

of Proposed Rulemaking (ANPR) for Federal and Indian coal valuation closed on July 26, 2011. The ONRR received responses from 11 commenters representing industry, a tribe, a state, a community group (representing several member groups), 2 coal publications, and 3 trade groups. We appreciate the feedback and hope to obtain additional input at the public workshops. You may find it helpful to review the comments prior to your attendance at one of the workshops. You may access the comments at [http://www.onrr.gov/Laws\\_R\\_D/PubComm/AA00rmprc.htm](http://www.onrr.gov/Laws_R_D/PubComm/AA00rmprc.htm).

As indicated in the ANPR, the intention of this rulemaking process is to provide regulations that would (1) Offer greater simplicity, certainty, clarity, and consistency in production valuation for mineral lessees and mineral revenue recipients; (2) be easy to understand; (3) decrease industry's compliance costs; and (4) provide early certainty to industry and ONRR that companies have paid every dollar due.

The ONRR is seeking further public comment on the following issues:

(1) Using index prices to value coal. Commenters were mixed on the subject of using index prices to value coal. Some commenters noted the perceived lack of available indices or pricing mechanisms for some regions and for Indian coal. If ONRR does move forward in using index prices to value coal for royalty purposes on a limited basis, for what regions does this approach make sense?

(2) Examining possible alternatives for the use of gross proceeds to value coal sold at arm's-length. Commenters generally provided that no changes to arm's-length valuation were necessary. Is there any support to develop alternatives for the use of gross proceeds in valuing coal sold at arm's length?

(3) Examining possible alternatives to improve non-arm's-length valuation. Comments on this issue were mixed. The ONRR invites more specific comments on the reasons that current rules should be maintained or revised and other suggestions to improve non-arm's-length coal valuation regulations.

(4) Examining the possible use of separate valuation methods for lessees that are coal cooperatives or for lessees that consume their coal. Comments on this issue were divided. The ONRR invites comments on whether separate valuation methods are needed for coal cooperatives and lessees that consume lease coal and suggestions regarding methodologies that would be appropriate.

(5) Simplifying the methods for determining coal transportation and washing allowances. Comments on this

issue were generally in favor of maintaining the status quo and basing allowances on reasonable, actual costs. However, ONRR invites suggestions regarding other methodologies that would simplify the determination of transportation and washing allowances.

The ONRR is also interested in receiving comments on any other alternative valuation methodologies that would provide additional levels of clarity, efficiency, and early certainty to the industry and Federal Government. In addition to the specific issues identified above, we invite participants to comment on any other significant issues impacting the value of Federal and Indian coal for royalty purposes.

Executive Order 13175 requires the Federal Government to consult and collaborate with the Indian community (tribes and individual Indian mineral owners) in the development of Federal policies that impact the Indian community. The locations of the workshops were chosen to allow for increased participation by the Indian community.

We encourage stakeholders and members of the public to participate. The workshops will be open to the public without advance registration; however, attendance may be limited to the space available at each venue. For building security measures, each person may be required to present a picture identification to gain entry to the meetings.

Dated: September 2, 2011.

**Gregory J. Gould,**

*Director for Office of Natural Resources Revenue.*

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## DEPARTMENT OF THE INTERIOR

### Office of Natural Resources Revenue

#### 30 CFR Parts 1202 and 1206

[Docket No. ONRR-2011-0005]

RIN 1012-AA01

#### Workshops To Discuss Revisions to Federal Oil and Gas Royalty Valuation Regulations: Advance Notice of Proposed Rulemaking

**AGENCY:** Office of Natural Resources Revenue, Interior.

**ACTION:** Notice of public workshops.

**SUMMARY:** The Office of Natural Resources Revenue (ONRR) announces three public workshops to discuss specific issues regarding the existing Federal oil and gas royalty valuation

regulations at 30 CFR parts 1202 and 1206 for oil and gas produced from Federal onshore and offshore oil and gas leases.

**DATES:** The public workshop dates and cities are:

Workshop 1—September 27, 2011 (8:30 a.m. to 12 p.m. central time) in Houston, Texas.

