ACT OF MARCH 18, 1960

PHOSPHATE

To authorize the issuance of prospecting permits for phosphate in lands belonging to the Untied States.

Sec. 9

Be it enacted by the Senate and House of Representatives of the United States of American in Congress assembled, That (a) section 9 of the Mineral Leasing Act of February 25, 1920 (41 Stat, 437, 440), as amended (30 U.S.C. 211), is further amended by the insertion of an (a) at the beginning of the section and by the addition of the two following subsections:

PHOSPHATE

PHOSPHATE PERMIT

"(b) Where prospecting or exploratory work is necessary to determine the existence or workability of phosphate deposits in any unclaimed, undeveloped area, the Secretary of the Interior is authorized to issue, to any applicant qualified under this Act, a prospecting permit which shall give the exclusive right to prospect for phosphate deposits, including associated minerals, for a period of two years, for not more than two thousand five hundred and sixty acres; and if prior to the expiration of the permit the permittee shows to the Secretary that valuable deposits of phosphate have been discovered within the area covered by his permit, the permittee shall be entitled to a lease for any or all of the land embraced in the prospecting permit.

EXTENSION OF PERMIT

"(c) Any phosphate permit issued under this section may be extended by the Secretary for such an additional period, not in excess of four years, as he deems advisable, if he finds that the permittee has been unable, with reasonable diligence, to determine the existence or workability of phosphate deposits in the area covered by the permit and desires to prosecute further prospecting or exploration, or for other reasons warranting such an extension in the opinion of the Secretary."

Sec. 12

INCLUDES PERMITS

"(b) Section 12 of the Mineral Leasing Act (41 Stat, 437, 441), as amended (30 U.S.C., sec. 214), is further amended by the insertion of the words "or permit" immediately after the word "lease" wherever it appears.

Sec. 27

INCLUDES PERMITS

"(c) The ninth sentence of section 27 of the Mineral Leasing Act (41 Stat. 437, 448), as amended (30 U.S.C., sec. 184), is further amended by the insertion of the words "or permits" immediately after the words "phosphate leases".

Approved March 18, 1960.

ACT OF JUNE 11, 1960

Number (21) Only

Sec. 17

CERTIFIED MAIL

(21) The third sentence in the third paragraph of section 17 of the Mineral Lands Leasing Act of February 25, 1920, as amended by the Act of July 20, 1954 (68 Stat, 584; 30 U.S.C. 226), is amended by inserting "or by certified mail," immediately following "registered mail,".

NOTE: regarding all Mineral Leasing Act sections noted on this page: SEE footnotes listed under the section number to locate subsequent amendments to each section.

ACT OF JULY 14, 1960

UNREQUIRED PAYMENTS

Sec.204. (a) In any case where it shall appear to the satisfaction of the Secretary of the Interior that any person has made a payment under any statue relating to the sale, entry, lease, use, or other deposition of the public lands which is not required, or is in excess of the amount required, by applicable law and the regulations issued by the Secretary, the Secretary, upon application or otherwise, may cause a refund to be made from applicable funds.

MONEY FORFEITED

Sec.303. Any moneys collected under this Act in connection with lands administered under the Act of August 28, 1937 (50 Stat. 874; 43 U.S.C. 1181a, and the following), shall be expended for the benefit of such land only. If any portion of a deposit or amount forfeited under this Act is found by the Secretary to be in excess of the cost of doing the work authorized under this, the mount in excess shall be transferred to miscellaneous receipts.

Approved July 14, 1960.

MINERAL LEASING ACT REVISION OF 1960

ACT OF SEPTEMBER 2, 1960

To amend the Mineral Leasing Act of February 25, 1920.

Be it enacted by the Senate and House of Representatives of the United States of American in Congress assembled, That this Act may be cited as the "Mineral Leasing Act Revision of 1960".

Sec.2. Section 17, 17 (a), and 17 (b) of the Act entitled "An Act to promote the mining of coal, phosphate, oil, oil shale, gas, and sodium on the public domain", approved February 25, 1920, as mended (30 U.S.C. 226, 226d, and 115e) are further amended to read as follows:

Sec. 17, 17 (a), 17 (b)

"Sec.17. (a) All lands subject to disposition under this Act which are known or believed to contain oil or gas deposits may be leased by the Secretary.

KGS

"(b) If the lands to be leased are within any known geological structure of a producing oil or gas field, they shall be leased to the highest responsible qualified bidder by competitive bidding under general regulations in units of not more than six hundred and forty acres, which shall be as nearly compact in form as possible, upon the payment by the lessee of such bonus as may be accepted by the Secretary and of such royalty as maybe be fixed in the lease, which shall be not less than 12 ½ per centum in amount or value of the production removed or sold from the lease.

COMPETITIVE BIDDING

"(c) If the lands to be leased are not within any known geological structure of a producing oil or gas field, the person first making application for the lease who is qualified to hold a lease under this Act shall be entitled to a lease of such lands without competitive bidding. Such leases shall be conditioned upon the payment by the lessee of a royalty of 12 ½ per centum in amount or value of the production removed or sold from the lease.

NOT WITHIN KGS

FIRST QUALIFIED APPLICANT

"(d) All leases issued under this section shall be conditioned upon payment by the lessee of a rental of not less than 50 cents per acres for each year of the lease. Each year's lease rental shall be paid in advance. A minimum royalty of $1 per acre in lieu of rental shall be payable at the expiration of each lease year beginning on or after a discovery of oil or gas in paying quantities on the lands leased.

RENTALS

"(e) Competitive leases issued under this section shall be for a primary term of five years and noncompetitive leases for a primary term of ten years. Each such lease shall continue so long after its primary terms as oil or gas is produced in paying quantities. Any lease issued under this section for land on which, or for which under an approved cooperative or unit plan of development or operations, actual drilling are being diligently prosecuted at the time shall be extended for two years and so long thereafter as oil or gas is produced in paying quantities.

COMPETITIVE LEASES:
5 YEARS
NONCOMPETITIVE LEASES:
10 YEARS

"(f) No lease issued under this section which is subject to termination because of cessation of production shall be terminated for this because so long as reworking or drilling operations which were commenced on the land prior to or within sixty days after cessation of production are conducted thereon with reasonable diligence, or so

TERMINATION

60 DAYS

NOTE: regarding all Mineral Leasing Act sections noted on this page: SEE footnotes listed under the section number to locate subsequent amendments to each section.

PAYING QUANTITES

long as oil or gas is produced in paying quantities as a result of such operations. No lease issued under this section shall expire because operations or production is suspended under any order or with the consent, of the Secretary. No lease issued under this section covering lands on which there is a well capable of producing oil or gas is paying quantities shall expire because the lease fails to produce the same unless the lessee is allowed a reasonable time, which shall not be less than sixty days after notice by registered or certified mail, within which to place such well in producing status or unless after such status is establish, production is discontinued on the lease premises without permission granted by the Secretary under the provisions of this Act.

60 DAYS

"(g) Whenever it appears to the Secretary that lands owned by the United States are being drained of oil or gas by wells drilled on adjacent lands, he may negotiate agreements whereby the United States, or the United States and its lessees, shall be compensated for such drainage. Such agreements shall be mad with the consent of the lessees, if any, affected thereby. If such agreement is entered into, the primary term of any lease for which compensatory royalty is being paid, or any extension of such primary term, shall be extended for a period during which such compensatory royalty is paid and for the period of one year from discontinuance of such payment and so long thereafter as oil or gas is produced in paying quantities. The Secretary shall report to Congress at the beginning of each regular session all such agreements entered into during the previous year which involve unleased Government lands.

DRAINAGE

"(h) If, during the primary term or any extended term of any lease issued under this section, a verified statement is filed by any mining claimant pursuant to subsection (c) of section 7 of the Multiple Mineral Development Act of August 13, 1954 (68 Stat. 706), as amended (30 U.S.C. 527), whether such filing occur prior to enactment of the Mineral Leasing Act Revision of 1960 or thereafter, asserting the existence of a conflicting unpatented mining claim or claims upon which diligent work is being prosecuted as to any lands covered by the lease, the running of time under such lease shall be suspended as to the lands involved from the first day of the month following the filing of such verified statement until a final decision is rendered in the matter.

CONFLICTING UNPATENTED MINING CLAIMS

SUSPENSION OF LEASE

"(i) The Secretary of the Interior shall, upon timely application therefore, issue a new lease in exchange for any lease issued for a term of twenty years, or any renewal thereof, of any lease issued prior to August 8, 1946, in exchange for a twenty-year lease, such new lease to be for a primary term of five years and so long thereafter as oil or gas is produced in paying quantities and at a royalty rate of not less than 12 ½ per centum in amount or value of a production removed or sold from such leases, except that the royalty rate shall be 12 ½ per centum in amount or value of the production removed or sold from said leases as to (1) such leases, or such parts of the lands subject thereto and the deposits underlying the anme, as are not believed to be within the productive limits of any producing oil or gas deposit, as such productive limits are found by the Secretary to have existed on

ISSUANCE OF NEW LEASES

TERMS OF LEASES

ROYALTY

NEW DEPOSIT

August 8, 1946; and (2) any production on a lease form an oil or gas deposit which was discovered after May 27, 1941, by a well or wells drilled within the boundaries of the lease, and which is determined by the Secretary to a new deposit; and (3) any production on or allocated to a lease pursuant to an approved cooperative or unit plan of development or operation from an oil or gas deposits which was discovered after May 27, 1941, on land committed to such plan, and which is determined by the Secretary to be a new deposit, where such lease, or a lease for which it is exchanged, was included in such plan at the time of discover or was included in a duly executed and filed application for the approval of such plan at the time of discovery.

UNIT PLAN

"(j) For the purpose of more properly conserving the natural resources of any oil or gas pool, field, or like area, or any part thereof (whether or not any part of said oil or gas pool, field, or like area, is than subject to any cooperative or unit plan of development or operation), lessees thereof and their representatives may unit with each other, or jointly or separately with other, in collectively adopting and operating under a cooperative or unit plan of development or operation of such pool, filed, or like area, or any part thereof, whenever determined and certified by the Secretary of the Interior to be necessary of advisable in the public interest. The Secretary is thereunto authorized, in his discretion, with the consent of the holders of leases involved, to establish, after, changed, or revoke drilling, producing, rental, minimum royalty, and royalty requirements of such leases and to make such regulations with reference to such leases, with like consent on the part of the lessees, 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 the public interest. The Secretary may provided that oil and gas leases hereafter issued under this Act shall contain a provision requiring the lessee to operate under such a reasonable cooperative or unit plan, and he may prescribe such a plan under which such lessee shall operate, which shall adequately protect the rights of all parties in interest, including the United States.

"Any plan authorized by the proceeding paragraph which included lands owned by the United States may, in the discretion of the Secretary, contain a provision whereby authority is vested in the Secretary of the Interior, or any such person, committee, or State or Federal officer or agency as may be designated in the plan, to alter or modify from time to time the rate of prospecting and development and the quantity and rate of production under such plan. All leases operated under any such plan approved or prescribed by the Secretary shall be excepted in determining holdings or control under the provision of any section of this Act.

PLANS EXCEPTED IN DETERMINATION OF HOLDINGS OR CONTROL

"When separate tracts cannot be independently developed and operated in conformity with an established well-spacing or development program, any lease, or a portion thereof, may be pooled with other lands, whether or not owned by the United States, under a communitization or drilling agreement providing for an apportionment of production or royalties among the separate tracts of land comprising the drilling or spacing unit when determined by the Secretary of the

POOLING

COMMUNITIZATION

Interior to be in the public interest, and operations or production pursuant to such an agreement shall be deemed to be operations or production as each such lease committed thereto.

LEASE CONTINUATION UNDER UNIT PLAN

"Any lease issued for a term of twenty years, or any renewal thereof, or any portion of such lease that has become the subject of a cooperative or unit plan of development or operation of a pool, field, or like area, which plan ahs the approval of the Secretary of the Interior, shall continue in force until the termination of such plan. Any other lease issued under any section of this Act which has heretofore or may hereafter be committed to any such plan that contains a general provision for allocation of oil or gas shall continue in force and effect as to the land committed so long as the lease remains subject to the plan: *Provided,* That production is had in paying quantities under the plan prior to the expiration date of the term of such lease. Any lease heretofore or hereafter committed to any such plan embracing lands that are in part within and in part outside of the area covered by any such plan shall be segregated into separate leases as to the lands committed and the lands not committed as of the effective date of unitization: *Provided, however,* That any such lease as to the nonunitized portion shall continue in force and effect for the terms thereof but for not less than two years from the date fop such segregation and so long thereafter as oil or gas is produced in paying quantities. The minimum royalty or discovery rental under any lease that has become subject to any cooperative or unit plan of development or operations, or other plan that contains a general provision for allocation of oil or gas, shall be payable only with respect to the lands subject to such lease to which oil or gas shall be allocated under such plan. Any lease which shall be eliminated from any such approved or prescribed plan, or from any communitization or drilling agreement authorized by this section, and any lease which shall be in effect at the termination of any such approved or prescribed plan, or at the termination of any such communitization or drilling agreement, unless relinquished, shall be continue in effect for the original term thereof, but not less than two years, and so long thereafter as oil or gas is produced in paying quantities.

PAYING QUANTITES

NONUNITIZED LAND LEASES

"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 lessees of oil or gas leases, with one or more person, association, or corporation whenever, in his discretion, the conservation of natural products of the public convenience or necessity may require it or the interest of the United States may be best subserved thereby. All leases operated under such approved operation, frilling, or development contracts, and interest, thereunder, shall be excepted in determining holding or control under the provisions of this Act.

SEC'Y. APPROVE CONTRACTS

"The Secretary of the Interior, to avoid waste or to promote conservation of natural resources, may authorized the subsurface storage of oil or gas, whether or not produced from federally owned lands, in lands leased or subject to lease under this Act. Such authorization may provide for the payment of a storage fee or rental on such stored oil or gas or, in lieu of such fee or rental, for a royalty other than that

SUBSURFACE STORAGE OF OIL OR GAS

prescribed in the lease when such stored oil or gas is produced in conjunction with oil or gas not previously provided. Any lease on which storage is so authorized shall be extended at least for the period of storage and so long thereafter as oil or gas not previously produced in produced in paying quantities."

Sec.3. Section 27 of said Act, as amended (30 U.S.C. 184), is further amended to read as follows:

Sec. 27

"Sec.27. (a) (1) no person, association, or corporation, except as otherwise provided in the subsection, shall take, hold, own or control at one time, whether acquired directly form the Secretary under this Act or otherwise, coal leases pr permits on an aggregate of more than ten thousand two hundred and forty acres in any one State.

ACREAGE

"(2) A person, association, or corporation may apply for coal leases or permits for acreage in addition to that which is permissible under paragraph (1) of this subsection, but the additional acreage shall not exceed five thousand one hundred and twenty acres, in any one State. Each application shall be for forty acres or multiple thereof and shall contain a statement that the granting of a lease or permit for the additional lands in necessary to enable the applicant to carry on business economically and that it is believed to be in the public interest. On the filing of such an application, the coal deposits in the lands covered by it shall be temporarily set aside and withdrawn from all forms of disposal under this Act. The Secretary shall, after posting notice of the pending application in the local land office, conduct public hearing on it. After such hearing the Secretary may, under such regulations as he may prescribe and to such extent as he finds to be in the public interest and necessary to enable the applicant to carry on business economically, permit the applicant to take and hold coal leases or permits for additional acreage as hereinbefore provided. The Secretary may, in his own discretion or whenever sufficient public interest is manifested, reevaluate the lessee's or permittee's need for all or any part of the additional acreage and may cancel any lease or permit covering all or any part of such acreage if he finds that cancellation in the public interest of that the coal deposits in said acreage are not longer necessary for the lessee or permittee to carry on business economically or that the lessee or permittee has divested himself of all or any part of his first ten thousand two hundred and forty acres or no longer has facilities which, in the Secretary's opinion, enable him to exploit the deposits under lease or permits. No assignment, transfer, or sale of any part of the additional acreage may be made without the approval of the Secretary.

COAL LEASES ACREAGE

RE-EVALUATE NEED FOR ADDITIONAL ACREAGE

CANCELLATIONS

"(b) (1) No person, association, or corporation, except as otherwise provided in this subsection, shall take, hold, own, or control at one time, whether acquired directly from the Secretary under this Act or otherwise, sodium leases or permits on an aggregate of more than five thousand one hundred and twenty acres in any one State.

(2) The Secretary may, in his discretion, where the same is necessary in order to secure the economic mining of sodium compounds leasable under this Act, permit a person, association, or corporation to take or hold sodium leases or permits on up to fifteen thousand three hundred and sixty acres in any one State.

SODIUM LEASE ACREAGE

NOTE: regarding all Mineral Leasing Act sections noted on this page: SEE footnotes listed under the section number to locate subsequent amendments to each section.

"(c) No person, association, or corporation shall take, hold, own, or control at one time, whether acquired directly from the Secretary under this Ac or otherwise, phosphate leases or permits on an aggregate of more than ten thousand two hundred and forty acres in the United States.

PHOSPHATE ACREAGE

"(d) (1) No persona, association or corporation, except as otherwise provided in this Act, shake take, hold, own or control at one time, whether acquired directly from the Secretary under this Act or otherwise, oil or gas leases (including options for such leases or interests therein) on land held under the provisions of this Act exceeding in the aggregate two hundred forty-six thousand and eighty acres in any one State other than Alaska. In the case of the State of Alaska, the limit shall be three hundred thousand acres in the northern leasing district and three hundred thousand acres in the southern leasing district, and the boundary between said two districts shall be the left limits of the Tanana River from the Border between the United Sates and Canada to the confluence of the Tanana and Yukon Rivers, and the left limit of the Yukon River from said confluence to its principle southern mouth.

ACREAGE

ALASKA ACREAGE

"(2) No person, association, or corporation shall take, hold, own, or control at one time options to acquire interest in oil or gas leases under the provisions of this Act which involve, in the aggregate, more than two hundred thousand acres of land in any one State other than Alaska or, in the case of Alaska, more than two hundred thousand acres in each of its two leasing districts, as hereinbefore described. No option to acquire any interest in such an oil or gas lease shall be enforceable if entered into for a period of more than three years (which three years shall be inclusive of any renewal period if a right to renewal is reserved by any party to the option) without the prior approval of the Secretary. In any case in which an option to acquire the optionor's entire interest in the whole or a part of the acreage under a lease is entered into, the acreage to which the option is applicable shall be charged both to the optionor and to the optionee, but the charge to the optionor shall cease when the options is exercised. In any case in which an option to acquire a part of the optionor's interest in the whole or a part of the acreage under a lease is entered into, the acreage to which the option is applicable shall be fully charged to the optionor and share a thereof shall also be charged to the optionee as his interest may appear, but after the option is exercised said acreage shall be charged to the parties pro rata as their interest may appear. In any case in which an assignment is made of a part of a lessee' interest in the whole or part of the acreage under a lease or an application for a lease, the acreage shall be charged to the parties pro rata as their interests may appear. No option or renewal thereof shall be enforcible until notice thereof has been filed with the Secretary of an officer or employee of the Department of the Interior designated by him to receive the same. Each such notice shall include, in addition to any other matters prescribed by the Secretary, the names and addresses of the parties thereto, the serial number of the lease or application for a lease to which the option is applicable, and a statement of the number of acres covered thereby and of the

ACREAGE

OPTIONS

ASSIGNMENT OF INTEREST

interest and obligations of the parties thereto shall be subscribed by all parties to the options of their duly authorized agents. An option which has not been exercised shall remain charged as hereinbefore provided until notice of its relinquishment or surrender has been filed, by either party, with the Secretary of any officer or employee of the Department of the Interior designated by him to received the same. In addition, each holder of any such option shall file with the Secretary or an officer or employee of the Department of the Interior as a for said within ninety days after the 30th day of June and the 31st day of December in each year a statement showing, in addition to any other matter prescribed by the Secretary, him name, the name and address of each grantor of an option held by him, the serial number of every lease or application for a lease to which such an option is applicable, the number of acres covered by each such option, the total acreage in each Sate to which such option are applicable, and his interest and obligations under each such option. The failure of the holder of an option so to file shall render the option unenforcible by him. The unenforcibility of any option under the provisions of this paragraph shall not diminish the number of acres deemed to be held under option by any person, association, or corporation in computing the amount chargeable under the first sentence of this paragraph and shall not relieve any party thereto of any liability to cancellation, forfeiture, forced disposition, or other sanction provided by law. The Secretary may prescribe forms on which the notice and statements required by this paragraph shall be made.

FILING

"(e) (1) No person, association, or corporation shall take, hold, own or control at one time any interest as a member of an association or as a stockholder in a corporation holding a lease, option, or permit under the provisions of this Act which, together with the area embraced in any direct holding, ownership or control by him of such a lease, option or permit or any other interest which he may have as a member of other associations or as a stockholder in other corporations holding, owning or controlling such lease, options, or permits for any kind of minerals, exceeds in aggregate an amount equivalent to the maximum number of acres of the respective kinds of mineral allowed to any one lessee optionee, or permittee under this Act, except that no person shall be charged with his pro rata share of any acreage holding of any association or corporation unless he is the beneficial owner of more than 10 per centum of the stock or other instrument of ownership or control of such association or corporation, and except that within three years after the enactment of the Mineral Leasing Act Revision of 1960 no valid option in existence prior to the enactment of said Act held by a corporation or association at the time of enactment of said Act shall be chargeable to any stockholder of such corporation or to a member for such association so long as said option shall be so held at such corporation or association under the provisions of this Act.

INTEREST IN LEASES

INTEREST IN LEASE

"(2) No contract for development and operation of any lands leased under this act, whether or not coupled with an interest in such lease, and no lease held, owned, or controlled in common by two or more persons, associations, or corporations shall be deemed to create a separate association under the preceding paragraph of this subsection between or among the contracting parties or those who hold, own or control the lease in common, but the proportionate interest of each part shall be charged against the total acreage permitted to be held, owned or controlled by such party under this Act. The total acreage so held, owned, or controlled in common by two or more parties shall not exceed, in the aggregate, an amount equivalent tot the maximum number of acres of the respective kinds of mineral allowed to any one lessee, optionee, or permittee under this Act.

COMBINIGN LEASE INTEREST

"(f) Nothing contained in subsection (e) of this section shall be construed (i) to limit section 18, 19, and 22 of this Act or (ii), subject to the approval of the Secretary, to prevent any number of lessees under this Act from combining their several interest so far as may be necessary for the purpose of constructing and carrying on the business of a refinery or of establishing and constructing, as a common carrier, a pipeline or railroad to be operated and use by them jointly in the transportation of oil from their several wells or from the wells of other lessees under this Act or in the transportation of coal or (iii) to increase the acreage which may be taken, held, owned, or controlled under section 27 of this Act.

OWNERSHIP OR INTEREST FORBIDEN

"(g) Any ownership or interest otherwise forbidden in this Act which may be acquired by descent, will, judgment, or decree may be held for two years after its acquisition and no longer.

CANCELLATION OR FORFEITURE FOR VIOLATION

"(h) (1) If any interest in any lease is owned, or controlled, directly or indirectly, by means of stock or otherwise, in violation of any of the provisions of this Act, the lease may be cancelled, or the interest so owned may be forfeited or the person so owning or controlling the interest may be compelled to dispose of the interest, in any appropriate proceeding instituted by Attorney General. Such a proceeding shall be instituted in the United States district court for the district in which the leased property or some part thereof is located or in which the defendant may be found.

BONA FIDE PURCHASER

"(2) The right to cancel or forfeit for violation of any of the provisions of this Act shall not apply so as to affect adversely the title or interest of a bona fie purchaser of any lease, interest in a lease, option to acquire a lease or an interest therein, or permit which lease, interest, option or permit was acquired and is held by a qualified person, association, or corporation in conformity with those provisions, even though the holding of a person, association, or corporation from which the lease, interest, option, or permit was acquired, or of his predecessor in title (including the original lessee of the United State) may have been canceled for forfeited or may be or may have been subject to cancellation of forfeiture for any such violation. If, in any such proceeding, an underlying lease, interest, option, or permit is canceled or forfeited to the Government and there are valid interest therein or valid options to acquire the lease or an interest therein which are not subject to cancellation, forfeiture, or compulsory disposition the underlying lease, interest, option, or permit shall be sold

SELL TO HIGHEST RESPONSIBLE QUALFIED BIDDER

by the Secretary to the highest responsible qualified bidder by competitive bidding under general regulations subject to all outstanding valid interest therein and valid options pertaining thereto. Likewise if, in any such proceeding, less than the whole interest in a lease, interest, options, or permit is canceled or forfeited to the Government, the partial interest so canceled of forfeited shall be sold by the Secretary to the highest responsible qualified bidder by competitive bidding under general regulations. If competitive bidding fails to produce a satisfactory offer the Secretary may, in either of these cases, shell the interest in question by such other method as he deems appropriate on terms not less favorable to the Government than those of the best competitive bid received.

