

Bureau of Land Management, Interior

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(e) After our review, we will notify you whether we approved or denied your permit, as well as any conditions we require for conducting operations.

§ 3251.14 Once I have a permit, how can I change my exploration operations?

Send BLM a complete and signed sundry notice, form 3260-3, which fully describes the requested changes. Do not proceed with the change until you receive written approval from BLM.

§ 3251.15 Do I need a bond for conducting exploration operations?

Yes, do not start any exploration operations on BLM-managed lands until we approve your bond. You may meet the requirement for an exploration bond in two ways.

(a) If you have an existing nationwide or statewide oil and gas exploration bond, provide a rider to include geothermal resources exploration operations, in an amount we have specified.

(b) If you must file a new bond, the minimum amounts are:

(1) \$5,000 for a single operation;

(2) \$25,000 for all of your operations within a state;

(3) \$50,000 for all of your operations nationwide.

(c) See 43 CFR subparts 3214 and 3215 for additional details on bonding procedures.

§ 3251.16 When will BLM release my bond?

We will release your bond after you request it and we determine that you have:

(a) Plugged and abandoned all wells;

(b) Reclaimed the land; and

(c) Complied with the requirements of 43 CFR 3200.4.

Subpart 3252—Conducting Exploration Operations

§ 3252.10 What operational standards apply to my exploration operations?

You must:

(a) Keep exploration operations under control at all times;

(b) Conduct training during your operation which ensures your personnel are capable of performing emergency procedures quickly and effectively;

(c) Use properly maintained equipment; and

(d) Use operational practices which allow for quick and effective emergency response.

§ 3252.11 What environmental requirements must I meet when conducting exploration operations?

(a) You must conduct your exploration operations to:

(1) Protect the quality of surface and subsurface waters, air, and other natural resources, including wildlife, soil, vegetation, and natural history;

(2) Protect the quality of cultural, scenic and recreational resources;

(3) Accommodate other land uses, as we deem necessary; and

(4) Protect people and wildlife from unacceptable noise levels.

(b) You must remove or, with our permission, properly store all equipment and materials not in use.

(c) You must provide and use pits, tanks and sumps of adequate capacity. They must be designed to retain all materials and fluids resulting from drilling temperature gradient wells or other operations, unless we have specified otherwise in writing. When no longer needed, you must properly abandon pits and sumps in accordance with your permit.

(d) We may require you to submit a contingency plan describing procedures to protect public health, safety, property and the environment.

§ 3252.12 How deep may I drill a temperature gradient well?

You may drill a temperature gradient well to any depth we approve in your exploration permit or sundry notice. In all cases, you may not flow test the well or perform injection tests of the well unless you follow the procedures for geothermal drilling operations in 43 CFR subparts 3260 through 3267. BLM may modify your permitted depth at any time before or during drilling, if we determine the bottom hole temperature or other information indicates that drilling to the original permitted depth could directly encounter the geothermal resource or create risks to public health, safety, property, the environment or other resources.

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§ 3252.13 How long may I collect information from my temperature gradient well?

You may collect information from your temperature gradient well for as long as we approve.

§ 3252.14 How must I complete a temperature gradient well?

Complete temperature gradient wells in a way that allows for proper abandonment and prevents interzonal migration of fluids. Cap all tubing when not in use.

§ 3252.15 When must I abandon a temperature gradient well?

When you no longer need it, or when we require you to.

§ 3252.16 How must I abandon a temperature gradient well?

(a) Before abandoning your well, submit a complete and signed sundry notice describing how you plan to abandon wells and reclaim the surface. Do not begin abandoning wells or reclaiming the surface until we approve your sundry notice.

(b) You must plug and abandon your well to permanently prevent interzonal migration of fluids and migration of fluids to the surface. You must reclaim your well location to our satisfaction.

**Subpart 3253—Reports:
Exploration Operations**

§ 3253.10 Must I share the data I collect through exploration operations with BLM?

