

Administrative Order

No. 46

July 15, 1993

SUBJECT : Extension of Mining Production Operations in Areas Covered by Expired Leases, Operating Agreements, Quarry Permits/Licenses and Sand and Gravel Permits Applied for Mineral Production Sharing Agreement (MPSA).

In order to provide continuity of mining production operations in areas covered by expired leases, operating agreements, quarry permits/licenses and sand and gravel permits applied for Mineral Production Sharing Agreement (MPSA) and in line with the thrust of the government to provide remedial measures for the revitalization of the mining industry and support the on-going construction industry, the following rules and regulations are hereby promulgated for the guidance of all concerned:

Section 1. All holders of expired mining leases, operating agreements, quarry permits/licenses and sand and gravel permits covering more than twenty hectares (20) who have voluntarily applied for Mineral Production Sharing Agreements (MPSA) prior to their expiration may continue such operation without securing Interim Mines Permits for a maximum period of one (1) year or until such time that their MPSAs are approved, whichever comes first, subject to the following conditions:

- a. That the production operation is actually going on for at least one (1) year before the expiration of the lease, operating agreement, quarry permit/license and sand and gravel permit.
- b. That the aforesaid holders have no record of any violations of the terms and conditions of the lease, operating agreements or permit/license as well as the existing mining laws, rules and regulations.
- c. That the aforesaid holders have submitted the required work programs and posted the corresponding surety bond as determined by the concerned Regional Technical Director for Mines and Geosciences.
- d. That quarterly progress production report shall be submitted by the holders/operators covering the subject areas for the purpose of computing the share of the Government from production. The MPSA proposal shall be the basis for the interim share of the government provided it is not lower than the prevailing excise tax.

Section 2. This Administrative Order shall not apply to:

- a. Those who have existing Interim Mines Permits, and
- b. Those areas under litigation at the time of issuance of this order.

Section 3. At any point during the extension period of a mining operation, the DENR may order the stoppage of any mining operations with reasonable cause and for violation of any mining and other applicable laws, rules and regulations.

Section 4. All orders, rules and regulations inconsistent with or contrary to the provision of this order are hereby repealed or modified accordingly.

Section 5. This administrative Order shall take effect fifteen (15) days after its publication in a newspaper of general circulation.

APPROVED: July 15, 1993

ANGEL C. ALCALA
Secretary

Recommended by:

JOEL D. MUYCO
Director
Mines & Geosciences Bureau