

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.

§ 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.

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.