



United States Department of the Interior

OFFICE OF THE SECRETARY
WASHINGTON, D.C. 20240

JUN 30 2005

The Honorable Richard W. Pombo
Chairman, Committee on Resources
House of Representatives
Washington, DC 20515

Dear Mr. Chairman:

The Department of the Interior is filing this report to comply with the requirements in the Consolidated Appropriations Act of 2005 ("Appropriations Act") regarding mining claim location and maintenance fees.

On July 1, 2004, the Department of the Interior adjusted the location and maintenance fees for mining claims and sites based upon the Consumer Price Index (CPI), as required by the Mining Law. See 69 Fed. Reg. 40,294. The Department increased the location fee from \$25 to \$30 and increased the annual maintenance fee from \$100 to \$125. The December 8, 2004, Appropriations Act rolled back these location and maintenance fees to the levels they were before the Department's regulatory changes on July 1, 2004. This meant that, as of December 8, 2004, the location fee was rolled back from \$30 to \$25 per new location and the annual maintenance fee was rolled back from \$125 to \$100 per mining claim or site. The Appropriations Act also provided that the fees would return to their increased levels when the Department met certain conditions, including establishing a mining plan of operations tracking system and filing a report with Congress regarding the length of time it takes the Department to approve proposed mining plans of operations and recommending steps to reduce current delays. This letter and the enclosed documents fulfill the reporting requirement in the Appropriations Act and notify Congress that the Department has established a mining plan of operations tracking system. Consequently, the higher location and maintenance fees become effective today, and we will be publishing a notice in the *Federal Register* on or before July 1, 2005, to advise mining claimants of the increase.

Mining Plan of Operations Tracking System

Section 120 (b) of the Appropriations Act states: *ESTABLISHMENT OF PERMIT TRACKING SYSTEM--The Department of the Interior shall establish a nationwide tracking system to determine and address the length of time from submission of a plan of operations to mine on public lands to final approval of such submission.*

The Honorable Richard W. Pombo

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Since the passage of the Appropriations Act, the Bureau of Land Management (BLM) Washington Office (WO) and the BLM Denver Land & Resources Project Office have been reprogramming the Legacy Re-host 2000 (LR2000)/case recordation system to establish a tracking system. On April 14, 2005, BLM issued IM 2005-126 (Enclosure 1) describing new data standards and field office responsibilities in updating all active and pending plans of operations case files. With these changes in record keeping, LR2000 will track the length of time it takes the Department to approve a mining plan of operations, to complete the National Environmental Policy Act process, and to adjudicate bonds and appeals.

Length of Time to Approve Proposed Mining Plans of Operations

Section 120 (e) of the Appropriations Act states: *REPORT- Within 1 year of enactment, the Department shall file a detailed report with the House and Senate Committees on Appropriations and the Committee on Resources of the House of Representatives and the Committee on Energy and Natural Resources of the Senate providing detailed information on the length of time it takes the Department to approve proposed mining plans of operation and recommending steps to reduce current delays.*

BLM examined the LR2000 serial register pages for plans that BLM approved over a six year period from June 1, 1999, to June 22, 2005. Enclosure 2 is a graphical representation of this study for plans approved within the aforementioned time frame. Enclosure 3 is the graphical representation of this study on a State-by-State basis.

Recommendations to Reduce Current Delays

BLM has identified five primary areas where delays in the processing of mining plans of operations may occur. They are: (1) consultation/coordination with other entities, such as States, tribes, or other agencies; (2) staffing losses; (3) priority of processing mining plans of operation with other BLM priority workloads; (4) experience level of BLM minerals personnel reviewing and processing mining plans of operations; and, (5) delays that are caused by the plan of operation proponent. These areas and possible solutions are discussed fully in Enclosure 4.

An identical letter is being sent to the Committees on Appropriations and Resources of the House of Representatives and the Committee on Energy and Natural Resources of the Senate.

The Honorable Richard W. Pombo

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If you need additional information regarding this matter, please contact Mr. Ted Murphy, Group Manager, Solid Minerals Group, at 202-452-0351.

Sincerely,

A handwritten signature in cursive script, appearing to read "Rebecca Watson".

Rebecca Watson
Assistant Secretary
Land and Minerals Management

Enclosures

UNITED STATES DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
WASHINGTON, D.C. 20240

April 14, 2005

In Reply Refer To:
3809 (WO320) I

EMS TRANSMISSION 04/15/2005
Instruction Memorandum No. 2005-126
Expires: 09/30/2006

To: All Field Officials
From: Assistant Director, Minerals, Realty, and Resource Protection
Subject: Data Standard Changes for Surface Management Plans of Operations
(Case Types 380210, 380910 and 381402) DD: 06/03/2005

Program Area: Mining Law Administration (1990) --- Surface Management

Purpose: This Instruction Memorandum (IM) provides guidance and direction for changes to the 3809 Data Standards for Plan of Operation Case Types (380210, 380910 and 381402). These changes are necessary for the creation of a Bureauwide tracking system that will compute timelines for specific actions related to the processing of Plans of Operations (PoO) for mining law cases.

