

[4310-MR-W]

DEPARTMENT OF THE INTERIOR

Minerals Management Service

Agency Information Collection Activities: Submitted for
Office of Management and Budget (OMB) Review; Comment
Request

AGENCY: Minerals Management Service (MMS), Interior.

ACTION: Notice of a revision of a currently approved
information collection (OMB Control Number 1010-0074).

SUMMARY: To comply with the Paperwork Reduction Act (PRA)
of 1995, we are submitting to OMB for review and approval an
information collection request (ICR), titled "Coal Washing
and Transportation Allowances" (Forms MMS-4292 and MMS-
4293). We are also soliciting comments from the public on
this ICR.

DATES: Submit written comments on or before [INSERT DATE 30
DAYS AFTER PUBLICATION IN THE **FEDERAL REGISTER**].

ADDRESSES: Submit written comments directly to the Office
of Information and Regulatory Affairs, OMB, Attention: Desk
Officer for the Department of the Interior (OMB Control
Number 1010-0074), 725 17th Street, NW, Washington, D.C.
20503. Also, submit copies of your written comments to
Carol Shelby, Regulatory Specialist, Minerals Management

Service, MS 320B2, P.O. Box 25165, Denver, Colorado 80225. If you use an overnight courier service, MMS's courier address is Building 85, Room A-614, Denver Federal Center, Denver, Colorado 80225. You may also submit your comments at our email address mrm.comments@mms.gov. Include the title of the information collection and the OMB control number in the "Attention" line of your comment. Also include your name and return address. Submit electronic comments as an ASCII file avoiding the use of special characters and any form of encryption. If you do not receive a confirmation that we have received your email, contact Ms. Shelby at (303) 231-3151 or FAX (303) 231-3385.

FOR FURTHER INFORMATION CONTACT: Carol Shelby, Regulatory Specialist, telephone (303) 231-3151, FAX (303) 231-3385, email Carol.Shelby@mms.gov.

SUPPLEMENTARY INFORMATION:

Title: Coal Washing and Transportation Allowances.

OMB Control Number: 1010-0074

Bureau Form Number: Forms MMS-4292 and MMS-4293.

Abstract: The Department of the Interior (DOI) is responsible for matters relevant to mineral resource development on Federal and Indian Lands and the Outer Continental Shelf (OCS). The Secretary of the Interior (Secretary) is responsible for managing the production of

minerals from Federal and Indian lands and the OCS; for collecting royalties from lessees who produce minerals; and for distributing the funds collected in accordance with applicable laws. The Secretary also has an Indian trust responsibility to manage Indian lands and seek advice and information from Indian beneficiaries. MMS performs the royalty management functions for the Secretary.

When a company or an individual enters into a lease to explore, develop, produce, and dispose of coal from Indian lands, that company or individual agrees to pay the Indian tribe or allottee a share (royalty) of the value received from production from the leased lands. Royalty rates are specified in the lease instrument. To determine whether the amount of royalty tendered represents the proper royalty due, it is first necessary to establish the proper value of the coal that is being sold or otherwise disposed of in some other manner, as well as the proper costs associated with allowable deductions.

The lease creates a business relationship between the lessor and the lessee. The lessee is required to report various kinds of information to the lessor relative to the disposition of the leased minerals. Such information is similar to data that is reported to private and public mineral interest owners and are generally available within

the records of the lessee or others involved in developing, transporting, processing, purchasing, or selling of such minerals. The information collected includes data necessary to assure that the royalties that are computed and paid are appropriate.

The product valuation and allowance determination process is essential to assure that Indians receive payment on the proper value of the minerals removed from tribal and allottee land. To determine whether the amount of royalty tendered represents the proper royalty due, it is necessary to establish the proper value of the coal sold, or otherwise disposed of. Of equal importance is the proper determination of costs associated with the allowable deductions from the value of coal.

Under certain circumstances, a lessee may be authorized to deduct certain costs in the calculation of royalties due. An allowance may be granted from royalties to compensate the lessee for the reasonable actual cost of washing the royalty portion of the coal. Also, when the sales point is not in the immediate vicinity of a lease or mine area, an allowance may be granted to compensate the lessee for the reasonable actual cost of transporting the royalty portion of the coal to a sales point not on the lease or mine area. We have developed forms for industry use when reporting or applying

for a coal washing or transportation allowance.

Submission of the information in this collection (Forms MMS-4292 and MMS-4293) is necessary when claiming a coal washing or transportation allowance on an Indian lease. MMS is requesting OMB approval for minor revisions necessary to make Forms MMS-4292 and MMS-4293 compatible with our reengineered financial and compliance systems. Proprietary information that is submitted is protected, and there are no questions of a sensitive nature included in this information collection.

Frequency: Annually.

Estimated Number and Description of Respondents: 1
Indian lessee.

Estimated Annual Reporting and Recordkeeping "Hour"
Burden: 4 hours. In estimating the burden, we assumed that respondents perform certain functions, such as records maintenance, in the normal course of their business activities. These functions are considered usual and customary and therefore are not listed in the following estimate even though records maintenance is an MMS regulatory requirement. The following chart lists the components of the burden estimate.

