

## CHAPTER 42—H. F. No. 72.

*An act providing for the issuance of permits to prospect for gold, silver, copper, cobalt, coal, graphite, petroleum, sand, gravel, stone, natural gas and all minerals, excepting iron ore, under the waters of any meandered lake or river, and for the issuance of leases for the mining of such minerals.*

Be it enacted by the Legislature of the State of Minnesota:

**Section 1. Department of conservation may issue permits for prospectors.**—The department of conservation, with the approval of the executive council, shall adopt rules and regulations for the issuance of permits to prospect for gold, silver, copper, cobalt, coal, graphite, petroleum, sand, gravel, stone, natural gas and all minerals, excepting iron ore, under the waters of any meandered lake or stream in the state of Minnesota, including that portion of boundary lakes and streams within the boundaries of the state, and for the issuance of leases for the mining and removal of such minerals upon such terms and conditions as such regulations may prescribe.

**Sec. 2. Regulations in permits.**—It shall be provided in such regulations, among other things:

(a) That no permit to prospect shall be issued for a period to exceed one year;

(b) That each permit shall authorize prospecting only within the area designated therein, which area shall not exceed the limitations upon size prescribed by the regulations;

(c) That at any time prior to the expiration of any such prospecting permit, the holder thereof shall have the right to a lease giving him the exclusive right to mine and remove the minerals specified in such permit within the area specified in such permit; provided, if the regulations adopted hereunder shall permit or prescribe larger areas for permits than for leases, the permit holder shall designate the specific part of the area covered by his permit (not exceeding the limitations upon size of lease areas) upon which he desires a lease;

(d) That the rents, royalties, terms, conditions, and covenants of all such leases shall be prescribed by such regulations prior to the issuance of any permits hereunder;

(e) That no such lease shall be for a longer term than 25 years;

(f) That all rents and royalties paid under such leases shall be paid to the state treasurer on the order of the state

auditor and shall be credited to the permanent school funds of the state;

(g) That no minerals shall be removed under such permit until lease has been issued as provided by such regulations, except that, with the approval of the commissioner of conservation, sufficient minerals or ore material may be removed for exploratory or assaying purposes;

(h) That the grantee of such permit or lease, his or their assigns, representatives and successors in interest may be required to secure riparian owners against damage from the use of such lease or permit.

**Sec. 3. Commissioner to issue permit.**—The commissioner of conservation, with the approval of the commission, shall issue permits and leases in accordance with such rules and regulations.

**Sec. 4. Permits to be recorded.**—All permits and leases, with the names and post office addresses of all parties having an interest, issued by the commissioner of conservation under authority of this law and the regulations adopted hereunder, before delivery, shall be duly recorded at length by the state auditor in his office in the record books to be provided and kept for that purpose, and a certificate of such record, showing the date of record and the book and page thereof, shall be endorsed on each such permit or lease.

**Sec. 5. Assignments must be made in writing.**—All assignments and agreements or contracts affecting any such permit or lease shall be made in writing and signed by both parties thereto, witnessed by two witnesses; and properly acknowledged, and shall contain the post office addresses of all parties having an interest; and when so executed, shall be presented to the state auditor for recording. The state auditor shall then record such assignment, agreement, or contract, at length in his office in record books kept and provided for that purpose, and a certificate of such record, showing the date thereof and the book and page, shall be endorsed on the assignment, agreement, or contract, which then shall be returned to the party entitled thereto.

**Sec. 6. Instruments to be approved by commissioner.**—All instruments by virtue of which the title to any permit or lease herein provided for is in any way affected, shall receive as to form and execution, the approval of the commissioner of conservation, which approval shall be endorsed thereon, and such instrument, when so approved, shall be duly recorded as

provided in section 5 hereof. For recording any assignment or other instrument affecting the title to any permit or lease, or for furnishing certified copies of the records, the state auditor shall charge a fee of ten cents per folio. All such fees shall be turned into the state treasury.

**Sec. 7. Rights of holder.**—The holder of any such lease shall have the right to prospect for, mine, and remove any such minerals under the public waters within the area described by such lease.

**Sec. 8. Minerals under public waters.**—The discovery and mining or removing of the minerals described herein under the public waters in the state, is a matter of public interest to the state.

**Sec. 9. Commissioner may cancel permits.**—In the event the holder of such permit or lease shall fail to comply with all the provisions contained therein to be by him performed or observed, and such default shall continue for a period of 30 days, the commissioner of conservation, upon 30 days' notice to the holder of such permit or lease by registered mail to the address of such holder as shown by the records of the state auditor, may declare such permit or lease, and all rights acquired thereunder, forfeited. Upon the filing of such order of forfeiture with the state auditor, all rights under such lease or permit shall cease.

Approved January 18, 1936.

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#### CHAPTER 43—H. F. No. 77.

*An act to amend Mason's Minnesota Statutes of 1927, Section 4276, as amended by Laws 1935, Chapter 311, relating to the special compensation fund, and to injuries increasing disability of employees.*

Be it enacted by the Legislature of the State of Minnesota:

**Section 1. Increasing disabilities of employees.**—Mason's Minnesota Statutes of 1927, Section 4276, as amended by Laws 1935, Chapter 311, is hereby amended so as to read as follows:

"4276. If an employee receives an injury which of itself would cause only permanent partial disability, but which,