SELL BY APPROPRIATE METHOD

"(3) The commencement and conclusion of every proceeding under this subsection shall be promptly noted on the appropriate public records of the Bureau of Land Management.

"(i) Effective September 21, 1959, any person, association, or corporation who is a party to any proceeding with respect to a violation of any provision of this Act, whether imitated prior to said date or thereafter, shall have the right to be dismissed promptly as such a party upon showing that he holds and acquired as a bona fide purchaser the interest involving him as such a party without violating any provision of this Act. No hearing upon nay such showing shall be required unless the Secretary present pram facie evidence indicating a possible violation of the Mineral Leasing Act on the part of the alleged bona fide purchaser.

HEARING
PRIMA FACIE EVIDENCE

"(j) If during any such proceeding, a part thereto files with the Secretary a waiver of his rights under his leases (including particularly, where applicable, rights to drill and to assign) or if such rights suspended by the Secretary pending a decision in the proceedings, whether initiated prior to enactment of this Act or thereafter, payment of rentals and running of time against the term of the lease or leases involved shall be suspended as of the first day of the month following the filing of the waiver or suspension of the rights until the first day of the month following the final decision in the proceeding of the revocation of the waiver or suspension.

PAYMENT SUSPENSION

"(k) Except as otherwise provided in this Act, if any lands or deposits subject to the provision of this Act shall be subleased, trusted, 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 any wise controlled by any combination in the form of an unlawful trust, with the consent of the lessees, optionee, or permittee, or from the subject of any contract of conspiracy in restraint of trade in the mining or selling of coal, phosphate, oil, oil shale, native asphalt, solid and semisolid bitumen, bituminous rock, gas, sodium entered into by the lessee, optionee, or permittee or any agreement or understanding, written, verbal, or otherwise, to which such lessee, optionee, or permittee shale be part, 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 Act, the leases, options, or permit shall be forfeited by appropriate court proceedings."

UNLAWFUL TRUST

NONCOMPETITIVE LEASE EXTENSION

Sec.4 (a) Upon the expiration of the initial five-year term of any noncompetitive oil or gas lease which was issued prior to enactment of this Act and which has been maintained in accordance with applicable statutory requirements and regulations, the record titleholder thereof shall be entitled to a single extension of the lease, unless then otherwise provided by law, for such lands covered by it as are not, on the expiration sate of the lease, withdrawn from leasing. A withdrawal, however, shall not affect the right an extension if actual drilling operations on such lands were commenced prior to the effective date of the withdrawal and were being diligently prosecuted on the expiration date of the lease. No withdrawal shall be effective within the meaning of this section until ninety days after notice thereof has been sent by registered or certified mail to each lessee to be affected by such withdrawal.

WITHDRAWAL

(b) As to lands not within the known geologic structure of a producing oil or gas filed, a noncompetitive oil or gas lease to which this section is applicable shall be extended for a period of five years and so long thereafter as oil or gas is produced in paying quantities.

LANDS NOT WITHIN KGS
NONCOMPETITIVE LEASE EXTENSION

(c) Any noncompetitive oil and gas lease extended under this section shall be subject to the rules and regulations in force at the expiration of the initial five-year term of the lease. No extension shall be granted, however, unless within a period of ninety days prior to the expiration date of the lease an application therefore is filed by the record titleholder or an assignee whose assignment has been filed for approval or an operator whose operating agreement has been filed for approval.

SUBJECT TO RULES AND REGS.

(d) Any lease issued prior to the enactment of the Mineral Leasing Act revision of 1960 which has been maintained in accordance with applicable statutory requirements and regulations and which pertains to land on which, or for which under an approved cooperative or unit plan of development or operations, actual drilling operations were commenced prior to the end of its primary term and are being diligently prosecuted at that time shall be extended for two years and so long thereafter as oil or gas is produced in paying quantities.

UNIT PLAN

Sec.5. the Act of February 25, 1920, as amended (30 U.S.C. 181 and the following), is amended by adding a section 42 thereto a read as follows:

"Sec.42. No action contesting a decision of the Secretary involving any oil and gas lease shall be maintained unless such action is commenced or taken within ninety days after the final decision of the Secretary relating to such matter. No such action contesting such a decision of the Secretary rendered prior to enactment of the Mineral Leasing Act Revision of 1960 shall be maintained unless the same be commenced or taken within ninety days after such enactment."

Sec.42 ADDED
ACTION CONTESTING SEC'Y. DECISIONS

Sec.6. The last sentence of section 30(a) of the Act of February 25, 1920, as amended (30 U.S.C. 187a), is amended to read as follows:

Sec. 30(a)

NOTE: Regarding all Mineral Leasing Act sections noted on this page: SEE footnotes listed under the section number to locate subsequent amendments to each section.

SEGREGATION BY ASSIGNMENT OF LEASE

"Upon the segregation by an assignment of a lease issued after the effective date of the Mineral Leasing Act Revision of 1960 and held beyond its primary terms by production, actual or suspended, or the payment of compensatory royalty, the segregated lease of an undeveloped, assigned, or retained part shall continue for two years, and so long thereafter as oil or gas is produced in paying quantities."

The provisions of this section 6 shall not be applicable to any lease issued prior to the effective date of this Act.

Sec.1

COAL-RELATED PRODUCTS

Sec.7. (a) Section 1 of the Act of February 25, 1920, as amended (30 U.S.C. 181), section 21 of said Act (30 U.S.C. 241), and section 34 of said Act (30 U.S.C. 182) are amended by the insertion of the words "native asphalt, solid and semisolid bitumen, and bituminous rock (including oil-impregnated rock or sand from which oil is recoverable only by special treatment after the deposit is mined or quarried)' immediately after the words "oil shale," in the first sentence of each section. Section 21 of said Act (30 U.S.C. 241) is further amended by striking out the period at the end of the last sentence and adding these words "except that with respect to leases for native asphalt, solid and semisolid bitumen, and bituminous rock (including oil-impregnated rock or sand from which oil is recoverable only by special treatment after the deposit is mined or quarried) no person, association, or corporation shall acquire or hold more than seven thousand six hundred eighty acres in any one State without respect of the number of leases."

ACREAGE

(b) Section 21 of said Act is further amended by inserting the designation (a) immediately after the term "section 21" and by adding two new subsections to read as follows:

Sec.21

LEASE OFFER OTHER THAN OIL SHALE

"(b) In an offer for a lease under the provision of this section for deposits other than oil shale is bases upon a mineral location, the validity of which might be questioned because the claim was based on a placer location rather than on a lode location, or vice versa, the offeror shall have a preference right to a lease if the offer is filed not more than one year after the enactment of the Mineral Leasing Act Revision of 1960.

"(c) With respect to native asphalt, solid and semisolid bitumen, and bituminous rock (including oil-impregnated rock or sands from which oil is recoverable only by special treatment after the deposit is mined or quarried) a lease under the multiple use principle may issue not withstanding the existence of an outstanding lease issued under any other provision of this Act."

Sec.8. No amendment made by this Act shall affect any valid right in existence on the effective date of the Mineral Leasing Act Revision of 1960.

Approved September 2, 1960.

NOTE: Regarding all Mineral Leasing Act sections noted on this page: SEE footnote listed under the section number to locate subsequent amendments to each section.

ACT OF OCTOBER 15, 1962

To amend the Mineral Leasing Act of February 25, 1920.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 31 of the Mineral Leasing Act of February 25, 1920 (41 Stat. 450), as amended (30 U.S.C. 188), is further amended by designating the first paragraph thereof as subsection "(a)", the second paragraph as subsection "(b)", and adding two new subsections to read as follows:

Sec. 31

"(c) Where any lease has been terminated automatically by operation of law under this section for failure to pay rental timely and it is shown to the satisfaction of the Secretary of the Interior that the failure to pay timely the lease rental was justifiable or not due to a lack of reasonable diligence, he in his judgment may reinstate the lease subject to the following conditions:

FAILURE TO PAY TIMELY

REINSTATMENT

"(1) A petition for reinstatement, together with the required rental, for any lease (a) terminated prior to the effective date of this Act must be filed with the Secretary of the Interior within one hundred and eighty days after the effective date of this Act;

"(2) no valid lease has been issued affecting any of the lands in the terminated lease prior to the filing of the petition for reinstatement.

"(d) Where, in his judgment of the Secretary of the Interior, drilling operations were being diligently conducted on the last day if the primary terms of the lease, and, except for nonpayment of rental, the lease would have been entitled to extension of his lease, pursuant to section 4(d) of the Act of September 2, 1960 (74 Stat. 790), the Secretary of the Interior may reinstate such lease not withstanding the failure of the lessee to have made payment of the next year's rental, provided the conditions of subparagraphs (1) and (2) of section (c) are satisfied."

EXTENSION EXCEPT FOR RENTAL NONPAYMENT

Sec.2. nothing in this Act shall be construed as limiting the authority of the Secretary of the Interior to issue, during the periods in which petitions for reinstatement may be filed, oil and gas leases for any of the lands affected.

Approved October 15, 1962.

NOTE: Regarding all Mineral Leasing Act sections noted on this page: SEE footnotes listed under the section number to locate subsequent amendments to each section.

ACT OF AUGUST 31, 1964

ACT OF AUGUST 31, 1964

To amend section 27 of the Mineral Leasing Act of February 25, 1920, as amended, in order to promote the development of coal on the public domain and for other purposes.

COAL

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That subsection (a) (1) of section 27 of the Act of February 25, 1920, as amended (30 U.S.C. 184), is further amended to read as follows:

"(a) (1) No person, association, or corporation shall take, hold, own, or control at one time, whether acquired directly from the Secretary under this act or otherwise, coal leases or permits on an aggregate of more than forty-six thousand and eighty acres in any one State."

Sec. 27

ACREAGE

Sec.2. (a) Subsection (a) of section 2 of the Act of February 25, 1920, as amended (30 U.S.C. 201 (a)), is further amended by the deletion from the first sentence of the words "but in no case exceeding two thousand five hundred and sixty acres in any one leasing tract.".

Sec. 2 (a)

ACREAGE

(b) Subsection (b) of section 2 of the Act of February 25, 1920, as amended (30 U.S.C. 201(b)), is further amended by changing the words "two thousand five hundred and sixty acres" in the first sentence thereof to "five hundred one hundred and twenty acres".

(c) For the purpose of more properly conserving the natural resources of any coalfield or prospective coal area, or any part or zone thereof, lessees and permittees and their representatives any enter into a contract with each other or others for collective prospecting, development, or operation of such field or prospective coal area, or any part or zone thereof, whenever determined and certified by the Secretary of the Interior to be in the public interest. A contract approved hereunder shall not provide for an apportionment of production or royalties among the separate tracts comprising the contract area, but may provide for the commingling of production with appropriate allocation to the tracts from which produced. No withstanding any provision of this section to the contrary, the Secretary may, with the consent of the lessees or permittees involved, establish, alter, change, or revoke mining, producing, rental, minimum royalty, and royalty applicable to such leases or permits or contract. The Secretary I authorized to enter into a contract with a single lessee or permittee embracing his leases or permits. The Secretary may authorize the consolidation of separate Federal permits of leases into a lesser number of permits or leases, or into a single permit or lease.

COLLECTIVE PROSPECTING DEVELOPMENT OR OPERATION

CONTRACT

COMMINGLING OF PRODUCTION

(d) Coal leases and permits operated under a contract approved or executed by the Secretary pursuant to subsection (c) of this section may be excepted from limitations on maximum holding or control imposed by this Act if the Secretary finds that such exception is otherwise consistent with the public interest.

EXCEPTIONS FROM LIMITATIONS

Approved August 31, 1964.

ACT OF SEPTEMBER 6, 1966

ACT OF SEPTEMBER 6, 1966

Schedule of Laws Repealed

Sec. 38 REPEALED

Date	Chapter	Section	Statutes At Large	
			Volume	Pages
1920 Feb. 25	23.....	38.....	41	451

ACT OF MAY 12, 1970

OIL AND GAS

To authorize the Secretary of the Interior to prevent terminations of oil and gas leases on causes where there is a nominal deficiency in the rental payment, and to authorize him to relocate under some conditions oil and gas leases terminated by operation of law for failure to pay rental timely.

Sec. 31(b)

LEASE RENTAL PAYMENTS

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 31 (b) of the mineral Leasing Act of 1920 (41 Stat. 450), as amended (30 U.S.C. 188 (b)), is amended by changing the period at the end thereof to a colon and adding the following: "*Provided*, That if the rental payment due under a lease is paid on or before the anniversary date but either (1) the amount of the payment has been or is hereafter deficient and the deficiency is nominal., as determined by the Secretary by regulations, or (2) the payment was calculated in accordance with the acreage figure stated in the lease, or in any decision affecting the lease, or made in accordance with a bill or decision is found to be in error resulting in a deficiency sent to him by the Secretary."

Sec.2. Section 31 (c) of the Mineral Leasing Act of 1920 (41 Stat. 450), as amended (30 U.S.C. 188 (c)), is amended to read as follows:

Sec. 31 (c)

AUTOMATIC TERMINATIONS

PAYMENT WITHIN 20 DAYS OF ANNIVERSARY DATE

"(c) Where any lease has been or is hereafter terminated automatically by operation of law under this section for failure to pay on or before the anniversary date the full amount of rental due, but such rental was paid on or tendered within twenty days thereafter, and it is shown to the satisfaction of the Secretary of the Interior that such failure was either justifiable or not due to a lack of reasonable diligence on the part of the lessee, the Secretary may reinstate the lease if —

REINSTATMENT

"(1) a petition for reinstatement, together with the required rental, including back rental accruing from the date of termination of the lease, is filed with the Secretary; and

"(2) No valid lease has been issued affecting any of the lands covered by the terminated lease prior to the filing of said petition. The Secretary shall not issue any new lease affecting any of the lands covered by such terminated lease for a reasonable period, as determined in accordance with regulations issued by him. In any case where a reinstatement of a terminated lease is granted under this subsection and the Secretary finds that the reinstatement of such lease will not afford the lessee a reasonable opportunity to continue operations under the lease, the Secretary may, at his discretion, extend the term of such lease for such period as he deems reasonable: *Provided*, That (A) such extension shall not exceed a period equivalent to the time beginning when the lessee knew or should have known of the termination and ending on the date the Secretary grants such petition; (B) such extension shall not exceed a period equal to the unexpired portion of the lease or any extension thereof remaining at the date of terminations; and (C) when the reinstatement occurs after the expiration of the term or extension thereof the lease may be extended from the date the Secretary grants the petition."

Approve May 12, 1970.

NOTE: Regarding all Mineral Leasing Act sections noted on this page: SEE footnotes listed under the section number to locate subsequent amendments to each section

GEOTHERMAL STEAM ACT OF 1970

December 24, 1970

To authorize the Secretary of the Interior to make disposition of geothermal steam and associated geothermal resources, and for other purposes.

GEOTHERMAL

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Geothermal Steam At of 1970".

Sec.2. As used in this Act, the term—

(a) "Secretary" means the Secretary of the Interior;

(b) "geothermal leases" means a lease issued under authority of this act;

(c) "geothermal steam and associated geothermal resources' means (i) all products of geothermal processes, embracing indigenous steam, hot water and hot brines; (ii) steam and other gases, hot water and hot brines resulting from water, gas, or other fluids artificially introduced into geothermal formations; (iii) heat or other associated energy found in geothermal formations; and (iv) any byproduct derived from them;

(d) "byproduct" means any mineral or minerals (exclusive of oil, hydrocarbon gas, and helium) which are found in solution or in association with geothermal steam and which have a valued of less than 75 per centum of the value of the geothermal steam of are not, because of quantity, quality, or technical difficulties in extraction and production, of sufficient value to warrant extraction and production by themselves;

(e) "known geothermal resources area" means an area in which the geology, nearby discoveries, competitive interest, or other indicia would, in the opinion of the Secretary, engender a belief in men who are experienced in the subject matter that the prospects for extraction of geothermal steam or associated geothermal resources are good enough to warrant expenditures of a money for that purpose.

ISSUANCE OF GEOTHERMAL LEASES

Sec.3. Subject to the provisions of section 15 of this Act, the Secretary of the Interior may issue leases for the development and utilization of the geothermal steam and associated geothermal resources (1) in lands administered by him, including public, withdrawn, and acquired lands, (2) in any national forest or other lands administered by the Department of Agriculture through the Forest Service, including public, withdrawn, and acquired lands, and (3) in lands which have been conveyed by the United States subject to a reservation to the United States of the geothermal steam and associated geothermal resources therein.

KNOWN GEOTHERMAL REOUCES AREA
COMPETITIVE BIDS
HIGHEST REPONSIBLE QUALIFIED BIDDER

Sec.4. If lands to be leased under this Act are within any known geothermal resources area, they shall be leased to the highest responsible qualified bidder by competitive bidding under regulations formulated by the Secretary. If the lands to be leased are within any known geothermal resources area, the qualified person first making application for the lease shall be entitled to a lease of such lands without competitive bidding. Notwithstanding the foregoing, at any time

NOTE: Regarding all Mineral Leasing Act section noted on this page: SEE footnotes listed under the section number to locate subsequent amendments to each section.

within one hundred and eighty days following the effective date of this Act:

LEASE CONVERSION TO GEOTHERMAL

(a) with respect to all lands which were on September 7, 1965, subject to valid leases or permits issued under the Mineral Leasing Act of February 25, 1920, ad amended (30 U.S.C. 181 et seq.), or under the Mineral Leasing Act of Acquired Lands, as amended (30 U.S.C. 351, 358), or to existing mining claims located on or prior to September 7, 1965, the lessees or permittees or claimants of their successors in interest who are qualified to hold geothermal leases shall have the right to convert such lease or permits or claims to geothermal leases covering the same lands;

(b) where there are conflicting claims, leases, or permits therefore embracing the same land, the person who first was issued a lease or permit, who first recorded the mining claim shall be entitled to first consideration;

(c) with respect to all lands which were on September 7, 1965, the subject of application for leases or permits under the above Act, the applicants may convert their applications to applications for geothermal leases having priorities dating from the time of filing of such applications under such Acts;

(d) no person all be permitted to convert mineral leases, permits, applications therefore, or mining claims for more than 10, 240 acres; and

(e) the conversion of leases, permits, and mining claims and applications for leases and permits shall be accomplished in accordance with regulations prescribed by the Secretary. No right to conversion to a geothermal lease shall accrue to any person under this section unless such person shows to the reasonable satisfaction of the Secretary that substantial expenditures for the explorations, development, or production of geothermal steam have been made by the applicant who is seeking conversion, on the lands for which a lease is sought on or adjoining, adjacent, or nearby Federal or non-Federal lands.

(f) with respect to land within any known geothermal resources area and which are subject tot a right to conversion to a geothermal leases, such lands shall be leased by competitive bidding: *Provided,* That, the competitive geothermal lease shall be issued to the person owning the right to conversion to a geothermal lease if he makes payment of an amount equal to the highest bona fide for the competitive geothermal lease, plus the rental for the first year, within thirty days after he received written notice from the Secretary of the amount of the highest bid.

Sec.5. Geothermal leases shall provide for—

(a) a royalty of not more than 10 per centum or more than 15 per centum of the amount of value of steam, or any other form of heat or energy derived from production under the lease and sold or utilized by the lessee or reasonably susceptible to sale or utilization by the lessee;

(b) a royalty of not more than 5 per centum of the value of any byproduct derived from production under the lease and sold or utilized or reasonably susceptible of sale or utilization by the

lessee, except that as to any byproduct which is a mineral named in section 1 of the Mineral Leasing Act of February 25, 1920, as amended (30 U.S.C. 181), the rate of royalty for such mineral shall be the same as that provided in that Act and the maximum rate of royalty for such mineral shall not exceed the maximum royalty applicable under that Act;

(c) payment in advance of an annual rental of not less than $1 per acre or fraction thereof for each year of the lease. If there is no well on the leased lands capable of producing geothermal resources in commercial quantities, the failure to pay rental on or before the anniversary date shall terminate the lease by operation of law: *Provided, however,* That whenever the Secretary discovers that the rental payment due under a lease is paid timely but the amount of the payment is efficient because of an error or other reason and the deficiency is nominal, as determined by the Secretary pursuant to regulations prescribed by him, he shall notify the lessee of the deficiency and such lease shall not automatically terminate unless the lessee fails to pay the deficiency within the period prescribed in the notice: *Provided further,* That where any lease has been terminated automatically by operation of law under this section for failure to pay rental timely and it is shown to the satisfaction of the Secretary of the Interior that the failure to pay timely the lease rental was justifiable or not due to a lack of reasonable diligence, he in his judgment may reinstate the lease if –

(1) a petition for reinstatement together with the required rental, is filed with the Secretary of the Interior; and

(2) no valid lease has been issued affecting any of the lands in the terminated lease prior to the filing of the petition for reinstatement; and

(d) a minimum royalty of $2 per acre of fraction thereof in lieu of rental payable at the expiration of each lease year for each producing lease, commencing with the lease year beginning on or after the commencement of production in commercial quantities. For the purpose of determining royalties hereunder the value of any geothermal steam and byproduct used by the lessee and not sold and reasonably susceptible of sale shall be determined by the Secretary, who shall take into consideration the cost of exploration and production and the economic value of the resource in terms of its ultimate utilization.

Sec.6. (a) Geothermal leases shall be fore a primary term of ten years. If geothermal steam is produced or utilized in commercial quantities within this term, such lease shall continue for so long thereafter as geothermal steam is produced or utilized in commercial quantities, but such continuation shall not exceed an additional forty years.

(b) If at the end of such forty years, steam is provided or utilized in commercial quantities and the lands are not needed for other purposes, the lessee shall have a preferential right to renewal of such lease for a second forty-year term in accordance with such terms and conditions as the Secretary deems appropriate.

(c) Any lease for land on which, or for which under an approved cooperative or unit plan of development or operation, actual drilling

Sec. 1

ROYALTY

TIMELY PAID BUT DEFICIENT

MINIMUM ROYALTY

10 YEAR PRIMARY LEASE COMMERICAL QUANTITIES

UNIT PLAN

NOTE: Regarding all Mineral Leasing Act sections noted on this page: SEE footnotes listed under the section number to locate subsequent amendments to each section.

operations were commenced prior to the end of its primary terms and are being diligently prosecuted at the time shall be extended for five years and so long thereafter but no more than thirty-five year, as geothermal steam is produced or utilized in commercial quantities. If, at the end of such extended term, steam is being produced or utilized in commercial quantities and the lands are not needed for other purposes, the lessee shall have a preferential right to a renewal of such lease for a second term in accordance with such terms and conditions as the Secretary deems appropriate.

COMMERICAL QUANTITY

(d) For purposes of subsection (a) of this section, production or utilization of geothermal steam in commercial quantities shall be deemed to include the completion of one or more wells producing or capable of producing geothermal steam in commercial quantities and a bona fide sale of such geothermal steam for delivery to or utilization by a facility or facilities not yet installed but schedule for installation not later than fifteen years from the date of commencement of the primary term of the lease.

EXTENSIONS

(e) Leases which have extended by reasons of production, or which have produced geothermal steam, and have been determined by the Secretary to be incapable of further commercial production and utilization of geothermal steam may be further extended for a period of not more than five years from the date of such determination but only for so long as one or more valuable byproducts are produced in commercial quantities. If such byproducts are leasable under the Mineral Leasing Act for Acquired Lands (30 U.S.C. 351-358), and the leasehold is primarily valuable for the production thereof, the lessee shall be entitled to convert his geothermal lease to a mineral lease under, a subject to all the terms and conditions of, such appropriate Act upon application at any time before expiration of the lease extension by reason of byproduct production. The lessee shall be entitled to locate under the mining laws all minerals which are not leasable and which would constitute a byproduct if commercial production or utilization of geothermal steam continued. Any such converted lease or the surface of any mining claim located for geothermal byproducts mineral affecting lands withdrawn or acquired in aid of a function of a Federal department or agency, including the Department of the Interior, shall be subject to such additional terms and conditions as may be prescribed by such department or agency with respect to the additional operations or effects resulting from such conversion upon adequate utilization of the lands for the purpose for which they are administered.

