

## 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 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 representatives may unite with each other, or jointly or separately with others, in collectively adopting and operating under a unit agreement for the reservoir, field, or like area, or any part thereof, including direct use resources, if determined and certified by the Secretary to be necessary or advisable in the public interest.

###### (2) Majority interest of single leases

A majority interest of owners of any single lease shall have the authority to commit the lease to a unit agreement.

###### (3) Initiative of Secretary

The Secretary may also initiate the formation of a unit agreement, or require an existing Federal lease to commit to a unit agreement, if in the public interest.

##### (4) Modification of lease requirements by Secretary

###### (A) In general

The Secretary may, in the discretion of the Secretary and with the consent of the holders of leases involved, establish, alter, change, or revoke rates of operations (including drilling, operations, production, and other requirements) of the leases and make conditions with respect to the leases, with the consent of the lessees, in connection with the creation and operation of any such unit agreement as the Secretary may consider necessary or advisable to secure the protection of the public interest.

###### (B) Unlike terms or rates

Leases with unlike lease terms or royalty rates shall not be required to be modified to be in the same unit.

##### (b) Requirement of plans under new leases

The Secretary may—

(1) provide that geothermal leases issued under this chapter shall contain a provision requiring the lessee to operate under a unit agreement; and

(2) prescribe the unit agreement under which the lessee shall operate, which shall adequately protect the rights of all parties in interest, including the United States.

##### (c) Modification of rate of prospecting, development, and production

The Secretary may require that any unit agreement authorized by this section that applies to land owned by the United States contain a provision under which authority is vested in the Secretary, or any person, committee, or State or Federal officer or agency as may be designated in the unit agreement to alter or modify, from time to time, the rate of prospecting and development and the quantity and rate of production under the unit agreement.

##### (d) Exclusion from determination of holding or control

Any land that is subject to a unit agreement approved or prescribed by the Secretary under this section shall not be considered in determining holdings or control under section 1006 of this title.

##### (e) Pooling of certain land

If separate tracts of land cannot be independently developed and operated to use geothermal resources pursuant to any section of this chapter—

(1) the land, or a portion of the land, may be pooled with other land, whether or not owned by the United States, for purposes of development and operation under a communitization agreement providing for an apportionment of production or royalties among the separate tracts of land comprising the production unit, if the pooling is determined by the Secretary to be in the public interest; and

(2) operation or production pursuant to the communitization agreement shall be treated as operation or production with respect to each tract of land that is subject to the communitization agreement.