

expressly modified or revoked by a delegation or redelegation of authority issued hereafter.

### Section G. Actions Ratified

The Assistant Secretary hereby ratifies all actions previously taken by the Directors and Deputy Directors of CPD in HUD Field Offices, from September 9, 2003, through the effective date of this document by the Secretary, with respect to the programs and matters listed in Section A and orders of limited denial of participation issued in accordance with Section B.

**Authority:** Section 7(d), Department of Housing and Urban Development Act, 42 U.S.C. 3535(d).

Dated: March 27, 2006.

**Pamela H. Patenaude,**

*Assistant Secretary for Community Planning and Development.*

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**BILLING CODE 4210-67-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 a revision of a currently approved information collection (OMB Control Number 1010-0103).

**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 ICR is “30 CFR part 202—Royalties, subpart C—Federal and Indian Oil, and subpart J—Gas Production From Indian Leases; and part 206—Product Valuation, subpart B—Indian Oil, and subpart E—Indian Gas.” The title reflects the previous consolidation of portions of six ICRs relating to Indian oil and gas leases. The six ICRs were previously titled:

- 1010-0061: 30 CFR part 206, subpart B—Indian Oil, § 206.55—Determination of Transportation Allowances (Form MMS-4110, Oil Transportation Allowance Report).

- 1010-0075: 30 CFR part 206, subpart E—Indian Gas, § 206.178—How do I determine a transportation allowance? (Form MMS-4295, Gas Transportation Allowance Report), and § 206.180—How do I determine an actual processing allowance? (Form MMS-4109, Gas Processing Allowance Summary Report).

- 1010-0095: 30 CFR part 206—Product Valuation, Subpart B—Indian Oil, § 206.54; subpart C—Federal Oil, § 206.109; subpart D—Federal Gas, §§ 206.156 and 206.158; and Subpart E—Indian Gas, § 206.177 (Form MMS-4393, Request to Exceed Regulatory Allowance Limitation).

**Note:** ICR 1010-0095 (discontinued May 25, 2005) referenced both Indian and Federal citations. Indian citations now are referenced in 1010-0103, and Federal citations are referenced in 1010-0136; each ICR uses Form MMS-4393. However, the form resides in ICR 1010-0136 where most of the burden hours are incurred.

- 1010-0103: 30 CFR part 206, subpart E—Indian Gas (Form MMS-4411, Safety Net Report).

- 1010-0104: 30 CFR part 206, subpart E—Indian Gas, §§ 206.172, 206.173, and 206.176 (Form MMS-4410, Accounting for Comparison [Dual Accounting]).

- 1010-0138: 30 CFR part 206, subpart B, Establishing Oil Value on Royalty Due on Indian Leases.

**DATES:** Submit written comments on or before May 26, 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 1010-0103).

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 sent to OMB.

#### SUPPLEMENTARY INFORMATION:

**Title:** 30 CFR part 202—Royalties, subpart C—Federal and Indian Oil, and subpart J—Gas Production From Indian Leases; and part 206—Product Valuation, subpart B—Indian Oil, and subpart E—Indian Gas.

**OMB Control Number:** 1010-0103.

**Bureau Form Number:** Forms MMS-4109, MMS-4110, MMS-4295, MMS-4410, and MMS-4411. Form MMS-4393 is used with this ICR (Indian oil and gas) and also with ICR 1010-0136 (Federal oil and gas) where the form resides.

**Abstract:** The Secretary of the U.S. Department of the Interior under the Mineral Leasing Act (30 U.S.C. 1923) and the Outer Continental Shelf Lands Act (43 U.S.C. 1353) 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 from Federal and Indian lands and the OCS, collecting royalties from lessees who produce minerals, and distributing the funds collected in accordance with applicable laws. The Secretary has a trust responsibility to manage Indian lands and seek advice and information from Indian beneficiaries. The MMS performs the royalty management functions and assists the Secretary in carrying out the Department’s trust responsibility for Indian lands.

#### Applicable Citations

Applicable citations of the laws pertaining to mineral leases on Indian lands include 25 U.S.C. 396d (Chapter 12—Lease, Sale or Surrender of Allotted or Unallotted Lands); 25 U.S.C. 2103 (Indian Mineral Development Act of 1982); and Public Law 97-451—Jan. 12, 1983 (Federal Oil and Gas Royalty Management Act of 1982 [FOGRMA]). The CFR citations we are covering in this ICR are 30 CFR part 202, subpart J, and part 206, subparts B and E. Public laws pertaining to mineral royalties are located on our website at [http://www.mrm.mms.gov/Laws\\_R\\_D/PublicLawsAMR.htm](http://www.mrm.mms.gov/Laws_R_D/PublicLawsAMR.htm).

#### Background

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 MMS collects includes data necessary to ensure that royalties are accurately valued and appropriately paid or distributed.