(a) For exploration operations on your geothermal lease, you must submit all data you obtain as a result of the operations with a signed notice of completion of exploration operations form under 43 CFR 3253.11, unless we approve a later submission.

(b) For exploration operations on unleased lands or on leased lands where you are not the lessee or unit operator, you do not need to submit data. However, if you want your exploration operations to count toward your diligent exploration expenditure requirement (43 CFR 3210.13), or if you are making significant expenditures to extend your lease (43 CFR 3208.14), you must send

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BLM the resulting data under the rules of those sections.

§ 3253.11 Must I notify BLM when I have completed my exploration operations?

Yes. Send us a complete and signed notice of completion of exploration operations form, describing the exploration operations, well history, completion and abandonment procedures, or site reclamation measures. You must send this within 30 days after you:

- (a) Complete any geophysical exploration operations;
- (b) Complete the drilling of temperature gradient well(s) approved under your exploration permit;
- (c) Plug and abandon a temperature gradient well; or
- (d) Plug shot holes and reclaim all exploration sites.

Subpart 3254—Inspection, Enforcement, and Noncompliance for Exploration Operations

§ 3254.10 May BLM inspect my exploration operations?

Yes, we may inspect your exploration operations to ensure compliance with the requirements of 43 CFR 3200.4.

§ 3254.11 What will BLM do if my exploration operations do not meet all requirements?

(a) We will issue you a written incident of noncompliance and direct you to correct the problem within a set time. If the noncompliance continues or is serious in nature, we will take one or more of the following actions:

- (1) Correct the problem at your expense;
- (2) Direct you to modify or shut down your operations;
- (3) Collect all or part of your bond.

(b) We may also require you to take actions to prevent unnecessary impacts to the lands. If so, we will notify you of the nature and extent of any required measures and the time you have to complete them.

(c) Noncompliance may result in BLM canceling your lease, if applicable. See 43 CFR 3213.23 through 3213.25.

**Subpart 3255—Confidential,
Proprietary Information**

§ 3255.10 Will BLM disclose information I submit under these regulations?

All Federal and Indian data and information submitted to the BLM are subject to part 2 of this title. Part 2 includes the regulations of the Department of the Interior covering public disclosure of data and information contained in Department of Interior records. Certain mineral information not protected from disclosure under part 2 may be made available for inspection without a Freedom Of Information Act (FOIA) request.

§ 3255.11 When I submit confidential, proprietary information, how can I help ensure it is not available to the public?

When you submit data and information that you believe to be exempt from disclosure by 43 CFR part 2, you must clearly mark each page that you believe contains confidential information. BLM will keep all data and information confidential to the extent allowed by 43 CFR 2.13(c).

§ 3255.12 How long will information I give BLM remain confidential or proprietary?

The FOIA does not provide a finite period of time for which information may be exempt from disclosure to public. Each situation will need to be reviewed individually and in accordance with guidance provided by 43 CFR part 2.

§ 3255.13 How will BLM treat Indian information submitted under the Indian Mineral Development Act?

Under the Indian Mineral Development Act of 1982 (IMDA) (25 U.S.C. 2101 *et seq.*), the Department of the Interior will hold as privileged proprietary information of the affected Indian or Indian tribe—

(a) All findings forming the basis of the Secretary's intent to approve or disapprove any Minerals Agreement under IMDA; and

(b) All projections, studies, data, or other information concerning a Min-

erals Agreement under IMDA, regardless of the date received, related to—

(1) The terms, conditions, or financial return to the Indian parties;

(2) The extent, nature, value, or disposition of the Indian mineral resources; or

(3) The production, products, or proceeds thereof.

11. Section 3255.14 is added to read as follows:

[63 FR 52953, Oct. 1, 1998]

§ 3255.14 How will BLM administer information concerning other Indian minerals?

