

Specific Comments on Costs and Benefits

The results of the FAA's analysis of the economic effects of this rulemaking were summarized in the NPRM at 61 FR 39015. The NPRM states that over a four-year period there is a reallocation of expected costs of claims of \$20,000 from the U.S. commercial space launch industry (benefits) to the United States (costs). This reallocation is a consequence of the Federal Government's payment under the statute of third-party claims in excess of required insurance, up to \$1.5 billion exposure for liability.

Because this proposed rule would have long-lasting consequences on commercial launch activities, the agency is reiterating its need for specific comments on costs and benefits, with sufficient detail to determine the economic burdens associated with this proposed rulemaking. Commenters are encouraged to provide information on additional costs that would be imposed on the commercial launch industry, including launch services providers, their customers, and the contractors and subcontractors of both, as a result of the NPRM. This additional economic information would help the agency to quantify costs and benefits associated with this rulemaking and to weight alternatives. For example, the additional cost of obtaining liability insurance coverage for claims of Government personnel should be readily ascertainable and may be offered in support of a commenter's view on the appropriate allocation of that risk.

Views are also requested on alternative means of achieving the same level of compliance (i.e., benefits), but at a lower cost. To be useful to the agency, any usable cost or benefits information must identify (1) all relevant assumptions, and (2) sources of information whenever possible.

Additional Comment Period

Because the comment period on notice 96-8 has closed, it cannot be extended, but must be reopened. To allow industry additional time for a more thorough review of applicable issues and drafting of responsive comments, the FAA finds that it is in the public interest to reopen the comment period. Accordingly, the comment period is reopened through August 4, 1997. Late-filed comments will be considered to the extent practicable; however, no further extensions of the comment period are contemplated.

Issued in Washington, DC, on June 20, 1997.

Patricia G. Smith,

Acting Associate Administrator for Commercial Space Transportation, Federal Aviation Administration.

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DEPARTMENT OF THE INTERIOR

Minerals Management Service

30 CFR Part 206

RIN 1010-AC09

Establishing Oil Value for Royalty Due on Federal Leases, and on Sale of Federal Royalty Oil

AGENCY: Minerals Management Service, Interior.

ACTION: Supplementary proposed rule.

SUMMARY: The Minerals Management Service (MMS), Royalty Management Program (RMP) is proposing changes to its recently-issued proposed rule regarding valuation of crude oil produced from Federal leases. MMS also is reopening the comment period to receive comments on the originally proposed rule and these additional changes. These revisions would modify the eligibility requirements for oil valuation for arm's-length transactions and the procedures for collecting oil exchange information. MMS also is amending the list of aggregation points to include additional locations inadvertently left out of the earlier proposal.

DATES: Comments must be submitted on or before August 4, 1997.

ADDRESSES: Mail written comments, suggestions, or objections regarding the proposed rule to: Minerals Management Service, Royalty Management Program, Rules and Publications Staff, P.O. Box 25165, MS 3021, Denver, Colorado 80225-0165; courier address is Building 85, Denver Federal Center, Denver, Colorado 80225; or e:Mail David_Guzy@mms.gov. MMS will publish a separate notice in the **Federal Register** indicating dates and locations of public meetings regarding this proposed rulemaking.

FOR FURTHER INFORMATION CONTACT:

David S. Guzy, Chief, Rules and Publications Staff, telephone (303) 231-3432, FAX (303) 231-3385, e:Mail David_Guzy@mms.gov, Minerals Management Service, Royalty Management Program, Rules and Publications Staff, P.O. Box 25165, MS 3021, Denver, Colorado 80225-0165.

SUPPLEMENTARY INFORMATION: The principal authors of this supplementary proposed rule are Deborah Gibbs Tschudy of RMP and Peter Schauberg of the Office of the Solicitor.

I. Background

MMS published a notice of proposed rulemaking on January 24, 1997 (62 FR 3741), to amend its current Federal crude oil valuation regulations in 30 CFR Part 206. The initial comment period expired March 25, 1997, and was twice extended to April 28, 1997 (62 FR 7189), and to May 28, 1997 (62 FR 19966). Comments received to date are available for public inspection at the RMP offices in Lakewood, Colorado or on the Internet at <http://www.rmp.mms.gov>. MMS also will place any additional comments received on this rule on the Internet. Call David Guzy at (303) 231-3432 for further information.

By this notice, MMS is reopening the comment period until August 4, 1997.

II. Public Comments

As part of the public comment process, MMS held public meetings in Lakewood, Colorado on April 15, 1997, and Houston, Texas on April 17, 1997, to hear comments on the proposal.

MMS has received many comments on the proposed rule. There have been issues raised to date that MMS recognizes require changes to the proposed rule because they result in unintentional exceptions to use of gross proceeds for calculating royalty value by small producers.

MMS heard a number of comments from attendees at the public meetings about provisions in the proposal that would require small producers to pay based on index pricing instead of gross proceeds if they: (1) Made small-volume purchases of oil for lease operations or other purposes (see § 206.102(a)(6) of the proposed rule), or (2) had crude oil call provisions that were never exercised (see § 206.102(a)(5) of the proposed rule).

MMS also received comments about proposed new Form MMS-4415, the Oil Location Differential Report. These comments included complaints about the amount of information required, some of which the commenters believed that MMS does not need.

