

DEPARTMENT OF THE INTERIOR**Minerals Management Service****Intent to Revise Timing of U.S. Royalty Oil Sales From Federal Offshore and Onshore Leases**

AGENCY: Minerals Management Service (MMS), Interior.

ACTION: Notice of intent to revise timing of sales; request for comments.

SUMMARY: The long-range intent of MMS is to continue the practice of issuing sales contracts for 3-year periods; but in order to make the royalty-in-kind (RIK) program more manageable for the Federal Government and royalty oil more regularly available for industry, MMS proposes to divide the total available royalty oil into 3 parcels and make one of the 3 parcels available each year. Contracts for royalty oil from any one of the 3 parcels would be for a duration of 3 years. To accomplish this, MMS plans to stagger the contract expiration dates at the next royalty sale be announced in April 1983.

DATE: Written comments on this revised timing of the royalty-in-kind sales program must be received in the Royalty Management Program, Minerals Management Service, Denver Federal Center, Denver, Colorado, by 12:00 noon, m.s.t., February 14, 1983.

ADDRESSES: Written comments may be mailed to James H. Mikelson, P.O. Box 5760, Denver, CO 80217; or delivered to him at Room B509 in Building 85, Denver Federal Center.

FOR FURTHER INFORMATION

CONTACT: Mr. James H. Mikelson or Mr. C. Boyd Donaldson, (303) 231-3133.

SUPPLEMENTARY INFORMATION: To make the Royalty-in-kind oil sales program more manageable and efficient, the 1983 sale is separated by regions as follows:

1. RIK oil from Federal leases in the Outer Continental Shelf (OCS) regions of the Gulf of Mexico and the Pacific Coast will be sold under contracts beginning October 1, 1983, with an expiration date of October 1, 1984. The effective beginning date of subsequent royalty oil contracts from these regions will be October 1, 1984, and every three years thereafter.

2. RIK oil from Federal leases in the States of Texas, Oklahoma, New Mexico, Arizona, Nevada, California, Oregon, Washington, Idaho, and Alaska will be sold under contracts beginning November 1, 1983 with an expiration date of October 1, 1988. The effective beginning date of subsequent royalty oil contracts from these 10 states will be October 1, 1985, and every three years thereafter.

3. RIK oil from Federal leases in all other states will be sold under contracts beginning December 1, 1983, with an expiration date of October 1, 1986. The effective beginning date of subsequent royalty oil contracts for this area will be October 1, 1986, and every three years thereafter.

Because of the large number of Federal leases involved in the RIK program, MMS believes that this change in timing will result in better production data being furnished to interested eligible purchasers of U.S. royalty oil. It will also make the program more efficient and manageable for the Federal Government.

Dated: January 11, 1983.

Robert E. Boldt,
Associate Director for Royalty, Minerals Management Service.

[FR Doc. 83-1018 Filed 1-13-84 8:45 a.m.]
BILLING CODE 4310-MR-M