

excess volume based on proportionate shares of remaining refining capacities.

- Requests by the Crude Helium Refiners that are in excess of the amount available above will be carried over to the Non-allocated Sale and considered a separate bid under the Non-allocated Sale rules.

2.06 What Will Happen if the Total Amount Requested by the Crude Helium Refiners Is Less Than the 1,890 MMcf Offered in the Allocated Sale?

Any excess volume not sold to the crude helium refiners will be added to the non-allocated sale volume.

2.07 Do You Have a Hypothetical Example of How an Allocated Sale Would Be Conducted?

2,100 MMcf available for total sale with 90 percent available for allocated sale (1,890 MMcf).

Bidder-allocated sale	Installed refining capacity (percent)	Refiner bid volume*	Allocated volume*	Excess volume requested*	Proration percent	Excess allocated*	Total allocated*	Carry over to non-allocated sale*
Refiner A	10	225	189	36	20	36	225	0
Refiner B	50	750	750	0	0	0	750	0
Refiner C	40	985	756	229	80	156 + 3	915	70
Total	100	1,960	1,695	265	100	195	1,890	0

*All volumes in MMcf.

After the initial allocation, Refiner B has received all requested. However, 265 MMcf is deemed excess of the total in the first iteration of the allocated sale and reallocated to the two remaining refiners based on the refining capacity between them. With the reallocation, Refiner A gets all requested, but Refiner C is still short by 73 MMcf. Additionally, 3 MMcf remains unallocated and without any other Refiners is awarded to Refiner C, who now has a remaining request of 70 MMcf that is posted into the non-allocated sale. All percentages used in the calculation will be rounded to the nearest 1/10th of 1 percent. All volumes calculated will be rounded to the nearest 1 Mcf.

Non-allocated Sale

3.01 What Is the Non-Allocated Sale?

That portion of the annual sale volume of conservation helium that will be offered to all qualified bidders.

3.02 What Is the Minimum Volume I Can Request?

The minimum request is 5 MMcf.

3.03 What Volume of Conservation Helium Is Available for the Non-allocated Sale?

The total volume of Conservation Helium available for this portion of the sale is 210 MMcf plus any additional helium that is not sold as part of the allocated sale.

3.04 How Is the Ratio of Allocated to Non-Allocated Sale Volumes Determined?

According to the terms of the HPA, the BLM must conduct the annual Conservation Helium sales in a manner not to cause undue helium market disruptions; and therefore, the majority of the Conservation Helium is being offered as part of the allocated sale. Currently, the crude helium refiners have refining capacity roughly double what can be supplied through the annual Conservation Helium sales. Although there are other crude helium supplies available to the crude helium refiners, these supplies are declining each year. The BLM must be sensitive to the crude helium refiners requirements while maintaining a balance with other helium industry requirements. The exact ratio of allocated to non-allocated sale volumes may change for subsequent annual Conservation Helium sales.

3.05 How Will the Non-Allocated Conservation Helium Be Apportioned Among the Bidders?

The Conservation Helium will be apportioned equally in 1 Mcf increments among the bidders with no prospective bidder receiving more than its request.

3.06 What Will Happen if the Bidders Request More Than What Is Made Available for Sale in Part 3.03 of This Notice?

- If one or more bidders request less than their apportioned amount, any

other bidder(s) that requested more than its apportioned amount will be allowed to purchase equally apportioned amounts of the remaining volume available for this sale.

- If all bidders request more than their apportioned amount each bidder will receive its apportioned amount as determined in part 3.05 in this notice.

3.07 What Will Happen if a Bidder Requests Less Than Its Apportioned Amount?

Any bidder requesting less than the calculated apportioned volume, will receive the amount of its request and amounts remaining will be reapportioned in accordance with part 3.05 in this notice.

3.08 What Will Happen if the Total Requests From All Bidders Are Less Than That Offered for Sale in the Non-Allocated Sale?

If the total non-allocated volume requested is less than the non-allocated volume offered for this portion of the sale, the excess amount will not be sold and will be held in storage for future sales.

3.09 Do You Have a Hypothetical Example of How a Non-Allocated Sale Would Be Conducted?

2,100 MMcf available for total sale with 10 percent available for non-allocated sale (210 MMcf).

Bidder—non-allocated sale	Bid volume*	Apportioned volume*	Excess volume requested*	Proration percent	Excess apportioned*	Total apportioned*	Amount requested not received*
Refiner C	70	52.5	17.5	50	15	67.5	2.5
Company D	100	52.5	47.5	50	15	67.5	32.5