

FEES, RENT, AND ROYALTIES

Type	Competitive leases	Noncompetitive leases
(1) Lease Application Processing fee	As found in the fee schedule in §3000.12 of this chapter.	As found in the fee schedule in §3000.12 of this chapter. (includes future interest leases)
(2) Lease Rent.	\$2.00 per acre	\$1.00 per acre.
(3) Transfer of Record Title or Operating Rights	As found in the fee schedule in §3000.12 of this chapter.	As found in the fee schedule in §3000.12 of this chapter.
(4) Transfer of Interest to Heir or Devisee, Name Change, or Notification Corporate Merger.	As found in the fee schedule in §3000.12 of this chapter.	As found in the fee schedule in §3000.12 of this chapter.
(5) Steam, heat, or energy royalties	Between 10% and 15	Between 10% and 15%.
(6) Demineralized water royalties	5%	5%.
(7) Byproduct royalties	5%	5%.
(8) Minimum royalty	\$2.00 per acre	\$2.00 per acre.
(9) Additional rent/Instead of diligent exploration	\$3.00 per acre in addition to regular lease rent	\$3.00 per acre in addition to regular lease rent.
(10) Additional rent/Instead of commercial quantities production.	\$3.00/year, first 5 years	\$3.00/year, first 5 years
	\$6.00/year, second 5 yrs	\$6.00/year, second 5 years.

Note the exception stated in 43 CFR 3211.16(b).

[63 FR 52364, Sept. 30, 1998, as amended at 58875, Oct. 7, 2005]

§ 3211.11 When is my annual rental payment due?

MMS must receive your annual rental payment by the anniversary date of each lease year. There is no grace period for rental payments. If the rent for your lease is not paid on time, the lease will automatically terminate by operation of law, unless you meet the conditions of 43 CFR 3213.15. See the MMS regulations in 30 CFR part 218 which explain when MMS considers a payment as received. If less than a full year remains on a lease, you still must pay a full year's rent by the anniversary date of the lease.

§ 3211.12 How and where do I pay my rent?

(a) Pay BLM the first year's advance rent according to the instructions at 43 CFR 3204.12 or 3205.16. You may use a personal or cashier's check or money order made payable to the Department of the Interior—Bureau of Land Management. You may also make payments by credit card or electronic funds transfer with our prior approval.

(b) For all subsequent years make your rental payments to MMS. See MMS regulations at 30 CFR part 218.

§ 3211.13 Is there a different rental or minimum royalty amount for a fractional interest lease?

Yes, BLM will prorate rents and minimum royalties payable under leases for lands in which the United States owns only a fractional mineral interest. For example, if the United States owns 50% of a 640 acre lease, you pay rent based on 320 acres.

§ 3211.14 Will I always pay rent on my lease?

You are required to pay rent only until you achieve production in commercial quantities. At that time you begin paying royalties instead.

§ 3211.15 Must I pay rent if my lease is committed to an approved cooperative or unit plan?

(a) Before you begin production, if your lease is committed to an approved cooperative or unit plan, you must pay rent in accordance with 43 CFR 3211.10.

(b) Once you begin production, you do not have to pay rent if the lands included in an approved cooperative or unit plan are within the participating area. These lands are subject to royalties instead, under 43 CFR 3211.16. The only exception is for unitized lands outside the participating area, which remain subject to rent under 43 CFR 3211.10.