Notice of Availability of a Draft Recovery Plan for Winged Mapleleaf Mussel (Quadrula Fragosa) for Review and Comment

AGENCY: Fish and Wildlife Service, Interior.

ACTION: Notice of document availability and public comment period.

SUMMARY: The U.S. Fish and Wildlife Service (Service) announces the availability for public review of a draft recovery plan for the winged mapleleaf mussel (*Quadrula fragosa*). This freshwater mussel is known to occur in one segment of the St. Croix River between Minnesota and Wisconsin. The species range is greatly reduced from its former 11-state distribution (Illinois, Indiana, Iowa, Kentucky, Minnesota, Missouri, Nebraska, Ohio, Oklahoma, Tennessee, and Wisconsin) presumably because of widespread stream habitat modification. The Service solicits review and comments from the public on this draft plan.

DATES: Comments on the draft recovery plan must be received on or before May 23, 1994 to receive consideration by the Service.

ADDRESSES: Persons wishing to review the draft plan may examine a copy during normal business hours at the Service's Regional Office, Division of Endangered Species, Bishop Henry Whipple Federal Building, 1 Federal Drive, Fort Snelling, Minnesota 55111-4056, telephone 612/725-3276, or at the Service's Twin Cities, Minnesota, Field Office, 4101 East 80th Street, Bloomington, Minnesota 55425-1665, telephone 612/725-3548. Persons wishing to obtain a copy of the draft recovery plan should contact the Twin Cities, Minnesota, Field Office. Written comments and materials regarding the plan should be mailed to the Regional Office. All comments and materials received will be available for public inspection, by appointment, during normal business hours at the Regional Office for the duration of the comment period.

FOR FURTHER INFORMATION CONTACT: Charles G. Kjos, at the above Twin Cities, Minnesota, Field Office address (612/725-3548).

SUPPLEMENTARY INFORMATION:

Background

Restoring endangered or threatened animals and plants to the point where they are again secure, self-sustaining members of their ecosystems is a primary goal of the Service's endangered species program. To help guide the recovery effort, the Service is working to prepare recovery plans for most of the listed species native to the United States. Recovery plans describe actions considered necessary for conservation of the species, criteria for recognizing recovery levels for reclassifying or delisting them, and initial estimates of times and costs to implement the recovery measures needed.

The Endangered Species Act (Act) of 1973, as amended (16 U.S.C. 1531 *et seq.*), requires the development of recovery plans for listed species unless such plan would not promote the conservation of a particular species. Section 4(f) of the Act, as amended in 1988, requires that public notice and an opportunity for public review and comment be provided during the recovery plan development. The Service will consider all information presented during a public comment period prior to approval of each new or revised recovery plan. The Service and other Federal agencies will also take these comments into account in the course of implementing approved recovery plans.

The winged mapleleaf mussel (*Quadrula fragosa*) was listed as an endangered species under the Act on June 20, 1991 (56 FR 28345). This species is known to occur in one segment of the St. Croix River, which forms the boundary between Chisago County, Minnesota, and Polk County, Wisconsin. Little is known of the ecology and habits of the winged mapleleaf, presumably because of its rarity and early population reductions. It appears to be a species of gravel bars and riffle areas of larger rivers.

The draft recovery plan outlines strategies to protect and manage the recovery of this species, with the specific goals of maintaining and increasing the St. Croix River population, improving understanding of winged mapleleaf biology and ecology, reintroducing the species to suitable sites in its historic range, and developing reclassification and delisting criteria. Streamflow requirements, host fish identification, and the genetic similarities and differences with the closely-related mapleleaf mussel (*Quadrula quadrula*) are recommended for investigation in the plan.

Public Comments Solicited

The Service solicits written comments on this draft recovery plan. All comments received by the date specified above will be considered prior to approval of the plan.

Authority

The authority for this action is section 4(f) of the Endangered Species Act, 16 U.S.C. 1533(f).

Dated: March 31, 1994.

Marvin E. Moriarty,

Acting Regional Director.

