

right-of-way, WYW-38612, issued to Big Horn County for road purposes; and right-of-way, WYW-128844, issued to Big Horn County for road purposes; and right-of-way, WYW-165789, issued to PacifiCorp for a powerline; a right-of-way, WYW-044411, issued to PacifiCorp for a powerline; a right-of-way, WYW-138721, issued to TCT West for a buried cable; a right-of-way, WYW-112026, issued to WAPA for a powerline; a right-of-way, WYW-94163, issued to PacifiCorp for a powerline; and a right-of-way, WYW-0313050, issued to Qwest for a telephone line. Specific covenants required by the Federal Aviation Administration will also be included in the conveyance and are available by contacting the office listed below.

The conveyance is consistent with the Cody Resource Management Plan. The land is not required for any other Federal purpose.

Upon publication of this notice in the **Federal Register**, the above described land will be segregated from all forms of appropriation under the public land laws, including the general mining laws, except applications for airport purposes and leasing under the mineral leasing laws.

For a period of 45 days from the date of publication of this notice in the **Federal Register**, interested parties may submit comments to the BLM, Branch of Fluid Mineral Operations, Lands, & Appraisal, (Attn: Janelle Wrigley), Wyoming State Office, P.O. Box 1828, Cheyenne, Wyoming 82003. Only written comments submitted by postal service or overnight mail to the Wyoming State Office will be considered properly filed. Electronic mail, facsimile or telephone comments will not be considered properly filed. Any adverse comments will be evaluated by the State Director, who may sustain, vacate, or modify this realty action. In the absence of any objection, this proposed realty action will become final.

Dated: July 25, 2008.

**Tamara J. Gertsch,**  
Realty Officer.

[FR Doc. E8-18901 Filed 8-14-08; 8:45 am]

**BILLING CODE 4310-22-P**

## DEPARTMENT OF THE INTERIOR

### Minerals Management Service

[Docket No. MMS-2008-MRM-0031]

#### Agency Information Collection Activities: Proposed Collection, Comment Request

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

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

**SUMMARY:** To comply with the Paperwork Reduction Act of 1995 (PRA), we are inviting comments on a collection of information that we will submit to the Office of Management and Budget (OMB) for review and approval. This information collection request (ICR) pertains to valuation of oil and gas produced from Federal onshore and offshore leases. We changed the title of this ICR to meet OMB requirements and to reflect the consolidation of two ICRs relating to Federal oil and gas valuation. The new title of this ICR is "30 CFR Parts 202, 204, and 206, Federal Oil and Gas Valuation." In this extension, we are consolidating the following ICRs, which allows programwide review of Federal oil and gas leases:

- 1010-0136, previously titled "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;" and
- 1010-0155, previously titled "30 CFR Part 204—Alternatives for Marginal Properties, Subpart C—Accounting and Auditing Relief."

**DATES:** Submit written comments on or before *October 14, 2008*.

**ADDRESSES:** You may submit comments by the following methods:

- Electronically go to <http://www.regulations.gov>. In the "Comment or Submission" column, enter "MMS-2008-MRM-0031" to view supporting and related materials for this ICR. Click on "Send a comment or submission" link to submit public comments. Information on using Regulations.gov, including instructions for accessing documents, submitting comments, and viewing the docket after the close of the comment period, is available through the site's "User Tips" link. All comments submitted will be posted to the docket.

- Mail comments to Hyla Hurst, Regulatory Specialist, Minerals Management Service, Minerals Revenue Management, P.O. Box 25165, MS

302B2, Denver, Colorado 80225. Please reference ICR 1010-0136 in your comments.

- Hand-carry comments or use an overnight courier service. Our courier address is Building 85, Room A-614, Denver Federal Center, West 6th Ave. and Kipling Blvd., Denver, Colorado 80225. Please reference ICR 1010-0136 in your comments.

**FOR FURTHER INFORMATION CONTACT:** Hyla Hurst, telephone (303) 231-3495, or e-mail [hyla.hurst@mms.gov](mailto:hyla.hurst@mms.gov). You may also contact Hyla Hurst to obtain copies, at no cost, of (1) the ICR, (2) any associated forms, and (3) the regulations that require the subject collection of information.

