Copies of the plat will be made available upon request and prepayment of the reproduction fee of $2.75 per copy.

Dated: January 23, 1997.

Stephen G. Kopach,

Chief Cadastral Surveyor.

[FR Doc. 97–2309 Filed 1–30–97; 8:45 am]

BILLING CODE 4310–GJ–P

Minerals Management Service

Agency Information Collection Activities: Submitted for Office of Management and Budget Review; Comment Request

The proposal for the collection of information listed below has been submitted to the Office of Management and Budget for reapproval under the provisions of the Paperwork Reduction Act (44 U.S.C. Chapter 35). Copies of the proposed information collection requirement and related forms and explanatory material may be obtained by contacting Dennis C. Jones at 303–231–3046. Comments and suggestions on the requirement should be made directly to the Bureau Clearance Officer at the telephone number listed below, and to the OMB Paperwork Reduction Project (1010–0095), Washington, DC 20503, telephone 202–395–7340.

DATES: Written comments should be received on or before March 3, 1997.

Title: Request to Exceed Regulatory Allowance Limitation.

OMB Approval Number: 1010–0095.

Abstract: The Minerals Management Service (MMS) Royalty Management Program (RMP) is proposing to continue collecting certain information from royalty payors on Federal or Indian mineral leases. Under certain circumstances lessees can deduct, from royalty payments, the reasonable actual costs of transporting the royalty portion of produced oil and gas from the lease to a processing or sales point not in the immediate lease area. When gas is processed for the recovery of gas plant products, lessees may claim a processing allowance. Transportation and processing allowances are a part of the product valuation process which MMS uses to determine if the lessee is reporting and paying the proper royalty amount.

Bureau Form Numbers: MMS–4393.

Frequency: As requested by lessee.

Description of Respondents: Royalty payors on Federal and Indian mineral leases.

Estimated Completion Time: .5 hours.

Annual Responses: 75.

Annual Burden Hours: 37.5 hours.

Bureau Clearance Officer: Carol A. deWitt , (703) 787–1242.

Dated: December 6, 1996.

James W. Shaw,

Associate Director for Royalty Management.

[FR Doc. 97–2457 Filed 1–30–97; 8:45 am]

BILLING CODE 4310–MR–P

Outer Continental Shelf, Central Gulf of Mexico, Oil and Gas Lease Sale 166—Final Notice of Sale

1. *Authority*. This Notice is published pursuant to the Outer Continental Shelf (OCS) Lands Act (43 U.S.C. 1331–1356, as amended) and the regulations issued thereunder (30 CFR Part 256).

2. *Filing of Bids.*

(a) *Filing of Bids.* Sealed bids will be received by the Regional Director (RD), Gulf of Mexico Region, Minerals Management Service (MMS), 1201 Elmwood Park Boulevard, New Orleans, Louisiana 70123–2394. Bids may be delivered in person to that address during normal business hours (8 a.m. to 4 p.m., Central Standard Time (c.s.t.)) until the Bid Submission Deadline at 10 a.m. Tuesday, March 4, 1997. Hereinafter, all times cited in this Notice refer to c.s.t. unless otherwise stated. Bids will not be accepted the day of Bid Opening, Wednesday, March 5, 1997. Bids received by the RD later than the time and date specified above will be returned unopened to the bidders. Bids may not be modified or withdrawn unless written modification or written withdrawal request is received by the RD prior to 10 a.m. Tuesday, March 4, 1997. Bid Opening Time will be 9 a.m., Wednesday, March 5, 1997, at the Hyatt Regency Hotel, 500 Poydras Plaza, New Orleans, Louisiana. All bids must be submitted and will be considered in accordance with applicable regulations, including 30 CFR Part 256. The list of restricted joint bidders which applies to this sale appeared in the Federal Register at 61 FR 54213, published on October 17, 1996.

(b) *Natural Disasters.* In the event a natural disaster (such as widespread flooding) or other occurrence causes the MMS Gulf of Mexico Regional Office to be closed on Tuesday, March 4, 1997, bids will be accepted until 9 a.m. Wednesday, March 5, 1997, at the site of bid opening specified above. Under these conditions, bids may be modified or withdrawn upon written notification up until 9 a.m. Wednesday, March 5, 1997. Closure of the office may be determined by calling (504) 736–0557 and hearing a recorded message to that effect.

3. *Method of Bidding.*

(a) *Submission of Bids.* A separate signed bid in a sealed envelope labeled ''Sealed Bid for Oil and Gas Lease Sale 166, not to be opened until 9 a.m., c.s.t., Wednesday, March 5, 1997'' must be submitted for each tract bid upon. The sealed envelope and the bid should contain the following information: the company name, Gulf of Mexico Company Number (GOM Company Number), area number (e.g., LA1 for West Cameron, NH16–04 for Mobile), area name (abbreviations acceptable), and the block number of the tract bid upon. In addition, the total amount bid to be considered by MMS must be in whole dollar amount. Any cent amount above the whole dollar will be ignored by MMS.

Bidders must submit with each bid 1/5th of the cash bonus, in cash or by cashier's check, bank draft, or certified check, payable to the order of the U.S. Department of the Interior—Minerals Management Service. For identification purposes, the following information must appear on the check or draft: company name, GOM Company Number, and the area and block bid on (abbreviation acceptable). No bid for less than all of the unleased portion(s) of a block will be considered.

