

By the Commission.
Lois D. Cashell,
Acting Secretary.

PART 385—RULES OF PRACTICE AND PROCEDURE

1. The authority citation for Part 385 is revised to read as follows:

Authority: Department of Energy Organization Act, 42 U.S.C. 7101-7352 (1982); E.O. 12008, 3 CFR 1978 Comp., p. 142; Administrative Procedure Act, 5 U.S.C. 551-557 (1982); Independent Offices Appropriations Act, 31 U.S.C. 9701 (1982); Federal Power Act, 15 U.S.C. 717-717w (1982); Natural Gas Policy Act, 15 U.S.C. 3301-3432 (1982); Public Utility Regulatory Policies Act, 16 U.S.C. 2601-2645 (1982); Interstate Commerce Act, 49 U.S.C. 1-27 (1978).

2. Section 385.913 is revised to read as follows:

§ 385.913 Proposed order (Rule 913).

(a) After the conclusion of the hearing and after the filings under Rule 912 (a) and (b), (proposed findings of fact, conclusions of law, and comments) the presiding officer will issue a decision and proposed order based on findings of fact affirming, modifying, or vacating the contested order or directing other appropriate relief. The proposed order will be based on the entire record before the presiding officer, including the record of prior proceedings certified by the Secretary.

(b) Participants may file with the Secretary of the Commission, within 15 days of issuance of the proposed order of the presiding officer, written comments on the presiding officer's decision and proposed order.

(c) Participants may file with the Secretary of the Commission, within seven days of the end of comment period prescribed in paragraph (b) of this section, reply comments limited to a response to any arguments and issues raised in the written comment.

(d) The presiding officer will certify and file with the Secretary of the Commission a copy of the record in the proceedings and copies of the written and reply comments filed pursuant to paragraphs (b) and (c) of this section. The presiding officer will also submit to the Commission a revised proposed order.

(e) Unless otherwise ordered by the Chief Administrative Law Judge, written comments and reply comments must be limited to 15 pages, double-spaced.

[FR Doc. 88-10253 Filed 5-6-88; 8:45 am]

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DEPARTMENT OF THE TREASURY

Internal Revenue Service

26 CFR Parts 1 and 602

[T.D. 8179]

Organizations Under Common Control; Eighty Percent Control Test For a Brother-Sister Controlled Group

AGENCY: Internal Revenue Service, Treasury.

ACTION: Corrections to final regulations.

SUMMARY: This document contains corrections to Treasury Decision 8179, which was published in the *Federal Register* for Wednesday, March 2, 1988 (53 FR 6803). T.D. 8179 issued final regulations and withdrawal of temporary regulations relating to organizations under common control for purposes of certain rules relating to pension, profit-sharing, and stock bonus plans.

FOR FURTHER INFORMATION CONTACT: Patricia Pellervo, 202-506-3458 (not a toll-free number).

SUPPLEMENTARY INFORMATION:

Background

The regulations that are the subject of these corrections relate to the aggregation of employees of members of a group of corporations, trades, or businesses that are under common control.

Need For Corrections

As published, Treasury Decision 8179 contains errors (in the instructional paragraphs) on page 6805, second column.

Corrections of Publication

Accordingly, the publication of Treasury Decision 8179, which was the subject of FR. Doc. 88-4238, Items 1 and 2 of Par. 2 are corrected to read as follows:

Par. 2, Section 1.52-1 is amended as follows:

1. Paragraphs (c)(1)(i) and (c)(1)(ii) are amended by removing "§ 1.414(c)-4(b)(1)" and adding instead "§ 1.414(c)-4(b)(1)".

2. Paragraph (d)(1)(i) is amended by removing § 1.414(c)-4 and adding instead § 1.414 (c)-4 and by removing ", singly or in combination, ".

Donald E. Osteen,
Director, Legislation and Regulations Division.

[FR Doc. 88-10089 Filed 5-6-88; 8:45 am]

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DEPARTMENT OF THE INTERIOR

Minerals Management Service

Bureau of Land Management

30 CFR Parts 210 and 216

43 CFR Part 3160

Onshore Oil and Gas Production Accounting, Transfer of Responsibility

AGENCY: Minerals Management Service (MMS), Interior.

ACTION: Final rule.

