

under the provisions of this chapter shall be deposited in the Treasury of the United States, and disposed of in the same manner as rentals and royalties under the provisions of section 191 of this title.

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

**§ 293. Duties of Secretary of the Interior**

The Secretary of the Interior is hereby authorized to perform any and all acts and to make such rules and regulations as may be necessary and proper for the purpose of carrying this chapter into full force and effect.

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

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

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

**§ 301. Authorization for lease of oil and gas deposits; by and to whom leased**

Whenever the Secretary of the Interior shall deem it to be consistent with the public interest he is authorized to lease deposits of oil and gas in or under lands embraced in railroad or other rights of way acquired under any law of the United States, whether the same be a base fee or mere easement: *Provided*, That, except as herein-after authorized, no lease shall be executed hereunder except to the municipality, corporation, firm, association, or individual by whom such right of way was acquired, or to the lawful successor, assignee, or transferee of such municipality, corporation, firm, association, or individual.

(May 21, 1930, ch. 307, §1, 46 Stat. 373.)

**§ 302. Assignment of lease; subletting**

The right conferred by this chapter may, subject to the approval of the Secretary of the Interior, be assigned or sublet by the owner thereof to any corporation, firm, association, or individual.

(May 21, 1930, ch. 307, §2, 46 Stat. 373.)

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

Prior to the award of any lease under section 301 of this title, the Secretary of the Interior shall notify the owner or lessee of adjoining lands and allow him a reasonable time, to be fixed in the notice given, within which to submit an offer or bid of the amount or percentage of compensatory royalty that such owner will agree to pay for the extraction through wells on his or its adjoining land, of the oil or gas under and from such adjoining right of way, and at the same time afford the holder of the railroad or other right of way a like opportunity within the

same time to submit its bid or offer as to the amount or percentage of royalty it will agree to pay, if a lease for the extraction of the oil and gas deposits under the right of way be awarded to the holder of such right of way. In case of competing offers by the said parties in interest, the Secretary shall award the right to extract the oil and gas to the bidder, duly qualified, making the offer in his opinion most advantageous to the United States. In case but one bid or offer is received after notice duly given, he may, in his discretion, award the right to extract the oil and gas to such bidder.

(May 21, 1930, ch. 307, §3, 46 Stat. 374.)

**§ 304. Provisions authorized in lease**

Any lease granted by the Secretary of the Interior pursuant to this chapter may, in the discretion of said Secretary, contain a provision giving the lessee the right, with the approval of said Secretary, to shut down the operation of any well or wells the operation of which has become unprofitable, to resume operations when such resumption may result in profit, and to abandon any well or wells that cease to produce oil and/or gas in paying quantities.

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

**§ 305. Royalties under lease**

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

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

**§ 306. Rules and regulations**

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

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

**CHAPTER 6—SYNTHETIC LIQUID FUEL DEMONSTRATION PLANTS**

**§§ 321 to 325. Omitted**

CODIFICATION

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

Section 322, act Apr. 5, 1944, ch. 172, §2, 58 Stat. 190, in order to carry out the 11 year demonstration plant