

Chapter 3.—LANDS CONTAINING COAL, PHOSPHATES, PETROLEUM, OIL, OIL SHALE, GAS, SODIUM, POTASSIUM, AND SO FORTH, AND BUILDING STONE.

ENTRY ON COAL LANDS IN GENERAL

Section 71. Coal lands; entry.—

Commenting on this section and sections 72 to 76, inclusive, of this title the Department of the Interior says:

"While there may be some Indian lands still subject to coal entry by virtue of the provisions of law opening such lands to entry, the coal land laws generally were superseded by the leasing Act of Feb. 25, 1920 (41 Stat. 437) [§§ 201 to 208 of this title], and it is at least questionable whether the coal land laws should be carried into the Code."

72. Same; preference right of entry.—

See note to § 71.

73. Same; presentation of claims.—

See note to § 71.

74. Same; one entry only.—

See note to § 71.

75. Same; conflicting claims.—

See note to § 71.

76. Same; rights reserved.—

See note to § 71.

ENTRY UNDER NONMINERAL LAND LAWS OF COAL LANDS WITH RESERVATION OF COAL TO UNITED STATES

★ 83. New or supplemental patents, in case of lands subsequently classified as noncoal; homestead or desert-land and other entries.—

The section numbers in lines 7 and 8 of this section should be omitted with the exception of 410.

★ 84. Same; applications for entry.—

The section numbers in lines 5 and 6 of this section should be omitted with the exception of 410.

ENTRY UNDER MINING LAWS OF LANDS CONTAINING PETROLEUM, OR OTHER MINERAL OILS, OR GAS

★ 101. Entry of mineral oil lands under placer mining laws.—

This section has been superseded by those provisions of the general leasing Act Feb. 25, 1920, constituting § 181 et seq. of this title.

HOMESTEAD ENTRY OF LANDS IN UTAH, WITHDRAWN OR CLASSIFIED AS OIL LANDS

111. Entry under homestead or desert-land laws of lands in Utah, withdrawn or classified as oil lands; reservation of oil and gas.—[Repealed.]

This section was repealed by Act Dec. 10, 1930, c. 14, § 1, 46 Stat. 1028. The subject matter, however, appears to be covered by sections 121-123 of this title.

112. Same; applications for lands.—[Repealed.]

This section was repealed by Act Dec. 10, 1930, c. 14, § 1, 46 Stat. 1028. The subject matter, however, appears to be covered by sections 121-123 of this title.

113. Same; patent for lands; reservation of oil and gas in the United States.—[Repealed.]

This section was repealed by Act Dec. 10, 1930, c. 14, § 1, 46 Stat. 1028. The subject matter, however, appears to be covered by sections 121-123 of this title.

PERMITS TO PROSPECT FOR CHLORIDES, SULPHATES, CARBONATES, BORATES, SILICATES, OR NITRATES OF POTASSIUM

141. Permits to prospect for chlorides, sulphates, carbonates, borates, silicates, or nitrates of potassium; territory excepted; area limited.—[Repealed.]

This section was repealed by § 6 of Act Feb. 7, 1927, c. 66, 44 Stat. 1058. See § 280 of this title

142. Same; patents to permittees; leases of potash deposits; reservations.—[Repealed.]

This section was repealed by § 6 of Act Feb. 7, 1927, c. 66, 44 Stat. 1058. See § 280 of this title.

143. Same; leases to permittees for camp sites.—[Repealed.]

This section was repealed by § 6 of Act Feb. 7, 1927, c. 66, 44 Stat. 1058. See § 280 of this title.

144. Same; cancellation of permits.—[Repealed.]

This section was repealed by § 6 of Act Feb. 7, 1927, c. 66, 44 Stat. 1058. See § 280 of this title.

145. Same; restrictions on leasehold interests.—[Repealed.]

This section was repealed by § 6 of Act Feb. 7, 1927, c. 66, 44 Stat. 1058. See § 280 of this title.

146. Same; reservations in leases; protection of the United States.—[Repealed.]

This section was repealed by § 6 of Act Feb. 7, 1927, c. 66, 44 Stat. 1058. See § 280 of this title.

147. Same; forfeiture of leases.—[Repealed.]

This section was repealed by § 6 of Act Feb. 7, 1927, c. 66, 44 Stat. 1058. See § 280 of this title.

148. Same; potassium salts deposits.—[Repealed.]

This section was repealed by § 6 of Act Feb. 7, 1927, c. 66, 44 Stat. 1058. See § 280 of this title.

149. Same; disposition of royalties and rentals.—[Repealed.]

This section was repealed by § 6 of Act Feb. 7, 1927, c. 66, 44 Stat. 1058. See § 280 of this title.