CONVERSION TO MINERAL LEASE

LOCATABLE MINERALS

(f) Minerals locatable under the mining laws of the united States in land subject to a geothermal lease issued under the provisions of this Act which are not associated with the geothermal steam and associated geothermal resources of such lands as defined in section 2 (c) herein shall be locatable under said mining laws in accordance with the principles of the Multiple Mineral Development Act (68 Stat. 708; found in 30 U.S.C. 521 et seq.).

Sec.7. A geothermal lease shall embrace a reasonably compact area of not more than two thousand five hundred and sixty acres, except where a departure there from is occasioned by an irregular subdivision or subdivisions. No person, association, or corporation, except as otherwise provided in this Act, shall take, hold, own, or control at one time, whether acquired directly from the Secretary under this Act or otherwise, any direct or indirect interest in Federal geothermal leases in any one States exceeding twenty thousand four hundred and eighty acres, including leases acquired under the provisions of section 4 of this Act.

ACREAGE

At any time after fifteen years from the effective date of this Act the Secretary, after public hearings, may increase this maximum holding in any one State by regulations, not to exceed fifty-one thousand two hundred acres.

INCREASED ACREAGE

Sec.8. (a) The Secretary may readjust the terms and conditions, except as otherwise provided herein, of any geothermal lease issued under this Act at not less than ten-year intervals beginning ten years after the date the geothermal steam is produced, as determined by the Secretary. Each geothermal lease issued under this Act shall provide for such readjustment. The Secretary shall give notice of any proposed readjustment of terms and conditions, and, unless the lessee files with the Secretary objection to the proposed terms or relinquishes the lease within thirty days after receipt of such notice, the lessee shall conclusively be deemed to have agreed with such terms and conditions. If the lessee files objections, and no agreement can be reached between the Secretary and the lessee within a period of not less than sixty days, the lease may be terminated by either part.

ADJUSTMENT OF LEASE TERMS OR CONDITIONS

(b) The Secretary may readjust the rentals and royalties of any geothermal lease issued under this Act at not less than twenty-year intervals beginning thirty-five years after the date geothermal steam is produced, as determined by the Secretary. In the event of any such readjustment neither the renal nor royalty may be increased by more than 50 per centum. Each geothermal lease issued under this act shall provide for such readjustment. The Secretary shall give notice of any proposed readjustment of rentals and royalties, and, unless the lessee files with the Secretary objection to the proposed rentals and royalties or relinquishes the lease within thirty days after receipts of such notice, the lessee shall conclusively de deemed to have agreed with such terms and conditions. If the lessee files objects, and no agreement can be reached between the Secretary and the lessee within a period of not less than sixty days, the lease may be terminated by either party.

ADJUSTMENT OF RENTALS OR ROYALTIES

(c) Any readjustment of the terms and conditions as to use, protection, or restoration off the surface of any lease of lands withdrawn or acquired in aid of a function of a Federal department or agency other than the Department of the Interior may be made only upon notice to, and with the approval of, such department or agency.

SURFACE USE

Sec.9. If the production, use, or conversion of geothermal steam is susceptible of producing a valuable byproduct or byproducts, including commercially demineralized water for beneficial uses in accordance

BYPRODUCTS INCLUDING WATER

with applicable State water laws, the Secretary shall require substantial beneficial production or use thereof unless, in individual circumstances he modifies or waives this requirement in the interest of conservation of natural resources or for other reasons satisfactory to him. However, the production or use of such byproducts shall be subject to the rights of the holders of preexisting leases, claims, or permits covering the same land or the same minerals, if any.

RELINGQUISHMENT OF RIGHTS

Sec.10. The holder of any geothermal lease at any time may make and file in the appropriate land office a written relinquishment of all rights under such lease of any legal subdivision of the area covered by such lease. Such relinquishment shall be effective as of the date of its filing. Thereupon the lessee shall be released of all obligations thereafter accruing under said lease with respect to the lands relinquished, but no such relinquishment shall release such lessee, or his surety or bond, from any liability for breach of any obligation of the lease, other than an obligation to drill, accrued at the date of the relinquishment, or from the continued obligation, on accordance with the applicable lease terms and regulations, (1) to make payment of all accrued rentals and regulations, (2) to place all wells on the relinquished lands in conditions for suspension or abandonment, and (3) to protect or restore substantially the surface and surface resources.

SUSPENSION OF LEASES

Sec.11. The Secretary, upon application by the lessee, may authorize the lessee to suspend operations and producing lease and he may, on his own motion, in the interest of conservation suspend operations on any lease but in either case he may extend the lease term for the period of any suspension, and he may waive, suspend, or reduce the rental or royalty required in such lease.

TERMINATION OF LEASES

Sec.12. Leases may be terminated by the Secretary for any violation of the regulations or lease terms after thirty days notice provided that such violation is not corrected within the notice period, or in the event the violation is such that it cannot e corrected within the notice period then provided that lessee had not commenced in good faith within said notice period to correct such violation and thereafter to proceed diligently to correct such violation. Lessee shall be entitled to a hearing on the matter of such claimed violation or propose termination of lease if request for a hearing is made to the Secretary within the thirty-day period after notice. The period for correction of violation or commencement to correct such violation of regulations or of lease terms, as aforesaid, shall be extended to thrity days after the Secretary decision after such hearing if the Secretary shall find that a violation exists.

ROYALTY REDUCTION

Sec.13. The Secretary may waive, suspend, or reduce the rental or royalty for any lease or portion thereof in the interest of conservation and to encourage the greatest ultimate recovery of geothermal resources, if he determines that this is necessary to promote development or that the lease cannot be successfully operated under the lease terms.

SURFACE USE

Sec.14. Subject to the other provisions of this Act, a lessee shall be entitled to use so much of the surface of the land covered by this geothermal lease as may be found by the Secretary to be necessary for the production, utilization, and conservation of geothermal resources.

WITHDRAWN OR ACQUIRED LANDS

Sec.15. (a) Geothermal leases for land withdrawn or acquired in aid of functions of the Department of the Interior may be issued only under such terms and conditions as the Secretary may prescribe to insure adequate utilization of the lands for the purposes for which they were withdrawn or acquired.

(b) Geothermal leases for lands withdrawn or acquired in aid for functions of the Department of Agriculture may be issued only with consent of, and subject to such terms and conditions as may be prescribed by, the head of that Department to insure adequate utilization of the lands for the purpose for which they were withdrawn or acquired. Geothermal leases for lands to which section 234 of the Federal Power Act, as amended (16 U.S.C. 818), is applicable, may be issued only with the consent of, and subject to, such terms and conditions as the Federal Power Commission may prescribe to insure adequate utilization of such lands for power and related purposes.

LANDS UNAVAILABLE FOR GEOTHERMAL LEASING

(c) Geothermal leases under this Act shall not be issued for lands administered in accordance with (1) the Act of August 25, 1916 (39 Stat. 535), as amended or supplemented, (2) for lands within a national recreation area, (3) for lands in a fish hatchery administered by the Secretary, wildlife refuge, wildlife range, game range, wildlife management area, waterfowl production area, or for lands acquired or reserved for the protection and conservation of fish and wildlife that are threatened with extinction, (4) for tribally of individually owned Indian trust or restricted lands, within or without the boundaries of Indian reservations.

OWNERS OF LEASES

Sec.16. Leases under this Act may be issued only to citizens of the Untied States, associations of such citizens, corporations organized under the laws of the Untied States of any State or the District of Columbia, or governmental units, including, without limitations, municipalities.

MULTIPLE USE

Sec.17. Administration of this Act shall be under the principles of multiple use of lands and resources, and geothermal leases shall, insofar as feasible, allow for coexistence of other leases of the same lands for deposits of minerals under the laws applicable to them, for the location and production of claims under the mining laws, and for other uses of the areas covered by them. Operations under such other leases or for such other uses, however, shall not unreasonably interfere with or endanger operations under any leases so issued unreasonably interfere with or endanger operations under any lease, license, claim, or permit issued pursuant to the provisions of any other Act.

UNIT PLAN

Sec.18. For the purpose of properly conserving the natural resources of any geothermal pool, field, or like area, or any part thereof, 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 operations of such pool, field, or like area, or any part thereof, whenever this is determined and certified by the Secretary to be necessary of advisable in the public interest. The Secretary may in his discretion and with the consent of the holders of lease involved, establish, alter change, revoke, and make such regulations with reference to such leases in connection with the institution and operations of any such cooperative or unit plan as he may deem necessary or proper to secure reasonable protection of the

public interest. He may include in geothermal leases a provision requiring the lessee to operate under such a reasonable cooperative or unit plan, and he may prescribe such a plan under which such lessee shall operate, which shall adequately protect the rights of all parties in interest, including the United States. Any such plan may, in the discretion of the Secretary, provide for vesting in the Secretary or any other person, committee, of Federal or State agency designated therein, authority to alter or modify from time to time the rate of prospecting and development and the quantity and rate of production under such plan. All leases operated under any such plan approved or prescribed by the Secretary shall be excepted in determining holdings or control for the purposes of section 7 of this Act.

POOLING

When separate tracts cannot be independently developed and operated in conformity with an established well-spacing or development program, any lease, or a portion thereof, may be pooled with other lands, whether or not owned by the United States, under a communitization or drilling agreement providing for an apportionment of production or royalties among the separate tracts of land comprising the drilling or spacing unit with determined by the Secretary to being the public interest, and operations or production pursuant to such an agreement shall be deemed to be operations or production as to each lease committed thereto.

CONTRACTS

The Secretary is hereby authorizes, on such conditions as he may prescribe, to approve operating, drilling, or development contracts made by one or more lessees of geothermal leases, with one or more persons, associations, or corporations whenever, in his discretion, the conservation of natural products or the public convenience or necessity may require or the interests of the United States may be best served thereby. All leases operated under such approved operating, drilling, or development contracts, and interest thereunder, shall be excepted in determining holding or control under section 7 of this Act.

FAIR AND ADEQUATE CHARGES

Sec.19. Upon request of the Secretary, other Federal departments and agencies shall furnish him with any relevant date then in their possession or knowledge concerning or having bearing upon fair and adequate charges to be made for geothermal steam produced or to be produced for conversion to electric power or other purposes. Data given to any department or agency as confidential under law shall not be furnished in any fashion which identifies or tends to identify the business entity whose activities are the subject of such data or the person or persons who furnished such information.

DISPERSAL OF MONEYS RECEIVED

Sec.20. All moneys received under this Act from public lands under this jurisdiction of the Secretary shall be disposed of in the same manner as moneys received from the sale of public lands. Moneys received under this Act from other lands shall be disposed of in the same manner as other receipts from such lands.

KNOWN GEOTHERMAL RESOURCES AREA LSIT

Sec.21. (a) Within one hundred and twenty days after the effective date of this Act, the Secretary shall cause to be published in the Federal Register a determination of all lands which were included within any known geothermal resources area on the effective date of the Act. He shall likewise publish in the Federal Register from time to time his determination of other known geothermal resources areas

specifying in each case the date the lands were included in such area and

MINERAL RESERVATION

(b) Geothermal resources in lands the surface of which has passed from Federal ownership but in which the minerals have been reserved to the United States shall not be developed or produced except under geothermal leases made pursuant to this Act. If the Secretary of the Interior finds that such development is imminent, or that production from a well heretofore drilled on such lands is imminent, he shall so report to the Attorney General, and the Attorney General is authorized and directed to institute an appropriate proceedings in the United States district court of the district in which such lands are located, to quite the title of the United States in such resources, and if the court determines that the reservation of minerals to the United States in the lands involved included the geothermal resources, to enjoin their production otherwise than under the terms of this Act: *Provided,* That upon an authoritative judicial determination that federal mineral reservation does not include geothermal steam and associated geothermal resources the duties of the Secretary of the Interior to report and of the Attorney General to institute proceedings, as hereinbefore set forth shall cease.

Sec.22. Nothing in this Act shall constitute an express or implied claim or denial on the part of the Federal Government as to its exemption from State water laws.

Sec.23. (a) All leases under this Act shall be subject to the condition that the lessee will, in conducting his exploration, development, and producing operations, use all reasonable precautions to prevent waste of geothermal steam and associated geothermal resources developed in the lands leased.

(b) Rights to develop and utilize geothermal steam and associated geothermal resources underlying lands owned by the Untied States may be acquired solely in accordance with the provisions of this Act.

Sec.24. The Secretary shall prescribe such rules and regulations as he may deem appropriate to carry out the provisions of this Act. Such regulations may include, without limitation, provisions for (a) the prevention of waste, (b) development and conservation of geothermal and other natural resources, (c) the protection of the public interest, (d) assignment, segregation, extension of terms, relinquishment of leases, development contracts, unitization, pooling, and frilling agreements, (e) compensatory royalty agreements, suspension of operations or production, and suspension or reduction or rentals or royalties, (f) the filing of surety bonds to assure compliance with the terms of the lease and to protect surface use and resources, (g) use of the surface by a lessee of the lands embraces in his lease, (h) the maintenance by the lessee of an active development program, and (i) protection of water quality and other environmental qualities.

Sec.25. As to any land subject to geothermal leasing under section 3 of this Act, all laws which either (a) provide for the disposal of land by patent or other form of conveyance or by grant or by operations of law subject to a reservation of any mineral or (b) prevent or restrict the disposal of such land because of the mineral character of the land, shall hereafter be deemed to embrace geothermal steam and associated geothermal resources as a substance which either must be reserved or

DISPERSAL OF MINERAL LANDS

must prevent or restrict the disposal of such lands, as the case may be. This section shall not be construed to affect grants, patents, or other forms of conveyances made prior to the date of enactment of this Act.

Sec.26. The first two clauses in section 11 of the Act of August 13, 1954 (68 Stat. 708, 716), are amended to reads as follows:

INCLUDED GEOTHERMAL RESOURVES IN THE ACT OF 2/25/20

"As used in this Act 'mineral leasing laws' shall mean the Act of February 25, 1920 (41 Stat. 437); the Act of April 17, 1926 (44 Stat. 301); the Act of February 7, 1927 (44 Stat. 1057); Geothermal Steam Act of 1970, and all Acts heretofore or hereafter enacted which are amendatory of or supplementary to any of the foregoing Acts; "Leasing Act minerals' shall mean all minerals which, upon the effective date of this Act, are provided in the mineral leasing laws to be disposed of thereunder and all geothermal steam and associated geothermal resources which, upon the effective date of the Geothermal Steam Act of 1970, are provided in that Act to be disposed of thereunder;".

Sec.27

UNITED STATES RESERVATION

The United States reserves the ownership of and the right to extract under such rules and regulations as the Secretary may prescribe oil, hydrocarbon gas and helium from all geothermal steam and associated geothermal resources produced from lands leased under this Act in accordance with presently applicable laws: *Provided,* That whenever the right to extract oil, hydrocarbon gas, and helium from geothermal steam and associated geothermal resources produced from such lands is exercised pursuant to this section, it shall be exercised so as to cause no substantial interference with the production of geothermal steam and associated geothermal resources from such lands.

Approved December 24, 1970.

TRANS-ALASKA PIPELINE AUTHORIZATION ACT

November 16, 1973

ACT OF NOVEMBER 16, 1973

To amend section 28 of the Mineral Leasing Act of 1920, and to authorize a trans-Alaska oil pipeline, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

TITLE I

Sec.101. Section 28 of the Mineral Leasing Act of 1920 (41 Stat. 449), as amended (30 U.S.C. 185), is further amended to read as follows:

Sec. 28

"Grant of Authority

GRANT OF AUTHORITY

"Sec.28. (a) Rights-of-way through any Federal lands may be granted by the Secretary of the Interior or appropriate agency head for pipeline purposes for the transportation of oil, natural gas, synthetic liquid or gaseous fuels, or any refined product produced therefrom to any applicant possessing the qualifications provided in section 1 of this Act, as amended, in accordance with the provisions of this section.

"Definitions

DEFINITIONS

"(b) (1) For the purposes of this section 'Federal lands' means all lands owned by the United States except lands in the National Park System, lands held in trust for the Indian or Indian tribe, and lands on the Outer Continental Shelf. A right-of-way through a Federal reservation shall not be granted if the Secretary or agency head determines that it would be inconsistent with the purposes of the reservation.

"(2) 'Secretary' means the Secretary of the Interior.

"(3) 'Agency head' means the head of any Federal department or independent Federal office or agency, other than the Secretary of the Interior, which has jurisdiction over Federal lands.

INTER-AGENCY COORDINATION

"Inter-Agency Coordination

"(c) (1) Where the surface of all of the Federal lands involved in a proposed right-of-way or permit is under the jurisdiction of one Federal agency, the agency head, rather than the Secretary, is authorized to grant or renew the right-of-way or permit for the purposes set forth in this section.

"(2) Where the surface of the Federal lands involved is administered by the Secretary or by two or more Federal agencies, the Secretary is authorized, after consultation with the agencies involved, to grant or renew rights-of-way or permits through the Federal lands involved. The Secretary may enter into interagency agreements with all other Federal agencies having jurisdiction over Federal lands for the purpose of avoiding duplications, assigning responsibility, expediting

NOTE: Regarding all Mineral Leasing Act section noted on this page: SEE footnotes listed under the section number to locate subsequent amendments to each section.

review of rights-of-way or permit applications, issuing joint regulations, and assuring a decision based upon the comprehensive review of all factors involved in any right-of-way or permit applications. Each agency head shall administer and enforce the provisions of this section, appropriate regulations, and the terms and conditions of rights-of-way or permits insofar as they involve Federal lands under the agency head's jurisdiction.

WIDTH LIMITATIONS

"Width Limitations

"(d) the width of right-of-ways shall not exceed fifty feet plus the ground occupied by the pipeline (that is, the pipe and its related facilities) unless the Secretary or agency head finds and records the reason for his finding, that in his judgment a wider right-of-way is necessary for operations and maintenance after construction, or to protect the environment or public safety. Related facilities include but are not limited to valves, pump stations, supporting structures, bridges, monitoring and communication devices, surge and storage tanks, terminals, roads, airstrips and campsites, and they need not necessarily be connected or contiguous to the pipe and may be the subject of separate rights-of-way.

"Temporary Permits

TEMPORARY PERMITS

"(e) A right-of-way may be supplemented by such temporary permits for the use of Federal lands in the vicinity of the pipeline as the Secretary or agency head finds are necessary in connection with construction, operations, maintenance, or termination of the pipeline, or to protect the natural environment or public safety.

"Regulatory Authority

REGULATORY AUTHORITY

"(f) Rights-of-way or permits granted or renewed pursuant to this section shall be subject to regulations promulgated in accord with the provisions of this section and shall be subject to such terms and conditions as the Secretary or agency head may prescribe regarding extent, duration, survey, location, construction, operations, maintenance, use, and termination.

PIPELINE SAFETY

"Pipeline Safety

"(g) The Secretary or agency head shall impose requirements for the operations of the pipeline and related facilities in a manner that will protect the safety of workers and protect the public from sudden ruptures and slow degradation of the pipeline.

ENVIRONMENTAL PROTECTION

"Environmental Protection

"(h) (1) Nothing in this section shall be construed to amend, repeal, modify, or change in any way the requirements of section 102 (2) (c) of any other provision of the National Environmental Policy Act of 1969 (Public Law 91-190, 83 Stat, 852).

RIGHT-OF-WAY OR PERMIT

SUBMISSION OF PLAN

"(2) The Secretary or agency head, prior to granting a right-of-way or permit pursuant to this section for a new project which may have a significant impact on the environment, shall require the applicant to submit a plan of construction, operation, and rehabilitation for such right-of-way or permit which shall comply with this section. The Secretary or agency head shall issue regulations or impose stipulations which shall include, but shall not be limited to: (A) requirements for restoration, revegetation, and curtailment of erosion of the surface of the land; (B) requirements to insure that activities in connection with the right-of-way or permit will not violate applicable air and water quality standards nor related facility siting standards established by or pursuant to law; (C) requirements designed to control or prevent (i) damage to the environment (including damage to fish and wildlife habitat), (ii) damage to public or private property, and (iii) hazards to public health and safety; and (D) requirements to protect the interests of individuals living in the general area of the right-of-way or permit who rely on the fish, wildlife, and biotic resources of the area for subsistence purposes. Such regulations shall be applicable to every right-of-way or permit granted pursuant to this section, and may be made applicable by the Secretary or agency head to existing rights-of-way or permits, or rights-of-way or permits to be renewed pursuant to this section.

"Disclosure

DISCLOSURE

"(i) If the applicant is a partnership, corporation, association, or other business entity, the Secretary or agency head shall require the applicant to disclose the identity of the participants in the entity. Such disclose shall include where applicable (1) the name and address of each partner, (2) the name and address of each shareholder owning 3 per centum or more of the shares, together with the number and percentage of any class of voting shares of the entity which such shareholder is authorized to vote, and (3) the name and address of each affiliate of the entity together with, the case of an affiliate controlled by the entity, the number of shares and the percentage of any class of voting stock of that affiliate owned, directly or indirectly, by that entity, and, in the case of an affiliate which controls that entity, the number of shares and the percentage of any class of voting stock of that entity owned, directly or indirectly, by the affiliate.

"Technical and Financial Capability

TECHNICAL AND FINANCIAL CAPABILITY

"(j) The Secretary or agency head shall grant or renew a right-of-way or permit under this section only when he is satisfied that the applicant had the technical and financial capability to construct, operate, maintain, and terminate the project for which the right-of-way of permit is requested in accordance with the requirements of this section.

PUBLIC HEARINGS

"Public Hearings

"(k) The Secretary or agency head by regulation shall establish procedures, including public hearing where appropriate, to give Federal, States, and local government agencies the public adequate notice and an opportunity to comment upon right-of-way applications filed after the date of enactment of this subsection.

REIMBURSMENT OF COSTS

"Reimbursement of Costs

"(l) The applicant for a right-of-way or permit shall reimburse the United States for administrative and other cost incurred in processing the application, and the holder of a right-of-way or permit shall reimburse the United States for the costs incurred in monitoring the construction, operation, maintenance, and termination of any pipeline and related facilities on such right-of-way or permit area and shall pay annually in advance the fair market rental value of the right-of-way or permit as determined by the Secretary or agency head.

BONDING

"Bonding

"(m) Where he deems it appropriate the Secretary or agency head may require a holder of a right-of-way or permit to furnish a bond, or other security, satisfactory to the Secretary or agency head to secure all or any of the obligations imposed by the terms and conditions of the right-of-way or permit or by any rule or regulation of the Secretary or agency head.

DURATION OF GRANT

"Duration of Grant

"(n) Each right-of-way or permit granted or renewed pursuant to this section shall be limited to a reasonable term in light of all circumstances concerning the project, but in no event more than thirty years. In determining the duration of a right-of-way the Secretary or agency head shall, among other things, take into consideration the cost of the facility, its useful life, and any public purposes it serves. The Secretary or agency head shall renew any right-of-way, in accordance with the provisions of this section, so long as the project is in commercial operation and is operated and maintained in accordance with all of the provisions of this section.

"Suspension or Termination of Right-of-Way

SUSPENSION OR TERMINATION OF RIGHT-OF-WAY

"(o) (1) Abandonment of a right-of-way or noncompliance with any provision of this section me be grounds for suspension or termination of the right-of-way if (A) after due notice to the holder of the right-of-way, (B) a reasonable opportunity to comply with this section, and (C) an appropriate administrative proceedings pursuant to title 5, United States Code, section 554, the Secretary or agency head determines that any such ground exists and that suspension or termination is justified. No administrative proceeding shall be required where the right-of-way by its terms provided that it terminates on the occurrence of a fixed or agreed upon conditions, event, or time,

"(2) If the Secretary or agency head determines that an immediate temporary suspension of activities within a right-of-way or permit area is necessary to protect public health or safety or the environment, he may abate such activities prior to an administrative proceeding.

"(3) Deliberate failure of the holder to use the right-of-way for the purpose for which it was granted or renewed for any continuous two-year period shall constitute a rebuttable presumption of abandonment of the right-of-way: *Provided*, That where the failure to use the right-of-way is due to circumstances not within the holder's control the Secretary or agency head is not esquires to commence proceedings to suspend or terminate the right-of-way.

"Joint Use of Right-of-Way

JOINT USE OF RIGHT-OF-WAYS

"(p) In order to minimize adverse environmental impacts and the proliferation of separate rights-of-way across Federal lands, the utilization of rights-of-way in common shall be requires to the extend practical, and each right-of-way or permit shall reserve to the Secretary or agency head the right to grant additional rights-of-way or permits for compatible uses on or adjacent to rights0ofway or permit area granted pursuant to this section.

