

Agreements.

now or hereafter established, when the acquisition by exchange of such property would, in his judgment, be in the best interests of the United States. In exchange for the non-Federal property so to be acquired, the Secretary of the Interior is authorized to convey to the grantors of such property, or to their nominees, any federally owned lands, interests in lands, buildings, or other property, real or personal, within the authorized boundaries of the Glacier National Park, located in the State of Montana and administered by the National Park Service, which are of approximately equal value, as determined by the Secretary, to the property being acquired. In order to facilitate the making of such exchanges, the Secretary of the Interior may enter into agreements for the reservation in conveyances to the United States, or for the grant in conveyances from the United States, of such estates for years, life estates, or other interests as may be consistent, in his judgment, with the accomplishment of the purposes of this Act, but all such limitations shall be considered in determining the equality of the interests to be exchanged.

Regulations.

SEC. 2. Any property acquired pursuant to this Act shall, upon acceptance of title thereto, become a part of the Glacier National Park, and shall be subject to all laws applicable to such area. The Secretary of the Interior is authorized to issue such regulations as he deems necessary for carrying out the purposes of this Act.

Approved August 8, 1946.

[CHAPTER 916]

AN ACT

August 8, 1946
[S. 1236]
[Public Law 696]

To amend the Mineral Leasing Act of February 25, 1920, as amended, in order to promote the development of oil and gas on the public domain, and for other purposes.

Mineral Lands
Leasing Act, amend-
ments.

Disposition of de-
posits to U. S. citizens,
etc.

16 U. S. C. §§ 480,
500, 513-519, 521, 552,
563; Supp. V, § 500.

Citizens of another
country.

Helium.

Extraction from gas.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 1 of the Act of February 25, 1920 (41 Stat. 437; 30 U. S. C., sec. 181 and the following), as amended be amended to read as follows:

"That deposits of coal, phosphate, sodium, potassium, oil, oil shale, or gas, and lands containing such deposits owned by the United States, including those in national forests, but excluding lands acquired under the Act known as the Appalachian Forest Act, approved March 1, 1911 (36 Stat. 961), and those in incorporated cities, towns, and villages and in national parks and monuments, those acquired under other Acts subsequent to February 25, 1920, and lands within the naval petroleum and oil-shale reserves, except as hereinafter provided, shall be subject to disposition in the form and manner provided by this Act to citizens of the United States, or to associations of such citizens, or to any corporation organized under the laws of the United States, or of any State or Territory thereof, or in the case of coal, oil, oil shale, or gas, to municipalities. Citizens of another country, the laws, customs, or regulations of which deny similar or like privileges to citizens or corporations of this country, shall not by stock ownership, stock holding, or stock control, own any interest in any lease acquired under the provisions of this Act.

"The United States reserves the ownership of and the right to extract helium from all gas produced from lands leased or otherwise granted under the provisions of this Act, under such rules and regulations as shall be prescribed by the Secretary of the Interior: *Provided further,* That in the extraction of helium from gas produced from such lands it shall be so extracted as to cause no substantial

delay in the delivery of gas produced from the well to the purchaser thereof."

SEC. 2. Section 16 of the Act is amended to read as follows:

"SEC. 16. That all leases of lands containing oil or gas, made or issued under the provisions of this Act, shall be subject to the condition that the lessee will, in conducting his explorations and mining operations, use all reasonable precautions to prevent waste of oil or gas developed in the land, or the entrance of water through wells drilled by him to the oil sands or oil-bearing strata, to the destruction or injury of the oil deposits. Violations of the provisions of this section shall constitute grounds for the forfeiture of the lease, to be enforced as provided in this Act."

