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(4) Glen Canyon National Recreation Area—the map identified as “boundary map, Glen Canyon National Recreation Area,” numbered GLC-91,006, dated August 1972.

(d) The following excepted units will not be open to mineral leasing:

(1) *Lake Mead National Recreation Area.* (i) All waters of Lakes Mead and Mohave and all lands within 300 feet of those lakes measured horizontally from the shoreline at maximum surface elevation;

(ii) All lands within the unit of supervision of the Bureau of Reclamation around Hoover and Davis Dams and all lands outside of resource utilization zones as designated by the Superintendent on the map (602-2291B, dated October 1987) of Lake Mead National Recreation Area which is available for inspection in the Office of the Superintendent.

(2) *Whiskeytown Unit of the Whiskeytown-Shasta-Trinity National Recreation Area.* (i) All waters of Whiskeytown Lake and all lands within 1 mile of that lake measured from the shoreline at maximum surface elevation;

(ii) All lands classified as high-density recreation, general outdoor recreation, outstanding natural and historic, as shown on the map numbered 611-20,004B, dated April 1979, entitled “Land Classification, Whiskeytown Unit, Whiskeytown-Shasta-Trinity National Recreation Area.” This map is available for public inspection in the Office of the Superintendent;

(iii) All lands within section 34 of Township 33 north, Range 7 west, Mt. Diablo Meridian.

(3) *Ross Lake and Lake Chelan National Recreation Areas.* (i) All of Lake Chelan National Recreation Area;

(ii) All lands within ½ mile of Gorge, Diablo and Ross Lakes measured from the shoreline at maximum surface elevation;

(iii) All lands proposed for or designated as wilderness;

(iv) All lands within ½ mile of State Highway 20;

(v) Pyramid Lake Research Natural Area and all lands within ½ mile of its boundaries.

(4) *Glen Canyon National Recreation Area.* Those units closed to mineral dis-

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position within the natural zone, development zone, cultural zone and portions of the recreation and resource utilization zone as shown on the map numbered 80,022A, dated March 1980, entitled “Mineral Management Plan—Glen Canyon National Recreation Area.” This map is available for public inspection in the Office of the Superintendent and the office of the BLM State Offices, Arizona and Utah.

§ 3109.30 Shasta and Trinity Units of the Whiskeytown-Shasta-Trinity National Recreation Area.

Section 6 of the Act of November 8, 1965 (Pub. L. 89-336), authorizes the Secretary to permit the removal of oil and gas from lands within the Shasta and Trinity Units of the Whiskeytown-Shasta-Trinity National Recreation Area in accordance with the Act or the Mineral Leasing Act for Acquired Lands. Subject to the determination by the Secretary of Agriculture that removal will not have significant adverse effects on the purposes of the Central Valley project or the administration of the recreation area.

PART 3120—COMPETITIVE LEASES

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AUTHORITY: 16 U.S.C. 3101 *et seq.*; 30 U.S.C. 181 *et seq.* and 351-359; 40 U.S.C. 471 *et seq.*; 43 U.S.C. 1701 *et seq.*; Pub. L. 113-291, 128 Stat. 3762; and the Attorney General's Opinion of April 2, 1941 (40 Op. Atty. Gen. 41).

SOURCE: 89 FR 30985, Apr. 23, 2024, unless otherwise noted.

GENERAL

§ 3120.11 Lands available for competitive leasing.

All lands eligible and available for leasing may be offered for competitive auction under this subpart, including but not limited to:

(a) Lands that were covered by previously issued oil and gas leases that have terminated, expired, been cancelled or relinquished;

(b) Lands for which authority to lease has been delegated from the General Services Administration;

(c) If, in proceeding to cancel a lease, interest in a lease, option to acquire a lease or an interest therein, acquired in violation of any of the provisions of the Act, an underlying lease, interest or option in the lease is cancelled or forfeited through a bankruptcy or otherwise to the United States and there are valid interests therein that are not subject to cancellation, forfeiture, or compulsory disposition, such underlying lease, interest, or option may be sold to the highest responsible and qualified bidder by competitive bidding under this subpart, subject to all outstanding valid interests therein and valid options pertaining thereto. If less than the whole interest in the lease, interest, or option is cancelled or forfeited, such partial interest may likewise be sold by competitive bidding. If no satisfactory bid is obtained as a result of the competitive offering of such whole or partial interests, such interests may be sold in accordance with 30 U.S.C. 184(h)(2) by such other methods as the authorized officer deems appropriate, but on terms no less favorable to the United States than those of the best competitive bid received. Interest in outstanding leases(s) so sold will be

subject to the terms and conditions of the existing lease(s);

(d) Lands which are otherwise unavailable for leasing but which are subject to drainage (protective leasing);

(e) Lands included in any expression of interest submitted to the authorized officer;

(f) Lands selected by the authorized officer; and

(g) Lands that were offered on a previous sale for which no bid was accepted or received.

§ 3120.12 Requirements.

(a) Each BLM state office will hold sales at least quarterly if eligible lands are available for competitive leasing.

