



Federal Register

**Monday,
May 14, 2001**

Part X

**Department of the
Interior**

Semiannual Regulatory Agenda

DEPARTMENT OF THE INTERIOR (DOI)

DEPARTMENT OF THE INTERIOR**Office of the Secretary****25 CFR Ch. I****30 CFR Chs. II and VII****36 CFR Ch. I****43 CFR Subtitle A, Chs. I and II****48 CFR Ch. 14****50 CFR Chs. I and IV****Semiannual Regulatory Agenda****AGENCY:** Office of the Secretary, Interior.**ACTION:** Semiannual regulatory agenda.

SUMMARY: This notice provides the semiannual agenda of rules scheduled for review or development between April 2001 and October 2001. The Regulatory Flexibility Act and Executive Order 12866 require publication of the agenda.

ADDRESSES: Unless otherwise indicated, all agency contacts are located at the Department of the Interior, 1849 C Street NW., Washington, DC 20240.

FOR FURTHER INFORMATION CONTACT: You should direct all comments and inquiries with regard to these rules to the appropriate agency contact. You should direct general comments relating to the agenda to the Office of Regulatory Affairs, Department of the Interior, at the address above or on 202-208-5257 or 202-208-3071.

SUPPLEMENTARY INFORMATION: With this publication, the Department satisfies the requirement of Executive Order 12866 that the Department publish an agenda of rules that we have issued or expect to issue and of currently effective rules that we have scheduled for review.

Simultaneously, the Department meets the requirement of the Regulatory Flexibility Act (5 U.S.C. 601 *et seq.*) to publish an agenda in April and October of each year identifying rules that will have significant economic effects on a substantial number of small entities. We have specifically identified in the agenda rules that will have such effects.

Dated: March 14, 2001.

Richard A. Stephan,
Federal Register Liaison Officer.

DOI

Minerals Management Service—Proposed Rule Stage

Sequence Number	Title	Regulation Identification Number
1562	Refunds and Recoupment of Overpayments on OCS	1010-AC27
1563	Takes vs. Entitlements Reporting	1010-AC29
1564	Accounting Relief for Marginal Properties	1010-AC30
1565	Prepayment of Royalties	1010-AC31
1566	Exploration or Development and Production Plans	1010-AC47
1567	Incident Reporting	1010-AC57
1568	Royalty Relief Terms	1010-AC58
1569	Records and Files Maintenance	1010-AC64
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Minerals Management Service—Final Rule Stage

Sequence Number	Title	Regulation Identification Number
1571	Valuation of Oil From Indian Leases	1010-AC24
1572	Oil and Gas Drilling Operations	1010-AC43
1573	Prospecting for Minerals Other Than Oil, Gas, and Sulphur in the Outer Continental Shelf	1010-AC48
1574	Forms and Reports	1010-AC63
1575	Decommissioning Activities	1010-AC65
1576	Requirements Governing Surety Bonds for the Outer Continental Shelf	1010-AC68
1577	Amendments to Sale of Federal Royalty Oil (Small Refiner Administrative Fee)	1010-AC70
1578	Deep Water Royalty Relief for Outer Continental Shelf Oil and Gas Leases Issued After 2000	1010-AC71
1579	Leasing of Sulphur or Oil and Gas in the Outer Continental Shelf—Definition of Affected States	1010-AC74

Minerals Management Service—Long-Term Actions

Sequence Number	Title	Regulation Identification Number
1580	Royalty Payment Liability	1010-AB45
1581	Credit Adjustments	1010-AB73
1582	Chronic Erroneous Reporting	1010-AC34
1583	Oil and Gas and Sulphur Operations in the Outer Continental Shelf—Safety Measures and Procedures for Pipeline Modifications and Repairs	1010-AC75

DOI

Minerals Management Service—Completed Actions

Sequence Number	Title	Regulation Identification Number
1584	Update of Documents Incorporated by Reference: API/ISO 10432	1010-AC66
1585	Outer Continental Shelf Oil and Gas Leasing-Bidding Systems	1010-AC69
1586	Amendments to Gas Valuation Regulations for Indian Leases	1010-AC72