SUMMARY: The Minerals Management Service (MMS) is issuing this final rulemaking to amend its regulations governing production accounting at 30 CFR Part 216 to add a requirement for lease operators to report onshore production data to MMS. This final rule provides for the transfer of responsibility for production reporting for onshore Federal and Indian oil and gas leases from the Bureau of Land Management (BLM) to MMS.

A phased conversion schedule will be followed to accomplish the transfer of production reporting from BLM to MMS. Due to the phased conversion, the existing BLM regulations at 43 CFR Part 3160 will remain in effect until the transfer is completed. However, this final rulemaking amends 43 CFR Part 3160 to provide instructions to operators during the conversion.

This final rulemaking also amends 30 CFR Part 210 to add a reference to an "Onshore Production Reporter Handbook" which will be distributed to all operators and will provide specific guidance on how to prepare and submit the required production data to MMS.

EFFECTIVE DATE: June 1, 1988.

FOR FURTHER INFORMATION CONTACT: Dennis C. Whitcomb, Chief, Rules and Procedures Branch, (303) 231-3432, (FTS) 326-3432.

SUPPLEMENTARY INFORMATION: The principal author of this rulemaking is Gregory Smith of the Production Accounting Division of the Royalty Management Program, MMS.

I. Background

At the Secretary of the Interior's request, a study was performed within the Department of the Interior (DOI) to determine the feasibility of extending the reporting requirements of the Production Accounting and Auditing System (PAAS) to onshore oil and gas leases. The Secretary also directed that the Royalty Management Advisory

Committee (RMAC) propose recommendations on the issue.

The DOI study, called the "Mineral Lease Information Study" (MLIS), concluded in a September 1986 report that onshore implementation of PAAS would be fiscally attractive to the Government and would offer several advantages to lease and royalty management programs. However, there would be a substantial increase in industry's costs of reporting. The RMAC panel recommended that DOI computerize the existing production report (Form BLM 3160-6) submitted to the BLM and use data from this form to effect systematic production/sales comparisons.

Because of the RMAC panel's recommendations, the Secretary directed, in March 1987, that an addendum to the MLIS report be completed to analyze various options of implementing the panel's recommendations. This addendum concluded that automation of a slightly modified version of the existing form should occur and that MMS should become responsible for the receipt, edit/error correction, and distribution of the data to BLM, the Bureau of Indian Affairs (BIA), States, and Indian Tribes.

Based on these studies, the Secretary decided in June 1987 that:

- Responsibilities for receipt and processing of production data should be transferred from BLM to MMS.
- Operators of Federal and Indian onshore oil and gas leases should continue to report production data on the existing production report which will be slightly modified, and
- The MMS should distribute production data to all users.

II. Summary of Rule Adopted

On January 15, 1988, MMS published a Notice of Proposed Rulemaking in the Federal Register (53 FR 1039) to amend its regulations to provide for lease operators to report onshore production data to MMS. The amendments being adopted are substantially the same as the proposed amendments. Therefore, much of the discussion in the preamble to the proposed amendments applies to the final amendments. The proposed rulemaking provided for a 30-day public comment period which ended February 16, 1988. Based on comments received from the public on the proposed amendments, certain changes were made. These changes are discussed below in Section III, Comments Received on Proposed Rule.

Onshore production data will be reported to MMS on the new Form MMS-3160 described in the proposed rule. Section 216.10 of the adopted rule

provides for obtaining information reporting forms from MMS including the Form MMS-3160.

Specific and detailed guidance for preparation of the Form MMS-3160 will be forthcoming in an "PAAS Onshore Oil and Gas Reporter Handbook" to be distributed to all operators. This final rulemaking includes the addition of a reference to the "PAAS Onshore Oil and Gas Reporter Handbook" in §§ 210.53 and 216.15.

III. Comments Received on Proposed Rule

One commenter requested that MMS allow operators to also report the currently reported operator well number on the Form MMS-3160 in addition to requiring reporting by API well number.

MMS Response: The MMS will allow the operator well number on the Form MMS-3160.

One commenter requested that MMS provide operators with both the BLM and MMS lease/agreement numbers during the conversion phase, presumably for facilitating communication with each agency.

MMS Response: The BLM and MMS have synchronized the relevant data bases [BLM's Automated Inspection Records System (AIRS) and MMS's Production Accounting and Auditing System (PAAS)] with the same lease/agreement numbers. As a result, operators will be able to refer to one unique number for any particular lease or agreement when communicating with either BLM or MMS for production-related inquiries.