SEC. 3. Section 17 of the Act is amended to read as follows:

"SEC. 17. All lands subject to disposition under this Act which are known or believed to contain oil or gas deposits may be leased by the Secretary of the Interior. When the lands to be leased are within any known geological structure of a producing oil or gas field, they shall be leased to the highest responsible qualified bidder by competitive bidding under general regulations, in units of not exceeding six hundred and forty acres, which shall be as nearly compact in form as possible, upon the payment by the lessee of such bonus as may be accepted by the Secretary and of such royalty as may be fixed in the lease which shall be not less than 12½ per centum in amount or value of the production removed or sold from the lease. When the lands to be leased are not within any known geological structure of a producing oil or gas field, the person first making application for the lease who is qualified to hold a lease under this Act shall be entitled to a lease of such lands without competitive bidding. Such leases shall be conditioned upon the payment by the lessee of a royalty of 12½ per centum in amount or value of the production removed or sold from the lease. Leases issued under this section shall be for a primary term of five years and shall continue so long thereafter as oil or gas is produced in paying quantities.

"Any lease issued under this Act upon which there is production during or after the primary term shall not terminate when such production ceases if diligent drilling operations are in progress on the land under lease during such period of nonproduction.

"Upon the expiration of the primary term of any noncompetitive lease maintained in accordance with applicable statutory requirements and regulations, the record titleholder thereof shall be entitled to a single extension of the lease, unless then otherwise provided by law, for such lands covered by it as are not on the expiration date of the lease within the known geological structure of a producing oil or gas field or withdrawn from leasing under this section. A withdrawal, however, shall not affect the right to an extension if actual drilling operations on such lands were commenced prior thereto and were being diligently prosecuted on such expiration date. No withdrawal shall be effective within the meaning of this section until ninety days after notice thereof shall be mailed, registered mail, to each lessee to be affected by such withdrawal. Such extension shall be for a period of five years and so long thereafter as oil or gas is produced in paying quantities and shall be subject to such rules and regulations as are in force at the expiration of the initial five-year term of the lease. No extension shall be granted unless an application therefor is filed by the record titleholder within a period of ninety days prior to such expiration date. Any noncompetitive lease which is not subject to such extension in whole or in part because the lands covered thereby are within the known geologic structure of a producing oil or gas field at the date of expiration of the primary term of the lease, and upon

41 Stat. 443.
30 U. S. C. § 225.
Oil and gas leases.

Forfeiture.

41 Stat. 443.
30 U. S. C. § 226.

Competitive bidding.

Noncompetitive lease.

Primary term.

Status of lease during nonproduction period.

Single extension of noncompetitive lease.

Withdrawals.

Extension period.

Application.

Continuation.

which drilling operations are being diligently prosecuted on such expiration date, shall continue in effect for a period of two years and so long thereafter as oil or gas is produced in paying quantities.

Payment of rental and royalty.

"All leases issued under this section shall be conditioned upon the payment by the lessee in advance of a rental of not less than 25 cents per acre per annum. A minimum royalty of \$1 per acre in lieu of rental shall be payable at the expiration of each lease year beginning on or after a discovery of oil or gas in paying quantities on the lands leased: *Provided*, That in the case of lands not within any known geological structure of a producing oil or gas field, the rentals for the second and third lease years shall be waived unless a valuable deposit of oil or gas be sooner discovered.

Waiver of rentals.

Compensation for drainage.

"Whenever it appears to the Secretary of the Interior that lands owned by the United States are being drained of oil or gas by wells drilled on adjacent lands, he is hereby authorized and empowered to negotiate agreements whereby the United States, or the United States and its lessees, shall be compensated for such drainage, such agreements to be made with the consent of the lessees affected thereby and the primary term of any lease for which compensatory royalty is being paid shall be extended by adding thereto a period equal to the period during which such compensatory royalty is paid."

Extension of primary term.

SEC. 4. The Act is hereby amended by adding a new section to read as follows:

Issuance of new leases.

"SEC. 17. (a) The Secretary of the Interior shall, upon timely application therefor, issue a new lease in exchange for any lease issued for a term of twenty years, or any renewal thereof, or any lease heretofore issued in exchange for a twenty-year lease, such new lease to be for a primary term of five years and so long thereafter as oil or gas is produced in paying quantities and at a royalty rate of not less than 12½ per centum in amount or value of the production removed or sold from such leases, except that the royalty rate shall be 12½ per centum in amount or value of the production removed or sold from said leases, as to (1) such leases, or such part of the lands subject thereto, and the deposits underlying the same, as are not believed to be within the productive limits of any producing oil or gas deposit, as such productive limits are found by the Secretary to exist on the effective date of this Act, and (2) any production on a lease from an oil or gas deposit which was discovered after May 27, 1941, by a well or wells drilled within the boundaries of the lease, and which is determined by the Secretary to be a new deposit; and (3) any production on or allocated to a lease pursuant to an approved unit or cooperative agreement from an oil or gas deposit which was discovered after May 27, 1941, on land committed to such agreement, and which is determined by the Secretary to be a new deposit, where such lease, or a lease for which it is exchanged, was included in such agreement at the time of discovery, or was included in a duly executed and filed application for the approval of such agreement at the time of discovery."

