kind program and will continue to pursue input on that program through other avenues.

Benchmarks

Alternative 1—Several industry commenters suggested that a lessee be permitted to value its production not sold arm's-length based on prices it receives for outright sales of crude oil in a particular market area or region. Such a program (called a bid-out or tendering program) was described in the comments of two major producers. MMS requests comments on this alternative and specifically whether a certain minimum amount of production should be required to be tendered in a given area before such a price would be acceptable for valuing the remainder of a lessee's production not sold arm's-length.

Alternative 2—In its comments on the supplementary proposed rule, one industry trade association representing independent producers suggested a series of benchmarks for valuing production not sold under arm's-length contracts.

Benchmarks

(1) Outright sales of like-quality crude in the field or area as described in Alternative 1,

(2) The lessee's or its affiliate's arm's-length purchases from producers at the lease in the field or area,

(3) Outright arm's-length sales by third parties,

(4) Prices published by MMS based on its RIK sales,

(5) Netback employing price information from the nearest market center or aggregation point.

MMS requests comments on this alternative. Should the benchmarks be considered in any particular order? Should MMS retain the gross proceeds minimum requirement of the existing regulations, so that value would be the higher of the benchmark value or gross proceeds? With regard to the second and third benchmarks, should a certain minimum amount of production be required to be purchased by a lessee or its affiliate or by third parties before such a price would be acceptable for valuing the remainder of a lessee's production not sold arm's-length? How can MMS verify that those contracts are indeed arm's-length sales and that they reflect the total consideration for the value of production other than through audit? With regard to the fifth benchmark, how should a netback be determined?

Alternative 3—One of the State commenters suggested that MMS establish value based on geographic indexing using its own system data. That State commented that MMS would have to insure that posted prices are not included when using system data to determine market prices and that a range of data could be established within a geographic area for comparison purposes. MMS requests comments on this alternative. Specifically, how can MMS verify, in a timely manner, that the values reported to its data base are correct prior to our publishing this information? On what value do non-arm's-length producers pay until MMS publishes the values contained in its data base?

With regard to Alternatives 1 through 3, we request comments on whether MMS should apply any one of these alternatives only to the Rocky Mountain region while maintaining NYMEX prices as the basis for mid-continent and OCS leases and ANS prices for California and Alaska leases.

Differentials

Alternative 4—Several industry and State commenters commented that the proposed Form MMS–4415 is too burdensome on lessees. One State commented that the proposed method for determining differentials allows for double-dipping of transportation costs. Recently, two major oil producers reached settlement with State and private royalty litigants using fixed rate (cents per barrel) differentials deducted from a NYMEX-based value. MMS requests comments on alternatives for determining the appropriate location and quality differentials to be deducted from the NYMEX method (ANS in California and Alaska) in the January 24, 1997, proposed rule. Specifically, MMS requests comments on the following methods for MMS to calculate and publish location differentials from the lease to the market center:

(1) Differential in cents per barrel by zone or area,

(2) Differential in cents per mile by zone or area,

(3) Differential based on a percentage of the NYMEX (ANS in California and Alaska) value.

MMS also requests comments on alternatives for determining quality differentials from the lease to the market center.

Index

Alternative 5—One State commenter suggested that MMS could simplify the process without sacrificing value by using published spot prices instead of NYMEX. MMS requests comments on this alternative and whether MMS should then allow actual costs of transportation when production actually flows to the market center where the spot price is published.

IV. Request for Public Comments

We are not requesting comments on the summary of comments outlined in this notice nor on the original proposed rule or supplementary proposed rule. We seek comments only on the alternatives described above or other alternatives suggested for valuing oil from Federal leases. The alternatives listed are not exhaustive. We welcome any new alternatives or any modifications to the proposed alternatives for consideration.

The policy of the Department is, whenever practicable, to give the public an opportunity to participate in the rulemaking process. Accordingly, you should submit written comments, suggestions, or objections regarding this notice to the location identified in the **ADDRESSES** section of this notice. You should submit comments on or before the date identified in the **DATES** section of this notice.

Dated: September 16, 1997.

Lucy Querques Denett,

Associate Director for Royalty Management.

[FR Doc. 97–25101 Filed 9–19–97; 8:45 am]

BILLING CODE 4310–MR–P

ENVIRONMENTAL PROTECTION AGENCY

40 CFR Part 52

[OH108–1b; FRL–5894–2]

Approval and Promulgation of Implementation Plans; Ohio

AGENCY: Environmental Protection Agency (EPA).

ACTION: Proposed rule.

SUMMARY: The EPA is proposing to approve a State Implementation Plan (SIP) revision submitted by the State of Ohio on January 3, 1997, which would provide greater flexibility for Proctor and Gamble Company, Hamilton County, in operating four boilers, refered to in Ohio Administrative Code 3745–18–37(GG), during periods of change over from the main boilers to the back-up units. In the Final Rules section of this **Federal Register**, EPA is approving this SIP revision as a direct final rule without prior proposal because the agency anticipates no adverse comments. If no adverse written comments are received in response to this proposed rule, no further activity is contemplated in relation to this rule. However, if the EPA receives significant adverse comments which have not been

previously addressed, the direct final rule will be withdrawn and the public comments received will be addressed in a subsequent final rule based on this proposed rule. The EPA does not plan a second comment period on this action. Any parties interested in commenting on this action should do so at this time.

DATES: Comments must be received in writing by October 22, 1997.

ADDRESSES: Copies of the revision request are available for inspection at the following address: U.S. Environmental Protection Agency, Region 5, Air and Radiation Division, 77 West Jackson Boulevard, Chicago, Illinois 60604. (It is recommended that you telephone John Paskevicz at (312) 886–6084 before visiting the Region 5 Office.)

