

February 20, 2006, for Groups 81 and 126, Oklahoma.

The plat, in two sheets, representing the dependent resurvey of a portion of the subdivisional lines, a portion of the subdivision of section 33, and the adjusted 1875 record meanders of the former left bank of the Red River in section 34, the subdivision of section 34, the completion survey of a portion of the subdivisional lines within the bed of the Red river, the survey of partition lines of the bed of the Red River, the informative traverse of the meanders of the left bank of the Red River in sections 33, 34 and 35, the survey of the meanders of the right bank of the Red River in unsurveyed portions of Township 4 and 5 South, Range 14 West, and the medial line of the Red River in sections 33, 34 and 35, and a metes-and-bounds survey (Integrated Tract), Township 4 South, range 14 West, Indian Meridian, accepted February 20, 2006, for Groups 84 and 126, Oklahoma.

If a protest against a survey, in accordance with 43 CFR 4.450-2, of any of the above plats is received prior to the date of official filing, the filing will be stayed pending consideration of the protest. A plat will not be officially filed until the day after all protests have been addressed.

A person or party who wishes to protest against any of these surveys must file a written protest with the New Mexico State Director, Bureau of Land Management at the address below, stating that they wish to protest.

A statement of reasons for a protest may be filed with the notice of protest to the State Director, or the statement of reasons must be filed with the State Director within thirty days after the protest is filed.

**FOR FURTHER INFORMATION CONTACT:**

These plats will be available for inspection in the New Mexico State Office, Bureau of Land Management, P.O. Box 27115, Santa Fe, New Mexico 87502-0115. Copies may be obtained from this office upon payment of \$1.10 per sheet. contact Marcella Montoya at 505-438-7537, or [Marcella\\_Montoya@nm.blm.gov](mailto:Marcella_Montoya@nm.blm.gov), for assistance.

Dated: May 9, 2006.

**Robert Casias,**

*Chief Cadastral Surveyor for New Mexico.*  
[FR Doc. 06-4540 Filed 5-15-06; 8:45 am]

**BILLING CODE 4310-FB-M**

**DEPARTMENT OF THE INTERIOR**

**Minerals Management Service**

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

**AGENCY:** Minerals Management Service (MMS), Interior.

**ACTION:** Notice of a revision of a currently approved information collection (OMB Control Number 1010-0136)

**SUMMARY:** To comply with the Paperwork Reduction Act of 1995 (PRA), we are notifying the public that we have submitted to OMB an information collection request (ICR) to renew approval of the paperwork requirements in the regulations under 30 CFR part 202—Royalties and part 206—Product Valuation. This notice also provides the public a second opportunity to comment on the paperwork burden of these regulatory requirements.

The title of this information collection request (ICR) is “30 CFR Part 202—Royalties, Subparts C and D, and Part 206—Product Valuation, Subparts C and D (Federal Oil and Gas).” We changed the title of this ICR to clarify the regulatory language we cover under 30 CFR parts 202 and 206, address non-standard reporting requirements previously overlooked, and address relevant portions of three related ICRs titled:

- 1010-0095: 30 CFR Part 206—Product Valuation (Request to Exceed Transportation and Processing Allowance Limitation), Subpart B—Indian Oil, § 206.54(b)(2); Subpart C—Federal Oil, § 206.109(c)(2); Subpart D—Federal Gas, §§ 206.156(c)(3), 206.158(c)(3), and 206.158(d)(2)(i); and Subpart E—Indian Gas, §§ 206.177(c)(2) and 206.177(c)(3) [Citations concerning Indian oil and gas are currently covered in ICR 1010-0103];
- 1010-0136: 30 CFR 206—Subpart C, Federal Oil Valuation; and
- 1010-0157: 30 CFR 206—Subpart C, Federal Oil.

**DATES:** Submit written comments on or before June 15, 2006.

**ADDRESSES:** Submit written comments by either FAX (202) 395-6566 or e-mail ([OIRA\\_Docket@omb.eop.gov](mailto:OIRA_Docket@omb.eop.gov)) directly to the Office of Information and Regulatory Affairs, OMB, Attention: Desk Officer for the Department of the Interior (OMB Control Number 1010-0136).

Please also send a copy of your comments to MMS via e-mail at [mrm.comments@mms.gov](mailto:mrm.comments@mms.gov). Include the

title of the information collection and the OMB control number in the “Attention” line of your comment. Also include your name and return address. If you do not receive a confirmation that we have received your e-mail, contact Ms. Gebhardt at (303) 231-3211.

You may also mail a copy of your comments to Sharron L. Gebhardt, Lead Regulatory Specialist, Minerals Management Service, Minerals Revenue Management, P.O. Box 25165, MS 302B2, Denver, Colorado 80225.

If you use an overnight courier service or wish to hand-deliver your comments, our courier address is Building 85, Room A-614, Denver Federal Center, West 6th Ave. and Kipling Blvd., Denver, Colorado 80225.

**FOR FURTHER INFORMATION CONTACT:**

Sharron L. Gebhardt, telephone (303) 231-3211, FAX (303) 231-3781, e-mail [Sharron.Gebhardt@mms.gov](mailto:Sharron.Gebhardt@mms.gov). You may also contact Sharron Gebhardt to obtain, at no cost, copies of (1) the ICR, (2) any associated forms, and (3) regulations that require the subject collection of information be sent to OMB.

**SUPPLEMENTARY INFORMATION:**

*Title:* 30 CFR Part 202—Royalties, Subparts C and D, and Part 206—Product Valuation, Subparts C and D (Federal Oil and Gas).

*OMB Control Number:* 1010-0136.  
*Bureau Form Number:* Form MMS-4393.

*Abstract:* The Secretary of the U.S. Department of the Interior is responsible for matters relevant to mineral resource development on Federal and Indian lands and the Outer Continental Shelf (OCS), including managing the production of minerals, collecting royalties from lessees who produce minerals, and distributing the funds collected in accordance with applicable laws. The MMS performs the royalty management functions for the Secretary.

**Applicable Citations**

Applicable citations of the laws pertaining to mineral leases include:

- (1) Public Law 97-451—Jan. 12, 1983 (Federal Oil and Gas Royalty Management Act of 1982 [FOGRMA]);
- (2) Public Law 104-185—Aug. 13, 1996 (Federal Oil and Gas Royalty Simplification and Fairness Act of 1996 [RSFA]), as corrected by Public Law 104-200—Sept. 22, 1996;
- (3) The Mineral Leasing Act of 1920, Section 36, as amended (30 U.S.C. 192);
- (4) Outer Continental Shelf Lands Act of 1953, Section 27, as amended (43 U.S.C. 1353);
- (5) 30 U.S.C. 189 pertaining to Public Lands; and
- (6) 30 U.S.C. 359 pertaining to Acquired Lands.

