

Dated: March 13, 1996.  
 Bob Armstrong,  
*Assistant Secretary, Land and Minerals Management.*

For the reasons set forth in the preamble, the Minerals Management Service amends 30 CFR part 260, Subpart B—Bidding Systems, as follows:

**PART 260—[AMENDED]**

1. The authority citation for part 260 continues to read as follows:

Authority: 43 U.S.C. 1331 and 1337.

2. Section 260.102 is amended by adding in alphabetical order the definitions for “Eligible Lease” and “Field” which read as follows:

**§ 260.102 Definitions.**

\* \* \* \* \*

*Eligible lease* means a lease that results from a sale held after November 28, 1995; is located in the Gulf of Mexico in water depths 200 meters or deeper; lies wholly west of 87 degrees, 30 minutes west longitude; and is offered subject to a royalty suspension volume authorized by statute.

*Field* means an area consisting of a single reservoir or multiple reservoirs all grouped on, or related to, the same general geological structural feature and/or stratigraphic trapping condition. There may be two or more reservoirs in a field that are separated vertically by intervening impervious strata, or laterally by local geologic barriers, or by both.

\* \* \* \* \*

3. In § 260.110, paragraph (d) is added to read as follows:

**§ 260.110 Bidding systems.**

\* \* \* \* \*

(d) This paragraph explains how the royalty suspension volumes in section 304 of the Outer Continental Shelf Deep Water Royalty Relief Act, Pub. L. 104–58, apply to eligible leases. For purposes of this paragraph, any volumes of production that are not royalty bearing under the lease or the regulations in this chapter do not count against royalty suspension volumes. Also, for the purposes of this paragraph, production includes volumes allocated to a lease under an approved unit agreement.

(1) Your eligible lease may receive a royalty suspension volume only if your lease is in a field where no current lease produced oil or gas (other than test production) before November 28, 1995. Paragraph (d) of this section applies only to eligible leases in fields meeting this condition.

(2) The Final Notice of Sale will specify the water depth for each eligible

lease. Our determination of water depth for each lease is final once we issue the lease. The Notice also will specify the royalty suspension volume applicable to each water depth. The minimum royalty suspension volumes for fields are:

(i) 17.5 mmboe in 200 to 400 meters of water;

(ii) 52.5 mmboe in 400 to 800 meters of water; and

(iii) 87.5 mmboe in more than 800 meters of water.

(3) When production (other than test production) first occurs from any of the eligible leases in a field, we will determine what royalty suspension volume applies to the eligible lease(s) in that field. The determination is based on the royalty suspension volumes specified in paragraph (d)(2) of this section.

(4) If a new field consists of eligible leases in different water depth categories, the royalty suspension volume associated with the deepest eligible lease applies.

(5) If your eligible lease is the only eligible lease in a field, you do not owe royalty on the production from your lease up to the applicable royalty suspension volume.

(6) If a field consists of more than one eligible lease, payment of royalties on the eligible leases’ initial production is suspended until their cumulative production equals the field’s established royalty suspension volume. The royalty suspension volume for each eligible lease is equal to each lease’s actual production (or production allocated under an approved unit agreement) until the field’s established royalty suspension volume is reached.

(7) If an eligible lease is added to a field that has an established royalty suspension volume, the field’s royalty suspension volume will not change even if the added lease is in deeper water. The additional lease may receive a royalty suspension volume only to the extent of its production before the cumulative production from all eligible leases in the field equals the field’s previously established royalty suspension volume.

(8) If we reassign a well on an eligible lease to another field, the past production from that well will count toward the royalty suspension volume, if any, specified for the new field to which it is assigned. The past production will not be counted toward the suspension volume, if any, from the first field.

(9) You may receive a royalty suspension volume only if your entire lease is west of 87 degrees, 30 minutes west longitude. A field that lies on both sides of this meridian will receive a

royalty suspension volume only for those eligible leases lying entirely west of the meridian.