#### SUPPLEMENTARY INFORMATION:

*Title:* 30 CFR Parts 202, 204, and 206, Federal Oil and Gas Valuation.

*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 mineral resource development on Federal and Indian lands and the Outer Continental Shelf (OCS). Under the Mineral Leasing Act (30 U.S.C. 1923), the Indian Mineral Development Act of 1982 (25 U.S.C. 2103), and the Outer Continental Shelf Lands Act (43 U.S.C. 1353), the Secretary is responsible for managing the production of minerals from Federal and Indian lands and the OCS, collecting royalties and other mineral revenues from lessees who produce minerals, and distributing the funds collected in accordance with applicable laws. The MMS performs the mineral revenue management functions for the Secretary. Applicable public laws pertaining to mineral leases on Federal and Indian lands are located at [http://www.mrm.mms.gov/Laws\\_R\\_D/PublicLawsAMR.htm](http://www.mrm.mms.gov/Laws_R_D/PublicLawsAMR.htm).

#### 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 in an amount or value of production from the leased lands. The lessee is required to report various kinds of information to the lessor relative to the disposition of the leased minerals. Such information is generally available within the records of the lessee or others involved in developing, transporting, processing, purchasing, or selling of such minerals.

We use the information collected in this ICR 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 November 30, 2009). The information requested is the minimum necessary to carry out our mission and places the least possible burden on respondents. If the information is not collected, a loss of royalties may result for both Federal and state governments.

#### Transportation and Processing Regulatory Allowance Limits

The reasonable, actual costs of transportation and processing may be deducted from Federal royalties.

#### 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. Regulations establish the allowable limit on processing allowance deductions at 66⅔ 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, we may approve an oil or gas transportation allowance in excess of 50 percent or a gas processing allowance in excess of 66⅔ percent on Federal leases. 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 us with the data necessary to identify the properties and time periods for which the lessee is requesting to exceed the regulatory limits.

#### Accounting and Auditing Relief for Marginal Properties

We amended our regulations in 2004 to provide guidance to lessees and designees seeking accounting and auditing relief for Federal marginal properties. There are two types of relief: (1) cumulative royalty reports and payments relief; and (2) other relief. Under 30 CFR 204.202, MMS requires notification from lessees who request to take the cumulative royalty reporting and payment relief option. Under 30 CFR 204.203, MMS requires a relief request from lessees who want to obtain any other type of accounting and auditing relief.

A state may decide in advance if it will allow either or both relief options for each particular year. After consulting with the state concerned, we will approve, deny, or modify requests in writing. Under the regulations, both MMS and the state concerned must approve any accounting and auditing relief granted for a marginal property.

#### OMB Approval

We are 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.

For information collections relating to valuation requirements, responses are mandatory. For the remaining information collections in this ICR, responses are voluntary; only those lessees who request approval to exceed the regulatory limits on transportation and processing allowances or to obtain the benefits of accounting and auditing relief for marginal properties must supply this information.

*Frequency of Response:* Annually and on occasion.

*Estimated Number and Description of Respondents:* 102 Federal lessees/designees and 4 states.

*Estimated Annual Reporting and Recordkeeping "Hour" Burden:* 21,055 hours.

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 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
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#### PART 202S—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, * * *.	Burden covered under OMB Control Number 1010-0140 (expires 11/30/2009).
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#### 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:	Burden covered under OMB Control Number 1010-0140.
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## 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
	(i) Report gas volumes and British thermal unit (Btu) heating values, if applicable, under the same degree of water saturation; (ii) Report gas volumes in units of 1,000 cubic feet (mcf); and (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. * * * (b) Residue gas and gas plant product volumes shall be reported as specified in this paragraph. * * *			