[FR Doc. 94-9750 Filed 4-21-94; 8:45 am]

BILLING CODE 4310-55-M

DEPARTMENT OF INTERIOR

Minerals Management Service

Royalty-in-Kind (RIK) Program

AGENCY: Minerals Management Service (MMS), Interior.

ACTION: Notice of availability of royalty oil to small refiners and notice to sell government royalty oil.

SUMMARY: The Secretary of the Interior (Secretary) has determined that sufficient supplies of crude oil at equitable prices are not available in the Gulf of Mexico and Pacific offshore regions of the United States to refiners that do not have their own sources of supply for crude oil. The Gulf of Mexico region consists of the states of Texas and Louisiana. The Pacific offshore region consists of the state of California.

The determination of unavailability is based on the following facts:

(1) Small refiners who purchase crude oil in the Pacific and Gulf of Mexico regions have indicated to Minerals Management Service (MMS) that they are experiencing difficulties obtaining long-term contracts for supplies of crude oil at equitable prices.

(2) The inability to enter into long-term contracts caused these refiners to either cut back refining operations or resort to buying crude oil stocks on the open market at prices that make it difficult for them to remain competitive in the refined products marketplace.

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. There will be a separate offering for each region at the sale.

The MMS also gives notice that it will conduct a sale on June 30 and July 1, 1994, of royalty oil from the Pacific and Gulf of Mexico regions under the Government's RIK Program. The sale offerings will include approximately 16,000 barrels per day for the Pacific region and 75,000 barrels per day for the Gulf of Mexico region. 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.

DEADLINE: MMS must receive completed applications by the close of business on May 27, 1994. Applications received after May 27, 1994, will be rejected. You can request blank applications by calling (303) 231–3605 or writing to MMS at the address below.

SEND APPLICATIONS TO: Applications may be obtained from the Minerals Management Service, Royalty Management Program, Attention: James E. Alexander, MS 3132, P.O. Box 5760, Denver, Colorado 80217–5760. Completed applications must be returned to the same address or sent by overnight mail to Minerals Management Service, Royalty Management Program, Attention: James E. Alexander, MS 3132, Building 85, Denver Federal Center, Denver, Colorado 80225.

TIME AND PLACE OF SALE: The sale will be held on June 30 and July 1, 1994, at the Denver Federal Center, Building 85, Auditorium, Lakewood, Colorado, and will commence at 8:00 a.m. local time.

FOR FURTHER INFORMATION CONTACT: Mr. James E. Alexander, Chief, Billing and RIK Section, at the above address or call (303) 231–3605.

SUPPLEMENTARY INFORMATION:

Sale Offering

Approximately 16,000 barrels per day for the Pacific region and 75,000 barrels per day for the Gulf of Mexico region of royalty oil from selected Federal leases will be offered for sale to qualified applicants. An information package will be provided to each applicant that has filed a timely application with MMS. 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 and billing procedures, and (4) a copy of the Federal royalty oil contract.

Eligibility Requirements

For purposes of this sale "eligible refiners" will be those refiners that meet the criteria for small refiners as defined in the Small Business Administration regulations 13 CFR 121.601. 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.

An application will not be accepted from an applicant whose refinery is not in operation during the 60-day period before the date of the royalty oil sale, unless such applicant self-certifies and proves to the satisfaction of MMS that it will begin operations by the first month in which oil becomes available under a royalty oil contract. MMS will terminate the royalty oil contract if operations do not begin by that month. In addition, MMS will disallow multiple applications from two or more related refiners. 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.

Applicants for royalty oil will be required to submit a Letter of Intent from a qualified financial institution stating that it would be granted an MMS-specified: bond, irrevocable letter of credit, or financial institution book-entry certificate of deposit for the royalty oil for which it is applying. The Letter of Intent must be submitted with the application. Financial institutions that propose to 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.