"Statutes

STATUTES

"(q) No rights-of-way for the purposes provided for in section shall be granted or renewed across Federal lands except under and subject to the provisions, limitations, and conditions of this section. Any application for a right-of-way filed under any other law prior to the effective date of this provision may, at the applicant's option, be considered as an application under shit section. The Secretary or agency head any require the applicant to submit any additional information he deems necessary to comply with the requirements of this section.

"Common Carriers

COMMON CARRIERS

"(r) (1) Pipeline and related facilities authorized under this section shall be constructed, operated, and maintained as common carriers.

"(2) (A) The owners or operators of pipelines subject to this section shall accept, convey, transport, or purchases without discrimination all oil or gas delivered to the pipeline without regard to whether such oil or gas was produced on Federal or non-Federal lands.

"(B) In the case of oil or gas produced from Federal lands or from the resources on the Federal lands in the vicinity of the pipeline, the Secretary may, after a full hearing with due notice thereof to the interested parties and a proper finding of facts, determine the proportionate amounts to be accepted, conveyed, transported or purchased.

"(3) (A) The common carrier provisions of this section shall not apply to any natural gas pipeline operated by any person subject to regulations under the Natural Gas Act or by any public utility subject to regulation by a State or municipal regulatory agency having jurisdiction to regulate the rates and charges for the sale of natural gas to consumers within the State or municipality.

"(B) Where natural gas not subject to State regulatory or conservation laws governing its purchases by pipelines is offered for sale, each such pipeline shall purchases, without discrimination, any such natural gas produced in the vicinity of the pipeline.

"(4) The Government shall in express terms reserve and shall provide in every lease of oil lands under this Act that the lessee, assignee, or beneficiary, if owner or operator of a controlling interest in any pipeline or of any company operating the pipeline which may be operated accessible to the oil derived from lands under such lease, the oil of the Government or of any citizen or company not the owner of any pipeline operating a lease or purchasing gas or oil under the provisions of this Act.

"(5) Whenever the Secretary has reason to believe that any owner or operator subject to this section is not operating any oil or gas pipeline in complete accord with its obligations as a common carrier hereunder, he may request the Attorney General to prosecute an appropriate proceeding before the Interstate Commerce Commission or Federal Power Commission or any appropriate State agency or the United States district court for the district in which the pipeline or any part thereof is located, to enforce such obligation or to impose any penalty provided therefore, or the Secretary may, by proceeding as provided in this section, suspend, or terminate the said grant of right-of-way for noncompliance with the provisions of this section.

"(6) The Secretary or agency head shall require, prior to granting or renewing a right-of-way, that the applicant submit and disclose all plans, contracts, agreements, or other information or material which he deems necessary to determine whether a right-of-way shall be granted or renewed and the terms and conditions which should be included in the right-of-way. Such information may included, but it not limited to: (A) conditions for, and agreements among owners or operators, regarding the addition of pumping facilities, looping, or otherwise increasing the pipeline or terminal's throughout capacity in repose to actual or anticipated increases in demand; (B) conditions for adding or abandoning intake, offtake, or storage points for facilities; and (C) minimum shipment or purchases tenders.

RIGHT-OF-WAY CORRIDORS

"Right-of-Way Corridors

"(s) In order to minimize adverse environmental impact and to prevent the proliferation of separate rights-of-way across Federal lands, the Secretary shall, in consultation with other Federal and State agencies, review the need for a national system of transportation and utility corridors across Federal lands and submit a report of his finding and recommendations to the Congress and the President by July 1, 1975.

"Existing Rights-of-Way

EXISTING RIGHTS-OF-WAY

"(t) The Secretary or agency head may ratify and confirm any right-of-way or permit for an oil or gas pipeline or related facility that was granted under any provision of law before the effective date of this subsection, if it is modified by mutual agreement to comply to

the extent practical with the provisions of this section. Any action taken by the Secretary or agency head pursuant to this subsection shall not be considered a major Federal action requiring a detailed statement pursuant to section 102(2)(C) of the National Environmental Policy Act of 1970 (Public Law 90-190; 42 U.S.C. 4321).

LIMITATIONS ON EXPORTS

"Limitations on Export

"(u) Any domestically produced crude oil transported by pipeline over rights-of-way granted pursuant to section 28 of the Mineral Leasing Act of 1920, except such crude oil which is either exchanged in similar quantity for convenience or increased efficiency of transportation with persons or the government of an adjacent foreign state, or which is temporarily exported for convenience or increased efficiency of transportation with persons or the government of an adjacent foreign state, or which is temporarily exported for convenience or increased efficiency of transportation across parts of an adjacent foreign state and reenters the United States, shall be subject to all of the limitations and licensing requirements of the Export Administration Act of 1969 (Act of December 30, 1960; 83 Stat, 841) and, in addition, before any crude oil subject to this section may be exported under the limitations and licensing requirements and penalty and enforcement provisions of the export Administration Act of 1969 the President must make and publish an express finding that such exports will not diminish the total quantity or quality of petroleum available to the untied States, and are in the national interest and are in accord with the provisions of the Export Administration Act of 1969: *Provided,* That the President shall submit reports to the Congress containing findings made under this section, and after the date of receipt of such report Congress shall have a period of sixty calendar day, thirty days of which Congress must have a been in session, to consider whether exports under the terms of this section are in the national interest. If the Congress within this time period passes a concurrent resolution of disapproval stating disagreement with the President's finding concerning the national interest, further exports made pursuant to the aforementioned Presidential finding shall cease.

STATE STANDARDS

"State Standards

"(v) The Secretary or agency head shall take into consideration and to the extent practical comply with State standards for right-of-way construction, operation, and maintenance.

REPORTS

"Reports

"(w) (1) The secretary and other appropriate agency heads shall report to the House and Senate Committees on Interior and Insular Affairs annually on the administration of this section and on the safety and environmental requirements imposed pursuant thereto.

"(2) The Secretary or agency head shall notify the House and Senate Committees on Interior and Insular Affairs promptly upon receipt of an application for a right-of-way for a pipeline twenty-four inches or more in diameter, and no right-of-way for such a pipeline shall be granted until sixty days (not counting days on which the

House or Representatives of the Senate has adjourned fro more than three days) after a notice of intention to grant the right-of-way, together with the Secretary's or agency head's detailed findings as to terms and conditions he proposes to impose, had been submitted to such committees, unless each committee by resolution waives the waiting period.

"(3) Periodically, but at least once a year, the Secretary of the Department of Transportation shall cause the examination of all pipelines and associated facilities on Federal lands and shall cause the prompt reporting of any potential leaks or safety problems.

"(4) The Secretary of the Department of Transportation shall report annually to the President, the Congress, the Secretary of the Interior, and the Interstate Commerce Commission any potential dangers of or actual explosions, or potential or actual spillage of Federal lands and shall include in such report a statement of corrective action take to prevent such explosion or spillage.

LIABILITY

"Liability

"(x) (1) The Secretary or agency head shall promulgate regulations and may impose stipulations specifying the extent to which holders of rights-of-way and permits under this Act shall be liable to the United States for damage or injury incurred by the united States in connection with the right-of-way or permit. Where the right-of-way or permit involved lands which are under the exclusive jurisdiction of the Federal Government, the Secretary or agency head shall promulgate regulations specifying the extent to which holders shall be liable to their parties for injuries incurred in connection with the right-of-way or permit.

"(2) The Secretary or agency head may, by regulation or stipulation, impose a standard of strict liability to govern activities taking place on a right-of-way or permit area which the Secretary or agency head determines, in his discretion, to present a foreseeable hazard or risk of danger to the United States.

"(3) Regulations and stipulations pursuant to this subsection shall not impose strict liability for damage or injury resulting from (A) an act or war, or (B) negligence of the Untied States.

"(4) Any regulation or stipulation imposing liability without fault shall include a maximum limitation on damages commensurate with the foresable risks or hazards presented. Any liability for damage or injury in excess of this amount shall be determined by ordinary rules of negligence.

"(5) The regulations and stipulations shall also specify the extent to which such holders shall indemnify or hold harmless the Untied States for liability, damage, or claims arising in connection with the right-of-way or permit.

"(6) Any regulation or stipulation promulgated or impose pursuant to this section shall provide that all owners of any interest in, and affiliates or subsidiaries of any holder of, a right-of-way or permit shall be liable to the United States in the event that a claim for damage or injury cannot be collected from the holder.

"(7) in any case where liability without fault is impose pursuant to this subsection and the damage involved were caused by the negligence of a third party, the rules of subrogation shall apply in accordance with the law of the jurisdiction where the damage occurred.

"Antitrust Laws

ANTITRUST LAWS

"(y) The grant of a right-of-way or permit pursuant to this section shall grant no immunity from the operation of the Federal antitrust laws."

NOTE: Subsequent Titles are not included.

ACT OF APRIL 21, 1976

ACT OF APRIL 32, 1976

excerpt only

Sec.6. The following provisions of law are amended by deleting “December” and “June”, wherever they appear, and inserting “March” and September”, respectively, in lieu thereof—

(2) section 35 of the Act of February 25, 1920, as amended (30 U.S.C. 191); and

Sec. 35

MONTH CHANGES

FEDERAL COAL LEASING

AMENDMENTS ACT OF 1975 **

**Title changed to:
FEDERAL COAL LEASING
AMENDMENTS ACT OF 1976
By Act of 10/30/78 at p. 113 this text.

August 4, 1976

To amend the Mineral Leasing Act of 1920, and for other purposes.

ACT OF AUGUST 4, 1976

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) this Act may be cited as the “Federal Coal Leasing Amendments Act of 1975”.

(b) Excerpt as otherwise expressly provided, whenever this Act an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision of the Mineral Land Leasing Act, the reference shall be considered to be made to a section or other the mining of coal, phosphate, oil, oil shale, gas, and sodium on the public domain” (41 Stat. 437).

Sec.2. The first sentence of section 2(a) of the Miner al Lands Leasing Act (30 U.S.C. 201(a)) is amended to read as follows:

Sec .2(a)
COAL LEASING TRACTS

“(1) The Secretary of the Interior is authorized to divide any lands subject to this Act which have been classified for coal leasing into leasing tracts of such size as he finds appropriate and in the public interest and which will permit the mining of all coal which can be economically extracted in such tract and thereafter he shall, in his discretion, upon th er such la han 50 pe shall be leased under a system of deferred bonus payment. Upon default or cancellation of any coal lease for which bonus payment due, any unpaid remainder of the bid shall be immediately payable to the Untied States. A reasonable number of leasing tracts shall be reserved and offered for lease in accordance with this section to public bodies, including, Federal agencies, rural electric cooperatives, or nonprofit corporations controlled by any of such entities: *Provided,* That the coal so offered for lease shall be for use of such entity or entities in implementing a definite plan to produce energy for the their own use or for sale to their members or customers (except for short-term sales to others). No bid shall be accepted which is less than the fair market value, as determined by the Secretary, of the coal subject to the lease. Prior to his determination of the fair market value of the coal subject to the lease, the Secretary shall give opportunity for the consideration to public comments to the fair market value. Nothing in this section shall be construed require the Secretary to make public his judgment as to the fair market value of the coal to be leased, or the comments he received thereon prior to the issuance of the lease”.

NOTE: Regarding all Mineral Leasing Act sections noted on this page: SEE footnotes listed under the section number to locate subsequent amendments to each section.

COMPETITIVE BIDDING

PUBLIC BODIES

FAIR MARKET VALUE

NOTE: Regarding all Mineral Leasing Act sections noted on this page: SEE footnotes listed under the section number to locate subsequent amendments to each section.

Sec.3. The last sentence of section 2(a) of the Mineral Land Leasing Act (30 U.S.C. 201 (a)) is amended to read as follows:

Sec. 2 (a)
LEASING ISSUING RESTRICTION

"(2) (A) The Secretary shall not issue a lease or leases under the terms of this Act to any person, association, or corporation, o any subsidiary, affiliate, or persons controlled by or under common control with such person, association, or corporation, where any such entity holds a lease or leases issued by the United States to coal deposits and has held such lease or leases for a period of ten years when such entity is not, except as provided for in section 7 (b) of this Act, producing coal from a lease deposits in commercial quantities. In computing the ten-year period referred to in the proceeding sentence, periods of time prior to the date or enactment of the Federal Cal Leasing Amendments Act of 1975 shall not be counted.

10 YEAR NON-PRODUCTION

"(B) Any lease proposal which permits surface coal mining within the boundaries of a National Forest which the Secretary proposes to issue under this Act shall be submitted to the Governor of each State within which the coal deposits subject to such lease are located. No such lease may be issued under this Act before the expiration of the sixty-day period beginning on the date of such submission. If any Governor to whom a proposed lease was submitted under this subparagraph objects to the issuance of such lease, such lease shall not be issued before the expiration of the six-month period beginning on the date the Secretary is notified by the Governor of such objection. During such sex-month period, the Governor may submit to the Secretary a statement of reasons why such lease should not be issued and the Secretary shall, on the basis of such statement, reconsider the issuance of such lease.

PRIOR DATES NOT COUNTED
NATIONAL FOREST

GOVERNOR OBJECTIONS

"(3) (A) (i) No lease sale be held unless the lands containing the coal deposits have been included in a comprehensive land-use plan and such sale is compatible with such plan. The Secretary of the Interior shall prepare such land-use plans on lands under his responsibility where such plans have not been previously prepared. The Secretary of the Interior shall inform the Secretary of Agriculture of substantial development interest in coal leasing on lands within the National Forest System. Upon receipt of such notification from the Secretary of the Interior, the Secretary of Agriculture shall prepare a comprehensive land-use plan for such areas where such plans have not been previously prepared. The plan of the Secretary of Agriculture shall take into consideration the proposed coal development in these lands: *Provided,* That where the Secretary of the Interior finds that because of non-Federal interest in the surface or because the coal resources are insufficient to justify the preparation cost of a Federal containing the coal deposits have been included in either a comprehensive land-use plan prepared by the State within which the lands are located or a land use analysis prepared by the Secretary of the Interior.

LAND-USE PLAN

"(ii) In preparing such lands-use plans, the Secretary of the Interior, in the case of lands within the National Forest system, the Secretary of Agriculture, or in the case of a finding by the Secretary of the Interior that because of non-Federal interests in the surface of insufficient Federal coal, no Federal comprehensive land-use plans can be appropriately prepared, the responsible State entity shall consult with appropriate State agencies and local governments and the general proposed plans prior to their adoption, if request by any person having an interest which is, or may be, adversely affected by the adoption of such plans.

PUBLIC HEARINGS

NOTE: Regarding all Mineral Leasing Act sections noted on this page: SEE footnotes listed under the section number to locate subsequent amendments to each section.

FEDERAL AGENCY JURISICTION

"(iii) Leases covering lands the surface of which is under the jurisdiction of any Federal agency other than the Department of the Interior may be issued only upon consent of the other Federal agency and upon such conditions as it may prescribe with respect to the use and protection of the nonmineral interest in those lands.

DESCRIPTION OF LAND-USE PALN

"(B) Each land-use plan prepared by the Secretary (or in the case of lands within the National Forest System, the Secretary of Agriculture pursuant to subparagraph (A)(i)) shall include an assessment of the amount o coal deposits in such land, identifying the amount of such coal which is recoverable by deep mining operations and the amount of such coal which is recoverable by surface mining operations.

CONSIDERATION OF IMPACTED AREA

"(C) Prior to issuance of any coal lease, the Secretary shall consider effects which mining of the proposed lease might have on an impacted community or area, including, but not limited to, impacts on the environment, on agricultural and other economic activities, and on public services. Prior to issuance of a lease, the Secretary shall evaluate and compare the effects of recovering coal by deep mining, by surface mining, and by nay other method to determine which method or methods or sequence of methods achieves the maximum economic recovery of the coal within the proposed leasing tract. This evaluation and comparison by the Secretary shall be in writing but shall not prohibit the issuance of a lease; however, no mining operating plan shall be approved which is not found to achieve the maximum economic recovery of the coal within the tract. Public hearings in the area shall be held by the Secretary prior to the lease sale.

NOTICE OF PROPOSED OFFERING FOR LEASE

"(D) No lease sale shall be held until after the notice of the proposed offering for lease has been given once a week for three consecutive weeks in a newspaper of general circulation in the county in which the lands are situated in accordance with regulations prescribed by the Secretary.

COMPLIANCE REQUIREMENTS

"(E) Each coal lease shall contain provisions requiring compliance with the Federal Water pollution Control Act (33 U.S.C. 1151-1175) and the Clean Air Act (42 U.S.C. 1857 and following).".

Sec. 2(b)

Sec.4. Subject to valid existing rights, section 2(b) of the Mineral Lands Leasing Act (30 U.S.C. 201(b)) is amended to read as follows:

EXPLORATION LICENSE

"(b) (1) The Secretary may, under such regulations as he may prescribe, issue to any person an exploration license. No person may conduct coal exploration for commercial purpose for any coal on lands subject to this Act without such an exploration license. Each exploration license shall be for a term of not more than two years and shall be subject to a reasonable fee. An exploration license shall confer no right to a lease under this Act. The issuance of exploration licenses shall not preclude the Secretary from issuing coal leases at such times and locations and to such persons as he deems appropriate. No exploration license will be issued for any land on which a coal lease has been issued. A separate exploration license will be required for exploration in each State. An application for an exploration license shall identify general areas and probable methods of exploration. Each exploration license shall contain such reasonable conditions as the Secretary may require, including conditions to insure the protection of the environment, and shall be subject to all applicable Federal, State, and local laws and regulations. Upon violation of any such conditions or laws the Secretary may revoke the exploration license.

TERM

NOT FOR LEASED LANDS

"(2) A license may not cause substantial disturbance to the natural land surface. He may not remove any coal for sale but may remove reasonable amount of coal from the lands subject to this Act included under his license for analysis and study. A license must comply with all applicable rules and regulations for the Federal agency having jurisdiction over the surface of the lands subject to this Act.

LICENSE RESTIRCTIONS

NOTE: Regarding all Mineral Leasing Act sections noted on this page: SEE footnotes listed under the section number to locate subsequent amendments to each section.

exploration licenses covering lands the surface of which is under the jurisdiction of any federal agency other than the Department of the Interior may be issued only upon such conditions as it may prescribe with respect to the use of protection of the nonmineral interest in those lands.

CONFIDENTIAL DATE SUBMISSION

"(3) The licenses shall furnish to the Secretary copies of all date (including, but not limited, to geological, geophysical, and core drilling analyses) obtained during such exploration. The Secretary shall maintain the confidentiality of all date so obtained until after the area involved have been leased or until such time as he determines the making the date available to the public would not damage the competitive position of the license, whichever comes first.

VIOLATIONS

"(4) Any person who willfully conducts coal exploration for commercial purposes on lands subject to this Act without an exploration license issued hereunder shall be subject to a fine of not more than $1,000 for each day of violation. All data collected by said prison on any Federal lands as a result of such violation shall be made immediately available to the Secretary, who hall make the data available to the public as soon as it is practicable. No penalty under this subsection shall be assessed unless such person is given notice and opportunity for a hearing with respect to such violation.".

Sec. 2(c) REPEALED
Sec. 2(d) REPEALED

Sec.5. (a) Subject to valid existing rights, subsection 2(c) and 2(d) of the Act of August 31, 1964 (78 Stat. 710; 30 U.S.C. 2001-1) are hereby repealed.

(b) Section 2 of the Mineral Lands Leasing Act is amended by the addition of the following new subsection at the end thereof:

CONSOLIDATION INTO LOGICAL MINING UNITES (LMU)

"(d) (1) The Secretary, upon determining that maximum economic recovery of the coal deposit or deposits is served thereby, may approve the consolidation of coal leases into a logical mining unit. Such consolidation may only take place after a public hearing, if request by any person whose interest is or may be adversely affected. A logical mining unit is an area of land in which the coal resources can be developed in an efficient, economical, and orderly manner as a unit with due regard to conservation of coal reserves and other resources. A logical mining unit consist of one or more Federal leaseholds, and may include interviewing or adjacent lands in which the untied States does not own the coal resources, but all the land in a logical mining unit must be under the effective control of a single operator, be able to be developed and operated as a single operation and be contiguous.

DESCRIPTION OF LMU

40 YEARS MINING PERIOD

"(2) After the Secretary has approved the establishment of a logical mining unit any mining plan approved for that unit must require such diligent development, operation, and production that the reserves of the entire unit will be mined within a period established by the Secretary which shall not be more than forty years.

ROYALTY

"(3) In approving a logical miming unit, the Secretary may provide, among other things, that (i) diligent development continuous operations, and production on any Federal lease or non-federal land in the lease in that logical mining unit, and (ii) the rentals and royalties for all Federal leases in a logical miming unit may be combined, and advanced royalties paid for any lease within a logical mining unit may be credited against such combined royalties.

AMENDING LEASE

"(4) Leases issued before the sate of enactment of this act may be included with the consent of all lessees in such logical mining unit, and if, so included, shall be subject to the provisions of this section.

PRIOR LEASES

"(5) Leases issued before the date of enactment of this Act may be included with the consent of all lessees in such logical mining unit, and, if so included shall be subject to the provisions of this section.

REQUIRING LMU

"(6) By regulation the Secretary may require a lessee under this Act to form a logical miming unit, and may provide for determination for participating acreage within a unit.

ACREAGE

"(7) No logical mining unit shall be approved by the Secretary if the total acreage (both Federal and non-Federal) of the unit would exceed twenty-five thousand acres.

"(8) Nothing in this section shall be construed to waive the acreage limitations for coal leases contained in section 27(a) of the Mineral Lands Leasing Act (30 U.S.C. 184 (a))."

Sec. 27(a) not waived

Sec.6. Section 7 of the Mineral Lands Leasing Act (30 U.S.C. 207) is amended to read as follows:

Sec. 7
LEASE TERM

"Sec.7. (a) A coal lease shall be fore a term of twenty years and for so long thereafter as coal is produced annually in commercial quantities from that lease. Any lease which is not producing in commercial quantities at the end of ten years shall be terminated. The Secretary shall be regulation prescribe annual rental on lease. A lease shall require payment of a royalty in such amounts as the Secretary shall determine of not less than 12 ½ per centum of the value of coal as defined by regulations, except the Secretary may determine a lesser amount in the case of coal recovered by underground mining operations. The lease shall include such other terms and conditions as the Secretary shall determine. Such rentals and royalties and other terms and conditions of the lease will be subject to readjustment at the end of its primary term of twenty years and at the end of each ten-year period thereafter if the lease is extended.

RENTALS
ROYALTY

"(b) Each lease shall be subject to the conditions of diligent development and continued operation of the mine or mines, except where operations under the lease are interrupted by strikes, the elements, or casualties not attributable to the lessee. The Secretary of the Interior, upon determining that the public interest will be served thereby, may suspend the condition of continued operation upon the payment of advance royalties. Such advance royalties shall be no less than production royalty which would otherwise be paid and shall be computed on a fixed reserve to production ration (determined by the Secretary). The aggregate number of years during the period of any lease for which advance royalties may be accepted in lieu of the condition of continued operation shall not exceed ten. The amount of any production royalty paid for any year shall be reduced (but not below 0) by the amount of any advance royalties paid under such lease to the extent that such advance royalties have not been used to reduce production royalties for a prior year. No advance royalty paid during the initial twenty-year term of a lease shall be used to reduce a production royalty after the twentieth year of a lease. The Secretary may, upon six months' notification to the lessee cease to accept advance royalties in lieu of the requirement of continued operation. Nothing in this subsection shall be construed in affect the requirement contained in the second sentence of subsection (a) relating to commencement of production at the end of ten years.

DILIGENT DEVLOPMENT

CONTINUED OPERATION

ROYALTY REDUCTIONS

"(c) Prior to taking any action on a leasehold which might cause a significant disturbance of the environment, and not later than three years after a lease is issued, the lessee shall submit for the Secretary's approval an operation and reclamation plan. The Secretary shall approve or disapprove the plan or require that it be modified. Where the land involved is under the surface jurisdiction of another Federal agency, that other agencies must consent to the terms of such approval."

Sec. 8A

Sec.7. The Mineral Lands Leasing Act is amended by inserting after section 8 the following new section 8A:

"Sec.8A. (a) The Secretary is authorized and direct to conduct a comprehensive exploratory program designed to obtain sufficient sate and information to evaluate the extent, location, and potential for developing the known recoverable coal resources within the coal lands

COMPREHENSIVE EXPLORATION PROGRAM

NOTE: Regarding all Mineral Leasing Act sections noted on this page: SEE footnotes listed under the section number to locate subsequent amendments to each section.

subject to this Act. This program shall be signed to obtain the resource information necessary for determining whether commercial quantities of coal are present and the geographical extend to the coal fields and for estimating the amount of such coal which is recoverable by deep mining operations in order to provide a basis for—

"(1) developing a comprehensive land use plan pursuant to section 2:

"(2) improving the information regarding the value of public resources and revenues which should be expected from leasing;

"(3) increasing competition among producers of coal, or products derived from the conversion of coal ,by providing data and information to all potential bidders equally and equitably;

"(4) providing the public with information on the nature of the coal deposits and the associated stratum and the value of the public resources being offered for sale; and

"(5) providing the basis for the assessment of the amount of coal deposits in those lands subject to this Act under subparagraph (B) of section 2 (a) (3).