DEPARTMENT OF THE INTERIOR (DOI)
Minerals Management Service (MMS)

Proposed Rule Stage

**1562. REFUNDS AND RECOUPMENT
 OF OVERPAYMENTS ON OCS**

Priority: Substantive, Nonsignificant

Legal Authority: 25 USC 1001 et seq;
 25 USC 1301 et seq; 25 USC 1331 et
 seq; 25 USC 1701 et seq; 25 USC 1735;
 25 USC 1801 et seq; 25 USC 181 et
 seq; 25 USC 2101 et seq; 25 USC 351
 et seq; 25 USC 3716; 25 USC 3720a;
 25 USC 396 et seq; 25 USC 396a et
 seq; 25 USC 9701; 5 USC 301 et seq

CFR Citation: 30 CFR 206; 30 CFR 218;
 30 CFR 230

Legal Deadline: None

Abstract: This rule allows MMS to pay interest on Federal onshore and offshore oil and gas royalty overpayments and makes interest charges more equitable between the payor and the recipient. Interest will be paid on overpayments related to royalty, rent and estimates resulting from sales of Federal onshore and offshore oil and gas production.

Timetable:

Action	Date	FR Cite
NPRM	07/00/01	
NPRM Comment Period End	09/00/01	

**Regulatory Flexibility Analysis
 Required:** Yes

Small Entities Affected: Businesses

Government Levels Affected: None

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RIN: 1010-AC27

DOI—MMS

Proposed Rule Stage

1563. TAKES VS. ENTITLEMENTS REPORTING**Priority:** Substantive, Nonsignificant**Legal Authority:** 30 USC 1735**CFR Citation:** 30 CFR 205**Legal Deadline:** None

Abstract: This rule addresses reporting and payment requirements for production removed and sold from a Federal lease, unit participating area, or communitization agreement beginning September 1996.

Timetable:

Action	Date	FR Cite
NPRM	06/00/01	
NPRM Comment Period End	08/00/01	

Regulatory Flexibility Analysis Required: Yes**Small Entities Affected:** Businesses**Government Levels Affected:** State

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RIN: 1010-AC29**1564. ACCOUNTING RELIEF FOR MARGINAL PROPERTIES****Priority:** Substantive, Nonsignificant**Legal Authority:** 30 USC 1735**CFR Citation:** 30 CFR 204**Legal Deadline:** None

Abstract: This rule allows reporters to seek accounting, reporting, and auditing relief for their marginal properties in accordance with section 117(c) of the Federal Oil and Gas Royalty Management Act of 1982 as amended by the Federal Oil and Gas Royalty Simplification and Fairness Act of 1996.

Timetable:

Action	Date	FR Cite
NPRM	01/21/99	64 FR 3360
NPRM Comment Period End	03/22/99	
Supplementary NPRM	10/00/01	
Supplementary NPRM Comment Period End	12/00/01	

Regulatory Flexibility Analysis Required: Yes**Small Entities Affected:** Businesses**Government Levels Affected:** State

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RIN: 1010-AC30**1565. PREPAYMENT OF ROYALTIES****Priority:** Substantive, Nonsignificant**Legal Authority:** 30 USC 1735**CFR Citation:** 30 CFR 204**Legal Deadline:** None

Abstract: This rule allows payors to prepay royalty in lieu of monthly royalty payments for their marginal properties with approval from the affected States. It will establish the criteria used by payors, States, and MMS to calculate, report, and monitor royalty prepayments.

Timetable:

Action	Date	FR Cite
NPRM	02/00/02	
NPRM Comment Period End	04/00/02	

Regulatory Flexibility Analysis Required: Yes**Small Entities Affected:** Businesses**Government Levels Affected:** State

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RIN: 1010-AC31**1566. EXPLORATION OR DEVELOPMENT AND PRODUCTION PLANS****Priority:** Substantive, Nonsignificant**Legal Authority:** 43 USC 1331 et seq**CFR Citation:** 25 CFR 250**Legal Deadline:** None

Abstract: MMS requires companies to submit for approval their exploration and development plans for activities on the Outer Continental Shelf. The

companies must submit these plans before they can begin any activities, except preliminary activities. This rule would rewrite the requirements into clearer language and organize them into discrete sections by topic, to make them easier to follow.

