



# DEPARTMENT OF THE INTERIOR

## INFORMATION SERVICE

BUREAU OF INDIAN AFFAIRS

For Release MAY 24, 1957

### INDIAN INCOME FROM MINERALS OTHER THAN OIL AND GAS SEEMS HEADED FOR RECORD TOTAL

Indian income from minerals other than oil and gas seems headed for a record high total in the fiscal year which ends June 30, Commissioner of Indian Affairs Glenn L. Emmons said today in an informal report to Secretary of the Interior Fred A. Seaton.

The Commissioner's forecast was largely based on a bid opening of May 13 at Sells, Arizona, which produced high bonus offerings of \$1,066,007.04 for exclusive prospecting permits, with leasing privileges, on three tracts totaling 15,360 acres on the San Xavier (Papago) Reservation in Pima County, Ariz. Total income received by all tribal groups and individual Indians from such mineral permits or leases in the fiscal year that ended last June 30 was \$848,426.

High bidder on all three tracts of the Papago land was American Smelting and Refining Company of New York City. Three other companies submitted lower bids on one or more of the tracts.

Since the great bulk of the lands involved are held in trust by the Bureau for individual members of the Papago Tribe, the approval of these owners will have to be obtained before the permits are actually granted. The successful bidder is given 60 days for this purpose.

The permits will grant for a two-year period an exclusive right to prospect in the area covered for minerals other than oil and gas as well as the privilege of leasing up to 2,560 acres of the land embraced in the permit at any time during this period. Leases will be for 10 years and as long thereafter as minerals are produced in paying quantities. Annual rental will be \$1 per acre.

Royalty called for under the leases is generally 10 percent of the net smelter returns; for uranium the royalty is on a sliding scale from 12 percent for lower-grade ore to 25 percent for those of higher grade.

The interest shown in the mineral potentialities of the Papago lands, Commissioner Emmons said, is a "most encouraging development."

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