Three commenters requested that the due date for the Form MMS-3160 be changed to the 15th day of the second month following the month being reported to allow more time for gas reporting and to be consistent with the due date for the Form MMS-4054.

MMS Response: The MMS agrees and has changed the due date for Form MMS-3160 in the adopted regulation to the 15th day of the second month following the month being reported.

Two commenters provided miscellaneous comments relative to the "PAAS Onshore Oil and Gas Reporter Handbook."

MMS Response: The comments have been reviewed and have been incorporated into the handbook, as appropriate.

One commenter stated that companies reporting on the standard PAAS forms, including Form MMS-4054, incur a greater exposure to penalties.

MMS Response: The line-item approach to assessments will apply to both the Form MMS-3160 and the Form MMS-4054. The MMS will not issue

reporting assessments for any onshore operators until all onshore operators have been converted and are reporting production data for all leases/agreements to MMS.

Three commenters stated that the current regulations provide for a 1-year notification of any change to production reporting requirements. These commenters further stated that only a 2-week period was allowed to comment on the proposed rule.

MMS Response: Final rulemaking by MMS on PAAS reporting and recordkeeping requirements was published in the Federal Register on March 7, 1986 (51 FR 8168) and codified in the Code of Federal Regulations at 30 CFR Part 216. Section 216.20 provides for a 1-year advance notice prior to the application of the existing PAAS reporting requirements to operators not already reporting to the PAAS on April 7, 1986. The existing PAAS reporting requirements, at that time, included the standard PAAS forms as originally designed—Forms MMS-4050 through 4061. The Form MMS-3160 was not a PAAS reporting requirement on April 7, 1986. Because operators are currently required to report production data to BLM, the new MMS requirements do not impose substantially additional requirements. The proposed rule provided for a 30-day public comment period.

Five commenters stated that the onshore reporting changes would inflict paperwork hardships and associated increased costs on industry. One of these commenters explained that the increased burden would be caused by changes in reporting method, office identification numbers, and data elements reported. Two of these commenters thought that the present system is good and that currently-reported information is sufficient for MMS.

MMS Response: The Federal Oil and Gas Royalty Management Act of 1982 (FOGRMA) requires that the Department of the Interior develop a comprehensive production accounting and auditing system. The primary reason for developing a system to automate the existing production reports rather than requiring reporting on standard PAAS forms was to minimize reporting burdens to industry. This decision was based mostly on a recommendation of an RMAC panel which included four industry representatives who surveyed many other industry personnel during their deliberations. Changes to current reporting include only those items (mostly identifying numbers) needed to

automate the data and to allow for production/sales comparisons. The format of the report is essentially unchanged. The MMS feels that although some up-front costs will be incurred by industry to incorporate new identifying numbers into files/systems, the proposed changes are quite minor.

Two commenters said that the 30-day operator notification period before each phase of conversion was too short. Another commenter requested that conversion correspondence should be sent to an official designated by the operator and that the 30-day compliance be conditioned on the date of receipt of notification.

MMS Response: The MMS agrees and has changed the official notification period to 60 days. As an additional notification procedure, MMS has and will continue to send updates to the conversion schedule to each operator when and if they occur. Individual companies are welcome to identify and inform MMS of official designees to receive conversion correspondence.

One commenter requested that conversion phases not include areas smaller than a State because this may fragment a company's recordkeeping procedures.

MMS Response: The MMS agrees and, except for an initial pilot phase of leases/agreements under the jurisdiction of BLM's Rawlins (Wyoming) District Office, conversion phases will include areas at least as large as one State.

One commenter stated that any further changes to onshore reporting requirements should require new regulations.

MMS Response: The MMS agrees that any further substantial changes should require publication of both proposed and final regulations.

One commenter requested that once the initial phase of conversion is underway, operators be given the option of reporting their unconverted leases/agreements to BLM on either the existing production report (BLM Form 3160-6) or the Form MMS-3160.

MMS Response: The BLM and MMS agree and have changed the provisions of 43 CFR Part 3160 to reflect this option. The BLM will accept either the Form MMS-3160 or the BLM Form 3160-6 for unconverted leases/agreements once the initial phase of conversion is underway.

Three commenters thought that any present or future requirement to submit reports detailing gas analysis and/or operations at gas or fractionation plants is not justified. One of these commenters further stated that there is no justification for requiring these reports from those companies reporting onshore

operations on standard PAAS forms, while not requiring these reports from other companies.