Application Procedures

Applications must be filed on Form MMS–4070, "Application for the Purchase of Royalty Oil" which may be obtained from MMS at the above address. The application must be complete and filed timely. Improperly completed or late applications will be rejected. The MMS 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, 30 U.S.C. 1701, 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. Accordingly, any questions concerning the application should be directed to MMS at the above address or phone number.

Sale Procedures

At the discretion of the Secretary, preference in selection of royalty oil to be offered for sale for the Gulf of Mexico region will be granted to eligible applicants that (1) operate their refinery(ies) in the state(s) of Texas or Louisiana, or (2) prove that they have established a history of purchasing crude oil produced from the Gulf of Mexico during the past 12 months that they either refined themselves or exchanged for oil that they refined. At the discretion of the Secretary, preference in selection of royalty oil to be offered for sale for the Pacific region will be given to those eligible refiners that (1) operate their refinery(ies) in the state of California, or (2) prove that they have established a history of purchasing crude oil produced from the Pacific offshore during the past 12 months that they either refined themselves or exchanged for oil that they refined.

Refiners who wish to be granted preference eligibility based on purchasing Gulf of Mexico or Pacific offshore crude during the previous 12 months must submit a written request with data to substantiate their request. This information must be submitted with the "Application for the Purchase of Royalty Oil" (Form MMS–4070) and must at a minimum include the refinery's exact location and its crude oil acquisition history for the last 12 calendar months. Preference eligibility will not be granted to otherwise eligible refiners that do not submit a written request and provide adequate documentation by May 27, 1994.

Refiners who are granted preference eligibility in this sale will to be granted preference eligibility in subsequent sales held for other regions prior to 1997. However, this provision may be waived if a refiner operates a refinery in the region specified in the subsequent sale other than the refinery used to obtain preference eligibility in this sale.

Two lotteries may be held for each offshore region to determine the order of selection of available oil. The first lottery will be limited to preference eligible applicants as defined above. After the preference eligible applicants have made their selections, a second lottery may be held for all other eligible refiners for any remaining royalty oil. The volume of Federal royalty oil that will be allocated to a refiner cannot exceed 60 percent of the combined refinery capacity of that refiner.

Royalty oil will be sold on a lease basis. Eligible refiners will be required to select the entire lease quantity.

In the event an applicant that has participated in the allocation process does not execute its contract, or in the event substantial quantities of royalty oil sold in this sale are subsequently turned back to MMS, MMS may reallocate such oil. However, only those refiners that 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.

Additional information on the allocation and reallocation procedures will be provided upon request.

Contract Terms

The sale will be conducted as provided in 30 CFR part 208. The resultant royalty oil contracts will be effective November 1, 1994, and will have 36-month terms with expiration dates of November 1, 1997.

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 two copies of the exchange agreement within 30 days of the exchange agreement's effective date.

Contracts awarded in this sale will contain a provision for the payment of administrative fees to MMS. These fees will be assessed to recover identifiable costs incurred by MMS for administering the RIK Program. The fees will consist of an initial nonrefundable contract fee and a monthly variable charge based on the number of leases under contract. The contract fee will be $20,000 per contract, payable in two $10,000 installments due at the end of the first and second months of the contract. The contract fee will be applied against costs incurred by MMS to administer the program. The remainder of the costs incurred by MMS will recovered through a monthly variable charge per lease. The rate per lease will be determined by dividing the remaining balance of administrative costs by 12 months divided by the total number of leases under contract. The rate could change depending upon whether total administrative costs change and/or whether the number of leases from which royalty oil is taken in kind changes from one month to another.

Surety Requirements

An approved surety must be submitted to MMS at the above address by August 15, 1994, for the contract to be effective November 1, 1994. All sureties must be in a form acceptable to MMS and must include any MMS-specified requirements to adequately protect the Government's interests. The surety must be in an amount equal to the estimated value of royalty oil that could be taken by the purchaser in a 99-day period, plus related administrative charges. The MMS will increase the surety requirement, if necessary. The MMS could decrease the amount of the surety, if warranted by significant historical data and requested by the refiner, provided that the interests of the Federal Government would be protected.

