

DEPARTMENT OF THE INTERIOR**Bureau of Land Management**

[WY-920-1430-00-ET; WYW 149140]

Notice of Proposed Withdrawal and Opportunity for Public Meeting; Wyoming**AGENCY:** Bureau of Land Management, Interior.**ACTION:** Notice.

SUMMARY: The U.S. Department of Agriculture (USDA), Forest Service, has filed an application to withdraw 40.00 acres of National Forest System lands for 40 years for the protection of the Tie Hack Campground. This notice closes the land for up to 2 years from location and entry under the United States mining laws. The land will remain open to mineral leasing and to all other forms of disposition which may by law be made of National Forest System lands.

DATES: Comments and requests for a public meeting should be received on or before April 18, 2000.

ADDRESSES: Comments and meeting requests should be sent to the BLM, Wyoming State Director, P.O. Box 1828, Cheyenne, WY 82003-1828.

FOR FURTHER INFORMATION CONTACT: Janet Booth, BLM Wyoming State Office, 307-775-6124.

SUPPLEMENTARY INFORMATION: On August 31, 1999, the USDA filed an application to withdraw the following described National Forest System lands from location and entry under the United States mining laws, subject to valid existing rights:

Sixth Principal Meridian, Wyoming

Bighorn National Forest

T. 50 N., R. 84 W.,
sec. 26, NW $\frac{1}{4}$ NW $\frac{1}{4}$ NW $\frac{1}{4}$;
sec. 27, NE $\frac{1}{4}$ NE $\frac{1}{4}$ NE $\frac{1}{4}$.

The area described contains 40.00 acres, more or less, in Johnson County, Wyoming.

For a period of 90 days from the date of publication of this notice, all persons who wish to submit comments, suggestions, or objections in connection with the proposed withdrawal may present their views in writing to the Wyoming State Director of the BLM.

Notice is hereby given that an opportunity for a public meeting is afforded in connection with the proposed withdrawal. All interested persons who desire a public meeting for the purpose of being heard on the proposed withdrawal must submit a written request to the BLM Wyoming State Director within 90 days from the date of publication of this notice. Upon determination by the authorized officer

that a public meeting will be held, a notice of time and place will be published in the **Federal Register** at least 30 days before the scheduled date of the meeting.

The application will be processed in accordance with the regulations set forth in 43 CFR 2300.

For a period of 2 years from the date of publication of this notice in the **Federal Register**, the land will be segregated as specified above unless the application is denied or canceled or the withdrawal is approved prior to that date. During the segregative period, the Forest Service will continue to permit uses within the statutory authorities pertinent to National Forest lands and subject to discretionary approval.

Dated: January 11, 2000.

Michael Madrid,

Acting Deputy State Director, Mineral & Lands Authorizations.

[FR Doc. 00-1159 Filed 1-18-00; 8:45 am]

BILLING CODE 4310-22-P

DEPARTMENT OF INTERIOR**Minerals Management Service****Small Refiners Royalty-in-Kind Program**

AGENCY: Minerals Management Service (MMS), Interior.

ACTION: Notice of availability and sale of Government royalty oil to small refiners.

SUMMARY: This notice explains how small refiners may apply to participate in the sale of Federal royalty oil and the procedures under which subsequent contracts will be awarded.

DATES: All completed applications must be received by the close of business (4:00 p.m. Mountain Standard Time) on February 1, 2000. Applications received after this date will be rejected. The bid proposal, signed contracts, and the surety instrument must be received by close of business (4:00 p.m. Mountain Standard Time) on February 8, 2000. The sale will be held on February 9, 2000.

ADDRESSES: You may obtain an application to participate in the sale (Form MMS-4070, Application for the Purchase of Royalty Oil) directly from our web site <http://www.rmp.mms.gov/reportingservices/forms/forms.htm> or by writing to the Minerals Management Service, Royalty Management Program, Attention: Robert F. Prael, MS 3131, P.O. Box 5760, Denver, Colorado 80217-5760. You may also request an application by calling (303) 231-3217 or by e-mail to Robert.Prael@mms.gov.

Completed applications must be returned to the same address or sent by overnight mail or courier to Minerals Management Service, Royalty Management Program, Room A-212, Document Processing Section, Attention: Robert F. Prael, Building 85, Denver Federal Center, Denver, Colorado 80225. Completed applications can also be sent via facsimile to (303) 231-3219.

