

**Bureau of Land Management, Interior**

**§ 3216.15**

**§ 3215.13 Will BLM cancel or terminate my bond?**

No, we do not cancel or terminate bonds. However, we may:

(a) Terminate the period of liability of a surety or other bond provider at any time. The bond provider must give you and BLM 30 days notice when they terminate your bond. Once your bond is terminated, do not conduct any operations until you provide a new bond which meets our requirements. We will also release an old bond once you file a new bond with a rider covering existing liabilities and we accept it; or

(b) Release your bond after a reasonable period of time, if we determine that you have paid all royalties, rents, penalties, and assessments, satisfied all permit or lease obligations and reclaimed the site according to your operations plan.

**§ 3215.14 When BLM releases my bond, does that end my responsibilities?**

No, when we release your bond, we relinquish the security but we continue to hold the lessee or operator responsible for noncompliance. Specifically, we do not waive any legal claim we may have against any person under the Comprehensive Environmental Response, Compensation and Liability Act of 1980 (42 U.S.C. 9601 *et seq.*), or other laws and regulations.

**Subpart 3216—Transfers**

**§ 3216.10 What types of lease interests may I transfer?**

You may transfer record title or operating rights, but you need our ap-

proval before your transfer is effective. See 43 CFR 3216.21.

**§ 3216.11 Where must I file a transfer request?**

File your transfer in the BLM State Office that handles your lease.

**§ 3216.12 When does a transferee take responsibility for lease obligations?**

Once we approve your transfer, the transferee becomes responsible for performing all lease obligations accrued after the date of the transfer, and for plugging and abandoning wells which exist and are not plugged at the time of the transfer.

**§ 3216.13 What are my responsibilities after I transfer my interest?**

You will still be responsible for rents, royalties, compensatory royalties and other obligations accrued before your transfer became effective. You must also plug and abandon any wells drilled or existing on the lease while you held your interest.

**§ 3216.14 What filing fees and forms does a transfer require?**

With each transfer request you must send us the correct form and pay the transfer fee. When you calculate your fee, make sure it covers the full amount. For example, if you are transferring record title for three leases, submit \$150 with the application. Use the following chart to determine forms and fees:

| Type of form                | Required? | Form No.        | Number of copies     | Filing transfer fee (per lease) |
|-----------------------------|-----------|-----------------|----------------------|---------------------------------|
| (a) Record Title .....      | Yes ..... | 3000-3 .....    | 2 executed copies    | \$50.00                         |
| (b) Operating Rights .....  | Yes ..... | 3000-3(a) ..... | 2 executed copies    | \$50.00                         |
| (c) Estate Transfers .....  | No .....  | N/A .....       | 1 List of Leases ... | None                            |
| (d) Corporate Mergers ..... | No .....  | N/A .....       | 1 List of Leases ... | None                            |
| (e) Name Changes .....      | No .....  | N/A .....       | 1 List of Leases ... | None                            |

**§ 3216.15 When must I file my transfer request?**

(a) File a transfer request to transfer record title or operating rights within 90 days after you sign an agreement with the transferee. If we receive your

request more than 90 days after signing, we may require you to re-certify that you still intend to complete the transfer.

(b) There is no specific time deadline for filing estate transfers, corporate

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mergers, and name changes. Just file them within a reasonable time.

### § 3216.16 Must I file separate transfer requests for each lease?

File two copies of separate requests for each lease for which you are transferring record title or operating rights. The only exception is, if you are transferring more than one lease to the same transferee, just file two copies of one transfer application.

### § 3216.17 Where must I file estate transfers, corporate mergers and name changes?

(a) If you have posted a bond for any Federal lease, file estate transfers, corporate mergers, and name changes in the BLM State Office that maintains your bond.

(b) If you have not posted a bond, file estate transfer, corporate merger and name change documents in each State Office having jurisdiction over the lease(s).

### § 3216.18 How do I describe the lands in my lease transfer?

(a) If you are transferring an interest in your entire lease, you do not need to give BLM a legal description of the land.

(b) If you are transferring an interest in a portion of your lease, describe the lands the same way they are described in the lease.

### § 3216.19 May I transfer record title interest for less than 640 acres?

Only when your transfer includes an irregular subdivision or all your lease in a section. We may make an exception to the minimum acreage requirements if needed to conserve the resource.

