

[CHAPTER 895]

## AN ACT

Authorizing the conservation, production, exploitation, and sale of helium gas, a mineral resource pertaining to the national defense and to the development of commercial aeronautics, authorizing the acquisition, by purchase or otherwise, by the United States of properties for the production of helium gas, and for other purposes.

September 1, 1937  
[S. 1567]  
[Public, No. 411]

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That the Act entitled "An Act authorizing the conservation, production, and exploitation of helium gas, a mineral resource pertaining to the national defense, and to the development of commercial aeronautics, and for other purposes", approved March 3, 1925, as amended, is amended to read as follows:

Helium gas.  
43 Stat. 1110.  
50 U. S. C. §§ 161-166.

"SECTION 1. That for the purpose of conserving, producing, and selling helium gas the Secretary of the Interior, through the Bureau of Mines is authorized:

Powers of Secretary of the Interior.

"(a) To acquire by purchase, lease, or condemnation, lands or interests therein or options thereon, including but not limited to sites, rights-of-way, and oil or gas leases containing obligations to pay rental in advance or damages arising out of the use and operation of such properties; but such lands or interests in lands may be acquired by condemnation only when necessary for the production or conservation of helium to meet the needs of the Army and Navy and other agencies of the Federal Government;

Acquisition of lands or interests, etc.

"(b) To make contracts and agreements (with optional provisions where necessary) for the acquisition, processing, or conservation of helium-bearing gas;

Contracts and agreements.

"(c) To construct or acquire plants, wells, pipe lines, compressor stations, camp buildings, and other facilities, for the production, storage, repurification, transportation, and sale of helium and helium-bearing gas; and to acquire patents or rights therein and reports of experimentation and research used in connection with the properties acquired or useful in the Government's helium operations;

Construction, etc., of plants and other facilities for production of.

Patents, reports, etc.

"(d) To dispose by lease or sale of wells, lands, or interests therein, not valuable for helium production; to dispose of oil, gas, and byproducts of helium operations not needed for Government use; and to issue leases to the surface of lands or structures thereon for grazing or other purposes when the same may be done without interfering with the production of helium.

Disposal of wells, etc.  
Oil, gas, and by-products not needed.

Surface leases for grazing.

"The Secretary of the Interior is hereby directed, if possible under the terms hereof, to acquire by purchase all properties developed or constructed by private parties prior to the passage of this Act for helium production, such purchase to be at a price or prices recommended to be fair and reasonable by at least two of a board of three appraisers, the members of which shall be selected as follows: One by the Secretary of the Interior, one by the owner of the properties sought to be acquired, and one by the two appraisers so selected. The Secretary of the Interior is authorized to incur obligations and enter into agreements for the purchase of such properties, and every such agreement shall be deemed a contractual obligation of the Government for the payment of the cost thereof, such payment to be made from any appropriations hereafter made for such purpose. Prior to the date of execution of an agreement or agreements for the purchase of such properties, the Government shall not sell helium as authorized in section 3 (b) of this Act: *Provided*, That the foregoing restriction upon the sale of helium by the Government shall be inoperative in the event that (1) the owner of any such properties shall refuse or neglect to appoint an appraiser within thirty days after

Acquisition of existing private-production properties.

Price.

Obligations and agreements.

Sale prior to agreement, restriction.

*Provided*.  
Refusal or failure of owner to appoint appraiser.

Refusal to execute sale agreement.

approval of this amendatory Act, or (2) the owner of any such properties having so appointed an appraiser shall refuse or neglect to execute an agreement or agreements for the sale thereof, at the price recommended by at least two members of the board of appraisers, within thirty days after said appraisers shall have recommended such price.

Reservation of known helium-bearing land not covered by leases.  
41 Stat. 437.

"Any known helium-gas-bearing land on the public domain not covered at the time by leases or permits under the Act of February 25, 1920, entitled 'An Act to promote the mining of coal, phosphate, oil, oil shale, gas, and sodium on the public domain', as amended, may be reserved for the purposes of this Act, and the United States reserves the ownership and the right to extract, under such rules and regulations as shall be prescribed by the Secretary of the Interior, helium from all gas produced from lands so permitted, leased, or otherwise granted for development: *Provided*, That in the extraction of helium from gas produced from such lands, it shall be so extracted as to cause no substantial delay in the delivery of gas produced from the well to the purchaser thereof.

*Proviso.*  
Extraction provisions.

Maintenance and operation of plants.

"SEC. 2. That the Bureau of Mines, acting under the direction of the Secretary of the Interior, is authorized to maintain and operate helium production and repurification plants together with facilities and accessories thereto; to store and care for helium, to conduct exploration for and production of helium on and from the lands acquired, leased, or reserved; and to conduct experimentation and research for the purpose of discovering helium supplies and improving processes and methods of helium production, repurification, storage, and utilization.