SEC. 5. The Act is hereby amended by adding a new section to read as follows:

Cooperative plan for conservation.

"SEC. 17. (b) For the purpose of more properly conserving the natural resources of any oil or gas pool, field, or like area, or any part thereof (whether or not any part of said oil or gas pool, field, or like area, is then subject to any cooperative or unit plan of development or operation), lessees thereof and their representatives may unite with each other, or jointly or separately with others, in collectively adopting and operating under a cooperative or unit plan of development or operation of such pool, field, or like area, or any part thereof, when-

ever determined and certified by the Secretary of the Interior to be necessary or advisable in the public interest. The Secretary is thereunto authorized, in his discretion, with the consent of the holders of leases involved, to establish, alter, change, or revoke drilling, producing, rental, minimum royalty, and royalty requirements of such leases and to make such regulations with reference to such leases, with like consent on the part of the lessees, in connection with the institution and operation of any such cooperative or unit plan as he may deem necessary or proper to secure the proper protection of the public interest. The Secretary may provide that oil and gas leases hereafter issued under this Act shall contain a provision requiring the lessee to operate under such a reasonable cooperative or unit plan, and he may prescribe such a plan under which such lessee shall operate, which shall adequately protect the rights of all parties in interest, including the United States.

“Any plan authorized by the preceding paragraph, which includes lands owned by the United States, may, in the discretion of the Secretary, contain a provision whereby authority is vested in the Secretary of the Interior, or any such person, committee, or State or Federal officer or agency as may be designated in the plan, to alter or modify from time to time the rate of prospecting and development and the quantity and rate of production under such plan. All leases operated under any such plan approved or prescribed by the Secretary shall be excepted in determining holdings or control under the provisions of any section of this Act.

Authority to alter rate of prospecting, etc.

“When separate tracts cannot be independently developed and operated in conformity with an established well-spacing or development program, any lease, or a portion thereof, may be pooled with other lands, whether or not owned by the United States, under a communitization or drilling agreement providing for an apportionment of production or royalties among the separate tracts of land comprising the drilling or spacing unit when determined by the Secretary of the Interior to be in the public interest, and operations or production pursuant to such an agreement shall be deemed to be operations or production as to each such lease committed thereto.

Agreement for apportionment of production or royalties.

“Any lease issued for a term of twenty years, or any renewal thereof, or any portion of such lease that has become the subject of a cooperative or unit plan of development or operation of a pool, field, or like area, which plan has the approval of the Secretary of the Interior, shall continue in force until the termination of such plan. Any other lease issued under any section of this Act which is committed to any such plan that contains a general provision for allocation of oil or gas shall continue in force and effect as to the land committed so long as the lease remains subject to the plan, provided oil or gas is discovered under the plan prior to the expiration date of the primary term of such lease. The minimum royalty or discovery rental under any lease that has become subject to any cooperative or unit plan of development or operation, or other plan that contains a general provision for allocation of oil or gas, shall be payable only with respect to the lands subject to such lease to which oil or gas shall be allocated under such plan. Any lease which shall be eliminated from any such approved or prescribed plan, or from any communitization or drilling agreement authorized by this section, and any lease which shall be in effect at the termination of any such approved or prescribed plan, or at the termination of any such communitization or drilling agreement, unless relinquished, shall continue in effect for the original term thereof, but for not less than two years, and so long thereafter as oil or gas is produced in paying quantities.

Continuation of lease.

Minimum royalty or discovery rental.

Approval of contracts.