(10) Your lease may obtain more than one royalty suspension volume. If a new field is discovered on your eligible lease that already benefits from the royalty suspension volume for another field, production from that new field receives a separate royalty suspension.

(11) You must measure natural gas production subject to the royalty suspension volume as follows: 5.62 thousand cubic feet of natural gas equals one barrel of oil equivalent, as measured at 15.025 psi, 60 degrees Fahrenheit, and fully saturated.

[FR Doc. 96–7038 Filed 3–22–96; 8:45 am]

BILLING CODE 4310–MR–P

**Office of Surface Mining Reclamation and Enforcement**

**30 CFR Part 920**

[MD–039–FOR]

**Maryland Regulatory Program**

**AGENCY:** Office of Surface Mining Reclamation and Enforcement (OSM), Interior.

**ACTION:** Final rule; approval of amendment.

**SUMMARY:** OSM is approving a proposed amendment to the Maryland regulatory program (hereinafter referred to as the “Maryland program”) under the Surface Mining Control and Reclamation Act of 1977 (SMCRA). Maryland proposed revisions and additions to rules and statutes pertaining to remined areas. The amendment is intended to revise the Maryland program to be consistent with the corresponding Federal regulations and SMCRA.

**EFFECTIVE DATE:** March 25, 1996.

**FOR FURTHER INFORMATION CONTACT:** George Rieger, Program Manager, OSM, Appalachian Regional Coordinating Center, 3 Parkway Center, Pittsburgh, PA 15220. Telephone: (412) 937–2849.

**SUPPLEMENTARY INFORMATION:**

- I. Background on the Maryland Program
- II. Submission of the Proposed Amendment
- III. Director’s Findings
- IV. Summary and Disposition of Comments
- V. Director’s Decision
- VI. Procedural Determinations

**I. Background on the Maryland Program**

On December 1, 1980, the Secretary of the Interior conditionally approved the Maryland program. Background information on the Maryland program, including the Secretary’s findings, the

disposition of comments, and the conditions of approval can be found in the December 1, 1980, Federal Register (45 FR 79449). Subsequent actions concerning conditions of approval and program amendments can be found at 30 CFR 920.12, 920.15, and 920.16.

## II. Submission of the Proposed Amendment

By letter dated October 26, 1995 (Administrative Record No. MD-573.00), Maryland submitted a proposed amendment to its program pursuant to SMCRA at its own initiative. Maryland proposed to revise the reining provisions of the Annotated Code of Maryland (Code) at sections 7-501, 7-505, and 7-511 and add to the Code of Maryland Regulations (COMAR) at section 08.20.14.14. In response to two communications by OSM, by letters dated January 31, 1996 and February 16, 1996 (Administrative Record No. MD-573.05), Maryland clarified certain provisions of the proposed amendment. Because the information was explanatory in nature and did not constitute a major revision of the original submission, OSM did not reopen the comment period.

OSM announced receipt of the proposed amendment in the November 27, 1995, Federal Register (60 FR 58319), and in the same document opened the public comment period and provided an opportunity for a public hearing on the adequacy of the proposed amendment. The public comment period closed on December 27, 1995.

## III. Director's Findings

Set forth below, pursuant to SMCRA and the Federal regulations at 30 CFR 732.15 and 732.17, are the Director's findings concerning the proposed amendment. Revisions not specifically discussed below concern nonsubstantive wording changes and paragraph notations to reflect organizational changes resulting from this amendment.

### *Annotated Code of Maryland—Chapter 0469—Lands Eligible for Reining*

At sections 7-501(m) and (w), Maryland proposes to delete the terms "net project construction cost" and "project construction cost." There are no Federal counterparts to these terms, nor are they used in the Maryland Code for anything related to the Maryland program. Therefore, the Director finds that the proposed deletions at sections (m) and (w) do not render the Maryland program less effective than the Federal regulations. At section 7-501(m), Maryland proposes to add the term "lands eligible for reining" and define

it as any land that would otherwise be eligible for expenditures under subtitle 9. Subtitle 9 of the Maryland statute is the State's counterpart to Title IV of SMCRA. The Director finds that the proposed definition at section (m) is substantively identical to and therefore no less stringent than the Federal definition at section 701(34) of SMCRA.