MMS met with representatives of the Independent Petroleum Association of America (IPAA), the Independent Petroleum Association of Mountain States (IPAMS), and the State of Louisiana on May 13-14, 1997. At that meeting, IPAA and IPAMS presented their comments on the January 24, 1997,

proposal, including the issues discussed above.

The IPAA submitted its written comments to MMS on May 15, 1997. In these comments, IPAA recommended that MMS allow companies that purchase oil and companies whose production is subject to crude oil calls to use gross proceeds under arm's-length contracts to determine value. IPAA also recommended that MMS revise its benchmarks for valuing production not sold under arm's-length contracts.

III. Revisions to Proposed Rule

After hearing these comments, MMS is amending the proposed rule to address significant concerns raised early in the public comment process and is reopening the comment period to receive additional comments on those minor changes to the proposed rule.

MMS's intent in proposed § 206.102(a)(4) was to exclude oil subject to crude oil calls from gross proceeds valuation because factors other than the real value of the oil may be affecting the price. However, excluding all oil "subject" to crude oil calls was too broad. MMS recognizes that in cases where crude oil calls are not exercised and the production is sold under an arm's-length contract, it may be unnecessary to use index prices to determine value. The arm's-length gross proceeds in such a circumstance may generally reflect the value of production. Also, if the production disposed of when a crude oil call is exercised is valued based upon the price that other parties are willing to competitively bid to purchase the production (the so-called Most Favored Nation clause), then the oil should not be subject to index pricing provisions under § 206.102(c).

Therefore, MMS is proposing to amend § 206.102(a)(4) to limit the exclusion from gross proceeds valuation to situations involving only non-competitive crude oil calls. That is, MMS is proposing that in a situation where there is a purchase sale agreement or farm out in which the purchaser of the property agrees to be subject to a non-competitive call by the seller of the property instead of paying full market value for the property, then the production would be valued under § 206.102(c). Also, a corresponding definition of "non-competitive crude oil call" is added to the proposed rule.

MMS does have some concerns about whether this proposal to allow valuation based on gross proceeds in a competitive call circumstance may result in undervaluation situations. For instance, we have concerns about a

lessee's ability to know, and MMS's ability to obtain timely the pricing information needed to monitor adequately, whether the prices lessees are receiving are the highest prices under the Most Favored Nations clause and whether such prices are subject to discounts below true market prices and index values because of exchanges and other complex marketing arrangements. MMS would like specific comments on these concerns. MMS also would like comments to address the situation where the holder of the call may transfer the right to take the production to a third party and whether that might affect the gross proceeds paid to the lessee.

MMS is also proposing a further change to § 206.102(a)(4) to exclude one other category of arm's-length transactions from gross proceeds valuation. There are situations where two parties transact purchases and sales of oil that would appear to be arm's-length. However, the prices in the transactions are below market for the field or area. Neither party cares because they agree to sell roughly equivalent volumes to one another, either in the same field or another field, so any discount is enjoyed equally by the two parties. The royalty owners lose in this case because of the below-market valuation in the purportedly arm's-length sales. In these "overall balance" situations, MMS would require you to value the production based on index value under § 206.102(c)(2) instead of your gross proceeds. This situation would also be covered under § 206.102(a)(2), but MMS believes it would be preferable to address this situation directly in § 206.102(a)(4).

MMS also recognizes that the requirement in the proposed rule that purchasers of small amounts of oil must value oil using index prices is potentially too restrictive. It was not MMS's intent to require producers to pay royalties based on index prices if they purchase oil to make up for production shortfalls (meaning production insufficient to meet confirmed nominations or warranted volumes), or if they must purchase crude oil to operate their lease. MMS therefore is proposing to delete § 206.102(a)(6) as proposed in January.

MMS believes that the new proposed paragraph (a)(4) is sufficient to address the concerns that the original paragraph (a)(6) proposed in January intended to address. However, MMS has concerns about whether it can effectively enforce that provision prior to audit, therefore, MMS specifically requests comments on whether we should require lessees who value their production using gross

proceeds received under an arm's-length contract to certify that they are not maintaining an "overall balance" with their purchaser. MMS also requests comments on whether we should amend § 206.102(a)(6) as proposed in January to specify purchase levels below which a lessee would not be required to value their production using index value.

MMS is proposing a new paragraph (a)(6) to address oil production you dispose of under certain exchange agreements. Under this proposed new paragraph, if you dispose of your oil under an exchange agreement with a person who is not affiliated with you, and if after the exchange you sell the acquired oil under an arm's-length contract, you may use either § 206.102(a) or (c)(2) to value your production. This means you would have a choice to value your production based on either gross proceeds or index value. If you elect to use gross proceeds, you would use the gross proceeds from your arm's-length sale of the oil after the exchange, adjusted for any location or quality differences paid or received under the arm's-length exchange agreement.

For example, assume that Company X produces 100 barrels of oil from a Federal lease and enters into an exchange agreement with Company Y (who is not affiliated with Company X). Under the exchange agreement, Company Y is providing an equal volume of higher gravity oil, so Company X is paying a 25-cent-per-barrel quality differential. After the exchange, Company X sells the oil arm's-length to Company Z for \$20 per barrel. Company X could use either § 206.102(c)(2) and value its lease production based on index value, or use its gross proceeds received under the arm's-length contract with Company Z adjusted for quality and location, in this example \$19.75.

