

**IC 14-35**

**ARTICLE 35. MINING**

**IC 14-35-1**

Chapter 1. Mining Permits

**IC 14-35-1-1**

**Granting of permits**

Sec. 1. (a) This section does not apply to lands under the navigable waters of Indiana.

(b) The department may, whenever the department considers it to be in the public interest, grant permits for the:

- (1) extraction;
- (2) removal; and
- (3) disposition;

of deposits of coal, limestone, dolomite, gypsum, anhydrite, sand, gravel, clay, shale, or deposits of earth or mineral or vegetable matter on or under land or nonnavigable water belonging to the state no matter how the land or water is used if the extraction, removal, and disposition does not materially interfere with the purpose for which the land or water is held or used by the state.

*As added by P.L.1-1995, SEC.28.*

**IC 14-35-1-2**

**State residency required**

Sec. 2. A permit may be granted under this chapter only to the following:

- (1) An individual who is a resident of Indiana.
- (2) A corporation that is domiciled in Indiana or qualified to do business in Indiana.

*As added by P.L.1-1995, SEC.28.*

**IC 14-35-1-3**

**Notice of permit**

Sec. 3. Except as otherwise provided by this chapter, a permit may not be granted by the department under this chapter unless the department has done the following:

- (1) Published notice one (1) time each week for at least two (2) weeks in the following:
  - (A) At least one (1) newspaper of general circulation in the county where the land or water belonging to the state is located.
  - (B) At least one (1) newspaper published in Indianapolis.
- (2) Given concurrent and similar notice one (1) time in writing to each person known to be actively engaged in the extraction of these resources in Indiana.

*As added by P.L.1-1995, SEC.28.*

**IC 14-35-1-4**

**Contents of notice**

Sec. 4. Notice given under section 3 of this chapter must do the following:

- (1) Describe the specific property from or under which the extraction will occur.
- (2) State the time, terms, and conditions under which a permit will be granted.
- (3) Call for sealed proposals or bids stating the amount that will be paid for the privilege to be exercised under the permit.

*As added by P.L.1-1995, SEC.28.*

#### **IC 14-35-1-5**

##### **Proposal or bid for mining privilege**

Sec. 5. (a) A proposal or bid made in response to a request under section 4 of this chapter must offer the following:

- (1) A royalty on a percentage basis, based on the commodity value at the mine, pit, or quarry.
- (2) A bonus, or fixed fee per acre, in addition to royalty.

(b) A royalty may not be less than that generally prevailing for the resource to be extracted under similar methods of mining.

*As added by P.L.1-1995, SEC.28.*

#### **IC 14-35-1-6**

##### **Time for submitting proposal or bid**

Sec. 6. The department may receive sealed proposals or bids not earlier than thirty (30) days after the date of first publication.

*As added by P.L.1-1995, SEC.28.*

#### **IC 14-35-1-7**

##### **Granting or rejecting bids**

Sec. 7. The department may grant a permit to the qualified bidder who submits the highest and best bid. However, the department may reject any or all bids.

*As added by P.L.1-1995, SEC.28.*

#### **IC 14-35-1-8**

##### **Permit approval by commission; governor's signature**

Sec. 8. A permit must be approved by the commission and signed by the governor.

*As added by P.L.1-1995, SEC.28.*

#### **IC 14-35-1-9**

##### **Term of permit**

Sec. 9. (a) The department shall determine the initial term of a permit, not to exceed ten (10) years. The department shall automatically continue a permit:

- (1) if commercial production and accompanying royalty payments are established by the end of the initial term; and
- (2) as long as production continues, not to exceed fifty (50) years.

(b) If commercial production is not established within the initial

term of a permit, the department may terminate the permit.

(c) The department may terminate a permit at any time for failure of the permittee to comply with:

(1) this chapter; or

(2) the rules adopted under this chapter.

*As added by P.L.1-1995, SEC.28.*

#### **IC 14-35-1-10**

##### **Bond**

Sec. 10. Each proposal and bid must be accompanied by sufficient bond in an amount to be determined by the department for the restoration of land or water disturbed by exploration and mining.

*As added by P.L.1-1995, SEC.28.*

#### **IC 14-35-1-11**

##### **Additional covenants, terms, and conditions**

Sec. 11. The department and the governor may require other covenants, terms, and conditions in addition to those provided in this chapter.

*As added by P.L.1-1995, SEC.28.*