

retary of the Interior shall provide for one of the following: (1) a complete prohibition of placer mining; (2) a permission to engage in placer mining upon the condition that the locator shall, following placer operations, restore the surface of the claim to the condition in which it was immediately prior to those operations; or (3) a general permission to engage in placer mining. No order by the Secretary with respect to such operations shall be valid unless a certified copy is filed in the same State or county office in which the locator's notice of location has been filed in compliance with the United States mining laws.

The Secretary shall establish such rules and regulations as he deems desirable concerning bonds and deposits with respect to the restoration of lands to their condition prior to placer mining operations. Moneys received from any bond or deposit shall be used for the restoration of the surface of the claim involved, and any money received in excess of the amount needed for the restoration of the surface of that claim shall be refunded.

**(c) Validity of withdrawals unaffected**

Nothing in this chapter shall affect the validity of withdrawals or reservations for purposes other than power development.

(Aug. 11, 1955, ch. 797, §2, 69 Stat. 682; Pub. L. 86-507, §1(27), June 11, 1960, 74 Stat. 202; Pub. L. 95-91, title IV, §402(a)(1)(A), title VII, §§703, 707, Aug. 4, 1977, 91 Stat. 584, 606, 607.)

REFERENCES IN TEXT

Act of April 8, 1948, referred to in subsec. (a), is act Apr. 8, 1948, ch. 179, 62 Stat. 162, which is not classified to the Code.

The Federal Power Act, referred to in subsec. (a), is act June 10, 1920, ch. 285, 41 Stat. 1063, as amended, which is classified generally to chapter 12 (§791a et seq.) of Title 16, Conservation. For complete classification of this Act to the Code, see section 791a of Title 16 and Tables.

AMENDMENTS

1960—Subsec. (b). Pub. L. 86-507 inserted “or certified mail” after “registered mail”.

SHORT TITLE

Act Aug. 11, 1955, ch. 797, §1, 69 Stat. 681, provided: “That this Act [enacting this chapter] may be cited as the ‘Mining Claims Rights Restoration Act of 1955.’”

TRANSFER OF FUNCTIONS

“Federal Energy Regulatory Commission” substituted for “Federal Power Commission” in subsec. (a) pursuant to sections 402(a)(1)(A), 703, and 707 of Pub. L. 95-91, which are classified to sections 7172(a)(1)(A), 7293, and 7297 of Title 42, The Public Health and Welfare, and which terminated Federal Power Commission and transferred its functions relating to licensing and permits for dams, reservoirs, or other works for development and improvement of navigation and for development and utilization of power across, along, from, or in navigable waters under part I of Federal Power Act (16 U.S.C. 791a et seq.) to Federal Energy Regulatory Commission.

**§ 622. Liability for damage, destruction, or loss of claim**

Prospecting and exploration for and the development and utilization of mineral resources authorized in this chapter shall be entered into or

continued at the financial risk of the individual party or parties undertaking such work: *Provided*, That the United States, its permittees and licensees shall not be responsible or held liable or incur any liability for the damage, destruction, or loss of any mining claim, mill site, facility installed or erected, income, or other property or investments resulting from the actual use of such lands or portions thereof for power development at any time where such power development is made by or under the authority of the United States, except where such damage, destruction, or loss results from the negligence of the United States, its permittees and licensees.

(Aug. 11, 1955, ch. 797, §3, 69 Stat. 682.)

**§ 623. Recording and reporting of unpatented claims; time**

The owner of any unpatented mining claim located on land described in section 621 of this title shall file for record in the United States district land office of the land district in which the claim is situated (1) within one year after August 11, 1955, as to any or all locations heretofore made, or within sixty days of location as to locations hereafter made, a copy of the notice of location of the claim; (2) within sixty days after the expiration of any annual assessment year, a statement as to the assessment work done or improvements made during the previous assessment year.

(Aug. 11, 1955, ch. 797, §4, 69 Stat. 683.)

**§ 624. Protection of existing valid claims**

Nothing in this chapter contained shall be construed to limit or restrict the rights of the owner or owners of any valid mining claim located prior to the date of withdrawal or reservation: *Provided*, That nothing in this chapter shall be construed to limit or restrict the rights of the owner or owners of any mining claim who are diligently working to make a discovery of valuable minerals at the time any future withdrawal or reservation for power development is made.

(Aug. 11, 1955, ch. 797, §5, 69 Stat. 683.)

**§ 625. Prohibition of unspecified use**

Notwithstanding any other provisions of this chapter, all mining claims and mill sites or mineral rights located under the terms of this chapter or otherwise contained on the public lands as described in section 621 of this title shall be used only for the purposes specified in section 621 of this title and no facility or activity shall be erected or conducted thereon for other purposes.

(Aug. 11, 1955, ch. 797, §6, 69 Stat. 683.)

