Mr. Chairman, I am pleased to appear before this committee, in response to your request of July 27, 1976, to discuss the Bureau of Reclamation's administration of excess land laws.

The limitation on the acreage of land for which an individual landowner can obtain a water supply from a Federal Reclamation project has been a part of Reclamation law ever since the original Reclamation Act of 1902. The limitation was designed to (1) distribute widely the benefits of public-financed Reclamation projects; (2) promote the family farm as a desirable type of rural life; and (3) preclude the accrual of speculative gains from the Federal investment. We believe those objectives generally have been met, although we realize there has been and continues to be controversy among divergent groups with differing views as to what should have been accomplished.

A previous review of the excess land laws was presented in the 1964 Acreage Limitation Policy Study, prepared by the Department of the Interior pursuant to a resolution of the Senate Committee on Interior and Insular Affairs. In that study the Secretary of the Interior recommended that the Congress consider enactment of legislative measures to (1) authorize general use of the class 1 equivalency concept in determining nonexcess acreages on Reclamation
projects and (2) establish an excess land purchase and resale fund.

The Secretary also identified several facets of the excess land laws or policy which he thought merited further inquiry by the Congress.

The 1964 study also recited the early history of legislation directly affecting the size of ownership. It discussed the Homestead Act of 1862, the Desert Land Act of 1877, the Carey Act of 1894, and several other laws that preceded the Reclamation Act of June 17, 1902.

The 1902 Act provided the authority for the establishment of the Federal Reclamation program. Significant provisions of that act affecting acreage limitation included: (1) repayment arrangements with individuals on the basis of acquired water rights in the project; (2) no single landowner was allowed a project water right for more than 160 acres; and (3) the landowner must reside on his land or in the neighborhood.

After 12 years of experience administering the 1902 act and the 160-acre limitation embodied therein, certain defects had been discovered. For instance, private landowners could hold large blocks of land speculating that land prices would rise due to actual or prospective project development, and then sell at speculative prices, thus reaping for themselves an unearned increment which in turn jeopardized or diminished the purchaser's chance of success. The Act of August 13, 1914, required the owners of private lands, in advance of the start of construction, to agree to dispose of all lands in excess of the area deemed by the Secretary to be sufficient for the support of a family and at terms designated by the Secretary.
After World War I, a committee appointed by the Secretary of the Interior prepared a report which led to the passage of two major acts: (1) the Fact Finders Act of December 5, 1924, and (2) the Omnibus Adjustment Act of May 25, 1926. Under the Omnibus Adjustment Act, use of the water rights procedure was discontinued and instead a joint liability repayment contract with an appropriate contracting entity was required. The repayment contracts were to limit project water service to not more than 160 irrigable acres held by any one owner. A landowner holding irrigable land in excess of 160 acres was required, before receiving water for the excess land, to enter into a valid recordable contract with the United States agreeing to sell his excess land under terms and conditions satisfactory to the Secretary and at prices not to exceed those fixed by the Secretary. The residency requirement was not mentioned.

For 50 years, section 46 of the 1926 act has provided the basic congressional policy and authority for administration of the acreage limitation provisions of Reclamation law. However, in the interim, there have been a number of statutory modifications, supplements, or waivers. These include:

(a) Several laws under which eight specific projects were provided partial or complete exemption from acreage limitations;
(b) Several acts modifying the size of the allowable nonexcess holdings on specific projects;
(c) Laws applying the class 1 equivalency concept to 14 specific projects;
(d) Legislation allowing excess lands in certain cases to obtain project water if the landowners pay interest costs in connection with the repayment
of project costs (with general application in the case of the Small Reclamation Projects and specific application in three other cases); 
(e) Legislation allowing delivery of water to certain categories of excess land requiring special considerations, such as land acquired by foreclosure, land which becomes excess when held by a surviving spouse, and certain State-owned land;  
(f) Legislation approving contracts with 22 specific irrigation districts which relieve the districts of compliance with excess land laws after the payout of project costs (negotiated pursuant to section 7 of the 1939 act, and approved by the Congress); 
(g) Special legislation specifying the area of land that can be leased on the Lemoore Naval Air Station (in Westlands Water District).  
Submitted for the record is a list of the various legislative actions which I have just summarized.  
In describing Reclamation's present administration of the excess land laws, it should be noted that the acreage limitation provisions of Federal Reclamation law relate only to excess lands. The Secretary has no control over the disposition of nonexcess lands. An owner may sell nonexcess lands at any price he can obtain and they will continue to be eligible for project water as long as they continue to be nonexcess in the hands of the purchaser. As a result, some opportunity for speculation in the purchase and resale of excess land does exist. For example, an individual could purchase excess land at an approved price not reflecting
project benefits, it would become nonexcess in his holding, and later he could sell that land as nonexcess at whatever price he could obtain.