"The Secretary of the Interior is hereby authorized, on such conditions as he may prescribe, to approve operating, drilling, or development contracts made by one or more lessees of oil or gas leases, with one or more persons, associations, or corporations, whenever, in his discretion and regardless of acreage limitations provided for in this Act, the conservation of natural products or the public convenience or necessity may require it or the interests of the United States may be best subserved thereby.

Subsurface storage of oil or gas.

"The Secretary of the Interior, to avoid waste or to promote conservation of natural resources, may authorize the subsurface storage of oil or gas, whether or not produced from federally owned lands, in lands leased or subject to lease under this Act. Such authorization may provide for the payment of a storage fee or rental on such stored oil or gas, or, in lieu of such fee or rental, for a royalty other than that prescribed in the lease when such stored oil or gas is produced in conjunction with oil or gas not previously produced. Any lease on which storage is so authorized shall be extended at least for the period of storage and so long thereafter as oil or gas not previously produced is produced in paying quantities."

Extension of lease.

41 Stat. 448.
30 U. S. C. § 184;
Supp. V, § 184 note.
Restrictions on acreage holdings, etc.

SEC. 6. Section 27 of the Act is amended to read as follows:

"SEC. 27. No person, association, or corporation, except as herein provided, shall take or hold coal, phosphate, or sodium leases or permits during the life of such leases in any one State, exceeding in the aggregate acreage two thousand five hundred and sixty acres for each of said minerals; and no person, association, or corporation, except as herein provided, shall take or hold at one time oil or gas leases exceeding in the aggregate fifteen thousand three hundred and sixty acres granted hereunder in any one State. No person, association, or corporation shall take or hold at one time any interest or interests as a member of an association or associations or as a stockholder of a corporation or corporations holding a lease or leases, permit or permits, under the provisions hereof, which, together with the area embraced in any direct holding of a lease or leases, permit or permits, under this Act, or which, together with any other interest or interests as a member of an association or associations or as a stockholder of a corporation or corporations holding a lease or leases, permit or permits, under the provisions hereof for any kind of minerals hereunder, exceeds in the aggregate an amount equivalent to the maximum number of acres of the respective kinds of minerals allowed to any one lessee or permittee under this Act. For the purpose of this Act, no contract for development and operation of any lands leased hereunder, whether or not coupled with an interest in such lease, nor any lease or leases owned in common by two or more persons, shall be deemed to create a separate association under this section between or among such contracting parties, or the persons owning such lease or leases in common, but the proportionate interest of each such person shall be charged against the total acreage permitted to be held by such person under this Act: *Provided*, That the total acreage so held in common by two or more persons shall not exceed, in the aggregate, an amount equivalent to the maximum number of acres of the respective kind of minerals allowed to any one lessee or permittee under this Act. The interest of an optionee under a nonrenewable option to purchase or otherwise acquire one or more oil or gas leases (whether then or thereafter issued), or any interest therein, when taken for the purpose of geological or geophysical exploration, shall not, prior to the exercise of such option, be a taking or holding or control under the acreage limitation provisions of any section of this Act. No such option shall be entered into after June 1, 1946, for a period of more than two years, without

Total acreage held by two or more persons.

Interest of optionee under nonrenewable option.

