

WZL INVESTMENT CORP.

IBLA 78-401

Decided August 31, 1978

Appeal from a decision of the New Mexico State Office, Bureau of Land Management, rejecting noncompetitive oil and gas lease offer NM 32812.

Affirmed.

1. Oil and Gas Leases: Applications: Generally -- Oil and Gas Leases: Applications: Drawings

A simultaneously filed oil and gas lease offer is properly rejected where the offer is neither accompanied by a statement of qualifications nor makes reference to a serial number of a record in which such statement has previously been filed, as required by 43 CFR 3102.4-1.

2. Estoppel -- Federal Employees and Officers: Authority to Bind Government

The general rule is that reliance on erroneous or incomplete information provided by Federal employees cannot create any rights not authorized by law.

APPEARANCES: Michael Aaronson, Esq., San Carlos, California, for appellant.

OPINION BY ADMINISTRATIVE JUDGE THOMPSON

The simultaneous oil and gas drawing entry card of WZL Investment Corp., appellant, was drawn number two at the public drawing held in the New Mexico State Office, Bureau of Land Management, on February 7, 1978, for parcel NM 321. The first drawn offer was rejected for failure to pay the first year's rental within the time allowed. On April 10, 1978, BLM issued a decision rejecting appellant's lease offer because a statement of corporate qualifications

did not accompany the entry card, nor was there any reference to a serial number of another case in which the statement was filed, as required by 43 CFR 3102.4-1, and because there was no evidence accompanying the offer to show that the signer was authorized to sign for the corporation. 1/

In its statement of reasons appellant asserts that a statement of corporate qualifications was submitted to the New Mexico State Office on September 20, 1977, and that the serial number was not included on the offer because appellant "was never informed that such number had been assigned to the corporation."

[1] A corporation making an offer for an oil and gas lease is required to file a statement of corporate qualifications with the entry card, or to refer to a serial number of a record wherein the required statements have been filed earlier. 43 CFR 3102.4-1. This requirement is mandatory and failure to comply results in automatic rejection of the offer. A defect in a simultaneously filed offer due to noncompliance with a mandatory regulation cannot be cured by submission of further information. Anchors and Holes, Inc., 33 IBLA 339 (1978); Ballard E. Spencer Trust, Inc., 18 IBLA 25 (1974), aff'd, Ballard E. Spencer Trust, Inc. v. Morton, 544 F.2d 1067 (10th Cir. 1976); Churchill Corp., 27 IBLA 234 (1976); Manhattan Resources, Inc., 22 IBLA 24 (1975); The Bradley Producing Corp., 15 IBLA 147 (1974); Silver Mountain Minerals, Inc., 14 IBLA 137 (1974). Appellant's failure to submit the necessary information requires rejection of its lease offer.

[2] The general rule is that reliance on erroneous or incomplete information provided by BLM employees cannot create any rights not authorized by law. 43 CFR 1810.3(a) and (c). Atlantic Richfield Co. v. Hickel, 432 F.2d 587, 591 (10th Cir. 1970). Those doing business with the Government are presumed to know the regulatory requirements. Cf. Belton E. Hall, 33 IBLA 349 (1978). Furthermore, appellant was apprised by the drawing card form that compliance with the regulations was required. He cannot rely on the failure of BLM to inform him of a serial number to excuse his noncompliance.

1/ The BLM decision states that the offer is signed by Holder Z. Klein, a mistake due to the difficulty in deciphering the handwriting. As the appeal makes clear, the offer is signed by Wallace Z. Levin. However, no evidence was submitted as to anyone's authorization to sign for the corporation; therefore, the BLM error is harmless.

Therefore, 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.

Joan B. Thompson
Administrative Judge

We concur:

Douglas E. Henriques
Administrative Judge

Joseph W. Goss
Administrative Judge