**PART 204—ALTERNATIVES FOR MARGINAL PROPERTIES**  
**Subpart C—Accounting and Auditing Relief**

## § 204.202 What is the cumulative royalty reports and payments relief option?

204.202(b)(1) .....	204.202(b) To use the cumulative royalty reports and payments relief option, you must do all of the following: (1) Notify MMS in writing by January 31 of the calendar year for which you begin taking your relief. * * *	40	1	40
204.202(b)(2) .....	204.202(b)(2) Submit your royalty report and payment * * * by the end of February of the year following the calendar year for which you reported annually. * * * If you have an estimated payment on file, you must submit your royalty report and payment by the end of March of the year following the calendar year for which you reported annually;	Burden covered under OMB Control Number 1010-0140.		
	(3) Use the sales month prior to the month that you submit your annual report and payment * * * for the entire previous calendar year's production for which you are paying annually. * * *			
204.202(b)(4), (b)(5), (c), (d)(1), (d)(2), (e)(1), and (e)(2).	204.202(b) To use the cumulative royalty reports and payments relief option, you must * * *	Burden covered under OMB Control Number 1010-0140.		
	(4) Report one line of cumulative royalty information on Form MMS-2014 for the calendar year * * * and (5) Report allowances on Form MMS-2014 on the same annual basis as the royalties for your marginal property production. (c) If you do not pay your royalty by the date due in paragraph (b) of this section, you will owe late payment interest * * * from the date your payment was due under this section until the date MMS receives it. * * * (e) If you dispose of your ownership interest in a marginal property for which you have taken relief * * * you must: (1) Report and pay royalties for the portion of the calendar year for which you had an ownership interest; and (2) Make the report and payment by the end of the month after you dispose of the ownership interest in the marginal property. If you do not report and pay timely, you will owe interest * * * from the date the payment was due. * * *			

## § 204.203 What is the other relief option?

204.203(b) .....	204.203(b) You must request approval from MMS * * * before taking relief under this option.	200	1	200
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## § 204.205 How do I obtain accounting and auditing relief?

204.205(a) and (b) .....	204.205(a) To take cumulative reports and payments relief under § 204.202, you must notify MMS in writing by January 31 of the calendar year for which you begin taking your relief. * * *	Burden covered under § 204.203(b).		
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## 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
	(b) To obtain other relief under § 204.203, you must file a written request for relief with MMS. * * *			
§ 204.206 What will MMS do when it receives my request for other relief?				
204.206(a)(3)(i) and (b)(1) .....	204.206 When MMS receives your request for other relief under § 204.205(b), it will notify you in writing as follows:  (a) If your request for relief is complete, MMS may either approve, deny, or modify your request in writing after consultation with any State. * * * (3) If MMS modifies your relief request, MMS will notify you of the modifications. (i) You have 60 days from your receipt of MMS's notice to either accept or reject any modification(s) in writing. * * * (b) If your request for relief is not complete, MMS will notify you in writing. * * * (1) You must submit the missing information within 60 days of your receipt of MMS's notice. * * *	Burden covered under § 204.203(b).		
§ 204.208 May a State decide that it will or will not allow one or both of the relief options under this subpart?				
204.208(c)(1) and (d)(1) .....	204.208(c) If a State decides * * * that it will or will not allow one or both of the relief options * * * within 30 days * * * the State must: (1) Notify the Associate Director for Minerals Revenue Management, MMS, in writing, of its intent to allow or not allow one or both of the relief options. * * * (d) If a State decides in advance * * * that it will not allow one or both of the relief options * * * the State must: (1) Notify the Associate Director for Minerals Revenue Management, MMS, in writing, of its intent to allow one or both of the relief options. * * *	40	4	160
§ 204.209 What if a property ceases to qualify for relief obtained under this subpart?				
204.209(b) .....	204.209(b) If a property is no longer eligible for relief * * * the relief for the property terminates as of December 31 of that calendar year. You must notify MMS in writing by December 31 that the relief for the property has terminated. * * *	6	1	6
§ 204.210 What if a property is approved as part of a nonqualifying agreement?				
204.210(c) and (d) .....	204.210(c) * * * the volumes on which you report and pay royalty * * * must be amended to reflect all volumes produced on or allocated to your lease under the nonqualifying agreement as modified by BLM. * * * Report and pay royalties for your production using the procedures in § 204.202(b).  (d) If you owe additional royalties based on the retroactive agreement approval and do not pay your royalty by the date due in § 204.202(b), you will owe late payment interest determined under 30 CFR 218.54 from the date your payment was due under § 204.202(b)(2) until the date MMS receives it.	Burden covered under OMB Control Number 1010-0140.		
§ 204.214(b) Is minimum royalty due on a property for which I took relief?				
204.214(b)(1) and (b)(2) .....	204.214(b) If you pay minimum royalty on production from a marginal property during a calendar year for which you are taking cumulative royalty reports and payment relief, and:  (1) The annual payment you owe under this subpart is greater than the minimum royalty you paid, you must pay the difference between the minimum royalty you paid and your annual payment due under this subpart; or	Burden covered under OMB Control Number 1010-0140.		

