

(b) The Secretary shall report annually to Congress all agreements under this section.

(Aug. 10, 1956, ch. 1041, 70A Stat. 458; Pub. L. 87-796, §1(4), Oct. 11, 1962, 76 Stat. 904; Pub. L. 94-258, title II, §201(5), Apr. 5, 1976, 90 Stat. 309; Pub. L. 96-513, title V, §513(32)(A), Dec. 12, 1980, 94 Stat. 2933.)

## HISTORICAL AND REVISION NOTES

Revised section	Source (U.S. Code)	Source (Statutes at Large)
7424 .....	34 U.S.C. 524 (4th par., less 1st proviso).	June 4, 1920, ch. 228 (4th par., less 1st proviso, of amended 3d and 4th provisos), 41 Stat. 813; June 30, 1938, ch. 851, §1, 52 Stat. 1252; June 17, 1944, ch. 262, 58 Stat. 282.

## AMENDMENTS

1980—Subsec. (a). Pub. L. 96-513 substituted “Naval Petroleum Reserve Numbered 1” for “naval petroleum reserve numbered 1” wherever appearing.

1976—Subsec. (a). Pub. L. 94-258 struck out “of the Navy” after “Secretary”, “and oil shale” after “petroleum” in par. (1), and “in the ground” after “conservation” in subpar. (A) of par. (1).

1962—Subsec. (a). Pub. L. 87-796 inserted provisions in cl. (1) empowering the Secretary to contract with owners and lessees of land inside or adjoining oil shale reserves.

## EFFECTIVE DATE OF 1980 AMENDMENT

Amendment by Pub. L. 96-513 effective Dec. 12, 1980, see section 701(b)(3) of Pub. L. 96-513, set out as a note under section 101 of this title.

**§ 7425. Acquisition by condemnation and purchase**

(a) Whenever the Secretary is unable to make arrangements he considers satisfactory for exchanges of land or agreements for conservation authorized by section 7424 of this title, the Secretary may acquire, with the approval of the President, such privately owned lands and leases—

(1) by purchase, inside the naval petroleum reserves, or outside those reserves on the same geologic structure; and

(2) by condemnation, inside Naval Petroleum Reserve Numbered 1, or, if there is substantial drainage, outside that reserve on the same geologic structure.

(b) The Secretary shall report annually to Congress all proceedings for purchase and condemnation under this section.

(Aug. 10, 1956, ch. 1041, 70A Stat. 458; Pub. L. 94-258, title II, §201(6), Apr. 5, 1976, 90 Stat. 309; Pub. L. 96-513, title V, §513(32)(A), Dec. 12, 1980, 94 Stat. 2933; Pub. L. 106-398, §1 [div. C, title XXXIV, §3402(b)(1)], Oct. 30, 2000, 114 Stat. 1654, 1654A-484.)

## HISTORICAL AND REVISION NOTES

Revised section	Source (U.S. Code)	Source (Statutes at Large)
7425 .....	34 U.S.C. 524 (5th par., 1st 123 words, and 169th through 193d words).	June 4, 1920, ch. 228 (5th par., 1st 123 words, and 169th through 193d words, of amended 3d and 4th provisos), 41 Stat. 813; June 30, 1938, ch. 851, §1, 52 Stat. 1252; June 17, 1944, ch. 262, 58 Stat. 282.

The words “Whenever the Secretary of the Navy is unable” are substituted for the words “In the event of the inability of the Secretary of the Navy” for brevity.

## AMENDMENTS

2000—Subsec. (a). Pub. L. 106-398 substituted “for exchanges of land or agreements for conservation authorized by section 7424 of this title, the Secretary may acquire” for “for—

“(1) exchanges of land or agreements for conservation authorized by section 7424 of this title; or

“(2) contracts for joint, unit, or other cooperative plans with respect to lands or leases authorized by section 7426 of this title; he may acquire”.

1980—Subsec. (a). Pub. L. 96-513 substituted “Naval Petroleum Reserve Numbered 1” for “naval petroleum reserve numbered 1”.

1976—Subsec. (a). Pub. L. 94-258 struck out “of the Navy” after “Secretary”.

## EFFECTIVE DATE OF 1980 AMENDMENT

Amendment by Pub. L. 96-513 effective Dec. 12, 1980, see section 701(b)(3) of Pub. L. 96-513, set out as a note under section 101 of this title.