the prior approval of the Secretary of the Interior, and no person, association, or corporation shall hold at one time such options of more than one hundred thousand acres in any one State: *Provided, however,* That nothing in this section shall be construed to invalidate options taken prior to June 1, 1946, and on which such geological or geophysical exploration has been actually made, and which are exercised within two years after the passage of this Act. Each holder of any such option shall file with the Secretary within ninety days after the 30th day of June and the 31st day of December in each year a statement under oath showing as of said dates (1) name of optionor and serial number of lease or application for lease, (2) date and expiration date of each option, (3) number of acres covered by each option, and (4) aggregate number of options held in each State and total acreage subject to said options in each State. If any interest in any lease is owned or controlled, directly or indirectly, by means of stock or otherwise, in violation of any of the provisions of this Act, the lease may be canceled, or the interest so owned may be forfeited, or the person so owning or controlling the interest may be compelled to dispose of the interest, in any appropriate proceeding instituted by the Attorney General. Such a proceeding shall be instituted in the United States district court for the district in which the leased property or some part thereof is located or in which the lease owner may be found, except that any ownership or interest forbidden in this Act which may be acquired by descent, will, judgment, or decree may be held for two years and not longer after its acquisition. Nothing herein contained shall be construed to limit sections 18, 18a, 19, and 22 or to prevent any number of lessees under the provisions of this Act from combining their several interests so far as may be necessary for the purposes of constructing and carrying on the business of a refinery, or of establishing and constructing as a common carrier a pipe line or lines of railroads to be operated and used by them jointly in the transportation of oil from their several wells, or from the wells of other lessees under this Act, or the transportation of coal or to increase the acreage which may be acquired or held under section 17 of this Act: *Provided,* That any combination for such purpose or purposes shall be subject to the approval of the Secretary of the Interior on application to him for permission to form the same. Except as in this Act provided, if any of the lands or deposits leased under the provisions of this Act shall be subleased, trusteeed, possessed, or controlled by any device permanently, temporarily, directly, indirectly, tacitly, or in any manner whatsoever, so that they form a part of or are in anywise controlled by any combination in the form of an unlawful trust, with the consent of the lessee, or form the subject of any contract or conspiracy in restraint of trade in the mining or selling of coal, phosphate, oil, oil shale, gas, or sodium entered into by the lessee, or any agreement or understanding, written, verbal, or otherwise, to which such lessee shall be a party, of which his or its output is to be or become the subject, to control the price or prices thereof or of any holding of such lands by any individual, partnership, association, corporation, or control in excess of the amounts of lands provided in this Act, the lease thereof shall be forfeited by appropriate court proceedings."

SEC. 7. The Act is hereby amended by adding a new section to read as follows:

"SEC. 30. (a) Notwithstanding anything to the contrary in section 30 hereof, any oil or gas lease issued under the authority of this Act may be assigned or subleased, as to all or part of the acreage included therein, subject to final approval by the Secretary and as to either a divided or undivided interest therein, to any person or persons

Options prior to June 1, 1946.

Semiannual statements.

Cancellation of lease, etc.

Proceeding.

Forbidden interest acquired by descent, etc.

Combining of interests.
41 Stat. 443-445, 446.
30 U. S. C. §§ 227, 228, 251.

Ante, p. 951.

Leased lands forming part of unlawful trust, etc.

Assignment or sublease of oil or gas lease.
41 Stat. 449.
30 U. S. C. § 187.
Post, p. 957.

qualified to own a lease under this Act, and any assignment or sublease shall take effect as of the first day of the lease month following the date of filing in the proper land office of three original executed counterparts thereof, together with any required bond and proof of the qualification under this Act of the assignee or sublessee to take or hold such lease or interest therein. Until such approval, however, the assignor or sublessor and his surety shall continue to be responsible for the performance of any and all obligations as if no assignment or sublease had been executed. The Secretary shall disapprove the assignment or sublease only for lack of qualification of the assignee or sublessee or for lack of sufficient bond: *Provided, however,* That the Secretary may, in his discretion, disapprove an assignment of a separate zone or deposit under any lease, or of a part of a legal subdivision. Upon approval of any assignment or sublease, the assignee or sublessee shall be bound by the terms of the lease to the same extent as if such assignee or sublessee were the original lessee, any conditions in the assignment or sublease to the contrary notwithstanding. Any partial assignment of any lease shall segregate the assigned and retained portions thereof, and as above provided, release and discharge the assignor from all obligations thereafter accruing with respect to the assigned lands; and such segregated leases shall continue in full force and effect for the primary term of the original lease, but for not less than two years after the date of discovery of oil or gas in paying quantities upon any other segregated portion of the lands originally subject to such lease. Assignments under this section may also be made of parts of leases which are in their extended term because of production, and the segregated lease of any undeveloped lands shall continue in full force and effect for two years and so long thereafter as oil or gas is produced in paying quantities."

Disapproval.

Segregated leases.

Assignments of parts of leases.

Relinquishment of rights under gas and oil leases.
Ante, p. 955.

