

**Editor's note: Reconsideration granted; decision modified – See Resources Exploration and Mining Inc. (On reconsideration), 43 IBLA 89 (Sept. 19, 1979)**

RESOURCE EXPLORATION & MINING, INC.

IBLA 79-304

Decided August 2, 1979

Appeal from decision of the Utah State Office, Bureau of Land Management, rejecting oil and gas lease offer U-42450.

Affirmed.

1. Oil and Gas Leases: Applications: Generally

An oil and gas lease offer is properly rejected where the offer is neither accompanied by a statement of corporate qualifications nor makes reference to a proper serial number of a record in which such statement had previously been filed.

2. Oil and Gas Leases: Applications: Drawings

A first-drawn simultaneous drawing entry card which is defective because of noncompliance with a mandatory regulation must be rejected and may not be "cured" by submission of further information.

APPEARANCES: Robert A. Elrod, Assistant Treasurer, Exploration & Resource Mining, Inc., for appellant.

OPINION BY ADMINISTRATIVE JUDGE STUEBING

Exploration & Resource Mining, Inc., has appealed from a decision of the Utah State Office, Bureau of Land Management (BLM), dated March 2, 1979, which rejected its noncompetitive oil and gas lease offer U-42450 filed for the February Utah drawing. The State Office rejected the offer stating the offeror did not submit corporate qualification statements with the simultaneous oil and gas offer to lease or, alternatively, show a correct serial number reference where qualifying documents have previously been filed. 43 CFR 3102.4-1.

The record substantiates that appellant did not submit corporate qualifications with the lease offer and did not identify on the drawing entry card a serial record where previously filed qualifications could be found. Appellant contends in its statement of reasons that it was unable to identify a reference number for its qualifications because the Wyoming State Office had failed to notify them of a new serial reference number for their qualifications. In support of this statement, appellant submits a letter from the Wyoming State Office, BLM, dated March 21, 1979, which indicates appellant's updated qualifications had been received May 18, 1978, and were acceptable and could thereafter be referred to under serial reference number W-56943. The letter specifically notes: "This office inadvertently omitted notifying you of a change in reference numbers to be used in correspondence. In the future, please use W-56943, given above. Reference to W-885 is acceptable in offers given prior to the date shown above."

Appellant submits the current proper reference number W-56943 with its appeal and requests reconsideration of the issuance of the lease involved.

[1, 2] The Department has repeatedly held that an oil and gas lease offer is properly rejected where the offer is neither accompanied by a statement of corporate qualifications nor makes reference to a proper serial number of a record in which such statement had previously been filed. NL Industries, Inc., 41 IBLA 38 (1979); Ballard E. Spencer Trust, Inc. v. Morton, 544 F.2d 1067, 1070 (10th Cir. 1976), aff'g Ballard E. Spencer Trust, Inc., 18 IBLA 25 (1974). Moreover, where an offer has been filed for a noncompetitive lease pursuant to the simultaneous filing procedures a defective offer may not be "cured" by the filing of supplemental information after the drawing is held. Ballard E. Spencer Trust, supra; Texas American Corp., 14 IBLA 217, 219 (1974).

Appellant had a prior reference number available for its corporate qualifications which could have been used for this particular drawing. For whatever reason, it chose not to cite the prior acceptable reference number, W-885, for the required qualifications. Instead, it left the appropriate section of the drawing entry card blank. Alternatively, it could have submitted another statement with the subject offer. It may not now remedy the fatal defect and the offer must stand rejected.

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.

Edward W. Stuebing  
Administrative Judge

We concur:

Anne Poindexter Lewis  
Administrative Judge

Joseph W. Goss  
Administrative Judge

