Oil and Gas Leases: Applications: Generally -- Oil and Gas Leases: Applications: Filing

An oil and gas lease offer filed by a corporation must be rejected where it is not accompanied by a statement of corporate qualifications, or by a reference by serial number to a record in which such statement has previously been filed, even though the corporation formerly held a lease covering the same lands, which lease terminated by operation of law for failure to pay rent when due.
DECISION

This is an appeal to the Director, Bureau of Land Management, 1/ by Wyoming Oil and Development Co., Inc., from the decision of the Wyoming land office, Bureau of Land Management, dated October 27, 1969, rejecting the oil and gas lease offer of the company 2/ for failure to submit evidence of corporate qualifications required by 43 CFR 3102.4-1 (formerly 43 CFR 3123.2(g)).

Grounds for the appeal stated by the appellant are:

   Corporate qualification papers are on file with the Bureau of Land Management, Cheyenne, Wyoming, under U.S.A. Lease Wyoming 046878. . . .

   We have been the holders of this lease in good standing for the past several years. . . .

   Statement of annual rentals due was not received in this office as had been the procedure in the past years. . . .

   Instructions on filling out the Simultaneous Oil and Gas Drawing card are not clear in that it does

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1/ The Secretary of the Interior, in the exercise of his supervisory authority, transferred jurisdiction over all appeals pending before the Director, Bureau of Land Management, to the Board of Land Appeals, effective July 1, 1970. Cir. 2273, 35 F.R. 10009, 10012.

2/ The record does not indicate why or by what authority the corporation does business under the name of a different corporation.

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not ask for the Corporate Qualification number on the face of the card.

Appellant's lease offer was submitted pursuant to the provisions of 43 CFR 3112.2-1 (formerly 43 CFR 3123.9) on a "Simultaneous Oil and Gas Entry Card" (Form 3120-21, December 1968), for inclusion in a drawing of offers simultaneously filed on September 22, 1969. The reverse side of the card alerted the appellant to the fact that "compliance must be made with the provisions of 43 CFR 3123.2 [now 43 CFR 3102]."

It appears that the appellant was previously the holder of a lease covering the same lands. However, because of the company's failure to pay the rental due on or before the anniversary date, the lease automatically terminated by operation of law, despite a lack of notice that the rental was due. 30 U.S.C. § 188 (1964); Duncan Miller, A-31148 (March 2, 1970); Duncan Miller, A-31087 (February 4, 1970).

The termination of the lease placed the appellant in the same position as an offeror and afforded it no preference right to a new lease. Having been placed in this position, the appellant was required to furnish along with its offer a statement including the requirements set forth in 43 CFR 3102.4-1, or, where such material had previously been filed, a reference by serial number to the record in which it had been filed, together with a statement as to any amendments. The appellant failed to comply with either of the alternatives, which are mandatory.

Accordingly, we find that appellant's lease offer was properly rejected for the above stated deficiencies. Pan Ocean Oil Corporation, 2 IBLA 156 (1971); Love Enterprises, 1 IBLA 248 (1971).

Therefore, pursuant to the authority delegated to the Board of Land Appeals by the Secretary of the Interior (211 DM 13.5; 35 F.R. 12081), the decision appealed from is affirmed.

Anne Poindexter Lewis, Member

We concur:

Edward W. Stuebing, Member

Joan B. Thompson, Member

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