At section 7-505(i)(2), Maryland proposes to prohibit the issuance of a permit on slopes of 20 degrees or more from the horizontal. Certain measurement requirements are specified. A permit may be issued for lands eligible for reining when, in the opinion of the Land Reclamation Committee, the land could be restored to its original contour. OSM conducted a technical review of the proposed revision on February 8, 1996 (Administrative Record No. MD-573.06), and concluded that Maryland's proposal is feasible and technically acceptable. Maryland has stated in its January 31, 1996, letter that it will allow this mining when the reining will result in the reclamation that is in compliance with present requirements. Since the area must be reclaimed in accordance with the Maryland regulatory program, the Director finds that the proposed revision is not inconsistent with the requirements of SMCRA and the Federal regulations.

At section 7-511(b)(2), Maryland proposes to revise subsection (I) to reference the requirements of subsections (II) and (III) and to add new subsections (II) and (III). Subsection (II) requires that on land eligible for reining, the period of operator responsibility is 2 full years after the approval of the backfilling and planting report. The authority expiration dates are specified as September 30, 2004 or on any later date authorized under SMCRA. Section 515(b)(2)(B) of SMCRA requires that on lands eligible for reining, the operator must assume responsibility for successful revegetation for a period of 2 full years after the last year of augmented seeding, fertilizing, irrigation or other work to comply with applicable standards. Maryland's backfilling and planting report is filed after the backfilling, regarding and seeding is completed. Pursuant to COMAR 08.20.29.06, bond release may occur no sooner than two years after the last augmented seeding. Therefore, the Director finds that the proposed revisions at subsections (I) and (II) are no less stringent than the revegetation provisions of section 515(b)(2)(B) of SMCRA and the termination of authority provisions of section 510(e). Subsection (III) requires that for any reported area other than

land eligible for reining, the period of operator responsibility is 5 full years after the approval of the report. The Director finds that the proposed revisions at subsection III are no less stringent than the provisions of section 515(b)(2)(A) of SMCRA.

### *COMAR 08.20.14.14—Release of Bonds on Reining Areas*

Maryland proposes to add new section 08.20.14.14. At section (A), Maryland requires that the criteria and procedures of this chapter apply to the release of bonds for reining areas, except as modified. At section (B), Maryland specifies that the portion of the bond submitted in accordance with section .03C may be released upon completion of all Reclamation Phase I work on the reining areas. Phase I work, as defined in COMAR 08.20.14.08, is achieved when the permittee completes the following conditions: backfilling, regarding, topsoil replacement, seeding, mulching, and draining control in accordance with the reclamation plan. These conditions include the requirements of 30 CFR 800.40(c)(1), which is the Federal regulatory subsection on Phases I bond release. Since section (B) requires the completion of Phases I work before bond release, section (B) is consistent with 30 CFR 800.40(c)(1). At section (C), Maryland specifies that the portion of the bond submitted in accordance with section .03D may be released if the permittee demonstrates and Maryland finds that (1) the permittee has met certain revegetation standards and the requirements of the Maryland regulatory program, (2) with respect to prime farmlands, soil productivity has been returned to the required level of yield, (3) the Maryland Department of the Environment has released the permittee from NPDES Coal Reining Permit obligations in accordance with COMAR 26.08.03F, (4) all temporary draining control structures not authorized to remain on the reining area have been removed and the affected area has been regarded, seeded, and mulched, (5) all permanent drainage control structures have been inspected and any deficiencies repaired by the operator, (6) the provisions of an approved plan for the sound future management of any permanent impoundment for the permittee or landowner have been satisfactorily implemented, and (7) the applicable liability period for reining areas has been met. Section 08.20.14.14 continues to include criteria and procedures of Chapter 08.20.14 unless modified by COMAR 08.20.14.14. In response to a question, Maryland clarified that COMAR section

08.20.14.08 (E) (2) and (3), applies to these areas. COMAR 08.20.14.08 (E) (2) and (3) require the completion of Phase II and Phase III work before bond release. This is consistent with 7-511(b)(5) of the Maryland Code which requires that no bond shall be fully released until all the reclamation requirements are fully met.