Section 46 of the Omnibus Adjustment Act of 1926 provides that no water is to be delivered to a project until a suitable contract has been executed with an irrigation district (or districts) under which it agrees to repay the cost of construction, operation, and maintenance of the works of the project. The contract also is required to contain provisions for enforcement of the excess land laws.

Repayment contracts generally contain standard provisions on excess lands, either a long form or a short form. Those provisions (1) define excess lands; (2) provide that excess lands are not to receive water until the owners execute certain recordable contracts; and (3) describe the procedures for appraisal and sale of excess lands.

The district signing the repayment contract has the primary obligation to take all necessary steps to ensure that the provisions of the repayment contract are enforced.

Recordable contracts are between the Secretary and the individual owners and conform with the terms of the master repayment contract. Provisions which are common to most recordable contracts include: (1) designation of excess lands for which the landowner wants to obtain project water and agreement for disposition; (2) time period in which the landowner must dispose of excess holdings (generally 10 years); (3) agreement that the right to receive
project water for the excess holdings is subject to the provisions of the district contract; (4) approval by the Secretary of the Interior of the value of the excess land sale pursuant to an appraisal reflecting fair market value without the existing or prospective availability of Federal water service; and (5) power of attorney vests in the Secretary of the Interior at the expiration of the time period allowed for disposition by the landowner.

Generally, our appraisal of excess land is accomplished through the analysis of a proposed sale and purchase submitted to the Bureau of Reclamation by the seller and buyer of the excess land. All component parts of the sale are listed and the value of each indicated. The Reclamation appraiser determines the value of each piece of property in the sale to be sure it does not exceed its fair market value. From this analysis he arrives at the value assigned to the bare land and can then make his determination as to whether the sales price of the land exceeds its value without project benefits. If it does not, and if the sale complies with other aspects of law, it is approved.

Subject to the option of the landowner, the appraisal of such lands may be made by three appraisers, one designated by the United States, one designated by the district, and a third designated by the first two.

Predominantly, the ownerships of land on Reclamation projects are the single family-farm operation. However, there are increasing numbers of other ownership arrangements, some of which become quite complex,
that require special consideration in administering the law. It should be noted that Reclamation law does not impose a limitation on the amount of land that may be held in any form of ownership - it is only concerned with that portion of an ownership to which project water may be delivered or which benefits from the use of the project facilities.

Also in administering the law, we are concerned separately with land holdings in each contract service area; consequently, an individual's ownership of land in one district or project is not considered in determining his eligibility to receive water in another district or project.

The principal ownership patterns are the single or individual landowner and the husband-wife joint ownership of land. These present very few administrative problems.

A corporation is viewed as a single legal entity and is, therefore, subject to the same nonexcess land restriction as an individual owner of 160 acres. Corporation land may be attributed to stockholders of closely held or family corporations for the purpose of ascertaining the amount of irrigable land a stockholder may claim as an individual. Public corporations for which stock is bought and sold on the open market are not reviewed as to stockholder eligibility. A parent corporation is deemed the beneficial owner of all lands held by its wholly owned subsidiaries.
Another pattern of ownership that has become prevalent in recent years is the sale or transfer of land to a trust. For example, trusts may be established for the benefit of a minor child, or other bona fide beneficiary. If the trust land is within the nonexcess entitlement, it is treated as a single ownership. Trusts may provide for multiple beneficiaries holding an undivided interest in the trust property, or they may be separate trusts for each beneficiary with the land involved held under a tenancy-in-common arrangement with parties other than the beneficiaries. In such cases, the trust is treated as a multiple ownership providing the trust meets the basic conditions. These conditions require that the trust be irrevocable by the grantor and constitute a total relinquishment of control over the land; that the trust property consist solely of the land granted; that the beneficiaries of the trust be identified and their respective interest shown in the trust agreement; that the trustee shall receive only compensation for management and may not have any beneficial interest in the trust property; that there be a periodic distribution of the net returns from operations; that each beneficiary or guardian have the right, at his option, to partition his interest in the trust; and that the trustee of a proposed trust be someone unrelated to the beneficiaries and the present owner of the property to be included in the trust.

