

JOHN OAKASON ET AL.

IBLA 72-372, etc.

Decided June 29, 1972

Appeals from separate decisions of the Utah state office, Bureau of Land Management (BLM), requiring the execution of stipulations as a prerequisite to the issuance of oil and gas leases.

Affirmed as modified.

Oil and Gas Leases: Generally

An applicant for an oil and gas lease is properly required to accept special stipulations imposed by a State Director, Bureau of Land Management, where the stipulations are consistent with the lease terms, regulations and Departmental policies, and where the requirements of those stipulations are not unreasonable or onerous.

APPEARANCES: John Oakason, pro se.

OPINION BY MR. FRISHBERG

John Oakason and others listed in the Appendix hereof appealed from separate decisions of the Utah state office, BLM, requiring execution of stipulations as a condition precedent to the issuance of oil and gas leases pursuant to their applications therefor. The stipulation identified as USO 3110-3, provides as follows:

STIPULATION

As to lands administered by the Bureau of Land Management under the above oil and gas lease, the lessee hereby agrees that the following stipulations are by this reference incorporated as terms and conditions of said lease:

Lessee shall submit in writing to the Bureau of Land Management District Manager of the district in which the land is located for advance written approval by that office, a detailed plan of operation respecting any operation which will, or which may result in damage to property or land or scarring of the land surface, or induce erosion, including

any planned use of bulldozers, earth-moving equipment or similar mobile equipment. Said operations include, but are not limited to, exploratory drilling, the construction of access roads, and the conduct of seismographic explorations. The said operations will be conducted only to the extent so approved in writing by the District Manager.

Signed:

The appellants assert that (1) the stipulation is unduly restrictive and interferes with lease operations in this time of energy crisis, and (2) inasmuch as the environmental regulations pertaining to oil operations are sufficient, the additional stipulation for environmental protection is not necessary.

By an application for an oil and gas lease, the applicant agrees and consents to be bound by all pertinent regulations of the Secretary as well as by the lease terms. Section 2 of the lease binds the lessee as follows:

(q) Protection of surface, natural resources and improvements. -- To take such reasonable steps as may be needed to prevent operations from unnecessarily: (1) Causing or contributing to soil erosion or damaging any forage and timber growth thereon, (2) polluting the waters of reservoirs, springs, streams or wells, (3) damaging crops, including forage, timber, or improvements of a surface owner, or (4) damaging range improvements whether owned by the United States or by its grazing permittees or lessees; and upon conclusion of operations, so far as can reasonably be done, to restore the surface to its former condition. The lessor may prescribe the steps to be taken and restoration to be made with respect to lands of the United States and improvements thereon.

When read together it becomes clear that the stipulations do not impose any undue or onerous hardship on the lessee, nor do they unreasonably restrict or interfere with operations. "To take such reasonable steps as may be needed to prevent operations from unnecessarily" damaging the federal lands and the improvements thereon, includes notice to BLM that damage may or is about to be done in order to solicit the aid of the expertise of that agency in obviating or reducing possible waste and damage. The District Manager, when informed of the needs of the lessee, will advise and direct where roads may be cut with minimum damage, where access may be obtained without interfering with reservoirs, waters, or improvements. He will advise relative to range and other needs of Government permittees. He may

prohibit lease activities which would be violative of section 2(q). On the other hand, he may direct that lease operations be channeled in manner designed to obviate damage or waste.

We view the stipulations as requiring the lessee who undertakes operations which may or will be violative of section 2(q), to inform the BLM in advance in order to reduce damage and eliminate possible liability. This is not unreasonable, arbitrary or onerous. The reverse is true. The stipulation is not only reasonable but will serve to benefit and protect both the lessee and the United States. It is properly imposed. Quantex Corp., 78 I.D. 317 (1970); Bob Owen White, 5 IBLA 229 (March 22, 1972); cf. Duncan Miller, 6 IBLA 216, 79 I.D. 416 (June 22, 1972); J. D. Archer, 2 IBLA 303 (May 26, 1971).

We find that it is BLM's responsibility to make the determination whether the added stipulation is necessary and that BLM did properly impose a stipulation which is appropriate and reasonably related to oil and gas activities. We see no basis to disturb the decisions below.

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 decisions appealed from are affirmed.

Newton Frishberg, Chairman

We concur:

Douglas E. Henriques, Member

Edward W. Stuebing, Member

APPENDIX

John Oakason

IBLA 72-372: U-17993, 17994
72-381: U-18007-10, 18146
72-436: U-13398, 13536, 13682, 14033, 17127, 18548
72-441: U-13537, 17903, 17904
72-449: U-17858, 17960

Quantex Corporation and Cameo Corporation

IBLA 71-222: U-13541 thru 13543

Quantex Corporation

IBLA 72-353: U-17924, 18084
71-445: U-18472 thru 18476
71-454: U-17250

Cameo Minerals, Inc.

IBLA 72-468: U-18508-9

Jean Oakason

IBLA 72-354: U-15329, 17905
72-437: U-17989-17990

James A. Krumhansl

IBLA 72-327: U-17628

Ida Lee Anderson

IBLA 72-362: U-17738-9

Youell Warner

IBLA 72-378: U-18125 thru 18129, 18157, 18162
72-400: U-18125

O. B. Tiller

IBLA 72-391: U-18251

Donald Olgilvie

IBLA 72-401: U-17505

Benjamin T. Franklin

IBLA 72-402: U-18924, 18926
72-419: U-18287 thru 18291

G. W. Anderson

IBLA 72-403: U-18118

W. G. Lasrich

IBLA 72-409: U-18081-3
72-416: U-18075-80
72-470: U-18006

Clyde E. Harvey

IBLA 72-415: U-18252-4

G. S. Campbell

IBLA 72-421: U-18491

C. E. Harvey

IBLA 72-425: U-18493-4

Bob Owen White

IBLA 72-455: U-18564

Richard R. Trexler

IBLA 72-444: U-17253-5

Kay Papulak

IBLA 72-446: U-18469-70

Julian B. Falk

IBLA 72-447: U-18255

Wallace V. Jacobson: Robert R. Bush

IBLA 72-457: U-16641, 18517-9, 18521
72-469: U-18515-6, 18520

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B. H. Rosenblatt

IBLA 72-464: U-17855-6

Sally H. Rosenblatt

IBLA 72-466: U-18464, 18466-7

Van B. Hales

IBLA 72-474: U-18566

6 IBLA 280

