

Management Plan (2) include an Environmental Assessment, and (3) guide resource management actions on approximately 1.8 million acres of withdrawn public lands within the Gold-water Range. The Code of Federal Regulations, Title 43, Subpart 1600 will be followed during this process. The public is invited to participate in the process beginning with the identification of issues and planning criteria in March, 1988.

DATE: Comments relating to the identification of issues and planning criteria will be accepted until April 10, 1988.

ADDRESS: Send comments to: Bureau of Land Management, Phoenix District Office, Attn: Bill Childress, 2015 W. Deer Valley Road, Phoenix, Arizona 85027.

FOR INFORMATION CONTACT: Gary Foreman, Team Leader, Lower Gila Resource Area, Telephone 602-863-4464.

SUPPLEMENTARY INFORMATION: The planning area is located in southwestern Arizona and contains 1.8 million acres of public land withdrawn to the Air Force for military use.

Public law 99-606 and military use of the range have placed certain constraints on the planning process and issues that can be included in the process. Uses and issues that cannot occur and will not be addressed in this amendment include livestock grazing, mineral exploration, leasing, and entry; wilderness, and open areas for off-road vehicles. Management concerns that will be addressed include but are not limited to wildlife management, cultural resource management, recreation, ACEC's, and other natural areas.

The amendment will be developed by an interdisciplinary team of resource specialists including a team leader, assistant team leader, realty specialist, wildlife biologist, cultural resource specialist, botanist, recreation specialist, and a soil, water, and air specialist.

There will be two open house public scoping meetings to obtain input on issues and planning criteria for the amendment. These meetings will be held in Gila Bend and Yuma, Arizona at the following times and locations.

March 16, 1988, 4 p.m.-8 p.m., Base theater, Gila Bend Air Force Auxiliary Field, Gila Bend, Arizona.

March 17, 1988, 4 p.m.-8 p.m., Yuma District Office, Bureau of Land Management, 3150 Winsor Avenue, Yuma, Arizona.

Complete records of all phases of the planning process will be available for public review at the Lower Gila

Resource Area Office, 2015 West Deer Valley Road, Phoenix, Arizona.

Henri R. Bisson,
District Manager.

Date: February 16, 1988.

[FR Doc. 88-3997 Filed 2-24-88; 8:45 am]

BILLING CODE 4310-32-M

[CA-940-08-4220-10; Sacramento 054898]

Partial Termination of Proposed Withdrawal and Reservation of Land; California

February 17, 1988.

AGENCY: Bureau of Land Management, Interior.

ACTION: Notice.

SUMMARY: Notice of the Bureau of Reclamation application Sacramento 054898 for the withdrawal and reservation of public land from all forms of appropriation under the public land laws, including the mining laws (30 U.S.C., Ch. 2), was published in the *Federal Register* on January 7, 1959 (24 FR 173), and republished in the *Federal Register* on September 22, 1977 (42 FR 47883). The Bureau of Reclamation has cancelled its application as to the following described land:

Mount Diablo Meridian

T. 36 N., R. 7 W.,

Sec. 18, NE $\frac{1}{4}$ NE $\frac{1}{4}$ NE $\frac{1}{4}$ and N $\frac{1}{4}$ SE $\frac{1}{4}$ N E $\frac{1}{4}$ NE $\frac{1}{4}$.

The area described contains 15 acres in Trinity County.

DATE: At 10 a.m. on March 28, 1988, the lands described above will be relieved of their segregative effect in accordance with the regulations in 43 CFR 2310.2-1(c), and opened to such forms of disposition as may by law be made of National Forest System lands, including location and entry under the United States mining laws.

FOR FURTHER INFORMATION CONTACT: Viola Andrade, BLM California State Office, E-2841 Federal Office Building, 2800 Cottage Way, Sacramento, California 95825, (916) 978-4815.

Nancy J. Alex,
Chief, Lands Section, Branch of Adjudication and Records.