MMS Response: The Department is currently assessing the usefulness and cost effectiveness of requiring gas analysis and gas/fractionation plant reports for onshore production. The MMS provides companies who currently report on standard PAAS forms (including gas analysis and plant reports) the option of continuing such reporting or adopting the Form MMS-3160 as the onshore production report.

The Council of Energy Resource Tribes thought that MMS's intended treatment of confidential production data was appropriate. One commenter stated that no production data should be treated as confidential, while another commenter felt that all production data should be treated as confidential. One commenter stated that all Indian production data is confidential in nature. Two additional commenters stated that MMS should allow operators to label certain reports as confidential and honor these requests for confidential treatment.

MMS Response: It is MMS's position that production data related to Federal leases/agreements and Indian leases involved in a unitization or communitization agreement containing non-Indian leases are not confidential in nature. The basis for this position is that the data are nonfiscal in nature and are generally available through commercial information services or through State governmental agencies. Production data from Indian leases involved in agreements that include non-Indian leases are not considered confidential because production data from the entire agreement and from the non-Indian leases is likely to be publicly available. Because this data is available, the production data on the Indian leases could be determined. However, an exception to this position may be certain production data specifically protected by statute. For example, the Indian Mineral Development Act of 1982 (IMDA), 25 U.S.C. 2101-2106, states that " . . . information possessed by the Department regarding . . . the production, products or proceeds thereof, shall be held by the [Department] as a privileged proprietary information of the affected Indian or Indian Tribe." This language may require the Department to protect production data related to any IMDA leases which may be involved in units including non-Indian leases.

Production data from leases/agreements that have *only* Indian interests will be considered confidential. This position is based on extensive

Departmental precedent with regard to Indian mineral lease data. Certain data that industry claims as confidential, such as "tight hole" data or test production data will be protected if MMS so classifies the data. Operators must petition MMS for such classifications, which will be reviewed on a case-by-case basis. Requests for confidential classification must be submitted in writing to the Chief, Production Accounting Division, Royalty Management Program, MMS, prior to submitting the first report for which confidential status is desired. Requests must provide justification why the data should be designated as confidential.

A new subsection has been added to 30 CFR 218.50 stating that all other information will be released.

Two commenters requested that the Department consider well-level reporting of sales volumes and quality in addition to the currently-reported well production volumes and lease/agreement sales volumes/quality data.

MMS Response: Implementation of this proposal would require more detailed onshore production reporting and would, therefore, cause impacts to Departmental Agencies (BLM and MMS) and industry. The Department is currently assessing these impacts. If a decision is made to implement the proposal, a separate proposed rulemaking would be issued and comments would be solicited.

Two commenters expressed concern that production data will not be expeditiously provided to royalty owners. One of these commenters stated that a 3- to 6-month delay in receiving the information will occur because of this delay. This commenter requested that MMS require operators to submit reports both to royalty owners and to MMS.

MMS Response: Onshore production reports will be due on or before the 15th day of the second month following the period of production. After the end of this month, MMS will send the production data to States, tribes, and BIA. The MMS feels that this constitutes expeditious provision of data to royalty owners. In addition, MMS will provide the production data to BLM on a bi-weekly basis. The MMS does not require duplicate submission of reports and will not interfere with arrangements by royalty owners to acquire such reports from operators.

One commenter expressed concern that royalty owners would have more difficulty than now exists in gaining access to source documents for production data.

MMS Response: The MMS will provide monthly reports of production data to offices of State and tribal royalty owners and to the BIA for tribal and individual Indian royalty owners. These reports, which will be sent directly to state, tribal, and BIA offices, will eliminate the current necessity of royalty owners having to contact BLM offices for production data. This service, which the Department has not provided in the past, will especially benefit those royalty owners living far from BLM offices. Overall, access to production data by royalty owners will be improved.

One commenter stated that BIA should be allowed to provide comments on the onshore production system and that training in the use of the system should be provided to tribal personnel.

MMS Response: The MMS agrees. The BIA has been involved and has received and commented on the format of reports planned for distribution to tribes and BIA. Upon request, tribal personnel will be provided training in production reporting requirements, system processing, and content and meaning of output reports provided to tribes and BIA.