All documents must be executed in conformance with signatory authorizations on file in the MMS Gulf of Mexico Regional Office. Partnerships also need to submit or have on file a list of signatories authorized to bind the partnership. Bidders submitting joint bids must state on the bid form the proportionate interest of each participating bidder, in percent to a maximum of five decimal places, e.g., 33.33333 percent. Other documents may be required of bidders under 30 CFR 256.46. Bidders are warned against violation of 18 U.S.C. 1860 prohibiting unlawful combination or intimidation of bidders.

(b) *Submission of Statement(s) Regarding Certain Geophysical Data.* Each company submitting a bid, or participating as a joint bidder in such a bid, shall submit, prior to the Bid Submission Deadline specified in paragraph 2 of this Notice, a statement or statements identifying any processed or reprocessed pre and post stack depth migrated geophysical data in their possession or control pertaining to each and every block on which they are participating as a bidder. The existence, extent, type of such data, and identification of specific lines or 3D surveys must be clearly stated. In addition, the statement shall certify that no such data are in their possession for any other blocks on which they participate as a bidder. The statement shall be submitted in an envelope separate from those containing bids and shall be clearly marked; an example of a preferred format for the statement and the envelope is included in the document titled ''Trial Procedures for Access to Certain Geophysical Data in the Gulf of Mexico'' (revised January 19, 1996). Only one statement per bidder is required for each sale, but more than one may be submitted if desired, provided that all tracts bid on by that company are covered in the one or more statements.

Paragraph 14(k), *Information to Lessees*, contains additional information pertaining to geophysical data.

4. *Bidding, Yearly Rental, and Royalty Systems*. The following bidding, yearly rental, and royalty systems apply to this sale:

(a) *Bidding Systems*. All bids submitted at this sale must provide for a cash bonus in the amount of $25.00 or more per acre or fraction thereof.

(b) *Yearly Rental*. All leases awarded on tracts in water depths of 200 meters and greater as depicted on the map ''Royalty Suspension Areas For The Central Gulf Of Mexico (March 1996)'' (i.e., tracts in any of the three royalty suspension areas) will provide for a yearly rental payment of $7.50 per acre or fraction thereof until initial production is obtained. This map is available from the MMS Gulf of Mexico Regional Office (see paragraph 14(a) of this Notice).

All leases awarded on other tracts (i.e., those in water depths of less than 200 meters) will provide for a yearly rental payment of $5.00 per acre or fraction thereof until initial production is obtained.

(c) *Royalty Systems*. After initial production is obtained, leases will provide for a minimum royalty of the amount per acre or fraction thereof as specified as the yearly rental in paragraph 4(b) above, except during periods of royalty suspension as discussed in paragraph 4(c)(3) of this Notice. The following royalty systems will be used in this sale:

(1) *Leases with a 12½-Percent Royalty*. This royalty rate applies to tracts in water depths of 400 meters or greater; this area is shown on the Stipulations, Lease Terms, and Bidding Systems Map applicable to this Notice (see paragraph 13). Leases issued on the tracts offered in this area will have a fixed royalty rate of 12½ percent, except during periods of royalty suspension (see paragraph 4(c)(3) of this Notice).

(2) *Leases with a 16⅔-Percent Royalty*. This royalty rate applies to tracts in water depths of less than 400 meters (see aforementioned map). Leases issued on the tracts offered in this area will have a fixed royalty rate of 16⅔ percent, except during periods of royalty suspension for leases in water depths 200 meters or greater (see paragraph 4(c)(3) of this Notice).

(3) *Royalty Suspension*. In accordance with Public Law 104–58, signed by the President on November 28, 1995, MMS has developed procedures providing for the suspension of royalty payments on production from eligible leases issued as a result of this sale. MMS will allow only one royalty suspension volume per field regardless of the number of eligible leases producing the field. For purposes of this paragraph, an eligible lease is one that: 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.

An eligible lease from this sale may receive a royalty suspension volume only if it is in a field where no currently active lease produced oil or gas (other than test production) before November 28, 1995. The following applies only to eligible leases in fields meeting this condition.

(i) The royalty suspension volumes are:

—17.5 million barrels of oil equivalent (mmboe) in 200 to 400 meters of water;
—52.5 mmboe in 400 to 800 meters of water; and
—87.5 mmboe in 800 meters of water and greater.

A map titled ''Royalty Suspension Areas For The Central Gulf Of Mexico (March 1996)'' depicting blocks in which such suspensions may apply is currently available from the MMS Gulf of Mexico Regional Office (see paragraph 14(a) of this Notice).

(ii) When production first occurs from any of the eligible leases in a field (not including test production), MMS will determine the royalty suspension volume applicable to eligible lease(s) in that field. The determination is based on the royalty suspension volumes and the map specified in paragraph 4(c)(3)(i) above.

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

(iv) If an eligible lease is the only eligible lease in a field, royalty is not owed on the production from the lease up to the amount of the applicable royalty suspension volume.

(v) 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.

(vi) 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.

(vii) If MMS reassigns 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.

(viii) An eligible lease may receive a royalty suspension volume only if the 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.

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

(x) A lessee 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 fully saturated at 15.025 psi, 60 degrees F.

(xi) In any year during which the arithmetic average of the closing prices on the New York Mercantile Exchange for light sweet crude oil exceeds $28.00 per barrel, royalties on the production of oil must be paid at the lease stipulated royalty rate (see paragraphs 4(c) (1) and (2) above), and production during such years counts toward the royalty suspension volume.