For confidentiality, please put your bid proposal in an envelope marked as "confidential, to be opened only by Todd W. Leneau" and enclose this envelope inside the envelope containing the signed contract and surety instrument. Please mail the bid proposal, signed contracts, and the surety instrument to: Minerals Management Service, Procurement Branch, Attention: Todd W. Leneau, MS 2730, PO Box 25165, Denver Federal Center, Denver, CO 80225-0165.

FOR FURTHER INFORMATION CONTACT:

Robert F. Prael, Chief, Royalty-in-Kind Section, at the above address, (303) 231-3217, FAX (303) 231-3219, or e-mail at Robert.Prael@mms.gov.

SUPPLEMENTARY INFORMATION: The Secretary of the Interior has determined that sufficient need exists among small refining companies to justify taking royalty oil in kind and offering this oil to eligible refiners. This notice provides procedures that applicants must follow to permit MMS to determine the applicants' eligibility to participate in the sale and general terms under which the contracts will be awarded.

This determination of need is based on the following facts:

(1) Small refiners who purchase crude oil in the Pacific and Gulf of Mexico regions have indicated to the MMS that they have concerns about the lack of stable access to the marketplace and the premium prices they frequently must pay to obtain desired feed stock;

(2) Small refiners continue to play a prominent role in providing military jet fuel to the Department of Defense. This supply of military jet fuel and the diversity in suppliers and locations combine to make the eligible refiner oil program an important contributor to national security;

(3) The U.S. Small Business Administration encourages program continuance in the interest of maintaining a competitive marketplace; and 4) Small refiners also provide valuable resources for several States and local governments.

Accordingly, the Secretary has elected to take royalty oil in kind from certain Federal leases in the Gulf of Mexico and

Pacific regions and offer such oil for sale to eligible refiners.

Improvements to the Small Refiner Royalty-in-Kind (RIK) Program

MMS is making several improvements in the small refiner program effective with this sale. These improvements are summarized below:

(1) Refiners will be reporting and paying based on their delivered volumes. In the past, the Royalty Management Program (RMP) billed refiners based on volumes reported by operators. This volume in many cases had no relationship to the volume delivered to the refiners. The difference between deliveries and billings created cash flow problems for refiners. Having the refiners pay for what they actually receive will eliminate this problem.

(2) Pricing will be established in the contract. This eliminates past problems when refiners were billed for retroactive price adjustments and had no means to recover the additional cost through their end users.

(3) We will monitor imbalances between the royalty barrels the Government is entitled to receive and the barrels actually received by the refiners.

(4) Administrative fee has been canceled. Because this sale will be a competitive bid sale, there is no need for an administrative fee.

(5) Deliveries of royalty oil will occur at market centers such as St. James, etc.

Eligibility Requirements

For purposes of this sale "eligible refiners" will be those refiners who meet the criteria for small refiners as defined in the U.S. Small Business Administration regulations at 13 CFR part 121 (<75,000 barrels per day refinery capacity and <1,500 employees). An eligible refiner may not sell royalty oil that it purchases under an RIK contract except for purposes of an exchange for other crude oil on a volume or equivalent value basis. Crude oil purchased under an RIK contract or received in exchange for such royalty oil must be processed into refined petroleum products in the eligible refiner's refinery.

We will not accept an application from a refiner who is not in operation during the 60-day period before the date of the royalty oil sale, unless such applicant certifies to MMS that it will begin operations by the first month in which oil becomes available under a royalty oil contract. Certification could be in the form of a notarized statement referencing a current permit to operate from the State or local environmental control agency. We will confirm the

operating status of the applicant's refinery with the Department of Energy and/or the U.S. Small Business Administration as appropriate. We will terminate the royalty oil contract if operations do not begin by the first month in which oil becomes available. In addition, we will disallow multiple applications from two or more refiners who are affiliated through common ownership or control. Such refiners will be limited to one allotment in the allocation of royalty oil.

An otherwise eligible refiner will not be permitted to participate in the sale if, at the time of the sale, that refiner is in arrears on payments owed to MMS.