Action: As stated above, the tracking system will enable monitoring through timelines for several PoO actions (items that may impact processing PoOs). It is now mandatory that these actions be included or added to all currently pending and authorized PoO cases, and for all new PoO cases. Attachment 1 is a list of all of the actions and actions codes that are now mandatory and necessary for the development of the new tracking system. The attachment lists the mandatory action codes, a description of each action code, and identifies if the action code is a new code.

Additional Data Standard Changes

To create the new tracking system, some historical action codes were eliminated or changed. These changes were necessary because of conflicts across BLM programs and case types that used the same action codes. Attachment 2 lists the action code changes and modifications for 3809 PoOs.

Additionally, the "Document Number Field" is a new entry that will be required when inputting the actions codes outlined in Attachment 1 and 2. This entry will enable LR2000 to differentiate between two or more occurrences of the same action in a single case. *This field will require that*

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consecutive numbers or alpha characters (depending on the action code) be entered in LR2000 for each occurrence of the same type of action for a single case. Additional instructions for the document number field are provided in Attachment 3.

What is needed from Denver Project Office and BLM Field Offices

Mass Action Changes

The BLM Denver Land & Resources Project Office will initiate a mass data change on April 22, 2005. This mass data change will make a one time change of action codes in currently authorized and pending 3809 PoO cases. The specific action codes that will be changed are shown in Attachment 4. These action codes are being changed because their current uses in the 3809 PoO case types and in other programs are not compatible with those that are needed for establishing the new 3809 tracking system. This will be a one time mass change; all future cases must have the new action codes manually entered into LR2000 as the cases are being established or processed. During the Mass Action change, Action Code 915 (Operations Authorized) will be added to all cases that contain Action Code 909 (Bond Accepted).

The system will not allow the entering of the old action codes after April 22, 2005. Attachment 4 identifies those action codes that will be locked out of LR2000 for 3809 PoO case types.

Data Clean up and Entry

After the mass action change occurs, field offices will still have to complete additional clean up and data entry to ensure that an accurate report can be generated. During the development of the tracking system, a number of action code errors were discovered. These errors will have to be corrected in order for the tracking system to work. Attachment 5 identifies several rules and new data standard guidelines that must be followed. Attachment 6 is a list of PoO cases (along with serial numbers) in which errors have been identified that will have to be cleaned up.

Case file data clean up and entry must be completed by June 3, 2005.

To maintain a case file record, all data should be routinely entered within five working days of each action.

Summary

This IM specifically addresses those action codes that are now mandatory for the creation of the PoO tracking system. The revised data standards for the mandatory action codes for 3809 Surface Management PoO cases are listed in Attachment 7. Additionally, it must be understood that the action codes and changes identified in this IM should be used in conjunction with other established action codes as outlined in the LR2000 data dictionary 2910 and the LR2000 data standards.

Time Frame: Effective Immediately. Case Recordation data must be revised by June 3, 2005.

Budget Impact: Unknown

Background: The December 8, 2004, Consolidated Appropriations Act rolled back the increased mining claim location and maintenance fees to the fee amounts in effect prior to September 1, 2004. The location and maintenance fees may not be increased until BLM has complied with Congress' request to establish a tracking system to determine the length of time it takes to approve a PoO and submit a report to Congress. To accomplish this Congressional mandate, LR2000 data standards for PoOs must be changed. The new data standards will track the length of time for PoO approvals, NEPA development and approval, bond adjudication, and appeals.

State Data Administrator and Surface Management program leads at the State office should help and support Field offices in completing this task.

Coordination: Washington Office Solid Minerals Group with the Denver Project Office and Field Data Stewards.

Contact: Mitchell Leverette, Deputy Group Manager Solid Minerals, at 202-452-5088, or Scott Murrellwright, at 202-785-6568 or Andrea Hauger, Case Recordation User Representative (Denver) at 303-236-0535.