If you transfer your Federal lease production to an affiliate, and that affiliate enters into an arm's-length exchange agreement, (a)(6)(i) would not apply. Nor would it apply if the oil you receive back in an exchange agreement is transferred to an affiliate before it is sold. In both of these cases, the transfer to an affiliate before or after the exchange is considered a non-arm's-length sale that would be valued under § 206.102(c)(2). Further, you may use (a)(6)(i) only if there is a single exchange before you sell the oil arm's-length. You must use index value under § 206.102(c)(2) if you enter into a second (or third, etc.) exchange for the oil you received back from your exchange partner in the first exchange.

Proposed § 206.102(a)(6)(iii) explains that if you use gross proceeds under § 206.102(a) to value production subject to paragraph (a)(6)(i), you must make that election for all oil production disposed of under all other arm's-length exchange agreements that are subject to paragraph (a)(6)(i).

MMS also is amending § 206.102(a)(1) to clarify that the exceptions to valuing oil sold under arm's-length contracts based on gross proceeds are transaction or contract specific. That is, if you have one arm's-length contract that is subject to a non-competitive crude oil call, then that does not necessarily mean that all of your Federal production must be valued under § 206.102(c).

MMS also heard comments concerning the filing of Form MMS-4415. Comments asked for clarification on who must file the form and what information is required. MMS developed this form to gather information on the relative value of crude oil involved in exchange agreements and to determine appropriate location and quality differentials between the aggregation points and the market centers. To calculate specific differentials, MMS would take the volume-weighted average of the individual differentials derived from information payors report on Form MMS-4415. MMS will collect only information about exchanges where delivery occurs at an aggregation point and a market center. MMS seeks comments on the usefulness of collecting information about exchanges between two aggregation points. Lessees would not be required to report information from exchanges where oil is exchanged at the lease.

During the public hearings, MMS also received comments on whether MMS should collect information about exchanges between aggregation points and market centers from other than Federal lease production. Obviously, if only Federal production is commingled at a particular aggregation point, MMS would only need information regarding Federal lease production. MMS seeks comment on how lessees would allocate to Federal leases differentials from aggregation points to market centers when non-Federal production is commingled with Federal production at aggregation points.

The January 24, 1997, proposal for valuing Federal crude oil contained a list of aggregation points in Appendix H. That listing was incomplete. This supplementary proposed rule revises Appendix H to include more aggregation points.

MMS specifically requests comments on the revised paragraphs addressed in this notice. MMS also requests comments on alternatives for valuing production not sold under arm's-length contracts—§ 206.102(c). Specifically, MMS requests comments on alternatives based on lease market indicators that are readily available contemporaneously. You also may comment further on any other provision in the January 24 proposed rule. If you already submitted written comments on other portions of the rule, you do not need to resubmit those comments.

List of Subjects in 30 CFR Part 206

Coal, Continental shelf, Geothermal energy, Government contracts, Indians-lands, Mineral royalties, Natural gas, Petroleum, Public lands-mineral resources, Reporting and recordkeeping requirements.

Dated June 26, 1997.

Bob Armstrong,

Assistant Secretary for Land and Minerals Management.

For the reasons set forth in the preamble, the proposed rule published at 62 FR 3741, on January 24, 1997, amending 30 CFR Part 206, is further amended as follows:

PART 206—PRODUCT VALUATION

1. The Authority citation for Part 206 continues to read as follows:

Authority: 5 U.S.C. 301 *et seq.*; 25 U.S.C. 396 *et seq.*; 396a *et seq.*, 2101 *et seq.*; 30 U.S.C. 181 *et seq.*; 351 *et seq.*; 1001 *et seq.*; 1701 *et seq.*; 31 U.S.C. 9701.; 43 U.S.C. 1301 *et seq.*; 1331 *et seq.*; and 1801 *et seq.*

Subpart C—Federal Oil

2. Section 206.101 as proposed to be revised at 62 FR 3751 is further amended by adding the following definition to read as follows:

§ 206.101 Definitions.

Non-competitive crude oil call means a purchase sale agreement or farm out in which the buyer of the property agrees to be subject to a call on their production that does not contain a Most Favored Nations clause or a similar clause in which the price is based on what other parties are willing to competitively bid to purchase the production.

3. Section 206.102 as proposed to be revised at 62 FR 3752 is further amended by revising paragraphs (a)(1), (a)(4), and (a)(6) to read as follows:

§ 206.102 How do I calculate royalty value for oil?

* * * * *

(a) * * *

(1) Paragraphs (a)(2) through (a)(6) of this section contain exceptions to the valuation rule in paragraph (a) of this section. Apply these exceptions on an individual contract basis.

* * * * *

(4) You must use paragraph (c)(2) of this section to value oil disposed of under:

(i) An exchange agreement, except as provided in paragraph (a)(6) of this section;

(ii) An arm's-length contract between a buyer and seller in which the contract price does not represent market value in the field or area because an overall balance between volumes bought and sold is maintained between that buyer and seller; or

(iii) The exercise of a non-competitive crude oil call. If you dispose of your oil under a competitive crude oil call, value your oil under § 206.102(a).