Application Procedures

Applications must be filed on Form MMS-4070, Application for the Purchase of Royalty Oil. The application must be complete and filed timely. Improperly completed or late applications will be rejected. We will reject any application from a refiner that does not meet eligibility criteria established in this notice.

Applicants are advised that the Federal Oil and Gas Royalty Management Act of 1982, as amended, 30 U.S.C. 1701, *et seq.*, provides civil and criminal penalties for false or inaccurate reporting. Applicants are also cautioned to provide adequate detail on each item in the application to preclude rejection of the application from further consideration. Any questions concerning the application should be directed to the contact listed in the **FOR FURTHER INFORMATION CONTACT** section of this notice. We will provide an information package to each applicant who has filed a timely application. This package will contain:

- (1) Sale arrangements and procedures;
- (2) The lease locations and approximate quantity and quality of royalty oil to be offered from each lease;
- (3) A statement on the contract award processes, surety requirements, imbalance procedures;
- (4) A copy of the Federal royalty oil contract; and
- (5) A copy of the regulations governing royalty-in-kind sales.

Sale Information

Approximately 2,900 barrels per day for the Pacific region and 82,000 barrels per day for the Gulf of Mexico region of royalty oil from selected Federal leases will be offered for sale to qualified applicants.

Royalty oil will be sold based on a competitive bidding process. The bid proposal will be based on formulas representing spot market prices with premiums added or deductions

subtracted. Royalty oil will be sold in lease bundles representing groups of leases, oil types, and Facility Measurement Points. Refiners will be required to select the entire bundle.

The highest bidder, exceeding or meeting minimum bid, will be notified by phone or e-mail and provided a list of properties from which to choose. After the highest bidder selects their properties, the list of remaining properties will be provided to the next highest bidder. This process is continued until all the oil is selected or the minimum bid threshold is met. The sale will be a competitive bidding process, whereby a minimum bid, for each oil type, near spot market prices will be established. If the minimum bid price is not met, MMS will have the option to negotiate prices with the highest bidder.

In the event that an applicant who has participated in the allocation process does not execute its contract, or in the event substantial quantities of royalty oil sold in this eligible lease sale are subsequently turned back to MMS, we may reallocate such oil. However, only those refiners who hold ongoing contracts from this sale will be allowed to participate in any reallocation, and then only if they continue to meet eligibility requirements as set forth in this notice and 30 CFR part 208 (1999).

Questions or additional information on the allocation and reallocation procedures should be directed to the contact listed in the **FOR FURTHER INFORMATION CONTACT** section of this notice.

Surety Requirements

Applicants for royalty oil will be required to provide a surety instrument with their bid package. This surety instrument must be an MMS-specified surety such as a bond, irrevocable letter of credit, etc. The amount of the surety instrument must equal the value of 30 days of production that the refiner is bidding on. Once the contract is awarded, the surety must be increased to an amount equal to the estimated value of royalty oil that could be taken by the purchaser in a 99-day period. The increased surety must be received by March 24, 2000. All sureties must be in a form acceptable to MMS and must include any MMS-specified requirements to adequately protect the Government's interests. Sureties for unsuccessful bidders will be immediately returned to the financial institution. Upon termination of deliveries under the contract, MMS will reduce the amount of the surety in amounts proportionate to payments

made by the refiner to fulfill payment obligations.

If the refiner provides a bond or a certificate of deposit as the surety, it must be effective for the entire term of the contract plus a 6-month reconciliation period. If the refiner furnishes a letter of credit as the surety, it must be effective for a 6-month period beginning the first day the royalty oil contract is effective, with a clause providing for automatic renewal for a new 6-month period. The purchaser or its surety company may elect not to renew the letter of credit at any monthly anniversary date but must notify MMS of its intent not to renew at least 30 days before the anniversary date. We may grant the purchaser 45 days to obtain a new surety. If no replacement surety is provided, we will terminate the contract effective at least 6 months before the expiration date of the letter of credit.

Financial institutions that furnish bonds must be listed in the Department of the Treasury's Circular 570. Those institutions that propose to furnish letters of credit and certificates of deposit must be chartered in the United States and must be acceptable to MMS.