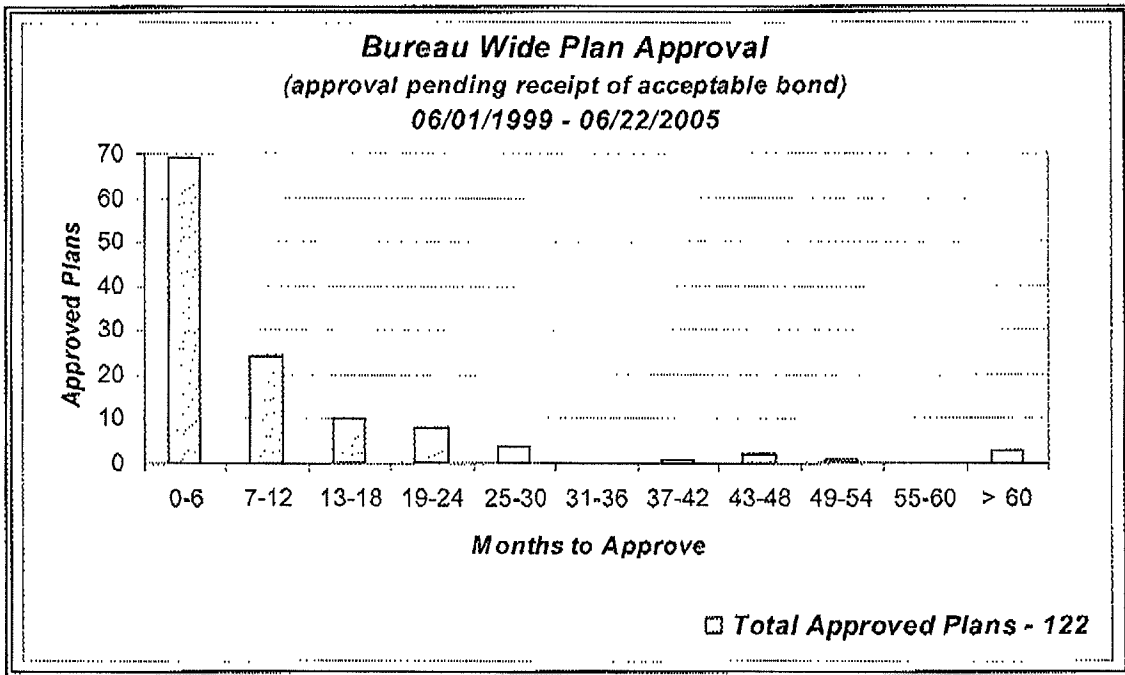
Signed by:
Tom P. Lonnie
Assistant Director
Minerals, Realty and Resource Protection

Authenticated by:
Barbara J. Brown
Policy & Records Group, WO 560

7 Attachments

- 1 - Action Codes Used to Generate LR2000 Tracking Report (1p)
- 2 - New/Modified Action Codes (1p)
- 3 - Document Number Field Information (2 pp)
- 4 - Mass Data Change Rules (1p)
- 5 - Data Clean Up Rules and Guidance (1p)
- 6 - Cases that need modifying (4 pp)
- 7 - Mandatory Action Codes for 3809 PoOs (4 pp)

