

of the United States” reports that, from 1981 to 1999, annual trips to and from the Port of Wilmington, NC, increased from 10,060 to 24,190 or 140% and the number of trips to and from Morehead City, NC, decreased from 7,842 to 3,388 or 57%. Since 1981 the Army Corps of Engineers maintained Federal Navigation Project for the Cape Fear River ocean bar channel has increased the channel depth from 38 feet to 40 feet. Dredging is currently underway in the Cape Fear River, which will deepen the channels from the Atlantic Ocean to Wilmington to 42 feet and to 44 feet over the ocean bar. The project depth for Beaufort Inlet/Morehead City has increased from 42 feet to 45 feet.

Timeline, area, and process of this PARS. The Fifth Coast Guard District will conduct this PARS to determine the need to modify existing routing measures and the effects of potential modifications in the study area. The study will begin immediately and we anticipate the study will be completed by January 31, 2002.

The study area will encompass the area bounded by a line connecting the following geographic points (All coordinates are NAD 1983):

Latitude	Longitude
34°40'N	77°00'W
34°40'N	76°15'W
34°10'N	76°15'W
33°15'N	77°30'W
33°00'N	78°20'W
33°50'N	78°20'W
33°50'N	77°55'W

The study area encompasses the approaches to the Cape Fear River and Beaufort Inlet, as well as the area offshore of North Carolina used by commercial and public vessels transiting to and from these ports.

As part of this study, we will consider previous studies, analyses of vessel traffic density, and agency and stakeholder experience in vessel traffic management, navigation, ship handling, and effects of weather. We encourage you to participate in the study process by submitting comments in response to this notice.

We will publish the results of the PARS in the **Federal Register**. It is possible that the study may validate continued applicability of existing vessel routing measures and conclude that no changes are necessary. It is also possible that the study may recommend one or more changes to enhance navigational safety and vessel traffic management efficiency. Study recommendations may lead to future rulemakings or appropriate international agreements.

Potential Study Recommendations

We are attempting to determine the scope of any safety problems associated with vessel transits in the study area. We expect that information gathered during the study will identify any problems and appropriate solutions. The study may recommend that we—

- Maintain the current vessel routing measures;
- Establish a TSS in the Approaches to the Cape Fear River;
- Establish a TSS in the Approaches to Beaufort Inlet;
- Establish a TSS off North Carolina encompassing the routes typically used by merchant and naval vessels transiting the study area;
- Establish a Precautionary Area(s) near either or both Approaches;
- Establish an Inshore Traffic Zone(s) near either or both approaches;
- Establish an Area to be Avoided (ATBA) in shallow areas where the risk of grounding is present;
- Create Anchorage Grounds(s); and
- Establish a Regulated Navigation Area (RNA) with specific vessel operating requirements to ensure safe navigation near shallow water.

Questions

To help us conduct the port access route study, we request comments on the following questions, although comments on other issues addressed in this document are also welcome. In responding to a question, please explain your reasons for each answer, and follow the instructions under “Request for Comments” above.

1. What navigational hazards do vessels operating in the study area face? Please describe.
2. Are there strains on the current vessel routing system (increasing traffic density, for example)? If so, please describe.
3. Are modifications to existing vessel routing measures needed to address hazards and strains and improve traffic management efficiency in the study area? Why or why not? If so, what measures should the study of port-access routes address for potential implementation?
4. What costs and benefits are associated with the measures listed as potential study recommendations? What measures do you think are most cost-effective?
5. What impacts, both positive and negative, would changes to existing routing measures or new routing measures have on the study area?

Dated: December 27, 2001.

Joseph J. Angelo,

Director of Standards, Marine Safety and Environmental Protection.

[FR Doc. 02–1371 Filed 1–17–02; 8:45 am]

BILLING CODE 4910–15–U

DEPARTMENT OF THE INTERIOR

Bureau of Land Management

43 CFR Parts 3430 and 3470

[WO–320–1430–PB–24 1A]

RIN 1004–AD43

Coal Management: Noncompetitive Leases; Coal Management Provisions and Limitations

AGENCY: Bureau of Land Management, Interior.

ACTION: Proposed rule.

SUMMARY: The purposes of this proposed rule are to correct a technical error relating to coal lease modifications made in a final rule published on September 28, 1999 (64 FR 52239)(the 1999 rule), and to amend the regulations to reflect the statutory increase in the maximum acreage of Federal leases for coal that may be held by an individual or entity in any one state as well as nationally.