In any year during which the arithmetic average of the closing prices on the New York Mercantile Exchange for natural gas exceeds $3.50 per million British thermal units, royalties on the production of natural gas must be paid at the lease stipulated royalty rate (see paragraphs 4(c) (1) and (2) above), and production during such years counts toward the royalty suspension volume.

These prices for oil and natural gas are as of the end of 1994 and must be adjusted for subsequent years by the percentage by which the implicit price deflator for the gross domestic product changed during the preceding calendar year.

(xii) A royalty suspension will continue until the end of the month in which the cumulative production from eligible leases in the field reaches the royalty suspension volume for the field.

Paragraph 14(m), *Information to Lessees*, contains additional information pertaining to royalty suspension matters.

5. *Equal Opportunity.* The certification required by 41 CFR 60–1.7(b) and Executive Order No. 11246 of September 24, 1965, as amended by Executive Order No. 11375 of October 13, 1967, on the Compliance Report Certification Form, Form MMS–2033 (June 1985), and the Affirmative Action Representation Form, Form MMS–2032 (June 1985) must be on file in the MMS Gulf of Mexico Regional Office prior to lease award (see paragraph 14(e)).

6. *Bid Opening.* Bid opening will begin at the bid opening time stated in paragraph 2. The opening of the bids is for the sole purpose of publicly announcing bids received, and no bids will be accepted or rejected at that time.

7. *Deposit of Payment.* Any cash, cashier's checks, certified checks, or bank drafts submitted with a bid may be deposited by the Government in an interest-bearing account in the U.S. Treasury during the period the bids are being considered. Such a deposit does not constitute and shall not be construed as acceptance of any bid on behalf of the United States.

8. *Withdrawal of Tracts.* The United States reserves the right to withdraw any tract from this sale prior to issuance of a written acceptance of a bid for the tract.

9. *Acceptance, Rejection, or Return of Bids.* The United States reserves the right to reject any and all bids. In any case, no bid will be accepted, and no lease for any tract will be awarded to any bidder, unless:

(a) The bidder has complied with all requirements of this Notice and applicable regulations;

(b) The bid is the highest legal bid; and

(c) The amount of the bid has been determined to be adequate by the authorized officer.

No bonus bid will be considered for acceptance unless it provides for a cash bonus in the amount of $25.00 or more per acre or fraction thereof. Any bid submitted which does not conform to the requirements of this Notice, the OCS Lands Act, as amended, and other applicable regulations may be returned to the person submitting that bid by the RD and not considered for acceptance.

To ensure that the Government receives a fair return for the conveyance of lease rights for this sale, the MMS has modified its two-phased process for bid adequacy determination. The MMS will not automatically accept legal high bids on confirmed and wildcat tracts which receive three or more bids. Such tracts will be evaluated in accordance with the remaining elements of the MMS bid adequacy procedures. This modification was described in the Federal Register on March 29, 1996 (61 FR 14162). A copy of the revised bid adequacy procedures (''Summary of Procedures for Determining Bid Adequacy at Offshore Oil and Gas Lease Sales: Effective April 1996, with Sale 157'') is available from the MMS Gulf of Mexico Regional Office (see paragraph 14(a) of this Notice).

10. *Successful Bidders.* The following requirements apply to successful bidders in this sale:

(a) *Lease Issuance.*

Each person who has submitted a bid accepted by the authorized officer will be required to execute copies of the lease (Form MMS–2005 (March 1986) as amended), pay the balance of the cash bonus bid along with the first year's annual rental for each lease issued, by electronic funds transfer in accordance with the requirements of 30 CFR 218.155, and satisfy the bonding requirements of 30 CFR 256, Subpart I, as amended.

Paragraphs 14(n) and (o), *Information to Lessees*, contain additional information pertaining to this matter.

(b) *Certification Regarding Nonprocurement Debarment, Suspension, and Other Responsibility Matters—Primary Covered Transactions.*

Each person involved as a bidder in a successful high bid must have on file, in the MMS Gulf of Mexico Regional Office Adjudication Unit, a currently valid certification that the person is not excluded from participation in primary covered transactions under Federal nonprocurement programs and activities. A certification previously provided to that office remains currently valid until new or revised information applicable to that certification becomes available. In the event of new or revised applicable information, a subsequent certification is required before lease issuance can occur. Persons submitting such certifications should review the requirements of 43 C.F.R., Part 12, Subpart D, as amended in the Federal Register of June 26, 1995, at 60 FR 33035.

Copies of the certification form are available from the MMS Gulf of Mexico Regional Office Public Information Unit. See Paragraph 14(a) of this Notice for directions on how to obtain the forms.

11. *Leasing Maps and Official Protraction Diagrams.* Tracts offered for lease may be located on the following Leasing Maps or Official Protraction Diagrams which may be purchased from the MMS Gulf of Mexico Regional Office Public Information Office (see paragraph 14(a)):

(a) Outer Continental Shelf (OCS) Leasing Maps—Louisiana Nos. 1 through 12. This is a set of 30 maps which sells for $32.

(b) Outer Continental Shelf Official Protraction Diagrams. These diagrams sell for $2.00 each.