Multiple ownership arrangements in general use include tenancies-in-common and partnerships. In no case can the interest of a partner or co-tenant exceed 160 acres. A tenancy-in-common involves landholdings in
which there is a unity of ownership among two or more co-tenants who, in common, share in the benefits of all the land held in common, in proportion to their respective interests. In recent years, we have found it necessary to apply more stringent standards to multiple ownerships. Now, multiple ownership arrangements may be approved only when there is a family relationship among the owners or the effect of the multiple ownership is to break up large excess landholdings that have been placed under recordable contract. The conditions will not be applied retroactively to existing approved multiple ownership arrangements; however, if such arrangements are subsequently modified, the multiple ownership will then be required to conform to the currently effective criteria.

Generally, the same criteria are applied to partnerships to determine nonexcess entitlements as are applied to tenancies-in-common. Acceptable partnership arrangements must conform to laws of the State involved.

Multiple ownership arrangements such as partnerships, tenancies-in-common, or multiple trust arrangements often are the target of public criticism in our administration of the acreage limitation provisions.
Although these arrangements are made up of a number of eligible individual landowners, they often are managed or operated as a large unit. In some cases, participants in a partnership arrangement are absentee owners and the land of the partnership is farmed under a management agreement or through leasing arrangements.

In regard to leasing of land, Reclamation law imposes no restrictions on the leasing of privately owned project lands. Consequently, an individual operator may lease a number of nonexcess landholdings and farm the several tracts as a single farming operation as long as the lessee does not acquire control over the land for a long period of time that would give the essence of ownership.

In the matter of excess land disposition, we scrutinize very carefully proposed leasing arrangements. We must assure that the large landowner disposing of such land neither gains nor retains control of any of the land through lease agreements that would constitute less than the full transfer and conveyance of the seller's title. Therefore, any lease-back arrangements involved must be voluntary and not part of the consideration for the sale transaction and must not be for a period longer than that normal for the area. Lease agreements customarily are for not more than a 5-year period with the option for mutually agreed upon renewal for not more than one additional period not exceeding 5 years.
Reclamation project water is delivered to about 11 million acres each year. This water is furnished through water user entities which contract with the United States. In most cases, the contracting entity makes the actual delivery of the water, and it is through these entities and the contracts with them, that enforcement of the acreage limitation provisions of law is carried out. The sophistication of the water-users organizations varies widely; consequently, the extent to which water is delivered ineligibly may vary from one district to another. Such deliveries may occur through inadvertency, misunderstanding of eligibility status or, occasionally, with knowledge of the lack of eligibility. In some cases, what may appear to be the delivery of water to ineligible land may stem from permissible deliveries because of the comingling of Reclamation project water with nonproject water delivered to lands through non-Federal facilities. In those cases, the Federal project water can be used on nonexcess land and the nonproject water on other lands.

Our most recent reports indicate there are 1,075,000 acres of excess land on Federal Reclamation projects. About 74 percent of the total excess land is located in the Central Valley Project in California. For this reason, it is there that most of our excess land attention has been focused. Our records and compliance checks indicate that in the Westlands Water District of the Central Valley Project from 1968 through 1975, there were an average of 14 violations per season, ranging from a high of 30 to as few as 2 or 3. Although the use of water has increased annually, the
The incidence of violations has decreased. In all cases when violations have been found they have been corrected within 24 hours.

Our records further indicate that Bureauwide, as of December 31, 1975, of the approximately 11 million irrigable acres for service within the nearly 1,500 contracting entities, that only 3/4 of 1 percent was receiving project water ineligibly. These lands were scattered among 79 contracting entities situated in 39 separate projects. The total acreage of ineligible land served was 82,263 acres which was held in 795 separate ownerships or an average violation of about 103 acres per owner.

The success of compliance efforts is dependent to a large extent on the cooperation we receive from the various water user contracting entities. All of those organizations have contractually agreed to serve project water only to eligible lands. We feel that the overall record of districts complying with the complex excess land provisions is good.