*Bureau Wide Plans of Operations
LR2000 Data*



BLM Plans of Operations LR2000 Data By State

Figure 1

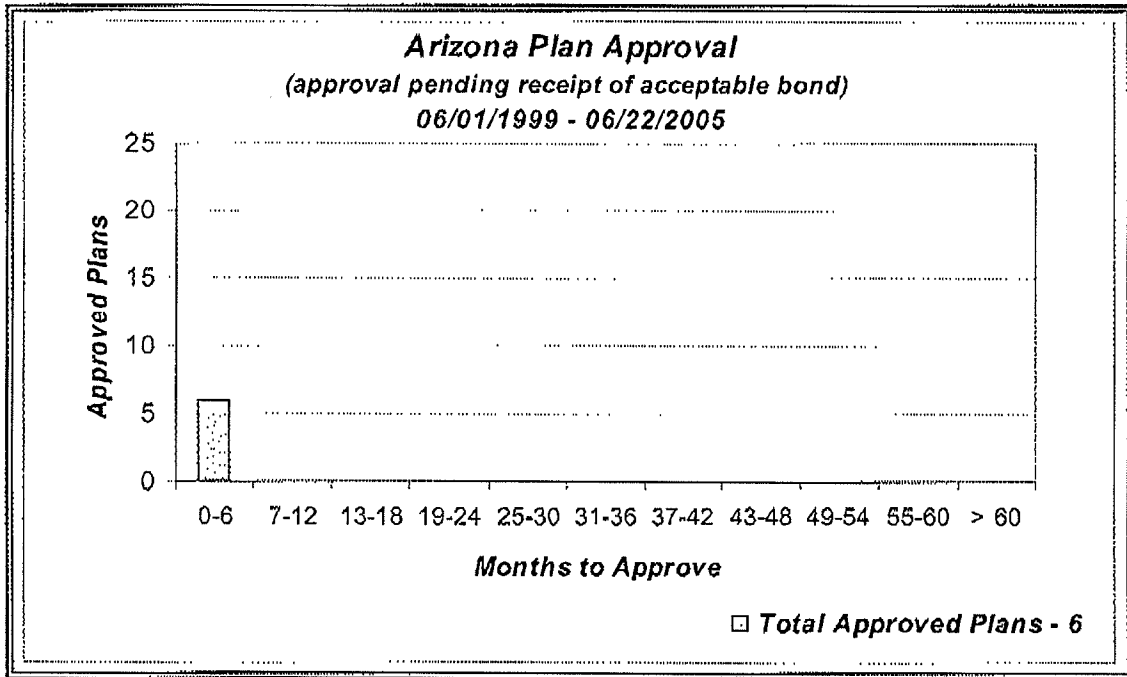
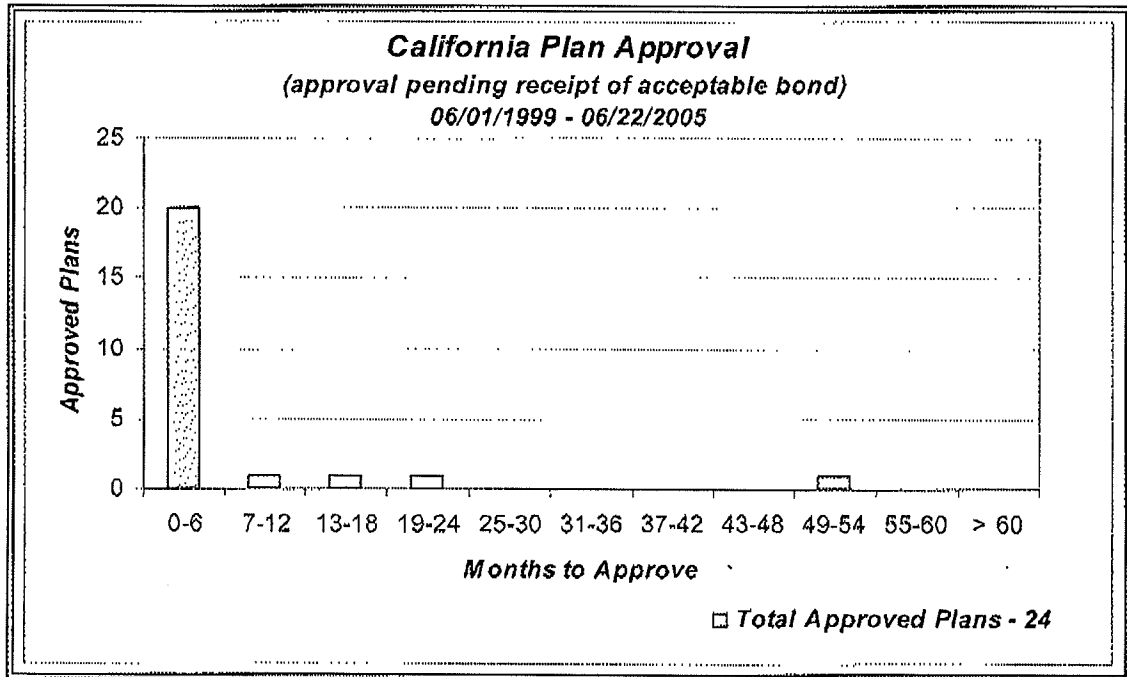