IV. Conversion Schedule

A phased conversion schedule will be followed to accomplish the transfer of production accounting from BLM to MMS. Due to the phased conversion, the existing BLM regulations at 43 CFR Part 3160 will remain in effect until the conversion is completed. However, this final rule amends 43 CFR Part 3160 to provide instructions to operators during the conversion. Operators are required to continue reporting production data to BLM on BLM Form 3160-6 until such time as they are notified to begin reporting to MMS. Notification will include start-up schedules, specific reporting guidelines, and facsimile (sample) reports to guide initial reporting.

In Phase 1a of the conversion schedule, only production reports (Form MMS-3160) related to production on leases/agreements under the jurisdiction of the Rawlins, Wyoming, BLM District Office will be due for receipt by MMS in Lakewood, Colorado. In Phase 1b of the schedule, only reports under the jurisdiction of the Colorado, Montana, and Utah BLM State Offices and the remaining reports under the jurisdiction of the Wyoming BLM State Office will be due for receipt by MMS. In Phase 2, production reports related to production on leases/agreements under the jurisdiction of the Eastern States, Nevada, California, and Alaska BLM State Offices will be due for receipt by

MMS. In Phase 3, production reports related to production on leases/agreements under the jurisdiction of the BLM Tulsa District Office will be due for receipt by MMS. In Phase 4, production reports related to production on all other leases/agreements under the jurisdiction of the New Mexico BLM State Office will be due for receipt by MMS.

The effective date of this final rule is June 1, 1988. Consequently, all operators of leases under the jurisdiction of the Rawlins, Wyoming, BLM District Office (Phase 1a of the conversion schedule), should begin reporting onshore production data to MMS on the new Form MMS-3160 for the April 1988 report month, due to MMS by June 15, 1988. The MMS will publish a notice in the *Federal Register* on the receipt due date for the other phases of the conversion schedule at least 60 days prior to the date required. Each operator will be given written notice to begin reporting to MMS on the Form MMS-3160 at least 60 days before the beginning of the production month for which they are being converted.

The conversion schedule may be delayed if BLM or MMS experiences significant difficulty in preparatory work related to this transfer of responsibilities. Likewise, the conversion schedule may be delayed if the error rate for reports in any phase remains at a high level for 3 months after conversion.

Operators submitting corrected/amended reports for reporting periods prior to the effective date of this rule should submit them to the appropriate BLM office. Those reports may be submitted on either the Form MMS-3160 or Form BLM 3160-6. However, all corrected/amended reports for prior periods must show the same well numbers as shown on the original submission.

V. Procedural Matters

Executive Order 12291 and Regulatory Flexibility Act

The Department of the Interior has determined that this document is not a major rule under E.O. 12291 and certifies that this document will not have a significant economic effect on a substantial number of small entities under the Regulatory Flexibility Act (5 U.S.C. 601 *et seq.*). This final rulemaking establishes in MMS regulations a reporting requirement that currently exists in BLM regulations, with a few additions to the information collection requirements.

Administrative Procedure Act

Congress has recognized the need for MMS to improve its production accounting system. The MMS needs to begin implementation of the conversion as soon as possible, and since the new reporting requirements are not a significant change, MMS has determined that in accordance with 5 U.S.C. 553(d), there is good cause to make this rule effective June 1, 1988.

Paperwork Reduction Act of 1990

The information collection requirements contained in § 216.50 have been approved by the Office of Management and Budget (OMB) under 44 U.S.C. 3501 *et seq.* and assigned clearance number 1010-0040.

National Environmental Policy Act of 1969

The Department of the Interior has determined that this action does not constitute a major Federal action significantly affecting the quality of the human environment. Therefore, an environmental impact statement is not required under the National Environmental Policy Act of 1969 (42 U.S.C. 4332(2)(C)).

List of Subjects

30 CFR Part 210

Coal, Continental shelf, Geothermal energy, Government contracts, Indian lands, Mineral royalties, Natural gas, Petroleum, Public lands-mineral resources, Reporting and recordkeeping requirements.

30 CFR Part 216

Coal, Continental shelf, Geothermal energy, Government contracts, Indian lands, Mineral royalties, Natural gas, Penalties, Petroleum, Public lands—mineral resources, Reporting and recordkeeping requirements.

43 CFR Part 3160

Government contracts, Indian lands, Mineral royalties, Oil and gas exploration, Penalties, Public lands-mineral resources, Reporting and recordkeeping requirements.

Date: April 21, 1988.