* * * * *

(6) (i) If you dispose of your oil under an exchange agreement with a person who is not affiliated with you, and if after the exchange you sell the acquired oil under an arm's-length contract, you may use either § 206.102(a) or § 206.102(c)(2) to value your production for royalty purposes. If you use § 206.102(a), your gross proceeds are the gross proceeds under your arm's-length contract after the exchange occurs, adjusted for any location or quality differential or other adjustments you received or paid under the arm's-length exchange agreement.

(ii) You must use § 206.102(c)(2) to value your production if you transfer your oil to an affiliate before the exchange occurs. You also must use § 206.102(c)(2) to value your oil if you transfer the oil you receive in the exchange to an affiliate or if you enter into a second exchange for the oil you received back under your first exchange.

(iii) If you value production under § 206.102(a)(6)(i), you must make the same election for all of your production disposed of under arm's-length exchange agreements that are subject to § 206.102(a)(6)(i).

* * * * *

Note: The following appendix will not appear in the Code of Federal Regulations.

Appendix H to Preamble of Oil Valuation Rule

State	Station location	County/offshore location
AL	Marion Corp. Connection	Mobile.
AL	Mobile	Mobile.
AL	Saraland Terminal	Mobile.
AL	Ten Mile Point Terminal	Mobile.
CA	Coalinga	Fresno.
CA	Belridge	Kern.
CA	Fellows	Kern.
CA	Kelley	Kern.
CA	Leutholtz Jct	Kern.
CA	Pentland	Kern.
CA	Midway	Kern.
CA	Station 36-Kern River	Kern.
CA	Newhall	Los Angeles.
CA	Sunset	Los Angeles.
CA	Cadiz	San Bernadino.
CA	Avila	San Luis Obispo.
CA	Gaviota Terminal	Santa Barbara.
CA	Lompoc	Santa Barbara.
CA	Sisquoc Jct	Santa Barbara.
CA	Filmore	Ventura.
CA	Rincon	Ventura.
CA	Ventura	Ventura.
CA	Junction	(County Unknown).
CA	Lake	(County Unknown).
CA	Rio Bravo	(County Unknown).
CA	Santa Paula	(County Unknown).
CA	Signa	(County Unknown).
CA	Stewart	(County Unknown).
CO	Denver	Adams.
CO	Cheyenne Wells Station	Cheyenne.
CO	Iles	(County Unknown).
CO	Sterling	Logan.
CO	Fruita	Mesa.
CO	Rangley	Rio Blanca.
KS	Humbolt-Williams P.L	Allen.
KS	Augusta	Butler.
KS	Eldorado	Butler.
KS	Harper's Ranch	Clark.
KS	Arkansas City	Cowley.
KS	McPherson Sta	McPherson.
KS	Caney	Montgomery.
KS	Laton Sta	Osborne.
KS	Herndon Station	Rawlings.
KS	Rawlings Sta	Rice.
KS	Lyons Station	Sedgwick.
KS	Valley Center	Thomas.
KS	Bemis St	(County Unknown).
KS	Broome St	(County Unknown).
KS	Towlanda	(County Unknown).
LA	Brown Sta	Caddo.
LA	Clifton Ridge	Calcasieu.
LA	Conoco Jct	Calcasieu .
LA	Lake Charles	Calcasieu
LA	Pecan Grove	Calcasieu.
LA	Rose Bluff	Calcasieu.
LA	Texaco Jct	Calcasieu.
LA	Grand Chenier Term	Cameron.
LA	Hainesville Sta	Claiborne.
LA	Maryland	East Baton Rouge.
LA	Bayou Fifi	Jefferson.
LA	Grand Isle	Jefferson.
LA	Bay Marchand Term	Lafourche.
LA	Bayou Fourchon	Lafourche.
LA	Clovelly	Lafourche.
LA	Clovelly Storage Dome	Lafourche.
LA	Elmers Jct	Lafourche.
LA	Fourchon Terminal	Lafourche.
LA	Golden Meadow	Lafourche.
LA	Larose Barge Terminal	Lafourche.
LA	Pass Fourchon P.L.	Lafourche.
LA	Blk. 28 Tie-in	Offshore East Cameron.
LA	Blk. 23	Offshore Eugene Island.