Figure 2



BLM Plans of Operations LR2000 Data By State

Figure 3

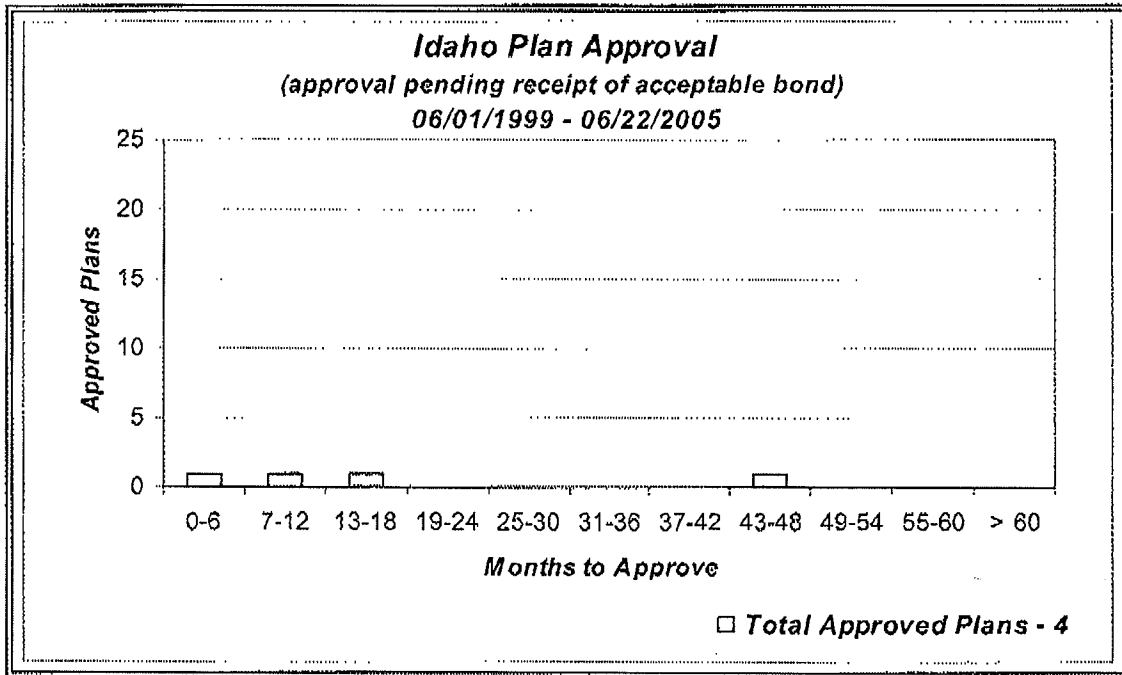
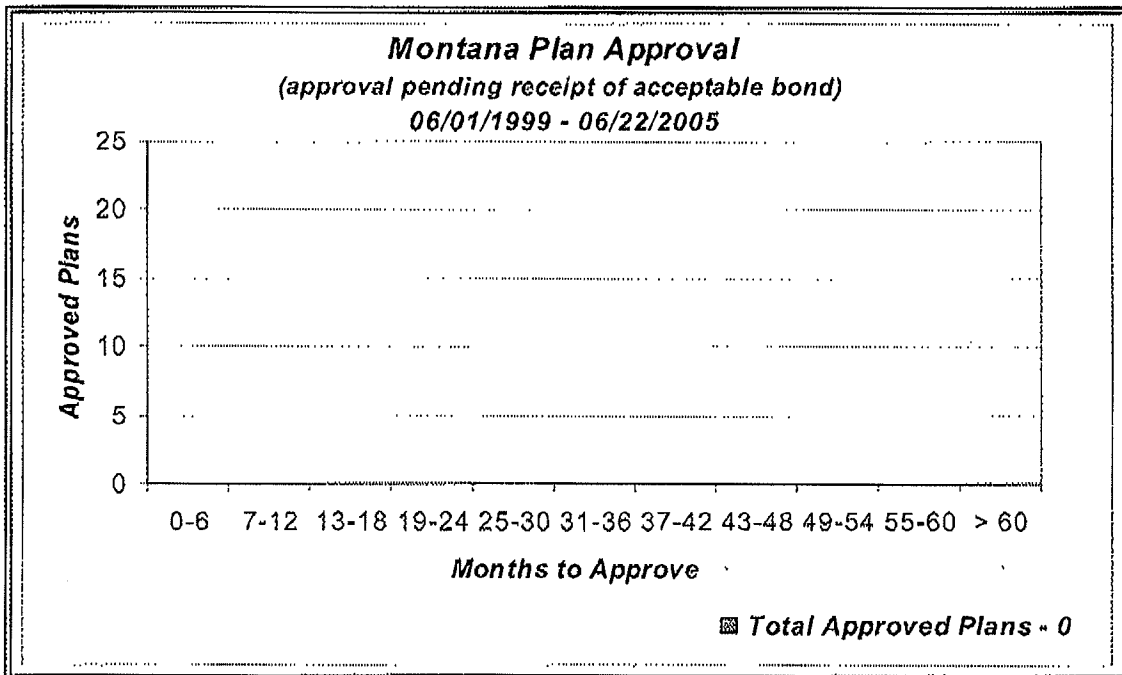