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 and reconciliation period. If the refiner furnishes a letter of credit as the surety, it must be effective for a 9-month period beginning the first day the royalty oil contract is effective, with a clause providing for automatic renewal monthly for a new 9-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. The MMS may grant the purchaser 45 days to obtain a new surety.

If no replacement surety is provided, MMS will terminate the contract effective at least six months before the expiration date of the letter of credit.

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.*, as amended, and part 208 of title 30 of the Code of Federal Regulations (30 CFR part 208).

Dated: April 15, 1994.

James W. Shaw,

Associate Director for Royalty Management.

[FR Doc. 94-9721 Filed 4-21-94; 8:45 am]

BILLING CODE 4310-MR-M

National Park Service

Gauley River National Recreation Area Advisory Committee Meeting

AGENCY: National Park Service, Interior.

ACTION: Notice of meeting.

SUMMARY: This notice announces an upcoming meeting of the Gauley River National Recreation Area Advisory Committee. Notice of this meeting is required under the Federal Advisory Committee Act (Pub. L. 92-463).

Meeting Date and Time: June 9, 1994; 10 a.m.

ADDRESSES: Comfort Inn, Summersville, WV (north of Summersville on US Rt. 19, just south of intersection with WV Rt. 41, adjacent to Shoney's Restaurant).

The purpose of this meeting will be to explain the public review process for the draft GMP, which is scheduled to be the period of June 6–August 8, 1994. This will also be an opportunity for committee members to discuss the final draft document and to determine their role in a public meeting which the NPS will conduct on June 28, 1994, in the Summersville Municipal Building, 400 North Broad Street, Summersville, WV (2-7 p.m. open house, 7 p.m. formal meeting).

SUPPLEMENTARY INFORMATION: The Advisory Committee was established under section 206(a) of the "WV National Interest Act of 1987," Public Law 100-534, to consult with the Secretary of the Interior, or his designee, "* * * on matters relating to development of a management plan for the recreation area and on implementation of such plan."

FOR FURTHER INFORMATION CONTACT: Superintendent Joe L. Kennedy, New River Gorge National River, 104 Main Street, P.O. Box 246, Glen Jean, West Virginia 25846, 304-465-0508.

Dated: April 11, 1994.

John McKenna,

Acting Regional Director, Mid-Atlantic Region.

[FR Doc. 94-9703 Filed 4-21-94; 8:45 am]

BILLING CODE 4310-70-M

Niobrara Scenic River Advisory Commission Meeting

AGENCY: National Park Service, Interior.

ACTION: Notice of meeting.

SUMMARY: This notice sets the schedule for the forthcoming meeting of the Niobrara Scenic River Advisory Commission. Notice of this meeting is required under the Federal Advisory Committee Act (Pub. L. 92-463).

Meeting Date and Time: Thursday, May 12, 1994; 1 p.m. until 4:30 p.m.

ADDRESSES: Brown County Court House Highway 20, Ainsworth, Nebraska.

Agenda topics include an update and discussion on the status of the draft management plan for the Niobrara Scenic River by the National Park Service planning team (including revisions in the draft boundary alternatives); discussion of advisory commission participation in information and education opportunities for the public; the opportunity for public comment, and a proposed agenda, date, time, and location for the next meeting.

The meeting is open to the public. Interested persons may make oral/written presentations to the Commission or file written statements. Requests for time for making presentations may be made to the Superintendent prior to the meeting or to the Chair at the beginning of the meeting. In order to accomplish the agenda for the meeting, the Chair

[Federal Register: April 22, 1994]

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DEPARTMENT OF INTERIOR

Minerals Management Service

Royalty-in-Kind (RIK) Program

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

ACTION: Notice of availability of royalty oil to small refiners and notice to sell government royalty oil.

SUMMARY: The Secretary of the Interior (Secretary) has determined that sufficient supplies of crude oil at equitable prices are not available in the Gulf of Mexico and Pacific offshore regions of the United States to refiners that do not have their own sources of supply for crude oil. The Gulf of Mexico region consists of the states of Texas and Louisiana. The Pacific offshore region consists of the state of California.