EXPLORATORY AVITVITIES

"(b) The Secretary, though the United States Geological Survey, is authorized to conduct seismic, geophysical, geochemical, or stratigraphic drilling, or to contract for or purchase the results of such exploratory activities from commercial or other sources which may be needed to implement the provisions of this section.

"(c) Nothing in this section shall limit any person from conducting exploratory geophysical surveys including seismic, geophysical, chemical surveys to the extent permitted by section 2 (b). The information obtained from the exploratory frilling carried out by a person not under contract with the Untied States Government for such drilling prior to award of a lease shall be provided the confidentiality pursuant to subsection (d).

GEOPHYSICAL SURVEY

"(d) The Secretary shall make available to the public by appropriate means all date, information, maps, interpretations, and surveys which are obtained directly by the Department of the Interior or under a service contract pursuant to subsection (b). The Secretary shall maintained a confidentiality of all proprietary date or information purchased from commercial sources while not under contract with the United States Government until after the areas involved have been leased.

PUBLIC RECORDS

"(e) All Federal departments or agencies are authorized and directed to provide the Secretary with any information or data that may be deemed necessary to assist the Secretary in implementing the exploratory program pursuant to this section. Proprietary information or data provided to the Secretary under the provisions of this subsection shall remain confidential for such period of time as agreed to by the head of the department or agency from whom the information is requested. In addition, the Secretary is authorized and directed to utilize the existing capabilities and resources of other Federal departments and agencies by appropriate agreement.

CONFIDENTIALITY

"(f) The Secretary is directed to prepare, publish, and keep current a series of detailed geological, and geophysical maps of, and reports concerning, all coal lands to be offered for leasing under this Act based on data and information compiled pursuant to this section. Such maps and reports shall be prepared and revised at reasonable intervals beginning eighteen months after the date or enactment of this Act. Such maps and reports shall be made available on a continuing basis to any person on request.

IMPLEMENTATION PLAN

"(g) Within six months after the date of enactment of this Act, the Secretary shall develop and transmit to Congress an implantation plan for the coal lands exploration program authorized by this section, including producers for making the data and information available to the public pursuant to subsection (d), and maps and reports pursuant to subsection (f). The implementation plan shall include a projected schedule of exploratory activities and identification of the regions and area which will be explored under the coal lands exploration program during the first five years following the enactment of this section. In addition, the implementation plan shall include estimates of the appropriations and staffing required to implement the coal lands exploration program.

"(h) The stratigraphic drilling authorized in subsection (b) shall be carried out in such a manner as to obtain information pertaining to all recoverable reserves. For the purposes of complying with subsection (a), the Secretary shall require all those authorized to conduct stratigraphic drilling pursuant to subsection (b) to supply a statement of the results of test boring of core sampling including logs of the drill holes; the thickness of the coal seams found; an analysis of the chemical properties of such coal; and an analysis of the strata layers lying above all the seams of coal. All drilling activities shall be conducted using the best current technology and practices.".

Sec.8. The Mineral Lands Leasing Act is further amended by adding after section 8A the following new section 8B:

Sec. 8B
REPORT

"Sec.8B. Within six months after the end of each fiscal year, the Secretary shall submit to the Congress a report on the leasing and production of coal lands subject to this Act during such fiscal year; a recommendations to the Congress for improvements in management, environmental safeguards, and amount of production in leasing and mining operations on coal lands subject to this Act.

Each submission shall also contain a report by the Attorney General of the Untied States on competition in the coal and energy industries, including an analysis of whether the antitrust provisions of this act and the antitrust laws are effective in preserving or promoting competition in the coal or energy industry.".

Sec.9. (a) Section 35 of the Mineral Lands Leasing Act, as amended (30 U.S.C. 191) is further amended by deleting "52 ½ per centum thereof shall be paid into, reserved" and inserting in lieu thereof: "40 per centum thereof shall be paid into, reserved", and is further amended by striking the period at the end of the provision and inserting in lieu thereof the following language: ": *Provided further.* That an additional 12 ½ per centum of all moneys received from sales bonases, royalties, and rentals of public lands under the provisions of this Act and the Geothermal Steam Act of 1970 shall be paid by the Secretary of the Treasury as soon as practicable after December 30 and June 30 of each year to the State within the boundaries of which the leased lands or deposits are or were located; said additional 12 ½ per centum of all moneys paid to any State on or after January 1, 1976, shall be used by such State and its subdivisions of the State socially or economically impacted by development of minerals leased under this Act of (1) planning, (2) construction and maintenance of public facilities, and (3) provisions of public services: *Provided farther,* That such funds now held or to be received, by the State of Colorado and Utah separately from the Department of the Interior oil shale test leases known as 'C-A'; 'C-B'; 'U-A' and 'U-B' shall be used by such State and subdivision as the legislature of each State may direct

Sec. 35

DISPERSAL OF MONEY

NOTE: Regarding all Mineral Leasing Act sections noted on this page: SEE footnotes listed under the section number to locate subsequent amendments to each section.

giving priority to those subdivisions socially or economically impacted by the development of mineral leased under this Act for (1) planning, (2) construction and maintenance for public facilities, and (3) provision of public services.”.

Sec. 35

ADDING GEOTHERMAL

(b) In the first sentence of section 35 of the Mineral Lands Leasing Act, before the words “shall be paid into the Treasury of the United States” insert “and the Geothermal Steam Act of 1970, not withstanding the provisious of section 20 thereof,”; before the words “from lands within the naval petroleum reserves” insert “and the Geothermal Steam Act of 1970”; and in, the second sentence, before the words “not otherwise disposed of” insert “and the Geothermal Steam Act of 1970”.

STUDY

Sec.10. The Director of the Office of Technology Assessment is authorized and directed to conduct a complete study of coal leases entered into by the United States under section 2 of this Act of February 25, 1920 (commonly known as the Mineral Lands Leasing Act). Such study shall include an analysis of all mining activities, present and potential value of said coal leases, receipts of the Federal Government from said leases, and recommendations as to the feasibility of the use of deep mining technology in said leased area. The Director shall submit the results of his study to the Congress within one year after the date of enactment of this Act.

Sec. 27 (a) (1)

ACREAGE

Sec.11. (a) Section 27 (a) (1) of the Mineral Lands Leasing Act (30 U.S.C. 184 (a) (1)), is amended to read as follows:

“(1) No person, association, or corporation, or any subsidiary, affiliate, or person controlled by or under common control with such person, association, or corporation shall take, hold, own, or control at one time, whether acquired directly from t he Secretary under this Act or otherwise, coal leases or permits on an aggregate of more than forty-six thousand and eighty acres in any one State and in no case greater than an aggregate of one hundred thousand acres in the United States: *Provided.* That in no case shall such persons, association, or corporation be permitted to take, hold, own, or control any further Federal coal leases or permits until such time as their holdings, ownership, or control of Federal leases or permits has been reduced below an aggregate of one hundred thousand acres within the United States.”.

(b) Subject to valid existing rights, sections 27 (a) (2) of the Mineral Lands Leasing Act (30 U.S.C. 184 (a) (2)) is hereby repealed:

Sec. 27 (a) (2) REPEALED

Sec. 12 (a) Section 3 of the Mineral Leasing Act for Acquired Lands (30 U.S.C. 352) is amended by striking out “(h) set apart for military or naval purposes, or (c)” and insert in lieu thereof “of (b)”.

Sec.3

LEASING MILITIARY OR NAVAL LANDS

(b) Such section 3 is further amended by inserting the following after the first sentence thereof: ‘Coal or lignite under acquired lands set apart for military or naval purposes may be leased by the Secretary with the concurrence of the Secretary of Defense, to a governmental entity (including any corporation primarily acting as an agency or instrumentality of a State) which produces electrical energy for sale to the public if such governmental entity is located in the State in which such lands are located.”.

Sec. 4 REPEALED

Sec.13. (a) Subject valid existing rights, section 4 of the Mineral Lands Leasing Act (30 U.S.C. 204) is hereby repealed.

Sec. 3

(b) Subject to valid existing rights, section 3 of the Mineral Lands Leasing Act (30 U.S.C. 203) is amended to read as follows:

NOTE: Regarding all Mineral Leasing Act sections noted on this page: SEE footnotes listed under the section number to locate subsequent amendments to each section.

Sec. 3

MODIFYING COAL LEASES

"Sec.3. Any person, association, or corporation holding a lease of coal lands or coal deposits under the provisions of this Act may with the approval of the Secretary of the Interior, upon a finding by him that it would be in the interest of the United States, secure modifications of the original coal lease by including additional coal lands or coal deposits contiguous to those embraced in such lease, but in no event shall the total area added by such modifications to an existing coal lease exceed one hundred sixty acres, or add acreage larger than that in the original lease. The Secretary shall prescribe terms and conditions which shall be consistent with this Act and applicable to all of the acreage in such modified leases.".

Sec. 39
ROYALTY
Sec. 27

Sec.14. Section 39 of the Mineral Lands Leasing Act (30 U.S.C. 209) is amended by adding the following sentence at the end thereof" "Nothing in this section shall be construed as granting to the Secretary the authority to waive, suspend, or reduce advance royalties.".

Sec.15. Section 27 of the Mineral Lands Leasing Act of 1920 (30 U.S.C. 184) is amended by adding at the end of thereof the following new subsection:

"(1)(1) AT each stage in the formulation of promulgation of rules and regulations concerning coal leasing pursuant to this Act, and at each stage in the issuance, renewal, and readjustment of coal leases under this Act, the Secretary of the Interior shall consult with and give due consideration to the views and advice of the Attorney General of the United States.

NOTIFYING ATTORNEY GENERAL REGARDING LEASES

"(2) No coal lease may be issued, renewed, or readjusted under this Act until at least thirty days after the Secretary of the Interior notifies the Attorney General of the proposed issuance, renewal, or readjustment. Such notification shall contain such information as the Attorney General may require in order to advice the Secretary of the Interior as to whether such lease would create or maintain a situation inconsistent with the antitrust laws. If the Attorney General advises the Secretary of the Interior that a lease would create or maintain such situation, the Secretary of the Interior may not issue such lease, nor may he renew or readjust such lease for a period not to exceed one year, as the case may be, unless he thereafter conducts a public hearing on the record in accordance with eh Administrative Procedures Act and finds therein that such issuance, renewal, or readjustment is necessary to effectinate the purposes of this Act, that it is consistent with the public interest, and that there are no reasonable alternatives consistent with this Act, the antitrust laws, and the public interest.

NO IMMUNITY

"(3) Nothing in this Act shall be deemed to convey to any person, association, corporation, or other business organization immunity from civil or criminal liability, or to create defenses to actions, under any antitrust law.

ANTITRUST LAW

"(4) As used in this subsection, the term 'antirust law' means—

"(A) the act entitled 'An Act to protect trade and commerce against unlawful restrains and monopolies', approved July 2, 1800 (15 U.S.C. 1 et seq.), as emended;

"(B) The Act entitled 'An Act to supplement existing laws against unlawful restraints and monopolies, and for other purposes', approved October 15, 1914 (15 U.S.C. 12 et seq.), as amended;

NOTE: Regarding all Mineral Leasing Act sections noted on this page: SEE footnotes listed under the section number to locate subsequent amendments to each section.

"(C) the Federal Trade Commission Act (15 U.S.C. 41 et seq.), as amended;
"(D) section 73 and 74 of the Act entitled 'An Act to reduce taxation to provide revenue for the Government, and for other purposes', approved August 27, 1894 (15 U.S.C. 8 and 9), as amended; or
"(E) the Act of June 19, 1936, chapter 592 (15 U.S.C. 13, 13a, 13b, and 21a).".

MINING RESTRICTIONS

Sec.16. Nothing in this Act, of the Mineral Lands Leasing Act and the Mineral Leasing Act for Acquired Lands which are amended by this Act, shall be construed as authorizing coal mining on nay area of the National Park System, the National Wildlife Refuge System, the National Wilderness Preservation System, the National System of Trails, and the Wild and Scenic Rivers System, including study rivers designated under scion 5 (a) of the Wild and Scenic Rivers Act.

ACT OF SEPTEMBER 28, 1976

ACT OF SEPTEMEBER 28, 1976

Title III

TITLE III- STATES OIL SHALE FUNDS

Sec. 35

STATE USE OF MONEY
OIL SHALE

Sec.301. Section 35 of the Act of February 25, 1920 (41 Stat, 450), as amended by striking the period at the end of the proviso and inserting in lieu thereof the language as follows: ":*And provided further,* That all moneys paid to any State from sales, bonuses, royalties, and rentals of oil shale in public lands may be used by such State and its subdivision for planning construction, and maintenance of public facilities, and provisions of public services, as the legislature of the State may direct giving priority to those subdivisions of the States socially or economically impacted by the development of the resource.".

Approved September 28, 1976.

NOTE: Other titles not included.

NOTE: Regarding all Mineral Leasing Act sections noted on this page: SEE footnotes listed under the section number to locate subsequent amendments to each section.

FEDERAL LAND POLICY AND MANAGEMENT ACT

October 21, 1976

Excerpts from Title III

MINERAL REVENUES

Sec.317. (a) Section 35 of this Act of February 25, 1920 (41 Stat, 437, 450; 30 U.SC. 181, 191), as amended is further amended to read as follows: "All money received from sales, bonuses, royalties, and rentals of the public lands under the provisions of this Act and Geothermal Steam Act of 1970, not withstanding the provisions of section 20 thereof, shall be paid into the Treasury of the United States; 50 per centum thereof shall be paid by the Secretary of the Treasury as soon as practicable after March 31 and September 30 of each year to the State other than Alaska within the boundaries of which the leased lands or deposits are or were located; said moneys paid to any of such States on or after January 1, 1976, to be used by such State and its subdivisions, as the legislature of the State may direct giving priority to those subdivisions of the State socially or economically impacted by development of minerals leased under this act for (i) planning, (ii) construction and maintenance of public facilities, and (iii) provision of public service, and excepting those from Alaska, 40 per centum thereof shall be paid into, reserved, appropriated, as part of the reclamation fund created by the Act of Congress known as the Reclamation Act, approved June 17, 1902, and of those from Alaska as soon as practicable after March 31 and September 30 of each year, 90 per centum thereof shall be paid to the State of Alaska for disposition by the legislature thereof: *Provided*, That all moneys which may accrue to the United States under the provisions of this Act and the Geothermal Seam Act of 1970 from lands within the naval petroleum reserves shall be deposited in the Treasury as 'miscellaneous receipts', as provided by the Act of June 4, 1920 (41 Stat. 813), as amended June 30, 1938 (52 stat. 1252). All moneys received under the provisions of this Act and the Geothermal Steam Act of 19970 not otherwise disposed of by this section shall be credited to miscellaneous receipts.".

Sec. 35

DISPERSAL OF MONEY

(b) Funds now held pursuant to said section 35 by the States of Colorado and Utah separately from the Department of the Interior oil shale test leases known as C-A; C-B; U-A and U-B shall be used by such States and subdivisions as the legislature of each State may direct giving priority to those subdivisions socially or economically impacted by the development of minerals leased under this Act for (1) planning, (2) construction and maintenance of public facilities, and (3) provisions of public services.

COLORADO AND UTAH OIL SHALE TEST LEASES

(c) (1) the Secretary is authorized to make loans to States and their political subdivisions in order to relieve social or economic impacts occasioned by the development of mineral leased in such States pursuant to the Act of February 25, 1920, as amended. Such loans shall be confined to the uses specified for the 50 per centum of mineral revenues to be received by such States and subdivisions pursuant to section 35 of such Act. All loans shall bear interest at a

RELIEVING SOCAL OR ECONOMIC IMPACT

NOTE: Regarding all Mineral Leasing Act sections noted on this page: SEE footnotes listed under the section number to locate subsequent amendments to each section.

rate not to exceed 3 per centum and shall be for such amounts and durations as the Secretary shall determine. The Secretary shall limit the amounts of such loans to all States except Alaska to the anticipated mineral revenues to be received by the recipients of said lands and to Alaska to 55 per centum of anticipated mineral revenues to be received by it pursuant to said section 35 for any prospective 10-year period. Such loans shall be repaid by the loan recipients from mineral revenues to be derived from said section 35 by such recipients, as the Secretary determines.

(2) The Secretary, after consultation with Governors of the affected Sates, shall allocate such loans amount the States and their subdivisions in a fair and equitable manner, giving priority to those States and subdivisions suffering the most severe impacts.

(3) Loans under this subsection shall be subject to such terms and conditions as the Secretary determines necessary to assure that the purpose of this subsection will be achieved. The Secretary shall issue such regulations as may be necessary to carry our the provisions of this section.

NOTE: Other Titles are not included.

ACT OF OCTOBER 30, 1978

To further amend the Mineral Leasing Act of 1920 (30 U.S.C. 201(a)), to authorize the Secretary of the Interior to exchange Federal coal leases and to encourage recovery of certain coal deposits, and for other purposes.

COAL

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) notwithstanding any provisions of law to the contrary and notwithstanding the provisions of section 2(a) (1) of the Mineral Leasing Act of 1920, as amended (30 U.S.C. 201 (a) (1)), the Secretary of the Interior is authorized to issue leases for coal on other Federal lands in the State of Utah to the lease application manned in preference right lease applications serial numbers U1362, U1363, U1375, U5233, U5235, U5269, and U5237 upon surrender and relinquishment by the application of such preference right lease applications and all rights to lease the lands covered by such applications such surrender and relinquishment to be made in exchange for the lease or leases to be issued by the Secretary.

UTAH PREFERENCE RIGHT LEASE APPLICANTS

(b) Notwithstanding any provisions of law to the contrary and notwithstanding the provisions of section 2(a) (1) of the Mineral Leasing Act of 1920, as amended (30 U.S.C. 201 (a)(1)), the Secretary of the Interior is authorized to issue leases for coal on other Federal lands in the State of Wyoming to the owner or owners of Federal coal leases serial numbers W0313666, W0111833, W073289, W0312311, and W0313668, B025369, W0256663, W5035, W0322794 covering lands in the State of Wyoming upon the surrender and relinquishment of such leases or portions thereof.

WYOMING SPECIFIC PROVIDIONS

(c) The leases to be issued by the Secretary pursuant to the authority granted by subsections (a) and (b) of this Act and the leases or portions thereof or rights to leases to be exchanged therefore shall be of equal value. If such leases or portions thereof or rights to leases are not of equal value, the Secretary is authorized to receive, or pay out of funds available for that purpose, cash in an amount up to

25 per centum of the value of the coal lease or leases to be issued by the Secretary in order to equalize the value of the lease or leases rights to be exchanged.

(d) Any exchanged leases issued by the Secretary under the authority of this Act shall contain the same terms and conditions as those leases surrendered, or in the case of surrendered lease rights, the same terms and conditions as those to which the lease applicant would be entitled.

(e) This subsection does not require or obligate the Secretary to take any action or to make any commitment to a lessee or lease application with respect to issuance, administration, or development of any lease.

Sec. 2 (a) (1)

FAIR MARKET VALUE

Sec.2. Section 2(a) (1) of the Mineral Leasing Act of 1920, as amended (30 U.S.C. 201 (a) (1)), is further amended by striking the period at the end of the first sentence and inserting in lieu thereof the following: ":*Provided,* That notwithstanding the competitive bidding requirement of this section, the Secretary may, subject to the conditions which he deems appropriate, negotiate the sale at fair market value of coal the removal of which is necessary and incidental to the exercise of right-of-way permit issued pursuant to title V of the Federal Land Policy and Management Act of 1976.".

RIGHT-OF-WAY PERMITS
Sec .3

Sec.3. Section 3 of the Mineral Leasing Act of 1920, as amended (30 U.S.C. 203), is further amended by adding after the word "contiguous", and words "or concerning", and by deleting the period at the end for the second sentence thereof and adding the following clause: "except that nothing in this section shall require the Secretary to apply the production or mining plan requirements of the section 2(d) (2) and 7 (c) of this Act (30 U.S.C. 201 (d) (2) and 207 (c)). The minimum royalty provisions of section 7(a) of this Act (30 U.S.C. 201(a)) shall not apply to any lands covered by this modified lease prior to a modification until the term of the original lease or extension thereof which became effective prior to the effective date of this Act has expired.".

ROYALTY

Sec. 37

FLPMA REFERENCE

Sec.4. Section 37 of the Mineral Leasing Act of 190 (30 U.S.C. 193) is further amended by the addition of the words "except as provided in sections 206 or 209 of the Federal Land Policy and Management Act of 1976 (90 Stat. 2756, 2757-8), and" after "only in form and manner provided in this act," and before the word "except".

Sec. 30

Sec.5. Section 30 of the Mineral Leasing Act of 1920 (30 U.S.C. 187) is further amended by striking the word "boy" and inserting in lieu thereof "child" and by striking the phrase "or the employment of any girl or woman, without regard to age,".

LAKE DE SMET

Sec.6. (a) The Secretary of the Interior is authorized and directed within nine months of the date of enactment of this Act to evaluate and review the scenic, recreational fish and wildlife, cultural, historic, and other public values of the reservoir if Johnson Country, Wyoming, known as Lake DeSmet and the adjoining and adjacent coal proprieties. The Secretary's review and evaluation shall be for the purpose of determining whether the Lake DeSmet property shall be acquired for public use and enjoyment by exchanging for Federal coal lands.

(b) If the Secretary determines that the Lake DeSmet property shall be acquired, he is authorized, with the agreement of the owners of the property, to acquire the Lake DeSmet property by exchanging Federal coal lands, interest in Federal coal lands, or Federal coal leases.

(c) The Exchange authorized by this section shall be for equal value. To the extent, if any, the value of the lands or interest exchanged are not equal the difference may be adjusted by the payment of money so long as the payment does not exceed 25 per centum of the total value of the lands of interest transferred out of Federal ownership. In determining the value of the Lake DeSmet property, the Secretary is authorized and directed to included the fair market value of the property, considering the acquisition cost of the lands, the value of the coal deposits, water rights and water resources developments and capital and other appropriate improvements. The exchange of

NOTE: Regarding all Mineral Leasing Act sections noted on this page: SEE footnotes listed under the section number to locate subsequent amendments to each section.

such properties shall be carried out expeditiously in accordance with the provisions of this section and other Federal land exchange authority to the extent such authority is applicable and consistent with this section.

(d) The Secretary is authorized to transfer any property acquired pursuant to this section (1) to the appropriate agency in the Department of the Interior for management and administration, of 92) to the State of Wyoming for recreational purposes and fish and wildlife management. Any conveyance to the State of Wyoming shall contain a reservation of all minerals to the United States and shall provided that, if the State ceases to use the property conveyed for fish propagation and wildlife management, title to such property shall revert to the Untied States.

Sec.7. Effective October 1, 1970, there are authorized to be appropriated to the Secretary such sums as are necessary to carry out the purposes of this Act.

CHANG TITLE OF FEDERAL COAL LEASING AMENDMENTS ACT OF 1975 TO "1976"

Sec.8. The title of the Federal Coal Leasing Amendments of 1975 (Public Law 94-377) is hereby changed to the Federal Coal Leasing Amendments Act of 0976.

Approved October 30, 1978.

ACT OF NOVEMBER 16, 1981

To facilitate and encourage the production of oil from tar sand and other hydrocarbon deposits.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (1) section 1 (30 U.S.C. 181 section 21 (a) and (c) (30 U.S.C. 241 (a) and (c)), and section 34 (30 U.S.C. 182) of the Mineral Lands Leasing Act of 1920, as amended, are amended by deleting "native asphalt, solid and semisolid bitumen, and bituminous rock (including oil-impregnated rock or sands from which oil or recoverable only by special treatment after the deposit is mined or quarried)" and by inserting in lieu thereof "gilsonite (including all vein-type soil hydrocarbons",", except that in the first sentence of section 21(a) the word "and: should be inserted before "gilsonite" and the comma after the parentheses should be eliminated in section 21.

