

**(b) Terms and conditions**

The Secretary shall prescribe terms and conditions which shall be consistent with this chapter and applicable to all of the acreage in such modified lease except that nothing in this section shall require the Secretary to apply the production or mining plan requirements of sections 202a(2) and 207(c) of this title.

**(c) Royalties**

The minimum royalty provisions of section 207(a) of this title shall not apply to any lands covered by this modified lease prior to a modification until the term of the original lease or extension thereof which became effective prior to the effective date of this Act has expired.

(Feb. 25, 1920, ch. 85, § 3, 41 Stat. 439; Pub. L. 94-377, § 13(b), Aug. 4, 1976, 90 Stat. 1090; Pub. L. 95-554, § 3, Oct. 30, 1978, 92 Stat. 2074; Pub. L. 109-58, title IV, § 432, Aug. 8, 2005, 119 Stat. 760.)

**Editorial Notes**

## REFERENCES IN TEXT

Sections 202a(2) and 207(c) of this title, referred to in subsec. (b), was in the original "section 2(d)(2) and 7(c) of this Act (30 U.S.C. 201(d)(2) and 207(c))", and was translated as sections 202a(2) and 207(c) of this title to reflect the probable intent of Congress.

The effective date of this Act, referred to in subsec. (c), probably means the date of enactment of Pub. L. 95-554, which was approved Oct. 30, 1978.

## AMENDMENTS

2005—Pub. L. 109-58 designated first sentence as par. (1) of subsec. (a), substituted "Except as provided in paragraph (3), on a finding by the Secretary under paragraph (2), any person" for "Any person" and "secure modifications of the original coal lease by including additional coal lands or coal deposits contiguous or cornering to those embraced in the lease" for "upon a finding by him that it would be in the interest of the United States, secure modifications of the original coal lease by including additional coal lands or coal deposits contiguous or cornering to those embraced in such lease, but in no event shall the total area added by such modifications to an existing coal lease exceed one hundred sixty acres, or add acreage larger than that in the original lease", added pars. (2) and (3), and designated second and third sentences as subsecs. (b) and (c), respectively.

1978—Pub. L. 95-554 authorized modification of leases to include coal lands or coal deposits cornering to those embraced in the leases and inserted provision respecting application of production or mining plan requirements of sections 202a(2) and 207(c) and minimum royalty provisions of section 207(a) of this title.

1976—Pub. L. 94-377 struck out the advantage to the lessee as one of the conditions for modification of the original lease, substituted provision prohibiting the addition of total area in excess of 160 acres or adding acreage larger than that in the original lease for provision limiting the total area embraced in such modified lease to an aggregate of 2560 acres, and inserted provision authorizing the Secretary to prescribe terms and conditions consistent with this chapter which shall be applicable to the total acreage in the modified lease.

**Statutory Notes and Related Subsidiaries**

## EFFECTIVE DATE OF 2005 AMENDMENT

Amendment by Pub. L. 109-58 applicable with respect to any coal lease issued before, on, or after Aug. 8, 2005, see section 438 of Pub. L. 109-58, set out as a note under section 201 of this title.

## SAVINGS PROVISION

Pub. L. 94-377, § 13(b), Aug. 4, 1976, 90 Stat. 1090, provided that the amendment made by that section is subject to valid existing rights.

**§ 204. Repealed. Pub. L. 94-377, § 13(a), Aug. 4, 1976, 90 Stat. 1090**

Section, act Feb. 25, 1920, ch. 85, § 4, 41 Stat. 439, provided for the leasing of an additional tract of land or coal deposit, not to exceed 2560 acres, upon a showing by a lessee that all workable deposits of coal would be exhausted, worked out, or removed within three years thereafter.

**Statutory Notes and Related Subsidiaries**

## SAVINGS PROVISION

Pub. L. 94-377, § 13(a), Aug. 4, 1976, 90 Stat. 1090, provided that the repeal of this section is subject to valid existing rights.

**§ 205. Consolidation of leases**

If, in the judgment of the Secretary of the Interior, the public interest will be subserved thereby, lessees holding under lease areas not exceeding the maximum permitted under this chapter may consolidate their leases through the surrender of the original leases and the inclusion of such areas in a new lease of not to exceed two thousand five hundred and sixty acres of contiguous lands.

(Feb. 25, 1920, ch. 85, § 5, 41 Stat. 439.)

**§ 206. Noncontiguous coal or phosphate tracts in single lease**

Where coal or phosphate lands aggregating two thousand five hundred and sixty acres and subject to lease hereunder do not exist as contiguous areas, the Secretary of the Interior is authorized, if, in his opinion the interests of the public and of the lessee will be thereby subserved, to embrace in a single lease noncontiguous tracts which can be operated as a single mine or unit.

(Feb. 25, 1920, ch. 85, § 6, 41 Stat. 439.)

**§ 207. Conditions of lease****(a) Term of lease; annual rentals; royalties; readjustment of conditions**

A coal lease shall be for a term of twenty years and for so long thereafter as coal is produced annually in commercial quantities from that lease. Any lease which is not producing in commercial quantities at the end of ten years shall be terminated. The Secretary shall by regulation prescribe annual rentals on leases. A lease shall require payment of a royalty in such amount as the Secretary shall determine of not less than 12½ per centum of the value of coal as defined by regulation, except the Secretary may determine a lesser amount in the case of coal recovered by underground mining operations. The lease shall include such other terms and conditions as the Secretary shall determine. Such rentals and royalties and other terms and conditions of the lease will be subject to readjustment at the end of its primary term of twenty years and at the end of each ten-year period thereafter if the lease is extended.