

(Feb. 25, 1920, ch. 85, §41, as added Pub. L. 100-203, title V, §5108, Dec. 22, 1987, 101 Stat. 1330-260.)

**§ 196. Cooperative agreements; delegation of authority**

Notwithstanding any other provision of law, for fiscal year 1992 and each year thereafter, the Secretary of the Interior or his designee is authorized to—

(a) enter into a cooperative agreement or agreements with any State or Indian tribe to share royalty management information, to carry out inspection, auditing, investigation or enforcement (not including the collection of royalties, civil penalties, or other payments) activities in cooperation with the Secretary, except that the Secretary shall not enter into such cooperative agreement with a State with respect to any such activities on Indian lands except with the permission of the Indian tribe involved; and

(b) upon written request of any State, to delegate to the State all or part of the authorities and responsibilities of the Secretary under the authorizing leasing statutes, leases, and regulations promulgated pursuant thereto to conduct audits, investigations, and inspections, except that the Secretary shall not undertake such a delegation with respect to any Indian lands except with permission of the Indian tribe involved,

with respect to any lease authorizing exploration for or development of coal, any other solid mineral, or geothermal steam on any Federal lands or Indian lands within the State or with respect to any lease or portion of a lease subject to section 1337(g) of title 43, on the same terms and conditions as those authorized for oil and gas leases under sections 1732, 1733, 1735, and 1736 of this title and the regulations duly promulgated with respect thereto: *Provided further*, That section 1734 of this title shall apply to leases authorizing exploration for or development of coal, any other solid mineral, or geothermal steam on any Federal lands, or to any lease or portion of a lease subject to section 1337(g) of title 43: *Provided further*, That the Secretary shall compensate any State or Indian tribe for those costs which are necessary to carry out activities conducted pursuant to such cooperative agreement or delegation.

(Pub. L. 102-154, title I, Nov. 13, 1991, 105 Stat. 1001.)

**Editorial Notes**

**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.

**SUBCHAPTER II—COAL**

**§ 201. Leases and exploration**

**(a) Leases**

(1) The Secretary of the Interior is authorized to divide any lands subject to this chapter which have been classified for coal leasing into leasing tracts of such size as he finds appropriate and in

the public interest and which will permit the mining of all coal which can be economically extracted in such tract and thereafter he shall, in his discretion, upon the request of any qualified applicant or on his own motion, from time to time, offer such lands for leasing and shall award leases thereon by competitive bidding: *Provided*, That notwithstanding the competitive bidding requirement of this section, the Secretary may, subject to such conditions which he deems appropriate, negotiate the sale at fair market value of coal the removal of which is necessary and incidental to the exercise of a right-of-way permit issued pursuant to title V of the Federal Land Policy and Management Act of 1976 [43 U.S.C. 1761 et seq.]. No less than 50 per centum of the total acreage offered for lease by the Secretary in any one year shall be leased under a system of deferred bonus payment. Upon default or cancellation of any coal lease for which bonus payments are due, any unpaid remainder of the bid shall be immediately payable to the United States. A reasonable number of leasing tracts shall be reserved and offered for lease in accordance with this section to public bodies, including Federal agencies, rural electric cooperatives, or nonprofit corporations controlled by any of such entities: *Provided*, That the coal so offered for lease shall be for use by such entity or entities in implementing a definite plan to produce energy for their own use or for sale to their members or customers (except for short-term sales to others). No bid shall be accepted which is less than the fair market value, as determined by the Secretary, of the coal subject to the lease. Prior to his determination of the fair market value of the coal subject to the lease, the Secretary shall give opportunity for and consideration to public comments on the fair market value. Nothing in this section shall be construed to require the Secretary to make public his judgment as to the fair market value of the coal to be leased, or the comments he receives thereon prior to the issuance of the lease. He is authorized, in awarding leases for coal lands improved and occupied or claimed in good faith, prior to February 25, 1920, to consider and recognize equitable rights of such occupants or claimants.

(2)(A) The Secretary shall not issue a lease or leases under the terms of this chapter to any person, association, corporation, or any subsidiary, affiliate, or persons controlled by or under common control with such person, association, or corporation, where any such entity holds a lease or leases issued by the United States to coal deposits and has held such lease or leases for a period of ten years when such entity is not, except as provided for in section 207(b) of this title, producing coal from the lease deposits in commercial quantities. In computing the ten-year period referred to in the preceding sentence, periods of time prior to August 4, 1976, shall not be counted.

(B) Any lease proposal which permits surface coal mining within the boundaries of a National Forest which the Secretary proposes to issue under this chapter shall be submitted to the Governor of each State within which the coal deposits subject to such lease are located. No such lease may be issued under this chapter be-