James E. Cason,

Deputy Assistant Secretary, Land and Minerals Management.

For the reasons set out in the preamble, 30 CFR Parts 210 and 216 and 43 CFR Part 3160 are amended as set forth below:

TITLE 30—MINERAL RESOURCES

CHAPTER II—MINERALS MANAGEMENT SERVICE, DEPARTMENT OF THE INTERIOR
SUBCHAPTER A—ROYALTY MANAGEMENT

PART 210—FORMS AND REPORTS

1. The authority citation for Part 210 continues to read as follows:

Authority: 25 U.S.C. 398 et seq.; 25 U.S.C. 398a et seq.; 25 U.S.C. 2101 et seq.; 30 U.S.C. 181 et seq.; 30 U.S.C. 351 et seq.; 30 U.S.C. 1001 et seq.; 30 U.S.C. 1701 et seq.; 43 U.S.C. 1301 et seq.; 43 U.S.C. 1331 et seq.; and 43 U.S.C. 1801 et seq.

2. Section 210.53(a) is revised to read as follows:

§ 210.53 Reporting instructions.

(a) Specific guidance on how to prepare and submit required information collection reports and forms to MMS is contained in the *Auditing and Financial System (AFS) Oil and Gas Payor Handbook, Production Accounting and Auditing System (PAAS) Reporter Handbook, and PAAS Onshore Oil and Gas Reporter Handbook* which are available from: Minerals Management Service, Attention: Lessee(or Reporter) Contact Branch, P.O. Box 17110, Denver, Colorado 80217.

PART 216—PRODUCTION ACCOUNTING

1. The authority citation for Part 216 continues to read as follows:

Authority: 25 U.S.C. 398 et seq.; 25 U.S.C. 398a et seq.; 25 U.S.C. 2101 et seq.; 30 U.S.C. 181 et seq.; 30 U.S.C. 351 et seq.; 30 U.S.C. 1001 et seq.; 30 U.S.C. 1701 et seq.; 43 U.S.C. 1301 et seq.; 43 U.S.C. 1331 et seq.; and 43 U.S.C. 1801 et seq.

2. Section 216.10 is revised to read as follows:

§ 216.10 Information collection.

The information collection requirements contained in Part 216 have been approved by the Office of Management and Budget (OMB) under 44 U.S.C. 3501 et seq. The forms and approved OMB clearance numbers are as follows:

Form No., name and filing date	OMB No.
MMS-3160—Monthly Report of Operations—due by the 15th day of the second month following the production month.	1010-0040
MMS-4050—Mine Information Report—due at the request of MMS during the initial conversion of the mine/lease to the PAAS.	1010-0063

Form No., name and filing date	OMB No.
MMS-4051—Facility and Measurement Information Form and Supplement—due at the request of MMS during the initial conversion of the facility and measurement device operators to the PAAS.	1010-0040
MMS-4052—Well Information Form—due at the request of MMS during the initial conversion of the lease and agreement operators to the PAAS.	1010-0040
MMS-4053—First Purchaser Report—due at the request of MMS.	1010-0040
MMS-4054—Oil and Gas Operations Report—due by the 15th day of the second month following the production month.	1010-0040
MMS-4056—Gas Analysis Report—due by the 15th day of the second month following the production month.	1010-0040
MMS-4056—Gas Plant Operations Report—due by the 15th day of the second month following the production month.	1010-0040
MMS-4057—Fractionation Plant Operations Report—due by the 15th day of the second month following the production month.	1010-0040
MMS-4058—Production Allocation Schedule Report—due by the 15th day of the second month following the production month.	1010-0040
MMS-4059—Solid Minerals Operation Report—due by the 15th day of the second month following the production month.	1010-0063
MMS-4060—Solid Minerals Facility Report—due by the 15th day of the second month following the production month.	1010-0063
MMS-4061—API Well Number Change Report—due 10 days prior to submission of Form MMS-4054.	1010-0040

The information is being collected by the Department of the Interior to meet its congressionally mandated accounting and audit responsibilities relating to Federal and Indian mineral royalty management. The information collected will be used to permit accounting and auditing of production information submitted by the reporter for mineral production from Federal and Indian leases and federally approved agreements. The reports are mandatory. Information reporting forms are available from MMS. Requests shall be addressed to: Minerals Management Service, Royalty Management Program, P.O. Box 17110, Denver, Colorado 80217.