Sec. 21(a) and (c)

GILSONITE

(2) Section 27 (k) of such Act (30 U.S.C. 184(k)) is amended by deleting "native asphalt, solid and semisolid bitumen, bituminous rock," and by inserting in lieu thereof "gilsonite (including all vein-type solid hydrocarbons),".

Sec. 27(k)

(3) Section 39 of such Act (30 U.S.C. 209) is amended by inserting "gilsonite (including all vein-type solid hydrocarbons)," after "oil shale".

Sec. 39

(4) Section 1 of such Act (30 U.S.C. 181) is further amended by adding after the first paragraph the following new paragraphs:

Sec. 1

"The term 'oil' shall embrace all nongaseous hydrocarbon substance other than those substances leasable as coal, oil shale, or gilsonite (including all vein-types solid hydrocarbons).

DEFINITIONS

"The term 'combined hydrocarbon lease' shall refer to a lease issued in a special tar sand area pursuant to section 17 after the date of enactment of the Combined Hydrocarbon Leasing Act of 1981.

"The term 'special tar sand area' means (1) an area designated by the Secretary of the Interior's orders of November 20, 1980 (45 FR 76800-76801) and January 21, 1981 (46 FR 6077-6078) as containing substantial deposits of tar sand.".

(5) Section 27(d)(1) of such Act (30 U.S.C. 184(d)(1)) is amended by inserting before the period at the end for the first sentence the following: "*Provided, however,* That acreage held in special tar and sand areas shall not be chargeable against such State limitations.".

Sec. 27 (d) (1)

STATE ACREAGE LIMITATIONS

(6)(a) Section 17(b) of such Act (30 U.S.C. 184 (d)(1)) is amended by inserting "(1)" after "(b)" and adding a new subsection to read as follows:

Sec. 17(b)

"(2) If the lands to be leased are within a special tar and sand area, they shall be leased to the highest responsible qualified bidder by competitive bidding under general regulation in units of not more than five thousand one hundred and twenty acres, which shall be as nearly compact as possible, upon the payment by the lessee of such bonus as may be accepted by the Secretary. Royalty shall be 12 ½ per centum in amount of value of production removed or sold from the lease,

COMPETITIVE BIDDING
ACREAGE
ROYALTY

NOTE: Regarding all Mineral Leasing Act sections noted on this page: SEE footnotes listed under the section number to locate subsequent amendments to each section.

subject to section 17 (k)(1)(c). The Secretary may lease such additional lands in special tar sand areas as may be required in support of any operations necessary for the recovery of tar sands.".

Sec. 17 (a)
KGS DELETED

(b) Section 17 (c) of such Act (30 U.S.C. 226(c)) is amended by deleting "within any known geological structure of a producing oil or gas field" and inserting in lieu thereof "subject to leasing under subsection (b),".

Sec. 17 (e)
LEASE TERM

(c) Section 17(e) of such Act (30 U.S.C. 226(e)) is amended by inserting a period the period at the end of the first sentence the follows: ": *Provided, however,* That competitive leases issued in special tar sand areas shall be for a primary term of ten years.".

Sec. 39

(7) Section 39 of such Act (30 U.S.C. 209) is amended by adding after the period following the first sentence: "*Provided, however,* That in order to promote development and the maximum production of tar sand, at the request of the lessee, the Secretary shall review, prior to commencement of commercial operations, the royalty rates established in each combined hydrocarbon lease issued in special tar sand areas. For purposes of this section, the term 'tar sand' means any consolidated or unconsolidated rock (other than coal, oil shale, or gilsonite) that either: (1) contains a hydrocarbonaceous material with a gas-free viscosity, at original reservoir temperature, greater than 10,000 centipoise, or (2) contains a hydrocarbonaceous material and is produced by mining or quarrying.".

ROYALTY

Sec. 17
CONVERSION OF LEASES

(8) Section 17 of such Act (30 U.S.C. 226) is amended by adding at the end thereof the following new subsection:

"(k)(1)(A) There owner of (1) an oil and gas lease issued prior to the date of enactment of the Combined Hydrocarbon Leasing Act of 1981 or (2) a valid claim to any hydrocarbon resources leasable under this section based on a mineral location made prior to January 21, 1926, and located within a special tar sand area shall be entitled to convey such lease of claim to a combined hydrocarbons lease for a primary term of ten years upon the filing of an application within two years from the date of enactment of that Act containing an acceptable plan of operations which assures reasonable protection of the environment and diligent development of those resources requiring enhanced recovery methods of development or mining. For purposes to conversion, no claim shall be deemed invalid solely because it was located as a placer location rather than a lode location or vice versa, notwithstanding any previous adjudication on that issue.

"(B) The Secretary shall issue final regulations to implement this section within six months of the effective date of this Act. If any oil and gas lease eligible for conversion under this section would otherwise expire after the date of this Act and before six months following the issuance of implementing regulations, the lessee may preserve his conversion right under such lease for a period ending six months after the issuance of implementing regulations by filing with the Secretary, before the expiration of the lease, notice of intent to file an application for conversion. Upon submission of a complete plan of operations in substantial compliance with the regulations promulgated by the Secretary for the filing of such plans, the Secretary shall suspend the running of the term of any oil and gas lease proposed for conversion until the plan is finally approved of disapproved. The Secretary shall act upon a proposed plan of operations within fifteen months of its submittal.

LEASE SUSPENSION

NOTE: Regarding all Mineral Leasing Act sections noted on this page: SEE footnotes listed under the section number to locate subsequent amendments to each section.

ROYALTY

"(C) when an existing oil and gas lease is converted to a combined hydrocarbon lease, the royalty shall be that provided for in the original oil and gas lease and for a converted mining claim, 12 ½ per centum in amount of value of production removed or sold from the lease.

LESSEE RIGHTS

"(2) Except as provided in this section, nothing in the Combined Hydrocarbon leasing Act of 1981 shall be construed to diminish or increase the rights of any lessee under any oil and gas lease issued prior to the enactment of such Act.".

Sec. 2

DEFINE "OIL"

(9)(a) Section 2 of the Mineral Leasing Act of Acquired Lands (30 U.S.C. 851) is amended by adding at the end thereof: "The term 'oil' shall embrace all nongaseous hydrocarbon substance other than those leasable as coal, oil shale, or gilsonite (including all vein-types solid hydrocarbons).".

Sec. 3

GILSONITE

(b) Section 3 of such Act (30 U.S.C. 352) is amended by inserting "gilsonite (including all vein-type solid hydrocarbons)," after "oil shale".

(10) Nothing in this Act shall affect the taxable status of production from tar sand under the Crude Oil Windfall Profit Tax Act of 1980 (Public Law 96-223), reduce the depletion allowance for production from tar sand, or otherwise affect the existing tax status applicable to such production.

(11) No provision of this Act shall apply to national parks, national monuments, or other lands where mineral leasing is prohibited by law. The Secretary of the Interior shall apply the provision of this Act to the Glen Canyon National Recreation Area, and to any other units of the national park system where mineral leasing is permitted, in accordance with any applicable minerals management plan if the Secretary finds that there will be no resulting significant adverse impacts on t he administration of such area, or on other contiguous units of the national park system.

Approved November 16, 1981.

NOTE: Regarding all Mineral Leasing Act section noted on this page: SEE footnotes listed under the section number to locate subsequent amendments to each section.

ACT OF DECEMBER 30, 1982

Excerpts from Title III

Sec. 21

Sec.318 Section 21 of the Act entitled "An Act to promote the mining of coal, phosphate, oil, oil shale, gas, and sodium on the public domain", approved February 25, 1920 (41 Stat. 487, as amended; 80 U.S.C. 241), is further amended by adding the following new subsections:

COLORADO OIL SHALE FEDERAL PROTOTYPE TRACT C-a

"(c)(1) The Secretary may within the Sate of Colorado lease to the holder of the Federal oil shale lease known as the Federal Prototype Tract C-a additional lands necessary for the disposal of oil shale wastes and the materials removed from mined lands, and for the building of plants, reduction works, and other facilities connected with oil shale operations (which lease shall be referred to hereinafter as an 'offsite lease'). The Secretary may only issue one offsite lease not to exceed six thousand four hundred acres. An offsite lease may not serve more than one Federal oil shale lease and may not be transferred except in conjunction with the transfer of the Federal oil shale lease that it serves.

"(2) The Secretary may issue one offsite lease of not more than three hundred and twenty acres to any person, association or corporation which has the right to develop oil shale on non-Federal lands. An offsite lease serving non-Federal oil shale lands may not serve more than one oil shale operation and may not be transferred except in conjunction with the transfer of non-Federal oil shale land that it serves. Not more than two offsite leases may be issued under this paragraph.

"(3) An offsite lease shall include no rights to any mineral deposits.

"(4) The Secretary may issue offsite leases after consideration of the need for such lands, impacts on the environment and other resource values, and upon a determination that the public interest will be served thereby.

"(5) An offsite lease for lands the surface of which is under the jurisdiction of a Federal agency other than the Department of the Interior shall be issued only with the consent of that other Federal agency and shall be subject to such terms and conditions as it may prescribe.

"(6) An offsite leas shall be for such periods of time and shall include such lands, subject to the acreage limitations contained in this subsection, as the Secretary determines to be necessary to achieve the purposes of which the lease is issued, and shall contain such provisions as he determines are needed for protection of environmental and other resources values.

"(7) an offsite lease shall provide for the payment of an annual rental which shall reflect the fair market value of the rights granted and which shall be subject to such revisions as the Secretary, in his discretion, determines may be needed from time to time to continue to reflect the fair market value.

"(8) An offsite lease may, at the option of the lessee, include provisions for payments in any year which payments shall be credited against any portion of the annual rental for a subsequent year to the extent that such payment is payable by the Secretary of the Treasury under section 35 of this Act to the State within the

NOTE: Regarding all Mineral Leasing Act sections noted on this page: SEE footnotes listed under the section to locate subsequent amendments to each section.

boundaries of which the leased lands are located. Such funds shall be paid by the Secretary of the Treasury to the appropriate States in accordance with section 35, and such funds shall be distributed by the State only to those counties, municipalities, or jurisdictional subdivision impacted by oil shale development and/or where the lease is sited."; and

"(9) An offsite lease shall remain subject to leasing under the other provisions of this Act where such leasing would not be incompatible with the offsite lease.

"(d) In recognition of the unique character of oil shale development:

"(1) In determining whether to offer or issue an offsite lease under subsection (c), the Secretary shall consult with the Governor and appropriate State, local, and tribal officials of the State where the lands to be leased are located, and of any additional State likely to be affected significantly by the social, economic, or environmental effects of development under such lease, in order to coordinate Federal and State planning processes, minimize duplication of permits, avoid delays, and anticipate and mitigate likely impacts of development.

"(2) The Secretary may issue an offsite lease under subsection (d) after consideration of (A) the need for leasing, (B) impacts on the environment and other resources values, (C) socioeconomic factors, and (D) information from consultations with the Governors of the affected States.

"(3) Before determining whether to offer an offsite lease under subsection (c), the Secretary shall seek the recommendation of the Governor of the State in which the lands to be leased are located as to whether or not to lease such lands, what alternative actions are available, and what special conditions could be added to the proposed lease to mitigate impacts. The Secretary shall accept the recommendations of the Governor if he determines that they provide for a reasonable balance between the national interest and the State's interest. The Secretary shall communicate to the Governor, in writing, and publish in the Federal Register the reasons for his determination to accept or reject such Governor's recommendations.".

Approved December 30, 1982.

NOTE: Other titles not included

NOTE: Regarding all Mineral Leasing Act sections noted on this page: SEE footnotes listed under the section number to locate subsequent amendments to each section.

FEDERAL OIL AND GAS ROYALTY MANAGEMENT ACT OF 1982

January 12, 1983

Titles I and IV

To ensure that all oil and gas originated on the public lands and on the Outer Continental Shelf are properly accounted for under the direction of the Secretary of the Interior, and for other purposes.

OUTER CONTINENTIAL SHELF AND OIL AND GAS ON PUBLIC LANDS

Be it enacted by the Senate and House or Representatives of the United States of America in Congress assembled,

Short Title

Section 1. This Act may be cited as the "Federal Oil and Gas Royalty Management Act of 1982"

TITLE I- FEDERAL ROYALTY MANAGEMENT AND ENFORCEMENT

FEDERAL ROYALTY MANAGEMENT AND ENFORCEMENT

DUTIES OF THE SECRETARY

DUTIES OF THE SECRETARY

Sec.101. (a) The Secretary shall establish a comprehensive inspection, collection and fiscal and production accounting and auditing system to provide the capability to accurately determine oil and gas royalties, interest, fines, penalties, fees, deposits, and other payments owned, and to collect and account for such amounts in a timely manner.

(b) The Secretary shall-

(1) establish procedures to ensure that authorized and properly identified representatives of the Secretary will inspect at least once annually each lease site producing or expected to produce significant quantities of oil or gas in any year or which has history of noncompliance with applicable provision of law or regulations; and

(2) establish and maintain adequate programs for the training of all such authorized representatives in methods and techniques of inspection and accounting that will be used in the implementation of this Act.

(cX1) The Secretary shall audit and reconcile, to the extent practicable, all current and past lease accounts for leases of oil or gas and take appropriate actions to make additional collections or refunds as warranted. The Secretary shall conduct audits and reconciliation of lease accounts in conformity with the business practices and recordkeeping system which were required of the lessee by the Secretary for the period covered by the audit. The Secretary shall give priority to auditing those lease accounts identified by a State or Indian tribe as having significant potential for underpayment. The Secretary may also audit accounts and records of selected lessees and operators.

(2) The Secretary may enter into contracts or other appropriate arrangements with independent certified public accountants to undertake audits of accounts and records of any lessee or operator relating to the lease of oil or gas. Selection of such independent certified public accountants shall be by competitive bidding in accordance with the Federal Property and Administrative Services Act of 1974 (41 U.S.C. 252), except that the Secretary may not enter into a contract or other arrangement with any independent certified public accountant to audit any lessee or operator where such lessee or operator is a primary audit client of such certified public accountant.

(3) All books, accounts, financial records, reports, files, and other papers of the Secretary, or used by the Secretary, which are reasonably necessary to facilitate the audits required under this section shall be made available to any period or governmental entity conducting audits under this Act.

DUTIES OF …

DUTIES OF LESSEES, OPERATORS, AND MOTOR VECHILE TRANSPORTERS

LESSEE

Sec.102. (a) A lessee—

(1)who is required to make any royalty or other payment under a lease or under the mineral leasing laws, shall make such payments in the time and manner as may be specified by the Secretary; and

(2) Shall notify the Secretary, in the time and manner as may be specified by the Secretary, or any assignment the lessee may have made of the obligation to make any royalty or other payment under a lease or under the mineral leasing laws.

OPERATOR

(b) An operator shall—

(1) develop and comply with a site security plan deigned to protect the oil or gas produced or store on an onshore lease site from theft, which plan shall conform with such minimum standards as the Secretary may prescribe by rule, taking into account the variety of circumstances at lease sites;

(2) develop and comply with such minimum site security measures as the Secretary deems appropriate to protect oil or gas produced or stored on a lease site or on the Outer Continental Shelf from theft; and

(3) not later than the 5th business say after any well begins production anywhere on a lease site or allocated to a lease site or resumes production in the case of a well which has been off of production for more than 90 days, notify the Secretary, in the manner prescribed by the Secretary, f the date on which such production has begun or resumed.

TRANSPORTER

(c)(1) Any person engaged in transporting by motor vehicle any oil from any lease site, or allocated to any such lease site, shall carry, on his person, in his vehicle, or in his immediate control, documentation showing, at a minimum, the amount, origin, and intended first destination of the oil.

PIPELINE TRANSPORTER

(2) Any person engaged in transporting any oil or gas by pipeline form any lease sire, or allocated to any lease site, on Federal or Indian lands shall maintain documentation showing, at a minimum, amount, origin, and intended first destination of such oil or gas.

REQUIRED RECORDKEEPING

Sec.103. (a) A lessee, operator, or other person directly involved in developing, producing, transporting, purchasing, or selling oil or gas subject to this Act through the point of first sale or the point or royalty computation, whichever is later, shall establish and maintain nay records, make any reports, and provide any information that the Secretary may, by rule, reasonably require for the purposes of implanting this Act or determining compliance with rules or orders under this Act. Upon the request of any officer or employee duly designated by the Secretary or any State or Indian tribe conducting an audit or investigation pursuant to this Act, the appropriate records, reports, of information which may be required by this section shall be made available for inspection and duplication by such officer or employee, State or Indian tribe.

(b) Records required by the Secretary with respect to oil and gas leases from Federal or Indian lands or the Outer Continental Shelf shall be maintained for 6 years after the records are generated unless the Secretary notifies the record holder that he has initiated an audit or investigation involving such records and that such records must be maintained for a longer period. In nay case when an audit or investigation is under way, records shall be maintained until the Secretary releases the record holder of the obligation to maintain such records.

PROMPT DISBURSEMENT OF ROYALTIES

PROMPT DISBURSEMENT OF ROYALTIES

Sec104. (a) Section 35 of the Mineral Lands Leasing Act of 1920 (approved February 25, 1920; 41 Stat. 437; 30 U.S.C. 191) is amended by deleting “as soon as practicable after March 31 and September 30 or each year” and by adding at the end thereof “Payments to States under this section with respect to any moneys received by the United States, shall be made out not later than the last business day of the month in which such moneys are warranted by the United States Treasury to the Secretary as having a been received, except for any portion of such moneys which is under challenge and placed in a suspense account pending resolution if dispute. Such warrants shall be issued by the United States Treasury not later than 10 day after receipts of such moneys by the Treasury. Moneys places in a suspense account which are determined to be payable to a State which is disputed is resolved. Any such amount places in suspense account pending resolution shall bear interest until the dispute is resolved.”.

Sec. 35

PAYMENT TO STATES

(b) Deposits of any royalty fund derived from the production of oil or gas from, or allocated to, Indian lands shall be made by the Secretary to the appropriate Indian account at the earliest practicable date after such funds are received by the Secretary but in no case later than the last business day of the month in which such funds are received.

(c) The provisions of this section shall apply with respect to payments received by the Secretary after October 1, 1983, unless the Secretary, by rule, prescribed an earlier effective date.

NOTE: Regarding all Mineral Leasing Act sections noted on this page: SEE footnotes listed under the section number to locate subsequent amendments to each section.

EXPLANATION OF PAYMENTS

Sec.105. (a) When any payment (including amounts due from receipts of any royalty, bonus, interest charge, fine, or rental) is made by the United States to a State with respect to any oil or gas lease on Federal lands or is deposited in the appropriate Indian account on behalf of an Indian tribe or Indian allottee with respect of any oil and gas lease on Indian lands, there shall be proved, together with such payment a description of the type of payment being made, the period covered by such payment, the sources of such payment, production amounts, the royalty rate, unit value and such other information as may be agreed upon by the Secretary and the recipient State, Indian tribe, or Indian allottee.

(b) This section shall take effect with respect to payment made after October 1, 1983, unless the Secretary, by rule, prescribes an earlier effective date.

LIABILITIES AND BONDING

Sec.106. A person (including any agency or employee of the United States and any independent contractor) authorized to collect, receive, account for, or otherwise handle any moneys payable to, or received by, the Department of the Interior which are derived from the sale, lease, or other disposal of any oil or gas shall be—

(1) liable to the United States for any losses caused by any intentional or reckless action or inaction of such individual with respect to such moneys; and
(2) in the case of an independent contractor, required as the Secretary deems necessary to maintain a bond commensurate with the amount of money for which such individual could be liable to the United States.

HEARING AND INVESTIGATIONS

Sec.107. (a) In carrying out his duties under this Act the Secretary may conduct any investigation or other inquiry necessary and appropriate and may conduct, after notice, any hearing or audit, necessary and appropriate to carrying out his duties under this Act. In connection with any such hearings, inquiry, investigation, or audit, the Secretary is also authorized where reasonably necessary—

(1) to require by special or general order, any person to submit in writing such affidavits and answers to questions as the Secretary may reasonable prescribe, which submission shall be made within such reasonable period and under oath or otherwise, as may be necessary;
(2) to administer oaths;
(3) to require by subpoena the attendance and testimony of witnesses and the production of all books, papers, production and financial records, documents, matter, and materials, as the Secretary may request;

(4) to order testimony to be taken by disposition before nay person who is designated by the Secretary and who has the power to administer others, and to compel testimony and the production of evidence in the same manner as authorized under paragraph (3) of this subsection; and

(5) to pay witnesses the same fees and mileage as are paid in like circumstances in the courts of the Untied States.

(b) In the case of refusal to obey a subpoena served upon any person under this section, the district court of the United States for any district in which such person is found, resides, or transacts business, upon application by the Attorney General at the request of the Secretary and after notice to such person, shall have jurisdiction to issue an order requiring such person to appear and give testimony before the Secretary or to appear and produce documents before the Secretary. Any failure to obey such order of the court may be punished by such court as contempt thereof and subject to a penalty of up to $10,000 a day.

INSPECTIONS

INSPECTIONS

Sec.108. (a)(1) On any lease site on Federal or Indian lands, any authorized and properly identified representative of the Secretary may stop and inspect any motor vehicle that he has probable cause to believe is carrying oil from a lease site on Federal or Indian lands or allocated to such a lease site, for the purpose of determining whether the drive or such vehicle has documentation related to such oil as required by law.

(2) Any authorized and properly identified representative of the Secretary, accompanied by any appropriate law enforcement officer, or an appropriate law enforcement officer alone, may stop and inspect any vehicle is not on a lease site if he has probable cause to believe the vehicle is carrying oil from a leas site on Federal or Indian lands or allocated to such a lease site. Such inspection shall be for the purpose of determining whether the driver of such vehicle has the documentation required by law.

(b) Authorized and properly identified representatives of the Secretary may without advance notice, enter upon, travel across and inspect lease site on Federal or Indian lands and may obtain from the operate immediate access to secured facilities on such lease sites, for the purpose of making any inspection or investigation for determining whether there is compliance with the requirements of the mineral leasing laws and this Act. The Secretary shall develop guidelines setting forth the coverage and the frequency of such inspections.

(c) for the purpose of making any inspection or investigation under this Act, the Secretayr shall have the same right to enter upon or travel across any lease site as the lessee or operator has acquired by purchase, condemnation, or otherwise.

CIVIL PENALTIES

Sec.109. (a) Any person who—

(1) after due notice of violation or after such violations has been reported under subparagraph (A), fails or refuses to comply with any requirements of this Act, or any mineral leasing law, any rule or regulation thereunder, or the terms of any lease or permit issued thereunder; or

(2) fails to permit inspection authorized in section 108 or fails to notify the Secretary of any assignment under section 102(a)92) shall be liable for a penalty of up to $500 per violation for each day such violation continues, dating from the date of such notice or report. A penalty under this subsection may not be applied to any person who is otherwise liable for violation of a paragraph (1) if:

(A) the violation was discovered and reported to the Secretary or his authorized representative by the liable person and corrected within 20 days after such report or such longer time as the Secretary may agree to; or

(B) after the dude notice of violation required in paragraph (1) has been given to such person by the Secretary or his authorized representative, such person has corrected the violation within 20 days of such notification or such longer time as the Secretary may agree to.

(b) If corrective action is not taken within 40 days or a longer period as the Secretary may agree to, after due notice or the report referred to in subsection (a)(1), such person shall be liable for a civil penalty of not more than $5,000 per violation for each day such violation continues, dating from the date of such notice or report.

(c) Any person who---

(1) knowingly or willfully fails to make any royalty payment by the date as specified by statue, regulation, order or terms of the lease;

(2) fails or refuses to permit lawful entry, inspection, or audit; or

(3) knowingly or willfully fails or refuses to comply with subsection 102(b)(3), shall be liable for a penalty of up to $10,000 per violation for each day such violation continues.

(d) Any person who—

(1) knowingly or willfully prepares, maintains, or submits false, inaccurate, or misleading reports, notices, affidavits, records, data, or other written information;

(2) knowingly or willfully takes or removes, transport, uses or diverts any oil or gas from any lease site without having valid legal authority to do so; or

(3) purchases, accepts, sells, transports or convey to another any oil or gas knowing or having reason to know that such oil or gas was stolen or unlawfully removed or diverted, shall be liable for a penalty of up to $25,000 per violation for each day such violation continues.

(e) No penalty under this section shall be assessed until the person charged with a violation has been given the opportunity for a hearing on the record.

(f) The amount of any penalty under this section, as finally determined may be deducted from any sums owing by the United States to the person charged.

(g) On a case-by-case basis the Secretary may compromise or reduce civil penalties under this section.

