

**§ 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 program, authorized laboratory research and development, acquisition by purchase of license of secret processes, inventions, etc., acquisition of land, plants, etc., contracting for personnel, and cooperation with other Federal and State agencies. See note for section 321 above.

Section 323, acts Apr. 5, 1944, ch. 172, § 3, 58 Stat. 191; Oct. 31, 1951, ch. 654, § 4(2), 65 Stat. 709, related to licenses and patent rights under the 11 year demonstration plant program. See note for section 321 above.

Section 324, act Apr. 5, 1944, ch. 172, § 4, 58 Stat. 191, provided that moneys received under this chapter for products and royalties from the 11 year demonstration plant program be paid into the Treasury as miscellaneous receipts and a report to Congress on all operations under this chapter be rendered by the Secretary on or

before the first day of January of each year. See note for section 321 above.

Section 325, act Apr. 5, 1944, ch. 172, § 5, 58 Stat. 191, authorized the Secretary to issue rules and regulations to carry out the 11 year demonstration plant program under this chapter and provided that the authority and duties of the Secretary be exercised through the Bureau of Mines. See note for section 321 above.

## AUTHORIZATION OF APPROPRIATIONS

Act Apr. 5, 1944, ch. 172, § 6, 58 Stat. 191, as amended by acts Mar. 15, 1948, ch. 117, § 1, 62 Stat. 79; Sept. 22, 1950, ch. 988, § 1, 64 Stat. 905, authorized appropriations of not to exceed \$87,600,000 to carry out the provisions of this chapter.

## MORGANTOWN, W. VA., EXPERIMENT STATION

Act Sept. 22, 1950, ch. 988, § 2, 64 Stat. 905, provided that out of the \$87,600,000 authorized to carry out this chapter, not to exceed \$2,600,000 be used for the construction and equipment of an experiment station in or near Morgantown, West Virginia, for research in mining, preparation, and utilization of coal, petroleum, natural gas, peat, and other minerals.

**CHAPTER 7—LEASE OF MINERAL DEPOSITS  
WITHIN ACQUIRED LANDS**

Sec. 351.	Definitions.
352.	Deposits subject to lease; consent of department heads; lands excluded.
353.	Sale of lands unaffected; reservation of mineral rights; sale subject to prior lease; naval petroleum reserves unaffected.
354.	Lease of partial or future interests in deposits.
355.	Disposition of receipts.
356.	Furnishing description of lands and title documents; recordation of documents; authenticated copies.
357.	State or local government rights; taxation.
358.	Rights under prior leases; priority of pending applications; exchange of leases.
359.	Rules and regulations.
360.	Authority to manage certain mineral leases.

**§ 351. Definitions**

As used in this chapter "United States" includes Alaska. "Acquired lands" or "lands acquired by the United States" include all lands heretofore or hereafter acquired by the United States to which the "mineral leasing laws" have not been extended, including such lands acquired under the provisions of the Act of March 1, 1911 (36 Stat. 961, 16 U.S.C., sec. 552). "Secretary" means the Secretary of the Interior, "Mineral leasing laws" shall mean the Act of October 20, 1914 (38 Stat. 741, 48 U.S.C., sec. 432); the Act of February 25, 1920 (41 Stat. 437, 30 U.S.C., sec. 181); the Act of April 17, 1926 (44 Stat. 301, 30 U.S.C., sec. 271); the Act of February 7, 1927 (44 Stat. 1057, 30 U.S.C., sec. 281), and all Acts heretofore or hereafter enacted which are amendatory of or supplementary to any of the foregoing Acts. "Lease" includes "prospecting permit" unless the context otherwise requires. The term "oil" shall embrace all nongaseous hydrocarbon substances other than those leasable as coal, oil shale, or gilsonite (including all vein-type solid hydrocarbons).

(Aug. 7, 1947, ch. 513, § 2, 61 Stat. 913; Pub. L. 97-78, § 1(9)(a), Nov. 16, 1981, 95 Stat. 1072.)

## REFERENCES IN TEXT

Act of March 1, 1911, referred to in text, is act Mar. 1, 1911, ch. 186, 36 Stat. 961, as amended, known as the