Regulations at 30 CFR part 202, subparts C and J, and part 206, subparts B and E, govern the valuation of oil and gas produced from leases on Indian lands. Indian tribes and individual Indian mineral owners receive all royalties generated from their lands. Determining product valuation is essential to ensure that Indian tribes and individual Indian mineral owners receive payment on the full value of the minerals removed from their lands. Tribal representatives have expressed their concern that the Secretary continue to fulfill all trust and fiduciary duties and ensure that the correct royalty is received from Indian lands. Failure to collect the data described in this information collection could result in the undervaluation of leased minerals on Indian lands.

The data collected and associated forms are necessary to perform the MMS regulatory functions and are discussed in detail below. All data reported is subject to subsequent audit and adjustment.

#### **Indian Oil**

Regulations at 30 CFR part 206, subpart B, which govern the valuation for royalty purposes of oil produced from Indian oil and gas leases (tribal and allotted), must be consistent with mineral leasing laws, other applicable laws, and lease terms. Regulations at § 206.52 explain how lessees must determine the value of oil produced from Indian oil and gas leases. Generally, the regulations provide that lessees determine the value of oil based on: (1) The gross proceeds under an arm's-length contract, (2) a series of benchmarks under a non-arm's-length contract, or (3) major portion analysis. These oil valuation methods are eligible for applicable transportation allowances.

#### *Form MMS-4110, Oil Transportation Allowance Report*

Under certain circumstances, the regulations authorize lessees to deduct from royalty payments the reasonable actual costs of transporting the royalty portion of produced minerals from the lease to a sales point not in the immediate lease area. The regulations establish a limit on transportation allowances for oil at 50 percent of the value of the oil at the point of sale. From information collected on Form MMS-4110: (1) MMS verifies transportation allowances during the product valuation verification to determine if the lessee reported and paid the proper royalty amount; and (2) MMS and tribal personnel evaluate whether the transportation allowances reported and claimed by lessees are within regulatory allowance limitations. Form MMS-4110 is used for both arm's-length and non-arm's-length contracts.

To receive an oil transportation allowance, lessees must submit Form MMS-4110 before or in the same month that they report the transportation allowance on Form MMS-2014, Report of Sales and Royalty Remittance (OMB Control Number 1010-0140, expiration date October 31, 2006). After the initial reporting period and for succeeding reporting periods, lessees must submit page one of Form MMS-4110 (and Schedule 1) within 3 months after the end of the calendar year, or after the applicable contract or rate terminates or is modified or amended, whichever is earlier, unless MMS approves a longer period. Completed Form MMS-4110 and supporting schedules summarize actual operating, maintenance, and overhead costs, as well as depreciation and undepreciated capital investment costs.

#### **Indian Gas**

Regulations at 30 CFR part 206, subpart E, govern the valuation for royalty purposes of natural gas produced from Indian oil and gas leases. The regulations apply to all gas production from Indian oil and gas leases (tribal and allotted), except leases on the Osage Indian Reservation.

#### *Form MMS-4411, Safety Net Report*

The safety net calculation establishes the minimum value, for royalty purposes, of natural gas production from Indian oil and gas leases. This reporting requirement ensures that Indian lessors receive all royalties due and aids MMS compliance efforts.

The regulations require lessees to submit Form MMS-4411 when gas production from an Indian oil or gas

lease is sold beyond the first index pricing point. The lessee submits safety net prices, for the previous calendar year, to MMS annually (by June 30) using this form.

#### *Form MMS-4410, Accounting for Comparison [Dual Accounting]*

Most Indian leases contain the requirement to perform accounting for comparison (dual accounting) for gas produced from the lease. Lessees must elect to perform actual dual accounting as defined in 30 CFR 206.176 or alternative dual accounting as defined in 30 CFR 206.173.

According to 30 CFR 206.176, dual accounting is defined as the greater of the following two values:

- (1) The value of gas prior to processing, less any applicable allowances, or
- (2) The combined value of residue gas and gas plant products resulting from processing the gas, less any applicable allowances, plus any drip condensate associated with the processed gas recovered downstream of the point of royalty settlement, without resorting to processing, less applicable allowances.

Lessees use Form MMS-4410 to certify that dual accounting is not required on an Indian lease or to make an election for actual or alternative dual accounting for Indian leases.

Form MMS-4410 (Part A), Certification for Not Performing Dual Accounting, requires lessees to identify the MMS-designated areas where the leases are located and provide specific justification for not performing dual accounting. Part A is a one-time notification, until any changes occur in gas disposition. Part A lists the following acceptable reasons for not performing dual accounting: (1) The lease terms do not require dual accounting; (2) none of the gas from the lease is ever processed; (3) gas has a Btu content of 1,000 Btu's per cubic foot or less at the lease's facility measurement point(s); (4) none of the gas from the lease is processed until after gas flows into a pipeline with an index located in an index zone; and (5) none of the gas from the lease is processed until after gas flows into a mainline pipeline not located in an index zone.