Public laws pertaining to mineral royalties are located on our Web site at [http://www.mrm.mms.gov/Laws\\_R\\_D/PublicLawsAMR.htm](http://www.mrm.mms.gov/Laws_R_D/PublicLawsAMR.htm).

The applicable regulations include 30 CFR part 202—Royalties, subpart C—Federal and Indian Oil and subpart D—Federal Gas; and part 206—Product Valuation, subpart C—Federal Oil and subpart D—Federal Gas. In addition, we include applicable citations from the 2004 Federal Oil Valuation Rule (69 FR 24959, published May 5, 2004) and the 2005 Federal Gas Valuation Rule (70 FR 11869, published March 10, 2005).

### General Information

When a company or an individual enters into a lease to explore, develop, produce, and dispose of minerals from Federal or Indian lands, that company or individual agrees to pay the lessor a share (royalty) of the value received from production from the leased lands. The lease creates a business relationship between the lessor and the lessee. The lessee is required to report various kinds of information to the lessor relative to the disposition of the leased minerals. Such information is similar to data reported to private and public mineral interest owners and is generally available within the records of the lessee or others involved in developing, transporting, processing, purchasing, or selling of such minerals. The information collected includes data necessary to ensure that the royalties are properly valued and appropriately paid.

Section 101(a) of FOGRMA, as amended, requires that the Secretary “establish a comprehensive inspection, collection, and fiscal and production accounting and auditing system to provide the capability to accurately determine oil and gas royalties, interest, fines, penalties, fees, deposits, and other payments owed, and collect and account for such amounts in a timely manner.” In order to accomplish these tasks, MMS developed valuation regulations for Federal leases at 30 CFR part 206, Product Valuation. Market value is a basic principle underlying royalty valuation. Consequently, these regulations include methods to capture the true market value of crude oil and gas produced from Federal leases, both onshore and offshore. The MMS uses the information collected to ensure that royalty is accurately valued and

appropriately paid on oil and gas produced from Federal onshore and offshore leases. Please refer to the chart for all reporting requirements and associated burden hours. All data submitted is subject to subsequent audit and adjustment.

### Valuation Regulations

The valuation regulations at 30 CFR part 206, subparts C and D, require companies to collect and/or submit information used to value their Federal oil and gas, including transportation and processing allowance limit information. This is accomplished on Form MMS–2014, Report of Sales and Royalty Remittance (OMB Control Number 1010–0140, expires October 31, 2006). Regulations developed ensure the information requested is the minimum necessary to carry out our mission and places the least possible burden on respondents. The requested information provides a critical link to establishing the proper value of oil and gas from Federal lands. If the information is not collected, a loss of royalties may result for both Federal and state governments.

### Transportation and Processing Regulatory Allowance Limits

Transportation and processing allowances are part of the product valuation process that MMS uses to determine if the lessee is reporting and paying the proper royalty amount.

#### *Regulatory Allowance Limit for Transportation*

Under certain circumstances, lessees are authorized to 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. For oil and gas, regulations establish the allowable limit on transportation allowance deductions at 50 percent of the value of the oil or gas at the point of sale.

#### *Regulatory Allowance Limit for Processing*

When gas is processed for the recovery of gas plant products, lessees may claim a processing allowance. For oil and gas, regulations establish the allowable limit on processing allowance deductions at 66 $\frac{2}{3}$  percent of the value of each gas plant product.

### *Request To Exceed Regulatory Allowance Limitation, Form MMS–4393*

Lessees may request to exceed regulatory limitations. Upon proper application from the lessee, MMS may approve an oil or gas transportation allowance in excess of 50 percent (Federal or Indian) or a gas processing allowance in excess of 66 $\frac{2}{3}$  percent (Federal only). To request permission to exceed a regulatory allowance limit, lessees must submit a letter to MMS explaining why a higher allowance limit is necessary and provide supporting documentation, including a completed Form MMS–4393. This form provides MMS with the data necessary to make a decision whether to approve or deny the request and track deductions on royalty reports.

### OMB Approval

The MMS is requesting OMB approval to continue to collect this information. Not collecting this information would limit the Secretary’s ability to discharge his/her duties and may also result in loss of royalty payments. Proprietary information submitted to MMS under this collection is protected, and no items of a sensitive nature are included in this information collection. A response is mandatory for valuation requirements and voluntary to obtain the benefit of allowances.

*Frequency of Response:* Annually.

*Estimated Number and Description of Respondents:* 102 lessees (100 Federal lessees and 2 possible Indian lessees).

*Estimated Annual Reporting and Recordkeeping “Hour” Burden:* 20,504 hours.

We are revising this ICR to include non-standard reporting requirements that were overlooked in the previous renewal, and we have adjusted the burden hours accordingly. The hours also reflect our recent analysis related to the implementation of the 2004 Federal Oil Valuation rule and the 2005 Federal Gas Valuation rule. We have not included in our estimates certain requirements performed in the normal course of business and considered usual and customary. The following chart shows the breakdown of the estimated burden hours by CFR section and paragraph:

RESPONDENTS' ESTIMATED ANNUAL BURDEN HOURS

| Citation 30 CFR 202 and 206 | Reporting and recordkeeping requirement | Hour burden | Average number of annual responses | Annual burden hours |
|-----------------------------|---|-------------|------------------------------------|---------------------|
|-----------------------------|---|-------------|------------------------------------|---------------------|

Part 202—Royalties

Subpart C—Federal and Indian Oil

§ 202.101 Standards for reporting and paying royalties.

|               |   |   |  |  |
|---------------|---|---|--|--|
| 202.101 ..... | 202.101 Oil volumes are to be reported in barrels of clean oil of 42 standard U.S. gallons (231 cubic inches each) at 60 °F | There are no burden hours to report in this ICR. All burden hours associated with Form MMS–2014 are included in OMB Control Number 1010–0140 (Form MMS–2014), expires 10/31/2006. |  |  |
|---------------|---|---|--|--|

Subpart D—Federal Gas

§ 202.152 Standards for reporting and paying royalties on gas.

