

§ 3217.10

- (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.

§ 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.

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§ 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.

§ 3250.13 What orders or instructions may BLM issue me?

(a) Geothermal resource operational orders, for detailed requirements that apply nationwide;

(b) Notices to lessees, for detailed requirements on a statewide or regional basis;

(c) Other orders and instructions specific to a field or area;

(d) Permit conditions of approval; and

(e) Verbal orders which will be confirmed in writing.

Subpart 3251—Exploration Operations: Getting a Permit

§ 3251.10 Do I need a permit before I start my exploration operations?

Yes, do not start any exploration operations before we have approved your exploration permit.

§ 3251.11 May I conduct exploration operations on my lease, someone else’s lease or unleased land?

You may request a permit to explore any BLM-managed public lands open to geothermal leasing, even if we already leased the lands to another person. Your exploration will not give you exclusive rights. If you wish to conduct operations on your lease, you may do so after we have approved your exploration permit. If the lands are already leased, your operations may not unreasonably interfere with or endanger those other operations or other authorized uses, or cause unnecessary or undue degradation of the lands.

§ 3251.12 What does BLM need to approve my exploration permit?

To conduct exploration operations on BLM-managed lands, your application must:

(a) Include a complete and signed exploration permit which describes the lands you wish to explore;

(b) For operations other than temperature gradient wells, describe your exploration plans and procedures, including the approximate starting and ending dates for each phase of operations;

(c) For temperature gradient wells, describe your drilling and completion procedures, and include, for each well or for several wells you propose to drill in an area of geologic and environmental similarity:

(1) A detailed description of the equipment, materials, and procedures you will use;

(2) The depth of the well;

(3) The casing and cementing program;

(4) The circulation media (mud, air, foam, etc.);

(5) A description of the logs that you will run;