Form MMS-4410 (Part B), Election to Perform Actual Dual Accounting or Alternative Dual Accounting, allows MMS to collect the lessee's elections to perform actual dual accounting or alternative dual accounting. A lessee makes an election by checking either the actual or alternative dual accounting box for each MMS-designated area where its leases are located. Part B also includes the lessee's lease prefixes

within each MMS-designated area to assist lessees in making the appropriate election. The election to perform actual or alternative dual accounting applies to all of a lessee's Indian leases in each MMS-designated area. The first election to use the alternative dual accounting is effective from the time of election through the end of the following calendar year. Thereafter, each election to use the alternative dual accounting methodology must remain in effect for 2 calendar years. However, lessees may return to the actual dual accounting methodology only at the beginning of the next election period or with written approval from MMS and the tribal lessors for tribal leases, and from MMS for Indian allotted leases in the MMS-designated area (30 CFR 206.173(a)).

*Form MMS-4295, Gas Transportation Allowance Report*

Under certain circumstances, the regulations authorize lessees to deduct from royalty payments the reasonable actual costs of transporting the royalty portion of produced minerals from the lease to a processing or sales point not in the immediate lease area. The regulations establish a limit on transportation allowance deductions for gas at 50 percent of the value of the gas at the point of sale. The MMS and tribal personnel use the information collected on Form MMS-4295 to evaluate whether the non-arm's-length or no contract transportation allowances reported and claimed by lessees are reasonable, actual costs and are within regulatory allowance limitations. To take a non-arm's-length or no contract transportation deduction, a lessee must submit Form MMS-4295 within 3 months after the end of the 12-month period to which the allowance applies.

*Form MMS-4109, Gas Processing Allowance Summary Report*

When gas is processed for the recovery of gas plant products, lessees

may claim a processing allowance. The regulations establish a limit of 66<sup>2</sup>/<sub>3</sub> percent of the value of each gas plant product as an allowable gas processing deduction. The MMS normally accepts the cost as stated in the lessee's arm's-length processing contract as being representative of the cost of the processing allowance. In those instances where gas is being processed through a lessee-owned plant, the lessee must base processing costs on the actual plant operating and maintenance expenses, depreciation, and a reasonable return on investment. The allowance is expressed as a cost per unit of individual gas plant products. Lessees may take processing allowances as a deduction from royalty payments.

The MMS and tribal personnel use the information collected on Form MMS-4109 to evaluate whether the non-arm's-length or no contract processing allowances reported and claimed by lessees are reasonable, actual costs and are within regulatory allowance limitations. To take a non-arm's-length or no contract processing deduction, lessees must submit Form MMS-4109 within 3 months after the end of the 12-month period to which the allowance applies.

**Indian Oil and Gas**

*Form MMS-4393, Request to Exceed Regulatory Allowance Limitation*

Form MMS-4393 is used for both Federal and Indian leases. Most of the burden hours are incurred on Federal leases; therefore, the form and all the burden hours are approved under ICR 1010-0136. However, we included a discussion of the form in this ICR as well.

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<sup>2</sup>/<sub>3</sub> 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.

**Summary**

The MMS is requesting OMB's 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 to Indian tribes and individual Indian mineral owners.

Proprietary information submitted to MMS under this collection is protected, and no items of a sensitive nature are collected.

In some cases the requirement to respond is mandatory, such as reporting royalty values or declaring the type of dual accounting election the lessee chooses to perform. In other cases, it is voluntary, such as asking permission to exceed a transportation allowance limit. For example, a lessee can request, but is not required to apply for, a transportation allowance deduction in excess of the regulatory limits. However, if no request is made, the transportation limitation is set by regulation.

*Frequency of Response:* Annually and on occasion.

*Estimated Number and Description of Respondents:* 123 Indian lessees.

*Estimated Annual Reporting and Recordkeeping "Hour" Burden:* 1,276 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**

30 CFR	Reporting and recordkeeping requirement	Hour burden	Average number of annual responses	Annual burden hours
<b>202—ROYALTIES</b> <b>Subpart C—Federal and Indian Oil</b>				
202.101 .....	Standards for reporting and paying royalties ..... 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 10/31/2006). Burden covered under §210.52.		

RESPONDENTS' ESTIMATED ANNUAL BURDEN HOURS—Continued

30 CFR	Reporting and recordkeeping requirement	Hour burden	Average number of annual responses	Annual burden hours
<b>Subpart J—Gas Production From Indian Leases</b>				
202.551 (b) .....	How do I determine the volume of production for which I must pay royalty if my lease is not in an approved Federal unit or communitization agreement (AFA)?	Burden covered under OMB Control Number 1010–0140 (expires 10/31/2006). Burden covered under §210.52.		
202.551 (c) .....	(b) You and all other persons paying royalties on the lease must report and pay royalties based on your takes * * *. How do I determine the volume of production for which I must pay royalty if my lease is not in an approved Federal unit or communitization agreement (AFA)? (c) You and all other persons paying royalties on the lease may ask MMS for permission * * *.	1	1	1
202.558 (a) and (b) .....	What standards do I use to report and pay royalties on gas? ..... (a) You must report gas volumes as follows: * * * ..... (b) You must report residue gas and gas plant product volumes as follows: * * *.	Burden covered under OMB Control Number 1010–0140 (expires 10/31/2006). Burden covered under §210.52.		