State	Station location	County/offshore location
LA	Blk. 51 B Platform	Offshore Eugene Island.
LA	Blk. 188 A Structure	Offshore Eugene Island.
LA	Blk. 259	Offshore Eugene Island.
LA	Blk. 316	Offshore Eugene Island.
LA	Blk. 337 Subsea Tie-in	Offshore Eugene Island.
LA	Blk. 361	Offshore Eugene Island.
LA	Texas P.L. Subsea Tie-in	Offshore Eugene Island.
LA	Blk. 17	Offshore Grand Isle.
LA	Blk. 42—Chevron P.L.	Offshore Main Pass.
LA	Blk. 42L	Offshore Main Pass.
LA	Blk. 69 B Plat.	Offshore Main Pass.
LA	Blk. 77 (Pompano P.L. Jct.)	Offshore Main Pass.
LA	Blk. 144 Structure A	Offshore Main Pass.
LA	Blk. 298 Plat. A	Offshore Main Pass.
LA	Blk. 299 Platform	Offshore Main Pass.
LA	Blk. 28	Offshore Ship Shoal.
LA	Blk. 154	Offshore Ship Shoal.
LA	Blk. 169	Offshore Ship Shoal.
LA	Blk. 203 Subsea Tie-in	Offshore Ship Shoal.
LA	Blk. 208	Offshore Ship Shoal.
LA	Blk. 208 B Structure	Offshore Ship Shoal.
LA	Blk. 208 F	Offshore Ship Shoal.
LA	Ship Shoal Area	Offshore Ship Shoal.
LA	Blk. 6	Offshore South Marsh Island.
LA	Blk. 10—Structure A	Offshore South Marsh Island.
LA	Blk. 58A	Offshore South Marsh Island.
LA	Blk. 139	Offshore South Marsh Island.
LA	Blk. 139 Subsea Tap Valve Connect	Offshore South Marsh Island.
LA	Blk. 207—Light House Point A	Offshore South Marsh Island.
LA	Blk. 268—Platform A	Offshore South Marsh Island.
LA	Blk. 55	Offshore—South Pass.
LA	Blk. 13 (Wesco P.L. Subsea Tie-in)	Offshore—South Pelto.
LA	Blk. 35 Platform D	Offshore—S. Timbalier.
LA	Blk. 52 Plat. A	Offshore—S. Timbalier.
LA	Blk. 172 Plat. D	Offshore—S. Timbalier.
LA	Blk. 196 Exxon P.L. System Tie-in	Offshore—S. Timbalier.
LA	Blk. 300	Offshore—S. Timbalier.
LA	Blk. 255	Offshore Vermilion.
LA	Blk. 265 Platform A	Offshore Vermilion.
LA	Blk. 350	Offshore Vermilion.
LA	Blk. 30	Offshore—West Delta.
LA	Blk. 53	Offshore—West Delta.
LA	Blk. 53 Plat. B	Offshore—West Delta.
LA	Blk. 53B—Chevron P.L.	Offshore—West Delta.
LA	Blk. 53B Plat. Gulf Refining Co	Offshore—West Delta.
LA	Blk. 83	Offshore—West Delta.
LA	Alliance Refinery	Plaquemines.
LA	Empire Terminal	Plaquemines.
LA	Main Pass	Plaquemines.
LA	Main Pass Blk. 69	Plaquemines.
LA	Ostrica Term	Plaquemines.
LA	Pelican Island	Plaquemines.
LA	Pilottown	Plaquemines.
LA	Romere Pass	Plaquemines.
LA	South Pass Blk. 60A	Plaquemines.
LA	South Pass Blk. 27	Plaquemines.
LA	Onshore facil	Plaquemines.
LA	South Pass Blk. 24	Plaquemines.
LA	South Pass Blk. 24 Onshore Plat	Plaquemines.
LA	Southwest Pass Sta	Plaquemines.
LA	West Delta Blk. 53	Plaquemines.
LA	West Delta Rec'vg Sta.—Onshore	Plaquemines.
LA	Dehli	Richland.
LA	Chalmette	St. Bernard.
LA	Norco (Shell Refinery)	St. Charles.
LA	St. James	St. James.
LA	Bayou Sale	St. Mary.
LA	Burns Term	St. Mary.
LA	Charenton	St. Mary.
LA	South Bend	St. Mary.
LA	Caillou Island	Terrebonne.
LA	Caillou Island Fld	Terrebonne.
LA	Gibson Term	Terrebonne.
LA	Erath	Vermilion.

State	Station location	County/offshore location
LA	Forked Island	Vermilion.
LA	Mermentau River Station	Vermilion.
LA	Anchorage	West Baton Rouge.
LA	Grand Lake Terminal	(County unknown.)
LA	Twin Island Terminal	(County unknown.)
LA	Lakeside Terminal	(County unknown.)
LA	Bayou Penchant Terminal	(County unknown.)
LA	Gibbstown Terminal	(County unknown.)
LA	Bluewater Terminal	(County unknown.)
LA	Cocodrie Terminal	(County unknown.)
MI	Bay City	Bay.
MI	Montcalm	Carson City.
MI	Lewiston	Crawford.
MI	Kalamazoo	Fulton Takeoff.
MI	Alma	Gratiot
MI	St. Clair	Marysville.
MI	Monroe	Samaria Sta.
MI	Ingham	Stockbridge.
MI	Detroit	Wayne.
MI	Ogemaw	West Branch.
MS	Liberty	Amite.
MS	Mayersville	Issaquena.
MS	Pascogoula	Jackson.
MS	Soso	Jones.
MS	Lumberton	Lamar.
MS	Purvis	Lamar.
MS	Collierville Station	Marshall.
MT	Silver Tip Station	Carbon.
MT	Alzada	Carter.
MT	Richey Station	Dawson.
MT	Baker	Fallon.
MT	Cut Bank Station	Glacier.
MT	Bell Creek Station	Powder River.
MT	Poplar Station	Roosevelt.
MT	Billings	Yellowstone.
MT	Laurel	Yellowstone.
MT	Clear Lake Sta	(County Unknown).
ND	Fryburg Station	Billings.
ND	Tree Top Station	Billings.
ND	Lignite	Burke.
ND	Alexander	McKenzie.
ND	Keene	McKenzie.
ND	Killdear	Dunn.
ND	Mandan	Morton.
ND	Tioga	Ramberg.
ND	Ramberg	Williams.
ND	Thunderbird Refinery	Williams.
ND	Tioga	Williams.
ND	Trenton	Williams.
NM	Jal	Lea.
NM	Lovington	Lea.
NM	Ciniza	McKinley.
NM	Bisti Jct	San Juan.
NM	Navajo Jct	San Juan.
TX	Carson Station	Archer.
TX	Holliday	Archer.
TX	Fullerton	Andrews.
TX	Buccaneer Term	Brazoria.
TX	Sweeney Sta	Brazoria.
TX	Mont Belvieu	Chambers.
TX	Crane	Crane.
TX	Ranger	Eastland.
TX	Caproch Jct	Ector.
TX	Odessa	Ector.
TX	North Cowden	Ector.
TX	Wheeler	Ector.
TX	El Paso	El Paso.
TX	Missouri City Jct	Fort Bend.
TX	Winnsboro	Franklin.
TX	Worthham	Freestone.
TX	Pearsall Sta	Frio.
TX	Texas City	Galveston.
TX	Roberts	Glasscock.
TX	Covey Station	Grayson.

