§ 3480.0–1 Purpose.

The purposes of the rules of this part are to ensure orderly and efficient development, mining, preparation, and handling operations for Federal coal; ensure production practices that prevent wasting or loss of coal or other resources; avoid unnecessary damage to coal-bearing or mineral-bearing formations; ensure MER of Federal coal; ensure that operations meet requirements for diligent development and continued operation; ensure resource recovery and protection plans are submitted and approved in compliance with MLA; ensure effective and reasonable regulation of surface and underground coal mining operations; require an accurate record and accounting of all coal produced; ensure efficient, environmentally sound exploration and mining operations; and eliminate duplication of efforts by the Minerals Management Service (MMS), OSM, and the States in the Federal coal program.

§ 3480.0–4 Scope.

The rules of this part shall govern operations for the exploration, development, and production of Federal coal under Federal coal leases, licenses, and permits, regardless of surface ownership, pursuant to the Mineral Leasing Act of February 25, 1920, as amended (MLA), and in conjunction with the rules at 43 CFR Group 3400 and 30 CFR Chapter VII. Included are provisions relating to resource recovery and protection, royalties, diligent development, continued operation, maximum economic recovery (MER), and logical mining units (LMU’s). Except as otherwise provided in 25 CFR Chapter I or Indian lands leases, these rules do not apply to operations on Indian lands.
§ 3480.0–5 Definitions.

(a) As used in the rules of this part, the following terms shall have the following meanings:

(1) **Advance royalty** means a payment under a Federal lease in advance of actual production when authorized by the authorized officer to be made in lieu of continued operation. Payments made under the minimum production clause, in lieu of actual production from a Federal lease issued prior to August 4, 1976, and not readjusted after August 4, 1976, are not advance royalty under the provisions at 43 CFR 3483.4.

(2) **Assistant Director for Solid Leasable Minerals** means Assistant Director for Solid Leasable Minerals, Bureau of Land Management;

(3) **Assistant Secretary for Land and Water Resources** means the Assistant Secretary for Land and Water Resources, Department of the Interior;

(4) **Chief, Division of Solid Mineral Operations** means the Chief, Division of Solid Minerals Operations, Bureau of Land Management;

(5) **Coal reserve base** shall be determined using existing published or unpublished information, or any combination thereof, and means the estimated tons of Federal coal in place contained in beds of:

(i) Metallurgical or metallurgical-blend coal 12 inches or more thick; anthracite, semianthracite, bituminous, and subbituminous coal 28 inches or more thick; and lignite 60 inches or more thick to a depth of 500 feet below the lowest surface elevation on the Federal lease.

(ii) Metallurgical and metallurgical-blend coal 24 inches or more thick; anthracite, semianthracite, bituminous and subbituminous coal 48 inches or more thick; and lignite 84 inches or more thick occurring from 500 to 3,000 feet below the lowest surface elevation on the Federal lease.

(iii) Any thinner bed of metallurgical, anthracite, semianthracite, bituminous, and subbituminous coal and lignite at any horizon above 3,000 feet below the lowest surface elevation on the Federal lease, which is currently being mined or for which there is evidence that such coal bed could be mined commercially at this time.

(iv) Any coal at a depth greater than 3,000 feet where mining actually is to occur.

(6) **Commercial quantities** means 1 percent of the recoverable coal reserves or LMU recoverable coal reserves.

(7) **Contiguous** means having at least one point in common, including cornering tracts. Intervening physical separations such as burn or outcrop lines and intervening legal separations such as rights-of-way do not destroy contiguity as long as legal subdivisions have at least one point in common.

(8) **Continued operation** means the production of not less than commercial quantities of recoverable coal reserves in each of the first 2 continued operation years following the achievement of diligent development and an average amount of not less than commercial quantities of recoverable coal reserves per continued operation year thereafter, computed on a 3-year basis consisting of the continued operation year in question and the 2 preceding continued operation years.

(9) **Continued operation year** means the 12-month period beginning with the commencement of the first royalty reporting period following the date that diligent development is achieved and each 12-month period thereafter, except as suspended in accordance with 43 FR 3483.3(b).

(10) **Deputy Director for Energy and Mineral Resources** means the Deputy Director for Energy and Mineral Resources, Bureau of Land Management;

(11) **Development** means activities conducted by an operator/lessee, after approval of a permit application package, to prepare a mine for commercial production.