

## § 3511.27

(b) The readjusted lease terms and conditions will be effective pending the outcome of any appeal, unless BLM provides otherwise.

### § 3511.27 How do I renew my lease?

File an application at least 90 days before the lease term expires. No specific form is required. Send us 3 copies of your application together with the processing fee for lease renewal found in the fee schedule in §3000.12 of this chapter and an advance rental payment of \$1 per acre or fraction of an acre.

[64 FR 53536, Oct. 1, 1999, as amended at 70 FR 58878, Oct. 7, 2005]

### § 3511.30 If I appeal BLM's proposed new terms, must I continue paying royalties or rentals while my appeal is pending?

Yes. Continue to pay royalties and rentals at the original rate. Your obligation to pay any increased readjusted royalties, minimum royalties and rentals will be suspended while your appeal is considered. However, any increased charges accrue beginning with the effective date of the readjustment or renewal, while final action on your appeal is pending. If the increased charges are sustained on appeal, you must pay the accrued balance, plus interest at the rate MMS specifies for late payment in 30 CFR part 218.

## Subpart 3512—Assignments and Subleases

### HOW TO ASSIGN LEASES

### § 3512.11 Once BLM issues me a permit or lease, may I assign or sublease it?

You may assign or sublease your permit or lease in whole or in part to any person, association, or corporation qualified to hold a permit or lease.

### § 3512.12 Is there a fee for requesting an assignment or sublease?

When you submit your instrument for assignment of record title or operating rights, or for transfer of overriding royalties, you must pay a non-refundable filing fee of \$25. BLM will not accept any instrument without the filing fee.

## 43 CFR Ch. II (10-1-06 Edition)

### § 3512.13 How do I assign my permit or lease?

(a) Within 90 days of final execution of the assignment, you must submit three copies of your instrument for assignment of each permit or lease. The instrument must contain:

(1) The assignee's name and current address;

(2) The interest held by you and the interest you plan to assign;

(3) The serial number of the affected permit or lease;

(4) The amount of overriding royalties you retain;

(5) The date and your original signature on each copy, as the assignor; and

(6) The assignee must also send BLM a request for approval of the assignment which must contain:

(i) A statement of the assignee's qualifications and holdings, as required by subpart 3502 of this part;

(ii) Date and original signature of the assignee; and

(iii) A \$25 filing fee.

(b) BLM must approve the assignment. We will notify you with a decision indicating approval or disapproval.

(c) If you are assigning a portion of your permit or lease, we will create a new permit or lease for the assigned portion, if approved.

### § 3512.16 How do I sublease my lease?

(a) You must file one copy of the sublease between you and the sublessee within 90 days from the date of final execution of the sublease.

(b) The sublessee must also file a signed and dated request for approval, a statement of qualifications (see subpart 3502 of this part) and a \$25 fee.

(c) We will notify you with a decision indicating approval or disapproval.

### § 3512.17 How do I transfer the operating rights in my permit or lease?

(a) You must file one copy of the agreement to transfer operating rights within 90 days from the date of final execution of the agreement.

(b) The transferee must also file a signed and dated request for approval, a statement of qualifications (see subpart 3502 of this part) and a \$25 fee.

(c) We will notify you with a decision indicating approval or disapproval.

Bureau of Land Management, Interior

§ 3513.15

SPECIAL CIRCUMSTANCES AND  
OBLIGATIONS

**§ 3512.18 Will BLM approve my assignment or sublease if I have outstanding liabilities?**

Before we will approve your assignment of a permit or lease, your account must be in good standing. We will also approve the assignment if the assignee and his or her surety provides written acceptance of your outstanding liabilities under the permit or lease. In addition, the assignee must either furnish a new bond equivalent to your existing bond or obtain consent of the surety on your bond to substitute the assignee as the principal.

**§ 3512.19 Must I notify BLM if I intend to transfer an overriding royalty to another party?**

Yes. Although we do not approve these transfers, you must file all overriding royalty interest transfers with the BLM within 90 days from the date of execution. Include the transferees's statement of qualifications required in subpart 3502 of this part and the \$25 filing fee.

EFFECT OF ASSIGNMENTS ON YOUR  
OBLIGATIONS

**§ 3512.25 If I assign my permit or lease, when do my obligations under the permit or lease end?**

You and your surety remain responsible for the performance of all obligations under the permit or lease until the date we approve the assignment. You will continue to be responsible for obligations that accrued prior to the date of our approval of the assignment, whether or not they were identified at the time of the transfer.

**§ 3512.30 What are the responsibilities of a sublessor and a sublessee?**

After BLM's approval of a sublease becomes effective, the sublessor and sublessee are jointly and severably liable for performance of all obligations under the permit or lease.

**§ 3512.33 Does an assignment or sublease alter the permit or lease terms?**

No, it does not alter permit or lease terms.

**Subpart 3513—Waiver, Suspension or Reduction of Rental and Minimum Royalties**

RENTAL AND ROYALTY REDUCTIONS

**§ 3513.11 May BLM relieve me of the lease requirements of rental, minimum royalty, or production royalty while continuing to hold the lease?**

Yes. BLM has a process which may allow you temporary relief from these lease requirements.

**§ 3513.12 What criteria does BLM consider in approving a waiver, suspension, or reduction in rental or minimum royalty, or a reduction in the royalty rate?**

We will consider if approval:

- (a) Is in the interest of conservation;
- (b) Will encourage the greatest ultimate recovery of the resource; and
- (c) Is necessary either to promote development of the mineral resources or because you cannot successfully operate the lease under existing terms.

**§ 3513.15 How do I apply for reduction of rental, royalties or minimum production?**

You must send us two copies of your application with the following information for all leases involved:

- (a) The serial numbers;
- (b) The name of the record title holder(s);
- (c) The name of the operator and operating rights owners if different from the record title holder(s);
- (d) A description of the lands by legal subdivision;
- (e) A map showing the serial number and location of each mine or excavation and the extent of the mining operations;
- (f) A tabulated statement of the leasable minerals mined for each month covering at least the last twelve months before you filed your application, and the average production mined per day for each month;
- (g) If you are applying for relief from the minimum production requirement, complete information as to why you did not attain the minimum production;
- (h) A detailed statement of expenses and costs of operating the entire lease,