



UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

MANUAL TRANSMITTAL SHEET

Release

3-339

Date

2/18/2013

Subject

H-3203-1 – LEASING TERMS – APPENDIX 2

1. Explanation of Materials Transmitted: This release transmits H-3203-1, Leasing Terms, Appendix 2.
2. Reports Required: None.
3. Materials Superseded: Manual pages superseded by this release are listed under “REMOVE” below. No other directives are superseded. None.
4. Filing Instructions: File as directed below.

REMOVE

INSERT

None

H-3203-1, Appendix 2
(4 sheets)

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APPENDIX 2

New and Modified Legacy Rehost 2000 Case Types and Action Codes for Tracking Geothermal Resources Leasing and Operations under the revised Geothermal Leasing regulations and implementation of the National Lease Sale System (NLSS) Public Challenge and Stipulations Modules

The following tables provide guidance for the use of eight new and two modified Legacy Rehost 2000 (LR2000) System Case Recordation Case Types and the use of nine new and the modification of five existing Action Codes for geothermal leasing.

The Final rulemaking for 43 CFR Parts 3000, 3200, and 3280, effective June 1, 2007, implemented provisions of the Energy Policy Act of 2005 (EPAct) by amending the existing geothermal regulations. The rule restructures the existing regulations in the following areas: leasing; lease terms, conditions, and rentals; lease duration; acreage limitations; work commitment requirements; annual rental and credit of rental towards royalty; and unit and communitization agreements.

The EPAct eliminated the two-tier leasing program and replaced it with an all competitive leasing system, similar to oil and gas leasing. In addition, the rule provides for noncompetitive leasing for direct use, without sale, for purposes other than commercial generation of electricity. This revision requires a change to current data standards and Corporate Metadata Repository data elements.

**CASE TYPE CODE AND ACTION CODE
CHANGES TO
LEGACY REHOST 2000 (LR2000) FOR GEOTHERMAL
LEASING**

Modified Case Type Codes		
Case Type Codes		Description
321000	Geothermal Lease (NONCOMPETITIVE)	For pre-Energy Policy Act (EPAcT) leases and EPAcT grandfathered lease applications that are issued after 08/08/2005 that do not convert.
322000	Geothermal Lease (COMPETITIVE)	For pre-EPAcT competitive leases only.

New Case Type Codes		
Case Type Code		Description
321200	GEOLEASE- NONCOMPETITIVE	EPAcT noncompetitive lease (2-year window).
321300	GEOLEASE- NONCOMPETITIVE CONVERTED	Noncompetitive lease or grandfathered lease application issued after 08/08/2005 that elect to convert to new lease terms or royalty.
321400	GEOLEASE- NONCOMPETITIVE DIRECT USE	EPAcT lease issued for direct use only.
321500	GEO LEASE-MINING CLAIMANT	EPAcT noncompetitive lease issued to mining claimant with a current approved plan of operations.
322200	GEOLEASE- COMPETITIVE	EPAcT competitive lease issued after 08/08/2005.
322300	GEOLEASE- COMPETITIVE CONVERTED	Pre-EPAcT competitive lease that is converted to new lease terms or royalty.
322400	GEOLEASE- COMPETITIVE DIRECT USE	EPAcT lease application that had competitive interest and was issued
323000	GEO NOMINATION	EPAcT nomination for competitive leasing, use only for geothermal resources.

Modified Action Codes		
Action Code		Description
217	SIGNIFICANT EXPEND MET	Enter date of approval of significant expenditures for pre-EPA leases, EPA leases, and those leases converted. Enter appropriate lease year in action remarks. For diligent exploration expenditures use AC 220.
235	EXTENDED	No changes were made, but were considered.
763	EXPIRES	Added EPA leases to Action Code.
238	LEASE MODIFIED- AMENDED	Modified Case Types 321000 and 322000 and added case types only for leases that convert to new lease terms or royalty between dates of 06/01/2007 and 12/01/2008.
536	RLTY RATE- OTHER	Added for case group 32 leases enter royalty on solid leasable by products under 30 USC 181 and for non-arms length sale of resource.
607	PUBLIC NOTICE POSTED	Added enter lease application date for 90-day posting for case types 321400 (direct use noncompetitive) and 322400 (direct use competitive).

New Action Codes		
Action Code		Description
027NEW	INITIATED BY SECRETARY	Enter date decision is signed by authorized officer to initiate formation of unit agreement.
028 NEW	ROYALTY RATE- 1.75%-3.5%	Enter effective date of lease. Royalty rate is 1.75% for first 10 years of production and 3.5% thereafter for EPA leases and converted noncompetitive pre-EPA leases and grandfathered lease applications that are issued after 08/08/2005.
029 NEW	PRODUCTION FEE SCHEDULE	Enter date production began for direct use production using ONRR Fee Schedule.
030 NEW	PRODUCTION INCENTIVE FILED	Enter date production incentive request is received. Use for pre-EPA leases and grandfathered lease applications that are issued after 08/08/2005.
031 NEW	PRODUCTION INCENTIVE APPROVED	Enter date production incentive request is approved. Use for pre-EPA leases and grandfathered lease applications that are issued after 08/08/2005.
032 NEW	PRODUCTION INCENTIVE DENIED DENIED	Enter date production incentive request is denied. Use for pre-EPA leases and grandfathered lease applications that are issued after 08/08/2005.
033 NEW	PRODUCTION INCENTIVE EXPIRES	Enter date production incentive expires. For pre Use for pre-EPA leases and grandfathered lease applications that are issued after 08/08/2005.
034 NEW	LEASE REQUIRED TO JOIN UNIT	Enter date decision requiring a lease to join a unit.

<p>035 NEW</p>	<p>NOMINATION FEE RECEIVED</p>	<p>Enter date that fee is received with nomination for competitive geothermal leasing. This is normally a nonrefundable fee. For the Collections & Billing System (CBS), a fee of \$100 plus \$0.10 per acre must accompany the nomination filing. This fee will be received into the following Commodity, Subject, Action (CSA) in CBS.</p> <p>C: Geothermal S: Competitive A: Nomination Fee (5104)</p> <p>Project Code: GEOT (Note: The Project Code is hard coded within CBS so no entry is necessary.) Authorization Number: The Serial Number associated with the nominated lands must be entered into the Authorization Number Field.</p> <p>The funds received for the Nomination will interface to case information in LR2000 Case Recordation via LR2000 Action Code 035 (Nomination Fee Received).</p>
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