



## DEPARTMENT OF THE INTERIOR

### Office of Natural Resources Revenue

[Docket No. ONRR-2011-0009; DS63644000 DRT000000.CH7000 234D1113RT;

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 (“ONRR”), Interior.

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

**SUMMARY:** In accordance with the Paperwork Reduction Act of 1995 (“PRA”), ONRR is proposing to revise an information collection. Through this Information Collection Request (“ICR”), ONRR seeks to revise this collection and receive renewed authority to collect information necessary to cover 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:** All comment submissions must (1) reference “OMB Control Number 1012-0008” in the subject line; (2) be sent to ONRR before the close of the comment period listed under **DATES**; and (3) be sent using the following method:

Electronically via the Federal eRulemaking Portal: Please visit

<https://www.regulations.gov>. In the Search Box, enter the Docket ID Number for this ICR renewal (“ONRR-2011-0009”) and click “search” to view the publications associated

with the docket folder. Locate the document with an open comment period and click the “Comment Now!” button. Follow the prompts to submit your comment prior to the close of the comment period.

*Docket:* To access the docket folder to view the ICR Federal Register publications, go to <https://www.regulations.gov> and search “ONRR-2011-0009” to view renewal notices recently published in the *Federal Register*, publications associated with prior renewals, and applicable public comments received for this ICR. ONRR will make the comments submitted in response to this notice available for public viewing at <https://www.regulations.gov>.

*OMB ICR Data:* OMB also maintains information on ICR renewals and approvals. You may access this information at <https://www.reginfo.gov/public/do/PRASearch>. Please use the following instructions: Under the “OMB Control Number” heading enter “1012-0008” and click the “Search” button located at the bottom of the page. To view the ICR renewal or OMB approval status, click on the latest entry (based on the most recent date). On the “View ICR—OIRA Conclusion” page, check the box next to “All” to display all available ICR information provided by OMB.

**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 Aaron Lindquist, Data Solutioning and Technical Support, ONRR by email at [Aaron.Lindquist@onrr.gov](mailto:Aaron.Lindquist@onrr.gov) or by telephone at (303) 231-3020. To inquire about refund requests, please contact Thomas Anthony, Revenue, Reporting, and Compliance Management, ONRR by email at [Thomas.Anthony@onrr.gov](mailto:Thomas.Anthony@onrr.gov) or by telephone at (303) 231-3708.

Individuals in the United States who are deaf, deafblind, hard of hearing, or have a speech disability may dial 711 (TTY, TDD, or TeleBraille) to access telecommunications

relay services. Individuals outside the United States should use the relay services offered within their country to make international calls to the point-of-contact in the United States.

**SUPPLEMENTARY INFORMATION:** Pursuant to the PRA, 44 U.S.C. 3501, *et seq.*, and 5 CFR 1320.5, all information collections, as defined in 5 CFR 1320.3, require approval by OMB. 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 ONRR's 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 in accordance with the PRA and 5 CFR 1320.8(d)(1). 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 the collection of information is necessary for the proper performance of the functions of the agency, including whether 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, e.g., 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 December 1, 2023 (88 FR 83962).

ONRR reached out to members of industry soliciting comments for our information collection request renewal and received seven comments. Six members of industry provided comments agreeing with the content of this information collection, while one member of industry disagreed with the burden hour estimate. ONRR provided responses to each commenter accordingly.

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: (a) General Information:* The Federal Oil and Gas Royalty Management Act of 1982 (“FOGRMA”) directs the Secretary of the Interior (“Secretary”) to “establish a comprehensive inspection, collection and fiscal and production accounting and auditing system to provide the capability to accurately determine oil and gas royalties, interest, fines, penalties, fees, deposits, and other payments owed, and to collect and account for such amounts in a timely manner.” 30 U.S.C. 1711. ONRR performs these and other mineral revenue management responsibilities for the Secretary. See U.S. Department of the Interior Departmental Manual, 112 DM 34.1 (Dec. 9, 2020). This ICR covers the burden hours associated with performing these responsibilities.