### § 3216.20 When does a transfer segregate a lease?

If you transfer 100 percent of the record title interest in a portion of your lease, BLM will segregate the transferred portion from the original lease and give it a new serial number with the same terms and conditions as those in the original lease.

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### § 3216.21 When is my transfer effective?

Your transfer is effective the first day of the month after we approve it.

### § 3216.22 Does BLM grant all transfer requests?

No, we will not approve a transfer if:

- (a) The lease account is not in good standing;
- (b) The transferee does not qualify to hold a lease under this part; or
- (c) An adequate bond has not been provided.

## Subpart 3217—Cooperative Conservation Provisions

### § 3217.10 What are unit agreements and cooperative plans?

Lessees enter into a unit agreement or a cooperative plan to conserve the resources of any geothermal field or area. By operating together, lessees can work more efficiently and promote better development. BLM will only approve unit agreements which we determine are in the public interest. Unit agreement application procedures are provided in 43 CFR part 3280.

### § 3217.11 What are communitization agreements?

Communitization agreements (also called drilling agreements) help operators who cannot independently develop separate tracts due to problems with well spacing or well development programs. Lessees may ask BLM to approve a communitization agreement or, in some cases, we may require the lessees to enter into such an agreement.

### § 3217.12 What does BLM need to approve my communitization agreement?

Give us the following information:

- (a) The location of the separate tracts comprising the drilling or spacing unit;
- (b) How you will prorate production or royalties to each separate tract based on total acres involved;
- (c) The name of each tract operator; and
- (d) Provisions for protecting the interests of all parties, including the United States.

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### § 3217.13 When does my communitization agreement go into effect?

When BLM signs it. Before we approve the agreement, all parties must sign the agreement, and we must determine that the tracts cannot be independently developed.

### § 3217.14 When will BLM approve my operating, drilling or development contract?

We may approve an operating, drilling or development contract when:

(a) One or more geothermal lessees enter into the contract with one or more persons or partnerships;

(b) Lessees need the contract for large scale operations and financing of the discovery, development, production, transmission, transportation or utilization of geothermal resources; and

(c) We determine that the contract is needed to conserve the resource, or it will serve the public interest.

### § 3217.15 What does BLM need to approve my operating, drilling or development contract?

Send us:

(a) The contract and a statement of why you need it;

(b) A statement of all interests held by the contracting parties in that geothermal area or field;

(c) The type of operations and schedule set by the contract;

(d) A statement that the contract will not violate Federal antitrust laws by concentrating control over the production or sale of geothermal resources;

(e) Any other information we may require to make a decision about the contract or to attach conditions of approval.

## Subpart 3250—Exploration Operations—General

### § 3250.10 When do the exploration operations regulations apply?

(a) The exploration operations regulations, contained in 43 CFR subparts 3250 through 3256, apply to geothermal exploration operations:

(1) On BLM-administered public lands, whether or not they are leased for geothermal resources; and

(2) On lands whose surface is managed by another Federal agency, where BLM has leased the subsurface geothermal resources and the lease operator will conduct exploration. In this case, we will consult with the surface managing agency regarding surface use and reclamation requirements before we approve the exploration permit.

(b) These regulations do not apply to:

(1) Unleased land administered by another Federal agency;

(2) Unleased geothermal resources whose surface land is managed by another Federal agency;

(3) Privately owned land; or

(4) Casual use activities.

### § 3250.11 What types of operations may I propose when I send BLM my exploration permit application?

(a) You may propose any activity fitting the definition of “exploration operations” in 43 CFR 3200.1. Submit Form 3200-9, Notice of Intent to Conduct Geothermal Resource Exploration Operations, together with the information required under 43 CFR 3251.12, and BLM will review your proposal.

(b) The exploration operations regulations do not address drilling wells intended for production or injection, which are covered in subpart 3260 of this part, or geothermal resources utilization, which is covered in subpart 3270 of this part.

### § 3250.12 What general standards apply to my exploration operations?

Your exploration operations must:

(a) Meet all operational and environmental standards;

(b) Protect public health, safety and property;

(c) Prevent unnecessary impacts to surface and subsurface resources; and;

(d) Be conducted in a manner consistent with the principles of multiple use; and

(e) Comply with the requirements of 43 CFR 3200.4.