NH 15–12 Ewing Bank (rev. 12/02/76).
NH 16–4 Mobile (rev. 02/23/93).
NH 16–7 Viosca Knoll (rev. 12/02/76).
NH 16–10 Mississippi Canyon (rev. 05/01/96).
NG 15–3 Green Canyon (rev. 12/02/76).
NG 15–6 Walker Ridge (rev. 12/02/76).
NG 15–9 (No Name) (rev. 04/27/89).
NG 16–1 Atwater Valley (rev. 11/10/83).
NG 16–4 Lund (rev. 08/22/86).
NG 16–7 (No Name) (rev. 04/27/89).

12. *Description of the Areas Offered for Bids.*

(a) Acreage of blocks is shown on Leasing Maps and Official Protraction Diagrams. Some of these blocks, however, may be partially leased, or transected by administrative lines such as the Federal/State jurisdictional line. Information on the unleased portions of such blocks, including the exact acreage, is included in the following document as a part of this Notice and is currently available from the MMS Gulf of Mexico Regional Office (see paragraph 14(a)): Central Gulf of Mexico Lease Sale 166—Final—Unleased Split Blocks and Unleased Acreage of Blocks with Aliquots and Irregular Portions Under Lease.

(b) *Tracts not available for leasing:* The areas offered for leasing include all those blocks shown on the OCS Leasing Maps and Official Protraction Diagrams listed in paragraph 11(a) and (b), except for those blocks or partial blocks already under lease and those blocks or partial blocks listed below. A list of Central Gulf of Mexico tracts currently under lease is included in the Sale Notice Package available from the MMS Gulf of Mexico Regional Office (see paragraph 14(a)).

Although currently unleased, the following tracts are currently under appeal and therefore unavailable for leasing: Main Pass Area, South and East Addition, Blocks 253 and 254.

Although currently unleased, the following tracts are not offered in this sale: Mobile Area, Blocks 826 and 829.

Note: As noted in the Final Notices of Sales for Sale 157 and 161, tracts or portions of tracts beyond the United States Exclusive Economic Zone are offered based upon provisions of the 1982 Law of the Sea Convention, and could be subject to a continental shelf delimitation agreement between the United States and Mexico.

A list of these tracts or portions of tracts and a map are included in the Sale Notice Package available from the MMS Gulf of Mexico Regional Office (see paragraph 14(a)).

13. *Lease Terms and Stipulations.*

(a) Leases resulting from this sale will have initial terms as shown on the Stipulations, Lease Terms, and Bidding Systems Map applicable to this Notice. Copies of the map and lease form are available from the MMS Gulf of Mexico Regional Office (see paragraph 14(a)).

(b) The applicability of the stipulations which follow is as shown on the map described in paragraph 13(a) and as supplemented by references in this Notice.

Stipulation No. 1—Topographic Features

(This stipulation will be included in leases located in the areas so indicated in the Biological Stipulation Map Package associated with this Notice which is available from the Gulf of Mexico Regional Office (see paragraph 14(a)).

The banks that cause this stipulation to be applied to blocks of the Central Gulf are:

Bank name	No activity zone defined by Isobath (meters)
McGrail Bank	85
Bouma Bank	85
Rezak Bank	85
Sidner Bank	85
Rankin Bank	85
Sackett Bank [2]	85
Ewing Bank	85
Diaphus Bank [2]	85
Parker Bank	85
Jakkula Bank	85
Sweet Bank [1]	85
Bright Bank	85
Geyer Bank [3]	85
MacNeil Bank [3]	82
Alderdice Bank	80
Fishnet Bank [2]	76
29 Fathom Bank	64
Sonnier Bank	55

[1] Only paragraph (a) of the stipulation applies.

[2] Only paragraphs (a) and (b) apply.

[3] Western Gulf of Mexico bank with a portion of its ''3-Mile Zone'' in the Central Gulf of Mexico.

(a) No activity including structures, drilling rigs, pipelines, or anchoring will be allowed within the listed isobath (''No Activity Zone'' as shown in the aforementioned Biological Stipulation Map Package) of the banks as listed above.

(b) Operations within the area shown as ''1,000-Meter Zone'' in the aforementioned Biological Stipulation Map Package shall be restricted by shunting all drill cuttings and drilling fluids to the bottom through a downpipe that terminates an appropriate distance, but no more than 10 meters, from the bottom.

(c) Operations within the area shown as ''1-Mile Zone'' in the aforementioned Biological Stipulation Map Package shall be restricted by shunting all drill cuttings and drilling fluids to the bottom through a downpipe that terminates an appropriate distance, but no more than 10 meters, from the bottom. (Where there is a ''1-Mile Zone'' designated, the ''1,000-Meter Zone'' in paragraph (b) is not designated.)

(d) Operations within the area shown as ''3-Mile Zone'' in the aforementioned Biological Stipulation Map Package shall be restricted by shunting all drill cuttings and drilling fluids from development operations to the bottom through a downpipe that terminates an appropriate distance, but no more than 10 meters, from the bottom.

Stipulation No. 2—Live Bottoms

(To be included only on leases in the following blocks: Main Pass Area, South and East Addition, Blocks 190, 194, 198, 219–226, 244–266, 276–290; Viosca Knoll, Blocks 473–476, 521, 522, 564, 565, 566, 609, 610, 654, 692–698, 734, 778.)

For the purpose of this stipulation, ''live bottom areas'' are defined as seagrass communities; or those areas which contain biological assemblages consisting of such sessile invertebrates as sea fans, sea whips, hydroids, anemones, ascidians, sponges, bryozoans, or corals living upon and attached to naturally occurring hard or rocky formations with rough, broken, or smooth topography; or areas whose lithotope favors the accumulation of turtles, fishes, and other fauna.