## 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
	(2) The annual payment you owe under this subpart is less than the minimum royalty you paid, you are not entitled to a credit because you must pay at least the minimum royalty amount on your lease each year.			
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.	AUDIT PROCESS. See note.		
§ 206.103 How do I value oil that is not sold under an arm’s-length contract?				
206.103(a) .....	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. (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. * * * (1) To calculate the daily mean spot price. * * * (2) Use only the days. * * * (3) You must adjust the value. * * *	45	5	225
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
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) and (2) .....	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: * * *. (2) You must provide adequate documentation and evidence demonstrating the market value at the refinery. * * *	330	2	660
§ 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. * * *	Burden covered under OMB Control Number 1010–0140.		

## 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
§ 206.107 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. * * *	8	1	8
§ 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. * * *	AUDIT PROCESS. See note.		
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. * * * (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 * * *	Burden covered under OMB Control Number 1010-0140.		
206.110(g)(2) .....	(2) You must submit your initial proposal, including all available data, within 3 months after first claiming the allocated deductions on Form MMS-2014. 206.110(g) If your arm's-length sales includes 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 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 and 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 months that you used the rejected method and pay any additional royalty and interest due.	Burden covered under OMB Control Number 1010-0140.		
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

## 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(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) and (4) .....	206.112(a)(3) If you transport or 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: * * *. (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
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, of 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.	Burden covered under OMB Control Number 1010-0140.		
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.	AUDIT PROCESS. See note.		

## § 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.	Burden covered under OMB Control Number 1010-0140.		
206.115(c) .....	206.115(c) MMS may require you or your affiliate to submit all data used to calculate the allowance deduction. * * *	AUDIT PROCESS. See note.		

## Subpart D—Federal Gas

## § 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 contract is arm's-length. * * *	AUDIT PROCESS. See note.		
	(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.			
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

## 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(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.	AUDIT PROCESS. See note.		
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. * * *	Burden covered under OMB Control Number 1010-0140.		
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.	AUDIT PROCESS. See note.		
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	2	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. * * *			
	(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.	AUDIT PROCESS. See note.		
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.	AUDIT PROCESS. See note.		
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. * * *	Burden covered under OMB Control Number 1010-0140.		
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.	AUDIT PROCESS. See note.		
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	1	330

## 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
§ 206.156 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. * * *	8	3	24
§ 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. * * *	AUDIT PROCESS. See note.		
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.	Burden covered under OMB Control Number 1010-0140.		
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.	AUDIT PROCESS. See note.		
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. * * *	Burden covered under OMB Control Number 1010-0140.		
206.157(b)(2)(iv) and (b)(2)(iv)(A).	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. (A) After an election is made, the lessee may not change methods without MMS approval. * * *	100	1	100
206.157(b)(3)(i) .....	206.157(b)(3)(i) * * * Except as provided in this paragraph, the lessee may not take an allowance for transporting a product which is not royalty bearing without MMS approval.	100	1	100
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
206.157(c)(1)(i) .....	206.157(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.	Burden covered under OMB Control Number 1010-0140.		