Workshop 2—September 29, 2011 (8:30 a.m. to 12 p.m. eastern time) in Washington DC.

Workshop 3—October 4, 2011 (8:30 a.m. to 12 p.m. mountain time) in Denver, Colorado.

**ADDRESSES:** The public workshop locations are:

Workshop 1—JW Marriott Houston, 5150 Westheimer Road, Houston, Texas 77056-5506, telephone number (713) 961-1500.

Workshop 2—Main Interior Building, 1849 C Street, NW, Washington, DC 20240 (Yates Auditorium), telephone number (202) 254-5573.

Workshop 3—Office of Natural Resources Revenue, Denver Federal Center, 6th Avenue and Kipling Street, Building 85, Auditoriums A-D, Denver, Colorado 80226, telephone number (303) 231-3585.

**FOR FURTHER INFORMATION CONTACT:** Hyla Hurst, Regulatory Specialist, Office of Natural Resources Revenue, P.O. Box 25165, MS 61013C, Denver, Colorado 80225, telephone (303) 231-3495, fax number (303) 233-2225, e-mail [hyla.hurst@onrr.gov](mailto:hyla.hurst@onrr.gov).

**SUPPLEMENTARY INFORMATION:** The comment period for the Advance Notice of Proposed Rulemaking (ANPR) for Federal oil and gas valuation closed on July 26, 2011. The ONRR received responses from 19 commenters representing states, industry, industry trade associations, and the general public. We appreciate the feedback and hope to obtain additional input at the public workshops. You may find it helpful to review the comments prior to your attendance at one of the workshops. You may access the comments at [http://www.onrr.gov/Laws\\_R\\_D/PubComm/AA01rmprc.htm](http://www.onrr.gov/Laws_R_D/PubComm/AA01rmprc.htm).

As indicated in the ANPR, the intention of this rulemaking process is to provide regulations that would (1) Offer greater simplicity, certainty, clarity, and consistency in production valuation for mineral lessees and mineral revenue recipients; (2) be easy to understand; (3) decrease industry's compliance costs; and (4) provide early certainty to industry and ONRR that companies have paid every dollar due.

The ONRR is seeking further public comment on the following issues:

(1) Using index prices to value oil and gas. Commenters generally agreed that the use of index pricing to determine the value of Federal oil production for royalty purposes under the existing rules is working well. The ONRR invites other suggestions to improve the oil valuation regulations. Comments on the use of index pricing in valuing Federal gas for royalty purposes were sharply divided. The ONRR invites more specific comments as to whether index pricing could possibly replace gross proceeds in valuing Federal gas production.

(2) Examining possible alternatives to the requirement to track costs for determining gas transportation. Comments on this issue were divided. The ONRR invites specific comments on alternative methods for calculating actual transportation costs that would adjust for location differences between the lease or unit and the index pricing point.

(3) Considering accounting for the value of liquid hydrocarbons contained in the gas stream by applying an adjustment or “bump” to the index price. Generally, commenters provided that they would support an alternative method for calculating the actual costs to process gas if it were truly revenue neutral. However, ONRR invites suggestions regarding other methodologies that would simplify the valuation and reporting of processed gas.

(4) The ONRR also is interested in receiving comments on any other alternative valuation methodologies that would provide additional levels of clarity, efficiency, and early certainty to the industry and Federal Government. In addition to the specific issues identified above, we invite participants to comment on any other significant issues impacting the value of Federal oil and natural gas for royalty purposes.

We encourage stakeholders and members of the public to participate. The workshops will be open to the public without advance registration; however, attendance may be limited to the space available at each venue. For building security measures, each person may be required to present a picture identification to gain entry to the meetings.

Dated: September 2, 2011.

**Gregory J. Gould,**

*Director for Office of Natural Resources Revenue.*

[FR Doc. 2011-23104 Filed 9-8-11; 8:45 am]

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## DEPARTMENT OF THE TREASURY

### Office of the Secretary

#### 31 CFR Part 1

**RIN 1505-AC31**

#### Privacy Act of 1974; Proposed Implementation

**AGENCY:** Departmental Offices, Treasury.

**ACTION:** Notice of proposed rulemaking.

**SUMMARY:** In accordance with the requirements of the Privacy Act of 1974, the Department of the Treasury gives notice of a proposed amendment to this part to exempt a system of records from certain provisions of the Privacy Act.