(b) Lease sales will be conducted by a competitive auction process.

(c) The BLM may issue a lease only to the highest responsible and qualified bidder. If a person does not pay the minimum monies owed the day of the sale, the BLM may refer that person to the Department of the Interior's Office of the Inspector General, Administrative Remedies Division, for appropriate action, including potential suspension and debarment.

(d) The national minimum acceptable bid will be as specified in § 3103.1 of this chapter and payable on the gross acreage and will not be prorated for any lands in which the United States owns a fractional interest.

§ 3120.13 Protests.

(a) No action pursuant to the regulations in this subpart will be suspended under 43 CFR 4.21(a) due to a protest from a notice by the authorized officer to hold a lease sale.

(b) Notwithstanding paragraph (a) of this section, the authorized officer may suspend the offering of a specific parcel while considering a protest against its inclusion in a Notice of Competitive Lease Sale.

(c) Only the Assistant Secretary for Land and Minerals Management may suspend a lease sale for good cause after reviewing the reason(s) for a protest.

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LEASE TERMS

§ 3120.21 Duration of lease.

Competitive leases will be issued for a primary term of 10 years.

§ 3120.22 Dating of leases.

All competitive leases will be considered issued when signed by the authorized officer. Competitive leases, except future interest leases issued under § 3120.80, will be effective as of the first day of the month following the date the leases are signed on behalf of the United States. A lease may be made effective on the first day of the month within which it is issued if a written request is made prior to the date of signature of the authorized officer. Leases for future interest will be effective as of the date the mineral interests vest in the United States.

§ 3120.23 Lease size.

Lands may be offered in leasing units of not more than 2,560 acres outside Alaska, or 5,760 acres within Alaska, which may be as nearly compact in form as possible.

EXPRESSIONS OF INTEREST

§ 3120.31 Expression of interest process.

(a) A party submitting an expression of interest in leasing land available for disposition under section 17 of the Mineral Leasing Act must include the submitter's name and address and must submit the expression of interest through the BLM's online leasing system.

(b) The expression must provide a description of the lands identified by legal land description, as follows:

(1) For lands surveyed under the public land survey system, describe the lands to the nearest aliquot part within the legal subdivision, section, township, range, and meridian;

(2) For unsurveyed lands, describe the lands by metes and bounds, giving courses and distances, and tie this information to an official corner of the public land surveys, or to a prominent topographic feature;

(3) For approved protracted surveys, include an entire section, township,

range, and meridian. Do not divide protracted sections into aliquot parts;

(4) For lands that have water boundaries, describe the lands based on the initial survey or deed acquiring ownership;

(5) For fractional interest lands, identify the United States mineral ownership by percentage;

(6) For split estate lands, where the surface rights are in private ownership and the rights to develop the oil and gas are managed by the Federal Government, submit the private surface owner's name and address.

(7) For lands where the acquiring agency has assigned an acquisition or tract number covering the lands applied, submit the number in addition to any description otherwise required by this section. If the authorized officer determines that the acquisition or tract number, together with identification of the State and county, constitutes an adequate description, the authorized officer may allow the description in this manner in lieu of other descriptions required by this section.

(c) A submitter may submit more than one expression of interest, so long as each expression separately satisfies the requirements of paragraph (b) of this section.

(d) Each expression of interest must include a filing fee, as found in the fee schedule in § 3103.1 of this chapter.

(e) The BLM may offer for sale all or some of the lands specified in an expression of interest and may offer those lands as part of a parcel that includes lands not specified in the expression of interest.

§ 3120.32 Expression of interest leasing preference.

When determining whether the BLM should offer lands specified in an expression of interest at lease sales, the BLM will evaluate the Secretary's obligations to manage public lands for multiple use and sustained yield and to take any action required to prevent unnecessary or undue degradation of the lands and their resources, along with other applicable legal requirements. In evaluating the lands to be offered, as part of the scoping process, the BLM will consider, at minimum:

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(a) Proximity to oil and gas development existing at the time of the BLM's evaluation, giving preference to lands upon which a prudent operator would seek to expand existing operations;

(b) The presence of important fish and wildlife habitats or connectivity areas, giving preference to lands that would not impair the proper functioning of such habitats or corridors;

(c) The presence of historic properties, sacred sites, and other high value cultural resources, giving preference to lands that would not impair the cultural significance of such resources;

(d) The presence of recreation and other important uses or resources, giving preference to lands that would not impair the value of such uses or resources; and

(e) The potential for oil and gas development, giving preference to lands with high potential for development.

§ 3120.33 Agency inventory of leasing.

Until August 16, 2032, the BLM will from time to time calculate, for the preceding 1-year period before it issues a wind or solar energy right-of-way, the acreage for which expressions of interest have been submitted to the BLM and the sum total of acres offered for lease.

NOTICE OF COMPETITIVE LEASE SALE

§ 3120.41 General.

(a) The lands available for competitive lease sale under this subpart will be described in a Notice of Competitive Lease Sale.

(b) The time, date, and place of the competitive lease sale will be stated in the notice.