## 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)(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 documents. * * *	AUDIT PROCESS. See note.		
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.	Burden covered under OMB Control Number 1010–0140.		
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. * * *	AUDIT PROCESS. See note.		
206.157(e)(2), (e)(3), and (f)(1).	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.  (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. * * * (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 any resulting royalty and late payment interest due;	Burden covered under OMB Control Number 1010–0140.		
§ 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. * * *	8	12	96
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. * * *	40	2	80
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.	Burden covered under OMB Control Number 1010–0140.		
§ 206.159 Determination of processing allowances.				
206.159(a)(1)(i) .....	206.159(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. * * *	AUDIT PROCESS. See note.		
206.159(a)(1)(i) .....	206.159(a)(1)(i) * * * The lessee must claim a processing allowance by reporting it on a separate line entry on the Form MMS–2014.	Burden covered under OMB Control Number 1010–0140.		
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.	AUDIT PROCESS. See note.		

## 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)(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. * * *	Burden covered under OMB Control Number 1010-0140.		
206.159(b)(2)(iv) and (b)(2)(iv)(A).	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. (A) * * * After an election is made, the lessee may not change methods without MMS approval. * * *	100	1	100
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.	Burden covered under OMB Control Number 1010-0140.		
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. * * *	AUDIT PROCESS. See note.		
206.159(c)(2)(i) .....	206.159(c)(2) <i>Non-arm's-length or no contract.</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.	Burden covered under OMB Control Number 1010-0140.		
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. * * *	AUDIT PROCESS. See note.		
206.159(e)(2) and (3) .....	206.159(e) <i>Adjustments.</i>  (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. * * *	Burden covered under OMB Control Number 1010-0140.		
Total .....	.....	.....	106	21,055

**Note:** AUDIT PROCESS—The Office of Regulatory Affairs determined that the audit process is exempt from the Paperwork Reduction Act of 1995 because MMS staff asks non-standard questions to resolve exceptions.

*Estimated Annual Reporting and Recordkeeping “Non-hour Cost”*

Burden: We have identified no “non-hour cost” burden associated with the collection of information.

**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: Before submitting an ICR to OMB, PRA Section 3506(c)(2)(A) 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.

The PRA also requires agencies to estimate the total annual reporting "non-hour cost" burden to respondents or recordkeepers resulting from the collection of information. If you have costs to generate, maintain, and disclose this information, you should comment and provide your total capital and startup cost components or annual operation, maintenance, and purchase of service components. You should describe the methods you use to estimate major cost factors, including system and technology acquisition, expected useful life of capital equipment, discount rate(s), and the period over which you incur costs. Capital and startup costs include, among other items, computers and software you purchase to prepare for collecting information; monitoring, sampling, and testing equipment; and record storage facilities. Generally, your estimates should not include equipment or services purchased: (i) Before October 1, 1995; (ii) to comply with requirements not associated with the information collection; (iii) for reasons other than to provide information or keep records for the Government; or (iv) as part of customary and usual business or private practices.

We will summarize written responses to this notice and address them in our ICR submission for OMB approval, including appropriate adjustments to the estimated burden. We will provide a copy of the ICR to you without charge upon request. The ICR also will be posted at [http://www.mrm.mms.gov/Laws\\_R\\_D/FRNotices/FRInfColl.htm](http://www.mrm.mms.gov/Laws_R_D/FRNotices/FRInfColl.htm).

**Public Comment Policy:** We will post all comments in response to this notice at [http://www.mrm.mms.gov/Laws\\_R\\_D/FRNotices/FRInfColl.htm](http://www.mrm.mms.gov/Laws_R_D/FRNotices/FRInfColl.htm). We also will make copies of the comments available for public view, including names and addresses of respondents, during regular business hours at our offices in Lakewood, Colorado. Before including your address, phone number, e-mail address, or other personal identifying information in your comment, be advised that your entire comment—including your personal identifying information—may be made publicly available at any time. While you can ask us in your comment to withhold from public view your personal identifying information, we cannot guarantee that we will be able to do so.

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

Dated: August 11, 2008.