|                           |  |   |  |  |
|---------------------------|--|---|--|--|
| 202.152 (a) and (b) ..... | 202.152(a)(1) If you are responsible for reporting production or royalties you must:<br>(i) Report gas volumes and British thermal unit (Btu) heating values, if applicable, under the same degree of water saturation;<br>(ii) Report gas volumes in units of 1,000 cubic feet (MCF); and<br>(iii) Report gas volumes and Btu heating value at a standard pressure base of 14.73 pounds per square inch absolute (PSIA) and a standard temperature base of 60 °F * * *<br>(b) Residue gas and gas plant product volumes shall be reported as specified in this paragraph * * *. | There are no burden hours to report in this ICR. All burden hours associated with Form MMS–2014 are included in OMB Control Number 1010–0140 (Form MMS–2014), expires 10/31/2006. |  |  |
|---------------------------|--|---|--|--|

Part 206—Product Valuation

Subpart C—Federal Oil

§ 206.102 How do I calculate royalty value for oil that I or my affiliate sell(s) under an arm's-length contract?

|                     |  |   |  |  |
|---------------------|--|---|--|--|
| 206.102(e)(1) ..... | 206.102(e) If you value oil under paragraph (a) of this section: (1) MMS may require you to certify that your or your affiliate's arm's-length contract provisions include all of the consideration the buyer must pay, either directly or indirectly, for the oil | PRODUCE RECORDS—The Office of Regulatory Affairs (ORA) determined that the audit process is not covered by the PRA because MMS staff asks non-standard questions to resolve exceptions. |  |  |
|---------------------|--|---|--|--|

§ 206.103 How do I value oil that is not sold under an arm's-length contract?

|                         |   |       |       |        |
|-------------------------|---|-------|-------|--------|
| 206.103 .....           | This section explains how to value oil that you may not value under § 206.102 or that elect under § 206.102(d) to value under this section. First determine whether paragraph (a), (b), or (c) of this section applies to production from your lease, or whether you may apply paragraph (d) or (e) with MMS approval   | 33.25 | 5     | 166.25 |
| 206.103(a) .....        | (a) <i>Production from leases in California or Alaska.</i> Value is the average of the daily mean ANS spot prices published in any MMS-approved publication during the trading month most concurrent with the production month * * *.<br>(1) To calculate the daily mean spot price * * *<br>(2) Use only the days * * *<br>(3) You must adjust the value * * * | ..... | ..... | .....  |
| 206.103(a)(4) .....     | 206.103(a)(4) After you select an MMS-approved publication, you may not select a different publication more often than once every 2 years, * * *.   | 8     | 2     | 16     |
| 206.103(b)(1) .....     | 206.103(b) <i>Production from leases in the Rocky Mountain Region</i> * * * (1) If you have an MMS-approved tendering program, you must value oil * * *.  | 400   | 2     | 800    |
| 206.103(b)(1)(ii) ..... | 206.103(b)(1)(ii) If you do not have an MMS-approved tendering program, you may elect to value your oil under either paragraph (b)(2) or (b)(3) of this section * * *.  | 400   | 2     | 800    |

## RESPONDENTS' ESTIMATED ANNUAL BURDEN HOURS—Continued

| Citation 30 CFR 202 and 206  | Reporting and recordkeeping requirement   | Hour burden   | Average number of annual responses | Annual burden hours |
|--|---|---|------------------------------------|---------------------|
| 206.103(b)(4) .....  | 206.103(b)(4) If you demonstrate to MMS's satisfaction that paragraphs (b)(1) through (b)(3) of this section result in an unreasonable value for your production as a result of circumstances regarding that production, the MMS Director may establish an alternative valuation method.  | 400   | 2                                  | 800                 |
| 206.103(c)(1) .....  | 206.103(c) <i>Production from leases not located in California, Alaska or the Rocky Mountain Region.</i> (1) Value is the NYMEX price, plus the roll, adjusted for applicable location and quality differentials and transportation costs under §206.112.   | 50  | 10                                 | 500                 |
| 206.103(e)(1) .....  | 206.103(e) <i>Production delivered to your refinery and the NYMEX price or ANS spot price is an unreasonable value.</i> (1) * * * you may apply to the MMS Director to establish a value representing the market at the refinery if:<br>* * *   | 330   | 2                                  | 660                 |
| 206.103(e)(2) .....  | (2) You must provide adequate documentation and evidence demonstrating the market value at the refinery<br>* * *  |   |                                    |                     |
| § 206.105 What records must I keep to support my calculations of value under this subpart?             |   |   |                                    |                     |
| 206.105 .....  | 206.105 If you determine the value of your oil under this subpart, you must retain all data relevant to the determination of royalty value * * *.   | There are no burden hours to report in this ICR. All burden hours associated with Form MMS-2014 are included in OMB Control Number 1010-0140 (Form MMS-2014), expires 10/31/2006. |                                    |                     |
| § 206.107 How do I request a value determination?  |   |   |                                    |                     |
| 206.107(a) .....   | 206.107(a) You may request a value determination from MMS * * *.  | 330   | 8                                  | 2,640               |
| § 206.109 When may I take a transportation allowance in determining value?                             |   |   |                                    |                     |
| 206.109(c)(2) .....  | 206.109(c) <i>Limits on transportation allowances.</i> (2) You may ask MMS to approve a transportation allowance in excess of the limitation in paragraph (c)(1) of this section. * * * Your application for exception (using Form MMS-4393, Request to Exceed Regulatory Allowance Limitation) must contain all relevant and supporting documentation necessary for MMS to make a determination * * *. | 4.25  | 2                                  | 8.5 <sup>1</sup>    |
| § 206.110 How do I determine a transportation allowance under an arm's-length transportation contract? |   |   |                                    |                     |
| 206.110(a) .....   | 206.110(a) * * * You must be able to demonstrate that you or your affiliate's contract is at arm's length * * *.  | PRODUCE RECORDS—The ORA determined that the audit process is not covered by the PRA because MMS staff asks non-standard questions to resolve exceptions.                          |                                    |                     |
| 206.110(d)(3) .....  | 206.110(d) If your arm's-length transportation contract includes more than one liquid product, and the transportation costs attributable to each product cannot be determined * * *.<br>(3) You may propose to MMS a cost allocation method * * *.  | 330   | 2                                  | 660                 |
| 206.110(e) .....   | 206.110(e) If your arm's-length transportation contract includes both gaseous and liquid products, and the transportation costs attributable to each product cannot be determined from the contract, then you must propose an allocation procedure to MMS.  | 330   | 1                                  | 330                 |
| 206.110(e)(1) and (2) .....  | 206.110(e)(1) * * * If MMS rejects your cost allocation, you must amend your Form MMS-2014 * * *.<br>(2) You must submit your initial proposal, including all available data, within 3 months after first claiming the allocated deductions on Form MMS-2014.   | There are no burden hours to report in this ICR. All burden hours associated with Form MMS-2014 are included in OMB Control Number 1010-0140 (Form MMS-2014), expires 10/31/2006. |                                    |                     |