Current litigation may have a significant effect on our administration of the law. Four court actions are worthy of note. In an action brought by the United States against the Imperial Irrigation District in California to enforce the acreage limitation provisions, the court of Judge Howard B. Turrentine held that the provisions did not apply to that district nor to private lands in the district. No further action was taken in that case.
A second action was brought by Ben Yellen, et al., against the Secretary of the Interior in the United States District Court to compel the enforcement of the residency requirements of section 5 of the Reclamation Act of 1902 for the lands served within the Imperial Irrigation District. In deciding that case in November 1971, Judge W. D. Murray held that section 5 of the 1902 act is in full force and effect and must be applied to the Imperial Irrigation District as well as all other Reclamation projects constructed pursuant to the Boulder Canyon Project Act. The United States appealed that decision to the United States Ninth Circuit Court of Appeals. No decision has been reached by the circuit court to date.

In the course of negotiation of repayment contracts with a number of districts making up the Kings River Conservation District in California scheduled to receive irrigation water from the Pine Flat Dam, constructed by the Corps of Engineers, the Solicitor of the Department of the Interior issued an opinion that the requirements of section 46 of the Omnibus Adjustment Act of 1926 could not be avoided by the payment of construction costs allocated to water users served by the district. The landowners involved contested this opinion. One of the Conservation District member organizations, the Tulare Lake Canal Company, brought an action against the United States contending that the excess land
provisions did not apply to a non-Bureau constructed project and further that payment of construction charges by the district exempted it from those provisions. The District Court held for the district. The decision was appealed by the United States and the Ninth Circuit Court of Appeals reversed the District Court, holding that the payment of construction charges did not relieve the district from the acreage limitation provisions. Imposition of the decision of the court has been stayed pending a decision of Tulare Lake Canal Company as to an appeal of the circuit court ruling.

The fourth case is an action brought by the National Land for People against the Bureau of Reclamation in the United States District Court for the District of Columbia seeking to enjoin the Bureau from approving the sale of excess lands in the Westlands Water District in California until the Bureau has formulated rules and regulations relating to excess land sales under the Administrative Procedure Act. The court enjoined the Bureau of Reclamation from tentatively or finally approving any contracts or other proposals for sales of any excess lands in the Westlands Water District that are submitted to it on or after August 10, 1976, until rules respecting the criteria and procedures to be used by the Bureau to approve excess land sales have been issued. The possibility of further action on this case is pending.

As previously indicated, a significant amount of legislation relating to the excess land laws has been passed by the Congress over the years. Most of it has applied only to specific projects, but some has been general.
Current legislation before the Congress which would have a
general impact on our administration of the acreage limitation
provisions includes the class 1 equivalency proposals which have been
the subject of recent hearings, both before the House and Senate
Committees. That legislation, if approved, would make the class 1
equivalency concept available to all Reclamation projects with a
frost-free growing season of 180 days of less. This general applica-
tion of the concept would preclude the need for authorization on a
project-by-project basis as has been the case for 14 separate projects
since 1957. There are 118 projects within the 180-day frost-free area
that could be affected.

Another bill, referred to as the Reclamation Excess Land Act of 1976,
was recently introduced which would authorize the Secretary of the
Interior to purchase and resell excess lands that might exist on
Reclamation projects. The bill would provide financial assistance
to individuals who desire to purchase land and establish family-size
farms. The bill would further discourage speculation in the buying and
selling of excess land.

There are several matters that the Congress may want to consider in the
event it decides to undertake a general review of the acreage limitation
laws:

First, there is the matter of the basic entitlement of 160 acres for an
individual landowner. Questions have been raised as to the adequacy of
this entitlement generally and to the equity of applying the same basic
entitlement to all Reclamation projects. For example, 160 acres in one
area may not provide the same economic potential as 160 acres in another. Even in the same area, differences in soil type, depth and drainability, for example, can have a marked effect on productivity or cost of farming. It has been suggested that a different basic entitlement in each area should be established. We have considered this matter, but have been unable to reach a consensus as to an appropriate basis for equitably determining acceptable basic entitlements by projects. The class 1 equivalency concept which has been authorized for 14 projects and which is the subject of legislation now before the Congress is a move in the right direction and would close, in part, the equitability gap.