[FR Doc. 88-4056 Filed 2-24-88; 8:45 am]

BILLING CODE 4310-40-M

Minerals Management Service

Development Operations Coordination Document; Exxon Co., USA

AGENCY: Minerals Management Service, Interior.

ACTION: Notice of the receipt of a proposed Development Operations Coordination Document (DOCD).

SUMMARY: Notice is hereby given that Exxon Company, U.S.A. has submitted a DOCD describing the activities it proposes to conduct on Lease OCS-G 1092, Block 93, West Delta Area, offshore Louisiana. Proposed plans for the above area provide for the development and production of hydrocarbons with support activities to be conducted from an existing onshore base located at Grand Isle, Louisiana.

DATE: The subject DOCD was deemed submitted on February 17, 1988.

ADDRESS: A copy of the subject DOCD is available for public review at the Public Information Office, Gulf of Mexico OCS Region, Minerals Management Service, 1201 Elmwood Park Boulevard, Room 114, New Orleans, Louisiana (Office Hours: 8 a.m. to 4:30 p.m., Monday through Friday).

FOR FURTHER INFORMATION CONTACT: Michael J. Tolbert; Minerals Management Service, Gulf of Mexico OCS Region, Operations, Plans, Platform and Pipeline Section, Exploration/Development Plans Unit; Telephone (504) 736-2867.

SUPPLEMENTARY INFORMATION: The purpose of this Notice is to inform the public, pursuant to section 25 of the OCS Lands Act Amendments of 1978, that the Minerals Management Service is considering approval of the DOCD and that it is available for public review.

Revised rules governing practices and procedures under which the Minerals Management Service makes information contained in DOCDs available to affected States, executives of affected local governments, and other interested parties became effective December 13, 1979 (44 FR 53685). Those practices and procedures are set out in revised § 250.34 of Title 30 of the CFR.

Dated: February 18, 1988.

J. Rogers Pearcy,

Regional Director, Gulf of Mexico OCS Region.

[FR Doc. 88-4057 Filed 2-24-88; 8:45 am]

BILLING CODE 4310-MR-M

Lessees Numbered 5 Gas Royalty Act of 1987

AGENCY: Minerals Management Service (MMS), Interior.

ACTION: Notice of enactment.

SUMMARY: The Notice to Lessees Numbered 5 Gas Royalty Act of 1987 (the Act) applies to the valuation of

natural gas production from onshore Federal and Indian oil and gas leases during the period January 1, 1982, through July 31, 1986, which was, prior to the Act, required to be valued under Sections I.A.2., II.A.2., and VI of "Notice to Lessees and Operators of Federal and Indian Onshore Oil and Gas Leases No. 5" (NTL-5).

The purpose of this notice is to provide information to lessees and royalty payors about the provisions of the Act, the procedures MMS will use to value natural gas under the Act during the period January 1, 1982, through July 31, 1986, and the procedures MMS will use to process refunds under the Act.

DATE: All requests for refunds under the Act should be submitted by December 31, 1988, to the office identified below.

ADDRESS: All requests for refunds should be submitted in writing with supporting documentation to: Chief, Royalty Compliance Division, Royalty Management Program, Minerals Management Service, P.O. Box 25165, MS 655, Denver, Colorado 80225.

FOR FURTHER INFORMATION CONTACT: Dennis C. Whitcomb, Chief, Rules and Procedures Branch, (303) 231-3432, (FTS) 326-3432; Kenneth Moyers, Chief, Royalty Compliance Division, (303) 236-1100, (FTS) 776-1100; or John Price, Chief, Oil and Gas Valuation Branch, (303) 231-3392, (FTS) 326-3392.