**DATES:** Comments must be received no later than October 11, 2011.

**ADDRESSES:** Written comments should be sent to the Department of the Treasury, Office of Civil Rights and Diversity, 1500 Pennsylvania Avenue, NW., Washington, DC 20220. The Department will make such comments available for public inspection and copying in the Department's Library, Room 1428, Main Treasury Building, 1500 Pennsylvania Avenue, NW., Washington, DC 20220, on official business days between the hours of 10 a.m. and 5 p.m. Eastern Time. You can make an appointment to inspect comments by telephoning (202) 622-0990 (not a toll-free line). You may also submit comments through the Federal rulemaking portal at <http://www.regulations.gov> (follow the instructions for submitting comments). All comments, including attachments and other supporting materials, received are part of the public record and subject to public disclosure. You should submit only information that you wish to make available publicly.

**FOR FURTHER INFORMATION CONTACT:**

Mariam G. Harvey, Department of the Treasury, 1500 Pennsylvania Avenue, NW., Washington, DC 20220, at (202) 622-0316, (202) 622-0367 (fax), or via electronic mail at [ocrd.comments@do.treas.gov](mailto:ocrd.comments@do.treas.gov).

**SUPPLEMENTARY INFORMATION:** Under 5 U.S.C. 552a(k)(2), the head of a Federal agency may promulgate rules to exempt a system of records from certain provisions of 5 U.S.C. 552a if the system of records is “investigatory material compiled for law enforcement purposes, other than material within the scope of subsection (j)(2).” To the extent that this system of records contain investigative material within the provision of 5 U.S.C. 552a(k)(2), the Department of the Treasury proposes to exempt the Treasury .013—Department of the

Treasury Civil Rights Complaints and Compliance Review Files, from various provisions of the Privacy Act pursuant to 5 U.S.C. 552a(k)(2).

The proposed rule will create a new table in paragraph 31 CFR 1.36(g)(1) under the heading designated as “(i) Treasury.” The system of records entitled “Treasury .013—Department of the Treasury Civil Rights Complaints and Compliance Review Files” will be added to the table under (i). The current heading “Departmental Offices:” and the associated table will be designated as “(ii).” Paragraphs (ii) through (xiii) are re-designated (iii) through (xiv) respectively.

The Department of the Treasury (Treasury) is publishing the notice of the new system of records separately in the **Federal Register**.

The proposed exemption under 5 U.S.C. 552a(k)(2) for the above system of records is from provisions 5 U.S.C. 552a(c)(3), (d)(1), (d)(2), (d)(3), (d)(4), (e)(1), (e)(4)(G), (e)(4)(H), (e)(4)(I), and (f). Exemptions from these particular subsections are justified on a case-by-case basis to be determined at the time a request is made for the following reasons:

1. 5 U.S.C. 552a(c)(3) requires an agency to make accountings of disclosures of a record available to the individual named in the record upon his or her request. The accountings must state the date, nature, and purpose of disclosures of the record and the names and addresses of recipients. Making accountings of disclosures available to the subjects of investigations would alert them to the fact that an investigation is being conducted into their activities as well as identify the nature, scope, and purpose of that investigation. The subjects of investigations, if provided an accounting of disclosures, would be able to take measures to avoid detection or apprehension by destroying or concealing evidence that would form the basis for detection or apprehension.

2. 5 U.S.C. 552a(d)(1), (e)(4)(H), and (f)(2), (3), and (5) grant individual access, or concern procedures by which an individual may gain access, to records pertaining to themselves. Disclosure of this information to the subjects of investigations would provide individuals with information concerning the nature and scope of any current investigation, may enable them to avoid detection or apprehension, may enable them to destroy or alter evidence of criminal conduct that would form the basis for their arrest, and could impede the investigator's ability to investigate the matter. In addition, permitting access to investigative files and records