

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 this chapter 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 191 of this title.

(June 8, 1926, ch. 503, § 2, 44 Stat. 710.)

§ 293. Duties of Secretary of the 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 this chapter into full force and effect.

(June 8, 1926, ch. 503, § 3, 44 Stat. 710.)

CHAPTER 5—LEASE OF OIL AND GAS DEPOSITS IN OR UNDER RAILROADS AND OTHER RIGHTS-OF-WAY

Sec.	
301.	Authorization for lease of oil and gas deposits; by and to whom leased.
302.	Assignment of lease; subletting.
303.	Conditions precedent to award of lease; preferred class; bidding.
304.	Provisions authorized in lease.
305.	Royalties under lease.
306.	Rules and regulations.

§ 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, ch. 307, § 1, 46 Stat. 373.)

§ 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, ch. 307, § 2, 46 Stat. 373.)

§ 303. Conditions precedent to award of lease; preferred class; bidding

Prior to the award of any lease under section 301 of this title, 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 sub-

mit 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, ch. 307, § 3, 46 Stat. 374.)

§ 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 that cease to produce oil and/or gas in paying quantities.

(May 21, 1930, ch. 307, § 4, 46 Stat. 374.)

§ 305. Royalties under lease

The royalty to be paid to the United States under any lease to be issued, or agreement made pursuant to this chapter, shall be determined by the Secretary of the Interior, in no case to be less than 12½ per centum in amount or value of the production, nor for more than twenty years: *Provided*, That when the oil or gas is produced from land adjacent to the right of way the amount or value of the royalty to be paid to the United States shall be within the discretion of the Secretary of the Interior: *Provided further*, That when the daily average production of any oil well does not exceed ten barrels per day said Secretary may, in his discretion, reduce the royalty on subsequent production.

(May 21, 1930, ch. 307, § 5, 46 Stat. 374.)

§ 306. Rules and regulations

The Secretary of the Interior is authorized and directed to adopt rules and regulations governing the exercise of the discretion and authority conferred by this chapter, which rules and regulations shall constitute a part of any application or lease hereunder.

(May 21, 1930, ch. 307, § 6, 46 Stat. 374.)

CHAPTER 6—SYNTHETIC LIQUID FUEL DEMONSTRATION PLANTS

§§ 321 to 325. Omitted

Editorial Notes

CODIFICATION

Section 321, acts Apr. 5, 1944, ch. 172, §1, 58 Stat. 190; Mar. 15, 1948, ch. 117, 62 Stat. 79; Sept. 22, 1950, ch. 988, §1, 64 Stat. 905, authorized the Secretary of the Interior for not more than eleven years to construct, maintain, and operate plants producing synthetic liquid fuel from coal, oil shale, agricultural and forestry products and prescribed the size of the plants and amount of production.

Section 322, act Apr. 5, 1944, ch. 172, §2, 58 Stat. 190, in order to carry out the 11 year demonstration plant program, authorized laboratory research and development, acquisition by purchase of license of secret processes, inventions, etc., acquisition of land, plants, etc., contracting for personnel, and cooperation with other Federal and State agencies. See note for section 321 above.

Section 323, acts Apr. 5, 1944, ch. 172, §3, 58 Stat. 191; Oct. 31, 1951, ch. 654, §4(2), 65 Stat. 709, related to licenses and patent rights under the 11 year demonstration plant program. See note for section 321 above.

Section 324, act Apr. 5, 1944, ch. 172, §4, 58 Stat. 191, provided that moneys received under this chapter for products and royalties from the 11 year demonstration plant program be paid into the Treasury as miscellaneous receipts and a report to Congress on all operations under this chapter be rendered by the Secretary on or before the first day of January of each year. See note for section 321 above.

Section 325, act Apr. 5, 1944, ch. 172, §5, 58 Stat. 191, authorized the Secretary to issue rules and regulations to carry out the 11 year demonstration plant program under this chapter and provided that the authority and duties of the Secretary be exercised through the Bureau of Mines. See note for section 321 above.

Statutory Notes and Related Subsidiaries

AUTHORIZATION OF APPROPRIATIONS

Act Apr. 5, 1944, ch. 172, §6, 58 Stat. 191, as amended by acts Mar. 15, 1948, ch. 117, §1, 62 Stat. 79; Sept. 22, 1950, ch. 988, §1, 64 Stat. 905, authorized appropriations of not to exceed \$87,600,000 to carry out the provisions of this chapter.

