

## § 37.4

over title to the submerged lands of the coastal lagoons, "United States v. Alaska", Sup. Ct., No. 84, Orig. (1979), is resolved, the permittee shall satisfy both federal and state requirements for conducting oil and gas exploration in the coastal lagoons. In the event of an inconsistency between such requirements the permittee shall satisfy that requirement which provides the greatest environmental protection.

### § 37.4 Disclaimer and disqualification.

(a) Authorization granted under this part to conduct exploratory activities shall not confer a right to any discovered oil, gas, or other mineral in any manner.

(b) Any person who obtains access pursuant to § 37.54 to data and information obtained as a result of carrying out exploratory activities shall be disqualified from obtaining or participating in any lease of the oil and gas to which such data and information pertain. Any person who obtains access to data and information obtained as a result of carrying out exploratory activities from any person other than the permittee who obtained such data and information shall be disqualified from obtaining or participating in any lease of the oil and gas to which such data and information pertain.

## Subpart B—General Requirements

### § 37.11 General standards for exploratory activities.

(a) No exploratory activities shall be conducted without a special use permit. Requirements and procedures for obtaining a special use permit are prescribed in §§ 37.21 through 37.23.

(b) Exploratory activities shall be conducted so that they do not:

(1) Significantly adversely affect the refuge's wildlife, its habitat, or the environment;

(2) Unnecessarily duplicate exploratory activities of the permittee or another permittee; and

(3) Unreasonably or significantly interfere with another permittee's activities.

(c) Reexamination of an area may be permitted by the Regional Director if necessary to correct data deficiencies

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or to refine or improve data or information already gathered.

(d) Drilling of exploratory wells is prohibited.

### § 37.12 Responsibilities of permittee.

(a) The permittee shall comply and shall be responsible for the compliance of its officials, employees, contractors, subcontractors and agents with the regulations of this part, the terms and conditions of its special use permit, the provisions of its approved exploration plan and plan or operation, and all reasonable stipulations, demands and orders issued by the Regional Director. All actions by the permittee inconsistent with this part are prohibited.

(b) The permittee shall designate a general representative who shall be the person primarily accountable for managing the permittee's authorized activities, and a field representative who shall be the person primarily accountable for supervising the permittee's field operations, and their alternates. The Regional Director shall be informed of the names, addresses, and telephone numbers of the persons designated pursuant to this paragraph and of the procedures for contacting them on a 24-hour basis, including the radio frequency for field operations, at the time the permittee submits its first plan of operation pursuant to § 37.24. The permittee shall notify the Regional Director promptly of any changes in such personnel or the procedures for contacting them.

(c) Field operations shall be conducted by the permittee or a designee approved by the Regional Director. Assignment of a designee shall be in a manner and form acceptable to the Regional Director. The Regional Director shall approve or disapprove a permittee's designee within 30 days following the receipt of such information as the Regional Director may require from the permittee and designee in order to reach his decision. Acceptance of a designee to act for the permittee in matters relating to the conduct of exploratory activities does not relieve the permittee of responsibility for compliance with applicable laws, its special use permit, exploration plan, plan of

operation, and all reasonable stipulations, demands and orders of the Regional Director. The designee will be considered the agent of the permittee and will be responsible for complying fully with the obligations of the permittee. The serving of stipulations, demands, orders, and notices on the permittee's designee, when delivered personally or by radio or mail, will be deemed to be service upon the permittee. The permittee shall notify the Regional Director in writing when assignment of a designee has been cancelled. A designee cannot reassign its designation to another party. The permittee or designee shall notify the Regional Director 10 working days in advance of its intention to commence field operations for each season that it conducts exploratory activities.

(d) The permittee shall submit to the Regional Director 30 days prior to the commencement of field operations for each year covered by its exploration plan an updated list of the names and addresses of all persons participating in the exploratory activities covered thereby or sharing in the data and information resulting therefrom through a cost-sharing or any other arrangement.

(e) The permittee shall perform operations and maintain equipment in a safe and workmanlike manner. The permittee shall take all reasonable precautions necessary to provide adequate protection for the health and safety of life and the protection of property and to comply with any health and safety requirements prescribed by the Regional Director.

#### § 37.13 Group participation.

(a) To avoid unnecessary duplication of exploratory activities, the permittee shall, if ordered by the Regional Director, afford all interested persons, through a signed agreement, an opportunity to participate in its exploratory activities. Within 60 days following such order, the permittee shall provide evidence satisfactory to the Regional Director of its compliance therewith. The permittee shall provide the Regional Director with the names and addresses of all additional participants, as they join.

(b) If, with the approval of the Regional Director, the permittee at any time changes any provisions of its approved exploration plan relating to areal extent, intensity of exploratory activities, or logistical support, and the Regional Director determines such changes to be significant, the Regional Director may require the permittee to afford all interested persons another opportunity to participate in the permitted exploratory activities in accordance with paragraph (a) of this section.

(c) The requirements of this section do not preclude the permittee from initiating field operations as authorized under its special use permit.

(d) All participants shall be bound by the regulations of this part, the permittee's special use permit, approved exploration plan and plan of operation and any reasonable stipulations, demands and orders issued by the Regional Director.

#### § 37.14 Bonding.

(a) Before the issuance of its special use permit, any applicant whose exploration plan has been approved under § 37.22 shall furnish to the Service a surety bond of not less than \$100,000, or other security satisfactory to the Service, to secure performance of its exploration plan and plan(s) of operation and compliance with the permit and this part. Such surety bond shall be issued by qualified surety companies approved by the Department of the Treasury (see Department of the Treasury Circular No. 570). Such bond shall be maintained by the permittee for the benefit of the Service until the Regional Director notifies the permittee in writing that all terms and conditions of its exploration plan, special use permit, plan of operation, and this part have been met or otherwise consents to its cancellation or termination. Any bond furnished or maintained by a person under this section shall be on a form approved or prescribed by the Regional Director. The Regional Director may require an increase in the amount of any bond or other security to be furnished and any outstanding bond or security or require