150. Same; rules and regulations.—[Repealed.]

This section was repealed by § 6 of Act Feb. 7, 1927, c. 66, 44 Stat. 1058. See § 280 of this title.

151. Same; regulation for disposition of deposits mandatory; rights of States concerning lessees.—[Repealed.]

This section was repealed by § 6 of Act Feb. 7, 1927, c. 66, 44 Stat. 1058. See § 280 of this title.

152. Same; provision in leases for regulation of price and disposition of minerals.—[Repealed.]

This section was repealed by § 6 of Act Feb. 7, 1927, c. 66, 44 Stat. 1058. See § 280 of this title.

ENTRY OF BUILDING-STONE OR SALINE LANDS UNDER PLACER-MINING LAWS

162. Entry of saline lands under placer-mining laws.—

In an opinion of the Solicitor of the Department of the Interior [40 Land Dec. 502] it was said that this section was in effect repealed by the general leasing Act embodied as §§ 103, 201 and 262 of this title.

LEASES AND PROSPECTING PERMITS

1. GENERAL PROVISIONS

181. Lands subject to disposition; right to extract helium reserved; persons not entitled to benefits.—Deposits of coal, phosphate, sodium, potassium, oil, oil shale, or gas, and lands containing * * * (As amended Feb. 7, 1927, c. 66, § 5, 44 Stat. 1058.)

The amendment provided that the section should include "deposits of potassium."

See §§ 275 and 285.

Sections 95 to 98 of Title 43 are by § 98a of that title made applicable to all payments in excess of lawful requirements made under §§ 181 to 263 of this title.

182. Lands disposed of with reservation of deposits of coal, and so forth.—

See §§ 275 and 285.

183. Cancellation of prospecting permits.—

See §§ 275 and 285.

184. Limitation on number of leases to one person; combinations or unlawful trusts.—No person, association, or corporation, except as herein provided, shall take or hold coal,

phosphate, or sodium leases or permits during the life of such leases or permits in any one State exceeding in aggregate acreage two thousand five hundred and sixty acres for each of said minerals; no person, association, or corporation shall take or hold at one time oil or gas leases or permits exceeding in the aggregate seven thousand six hundred and eighty acres granted hereunder in any one State, and not more than two thousand five hundred and sixty acres within the geologic structure of the same producing oil or gas field; and no person, association, or corporation shall take or hold at one time any interest or interests as a member of an association or associations or as a stockholder of a corporation or corporations holding a lease or leases, permit or permits, under the provisions hereof, which, together with the area embraced in any direct holding of a lease or leases, permit or permits, under this subchapter, or which, together with any other interest or interests as a member of an association or associations or as a stockholder of a corporation or corporations holding a lease or leases, permit or permits, under the provisions hereof for any kind of mineral leases hereunder, exceeds in the aggregate an amount equivalent to the maximum number of acres of the respective kinds of minerals allowed to any one lessee or permittee under this subchapter. Any interests held in violation of this subchapter shall be forfeited to the United States by appropriate proceedings instituted by the Attorney General for that purpose in the United States district court for the district in which the property, or some part thereof, is located, except that any ownership or interest forbidden in this subchapter which may be acquired by descent, will, judgment, or decree may be held for two years and not longer after its acquisition: *Provided*, That nothing herein contained shall be construed to limit sections 227, 228, and 251 of this title or to prevent any number of lessees under the provisions of this subchapter from combining their several interests so far as may be necessary for the purposes of constructing and carrying on the business of a refinery, or of establishing and constructing as a common carrier a pipe line or lines of railroads to be operated and used by them jointly in the transportation of oil from their several wells, or from the wells of other lessees under this subchapter, or the transportation of coal or to increase the acreage which may be acquired or held under section 228 of this title: *Provided further*, That any combination for such purpose or purposes shall be subject to the approval of the Secretary of the Interior on application to him for permission to form the same: *And provided further*, That for the purpose of more properly conserving the natural resources of any single oil or gas pool or field, permittees and lessees thereof and their representatives may unite with each other or jointly or separately with others in collectively adopting and operating under a cooperative or unit plan of development or operation of said pool or field, whenever determined and certified by the Secretary of the Interior to be necessary or advisable in the public interest, and the Secretary of the Interior is thereunto authorized in his discretion, with the consent of the holders of leases or permits involved, to establish, alter, change, or revoke drilling, producing, and royalty requirements of such leases or permits, and to make such regulations with reference to such leases and permits with like consent on the part of the lessee or lessees and permittees in connection with the institution and operation of any such cooperative or unit plan as he may deem necessary or proper to secure the proper protection of such public interest: *And provided further*, That when any permit has been determined to be wholly or in part within the limits of a producing oil or gas field which permit has been included, with the approval of the Secretary of the Interior, in a unit operating agreement or other plan under this subchapter the Secretary of the Interior may issue a lease for the area of the permit so included in said plan without further proof of discovery: *Provided further*, That the Secretary of the Interior is hereby authorized, on