3. Section 216.15 is revised to read as follows:

§ 216.15 Reporting instructions.

(a) Specific guidance on how to prepare and submit required information collection reports and forms to MMS is contained in the *Production Accounting and Auditing System (PAAS) Reporter Handbook, and PAAS Onshore Oil and Gas Reporter Handbook*, which are available from: Minerals Management Service, Attention: Reporter Contact

Branch, P.O. Box 17110, Denver, Colorado 80217.

(b) Production reporters should refer to these handbooks for specific guidance with respect to production reporting requirements. If additional information is required, the reporter should contact the MMS Reporter Contact Branch at the above address. The telephone number is listed in the handbooks.

4. Section 216.40(c) is revised to read as follows:

§ 216.40 Assessments for incorrect or late reports and failure to report.

(c) For purposes of oil and gas reporting under the PAAS, a report is defined as each line of production information required on the Monthly Report of Operations (Form MMS-3160), Oil and Gas Operations Report (Form MMS-4054), Gas Analysis Report (Form MMS-4055), Gas Plant Operations Report (Form MMS-4056), Fractionation Plant Operations Report (Form MMS-4057), and Production Allocation Schedule Report (Form MMS-4058).

5. Section 216.50 is added to read as follows:

§ 216.50 Monthly report of operations.

(a) Notwithstanding the provisions of §§ 216.8(e) and 216.20 of this part, an operator will be required to comply with the requirements of this section at the beginning of the production month that is more than 60 days after MMS notifies the operator that it is subject to the requirements of this section. Until this section is applicable, operators shall continue to be subject to the reporting requirements of 43 CFR Part 3160.

(b) A Monthly Report of Operations (Form MMS-3160) must be filed by each operator of each onshore Federal or Indian lease or agreement containing at least one well not permanently plugged and abandoned unless production data is authorized to be reported on Form MMS-4054. This requirement does not apply to reporting of operations of gas storage agreements, which will continue to be reported to the appropriate BLM Office. A completed Form MMS-3160 must be filed for each calendar month, beginning with the month in which drilling operations are initiated, and must be filed on or before the 15th day of the second month following the month being reported until the lease or agreement is terminated, or the last well is approved as permanently plugged or abandoned by BLM, or until monthly submission of the report is authorized by the MMS. The MMS may grant time extensions for filing Form MMS-3160 on

a case-by-case basis upon written request to the Chief, Production Accounting Division, Royalty Management Program, MMS.

(c) Specific and detailed guidance on how to prepare and submit the required production data on the Form MMS-3160 are contained in the MMS PAAS *Onshore Oil and Gas Reporter Handbook*. See § 216.15 of this part.

(d)(1) Operators already reporting onshore lease production data to MMS in accordance with § 216.54 of this part on the effective date of this rule may request to change to the provisions of this section. Any request to change to the requirements of this section must be made by advance written notice to MMS and have MMS approval.

(2) An operator who reports production data to MMS for offshore leases in accordance with § 216.54 of this part may request to report for its onshore leases in accordance with the requirements of that section. Any such request must be made by advance written notice to MMS and have MMS approval.

(e)(1) Except where disclosure is required by law, information submitted on Form MMS-3160 that MMS classifies as confidential will be protected as such by both MMS and BLM for the period of 1 year. Operators must petition MMS for each lease or agreement to obtain a confidential classification and to extend the classification period beyond 1 year.

(2) Except as provided by statute, information submitted on Form MMS-3160 in regard to Federal leases and Indian leases which are part of a unit containing non-Indian leases is not considered to be confidential.

(3) Except where disclosure is required by law, all information submitted on Form MMS-3160 in regard to Indian leases, other than those included in paragraph (e)(2) of this section, will be considered to be confidential.

(4) Except as provided in this subsection, all other information will be released.

