

[CHAPTER 334]

AN ACT

To empower the President of the United States to create new national forest units and make additions to existing national forests in the State of Montana.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the President of the United States is authorized, in his discretion, to add to existing national forests, or to include within new national forests, by proclamation or Executive order, any unappropriated public lands of the United States situated in the State of Montana which, in his opinion, are chiefly valuable for the production of timber or the protection of watersheds: *Provided,* That the inclusion of such lands within a national forest shall be subject to any claim, entry, or appropriation under the public land laws then valid and subsisting and thereafter legally maintained.

SEC. 2. All previous Acts and parts of Acts in conflict herewith are hereby repealed insofar as they apply to the State of Montana.

Approved, July 20, 1939.

July 20, 1939
[S. 26]
[Public, No. 199]

National forests. President authorized to create new or add to existing units in State of Montana.

Proviso. Subject to valid and subsisting rights.

Conflicting laws, etc., repealed.

[CHAPTER 335]

AN ACT

To authorize an appropriation to meet such expenses as the President, in his discretion, may deem necessary to enable the United States to cooperate with the Republic of Panama in completing the construction of a national highway between Chorrera and Rio Hato, Republic of Panama, for defense purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That there is hereby authorized to be appropriated the sum of not to exceed \$1,500,000, to meet such expenses as the President, in his discretion, may deem necessary to enable the United States to cooperate with the Republic of Panama in connection with the construction of a highway between Chorrera and Rio Hato, in the Republic of Panama: *Provided,* That the expenditure of such sum shall be subject to the receipt of assurances satisfactory to the President from the Government of the Republic of Panama of its cooperation in such construction.

Approved, July 20, 1939.

July 20, 1939
[S. 2163]
[Public, No. 200]

Panama. Highway between Chorrera and Rio Hato. Appropriation authorized for cooperation in construction. *Post,* p. 1327. *Proviso.* Cooperation by Government of Panama.

[CHAPTER 336]

AN ACT

To amend the Second Liberty Bond Act, as amended.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 21 of the Second Liberty Bond Act (49 Stat. 21, as amended; U. S. C., Supp. IV, title 31, sec. 757b), is amended by striking out the following proviso: "*Provided,* That the face amount of bonds issued under the authority of this Act shall not exceed in the aggregate \$30,000,000,000 outstanding at any one time."

Approved, July 20, 1939.

July 20, 1939
[H. R. 5748]
[Public, No. 201]

Second Liberty Bond Act, amendment. 52 Stat. 447. 31 U. S. C., Supp. IV, § 757 b. Limitation on face amount of bonds removed.

[CHAPTER 337]

JOINT RESOLUTION

Consenting to an interstate oil compact to conserve oil and gas.

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the consent of Congress is hereby given to an extension and renewal for a period of two years from September 1, 1939, of the interstate compact to conserve oil and gas, executed in the city of Dallas, Texas, the 16th day of February 1935 by the representatives of the States of Oklahoma,

July 20, 1939
[H. J. Res. 329]
[Pub. Res., No. 31]

Oil and gas conservation. Consent given to extension of interstate compact concerning.

Texas, California, and New Mexico, and thereafter recommended for ratification by the representatives of the States of Arkansas, Colorado, Illinois, Kansas, and Michigan, and subsequently ratified by the States of New Mexico, Kansas, Oklahoma, Illinois, Colorado, and Texas, which said compact was deposited in the Department of State of the United States, and thereafter such compact was, by the President, presented to the Congress and the Congress gave consent to such compact by H. J. Res. 407, approved August 27, 1935 (Public Resolution Numbered 64, Seventy-fourth Congress), and which said compact was thereafter extended and renewed for a period of two years from September 1, 1937, by an agreement executed in New Orleans, Louisiana, the 10th day of May 1937, by the representatives of the States of Oklahoma, Texas, Kansas, and New Mexico, and was duly ratified by the States of Oklahoma, Texas, Kansas, New Mexico, Illinois, and Colorado, and was deposited in the Department of State of the United States, and thereafter such extended and renewed compact was, by the President, presented to the Congress and the Congress gave consent to such extended and renewed compact by S. J. Res. 183, approved August 10, 1937 (Public Resolution Numbered 57, Seventy-fifth Congress).

49 Stat. 939.

50 Stat. 617.

The extended and renewed compact, dated the 5th day of April 1939, duly executed by the representatives of the States of Oklahoma, Texas, Kansas, New Mexico, Colorado, and Michigan, and duly authorized and ratified by the said States of Oklahoma, Texas, Kansas, New Mexico, Colorado, and Michigan, and which extended and renewed compact has been deposited in the Department of State of the United States, reads as follows:

Text of compact.

"AN AGREEMENT TO EXTEND THE INTERSTATE COMPACT TO CONSERVE OIL AND GAS

"Whereas, on the 16th day of February 1935, in the city of Dallas, Texas, there was executed 'An interstate compact to conserve oil and gas' which was thereafter formally ratified and approved by the States of Oklahoma, Texas, New Mexico, Illinois, Colorado, and Kansas, the original of which is now on deposit with the Department of State of the United States, a true copy of which follows:

"AN INTERSTATE COMPACT TO CONSERVE OIL AND GAS

"ARTICLE I

"This agreement may become effective within any compacting State at any time as prescribed by that State, and shall become effective within those States ratifying it whenever any three of the States of Texas, Oklahoma, California, Kansas, and New Mexico have ratified and Congress has given its consent. Any oil-producing State may become a party hereto as hereinafter provided.