SEC. 8. The Act is hereby amended by adding a new section to read as follows:

"SEC. 30. (b) Notwithstanding any provision to the contrary in section 30 hereof, a lessee may at any time make and file in the appropriate land office a written relinquishment of all rights under any oil or gas lease issued under the authority of this Act or of any legal subdivision of the area included within any such lease. Such relinquishment shall be effective as of the date of its filing, subject to the continued obligation of the lessee and his surety to make payment of all accrued rentals and royalties and to place all wells on the lands to be relinquished in condition for suspension or abandonment in accordance with the applicable lease terms and regulations; thereupon the lessee shall be released of all obligations thereafter accruing under said lease with respect to the lands relinquished, but no such relinquishment shall release such lessee, or his bond, from any liability for breach of any obligation of the lease, other than an obligation to drill, accrued at the date of the relinquishment."

41 Stat. 450.
30 U. S. C. § 188.
Post, p. 957.
Forfeiture of lease.

SEC. 9. Section 31 of the Act is amended to read as follows:

"SEC. 31. Except as otherwise herein provided, any lease issued under the provisions of this Act may be forfeited and canceled by an appropriate proceeding in the United States district court for the district in which the property, or some part thereof, is located whenever the lessee fails to comply with any of the provisions of this Act, of the lease, or of the general regulations promulgated under this Act and in force at the date of the lease; and the lease may provide for resort to appropriate methods for the settlement of disputes or for remedies for breach of specified conditions thereof.

Provision for settlement of disputes, etc.

Leases subject to cancellation.
Ante, p. 951.

"Any lease issued after August 21, 1935, under the provisions of section 17 of this Act shall be subject to cancellation by the Secretary

of the Interior after thirty days' notice upon the failure of the lessee to comply with any of the provisions of the lease, unless or until the land covered by any such lease is known to contain valuable deposits of oil or gas. Such notice in advance of cancellation shall be sent the lease owner by registered letter directed to the lease owner's record post-office address, and in case such letter shall be returned as undelivered, such notice shall also be posted for a period of thirty days in the United States land office for the district in which the land covered by such lease is situated, or in the event that there is no district land office for such district, then in the post office nearest such land."

SEC. 10. Section 39 which was added to the Act by the Act of February 9, 1933 (47 Stat. 798; 30 U. S. C., sec 209), is amended to read as follows:

"SEC. 39. The Secretary of the Interior for the purpose of encouraging the greatest ultimate recovery of coal, oil, or gas and in the interest of conservation of natural resources is authorized to waive, suspend, or reduce the rental, or minimum royalty, or reduce the royalty on an entire leasehold, or on any tract or portion thereof segregated for royalty purposes, whenever in his judgment it is necessary to do so in order to promote development, or whenever in his judgment the leases cannot be successfully operated under the terms provided therein. In the event the Secretary of the Interior, in the interest of conservation, shall direct or shall assent to the suspension of operations and production under any lease granted under the terms of this Act, any payment of acreage rental or of minimum royalty prescribed by such lease likewise shall be suspended during such period of suspension of operations and production; and the term of such lease shall be extended by adding any such suspension period thereto. The provisions of this section shall apply to all oil and gas leases issued under this Act, including those within an approved or prescribed plan for unit or cooperative development and operation."

SEC. 11. Section 5 of the Act approved February 7, 1927 (44 Stat. 1057; 30 U. S. C., sec. 285), is amended to read as follows:

"SEC. 5. That the general provisions of sections 26 to 38, inclusive, of the Act of February 25, 1920, entitled 'An Act to promote the mining of coal, phosphate, oil, oil shale, gas and sodium on the public domain', as amended, are made applicable to permits and leases under this Act, the thirty-seventh section thereof being amended to include deposits of potassium."

SEC. 12. From and after the effective date of this Act, the royalty obligation to the United States under all leases requiring payment of royalty in excess of 12½ per centum, except leases issued or to be issued upon competitive bidding, is reduced to 12½ per centum in amount or value of production removed or sold from said leases as to (1) such leases, or such part of the lands subject thereto, and the deposits underlying the same, as are not believed to be within the productive limits of any oil or gas deposit, as such productive limits are found by the Secretary to exist on the effective date of this Act, and (2) any production on a lease from an oil or gas deposit which was discovered after May 27, 1941, by a well or wells drilled within the boundaries of the lease, and which is determined by the Secretary to be a new deposit; and (3) any production on or allocated to a lease pursuant to an approved unit or cooperative agreement from an oil or gas deposit which was discovered after May 27, 1941, on land committed to such agreement, and which is determined by the Secretary to be a new deposit, where such lease was included in such agreement at the time of discovery, or was included in a duly executed and filed application for the approval of such agreement at the time of discovery.