(h)Notice under this subsection (a) shall be by personal service by an authorized representative of the Secretary or by registered mail. Any person may, in the manner prescribed by the Secretary, designate a representative to receive any notice under this subsection.

(i) In determining the amount of such penalty, or whether it should be remitted or reduced, and in what amount, the Secretary shall state on the record the reasons for his determinations.

(j) Any person who has requested a hearing in accordance with subsection (e) within the time the Secretary has prescribed for such a hearing and who is aggrieved by a final order of the Secretary under this section may seek review of such order in the United States district court for the judicial district in which the violation allegedly took place. Review by the district court shall be only on the administrative record and not de novo. Such an action shall be barred unless filed within 90 days after the Secretary's final order.

(k) If any person fails to pay an assessment of a civil penalty under this Act—

(1) after the order making the assessment has become a final order and if such person does not file a petition for judicial review of the order in accordance with subsection (j), or

(2) after a court in an action brought under subsection (j) has entered a final judgment in favor of the Secretary, the court shall have jurisdiction to award the amount assessed plus interest from the date of the expiration of the 90-day period referred to in subsection (j). Judgment by the court shall include an order to pay.

(l) No person shall be liable for a civil penalty under subsection (a) or (b) for failure to pay any rental for any lease automatically terminated pursuant to section 31 of the Mineral Leasing Act of 1920.

CRIMINAL PENALTIES

CRIMINAL PENALTIES

Sec.110. Any person who commits an act for which a civil penalty is provided in section 109(d) shall, upon conviction, be punished by a fine of not more than $50,000, or by imprisonment for not more than 2 years, or both.

ROYALTY INTEREST, PENALTIES AND PYAMENTS

ROYALTY INTEREST, PENALTIES AND PAYMENTS

Sec.111. (a) In the case of oil and gas leases where royalty payments are not received by the Secretary on the date that such payments are due, or are less than the amount due, the Secretary shall charge interest of such late payments or underpayments at the rate applicable under section 6621 of the Internal Revenue Code of 1954. In the case of any underpayment of partial payment, interest shall be computed and charged only on the amount of the deficiency and not on the total amount due.

(b) Any payment made by the Secretary to a State under section 35 of the Mineral Lands Leasing Act of 1920 (30 U.S.C. 191) and any other payment made by the Secretary to a State from any oil or gas royalty, received by the Secretary which is not paid on the date required under section 35 shall include an interest charge computed at the rate applicable under section 6621 of the Internal Revenue Code of 1954.

Sec. 35

INTEREST ON LATE ROYALTY PAYMENT

(c) all interest charges collected under this Act of under other applicable laws because of nonpayment, late payment or underpayment of royalties due and owing an Indian tribe or an Indian allottee shall be deposit to the same account as the royalty with respect to which such interest is paid.

(d) Any deposit of royalty fund made by the Secretary to any Indian account which is not made by the date required under subsection 104(b) shall include an interest charge computed at the rate applicable under section 6621 of the Internal Revenue Code of 1954.

(e) Notwithstanding any other provision of law, no State will be assessed for any interest or penalties found to be due against the Secretary for failure to comply with the Emergency Petroleum Allocation Act of 1973 or regulation of the Secretary of Energy thereunder concerning crude oil certification or pricing with respect to crude oil taken by the Secretary in kind as royalty. Any State share of an overcharge, resulting from such failure to comply, shall be assessed against moneys found to be due and owing to such State as a result of audits of royalty accounts for transaction which took place prior to the date of the enactment of this Act except that if found due and owing to any State, the State shall be assessed the balance of that State's share of the overcharged.

(f) Interest shall be charged under this section only for the number of days a payment is late.

(g) The first sentence of section 35 of the Act of February 25, 1920 is amended by inserting "including interest charges collected under the Federal Oil and Gas Royalty Management Act of 1982" between "royalties" and "and".

Sec. 35

ADD FOGRMA

INJUNCTION AND SPECIFIC ENFORCEMENT AUTHORITY

INJUNCTION AND SPECIFIC ENFORCEMENT AUTHORITY

Sec.112. (a) In addition to any other remedy under this Act or nay mineral leasing law, the Attorney General of the United States or his designee may bring a civil action in a district court of the United States, which shall have jurisdiction over such actions—

(1) to restrain any violation of this Act; or

(2) to compel the taking of any action required by or under this Act or any mineral leasing law of the United Sates

(b) A civil action described in subsection (a) may be brought only in the Untied States district court for the judicial district wherein the act, omission, or transaction constituting a violation under this Act or nay other mineral leasing law occurred, or wherein the defendant is found or transact business.

NOTE: Regarding all Mineral Leasing Act sections noted on this page: SEE footnotes listed under the section number to locate subsequent amendments to each section.

REWARDS

Sec.113. Where amounts representing royalty or other payments owed to the United States with respect to any oil and gas lease on Federal lands or the Outer Continental Shelf are recovered pursuant to any action taken by the Secretary under this Act as a result of information provided to the Secretary by any person, the Secretary is authorized to pay to such person an amount equal to not more than 10 percent of such recovered amounts. The preceding sentence shall not apply to information provided by an officer or employees of the United States, an officer or employee of a State or Indian tribe acting pursuant to a cooperative agreement or delegation under this Act, or any person acting pursuant to a contract authorized by this Act.

NONCOMPETITIVE OIL AND GAS LEASE TOYALTY RATES

Sec.114

The Secretary is directed to conduct a through study of the effects of a change in the royalty rate under section 17(c) of the Mineral Leasing Act of 1920 on: (a) the exploration, development, or production oil or gas; and (b) the overall revenues generated by such change. Such study shall be completed and submitted to Congress within six months after the date of enactment of this Act.

TITLE IV— REINSTATMENT OF LEASES AND CONVERSION OF UNPATENTED OIL PLACR CLAIMS

AMENDMENT OF MINERAL LANDS LEASING ACT OF 1920

AMENDMENT OF MINERAL LANDS LEASING ACT OF 1920

Sec.401. Section 31 of the Mineral Lands Leasing Act of 1920 (30 U.S.C. 188) is amended by redesignating subsection (d) as subsection (j) and by inserting after subsection (c) the following new subsections:

Sec. 31

LEASE TERMINATION

"(d)(1) Where any oil and gas lease issued pursuant to section 17(b) or section 17(c) of this Act or the Mineral Leasing Act for Acquired Lands (30 U.S.C. 351 et seq.) has been, or is hereafter, terminated automatically by operation of law under this section for failure to pay on or before the anniversary date the full amount of the rental due, and such rental is not paid or tendered within twenty days thereafter, and it is shown to the satisfaction of the Secretary of the Interior that such failure was justifiable or not due to lack of reasonable diligence on the part of the lessee, or, no matter when the rental is paid after termination, it is shown to the satisfaction of the Secretary that such failure was inadvertent, the Secretary may reinstate the lease as of the date of termination for the unexpired portion of the primary term of the original lease or any extension thereof remaining at the date of termination, and so long thereafter as oil or gas is produce in paying quantities. In any case where a lease is reinstated under this subsection and the Secretary finds that the reinstatement of such else (A) occurs after the expiration of the primary term of any extension thereof, or (B) will not afford the lessee a reasonable opportunity to continue operations under the lease, the Secretary may, at his discretion, extend the term of such lease for such period as he deems reasonable, but in no event for more than two years from the date the Secretary authorizes reinstatement and so long thereafter as oil or gas is produced in paying quantities.

"(2) No lease shall be reinstated under paragraph (1) of this subsection unless—

"(A) with respect to any lease that terminated under subsection (b) of this section prior to enactment of the Federal Oil and Gas Royalty Management Act of 1982:

"(i) the lessee tendered rental prior to enactment of such Act and the final determination that the lease terminated was made by the Secretary or court less than three years before enactment of such Act, and

"(ii) a petition for reinstatement together with the required back rental and royalty accruing from the date of termination, is filed with the Secretary on or before the one hundred and twentieth day after enactment of such Act, or

"(B) with respect to any lease that terminated under subsection (b) of this section on or after enactment of the Federal Oil and Gas Royalty Management Act of 1982, a petition for reinstatement together with the required back rental and royalty accruing from the date of termination is filed on or before the earlier of—

NOTE: Regarding all Mineral Leasing Act sections noted on this page: SEE footnotes listed under the section number to locate subsequent amendments to each section.

"(i) sixty days after the lessee receives from the Secretary notice of termination, whether by return of check or by any other form of actual notice or

"(ii) fifteen months after termination of the lease.

"(e) Any reinstatement under subsection (d) of this section shall be made only if these conditions are met:

LEASE REINSTATMENT

"(1) no valid lease, whether still in existence or not, shall have been issued affecting any of lands covered by the terminated lease prior to the filing of such petition: *Provided, however,* That after receipts of a petition for reinstatement, the Secretary shall not issue any new lease affecting any of the lanes covered by such terminated lease for a reasonable period, as determined in accordance with regulation issued by him;

BACK RENTALS

"(2) payment of back rentals and either the inclusion in a reinstated lease issued pursuant to the provisions of section 17(b) of this Act of requirement for future rentals at a rate of not less than $10 per acre per year, or the inclusion in reinstated lease issued pursuant to the provisions of section 17(c) of this Act of a requirement that future rentals shall be at a rate not less than $5 per acre per year, all as determined by the Secretary;

BACK RENTALS

"(3)(A) payment of back royalties and the inclusion in a reinstated lease issued pursuant to the provisions of section 17(b) of this Act of a requirement for future royalties at a rate of not less than 16 2/3 percent computed on a sliding scale based upon the average production per well per day, at a rate which shall not be less than 4 percentage points greater than the competitive royalty schedule then in force and used for royalty determination for competitive lease issued pursuant to such section as determined by the Secretary: *Provided,* That royalty on such reinstated lease shall be paid on all production removed or sold from such lease subsequent to the termination of the original lease:

ROYALTY RATE

"(B) payment of back royalties and inclusion in a reinstated lease issued pursuant to the provision of section 17(c) of this Act of a requirement for future royalties at a rate not less than 16 2/3 percent: *Provided,* That royalty on such reinstated lease shall be paid on all production removed or sold from such lease subsequent to the cancellation or termination of the original lease; and

"(4) notice of the proposed reinstatement of a terminated lease, including the terms and condition of reinstatement, shall be published in the Federal Register at least thirty days in advance of the reinstatement.

A copy of said notice, together with information concerning rental, royalty, volume of production, if any, and any other matter which the Secretary deemed significant in making this determination to reinstate, shall be furnished to the committee on Interior and Insular Affairs of the Hour of Representatives and the Committee of Energy and Natural Resources of the Senate at least thirty days in advance of reinstatement. The lease or a reinstated leas shall reimburse the Secretary for the administrative cost of reinstating the lease, but not to exceed $500. In addition the lessee shall reimburse the Secretary for the cost of publication in the Federal Register of the notice of proposed reinstatement.

ABANDONED CLAIM

"(f) Where an unpatented oil placer mining claim validly located prior to February 24, 1920, which has been or is currently producing or is capable of producing oil or gas has been or is hereafter deemed conclusively abandoned for failure to file timely the required instruments or copies of instruments require by section 314 of the Federal Land Policy and Management Act of 1976 (43 U.S.C. 1744), and it is shown to the satisfaction of the Secretary that such failure was inadvertent, justifiable, or not due to a lack of reasonable diligence on the part of the owner, the Secretary may issue, for the lands covered by the abandoned unpatented oil placer mining claim, a noncompetitive oil and gas lease, consistent with the provisions of section 17 (e) of this Act, to be effective from the statutory date the claim was deemed conclusively abandoned. Issuance of such a lease shall be conditioned upon:

"(1) a petition for issuance of noncompetitive oil and gas lease, together with the required rental and royalty, including back rental and royalty accruing from the statutory date of abandonment of the oil placer mining claim, being filed with the Secretary—

"(A) with respect to any claim deemed conclusively abandoned on or before the date of enactment of the Federal Oil and Gas Royalty Management Act of 1982, on or before the one hundred and twentieth day after such date of enactment, or

"(B) with respect to any claim deemed conclusively abandoned after such date of enactment, on or before the one hundred and twentieth day after final notification by the Secretary or a court of competent of the oil placer mining claim;

"(2) a valid lease not having been issued affecting any of the lands covered by the abandoned oil placer mining claim prior to the filing of such petition: *Provided, however,* That after the filing of a petition for issuance of a lease under this subsection, the Secretary shall not issue any new lease affecting any of the lands covered by such abandoned oil placer mining claim for a reasonable period, as determined in accordance with regulations issued by him;

"(3) a requirement in the lease for payment of rental, including back rentals accruing from the statutory date of abandonment of the oil placer mining claim, of not less than $5 per acre per year;

"(4) a requirement in the lease for payment of royalty on production removed or sold from the oil placer mining claim. Including all royalty on production made subsequent to the statutory date the claim was deemed conclusively abandoned, of not less than 12 ½ percent; and

"(5) compliance with the notice and reimbursement of costs provisions of paragraph (4) of subsection (e) but addressed to the petition covering the conversion of an abandoned unpatented oil placer mining claim to a noncompetitive oil and gas lease.

"(g)(1) Except as otherwise provided in this section, a reinstated lease shall be treated as a competitive or noncompetitive oil and gas lease in the same manner as the original lease issued pursuant to section 17(b) or 17(c) of this Act.

"(2) Except as otherwise provided in this section, the issuance of a lease in lieu of an abandoned patented oil placer mining claim shall be treated as a noncompetitive oil and gas lease issued pursuant to section 17(c) of this Act.

"(h) The minimum royalty provision of section 17(j) and the provisions of section 89 of this Act shall be applicable to leases issued pursuant to subsection (d) and (f) of this section.

"(i)(1) In acting on a petition to issue a noncompetitive oil and gas lease, under subsection (f) of this section or in response to a request riled after issuance of such a lease, or both, the Secretary is authorized to reduce the royalty on such lease if in his judgment it is equitable to do so or the circumstances warrant such relief due to uneconomic or other circumstances which could cause undue hardship or premature termination of production.

"(2) In acting on a petition for reinstatement pursuant to subsection (d) of this section or in response to a request filed after reinstatement, or both, the Secretary is authorized to reduce the royalty on that reinstated lease on the entire leasehold or any tract or portion thereof segregated for royalty purposes if, in his judgment, there are uneconomic or other circumstance which could cause undue hardship or premature termination of production; or because of any written action of the United States, its agent or employees, which preceded, and was a major consideration in, the lessee's expenditure of funds to develop the property under the lease after the rent had become due and had not been paid; or if in the judgment of the Secretary it is equitable to do so for any reason.".

Approved January 12, 1983.

SUBTITLE B—FEDERAL ONSHORE OIL AND GAS LEASING REFORM ACT OF 1987

FEDERAL ONSHORE OIL AND GAS LEASING REFORM ACT OF 1987

Sec.5101. SHORT TITLE; REFERENCE

(a)SHORT TITLE.—This subtitle may be cited as the "Federal Onshore Oil and Gas Leasing Reform Act of 1987"

ACT OF DECEMBER 22, 1987

(b)REFERENCE—Any reference in this subtitle to the "Act of February 25, 1920," is a reference to the Act of February 25, 1920, entitled "An Act to promote the mining of coal, phosphate, oil, oil shale, gas, and sodium on the public domain" (30 U.S.C. 181 and following).

Sec.5102. OIL AND GAS LEASING SYSTEM.

(a) COMPETITIVE BIDDING—Section 17(b)(1) of the Act of February 25, 1920 (30 U.S.C. 226(b)(1)), is amended to read as follows:

Sec. 17 (b) (1)
COMPETIVE BIDDING

"(b)(1)(A) All lands to be leased which are not subject to leasing under paragraph (2) of this subsection shall be leased as provided in this paragraph to the highest responsible qualified bigger by competitive bidding under general regulations in units of not more than 2,560 acres, except in Alaska, where units shall be not more than 5,760 acres. Such units shall be as nearly compact as possible. Lease sales shall be conducted by oral bidding. Leas sales shall be held for each State where eligible lands are available at least quarterly and more frequently if the Secretary of the Interior determines such sales are necessary. A lease shall be conditioned upon the payment of a royalty at a rate of not less than 12.5 percent in amount or value of the production removed or sold from the lease. The Secretary shall accept the highest bid from a responsible qualified bidder which is equal to or greater than the national minimum acceptable bid, without evaluation of the value of the lands proposed for lease. Leases shall be issued within 60 days following payment by the successful bidder of the remainder of the bonus bid, if any, and the annual rental for the first lease year. All bids for less than the national minimum acceptable bid shall be rejected. Lands for which no bids are received or for which the highest bid is less than the national minimum acceptable bid shall be offered promptly within 30 days for leasing under subsection (c) of this section and shall remain available for leasing for a period of 2 years after the competitive lease sale.

ACREAGE

ORAL BIDDING

ROYALTY

LEASE ISSUANCE

"(B)The national minimum acceptable bid shall be $2 per acre for a period of 2 years from the date of enactment of the Federal Onshore Oil and Gas Leasing Reform Act of 1987. Thereafter, the Secretary may establish by regulation a higher national minimum acceptable bid for all leases based upon a finding that such actions is necessary: (i)to enhance financial returns to the united States; and (ii)to promote more efficient management of oil and gas resources on Federal lands. Ninety days before the Secretary makes any change in the national minimum acceptable bid, the Secretary shall notify the Committee on Interior and Insular Affairs of the United States House of Representatives and Committee on

NATIONAL MINIMUM ACCEPTABLE BID

NOTE: Regarding all Mineral Leasing Act sections noted on this page: SEE footnotes listed under the section number to locate subsequent amendments to each section.

Energy and Natural Resources of the untied States Senate. The proposal or promulgation of any regulation to establish a national minimum acceptable bid shall not be considered a major Federal action subject to the requirements of section 102(2)(C) of the National Environmental Policy Act of 1969.".

Sec. 17 (c)

NON-COMPETITIVE BIDDING

(b) NONCOMPETITIVE LEASING—Section 17(c) of the Act of February 25, 1920 (30 U.S.C. 226(c)), is amended to read as follows:

"(c)(1) If the lands to be leased are not leased under subsection (b)(1) of this section or are not subject to competitive leasing under subsection (b)(2) of this section, the person first making application for the lease who is qualified to hold a lease under this Act shall be entitled to a lease of such lands without competitive bidding, upon payment of a non0refundable application fee of at least $75. A lease under this subsection shall be conditioned upon the payment of a royalty at a rate of 12.5 percent in amount or value of the production removed or sold from the lease. Leases shall be issued within 60 days of the date on which the Secretary identifies the first responsible qualified applicant.

ROYALTY

NO BIDS RECIEVED

"(2)(A) Lands (i) which were posted for sale under subsection (b)(1) of this section but for which no bids were received or for which the highest bid was less than the national minimum acceptable bid and (ii) for which, at the end of the period referred to in subsection (b)(1) of this section no lease has been issued and no lease application is pending under paragraph 91) of this subsection, shall again be available for leasing only in accordance with subsection (b)(1) of this section.

"(B) The land in any lease which is issued under paragraph (1) of this subsection or under subsection (b)(1) of this section which lease terminates, expires, is cancelled or is relinquished shall again be available for leasing only in accordance with subsection (b)(1) of this section.".

Sec. 17 (c)

RENTAL

(c) RENTALS—Section 17(d) of the Act of February 25, 1920 (30 U.S.C. 226(d)), is amended to read follows:

"(d) All leases issued under this section, as amended by the Federal Onshore Oil and Gas Leasing Reform Act of 1987, shall be conditioned upon payment by the lessee of a rental of not less than $1.50 per acre per year for the first through fifth years of the lease and not less than $2 per acre per year for each year thereafter. A minimum royalty in lieu of rental of not less than the rental which otherwise would be required for that lease year shall be payable at the expiration of each lease year beginning on or after a discovery of oil or gas in paying quantities on the land leased.".

ROYALTY

REDESIGNATE Sec. 17 (f) through (k) as (i) through (n)

(d) NOTICE AND RECLAMATION—(1) Section 17 of the Act of February 25, 1920 (30 U.S.C. 226), is amended by redesignating subsections (f) through (k) as subsections (i) through (n) and by adding the following new subsections (f) through (h):

"(f) At least 45 days before offering lands for lease under this section, and at least 30 days before approving applications for permits to drill under provisions of a lease or substantially modifying the terms of any lease issued under this section, the Secretary shall provide notice pf the proposed action. Such notice shall be posted in

NOTICE OF LEASE MODIFICATION

NOTE: Regarding all Mineral Leasing Act sections noted on this page: SEE footnotes listed under the section number to locate subsequent amendments to each section.

the appropriate local office of the leasing and land management agencies. Such notice shall include the terms of modified lease terms and maps or a narrative description of the affected lands. Where the inclusion of maps in such notice is not practicable, maps, of the affected lands shall be made available to the public for review. Such maps shall show the location of all tracts to be leased, and of all leases already issue din the general area. The requirements of this subsection are in addition to any public notice required by other law.

"(g) The Secretary of the Interior, or for National Forest lands, the Secretary of Agriculture, shall regulate all surface- disturbing activities conducted pursuant to any lease issued under this Act, and shall determine reclamation and other actions as required in the interest of conservation of surface resources. No permit to drill on an oil and gas lease issued under this Act may be granted without the analysis and approval by the Secretary converted of a plan of operations covering proposed surface-disturbing activities within the lese area. The Secretary concerned shall, by rule or regulations, establish such standards as may be necessary to ensure that an adequate bond, surety, or other financial arrangement will be established prior to the commencement of surface-disturbing activities on any lease, to ensure the complete and timely reclamation of the lease tract, and the restoration of any lands or surface waters adversely affected by lease operations after the abandonment of cessation of oil and gas operations on the lease. The Secretary shall not issue a lease or leases or approve the assignment of any lease or leases under the terms of this section to any person, association, or corporation, during any period in which, as determined by the Secretary of the Interior or Secretary of Agriculture, such entity has failed or request to comply in any material respect with the reclamation requirements and other standards established under this section for any prior lease to which such requirements and standards applied. Prior to making such determination with respect to any such entity the concerned Secretary shall provide which entity with adequate notification and an opportunity to comply with such reclamation requirements and other standards and shall consider whether any administrative or judicial appeal is pending. Once the entity has complied with the reclamation requirement or other standard concerned an oil or gas lease may be issued to such entity under this Act.

Sec. 17(g) added
SURFACE DISTUBANCE

"(h) The Secretary of the Interior may not issue any lease on National Forest System Lands reserved from the public domain over the objection of the Secretary of Agriculture.".

(2) Section 31(h) of the Act of February 25, 21920 (30 U.S.C. 188(h)), is amended by striking out "section 17(j)" and substituting "section 17(m)".

Sec. 31(h) changed

Sec.5103. assignments.

Sections 30(a) and 30(b) of the Act of February 25, 1920 (30 U.S.C. 187a, 187b), are redesignated as sections 30A and 30B, respectively, and the third sentence of section 30A, as so redesignated, is amended to read as follows: "The Secretary shall disapprove the assignment

Sec. 30(a) and (b)
DISPPROVAL OF ASSIGNEMNT OR SUBLEASE

NOTE: Regarding all Mineral Leasing Act sections noted on this page: SEE footnotes listed under the section number to locate subsequent amendments to each section.

or sublease only for lack of qualification of the assignee or sublessee or far lack of sufficient bond: Provided, however, That the Secretary may, in his discretion, disapprove an assignment of nay of the following, unless the assignments constitutes the entire lease or is demonstrated to further the development of oil and gas:

"(1) A separate zone or deposit under any lease.

"(2) A part of a legal subdivision.

"(3) Less than 640 acres outside Alaska or of less than 2,560 acres within Alaska.

Request for approval of assignment or sublease shall be processed promptly by the Secretary. Except where the assignment or sublease is not in accordance with applicable law, the approval shall be given within 60 days of the date of receipt by the Secretary of a requires for such approval.".

Sec.5104. LEASE CANCELLATION.

Sec. 31(b)

CANCELLATION

The first sentence of section 31(b)of the Act of February 25, 1920 (30 U.S.C. 188(b)) is amended to read as follows: "Any lease issued after August 21, 1935, under the provisions of section 17 of this Act shall be subject to cancellation by the Secretary of the Interior after 30 days notice upon the failure of the lessee to comply with any of the provisions of the lease, unless or until the leasehold contains a well capable of production of oil or gas in paying quantities, of the lease is committed to an approved cooperative or unit plan or communitization agreement under section 17(m) of this Act which contains a well capable of production of unitized substances in paying quantities.".

Sec.5105. ALASKA NATIONRAL INTEREST LANDS CONSERVATION ACT.