RESPONDENTS' ESTIMATED ANNUAL BURDEN HOURS—Continued

| Citation 30 CFR 202 and 206   | Reporting and recordkeeping requirement  | Hour burden   | Average number of annual responses | Annual burden hours |
|---|--|---|------------------------------------|---------------------|
| 206.110(g)(2) .....   | 206.110(g) If your arm's-length sales include a provision reducing the contract price by a transportation factor, * * *. (2) You must obtain MMS approval before claiming a transportation factor in excess of 50 percent of the base price of the product..   | 330   | 1                                  | 330                 |
| § 206.111 How do I determine if a transportation allowance if I do not have an arm's-length transportation contract or arm's-length tariff?     |  |   |                                    |                     |
| 206.111(g) .....  | 206.111(g) To compute depreciation, you may elect to use either * * *. After you make an election, you may not change methods without MMS approval * * *.  | 330   | 1                                  | 330                 |
| 206.111(k)(2) .....   | 206.111(k)(2) You may propose to MMS a cost allocation method on the basis of the values * * *.  | 330   | 1                                  | 330                 |
| 206.111(l)(1) .....   | 206.111(l)(1) Where you transport both gaseous land liquid products through the same transportation system, you must propose a cost allocation procedure to MMS.   | 330   | 1                                  | 330                 |
| 206.111(l)(2) .....   | 206.111(l)(2) * * * If MMS rejects your cost allocation, you must amend your Form MMS-2104 for the month months that you used the rejected method and pay any additional royalty and interest due.   | There are no burden hours to report in this ICR. All burden hours associated with Form MMS-2014 are included in OMB Control Number 1010-0140 (Form MMS-2014), expires 10/31/06. |                                    |                     |
| 206.111(l)(3) .....   | 206.111(l)(3) You must submit your initial proposal, including all available data, within 3 months after first claiming the allocated deductions on Form MMS-2014.   | Burden covered under § 206.111(l)(1).   |                                    |                     |
| § 206.112 What adjustments and transportation allowances apply when I value oil production from my lease using NYMEX prices or ANS spot prices? |  |   |                                    |                     |
| 206.112(a)(1)(ii) .....   | 206.112(a)(1)(ii) * * * under an exchange agreement that is not at arm's length, you must obtain approval from MMS for a location and quality differential * * *.  | 330   | 1                                  | 330                 |
| 206.112(a)(1)(ii) .....   | 206.112(a)(1)(ii) * * * If MMS prescribes a different differential, you must apply. * * * You must pay any additional royalties owed * * * plus the late payment interest from the original royalty due date, or you may report a credit * * *.  | 330   | 2                                  | 660                 |
| 206.112(a)(3) .....   | 206.112(a)(3) If you transport exchange at arm's length (or both transport and exchange) at least 20 percent, but not all, of your oil produced from the lease to a market center, determine the adjustment between the lease and the market center for the oil that is not transported or exchanged (or both transported and exchanged) to or through a market center as follows * * *.   | 330   | 4                                  | 1,320               |
| 206.112(a)(4) .....   | (a)(4) If you transport or exchange (or both transport and exchange) less than 20 percent of your crude oil produced from the lease between the lease and a market center, you must propose to MMS an adjustment between the lease and the market center for the portion of the oil that you do not transport or exchange (or both transport and exchange) to a market center * * * If MMS prescribes a different adjustment * * * You must pay any additional royalties owed * * * plus the late payment interest from the original royalty due date, or you may report a credit * * *. | 330   | 4                                  | 1,320               |
| 206.112(b)(3) .....   | 206.112(b)(3) * * * you may propose an alternative differential to MMS * * * if MMS prescribes a different differential * * * You must pay any additional royalties owed * * * plus the late payment interest from the original royalty due date, or you may report a credit * * *.  | 330   | 4                                  | 1,320               |

## RESPONDENTS' ESTIMATED ANNUAL BURDEN HOURS—Continued

| Citation 30 CFR 202 and 206   | Reporting and recordkeeping requirement   | Hour burden   | Average number of annual responses | Annual burden hours |
|---|---|---|------------------------------------|---------------------|
| 206.112(c)(2) .....   | 206.112(c)(2) * * * If quality bank adjustments do not incorporate or provide for adjustments for sulfur content, you may make sulfur adjustments, based on the quality of the representative crude oil at the market center, 5.0 cents per one-tenth percent difference in sulfur content, unless MMS approves a higher adjustment.  | 330   | 2                                  | 660                 |
| § 206.114 What are my reporting requirements under an arm's-length transportation contract?       |   |   |                                    |                     |
| 206.114 .....   | 206.114 You or your affiliate must use a separate entry on Form MMS-2014 to notify MMS of an allowance based on transportation costs you or your affiliate incur..  | There are no burden hours to report in this ICR. All burden hours associated with Form MMS-2014 are included in OMB Control Number 1010-0140 (Form MMS-2014), expires 10/31/2006. |                                    |                     |
| 206.114 .....   | 206.114 MMS may require you or your affiliate to submit arm's-length transportation contracts, production agreements, operating agreements, and related documents.  | PRODUCE RECORDS—The ORA determined that the audit process is not covered by the PRA because MMA staff asks non-standard questions to resolve exceptions.                          |                                    |                     |
| § 206.115 What are my reporting requirements under a non-arm's-length transportation arrangement? |   |   |                                    |                     |
| 206.115(a) .....  | 206.115(a) You or your affiliate must use a separate entry on Form MMS-2014 to notify MMS of an allowance based on transportation costs you or your affiliate incur.  | There are no burden hours to report in this ICR. All burden hours associated with Form MMS-2014 are included in OMB Control Number 1010-0140 (Form MMS-2014), expires 10/31/2006. |                                    |                     |
| 206.115(c) .....  | 206.115(c) MMS may require you or your affiliates to submit all data used to calculate the allowance deduction * * *.   | PRODUCE RECORDS—The ORA determined that the audit process is not covered by the PRA because MMS staff asks non-standard questions to resolve exceptions.                          |                                    |                     |
| <b>Subpart D—Federal Gas</b>  |   |   |                                    |                     |
| § 206.152 Valuation standards—unprocessed gas   |   |   |                                    |                     |
| 206.152(b)(1)(i) and (iii) .....  | 206.152(b)(1)(i) * * * The lessee shall have the burden of demonstrating that its contracts is arm's-length * * *.<br>(iii) * * * When MMS determines that the value may be unreasonable, MMS will notify the lessee and give the lessee an opportunity to provide written information justifying the lessee's value.   | PRODUCE RECORDS—The ORA determined that the audit process is not covered by the PRA because MMS staff asks non-standard questions to resolve exceptions.                          |                                    |                     |
| 206.152(b)(2) .....   | 206.152(b)(2) * * * The lessee must request a value determination in accordance with paragraph (g) of this section for gas sold pursuant to a warranty contract; * * *.   | 330   | 1                                  | 330                 |
| 206.152(b)(3) .....   | 206.152(b)(3) MMS may require a lessee to certify that its arm's-length contract provisions include all of the consideration to be paid by the buyer, either directly or indirectly, for the gas.   | PRODUCE RECORDS—The ORA determined that the audit process is not covered by the PRA because MMS staff asks non-standard questions to resolve exceptions.                          |                                    |                     |
| 206.152(e)(1) .....   | 206.152(e)(1) Where the value is determined pursuant to paragraph (c) of this section, the lessee shall retain all data relevant to the determination of royalty value * * *.   | There are no burden hours to report in this ICR. All burden hours associated with Form MMS-2014 are included in OMB Control Number 1010-0140 (Form MMS-2014), expires 10/31/2006. |                                    |                     |
| 206.152(e)(2) .....   | 206.152(e)(2) Any Federal lessee will make available upon request to the authorized MMS or State representatives, to the Office of the Inspector General of the department of the Interior, or other person authorized to receive such information, arm's-length sales and volume data for like-quality production sold, purchased or otherwise obtained by the lessee from the field or area or from nearby fields or areas. | PRODUCE RECORDS—The ORA determined that the audit process is not covered by the PRA because MMS staff asks non-standard questions to resolve exceptions.                          |                                    |                     |