Figure 4



BLM Plans of Operations LR2000 Data By State

Figure 5

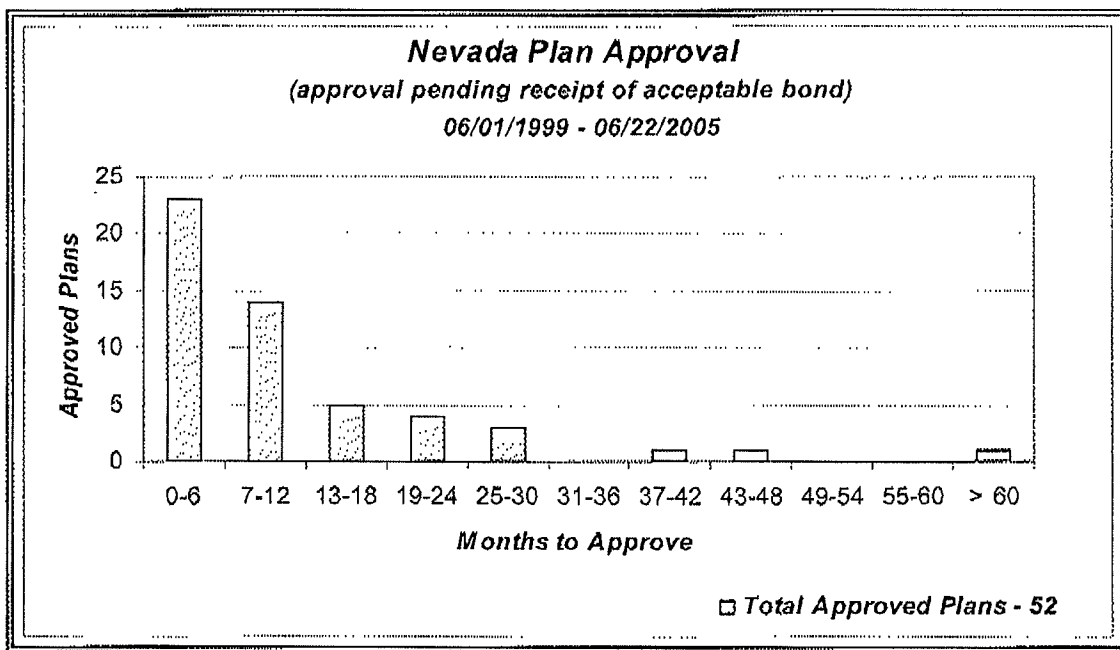
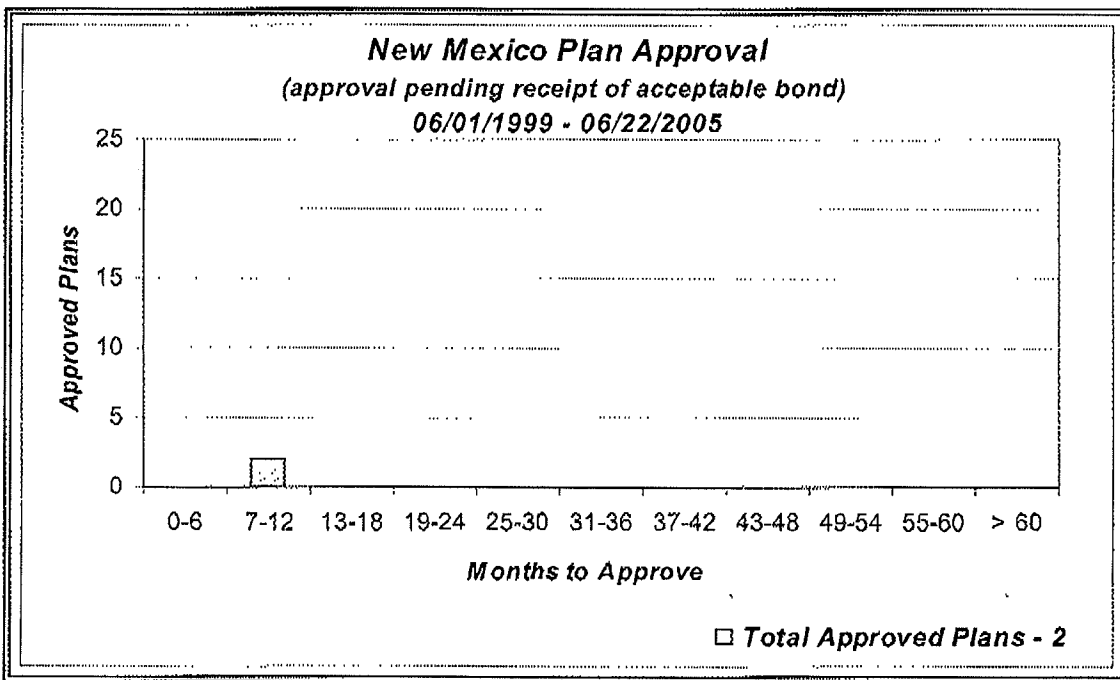