MORGANTOWN, W. VA., EXPERIMENT STATION

Act Sept. 22, 1950, ch. 988, §2, 64 Stat. 905, provided that out of the \$87,600,000 authorized to carry out this chapter, not to exceed \$2,600,000 be used for the construction and equipment of an experiment station in or near Morgantown, West Virginia, for research in mining, preparation, and utilization of coal, petroleum, natural gas, peat, and other minerals.

CHAPTER 7—LEASE OF MINERAL DEPOSITS WITHIN ACQUIRED LANDS

- | | |
|------|--|
| Sec. | |
| 351. | Definitions. |
| 352. | Deposits subject to lease; consent of department heads; lands excluded. |
| 353. | Sale of lands unaffected; reservation of mineral rights; sale subject to prior lease; naval petroleum reserves unaffected. |
| 354. | Lease of partial or future interests in deposits. |
| 355. | Disposition of receipts. |
| 356. | Furnishing description of lands and title documents; recordation of documents; authenticated copies. |
| 357. | State or local government rights; taxation. |

- | | |
|------|--|
| Sec. | |
| 358. | Rights under prior leases; priority of pending applications; exchange of leases. |
| 359. | Rules and regulations. |
| 360. | Authority to manage certain mineral leases. |

§ 351. Definitions

As used in this chapter “United States” includes Alaska. “Acquired lands” or “lands acquired by the United States” include all lands heretofore or hereafter acquired by the United States to which the “mineral leasing laws” have not been extended, including such lands acquired under the provisions of the Act of March 1, 1911 (36 Stat. 961, 16 U.S.C., sec. 552). “Secretary” means the Secretary of the Interior, “Mineral leasing laws” shall mean the Act of October 20, 1914 (38 Stat. 741, 48 U.S.C., sec. 432); the Act of February 25, 1920 (41 Stat. 437, 30 U.S.C., sec. 181); the Act of April 17, 1926 (44 Stat. 301, 30 U.S.C., sec. 271); the Act of February 7, 1927 (44 Stat. 1057, 30 U.S.C., sec. 281), and all Acts heretofore or hereafter enacted which are amendatory of or supplementary to any of the foregoing Acts. “Lease” includes “prospecting permit” unless the context otherwise requires. The term “oil” shall embrace all nongaseous hydrocarbon substances other than those leasable as coal, oil shale, or gilsonite (including all vein-type solid hydrocarbons).

(Aug. 7, 1947, ch. 513, §2, 61 Stat. 913; Pub. L. 97-78, §1(9)(a), Nov. 16, 1981, 95 Stat. 1072.)

Editorial Notes

REFERENCES IN TEXT

Act of March 1, 1911, referred to in text, is act Mar. 1, 1911, ch. 186, 36 Stat. 961, popularly known as the Weeks Law, which enacted former sections 513 and 514 and sections 515 to 519, 521, 552, and 563 of Title 16, Conservation, and amended sections 480 and 500 of Title 16. For complete classification of this Act to the Code, see Short Title note set out under section 552 of Title 16 and Tables.

Act of October 20, 1914, referred to in text, is act Oct. 20, 1914, ch. 330, 38 Stat. 741, known as the Alaska Coal Lands Act, which was repealed by Pub. L. 86-252, §1, Sept. 9, 1959, 73 Stat. 490. The subject matter of this Act is generally covered by subchapters I to VII (§181 et seq.) of chapter 3A of this title. For complete classification of this Act to the Code prior to repeal, see Tables.

Act of February 25, 1920, referred to in text, is act Feb. 25, 1920, ch. 85, 41 Stat. 437, known as the Mineral Leasing Act, which is classified generally to chapter 3A (§181 et seq.) of this title. For complete classification of this Act to the Code, see Short Title note set out under section 181 of this title and Tables.

Act of April 17, 1926, referred to in text, is act Apr. 17, 1926, ch. 158, 44 Stat. 301, which is classified generally to subchapter VIII (§271 et seq.) of chapter 3A of this title. For complete classification of this Act to the Code, see Tables.

Act of February 7, 1927, referred to in text, is act Feb. 7, 1927, ch. 66, 44 Stat. 1057, which enacted subchapter IX (§281 et seq.) of chapter 3A of this title, amended sections 181 and 193 of this title, and repealed subchapter VII (§141 et seq.) of chapter 3 of this title. For complete classification of this Act to the Code, see Tables.

AMENDMENTS

1981—Pub. L. 97-78 inserted definition of “oil”.