State	Station location	County/offshore location
TX	Bumpus Sta	Gregg.
TX	Kilgore St	Gregg.
TX	Longview	Gregg.
TX	Longview Mid-Valley	Gregg.
TX	Sabine Sta. Amoco P.L	Gregg.
TX	Mobil Jct	Hardin.
TX	Sour Lake	Hardin.
TX	Baytown	Harris.
TX	Exxon Jct	Harris.
TX	Genoa Jct	Harris.
TX	Houston	Harris.
TX	Pasadena	Harris.
TX	Webster	Harris.
TX	Hillsboro	Hill.
TX	Big Spring	Howard.
TX	Phillips Hutchinson	Howard.
TX	Jacksboro Sta	Jack.
TX	Beaumont	Jefferson.
TX	Lucas	Jefferson.
TX	Nederland	Jefferson.
TX	Port Arthur	Jefferson.
TX	Port Neches	Jefferson.
TX	Sabine Pass	Jefferson.
TX	Mexia Jct	Limestone.
TX	Midland	Midland.
TX	Colorado City Station	Mitchell.
TX	McKee	Moore.
TX	Corsicana	Navarro.
TX	American Petrofina	Nueces.
TX	Corpus Christi	Nueces.
TX	Harbor Island	Nueces.
TX	Beaver Station	Ochiltree.
TX	Blk. 474-Inters. Seg. III, III-7	Offshore—High Island.
TX	Blk. A—571	Offshore—High Island.
TX	End Segment II	Offshore—High Island.
TX	End Segment III—10	Offshore—High Island.
TX	End Segment III—10 (Blk. 547)	Offshore—High Island.
TX	End Segment III—6	Offshore—High Island.
TX	Irran Sta	Pecos.
TX	Kemper	Reagan.
TX	Mason Jct	Reeves.
TX	Rufugio Sta	Rufugio.
TX	Midway	San Patricio.
TX	Eldorado	Scheicher.
TX	Basin Station	Scurry.
TX	Colorado City	Scurry.
TX	Ft. Worth	Tarrant.
TX	Merkel	Taylor.
TX	Tye	Taylor.
TX	McCamey	Upton.
TX	Mesa Sta	Upton.
TX	Burkburnett	Wichita.
TX	KMA—Total P.L	Wichita.
TX	Wichita Falls	Wichita.
TX	Halley	Winkler.
TX	Hendrick/Hendrick-Wink	Winkler.
TX	Keystone	Winkler.
TX	Wink	Winkler.
TX	South Bend	Young.
TX	Channel View Jct	(County Unknown).
TX	Clear Creek Sta	(County Unknown).
TX	Oyster Lake Term	(County Unknown).
TX	Queens Jct	(County Unknown).
TX	Spacek Sta	(County Unknown).
TX	Jolly Jct	(County Unknown).
TX	Nettleton Sta	(County Unknown).
TX	Trent Sta	(County Unknown).
VT	North Troy International Boundary	Orleans.
WA	Anacortes	Whatcom.
WA	Ferndale	Whatcom.
WI	Superior Terminal	Douglas.
WV	St. Marys	Pleasant.
UT	Salt Lake Station	Davis.
UT	Wood Cross	Davis.

State	Station location	County/offshore location
UT	Salt Lake City	Salt Lake.
UT	Aneth	San Juan.
UT	Patterson Canyon Jct	San Juan.
UT	Bonanza Station	Uintah.
UT	Red Wash Station	Uintah.
WY	Rock River	Albany.
WY	Byron	Big Horn.
WY	Central Hilight Sta	Cambell.
WY	Rocky Point	Cambell.
WY	Ferris Jct	Carbon.
WY	Big Muddy Sta	Converse.
WY	Glenrock	Converse.
WY	Lightening Flats	Crook.
WY	Pilot Butte Sta	Freemont.
WY	Ft. Laramie	Goshen.
WY	Cottonwood Jct	Hot Springs.
WY	Crawford Sta	Johnson.
WY	Reno	Johnson.
WY	Sussex	Johnson.
WY	Cheyenne	Laramie.
WY	Casper	Natrona.
WY	Noches	Natrona.
WY	Lance Creek Station	Niobrara.
WY	Frannie Sta	Park.
WY	Oregon	Park.
WY	Oregon Basin Sta	Park.
WY	Bridger Station	Uinta.
WY	Chatham Sta	Washakie.
WY	Butte Sta	Weston.
WY	Mush Creek Jct	Weston.
WY	Osage Station	Weston.

