

PAPERWORK REDUCTION ACT SUBMISSION

Please read the instructions before completing this form. For additional forms or assistance in completing this form, contact your agency's Paperwork Clearance Officer. Send two copies of this form, the collection instrument to be reviewed, the Supporting Statement, and any additional documentation to: **Office of Information and Regulatory Affairs, Office of Management and Budget, Docket Library, Room 10102, 725 17th Street NW Washington, DC 20503.**

<p>1. Agency/Subagency originating request</p> <p>Department of the Interior Minerals Management Service</p>	<p>2. OMB control number</p> <p>a. <u>1 0 1 0 - 0 1 0 7</u></p> <p>b. <input type="checkbox"/> None</p>
<p>3. Type of information collection (<i>check one</i>)</p> <p>a. <input type="checkbox"/> New collection</p> <p>b. <input checked="" type="checkbox"/> Revision of a currently approved collection</p> <p>c. <input type="checkbox"/> Extension of a currently approved collection</p> <p>d. <input type="checkbox"/> Reinstatement, without change, of a previously approved collection for which approval has expired</p> <p>e. <input type="checkbox"/> Reinstatement, with change, of a previously approved collection for which approval has expired</p> <p>f. <input type="checkbox"/> Existing collection in use without an OMB control number</p> <p><i>For b-f, note item A2 of Supporting Statement instructions</i></p>	<p>4. Type of review requested (<i>check one</i>)</p> <p>a. <input checked="" type="checkbox"/> Regular</p> <p>b. <input type="checkbox"/> Emergency - Approval requested by: ___/___/</p> <p>c. <input type="checkbox"/> Delegated</p> <p>5. Small entities Will this information collection have a significant economic impact on a substantial number of small entities? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p> <p>6. Requested expiration date</p> <p>a. <input checked="" type="checkbox"/> Three years from approval date</p> <p>b. <input type="checkbox"/> Other Specify:</p>
<p>7. Title</p> <p>30 CFR 218, Subpart A—General Provisions, § 218.42 Cross-lease netting in calculation of late-payment interest; Subpart B—Oil and Gas, General, §§ 218.52 How does a lessee designate a Designee? (Form MMS-4425, Designation Form for Royalty Payment Responsibility) and 218.53 Recoupment of overpayments on Indian mineral leases; and Subpart E—Solid Minerals—General, § 218.203 Recoupment of overpayments on Indian mineral leases.</p>	
<p>8. Agency form number(s) (<i>if applicable</i>)</p> <p>Form MMS-4425</p>	
<p>9. Keywords</p> <p>designees, lessees, royalty payments, operating rights, lease record title, RSFA, FOGRMA, recoupment, overpayment, tribal leases</p>	
<p>10. Abstract</p> <p>This ICR covers unique and diverse reporting circumstances including designation of a designee, cross-lease netting in calculation of late-payment interest, and tribal permission for recoupment on Indian leases. When a payor makes royalty payments on behalf of a Federal lessee, the Federal Oil and Gas Royalty Simplification and Fairness Act of 1996 requires that the lessee designate the payor as its designee and notify MMS of this arrangement in writing. Current regulations allow cross-lease netting, which provides that an overpayment on a lease may be offset against an underpayment on a different lease to determine the net payment subject to interest, when certain conditions are met. MMS regulations require a payor to submit written tribal permission to recoup overpayments against a different tribal lease.</p>	
<p>11. Affected public (<i>Mark primary with "P" and all others that apply with "X"</i>)</p> <p>a. <input type="checkbox"/> Individuals or households</p> <p>b. <input checked="" type="checkbox"/> Business or other for-profit</p> <p>c. <input type="checkbox"/> Not-for-profit institutions</p> <p>d. <input type="checkbox"/> Farms</p> <p>e. <input checked="" type="checkbox"/> Federal Government</p> <p>f. <input type="checkbox"/> State, Local or Tribal Government</p>	<p>12. Obligation to respond (<i>Mark primary with "P" and all others that apply with "X"</i>)</p> <p>a. <input checked="" type="checkbox"/> Voluntary</p> <p>b. <input checked="" type="checkbox"/> Required to obtain or retain benefits</p> <p>c. <input checked="" type="checkbox"/> Mandatory</p>
<p>13. Annual reporting and recordkeeping hour burden</p> <p>a. Number of respondents <u>1,613</u></p> <p>b. Total annual responses <u>1,613</u></p> <p>1. Percentage of these responses collected electronically <u>5%</u></p> <p>c. Total annual hours requested <u>1,220</u></p> <p>d. Current OMB inventory <u>1,207</u></p> <p>e. Difference <u>13</u></p> <p>f. Explanation of difference</p> <p>1. Program change <u>15</u></p> <p>2. Adjustment <u><2></u></p>	<p>14. Annual reporting and recordkeeping cost burden (<i>in thousands of dollars</i>)</p> <p>a. Total annualized capital/startup costs <u>0</u></p> <p>b. Total annual costs (O&M) <u>0</u></p> <p>c. Total annualized cost requested <u>0</u></p> <p>d. Current OMB inventory <u>0</u></p> <p>e. Difference <u>0</u></p> <p>f. Explanation of difference</p> <p>1. Program change</p> <p>2. Adjustment</p>
<p>15. Purpose of information collection (<i>Mark primary with "P" and all others that apply with "X"</i>)</p> <p>a. <input checked="" type="checkbox"/> Application for benefits</p> <p>b. <input type="checkbox"/> Program evaluation</p> <p>c. <input type="checkbox"/> General purpose statistics</p> <p>d. <input checked="" type="checkbox"/> Audit</p> <p>e. <input type="checkbox"/> Program planning or management</p> <p>f. <input type="checkbox"/> Research</p> <p>g. <input checked="" type="checkbox"/> Regulatory or compliance</p>	<p>16. Frequency of recordkeeping or reporting (<i>check all that apply</i>)</p> <p>a. <input type="checkbox"/> Recordkeeping</p> <p>b. <input type="checkbox"/> Third party disclosure</p> <p>c. <input checked="" type="checkbox"/> Reporting</p> <p>1. <input checked="" type="checkbox"/> On occasion</p> <p>2. <input type="checkbox"/> Weekly</p> <p>3. <input type="checkbox"/> Monthly</p> <p>4. <input type="checkbox"/> Quarterly</p> <p>5. <input type="checkbox"/> Semi-annually</p> <p>6. <input type="checkbox"/> Annually</p> <p>7. <input type="checkbox"/> Biennially</p> <p>8. <input type="checkbox"/> Other (describe)</p>
<p>17. Statistical methods</p> <p>Does this information collection employ statistical methods?</p> <p><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p>	<p>18. Agency contact (<i>person who can best answer questions regarding the content of this submission</i>)</p> <p>Name: <u>Sharron L. Gebhardt</u></p> <p>Phone: <u>(303) 231-3211</u></p>