Prior to any drilling activities or the construction or placement of any structure for exploration or development on this lease, including, but not limited to, anchoring, well drilling, and pipeline and platform placement, the lessee will submit to the Regional Director (RD) a live bottom survey report containing a bathymetry map prepared utilizing remote sensing techniques. The bathymetry map shall be prepared for the purpose of determining the presence or absence of live bottoms which could be impacted by the proposed activity. This map shall encompass such an area of the seafloor where surface disturbing activities, including anchoring, may occur.

If it is determined that the live bottoms might be adversely impacted by the proposed activity, the RD will require the lessee to undertake any measure deemed economically, environmentally, and technically feasible to protect the pinnacle area. These measures may include, but are not limited to, the following:

(a) The relocation of operations; and

(b) The monitoring to assess the impact of the activity on the live bottoms.

Stipulation No. 3—Military Areas

(This stipulation will be included in leases located within the Warning Areas and Eglin Water Test Areas 1 and 3, as shown on the map described in paragraph 13(a)).

(a) *Hold and Save Harmless.*

Whether compensation for such damage or injury might be due under a theory of strict or absolute liability or otherwise, the lessee assumes all risks of damage or injury to persons or property, which occur in, on, or above the Outer Continental Shelf (OCS), to any persons or to any property of any person or persons who are agents, employees, or invitees of the lessee, its agents, independent contractors, or subcontractors doing business with the lessee in connection with any activities being performed by the lessee in, on, or above the OCS, if such injury or damage to such person or property occurs by reason of the activities of any agency of the United States Government, its contractors or subcontractors, or any of its officers, agents or employees, being conducted as a part of, or in connection with, the programs and activities of the command headquarters listed in the following table.

Notwithstanding any limitation of the lessee's liability in Section 14 of the lease, the lessee assumes this risk whether such injury or damage is caused in whole or in part by any act or omission, regardless of negligence or fault, of the United States, its contractors or subcontractors, or any of its officers, agents, or employees. The lessee further agrees to indemnify and save harmless the United States against all claims for loss, damage, or injury sustained by the lessee, or to indemnify and save harmless the United States against all claims for loss, damage, or injury sustained by the agents, employees, or invitees of the lessee, its agents, or any independent contractors or subcontractors doing business with the lessee in connection with the programs and activities of the aforementioned military installation, whether the same be caused in whole or in part by the negligence or fault of the United States, its contractors, or subcontractors, or any of its officers, agents, or employees and whether such claims might be sustained under a theory of strict or absolute liability or otherwise.

(b) *Electromagnetic Emissions.*

The lessee agrees to control its own electromagnetic emissions and those of its agents, employees, invitees, independent contractors or subcontractors emanating from individual designated defense warning areas in accordance with requirements specified by the commander of the command headquarters listed in the following table to the degree necessary to prevent damage to, or unacceptable interference with, Department of Defense flight, testing, or operational activities, conducted within individual designated warning areas. Necessary monitoring control, and coordination with the lessee, its agents, employees, invitees, independent contractors or subcontractors, will be effected by the commander of the appropriate onshore military installation conducting operations in the particular warning area; provided, however, that control of such electromagnetic emissions shall in no instance prohibit all manner of electromagnetic communication during any period of time between a lessee, its agents, employees, invitees, independent contractors or subcontractors and onshore facilities.

(c) *Operational.*

The lessee, when operating or causing to be operated on its behalf, boat, ship, or aircraft traffic into the individual designated warning areas shall enter into an agreement with the commander of the individual command headquarters listed in the following list, upon utilizing an individual designated warning area prior to commencing such traffic. Such an agreement will provide for positive control of boats, ships, and aircraft operating into the warning areas at all times.

W–155A and B (For Agreement)—Chief, Naval Air Training, Naval Air Station, Office No. 206, Corpus Christi, Texas 78419–5100, Telephone: (512) 939–3862/2621

W–155A and B (For Operational Control)—Fleet Area Control & Surveillance Facility (FACSFAC), Operations, Naval Air Station, Pensacola, Florida 32508, Telephone: (904) 452–2735/4671

W–92—Naval Air Station, Air Operations Department, Air Traffic Division/Code 52, New Orleans, Louisiana 70146–5000, Telephone: (504) 393–3100/3101

W–453—Air National Guard—CRTC/ACTS, Scheduling Office, 4715 Hews Avenue Building 1, Gulfport, Mississippi 39507, Telephone: (601) 867–2432/2433

Eglin Water Test Areas 1 and 3—Air Force Development Test Center, Strategic Plans Division AFDTC/DRP, 101 West ''D'' Avenue, Suite 125, Eglin AFB, Florida 32542–5495, Telephone: (904) 882–3899/4188

14. *Information to Lessees.*

(a) *Supplemental Documents.* For copies of the various documents identified as available from the MMS Gulf of Mexico Regional Office, prospective bidders should contact the Public Information Office, Minerals Management Service, 1201 Elmwood Park Boulevard, New Orleans, Louisiana 70123–2394, either in writing or by telephone at (504) 736–2519 or (800) 200–GULF. For additional information, contact the Regional Supervisor for Leasing and Environment at that address or by telephone at (504) 736–2759.

