Subpart 3581—Gold, Silver, or Quicksilver in Confirmed Private Land Grants

§ 3581.0–3 Authority.

Authority for leasing gold, silver, or quicksilver in confirmed private land grants is shown in §3500.0–3(c)(1) of this title.

§ 3581.1 Lands to which applicable.

The regulations in this subpart apply to lands in private land claims patented pursuant to decrees of the Court of Private Land Claims where the grant did not convey the rights to deposits of gold, silver and quicksilver and where the grantee has not otherwise become entitled in law or in equity to the deposits.

§ 3581.2 Who may obtain a lease.

Applications shall only be filed by, and leases issued to, the owner of the lands under the confirmed land grant; that is, the original grantee or his/her record transferee or successor in title.

§ 3581.3 Application for lease.

(a) Applications for leases shall be filed in triplicate in the proper BLM office and may include all or any part of the grant for which the applicant holds title on the date of the application. No specific form is required.

(b) Applications shall set forth the name and address of the applicant, describe the lands in which the deposits occur by legal subdivision of the public surveys, if so surveyed, otherwise by metes and bounds; or if for the entire area in the grant, the name of the grant, area and date of patent shall suffice. The mineral deposits also shall be fully described, giving character, mode of occurrence, nature of the formation, kind and character of associated minerals, if any, proposed mining methods, estimate of amount of investment necessary for successful operation of the mine(s) contemplated, estimated amount of production of gold, silver and quicksilver, or any of them, and such other pertinent information as the applicant may desire to set forth, including what he/she considers a reasonable royalty rate under the lease.

(c) The applicant also shall file with his/her application a duly authenticated abstract of title showing present ownership of the lands or a certificate of the county recorder of deeds that the record title stands in the applicant’s name.

§ 3581.4 Leases.

§ 3581.4–1 Lease terms.

The lease shall be issued for a period of 20 years with a preference right in the lessee to renew for a 10-year term at the end of the initial term and at the end of each 10-year period thereafter.

[51 FR 15213, Apr. 22, 1986; 51 FR 25204, July 11, 1986]

§ 3581.4–2 Rate of royalty; investment determined.

If the authorized officer finds the application sufficient to authorize the issuance of a lease, he/she shall establish a rate of royalty of not less than 5 percent or more than 121/2 percent of the value of the output of gold, silver or quicksilver at the mine and also shall establish the amount of investment required under the lease.

§ 3581.4–3 Lease form and execution.

A lease on a form approved by the Director shall be furnished to the applicant, who shall be allowed 30 days from notice within which to execute and return the lease to the proper BLM office and to furnish the required bond.

§ 3581.5 Bond.

Prior to lease issuance, the lessee shall furnish a bond of not less than