

your lease application to contain less than the minimum acreage required under §3206.12, BLM will reject the application.

Subpart 3205—Direct Use Leasing

§ 3205.6 When may BLM issue a direct use lease to an applicant?

(a) BLM may issue a direct use lease to an applicant if the following conditions are satisfied:

- (1) The lands included in the lease application are open for geothermal leasing;
- (2) BLM determines that the lands are appropriate for exclusive direct use operations, without sale, for purposes other than commercial generation of electricity;
- (3) The acreage covered by the lease application is not greater than the quantity of acreage that is reasonably necessary for the proposed use;
- (4) BLM has published a notice of the land proposed for a direct use lease for 90 days before issuing the lease;
- (5) During the 90-day period beginning on the date of publication, BLM did not receive any nomination to include the lands in the next competitive lease sale following that period for which the lands would be eligible;
- (6) BLM determines there is no competitive interest in the resource; and
- (7) The applicant is the first qualified applicant.

(b) If BLM determines that the land for which an applicant has applied under this subpart is open for geothermal leasing and is appropriate only for exclusive direct use operations, but determines that there is competitive interest in the resource, it will include the land in a competitive lease sale with lease stipulations limiting operations to exclusive direct use.

§ 3205.7 How much acreage should I apply for in a direct use lease?

You should apply for only the amount of acreage that is necessary for your intended operation. A direct use lease may not cover more than the quantity of acreage that BLM determines is reasonably necessary for the proposed use. In no case may a direct use lease exceed 5,120 acres, unless the

area to be leased includes an irregular subdivision.

§ 3205.10 How do I obtain a direct use lease?

(a) You may file an application for a direct use lease for any lands on which BLM manages the geothermal resources, on a form available from BLM. You may not sell the geothermal resource and you may not use it for the commercial generation of electricity.

(b) In your application, you must also provide information that will allow BLM to determine how much acreage is reasonably necessary for your proposed use, including:

- (1) A description of all anticipated structures, facilities, wells, and pipelines including their size, location, function, and associated surface disturbance;
- (2) A description of the utilization process;
- (3) A description and analysis of anticipated reservoir production, injection, and characteristics to the extent required by BLM; and
- (4) Any additional information or data that we may require.

(c) Submit with your application the nonrefundable processing fee for non-competitive lease applications found in the fee schedule in §3000.12 of this chapter for each direct use lease application.

§ 3205.12 How will BLM respond to direct use lease applications on lands managed by another agency?

BLM will respond to a direct use lease application on lands managed by another surface management agency by forwarding the application to that agency for its review. If that agency consents to lease issuance and recommends that the lands are appropriate for direct use operations, without sale, for purposes other than commercial generation of electricity, BLM will consider that consent and recommendation in determining whether to issue the lease. BLM may not issue a lease without the consent of the surface management agency.