such conditions as he may prescribe, to approve operating, drilling or development contracts made by one or more permittees or lessees in oil or gas leases or permits, with one or more persons, associations, or corporations, whenever in his discretion and regardless of acreage limitations, provided for in this subchapter, the conservation of natural products or the public convenience or necessity may require it or the interests of the United States may be best subserved thereby: *And provided further*, That except as herein provided, if any of the lands or deposits leased under the provisions of this subchapter shall be subleased, trustee, possessed, or controlled by any device permanently, temporarily, directly, indirectly, tacitly, or in any manner whatsoever, so that they form a part of or are in anywise controlled by any combination in the form of an unlawful trust, with consent of lessee, or form the subject of any contract or conspiracy in restraint of trade in the mining or selling of coal, phosphate, oil, oil shale, gas, or sodium entered into by the lessee, or any agreement or understanding, written, verbal, or otherwise, to which such lessee shall be a party, of which his or its output is to be or become the subject, to control the price or prices thereof or of any holding of such lands by any individual, partnership, association, corporation, or control in excess of the amounts of lands provided in this subchapter, the lease thereof shall be forfeited by appropriate court proceedings: *And provided further*, That nothing in this subchapter shall be construed as affecting existing leases within the borders of the Naval Petroleum Reserves or agreements concerning operations thereunder or in relation to the same, but the Secretary of the Navy is hereby authorized, with the consent of the President, to enter into agreements such as those provided for herein, which agreements shall not, unless expressed therein, operate to extend the term of any lease affected thereby. (As amended Apr. 30, 1926, c. 197, 44 Stat. 373; July 3, 1930, c. 854, § 1, 46 Stat. 1007; Mar. 4, 1931, c. 506, 46 Stat. 1524.)

See §§ 275 and 285.

185. Rights of way for pipe lines.—

See §§ 275 and 285.

186. Reservation of easements or rights of way for working purposes; reservation of right to sell or lease surface of lands.—

See §§ 275 and 285.

187. Assignment or subletting of leases; relinquishment of rights under leases; conditions in leases as to operation of mines, wells, and so forth.—

See §§ 275 and 285.

188. Forfeiture or cancellation of leases.—

See §§ 275 and 285.

189. Rules and regulations; rights of States not affected.—

See §§ 275 and 285.

190. Oaths required, when.—

See §§ 275 and 285.

191. Disposition of moneys received.—

See §§ 275 and 285.

192. Payment of royalties in oil or gas; sale of such oil or gas.—

See §§ 275 and 285.

193. Disposition of deposits of coal, and so forth, in Wyoming.— The deposits of coal, phosphate, sodium, potassium, oil, oil shale, and gas, herein referred to, in lands valuable * * * (As amended Feb. 7, 1927, c. 86, § 5, 44 Stat. 1058.)

The amendment provided that the section should include "deposits of potassium."

See §§ 275 and 285.

194. Fees and commissions of registers.—

See §§ 275 and 285.

2. COAL**201. Division of land into leasing tracts; offer and award of leases; prospecting permits; notice of proposed lease.—**

See note to section 524 of Title 34.

201a. Extension of coal prospecting permits.—Any coal prospecting permit issued under section 201 of this title, may be extended by the Secretary of the Interior for a period of two years, if he shall find that the permittee has been unable, with the exercise of reasonable diligence, to determine the existence or workability of coal deposits in the area covered by the permit and desires to prosecute further prospecting or exploration, or for other reasons in the opinion of the Secretary warranting such extension. (Mar. 9, 1928, c. 159, § 1, 45 Stat. 251.)

The Act cited to the text was entitled "An Act to grant extensions of time under coal permits."

See note to section 524 of Title 34.

201b. Extension of permits already expired.—Upon application to the Secretary of the Interior, and subject to valid intervening rights and to the provisions of section 201a of this title, any coal permit that has already expired because of lack of authority under existing law to make extensions, may, in the discretion of the Secretary, be extended for a period of two years from March 9, 1928. (Mar. 9, 1928, c. 159, § 2, 45 Stat. 251.)

For title of Act see note to § 201a.
See note to section 524 of Title 34.

★ 202. Common carriers; limitations of lease or permit.—

"the" in line 4 of this section should read "this."

203. Inclusion of additional lands in lease.—

See note to section 524 of Title 34.

208. Permits to take coal for local domestic needs.—

See note to section 524 of Title 34.

3. PHOSPHATES**211. Authority to lease lands.—**

See note to section 524 of Title 34.