RESPONDENTS' ESTIMATED ANNUAL BURDEN HOURS—Continued

| Citation 30 CFR 202 and 206  | Reporting and recordkeeping requirement  | Hour burden   | Average number of annual responses | Annual burden hours |
|--|--|---|------------------------------------|---------------------|
| 206.152(e)(3) .....  | 206.152(e)(3) A lessee shall notify MMS if it has determined value pursuant to paragraph (c)(2) or (c)(3) of this section * * *.   | 330   | 21                                 | 660                 |
| 206.152(g) .....   | 206.152(g) The lessee may request a value determination from MMS. * * * The lessee shall submit all available data relevant to its proposal * * *.   | 330   | 6                                  | 1,980               |
| § 206.153 Valuation standards—processed gas.                                 |  |   |                                    |                     |
| 206.153(b)(1)(i) and (iii) .....   | 206.153(b)(1)(i) * * * The lessee shall have the burden of demonstrating that its contract is arm's-length * * *.<br>(iii) * * * When MMS determines that the value may be unreasonable, MMS will notify the lessee and give the lessee an opportunity to provide written information justifying the lessee's value.   | PRODUCE RECORDS—The ORA determined that the audit process is not covered by the PRA because MMS staff asks non-standard questions to resolve exceptions.                          |                                    |                     |
| 206.153(b)(2) .....  | 206.153(b)(2) * * * The lessee must request a value determination in accordance with paragraph (g) of this section for gas sold pursuant to a warranty contract; * * *.  | 330   | 1                                  | 330                 |
| 206.153(b)(3) .....  | 206.153(b)(3) MMS may require a lessee to certify that its arm's-length contract provisions include all of the consideration to be paid by the buyer, either directly or indirectly, for the residue gas or gas plant product  | PRODUCE RECORDS—The ORA determined that the audit process is not covered by the PRA because MMS staff asks non-standard questions to resolve exceptions.                          |                                    |                     |
| 206.153(e)(1) .....  | 206.153(e)(1) Where the value is determined pursuant to paragraph (c) of this section, the lessee shall retain all data relevant to the determination of royalty value * * *.  | There are no burden hours to report in this ICR. All burden hours associated with Form MMS-2014 are included in OMB Control Number 1010-0140 (Form MMS-2014), expires 10/31/2006. |                                    |                     |
| 206.153(e)(2) .....  | 206.153(e)(2) Any Federal lessee will make available upon request to the authorized MMS or State representatives, to the Office of the Inspector General of the Department of the Interior, or other persons authorized to receive such information, arm's-length sales and volume data for like-quality residue gas and gas plant products sold, purchased or otherwise obtained by the lessee from the same processing plant or from nearby processing plants. | PRODUCE RECORDS—The ORA determined that the audit process is not covered by the PRA because MMS staff asks non-standard questions to resolve exceptions.                          |                                    |                     |
| 206.153(e)(3) .....  | 206.153(e)(2) A lessee shall notify MMS if it has determined any value pursuant to paragraph (c)(2) or (c)(3) of this section * * *.   | 330   | 2                                  | 660                 |
| 206.153(g) .....   | 206.153(g) The lessee may request a value determination from MMS. * * * The lessee shall submit all available data relevant to its proposal * * *.   | 330   | 4                                  | 1,320               |
| § 206.154 Determination of quantities and qualities for computing royalties. |  |   |                                    |                     |
| 206.154(c)(4) .....  | 206.154(c)(4) * * * A lessee may request MMS approval of other methods for determining the quantity of residue gas and gas plant products allocable to each lease * * *.   | 330   | 11                                 | 330                 |
| § 206.156 Transportation allowances—general.                                 |  |   |                                    |                     |
| 206.156(c)(3) .....  | 206.156(c)(3) Upon request of a lessee, MMS may approve a transportation allowance deduction in excess of the limitation prescribed by paragraphs (c)(1) and (c)(2) of this section. * * * An application for exception (using Form MMS-4393, Request to Exceed Regulatory Allowance Limitation) shall contain all relevant and supporting documentation necessary for MMS to make a determination * * *.  | 4.25  | 5                                  | <sup>2</sup> 21.25  |