The determination of unavailability is based on the following facts:

(1) Small refiners who purchase crude oil in the Pacific and Gulf of Mexico regions have indicated to Minerals Management Service (**MMS**) that they are experiencing difficulties obtaining long-term contracts for supplies of crude oil at equitable prices.

(2) The inability to enter into long-term contracts caused these refiners to either cut back refining operations or resort to buying crude oil stocks on the open market at prices that make it difficult for them to remain competitive in the refined products marketplace.

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. There will be a separate offering for each region at the sale.

The **MMS** also gives notice that it will conduct a sale on June 30 and July 1, 1994, of royalty oil from the Pacific and Gulf of Mexico regions under the Government's RIK Program. The sale offerings will include approximately 16,000 barrels per day for the Pacific region and 75,000 barrels per day for the Gulf of Mexico region. 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.

DEADLINE: **MMS** must receive completed applications by the close of business on May 27, 1994. Applications received after May 27, 1994, will be rejected. You can request blank applications by calling (303) 231-3605 or writing to **MMS** at the address below.

SEND APPLICATIONS TO: Applications may be obtained from the Minerals Management Service, Royalty Management Program, Attention: James E. Alexander, MS 3132, P.O. Box 5760, Denver, Colorado 80217-5760. Completed applications must be returned to the same address or sent by overnight mail to Minerals Management Service, Royalty Management Program, Attention: James E. Alexander, MS 3132, Building 85, Denver Federal Center, Denver, Colorado 80225.

TIME AND PLACE OF SALE: The sale will be held on June 30 and July 1, 1994, at the Denver Federal Center, Building 85, Auditorium, Lakewood, Colorado, and will commence at 8:00 a.m. local time.

FOR FURTHER INFORMATION CONTACT:
Mr. James E. Alexander, Chief, Billing and RIK Section, at the above address or call (303) 231-3605.

SUPPLEMENTARY INFORMATION:

Sale Offering

Approximately 16,000 barrels per day for the Pacific region and 75,000 barrels per day for the Gulf of Mexico region of royalty oil from selected Federal leases will be offered for sale to qualified applicants. An information package will be provided to each applicant that has filed a timely application with **MMS**. 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 and billing procedures, and (4) a copy of the Federal royalty oil contract.

Eligibility Requirements

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An application will not be accepted from an applicant whose refinery is not in operation during the 60-day period before the date of the royalty oil sale, unless such applicant self-certifies and proves to the satisfaction of **MMS** that it will begin operations by the first month in which oil becomes available under a royalty oil contract. **MMS** will terminate the royalty oil contract if operations do not begin by that month. In addition, **MMS** will disallow multiple applications from two or more related refiners. 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**.

Applicants for royalty oil will be required to submit a Letter of Intent from a qualified financial institution stating that it would be granted an **MMS**-specified: bond, irrevocable letter of credit, or financial institution book-entry certificate of deposit for the royalty oil for which it is applying. The Letter of Intent must be submitted with the application. Financial institutions that propose to 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**.

Application Procedures

Applications must be filed on Form **MMS**-4070, ``Application for the Purchase of Royalty Oil'' which may be obtained from **MMS** at the above address. The application must be complete and filed timely. Improperly completed or late applications will be rejected. The **MMS** 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, 30 U.S.C. 1701, 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. Accordingly, any questions concerning the application should be directed to **MMS** at the above address or phone number.

Sale Procedures

At the discretion of the Secretary, preference in selection of royalty oil to be offered for sale for the Gulf of Mexico region will be granted to eligible applicants that (1) operate their refinery(ies) in the state(s) of Texas or Louisiana, or (2) prove that they have established a history of purchasing crude oil produced from the Gulf of Mexico during the past 12 months that they either refined themselves or exchanged for oil that they refined. At the discretion of the Secretary, preference in selection of royalty oil to be offered for sale for the Pacific region will be given to those eligible refiners that (1) operate their refinery(ies) in the state of California, or (2) prove that they have established a history of purchasing crude oil produced from the Pacific offshore during the past 12 months that they either refined themselves or exchanged for oil that they refined.

