

TITLE 30 - MINERAL LANDS AND MINING
CHAPTER 3A - LEASES AND PROSPECTING PERMITS
SUBCHAPTER II - COAL

§ 209. Suspension, waiver, or reduction of rents or royalties to promote development or operation; extension of lease on suspension of operations and production

The Secretary of the Interior, for the purpose of encouraging the greatest ultimate recovery of coal, oil, gas, oil shale, gilsonite (including all vein-type solid hydrocarbons), phosphate, sodium, potassium and sulfur, 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.¹ Provided, however, That in order to promote development and the maximum production of tar sand, at the request of the lessee, the Secretary shall review, prior to commencement of commercial operations, the royalty rates established in each combined hydrocarbon lease issued in special tar sand areas. For purposes of this section, the term “tar sand” means any consolidated or unconsolidated rock (other than coal, oil shale, or gilsonite) that either:

- (1) contains a hydrocarbonaceous material with a gas-free viscosity, at original reservoir temperature, greater than 10,000 centipoise, or
- (2) contains a hydrocarbonaceous material and is produced by mining or quarrying. 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 chapter, 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 chapter, including those within an approved or prescribed plan for unit or cooperative development and operation. Nothing in this section shall be construed as granting to the Secretary the authority to waive, suspend, or reduce advance royalties.

Footnotes

¹ So in original. The period probably should be a colon.

(Feb. 25, 1920, ch. 85, § 39, as added Feb. 9, 1933, ch. 45, 47 Stat. 798; amended Aug. 8, 1946, ch. 916, § 10, 60 Stat. 957; June 3, 1948, ch. 379, § 7, 62 Stat. 291; Pub. L. 94–377, § 14, Aug. 4, 1976, 90 Stat. 1091; Pub. L. 97–78, § 1(3), (7), Nov. 16, 1981, 95 Stat. 1070, 1071.)

Amendments

1981—Pub. L. 97–78 inserted reference to gilsonite (including all vein-type solid hydrocarbons) and inserted proviso that, in order to promote development and the maximum production of tar sand, at the request of the lessee, the Secretary review, prior to commencement of commercial operations, the royalty rates established in each combined hydrocarbon lease issued in special tar sand areas, and that, for purposes of this section, “tar sand” means any consolidated or unconsolidated rock (other than coal, oil shale, or gilsonite) that either contains a hydrocarbonaceous material with a gas-free viscosity, at original reservoir temperature, greater than 10,000 centipoise, or contains a hydrocarbonaceous material and is produced by mining or quarrying.

1976—Pub. L. 94–377 inserted sentence at end that nothing in this section shall be construed as granting to the Secretary authority to waive, suspend, or reduce advance royalties.

1948—Act June 3, 1948, extended applicability of section to oil shale, phosphate, sodium, potassium, and sulphur.

NB: This unofficial compilation of the U.S. Code is current as of Jan. 5, 2009 (see <http://www.law.cornell.edu/uscode/uscpint.html>).

1946—Act Aug. 8, 1946, principally inserted first and third sentences relating to waiver, suspension or reduction of royalties or rentals, and applicability of section to cooperative or unit plans, respectively.

Savings Provision

See note set out under section 181 of this title.