

The feasibility and cost-effectiveness of MMS providing RIK production direct to other Federal agencies for their consumption is also being investigated in conjunction with the pilots.

MMS, as the responsible steward of Federal mineral revenues, is conducting the pilot programs of oil and gas RIK sales and investigation of direct Federal consumption to show conclusively whether or not RIK is viable for the Federal Government, and, if so, how, when, and where it makes sense to exercise the RIK option.

Offers, Financial Statements, and Surety Instruments for Sales of Royalty Oil and Gas

The collections of information addressed in this ICR are necessary because the Secretary of the Interior is obligated to hold competition when selling to the public to protect actual RIK production before, during, and after any sale, and obtain a fair return on royalty production sold. MMS must fulfill those obligations for the Secretary. The reporting requirements are as follows:

a. The actual offers that potential purchasers will submit when MMS offers production for competitive sales;

b. Offerors' statements of financial qualification; and

c. Surety Instruments, such as a Letter of Credit (LOC), bond, prepayment, or Parent Guaranty.

MMS has also re-evaluated the need for two reporting requirements that were approved by OMB in the last ICR submission and has decided that this information is no longer needed. These reporting requirements are (1) Form MMS-4440, Summary of Receipt and Delivery Volumes, and (2) Report of Gas Analysis. Also, the subject heading "LOC" has been changed to the more generic heading "Surety Instruments" to capture the broader field of financial instruments that may be collected under this ICR, such as Bonds, prepayments, and Parent Guarantees. That is, an LOC is just one of the many types of surety instruments used by MMS that provide a safeguard against non-payment by a respondent under an RIK contract.

MMS is requesting OMB's approval to continue to collect this information. Not collecting this information would limit

the Secretary's ability to discharge his/her duties and may also result in loss of royalty payments. Proprietary information submitted is protected, and there are no questions of a sensitive nature included in this information collection.

We have also changed the title of this ICR from "Bids and Financial Statements for Sale of Royalty Oil and Gas" (RIK Pilots) (Form MMS-4440) to "Royalty-in-Kind Pilot Program—Offers, Financial Statements, and Surety Instruments for Sales of Royalty Oil and Gas" to clarify the regulatory language.

Frequency: On occasion.

Estimated Number and Description of Respondents: 80 oil and gas companies.

Estimated Annual Reporting and Recordkeeping "Hour" Burden: 940 hours.

The following chart details the individual components and estimated hour burdens. In calculating the burdens, we assumed that respondents perform certain requirements in the normal course of their activities. Therefore, we consider these to be usual and customary and took that into account in estimating the burden.

RESPONDENT ANNUAL BURDEN HOUR CHART—ROYALTY-IN-KIND PILOT PROJECTS

Reporting requirements	Burden hours per response	Annual number of responses	Annual burden hours
Offers	1	840	840
Financial Statements	1	20	20
Surety Instruments	4	20	80
Total	880	940

Note: A respondent is counted each time they respond. Unsuccessful offerors will submit only 2 responses.

Estimated Annual Reporting and Recordkeeping "Non-hour Cost"
Burden: We have identified no "non-hour" cost burdens.

Public Disclosure Statement: 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.

Comments: Section 3506(c)(2)(A) of the PRA 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 the public consultation process, we published a notice in the **Federal Register** on April 8, 2003 (68 FR 17075), announcing that we would submit this ICR to OMB for approval. The notice provided the required 60-day comment period. We received no comments in response to the notice.

If you wish to comment in response to this notice, you may send your comments 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 public comments by July 24, 2003.

Public Comment Policy: We will post all comments in response to this notice on our Web site at http://www.mrm.mms.gov/Laws_R_D/InfoColl/InfoColCom.htm. We will also make copies of the comments available for public review, including names and addresses of respondents, during regular business hours at our offices in Lakewood, Colorado. Individual respondents may request that we withhold their home address from the public record, which we will honor to the extent allowable by law. There also may be circumstances in which we would withhold from the rulemaking record a respondent's identity, as allowable by law. If you request that we withhold your name and/or address, state this prominently at the beginning of your comment. However, we will not