

CUMULATIVE POCKET SUPPLEMENT

**TO THE . . . CODE
OF FEDERAL
REGULATIONS**

Title 25—Indian Affairs

**AS OF
JANUARY,
1956**

For changes in this title
through 1, 1956, see the daily issue of the Federal Register

and lease shall be mailed to the Area Director. Any payments under this section shall be made in full from which restrictions have been removed by death or otherwise, may continue to be made in the manner provided by this paragraph until ten days after notice of relinquishment of supervision has been mailed to the lessee.

(b) The Area Director may, in his discretion, whenever it appears to be in the best interest of the lessee, authorize and direct the lessee to pay directly to the lessor, or to the legal guardian of any lessor under guardianship, the rents, royalties and other payments (other than bonuses and advance payments for the first year) due under lease which have been or may be approved in accordance with the regulations in this part. Any such authority for direct payment shall be in writing.

(c) The Area Director may, in his discretion, authorize and direct the lessee to pay directly to the lessor, or to the legal guardian of any lessor under guardianship, the rents, royalties and other payments (other than bonuses and advance payments for the first year) due under lease which have been or may be approved in accordance with the regulations in this part. Any such authority for direct payment shall be in writing.

(d) The Area Director may, in his discretion, authorize and direct the lessee to pay directly to the lessor, or to the legal guardian of any lessor under guardianship, the rents, royalties and other payments (other than bonuses and advance payments for the first year) due under lease which have been or may be approved in accordance with the regulations in this part. Any such authority for direct payment shall be in writing.

(e) The Area Director may, in his discretion, authorize and direct the lessee to pay directly to the lessor, or to the legal guardian of any lessor under guardianship, the rents, royalties and other payments (other than bonuses and advance payments for the first year) due under lease which have been or may be approved in accordance with the regulations in this part. Any such authority for direct payment shall be in writing.

(f) The Area Director may, in his discretion, authorize and direct the lessee to pay directly to the lessor, or to the legal guardian of any lessor under guardianship, the rents, royalties and other payments (other than bonuses and advance payments for the first year) due under lease which have been or may be approved in accordance with the regulations in this part. Any such authority for direct payment shall be in writing.

names of each lease and date of mailing of remittance. Date of mailing, or if remittance is made by registered mail, the date of registration receipts covering remittances mailed, shall be considered as date of payment.

(g) For leases other than oil and gas, all advance rentals and royalties for the first year shall be paid to the Area Director at the time of filing the lease, and the advance royalty and 20 percent of the lessor's share of profit shall be paid and become the property of the lessee. If the lease be disapproved because of the lessor's failure to meet the requirements of the law or of the regulations in this part or because of any other fault or defect chargeable to the lessee. (16 F. R. 5192 Sept. 11, 1951)

§ 182.18 Credits advance rental and royalties. All advance rents and advance royalties shall be allowed as credit against royalties for the year for which such advance payments have been made. No other advance payments made under any lease will be allowed in the event the royalty on production is not sufficient to equal such advance payment. The full amount of the advance shall be returned to the lessee because of any disapproval or annulment of the lease. (16 F. R. 5192 Sept. 11, 1951)

§ 182.19 Disposition of proceeds from lease. (Revised)

(a) The proceeds from the sale of oil and gas shall be paid to the lessee or to the legal guardian of any lessor under guardianship.

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point of sale, and for oil and gas, a royalty of not less than 10 percent of the proceeds from the sale of ore and concentrates as shown by reduction returns after deducting freight charges to the point of sale. Duplicate returns shall be filed by the lessee with the Superintendent within 15 days after the ending of the quarter or other period specified in the lease within which such returns are made. Provided, however, that the lessee shall pay a royalty of not less than 10 percent of the value of the ore or concentrates sold at the mine unless otherwise provided in the lease.

(c) For coal the lessee shall pay quarterly or as otherwise provided in the lease, a royalty of not less than 10 cents per ton of bituminous or sub-bituminous coal as taken from the mine, including what is contained in the "black"...

(d) For anthracite and other substances the lessee shall pay quarterly or as otherwise provided in the lease, a royalty of not less than 10 cents per ton of 1,000 pounds of crude material or not less than 10 cents per ton of refined substance. (16 F. R. 5200 Nov. 9, 1951)

§ 182.24 Production orders. The lessee shall make arrangements with the purchaser of oil and gas for the payment of the proceeds as provided for in the lease and the regulations and such arrangements, if made, shall not constitute a release of the lessee from responsibility should the purchaser fail or refuse to pay proceeds from the lease to the lessee or to the legal guardian of any lessor under guardianship.