Section 1008 of the Alaska National Interest Lands Conservation Act (16 U.S.C. 3148) is amended as follows:

(1) Subsections (c) and (e) are deleted in their entirety.

(2) The second sentence of subsection 1008(d) is deleted.

SEC.516. PENDING APPLICATIONS, OFFERES, AND BIDS.

(a) Not withstanding any other provision of this subtitle and except as provided in subsection (b) of this section, all noncompetitive oil and gas lease applications and offers and competitive oil and gas bids pending on the date of enactment of this subtitle shall be processed, and leases shall be issued under the provisions of the Act of February 25, 1920, as in effect before its amendment by this subtitle, except where the issuance of any such lease would not be lawful under such provisions or other applicable laws.

PENDING LEASES

(b) No noncompetitive lease applications or offers pending on the date of enactment of this subtitle for lands within the Shawnee National Forest, Illinois; the Ouachita National Forest, Arkansas; Fort Chaffee Arkansas; or Eglin Air Force Base, Florida; shall be processed until these lands are posted for competitive bidding in accordance with section 5102 of this subtitle. IF any such tract does not receive a bid equal to or greater than the national minimum acceptable bid from a responsible qualified bidder than the noncompetitive applications of offers pending for such a tract shall be reinstated

NOTE: Regarding all Mineral Leasing Act sections noted on this page: SEE footnotes listed under the section number to locate subsequent amendments to each section.

and noncompetitive leases issued under the Act of February 25, 1920, as in effect before its amendment by this subtitle, except where the issuance of any such lease would not be lawful under such provisions or other applicable law. If competitive leases are issued for any such tract, then the pending noncompetitive application or offer shall be rejected.

(c) Except as provided in subsections (a) and (b) of this section, all oil and gas leasing pursuant to the Act of February 25, 1920, after the date of enactment of this subtitle shall be conducted in accordance with the provisions of this subtitle.

Sec.5107. REGULATIONS; TEST SALE.

(a) REGULATIONS.—The Secretary shall issue final regulations to implement this subtitle within 180 days after the enactment of this subtitle. The regulations shall be effective when published in the Federal Register.

(b) TREATMENT UNDER OTHER LAW.—The proposal or promulgation of such regulations shall not be considered a major Federal action subject to the requirements of section 102(2)(c) of the National Environmental Policy Act of 1969.

(c) TEST SALE.—The Secretary may hold one or more lease sale conducted in accordance with the amendments made by this subtitle before promulgation of regulations referred to in subsection (a). Sale procedures for such sale shall be established in the notice of sale.

Sec.5108. ENFORCEMENT.

The Act of February 25, 1920, is amended by inserting after section 40 of the following new section:

Sec. 41 added

"Sec.41. ENFORCEMENT.

VIOLATIONS

"(a) VIOLATIONS.—It shall be unlawful for any person:

"(1) to organize or participate in any scheme, arrangement, plan, or agreement to circumvent or defeat the provisions of this Act or its implementing regulations, or

"(2) to seek to obtain or to obtain any money or property by means of false statements of material facts of by failing to state material facts concerning:

"(A) the value of any lease or portion thereof issued or to be issued under this Act

"(B) the availability of any land for leasing under this Act;

"(C)the ability of any person to obtain lease under this Act; or

"(D) the provisions of this Act and its implementing regulations.

PENALTY

"(b)PENALTY.—Any person who knowingly violates the provisions of subsection (a) of this section shall be punished by a fine of not more than $500,000, imprisonment for not more than five years, or both.

CIVIL ACTION

"(c) CIVIL ACTIONS.—Whenever it shall appear that nay person is engaged, or is about to engage, in any act which constitutes or will constitute a violation of subsection (a) of this section, the Attorney General may institute a civil action in the district court of the untied States for the judicial district in which the defendant resides or in which the violations occurred or in which the lease or lands involved is located, for a temporary restraining order, injunction, civil penalty of not more than $100,000 for each violations, or other appropriate remedy, including but not limited to, a prohibition from participation in exploration, leasing, or development of any Federal mineral, or any combination of the foregoing.

CORPORATIONS

"(d) CORPORATIONS.—(1) Whenever a corporation or other entity is subject to civil or criminal action under this section, o any officer, employee, or agent of such corporation or entity who knowingly authorized, ordered, or carried out the proscribed activities shall be subject to the same action.

"(2) Whenever any officer, employee, or agent of a corporation or other entity is subject to civil or criminal action under this section for activity conducted on behalf of the corporation or other entity, the corporation or other entity shall be subject to the same action unless it is shown that the officer, employee, or agent was acting without the knowledge or consent of the corporation or other entity.

REMEDIES, FINES, AND IMPRISONMENT

"(e) REMEDIES, FINES, AND IMPRISONMENT.—the remedies, penalties, fines, and imprisonment prescribed in this section shall be concurrent and cumulative and the exercise of one shall not recluse the exercise of others. Further, the remedies, penalties, fines, and imprisonment prescribed in this section shall be in addition to any other remedies, penalties, fines, and imprisonment afforded by any other law or regulations.

STATE CIVIL ACTIONS

"(f) STATE CIVIL ACTIONS.—(1) A State may commence a civil action under subsection (c) of this section against any person conducing activity within the State in violation of this section. Civil actions brought by a State shall only be brought in the United States district court for the judicial district in which the defendant resides or in which the violation occurred or in which the lease or lands involved is located. The district court shall have jurisdiction, without regard to the amount in controversy or the citizenship of the parties, to order appropriate remedies and penalties as described in subsection (c) of this section.

"(2) A State shall notify the Attorney General o the United States of any civil action filed by the State under this subsection within 30 days of filing of the action. The Attorney General of the Untied States shall notify a State of any civil action arising from activity conducted with the State filed by the Attorney General under this subsection within 30 day of filing of the action.

"(3) Any civil penalties recovered by a State under this subsection shall be retained by the Sate and may be expended in such manner and for such purposes as the State deems appropriate. If a civil action is jointly brought by the Attorney General and a State, by more than one State or by the Attorney General and more than one State, any civil penalties recovered as a result of the joint action shall be shared by the parties bringing the action in the manner determined by the court rendering judgment in such action.

"(4) If a State has commenced a civil action against a person conducting activity within the State in violation of this section, the Attorney General may join in such action but may not institute a separate action arising from the same activity under this section. If the Attorney General has commenced a civil action against a person conducting activity within a State in violation of this section, that State may join in such action but may not institute a separate action arising from the same activity under this section.

"(5) Nothing in this section shall deprive a State of jurisdiction to enforce its own civil and criminal laws against any person who may also be subject to a civil and criminal action under this section.".

Sec.5109. PAYMENTS TO STATES.

Sec. 35

PAYMENTS TO STATES

Section 35 of this Act of February 25, 1920 (30 U.S.C. 191) is amended by adding the following at the end thereof: "In determining the amount of payments to States under this section, the amount of such payments shall not be reduced by any administrative or other costs incurred by the United States.".

Sec.5110. REPORT.

REPORTS

The Secretary shall submit annually for 5 years after enactment of this subtitle to the Congress a report containing appropriate information to facilitate congressional monitoring of this subtitle. Such report shall include, but not be limited to—

(1) the number of acres leased, and the number of leases issued, competitively and noncompetitively;

(2) the amount of revenue received from bonus bids, filing fees, rentals, and royalties;

(3) the amount of production from competitive and non competitive leases; and

(4) such other data and information as will facilitate—

(A) an assessment of the onshore oil and gas leasing system, and

(B) a comparison of the system as revived by this subtitle with the system in operations prior to the enactment of this subtitle

Sec.5111.LAND USE STUDY.

The National Academy of Science and the Comptroller General of the Untied States shall conduct a study of the manner in which oil and gas resources are considered in the land use plans developed by the Secretary of the Interior in accordance with provision of the Federal Land Policy and Management Act of 1976 (90 Stat. 2743) and the Secretary of Agriculture in accordance with the Forest and Rangeland Renewable Resource Planning Act of 1974 (88 Stat. 476), as amended by the National Forest Management Act of 1976(90 Stat. 2949),

And recommend any improvements and that may be necessary to ensure that—

(1) potential oil and gas resources are adequately addressed in planning documents;

(2) the social, economic, and environmental consequence of exploration and development of oil and gas resources are determined; and

(3) any stipulations to be applied to oil and gas leases are clearly identified.

Sec.5112. LANDS NOT SUBJECT TO OIL AND GAS LEASING.

The Act of February 25, 1920, is amended by adding the following at the end thereof;

"SEC.43. LANDS NOT SUBJECT TO OIL AND GAS LEASING. Sec. 43 added

"(a) PROHIBTION.—the Secretary shall not issue any oil and gas lease under this Act on any of the following Federal lands;

"(1) Lands recommended for wilderness allocation by the surface managing agency.

"(2) Lands within Bureau of Land Management wilderness study areas.

"(3) Lands designated by Congress as wilderness study areas, except where oil and gas leasing is specifically allowed to continue by the statue designating the study area.

"(4) Lands within area allocated for wilderness or further planning in Executive Communication 1504. Ninety-Sixth Congress (House Document numbered 96-119), unless such lands are allocated to uses other than wilderness by a land and resources management plan or have been released to use other than wilderness by an act of Congress.

"(b) EXPLORATION.—In the case of any area of National Forest or public lands subject to this section, nothing in this section shall affect any authority of the Secretary of the Interior (or for National Forest Lands reserved from the public domain, the Secretary of Agriculture) to issue permits for exploration for oil and gas by means not requiring construction of roads or improvement of existing roads if such activity is conducted in a manner compatible with the preservation of the wilderness environment.".

Sec.5113. SHORT TITLE.

The Act of February 25, 1920, is amended by inserting after section 43 the following new section: Sec. 44 added

"Sec.44. SHORT TITLE.

"This Act may be cited as the 'Mineral Leasing Act.".

ACT OF NOVEMBER 15, 1990

To authorize the Secretary of the Interior to reinstate oil and gas lease LA 033164.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That subsection 31(g) of the Mineral Leasing Act, as amended (30 V.S.C. 188(g)), is amended by adding the following:

"(3) Notwithstanding any other provision of law, any lease issued pursuant to section 14 of this Act shall be eligible for reinstatement under the terms and conditions set forth in subsections (c), (d), and (e) of this section, applicable to leases issued' under .subsection 17(c) of this Act (30 V.S.C. 226(c)) except, that, upon reinstatement, such lease shall continue for twenty years and so long thereafter as oil or gas is produced in paying quantities.

"(4) Notwithstanding any other provision of law, any lease issued pursuant to section 14 of the Act shall, upon renewal on or after enactment of this paragraph, continue for twenty years and so long thereafter as oil or gas is produced in paying quantities.".

Sec. 2. (a) Notwithstanding any other provision of law, United States oil and gas leases CALA 033164, CAS 019746C, and CAS 021009B shall be eligible for reinstatement under the terms and conditions set forth in subsections 31(c), (d), and (e) of the Mineral Leasing Act, as amended (30 V.S.C. 188 (c), (d), and (e) applicable to leases issued under section 17(c) of the Mineral Leasing Act (30 U.S.C. 226(c)) except, that, upon reinstatement, such lease shall continue for twenty years and so long thereafter as oil or gas is produced in paying quantities.

(b) Within thirty days after the enactment of this Act, the Secretary of the Interior shall give written notice by registered mail to the last lessees of record for the leases listed in subsection (a) of this section that said lessees may petition for reinstatement in accordance with the procedures and conditions in subsections 31 (c), (d), and (e) of the Mineral Leasing Act, as amended (30 U.S.C. 188(c), (d), and (e)). The lessee shall have sixty days from the date of the Secretary's notice to file such petition. If the Secretary determines that the leases listed in subsection (a) of this section qualify for reinstatement pursuant to subsection 31(d) (30 U.S.C.118(d)), in all respects except for compliance with the deadlines imposed by that provision, the Secretary shall reinstate such leases.

Approved November 15, 1990.

NOTE: Regarding all Mineral Leasing Act sections noted on this page: SEE footnotes listed under the section number to locate subsequent amendments in each section.

FOOTNOTES FOR THE MINERAL LEASING ACT OF 1920
and SUBSEQUENT AMENDMENTS

FOOTNOTES FOR SECTION 1: MINERAL LEASING ACT OF 1920:

1. Sec. 1 is made applicable to the Act of 2/7/27, at p. 19 this text.
2. Sec. 1 is amended by the Act of 8/8/46, at p. 40 this text.
3. Sec. 1 is amended by the Act of 9/2/60, at p. 77 this text.
4. Sec. 1 is further amended by the Act of 11/16/81, at p. 114 this text.

FOOTNOTES FOR SECTION 2: MINERAL LEASING ACT OF 1920

5. Sec. 2 is amended by the Act of 6/3/48, at p. 53-54 this text.
6. Sec. 2 (a)-(b) are amended by the Act of 8/31/64, at p. 79 this text.
7. Sec. 2 (a) is amended by the Act of 8/4/76, at p. 100-102 this text.
8. Sec. 2(b) is amended by the Act of 8/4/76, at p. 102-103 this text.
9. Sec. 2(c)-(d) are REPEALED by Act of 8/4/76, at p. 103 this text.
10. Sec. 2 is amended by adding new subsection, 2(d)(1)-(8), by Act of 8/4/76, at p. 103-104 this text.
11. Sec. 2(a) (1) is further amended by 10/30/78, at p. 112 this text.
12. Sec. 2 is amended by addition by the Act of 11/16/81, at p. 116 this text.

FOOTNOTES FOR SECTION 3: MINERAL LEASING ACT OF 1920

13. Sec. 3 is further amended by the Act of 10/30/78, at p. 112 this text.
14. Sec. 3 is amended by the Act of 6/3/48, at p. 56 this text.
15. Sec. 3 is further amended by the Act of 4/21/76, at p. 107-108 this text.
16. Sec. 3 is amended by the Act of 4/21/76, at p. 107-8, this text. NOTE: There are three references to Sec. 3 on page 107.
17. Sec. 3 is amended by the Act of 10/30/78 at p. 112 this text.
18. Sec. 3 is amended by the Act of 11/16/81, at p. 116 this text.

FOOTNOTES FOR SECTION 4: MINERAL LEASING ACT OF 1920

19. Sec. 4 is REPEALED by 4/21/76, at p. 107 this text.

FOOTNOTES FOR SECTION 7: MINERAL LEASING ACT OF 1920

20. Sec. 7 is amended by the Act of 4/21/76, at p. 104 this text.

FOOTNOTES FOR SECTION 8: MINERAL LEASING ACT OF 1920

21. Sec. 8A is inserted after sec. 8 by the Act of 4/21/76, at p. 104-106 this text.
22. Sec. 8B is inserted after sec. 8A by the Act of 4/21/76, at p. 106 this text.

FOOTNOTES FOR SECTION 9: MINERAL LEASING ACT OF 1920
23. Sec. 9 is amended by the Act of 6/3/48, at p. 54 this text.
24. Sec. 9 is amended and new subsections are added by the Act of 3/18/60, at p. 65 this text.

FOOTNOTES FOR SECTION 10: MINERAL LEASING ACT OF 1920
25. Sec. 10 is amended by the Act of 6/3/48, at p. 54-55 this text.

FOOTNOTBS FOR SECTION 11: MINERAL LEASING ACT OF 1920
26. Sec. 11 is amended by the Act of 6/3/48, at p. 55 this text.

FOOTNOTES FOR SECTION 12: MINERAL LEASING ACT OF 1920
27. Sec. 12 is amended by the Act of 6/3/48, at p. 55 this text.
28. Sec. 12 is amended by the Act of 3/18/60, at p. 65 this text.

FOOTNOTES FOR SECTION 13: MINERAL LEASING ACT or 1920
29. Sec. 13 is amended by the Act of 8/21/35, at p. 30-32 this text.
30. Sec. 13 is made applicable to the Act of 7/29/42, at p. 37 this text.

FOOTNOTES FOR SECTION 14: MINERAL LEASING ACT OF 1920
31. Sec. 14 is amended by the Act of 8/21/35, at p. 32-33 this text.

FOOTNOTES FOR SECTION 16: MINERAL LEASING ACT OF 1920
32. Sec. 16 is amended by the Act of 8/8/46, at p. 40 this text.

FOOTNOTES FOR SECTION 17: MINERAL LEASING ACT OF 1920
33. Sec. 17 is amended by the Act of 7/3/30, at p. 22 this text. NOTE: This amendment EXPIRES 1/31/31. See p. 24 this text.
34. Sec. 17 is amended and reenacted by the Act of 3/4/31, at p. 25-26 this text. 33. Sec. 17 is amended by the Act of 8/21/35, at p. 33-35 this text.
35. Sec. 17 as amended in the Act of 8/21/35 (pages 33-35 this text) is applicable to the Act of 1/8/40, at p. 37 this text.
35. Sec. 17 provisions are applied to the Act of 7/29/42, at p. 37 this text.
36. Sec. 17 is amended and new sections, 17(a) and (b) are added, by the Act of 8/8/46, at p. 40-44 this text.
31. Sec. 17 is amended by the Act of 7/29/54, at p. 58-59 this text. NOTE: There are five references to Sec. 17 at these pages.
38. Sec. 17 is amended by the Act of 6/11/60, at p. 65 this text.
39. Sec. 17, 17(a), and 17(b) are amended by the Act of 9/2/60, at p. 67-71 this text.
40. Sec. 17(b), (c), and (e) are amended by the Act of 11/16/81, at p. 114-115 this text.
41. Sec. 17 is amended by adding sec. 17(k) by the Act of 11/16/81, at p. 115-116 this text.
42. Sec. 17(b) (1), (c), and (d) are amended by the Act of 12/21/87, at p. 132-134 this text.

FOOTNOTES FOR SECTION 21: MINERAL LEASING ACT OF 1920

43. Sec. 21 is amended and secs. 21(a) and (b) are added by the Act of 9/2/60, at p. 77 this text. NOTE: There are two references to Sec. 21 on this page.
44. Sec. 21(a) and (c) are amended by the Act of 11/16/81, at p. 114 this text.
45. Sec. 21 is amended by the Act of 12/30/82, at p. 117-118 this text.

FOOTNOTES FOR SECTION 22: MINERAL LEASING ACT OF 1920

46. Sec. 22 is amended by the Act of 7/3/58, at p. 62 this text.

FOOTNOTES FOR SECTION 23: MINERAL LEASING ACT OF 1920

47. Sec. 23 is amended by the Act of 12/11/28, at p. 20 this text.

FOOTNOTES FOR SECTION 24: MINERAL LEASING ACT OF 1920

48. Sec. 24 is amended by the Act of 12/11/28, at p. 20-21 this text.

FOOTNOTES FOR SECTION 27: MINERAL LEASING ACT OF 1920

49. Sec. 27 is amended by the Act of 4/30/26, at p. 18-19 this text.
50. Sec. 27 is amended by the Act of 7/3/30, at p. 22-24 this text.
NOTE: This amendment EXPIRES 1/31/31. See p. 24 this text.
51. Sec. 27 is amended by the Act of 8/8/46, at p. 44-46 this text.
52. Sec. 27 is amended by the Act of 6/3/48, at p. 55 this text.
53. Sec. 27 is amended by the Act of 8/2/54, at p. 60 this text.
54. Sec. 27 is amended by the Act of 8/21/58, at p. 63 this text.
55. Sec. 27 is amended by the Act of 3/18/60, at p. 65 this text.
56. Sec. 27 is amended by the Act of 9/2/60, at p. 71-75 this text.
57. Sec. 27 is amended by the Act of 8/31/64, at p. 79 this text.
58. Sec. 27(a) (1) is amended by the Act of 4/21/76, at p. 107 this text.
59. Sec. 27(a) (2) was REPEALED by the Act of 4/21/76, at p. 107 this text.
60. Sec. 27 is amended by the Act of 4/21/76, at p. 108 this text.
61. Sec. 27(k) is amended by the Act of 11/16/81, see p. 114 this text.
62. Sec. 27(d) (1) is amended by the Act of 11/16/81, see p. 114 this text.

FOOTNOTES FOR SECTION 28: MINERAL LEASING ACT OF 1920

63. Sec. 28 is amended by the Act of 8/21/35, at p. 35-36 this text.
64. Sec. 28 is amended by the Act of 8/12/53, at p. 57 this text.
65. Sec. 28 is amended by the Act of 11/16/73, at p. 91-99 this text.

FOOTNOTES FOR SECTION 30: MINERAL LEASING ACT OF 1920
66. Sec. 30(a) and (b) were added by the Act of 8/8/46, at p. 46-47 this text.
67. Sec. 30(a) is amended by the Act of 7/29/54, at p. 59 this index.
68. Sec. 30(a) is amended by the Act of 9/2/60, at p. 76-77 this text.
69. Sec. 30 is amended by Act of 10/30/78, at p. 112 this index.
70. Sec. 30(a) and (b) are amended by the Act of 12/21/87, at p. 134-135 this text.

FOOTNOTES FOR SECTION 31: MINERAL LEASING ACT OF 1920
71. Sec. 31 is amended by the Act of 8/8/46, at p. 47 this text.
72. Sec. 31 is amended by the Act of 7/29/54, at p. 60 this text.
73. Sec. 31 is amended by the Act of 10/15/62, at p. 78 this text.
74. Sec. 31(c) and (d) are added by 10/15/62, at p. 78 this text.
75. Sec. 31(b) and (0) are amended by Act of 5/12/70, at p. 80 this text.
76. Sec. 31 is amended by Act of 1/12/83, at p. 128 this text.
77. Sec. 31(b) is amended by the Act of 12/21/87, at p. 135 this text.

FOOTNOTES FOR SECTION 34: MINERAL LEASING ACT OF 1920
78. Sec. 34 is amended by the Act of 9/2/60, at p. 77 this text.

FOOTNOTES FOR SECTION 35: MINERAL LEASING ACT OF 1920
79. Sec. 35 is amended and reenacted .by the Act of 5/27/47 at p. 49 this text.
80. Sec. 35 is amended by the Act of 8/3/50, at p. 57 this text.
81. Sec. 35 is amended by the Act of 7/10/57, at p. 61 this text.
82. Sec. 35 is amended by the Act of 4/21/76, at p. 100 this text.
83. Sec. 35 is amended by the Act of 4/21/76, at p. 106 this text.
84. Sec. 35 is amended by the Act of B/4/76, at p. 107 this text.
85. Sec. 35 is amended by tit1e III, 9/28/76, at p. 109 this text.
86. Sec. 35 is amended by the Act of 10/21/76, at p. 110 this text.
87. Sec. 35 is amended by the Act of 1/12/83, at p. 121 this text.
88. Sec. 35 is amended by the Act of 1/12/83, at p. 126 this text.
NOTE: There are two references to Sec. 35 on this page.
89. Sec. 35 is amended by the Act of 12/22/87, at p. 138 this text.

FOOTNOTES FOR SECTION 36: MINERAL LEASING ACT OF 1920
90. Sec. 36 is amended by the Act of 7/13/46, at p. 39 this text.

FOOTNOTES FOR SECTION 37: MINERAL LEASING ACT OF 1920
91. Sec. 37 is amended by the Act of 10/30/78, at p. 112 this text.

FOOTNOTES FOR SECTION 38: MINERAL LEASING ACT OF 1920
92. Sec. 38 was REPEALED by the Act of 9/6/66, at p. 79 this text.

FOOTNOTES FOR SECTION 39: MINERAL LEASING ACT OF 1920
93. Sec. 39 was added by the Act of 2/9/33, at p. 28 this text.
94. Sec. 39 was added by the Act of 2/9/33, at p. 28 this text.
95. Sec. 39 is amended by the Act of 8/8/46, at p. 47-48 this text.

96. Sec. 39 is amended by the Act of 6/3/48, at p. 55-56 this text.
97. Sec. 39 is amended by the Act of 4/21/76, at p. 108 this text.
98. Sec. 39 is amended by the Act of 11/16/81, at p. 114 this text.

FOOTNOTES FOR SECTION 14 (cont'd): MINERAL LEASING ACT OF 1920
99. Sec. 14 is amended by the Act of 11/15/90, at p. 140 this text.

FOOTNOTES FOR SECTION 31 (cont'd): MINERAL LEASING ACT OF 1920
100. Sec. 31 is amended by the Act of 11/15/90, at p. 140 this text.

SECTION 40:
Added by Act of 6/16/34, at p. 29 this text.

SECTION 41;
Added by Act of 12/21/87, at p. 136 this text.

SECTION 42:
Added by Act of 9/2/60, at p. 76 this text.

SECTION 43:
Added by Act of 12/21/87, at p. 139 this text.

SECTION 44:
Added by Act of 12/21/87, at p. 139 this text.