4. OIL AND GAS**221. Prospecting permits; term and conditions; extension; location of lands; marking land; notice of application for permit; permits in Alaska.—**

See note to section 524 of Title 34.

222a. Extension of oil or gas prospecting permit authorized.—Any oil or gas prospecting permit issued under section 221 of this title or extended under section 222 of this title, may be extended by the Secretary of the Interior for an additional period of two years, if he shall find that the permittee has been unable, with the exercise of reasonable diligence, to begin drilling operations or to drill wells of the depth and within the time required by existing law, or has drilled wells of the depth and within the time required by existing law, and has failed to discover oil or gas, and desires to prosecute further exploration. (Apr. 5, 1926, c. 107, § 1, 44 Stat. 223.)

The Act cited to the text was entitled "An Act to grant extensions of time under oil and gas permits."

See also § 222c, authorizing further extension of permits.

222b. Extension of permits already expired.—Upon application to the Secretary of the Interior, and subject to valid intervening rights and to the provisions of section 222a of this title, any permit which has already expired because of lack of authority under existing law to make further extensions, may

be extended for a period of two years from April 5, 1926. (Apr. 5, 1926, c. 107, § 2, 44 Stat. 236.)

For title of Act see note to § 222a.

See also § 222d, authorizing further extension of permits already expired.

222c. Further extension of oil or gas prospecting permits.—Any oil or gas prospecting permit issued under section 221 of this title, or extended under section 222 of this title, or as further extended under sections 222a and 222b of this title, may be extended by the Secretary of the Interior for an additional period of two years, if he shall find that the permittee has been unable, with the exercise of reasonable diligence, to begin drilling operations or to drill wells of the depth and within the time required by existing law, or has drilled wells of the depth and within the time required by existing law, and has failed to discover oil or gas, and desires to prosecute further exploration. (Mar. 9, 1928, c. 163, § 1, 45 Stat. 252.)

The Act cited to the text was entitled "An Act to grant extensions of time of oil and gas permits."

222d. Further extension of permits already expired.—Upon application to the Secretary of the Interior, and subject to valid intervening rights and to the provisions of section 222c of this title, any permit which has already expired because of lack of authority under existing law to make further extensions, may be extended for a period of two years from March 9, 1928. (Mar. 9, 1928, c. 163, § 2, 45 Stat. 252.)

For title of Act see note to § 222c.

222e. Extension of oil or gas prospecting permits from January, 1930.—Any oil or gas prospecting permit issued under section 221 of this title, or extended under section 222 of this title, or as further extended under sections 222a and 222b of this title, and sections 222c and 222d of this title, may be extended by the Secretary of the Interior for an additional period of three years in his discretion on such conditions as he may prescribe. (Jan. 23, 1930, c. 25, § 1, 46 Stat. 58.)

222f. Same; permits already expired.—Upon application to the Secretary of the Interior, and subject to valid intervening rights and to the provisions of section 222e of this title, any permit which has already expired because of lack of authority under existing law to make further extensions, may be extended for a period of three years from January 23, 1930. (Jan. 23, 1930, c. 25, § 2, 46 Stat. 58.)

222g. Extension of oil or gas permits from January, 1933.—Any oil or gas prospecting permit issued under section 221 of this title, or extended under section 222 of this title, or as further extended under sections 222a to 222f of this title, may be extended by the Secretary of the Interior for an additional period of three years in his discretion, on such conditions as he may prescribe. (June 30, 1932, c. 319, § 1, 47 Stat. 445.)

222h. Same; permits already expired.—Upon application to the Secretary of the Interior, and subject to valid intervening rights and to the provisions of section 222g of this title, any permit which has already expired because of lack of authority under existing law to make further extensions may be extended for a period of three years from June 30, 1932. (June 30, 1932, c. 319, § 2, 47 Stat. 446.)

226. Lease of unappropriated deposits of oil or gas in producing oil or gas field; royalties and annual rentals.—All unappropriated deposits of oil or gas situated within the known geologic structure of a producing oil or gas field and the unentered lands containing the same, not subject to preferential lease, may be leased by the Secretary of the Interior to the highest responsible bidder by competitive bidding under general regulations to qualified applicants in units reasonably compact of not exceeding six hundred and forty acres, such leases to be conditioned upon the payment by the lessee of such bonus as

may be accepted and of such royalty as may be fixed in the lease, which shall not be less than 12½ per centum in amount or value of the production, and the payment in advance of a rental of not less than \$1 per acre per annum thereafter during the continuance of the lease, the rental paid for any one year to be credited against the royalties as they accrue for that year.

