

§ 3510.20

(c) The acreage of the modified lease, including additional lands, is not in excess of the maximum size allowed for a lease, as specified in § 3503.37 of this part;

(d) The mineral deposit is not in an area of competitive interest to holders of other active mining units in the area;

(e) The lands for which you applied for a fringe acreage lease lack sufficient reserves of the mineral resource to warrant independent development;

(f)(1) The lands for which you applied for a lease modification contain known deposits of the same mineral deposit that can be mined only as part of the mining operations on the original Federal lease; or

(2)(i) The acreage to be added does not contain known deposits of the same mineral; and

(ii) The acreage to be added will be used for surface activities that are necessary for the recovery of the mineral deposit on the original Federal lease; and

(iii) Had the acreage added by the modification been included in the original Federal lease at the time of that lease's issuance, the original Federal lease would have been reasonably compact.

(g) Leasing the lands will conserve natural resources and will provide for economical and efficient recovery as part of a mining unit; and

(h) You meet the qualification requirements for holding a lease described in subpart 3502 of this chapter and the new or modified lease will not cause you to exceed the acreage limitations described in § 3503.37.

[64 FR 53536, Oct. 1, 1999, as amended at 74 FR 641, Jan. 7, 2009]

§ 3510.20 Do I have to pay a fee to modify my existing lease or obtain a fringe acreage lease?

Yes. Before BLM issues a new fringe acreage lease or modifies your existing lease, you must pay a bonus in an amount we will determine based on an appraisal or other appropriate means. The bonus cannot be less than \$1 per acre or fraction of an acre.

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§ 3510.21 What terms and conditions apply to fringe acreage leases and lease modifications?

Your fringe acreage lease is a new Federal lease. Therefore, we may impose terms and conditions different from those in your original Federal lease. A modified lease will be subject to the same terms and conditions as in the original Federal lease.

Subpart 3511—Lease Terms and Conditions

§ 3511.10 Do certain leases allow me to mine other commodities as well?

Yes. Sodium leases authorize you to mine potassium compounds as related products, and potassium leases authorize mining associated sodium compounds and related products. A phosphate lease allows you to use deposits of silica, limestone or other rock on the lease for use in the processing or refining of phosphate, phosphate rock, and associated minerals mined from the leased lands. You must pay royalty on these materials as specified in your lease.

§ 3511.11 If I am mining calcium chloride, may I obtain a noncompetitive mineral lease to produce the commingled sodium chloride?

Yes. If you are producing calcium chloride in paying quantities from an existing mine which you control, you may apply to BLM for a noncompetitive lease to produce the commingled sodium chloride. You must already have authorization, under part 3800 of this chapter, for the locatable minerals. You must also meet the other requirements of this part for the commingled leasable minerals.

§ 3511.12 Are there standard terms and conditions which apply to all leases?

Yes. BLM will issue your lease on a standard form which will contain several terms and conditions. We will add your rental rate, royalty obligations and any special stipulations to this lease form.

§ 3511.15 How long will my lease be in effect?

Commodity	Initial Term	Period of Renewal or Readjustment
(a) Phosphate	Indeterminate	Subject to readjustment at the end of each 20 year period.
(b) Sodium	20 years	Can be renewed for 10 years at the end of the initial term and for following 10 year periods.
(c) Potassium	Indeterminate	Subject to readjustment at the end of each 20 year period.
(d) Sulphur	20 years	Can be renewed for 10 years at the end of the initial term and for following 10 year periods.
(e) Gilsonite	20 years and for as long thereafter as gilsonite is produced in paying quantities.	Subject to readjustment at the end of each 20 year period.
(f) Hardrock Minerals	not to exceed 20 years	Can be renewed for 10 years at the end of the initial term and for following 10 year periods.
(g) Asphalt	20 years	Can be renewed for 10 years at the end of the initial term and for following 10 year periods.

§ 3511.25 What is meant by lease readjustment and lease renewal?

(a) If your lease is issued subject to readjustment, BLM will notify you of the readjusted terms before the end of each 20-year period. If we do not timely notify you of readjusted terms, those leases continue for another 20-year period under the same terms and conditions.

(b) If you have a lease that requires renewal, we will issue the lease for an initial term as specified in §3510.15 of this part. You must apply for a renewal of the lease at least 90 days before the initial term ends in order to extend the lease for an additional term. If you do not renew the lease, it expires and the lands become available for re-leasing. BLM may change some of your lease terms when we renew a lease.

§ 3511.26 What if I object to the terms and conditions BLM proposes for a readjusted lease?

(a) You have 60 days after receiving the proposed readjusted terms to object. If we do not receive your objection within 60 days, the proposed readjusted terms will be in effect. If you file an objection, BLM will issue a decision in response. If you disagree with the decision, you may appeal under parts 4 and 1840 of this title.

(b) The readjusted lease terms and conditions will be effective pending the outcome of any appeal, unless BLM provides otherwise.

§ 3511.27 How do I renew my lease?

File an application at least 90 days before the lease term expires. No specific form is required. Send us 3 copies of your application together with the processing fee for lease renewal found in the fee schedule in §3000.12 of this chapter and an advance rental payment of \$1 per acre or fraction of an acre.

[64 FR 53536, Oct. 1, 1999, as amended at 70 FR 58878, Oct. 7, 2005]

§ 3511.30 If I appeal BLM's proposed new terms, must I continue paying royalties or rentals while my appeal is pending?

Yes. Continue to pay royalties and rentals at the original rate. Your obligation to pay any increased readjusted royalties, minimum royalties and rentals will be suspended while your appeal is considered. However, any increased charges accrue beginning with the effective date of the readjustment or renewal, while final action on your appeal is pending. If the increased charges are sustained on appeal, you must pay the accrued balance, plus interest at the rate MMS specifies for late payment in 30 CFR part 218.