A second matter that Congress may wish to consider is a proposal that by making full payment of construction charges, including interest, a landowner would be eligible to receive project water for his excess land. The Small Reclamation Project Act contains such a provision. Such a proposal would require the use of two types of recordable contracts, a disposition-type requiring disposition of the excess lands by the end of a specific period, or the retention-type, which would provide for the full payment of construction charges with interest.

Consideration might also be given to the question of whether the excess land provisions should continue to apply to districts which have fully paid their repayment obligation to the United States. As we noted earlier, we have repayment contracts with 22 districts containing provisions for release from the acreage limitation provisions when the district's contractual obligation to the United States has been paid. 

[Handwritten notes]
in full. These contracts have been specifically approved by act of Congress. Sixteen of these districts have an obligation to pay 100 percent of the irrigation costs and six of them are required to pay only a part of the construction costs allocated to irrigation, with the balance coming from power revenues. There are 64 other districts that have similar provisions in their contracts, but do not have the benefit of congressional approval. The validity of the payout provision in these contracts is in doubt in view of the recent decision of the Ninth Circuit Court of Appeals in the Tulare Lake Canal Company case previously cited.

Our enforcement of the acreage limitation provisions is carried out primarily through the contracting irrigation district or water user organization. The effort that the district puts forth on enforcement is an administrative cost to the district and is paid by both the nonexcess landowners, who are not responsible for the excess land problem, and the excess landowner. If enforcement of the excess land provisions is in the public interest, then perhaps the cost of carrying out this enforcement should be borne by the public and not the district. Another approach would be to provide for fines or penalties for violations. Such fines would be assessed both on the district for permitting the violation and on the landowner for violating the law. If this course were to be followed, appropriate legislation would be desirable.
We realize that the material presented in this statement is general in nature. If more detailed information is desired, we will be pleased to answer questions or furnish additional material for the record.

In concluding, we would like to make a general observation on the situation.

The Bureau of Reclamation is attempting to carry out congressional policies and legislative directives relating to excess lands and in accordance with opinions issued by the Solicitor of the Department of the Interior. The Omnibus Adjustment Act of May 25, 1926, is the basic legislative guideline in effect today although, subsequently, there has been a considerable amount of specific legislation relating to special or single problems. The 1964 report to the Congress on "Acreage Limitation Policy" reviewed the situation at that time but did not result in any general modifications in policy or law. Administration of the excess land laws has evolved as new situations have arisen. There is a current public controversy over the program, largely because of the situation in California. There appear to be two extreme public views: One view is that the farm economic picture has changed to the point of requiring larger investments in land and equipment and requiring larger acreages for efficient and economic farming. The other view is that action should be taken to provide more opportunities for individual family-operated farms. Reclamation believes its administration of the excess land program is in
conformance with the law and that the procedures followed lie between
the two extremes. The pending actions that are before the courts,
when finally decided, could have a significant impact on the
administration of the acreage limitation provisions and on landowners
on Reclamation projects.

We would welcome any additional guidance that the Congress may
provide relating to administration of the acreage limitation provisions
of Reclamation law.
A. Exemptions from acreage limitations:

1. Act of June 16, 1938 (52 Stat. 764), Colorado-Big Thompson Project - Colorado;

2. Act of November 29, 1940 (54 Stat. 1219), Truckee River Storage Project, Nevada-California, Humboldt Project, Nevada;


4. Act of September 3, 1954 (68 Stat. 1190), Santa Maria Project, California;

5. Act of July 24, 1957 (71 Stat. 309-310), East Bench Unit, Pick-Sloan Missouri Basin Program, Montana; (Beaverhead Valley lands only. See also C 1 hereinafter.)

6. Act of August 27, 1967 (81 Stat. 173), San Felipe Division (Central Valley Project), California; (North and South Santa Clara subareas only);


B. Modified size of nonexcess holding:

1. Act of August 11, 1939, as amended by the Act of October 14, 1940 (54 Stat. 1119), Water Conservation and Utilization Projects; (Size of farm unit as determined necessary by Secretary for support of family without other limitation.)

3. Act of July 30, 1947 (61 Stat. 628) Gila Project (Area disposed of as settlement lands, shall, so far as practicable, not exceed 160 acres, i.e., rule of approximation.)