Phase II work, as defined in COMAR 08.20.14.08, is achieved when the permittee completes the following conditions: revegetation is established in accordance with the approved plan, lands are not contributing suspended solids in excess of program requirements, soil productivity is returned to required level of yield with respect to prime farmlands, permanent impoundment management provisions are implemented, and designated temporary drainage control structures are removed and permanent structures inspected. Phase III work, as defined in COMAR 08.20.14.08, is achieved when the permittee completes mining and reclamation operations in accordance with the approved plan and achieves compliance with the requirements of the regulatory program, the permit, and the liability period has expired. These conditions include the requirements of 30 CFR 800.40(c) (2) and (3), which are the Federal regulatory subsections on Phase II and III bond release. Since section (c), read in conjunction with COMAR 08.20.14.08, requires the completion of Phase II and III work before bond release, the Director finds that section (C) is consistent with 30 CFR 800.40(c) (2) and (3). At section (D), Maryland requires that it will retain sufficient bond on any area disturbed to remove temporary drainage control structures until certain requirements at C(1), C(5), and C(6) have been met. In its letter dated January 31, 1996, Maryland stated that a typographical error was made in the original submission and that the correct references should be C(1), C(2), and C(7). There is no direct Federal counterpart to Section D. Section D is an additional prerequisite to 7-511(b)(5) of the Maryland Code which requires that no bond shall be fully released until all the reclamation requirements are fully met. Therefore, the Director finds section D is not inconsistent with the requirements of SMCRA and the Federal regulations.

#### IV. Summary and Disposition of Comments

##### *Public Comments*

The Director solicited public comments and provided an opportunity for a public hearing on the proposed

amendment. By letter dated November 22, 1995, the Maryland Historical Trust concurred without objection or comment. Because no one requested an opportunity to speak at a public hearing, no hearing was held.

##### *Federal Agency Comments*

Pursuant to 30 CFR 732.17(h)(11)(i), the Director solicited comments on the proposed amendment from various Federal agencies with an actual or potential interest in the Maryland program. None were received.

##### *Environmental Protection Agency (EPA)*

Pursuant to 30 CFR 732.17(h)(11)(ii), OSM is required to obtain the written concurrence of the EPA with respect to those provisions of the proposed program amendment that relate to air or water quality standards promulgated under the authority of the Clean Water Act (33 U.S.C. 1251 *et seq.*) or the Clean Air Act (42 U.S.C. 7401 *et seq.*).

On November 1, 1995, OSM solicited EPA's concurrence with the proposed amendment (Administrative Record No. MD-573.01). On December 5, 1995, EPA gave its written concurrence (Administrative Record No. MD-573.04).

The Federal regulations at 30 CFR Part 920, codifying decisions concerning the Maryland program, are being amended to implement this decision. This final rule is being made effective immediately to expedite the State program amendment process and to encourage States to bring their programs into conformity with the Federal standards without undue delay. Consistency of State and Federal standards is required by SMCRA.

#### VI. Procedural Determinations

##### *Executive Order 12866*

This rule is exempted from review by the Office of Management and Budget (OMB) under Executive Order 12866 (Regulatory Planning and Review).

##### *Executive Order 12778*

The Department of the Interior has conducted the reviews required by section 2 of Executive Order 12778 (Civil Justice Reform) and has determined that, to the extent allowed by law, this rule meets the applicable standards of subsections (a) and (b) of this section. However, these standards are not applicable to the actual language of State regulatory programs and program amendments since each such program is drafted and promulgated by a specific State, not by OSM. Under sections 503 and 505 of SMCRA (30 U.S.C. 1253 and 1255) and 30 CFR 730.11, 732.15, and 732.17(h)(10),

decisions on proposed State regulatory programs and program amendments submitted by the States must be based solely on a determination of whether the submittal is consistent with SMCRA and its implementing Federal regulations and whether the other requirements of 30 CFR Parts 730, 731, and 732 have been met.