This rule would revise the regulations of the Bureau of Land Management (BLM) to reflect correction of a technical error regarding the requirement of a public hearing and publication (in the **Federal Register** and a general circulation newspaper) of a notice of availability of environmental analysis documents for coal lease modifications. This error was made in conjunction with the BLM’s September 1999 regulatory revisions incorporating public participation procedures into the competitive coal leasing regulations.

DATES: Comments on the proposed rule must be received or postmarked by February 19, 2002, to be assured consideration in developing a final rule.

ADDRESSES: Mail: Director (630), Bureau of Land Management, Administrative Record, Room 401 LS, 1849 C Street, NW, Washington, DC 20240. Personal or messenger delivery: Room 401, 1620 L Street, NW, Washington, DC 20036.

For information about the requirements for filing comments and how to file comments electronically, see the **SUPPLEMENTARY INFORMATION** section under “Public Comment Procedures and Information.”

FOR FURTHER INFORMATION CONTACT: Mary Linda Ponticelli at (202) 452–0350.

SUPPLEMENTARY INFORMATION:

- I. Public Comment Procedures and Information
- II. Background
- III. Discussion of the Rule
- IV. Procedural Matters

I. Public Comment Procedures and Information**A. How Do I Comment on the Proposed Rule?**

If you wish to comment, you may submit your comments by any one of several methods.

- You may mail comments to Director (630), Bureau of Land Management, Administrative Record, Room 401 LS, 1849 C Street, NW, Washington, DC 20240.
- You may deliver comments to Room 401, 1620 L Street, NW, Washington, DC 20036.

Please make your written comments on the proposed rule as specific as possible, confine them to issues pertinent to the proposed rule, and explain the reason for any changes you recommend. Where possible, your comments should reference the specific section or paragraph of the proposal that you are addressing.

BLM may not necessarily consider or include in the Administrative Record for the final rule comments that you send after the close of the comment period (see **DATES**) or comments delivered to an address other than those listed above (see **ADDRESSES**).

B. May I Review Comments Submitted by Others?

Comments, including names and street addresses of respondents, will be available for public review at the address listed under "**ADDRESSES: Personal or messenger delivery**" during regular business hours (7:45 a.m. to 4:15 p.m.), Monday through Friday, except holidays.

Individual respondents may request confidentiality, which we will honor to the extent allowable by law. If you wish to withhold your name or address, except for the city or town, you must state this prominently at the beginning of your comment. We will make all submissions from organizations or businesses, and from individuals identifying themselves as representatives or officials of organizations or businesses, available for public inspection in their entirety.

II. Background

On September 28, 1999, in conjunction with a settlement agreement in the lawsuit, *Natural Resources Defense Council, et al. v. Jamison, et al.*, Civil No. 82-2763 (D.

D.C.), the Bureau of Land Management (BLM) issued a final rule (64 FR 52239) to establish regulatory procedures by which the public may participate in the Bureau of Land Management's regional coal leasing process. We issued the final rule, which became effective on October 28, 1999, to satisfy terms of a July 1997 settlement agreement (Civil No. 82-2763 (D.C. Circuit No. 93-5029) in which the Department agreed to identify in BLM's regulations the points where the public may participate in regional coal leasing decisions. In addition, the final rule amended the regulations in part 3400 to conform to statutory changes under the Unfunded Mandates Reform Act of 1995, exempting several types of meetings from Federal Advisory Committee Act requirements.

A. Lease Modifications

Section 3432.3, which addresses the terms and conditions of a coal lease modification, currently requires compliance with the provisions of 43 CFR 3425.3. At the time we wrote the regulations in subpart 3432 governing lease modifications, former § 3425.3(a), addressing lease modification terms and conditions, similarly provided that BLM could not modify a lease until you met the requirements of § 3425.3. Former § 3425.3 required BLM to prepare an environmental assessment or impact statement before approving a lease modification.

To incorporate public participation procedures addressed in BLM's Competitive Coal Leasing Handbook, the 1999 regulatory revision to 43 CFR 3425.3 included the additional requirements of—

- (1) A public hearing, and
- (2) publication of notices of availability of the environmental analysis document for coal leasing.

By means of the cross-reference in § 3432.3(c), these new requirements imposed on new lease sales in § 3425.3 by the 1999 rule automatically applied to lease modifications under § 3432.3. We did not intend this to be the effect of the 1999 rule.

