

DAL METRO INVESTMENT CO.

IBLA 76-726

Decided March 22, 1977

Appeal from decision of Wyoming State Office, Bureau of Land Management, rejecting simultaneous oil and gas lease offer W 55874.

Affirmed.

1. Oil and Gas Leases: Applications: Generally

An oil and gas lease offer filed in the name of a corporation is properly rejected where it is not accompanied by corporate qualification papers nor by any reference to a serial number where such information might be found, as required by 43 CFR 3102.4-1.

APPEARANCES: Addison P. Moore, President, Dal Metro Investment Co.

OPINION BY ADMINISTRATIVE JUDGE HENRIQUES

Dal Metro Investment Co. has appealed from a decision of the Wyoming State Office, Bureau of Land Management (BLM), dated July 30, 1976, which rejected its simultaneous oil and gas lease offer W 55874 for Parcel No. WY-90 of List No. 6-76. The offer here at issue was filed with the Wyoming State Office, BLM, in a simultaneous drawing procedure held pursuant to 43 CFR 3112. The contested drawing card was executed in the name of Dal Metro Investment Co., and was not accompanied by evidence of the corporate qualifications of the applicant nor by a statement demonstrating that the person who signed the offer card was authorized to sign for the corporation. Appellant protests BLM's failure to notify Dal Metro of the deficiencies in its offers 1/ and to return

1/ Prior to submitting its offer in Wyoming, Dal Metro filed simultaneous oil and gas lease offers in New Mexico which were also subsequently rejected for failure to file the necessary corporate qualification papers.

the application fees prior to the rejection of those applications by formal decision. Appellant complains of the "inequity of rejection when our office believed all requirements had been met prior to June in Wyoming, which would have been rectified if proper notice had been made, from the New Mexico Office." 2/

What we understand appellant to argue by this last contention is that its deficient lease offers in Wyoming would have been supplemented before the drawing if it had received earlier notice from the New Mexico Office of the deficient character of the Dal Metro lease offers in that latter state. Whatever the New Mexico State Office, BLM, may have done with respect to appellant's offers in that State, compliance with the lease drawing regulations is the sole responsibility of the offeror. The suggestion that the New Mexico BLM Office was somehow responsible for appellant's failure to make a valid lease offer in Wyoming is wholly insupportable.

Regulation 43 CFR 3102.4-1 sets forth several requirements respecting corporate qualifications, providing in pertinent part:

If the offeror is a corporation, the offer must be accompanied by a statement showing * * * (2) that it is authorized to hold oil and gas leases and that the officer executing the lease is authorized to act on behalf of the corporation in such matters * * *. Where such material has previously been filed a reference by serial number to the record in which it has been filed, together with a statement as to any amendments will be accepted. [Emphasis supplied.]

[1] This Board has consistently held that the above regulation is mandatory in that corporate offers not accompanied by the necessary corporate qualification papers or by a reference to a case record where such showings have previously been filed, must be rejected. Manhattan Resources, Inc., 22 IBLA 24 (1975); Ballard E. Spencer Trust, Inc., 18 IBLA 25 (1974), aff'd, Ballard E. Spencer Trust v. Morton, 544 F.2d 1067 (10th Cir. 1976); The Bradley Producing Corporation, 15 IBLA 147 (1974); Texas American Corporation, 14 IBLA 217 (1974). The simple facts of the case here at hand demonstrate a failure to comply with § 3102.4-1 and the Wyoming BLM Office was under no responsibility to return appellant's filing fee 3/ or to screen its application prior to the drawing to make sure it was complete. As has been stated:

2/ Appellant's Statement of Reasons, p. 2.

3/ Albert E. Mitchell III, 20 IBLA 302 (1975).

The State Offices simply do not have the time, the money, or the authority to correct errors of applicants. The effect of course is to place the economic cost of errors on those seeking benefit from the public lands, and not on the taxpayer. We believe this result is consistent with the public interest.

Mountain Fuel Supply Co., 13 IBLA 85, 86 (1973).

We note finally that appellant's complaint regarding the retention of payments and return of drawing entry cards by the New Mexico State Office, BLM, has no bearing on the legal consequences of Dal Metro's failure to make a proper lease offer for a later drawing in Wyoming. Thus appellant's troubles in New Mexico present a wholly discrete and separate set of issues which we do not consider here.

Accordingly, pursuant to the authority delegated to the Board of Land Appeals by the Secretary of the Interior, 43 CFR 4.1, the decision appealed from is affirmed.

Douglas E. Henriques

Administrative Judge

We concur:

Frederick Fishman
Administrative Judge

Joan B. Thompson
Administrative Judge

