

creased by more than 50 per centum over the rental or royalty paid during the preceding period. Each geothermal lease issue¹ under this chapter 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 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 party.

(c) Surface use, protection, or restoration of lands withdrawn or acquired for Federal agency; notice; approval of agency

Any readjustment of the terms and conditions as to use, protection, or restoration of the surface of any lease of lands withdrawn or acquired in aid of a function of a Federal department or agency other than the Department of the Interior may be made only upon notice to, and with the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

(Pub. L. 91-581, § 8, Dec. 24, 1970, 84 Stat. 1569; Pub. L. 109-58, title II, §§ 229, 236(8), Aug. 8, 2005, 119 Stat. 668, 672.)

AMENDMENTS

2005—Pub. L. 109-58, § 236(8), inserted section catchline.

Subsec. (b). Pub. L. 109-58, § 229, substituted "period" for "period, and in no event shall the royalty payable exceed 22½ per centum" in second sentence.

§ 1008. Byproducts

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 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.

(Pub. L. 91-581, § 9, Dec. 24, 1970, 84 Stat. 1570; Pub. L. 109-58, title II, § 236(9), Aug. 8, 2005, 119 Stat. 672.)

AMENDMENTS

2005—Pub. L. 109-58 inserted section catchline.

§ 1009. Relinquishment of geothermal rights

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 or of any legal subdivision of the area covered by such lease. Such relinquishment shall be effective as of the date of its fil-

ing. 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, in accordance with the applicable lease terms and regulations, (1) to make payment of all accrued rentals and royalties, (2) to place all wells on the relinquished lands in condition for suspension or abandonment, and (3) to protect or restore substantially the surface and surface resources.

(Pub. L. 91-581, § 10, Dec. 24, 1970, 84 Stat. 1570; Pub. L. 109-58, title II, § 236(10), Aug. 8, 2005, 119 Stat. 672.)

AMENDMENTS

2005—Pub. L. 109-58 inserted section catchline.

§ 1010. Suspension of operations and production

The Secretary, upon application by the lessee, may authorize the lessee to suspend operations and production on a 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.

(Pub. L. 91-581, § 11, Dec. 24, 1970, 84 Stat. 1570; Pub. L. 109-58, title II, § 236(11), Aug. 8, 2005, 119 Stat. 672.)

AMENDMENTS

2005—Pub. L. 109-58 inserted section catchline.

§ 1011. Termination of leases

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 be corrected within the notice period then provided that lessee has 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 proposed 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 thirty days after the Secretary's decision after such hearing if the Secretary shall find that a violation exists.

(Pub. L. 91-581, § 12, Dec. 24, 1970, 84 Stat. 1570; Pub. L. 109-58, title II, § 236(12), Aug. 8, 2005, 119 Stat. 672.)

AMENDMENTS

2005—Pub. L. 109-58 inserted section catchline.

§ 1012. Waiver, suspension, or reduction of rental or royalty

The Secretary may waive, suspend, or reduce the rental or royalty for any lease or portion

¹ So in original. Probably should be "issued".