Refiners who wish to be granted preference eligibility based on purchasing Gulf of Mexico or Pacific offshore crude during the previous 12 months must submit a written request with data to substantiate their request. This information must be submitted with the ``Application for the Purchase of Royalty Oil'' (Form **MMS**-4070) and must at a minimum include the refinery's exact location and its crude oil acquisition history for the last 12 calendar months. Preference eligibility will not be granted to otherwise eligible refiners that do not submit a written request and provide adequate documentation by May 27, 1994.

Refiners who are granted preference eligibility in this sale will to be granted preference eligibility in subsequent sales held for other regions prior to 1997. However, this provision may be waived if a refiner operates a refinery in the region specified in the subsequent sale other than the refinery used to obtain preference eligibility in this sale.

Two lotteries may be held for each offshore region to determine the order of selection of available oil. The first lottery will be limited to preference eligible applicants as defined above. After the preference eligible applicants have made their selections, a second lottery may be held for all other eligible refiners for any remaining royalty oil. The volume of Federal royalty oil that will be allocated to a refiner cannot exceed 60 percent of the combined refinery capacity of that refiner.

Royalty oil will be sold on a lease basis. Eligible refiners will be required to select the entire lease quantity.

In the event an applicant that has participated in the allocation process does not execute its contract, or in the event substantial quantities of royalty oil sold in this sale are subsequently turned back to **MMS**, **MMS** may reallocate such oil. However, only those refiners that 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.

Additional information on the allocation and reallocation procedures will be provided upon request.

Contract Terms

The sale will be conducted as provided in 30 CFR part 208. The resultant royalty oil contracts will be effective November 1, 1994, and will have 36-month terms with expiration dates of November 1, 1997.

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 two copies of the exchange agreement within 30 days of the exchange agreement's effective date.

Contracts awarded in this sale will contain a provision for the payment of administrative fees to **MMS**. These fees will be assessed to recover identifiable costs incurred by **MMS** for administering the RIK Program. The fees will consist of an initial nonrefundable contract fee and a monthly variable charge based on the number of leases under contract. The contract fee will be $20,000 per contract, payable in two $10,000 installments due at the end of the first and second months of the contract. The contract fee will be applied against costs incurred by **MMS** to administer the program. The remainder of the costs incurred by **MMS** will recovered through a monthly variable charge per lease. The rate per lease will be determined by dividing the remaining balance of administrative costs by 12 months divided by the total number of leases under contract. The rate could change depending upon whether total administrative costs change and/or whether the number of leases from which royalty oil is taken in kind changes from one month to another.

Surety Requirements

An approved surety must be submitted to **MMS** at the above address by August 15, 1994, for the contract to be effective November 1, 1994. All sureties must be in a form acceptable to **MMS** and must include any **MMS**-specified requirements to adequately protect the Government's interests. The surety must be in an amount equal to the estimated value of royalty oil that could be taken by the purchaser in a 99-day period, plus related administrative charges. The **MMS** will increase the surety requirement, if necessary. The **MMS** could decrease the amount of the surety, if warranted by significant historical data and requested by the refiner, provided that the interests of the Federal Government would be protected.

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 and reconciliation period. If the refiner furnishes a letter of credit as the surety, it must be effective for a 9-month period beginning the first day the royalty oil contract is effective, with a clause providing for automatic renewal monthly for a new 9-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. The **MMS** may grant the purchaser 45 days to obtain a new surety.

If no replacement surety is provided, **MMS** will terminate the contract effective at least six months before the expiration date of the letter of credit.

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., as amended, and part 208 of title 30 of the Code of Federal Regulations (30 CFR part 208).

Dated: April 15, 1994.
James W. Shaw,
Associate Director for Royalty Management.
[FR Doc. 94-9721 Filed 4-21-94; 8:45 am]
BILLING CODE 4310-MR-M