

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(c) Surface use, protection, or restoration of lands withdrawn or acquired for Federal agency; notice; approval of agency

Any readjustment of the terms and conditions as to use, protection, or restoration of the surface of any lease of lands withdrawn or acquired in aid of a function of a Federal department or agency other than the Department of the Interior may be made only upon notice to, and with the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

thereof in the interests 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.

(Pub. L. 91-581, §13, Dec. 24, 1970, 84 Stat. 1570; Pub. L. 109-58, title II, §236(13), Aug. 8, 2005, 119 Stat. 672.)

AMENDMENTS

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

§ 1013. Surface land use

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

(Pub. L. 91-581, §14, Dec. 24, 1970, 84 Stat. 1571; Pub. L. 109-58, title II, §236(14), Aug. 8, 2005, 119 Stat. 672.)

AMENDMENTS

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

§ 1014. Lands subject to geothermal leasing

(a) Terms and conditions for lands withdrawn or acquired for Department of the Interior

Geothermal leases for lands 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) Consent and terms and conditions for lands withdrawn or acquired for Department of Agriculture or for lands for power and related purposes

Geothermal leases for lands withdrawn or acquired in aid of functions of the Department of Agriculture may be issued only with the 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 purposes for which they were withdrawn or acquired. Geothermal leases for lands to which section 818 of title 16 is applicable, may be issued only with the consent of, and subject to, such terms and conditions as the Secretary of Energy may prescribe to insure adequate utilization of such lands for power and related purposes.

(c) Exemption of certain Federal lands

Geothermal leases under this chapter shall not be issued for lands administered in accordance with (1) sections 1, 2, 3, and 4 of title 16, 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 or individually owned Indian trust or restricted lands,

within or without the boundaries of Indian reservations.

(Pub. L. 91-581, §15, Dec. 24, 1970, 84 Stat. 1571; Pub. L. 95-91, title III, §301(b), title VII, §§703, 707, Aug. 4, 1977, 91 Stat. 578, 606, 607; Pub. L. 109-58, title II, §236(15), Aug. 8, 2005, 119 Stat. 672.)

AMENDMENTS

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

TRANSFER OF FUNCTIONS

“Secretary of Energy” substituted for “Federal Power Commission” in subsec. (b) pursuant to sections 301(b), 703, and 707 of Pub. L. 95-91, which are classified to sections 7151(b), 7293, and 7297 of Title 42, The Public Health and Welfare, and which terminated Federal Power Commission and transferred its functions (with certain exceptions) to Secretary of Energy.

§ 1015. Requirement for lessees

Leases under this chapter may be issued only to citizens of the United States, associations of such citizens, corporations organized under the laws of the United States or of any State or the District of Columbia, or governmental units, including, without limitation, municipalities.

(Pub. L. 91-581, §16, Dec. 24, 1970, 84 Stat. 1571; Pub. L. 109-58, title II, §236(16), Aug. 8, 2005, 119 Stat. 672.)

AMENDMENTS

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

§ 1016. Administration

Administration of this chapter 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 lease issued pursuant to this chapter, nor shall operations under 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.

(Pub. L. 91-581, §17, Dec. 24, 1970, 84 Stat. 1571; Pub. L. 109-58, title II, §236(17), Aug. 8, 2005, 119 Stat. 672.)

AMENDMENTS

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

§ 1017. Unit and communitization agreements

(a) Adoption of units by lessees

(1) In general

For the purpose of more properly conserving the natural resources of any geothermal reservoir, field, or like area, or any part thereof (whether or not any part of the geothermal reservoir, field, or like area, is subject to any cooperative plan of development or operation (referred to in this section as a “unit agreement”)), lessees thereof and their representa-