

§ 3903.60

legal subdivision, and the following information:

(1) The location of each oil shale mine or operation, and include:

(i) A map showing the extent of the mining or development operations;

(ii) A tabulated statement of the minerals mined and subject to royalty for each month covering a period of not less than 12 months immediately preceding the date of filing of the application; and

(iii) The average production per day mined for each month, and complete information as to why the minimum production was not attained;

(2) Each application must contain:

(i) A detailed statement of expenses and costs of operating the entire lease;

(ii) The income from the sale of any leased products;

(iii) All facts showing whether the mines can be successfully operated under the royalty or rental fixed in the lease; and

(iv) Where the application is for a reduction in royalty, information as to whether royalties or payments out of production are paid to anyone other than the United States, the amounts so paid, and efforts made to reduce those payments;

(3) Any overriding royalties cannot be greater in aggregate than one-half the royalties paid to the United States.

(c) Contact the proper BLM office for detailed information on submitting copies of these applications electronically.

§ 3903.60 Late payment or underpayment charges.

Late payment or underpayment charges will be assessed under MMS regulations at 30 CFR 218.202.

Subpart 3904—Bonds and Trust Funds

§ 3904.10 Bonding requirements.

(a) Prior to issuing a lease or exploration license, the BLM requires exploration license or lease bonds for each lease or exploration license that covers all liabilities, other than reclamation, that may arise under the lease or license. The bond must be executed by the lessee and cover all record title owners, operating rights owners, opera-

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tors, and any person who conducts operations or is responsible for payments under a lease or license.

(b) Before the BLM will approve a POD, the lessee must provide to the proper BLM office a reclamation bond to cover all costs the BLM estimates will be necessary to cover reclamation.

§ 3904.11 When to file bonds.

File the lease bond before the BLM will issue the lease, file the reclamation bond before the BLM will approve the POD, and file the exploration bond before the BLM will issue the exploration license.

§ 3904.12 Where to file bonds.

File one copy of the bond form with original signatures in the proper BLM state office. Bonds must be filed on an approved BLM form. The obligor of a personal bond must sign the form. Surety bonds must have the lessee's and the acceptable surety's signatures.

§ 3904.13 Acceptable forms of bonds.

(a) The BLM will accept either a personal bond or a surety bond. Personal bonds are pledges of any of the following:

(1) Cash;

(2) Cashier's check;

(3) Certified check; or

(4) Negotiable U.S. Treasury bonds equal in value to the bond amount. Treasury bonds must give the Secretary authority to sell the securities in the case of failure to comply with the conditions and obligations of the exploration license or lease.

(b) Surety bonds must be issued by qualified surety companies approved by the Department of the Treasury. A list of qualified sureties is available at any BLM state office.

§ 3904.14 Individual lease, exploration license, and reclamation bonds.

(a) The BLM will determine individual lease bond amounts on a case-by-case basis. The minimum lease bond amount is \$25,000.

(b) The BLM will determine reclamation bond and exploration license bond amounts on a case-by-case basis when it approves a POD or exploration plan. The reclamation or exploration license