[FR Doc. 97-17312 Filed 7-2-97; 8:45 am]

BILLING CODE 4310-MR-P

DEPARTMENT OF TRANSPORTATION

Coast Guard

33 CFR Part 84

[CGD 95-037]

Adequacy of Barge and Tug Navigation Lights

AGENCY: Coast Guard, DOT.

ACTION: Notice of termination.

SUMMARY: This request for comments was initiated in response to concerns expressed by the marine community, both commercial and recreational, that current lighting requirements for towing vessels and vessels being towed are not adequate. The Coast Guard solicited public input regarding current lighting requirements. However, after review and discussion of the comments, the Coast Guard has concluded that there are no problems with the lighting of underway tug and barge combinations which can be addressed through changes to current lighting requirements for towing vessels and vessels under tow. Therefore, the Coast Guard is terminating further action under docket number 95-037.

FOR FURTHER INFORMATION CONTACT: Ms. Diane Schneider, Project Manager, Vessel Traffic Management Division (G-MOV), (202) 267-0415.

DATES: This termination is effective on July 3, 1997.

SUPPLEMENTARY INFORMATION: The Inland Navigation Rules (Navigation Rules) are set forth in 33 U.S.C. 2001, *et seq.*, and Commandant Instruction M16672.2C. (The Inland Navigation Rules also will be set forth in future versions of this Commandant Instruction which will likely be issued under slightly different instruction numbers.) Under 33 U.S.C. 2071, the Secretary of Transportation may issue regulations to implement and interpret the Navigation Rules. The Secretary is also directed to establish technical annexes. The technical annex for lighting requirements is contained in 33 CFR part 84. This annex specifies placement requirements for lights, including placement of lights on towing vessels and vessels under tow.

Safety concerns associated with towing operations and small craft traffic have been raised in recent years in several publications, including the *American Boat and Yacht Council Newsletter*, *U.S. Coast Guard Boating Safety Circulars*, America's Inland and Coastal Tug and Barge Operators pamphlet "Life Lines", and various yachting magazines. The safety aspects

of barge lighting were discussed at the May 1994 meeting of National Boating Safety Advisory Council (NBSAC). At its November 1994 meeting, the Navigation Safety Advisory Council (NAVSAC) was asked to consider whether current tug and tow lighting requirements under Navigation Rule 24 are adequate.

NAVSAC concluded that additional information was needed to determine whether there was an actual problem, and, if so, to determine possible solutions. The Council unanimously passed a resolution requesting that the Coast Guard solicit public comments on whether towing vessels and vessels being towed are sufficiently lighted while underway.

On May 9, 1995, the Coast Guard published a Request for Comments in the **Federal Register** (60 FR 24598). The Coast Guard received 94 comments. In response to some of these comments, the Coast Guard published a notice (60 FR 53726; October 17, 1995) and held a public meeting at the Holiday Inn Downtown/Convention Center, 811 North Ninth Street, St. Louis, MO 63101 on November 11, 1995.

After careful review and discussion of the comments, NAVSAC determined that the problems associated with the lighting of barges were not due to the lighting configuration but rather due to other factors. The Coast Guard agrees

[4310-MR]

DEPARTMENT OF THE INTERIOR

Minerals Management Service

30 CFR Part 206

RIN 1010-AC09

Establishing Oil Value for Royalty Due on Federal Leases, and on Sale of Federal Royalty Oil.

AGENCY: Minerals Management Service, Interior.

ACTION: Supplementary proposed rule.

SUMMARY: The Minerals Management Service (MMS), Royalty Management Program (RMP) is proposing changes to its recently-issued proposed rule regarding valuation of crude oil produced from Federal leases. MMS also is reopening the comment period to receive comments on the originally proposed rule and these additional changes. These revisions would modify the eligibility requirements for oil valuation for arm's-length transactions and the procedures for collecting oil exchange information. MMS also is amending the list of aggregation points to include additional locations inadvertently left out of the earlier proposal.

DATES: Comments must be submitted on or before [Insert Date - 30 days after publication of this notice].

ADDRESSES: Mail written comments, suggestions, or objections regarding the proposed rule to: Minerals Management Service,

Royalty Management Program, Rules and Publications Staff, P.O. Box 25165, MS 3021, Denver, Colorado 80225-0165; courier address is Building 85, Denver Federal Center, Denver, Colorado 80225; or e:Mail David_Guzy@mms.gov. MMS will publish a separate notice in the Federal Register indicating dates and locations of public meetings regarding this proposed rulemaking.

FOR FURTHER INFORMATION CONTACT: David S. Guzy, Chief, Rules and Publications Staff, telephone (303) 231-3432, FAX (303) 231-3385, e:Mail David_Guzy@mms.gov, Minerals Management Service, Royalty Management Program, Rules and Publications Staff, P.O. Box 25165, MS 3021, Denver, Colorado 80225-0165.

SUPPLEMENTARY INFORMATION: The principal authors of this supplementary proposed rule are Deborah Gibbs Tschudy of RMP and Peter Schaumberg of the Office of the Solicitor.