SUPPLEMENTARY INFORMATION:

I. Background

Effective June 1, 1977, the Department of the Interior (Department) established the method of calculating royalties due on natural gas production from onshore Federal and Indian oil and gas leases by issuance of Notice to Lessees and Operators No. 5 (NTL-5), 42 FR 22610, May 4, 1977. Under certain provisions of NTL-5, the base value, for royalty purposes, was the higher of the price received under the gas sales contract or the highest applicable ceiling rate then established by the Federal Power Commission. With the passage of the Natural Gas Policy Act of 1978 (NGPA), the ceiling rate was subsequently interpreted to be the maximum lawful price established under the NGPA. The provisions of NTL-5 were suspended from application to natural gas produced from the Jicarilla Apache Indian Reservation in New Mexico, by Federal Register Notice issued August 9, 1977 (42 FR 40263).

Between 1982 and 1986, gas prices in many areas declined below the maximum lawful prices established under NGPA because of gas oversupply and changing market conditions. Effective August 1, 1986, the

Department modified those sections of NTL-5 referencing the NGPA maximum lawful price. The modification permitted natural gas production on and after August 1, 1986, to be valued using the full range of authority under the existing royalty valuation regulations at Title 30 of the *Code of Federal Regulations*, Part 206 (30 CFR Part 206) rather than under the more restrictive provisions of NTL-5.

In January 1987 the Department proposed to modify NTL-5 retroactively for the period January 1, 1982, to July 31, 1986 (52 FR 1671, January 15, 1987). In response to controversy over the proposed retroactive modification, Congress passed the "Notice to Lessees Numbered 5 Gas Royalty Act of 1987." The bill was signed by the President of the United States on January 6, 1988, and became Pub. L. 100-234. The Act applies to natural gas production from onshore Federal and Indian oil and gas leases during the period from January 1, 1982, through July 31, 1986, which was required to be valued under Sections I.A.2., II.A.2., and VI of NTL-5.

II. Major Provisions of the Act

Major provisions of the Act include the following:

(a) Valuation

The Act specifies that the value, for royalty purposes, of natural gas production from onshore Federal and Indian oil and gas leases during the period January 1, 1982, through July 31, 1986, which would be subject to Sections I.A.2., II.A.2., or VI of NTL-5 during that period, will be the reasonable value determined consistent with the lease terms and the regulations codified at 30 CFR Part 206 (and 25 CFR Parts 211 and 212 for Indian leases) in effect at the time of production, rather than under the original provisions of NTL-5. For Indian leases, valuation must be consistent with the Secretary's trust responsibility.

(b) Written Documentation

In order to make a royalty value determination under the Act, the lessee or royalty payor must provide written documentation that:

- (1) The Secretary determines be adequate;
- (2) Existed at or near the time of sale;
- (3) Shows the actual price received;
- (4) Includes, but is not limited to, gas sales contracts, purchase statements, receipts, Minerals Management Service (MMS) oil and gas records, or other written documentation.

(c) Exception

The provisions of the act do not apply to any gas for which the lessee or

royalty payor received less than the NGPA ceiling price due to a failure by the lessee or payor to pursue collection of the amount required under an enforceable contract. This exception is not meant to preclude contract modification such as the exercise of market-out provisions or those required by market conditions.

(d) Case-by-Case Audit of Federal and Indian Onshore Leases

The MMS is required to inform lessees and royalty payors of the provisions of the Act and to describe the procedures to collect underpayments or issue refunds. Notice is to be by publication in the *Federal Register* and by direct notice to all royalty payors of record. Any lessee or royalty payor entitled to a refund must provide written notice specifying the leases involved. The MMS, or States with delegated authority and Tribes with cooperative agreements, must audit the leases for which lessees have requested a refund. Audits of other leases will also be performed in accordance with other laws for the purpose of collecting underpayments or issuing refunds. When conducting these audits, the MMS will determine the amount of royalties due under this Act and other applicable law, and, where applicable, the amount of any refund due a lessee. The Secretary must demand payment of any underpayment discovered as a result of audit.

(e) MMS Notice

For any audit performed relative to this notice, MMS must issue a statement to the lessee containing:

- (1) A statement of the amount of royalty paid under the provisions of NTL-5.
- (2) A statement of additional royalties owed, or amount of refund due, and procedures by which any refund due will be provided.