Timetable:

Action	Date	FR Cite
NPRM	12/00/01	
NPRM Comment Period End	03/00/02	

Regulatory Flexibility Analysis Required: No**Government Levels Affected:** None

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RIN: 1010-AC47**1567. INCIDENT REPORTING****Priority:** Substantive, Nonsignificant**Legal Authority:** 43 USC 1331 et seq**CFR Citation:** 30 CFR 250**Legal Deadline:** None

Abstract: Recent rapid growth in offshore exploration and production activities in the Gulf of Mexico has led to an increase in accidents and fatalities. Since safety is our top priority, we must upgrade our accident investigation functions. To do this we need accurate and timely information. This rule is the only way to require operators, lessees, and permit holders in the Outer Continental Shelf (OCS) to give us a written report about each OCS accident. It will also establish clearer guidelines for accident reporting thresholds and timing.

Timetable:

Action	Date	FR Cite
NPRM	01/00/02	
NPRM Comment Period End	04/00/02	

Regulatory Flexibility Analysis Required: No**Government Levels Affected:** None

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DOI—MMS

Proposed Rule Stage

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1568. ROYALTY RELIEF TERMS

Priority: Substantive, Nonsignificant

Legal Authority: 25 USC 396 et seq

CFR Citation: 30 CFR 203

Legal Deadline: None

Abstract: This rule amends the circumstances that discontinue the existing royalty relief for end-of-life leases.

Timetable:

Action	Date	FR Cite
NPRM	12/00/01	
NPRM Comment	02/00/02	
Period End		

Regulatory Flexibility Analysis Required: No

Government Levels Affected: None

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RIN: 1010-AC58

1569. RECORDS AND FILES MAINTENANCE

Priority: Substantive, Nonsignificant

Legal Authority: 25 USC 396 et seq; 25 USC 2102 et seq; 30 USC 181 et seq; 30 USC 351 et seq; 30 USC 1001

et seq; 31 USC 9701; 43 USC 1301 et seq; 43 USC 1331 et seq; 43 USC 1801 et seq; 5 USC 301 et seq

CFR Citation: 30 CFR 212

Legal Deadline: None

Abstract: This rule will amend records and files maintenance regulations to incorporate the longer retention requirements for records related to Federal oil and gas.

Timetable:

Action	Date	FR Cite
NPRM	03/00/02	
NPRM Comment	03/00/02	
Period End		

Regulatory Flexibility Analysis Required: No

Government Levels Affected: None

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RIN: 1010-AC64

1570. • AMENDMENTS TO ALLOWANCE DETERMINATION RULES

Priority: Substantive, Nonsignificant

Legal Authority: 5 USC 301 et seq; 25 USC 396 et seq; 25 USC 396a et seq; 25 USC 2101 et seq; 30 USC 181 et seq; 30 USC 351 et seq; 30 USC 1001 et seq; 30 USC 1701 et seq; 31 USC

9701; 43 USC 1301 et seq; 43 USC 1331 et seq; 43 USC 1801 et seq

CFR Citation: 30 CFR 206

Legal Deadline: None

Abstract: Specific allowance provisions in the January 1988 (53 FR 1230, January 15, 1988) valuation regulations provided that allowances that were in effect at the time these regulations became effective would be allowed to continue until the allowances terminate. The Interior Board of Land Appeals (IBLA) ruled in 136 IBLA 203 (August 12, 1996) that the effect of this language was for such allowances to continue indefinitely. MMS proposes to amend the product valuation regulations to specify a termination date for any of these allowances not currently calculated under 30 CFR part 206.