Contract Terms

The royalty oil contracts will be effective April 1, 2000, and will have a 6-month term with an automatic evergreen clause that renews the contract for another 6-month term subject to a 90-day termination notice by either the refiner or MMS.

Successful applicants who are awarded royalty oil contracts must process that royalty oil, or oil obtained in exchange for the royalty oil, in their refineries and may not resell it. If a refiner exchanges royalty oil for other crude oil to process in its refinery, it must provide full information to MMS, including a copy of the exchange agreement within 30 days of the exchange agreement's effective date.

Authority

These actions are taken according to the provisions of the Outer Continental Shelf Lands Act, 43 U.S.C. 1331 to 1356 as amended, the Outer Continental Shelf Lands Act Amendments of 1978, 43 U.S.C. 1331 *et. seq.*, and regulations at 30 CFR part 208.

Dated: January 12, 2000.

R. Dale Fazio,

Acting Associate Director for Royalty Management

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DEPARTMENT OF THE INTERIOR

National Park Service

Oil and Gas Management Plan/ Environmental Impact Statement, Lake Meredith National Recreation Area and Alibates Flint Quarries National Monument, Texas

AGENCY: National Park Service, U.S. Department of the Interior.

ACTION: Notice of Intent to prepare an Oil and Gas Management Plan/
Environmental Impact Statement for Lake Meredith National Recreation Area and Alibates Flint Quarries National Monument.

SUMMARY: In accordance with Section 102(2)(C) of the National Environmental Policy Act of 1969, the National Park Service is preparing an Oil and Gas Management Plan/Environmental Impact Statement for Lake Meredith National Recreation Area and Alibates Flint Quarries National Monument, Hutchinson, Moore and Potter Counties, Texas, and is initiating the scoping process for this document. This statement will be approved by the Intermountain Regional Director, National Park Service. The Bureau of Reclamation and Canadian River Municipal Water Authority are cooperating agencies.

The Oil and Gas Management Plan/
Environmental Impact Statement is needed to address the issues of how the National Park Service can protect its resources and values, ensure public safety, and minimize conflicts with visitors and park management while recognizing the rights of private mineral owners to develop their oil and gas resources. In the Oil and Gas Management Plan/Environmental Impact Statement and its accompanying public involvement process, the National Park Service will formulate and evaluate the environmental impacts of a reasonable range of alternatives that will provide protection for resources and values at Lake Meredith National Recreation Area and Alibates Flint Quarries National Monument while allowing for exploration and development of the private mineral estate. Distinct management issues include identifying which park resources and values are most sensitive to oil and gas exploration and development disturbance, defining impact mitigation requirements to protect such resources and values, establishing reasonable performance standards and providing pertinent information to oil and gas owners and

operators that will facilitate operations planning.

Public Information and Comments

A public scoping newsletter will be mailed in January 2000, to invite public participation in the scoping process and to describe the planning process. The general public and affected or interested parties are encouraged to provide comments and suggestions, and to identify issues and other reasonable alternatives that should be addressed in the Oil and Gas Management Plan/
Environmental Impact Statement.

An Open House meeting will be held on February 9, 2000, at park headquarters in Fritch, Texas. The public and affected or interested parties may request additional meetings in other Texas cities. These requests should be made no later than January 28, 2000, to EIS Team Leader Linda Dansby or Paul Eubank at Lake Meredith National Recreation Area/
Alibates Flint Quarries National Monument, at the addresses or telephone numbers provided below.

If you wish to comment, you may submit your comments by mailing them to the post office addresses provided below by March 14, 2000. Our practice is to make comments, including names and home addresses of respondents, available for public review during regular business hours. Individual respondents may request that we withhold their home address from the decisionmaking record, which we will honor to the extent allowable by law. There may also be circumstances in which we would withhold from the decisionmaking record a respondent's identify, as allowable by law. If you wish us to withhold your name and/or address, you must state this 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.

FOR FURTHER INFORMATION CONTACT: If you would like to submit comments, be placed on the mailing list, or request a meeting in your city, please contact Linda Dansby, EIS Team Leader, P.O. Box 728, Santa Fe, New Mexico 87504, 505/988-6095; or Paul Eubank, Lake Meredith National Recreation Area and Alibates Flint Quarries National Monument at 806-857-3151, or P.O. Box 1460, Fritch, Texas 79036.