tee shall be entitled to a lease for any or all of the land embraced in the prospecting permit, at a royalty of 5 per centum of the quantity or gross value of the output of sulphur at the point of shipment to market, 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: *Provided*, That where any person having been granted an oil and gas permit makes a discovery of sulphur in lands covered by said permit, he shall have the same privilege of leasing not to exceed six hundred and forty acres of said land under the same terms and conditions as are given a sulphur permittee under the provisions of this section.

(Apr. 17, 1926, ch. 158, § 2, 44 Stat. 301.)

CODIFICATION

Section was not enacted as part of act Feb. 25, 1920, ch. 85, 41 Stat. 437, known as the Mineral Leasing Act, which comprises this chapter.

§ 273. Lease of lands not covered by permits or leases; acreage; rental

Lands known to contain valuable deposits of sulphur and not covered by permits or leases shall be held 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 six hundred and forty acres; all leases to be conditioned upon the payment by the lessee of such royalty as may be fixed in the lease and the payment in advance of a rental of 50 cents per acre per annum, the rental paid for any one year to be credited against the royalties accruing for that year.

(Apr. 17, 1926, ch. 158, § 3, 44 Stat. 301.)

CODIFICATION

Section was not enacted as part of act Feb. 25, 1920, ch. 85, 41 Stat. 437, known as the Mineral Leasing Act, which comprises this chapter.

§ 274. Lands containing coal or other minerals

Prospecting permits or leases may be issued in the discretion of the Secretary of the Interior under the provisions of this subchapter for deposits of sulphur in public lands also containing coal or other minerals on condition that such other deposits be reserved to the United States for disposal under applicable laws.

(Apr. 17, 1926, ch. 158, § 4, 44 Stat. 302.)

CODIFICATION

Section was not enacted as part of act Feb. 25, 1920, ch. 85, 41 Stat. 437, known as the Mineral Leasing Act, which comprises this chapter.

§ 275. Laws applicable

The general provisions of sections 181 to 184, 185 to 188, 189 to 192, 193, and 194[1] of this title, are made applicable to permits and leases under this subchapter, sections 181 and 193 of this title being amended to include deposits of sulphur, and section 184 of this title being amended so as to prohibit any person, association, or corporation from taking or holding more than three sulphur permits or leases in any one State during the life of such permits or leases.

(Apr. 17, 1926, ch. 158, § 5, 44 Stat. 302.)

REFERENCES IN TEXT

Section 194 of this title, referred to in text, was repealed by Pub. L. 89–554, § 8(a), Sept. 6, 1966, 80 Stat. 644.

CODIFICATION

Section was not enacted as part of act Feb. 25, 1920, ch. 85, 41 Stat. 437, known as the Mineral Leasing Act, which comprises this chapter.

§ 276. Application of subchapter to Louisiana and New Mexico only

The provisions of this subchapter shall apply only to the States of Louisiana and New Mexico.

(Apr. 17, 1926, ch. 158, § 6, 44 Stat. 302; July 16, 1932, ch. 498, 47 Stat. 701.)

CODIFICATION

Section was not enacted as part of act Feb. 25, 1920, ch. 85, 41 Stat. 437, known as the Mineral Leasing Act, which comprises this chapter.

AMENDMENTS

1932—Act July 16, 1932, substituted ''States of Louisiana and New Mexico'' for ''State of Louisiana''.

SUBCHAPTER IX—POTASH

§ 281. Prospecting permits for chlorides, sulphates, carbonates, borates, silicates, or nitrates of potassium; authorization; acreage; lands affected

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 potassium 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: *Provided further*, That the prospecting provisions of this subchapter shall not apply to lands and deposits in or adjacent to Searles Lake, California, which lands may be leased by the Secretary of the Interior under the terms and provisions of this subchapter.

(Feb. 7, 1927, ch. 66, § 1, 44 Stat. 1057.)

REFERENCES IN TEXT

This subchapter, referred to in text, was in the original ''this Act'', meaning act Feb. 7, 1927, ch. 66, 44 Stat. 1057, as amended, which enacted this subchapter, 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.

CODIFICATION

Section was not enacted as part of act Feb. 25, 1920, ch. 85, 41 Stat. 437, known as the Mineral Leasing Act, which comprises this chapter.