Leases shall be for a period of twenty years with the preferential right in the lessee to renew the same for successive periods of ten years upon such reasonable terms and conditions as may be prescribed by the Secretary of the department having jurisdiction thereof, unless otherwise provided by law at the time of the expiration of such periods: *Provided*, That any lease heretofore or hereafter issued under this subchapter that has become the subject of a cooperative or unit plan of development or operation of a single oil or gas pool, or area, or other plan for the conservation of the oil and gas of a single pool or area, which plan has the approval of the Secretary of the department or departments having jurisdiction over the Government lands included in said plan as necessary or convenient in the public interest, shall continue in force beyond said period of twenty years until the termination of such plan: *And provided further*, That said Secretary or Secretaries shall report all leases so continued to Congress at the beginning of its next regular session after the date of such continuance.

Any cooperative or unit plan of development or operation, which includes land owned by the United States, shall contain a provision whereby authority, limited as therein provided, is vested in the Secretary of the department or departments having jurisdiction over such land to alter or modify from time to time in his discretion the quantity and rate of production under said plan. The Secretary of the Interior is authorized whenever he shall deem such action necessary or in the public interest, with the consent of lessee, by order to suspend or modify the drilling or producing requirements of any oil and gas lease heretofore or hereafter issued, and no lease shall be deemed to expire by reason of the suspension of production pursuant to any such order. Whenever the average daily production of any oil well shall not exceed ten barrels per day the Secretary of the Interior is authorized to reduce the royalty on future production when in his judgment the well can not be successfully operated upon the royalty fixed in the lease. The provisions of this section shall apply to all oil and gas leases made under this subchapter. (As amended July 3, 1930, c. 854, § 1, 46 Stat. 1007; Mar. 4, 1931, c. 506, 46 Stat. 1523.)

5. OIL SHALE

241. Authority to make lease; survey of land; term of lease; royalties and annual rentals; rights of existing claimants.—

See note to section 524 of Title 34.

7. SODIUM

261. Prospecting permits; lands included.—The Secretary of the Interior is hereby authorized, under such rules and regulations as he may prescribe, to grant to any qualified applicant a prospecting permit which shall give the exclusive right to prospect for chlorides, sulphates, carbonates, borates, silicates, or nitrates of sodium, in lands belonging to the United States for a period of not exceeding two years: *Provided*, That the area to be included in such a permit shall not exceed two thousand five hundred and sixty acres of land in reasonably compact form. (As amended Dec. 11, 1928, c. 19, 45 Stat. 1019.)

The Act cited to the text was entitled "An Act to amend sections 23 and 24 of the General Leasing Act approved February 25, 1920 (Forty-first Statutes at Large, page 487)."

See note to section 524 of Title 34.

262. Leases to permittees; survey of lands; royalties and annual rentals.—Upon showing to the satisfaction of the Secretary of the Interior that valuable deposits of one of the substances enumerated in section 201 of this title have been discovered by the permittee within the area covered by his permit and that such land is chiefly valuable therefor, the permittee shall be entitled to a lease for any or all of the land embraced in the prospecting permit at a royalty of not less than 2 per centum of the quantity or gross value of the output of sodium compounds and other related products at the point of shipment to market; the lands in such lease to be taken in compact form by legal subdivisions of the public land surveys or, if the land be not surveyed, by survey executed at the cost of the permittee in accordance with regulations prescribed by the Secretary of the Interior. Lands known to contain valuable deposits of one of the substances enumerated in section 201 of this title and not covered by permits or leases shall be subject to lease by the Secretary of the Interior through advertisement, competitive bidding, or such other methods as he may by general regulations adopt and in such areas as he shall fix, not exceeding two thousand five hundred and sixty acres. All leases under this section shall be conditioned upon the payment by the lessee of such royalty as may be fixed in the lease, not less than 2 per centum of the quantity or gross value of the output of sodium compounds and other related products at the point of shipment to market, and the payment in advance of a rental of 25 cents per acre for the first calendar year or fraction thereof, 50 cents per acre for the second, third, fourth, and fifth calendar years respectively; and \$1 per acre per annum thereafter during the continuance of the lease, such rental for any one year to be credited against royalties accruing for that year. Leases under this section shall be for a period of twenty years, with preferential right in the lessee to renew for successive periods of ten years upon such reasonable terms and conditions as may be prescribed by the Secretary of the Interior unless otherwise provided by law at the expiration of such period: *Provided*, That nothing in sections 181 to 194, 201 to 208, 211 to 214, 221, 223 to 229, 241, 251, and 261 to 263 of this title shall prohibit the mining and sale of sodium compounds under potassium leases issued pursuant to sections 141 to 152 of this title, and sections 281 to 286 of this title, nor the mining and sale of potassium compounds as a by-product from sodium leases taken under this section: *Provided further*, That on application by any lessee the Secretary of the Interior is authorized to modify the rental and royalty provisions stipulated in any existing sodium lease to conform to the provisions of this section. (As amended Dec. 11, 1928, c. 19, 45 Stat. 1019.)