## RESPONDENTS' ESTIMATED ANNUAL BURDEN HOURS—Continued

| Citation 30 CFR 202 and 206                           | Reporting and recordkeeping requirement  | Hour burden   | Average number of annual responses | Annual burden hours |
|---|--|---|------------------------------------|---------------------|
| § 206.157 Determination of transportation allowances. |  |   |                                    |                     |
| 206.157(a)(1)(i) .....                                | 206.157(a) <i>Arm's-length transportation contracts.</i> (1)(i) * * * The lessee shall have the burden of demonstrating that its contract is arm's-length * * *.   | PRODUCE RECORDS—The ORA determined that the audit process is not covered by the PRA because MMS staff asks non-standard questions to resolve exceptions.                          |                                    |                     |
| 206.157(a)(1)(i) .....                                | 206.157(a)(1)(i) * * * The lessee must claim a transportation allowance by reporting it on a separate line entry on the Form MMS–2014.   | There are no burden hours to report in this ICR. All burden hours associated with Form MMS–2014 are included in OMB Control Number 1010–0140 (Form MMS–2014), expires 10/31/2006. |                                    |                     |
| 206.157(a)(1)(iii) .....                              | 206.157(a)(1)(iii) * * * When MMS determines that the value of the transportation may be unreasonable, MMS will notify the lessee and give the lessee an opportunity to provide written information justifying the lessee's transportation costs   | PRODUCE RECORDS—The ORA determined that the audit process is not covered by the PRA because MMS staff asks non-standard questions to resolve exceptions.                          |                                    |                     |
| 206.157(a)(2)(ii) .....                               | 206.157(a)(2)(ii) * * * the lessee may propose to MMS a cost allocation method on the basis of the values of the products transported * * *.   | 330   | 1                                  | 330                 |
| 206.157(a)(3) .....                                   | 206.157(a)(3) If an arm's-length transportation contract includes both gaseous and liquid products and the transportation costs attributable to each cannot be determined from the contract, the lessee shall propose an allocation procedure to MMS. * * * The lessee shall submit all relevant data to support its proposal * * *. | 330   | 1                                  | 330                 |
| 206.157(a)(5) .....                                   | 206.157(a)(5) * * * The transportation factor may not exceed 50 percent of the base price of the product without MMS approval.   | 100   | 1                                  | 100                 |
| 206.157(b)(1) .....                                   | 206.157(b) <i>Non-arm's-length or no contract.</i> (1) The lessee must claim a transportation allowance by reporting it on a separate line entry on the Form MMS–2014 * * *.   | There are no burden hours to report in this ICR. All burden hours associated with Form MMS–2014 are included in OMB Control Number 1010–0140 (Form MMS–2014), expires 10/31/2006. |                                    |                     |
| 206.157(b)(2)(iv) .....                               | 206.157(b)(2)(iv) After a lessee has elected to use either method for a transportation system, the lessee may not later elect to change to the other alternative without approval of the MMS.  | 100   | 1                                  | 100                 |
| 206.157(b)(2)(vi)(A) .....                            | (A) After an election is made, the lessee may not change methods without MMS approval * * *.   |   |                                    |                     |
| 206.157(b)(3)(ii) .....                               | 206.157(b)(3)(ii) * * * the lessee may propose to the MMS a cost allocation method on the basis of the values of the products transported * * *.   | 100   | 1                                  | 100                 |
| 206.157(b)(4) .....                                   | 206.157(b)(4) Where both gaseous and liquid products are transported through the same transportation system, the lessee shall propose a cost allocation procedure to MMS. * * * The lessee shall submit all relevant data to support its proposal * * *.   | 100   | 1                                  | 100                 |
| 206.157(b)(5) .....                                   | 206.157(b)(5) You may apply for an exception from the requirement to compute actual costs under paragraphs (b)(1) through (b)(4) of this section.  | 100   | 1                                  | 100                 |
| 206.175(c)(1)(i) .....                                | 206.175(c) <i>Reporting Requirements.</i> (1) <i>Arm's-length contracts.</i> (i) You must use a separate entry on Form MMS–2014 to notify MMS of a transportation allowance.   | There are no burden hours to report in this ICR. All burden hours associated with Form MMS–2014 are included in OMB Control Number 1010–0140 (From MMS–2014), expires 10/31/2006. |                                    |                     |
| 206.157(c)(1)(ii) .....                               | 206.157(c)(1)(ii) The MMS may require you to submit arm's-length transportation contracts, production agreements, operating agreements, and related document * * *.  | PRODUCE RECORDS—The ORA determined that the audit process is not covered by the PRA because MMS staff asks non-standard questions to resolve exception.                           |                                    |                     |