**[§ 7426. Repealed. Pub. L. 106-398, § 1 [div. C, title XXXIV, § 3402(a)], Oct. 30, 2000, 114 Stat. 1654, 1654A-484]**

Section, acts Aug. 10, 1956, ch. 1041, 70A Stat. 459; Pub. L. 94-258, title II, §201(7), Apr. 5, 1976, 90 Stat. 309; Pub. L. 96-513, title V, §513(32)(A), (B), Dec. 12, 1980, 94 Stat. 2933; Pub. L. 98-525, title XIV, §1405(52), Oct. 19, 1984, 98 Stat. 2625; Pub. L. 104-106, div. A, title XV, §1502(a)(2), Feb. 10, 1996, 110 Stat. 502; Pub. L. 106-65, div. A, title X, §1067(1), Oct. 5, 1999, 113 Stat. 774, related to cooperative or unit plans affecting Naval Petroleum Reserve Numbered 1.

## SAVINGS PROVISION

Pub. L. 106-398, §1 [div. C, title XXXIV, §3402(c)], Oct. 30, 2000, 114 Stat. 1654, 1654A-484, provided that: “The repeal of section 7426 of title 10, United States Code, shall not affect the validity of contracts that are in effect under such section on the day before the date of the enactment of this Act [Oct. 30, 2000]. No such contract may be extended or renewed on or after the date of the enactment of this Act.”

**§ 7427. Cooperative or unit plans in the naval petroleum reserves**

The Secretary, with the consent of the President, may make agreements, with respect to lands inside the naval petroleum reserves, of the same type as the Secretary of the Interior may make under section 17(m) of the Act of February 25, 1920 (30 U.S.C. 226(m)). No such agreement made by the Secretary may extend the term of any lease unless the agreement so provides.

(Aug. 10, 1956, ch. 1041, 70A Stat. 460; Pub. L. 94-258, title II, §201(8), Apr. 5, 1976, 90 Stat. 309; Pub. L. 96-513, title V, §513(33), Dec. 12, 1980, 94 Stat. 2934; Pub. L. 100-456, div. A, title XII, §1233(g)(3), Sept. 29, 1988, 102 Stat. 2058.)

## HISTORICAL AND REVISION NOTES

Revised section	Source (U.S. Code)	Source (Statutes at Large)
7427 .....	30 U.S.C. 236b (last 46 words).	Aug. 8, 1946, ch. 916, §13 (29th through 85th words) 60 Stat. 958.

## AMENDMENTS

1988—Pub. L. 100-456 substituted “section 17(m)” for “section 17(j)” and “30 U.S.C. 226(m)” for “30 U.S.C. 226(j)”.

1980—Pub. L. 96-513 substituted “section 17(j) of the Act of February 25, 1920 (30 U.S.C. 226(j))” for “section 226e of title 30”.

1976—Pub. L. 94-258 struck out “of the Navy” after “Secretary” wherever appearing.

EFFECTIVE DATE OF 1980 AMENDMENT

Amendment by Pub. L. 96-513 effective Dec. 12, 1980, see section 701(b)(3) of Pub. L. 96-513, set out as a note under section 101 of this title.

EX. ORD. NO. 12929. DELEGATION OF AUTHORITY REGARDING NAVAL PETROLEUM AND OIL SHALE RESERVES

Ex. Ord. No. 12929, Sept. 29, 1994, 59 F.R. 50473, provided:

By the authority vested in me as President by the Constitution and the laws of the United States of America, including section 301 of title 3 and sections 7427 and 7428 of title 10, United States Code, and in order to meet the goals and requirements of the Naval Petroleum and Oil Shale Reserves, it is hereby ordered as follows:

The functions vested in the President by sections 7427 and 7428 of title 10 of the United States Code are delegated to the Secretary of Energy.

WILLIAM J. CLINTON.

Temporary delegations of functions of President under this section were contained in the following prior Executive Orders:

Ex. Ord. No. 12784, Dec. 19, 1991, 56 F.R. 66339.

Ex. Ord. No. 12659, Dec. 15, 1988, 53 F.R. 50911.

§ 7428. Agreements and leases: provision for change

Every unit or cooperative plan of development and operation and every lease affecting lands owned by the United States within Naval Petroleum Reserve Numbered 2 and the oil shale reserves shall contain a provision authorizing the Secretary, subject to approval by the President and to any limitation in the plan or lease, to change from time to time the rate of prospecting and development on, and the quantity and rate of production from, lands of the United States under the plan or lease, notwithstanding any other provision of law.

(Aug. 10, 1956, ch. 1041, 70A Stat. 460; Pub. L. 87-796, §1(5), Oct. 11, 1962, 76 Stat. 905; Pub. L. 94-258, title II, §201(9), Apr. 5, 1976, 90 Stat. 309; Pub. L. 106-398, §1 [div. C, title XXXIV, §3402(b)(2)], Oct. 30, 2000, 114 Stat. 1654, 1654A-484.)

HISTORICAL AND REVISION NOTES

Revised section	Source (U.S. Code)	Source (Statutes at Large)
7428 .....	34 U.S.C. 524 (proviso of 6th par.).	June 4, 1920, ch. 228 (6th par., proviso, of amended 3d and 4th provisos), 41 Stat. 813; June 30, 1938, ch. 851, §1, 52 Stat. 1252; June 17, 1944, ch. 262, 58 Stat. 282.

The words “entered into after July 1, 1937” and “entered into subsequent to July 1, 1937” are omitted as surplusage. The words “in his discretion” are omitted as surplusage.

AMENDMENTS

2000—Pub. L. 106-398 struck out “, except a plan authorized by section 7426 of this title,” after “development and operation”.

1976—Pub. L. 94-258 substituted “within Naval Petroleum Reserve Numbered 2 and the oil shale reserves

shall contain a provision authorizing the Secretary” for “within the naval petroleum and oil shale reserves shall contain a provision authorizing the Secretary of the Navy”.

1962—Pub. L. 87-796 included leases affecting lands within oil shale reserves.

DELEGATION OF FUNCTIONS

Functions of the President under this section were delegated to the Secretary of Energy by Ex. Ord. No. 12929, Sept. 29, 1994, 59 F.R. 50473, set out as a note under section 7427 of this title.

§ 7429. Re-lease of certain lands: lessee’s preferential right

The Secretary, on terms prescribed by him, may re-lease lands in the naval petroleum reserves that were covered by leases made before July 1, 1936, and terminated by law at the expiration of their initial twenty-year periods. If any such land is to be re-leased, the Secretary shall give to the former lessee preferential rights to the new lease.

(Aug. 10, 1956, ch. 1041, 70A Stat. 460; Pub. L. 94-258, title II, §201(10), Apr. 5, 1976, 90 Stat. 309.)

HISTORICAL AND REVISION NOTES

Revised section	Source (U.S. Code)	Source (Statutes at Large)
7429 .....	34 U.S.C. 524 (6th par., less proviso).	June 4, 1920, ch. 228 (6th par., less proviso, of amended 3d and 4th provisos), 41 Stat. 813; June 30, 1938, ch. 851, §1, 52 Stat. 1253; June 17, 1944, ch. 262, 58 Stat. 282.

The source law provided that leases of lands of the United States within the naval petroleum reserves in existence before July 1, 1936, except leases that had become part of an approved unit or cooperative plan and agreement, should terminate at the end of their initial 20-year period, and that the lands covered by these leases could then be re-leased by the Secretary of the Navy. All of the leases covered by this provision have terminated as provided therein. Thus the provision for the termination of the leases is executed and the only remaining effect of the source is to authorize the re-lease of the lands formerly covered by the terminated leases. This section is worded accordingly. Reference to the classes of leases that were excepted from the termination is omitted as unnecessary because these leases were, of course, not terminated. They are not affected, since this section refers only to leases that were “terminated by law”. The word “conditions” is omitted as included in the word “terms”.

AMENDMENTS

1976—Pub. L. 94-258 struck out “of the Navy” after “Secretary”.

§ 7430. Disposition of products

(a) In administering the naval petroleum reserves under this chapter, the Secretary shall use, store, or sell the petroleum produced from the naval petroleum reserves and lands covered by joint, unit, or other cooperative plans.

(b)(1) Subject to paragraph (2) and notwithstanding any other provision of law, each sale of the United States share of petroleum shall be made by the Secretary at public sale to the highest qualified bidder, at such time, in such amounts, and after such advertising as the Secretary considers proper and without regard to Federal, State, or local regulations controlling