**Competitive Lease Notification Template**

In Reply Refer to

3120 (Office Code)

Case Serial No.

CERTIFIED MAIL—RETURN RECEIPT REQUESTED

NOTICE

Lessee     : Oil and Gas

Address     :

Address     :

Correction to Lease Terms

Additional Rental Required

*\_\_(Lessee)\_\_\_* was the high bidder for parcel no. \_\_\_\_\_\_\_\_ at the Competitive Oil and Gas Lease Sale held \_\_\_\_*(date)*\_\_\_.  The Inflation Reduction Act of 2022 (Pub. L. No. 117-169) became law on August 16, 2022. This Act, which amended the Mineral Leasing Act of 1920, requires that all competitive leases issued after the date of enactment must include increased rental and royalty rates.

Royalty Rate: 16.67 percent

Rental Rate: $3.00 per acre, or fraction thereof, for the first 2 years; $5.00 per acre, or fraction thereof, for lease years 3 through 8; and $15.00 per acre, or fraction thereof, thereafter.

The BLM cannot issue this lease unless you accept the new lease terms. In addition, an additional rental in the amount of $\_\_\_\_\_\_\_\_\_\_ is required, as illustrated below:

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  (Example) | Acres  | Rental Paid @ $1.50/Acre  | Rental Required @ $3.00/Acre  | Total Rental Due  |
| Listed Acres  | 1,480.01  | $2,221.50  | $4,443.00  | $2,221.50 |

You have 30 calendar days from receipt of this notice to return a signed copy of the amended lease terms and submit the statutory additional rental of $\_\_\_\_\_\_\_\_.  If you refuse the amended lease terms rather than accepting them and paying the additional rental, the BLM will not issue the lease and will refund the bonus bid and advanced rental paid on \_\_\_\_*(date)*\_\_\_ to the remitter.  The BLM may then reoffer the lands at a future competitive sale.

This is an interlocutory notice from which no appeal may be taken.  If compliance is not made within the time allocated, a final decision rejecting the lease offer will be issued that may be appealed.

If you have any questions regarding this notice, please call  *(author’s name)* , at  *(telephone  number)* , or write to the attention of  *(office code)* , at the address shown on the letterhead or send questions by fax to   *(fax  number)* or electronically to *(author’s  e-mail address)* .

Authorized Officer

Enclosure:

Amended Lease Terms

Distribution:

   Lessee

Enclosure:

United States

Department of the Interior

Bureau of Land Management

Oil and Gas Lease Amendment

Serial Number:

Pursuant to the provision of the Inflation Reduction Act, Pub. L. No. 117-169 (August 16, 2022) the offeror agrees to new lease terms increasing rental and royalty rates as follows:

Rental Rate: $3.00 per acre, or fraction thereof, for the first 2 years; $5.00 per acre, or fraction thereof, for lease years 3 through 8; and $15.00 per acre, or fraction thereof, thereafter.

Royalty Rate: 16.67 percent

This amendment, to be attached to and made part of the lease, is effective as of the effective date of the lease.

 The United States of America

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ BY\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Offeror Signature of Authorized Officer

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Date Title

 \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

 Date