For title of Act see note to § 201.

See note to section 524 of Title 34.

263. Permits to use or lease of nonmineral lands for camp sites, and so forth.—

See note to section 524 of Title 34.

8. SULPHUR

271. Prospecting permits; lands included.—The Secretary of the Interior is hereby authorized and directed, under such rules and regulations as he may prescribe, to grant to any qualified applicant a prospecting permit which shall give the exclusive right to prospect for sulphur in lands belonging to the United States located in the State of Louisiana for a period of not exceeding two years: *Provided*, That the area to be included in such a permit shall not exceed six hundred and forty acres of land in reasonably compact form. (Apr. 17, 1920, c. 158, § 1, 44 Stat. 301.)

The Act cited to the text was entitled "An Act to promote the production of sulphur upon the public domain within the State of Louisiana."

272. Leases to permittees; privileges extended to oil and gas permittees.—Upon showing to the satisfaction of the Secretary of the Interior that valuable deposits of sulphur have been discovered by the permittee within the area covered by his permit, and that the land is chiefly valuable therefor, the permittee shall be entitled to a lease for any or all of the land embraced in the prospecting permit, at a royalty of 5 per centum of the quantity or gross value of the output of sulphur at the point of shipment to market, such lease to be taken in compact form by legal subdivisions of the public-land surveys; or if the land be not surveyed, by survey executed at the cost of the permittee in accordance with regulations prescribed by the Secretary of the Interior: *Provided*, That where any person having been granted an oil and gas permit makes a discovery of sulphur in lands covered by said permit, he shall have the same privilege of leasing not to exceed six hundred and forty acres of said land under the same terms and conditions as are given a sulphur permittee under the provisions of this section. (Apr. 17, 1920, c. 158, § 2, 44 Stat. 301.)

For title of Act see note to § 271.

273. Lease of lands not covered by permits or leases; rental.—Lands known to contain valuable deposits of sulphur and not covered by permits or leases shall be held subject to lease by the Secretary of the Interior through advertisement, competitive bidding, or such other methods as he may by general regulations adopt and in such areas as he shall fix, not exceeding six hundred and forty acres; all leases to be conditioned upon the payment by the lessee of such royalty as may be fixed in the lease and the payment in advance of a rental of 50 cents per acre per annum, the rental paid for any one year to be credited against the royalties accruing for that year. (Apr. 17, 1920, c. 158, § 3, 44 Stat. 301.)

For title of Act see note to § 271.

274. Lands containing coal or other minerals.—Prospecting permits or leases may be issued in the discretion of the Secretary of the Interior under the provisions of sections 271 to 276 of this title for deposits of sulphur in public lands also containing coal or other minerals on condition that such other deposits be reserved to the United States for disposal under applicable laws. (Apr. 17, 1920, c. 158, § 4, 44 Stat. 302.)

For title of Act see note to § 271.

275. Laws applicable.—The general provisions of sections 181 to 194, inclusive, of this title, are made applicable to permits and leases under sections 271 to 276 of this title, sections 181 and 183 being amended to include deposits of sulphur, and section 184 being amended so as to prohibit any person, association, or corporation from taking or holding more than three sulphur permits or leases in any one State during the life of such permits or leases. (Apr. 17, 1920, c. 158, § 5, 44 Stat. 302.)

For title of Act see note to § 271.

276. Sections 271 to 275 of this title applicable to Louisiana only.—The provisions of sections 271 to 275 of this title shall apply only to the State of Louisiana. (Apr. 17, 1920, c. 158, § 6, 44 Stat. 302.)

For title of Act see note to § 271.

D. POTASH

281. Prospecting permits for chlorides, sulphates, carbonates, borates, silicates, or nitrates of potassium; authorization; lands affected.—The Secretary of the Interior is hereby authorized, under such rules and regulations as he may prescribe, to grant to any qualified applicant a prospecting permit which shall give the exclusive right to prospect for chlorides, sulphates, carbonates, borates, silicates, or nitrates of potassium in lands belonging to the United States for a period of not exceeding two years: *Provided*, That the area to be included

in such a permit shall not exceed two thousand five hundred and sixty acres of land in reasonably compact form: *Provided further*, That the prospecting provisions of this section and sections 282 to 285 of this title shall not apply to lands and deposits in or adjacent to Searles Lake, California, which lands may be leased by the Secretary of the Interior under the terms and provisions of said sections. (Feb. 7, 1927, c. 66, § 1, 44 Stat. 1057.)