Figure 6



BLM Plans of Operations LR2000 Data By State

Figure 7

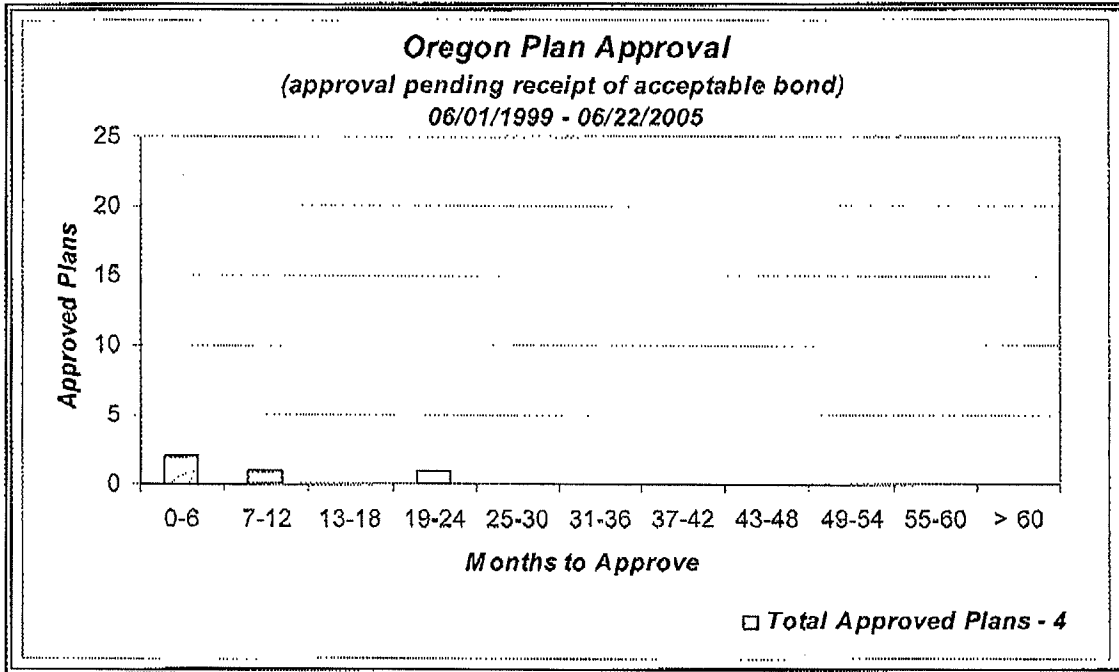
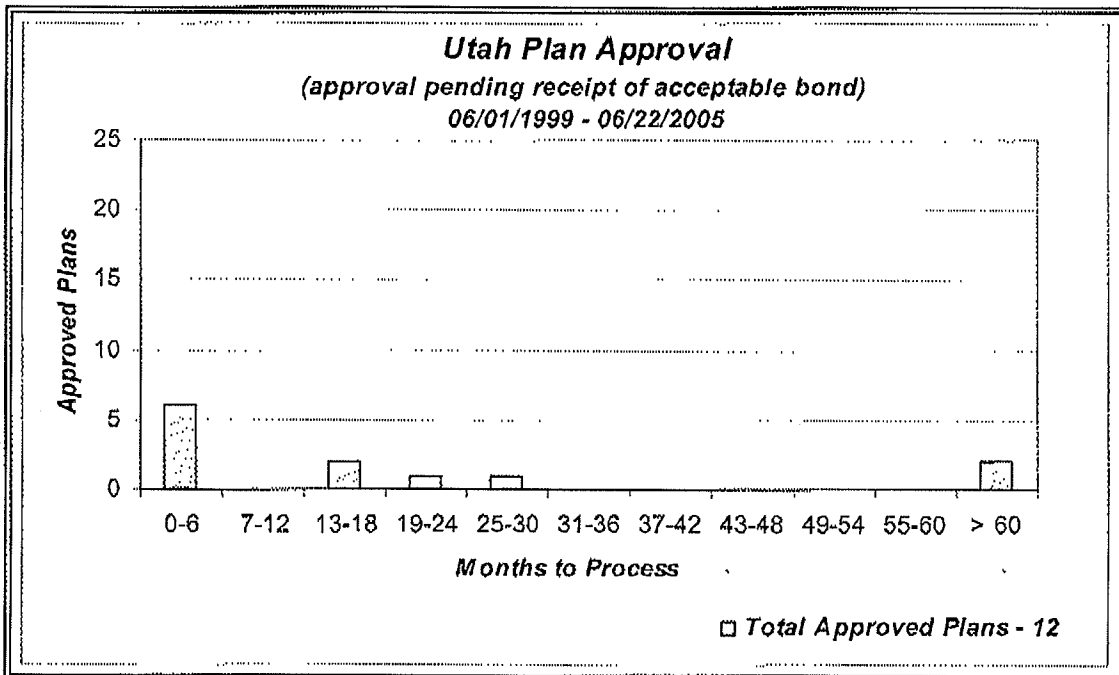
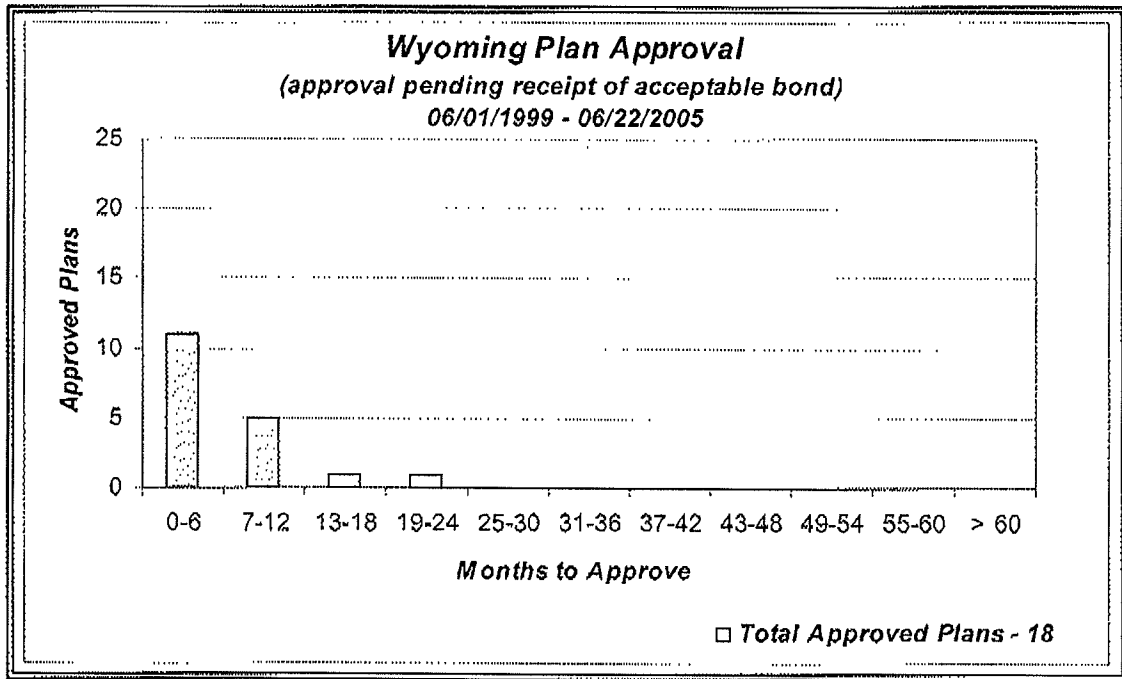


