

Bureau of Land Management, Interior

§ 3183.4

12½ percent royalty on production that would be attributable to unleased Federal lands in a PA of the unit if said lands were leased and committed to the unit agreement. The value of production subject to compensatory royalty payment shall be determined pursuant to 30 CFR part 206, provided that no additional royalty shall be due on any production subject to compensatory royalty under this provision.

[58 FR 58632, Nov. 2, 1993, as amended at 59 FR 16999, Apr. 11, 1994]

Subpart 3182—Qualifications of Unit Operator

§ 3182.1 Qualifications of unit operator.

A unit operator must qualify as to citizenship in the same manner as those holding interests in Federal oil and gas leases under the regulations at subpart 3102 of this title. The unit operator may be an owner of a working interest in the unit area or such other party as may be selected by the owners of working interests. The unit operator shall execute an acceptance of the duties and obligations imposed by the agreement. No designation of or change in a unit operator will become effective until approved by the authorized officer, and no such approval will be granted unless the successor unit operator is deemed qualified to fulfill the duties and obligations prescribed in the agreement.

Subpart 3183—Filing and Approval of Documents

§ 3183.1 Where to file papers.

All papers, instruments, documents, and proposals submitted under this part shall be filed in the proper BLM office.

[48 FR 26766, June 10, 1983. Redesignated at 48 FR 36587, Aug. 12, 1983, and amended at 51 FR 34603, Sept. 30, 1986]

§ 3183.2 Designation of area.

An application for designation of a proposed unit area and determination of the required depth of test well(s) shall be filed in duplicate. A like number of counterparts should be filed of any geologic data and any other infor-

mation submitted in support of such application.

§ 3183.3 Executed agreements.

Where a duly executed agreement is submitted for final approval, a minimum of four signed counterparts should be filed. The number of counterparts to be filed for supplementing, modifying, or amending an existing agreement, including change of unit operator, designation of new unit operator, establishment or revision of a participating area, and termination shall be prescribed by the authorized officer.

§ 3183.4 Approval of executed agreement.

(a) A unit agreement shall be approved by the authorized officer upon a determination that such agreement is necessary or advisable in the public interest and is for the purpose of more properly conserving natural resources. Such approval shall be incorporated in a Certification-Determination document appended to the agreement (see § 3186.1 of this part for an example), and the unit agreement shall not be deemed effective until the authorized officer has executed the Certification-Determination document. No such agreement shall be approved unless the parties signatory to the agreement hold sufficient interests in the unit area to provide reasonably effective control of operations.

(b) The public interest requirement of an approved unit agreement for unproven areas shall be satisfied only if the unit operator commences actual drilling operations and thereafter diligently prosecutes such operations in accordance with the terms of said agreement. If an application is received for voluntary termination of a unit agreement for an unproven area during its fixed term or such an agreement automatically expires at the end of its fixed term without the public interest requirement having been satisfied, the approval of that agreement by the authorized officer and lease segregations and extensions under § 3107.3-2 of this title shall be invalid, and no Federal lease shall be eligible for extensions under § 3107.4 of this title.

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(c) Any modification of an approved agreement shall require the prior approval of the authorized officer.

[53 FR 17365, May 16, 1988, as amended at 58 FR 58633, Nov. 2, 1993]

§ 3183.5 Participating area.

Two counterparts of a substantiating geologic report, including structure-contour map, cross sections, and pertinent data, shall accompany each application for approval of a participating area or revision thereof under an approved agreement.

[48 FR 26766, June 10, 1983. Redesignated at 48 FR 36587, Aug. 12, 1983, and further redesignated at 53 FR 17365, May 16, 1988]

§ 3183.6 Plan of development.

Three counterparts of all plans of development and operation shall be submitted for approval under an approved agreement.

[48 FR 26766, June 10, 1983. Redesignated at 48 FR 36587, Aug. 12, 1983, and further redesignated at 53 FR 17365, May 16, 1988]

§ 3183.7 Return of approved documents.

One approved counterpart of each instrument or document submitted for approval will be returned to the unit operator by the authorized officer or his representative, together with such additional counterparts as may have been furnished for that purpose.

[48 FR 26766, June 10, 1983. Redesignated at 48 FR 36587, Aug. 12, 1983, and amended at 51 FR 34603, Sept. 30, 1986. Further redesignated at 53 FR 17365, May 16, 1988]

Subpart 3184 [Reserved]

Subpart 3185—Appeals

§ 3185.1 Appeals.

Any party adversely affected by an instruction, order, or decision issued under the regulations in this part may request an administrative review before the State Director under § 3165.3 of this title. Any party adversely affected by a decision of the State Director after State Director review may appeal that decision as provided in part 4 of this title.

[58 FR 58633, Nov. 2, 1993]

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Subpart 3186—Model Forms

§ 3186.1 Model onshore unit agreement for unproven areas.

Introductory Section

- 1 Enabling Act and Regulations.
- 2 Unit Area.
- 3 Unitized Land and Unitized Substances.
- 4 Unit Operator.
- 5 Resignation or Removal of Unit Operator.
- 6 Successor Unit Operator.
- 7 Accounting Provisions and Unit Operating Agreement.
- 8 Rights and Obligations of Unit Operator.
- 9 Drilling to Discovery.
- 10 Plan of Further Development and Operation.
- 11 Participation After Discovery.
- 12 Allocation of Production.
- 13 Development or Operation of Nonparticipating Land or Formations.
- 14 Royalty Settlement.
- 15 Rental Settlement.
- 16 Conservation.
- 17 Drainage.
- 18 Leases and Contracts Conformed and Extended.
- 19 Covenants Run with Land.
- 20 Effective Date and Term.
- 21 Rate of Prospecting, Development, and Production.
- 22 Appearances.
- 23 Notices.
- 24 No Waiver of Certain Rights.
- 25 Unavoidable Delay.
- 26 Nondiscrimination.
- 27 Loss of Title.
- 28 Nonjoinder and Subsequent Joinder.
- 29 Counterparts.
- 30 Surrender.¹
- 31 Taxes.¹
- 32 No Partnership.¹

Concluding Section IN WITNESS WHEREOF.

General Guidelines.

Certification—Determination.

UNIT AGREEMENT FOR THE DEVELOPMENT AND OPERATION OF THE

Unit area _____
County of _____
State of _____
No. _____

This agreement, entered into as of the _____ day of _____, 19____ by and between the parties subscribing, ratifying, or consenting