For information concerning Indian minerals not covered by § 3255.13, BLM will withhold such records as may be withheld under an exemption to the Freedom of Information Act (FOIA) (5 U.S.C. 552) when it receives a request for information related to tribal or Indian minerals held in trust or subject to restrictions on alienation.

12. Section 3255.15 is added to read as follows:

[63 FR 52953, Oct. 1, 1998]

§ 3255.15 When will BLM consult with Indian mineral owners when information concerning their minerals is the subject of a FOIA request?

BLM will notify the Indian mineral owner(s) identified in the records of the Bureau of Indian Affairs (BIA), and BIA, and give them a reasonable period of time to state objections to disclosure, using the standards and procedures of § 2.15(d) of this title, before making a decision about the applicability of FOIA exemption 4 to:

(a) Information obtained from a person outside the United States Government; when

(b) Following consultation with a submitter under § 2.15(d) of this title, BLM determines that the submitter does not have an interest in withholding the records that can be protected under FOIA; but

(c) BLM has reason to believe that disclosure of the information may result in commercial or financial injury to the Indian mineral owner(s), but is uncertain that such is the case.

[63 FR 52953, Oct. 1, 1998]

Subpart 3256—Exploration Operations Relief and Appeals

§ 3256.10 May I request a variance from any BLM requirements?

(a) Yes, you may request a variance for your exploration operations from the requirements of 43 CFR 3200.4. Your request must include enough information to explain:

- (1) Why you cannot comply; and
- (2) Why you need the variance to control your well, conserve natural resources, protect public health and safety, property, or the environment.

(b) We may approve your request verbally or in writing. If we give you a verbal approval, we will follow up with written confirmation.

§ 3256.11 How may I appeal a BLM decision regarding my exploration operations?

You may appeal a BLM decision regarding your exploration operations in accordance with 43 CFR 3200.5.

Subpart 3260—Geothermal Drilling Operations—General

§ 3260.10 What types of geothermal operations are covered by these regulations?

(a) The regulations in 43 CFR subparts 3260 through 3267 establish permitting and operating procedures for drilling wells and conducting related activities for the purpose of performing flow tests, producing geothermal fluids, or injecting fluids into a geothermal reservoir. These subparts also address redrilling, deepening, plugging back, and other subsequent well operations.

(b) The operations regulations in subparts 3260 through 3267 do not address conducting exploration operations, which are covered in subpart 3250 of this part, or geothermal resources utilization, which is covered in subpart 3270 of this part.

§ 3260.11 What general standards apply to my drilling operations?

Your drilling operations must:

- (a) Meet all environmental and operational standards;
- (b) Prevent unnecessary impacts to surface and subsurface resources;

(c) Conserve geothermal resources and minimize waste;

(d) Protect public health, safety and property; and,

(e) Comply with the requirements of 43 CFR 3200.4.

§ 3260.12 What other orders or instructions may BLM issue me?

We may issue:

(a) Geothermal resource operational orders, for detailed requirements that apply nationwide;

(b) Notices to lessees, for detailed requirements on a statewide or regional basis;

(c) Other orders and instructions specific to a field or area;

(d) Permit conditions of approval; and

(e) Verbal orders which will be confirmed in writing.

Subpart 3261—Drilling Operations: Getting a Permit

§ 3261.10 How do I get approval to begin well pad construction?

(a) If you do not have an approved geothermal drilling permit, form 3260-2, apply using a complete and signed sundry notice, form 3260-3, to build well pads and access roads. Send us a complete operations plan (see 43 CFR 3261.12) and an acceptable bond with your sundry notice. You may start well pad construction once we approve your sundry notice.

(b) If you already have an approved drilling permit and you have provided an acceptable bond, you do not need any further permission from BLM to start well pad construction unless you intend to change something from the approved permit. Send us a complete and signed sundry notice so we may review your proposed change. Do not proceed with the change until we approve your sundry notice.

§ 3261.11 How do I get approval for drilling operations and well pad construction?