(f) Report to Tribes

For Indian Tribal leases reviewed by MMS, a report must be provided to each Tribe and must state the difference between royalties computed in accordance with NTL-5 and royalties computed in accordance with the Act.

(g) Refunds of Royalties Previously Paid

Because of the changes to royalty valuation provided for in the Act, some lessees may be entitled to a refund of royalties paid at the previously required NGPA ceiling price.

The MMS cannot recoup any portion of a refund from the Indian lessor. Any refund due on Indian leases will be

paid by MMS from monies received under section 35 of the Minerals Lands Leasing Act of 1920, as amended, that would otherwise be deposited to miscellaneous receipts in the Treasury.

Any portion of a refund attributable to that share of the royalties previously distributed to a State will be recouped from future payments to that State. However, if the State's share of the refund exceeds 10 percent of the State's monthly disbursement, MMS shall recoup amounts in excess of the 10 percent from the disbursements to the State for the next month, subject to the same limitation.

Authority also is provided for refund of the Federal share of any overpaid royalties.

(h) Recordkeeping

Lessees and royalty payors are required to maintain records relating to production for the period January 1, 1982, to July 31, 1988, until notice is given that the records are no longer required.

(i) Savings Provision

Nothing in the Act affects the rights of any Indian lessor or any Indian or Federal lessee to bring any action in a court of competent jurisdiction.

III. Royalty Valuation Under the Act

The MMS will determine the royalty value under the terms of the Act on a case-by-case basis.

(a) Federal Leases

The Act provides generally that gas production from Federal leases will be valued in accordance with the lease terms (to the extent the lease may have a specific royalty value clause) and MMS regulations which were codified during the relevant period at 30 CFR Part 206.

The Act, which basically follows 30 CFR 206.103, provides as follows:

In establishing the reasonable value, due consideration shall be given to the highest price paid for a part or for a majority of production of like quality in the same field, to the price received by the lessee, to posted prices, and to other relevant matters. Under no circumstances shall the value of production of any of said substances for the purposes of computing royalty be deemed to be less than the gross proceeds accruing to the lessee from the sale thereof or less than the value computed on such reasonable unit value as shall have been determined by the Secretary. In the absence of good reason to the contrary, value computed on the basis of the highest price per thousand cubic feet or gallon paid or offered at the time of production in a fair and open market for the major portion of like-quality gas, or other products produced and sold from the field or

areas where the leased lands are situated will be considered to be a reasonable value.

MMS will implement the Act's provisions in accordance with the following guidelines:

(1) For gas production which is sold pursuant to an arm's-length contract, the sponsors of the Act in the Senate recognized that MMS should, in most cases, accept as royalty value prices which were dictated by the market and which may be lower than the highest price paid for a major portion of production. See—*Cong. Rec.* S18631 (daily ed. Dec. 21, 1987—remarks of Senators Melcher, Johnston, and McClure). Thus, an arm's-length contract price will be considered "good reason to the contrary" and the gross proceeds accruing to the lessee under its arm's-length contract will generally be accepted as value for royalty purposes.

(2) For natural gas sold pursuant to non-arm's-length contracts, the value for royalty purposes will be the highest price paid for a major portion of like-quality production from the same field or area (major portions analysis). If a major portion analysis cannot be performed, the value for royalty purposes will be determined by the gross proceeds accruing under comparable arm's-length contracts in the same field or area.

The value of production for calculating royalty shall never be less than the gross proceeds accruing to the lessee, or less than the value required by lease terms and regulations, including, where applicable, consideration of dual accounting. Royalty value will be determined considering any MMS-approved transportation and processing allowance.

(b) Indian Leases

The Act provides that in valuing gas production from Indian leases, the MMS must consider the same provisions described above for Federal leases, and must also consider the lease terms, the regulations codified during the relevant period at 25 CFR 211.13 and 212.16, and the Secretary's trust responsibility. Most Indian leases, and the regulations in 25 CFR, place added emphasis on a major portion analysis for determining royalty values.

