



## DEPARTMENT OF THE INTERIOR

### Office of Natural Resources Revenue

[Docket No. ONRR-2011-0009; DS63644000 DRT000000.CH7000 212D1113RT;

OMB Control Number 1012-0008]

**Agency Information Collection Activities; Collection of Monies Due to the Federal Government; and Processing Refund Requests Related to Overpayments Made to ONRR**

**AGENCY:** Office of Natural Resources Revenue, Interior.

**ACTION:** Notice of Information Collection; request for comment.

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**SUMMARY:** In accordance with the Paperwork Reduction Act of 1995, the Office of Natural Resources Revenue (ONRR) is proposing to renew an information collection with revisions. Through this Information Collection Request (ICR), ONRR seeks authority to collect information related to the paperwork requirements covering cross-lease netting in the calculation of late-payment interest; a lessee's designation of designee for payment obligations; tribal permission for recoupment on Indian oil and gas leases; and refund requests for overpayments made to ONRR.

**DATES:** Interested persons are invited to submit comments on or before [INSERT DATE 30 DAYS AFTER DATE OF PUBLICATION IN THE FEDERAL REGISTER].

**ADDRESSES:** Written comments and recommendations for the proposed information collection should be sent within 30 days of publication of this notice to [www.reginfo.gov/public/do/PRAMain](http://www.reginfo.gov/public/do/PRAMain). You may find this particular information collection by selecting "Currently under 30-day Review - Open for Public Comments" or by using the search function. Please provide a copy of your comments to Mr. Luis

Aguilar, Regulatory Specialist, by email to [Luis.Aguilar@onrr.gov](mailto:Luis.Aguilar@onrr.gov). Please reference OMB Control Number 1012-0008 in the subject line of your comments.

**FOR FURTHER INFORMATION CONTACT:** To request additional information about this ICR, contact Mr. Christopher Davis, Financial Management, ONRR by email at [Christopher.Davis@onrr.gov](mailto:Christopher.Davis@onrr.gov) or by telephone at (303) 231-3977. To inquire about form ONRR-4425, please contact Ms. April Lockler, Reference & Reporting Management, ONRR by email at [April.Lockler@onrr.gov](mailto:April.Lockler@onrr.gov) or by telephone at (303) 231-3105. To inquire about refund requests, please contact Jennifer Dougherty, Revenue, Reporting, and Compliance Management, ONRR by email at [Jennifer.Dougherty@onrr.gov](mailto:Jennifer.Dougherty@onrr.gov) or by telephone at (303) 231-3563.

**SUPPLEMENTARY INFORMATION:** In accordance with the Paperwork Reduction Act of 1995 (PRA, 44 U.S.C. § 3501 *et seq.*) and 5 CFR § 1320.8(d)(1), all information collections require approval under the PRA. ONRR may not conduct or sponsor and you are not required to respond to a collection of information unless it displays a currently valid OMB control number.

As part of its continuing effort to reduce paperwork and respondent burdens, ONRR is inviting the public and other Federal agencies to comment on new, proposed, revised, and continuing collections of information. This helps ONRR to assess the impact of its information collection requirements and minimize the public's reporting burden. It also helps the public understand ONRR's information collection requirements and provide the requested data in the desired format.

ONRR is especially interested in public comments addressing the following:

- (1) Whether or not the collection of information is necessary for the proper performance of the functions of the agency, including whether or not the information will have practical utility;
- (2) The accuracy of ONRR's estimate of the burden for this collection of information,

including the validity of the methodology and assumptions used;

(3) Ways to enhance the quality, utility, and clarity of the information to be collected;  
and

(4) How might the agency minimize the burden of the collection of information on those who are to respond, including through the use of appropriate automated, electronic, mechanical, or other technological collection techniques or other forms of information technology (for example, permitting electronic submission of response).

ONRR published a notice, with a 60-day public comment period soliciting comments on this collection of information, in the *Federal Register* on October 15, 2020 (85 FR 65395). ONRR received the following six comments from companies regarding the published 60-day *Federal Register* notice:

*Public Commenter 1* - “We have read the content of the 60-day notice and agree to its content with no further comments.”

*Public Commenter 2* - “I have read the ICR 1012-0008 and agree to the time needed, as cited below, to provide the appropriate information to ONRR in order to process applicable refunds.”

*Public Commenter 3* - “I/We have read the content of the 60-day notice and agree to its content with no further comments.”

*Public Commenter 4* - “We have read over these documents and agree with their contents with no further comments.”

*Public Commenter 5* - “Cross-lease netting and recoupment between tribal leases are infrequent, but I believe ONRR’s burden hour estimates are appropriate.”

*Public Commenter 6* - “We have read the content of the 60-day notice and agree to its content with no further comments.”