**206—PRODUCT VALUATION  
Subpart B—Indian Oil**

206.52 (b)(1)(i) and (iii), (b)(2), and (d).	Valuation standards ..... (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 * * *. (b)(2) 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 oil. (d) Any Indian lessee will make available, upon request to the authorized MMS or Indian 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 production sold, purchased, or otherwise obtained by the lessee from the field or area or from nearby fields or areas.	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.		
206.52 (e)(1) .....	Valuation standards ..... (e)(1) Where the value is determined under 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 (expires 10/31/2006).		
206.52 (e)(2) .....	Valuation standards ..... (e)(2) A lessee shall notify MMS if it has determined value under paragraph (c)(4) or (c)(5) of this section * * * The letter shall identify the valuation method to be used and contain a brief description of the procedure to be followed * * *.	20	1	20
206.52 (g) .....	Valuation standards ..... (g) The lessee may request a value determination from MMS * * * The lessee shall submit all available data relevant to its proposal * * *.	40	1	40
206.54 (b)(2) .....	Transportation allowances—general ..... (b)(2) Upon request of a lessee, MMS may approve a transportation allowance deduction in excess of the limitation prescribed by paragraph (b)(1) 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 * * *.	Burden covered under OMB Control Number 1010–0136 (expires 05/31/2006).		
206.55 (a)(1)(i) .....	Determination of transportation allowances ..... (a) Arm's-length transportation contracts. (1)(i) * * * Before any deduction may be taken, the lessee must submit a completed page one of Form MMS–4110 (and Schedule 1), Oil Transportation Allowance Report * * *.	Burden covered under §206.55(c)(1)(i) and (iii).		
206.55 (a)(2)(i) .....	Determination of transportation allowances ..... (a) Arm's-length transportation contracts. (2)(i) * * * Except as provided in this paragraph, no allowance may be taken for the costs of transporting lease production which is not royalty-bearing without MMS approval.	Burden covered under §206.55(a)(3).		

## RESPONDENTS' ESTIMATED ANNUAL BURDEN HOURS—Continued

30 CFR	Reporting and recordkeeping requirement	Hour burden	Average number of annual responses	Annual burden hours	
206.55 (a)(2)(ii) .....	Determination of transportation allowances ..... (a) Arm's-length transportation contracts. (2)(ii) Notwithstanding the requirements of paragraph (i), the lessee may propose to MMS a cost allocation method on the basis of the values of the products transported * * *.	20	1	20	
206.55 (a)(3) .....	Determination of transportation allowances ..... (a) Arm's-length transportation contracts. (3) If an 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, the lessee shall propose an allocation procedure to MMS * * * The lessee shall submit all available data to support its proposal * * *.	40	1	40	
206.55 (b)(1) .....	Determination of transportation allowances ..... (b) Non-arm's-length or no contract. (1) * * * A transportation allowance may be claimed retroactively for a period of not more than 3 months prior to the first day of the month that Form MMS-4110 is filed with MMS, unless MMS approves a longer period upon a showing of good cause by the lessee * * *.	Burden covered under § 206.55(c)(2)(i), and (c)(2)(iii).			
206.55 (b)(1) .....	Determination of transportation allowances ..... (b) Non-arm's-length or no contract. (1) * * * When necessary or appropriate, MMS may direct a lessee to modify its actual transportation allowance deduction..	Burden covered under OMB Control Number 1010-0140 (expires 10/31/2006). Burden covered under § 210.52.			
206.55 (b)(2)(iv) .....	Determination of transportation allowances ..... (b) Non-arm's-length or no contract. (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 MMS.	20	1	20	
206.55 (b)(2)(iv)(A) .....	Determination of transportation allowances ..... (b) Non-arm's-length or no contract. (2)(iv)(A) * * * After an election is made, the lessee may not change methods without MMS approval * * *.	20	1	20	
206.55 (b)(3)(i) .....	Determination of transportation allowances ..... (b) Non-arm's-length or no contract. (3)(i) * * * Except as provided in this paragraph, the lessee may not take an allowance for transporting lease production which is not royalty bearing without MMS approval.	40	1	40	
206.55 (b)(3)(ii) .....	Determination of transportation allowances ..... (b) Non-arm's-length or no contract. (3)(ii) Notwithstanding the requirements of paragraph (i), the lessee may propose to MMS a cost allocation method on the basis of the values of the products transported * * *.	20	1	20	
206.55 (b)(4) .....	Determination of transportation allowances ..... (b) Non-arm's-length or no contract. (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 available data to support its proposal. * * *.	20	1	20	
206.55 (b)(5) .....	Determination of transportation allowances ..... (b) Non-arm's-length or no contract. (5) A lessee may apply to MMS for an exception from the requirement that it compute actual costs in accordance with paragraphs (b)(1) through (b)(4) of this section * * *.	20	1	20	
206.55 (c)(1)(i) .....	Determination of transportation allowances ..... (c) Reporting requirements. (1) Arm's-length contracts. (i) With the exception of those transportation allowances specified in paragraphs (c)(1)(v) and (c)(1)(vi) of this section, the lessee shall submit page one of the initial Form MMS-4110 (and Schedule 1), Oil Transportation Allowance Report, prior to, or at the same time as, the transportation allowance determined under an arm's-length contract, is reported on Form MMS-2014, Report of Sales and Royalty Remittance * * *.	4	3	12	

