordinating our on-going work with CRS and will serve as contact with your staff for this request.

Sincerely,

A handwritten signature in cursive script, appearing to read "Morris K. Udall", followed by a horizontal line.

MORRIS K. UDALL  
Chairman

(005466)

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