Experimentation and research.

Requisition of helium by Army and Navy, etc.

"SEC. 3. (a) That the Army and Navy and other agencies of the Federal Government may requisition helium from the Bureau of Mines and make payments therefor from any applicable appropriations by advancing or repaying to and for the use of said Bureau proportionate shares of the expenses incident to the administration, operation, and maintenance of the Government's helium plants and properties.

Production and sale.

"(b) That helium not needed for Government use may be produced and sold upon payment in advance in quantities and under regulations approved by the President, for medical, scientific, and commercial use, except that helium may be sold for the inflation of only such airships as operate in or between the United States and its Territories and possessions, or between the United States or its territories and possessions and foreign countries: *Provided*, That no helium shall be sold for the inflation of any airship operating between two foreign countries notwithstanding such airship may also touch at some point in the United States: *Provided further*, That such sales of helium shall be at reasonable prices (established by said regulations) based upon the cost of acquiring, developing, maintaining, and operating the Government properties and the payment of interest at a rate of not less than 3½ per centum per annum on capital hereafter expended (except from the special fund established in subsection (c) of section 3 of this Act) for properties, facilities, and helium-bearing gas lands, as are used for such helium production: *Provided further*, That notwithstanding the foregoing provision helium shall be sold for medicinal purposes at prices which will permit its general use therefor; and such sales of helium shall be upon condition that the Federal Government shall have a right to repurchase helium so sold that has not been lost or dissipated, when needed for Government use, under terms and at prices established by said regulations.

Inflation of airships.

*Proviso.*  
Restrictions.

Price determination.

Sale for medicinal purposes.

Repurchase.

“(c) All moneys received under this Act, including moneys from sale of helium or other products resulting from helium operations (except moneys received in payment for helium from Government departments or agencies under subsection (a) hereof), shall be credited to a special helium-production fund from which purchasers of helium may be reimbursed for payments for helium in excess of deliveries, and the Secretary of the Interior through the Bureau of Mines may draw on said fund to pay expenses of acquiring, administering, operating, maintaining, and developing helium properties. Amounts accumulating in said fund in excess of amounts the Secretary of the Interior deems necessary to assure payment of such expenses shall be deposited in the Treasury to the credit of miscellaneous receipts: *Provided*, That the Secretary of the Interior shall render to Congress on or before the 1st day of January of each year a report showing the amount of moneys credited to such helium-production fund and the amount of disbursements made therefrom during the preceding fiscal year, and the unexpended and unobligated balances on hand in such fund as of the end of such fiscal year.

“SEC. 4. No helium gas shall be exported from the United States, or from its Territories and possessions, until after application has been made to the Secretary of State and a license authorizing said exportation has been obtained from him on the joint recommendation of all of the members of the National Munitions Control Board and the Secretary of the Interior: *Provided*, That under regulations governing exportation of helium approved by the National Munitions Control Board and the Secretary of the Interior, export shipments of quantities of helium that are not of military importance as defined in said regulations, and which do not exceed a maximum to be specified therein, may be made under license granted by the Secretary of State without such specific recommendation. Such regulations shall not permit accumulations of helium in quantities of military importance in any foreign country, nor the exportation of helium to countries named in proclamations of the President issued pursuant to section 1 (a) or (c) of the Neutrality Act of May 1, 1937 (Public Resolution Numbered 27 of the Seventy-fifth Congress) while such proclamations are in effect, and shall require exporters to submit a sworn statement to the Secretary of State showing the quantity, destination, consignee, and intended use of each proposed exportation.

“Any person violating any of the provisions of this section or of the regulations made pursuant hereto, shall be guilty of a misdemeanor and shall be punished by a fine of not more than \$5,000 or by imprisonment for not more than one year, or by both such fine and imprisonment; and the Federal courts of the United States are hereby granted jurisdiction to try and determine all questions arising under this section.

“The National Munitions Control Board shall include in its Annual Report to the Congress full information concerning the licenses issued hereunder, together with such information and data collected by the Board as may be considered of value in the determination of questions related to the exportation of helium gas.

“SEC. 5. The Secretary of War and the Secretary of the Navy may each designate representatives to cooperate with the Department of the Interior in carrying out the purposes of this Act, and shall have complete right of access to plants, data, and accounts.”

Approved, September 1, 1937.

Moneys received credited to special fund; use of.

Payments in excess of deliveries.

Expenses of acquisition, operation, etc.

Excess covered in.

*Proviso.*  
Report to Congress.

Exports; restriction.

*Proviso.*  
Shipments not of military importance.

Accumulations.

Exportation to countries named in proclamations under Neutrality Act.  
*Ante*, p. 121.

Penal provisions.

National Munitions Control Board.  
Information to be included in annual reports.

Cooperation by War and Navy Departments.