

(1) Allowing lessees who sell their production to an affiliate the option (for a 2 year period) of basing the royalty value on either a published index price for gas or their affiliate's arm's-length resale price, (2) using NYMEX prices at the Henry Hub rather than published spot prices for natural gas, (3) adjusting natural gas index prices for location differences between the index pricing point and the lease, (4) revising the specific transportation costs that we identified in MMS's 1998 amendment to the gas transportation allowance regulations, (5) determining the rate of return allowed for calculating actual costs under non-arm's-length transportation agreements, (6) allowing lessees to apply natural gas index prices to wellhead gas volumes to eliminate the current requirement of tracing gas that is processed to remove natural gas liquids, and (7) valuing and reporting natural gas disposed of under joint operating agreements.

In addition to the specific issues identified above, we encourage participants to comment on any other significant issues impacting the value of natural gas for royalty purposes.

The workshops will be open to the public without advance registration. Public attendance may be limited to the space available. We encourage a workshop atmosphere; members of the public are encouraged to participate.

For building security measures, each person may be required to present a picture identification to gain entry to the meetings.

Dated: March 31, 2003.

Lucy Querques Denett,

Associate Director for Minerals, Revenue Management.

[FR Doc. 03-8760 Filed 4-8-03; 12:13 pm]

BILLING CODE 4310-MR-P

DEPARTMENT OF THE INTERIOR

Office of Surface Mining Reclamation and Enforcement

30 CFR Part 943

[TX-043-FOR]

Texas Regulatory Program

AGENCY: Office of Surface Mining Reclamation and Enforcement, Interior.

ACTION: Proposed rule; public comment period and opportunity for public hearing on proposed amendment.

SUMMARY: We, the Office of Surface Mining Reclamation and Enforcement (OSM), are announcing receipt of a proposed amendment to the Texas regulatory program (Texas program)

under the Surface Mining Control and Reclamation Act of 1977 (SMCRA or the Act). Texas proposes to add a new rule to its administrative hearing procedures concerning telephonic hearing proceedings. Texas intends to revise its program to improve operational efficiency.

This document gives the times and locations that the Texas program and proposed amendment to that program are available for your inspection, the comment period during which you may submit written comments on the amendment, and the procedures that we will follow for the public hearing, if one is requested.

DATES: We will accept written comments on this amendment until 4 p.m., c.s.t. May 12, 2003. If requested, we will hold a public hearing on the amendment on May 5, 2003. We will accept requests to speak at a hearing until 4 p.m., c.s.t. on April 25, 2003.

ADDRESSES: You should mail or hand deliver written comments and requests to speak at the hearing to Michael C. Wolfrom, Director, Tulsa Field Office, at the address listed below.

You may review copies of the Texas program, this amendment, a listing of any scheduled public hearings, and all written comments received in response to this document at the addresses listed below during normal business hours, Monday through Friday, excluding holidays. You may receive one free copy of the amendment by contacting OSM's Tulsa Field Office.

Michael C. Wolfrom, Director, Tulsa Field Office, Office of Surface Mining Reclamation and Enforcement, 5100 East Skelly Drive, Suite 470, Tulsa, Oklahoma 74135-6547, Telephone: (918) 581-6430, Internet address: mwolfrom@osmre.gov.

Surface Mining and Reclamation Division, Railroad Commission of Texas, 1701 North Congress Avenue, Capitol Station, P.O. Box 12967, Austin, Texas 78711-2967, Telephone (512) 463-6900.

FOR FURTHER INFORMATION CONTACT:

Michael C. Wolfrom, Director, Tulsa Field Office. Telephone: (918) 581-6430. Internet address: mwolfrom@osmre.gov.

SUPPLEMENTARY INFORMATION:

- I. Background on the Texas Program
- II. Description of the Proposed Amendment
- III. Public Comment Procedures
- IV. Procedural Determinations

I. Background on the Texas Program

Section 503(a) of the Act permits a State to assume primacy for the regulation of surface coal mining and

reclamation operations on non-Federal and non-Indian lands within its borders by demonstrating that its program includes, among other things, "a State law which provides for the regulation of surface coal mining and reclamation operations in accordance with the requirements of this Act * * *; and rules and regulations consistent with regulations issued by the Secretary pursuant to this Act." See 30 U.S.C. 1253(a)(1) and (7). On the basis of these criteria, the Secretary of the Interior conditionally approved the Texas program effective February 16, 1980. You can find background information on the Texas program, including the Secretary's findings, the disposition of comments, and the conditions of approval of the Texas program in the February 27, 1980, **Federal Register** (45 FR 12998). You can also find later actions concerning the Texas program and program amendments at 30 CFR 943.10, 943.15 and 943.16.

II. Description of the Proposed Amendment

By letter dated February 12, 2003 (Administrative Record No. TX-654), Texas sent us an amendment to its program under SMCRA (30 U.S.C. 1201 *et seq.*). Texas sent the amendment at its own initiative. Texas is proposing to add Texas Administrative Code (TAC) 1.130 to Title 16, Subchapter G, of the Railroad Commission of Texas' (Commission) General Rules of Practice and Procedure (GRPP). This new rule contains the procedures for conducting all or part of a prehearing conference or hearing by telephone. Below is a summary of the new rule proposed by Texas. The full text of the program amendment is available for you to read at the locations listed above under **ADDRESSES**.

A. Texas' new rule at 16 TAC 1.130 outlines the method to request a telephonic proceeding, how the proceeding will be conducted, the establishment of the record in such proceedings, and the grounds for a default judgment or a dismissal.

1. Section 1.130(a) allows the hearings examiner, on the timely written motion of a party or on the examiner's own motion, to conduct all or part of a prehearing conference or hearing by telephone. All parties must consent to the telephonic proceeding.

2. Section 1.130(b) requires a written request that is filed at the Commission and served on all parties. The request must include the pertinent telephone number(s), the scope of the telephonic portion of the proceeding, and the identity of any witnesses that may testify telephonically. If expert