RESPONDENTS' ESTIMATED ANNUAL BURDEN HOURS—Continued

| Citation 30 CFR 202 and 206              | Reporting and recordkeeping requirement   | Hour burden   | Average number of annual responses | Annual burden hours |
|--|---|---|------------------------------------|---------------------|
| 206.157(c)(2)(i) .....                   | 206.157(c)(2) <i>Non-arm's-length or no contract.</i> (i) You must use a separate entry on Form MMS–2014 to notify MMS of a transportation allowance.   | There are no burden hours to report in this ICR. All burden hours associated with Form MMS–2014 are included in OMB Control Number 1010–0140 (Form MMS–2014), expires 10/31/2006  |                                    |                     |
| 206.157(c)(2)(iii) .....                 | 206.157(c)(2)(iii) The MMS may require you to submit all data used to calculate the allowance deduction * * *.  | PRODUCE RECORDS—The ORA determined that the audit process is not covered by the PRA because MMS staff asks non-standard questions to resolve exceptions                           |                                    |                     |
| 206.157(e)(2) and (3) .....              | 206.157(e) <i>Adjustments.</i> (2) For lessees transporting production from onshore Federal leases, the lessee must submit a corrected Form MMS–2014 to reflect actual costs, together with any payment, in accordance with instructions provided by MMS.<br>(3) For lessees transporting gas production from leases on the OCS, if the lessee's estimated transportation allowance exceeds the allowance based on actual costs, the lessee must submit a corrected Form MMS–2014 to reflect actual costs, together with its payments, in accordance with instructions provided by MMS * * *. | There are no burden hours to report in this ICR. All burden hours associated with Form MMS–2014 are included in OMB Control Number 1010–0140 (Form MMS–2014), expires 10/31/2006. |                                    |                     |
| 206.157(f)(1) .....                      | (f) <i>Allowable costs in determining transportation allowances.</i> * * * (1) <i>Firm demand charges paid to pipelines.</i> * * * If you receive a payment or credit from the pipeline for penalty refunds, rate case refunds, or other reasons, you must reduce the firm demand charge claimed on the Form MMS–2014 by the amount of that payment. You must modify Form MMS–2014 by the amount received or credited for the affected reporting period and pay anyresulting royalty and late payment interest due;   |   |                                    |                     |
| § 206.158 Processing allowances—general. |   |   |                                    |                     |
| 206.158(c)(3) .....                      | 206.158(c)(3) Upon request of a lessee, MMS may approve a processing allowance in excess of the limitation prescribed by paragraph (c)(2) of this section. * * * An application for exception (using Form MMS–4393, Request to Exceed Regulatory Allowance Limitation) shall contain all relevant and supporting documentation for MMS to make a determination * * *.   | 4.25  | 17                                 | 72.25               |
| 206.158 (d)(2)(i) .....                  | 206.158(d)(2)(i) If the lessee incurs extraordinary costs for processing gas production from a gas production operation, it may apply to MMS for an allowance for those costs * * *.  | 9.5   | 2                                  | 19                  |
| 206.158(d)(2)(ii) .....                  | 206.158(d)(2)(ii) * * * to retain the authority to deduct the allowance the lessee must report the deduction to MMS in a form and manner prescribed by MMS * * *.   | There are no burden hours to report in this ICR. All burden hours associated with Form MMS–2014 are included in OMB Control Number 1010–1040 (Form MMS–2014), expires 10/31/2006. |                                    |                     |
| § 206.158 Processing allowances—general. |   |   |                                    |                     |
| 206.159(a)(1)(i) .....                   | 2106.159(a) <i>Arm's-length processing contracts.</i> ..... (1)(i) * * * The lessee shall have the burden of demonstrating that its contract is arm's-length * * *.   | PRODUCE RECORDS—The ORA determined that the audit process is not covered by the PRA because MMS staff asks non-standard questions to resolve exceptions.                          |                                    |                     |
| 206.159 (a)(1)(ii) .....                 | 206.159(a)(1)(ii) * * * The lessee must claim a processing allowance by reporting it on a separate line entry on the Form MMS–2014.   | There are no burden hours to report in this ICR. All burden hours associated with Form MMS–2014 are included in OMB Control Number 1010–1040 (Form MMS–2014), expires 10/31/2006. |                                    |                     |

## RESPONDENTS' ESTIMATED ANNUAL BURDEN HOURS—Continued

| Citation 30 CFR 202 and 206 | Reporting and recordkeeping requirement   | Hour burden   | Average number of annual responses | Annual burden hours |
|-----------------------------|---|---|------------------------------------|---------------------|
| 206.159(a)(1)(iii) .....    | 206.159(a)(1)(iii) * * * When MMS determines that the value of the processing may be unreasonable, MMS will notify the lessee and give the lessee an opportunity to provide written information justifying the lessee's processing costs.   | PRODUCE RECORDS—The ORA determined that the audit process is not covered by the PRA because MMS staff asks non-standard questions to resolve exceptions.                          |                                    |                     |
| 206.159(a)(3) .....         | 206.159(a)(3) If an arm's-length processing contract includes more than one gas plant product and the processing costs attributable to each product cannot be determined from the contract, the lessee shall propose an allocation procedure to MMS. * * * The lessee shall submit all relevant data to support its proposal * * *. | 330   | 1                                  | 330                 |
| 206.159(b)(1) .....         | 206.159(b) <i>Non-arm's-length or no contract.</i> (1) * * * The lessee must claim a processing allowance by reflecting it as a separate line entry on the Form MMS-2014. * * *.  | There are no burden hours to report in this ICR. All burden hours associated with Form MMS-2014 are included in OMB Control Number 1010-1040 (Form MMS-2014), expires 10/31/2006. |                                    |                     |
| 206.159(b)(2)(iv) .....     | 206.159(b)(2)(iv). * * * When a lessee has elected to use either method for a processing plant, the lessee may not later elect to change to the alternative without approval of the MMS * * *.  | 100   | 1                                  | 100                 |
| 206.159 (b)(2)(iv)(A) ..... | (A) * * * After an election is made, the lessee may not change methods without MMS approval * * *.  | .....   | .....                              | .....               |
| 206.159 (b)(4) .....        | 206.159(b)(4) A lessee may apply to MMS for an exception from the requirements that it compute actual costs in accordance with paragraphs (b)(1) through (b)(3) of this section * * *.  | 100   | 1                                  | 100                 |
| 206.159(c)(1)(i) .....      | 206.159(c) <i>Reporting requirements—(1) Arm's-length contracts.</i> (i) The lessee must notify MMS of an allowance based on incurred costs by using a separate line entry on the Form MMS-2014.  | There are no burden hours to report in this ICR. All burden hours associated with Form MMS-2014 are included in OMB Control Number 1010-1040 (Form MMS-2014), expires 10/31/2006. |                                    |                     |
| 206.159(c)(1)(ii) .....     | 206.159(c)(1)(ii) The MMS may require that a lessee submit arm's-length processing contracts and related documents * * *.   | PRODUCE RECORDS—The ORA determined that the audit process is not covered by the PRA because MMS staff asks non-standard questions to resolve exceptions.                          |                                    |                     |
| 206.159(c)(2)(i) .....      | 206.159(c)(2) <i>Non-arm's length or no contract.</i> .....   | There are no burden hours to report in this ICR. All burden hours associated with Form MMS-2014 are included in OMB Control Number 1010-1040 (Form MMS-2014), expires 10/31/2006. |                                    |                     |
| 206.159(c)(2)(iii) .....    | 206.159(c)(2)(iii) Upon request by MMS, the lessee shall submit all data used to prepare the allowance deduction * * *.   | PRODUCE RECORDS—The ORA determined that the audit process is not covered by the PRA because MMS staff asks non-standard questions to resolve exceptions.                          |                                    |                     |
| 206.159(e)(2) and (3) ..... | 206.159(e) <i>Adjustments.</i> .....  | There are no burden hours to report in this ICR. All burden hours associated with Form MMS-2014 are included in OMB Control Number 1010-0140 (Form MMS-2014), expires 10/31/2006. |                                    |                     |
|                             | (2) For lessees processing production from onshore Federal leases, the lessee must submit a corrected Form MMS-2014 to reflect actual costs, together with any payment, in accordance with instructions provided by MMS.  |   |                                    |                     |
|                             | (3) For lessees processing gas production from leases on the OCS, if the lessee's estimated processing allowance exceeds the allowance based on actual costs, the lessee must submit a corrected Form MMS-2014 to reflect actual costs, together with its payment, in accordance with instructions provided by MMS * * *.           |   |                                    |                     |
| Total .....                 | .....   | .....   | 107                                | <sup>3</sup> 20,504 |

<sup>1</sup> Includes an estimate of 1 response at 4.25 burden hours for 30 CFR 206.54(b)(2) for Indian oil transportation estimates.

<sup>2</sup> Includes an estimate of 1 response at 4.25 burden hours for 30 CFR 206.177(c)(2) and (c)(3) for Indian gas transportation estimates.

<sup>3</sup> Total 20,503.25 burden hours rounded up to 20,504 burden hours.

*Estimated Annual Reporting and Recordkeeping "Non-hour Cost" Burden:* We have identified no "non-hour" cost burdens.

*Public Disclosure Statement:* The PRA (44 U.S.C. 3501 *et seq.*) provides that an agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless it displays a currently valid OMB control number.

*Comments:* Section 3506(c)(2)(A) of the PRA requires each agency " \* \* \* to provide notice \* \* \* and otherwise consult with members of the public and affected agencies concerning each proposed collection of information \* \* \*." Agencies must specifically solicit comments to: (a) Evaluate whether the proposed collection of information is necessary for the agency to perform its duties, including whether the information is useful; (b) evaluate the accuracy of the agency's estimate of the burden of the proposed collection of information; (c) enhance the quality, usefulness, and clarity of the information to be collected; and (d) minimize the burden on the respondents, including the use of automated collection techniques or other forms of information technology.

To comply with the public consultation process, we published a notice in the **Federal Register** on July 22, 2005 (70 FR 42366) announcing that we would submit this ICR to OMB for approval. The notice provided the required 60-day comment period. We received no comments in response to the notice.

If you wish to comment in response to this notice, you may send your comments to the offices listed under the **ADDRESSES** section of this notice. The OMB has up to 60 days to approve or disapprove the information collection but may respond after 30 days. Therefore, to ensure maximum consideration, OMB should receive public comments by June 15, 2006.

*Public Comment Policy:* We will post all comments in response to this notice on our Web site at [http://www.mrm.mms.gov/Laws\\_R\\_D/InfoColl/InfoColCom.htm](http://www.mrm.mms.gov/Laws_R_D/InfoColl/InfoColCom.htm). We will also make copies of the comments available for public review, including names and addresses of respondents, during regular business hours at our offices in Lakewood, Colorado. Upon request, we will withhold an individual respondent's home address from the public record, as allowable by law. There also may be circumstances in which we would withhold a respondent's identity, as allowable by law. If you request that we withhold your name and/or address, state your

request prominently at the beginning of your comment. However, we will not consider anonymous comments. 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.

*MMS Information Collection Clearance Officer:* Arlene Bajusz (202) 208-7744.

Dated: December 19, 2005.

**Lucy Querques Denett,**  
*Associate Director for Minerals Revenue Management.*

**Editorial Note:** This document was received at the Office of the Federal Register on May 11, 2006.

[FR Doc. E6-7436 Filed 5-15-06; 8:45 am]

**BILLING CODE 4310-MR-P**

## DEPARTMENT OF THE INTERIOR

### Minerals Management Service

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

**AGENCY:** Minerals Management Service (MMS), Interior.

**ACTION:** Notice of an extension of a currently approved information collection (OMB Control Number 1010-0155).

**SUMMARY:** To comply with the Paperwork Reduction Act of 1995 (PRA), we are notifying the public that we have submitted to OMB an information collection request (ICR) to renew approval of the paperwork requirements in the regulations under 30 CFR part 204—Alternatives for Marginal Properties, subpart C—Accounting and Auditing Relief. This notice also provides the public a second opportunity to comment on the paperwork burden of these regulatory requirements. This ICR is titled "30 CFR part 204—Alternatives for Marginal Properties, Subpart C—Accounting and Auditing Relief." This ICR covers the regulatory language under 30 CFR part 204, as published in the Accounting and Auditing Relief for Marginal Properties final rule on September 13, 2004 (69 FR 55076). This citation explains how lessees and their designees can obtain accounting and auditing relief for production from Federal oil and gas leases and units and communitization agreements that qualify as marginal properties.

**DATES:** Submit written comments on or before June 15, 2006.

**ADDRESSES:** Submit written comments by either FAX (202) 395-6566 or e-mail ([OIRA\\_Docket@omb.eop.gov](mailto:OIRA_Docket@omb.eop.gov)) directly to the Office of Information and Regulatory Affairs, OMB, Attention: Desk Officer for the Department of the Interior (OMB Control Number 1010-0155). Mail your comments to Sharron L. Gebhardt, Lead Regulatory Specialist, Minerals Management Service, Minerals Revenue Management, P.O. Box 25165, MS 302B2, Denver, Colorado 80225. If you use an overnight courier service or wish to hand-carry your comments, our courier address is Building 85, Room A-614, Denver Federal Center, Denver, Colorado 80225. You may also e-mail your comments to us at [mrm.comments@mms.gov](mailto:mrm.comments@mms.gov). Include the title of the information collection and the OMB control number in the "Attention" line of your comment. Also include your name and return address. Submit electronic comments as an ASCII file avoiding the use of special characters and any form of encryption. If you do not receive a confirmation that we have received your e-mail, contact Ms. Gebhardt at (303) 231-3211.

**FOR FURTHER INFORMATION CONTACT:** Sharron L. Gebhardt, telephone (303) 231-3211, FAX (303) 231-3781, e-mail [Sharron.Gebhardt@mms.gov](mailto:Sharron.Gebhardt@mms.gov). You may also contact Sharron Gebhardt to obtain, at no cost, a copy of the regulations that require the subject collection of information.

#### SUPPLEMENTARY INFORMATION:

*Title:* 30 CFR part 204—Alternatives for Marginal Properties, Subpart C—Accounting and Auditing Relief.  
*OMB Control Number:* 1010-0155.

*Bureau Form Number:* None.

*Abstract:* The Secretary of the U.S. Department of the Interior is responsible for collecting royalties from lessees who produce minerals from leased Federal lands. The Secretary is required by various laws to manage mineral resources production on Federal lands, collect the royalties due, and distribute the funds in accordance with those laws. The product valuation determination process is essential to assure that royalty payments are based on the proper value of the minerals being removed. The MMS performs the royalty management functions for the Secretary.

Minerals produced from Federal leases vary greatly in the nature of occurrence, markets served, and production and processing methods. When a company or an individual enters into a lease to explore, develop, produce, and dispose of minerals from Federal or Indian lands, that company or individual agrees to pay the lessor a