

UNITED STATES DEPARTMENT OF THE INTERIOR
Bureau of Land Management
Oregon State Office
P.O. Box 2965
Portland, OR 97208

In Reply Refer to:
3809 (OR-932) P

January 16, 2003

EMS TRANSMISSION 01/21/2003
Instruction Memorandum No. OR-2003-034
Expires: 9/30/2004

To: District Managers (Burns, Coos Bay, Eugene, Lakeview, Medford, Prineville, Roseburg, Salem, Vale)
Attn.: Geologists, Mining Engineers

From: State Director

Subject: 43 CFR 3809 Reclamation Bond Requirements

Program Area: Solid Minerals

Purpose: This Instruction Memorandum (IM) lists acceptable financial guarantee instruments for reclamation bonds submitted under 43 CFR 3809.

Policy/Action: The BLM has consulted with the Oregon State Department of Geology and Mineral Industries to determine which of the financial instruments in 43 CFR 3809.555 are allowable under State law to satisfy the financial assurance requirements related to mining reclamation.

For mining operations administered by BLM in the State of Oregon, the following are acceptable financial guarantee instruments to cover the cost of reclamation: surety bonds, cash, irrevocable letters of credit, and certificates of deposit.

Timeframe: This policy is effective immediately.

Background: The BLM amended the surface management regulations at 43 CFR 3809 on November 21, 2000 (65 FR 70112). The amendment requires mining claimants or operators to provide BLM with a financial guarantee to cover the costs of reclamation (43 CFR 3809.552). The regulations list acceptable financial guarantee instruments, subject to State Director approval (43 CFR 3809.555).

Manual/Handbook Sections Affected: 3809 – Surface Management Manual; H-3809-1, Surface Management Handbook.

Coordination: Branch of Realty and Records Services (OR 958); Office of the Regional Solicitor.

Contact: John Kalvels, Solid Minerals Program Lead (OR-932), 503-808-6040; Nancy Diaz, Chief, Branch of Physical Sciences and Resource Data Management (OR-932), 503-808-6036.

Districts with Unions are reminded to notify their unions of this IM and satisfy any bargaining obligations before implementation. Your servicing Human Resources Office or Labor Relations Specialist can provide you assistance in this matter.

Signed by
Charles E. Wassinger
Associate State Director

Authenticated by
Mary O'Leary
Management Assistant

Distribution
WO-320 (501LS) - 1

UNITED STATES DEPARTMENT OF THE INTERIOR
Bureau of Land Management
Oregon State Office
P.O. Box 2965
Portland, OR 97208

In Reply Refer to:
3809 (OR-932) P

June 27, 2003

EMS TRANSMISSION July 2, 2003
Instruction Memorandum No. OR 2003-034, Change 1
Expires: 9/30/2004

To: District Managers (Burns, Coos Bay, Eugene, Lakeview, Medford, Prineville, Roseburg, Salem, Vale)
Attn.: Geologists, Mining Engineers

From: State Director

Subject: 43 CFR 3809 Reclamation Bond Requirements

Program Area: Solid Minerals

Purpose: This Instruction Memorandum (IM) adds assigned deposits to the list of acceptable financial guarantee instruments for reclamation bonds submitted under regulations 43 CFR 3809 in Oregon.

Policy/Action: The BLM has consulted with the Oregon State Department of Geology and Mineral Industries to determine which of the financial instruments in 43 CFR 3809.555 are allowable under State law to satisfy the financial assurance requirements related to mining reclamation.

For mining operations administered by BLM in the State of Oregon, the following are acceptable financial guarantee instruments to cover the cost of reclamation: surety bonds, cash, irrevocable letters of credit, certificates of deposit, and irrevocable assignments of deposits (e.g., savings accounts).

Miners wishing to utilize assigned deposits must provide BLM with written documentation from their financial institution describing BLM's interest in the account and stating the financial institution's acceptance of both the deposit assignment and the conditions. The documentation must include a statement that the assignor transfers all interest in the deposit amount to the BLM, with the financial institution in the name of the assignor, and that BLM has full authority to collect the deposit amount for the purposes specified (mine reclamation under 43 CFR 3809). Also, the financial institution must agree in writing to hold the deposit amount until either the assignment is released by the BLM or the deposit is paid to the BLM upon written demand. The

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BLM must be listed as the first priority security holder on the account. Assignment of a deposit as a financial guarantee instrument for a notice is limited to a maximum amount of \$15,000.

Timeframe: This policy is effective immediately.

Background: The BLM amended the surface management regulations at 43 CFR 3809 on November 21, 2000 (65 FR 70112). The amendment requires mining claimants or operators to provide BLM with a financial guarantee to cover the costs of reclamation (43 CFR 3809.552). The regulations list acceptable financial guarantee instruments, subject to State Director approval (43 CFR 3809.555).

Manual/Handbook Sections Affected: 3809 – Surface Management Manual; H-3809-1, Surface Management Handbook

Coordination: Branch of Realty and Records Services (OR 958); Office of the Regional Solicitor

Contact: John Kalvels, Solid Minerals Program Lead (OR-932), 503-808-6040; Nancy Diaz, Chief, Branch of Physical Sciences and Resource Data Management (OR-932), 503-808-6036

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Signed by
/s/ Charles E. Wassinger

Authenticated by
John Hamil
Staff Assistant

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