

or the net income from the property. "The purpose of the sliding scale of royalties is to encourage new ventures in oil shale development, while protecting against the possibility of windfall profits," Secretary Udall said. Royalties would be subject to readjustment every 20 years as required by the 1920 Mineral Leasing Act.

The lessee would be required to submit annual progress reports on all work accomplished and results achieved during the research period. The information will be promptly made available to the public.

The right to use inventions made during or under the research term of the lease will be available to the public without charge in accordance with, and subject to the limited exceptions of, the President's Statement of Government Patent Policy of Oct. 10, 1963. In addition, the lessee would be required to issue licenses at reasonable royalties, permitting use of patents he may own which are necessary to permit others to use inventions resulting from the research.

Before approval, leases would be submitted to the Attorney General for advice on their consistency with the objectives of the Federal antitrust laws.

The Department announced that proposed regulations to govern exchanges of oil shale lands, also are being published in the Federal Register. This would implement Point 2 of the five-point shale program, permitting exchanges of scattered holdings of private lands in the region for Federal land of similar qualities. This will permit consolidation of private holdings for efficient mining operations.

Lands offered to the Department for exchange would have to have a value at least equal to the value of the selected public lands. All exchange proposals would be advertised in local newspapers in order that others who wish may also apply for the selected public lands within 60 days.

U.S. DEPARTMENT OF THE INTERIOR, BUREAU OF LAND MANAGEMENT, WASHINGTON

[43 CFR, Part 3170]

OIL SHALE

Basis and Purpose. Notice is hereby given that the Department of the Interior proposes to amend the regulations regarding the leasing of oil shale lands, found at Part 3170 of Title 43 of the Code of Federal Regulations, by revoking those regulations and substituting the proposed regulations set forth below.

Interested persons are invited to submit their comments in writing to the Director, Bureau of Land Management, Department of the Interior, Washington, D.C. 20240, within thirty days of the date of publication in the *Federal Register* of this notice. Persons wishing to present their views orally are requested to communicate with the Director, Bureau of Land Management.

Part 3170 is amended to read as follows:

PART 3170—OIL SHALE

Subpart 3170—Oil Shale: General

- 3170.0-1 *Purpose.*
- 3170.0-3 *Authority.*
- 3170.0-5 *Definition of term "Oil Shale".*
- 3170.1 *Designation of Available Lands.*

Subpart 3171—Applications for Leases

- 3171.1 *Qualifications of Applicants.*
- 3171.2 *Form and Contents of Applications.*
- 3171.3 *Considerations to be used in Evaluating Applications.*
- 3171.4 *Time for Filing.*

Subpart 3172—Miscellaneous Provisions

- 3172.1 *Form of Lease.*
- 3172.2 *Term of Lease.*
- 3172.3 *Acreage Designations and Limitations.*
- 3172.4 *Rentals.*
- 3172.5 *Royalties.*
- 3172.6 *Termination of Lease.*
- 3172.7 *Lease Bond.*
- 3172.9 *Other Provisions*
- 3172.10 *Antitrust Consultation.*