(b) *Navigation Safety.* Operations on some of the blocks offered for lease may be restricted by designation of fairways, precautionary zones, anchorages, safety zones, or traffic separation schemes established by the U.S. Coast Guard pursuant to the Ports and Waterways Safety Act (33 U.S.C. 1221 *et seq.*), as amended, and the Deepwater Port Act (33 U.S.C. 1501–1524). Bidders are advised to review U.S. Coast Guard regulations (particularly 33 CFR Part 150, Appendix A; see also 59 FR 17480 published on April 13, 1994) regarding the safety zone around the Louisiana Offshore Oil Port (LOOP).

U.S. Army Corps of Engineers (COE) permits are required for construction of any artificial islands, installations, and other devices permanently or temporarily attached to the seabed located on the OCS in accordance with section 4(e) of the OCS Lands Act, as amended.

For additional information, prospective bidders should contact Lt. Commander Ken Parris, Assistant Marine Port Safety Officer, 8th Coast Guard District, Hale Boggs Federal Building, New Orleans, Louisiana 70130, (504) 589–6901. For COE information, prospective bidders should contact Mr. Ron Ventola CELMN-OD-S, Post Office Box 60267, New Orleans, Louisiana 70160–0267, (504) 862–2255.

(c) *Offshore Pipelines.* Bidders are advised that the Department of the Interior and the Department of Transportation have entered into a Memorandum of Understanding, dated December 10, 1976, concerning the design, installation, operations, inspection, and maintenance of offshore pipelines. Bidders should consult both Departments for regulations applicable to offshore pipelines.

(d) *8-Year Leases.* Bidders are advised that any lease issued for a term of 8 years will be canceled shortly after the end of the fifth year, following notice pursuant to the OCS Lands Act, as amended, if within the initial 5-year period of the lease, the drilling of an exploratory well has not been initiated; or if initiated, the well has not been drilled in conformance with the approved exploration plan criteria; or if there is not a suspension of operations in effect. Furthermore, a rental payment for the sixth year will be due despite the cancellation. Bidders are referred to 30 CFR 256.37 and the MMS Gulf of Mexico Regional Office Letter to Lessees and Operators of February 13, 1995.

(e) *Affirmative Action.* Revision of Department of Labor regulations on affirmative action requirements for Government contractors (including lessees) has been deferred, pending review of those regulations (see Federal Register of August 25, 1981, at 46 FR 42865 and 42968). Should changes become effective at any time before the issuance of leases resulting from this sale, section 18 of the lease form (Form MMS–2005, March 1986), would be deleted from leases resulting from this sale. In addition, existing stocks of the affirmative action forms described in paragraph 5 of this Notice contain language that would be superseded by the revised regulations at 41 CFR 60–1.5(a)(1) and 60–1.7(a)(1). Submission of Form MMS–2032 (June 1985) and Form MMS–2033 (June 1985) will not invalidate an otherwise acceptable bid, and the revised regulations' requirements will be deemed to be part of the existing affirmative action forms.

(f) *Ordnance Disposal Areas.* Bidders are cautioned as to the existence of two inactive ordnance disposal areas in the Mississippi Canyon area, shown on the map described in paragraph 13(a). These areas were used to dispose of ordnance of unknown quantity and composition. Water depths range from approximately 750 to 1,525 meters. Bottom sediments in both areas are soft, consisting of silty clays. Exploration and development activities in these areas require precautions commensurate with the potential hazards.

The U.S. Air Force has released an indeterminable amount of unexploded ordnance throughout Eglin Water Test Areas 1 and 3. The exact location of the unexploded ordnance is unknown, and lessees are advised that all lease blocks included in this sale within these water test areas should be considered potentially hazardous to drilling and platform and pipeline placement.

(g) *Communications Towers.* The Department of Defense, U.S. Air Force, has installed seven military communications towers in the Chandeleur/Mobile/Viosca Knoll area which support Air Combat Maneuvering Instrumentation (ACMI). This project may impose certain restrictions on oil and gas activities in that area since no activity can take place within 500 feet of a tower site, and unobstructed lines of sight must be maintained between towers. The seven towers are located within Mobile, Blocks 769, 819, and 990; Viosca Knoll, Block 116; Chandeleur Area, Blocks 33 and 61; and Chandeleur Area, East Addition, Block 39. Information and maps of the specific locations and line of sight crossings for ACMI towers may be obtained from Mr. Wallace Williams, Minerals Management Service, (504) 736–2772.

(h) *Archaeological Resources.* Bidders are referred to the regulations at 30 CFR 250.26 (Archaeological Reports and Surveys). MMS Notice to Lessees (NTL) 91–02 (Outer Continental Shelf Archaeological Resources Requirements for the Gulf of Mexico OCS Region) published in the Federal Register on December 20, 1991 (56 FR 66076) effective February 17, 1992, specifies remote sensing instrumentation survey methodology, linespacing, and archaeological report writing requirements for lessees and operators in the Gulf of Mexico Region.

Three additional documents are available from the MMS Gulf of Mexico Region Public Information Office (see paragraph 14(a)):

''List of Lease Blocks Within the High-Probability Area for Historic Period Shipwrecks on the OCS'' dated January 30, 1995 (including an Errata Sheet dated January 15, 1997). This list supersedes the list promulgated by the MMS Letter to Lessees (LTL) of November 30, 1990.

''List of Lease Blocks Within the High-Probability Area for Prehistoric Archaeological Resources on the OCS'' dated January 30, 1995.

