

**Bureau of Land Management, Interior**

**§ 3514.11**

pay rental and minimum annual production royalties starting with the first day of the next lease month after the suspension becomes effective. However, if the suspension is effective on the first day of the lease month, you may stop paying rentals and royalties that same day.

**§ 3513.22 How do I apply for a suspension of operations and production (conservation concerns)?**

Send us two copies of an application that explains why it is in the interest of conservation to suspend your operations and production.

**§ 3513.23 May BLM order a suspension of operations and production (conservation concerns)?**

Yes, BLM may order a suspension of operations and production.

**§ 3513.25 When will my suspension of operations and production (conservation concerns) take effect?**

Your suspension takes effect on the date BLM specifies.

**§ 3513.26 When and how does my suspension of operations and production (conservation concerns) expire or terminate?**

Your suspension ends on the expiration date that BLM specifies in the decision or order approving the suspension, or on the first day of the lease month in which you resume operations or production, whichever occurs first. All lease terms and obligations resume on this date. MMS will allow credit towards future rentals or royalties due, if you paid rent for the period of suspension of operations and production.

**SUSPENSION OF OPERATIONS (ECONOMIC CONCERNS)**

**§ 3513.30 What is a suspension of operations (economic concerns)?**

A suspension of operations (economic concerns) is an action by which BLM may approve your request to suspend operations on your lease when marketing conditions are such that you cannot operate your leases except at a loss. BLM may not order a suspension of operations (economic concerns) unless you request it.

**§ 3513.31 What is the effect of a suspension of operations (economic concerns)?**

This suspension does not affect the term of the lease or the annual rental payment. BLM will reduce the minimum annual production requirements of your lease in proportion to that part of the lease year for which a suspension of operations is effective.

**§ 3513.32 How do I apply for a suspension of operations (economic concerns)?**

Send us two copies of your application which shows why your lease cannot be operated except at a loss.

**§ 3513.33 When will my suspension of operations (economic concerns) take effect?**

Your suspension will be effective on the date BLM specifies. You do not have to pay royalty on minimum annual production beginning on the first day of the next lease month after the suspension becomes effective. If the effective date is the first of the month, you may stop paying royalty on minimum annual production on that day.

**§ 3513.34 When and how does my suspension of operations (economic concerns) expire or terminate?**

The suspension of operations (economic concerns) ends on the expiration date that BLM specifies in the decision approving the suspension, or on the first day of the lease month in which you resume operations, whichever occurs first. Your obligation for minimum annual production resumes at this time.

**Subpart 3514—Lease Relinquishments and Cancellations**

**RELINQUISHING YOUR LEASE**

**§ 3514.11 May I relinquish my lease or any part of my lease?**

If you can show, to BLM's satisfaction, that the public interest will not be impaired, you may relinquish your entire lease or any legal subdivision of it. Notify us in writing that you intend to relinquish all or part of your lease. Include your original signature and

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date. If we approve your relinquishment, you are required to pay all accrued rentals and royalties, and to perform any reclamation of the leased lands that BLM may require. In some cases, BLM may require you to preserve any mines, productive works or permanent improvements on the leased lands in accordance with the terms of your lease.

### § 3514.12 What additional information should I include in a request for partial relinquishment?

Any partial relinquishment must also clearly describe the lands you are relinquishing and give the exact area involved.

### § 3514.15 Where do I file my relinquishment?

File the relinquishment in the BLM office that issued the lease.

### § 3514.20 When is my relinquishment effective?

When BLM approves your relinquishment, it will be effective as of the date you filed it.

### § 3514.21 When will BLM approve my relinquishment?

We will accept your relinquishment when you have met all terms and conditions of the lease, including reclamation obligations.

#### CANCELLATIONS, FORFEITURES, AND OTHER SITUATIONS

### § 3514.25 When does my lease expire?

(a) Sodium, sulphur, asphalt, and hardrock mineral leases expire at the end of the lease term. If you file a timely application for lease renewal under § 3511.27 of this part, your lease expires on the expiration date or the date BLM rejected your application, whichever is later.

(b) Potassium, phosphate and gilsonite leases continue for so long as you comply with the lease terms and conditions which are subject to periodic readjustment.

(c) For more information, see § 3511.15 of this part.

## 43 CFR Ch. II (10–1–02 Edition)

### § 3514.30 May BLM cancel my lease?

(a) Yes. BLM may institute appropriate proceedings in a court of competent jurisdiction to cancel your lease if:

(1) You do not comply with the provisions of the Mineral Leasing Act, other relevant statutes, or regulations applicable to your lease; or

(2) You default on any of the lease terms, covenants or stipulations and continue to fail or default for 30 days after BLM notifies you in writing of your default.

(b) BLM may cancel your lease administratively if we issued it in violation of any law or regulation. In such a case, we may consider issuing an amended lease, if appropriate.

### § 3514.31 May BLM waive cancellation or forfeiture?

Yes, but our waiver of any particular cause of forfeiture will not prevent us from canceling and forfeiting the lease for any other cause or for the same cause occurring at any other time.

### § 3514.32 Will BLM give me an opportunity to remedy a violation of the lease terms?

(a) If you own or control, directly or indirectly, an interest in a lease in violation of any of the provisions of the Mineral Leasing Act, other relevant statutes, the lease terms or the regulations in this part, we will give you 30 days to remedy the violation or to show cause why we should not ask the Attorney General to institute court proceedings to:

(1) Cancel the lease;  
(2) Forfeit your interest; or  
(3) Compel disposal of the interest so owned or controlled.

(b) BLM will not give you 30 days if there is no legal remedy to the violation.

### § 3514.40 What if I am a bona fide purchaser and my lease is subject to cancellation?

(a) If you are a *bona fide* purchaser, BLM will not cancel your lease or your interest in a lease based on your predecessor's actions. However, you must be sure that the lease is in compliance with the terms and conditions required by BLM.