§ 282. Leases to permittees of lands showing valuable deposits; royalty

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

[1] See References in Text note below.

one of the substances enumerated in this subchapter has 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 potassium compounds and other related products, except sodium, at the point of shipment to market, 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.

(Feb. 7, 1927, ch. 66, § 2, 44 Stat. 1057.)

CODIFICATION

Section was not enacted as part of act Feb. 25, 1920, ch. 85, 41 Stat. 437, known as the Mineral Leasing Act, which comprises this chapter.

§ 283. Lands containing valuable deposits not covered by permits or leases; authority to lease; acreage; conditions; renewals; exemptions from rentals and royalties; suspension of operations

Lands known to contain valuable deposits enumerated in this subchapter and not covered by permits or leases shall be held 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 to 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 potassium compounds and other related products, except sodium, 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 years, respectively; and $1 per acre per annum thereafter during the continuance of the lease, such rental for any year being credited against royalties accruing for that year. Any lease issued under this subchapter shall be for a term of twenty years and so long thereafter as the lessee complies with the terms and conditions of the lease and upon the further condition that at the end of each twenty-year period succeeding the date of the lease such reasonable adjustment of the terms and conditions thereof may be made therein as may be prescribed by the Secretary of the Interior unless otherwise provided by law at the expiration of such periods. Leases shall be conditioned upon a minimum annual production or the payment of a minimum royalty in lieu thereof, except when production is interrupted by strikes, the elements, or casualties not attributable to the lessee. The Secretary of the Interior may permit suspension of operations under any such leases when marketing conditions are such that the leases cannot be operated except at a loss. The Secretary upon application by the lessee prior to the expiration of any existing lease in good standing shall amend such lease to provide for the same tenure and to contain the same conditions, including adjustment at the end of each twenty-year period succeeding the date of said lease, as provided for in this subchapter. In the discretion of the Secretary of the Interior the area involved in any lease resulting from a prospecting permit may be exempt from any rental in excess of 25 cents per acre for twenty years succeeding its issue, and the production of potassium compounds under such a lease may be exempt from any royalty in excess of the minimum prescribed in this subchapter for the same period.

(Feb. 7, 1927, ch. 66, § 3, 44 Stat. 1057; June 3, 1948, ch. 379, § 9, 62 Stat. 292.)

CODIFICATION

Section was not enacted as part of act Feb. 25, 1920, ch. 85, 41 Stat. 437, known as the Mineral Leasing Act, which comprises this chapter.

AMENDMENTS

1948—Act June 3, 1948, increased renewal term from ten to twenty years, provided for reasonable adjustment of terms, provided minimum conditions, and permitted suspension of operations under certain conditions.

§ 284. Lands containing coal or other minerals in addition to potassium deposits; issuance of prospecting permits and leases; covenants in potassium leases

Prospecting permits or leases may be issued under the provisions of this subchapter for deposits of potassium in public lands, also containing deposits of coal or other minerals, on condition that such other deposits be reserved to the United States for disposal under appropriate laws: *Provided*, That if the interests of the Government and of the lessee will be subserved thereby, potassium leases may include covenants providing for the development by the lessee of chlorides, sulphates, carbonates, borates, silicates, or nitrates of sodium, magnesium, aluminum, or calcium, associated with the potassium deposits leased, on terms and conditions not inconsistent with the sodium provisions of subchapter VII of this chapter: *Provided further*, That where valuable deposits of mineral now subject to disposition under the general mining laws are found in fissure veins on any of the lands subject to permit or lease under this subchapter, the valuable minerals so found shall continue subject to disposition under the said general mining laws notwithstanding the presence of potash therein.

(Feb. 7, 1927, ch. 66, § 4, 44 Stat. 1058.)

REFERENCES IN TEXT

The sodium provisions of subchapter VII of this chapter, referred to in text, was in the original ''the sodium provisions of the Act of February 25, 1920 (Forty-first Statutes at Large, page 437)'', which means sections 23 to 25 of act Feb. 25, 1920, ch. 85, 41 Stat. 447, which are classified to subchapter VII (§ 261 et seq.) of this chapter.

CODIFICATION

Section was not enacted as part of act Feb. 25, 1920, ch. 85, 41 Stat. 437, known as the Mineral Leasing Act, which comprises this chapter.