MMS Gulf of Mexico Regional Office Letter to Lessees and Operators of March 17, 1996, which contains a list of lease blocks within the High-Probability Areas for both Historic Period Shipwrecks and Prehistoric Archaeological Resources on the OCS that were formerly ''grandfathered'' but which may now require archaeological surveys.

(i) *Proposed Artificial Reefs/Rigs to Reefs.* Bidders are advised that there are OCS artificial reef planning areas and reef sites for the Gulf of Mexico. These are generally located in water depths of less than 200 meters. While all artificial reef sites require a permit from the U.S. Army Corps of Engineers, the Artificial Reefs program is implemented through State sponsorship through the following State Coordinators:

Alabama Mr. Steve Heath, (334) 968–7576
Florida Mr. Jon Dodrill, (904) 922–4340
Louisiana Mr. Rick Kasprzak, (504) 765–2375
Mississippi Mr. Mike Buchanan, (601) 385–5860
Texas Ms. Jan Culbertson, (281) 474–1418

For more information, on artificial reef sites, prospective bidders should contact the above listed State Artificial Reef Coordinators for their areas of interest.

(j) *Proposed Lightering Zones.* Bidders are advised that the U.S. Coast Guard has designated certain areas of the Gulf of Mexico (60 FR 45006 of August 29, 1995), as lightering zones for the purpose of permitting single hull vessels to off-load oil within the U.S. Exclusive Economic Zone. Such designation may have implications for oil and gas operations in the areas. Additional information may be obtained from Lieutenant Commander Stephen Kantz, Project Manager, Oil Pollution Act (OPA 90) Staff, at (202) 267–6740.

(k) *Statement Regarding Certain Geophysical Data.* Pursuant to Sections 18 and 26 of the OCS Lands Act, as amended, and the regulations issued thereunder, MMS has a right of access to certain geophysical data and information obtained or developed as a result of operations on the OCS. MMS is sensitive to the concerns expressed by industry regarding the confidentiality of individual company work products and client lists and the potential burden of responding to a myriad of requests from MMS pertaining to the existence and availability of these types of reprocessed geophysical data. To resolve the concerns of both industry and MMS with respect to such cases, MMS has worked with industry to develop the requirements contained within paragraph 3(b) *Method of Bidding* above. MMS modified the previous procedure to require that bidders who are in possession of the requested data, now identify the specific data by line name or 3D phase. This has helped MMS in identifying time data that may have already been in our data base and at the same time not imposed undue burden on industry by re-requesting it. MMS is currently considering further modifications to the above procedures that would aid in the identification of the data extent and at the same time hasten the procurement and reimbursement processes to bidders who furnish MMS with data. These changes will be available in April 1997 with the issuance of the Proposed Notice of Sale for Western Gulf Sale 168, scheduled for August 1997. All requirements are being imposed on a trial basis to determine their effectiveness and are subject to further modification in future sales.

The details of this requirement are specified in the document ''Trial Procedures for Access to Certain Geophysical Data in the Gulf of Mexico'' (revised January 19, 1996) which is available upon request from the MMS Gulf of Mexico Region Public Information Office (see paragraph 14(a)). In brief, these requirements include:

(1) In the period for ninety (90) days after the sale, bidders will allow MMS to inspect such data within seven (7) days of a written request from MMS, and upon further written request will transmit to MMS, within ten (10) working days, such data. After this ninety day period, a response time of thirty (30) days following an MMS written request will be considered adequate.

(2) Successful bidders must retain such data for three (3) years after the sale, and unsuccessful bidders must retain such data for six (6) months after the sale, for possible acquisition by MMS.

For the six (6) month period after the sale, based on a review of the allowable cost of data reproduction to MMS for three-dimensional and two-dimensional data sets, the company providing the reprocessed data will be reimbursed at a rate of $480 per block or part thereof for three-dimensional data and $2 per line mile for two-dimensional data. Afterwards, reimbursement will be subject to the terms and conditions of 30 CFR 251.13(a).

All geophysical data and information obtained and reviewed by MMS pursuant to these procedures shall be held in the strictest confidence and treated as proprietary in accordance with the applicable terms of 30 CFR 251.14.

For additional information, contact the MMS Gulf of Mexico Regional Office of Resource Evaluation at (504) 736–2720.

(l) *Information about Indicated Hydrocarbons.* Bidders are advised that

MMS makes available, about 3 months prior to a lease sale, a list of unleased tracts having well bores with indicated hydrocarbons. Basic information relating to production, well bores, and pay range for each tract is included in the list. The list is available from the MMS Gulf of Mexico Region Public Information Office (see paragraph 14(a)).

(m) *Royalty Relief.* The Outer Continental Shelf (OCS) Deep Water Royalty Relief Act authorizes the Secretary of the Interior to offer certain deepwater OCS tracts in the Central and Western Gulf of Mexico for lease with suspension of royalties for a volume, value, or period of production the Secretary determines. An interim rule was published in the Federal Register (61 FR 12022; March 25, 1996) that specifies the royalty suspension terms under which the Secretary will make tracts available for this sale. Bidders are advised to review that document for additional details on this matter. For further information, bidders may contact Walter Cruickshank of the MMS Offshore Minerals Analysis Division at (202) 208–3822.

A map titled ''Royalty Suspension Areas For The Central Gulf Of Mexico (March 1996)'' depicting blocks in which such suspensions may apply is currently available from the MMS Gulf of Mexico Regional Office (see paragraph 14(a) of this Notice).