Timetable:

Action	Date	FR Cite
NPRM	05/00/01	
NPRM Comment	07/00/01	
Period End		

Regulatory Flexibility Analysis Required: No

Government Levels Affected: Undetermined

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RIN: 1010-AC77

DEPARTMENT OF THE INTERIOR (DOI)

Final Rule Stage

Minerals Management Service (MMS)

1571. VALUATION OF OIL FROM INDIAN LEASES

Priority: Other Significant

Legal Authority: 25 USC 2101 et seq; 25 USC 396 et seq; 25 USC 396a et seq; 30 USC 1001 et seq; 30 USC 1701 et seq; 30 USC 181 et seq; 30 USC 351 et seq

CFR Citation: 30 CFR 206

Legal Deadline: None

Abstract: This rule would modify the regulations that establish royalty value for oil produced from Indian leases and create a new form for collecting value

and value differential data. These changes would decrease reliance on oil posted prices and make Indian oil royalty valuation more consistent with the terms of Indian leases.

Statement of Need: Current oil valuation regulations rely primarily on posted prices and prices under arm's-length sales to value oil that is not sold at arm's-length. Over time, posted prices have become increasingly suspect as a fair measure of market value. This rulemaking would modify valuation regulations to place substantial reliance on the higher of

crude oil spot prices major portion prices, or gross proceeds, and eliminate any direct reliance on posted prices. This rulemaking would also add more certainty to valuation of oil produced from Indian leases.

Summary of Legal Basis: The primary legal basis for this rulemaking is the Federal Oil and Gas Royalty Management Act of 1982, as amended, which defines the Secretary of the Interior's (1) authority to implement and maintain a royalty management system for oil and gas leases on Indian

lands, and (2) trust responsibility to administer Indian oil and gas resources.

Alternatives: We considered a range of valuation alternatives such as making minor adjustments to the current gross proceeds valuation method, using futures prices, using index-based prices with fixed adjustments for production from specific geographic zones, relying on some type of field pricing other than posted prices, and taking oil in-kind. We chose the higher of the average of the high daily applicable spot prices for the month major portion prices in the field or area, or gross proceeds received by the lessee or its affiliate. We chose spot prices as one of the three value measures because (1) they represent actual trading activity in the market, (2) they mirror New York Mercantile Exchange futures prices, and (3) they permit use of an index price in proximity to the actual production whose value is being measured.

Anticipated Cost and Benefits: We estimate compliance with this rulemaking would cost the oil and gas industry approximately \$46,000 annually. Additional costs to industry and MMS would be up-front computer programming and other administrative costs associated with processing the new form. The benefits of this rulemaking would be an estimated \$3.6 million increase in annual royalties collected on oil produced from Indian leases. Additional benefits would include simplification and increased certainty of oil pricing, reduced audit efforts, and reduced valuation determinations and associated litigation.

Risks: The risk of not modifying current oil valuation regulations is that Indian recipients may not receive royalties based on the highest price paid or offered for the major portion of oil produced—a common requirement in most Indian leases. These modifications ensure that the Department fulfills its trust responsibilities for administering Indian oil and gas leases under governing mineral leasing laws, treaties, and lease terms.

Timetable:

Action	Date	FR Cite
ANPRM	12/20/95	60 FR 65610
ANPRM Comment	03/19/96	
Period End		
NPRM	02/12/98	63 FR 7089

Action	Date	FR Cite
NPRM Comment	04/09/98	63 FR 17349
Period Extended		
NPRM Comment	05/13/98	
Period End		
Supplementary NPRM	01/05/00	65 FR 403
NPRM Comment	02/28/00	65 FR 10436
Period Extended		
Final Action	05/00/01	

Regulatory Flexibility Analysis Required: Yes

Small Entities Affected: Businesses, Governmental Jurisdictions

Government Levels Affected: Tribal

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RIN: 1010-AC24

1572. OIL AND GAS DRILLING OPERATIONS

Priority: Other Significant

Legal Authority: 43 USC 1331 et seq

CFR Citation: 30 CFR 250

Legal Deadline: None

Abstract: The rule will be written in plain English, substantive changes will be incorporated, and the rule will reflect the results of the blowout preventer study.