In revising the competitive coal leasing regulations (43 CFR part 3420) to incorporate public participation procedures for competitive leasing, we intended to impose the requirements of a public hearing and publication of notices of availability of draft environmental analysis documents only on new coal lease sales, not on non-competitive coal lease modifications issued under subpart 3432. Therefore, our failure to remove the cross reference in § 3432.3(c) to the requirements of § 3425.3 when we revised the latter in

1999 was a technical error, which we propose to correct in this rule.

Lease modifications often ensure the recovery and receipt of fair market value of small areas of unleased Federal coal that may be discovered during the mining of an adjacent Federal coal lease. In many cases, BLM must process a modification expeditiously to avoid the bypass of unleased Federal coal. Unlike competitive coal leasing, where the lease acreage may be up to 5,120 acres, the maximum allowable acreage for lease modifications is a total of 160 acres per lease, regardless of the number of times BLM modifies the lease. Due to variability in exploration data and the coal geology, these small areas of unleased Federal coal are not easily identified with the limited data available when we originally configure a lease. Such areas typically cannot be developed as an independent lease because of their size and configuration. Therefore, incorporation of these areas into an existing coal lease through a coal lease modification facilitates achieving fair market value and maximum economic recovery of Federal coal resources.

Section 3432.3(c) provides that BLM cannot approve a lease modification until the lessee or operator complies with the provisions of § 3425.3. Although § 3425.3 currently contains specific procedures relating to the preparation of environmental analysis documents, its focus is competitive lease sales. Since the 1999 revised version of § 3425.3 applies exclusively to competitive coal leasing, it is not intended to apply to a lease modification. The change in this proposed rule would eliminate the recently imposed requirement of publication of notices of availability and a public hearing for environmental analysis documents relating to coal lease modifications. This is in keeping with the intent of the *Natural Resources Defense Council* lawsuit settlement agreement, which did not extend to non-competitive coal lease modifications. It is also consistent with the preamble to the existing rule (64 FR 12142, March 11, 1999), which stated: "This proposed rule does not substantially change the leasing-on-application process."

B. Acreage Limitation

On October 23, 2000, the United States Senate passed S. 2300, which became Public Law 106-463 on November 7, 2000. This law, known as the Coal Competition Act of 2000, amended Section 27(a) of the Mineral Leasing Act (30 U.S.C. 184(a)) to increase the amount of acreage of

Federal coal leases, or permits that an individual or entity may hold in a single state from 46,080 acres to 75,000 acres and raised the national acreage limit from 100,000 acres to 150,000 acres.

As noted in Public Law 106-463, the Federal lands containing some of the nation's large commercial deposits of coal are located in Utah, Montana, and Wyoming. The acreage limitations are causing difficulty for coal producers in Wyoming and Utah. The sub-bituminous coal from these mines is low in sulfur, making it the cleanest burning coal for energy production. The present acreage limitation of 46,080 acres per state for Federal coal leases has been in place since 1964, and was not changed with the passage of the Federal Coal Leasing Amendments Act of 1976. Congress recently raised the acreage limits for other minerals. For example, currently, the single-state lease acreage limit of 46,080 acres for coal is less than the single-state Federal lease limit for potassium (96,000 acres) and for oil and gas (246,080 acres).

Congress determined that the per-state increase in acreage to 75,000 acres and the national acreage increase to 150,000 acres is warranted by modern mine technology, changes in industry economics, greater global competition, and need to conserve the Federal resource. Increased acreage limits will help existing coal lessees avoid premature closure, make better long-term business decisions about infrastructure investments based on the certainty of more available acreage, and otherwise maintain the vitality of the domestic coal industry. Furthermore, the increase in acreage limits will ensure continuation of valuable revenues to Federal and state governments and energy to the American public from coal production on Federal lands.

The amount of acreage that any lessee or operator controls will have no effect on the MLA requirement to produce commercial quantities of coal within 10 years of lease issuance. The statutory penalty for not having met this requirement is cancellation of the lease (30 U.S.C. 184(h)(1)).

III. Discussion of the Rule

In order to correct the previously discussed technical error relating to

lease modifications, we plan to amend regulation 43 CFR 3432.3 by removing the cross reference to 43 CFR 3425.3 and revising subsection (c). We have also added a new paragraph (d) to require review by the Secretary of Agriculture if the proposed coal lease modification affects National Forest System lands. This is not a new requirement. It appears in § 3425.3(b) of the current regulations, where it applies to new leases. The previous § 3432.3 applied this requirement to modifications as well by means of a cross-reference. Since this proposed rule removes the cross-reference, we need to add the requirement itself to § 3432.3. There is no substantive change in the regulations, other than removing the unintended requirement for notice and a hearing on proposed coal lease modifications.

