

Treasury for Federal income tax purposes as applicable to such vessel; (D) that such vessel shall remain documented under the laws of the United States for a period of at least five years after the date of the exchange, or twenty years from the date of its construction, whichever is the later date; and (E) that the foregoing conditions respecting requisition or acquisition of ownership by the United States and documentation shall run with the title to such vessel and be binding on all owners thereof. Any other conditions respecting purchase or requisition by the United States heretofore applicable by statute to any traded-out vessel are hereby made inapplicable to such vessel.

“(6) Neither subsection (e) of this section, nor the nontaxable exchange provisions of the Internal Revenue Code, shall apply to the exchange of vessels under this subsection.

“(7) Any repairs or reconversion necessary at the time of the exchange to place the traded-out vessel in class and prepare it for commercial operation shall be performed in a shipyard within the continental United States.

“(8) The owner of the traded-in vessel, at his own expense and in a manner satisfactory to the Secretary of Commerce, shall (A) effect deactivation and preparation of the traded-in vessel and its equipment for storage or layup; (B) make delivery of such vessel and its equipment at a location designated by the Secretary of Commerce; and (C) execute a bond, with one or more approved sureties, conditioned upon indemnifying the United States from all loss resulting from any lien against such vessel existing at the time of the exchange.

“(9) No tanker vessel shall be traded out under the provisions of this subsection.”

Approved July 5, 1960.

Public Law 86-576

AN ACT

To provide for the leasing of oil and gas interests in certain lands owned by the United States in the State of Texas.

July 5, 1960
[H. R. 8740]

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secretary of the Interior is authorized to act on behalf of the United States in providing for the exploration, development and leasing of the oil and gas deposits in any lands owned by the United States in the State of Texas to which articles 5367 and 5368 of the Revised Civil Statutes (1925) of said State are applicable and which are not excluded or excepted from the provisions of the Mineral Leasing Act for Acquired Lands (61 Stat. 913, 30 U.S.C. 351 and the following) by section 3 thereof. Sections 2-4 and 6-10, both inclusive, of the Mineral Leasing Act for Acquired Lands shall apply to leases entered into, or proposed to be entered into, under this Act. Neither the proviso to the fourth paragraph of section 17 of the Mineral Leasing Act (41 Stat. 443), as amended (30 U.S.C. 226) nor any other provision of law which would have the effect of depriving the State of Texas of the amounts to which it is entitled under section 5368 of its Revised Civil Statutes shall apply to any lease entered into, or proposed to be entered into, under this Act, and every lessee shall be required by the Secretary to pay to said State the amounts provided in said section 5368.

Approved July 5, 1960.

Oil and gas
interests,
Leasing.

30 USC 351-353,
355-359.