## RESPONDENTS' ESTIMATED ANNUAL BURDEN HOURS—Continued

30 CFR	Reporting and recordkeeping requirement	Hour burden	Average number of annual responses	Annual burden hours
206.55 (c)(1)(iii) .....	Determination of transportation allowances ..... (c) Reporting requirements. (1) Arm's-length contracts. (iii) After the initial reporting period and for succeeding reporting periods, lessees must submit page one of Form MMS-4110 (and Schedule 1) within 3 months after the end of the calendar year, or after the applicable contract or rate terminates or is modified or amended, whichever is earlier, unless MMS approves a longer period (during which period the lessee shall continue to use the allowance from the previous reporting period).	4	3	12
206.55 (c)(1)(iv) .....	Determination of transportation allowances ..... (c) Reporting requirements. (1) Arm's-length contracts. (iv) MMS may require that a lessee submit arm's-length transportation contracts, production agreements, operating agreements, and related documents. Documents shall be submitted within a reasonable time, as determined by MMS.	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.		
206.55 (c)(2)(i) .....	Determination of transportation allowances ..... (c) Reporting requirements. (2) Non-arm's-length or no contract. (i) With the exception of those transportation allowances specified in paragraphs (c)(2)(v), (c)(2)(vii) and (c)(2)(viii) of this section, the lessee shall submit an initial Form MMS-4110 prior to, or at the same time as, the transportation allowance determined under a non-arm's-length contract or no-contract situation is reported on Form MMS-2014 * * * The initial report may be based upon estimated costs.	6	3	18
206.55 (c)(2)(iii) .....	Determination of transportation allowances ..... (c) Reporting requirements. (2) Non-arm's-length or no contract. (iii) For calendar-year reporting periods succeeding the initial reporting period, the lessee shall submit a completed Form MMS-4110 containing the actual costs for the previous reporting period. If oil transportation is continuing, the lessee shall include on Form MMS-4110 its estimated costs for the next calendar year. * * * MMS must receive the Form MMS-4110 within 3 months after the end of the previous reporting period, unless MMS approves a longer period (during which period the lessee shall continue to use the allowance from the previous reporting period).	6	3	18
206.55 (c)(2)(iv) .....	Determination of transportation allowances ..... (c) Reporting requirements. (2) Non-arm's-length or no contract. (iv) For new transportation facilities or arrangements, the lessee's initial Form MMS-4110 shall include estimates of the allowable oil transportation costs for the applicable period * * *.	Burden covered under § 206.55(c)(2)(i).		
206.55 (c)(2)(v) .....	Determination of transportation allowances ..... (c) Reporting requirements. (2) Non-arm's-length or no contract. (v) * * * only those allowances that have been approved by MMS in writing * * *.	Burden covered under § 206.55(c)(2)(i).		
206.55(c)(2)(vi) .....	Determination of transportation allowances ..... (c) Reporting requirements. (2) Non-arm's-length or no contract. (vi) Upon request by MMS, the lessee shall submit all data used to prepare its Form MMS-4110. The data shall be provided within a reasonable period of time, as determined by MMS.	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.		
206.55 (c)(4) and (e)(2).	Determination of transportation allowances ..... (c) Reporting requirements. (4) Transportation allowances must be reported as a separate line item on Form MMS-2014, * * *. (e) Adjustments. (2) For lessees transporting production from Indian leases, the lessee must submit a corrected Form MMS-2014 to reflect actual costs, * * *.	Burden covered under OMB Control Number 1010-0140 (expires 10/31/2006). Burden covered under § 210.52.		