TITLE 43—PUBLIC LANDS: INTERIOR

CHAPTER II—BUREAU OF LAND MANAGEMENT, DEPARTMENT OF THE INTERIOR

PART 3160—ONSHORE OIL AND GAS OPERATIONS—GENERAL

1. The authority citation for Part 3160 continues to read as follows:

Authority: The Mineral Lands Leasing Act of 1920, as amended and supplemented (30 U.S.C. 181 et seq.), the Mineral Leasing Act for Acquired Lands, as amended (30 U.S.C. 351-359), the Act of May 21, 1930 (30 U.S.C. 301-306), the Act of March 3, 1909, as

amended (25 U.S.C. 396), the Act of May 11, 1936, as amended (25 U.S.C. 396a-396q), the Act of February 28, 1891, as amended (25 U.S.C. 397), the Act of May 29, 1924 (25 U.S.C. 398), the Act of March 3, 1927 (25 U.S.C. 398a-398e), the Act of June 30, 1919, as amended (25 U.S.C. 399), R.S. § 441 (43 U.S.C. 1427), see also Attorney General's Opinion of April 2, 1941 (40 Op. Atty. Gen. 41), the Federal Property and Administrative Services Act of 1949, as amended (40 U.S.C. 471 et seq.), the National Environmental Policy Act of 1969, as amended (42 U.S.C. 4321 et seq.), the Act of December 12, 1980 (42 U.S.C. 6506), the Combined Hydrocarbon Leasing Act of 1981 (Pub. L. 97-78); the Federal Oil and Gas Royalty Management Act of 1982 (30 U.S.C. 1701 et seq.); and the Indian Mineral Development Act of 1982 (25 U.S.C. 2102).

2. Section 3162.4-3 of Subpart 3162—Requirements for Lessees and Operators, is amended by adding two sentences at the beginning of the introductory text to read as follows:

§ 3162.4-3 Monthly report of operations (Form 3160-6).

The operator shall report production data to BLM in accordance with the requirements of this section until required to begin reporting to MMS pursuant to 30 CFR 216.50. When reporting production data to BLM in accordance with the requirements of this section, the operator shall either use Form BLM 3160-6 or Form MMS-3160. * * *

[FR Doc. 88-10123 Filed 5-6-88; 8:45 am]

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DEPARTMENT OF COMMERCE

Patent and Trademark Office

37 CFR Parts 1 and 2

(Docket No. 80480-8080)

Communications with the Office of the Solicitor

AGENCY: Patent and Trademark Office, Commerce.

ACTION: Final rule; technical amendments.

SUMMARY: On March 24, 1987, final rules regarding the address of certain communications to the Patent and Trademark Office were issued. (52 FR 9394, March 24, 1987.) Also, on March 7, 1985 and August 11, 1986, final rules regarding the court review of decisions by the Patent and Trademark Office Board of Patent Appeals and Interferences and the Trademark Trial and Appeal Board, respectively, were issued. (51 FR 9383, March 7, 1985 and 51 FR 28710, August 11, 1987.)

This notice makes technical corrections to §§ 1.1, 1.302, and 2.145(b) by specifying the address to which correspondence should be sent to the Office of the Solicitor. The change reflects existing practice consistent with rules of court governing service of court papers on the Solicitor. The change also will expedite the processing of other non-court communications with the Office of the Solicitor.

EFFECTIVE DATE: June 9, 1988.

FOR FURTHER INFORMATION CONTACT: John H. Raubitschek by telephone at (703) 557-4035 or by mail marked to his attention and addressed to Box 8, Commissioner of Patents and Trademarks, Washington, DC 20231.

SUPPLEMENTARY INFORMATION: The Patent and Trademark Office (PTO) finds for good cause that because the technical changes made by this rule will have no substantive effect, it is unnecessary to seek prior public comment of this rule under 5 U.S.C. 553. Because a notice of proposed rulemaking and an opportunity for public comment is not required for this technical amendment, this rule is also exempt from the provisions of the Regulatory Flexibility Act requiring a regulatory flexibility analysis. The PTO has determined that this rule is not a major rule within the meaning of section 1(b) of Executive Order 12291. The PTO has also determined that this rule has no federalism implications affecting the relationship between the national government and the States as outlined in Executive Order 12812. This rule does not contain a collection of information for purposes of the Paperwork Reduction Act.

List of Subjects in 37 CFR Parts 1 and 2

Administrative practice and procedure, Courts, Inventions and patents, Trademarks.

For the reasons set forth above, 37 CFR Parts 1 and 2 are amended as follows:

PART 1—RULES OF PRACTICE IN PATENT CASES

1. The authority citation for 37 CFR Part 1 continues to read as follows:

Authority: 35 U.S.C. 6, unless otherwise noted.

§ 1.1 [Amended]

2. Section 1.1 is amended by adding new paragraph (g).

(g) All communications relating to pending litigation which are required by the Federal Rules of Civil or Appellate Procedure or by a rule or order of a