For Indian leases, MMS will implement the Act's provisions in accordance with the following guidelines:

(1) For gas production sold pursuant to both arm's-length and non-arm's-length contracts, value for royalty purposes will be determined by a major portion analysis. If a major portion analysis cannot be performed, value for

royalty purposes will generally be determined as follows:

(i) For gas sold pursuant to an arm's-length contract, value will be determined by the gross proceeds accruing to the lessee under its contract provided that the gross proceeds are equivalent to the gross proceeds accruing under other comparable arm's-length contracts in the same field or area.

(ii) For gas sold pursuant to arm's-length contracts where the lessee's gross proceeds are less than other comparable arm's-length contracts, and for gas sold pursuant to a non-arm's-length contract, value will be determined by the gross proceeds accruing under comparable arm's-length contracts in the same field or area.

(2) The value of production for calculating royalty will never be less than the gross proceeds accruing to the lessee or royalty payor. Royalty value will be determined considering MMS-approved transportation allowances.

(3) Most Indian leases require dual accounting for wet gas production. Where dual accounting is required to determine the value for royalty purposes, royalty will be based on the higher of:

(i) The value of the wet gas produced from the lease, adjusted for its Btu value.

(ii) The combined value of 100 percent of the residue gas and 100 percent of the extracted products, reduced by a processing allowance (not to exceed two-thirds of the value of each of the products) plus the value of any condensate recovered downstream of the royalty measurement point without resort to a manufacturing process.

IV. Refund Procedures

If a lessee paid royalty in accordance with the NGPA ceiling price provisions of NTL-5 during the relevant period, it may be entitled to a refund. Each applicant for a refund must submit a schedule for each production month, by lease and well, showing the royalty paid under NTL-5 (including adjustments and corrections) and the calculation of the royalty based on the royalty valuation guidelines specified above. As a minimum, the schedule should provide the following:

- (a) The lease/AID number.
- (b) The NGPA category of the gas.
- (c) The location (defined by Section, Township, and Range) of the field or area.
- (d) The gas volumes and pressure base.
- (e) The Btu value for the reported pressure base.

(f) The date the contract was marketed out and supporting documentation.

(g) The royalty rate for the lease(s).

(h) The calculation of the royalty paid under NTL-5 showing the NGPA base price for the reported pressure base, the Btu value adjustment factor, and any other pertinent data.

(i) The calculation of the royalty due under the Act showing the adjusted royalty value, the Btu value adjustment factor, and any other pertinent data.

(j) The net royalty overpayment.

The MMS will authorize a refund only if royalty valuation as calculated under the Act is also in compliance with Federal and Indian lease requirements and regulations, such as dual accounting.

The MMS must approve all refund requests resulting from this notice. After the refund request has been approved, instructions for obtaining a refund will be provided to the lessee or royalty payor.

All requests for refunds should be submitted by December 31, 1988, to the office identified in the ADDRESS section of this Notice.

V. Pending NTL-5 Appeals

All lessees or royalty payors that have appeals pending before the MMS Director or the Interior Board of Land Appeals concerning valuation issues under NTL-5 sections I.A.2, II.A.2, and VI, are also required to submit the information specified in Section IV of this notice. After receipt and review of submitted information, the lessee or royalty payor will be notified by MMS for each case whether the bonds can be released or reduced, whether additional royalties still may be due or whether refunds are due.

Date: February 22, 1988.

David W. Crow,

Deputy Director, Minerals Management Service.

[FR Doc. 88-4043 Filed 2-24-88; 8:45 am]

BILLING CODE 4310-MN-M

INTERNATIONAL TRADE COMMISSION

Certain Minoxidil Powder, Salts and Compositions for Use in Hair Treatment; Decision Not To Review Initial Determination Finding Six Respondents in Default

[Investigation No. 337-TA-267]

AGENCY: U.S. International Trade Commission.

ACTION: Nonreview of an initial determination finding six respondents in

default pursuant to Commission rule 210.25 (19 CFR 210.25).