**Gregory J. Gould,**

*Associate Director for Minerals Revenue Management.*

[FR Doc. E8-18963 Filed 8-14-08; 8:45 am]

**BILLING CODE 4310-MR-P**

## DEPARTMENT OF JUSTICE

### Notice of Lodging Consent Decree Under the Clean Air Act

Pursuant to 28 CFR 50.7, notice is hereby given that, on August 12, 2008, a proposed Consent Decree in *United States v. Salt River Project Agricultural Improvement and Power District* ["SRP"], Civil Action No. 2:08-cv-1479-JAT (D. Ariz.), was lodged with the United States District Court for the District of Arizona. The Consent Decree addresses alleged violations of the Clean Air Act, 42 U.S.C. 7401-7671 et seq., and state and federal implementing regulations, which occurred at Units 1 and 2 of the Coronado Generating Station, a coal-fired power plant owned and operated by SRP in St. Johns, Arizona. The alleged violations arise from the construction of modifications to the power plant without obtaining appropriate permits under the Prevention of Significant Deterioration provisions of the Clean Air Act, 42 U.S.C. 7475, and Title V of the Act, 42 U.S.C. 7661 et seq., and without installing and applying best available control technology at the plant to control emissions of various air pollutants.

The proposed Consent Decree would resolve the claims alleged in the Complaint filed in this matter in exchange for SRP's commitment to perform injunctive relief including: (1) Installation of appropriate pollution control technology to control emissions of nitrogen oxides (NO<sub>x</sub>), sulfur dioxide (SO<sub>2</sub>), and particulate matter (PM)—including flue gas desulfurization devices to control SO<sub>2</sub> on Units 1 and 2 at the Coronado Station and installation of selective catalytic reduction to control NO<sub>x</sub> on one of the two units; (2) meet specified emission rates or removal efficiencies for SO<sub>2</sub>, NO<sub>x</sub>, and PM; (3) comply with a plant-wide emissions cap for NO<sub>x</sub>; and (4) perform \$4 million worth of projects to mitigate the alleged effects of its past violations. The proposed Consent Decree also requires SRP to pay a \$950,000 civil penalty.

The Department of Justice will receive comments relating to the proposed Consent Decree for period of thirty (30) days from the date of this publication. Comments should be addressed to the

Assistant Attorney General, Environment and Natural Resources Division, and mailed either electronically to [pubcommentees.enrd@usdoj.gov](mailto:pubcommentees.enrd@usdoj.gov) or in hard copy to the United States Department of Justice, P.O. Box 7611, Ben Franklin Station, Washington, DC 20044-7611. Comments should refer to *United States v. Salt River Project Agricultural Improvement and Power District*, Civil Action No. 2:08-cv-1479-JAT (D. Ariz.) and D.J. Ref. No. 90-5-2-1-09174.

The Consent Decree may be examined at: (1) The offices of the United States Attorney, Two Renaissance Square, 40 N. Central Avenue, Suite 1200, Phoenix, AZ 85004-4408; and (2) the offices of the U.S. Environmental Protection Agency, Region 9, 75 Hawthorne St., San Francisco, CA 94105. During the public comment period, the Consent Decree may also be examined on the following Web site: [http://www.usdoj.gov/enrd/Consent\\_Decrees.html](http://www.usdoj.gov/enrd/Consent_Decrees.html). A copy of the Consent Decree may also be obtained by mail from the Department of Justice Consent Decree Library, P.O. Box 7611, Washington, DC 20044-7611 or by faxing or e-mailing a request to Tonia Fleetwood ([tonia.fleetwood@usdoj.gov](mailto:tonia.fleetwood@usdoj.gov)), fax no. (202) 514-0097, phone confirmation number (202) 514-1547. In requesting a copy from the Consent Decree Library, please enclose a check in the amount of \$18.00 (72 pages at 25 cents per page reproduction costs) payable to the U.S. Treasury.

**Maureen M. Katz,**

*Assistant Chief, Environmental Enforcement Section, Environment and Natural Resources Division.*

[FR Doc. E8-18925 Filed 8-14-08; 8:45 am]

**BILLING CODE 4410-15-P**

## DEPARTMENT OF LABOR

### Mine Safety and Health Administration

#### Petition for Modification

**AGENCY:** Mine Safety and Health Administration, Labor.

**ACTION:** Notice of petition for modification of existing mandatory safety standard.

**SUMMARY:** Section 101(c) of the Federal Mine Safety and Health Act of 1977 and 30 CFR Part 44 govern the application, processing, and disposition of petitions for modification. This notice is a summary of a petition for modification filed by the party listed below to modify the application of the existing mandatory safety standard published in