*(b) Information Collections:* This ICR concerns the following information.

(1) *Cross-Lease Netting in Calculation of Late-Payment Interest*: In calculating late-payment interest, ONRR allows a lessee to offset an overpayment made on a lease against an underpayment made on another lease if certain conditions are met. See 30 CFR 1218.42(a). ONRR refers to this offset as “cross-lease netting.” If a lessee asserts that interest is not owed due to cross-lease netting, it must provide information to ONRR showing that the conditions are met.

(2) *Designation of Designee for Federal Oil and Gas Leases*: 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 specifies the information that a lessee must provide to designate a designee in 30 CFR 1218.52(a). A lessee must use form ONRR-4425, *Designation Form for Payment Responsibility*, to provide that information.

As discussed below, ONRR is modifying the form ONRR-4425 as part of this ICR renewal to be more consistent with FOGRMA and to better capture the information that a lessee is required to provide under 30 CFR 1218.52. The modifications do not expand the information collected or change the burden hours necessary to complete the form.

ONRR is modifying the title of the form from “*Designation Form for Royalty Payment Responsibility*” to “*Designation Form for Payment Responsibility*” because the form may be used for certain payment types other than royalty payments. See 30 U.S.C. 1712(a) and 30 CFR 1218.52(a)(3).

The current form ONRR-4425 has fields for specifying effective and termination dates for the designation. However, FOGRMA provides that a notice of designation, modification of designation, or termination of designation is effective upon receipt by the Secretary. See 30 U.S.C. 1702 (definition of “designee”). ONRR therefore is removing

the fields for a lessee to specify effective and termination dates and adding an instruction stating that a designation, modification of designation, or termination of designation is effective upon receipt by ONRR. ONRR is also adding a “filing type” field for the lessee to specify whether the form is being filed as an initial designation, a modification of a designation, or a termination of a designation.

The current form ONRR-4425 contains fields for a lessee to provide both the ONRR lease number and the leasing agency (Bureau of Land Management or Bureau of Safety and Environmental Enforcement) lease number for the designation. ONRR is modifying the form to require only the leasing agency number since ONRR’s data systems can convert the leasing agency number to the ONRR lease number.

Section 1218.52(a)(6) requires the lessee to provide the name, address, and phone number of the individual to contact for the designee. However, the current form ONRR-4425 does not have a field for the lessee to supply this information. ONRR therefore is adding a field to the form for the lessee to provide this contact information if the designee is a company.

Though the current form ONRR-4425 contains fields for a lessee to specify whether it is the lessee of record or operating rights owner, it does not contain a place to provide its percentage of operating rights ownership in the lease, as required by § 1218.52(a)(4). ONRR therefore is modifying the form ONRR 4425 to include a field for a lessee to provide its percentage of operating rights ownership.

Section 1218.52(a)(10) requires a lessee to provide a copy of the written designation with the form ONRR-4425, reflecting the designee’s acceptance of the designation. ONRR is modifying the form ONRR-4425 to remind the lessee of this requirement. ONRR also is modifying the form ONRR-4425 instructions to specify that a lessee may use this written designation to (i) add additional leases to the designation, (ii) specify product types for the designation, and (iii) specify its operating rights percentages in

different areas covered by the lease if its operating rights ownership is not uniform throughout the lease. Finally, ONRR is removing any requirement to provide fax information.

*(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 for the same production month 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 that 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). FOGRMA requires the lessee to supply information to support its refund request. *Id.* Additionally, ONRR collects banking information from the refund recipient in order to disburse the overpaid amount to the correct account if a refund is warranted.

*Title:* Collection of Monies Due 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:* We have identified no “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.

**Howard Cantor,**

*Director, Office of Natural Resources Revenue.*

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