(c) The notice will include an identification of, and a copy of, stipulations applicable to each parcel.

§ 3120.42 Posting timeframes.

(a) After identifying a preliminary list of lands for a lease sale, the BLM will provide a scoping period, of not less than 30 calendar days, for public comment on the preliminary parcel list for the upcoming lease sale. The preliminary parcel list is not subject to protests or appeals.

(b) After drafting a National Environmental Policy Act document for a lease sale, the BLM will provide a comment period, of not less than 30 calendar days, for public comment on the National Environmental Policy Act document for the upcoming lease sale. The draft National Environmental Policy Act document is not subject to protests or appeals.

(c) At least 60 calendar days prior to conducting a competitive auction, the BLM will make available to the public a list of lands to be offered for competitive lease sale in a Notice of Competitive Lease Sale.

(d) After posting the Notice of Competitive Lease Sale notice, the BLM will provide a protest period, of not less than 30 calendar days, for public input on the upcoming lease sale.

(e) The BLM will make available the final National Environmental Policy Act compliance documents prior to issuing a lease from the lease sale.

COMPETITIVE AUCTION

§ 3120.51 Competitive auction.

(a) Parcels will be offered by competitive auction.

(b) A winning bid will be the highest bid by a responsible and qualified bidder, equal to or exceeding the national minimum acceptable bid. The decision of the auctioneer will be final.

§ 3120.52 Payments required.

(a) Payments must be made in accordance with 43 CFR 3103.11.

(b) Each winning bidder must submit, by the close of official business hours on the day of the sale for the parcel, or such other time as may be specified by the authorized officer:

(1) The minimum bonus bid as specified in § 3103.1 of this chapter;

(2) The total amount of the first year's rental; and

(3) The processing fee for competitive lease applications found in the fee schedule in § 3000.120 of this chapter for each parcel.

(c) The winning bidder must submit the balance of the bonus bid to the proper BLM office within 10 business days after the last day of the competitive auction.

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§ 3120.53 Award of lease.

(a) A bid will not be withdrawn and will constitute a legally binding commitment to execute the lease bid form and accept a lease, including the obligation to pay the bonus bid, first year's rental, and processing fee. Execution by the high bidder of a competitive lease bid form approved by the Director constitutes certification of compliance with 43 CFR subpart 3102, will constitute a binding lease offer, including all terms and conditions applicable thereto, and must be submitted when payment is made in accordance with § 3120.62(b). Failure to comply with § 3120.62(c) will result in rejection of the bid and forfeiture of the monies submitted under § 3120.62(b).

(b) A lease will be awarded to the highest responsible and qualified bidder. A copy of the lease will be provided to the lessee after signature by the authorized officer.

(c) If a bid is rejected, the land may be reoffered competitively under this subpart.

(d) The BLM will not issue a lease until it resolves all protests covering the lands to be leased.

(e) Leases will be issued within 60 calendar days, following payment by the successful bidder of the remainder of the bonus bid, if any, and the annual rental for the first lease year. If the BLM cannot issue the lease within 60 days, the BLM, with the consent of the bidder, may reject the offer.

§ 3120.60 Parcels not bid on at auction.

Lands offered at the competitive auction that received no bids may be offered in a future competitive auction.

FUTURE INTEREST

§ 3120.71 Expression of interest to make lands available for competitive lease.

An expression of interest for a future interest lease must be filed in accordance with this subpart.

§ 3120.72 Future interest terms and conditions.

(a) No rental or royalty will be due to the United States prior to the vesting of the oil and gas rights in the United States. However, the future interest

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lessee must agree that if, he/she is or becomes the holder of any present interest operating rights in the lands:

(1) The future interest lessee transfers all or a part of the lessee's present oil and gas interests, such lessee must file in the proper BLM office an assignment or transfer, in accordance with 43 CFR subpart 3106, of the future interest lease of the same type and proportion as the transfer of the present interest; and

(2) The future interest lessee's present lease interests are relinquished, cancelled, terminated, or expired, the future interest lease rights with the United States also will cease and terminate to the same extent.

(b) Upon vesting of the oil and gas rights in the United States, the future interest lease rental and royalty will be as for any competitive lease issued under this subpart, as provided in 43 CFR subpart 3103, and the acreage will be chargeable in accordance with 43 CFR 3101.20.

§ 3120.73 Compensatory royalty agreements.

The terms and conditions of compensatory royalty agreements involving acquired lands in which the United States owns a future or fractional interest will be established on an individual case basis. Such agreements may be required when leasing is not possible in situations where the interest of the United States in the oil and gas deposit includes both a present and a future fractional interest in the same tract containing a producing well.

PART 3130—OIL AND GAS LEASING: NATIONAL PETROLEUM RESERVE, ALASKA

NOTE: The information collection requirements contained in part 3130 have been approved by the Office of Management and Budget under 44 U.S.C. 3507 and assigned clearance number 1004-0067. The information is being collected to allow the authorized officer to determine if the bidder is qualified to hold a lease. The information will be used