

INDIAN AFFAIRS DIRECTIVES TRANSMITTAL SHEET

(modified DI-416)

DOCUMENT IDENTIFICATION NUMBER NPM-TRUS-13	SUBJECT National Mineral Acquisition Policy	RELEASE NUMBER # 07-01
FOR FURTHER INFORMATION Indian Land Consolidation Center, BIA		DATE JUN 14 2007

EXPLANATION OF MATERIAL TRANSMITTED:

Pursuant to the 130 DM 3.4, the Indian Land Consolidation Center is responsible for establishing land consolidation polices, providing technical advice and assistance to Regions with regard to the implementation of the land acquisition program. The Center is also responsible to provide oversight, direction, monitoring and program evaluation for the Indian Land Consolidation Program.

Attached is a policy concerning the land consolidation program that is effective as stated in the memorandum. The attached policy applies only to land sale transactions involving the Indian Land Consolidation Program pursuant to the 1983 authority of The Indian Land Consolidation Act, as amended in 2000 and 2004. Please assure that the appropriate Agency Superintendent, BIA and contract staff receive a copy of the policy (policies) and implement them immediately.

Please direct any questions to the Indian Land Consolidation Center at (715) 682-0310.



W. Patrick Ragsdale
Director, Bureau of Indian Affairs

FILING INSTRUCTIONS:

Remove: None

Insert: NPM-TRUS-13 (New)



United States Department of the Interior

BUREAU OF INDIAN AFFAIRS
Washington, D.C. 20240



IN REPLY REFER TO:

National Policy Memorandum

Bureau of Indian Affairs
Director

Number: NPM-TRUS-13

Effective: June 14, 2007

Expires: June 14, 2008

Title: Acquiring Fractionated Mineral Ownership Interests

1. Purpose

The purpose of this policy is to implement a uniform policy to acquire fractional (subsurface) mineral interest(s) by the Indian Land Consolidation Program (ILCP) in order to reduce the number of fractional (subsurface) mineral interest(s).

The American Indian Probate Reform Act of October 27, 2004 (118 Stat. 1773), referred to as "ACT", amended P.L. 106-462, the Indian Land Consolidation Act of November 7, 2000 (114 Stat. 1991), and made the ILCP a permanent program. Section 213 of the "Act", authorizes the Secretary of the Interior (the Secretary) to acquire fractionated land interests (both surface and subsurface) in trust or restricted land from individual owners at Fair Market Value (FMV). Section 215 of the "Act" allows the Secretary to develop a system for establishing the FMV and such a system may govern the amount offered to the land interest owner.

In April 2003, the Bureau of Indian Affairs (BIA) established the Indian Land Consolidation Center (ILCC) (DM 130.3) to provide policy guidance, establish procedures and manage ILCP as it expanded nationally. ILCC is leading the efforts to purchase fractional interests (both surface and subsurface) in trust or restricted lands from willing sellers.

ILCP has, since its inception in April 1999, emphasized the acquisition of small fractionated interests, both surface and subsurface (mineral) interests, which represent 2 percent or less of a parcel of trust or restricted land. Nationally, there are approximately 1,136,000 mineral interests. Of those, approximately 835,000 are 2% or less. In the past, the Bureau of Land Management (BLM) has provided a number of Mineral Reports that would identify geological potential for mineral interests. Many of these Mineral Reports have established a "nominal" value for the mineral interests. Recently, the Office of Minerals Evaluation (OME) has been given the responsibility to provide Mineral Potential Assessments (MPA) and Mineral Appraisals (MA) to the ILCP. If that office issues an MPA that indicates there is no mineralization on a tract that has current economic value, the ILCC interprets that statement to mean the FMV of the mineral interest is zero. Experience has shown the ILCC that applying a zero value to a minimal interest generally results in the interest being excluded from the sale by the seller.

NPM-TRUS-4 dated 5/20/05 and reissued on 7/18/06 by the Director, Bureau of Indian Affairs establishes a price per acre for nominal value mineral tracts. Implementation of a uniform policy, at all sites where the ILCP is actively purchasing, will allow Central Acquisition Centers, to offer the mineral interest owner, a consistent supported value for nominal/no value interest(s). The end result is to reduce the number of fractionated subsurface mineral interests affecting trust lands through purchase.

2. Scope

This policy applies to all regions where the ILCP can acquire fractional land interest(s).

3. Policy

Effective immediately the following mineral acquisition policy is in affect for all ILCP locations. For purposes of acquiring mineral interests utilizing ILCP funding, a value of \$7.50 per acre is established for mineral interests. This policy shall apply only to mineral interests identified in a Mineral Assessment that has been provided by OME and only for those tracts that OME has determined to be of "nominal" or "no current economic" value.

4. Roles and Responsibilities

Director, Bureau of Indian Affairs (BIA). The BIA Director is responsible for the development of National Policy affecting Indian lands.

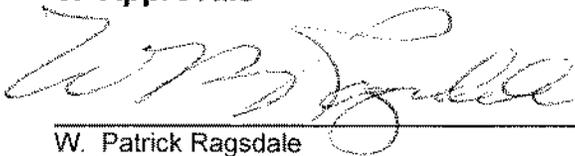
Director, Indian Land Consolidation Center. The ILCC Director is responsible for coordinating the Bureau's nationwide program to consolidate fractionated interests in Indian lands pursuant to statutory requirements.

Deputy Director, Field Operations, BIA. The BIA Deputy Director of Field Operations is responsible for overseeing the Regional Directors and disseminating policy to them.

Deputy Director, Trust Services, BIA. The BIA Deputy Director of Trust Services is responsible for assisting in the dissemination of trust resource policy and information to the Regional Directors.

Regional Directors, BIA. The BIA Regional Directors are responsible for carrying out policy as directed, and for overseeing the implementation of policy either directly or via Agency Superintendents.

5. Approvals



W. Patrick Ragsdale
Director, Bureau of Indian Affairs

JUN 14 2007

Date