(a) Send us:

(1) A completed and signed drilling permit application;

(2) A complete operations plan (43 CFR 3261.12);

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(3) A complete drilling program (43 CFR 3261.13); and

(4) An acceptable bond (43 CFR 3261.18).

(b) Do not start any drilling operations until we have approved the permit.

§ 3261.12 What is an operations plan?

An operations plan describes how you will drill for and test the geothermal resources covered by your lease. Your plan must tell BLM enough about your proposal to allow us to assess the environmental impacts of your operations. This information should generally include:

- (a) Well pad layout and design;
- (b) A description of existing and planned access roads;
- (c) A description of any ancillary facilities;
- (d) The source of drill pad and road building material;
- (e) The water source;
- (f) A statement describing surface ownership;
- (g) Plans for surface reclamation;
- (h) A description of procedures to protect the environment and other resources; and
- (i) Any other information we may require.

§ 3261.13 What is a drilling program?

A drilling program describes all the operational aspects of your proposal to drill, complete and test a well. Send us:

- (a) A detailed description of the equipment, materials, and procedures you will use;
- (b) The proposed/anticipated depth of the well;
- (c) If you plan to directionally drill your well, also send us:
 - (1) The proposed bottom hole location and distances from the nearest section or tract lines;
 - (2) The kick-off point;
 - (3) The direction of deviation;
 - (4) The angle of build-up and maximum angle; and
 - (5) Plan and cross section maps indicating the surface and bottom hole locations;
- (d) The casing and cementing program;
- (e) The circulation media (mud, air, foam, etc.);

(f) A description of the logs that you will run;

(g) A description and diagram of the blowout prevention equipment you will use during each phase of drilling;

(h) The expected depth and thickness of fresh water zones;

(i) Anticipated lost circulation zones;

(j) Anticipated reservoir temperature and pressure;

(k) Anticipated temperature gradient in the area;

(l) A plat certified by a licensed surveyor showing the surveyed surface location and distances from the nearest section or tract lines;

(m) Procedures and durations of well testing; and

(n) Any other information we may require.

§ 3261.14 When must I give BLM my operations plan?

Send us a complete operations plan before you begin any surface disturbance on a lease. You do not need to submit an operations plan for subsequent well operations or altering existing production equipment, unless these activities will cause more surface disturbance or we notify you that you must submit an operations plan. Do not start any activities which will result in surface disturbance until we approve your permit or sundry notice.

§ 3261.15 Must I give BLM my drilling permit application, drilling program and operations plan at the same time?

No, you may submit your complete and signed drilling permit application and complete drilling program and operations plan either together or separately.

(a) If you submit them together and we approve your drilling permit, the approved drilling permit will authorize both the pad construction and the drilling and testing of the well.

(b) If you submit the operations plan separately from the drilling permit and program, you must:

(1) Submit the operations plan before the drilling permit application and drilling program to allow BLM time to comply with NEPA; and

(2) Submit a complete and signed sundry notice for well pad and access

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road construction. Do not begin construction until we approve your sundry notice.

§ 3261.16 Can my operations plan, drilling permit and drilling program apply to more than one well?

Your operations plan and drilling program can sometimes be combined to cover several wells, but your drilling permit cannot. To combine your operations plan, give us adequate information for all well sites, and we will combine your plan to cover those well sites that are in areas of similar geology and environment. Your drilling program may also apply to more than one well, provided you will drill the wells in the same manner, and you expect to encounter similar geologic and reservoir conditions. You must submit a separate geothermal drilling permit application for each well.

§ 3261.17 How do I amend my operations plan or drilling permit?

If BLM has not yet approved your operations plan or drilling permit, send us your amended plan and complete and signed permit application. To amend an approved operations plan or drilling permit, submit a complete and signed sundry notice describing your proposed change. Do not start any amended operations until we have approved your drilling permit or sundry notice.