This rule also amends § 3472.1-3 to reflect the new coal lease acreage limits set by Public Law 106-463 by removing the references to the previous acreage limits, and substituting the new numbers established by Public Law 106-463.

IV. Procedural Matters

National Environmental Policy Act

BLM has prepared an environmental assessment (EA) and has found that this proposed rule would not constitute a major Federal action significantly affecting the quality of the human environment under section 102(2)(C) of the Environmental Protection Act of 1969 (NEPA), 42 U.S.C. 4332(2)(C). As discussed above, this rule would implement a technical correction to the public participation rule completed on September 28, 1999 (64 FR 52239) and a change to the Mineral Leasing Act which was made by Congress. The amendment of the Mineral Leasing Act changed the acreage limitations for coal leases. As stated in the EA, the proposed rule should lead to more efficient production and economic recovery of the coal resource. However, it should not in and of itself lead to new mining. While more efficient mining may have environmental consequences, BLM will consider these consequences on a case-by-case basis in preparing environmental analyses before issuing a new coal lease or modifying an existing one. Therefore, a detailed statement

under NEPA is not required. We have placed the EA and the Finding of No Significant Impact (FONSI) on file in our Administrative Record at the address specified in the **ADDRESSES** section. We invite the public to review these documents and suggest that anyone wishing to submit comments in response to the EA and FONSI do so in accordance with the Written Comments section above.

Executive Order 12866, Regulatory Planning and Review

This proposed rule is not a significant regulatory action and was not subject to review by Office of Management and Budget under Executive Order 12866. This rule will not have an annual effect of \$100 million or more on the economy. The rule affects coal leasing in only two ways: shortening the lease modification procedure, and increasing lease acreage limitations.

Further, historically, lease modifications have not had significant economic effects on the economy. In Fiscal Year 2000, there were 311 coal leases of various kinds, generating royalties of \$315,166,348 on production of 392,943,074 tons of federal coal, with an average market value of \$7.92 per ton, from 461,883 acres of public lands. Of these leases, in FY 2000, only 2 leases were subjects of lease modification. Since the maximum acreage that can be added by a modification is 160 for the life of the lease, it is clear that the economic effect of lease modifications is tiny compared with the coal program as a whole. The largest number of lease modifications that BLM has processed in the past few years has been 6, in FY 1998, affecting a total of 733 acres. Analyzing this strictly from averages, and using the value from FY 2000, the market value of coal affected by these modifications should have been about \$4,738,000 in FY 1998, assuming, of course, that it all would have been immediately available for mining in that year. Total value for other recent years, based on the lower numbers and acreages of lease modifications shown in the accompanying chart, should have been only a fraction of this value. The following table summarizes lease modifications over the past few years.

BLM COAL LEASE MODIFICATIONS, FY1997–FY2001

State	FY1997		FY1998		FY1999		FY2000		FY2001 (through 06–30–2001)	
	Lease mods	Acres	Lease mods	Acres	Lease mods	Acres	Lease mods	Acres	Lease mods	Acres
Colorado	1	100	1	160	.....	.....	2	288	.....	.....
Kentucky .....	.....	.....	.....	.....	.....	.....	.....	.....	1	160
Montana .....	.....	.....	3	303	1	10	.....	.....	.....	.....
Utah	1	133	2	240	2	200	.....	.....	1	122
Total	2	233	6	703	3	210	2	288	2	282

Of course, since we do not know precisely how much coal was produced from the lease modifications shown, we state these dollar figures only to provide a sense of how small the effect of lease modifications is, compared with the threshold in the executive order. Further, the effect of the mistake that we are correcting in this rule was only to extend the time required and increase the cost of processing a lease modification. Therefore, the effects of this proposed rule amount to a financial benefit to the coal industry due to reducing the time required for lease modifications and the administrative cost of processing them for both industry and BLM, which will be something less than the value of the modification itself.

The estimated additional costs to the lessee for processing a lease modification application inadvertently imposed by the 1999 rule were based on a delay of 2 to 3 months for allowing public input. The reduced costs to BLM and the lease modification applicant from avoiding these delays are difficult to segregate and quantify. As a minimum, we estimate the savings in processing costs (for **Federal Register** processing and document preparation) will approach \$10,000 per lease modification application. Assuming a average number of lease modification applications per year of 3, the total savings may be nearly \$30,000.