Comments that you submit in response to this 30-day notice are a matter of public record. ONRR will include or summarize each comment in its request to OMB to

approve this ICR. Before including your address, phone number, email address, or other personal identifying information in your comment, you should be aware that your entire comment—including your personal identifying information—may be made publicly available at any time. While you can ask ONRR in your comment to withhold your personal identifying information from public review, ONRR cannot guarantee that it will be able to do so.

***Abstract:*** The Secretary of the United States Department of the Interior is responsible for mineral resource development on Federal and Indian lands and the Outer Continental Shelf (OCS). Under various laws, the Secretary's responsibilities include maintaining a comprehensive inspection, collection, and fiscal and production accounting and auditing system that provides the capability to: (1) accurately determine mineral royalties, interest, and other payments owed, (2) collect and account for such amounts in a timely manner, and (3) disburse the funds collected. ONRR performs these mineral revenue management functions for the Secretary.

Laws pertaining to mineral leases on Federal and Indian lands are posted at [http://www.onrr.gov/Laws\\_R\\_D/PubLaws/default.htm](http://www.onrr.gov/Laws_R_D/PubLaws/default.htm).

(a) *General Information:* ONRR collects, audits, and disburses royalties, interest, and other payments owed by lessees on minerals produced from Federal and Indian lands. If a lessee overpays the amount due on minerals produced from Federal lands, it may request a refund from ONRR. If a lessee overpays the amount due on minerals produced from tribal lands, it may, with the tribe's permission, recoup the overpayment against other royalties or other revenues owed in that month under other leases for which that tribe is the lessor. If a lessee fails to pay or underpays an amount it owes on Federal or Indian mineral production, it generally must pay interest on the underpayment from the date the payment was due. For royalties and other amounts owed on oil and gas produced from Federal lands, the Federal Oil and Gas Royalty Management Act (FOGRMA, 30 U.S.C. §

1701 *et seq.*) permits a lessee to designate a designee for its payment obligations.

(b) *Information Collections:* This ICR covers certain information required pursuant to FOGRMA and 30 CFR § 1218 for (1) cross-lease netting in the calculation of late-payment interest; (2) a lessee's designation of designee for payment obligations; (3) tribal permission for recoupment on Indian oil and gas leases; and (4) refund requests for overpayments made to ONRR.

(1) *Cross-Lease Netting in the Calculation of Late-Payment Interest:* Pursuant to 30 CFR § 1218.42(b), if certain conditions are met, “[r]oyalties attributed to production from a lease or leases which should have been attributed to production from a different lease or leases may be offset to determine whether and to what extent an underpayment exists on which interest is due . . . .” ONRR calls this process cross-lease netting. To determine whether a lessee is entitled to cross-lease netting, ONRR must collect lease, production, payor, recipient, and other information specified in 30 CFR § 1218.42(b). This information is necessary for ONRR to calculate the correct interest amount.

(2) *Designation of Designee for Payment Obligations:* FOGRMA allows a lessee to notify the Secretary in writing of its designation of “a person to make all or part of the payments due under a lease on the lessee's behalf . . . in which event said designated person may, in its own name, pay, offset or credit monies, make adjustments, request and receive refunds and submit reports with respect to payments required by the lessee.” *See* 30 U.S.C. § 1712(a). ONRR created form ONRR-4425, Designation Form for Royalty Payment Responsibility, for lessees to notify it of such designation. ONRR requires the information required in this form to ensure proper mineral revenue collection.

(3) *Tribal Permission for Recoupment on Indian Oil and Gas Leases:* Pursuant to 30 CFR § 1218.53(b), a payor may, with written permission authorized by tribal statute or resolution, recoup an overpayment against royalties or other revenues owed under other

leases for which that tribe is the lessor. *See* 30 CFR § 1218.53(b). The payor must provide ONRR with a copy of the tribe's written permission. *Id.*

(4) *Processing Refund Requests*: FORGMA authorizes a Federal oil and gas lessee to request a refund for an overpayment in certain situations. *See* 30 U.S.C. § 1721a(b). The lessee must supply information to support its refund request. *Id.* ONRR collects banking information from the refund recipient in order to disburse the overpaid amount to the correct account.

*Title*: Collection of Monies Due to the Federal Government; and Processing Refund Requests Related to Overpayments Made to ONRR.

*OMB Control Number*: 1012-0008.

*Bureau Form Number*: Form ONRR-4425.

*Type of Review*: Revision of a currently approved collection.

*Respondents/Affected Public*: Federal and Indian lessees.

*Total Estimated Number of Annual Respondents*: 170.

*Total Estimated Number of Annual Responses*: 170.

*Total Estimated Number of Annual Burden Hours*: 93 hours.

*Respondent's Obligation*: Mandatory.

*Frequency of Collection*: On occasion.

*Total Estimated Annual Non-hour Burden Cost*: ONRR did not identify any "non-hour cost" burden associated with this collection of information.

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.

The authority for this action is the PRA.

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Kimbra G. Davis  
*Director for Office of Natural Resources Revenue*