Timetable:

Action	Date	FR Cite
NPRM	06/21/00	65 FR 38453
NPRM Comment	10/19/00	65 FR 46126
Period End		
Final Action	02/00/02	

Regulatory Flexibility Analysis Required: No

Government Levels Affected: None

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RIN: 1010-AC43

1573. PROSPECTING FOR MINERALS OTHER THAN OIL, GAS, AND SULPHUR IN THE OUTER CONTINENTAL SHELF

Priority: Substantive, Nonsignificant

Legal Authority: 43 USC 1331 et seq

CFR Citation: 30 CFR 280

Legal Deadline: None

Abstract: This rule will expand the provisions governing research by requiring everyone conducting geological and geophysical scientific research without a permit to file a notice with MMS. These revisions respond to changes in technology and practice.

Timetable:

Action	Date	FR Cite
NPRM	12/08/99	64 FR 68649
NPRM Comment	02/07/00	
Period End		
Final Action	12/00/01	

Regulatory Flexibility Analysis Required: No

Government Levels Affected: None

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RIN: 1010-AC48

1574. FORMS AND REPORTS

Priority: Substantive, Nonsignificant

Legal Authority: 25 USC 396 et seq; 25 USC 2102 et seq; 30 USC 181 et seq; 30 USC 351 et seq; 30 USC 101 et seq; 30 USC 1701 et seq; 31 USC 3176 et seq; 31 USC 9701; 43 USC 1301 et seq; 43 USC 1331 et seq; 43 USC 1801 et seq; 5 USC 301 et seq

CFR Citation: 30 CFR 210

Legal Deadline: None

Abstract: This rule will update the list of Royalty Management Program information collections, the purpose of the collections, and the estimated reporting burden associated with each collection. It will also update MMS mailing addresses.

Timetable:

Action	Date	FR Cite
Final Action	09/00/01	

Regulatory Flexibility Analysis Required: No

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Final Rule Stage

Government Levels Affected: None

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RIN: 1010-AC63**1575. DECOMMISSIONING ACTIVITIES****Priority:** Substantive, Nonsignificant**Legal Authority:** 5 USC 552(a)**CFR Citation:** 30 CFR 250**Legal Deadline:** None

Abstract: This rule will amend MMS' regulations governing operations in the Outer Continental Shelf to update decommissioning requirements. The new layout of the rule follows the logical sequence of plugging a well, decommissioning the platform and pipeline, and clearing the waste site. The proposed rule also updates the requirements to reflect changes in technology. We have restructured the requirements to make the regulations easier to read and understand. The proposed technical changes will help ensure that lessees decommission operations safely and effectively.

Timetable:

Action	Date	FR Cite
NPRM	07/07/00	65 FR 41892
NPRM Comment Period End	10/05/00	
Final Action	02/00/02	

Regulatory Flexibility Analysis**Required:** No**Government Levels Affected:** None

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RIN: 1010-AC65**1576. REQUIREMENTS GOVERNING SURETY BONDS FOR THE OUTER CONTINENTAL SHELF****Priority:** Substantive, Nonsignificant**Legal Authority:** 43 USC 1331 et seq**CFR Citation:** 30 CFR 256**Legal Deadline:** None

Abstract: This rule would change requirements governing surety bonds for activities on the Outer Continental Shelf. These changes will codify the terms and conditions under which a surety will be relieved of responsibility when MMS terminates the period and liability of a bond. Codifying these terms and conditions is necessary to clarify the responsibilities of the lessee after the lease expires.

Timetable:

Action	Date	FR Cite
NPRM	01/08/01	66 FR 1277
NPRM Comment Period End	03/09/01	
Final Action	02/00/02	

Regulatory Flexibility Analysis**Required:** No**Government Levels Affected:** None

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RIN: 1010-AC68**1577. AMENDMENTS TO SALE OF FEDERAL ROYALTY OIL (SMALL REFINER ADMINISTRATIVE FEE)****Priority:** Substantive, Nonsignificant

Legal Authority: 30 USC 1301 et seq;
30 USC 181 et seq; 30 USC 351 et seq;
31 USC 9701 et seq; 43 USC 1301 et
seq; 43 USC 1331 et seq; 43 USC 1801
et seq; 5 USC 301 et seq

CFR Citation: 30 CFR 208**Legal Deadline:** None

Abstract: This rule would remove the requirement that MMS collect fees from small refiners to recover the administrative cost of the small refiner royalty-in-kind program.

