

quarterly royalty payment of \$125 for the first quarter, as set out in the lease, in the ratio that the unexpired portion of the quarter bears to the full quarter.

Sec. 2. Minnesota Statutes 1949, Section 93.283, Subdivision 7, is amended to read:

Subd. 7. **Leases on tax-forfeited lands.** In the event that any lands covered by any lease hereunder shall be tax-forfeited lands held by the state in trust for the taxing districts, the rentals and royalties paid under any such permit or lease shall be distributed annually by the state auditor on the first day of September as follows: 20 percent to the general revenue fund of the state, and 80 percent to the respective counties in which the lands lie, to be apportioned among the taxing districts interested therein as follows: county, three-ninths; town, village, or city, two-ninths; and school district, four-ninths. In the event that with respect to any lands leased hereunder the state owns or has an interest in the minerals only, without ownership of the surface of such lands, such lessee shall make proper compensation to the owner of the surface rights for any damage caused thereto. In the event that the state shall own only a fractional undivided interest in the minerals in any land leased hereunder, the royalty and annual rental to be paid the state under such lease shall be such fractional part of the royalty or annual rental payable in the event the state had the entire interest in said minerals that the interest owned by the state bears to the entire interest therein. Except as herein otherwise provided, royalty and rental payable hereunder shall be paid into the same fund as if the particular lands had been leased or sold under existing laws.

Approved April 21, 1953.

CHAPTER 552—H. F. No. 1681

An act relating to state land and minerals, prescribing the form and provisions of iron ore mining leases, and to the modification thereof; amending Minnesota Statutes 1949, Section 93.20, Subdivisions 22, 24 and 38, as amended.

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

Section 1. Minnesota Statutes 1949, Section 93.20, Subdivision 22, as amended by Laws 1951, Chapter 616, is amended to read:

Subd. 22. The iron ore so taken and shipped shall be weighed by the railroad carrier. Weight bills or certificates,

signed by the weigher, shall be transmitted to the commissioner at the close of each day when ore is shipped. Except as otherwise permitted by the commissioner of conservation, the part..... of the second part shall transmit to the commissioner on or before the tenth of each month a statement in such form as the commissioner shall prescribe, covering all ore removed from said land during the preceding calendar month, showing the weight and analysis of the ore under each schedule, the royalty computed to be due thereon, and such other information pertaining thereto as the commissioner may require. The amount of royalty due upon the ore under each schedule shall be determined according to the percentage of iron shown by the analysis at the rates hereinbefore prescribed. If the manganese content is four percent or more, the royalty due thereon shall be determined and paid as provided by law. With the approval of the commissioner, for the purpose of computing and accounting for royalty, ore may be considered as removed from said land in the month in which it was weighed as shown by the weight bills or certificates, but the party of the second part shall nevertheless be liable for the royalty on all ore from and after the actual time of removal from said land. With the approval of the commissioner the royalty on all the ore under a given schedule removed during a given calendar month may be computed on the average dried iron analysis thereof. The grades and weights of ore as set forth in said monthly statements shall be prima facie binding as between the parties, but the party of the first part shall have the right at any time, and in such manner as it may see fit, to sample the ore, check the analyses, and inspect, review, and test the correctness of the methods, books, records, and accounts of the part..... of the second part in sampling, analyzing, recording, and reporting such grades and weights, and to inspect, review, and test the correctness of the scales and other equipment used in weighing the ore and of the weights reported as aforesaid, it being understood that any errors in these respects, when ascertained, shall be corrected. *Should the party of the second part desire to remove crude ore for experimental purposes from the demised premises, the commissioner of conservation may prescribe the method of such removal and the method of sampling and weighing such crude ore for the purpose of determining the amount of royalty due.*

Sec. 2. Minnesota Statutes 1949, Section 93.20, Subdivision 24, as amended by Laws 1951, Chapter 616, is amended to read:

Subd. 24. It is understood and agreed that should the part..... of the second part desire to stockpile concentrates off the demised premises or on land not owned by the state, the

parties shall agree upon a method of sampling and weighing such concentrated ore for the purpose of determining the amount of royalty due, and in case they are unable to agree, each shall choose a referee and the two referees so chosen shall choose a third. The decision of such board of referees shall be binding on the parties in interest as to the methods to be employed in such sampling and weighing only. *Should the party of the second part desire to stockpile crude ore off the demised premises for a temporary period not to exceed one year, the commissioner of conservation may prescribe the method of removal and the method of sampling and weighing such crude ore for the purpose of determining the amount of royalty due.*

Sec. 3. Minnesota Statutes 1949, Section 93.20, Subdivision 38, as amended by Laws 1951, Chapter 616, is amended to read:

Subd. 38. Any state iron ore mining lease heretofore or hereafter issued and in force may be modified by the commissioner of conservation, with the approval of the executive council, upon application of the holder of the lease, by written agreement with the holder, so as to conform with the provisions of the laws in force at the time of such application with respect to the methods of shipping, weighing, and analyzing ore and computing royalty thereon, the time of payment of rental and royalty, the beneficiation or treatment of iron ore and the disposal of concentrates and residues therefrom, the stockpiling, depositing, or disposal of iron ore or other material, and the making of statements and reports pertaining to said matters.

Approved April 21, 1953.

CHAPTER 553—H. F. No. 1684

An act relating to the livestock contingency fund; amending Minnesota Statutes 1949, Section 246.32, Subdivision 2, as amended.

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

Section 1. Minnesota Statutes 1949, Section 246.32, Subdivision 2, as amended by Laws 1951, Chapter 392, Section 1, is amended to read:

Subd. 2. **Income, disbursements.** All income derived from the sale of *cattle, hogs, horses, sheep, and poultry, and the by-products therefrom, or the young thereof, by all insti-*