"ARTICLE II

"The purpose of this compact is to conserve oil and gas by the prevention of physical waste thereof from any cause.

"ARTICLE III

"Each State bound hereby agrees that within a reasonable time it will enact laws, or if laws have been enacted, then it agrees to continue the same in force, to accomplish within reasonable limits the prevention of:

- "(a) The operation of any oil well with an inefficient gas-oil ratio.
- "(b) The drowning with water of any stratum capable of producing oil or gas, or both oil and gas in paying quantities.

“(c) The avoidable escape into the open air or the wasteful burning of gas from a natural-gas well.

“(d) The creation of unnecessary fire hazards.

“(e) The drilling, equipping, locating, spacing, or operating of a well or wells so as to bring about physical waste of oil or gas or loss in the ultimate recovery thereof.

“(f) The inefficient, excessive, or improper use of the reservoir energy in producing any well.

“The enumeration of the foregoing subjects shall not limit the scope of the authority of any State.

“ARTICLE IV

“Each State bound hereby agrees that it will, within a reasonable time, enact statutes, or if such statutes have been enacted then that it will continue the same in force, providing in effect that oil produced in violation of its valid oil and/or gas-conservation statutes or any valid rule, order, or regulation promulgated thereunder, shall be denied access to commerce; and providing for stringent penalties for the waste of either oil or gas.

“ARTICLE V

“It is not the purpose of this compact to authorize the States joining herein to limit the production of oil or gas for the purpose of stabilizing or fixing the price thereof, or create or perpetuate monopoly, or to promote regimentation, but is limited to the purpose of conserving oil and gas and preventing the avoidable waste thereof within reasonable limitations.

“ARTICLE VI

“Each State joining herein shall appoint one representative to a commission hereby constituted and designated as ‘The Interstate Oil Compact Commission’, the duty of which said Commission shall be to make inquiry and ascertain from time to time such methods, practices, circumstances, and conditions as may be disclosed for bringing about conservation and the prevention of physical waste of oil and gas, and at such intervals as said Commission deems beneficial it shall report its findings and recommendations to the several States for adoption or rejection.

“The Commission shall have power to recommend the coordination of the exercise of the police powers of the several States within their several jurisdictions to promote the maximum ultimate recovery from the petroleum reserves of said States, and to recommend measures for the maximum ultimate recovery of oil and gas. Said Commission shall organize and adopt suitable rules and regulations for the conduct of its business.

“No action shall be taken by the Commission except: (1) By the affirmative votes of the majority of the whole number of the compacting States, represented at any meeting, and (2) by a concurring vote of a majority in interest of the compacting States at said meeting, such interest to be determined as follows: Such vote of each State shall be in the decimal proportion fixed by the ratio of its daily average production during the preceding calendar half-year to the daily average production of the compacting States during said period.

“ARTICLE VII

“No State by joining herein shall become financially obligated to any other State, nor shall the breach of the terms hereof by any State subject such State to financial responsibility to the other States joining herein.

"ARTICLE VIII

"This compact shall expire September 1, 1937. But any State joining herein may, upon sixty days' notice, withdraw herefrom.

"The representatives of the signatory States have signed this agreement in a single original which shall be deposited in the archives of the Department of State of the United States, and a duly certified copy shall be forwarded to the governor of each of the signatory States.

"This compact shall become effective when ratified and approved as provided in article 1. Any oil-producing State may become a party hereto by affixing its signature to a counterpart to be similarly deposited, certified, and ratified.

"Done in the city of Dallas, Texas, this 16th day of February 1935." Whereas said Interstate Compact was heretofore duly renewed and extended for two years from September 1, 1937, its original expiration date, to September 1, 1939; and,

Whereas it is desired to again extend and renew said Interstate Compact to Conserve Oil and Gas for another period of two years from September 1, 1939, its present expiration date, to September 1, 1941: Now therefore, this writing witnesseth:

It is hereby agreed that the said Compact entitled "An Interstate Compact to Conserve Oil and Gas" executed in the city of Dallas, Texas, on the 16th day of February 1935, and now on deposit with the Department of State of the United States, a correct copy of which appears above, be, and the same hereby is, extended for a period of two years from September 1, 1939, its present date of expiration, this agreement to become effective within those States joining herein when executed by any three of the States of Texas, Oklahoma, California, Kansas, and New Mexico, and consent thereto is given by Congress.

The signatory States executed this agreement in a single original which shall be deposited in the archives of the Department of State of the United States and a duly certified copy thereof shall be forwarded to the governor of each of the signatory States.

Executed as of this the 5th day of April 1939 by the several undersigned States, at their several capitols, through their proper officials thereunto duly authorized by statutes, resolutions, or proclamations of the several States.

SEC. 2. The right to alter, amend, or repeal the provisions of section 1 is hereby expressly reserved.

Approved, July 20, 1939.

Rights reserved.

[CHAPTER 338]

AN ACT

To provide for probationary appointments of officers in the Regular Army.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 23 of the National Defense Act, as amended by the Act of June 4, 1920 (41 Stat. 771), be, and the same is hereby, amended to read as follows:

"SEC. 23. ORIGINAL APPOINTMENTS TO BE PROBATIONARY.—The Secretary of War, under such regulations as he may prescribe, may hereafter revoke the commission of any officer on the active list, initially commissioned after the date of this Act, who, at the date of said revocation, has had less than three years of continuous service as a commissioned officer of the Army, and each officer whose com-

July 25, 1939

[S. 1155]

[Public, No. 202]

National Defense Act, amendment. 41 Stat. 771.

Probationary appointments of officers in the Regular Army.