4. Act of October 1, 1962 (76 Stat. 679), amendatory to the Act of March 10, 1943 (57 Stat. 14), Columbia Basin Project, Washington; (Authorizes nominal 1/4-section when in excess of 160 acres and platted prior to date of act. Also establishes 640 acre State agricultural school tract.)

C. Application of Class 1 Equivalency

1. Act of July 24, 1957 (71 Stat. 390-310), East Bench Unit, Pick-Sloan Missouri Basin Program, Montana; (Bench lands only - Land equivalent to 130 acres of Class 1 land).


3. Act of September 27, 1962 (76 Stat. 634), Baker Project, Upper Division, Oregon; (Upper Division lands only - Equivalent to 120 acres of Class 1 land).

4. Act of September 2, 1964 (78 Stat. 852), Savory-Pot Hook Project (Colorado River Storage Project), Colorado-Wyoming, Bostwick Park Project (Colorado River Storage Project), Colorado, Fruitland Mesa Project (Colorado River Storage Project), Colorado; (Equally applicable to the three projects - Equivalency established on basis of 160 acres Class 1 land on Bostwick Park Project).

6. Act of September 30, 1968 (82 Stat. 885-896); Aminas-LaPlata Project (Colorado River Storage Project), Colorado-New Mexico, Dolores Project (Colorado River Storage Project), Colorado, Dallas Creek (Colorado River Storage Project), Colorado, San Miguel Project (Colorado River Storage Project), Colorado, West Divide Project (Colorado River Storage Project), Colorado, Seedskadee (Colorado River Storage Project), Wyoming. (Equivalent to 160 acres of Class 1 land for all projects listed.)

7. Act of March 11, 1976, (90 Stat. 205); Polecat Bench, P-SMBP, Wyoming, Pollock-Herreid Unit, P-SMBP, South Dakota. (Equivalent to 160 acres of Class 1 land for both projects.)

D. Use of interest payment on excess lands:

1. Act of August 1, 1956 (70 Stat. 775), Washoe Project, Nevada-California;

2. Act of August 6, 1956 (70 Stat. 1044), as amended, Small Reclamation Projects:

3. Act of April 7, 1958 (72 Stat. 82), Lower Rio Grande Rehabilitation Project, Mercedes Division, Texas;

4. Act of September 22, 1959 (73 Stat. 641), Lower Rio Grande Rehabilitation Project, La Feria Division, Texas;

E. Delivery of project water to certain categories of excess lands:

1. Act of July 11, 1956 (70 Stat. 524), Applicable to lands which become excess when acquired for foreclosure or other process of law, by conveyance in satisfaction of mortgages, by inheritance, or by devise; and

2. Act of September 2, 1960 (74 Stat. 732), Applicable to lands which become excess when held by a surviving spouse;
3. Act of July 7, 1970 (84 Stat. 411), Reclamation project
lands owned by States or political subdivisions and agencies thereof;

F. Acts of Congress authorizing execution of specific contracts
which incorporate modified excess land payout provisions, all negotiated
pursuant to section 7 of the Reclamation Project Act of August 14, 1939
(53 Stat. 1187), as hereafter listed:

1. Act of May 6, 1949 (63 Stat. 62), Kittitas Reclamation
District, Yakima Project, Washington;

Irrigation District, Vale Project, Oregon; Prosser Irrigation District,
Yakima Project, Washington;

District, Frenchtown Project, Montana; Owyhee Irrigation District,
Gem Irrigation District, Ridgeview Irrigation District, Ontario-
Nyssa Irrigation District, Advancement Irrigation District,
Payette-Oregon Slope Irrigation District, Crystal Irrigation
District, Bench Irrigation District, and Slide Irrigation District,
Owyhee Project, Idaho-Oregon;

Irrigation District, Goshen Irrigation District, and Pathfinder
Irrigation District, all on North Platte Project, Nebraska-Wyoming;

5. Act of June 18, 1954 (68 Stat. 254), Hermiston Irrigation
District, Umatilla Project, Oregon;

District, Yakima Project, Washington;

District, Deschutes Project, Oregon;


G. Leasing restrictions:

1. Act of August 10, 1972 (86 Stat. 530) (Westlands Water District-Lemoore Naval Air Station lands to be leased as nearly as practicable in 160 acre tracts. One tract per lessee.) (See also State Lands Act of July 7, 1979, under E. 3. (Leased and fee held lands of lessee not to exceed 160 acre total.)