§ 250.181 When may the Secretary cancel my lease and when am I compensated for cancellation?

If the Secretary cancels your lease under this part or under 30 CFR part 256, you are entitled to compensation under §250.184. Section 250.185 states conditions under which you will receive no compensation. The Secretary may cancel a lease after notice and opportunity for a hearing when:

(a) Continued activity on the lease would probably cause harm or damage to life (including fish and other aquatic life), property, any mineral deposits (in areas leased or not leased), or the marine, coastal, or human environment;

(b) The threat of harm or damage will not disappear or decrease to an acceptable extent within a reasonable period of time;

(c) The advantages of cancellation outweigh the advantages of continuing the lease in force; and

(d) A suspension has been in effect for at least 5 years or you request termination of the suspension and lease cancellation.

§ 250.182 When may the Secretary cancel a lease at the exploration stage?

MMS may not approve an exploration plan (EP) under 30 CFR part 250, subpart B, if the Regional Supervisor determines that the proposed activities may cause serious harm or damage to life (including fish and other aquatic life), property, any mineral deposits, the national security or defense, or to the marine, coastal, or human environment, and that the proposed activity cannot be modified to avoid the condition(s). The Secretary may cancel the lease if:

(a) The primary lease term has not expired (or if the lease term has been extended) and exploration has been prohibited for 5 years following the disapproval; or

(b) You request cancellation at an earlier time.

§ 250.183 When may MMS or the Secretary extend or cancel a lease at the development and production stage?

(a) MMS may extend your lease if you submit a DPP and the Regional