

apply in any way to royalties to be required under leases which may issue pursuant to offers or applications filed prior to May 3, 1958.

The Secretary of the Interior shall neither prescribe nor approve any cooperative or unit plan of development or operation nor any operating, drilling, or development contract establishing different royalty or rental rates for Alaska lands than for similar lands within the States of the United States.

No claimant for a lease who has been guilty of any fraud or who had knowledge or reasonable grounds to know of any fraud, or who has not acted honestly and in good faith, shall be entitled to any of the benefits of this section.

(Feb. 25, 1920, ch. 85, §22, 41 Stat. 446; Pub. L. 85-505, §10, July 3, 1958, 72 Stat. 324.)

#### AMENDMENTS

1958—Pub. L. 85-505 struck out provisions which related to prospecting permits, provided that the annual lease rentals and royalty payments shall be identical with those prescribed for leases covering similar lands in the States of the United States, permitted a payment of 25 cents per acre as lease rental for the first year of the lease in those leases issued pursuant to applications or offers filed prior to and pending on May 3, 1958, and prohibited the Secretary from prescribing or approving any cooperative or unit plan of development or operation or any operating, drilling, or development contract establishing different royalty or rental rates for Alaska lands than for similar lands within the States of the United States.

#### ADMISSION OF ALASKA AS STATE

Admission of Alaska into the Union was accomplished Jan. 3, 1959, on issuance of Proc. No. 3269, Jan. 3, 1959, 24 F.R. 81, 73 Stat. c16, as required by sections 1 and 8(c) of Pub. L. 85-508, July 7, 1958, 72 Stat. 339, set out as notes preceding section 21 of Title 48, Territories and Insular Possessions.

#### SUBCHAPTER VII—SODIUM

##### § 261. Prospecting permits; lands included; acreage

The Secretary of the Interior is hereby authorized, under such rules and regulations as he may prescribe, to grant to any qualified applicant a prospecting permit which shall give the exclusive right to prospect for chlorides, sulphates, carbonates, borates, silicates, or nitrates of sodium, in lands belonging to the United States for a period of not exceeding two years: *Provided*, That the area to be included in such a permit shall not exceed two thousand five hundred and sixty acres of land in reasonably compact form.

(Feb. 25, 1920, ch. 85, §23, 41 Stat. 447; Dec. 11, 1928, ch. 19, 45 Stat. 1019.)

#### AMENDMENTS

1928—Act Dec. 11, 1928, struck out "and directed" after "authorized", "dissolved in and soluble in water, and accumulated by concentration, in lands belonging to the United States for a period not exceeding two years," after "nitrates of sodium", and last proviso which read "*Provided further*, That the provisions of this section shall not apply to lands in San Bernardino County, California."

##### § 262. Leases to permittees; survey of lands; royalties and annual rentals

Upon showing to the satisfaction of the Secretary of the Interior that valuable deposits of

one of the substances enumerated in section 261 of this title have been discovered by the permittee within the area covered by his permit and that such land is chiefly valuable therefor, the permittee shall be entitled to a lease for any or all of the land embraced in the prospecting permit at a royalty of not less than 2 per centum of the quantity or gross value of the output of sodium compounds and other related products at the point of shipment to market; the lands in such lease to be taken in compact form by legal subdivisions of the public land surveys or, if the land be not surveyed, by survey executed at the cost of the permittee in accordance with regulations prescribed by the Secretary of the Interior. Lands known to contain valuable deposits of one of the substances enumerated in section 261 of this title and not covered by permits or leases shall be subject to lease by the Secretary of the Interior through advertisement, competitive bidding, or such other methods as he may by general regulations adopt and in such areas as he shall fix, not exceeding two thousand five hundred and sixty acres. All leases under this section shall be conditioned upon the payment by the lessee of such royalty as may be fixed in the lease, not less than 2 per centum of the quantity or gross value of the output of sodium compounds and other related products at the point of shipment to market, and the payment in advance of a rental of 25 cents per acre for the first calendar year or fraction thereof, 50 cents per acre for the second, third, fourth, and fifth calendar years respectively; and \$1 per acre per annum thereafter during the continuance of the lease, such rental for any one year to be credited against royalties accruing for that year. Leases under this section shall be for a period of twenty years, with preferential right in the lessee to renew for successive periods of ten years upon such reasonable terms and conditions as may be prescribed by the Secretary of the Interior unless otherwise provided by law at the expiration of such period: *Provided*, That nothing in this chapter shall prohibit the mining and sale of sodium compounds under potassium leases issued pursuant to subchapter VII [§141 et seq.] of chapter 3 of this title and subchapter IX of this chapter, nor the mining and sale of potassium compounds as a byproduct from sodium leases taken under this section: *Provided further*, That on application by any lessee the Secretary of the Interior is authorized to modify the rental and royalty provisions stipulated in any existing sodium lease to conform to the provisions of this section.

(Feb. 25, 1920, ch. 85, §24, 41 Stat. 447; Dec. 11, 1928, ch. 19, 45 Stat. 1019.)

#### REFERENCES IN TEXT

Subchapter VII [§141 et seq.] of chapter 3 of this title, referred to in text, was repealed by act Feb. 7, 1927, ch. 66, §6, 44 Stat. 1058.

Subchapter IX of this chapter, referred to in text, was in the original "act February 7, 1927 (Forty-fourth Statutes at Large, page 1057)" meaning act Feb. 7, 1927, ch. 66, 44 Stat. 1057, as amended, which enacted subchapter IX (§281 et seq.) of this chapter, amended sections 181 and 193 of this title, and repealed subchapter VII (§141 et seq.) of chapter 3 of this title. For complete classification of this Act to the Code, see Tables.