Timetable:

Action	Date	FR Cite
NPRM	09/26/00	65 FR 57771
NPRM Comment Period End	11/27/00	
Final Action	05/00/01	

Regulatory Flexibility Analysis**Required:** No**Government Levels Affected:** None

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RIN: 1010-AC70

1578. DEEP WATER ROYALTY RELIEF FOR OUTER CONTINENTAL SHELF OIL AND GAS LEASES ISSUED AFTER 2000**Priority:** Other Significant

Legal Authority: 30 USC 1001 et seq;
30 USC 1701 et seq; 30 USC 181 et
seq; 30 USC 351 et seq; 31 USC 9701;
43 USC 1301 et seq; 43 USC 1331 et
seq; 43 USC 1801 et seq

CFR Citation: 30 CFR 203**Legal Deadline:** None

Abstract: The rule explains who is eligible for relief, how they apply for relief, and the criteria they must meet to receive relief. The proposed rule makes a new class of leases, those sold after 2000 in the central and western Gulf of Mexico (GOM), eligible to apply for royalty suspensions to supplement any that may have been included in their original lease terms. Also, it updates certain requirements and authorizes royalty relief in special situations.

Statement of Need: Because of the variation of geologic and economic circumstance, standard leasing terms do not encourage development of all potential reserves in the deep water GOM. The Deep Water Royalty Relief Act (DWRRA)(Pub. L. 104-58) authorized the Minerals Management Service (MMS) to promote development of marginal reserves. The existing regulations at 30 CFR 203 give detailed instructions on how deep water leases issued before the DWRRA may apply and qualify for royalty suspension on a case-by-case basis. This proposed rule revises and extends these instructions to certain additional categories of OCS leases, especially those issued after 2000. Revisions to the existing instructions reflect experience with cases over the last 5 years. Also the proposed rule identifies circumstances when MMS may consider special royalty relief outside our established end-of-life and DWRR programs.

Summary of Legal Basis: The OCS Lands Act is the basis for our regulations on suspending or lowering royalties on producing OCS leases. The

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Final Rule Stage

DWRRA is the basis for regulations to reduce or eliminate royalty on non-producing leases in the GOM west of 87 degrees, 30 minutes West longitude. It gives the Secretary of the Interior this authority to (1) promote development or increased production on producing and non-producing leases or (2) encourage production of marginal resources on producing and non-producing leases.

Alternatives: The specificity with which the current regulations were written was driven by the DWRRA to facilitate planning by potential applicants. Those regulations do not leave room for anything but a rulemaking fix. Otherwise, those new leases that legitimately need development assistance would be relegated to seeking relief under ad hoc special relief rules. Alternatively an extension of the DWRRA terms to fill a perceived gap may give future deep water lessees royalty-suspension terms that are not sufficiently responsive to current market conditions. Moreover, it is fairer to both applicants and taxpayers to establish clear and coherent rules by which individual leases can obtain the amount of royalty relief actually needed to induce development.

Anticipated Cost and Benefits: This rule extends the benefit of discretionary royalty relief to certain OCS leases after November 2000 that qualify as marginally uneconomic. Lessees who choose to seek this discretionary royalty relief pay user fees that range from \$12,000 to \$49,000 per application, in addition to their internal costs of assembling the necessary data. Benefits from this rule come from production that otherwise would not

occur or be deferred indefinitely. To date, one field qualifying for relief has gone into production and added 15 million barrels of oil equivalent to reserves in the GOM. Another on the verge of starting development would add 400 billion cubic feet of natural gas to reserves that otherwise would not be produced in the GOM.

Risks: The risk of not modifying the discretionary royalty relief rule is that some marginal resources will be bypassed. Alternatively, royalty receipts could fall because overly generous relief will be given to many leases to avoid the loss in production by a few.