The Act cited to the text was entitled "An Act to promote the mining of potash on the public domain."

282. Leases to permittees of lands showing valuable deposits; royalty.—Upon showing to the satisfaction of the Secretary of the Interior that valuable deposits of one of the substances enumerated in sections 281 to 285 of this title has been discovered by the permittee within the area covered by his permit, and that such land is chiefly valuable therefor, the permittee shall be entitled to a lease for any or all of the land embraced in the prospecting permit, at a royalty of not less than 2 per centum of the quantity or gross value of the output of potassium compounds and other related products, except sodium, at the point of shipment to market, such lease to be taken in compact form by legal subdivisions of the public land surveys, or if the land be not surveyed, by survey executed at the cost of the permittee in accordance with regulations prescribed by the Secretary of the Interior. (Feb. 7, 1927, c. 66, § 2, 44 Stat. 1057.)

For title of Act see note to § 281.

283. Lands containing valuable deposits and not covered by permits or leases; authority to lease; conditions; partial exemptions from rental and royalty of leases resulting from prospecting permits.—Lands known to contain valuable deposits enumerated in sections 281 to 285 of this title and not covered by permits or leases shall be held subject to lease by the Secretary of the Interior through advertisement, competitive bidding, or such other methods as he may by general regulations adopt, and in such areas as he shall fix, not exceeding two thousand five hundred and sixty acres; all leases to be conditioned upon the payment by the lessee of such royalty as may be fixed in the lease, not less than 2 per centum of the quantity or gross value of the output of potassium compounds and other related products, except sodium, at the point of shipment to market, and the payment in advance of a rental of 25 cents per acre for the first calendar year or fraction thereof; 50 cents per acre for the second, third, fourth, and fifth years, respectively; and \$1 per acre per annum thereafter during the continuance of the lease, such rental for any year being credited against royalties accruing for that year. Leases under sections 281 to 285 of this title shall be for a period of 20 years, with preferential right in the lessee to renew the same for successive periods of ten years upon such reasonable terms and conditions as may be prescribed by the Secretary of the Interior, unless otherwise provided by law at the expiration of such periods. In the discretion of the Secretary of the Interior the area involved in any lease resulting from a prospecting permit may be exempt from any rental in excess of 25 cents per acre for twenty years succeeding its issue, and the production of potassium compounds under such a lease may be exempt from any royalty in excess of the minimum prescribed in said sections for the same period. (Feb. 7, 1927, c. 66, § 3, 44 Stat. 1057.)

For title of Act see note to § 281.

284. Lands containing coal or other minerals in addition to potassium deposits; issuance of prospecting permits and leases; covenants in potassium leases.—Prospecting permits or leases may be issued under the provisions of sections 281 to 285 of this title for deposits of potassium in public lands, also containing deposits of coal or other minerals, on condition that such other deposits be reserved to the United States for dis-

posal under appropriate laws: *Provided*, That if the interests of the Government and of the lessee will be subserved thereby, potassium leases may include covenants providing for the development by the lessee of chlorides, sulphates, carbonates, borates, silicates, or nitrates of sodium, magnesium, aluminum, or calcium, associated with the potassium deposits leased, on terms and conditions not inconsistent with the sodium provisions of sections 201 and 203 of this title: *Provided further*, That where valuable deposits of mineral now subject to disposition under the general mining laws are found in fissure veins on any of the lands subject to permit or lease under sections 281 to 285 of this title, the valuable minerals so found shall continue subject to disposition under the said general mining laws notwithstanding the presence of potash therein. (Feb. 7, 1927, c. 66, § 4, 44 Stat. 1058.)

For title of Act see note to § 281.

285. Laws applicable.—The general provisions of sections 181 to 194, inclusive, of this title are made applicable to permits and leases under sections 281 to 284 of this title. (Feb. 7, 1927, c. 66, § 5, 44 Stat. 1058.)

For title of Act see note to § 281.

286. Repeal of sections 141 to 152.—Sections 141 to 152, inclusive, of this title are hereby repealed, but this repeal shall not affect pending applications for permits or leases filed prior to January 1, 1926, or valid claims existent on February 7, 1927, and thereafter maintained in compliance with the laws under which initiated, which claims may be perfected under such laws, including discovery. (Feb. 7, 1927, c. 66, § 6, 44 Stat. 1058.)

For title of Act see note to § 281.

287. Extension of prospecting permits.—Any prospecting permit issued under sections 281 to 284 of this title may be extended by the Secretary of the Interior for a period not exceeding two years, upon a showing of satisfactory cause. (Feb. 7, 1927, c. 66, § 7, as added May 7, 1932, c. 174, 47 Stat. 151.)