Advance notice.

Waiver of rental, etc.

Suspension of operations.

Extension of lease.

Applicability.
41 Stat. 448-451.
30 U. S. C. §§ 182-184, 185-194.
Ante, p. 533.

Reduction of royalty.

Naval petroleum reserves.

Ante, p. 952.

Repeals.
30 U. S. C., Supp.
V, § 226b.

Prior rights, etc.

SEC. 13. Nothing in this Act shall be construed as affecting existing leases within the borders of the naval petroleum reserves, or agreements concerning operations thereunder or in relation thereto, but the Secretary of the Navy is hereby authorized, with the consent of the President, to enter into agreements such as those provided for in section 17 (b) of the Act of February 25, 1920, as amended by this Act, which agreements shall not, unless expressed therein, operate to extend the term of any lease affected thereby.

SEC. 14. The Act of July 8, 1940 (54 Stat. 742; 30 U. S. C., sec. 226a); section 1 of the Act of July 29, 1942 (56 Stat. 726; 30 U. S. C., sec. 226b), as amended; and section 2 of the Act of August 21, 1935 (49 Stat. 679; 30 U. S. C., sec. 223a), are hereby repealed.

SEC. 15. No repeal or amendment made by this Act shall affect any right acquired under the law as it existed prior to such repeal or amendment, and such right shall be governed by the law in effect at the time of its acquisition; but any person holding a lease on the effective date of this Act may, by filing a statement to that effect, elect to have his lease governed by the applicable provisions of this Act instead of by the law in effect prior thereto.

Approved August 8, 1946.

[CHAPTER 917]

AN ACT

August 8, 1946
[S. 2085]
[Public Law 697]

To amend title V of the Act entitled "An Act to expedite the provision of housing in connection with the national defense, and for other purposes", approved October 14, 1940, as amended, to authorize the Federal Works Administrator to provide needed educational facilities, other than housing, to educational institutions furnishing courses of training or education to persons under title II of the Servicemen's Readjustment Act of 1944, as amended.

Educational facilities for veterans.
Ante, p. 85.

59 Stat. 674,
42 U. S. C., Supp.
V, § 1572 (b).

58 Stat. 287,
38 U. S. C., Supp.
V, § 701, note foll.
§ 735.
Ante, p. 934.

Supra.
Ante, p. 85.

59 Stat. 260,
42 U. S. C., Supp.
V, §§ 1571-1573.
Ante, p. 85; *supra*.
Use or reuse of
structures, etc.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) subsection (a) of section 502 of the Act entitled "An Act to expedite the provision of housing in connection with the national defense, and for other purposes", approved October 14, 1940, as amended, is amended by striking out "this title V," and inserting in lieu thereof "sections 501, 502, and 503 of this title."

(b) Subsection (b) of section 502 of such Act, as amended, is amended by inserting after the word "institutions" the words "or for members of faculties (including the families of such members) of educational institutions furnishing education and training to veterans under title II of the Servicemen's Readjustment Act of 1944, as amended."

(c) Subsection (c) of such section is amended by inserting after the word "institutions" the words "or for members of faculties (including the families of such members) of educational institutions furnishing education and training to veterans under title II of the Servicemen's Readjustment Act of 1944, as amended".

(d) Subsection (e) of section 502 of such Act, as amended, is amended by striking out "title V," and inserting in lieu thereof "section."

SEC. 2. Title V of such Act, as amended, is amended by adding at the end thereof the following new section:

"SEC. 504. (a) At any educational institution including any educational facility operated by the Indian Service where the Commissioner of Education shall find that there exists or impends an acute shortage of educational facilities, other than housing, required for persons engaged in the pursuit of courses of training or education under title