RESPONDENTS' ESTIMATED ANNUAL BURDEN HOURS—Continued

30 CFR	Reporting and recordkeeping requirement	Hour burden	Average number of annual responses	Annual burden hours
<b>206—PRODUCT VALUATION Subpart E—Indian Gas</b>				
206.172(b)(1)(ii) .....	How do I value gas produced from leases in an index zone? ..... (b) Valuing residue gas and gas before processing. (1)(ii) Gas production that you certify on Form MMS-4410, * * * is not processed before it flows into a pipeline with an index but which may be processed later * * *.	4	25	100
206.172(e)(6)(i) and (iii).	How do I value gas produced from leases in an index zone? ..... (e) Determining the minimum value for royalty purposes of gas sold beyond the first index pricing point. (6)(i) You must report the safety net price for each index zone to MMS on Form MMS-4411, Safety Net Report, no later than June 30 following each calendar year; * * *. (iii) MMS may order you to amend your safety net price within one year from the date your Form MMS-4411 is due or is filed, whichever is later. * * *.	3	20	60
206.172(e)(6)(ii) .....	How do I value gas produced from leases in an index zone? ..... (e) Determining the minimum value for royalty purposes of gas sold beyond the first index pricing point. (6)(ii) You must pay and report on Form MMS-2014 additional royalties due no later than June 30 following each calendar year * * *.	Burden covered under OMB Control Number 1010-0140 (expires 10/31/2006). Burden covered under § 210.52.		
206.172(f)(1)(ii), (f)(2), and (f)(3).	How do I value gas produced from leases in an index zone? ..... (f) Excluding some or all tribal leases from valuation under this section. (1) An Indian tribe may ask MMS to exclude some or all of its leases from valuation under this section * * *. (ii) If an Indian tribe requests exclusion from an index zone for less than all of its leases, MMS will approve the request only if the excluded leases may be segregated into one or more groups based on separate fields within the reservation. (2) An Indian tribe may ask MMS to terminate exclusion of its leases from valuation under this section * * *. (3) The Indian tribe's request to MMS under either paragraph (f)(1) or (2) of this section must be in the form of a tribal resolution * * *.	40	1	40
206.173(a)(1) .....	How do I calculate the alternative methodology for dual accounting? (a) Electing a dual accounting method. (1) * * * You may elect to perform the dual accounting calculation according to either § 206.176(a) (called actual dual accounting), or paragraph (b) of this section (called the alternative methodology for dual accounting).	2	35	70
206.173(a)(2) .....	How do I calculate the alternative methodology for dual accounting? (a) Electing a dual accounting method. (2) You must make a separate election to use the alternative methodology for dual accounting for your Indian leases in each MMS-designated area. * * *.	Burden covered under § 206.173(a)(1).		
206.174(a)(4)(ii) .....	How do I value gas production when an index-based method cannot be used? (a) Situations in which an index-based method cannot be used. (4)(ii) If the major portion value is higher, you must submit an amended Form MMS-2014 to MMS by the due date specified in the written notice from MMS of the major portion value * * *.	Burden covered under OMB Control Number 1010-0140 (expires 10/31/2006). Burden covered under § 210.52.		

RESPONDENTS' ESTIMATED ANNUAL BURDEN HOURS—Continued

30 CFR	Reporting and recordkeeping requirement	Hour burden	Average number of annual responses	Annual burden hours
206.174 (b)(1)(i) and (iii); (b)(2); (d)(2).	How do I value gas production when an index-based method cannot be used? (b) Arm's-length contracts. (1)(i) You have the burden of demonstrating that your contract is arm's-length.* * * (iii) * * * In these circumstances, MMS will notify you and give you an opportunity to provide written information justifying your value.* * * (b)(2) MMS may require you to certify that your arm's-length contract provisions include all of the consideration the buyer pays, either directly or indirectly, for the gas, residue gas, or gas plant product. (d) Supporting data. (2) You must make all such data available upon request to the authorized MMS or Indian representatives, to the Office of the Inspector General of the Department, or other authorized persons.* * *	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.		
206.174 (d) .....	How do I value gas production when an index-based method cannot be used? (d) Supporting data. If you determine the value of production under paragraph (c) of this section, you must retain all data relevant to determination of royalty value.			
206.174 (f) .....	How do I value gas production when an index-based method cannot be used? (f) Value guidance. You may ask MMS for guidance in determining value. You may propose a valuation method to MMS. Submit all available data related to your proposal and any additional information MMS deems necessary.* * *.	20	1	20
206.175(d)(4) .....	How do I determine quantities and qualities of production for computing royalties? (d)(4) You may request MMS approval of other methods for determining the quantity of residue gas and gas plant products allocable to each lease.* * *.	Burden covered under § 206.173(a)(1).		
206.176(b) .....	How do I perform accounting for comparison? ..... (b) If you are required to account for comparison, you may elect to use the alternative dual accounting methodology provided for in § 206.173 instead of the provisions in paragraph (a) of this section.			
206.176(c) .....	How do I perform accounting for comparison? ..... (c) * * * If you do not perform dual accounting, you must certify to MMS that gas flows into such a pipeline before it is processed.			

TRANSPORTATION ALLOWANCES

206.177(c)(2) and (c)(3).	What general requirements regarding transportation allowances apply to me? (c)(2) If you ask MMS, MMS may approve a transportation allowance deduction in excess of the limitation in paragraph (c)(1) of this section.* * * (3) 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.	1	50	50
206.178 (a)(1)(i) .....	How do I determine a transportation allowance? ..... (a) Determining a transportation allowance under an arm's-length contract. (1)(i) * * * You are required to submit to MMS a copy of your arm's-length transportation contract(s) and all subsequent amendments to the contract(s) within 2 months of the date MMS receives your report which claims the allowance on Form MMS-2014.			
206.178(a)(1)(iii) .....	How do I determine a transportation allowance? ..... (a) Determining a transportation allowance under an arm's-length contract. (1)(iii) If MMS determines that the consideration paid under an arm's-length transportation contract does not reflect the value of the transportation because of misconduct by or between the contracting parties * * * In these circumstances, MMS will notify you and give you an opportunity to provide written information justifying your 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.		