Timetable:

Action	Date	FR Cite
NPRM	11/16/00	65 FR 69259
Comment Period Extended	12/15/00	65 FR 78431
Final Action	05/00/01	
Final Action Effective	06/00/01	

Regulatory Flexibility Analysis Required: Yes

Small Entities Affected: Businesses

Government Levels Affected: Federal

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RIN: 1010-AC71

1579. LEASING OF SULPHUR OR OIL AND GAS IN THE OUTER CONTINENTAL SHELF—DEFINITION OF AFFECTED STATES

Priority: Substantive, Nonsignificant. Major status under 5 USC 801 is undetermined.

Legal Authority: 42 USC 6213; 43 USC 1331 et seq

CFR Citation: 30 CFR 256

Legal Deadline: None

Abstract: The proposed rule would eliminate a redundant and burdensome definition of "Affected State" that applies only to subpart B the Oil and Gas Leasing Program. This would mean that the definition of "Affected State" in subpart A would apply to the entire part 256. This rule would eliminate the need for the Federal Government to involve certain unaffected coastal States in the complex, multi-step process of preparing a 5-year program.

Timetable:

Action	Date	FR Cite
NPRM	12/15/00	65 FR 78432
NPRM Comment Period End	02/13/01	
Final Action	09/00/01	

Regulatory Flexibility Analysis Required: No

Government Levels Affected: State, Federal

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RIN: 1010-AC74

DEPARTMENT OF THE INTERIOR (DOI) Minerals Management Service (MMS)

Long-Term Actions

1580. ROYALTY PAYMENT LIABILITY

Priority: Other Significant

Legal Authority: 25 USC 2101 et seq; 25 USC 396 et seq; 25 USC 396a et seq; 30 USC 1001 et seq; 30 USC 1701 et seq; 30 USC 181 et seq; 30 USC 351 et seq; 31 USC 9701; 43 USC 1301 et seq; 43 USC 1331 et seq; 43 USC 1801 et seq

CFR Citation: 30 CFR 211

Legal Deadline: None

Abstract: Responsibilities of Minerals Management Service include the collection of royalties, bonuses, rentals, and related revenues from Federal and Indian mineral leases. These monies are, for the most part, collected from the current designated payor on the lease. However, if MMS is unable to collect from the current payor, it must pursue collections from prior payor(s), the lessee, or an assignee of the lease. Existing regulations are unclear as to

the responsibilities and liabilities of the parties involved. Therefore, MMS is amending its regulations to clarify payor, lessee, and assignee requirements and responsibilities for Indian mineral leases and Federal solid mineral and geothermal leases.

Timetable:

Action	Date	FR Cite
NPRM	04/13/94	59 FR 17504
NPRM	06/09/95	60 FR 30492

DOI—MMS

Long-Term Actions

Action	Date	FR Cite
Comment Period Extended	08/30/95	60 FR 45112
Comment Period Extended	10/03/95	60 FR 56033
Final Action	04/00/02	

**Regulatory Flexibility Analysis
Required: Yes****Small Entities Affected:** Businesses**Government Levels Affected:** None

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RIN: 1010-AB45**1581. CREDIT ADJUSTMENTS****Priority:** Substantive, Nonsignificant

Legal Authority: 25 USC 2101 et seq; 25 USC 396 et seq; 25 USC 396a et seq; 30 USC 1001 et seq; 30 USC 1701 et seq; 30 USC 181 et seq; 30 USC 351 et seq; 31 USC 9701; 43 USC 1301 et seq; 43 USC 1331 et seq; 43 USC 1801 et seq; 5 USC 301 et seq

CFR Citation: 30 CFR 218**Legal Deadline:** None

Abstract: This rule will limit adjustments on royalty payments and determine the use of administrative offset for certain collections. This rule was expanded to include post-Federal Oil and Gas Royalty Simplification and Fairness Act of 1996 impacts on credit adjustments and administrative offsets after the initial proposed rule was published, so a new proposed rule will be issued.