##### *National Environmental Policy Act*

No environmental impact statement is required for this rule since section 702(d) of SMCRA (30 U.S.C. 1292(d)) provides that agency decisions on proposed State regulatory program provisions do not constitute major Federal actions within the meaning of section 102(2)(C) of the National Environmental Policy Act (42 U.S.C. 4332(2)(C)).

##### *Paperwork Reduction Act*

This rule does not contain information collection requirements that require approval by OMB under the Paperwork Reduction Act (44 U.S.C. 3507 *et seq.*).

##### *Regulatory Flexibility Act*

The Department of the Interior has determined that this rule will not have a significant economic impact on a substantial number of small entities under the Regulatory Flexibility Act (5 U.S.C. 601 *et seq.*). The State submittal which is the subject of this rule is based upon corresponding Federal regulations for which an economic analysis was prepared and certification made that such regulations would not have a significant economic effect upon a substantial number of small entities. Accordingly, this rule will ensure that existing requirements previously promulgated by OSM will be implemented by the State. In making the determination as to whether this rule would have a significant economic impact, the Department relied upon the data and assumptions for the corresponding Federal regulations.

##### List of Subjects in 30 CFR 920

Intergovernmental relations, Surface mining, Underground mining.

Dated: March 13, 1996.

Tim L. Dieringer,

*Acting Regional Director, Appalachian Regional Coordinating Center.*

For the reasons set out in the preamble, Title 30, Chapter VII, Subchapter T of the Code of Federal Regulations is amended as set forth below:

**PART 920—MARYLAND**

1. The authority citation for Part 920 continues to read as follows:

Authority: 30 U.S.C. 1201 *et seq.*

2. Section 920.15 is amended by adding paragraph (cc) to read as follows:

**§ 920.15 Approval of regulatory program amendments.**

\* \* \* \* \*

(cc) The following rules and statutes, as submitted to OSM on October 26, 1995, and supplemented with explanatory information on January 31, 1996 and February 16, 1996 are approved effective March 25, 1996:

Rule or statute No.	Topic
Annotated Code of Maryland: Section 7-501(m), (w).	Definitions.
Section 7-505(i)(2) Section 7-511(b)(2) (I), (II), (III).	Permitting. Revegetation.
COMAR 08.20.14.14.	Release of Bonds on Remining Areas.

[FR Doc. 96-7059 Filed 3-22-96; 8:45 am]

BILLING CODE 4310-05-M

**ENVIRONMENTAL PROTECTION AGENCY**

**40 CFR Part 52**

[IL18-8; FRL-5445-5]

**Approval and Promulgation of Implementation Plans; Illinois**

**AGENCY:** Environmental Protection Agency.

**ACTION:** Direct final rule; withdrawal.

**SUMMARY:** On January 26, 1996 (61 FR 2423), the United States Environmental Protection Agency (USEPA) approved Illinois' October 21, 1993 and March 4, 1994, requests to incorporate rules to control volatile organic compounds in the Chicago Ozone nonattainment area and thereby complete the replacement of the federally promulgated Chicago Ozone Federal Implementation Plan with federally approved State adopted rules as a part of the Illinois State Implementation Plan (SIP). The USEPA is withdrawing this final rule due to the adverse comments received on these actions. In a subsequent final rule USEPA will summarize and respond to the comments received and announce final rulemaking action on this requested Illinois SIP revision.

**EFFECTIVE DATE:** March 25, 1996.

**ADDRESSES:** Copies of the documents relevant to this action are available for

public inspection during normal business hours at the following location: U.S. Environmental Protection Agency, Region 5, Air Programs Branch, 77 West Jackson Boulevard, Chicago, Illinois 60604.