(a) The lessee shall make arrangements with the purchaser of oil and gas for the payment of the proceeds as provided for in the lease and the regulations and such arrangements, if made, shall not constitute a release of the lessee from responsibility should the purchaser fail or refuse to pay proceeds from the lease to the lessee or to the legal guardian of any lessor under guardianship.

(b) The lessee shall make arrangements with the purchaser of oil and gas for the payment of the proceeds as provided for in the lease and the regulations and such arrangements, if made, shall not constitute a release of the lessee from responsibility should the purchaser fail or refuse to pay proceeds from the lease to the lessee or to the legal guardian of any lessor under guardianship.

Time Limit on Processing of Transmittals For Allotment

- 182.21 Lease to be made by tribes. (Revised)
182.22 Sale of oil and gas lease. (Amended)
182.23 Advance royalties. (Amended)
182.10 Title of lease. (Revised)
182.11 Advance royalties. (Revised)
182.12 Reporting time for advance rental on oil and gas. (Revised)
182.13 Title of lease. (Revised)

§ 182.21 Leases to be made by tribes. Indian tribes, bands or groups may, with the approval of the Secretary of the Interior or his authorized representative, lease their land for mining purposes. No oil and gas lease shall be approved unless it has first been offered to an advertiser who is in accordance with § 182.22. Leases for minerals other than oil and gas may be negotiated and approved without advertisement. (16 F. R. 5201 Jan. 11, 1951)

§ 182.22 Sale of oil and gas lease. (a) A coal lease or an oil and gas lease shall not be made by the Secretary of the Interior or his authorized representative until the lessee has advertised the lease and the advertisement has been published for a period of not less than 30 days, including the day of publication, in a newspaper of general circulation in the State or Territory in which the land is situated. (16 F. R. 5202 Jan. 11, 1951)

(b) The lessee shall make arrangements with the purchaser of oil and gas for the payment of the proceeds as provided for in the lease and the regulations and such arrangements, if made, shall not constitute a release of the lessee from responsibility should the purchaser fail or refuse to pay proceeds from the lease to the lessee or to the legal guardian of any lessor under guardianship.

(c) The lessee shall make arrangements with the purchaser of oil and gas for the payment of the proceeds as provided for in the lease and the regulations and such arrangements, if made, shall not constitute a release of the lessee from responsibility should the purchaser fail or refuse to pay proceeds from the lease to the lessee or to the legal guardian of any lessor under guardianship.

amount of the bonus and rental deposited with the bid shall be forfeited, as liquidated damages, for the use and benefit of the Indian lessor.

(Paragraph (a) amended, 17 P. R. 6390, Sept. 12, 1953;

§ 166.9 Acreage limitation.

(2) For beds of placer gold, gypsum, asphaltum, phosphate, iron ores, or other useful minerals except coal, oil, and gas, not more than 960 acres unless otherwise authorized by the Commissioner of Indian Affairs.

COMPARISON: In § 166.9 (a) subparagraph (2) was amended to read as set forth above and subparagraph (4) was revoked, 16 P. R. 5277, July 28, 1951.

§ 166.10 Term of leases. Mining leases may be made for a specified term not to exceed ten years from the date of approval by the Secretary of the Interior, or his authorized representative, and as much longer as the substances specified in the lease are produced in paying quantities.

(12 P. R. 4201, July 28, 1953)

RENTS AND ROYALTIES

§ 166.15 Royalty rates for minerals other than oil and gas. Unless otherwise authorized by the Commissioner of Indian Affairs, the minimum rates for minerals other than oil and gas shall be as follows:

(a) For substances other than gold, silver, copper, lead, zinc, tungsten, coal, asphaltum and allied substances, oil, and gas, the lessee shall pay quarterly or as otherwise provided in the lease, a royalty of not less than 10 percent of the value, at the nearest shipping point, of all ores, metals, or minerals marketed.

(b) For gold and silver, the lessee shall pay quarterly or as otherwise provided in the lease, a royalty of not less than 10 percent to be computed on the value of bullion as shown by mint returns after deducting forwarding charges to the point of sale; and for copper, lead, zinc, and tungsten, a royalty of not less than 10 percent to be computed on the value of ores and concentrates as shown by reduction returns after deducting freight charges to the point of sale. Duplicate returns shall

be filed by the lessee with the Superintendent within 10 days after the ending of the quarter or other period specified in the lease within which such returns are made; *Provided, however*, That the lessee shall pay a royalty of not less than 10 percent of the value of the ore or concentrates sold at the mine unless otherwise provided in the lease.