Timetable:

Action	Date	FR Cite
NPRM	08/17/93	58 FR 43588
NPRM Comment Period End	11/01/93	58 FR 50301
NPRM	04/00/02	
NPRM Comment Period End	06/00/02	

**Regulatory Flexibility Analysis
Required:** No

Government Levels Affected: None

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RIN: 1010-AB73**1582. CHRONIC ERRONEOUS
REPORTING****Priority:** Substantive, Nonsignificant

Legal Authority: 25 USC 2101 et seq; 25 USC 396 et seq; 25 USC 396a et seq; 30 USC 1001 et seq; 30 USC 1701 et seq; 30 USC 181 et seq; 30 USC 351 et seq; 31 USC 9701; 43 USC 1301 et seq; 43 USC 1331 et seq; 43 USC 1801 et seq; 5 USC 301 et seq

CFR Citation: 30 CFR 216; 30 CFR 218**Legal Deadline:** None

Abstract: This rule eliminates assessments for late reporting and failure to report and defines the assessment criteria. The new rule will define what is considered a chronic erroneous reporter and applicable assessments. Penalties for failure to report are also addressed.

Timetable:

Action	Date	FR Cite
NPRM	04/00/02	
NPRM Comment Period End	06/00/02	

**Regulatory Flexibility Analysis
Required:** Yes

Small Entities Affected: Businesses**Government Levels Affected:** State

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RIN: 1010-AC34**1583. OIL AND GAS AND SULPHUR
OPERATIONS IN THE OUTER
CONTINENTAL SHELF—SAFETY
MEASURES AND PROCEDURES FOR
PIPELINE MODIFICATIONS AND
REPAIRS****Priority:** Substantive, Nonsignificant**Legal Authority:** 43 USC 1331 et seq**CFR Citation:** 30 CFR 250**Legal Deadline:** None

Abstract: The rule will address problems that arise out of the fact that eventually all pipeline valves leak internally. This is due to abrasion and deposition of operational residues on valve seats. Internal valve leakage poses a potential safety problem to offshore workers at the time pipeline repairs are performed because hydrocarbons and pressure differentials in the lines can pose a significant hazard of fire and explosion. The rule will require that lessees and operators consider and submit in writing the measures they plan to take and the procedures they plan to follow to ensure the safety of company or contract workers and to prevent pollution before beginning a pipeline modification or repair, and it will amend section 250.1006(b)(1) by requiring that a blind flange be installed at the platform end of any pipeline taken out of service to prevent seepage into the line through leaking valves.

Timetable:

Action	Date	FR Cite
NPRM	06/00/02	
NPRM Comment Period End	08/00/02	

**Regulatory Flexibility Analysis
Required:** No

Government Levels Affected: None

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RIN: 1010-AC75

DEPARTMENT OF THE INTERIOR (DOI)
Minerals Management Service (MMS)
Completed Actions
**1584. UPDATE OF DOCUMENTS
 INCORPORATED BY REFERENCE:
 API/ISO 10432**
Priority: Routine and Frequent

CFR Citation: 30 CFR 250

Completed:

Reason	Date	FR Cite
Final Action	12/08/00	65 FR 76933

**Regulatory Flexibility Analysis
 Required:** No

Government Levels Affected: None

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RIN: 1010-AC66

**1585. OUTER CONTINENTAL SHELF
 OIL AND GAS LEASING-BIDDING
 SYSTEMS**
Priority: Other Significant

CFR Citation: 30 CFR 218; 30 CFR 256;
 30 CFR 260

Completed:

Reason	Date	FR Cite
Final Action	02/23/01	66 FR 11512
Final Action Effective	03/26/01	

**Regulatory Flexibility Analysis
 Required:** Yes

Government Levels Affected: Federal

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RIN: 1010-AC69

**1586. AMENDMENTS TO GAS
 VALUATION REGULATIONS FOR
 INDIAN LEASES**
Priority: Substantive, Nonsignificant

CFR Citation: 30 CFR 174(l)

Completed:

Reason	Date	FR Cite
Final Action	10/19/00	65 FR 62612

**Regulatory Flexibility Analysis
 Required:** No

Government Levels Affected: Tribal

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RIN: 1010-AC72

BILLING CODE 4310-MR-S