SUMMARY: Notice is hereby given that the U.S. International Trade Commission has determined not to review an initial determination (ID) of the presiding administrative law judge (ALJ) finding six respondents in default pursuant to Commission rule 210.25.

FOR FURTHER INFORMATION CONTACT: Wayne W. Herrington, Esq., Office of the General Counsel, U.S. International Trade Commission, 500 E Street SW., Washington, DC 20436, telephone 202-252-1092.

SUPPLEMENTARY INFORMATION: On December 4, 1987, the presiding ALJ ordered respondents Bernhoff Laboratories, Inc., Famos Group, Hauptmann Institute, Societa Italiana Chimici, and Topchem S.r.L. to show cause why they should not be found in default. On December 10, 1987, the ALJ issued a similar order to respondent Kemyos Bio Medical Research S.r.L. No responses were received. Consequently, the ALJ issued the subject ID (Order No. 45) finding these respondents in default under Commission rule 210.25. No petitions for review or government agency comments were received.

This action is taken under the authority of section 337 of the Tariff Act of 1930 (19 U.S.C. 1337) and 19 CFR 210.53(h).

Copies of the ID and all other nonconfidential documents filed in connection with this investigation are available for inspection during official business hours (8:45 a.m. to 5:15 p.m.) in the Office of the Secretary, U.S. International Trade Commission, 500 E Street SW., Washington, DC 20436, telephone 202-252-1000.

Hearing-impaired individuals are advised that information on this matter can be obtained by contacting the Commission's TDD terminal on 202-252-1810.

By order of the Commission.

Kenneth R. Mason,
Secretary.

Issued: February 19, 1988.

[FR Doc. 88-4012 Filed 2-24-88; 8:45 am]

BILLING CODE 7030-02-M

INTERSTATE COMMERCE COMMISSION

Motor Carrier Finance Applications To Consolidate, Merge or Acquire Control Under 49 U.S.C. 11343-11344

The following Applications seek approval to consolidate, purchase, merge, lease operating rights and

properties, or acquire control of motor carriers pursuant to 49 U.S.C. 11343 or 11344. Also, applications directly related to these motor finance applications (such as conversions, gateway eliminations, and securities issuances) may be involved.

The applications are governed by 49 CFR 1182.1.

Persons wishing to oppose an application must follow the rules under 49 CFR 1182.2. If the protest includes a request for oral hearing, the request shall meet the requirements of 49 CFR 1182.3 and shall include the required certification. Failure reasonable to oppose will be construed as a waiver of opposition and participation in the proceeding.

In the absence of legally sufficient protests as to the finance application or to any application directly related thereto filed within 45 days of publication (or, if the application later becomes unopposed), appropriate authority will be issued to each applicant (unless the application involves impediments) upon compliance with certain requirements which will be set forth in a notification of effectiveness of this decision-notice.

Applicant(s) must comply with all conditions set forth in the grant or grants of authority within the time period specified in the notice of effectiveness of this decision-notice, or the application of a non-complying applicant shall stand denied.

Findings

The findings for these applications are set forth at 49 CFR 1182.6 MC-F-18963, filed January 6, 1988. Steven E. Weinstein (Weinstein) (359 Whitehall St., Atlanta, GA 30303)—Control—Air Travel Transportation, Inc. (Air Travel) (359 Whitehall St., Atlanta, GA 30303). Representative: Christopher J. McFadden, Bruce E. Mitchell, P.C., Fifth Floor, 3390 Peachtree Rd., Atlanta, GA 30326. Weinstein (a non-carrier individual) seeks authority to acquire control of Air Travel (MC-166420), a motor common carrier of passengers, through the purchase of 65 percent of Air Travel's common stock. Weinstein present holds a 56.6 percent interest in Sun Belt (MC-170971), a motor common carrier of passengers.

Decided: February 17, 1988.

By the Commission, Motor Carrier Board, Members Gagnon, Guyton and Barry Noreta R. McGee,

Secretary.

[FR Doc. 88-3986 Filed 2-24-88; 8:45 am]

BILLING CODE 7030-01-M