The other element of savings created by this proposed rule is the reduction in opportunity costs. The unintended consequence of the 1999 rule was that some operators may not have been able to develop the resources contained in the lease modifications in a timely manner, or at all. Those costs would have been imposed if, due to the additional processing time, the lease modification could not be completed in time to allow recovery of the resources. If the lease modification is not processed in time for the coal it contains to be mined with the rest of the coal in the lease, the public will lose revenues from bonus payments and royalties. We

estimate that this proposed rule will enable the public to avoid bonus and royalty revenue losses of about \$2,200 per acre on average, and with an expected 3 modifications at a maximum of 160 acres each, the total revenue impact is about \$1,056,000 per year, which, though substantial, is less than 1 percent of the total coal royalty revenues for FY 2000, and far less than the \$100 million annual threshold in the Executive Order.

The second change only matches our regulations to what the law already requires BLM to do. We cannot quantify the economic impact of increasing the acreage limitations, because it would involve what would amount to speculation about future coal leases or mergers of current coal lessees. We do, however, see this a positive for industry in that it will allow greater flexibility for coal operators to maintain coal reserves that are readily available for production and consumption. Currently, lessees can be required to wait as long as 10 years before they can relinquish a lease after production has ended to allow for proof of successful reclamation. The acreage in a lease that has been mined out but not reclaimed counts the same to the state and national acreage limitations as a new lease that has never been mined.

The rule will not adversely affect in a material way the economy, productivity, competition, jobs, the environment, public health or safety, or state, local, or tribal governments or communities. Economic recovery of coal will be enhanced, bypasses will be minimized, and efficiency of mining will be improved. This rule will not create a serious inconsistency or otherwise interfere with an action taken or planned by another agency. This rule does not alter the budgetary effects of entitlements, grants, user fees, or loan programs or the right or obligations of their recipients; nor does it raise novel legal or policy issues.

Clarity of the Regulations

Executive Order 12866 requires each agency to write regulations that are

simple and easy to understand. We invite your comments on how to make this rule easier to understand, including answers to questions such as the following:

- (1) Are the requirements in the regulations clearly stated?
- (2) Does the rule contain technical language or jargon that interferes with its clarity?
- (3) Does the format of the rule (grouping and order of sections, use of headings, paragraphing, etc.) aid or reduce its clarity?
- (4) Would the rule be easier to understand if it were divided into more (but shorter) sections? (A “section” appears in bold type and is preceded by the symbol “§” and a numbered heading.)
- (5) Is the description of the rule in the **SUPPLEMENTARY INFORMATION** section of this preamble helpful in understanding the rule? How could this description be more helpful in making the rule easier to understand? Please send any comments you have on the clarity of the regulations to the address specified in the **ADDRESSES** section.

Regulatory Flexibility Act

Congress enacted the Regulatory Flexibility Act of 1980 (RFA), as amended, 5 U.S.C. 601–612, to ensure that government regulations do not unnecessarily or disproportionately burden small entities. The RFA requires a regulatory flexibility analysis if a rule would have a significant economic impact, either detrimental or beneficial, on a substantial number of small entities. This rule, as described above, merely implements a statutory change to the regulations that apply to leasing Federal coal resources, and the rule change itself will not have a significant impact on any small entities. Rather, it is the legislation which affects these entities. The regulations make no substantive change beyond what Congress has already enacted. Further, the rule corrects a technical error in the final rule published on September 28, 1999 (64 FR 52239), which was fully

Congress has already enacted. Further, the rule corrects a technical error in the final rule published on September 28, 1999 (64 FR 52239), which was fully analyzed for RFA compliance when published. Therefore, BLM has determined under the RFA that this proposed rule would not have a significant economic impact on a substantial number of small entities.

Small Business Regulatory Enforcement Fairness Act (SBREFA)

This proposed rule is not a "major rule" as defined at 5 U.S.C. 804(2). This rule merely makes a technical correction in the final rule published on September 28, 1999 (64 FR 52239), and implements a change to the state acreage limits that has been made by Congress. This rule is limited to making BLM's regulations consistent with the law.

Unfunded Mandates Reform Act

This proposed rule would not impose an unfunded mandate on state, local, or tribal governments or the private sector of more than \$100 million per year; nor would this proposed rule have a significant or unique effect on state, local, or tribal governments or the private sector. As discussed above, this rule would merely change BLM's coal leasing regulations regarding acreage limitations to comply with Public Law 106-463 and make a technical correction to the coal leasing regulations regarding lease modifications. Therefore, BLM is not required to prepare a statement containing the information required by the Unfunded Mandates Reform Act (2 U.S.C. 1531 *et seq.*).

