

**DENR Administrative Order**

**No. 96-25**

**August 27, 1996**

**SUBJECT : Amending Section 257 of the  
Implementing Rules and  
Regulations of R.A. 7942.**

Pursuant to Section 8 of R.A. 7942 and line with government's thrust to enhance exploration activities in the country to increase the country's natural resource capital and ensure its sustainable development, Section 257 of the Implementing Rules and Regulations of R.A. 7942 is hereby amended as follows:

**Section 257. Non-Impairment of Existing Mining  
Quarrying Rights.**

All pending applications for MPSA/FTAA covering forest land and other government reservations shall not be required to re-apply for exploration permit provided, that where the grant of such FTAA applications/proposals would exceed the maximum contract area restrictions contained in Section 34 of the Act, the applicant/proponent shall **be given an extension of one year, reckoned from September 13, 1996, to divest or relinquish in favor of government, areas in excess of the maximum area allowance provided under the Act.**

**For this purpose, a Special Exploration Permit of limited application and activities shall be issued by the Secretary, upon the recommendation of the Director, subject to the terms and conditions specified in the Permit, and pertinent provisions of Chapter VII of the**

**IRR. Provided, that an Area Permission shall be granted likewise by the Secretary to undertake limited exploration activities in non-critical forest reserves and forest reservations and such other areas within the jurisdiction of the DENR. In other areas, however, the applicant/proponent shall secure the necessary area clearances or written consent by concerned agencies or parties, as provided by Law. Provided, further, that the time period shall be deducted from the life of the MPSA/FTAA, and exploration costs can be included as part of pre-operating expenses for purposes of cost recovery should the FTAA be approved; and, Provided, finally, that this provision is applicable only to all FTAA/MPSA applications filed under DAO 63 prior to the effectivity of the Act and its Implementing Rules and Regulations.**

This order shall take effect fifteen (15) days following their complete publication in two newspapers of general circulation.

**VICTOR O. RAMOS**  
Secretary