The publication ''OCS Operations Field Names Master List'' depicts currently established fields in the Gulf of Mexico. This document is updated monthly and reprinted quarterly. Copies may be obtained from the MMS Gulf of Mexico Regional Office (see paragraph 14(a) of this Notice).

(n) *Lease Instrument.* Bidders are advised that the lease instrument will include royalty relief provisions (paragraph 4(c)(3) of this Notice) and 8-year lease cancellation provisions (paragraph 14(d) of this Notice) where applicable. Leases will continue to be issued on Form MMS–2005 (March 1986) as amended.

(o) *Electronic Funds Transfer.* Bidders are advised that the ⅘ths and first year rental EFT instructions for lease payoff have been revised and updated by MMS Royalty Management. Companies may now use either the Fedwire Deposit System or the Automated Clearing House (overnight payments). See paragraph 10(a) of this Notice.

(p) *Deepwater Operations Plans.* Bidders are advised that MMS Notice to Lessees (NTL) 96–4N, which became effective on August 19, 1996, requires that a Deepwater Operations Plan be submitted for all deepwater development projects (water depths greater than 304.8 meters (1,000 feet)) and for all projects utilizing subsea production technology; projects using conventional fixed-leg projects are exempted from this requirement. Copies of the NTL may be obtained from the MMS Gulf of Mexico Regional Office (see paragraph 14(a) of this Notice).

Cynthia Quarterman,

Director, Minerals Management Service.

Approved: January 24, 1997.

Sylvia V. Baca,

Deputy Assistant Secretary, Land and Minerals Management.

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Outer Continental Shelf, Central Gulf of Mexico; Notice of Leasing Systems, Sale 166

Section 8(a)(8) (43 U.S.C. 1337(a)(8)) of the Outer Continental Shelf Lands Act (OCSLA) requires that, at least 30 days before any lease sale, a Notice be submitted to the Congress and published in the Federal Register:

1. identifying the bidding systems to be used and the reasons for such use; and

2. designating the tracts to be offered under each bidding system and the reasons for such designation.

This Notice is published pursuant to these requirements.

1. *Bidding systems to be used.* In the Outer Continental Shelf (OCS) Sale 166, blocks will be offered under the following two bidding systems as authorized by section 8(a)(1) (43 U.S.C. 1337(a)(1)), as amended: (a) Bonus bidding with a fixed 16⅔-percent royalty on all unleased blocks in less than 200 meters of water; and (b)(i) bonus bidding with a fixed 16⅔-percent royalty on all unleased blocks in 200 meters of water or more, with a royalty suspension volume of up to 17.5 million barrels of oil equivalent on all unleased blocks in 200 to 400 meters of water; (ii) bonus bidding with a fixed 12½-percent royalty on all unleased blocks in 400 to 800 meters of water with a royalty suspension volume of up to 52.5 million barrels of oil equivalent; and (iii) bonus bidding with a fixed 12½-percent royalty on all unleased blocks in water depths of 800 meters or more with a royalty suspension volume of up to 87.5 million barrels of oil equivalent.

For bidding systems (b)(i), (ii), and (iii), the royalty suspension allocation rules are described in the Interim Rule (30 CFR Part 260) addressing royalty relief for new leases that was published in the Federal Register on March 25, 1996 (61 FR 12022).

a. *Bonus Bidding with a 16⅔-Percent Royalty.* This system is authorized by section (8)(a)(1)(A) of the OCSLA. This system has been used extensively since the passage of the OCSLA in 1953 and imposes greater risks on the lessee than systems with higher contingency payments but may yield more rewards if a commercial field is discovered. The relatively high front-end bonus payments may encourage rapid exploration.

b. (i) *Bonus Bidding with a 16⅔-Percent Royalty and a Royalty Suspension Volume (17.5 million barrels of oil equivalent).* This system is authorized by section (8)(a)(1) (H) of the OCSLA, and amended. This system complies with Sec. 304 of the Outer Continental Shelf Deep Water Royalty Relief Act (DWRRA). An incentive for development and production in water depths of 200 to 400 meters is provided through allocating royalty suspension volumes of 17.5 million barrels of oil equivalent to eligible fields.

b.(ii) *Bonus Bidding with a 12½-Percent Royalty and a Royalty Suspension Volume (52.5 million barrels of oil equivalent).* This system is authorized by section (8)(a)(1)(H) of the OCSLA, as amended. It has been chosen for blocks in water depths of 400 to 800 meters proposed for the Central Gulf of Mexico (Sale 166) to comply with Sec. 304 of the DWRRA. The 12½-percent royalty rate is used in deeper water because these blocks are expected to require substantially higher exploration, development, and production costs, as well as longer times before initial production, in comparison to shallow-water blocks. The use of royalty suspension volume of 52.5 million barrels of oil equivalent for eligible fields provides an incentive for development and production appropriate for this water depth category.

b. (iii) *Bonus Bidding with a 12½-Percent Royalty and a Royalty Suspension Volume (87.5 million barrels of oil equivalent).* This system is authorized by section (8)(a)(1)(H) of the OCSLA, as amended. It has been chosen for blocks in water depths of 800 meters or more proposed for the Central Gulf of Mexico (Sale 166) to comply with Sec. 304 of the DWRRA. The use of a royalty suspension volume of 87.5 million barrels of oil equivalent for eligible fields provides an incentive for development and production appropriate for these deep-water depths.

2. *Designation of Blocks.* The selection of blocks to be offered under the four systems was based on the following factors: