

H-3106-1 - TRANSFERS BY ASSIGNMENT, SUBLEASE, OR OTHERWISE

Format for Returning Liens/Mortgage Agreements



IN REPLY REFER TO

United States Department of the Interior
BUREAU OF LAND MANAGEMENT

3106 (Office Code)
Serial No.

Doe & Doe, P.C.
Attn: James M. Doe
100 Doe Place
Billings, MT 59101

Dear Mr. Doe:

On (Date), you submitted a Certified Copy of a Lien Statement, filed as No. 1989 in the Records of Carbon County, Montana on (Date), relating to a lien of your client, Smith Laboratories, Inc. against ABC Oil Corporation, lessee of oil and gas lease (Serial number).

You also recommended this office require a satisfaction of the lien prior to allowing an assignment of the lease by ABC Oil Corporation.

We are returning the instrument based on advice from the Regional Solicitor's office in Denver relating to claims to an interest in a lease by third parties. A copy of that memorandum is enclosed. We direct your attention particularly to the second page of the memorandum which states in part, "Protection by the Bureau of Land Management of third party interests, e.g. mortgagee, may seriously impede implementation of the purpose of the Mineral Leasing Act of 1920. Thus, the general rule should be to refuse mortgage documents for filing in the mineral lease files and to advise the mortgagee that his rights will not be protected by the Bureau of Land Management."

Sincerely yours,

Authorized Officer

Enclosures

Distribution: