

SUMMARY: Office of Natural Resources Revenue (ONRR) regulations provide two types of accounting and auditing relief for Federal onshore or Outer Continental Shelf lease production from marginal properties. Each year, ONRR provides a list of qualifying marginal Federal oil and gas properties to States that receive a portion of Federal royalties from those properties. Each State then decides whether to participate in relief, and if so, whether to allow one or both relief options. For calendar year 2020, ONRR provides this notice of the affected States' decision regarding whether relief should be allowed and, if so, which type of relief will be allowed.

DATES: Effective January 1, 2021.

FOR FURTHER INFORMATION CONTACT: Mr. Robert Sudar, Market and Spatial Analytics, Coordination, Enforcement, Valuations, and Appeals Division, ONRR, at (303) 231-3511; or email to Robert.Sudar@onrr.gov.

SUPPLEMENTARY INFORMATION: The regulations, codified under 30 CFR part

1204, subpart C, implement certain provisions of section 7 of the Federal Oil and Gas Royalty Simplification and Fairness Act of 1996 (30 U.S.C. 1726), which allows States to relieve the lessees of marginal properties from certain reporting, accounting, and auditing requirements. Each State makes an annual determination as to whether to allow relief, and if so, what types. Two relief options are authorized: (1) Notification-based royalty report and payment relief which, if selected, allows lessees or designees to forgo filing monthly reports and making monthly royalty payments and, instead, to file one annual royalty report and make one annual royalty payment, and (2) other requested appropriate accounting and auditing relief, as proposed by lessees or designees and approved by ONRR, after consultation with the affected State(s). The regulations require ONRR to publish, no later than 30 days before the beginning of the calendar year, a list of the States and their decisions regarding marginal property relief.

To qualify for the first relief option (notification-based relief) for calendar year 2021, properties must produce less than 1,000 barrels-of-oil-equivalent (BOE) per year for the base period (July 1, 2019 through June 30, 2020). Annual reporting relief will begin January 1, 2021, with the annual report and royalty payment due February 28, 2022, or March 31, 2022, if you have an estimated payment on file. To qualify for the second relief option (other requested relief), the combined equivalent production of the marginal properties during the base period must equal an average daily well production of less than 15 BOE per well per day, as calculated under 30 CFR 1204.4(c).

The following table lists the States with qualifying marginal properties and each State's decision as to the relief options it will allow in calendar year 2021. An "N/A" means that the State did not provide ONRR its decision and, accordingly, no relief will be allowed to lessees in that State.

State	Notification-based relief (less than 1,000 BOE per year)	Request-based relief (less than 15 BOE per well per day)
Alabama	No	No.
Arkansas	N/A	Yes.
California	No	No.
Colorado	No	No.
Kansas	No	No.
Louisiana	Yes	Yes.
Michigan	Yes	Yes.
Mississippi	No	No.
Montana	No	No.
Nebraska	N/A	No.
Nevada	N/A	Yes.
New Mexico	No	Yes.
North Dakota	N/A	Yes.
Oklahoma	No	No.
South Dakota	Yes	Yes.
Utah	No	No.
Wyoming	Yes	No

A Federal oil and gas property located in a State where ONRR does not share a portion of Federal royalties with the State is eligible for relief if the property qualifies as marginal under 30 U.S.C. 1726(c). For information on how to obtain relief, please refer to 30 CFR 1204.205, viewable at <https://www.ecfr.gov/>.

Unless the information ONRR receives is proprietary data, all correspondence, records, or information that ONRR receives in response to this notice may be subject to disclosure under the Freedom of Information Act (FOIA) (5 U.S.C. 552 *et seq.*). If applicable, please highlight any proprietary portions, including any supporting documentation, or mark the page(s) containing proprietary data. We

protect proprietary information under the Trade Secrets Act (18 U.S.C. 1905), FOIA Exemption 4 (5 U.S.C. 552(b)(4)), and the Department of the Interior's FOIA regulations (43 CFR part 2).

Authority: Federal Oil and Gas Royalty Management Act of 1982, 30 U.S.C. 1701 *et seq.*, as amended by Federal Oil and Gas Royalty Simplification and Fairness Act of 1996 (RSFA, Pub. L. 104-185—Aug. 13, 1996, as corrected by Pub. L. 104-200—Sept. 22, 1996).

Kimbra G. Davis,
Director for the Office of Natural Resources Revenue.

[States' Decisions on Participating in Accounting and Auditing Relief for

Federal Oil and Gas Marginal Properties]

[FR Doc. 2020-27267 Filed 12-10-20; 8:45 am]

BILLING CODE 4335-30-P

DEPARTMENT OF THE INTERIOR

Bureau of Reclamation

[RR83550000, 212R5065C6, RX.59389832.1009676]

Change in Discount Rate for Water Resources Planning

AGENCY: Bureau of Reclamation, Interior.

ACTION: Notice of change in discount rate.

SUMMARY: The Bureau of Reclamation is announcing the interest rate to be used by Federal agencies in the formulation and evaluation of plans for water and related land resources is 2.50 percent for fiscal year 2021. The prior year's rate, as announced in the **Federal Register** on December 17, 2019, was 2.75 percent for fiscal year 2020.

DATES: This discount rate is to be used for the period October 1, 2020, through and including September 30, 2021.

FOR FURTHER INFORMATION CONTACT: Mr. Fernando Castro-Alvarez, Bureau of Reclamation, Reclamation Law Administration Division, P.O. Box 25007, Denver, Colorado 80225; telephone 303-445-2821.

SUPPLEMENTARY INFORMATION: The Water Resources Planning Act of 1965 and the Water Resources Development Act of 1974 require an annual determination of a discount rate for Federal water resources planning. The discount rate for Federal water resources planning for fiscal year 2021 is 2.50 percent. Discounting is to be used to convert future monetary values to present values.

This rate has been computed in accordance with Section 80(a), Public Law 93-251 (88 Stat. 34), and 18 CFR 704.39, which: (1) Specify that the rate will be based upon the average yield during The preceding fiscal year on interest-bearing marketable securities of the United States which, at the time the computation is made, have terms of 15 years or more remaining to maturity (average yield is rounded to nearest one-eighth percent); and (2) provide that the rate will not be raised or lowered more than one-quarter of 1 percent for any year. The U.S. Department of the Treasury calculated the specified average to be 1.5730 percent. In accordance with the Water Resource Council Rules and Regulations, the maximum adjustment allowed for the current fiscal year rate is one-quarter of one percentage point from the previous fiscal year rate, which was 2.75 percent. Therefore, the fiscal year 2021 rate is 2.50 percent.

The rate of 2.50 percent will be used by all Federal agencies in the formulation and evaluation of water and related land resources plans for the purpose of discounting future benefits and computing costs or otherwise converting benefits and costs to a common-time basis.

Signed:

Christopher J. Beardsley,
Director, Policy and Programs.

[FR Doc. 2020-27294 Filed 12-10-20; 8:45 am]

BILLING CODE 4332-90-P

DEPARTMENT OF THE INTERIOR

Bureau of Safety and Environmental Enforcement

[EEEE500000 21XE1700DX
EX1SF0000.EAQ000]

Leaders in Advancing Safety and Environmental Stewardship

AGENCY: Bureau of Safety and Environmental Enforcement, Interior.

ACTION: Notice.

SUMMARY: The Bureau of Safety and Environmental Enforcement (BSEE) developed objective, qualitative and quantifiable criteria to create a "Leaders in Advancing Safety and Environmental Stewardship" Recognition Program to recognize operators who demonstrate exemplary operating performance or sustained safety and environmental stewardship improvements on their Outer Continental Shelf (OCS) oil and gas facilities, including support vessels, and leadership within the industry regarding operational safety and environmental performance. BSEE's process for identifying "Leaders in Advancing Safety and Environmental Stewardship" is consistent with BSEE's inspection programs, regulations, and Notice to Operators and Lessees (NTL) No. 2008-N02, *Outer Continental Shelf (OCS) Inspection Program*. The "Leaders in Advancing Safety and Environmental Stewardship" Recognition Program will recognize OCS operators demonstrating high levels of operational safety, sustained safety improvement, or industry leadership on operational safety issues. The primary objective of the Recognition Program is to drive OCS operators to significantly improve safety and environmental prioritization, culture, and performance on OCS facilities and to encourage them to become leaders in industry regarding operational safety and environmental issues. Another objective is to create a platform through which BSEE can educate the public regarding the fact that OCS operators can conduct complex and high-risk operations on OCS oil and gas facilities in a way that is safe for personnel, the public, and the environment.

DATES: This notice will become effective on December 11, 2020.

FOR FURTHER INFORMATION CONTACT: Jason Mathews, Bureau of Safety and Environmental Enforcement, Chief, Safety Improvement Branch, (504) 731-1496, or by email: jason.mathews@bsee.gov.

SUPPLEMENTARY INFORMATION:

Each year, BSEE Gulf of Mexico and Pacific Regions conduct Annual Performance Reviews (APRs) of OCS operators. The APRs consist of a review of the following:

- The operator's compliance history, as reflected in findings from the BSEE Inspection Program;
- The operator's safety record as it relates to incidents;
- Any action that BSEE has forwarded to the BSEE Safety Enforcement Division (SED) for review for potential assessment of a civil penalty; and,
- The results of the most recent internal and regulatory audits of the operator's Safety and Environmental Management System (SEMS) program.

BSEE will use the information gathered during the APRs to provide factual bases for determining eligibility for operator recognition.

For an OCS operator to qualify for consideration as a Leader in Advancing Safety and Environmental Stewardship, the operator must have either:

1. An Injury/Illness Combined Rate (total recordables) less than the OCS average for the prior reporting year, or
2. Demonstrate two or more consecutive years of improvement of its Injury/Illness Combined Rate.

In addition, the OCS operator's operations for the reporting must not have included any of the following:

- Fatality;
- Incident with ≥ 3 injuries;
- Major pollution incidents;
- Major Fire/Explosion;
- ≥ 3 Incidents of Noncompliance (INCs) forwarded for civil penalty cases or \$1 million in cumulative proposed fines;
- Loss of Well Control; (not to include shallow water flow)
- ≥ 3 Facilities on Increased Oversight List;
- Order to perform an additional Directed SEMS Audit; or,
- A sustained environmental compliance record <90 percent with assigned environmental mitigation measures and similar regulatory requirements; or,
- Placement on a Performance Improvement Plan.

If an OCS operator is disqualified by any of the factors above, BSEE may reconsider the operator for potential recognition if the issue(s) is satisfied prior to March 31st of the following year.

For OCS operators that meet the requirements above, BSEE will also look at how those operators are providing leadership within the industry regarding operational safety. BSEE will consider whether the OCS operator is offering