RESPONDENTS' ESTIMATED ANNUAL BURDEN HOURS—Continued

30 CFR	Reporting and recordkeeping requirement	Hour burden	Average number of annual responses	Annual burden hours
206.178(a)(2)(i) and (ii)	How do I determine a transportation allowance? ..... (a) Determining a transportation allowance under an arm's-length contract. (2)(i) of this section * * * you cannot take an allowance for the costs of transporting lease production that is not royalty bearing without MMS approval, or without lessor approval on tribal leases. (ii) As an alternative to paragraph (a)(2)(i), you may propose to MMS a cost allocation method based on the values of the products transported. * * *.	20	1	20
206.178(a)(3)(i) and (ii)	How do I determine a transportation allowance? ..... (a) Determining a transportation allowance under an arm's-length contract. (3)(i) If your arm's-length transportation contract includes both gaseous and liquid products and the transportation costs attributable to each cannot be determined from the contract, you must propose an allocation procedure to MMS. * * *. (ii) You are required to submit all relevant data to support your allocation proposal. * * *.	40	1	40
206.178(b)(1)(ii) .....	How do I determine a transportation allowance? ..... (b) Determining a transportation allowance under a non-arm's-length contract or no contract. (1)(ii) * * * You must submit the actual cost information to support the allowance to MMS on Form MMS-4295, Gas Transportation Allowance Report, within 3 months after the end of the 12-month period to which the allowance applies. * * *.	15	7	105
206.178(b)(2)(iv) .....	How do I determine a transportation allowance? ..... (b) Determining a transportation allowance under a non-arm's-length contract or no contract. (2)(iv) You may use either depreciation with a return on undepreciated capital investment or a return on depreciable capital investment. * * * you may not later elect to change to the other alternative without MMS approval.	20	1	20
206.178(b)(2)(iv)(A) ....	How do I determine a transportation allowance? ..... (b) Determining a transportation allowance under a non-arm's-length contract or no contract. (2)(iv)(A) * * * Once you make an election, you may not change methods without MMS approval * * *.	20	1	20
206.178(b)(3)(i) .....	How do I determine a transportation allowance? ..... (b) Determining a transportation allowance under a non-arm's-length contract or no contract. (3)(i) * * *. Except as provided in this paragraph, you may not take an allowance for transporting a product that is not royalty bearing without MMS approval.	40	1	40
206.178(b)(3)(ii) .....	How do I determine a transportation allowance? ..... (b) Determining a transportation allowance under a non-arm's-length contract or no contract. (3)(ii) As an alternative to the requirements of paragraph (b)(3)(i) of this section, you may propose to MMS a cost allocation method based on the values of the products transported * * *.	20	1	20
206.178(b)(5) .....	How do I determine a transportation allowance? ..... (b) Determining a transportation allowance under a non-arm's-length contract or no contract. (5) If you transport both gaseous and liquid products through the same transportation system, you must propose a cost allocation procedure to MMS * * *. You are required to submit all relevant data to support your proposal * * *.	40	1	40
206.178(d)(1) .....	How do I determine a transportation allowance? ..... (d) Reporting your transportation allowance. (1) If MMS requests, you must submit all data used to determine your transportation allowance * * *.	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

30 CFR	Reporting and recordkeeping requirement	Hour burden	Average number of annual responses	Annual burden hours
206.178 (d)(2), (e), and (f)(1).	<p>How do I determine a transportation allowance? .....</p> <p>(d) Reporting your transportation allowance.</p> <p>(2) You must report transportation allowances as a separate line item on Form MMS–2014 * * *.</p> <p>(e) Adjusting incorrect allowances. If for any month the transportation allowance you are entitled to is less than the amount you took on Form MMS–2014, you are required to report and pay additional royalties due, plus interest computed under 30 CFR 218.54 from the first day of the first month you deducted the improper transportation allowance until the date you pay the royalties due * * *.</p> <p>(f) Determining allowable costs for transportation allowances * * *.</p> <p>(1) Demand charges paid to pipelines * * *. You must modify the Form MMS–2014 by the amount received or credited for the affected reporting period.</p>	Burden covered under OMB Control Number 1010–0140 (expires 10/31/2006). Burden covered under §210.52.		

