

65A-6-5 Division may withdraw lands from leasing -- Mineral lease application procedures.

- (1) The division may at any time withdraw state lands from leasing.
- (2) Lands that are not encumbered by a current mineral lease for the same resource, a withdrawal order, or other division rule prohibiting the lease of the lands, shall be offered for lease as provided in this section.
- (3) A notice of the land available for leasing shall be posted in the office of the division. The notice shall:
 - (a) describe the land;
 - (b) indicate what mineral interest in each tract is available for leasing; and
 - (c) state the last date, which shall be no less than 15 days after the notice is posted, on which bids may be received.
- (4)
 - (a) Applications for the lease of lands filed before the closing date stated in the notice shall be considered to be filed simultaneously.
 - (b) The applications shall be:
 - (i) submitted in sealed envelopes; and
 - (ii) opened in the office of the division at 10:00 a.m. of the first business day following the last day on which bids may be received.
 - (c) Leases shall be awarded to the highest responsible, qualified bidder, in terms of the bonus paid in addition to the first year's rental, who submitted a bid in the manner required.
 - (d)
 - (i) In cases of identical bids of successful bidders, the right to lease shall be determined by drawing.
 - (ii) The drawing shall be held in public at the office of the division.
- (5)
 - (a) At the discretion of the division, mineral leases may be offered at an oral public auction.
 - (b) The division may set a minimum bid for a public auction.
- (6) The division may award a mineral lease without following the competitive bidding procedures specified in Subsections (3) and (4) or conducting an oral public auction, if the mineral lessee waives or relinquishes to the state a prior mining claim, mineral lease, or other right which in the opinion of the division might otherwise cloud the title to any of those lands.
- (7) Following the awarding of a lease to a successful bidder, deposits, except filing fees, made by unsuccessful bidders shall be returned.
- (8)
 - (a) Lands acquired through exchange from the federal government shall be subject to the vested rights of unpatented mining claimants under the Mining Law of 1872, as amended, and other federal vested rights, both surface and minerals.
 - (b) This provision does not prevent the state from negotiating the accommodation of vested rights through any method acceptable to the parties.
- (9) The division may lease lands in the order in which applications are filed if:
 - (a) the division offers newly acquired or existing state lands for lease for mineral purposes according to the procedures in Subsections (3) through (6) and the lands are not leased; or
 - (b) a period of time of one year or more has elapsed following:
 - (i) a revocation of a withdrawal; or
 - (ii) the date an existing mineral lease is canceled, relinquished, surrendered, or for any reason terminated.

Amended by Chapter 294, 1994 General Session