§ 3261.18 Do I need a bond before I build a well pad or drill a well?

Yes, before starting any operation, you must:

(a) Send us either a surety or personal bond in the following amount:

- (1) \$10,000 for a single lease;
- (2) \$50,000 for all of your operations within a state; or
- (3) \$150,000 for all of your operations nationwide.

(b) Get our approval of your surety or personal bond; and

(c) To cover any drilling operations on all leases committed a unit, either submit a bond for that unit in an amount we specify, or provide a rider to a statewide or nationwide bond which specifically covers the unit in an amount we specify.

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(d) See subparts 3214 and 3215 for additional details on bonding procedures.

§ 3261.19 When will BLM release my bond?

We will release your bond after you request it and we determine that you have:

- (a) Plugged and abandoned all wells;
- (b) Reclaimed the surface and other resources; and
- (c) Met all the requirements of 43 CFR 3200.4.

§ 3261.20 How will BLM review my application documents and notify me of their decision?

(a) When we receive your operations plan, we will make sure it is complete and review it for compliance with the requirements of 43 CFR 3200.4.

(b) If another Federal agency manages the surface of your lease, we will consult with them before we approve your drilling permit.

(c) We will review your drilling permit and drilling program or your sundry notice for well pad construction, to make sure they conform with your operations plan and any mitigation measures we developed while reviewing your plan.

(d) We will check your drilling permit and drilling program for technical adequacy and we may require additional procedures.

(e) We will check your drilling permit for compliance with the requirements of 43 CFR 3200.4.

(f) If we need any further information to complete our review, we will contact you in writing and suspend our review until we receive the information.

(g) After our review, we will notify you whether your permit has been approved or denied, as well as any conditions we require for conducting operations.

§ 3261.21 How do I get approval to change an approved drilling operation?

(a) Send us a sundry notice, form 3260-3, describing the proposed changes. Do not proceed with the changes until we have approved them in writing, except as provided in paragraph (c) of this section. If your operations such as redrilling, deepening, drilling a new directional leg, or plugging back a well

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would significantly change your approved permit, BLM may require you to send us a new drilling permit (see 43 CFR 3261.13). A significant change would be, for example, re-drilling the well to a completely different target, especially a target in an unknown area.

(b) If your changed drilling operation would cause additional surface disturbance, we may also require you to submit an amended operations plan.

(c) If immediate action is required to properly continue drilling operations, or to protect public health, safety, property or the environment, you only need BLM's verbal approval to change an approved drilling operation. However, you must submit a written sundry notice within 48 hours after we verbally approve your change.

§ 3261.22 How do I get approval for subsequent well operations?

Send us a sundry notice describing your proposed operation. For some routine work, such as cleanouts, surveys, or general maintenance (see 43 CFR 3264.11(b)), we may waive the sundry notice requirement. Contact your local BLM office to ask about waivers. Unless you receive a waiver, you must submit a sundry notice. Do not start your operations until we grant a waiver or approve the sundry notice.

Subpart 3262—Conducting Drilling Operations

§ 3262.10 What operational requirements must I meet when drilling a well?

(a) When drilling a well, you must:

(1) Keep the well under control at all times;

(2) Conduct training during your operation which ensures your personnel are capable of performing emergency procedures quickly and effectively;

(3) Use properly maintained equipment; and

(4) Use operational practices which allow for quick and effective emergency response.

(b) You must use sound engineering principles and take into account all pertinent data when:

(1) Selecting drilling fluid types and weights;

(2) Designing a system to control fluid temperatures;

(3) Designing blowout prevention equipment; and

(4) Designing a casing and cementing program.

(c) Your operation must always comply with the requirements of 43 CFR 3200.4.

§ 3262.11 What environmental requirements must I meet when drilling a well?

(a) You must conduct your operations to:

(1) Protect the quality of surface and subsurface water, air, natural resources, wildlife, soil, vegetation, and natural history;

(2) Protect the quality of cultural, scenic, and recreational resources;

(3) Accommodate, as necessary, other land uses;

(4) Minimize noise; and

(5) Prevent property damage and unnecessary or undue degradation of the lands.

(b) You must remove or, with BLM's approval, properly store all equipment and materials that are not in use.

(c) You must retain all fluids from drilling and testing the well in properly designed pits, sumps, or tanks.

(d) When you no longer need a pit or sump, you must abandon it and restore the site as we direct you to.

(e) We may require you to give us a contingency plan showing how you will protect public health and safety, property, and the environment.

§ 3262.12 Must I post a sign at every well?

Yes. Before you begin drilling a well, you must post a sign in a conspicuous place and keep it there throughout operations until the well site is reclaimed. Put the following information on the sign:

(a) The lessee or operator's name;

(b) Lease serial number;

(c) Well number; and

(d) Well location described by section, township, range, and quarter-quarter-section.

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§ 3262.13 May BLM require me to follow a well spacing program?

Yes, if we determine that it is necessary for proper development. If we require well spacing, we will consider the following factors when we set well spacing:

- (a) Hydrologic, geologic, and reservoir characteristics of the field minimizing well interference;
- (b) Topography;
- (c) Interference with multiple use of land; and
- (d) Environmental protection, including ground water.

§ 3262.14 May BLM require me to take samples or perform tests and surveys?

(a) Yes, we may require you to take samples or to test or survey the well to determine:

- (1) The well's mechanical integrity;
 - (2) The identity and characteristics of formations, fluids or gases;
 - (3) Presence of geothermal resources, water, or reservoir energy;
 - (4) Quality and quantity of geothermal resources;
 - (5) Well bore angle and direction of deviation;
 - (6) Formation, casing, or tubing pressures;
 - (7) Temperatures;
 - (8) Rate of heat or fluid flow; and
 - (9) Any other necessary well information.
- (b) See 3264.11 for information reporting requirements.

Subpart 3263—Well Abandonment

§ 3263.10 May I abandon a well without BLM's approval?

No, you must have an approved sundry notice which documents your plugging and abandonment program before you start abandoning any well. You must also notify the local BLM office before you begin abandonment, so we may witness the work. Contact your local BLM office before starting to abandon your well to find out what notification we need.

§ 3263.11 What must I give BLM to approve my sundry notice for abandoning a well?

Send us a sundry notice with:

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(a) All the information required in the well completion report (see 43 CFR 3264.10), unless we already have that information;

(b) A detailed description of the proposed work, including:

- (1) Type, depth, length, and interval of plugs;
 - (2) Methods you will use to verify the plugs (tagging, pressure testing, etc.);
 - (3) Weight and viscosity of mud that you will use in the uncemented portions;
 - (4) Perforating or removing casing; and
 - (5) Restoring the surface; and
- (c) Any other information that we may require.

§ 3263.12 How will BLM review my sundry notice to abandon my well and notify me of their decision?

(a) When we receive your sundry notice, we will make sure it is complete and review it for compliance with the requirements of 43 CFR 3200.4. We will notify you if we need more information or require additional procedures. If we need any further information to complete our review, we will contact you in writing and suspend our review until we receive the information. If we approve your sundry notice, we will send you an approved copy once our review is complete. Do not start abandonment of the well until we approve your sundry notice.

(b) We may verbally approve plugging procedures for a well which requires immediate action. If we do, you must submit the information required in 43 CFR 3263.11 within 48 hours after we give verbal approval.

§ 3263.13 What must I do to restore the site?

You must remove all equipment and materials and restore the site to BLM's satisfaction.

§ 3263.14 May BLM require me to abandon a well?

Yes, if we determine your well is no longer needed for geothermal resource production, injection, or monitoring, or if we determine that the well is not mechanically sound. In either case, if you disagree you may explain to us why the well should not be abandoned.