Citation	Reporting Requirement	Burden Hour per Response	Annual Number of Responses	Annual Burden Hour
§ 206.458 (a)(1), (b)(1), (c)(1)(i) & (iii), (c)(2)(i) & (iii)	<p>Arm's-length contracts. However, before any deduction may be taken, the lessee must submit a completed page one of Form MMS-4292, Coal Washing Allowance Report . . .</p> <p>Non-arm's-length or no contract. However, before any estimated or actual deduction may be taken, the lessee must submit a completed Form MMS-4292 . . .</p> <p>Arm's-length contracts. . . . the lessee shall submit page one of the initial Form MMS-4292 prior to, or at the same time, as the washing allowance determined pursuant to an arm's-length contract is reported on Form MMS-2014, Report of Sales and Royalty Remittance . . . After the initial reporting period and for succeeding reporting periods, lessees must submit page one of Form MMS-4292 . . .</p> <p>Non-arm's-length or no contract. . . . the lessee shall submit an initial Form MMS-4292 prior to, or at the same time as, the washing allowance determined pursuant to a non-arm's-length contract or no contract situation is reported on Form MMS-2014, Report of Sales and Royalty Remittance . . . For calendar-year reporting periods succeeding the initial reporting period, the lessee shall submit a completed Form MMS-4292 containing the actual costs for the previous reporting period. If coal washing is continuing, the lessee shall include on Form MMS-4292 its estimated costs for the next calendar year.</p>	2	1	2
§ 206.461 (a)(1), (b)(1), (c)(1)(i) & (iii), (c)(2)(i) & (iii)	<p>Arm's-length contracts. However, before any deduction may be taken, the lessee must submit a completed page one of Form MMS-4293, Coal Transportation Allowance Report . . .</p> <p>Non-arm's-length or no contract. However, before any estimated or actual deduction may be taken, the lessee must submit a completed Form MMS-4293 . . .</p> <p>Arm's-length contracts. . . . the lessee shall submit page one of the initial Form MMS-4293 prior to, or at the same time as, the transportation allowance determined pursuant to an arm's-length contract is reported on Form MMS-2014, Reports of Sales and Royalty Remittance . . . After the initial reporting period and for succeeding reporting periods, lessees must submit page one of Form MMS-4293 . . .</p> <p>Non-arm's-length or no contract. . . . the lessee shall submit an initial Form MMS-4293 prior to, or at the same time as, the transportation allowance determined pursuant to a non-arm's-length contract or no contract situation is reported on Form MMS-2014, Report of Sales and Royalty Remittance . . . For calendar-year reporting periods succeeding the initial reporting period, the lessee shall submit a completed Form MMS-4293 containing the actual costs for the previous reporting period.</p>	2	1	2
Total		4	2	4

Estimated Annual Reporting and Recordkeeping "Non-hour Cost"

Burden: We have identified no "non-hour cost" burden.

Comments: The PRA (44 U.S.C. 3501, et seq.) provides that an agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless it displays a currently valid OMB control number. Before submitting an ICR to OMB, PRA section 3506(c)(2)(A), requires each agency "* * * to provide notice * * * and otherwise consult with members of the public and affected agencies concerning each proposed collection of information * * *." Agencies must specifically solicit comments to (a) evaluate whether the proposed collection of information is necessary for the agency to perform its duties, including whether the information is useful; (b) evaluate the accuracy of the agency's estimate of the burden of the proposed collection of information; (c) enhance the quality, usefulness, and clarity of the information to be collected; and (d) minimize the burden on the respondents, including the use of automated collection techniques or other forms of information technology.

To comply with public consultation requirements, on November 9, 2000, we published a Federal Register notice (65 FR 67399) announcing that we would submit this ICR to OMB for approval. The notice provided the required 60-day comment period. We did not receive any comments. We have

posted a copy of the ICR at our Internet web site http://www.mrm.mms.gov/Laws_R_D/FRNotices/FRInfColl.htm. We will also provide a copy of the ICR to you without charge upon request.

If you wish to comment in response to this notice, send your comments directly to the offices listed under the **ADDRESSES** section of this notice. OMB has up to 60 days to approve or disapprove the information collection but may respond after 30 days. Therefore, to ensure maximum consideration, OMB should receive your comments by [INSERT DATE 30 DAYS AFTER DATE OF PUBLICATION IN THE **FEDERAL REGISTER**]. The PRA provides that an agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless it displays a currently valid OMB control number.

Public Comment Policy: We will post all comments received in response to this notice on our Internet web site at http://www.mrm.mms.gov/Laws_R_D/InfoColl/InfoColCom.htm for public review. We also make copies of these comments, including names and home addresses of respondents, available for public review during regular business hours at our offices in Lakewood, Colorado.

Individual respondents may request that we withhold their home address from the record, which we will honor to

the extent allowable by law. There may be circumstances in which we would withhold from the record a respondent's identity, as allowable by the law. If you wish us to withhold your name and/or address, you must state this prominently at the beginning of your comments. However, we will not consider anonymous comments. We will make all submissions from organizations or businesses, and from individuals identifying themselves as representatives or officials of organizations or businesses, available for public inspection in their entirety.

MMS Information Collection Clearance Officer: Jo Ann Lauterbach, telephone (202) 208-7744.

Date

Lucy Querques Denett
Associate Director for
Minerals Revenue Management