

parture therefrom is occasioned by an irregular subdivision or subdivisions. No person, association, or corporation, except as otherwise provided in this chapter, shall take, hold, own, or control at one time, whether acquired directly from the Secretary under this chapter or otherwise, any direct or indirect interest in Federal geothermal leases in any one State exceeding twenty thousand four hundred and eighty acres, including leases acquired under the provisions of section 1003 of this title.

At any time after fifteen years from December 24, 1970, the Secretary, after public hearings, may increase this maximum holding in any one State by regulation, not to exceed fifty-one thousand two hundred acres.

(Pub. L. 91-581, § 7, Dec. 24, 1970, 84 Stat. 1569.)

SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in section 1017 of this title.

§ 1007. Readjustment of lease terms and conditions

(a) Initial readjustment; periodic intervals; notice; objections, relinquishment, and termination

The Secretary may readjust the terms and conditions, except as otherwise provided herein, of any geothermal lease issued under this chapter at not less than ten-year intervals beginning ten years after the date the geothermal steam is produced, as determined by the Secretary. Each geothermal lease issued under this chapter shall provide for such readjustment. The Secretary shall give notice of any proposed readjustment of terms and conditions, and, unless the lessee files with the Secretary objection to the proposed terms or relinquishes the lease within thirty days after receipt of such notice, the lessee shall conclusively be deemed to have agreed with such terms and conditions. If the lessee files objections, and no agreement can be reached between the Secretary and the lessee within a period of not less than sixty days, the lease may be terminated by either party.

(b) Rentals and royalties; initial readjustment; periodic intervals; limitation on increases and on royalties; notice; objections, relinquishment, and termination

The Secretary may readjust the rentals and royalties of any geothermal lease issued under this chapter at not less than twenty-year intervals beginning thirty-five years after the date geothermal steam is produced, as determined by the Secretary. In the event of any such readjustment neither the rental nor royalty may be increased by more than 50 per centum over the rental or royalty paid during the preceding period, and in no event shall the royalty payable exceed 22½ per centum. Each geothermal lease issued under this chapter shall provide for such readjustment. The Secretary shall give notice of any proposed readjustment of rentals and royalties, and, unless the lessee files with the Secretary objections to the proposed rentals and royalties or relinquishes the lease within thirty days after receipt of such notice, the lessee shall conclusively be deemed to have agreed with such terms and conditions. If the lessee files objec-

tions, and no agreement can be reached between the Secretary and the lessee within a period of not less than sixty days, the lease may be terminated by either party.

(c) Surface use, protection, or restoration of lands withdrawn or acquired for Federal agency; notice; approval of agency

Any readjustment of the terms and conditions as to use, protection, or restoration of the surface of any lease of lands withdrawn or acquired in aid of a function of a Federal department or agency other than the Department of the Interior may be made only upon notice to, and with the approval of, such department or agency.

(Pub. L. 91-581, § 8, Dec. 24, 1970, 84 Stat. 1569.)

§ 1008. Byproducts: production or use; water for beneficial uses under State water laws; substantial beneficial production or use; modification or waiver; preexisting rights of lease, claim, or permit holders

If the production, use, or conversion of geothermal steam is susceptible of producing a valuable byproduct or byproducts, including commercially demineralized water for beneficial uses in accordance with applicable State water laws, the Secretary shall require substantial beneficial production or use thereof unless, in individual circumstances he modifies or waives this requirement in the interest of conservation of natural resources or for other reasons satisfactory to him. However, the production or use of such byproducts shall be subject to the rights of the holders of preexisting leases, claims, or permits covering the same land or the same minerals, if any.

(Pub. L. 91-581, § 9, Dec. 24, 1970, 84 Stat. 1570.)

§ 1009. Relinquishment of geothermal rights; effective date; release of lessee or his surety or bond; exceptions

The holder of any geothermal lease at any time may make and file in the appropriate land office a written relinquishment of all rights under such lease or of any legal subdivision of the area covered by such lease. Such relinquishment shall be effective as of the date of its filing. 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 surety or 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, or from the continued obligation, in accordance with the applicable lease terms and regulations, (1) to make payment of all accrued rentals and royalties, (2) to place all wells on the relinquished lands in condition for suspension or abandonment, and (3) to protect or restore substantially the surface and surface resources.

(Pub. L. 91-581, § 10, Dec. 24, 1970, 84 Stat. 1570.)

§ 1010. Suspension of operations and production; extension of lease term for period of suspension; waiver, suspension or reduction of rental or royalty

The Secretary, upon application by the lessee, may authorize the lessee to suspend operations