Written comments should be sent to: J. Elmer Bortzer, Chief, Regulation Development Section, Air Programs Branch (AR–18J), U.S. Environmental Protection Agency, 77 West Jackson Boulevard, Chicago, Illinois 60604.

FOR FURTHER INFORMATION CONTACT: John Paskevicz, at (312) 886–6084.

SUPPLEMENTARY INFORMATION: See the information provided in the Direct Final action of the same title which is located in the Rules and Regulations Section of this **Federal Register**.

Authority: 42 U.S.C. 7401–7671q.

Dated: September 9, 1997.

David A. Ullrich,

Acting Regional Administrator.

[FR Doc. 97–25096 Filed 9–19–97; 8:45 am]

BILLING CODE 6560–50–P

DEPARTMENT OF COMMERCE

National Oceanic and Atmospheric Administration

50 CFR Part 600

[Docket No. 970829214–7214–01; I.D. 082097B]

RIN 0648–AJ76

Magnuson-Stevens Act Provisions; Observer Health and Safety

AGENCY: National Marine Fisheries Service (NMFS), National Oceanic and Atmospheric Administration (NOAA), Commerce.

ACTION: Proposed rule; request for comments.

SUMMARY: NMFS is proposing regulations that pertain to fishery observers and the vessels that carry them. The Magnuson-Stevens Fishery Conservation and Management Act (Magnuson-Stevens Act) as amended October 11, 1996, requires that the Secretary of Commerce (Secretary) promulgate regulations for ensuring the adequacy and safety of fishing vessels that carry observers. Owners and operators of fishing vessels that carry observers would be required to comply with guidelines, regulations, and conditions in order to ensure that their vessels are adequate and safe for the purposes of carrying an observer and allowing operation of normal observer functions.

DATES: Comments must be received by October 22, 1997.

ADDRESSES: Send comments to Gary Matlock, Director, Office of Sustainable Fisheries, NMFS, 1315 East-West Highway, Silver Spring, MD 20910.

FOR FURTHER INFORMATION CONTACT: William J. Bellows, 301–713-2341.

SUPPLEMENTARY INFORMATION:

Background

The Magnuson-Stevens Act, as amended (16 U.S.C. 1801 *et seq.*), the Marine Mammal Protection Act, as amended (MMPA; 16 U.S.C. 1361 *et seq.*), and the Atlantic Tunas Convention Act, as amended (ATCA; 16 U.S.C. 971 *et seq.*) authorize the Secretary to station observers aboard commercial fishing vessels to collect required scientific data for the purposes of fishery and protected species conservation and management, monitoring incidental mortality and serious injury to marine mammals and to other species listed under the Endangered Species Act (ESA), and monitoring compliance with existing Federal regulations. In addition, pursuant to the South Pacific Tuna Act of 1988 (SPTA; 16 U.S.C. 973 *et seq.*) observers may be required in the South Pacific Tuna Fishery.

The majority of U.S. observer programs are mandatory under the MMPA, or have mandatory coverage authorized by fishery management plans developed under the Magnuson-Stevens Act. Under mandatory programs, observer coverage levels are either prescribed by legislation or there is a mandate to carry an observer if requested to do so by NMFS. Vessels fishing under one of these mandatory programs must have an observer(s) aboard in order to fish legally. Should such a vessel fail to meet the safety requirements as described in this rule, the vessel would not be permitted to fish until the safety requirements are met and the required observer(s) is/are aboard.

While the majority of the observer programs are mandatory, a substantial amount of fishery data is collected through voluntary observer programs. Under these voluntary programs, vessel owners and operators have no legal obligation or requirement to carry an observer but voluntarily carry observers to collect data essential for making fishery conservation and management decisions. The safety, health, and well-being of observers while stationed aboard fishing vessels participating in both mandatory and voluntary programs are of great priority.

The Magnuson-Stevens Act directs that

> * * *the Secretary shall promulgate regulations, after notice and opportunity for public comment, for fishing vessels that carry observers. The regulations shall include guidelines for determining—
>
> (1) when a vessel is not required to carry an observer on board because the facilities of such vessel for the quartering of an observer, or for carrying out observer functions, are so inadequate or unsafe that the health or safety of the observer or the safe operation of the vessel would be jeopardized; and
>
> (2) actions which vessel owners or operators may reasonably be required to take to render such facilities adequate and safe.

This rule would apply to any vessel designated to carry an observer as part of a mandatory or a voluntary observer program under the Magnuson-Stevens Act, the MMPA, ATCA, SPTA, or any other U.S. law.

This proposed rule would adopt U.S. Coast Guard (USCG) safety inspection standards as minimum requirements a vessel must meet to be deemed safe and adequate for the purposes of carrying observers. Vessels that carry observers would be required to undergo USCG safety inspections, display valid USCG inspection decals or certificates, and maintain safe conditions at all times an observer is aboard as well as during an observer's boarding and disembarking. In addition, vessels would be required to comply with applicable regional requirements governing observer accommodations which may address adequacy, health, and safety concerns beyond the scope of USCG standards.

Classification

The Assistant General Counsel for Legislation and Regulation of the Department of Commerce made the following certification to the Chief Counsel for Advocacy of the Small Business Administration that this proposed rule, if adopted, would not have a significant economic impact on a substantial number of small entities.

The National Marine Fisheries Service estimates that there are a total of 1,600 vessels carrying observers in NMFS-regulated fisheries. Of these, approximately 1,200 (75%) fit the Small Business Administration's definition of small entity,