**CHAPTER 17—EXPLORATION PROGRAM FOR DISCOVERY OF MINERALS**

|           |   |
|-----------|---|
| Sec. 641. | Establishment and maintenance of program for exploration; financial assistance.     |
| 642.      | Exploration contracts.  |
| 643.      | “Exploration” defined.  |
| 644.      | Advice and assistance by Government departments and agencies; expenditure of funds. |
| 645.      | Repealed.   |
| 646.      | Authorization of appropriations.  |

**§ 641. Establishment and maintenance of program for exploration; financial assistance**

The Secretary of the Interior is hereby authorized and directed, in order to provide for discovery of additional domestic mineral reserves, to establish and maintain a program for exploration by private industry within the United States, its Territories and possessions for such minerals, excluding organic fuels, as he shall from time to time designate, and to provide Federal financial assistance on a participating basis for that purpose.

(Pub. L. 85-701, § 1, Aug. 21, 1958, 72 Stat. 700.)

CONGRESSIONAL DECLARATION OF POLICY

The recital clause of Pub. L. 85-701, Aug. 21, 1958, 72 Stat. 700, which preceded section 1, provided: "That it is declared to be the policy of the Congress to stimulate exploration for minerals within the United States, its Territories and possessions."

**§ 642. Exploration contracts**

**(a) Terms and conditions; interest rates**

In order to carry out the purposes of this chapter, and subject to the provisions of this section, the Secretary is authorized to enter into exploration contracts with individuals, partnerships, corporations, or other legal entities which shall provide for such Federal financial participation as he deems in the national interest. Such contracts shall contain terms and conditions as the Secretary deems necessary and appropriate, including terms and conditions for the repayment of the Federal funds made available under any contract together with interest thereon, as a royalty on the value of the production from the area described in the contract. Interest shall be calculated from the date of the loan. Such interest shall be at rates which (1) are not less than the rates of interest which the Secretary of the Treasury shall determine the Department of the Interior would have to pay if it borrowed such funds from the Treasury of the United States, taking into consideration current average yields on outstanding marketable obligations of the United States with maturities comparable to the terms of the particular contracts involved and (2) plus 2 per centum per annum in lieu of recovering the cost of administering the particular contracts.

**(b) Deposit of royalty payments**

Royalty payments received under paragraph (a) of this section shall be covered into the miscellaneous receipts of the Treasury.

**(c) Certification of exploration projects; payment of royalties; time limitation on payment; royalty agreements**

When in the opinion of the Secretary an analysis and evaluation of the results of the exploration project disclose that mineral production from the area covered by the contract may be possible he shall so certify within the time specified in the contract. Upon certification, payment of royalties shall be a charge against production for the full period specified in the contract or until the obligation has been discharged, but in no event shall such royalty payments continue for a period of more than twenty-five years from the date of contract. When

the Secretary determines not to certify he shall promptly notify the contractor. When the Secretary deems it necessary and in the public interest, he may enter into royalty agreements to provide for royalty payments in the same manner as though the project had been certified.

**(d) Production**

No provision of this chapter, nor any rule or regulation which may be issued by the Secretary shall be construed to require any production from the area described in the contract.

**(e) Rules and regulations; adjustment of contracts**

The Secretary shall establish and promulgate such rules and regulations as may be necessary to carry out the purposes of this chapter: *Provided, however*, That he may modify and adjust the terms and conditions of any contract to reduce the amount and term of any royalty payment when he shall determine that such action is necessary and in the public interest: *Provided further*, That no such single contract shall authorize Government participation in excess of \$250,000.

**(f) Availability of funds**

No funds shall be made available under this chapter unless the applicant shall furnish evidence that funds from commercial sources are unavailable on reasonable terms.

(Pub. L. 85-701, § 2, Aug. 21, 1958, 72 Stat. 700.)

**§ 643. "Exploration" defined**

As used in this chapter, the term "exploration" means the search for new or unexplored deposits of minerals, including related development work, within the United States, its Territories and possessions, whether conducted from the surface or underground, using recognized and sound procedures including standard geophysical and geochemical methods for obtaining mineralogical and geological information.

(Pub. L. 85-701, § 3, Aug. 21, 1958, 72 Stat. 701.)

**§ 644. Advice and assistance by Government departments and agencies; expenditure of funds**

Departments and agencies of the Government are authorized to advise and assist the Secretary of the Interior, upon his request, in carrying out the provisions of this chapter and may expend their funds for such purposes, with or without reimbursement, in accordance with such agreements as may be necessary.

(Pub. L. 85-701, § 4, Aug. 21, 1958, 72 Stat. 701.)

**§ 645. Repealed. Pub. L. 93-608, § 1(13), Jan. 2, 1975, 88 Stat. 1969**

Section, Pub. L. 85-701, § 5, Aug. 21, 1958, 72 Stat. 701; Pub. L. 89-348, § 2(5), Nov. 8, 1965, 79 Stat. 1312, required Secretary of the Interior to report to Congress on operations of programs authorized pursuant to this chapter.

**§ 646. Authorization of appropriations**

There are hereby authorized to be appropriated, from any funds in the Treasury not otherwise appropriated, such sums as may be necessary to carry out the provisions of this chapter.