(c) For coal the lessee shall pay quarterly or as otherwise provided in the lease, a royalty of not less than 10 cents per ton of 2,000 pounds of mine run, or coal as taken from the mine, including what is commonly called "slack."

(d) For asphaltum and allied substances the lessee shall pay quarterly or as otherwise provided in the lease, a royalty of not less than 10 cents per ton of 2,000 pounds on crude material or not less than 60 cents per ton on refined substances.

(20 P. R. 6929, Dec. 3, 1955)

Part 187—Leasing for Oil and Gas or Other Mining Purposes of Certain Lands Administered by the Secretary of the Interior Through the Commissioner of Indian Affairs [Revoked]

COMPARISON: Part 187 was revoked, 19 P. R. 2341, Aug. 21, 1954.

Part 189—Leasing of Certain Restricted Allotted Indian Lands for Mining

- Sec. 189.9 Leases of undivided inherited lands [Revised]
- 189.14 Payment of rentals and royalties. [Revised]
- 189.18 Royalty rates for minerals other than oil and gas. [Revised]

§ 189.9 Leases of undivided inherited lands. (a) If the allottee is deceased and the heirs to or devisees of any interest in the allotment have not been determined, or if determined, some or all of them cannot be located, mining leases of such interests may be executed by the Superintendent, provided that such leases have been offered for sale to the highest responsible qualified bidder, at public auction, or on sealed bids, after

at least 30 days notice and advertisement unless a shorter period is authorized by the Commissioner of Indian Affairs.

(b) If the heirs include a life tenant, the lease must be accompanied by an agreement between such life tenant and the remaindermen, providing for the division of the rents and royalties subject to approval of the Commissioner of Indian Affairs or his authorized representative.

(20 P. R. 7364, Oct. 4, 1955)

§ 189.14 Payment of rentals and royalties. (a) Except as provided in paragraphs (b), (d) and (f) of this section, all rents, royalties and other payments due under leases which have been or may be approved in accordance with this part shall be paid by check or bank draft to the order of the Treasurer of the United States and transmitted through the supervisor to the Superintendent for deposit to the credit of the various lessors. When lessees and purchasers are instructed, in writing, by the Superintendent, which instructions shall be complete as to lessors for each lease, separate remittances for each payment due each lessor shall be made to the Superintendent. Any payments under this paragraph, covering lands or interests therein from which supervision by the Secretary of the Interior has been relinquished may continue to be made in the manner provided by this paragraph until ten days after notice of such relinquishment of supervision has been mailed to the lessee.

(b) The Superintendent may, in his discretion, whenever it appears to be in the best interest of any lessor, authorize and direct the lessee to pay directly to the lessor, the legal guardian of any lessor under guardianship, or to the parent of any minor, the rents, royalties and other payments due under leases which have been or may be approved in accordance with the regulations in this part. Any such authority for direct payment shall be in writing, addressed to the owner or owners of the lease, and shall expressly provide for its revocation or modification at any time, in writing, by the Superintendent, and shall either name a bank to receive deposit of such payments, or shall give the mailing ad-

dress of each lessor. Written authorization for direct payment and written revocations or modifications thereof shall become a part of the lease and shall be distributed as in the case of original leases. All such revocations or modifications shall have a 5-day grace period after date of receipt. Rents, royalties, and other payments paid in accordance therewith shall constitute full compliance with the requirements of the lease pertaining to such payments.

(c) Rents and royalties paid pursuant to paragraphs (a) and (b) of this section on producing leases shall be supported by statements acceptable to the Secretary or his duly authorized representative, to be transmitted to the Supervisor, in duplicate, covering each lease, identified by contract number and lease number. Such statements shall show the specific items of rents or royalties for which remittances are made, shall identify each remittance by the remittance number, date, amount, and name of each payee, shall show the total amount of royalties or rental paid, and shall be supported by a copy of the purchaser's settlement or pipeline statement for each lease under which royalties are paid.

(d) Rents paid on nonproducing leases pursuant to paragraphs (a) and (b) of this section shall be supported by a statement, acceptable to the Superintendent, to be transmitted to the Superintendent covering each lease, identified by contract number and lease number. Each remittance shall be identified by the remittance number, date, amount, name of each payee, and dates of mailing of remittances. Date of mailing, or, if remittance is sent by registered mail, the date of registration receipts covering remittances mailed, shall be considered as date of payment.

(e) In the event of the discovery of minerals in paying quantities all advance payments shall be allowed as credit on stipulated royalties for the year for which the payment is made. No refund will be made under oil, gas, or other mining leases, in the event the royalty on production for any year is not sufficient to equal the advance payment for that year, nor will any part of the moneys so paid be refunded to the lessee because of any subsequent surrender or