Chapter 4.—LEASE OF GOLD, SILVER, OR QUICKSILVER DEPOSITS WHEN TITLE CONFIRMED BY COURT OF PRIVATE LAND CLAIMS.

Section 291. Lease of gold, silver, or quicksilver deposits on lands title to which confirmed by Court of Private Land Claims.—All gold, silver, or quicksilver deposits, or mines or minerals of the same on lands embraced within any land claim confirmed or hereafter confirmed by decree of the Court of Private Land Claims, and which did not convey the mineral rights to the grantee by the terms of the grant, and to which such grantee has not become otherwise entitled in law or in equity, may be leased by the Secretary of the Interior to the grantee, or to those claiming through or under him, for a period of twenty years, with the preferential right in the lessee to renew the same for successive periods of ten years, upon such reasonable terms and conditions as may be prescribed by the Secretary of the Interior, unless otherwise provided by law at the time of the expiration of such periods. (June 8, 1926, c. 503, § 1, 44 Stat. 710.)

The Act cited to the text was entitled "An Act relating to patents issued pursuant to decrees of the Court of Private Land Claims."

292. Royalties and rentals; disposition.—For the privilege of mining or extracting the gold, silver, or quicksilver deposits in the land covered by such lease, the lessee shall pay to the United States a royalty, which shall not be less than 5 per centum nor more than 12½ per centum of the net value of the output of the gold, silver, or quicksilver at the mine, due and payable at the end of each month succeeding that of the extraction of the minerals from the mine. All moneys received from royalties and rentals under the provisions of sections 201 to 203 of this title

shall be deposited in the Treasury of the United States, and disposed of in the same manner as rentals and royalties under the provisions of section 101 of this title. (June 8, 1926, c. 503, § 2, 44 Stat. 710.)

For title of Act see note to § 201.

293. Duties of Secretary of Interior.—The Secretary of the Interior is hereby authorized to perform any and all acts and to make such rules and regulations as may be necessary and proper for the purpose of carrying sections 201 and 202 of this title into full force and effect. (June 8, 1926, c. 503, § 3, 44 Stat. 710.)

For title of Act see note to § 201.

Chapter 5.—LEASE OF OIL AND GAS DEPOSITS IN OR UNDER RAILROADS AND OTHER RIGHTS OF WAY.

Section 301. Authorization for lease of oil and gas deposits; by and to whom leased.—Whenever the Secretary of the Interior shall deem it to be consistent with the public interest he is authorized to lease deposits of oil and gas in or under lands embraced in railroad or other rights of way acquired under any law of the United States, whether the same be a base fee or mere easement: *Provided*, That, except as hereinafter authorized, no lease shall be executed hereunder except to the municipality, corporation, firm, association, or individual by whom such right of way was acquired, or to the lawful successor, assignee, or transferee of such municipality, corporation, firm, association, or individual. (May 21, 1930, c. 307, § 1, 46 Stat. 373.)

The Act cited to the text was entitled "An Act providing for the lease of oil and gas deposits in or under railroad and other rights of way."

302. Assignment of lease; subletting.—The right conferred by this chapter may, subject to the approval of the Secretary of the Interior, be assigned or sublet by the owner thereof to any corporation, firm, association, or individual. (May 21, 1930, c. 307, § 2, 46 Stat. 373.)

For title of Act see note to § 301.

303. Conditions precedent to award of lease; preferred class; bidding.—Prior to the award of any lease under section 301 of this chapter, the Secretary of the Interior shall notify the owner or lessee of adjoining lands and allow him a reasonable time, to be fixed in the notice given, within which to submit an offer or bid of the amount or percentage of compensatory royalty that such owner will agree to pay for the extraction through wells on his or its adjoining land, of the oil or gas under and from such adjoining right of way, and at the same time afford the holder of the railroad or other right of way a like opportunity within the same time to submit its bid or offer as to the amount or percentage of royalty it will agree to pay, if a lease for the extraction of the oil and gas deposits under the right of way be awarded to the holder of such right of way. In case of competing offers by the said parties in interest, the Secretary shall award the right to extract the oil and gas to the bidder, duly qualified, making the offer in his opinion most advantageous to the United States. In case but one bid or offer is received after notice duly given, he may, in his discretion award the right to extract the oil and gas to such bidder. (May 21, 1930, c. 307, § 3, 46 Stat. 374.)

For title of Act see note to § 301.

304. Provisions authorized in lease.—Any lease granted by the Secretary of the Interior pursuant to this chapter may, in the discretion of said Secretary, contain a provision giving the lessee the right, with the approval of said Secretary, to shut down the operation of any well or wells the operation of which has become unprofitable, to resume operations when such resumption may result in profit, and to abandon any well or wells