19. Certification for Paperwork Reduction Act Submissions

On behalf of this Federal agency, I certify that the collection of information encompassed by this request complies with 5 CFR 1320.9.

Note: The text of 5 CFR 1320.9, and the related provisions of 5 CFR 1320.8(b)(3), appear at the end of the instructions. *The certification is to be made with reference to those regulatory provisions as set forth in the instructions.*

The following is a summary of the topics, regarding the proposed collection of information, that the certification covers:

- (a) It is necessary for the proper performance of agency functions;
- (b) It avoids unnecessary duplication;
- (c) It reduces burden on small entities;
- (d) It uses plain, coherent, and unambiguous terminology that is understandable to respondents;
- (e) Its implementation will be consistent and compatible with current reporting and recordkeeping practices;
- (f) It indicates the retention period for recordkeeping requirements;
- (g) It informs respondents of the information called for under 5 CFR 1320.8(b)(3);
 - (i) Why the information is being collected;
 - (ii) Use of information;
 - (iii) Burden estimate;
 - (iv) Nature of response (voluntary, required for a benefit, or mandatory);
 - (v) Nature and extent of confidentiality; and
 - (vi) Need to display currently valid OMB control number;
- (h) It was developed by an office that has planned and allocated resources for the efficient and effective management and use of the information to be collected (see note in Item 19 of the instructions);
- (i) It uses effective and efficient statistical survey methodology; and
- (j) It makes appropriate use of information technology.

If you are unable to certify compliance with any of these provisions, identify the item below and explain the reason in Item 18 of the Supporting Statement.

MMS ICCO

OMB Control No.: 1010-0107

Signature of Senior Official or designee

Date

H. Theodore Heintz