Figure 8



*BLM Plans of Operations LR2000 Data
By State*

Figure 9



**Recommendations for Reducing Delays in the Processing of
3809 Mining Plans of Operations**

1. Consultation/coordination with other entities

Cause for delay – The National Environment Policy Act (NEPA) and various other statutes require that BLM consult and coordinate with a variety of other government agencies, the states, and the tribes during the processing of mining plans of operations. Few of these mandatory consultations/coordinations have time limits placed on how quickly the other entities must respond to BLM's contacts. These consultation periods can cause delays in some instances.

Solution – BLM will continue to improve interagency relationships, continue to initiate the consultation/coordination process at the earliest opportunity, and attempt to negotiate reasonable timelines during the initial stages of the consultation/coordination process to improve processing times for plans of operation.

2. Staffing Losses

Cause for delay – Many offices are not backfilling positions as they are vacated by retirements or transfers.

Solution – A portion of the increased location and maintenance fees revenue could be used to attain and maintain adequate staffing levels needed to review, analyze and approve plans of operation. Sharing personnel between offices and states as necessary to review and process mining plans of operation in a timely manner could be encouraged.

3. Elevating the priority of processing mining plans of operation

Cause for delay – Some BLM offices routinely assign a higher priority to planning and energy related proposals than they do to processing mining plans of operations.

Solution – BLM will continue to emphasize that the processing of mining plans of operations is a national priority and on a par with planning and energy related proposals.

4. Experience level for BLM minerals personnel

Cause for delay – The offices that have backfilled their minerals positions have often had to hire people with little or no experience in processing mining plans of operations. The new hires may have years of industry experience, and even if they worked in permitting from the industry viewpoint, this experience is not very helpful when processing a regulatory plan of operation. The lack of experience can lead to longer processing times for mining plans of operations, especially considering the increasing complexity of mining plans of operations.

Solution – BLM could offer the Locatable Minerals Surface Management course more frequently. Managers should be encouraged to send their newer employees to get needed training at the BLM National Training Center to improve their proficiency in processing plans of operations. BLM should encourage managers to cooperate with other offices so that new employees can obtain on-the-job training in critical tasks, such as processing mining plans of operations, from experienced personnel. This may entail details to other states.

5. Delays that are caused by the plan of operation proponent.

Cause for delay – Once the initial 30-day review of a mining plan of operations is completed, if the plan is found to be incomplete, BLM must request additional information from the plan proponent. Plan proponents often take a long time to respond to requests for additional information. When BLM receives the additional information, BLM must review all or a portion of the package again if the additional information requested was significant. Although the proponent is responsible for submitting a complete plan of operations, the proponent may perceive the amount of time it takes for BLM to request additional information and to analyze that information as a delay on the part of BLM. The information required in a plan of operations is specified at 43 CFR 3809.401(b).

Upon approval by the BLM of a mining plan of operations the proponent is informed of the amount of bond required and provided a list of acceptable bond instruments. Although it is the proponent's responsibility to submit an acceptable bond, some proponents may see the time it takes them to acquire an acceptable bond to be a delay on the part of the BLM.

Solution – Improving communications with the proponent will help to reduce the proponent's perception of delay on the part of BLM. BLM's Nevada State Office has a project that is an example of BLM's efforts to improve communication with the plan proponents. BLM Nevada is currently preparing a brochure entitled "BLM Mine Permitting Process." The intended purpose of this brochure is to improve communication with proponents that file mining plans of operations and the general public so that they understand more fully the process that BLM must follow when processing a plan of operations. The brochure also stresses the proponent's responsibilities for submitting a complete plan of operations and an acceptable bond in a timely manner.