## PROCESSING ALLOWANCES

206.180(a)(1)(i) .....	<p>How do I determine an actual processing allowance? .....</p> <p>(a) Determining a processing allowance if you have an arm's-length processing contract.</p> <p>(1)(i) * * * You have the burden of demonstrating that your contract is arm's-length. You are required to submit to MMS a copy of your arm's-length contract(s) and all subsequent amendments to the contract(s) within 2 months of the date MMS receives your first report that deducts the allowance on the Form MMS–2014.</p>	1	30	30
206.180(a)(1)(iii) .....	<p>How do I determine an actual processing allowance? .....</p> <p>(a) Determining a processing allowance if you have an arm's-length processing contract.</p> <p>(1)(iii) If MMS determines that the consideration paid under an arm's-length processing contract does not reflect the value of the processing because of misconduct by or between the contracting parties * * *. In these circumstances, MMS will notify you and give you an opportunity to provide written information justifying your processing costs.</p>	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.		
206.180(a)(3) .....	<p>How do I determine an actual processing allowance? .....</p> <p>(a) Determining a processing allowance if you have an arm's-length processing contract.</p> <p>(3) If your 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, you must propose an allocation procedure to MMS * * *. You are required to submit all relevant data to support your proposal * * *.</p>	40	1	40
206.180(b)(1)(ii) .....	<p>How do I determine an actual processing allowance? .....</p> <p>(b) Determining a processing allowance if you have a non-arm's-length contract or no contract.</p> <p>(1)(ii) * * * You must submit the actual cost information to support the allowance to MMS on Form MMS–4109, Gas Processing Allowance Summary Report, within 3 months after the end of the 12-month period for which the allowance applies * * *.</p>	20	5	100
206.180(b)(2)(iv) .....	<p>How do I determine an actual processing allowance? .....</p> <p>(b) Determining a processing allowance if you have a non-arm's-length contract or no contract.</p> <p>(2)(iv) You may use either depreciation with a return on undepreciable capital investment or a return on depreciable capital investment * * *. you may not later elect to change to the other alternative without MMS approval.</p>	20	1	20
206.180(b)(2)(iv)(A) ....	<p>How do I determine an actual processing allowance? .....</p> <p>(b) Determining a processing allowance if you have a non-arm's-length contract or no contract.</p> <p>(2)(iv)(A) * * * Once you make an election, you may not change methods without MMS approval * * *.</p>	20	1	20
206.180(b)(3) .....	<p>How do I determine an actual processing allowance? .....</p> <p>(b) Determining a processing allowance if you have a non-arm's-length contract or no contract.</p> <p>(3) Your processing allowance under this paragraph (b) must be determined based upon a calendar year or other period if you and MMS agree to an alternative.</p>	20	1	20

RESPONDENTS' ESTIMATED ANNUAL BURDEN HOURS—Continued

30 CFR	Reporting and recordkeeping requirement	Hour burden	Average number of annual responses	Annual burden hours
206.180(c)(1) .....	How do I determine an actual processing allowance? ..... (c) Reporting your processing allowance. (1) If MMS requests, you must submit all data used to determine your processing allowance * * *.	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.		
206.180(c)(2) and (d) ..	How do I determine an actual processing allowance? ..... (c) Reporting your processing allowance ..... (2) You must report gas processing allowances as a separate line item on the Form MMS-2014. * * *. (d) Adjusting incorrect processing allowances. If for any month the gas processing allowance you are entitled to is less than the amount you took on Form MMS-2014, you are required to pay additional royalties, plus interest computed under 30 CFR 218.54 from the first day of the first month you deducted a processing allowance until the date you pay the royalties due * * *.	Burden covered under OMB Control Number 1010-0140 (expires 10/31/2006). Burden covered under § 210.52.		
206.181(c) .....	How do I establish processing costs for dual accounting purposes when I do not process the gas? (c) A proposed comparable processing fee submitted to either the tribe and MMS (for tribal leases) or MMS (for allotted leases) with your supporting documentation submitted to MMS. If MMS does not take action on your proposal within 120 days, the proposal will be deemed to be denied and subject to appeal to the MMS Director under 30 CFR part 290.	40	1	40
Total Burden .....	.....	.....	210	1,276

*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 June 14, 2005 (70 FR 34494), 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 May 26, 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: February 15, 2006.

**Lucy Querques Denett,**

*Associate Director for Minerals Revenue Management.*

[FR Doc. E6-6208 Filed 4-25-06; 8:45 am]

**BILLING CODE 4310-MR-P**

**DEPARTMENT OF THE INTERIOR**

**National Park Service**

**National Register of Historic Places; Notification of Pending Nominations and Related Actions**

Nominations for the following properties being considered for listing or related actions in the National Register were received by the National Park Service before April 8, 2006. Pursuant to § 60.13 of 36 CFR part 60 written comments concerning the significance of these properties under the National Register criteria for evaluation may be forwarded by United States Postal Service, to the National Register of Historic Places, National Park Service, 1849 C St. NW., 2280, Washington, DC 20240; by all other carriers, National Register of Historic Places, National Park Service, 1201 Eye St., NW., 8th floor, Washington, DC 20005; or by fax, 202-371-6447. Written