**FOR FURTHER INFORMATION CONTACT:**

Randolph O. Cano, Regulation Development Section, Air Programs Branch (AR-18J), U.S. Environmental Protection Agency, Region 5, 77 West Jackson Boulevard, Chicago, Illinois 60604. Telephone: (312) 886-6036.

**SUPPLEMENTARY INFORMATION:**

List of Subjects in 40 CFR Part 52

Environmental protection, Air pollution control, Hydrocarbons, Ozone, Volatile organic compounds.

Dated: March 13, 1996.

David A. Ullrich,

*Acting Regional Administrator.*

[FR Doc. 96-7064 Filed 3-22-96; 8:45 am]

BILLING CODE 6560-50-P

**40 CFR Part 52**

[MI48-01-7251; FRL-5445-3]

**State Implementation Plan for Michigan: Withdrawal of Direct Final Action**

**AGENCY:** Environmental Protection Agency (USEPA).

**ACTION:** Withdrawal of direct final rule.

**SUMMARY:** On February 2, 1996, the USEPA published a proposed rule (61 FR 3891) and a direct final rule (61 FR 3815) approving State Implementation Plan (SIP) revision for the State of Michigan which was submitted pursuant to the USEPA general conformity rules set forth at 40 ozone maintenance part 51, subpart W—Determining Conformity of General Federal Actions to State or Federal Implementation Plans. The EPA is withdrawing the final rule due to adverse comments and will summarize and address all public comments received in a subsequent final rule (based upon the proposed rule cited above).

**EFFECTIVE DATE:** This withdrawal of the direct final rule will be effective March 25, 1996.

**ADDRESSES:** Copies of the documents relevant to this action are available for public inspection during normal business hours at the following location: U.S. Environmental Protection Agency, Region 5, 77 West Jackson Boulevard, Chicago, Illinois, 60604.

**FOR FURTHER INFORMATION CONTACT:**

Michael G. Leslie, Regulation

Development Section, Air Programs Branch (AR-18J), U.S. Environmental Protection Agency, Region 5, 77 West Jackson Boulevard, Chicago, Illinois, 60604. Telephone: (312) 353-6680.

**SUPPLEMENTARY INFORMATION:**

List of Subjects in 40 CFR Part 52

Environmental protection, Air pollution control, Carbon monoxide, General conformity, Hydrocarbons, Intergovernmental relations, Oxides of Nitrogen, Ozone, Particulate matter, Volatile organic compounds.

Authority: 42 U.S.C. 7401-7671q.

Dated: March 14, 1996.

David A. Ullrich,

*Acting Regional Administrator.*

[FR Doc. 96-7065 Filed 3-22-96; 8:45 am]

BILLING CODE 6560-50-P

**40 CFR Part 80**

[AMS-FRL-5444-7]

RIN 2060-AG17

**Regulation of Fuels and Fuel Additives: Revision to the Oxygen Maximum Standard for Reformulated Gasoline**

**AGENCY:** Environmental Protection Agency (EPA).

**ACTION:** Final rulemaking.

**SUMMARY:** The Environmental Protection Agency (EPA or the Agency) today revises the regulations for reformulated gasoline in two ways. These changes only apply to reformulated gasoline certified using the Simple Model, which applies until January 1, 1998. First, the maximum allowed level of oxygen in reformulated gasoline is set at 3.2 percent by weight ("wt%"), where a state notifies the Administrator that a limit is needed for various air quality concerns. Second, absent such a state notification, the maximum limit on oxygen content for reformulated gasoline certified using the Simple Model would be that set by the valid range limits of the Simple Model. In addition, the provisions of section 211(f) of the Clean Air Act ("CAA" or "the Act") continue to apply to reformulated as well as other gasolines. These provisions independently set a maximum oxygen content for motor vehicle gasoline.

**EFFECTIVE DATE:** This rule will be effective on March 18, 1996.

**ADDRESSES:** Materials relevant to this FRM are contained in Public Docket No. A-95-29. Materials relevant to the reformulated gasoline final rule are contained in Public Dockets A-91-02