Executive Order 12630, Governmental Actions and Interference With Constitutionally Protected Property Rights (Takings)

This rule would not represent a government action capable of interfering with constitutionally protected property rights. The rule would be limited to changes reflecting Congress's amendment raising the state and nationwide acreage limits for coal leases, and correcting a technical error relating to regulations governing coal lease modifications. Therefore, the Department of the Interior has determined that the rule would not cause a taking of private property or require further discussion of takings implications under this Executive Order.

Executive Order 13132, Federalism

This rule would not have a substantial direct effect on the states, on the relationship between the national

government and the states, or on the distribution of power and responsibilities among the various levels of government. The rule would be limited to changes to reflect Congress's amendment raising the acreage limits for coal leases and to correct a technical error pertaining to coal lease modifications. Therefore, in accordance with Executive Order 13132, BLM has determined that this rule would not have sufficient Federalism implications to warrant preparation of a Federalism Assessment.

Executive Order 12988, Civil Justice Reform

Under Executive Order 12988, the Office of the Solicitor has determined that this proposed rule would not unduly burden the judicial system and that it meets the requirements of sections 3(a) and 3(b)(2) of the Order.

Executive Order 13211, Actions Concerning Regulations That Significantly Affect Energy Supply, Distribution, or Use

This rule would not be a significant energy action. It will not have an adverse effect on energy supplies. The rule should have a favorable effect on energy production. It should improve efficiency in production by increasing acreage limitations and by removing procedural requirements inadvertently and erroneously applied to lease modifications in an earlier rule.

Paperwork Reduction Act

This rule would not contain information collection requirements that the Office of Management and Budget must approve under the Paperwork Reduction Act of 1995, 44 U.S.C. 3501 *et seq.*

Consultation and Coordination With Indian Tribal Governments (E.O. 13175)

In accordance with E.O. 13175, we have found that this proposed rule would not include policies that have tribal implications. Since this rule would not propose significant changes to BLM policy and would not specifically involve Indian reservation lands, we have determined that the government-to-government relationships should remain unaffected.

Principal Author

The principal author of this rule is Mary Linda Ponticelli of the Solid Minerals Group, assisted by Ted Hudson of the Regulatory Affairs Group, Bureau of Land Management, Washington, DC.

List of Subjects

43 CFR Part 3430

Administrative practice and procedure; Coal; Government contracts; Intergovernmental relations; Mines; Public lands—mineral resources; Public lands—rights-of-way; Reporting and recordkeeping requirements.

43 CFR Part 3470

Coal; Government contracts; Mineral royalties; Mines; Public lands—mineral resources; Reporting and recordkeeping requirements; Surety bonds.

Dated: January 2, 2002.

J. Steven Griles,

Deputy Secretary of the Interior.

Under the authorities cited below, and for the reasons stated in the Supplementary Information, BLM proposes to amend Subchapter C, Chapter II, Subtitle B of Title 43 of the Code of Federal Regulations, as follows:

PART 3430—NONCOMPETITIVE LEASES

1. The authority citation for part 3430 continues to read as follows:

Authority: 30 U.S.C. 181 *et seq.*; 30 U.S.C. 351–359; 30 U.S.C. 521–531; 30 U.S.C. 1201 *et seq.*; and 43 U.S.C. 1701 *et seq.*

Subpart 3432—Lease Modifications

2. Amend § 3432.3 by revising paragraph (c) and adding a new paragraph (d) to read as follows:

§ 3432.3 Terms and conditions.

* * * * *

(c) Before modifying a lease, BLM will prepare an environmental assessment or environmental impact statement covering the proposed lease area in accordance with 40 CFR parts 1500 through 1508.

(d) For coal lease modification applications involving lands in the National Forest System, BLM will submit the lease modification application to the Secretary of Agriculture for consent, for completion or consideration of an environmental assessment, for the attachment of appropriate lease stipulations, and for making any other findings prerequisite to lease issuance.

PART 3470—COAL MANAGEMENT PROVISIONS AND LIMITATIONS

3. The authority citation for part 3470 continues to read as follows:

Authority: 30 U.S.C. 189 and 359 and 43 U.S.C. 1733 and 1740.

b. removing from the second sentence of paragraph (a)(2) the term "100,000 acres" and adding in its place the term "150,000 acres."

[FR Doc. 02-1339 Filed 1-17-02; 8:45 am]

BILLING CODE 4310-84-P