I. Background

MMS published a notice of proposed rulemaking on January 24, 1997 (62 FR 3741), to amend its current Federal crude oil valuation regulations in 30 CFR Part 206. The initial comment period expired March 25, 1997, and was twice extended to April 28, 1997 (62 FR 7189), and to May 28, 1997 (62 FR 19966). Comments received to date are available for public inspection at the RMP offices in Lakewood, Colorado or on the Internet at <http://www.rmp.mms.gov>. MMS also will place any additional

comments received on this rule on the Internet. Call David Guzy at (303) 231-3432 for further information.

By this notice, MMS is reopening the comment period until **[Insert Date - 30 days after publication of this notice]**.

II. Public Comments:

As part of the public comment process, MMS held public meetings in Lakewood, Colorado on April 15, 1997, and Houston, Texas on April 17, 1997, to hear comments on the proposal.

MMS has received many comments on the proposed rule. There have been issues raised to date that MMS recognizes require changes to the proposed rule because they result in unintentional exceptions to use of gross proceeds for calculating royalty value by small producers.

MMS heard a number of comments from attendees at the public meetings about provisions in the proposal that would require small producers to pay based on index pricing instead of gross proceeds if they: (1) made small-volume purchases of oil for lease operations or other purposes (see § 206.102(a)(6) of the proposed rule) or (2) had crude oil call provisions that were never exercised (see § 206.102(a)(5) of the proposed rule).

MMS also received comments about proposed new Form MMS-4415, the Oil Location Differential Report. These comments included complaints about the amount of information required, some of which the commenters believed that MMS does not need.

MMS met with representatives of the Independent Petroleum Association of America (IPAA), the Independent Petroleum Association of Mountain States (IPAMS), and the State of Louisiana on May 13-14, 1997. At that meeting, IPAA and IPAMS presented their comments on the January 24, 1997, proposal, including the issues discussed above.

The IPAA submitted its written comments to MMS on May 15, 1997. In these comments, IPAA recommended that MMS allow companies that purchase oil and companies whose production is subject to crude oil calls to use gross proceeds under arm's-length contracts to determine value. IPAA also recommended that MMS revise its benchmarks for valuing production not sold under arm's-length contracts.

III. Revisions to Proposed Rule

After hearing these comments, MMS is amending the proposed rule to address significant concerns raised early in the public comment process and is reopening the comment period to receive additional comments on those minor changes to the proposed rule.

MMS's intent in proposed § 206.102(a)(4) was to exclude oil subject to crude oil calls from gross proceeds valuation because factors other than the real value of the oil may be affecting the price. However, excluding all oil "subject" to crude oil calls was too broad. MMS recognizes that in cases where crude oil calls are not exercised and the production is sold under an

arm's-length contract, it may be unnecessary to use index prices to determine value. The arm's-length gross proceeds in such a circumstance may generally reflect the value of production. Also, if the production disposed of when a crude oil call is exercised is valued based upon the price that other parties are willing to competitively bid to purchase the production (the so-called Most Favored Nation clause), then the oil should not be subject to index pricing provisions under § 206.102(c).

Therefore, MMS is proposing to amend § 206.102(a)(4) to limit the exclusion from gross proceeds valuation to situations involving only non-competitive crude oil calls. That is, MMS is proposing that in a situation where there is a purchase sale agreement or farm out in which the purchaser of the property agrees to be subject to a non-competitive call by the seller of the property instead of paying full market value for the property, then the production would be valued under § 206.102(c). Also, a corresponding definition of "non-competitive crude oil call" is added to the proposed rule.

MMS does have some concerns about whether this proposal to allow valuation based on gross proceeds in a competitive call circumstance may result in undervaluation situations. For instance, we have concerns about a lessee's ability to know, and MMS's ability to obtain timely the pricing information needed to monitor adequately, whether the prices lessees are receiving are the highest prices under the Most Favored Nations clause and

whether such prices are subject to discounts below true market prices and index values because of exchanges and other complex marketing arrangements. MMS would like specific comments on these concerns. MMS also would like comments to address the situation where the holder of the call may transfer the right to take the production to a third party and whether that might affect the gross proceeds paid to the lessee.

MMS is also proposing a further change to § 206.102(a)(4) to exclude one other category of arm's-length transactions from gross proceeds valuation. There are situations where two parties transact purchases and sales of oil that would appear to be arm's-length. However, the prices in the transactions are below market for the field or area. Neither party cares because they agree to sell roughly equivalent volumes to one another, either in the same field or another field, so any discount is enjoyed equally by the two parties. The royalty owners lose in this case because of the below-market valuation in the purportedly arm's-length sales. In these "overall balance" situations, MMS would require you to value the production based on index value under § 206.102(c)(2) instead of your gross proceeds. This situation would also be covered under § 206.102(a)(2), but MMS believes it would be preferable to address this situation directly in § 206.102(a)(4).

MMS also recognizes that the requirement in the proposed rule that purchasers of small amounts of oil must value oil using index prices is potentially too restrictive. It was not MMS's

intent to require producers to pay royalties based on index prices if they purchase oil to make up for production shortfalls, (meaning production insufficient to meet confirmed nominations or warranted volumes) or if they must purchase crude oil to operate their lease. MMS therefore is proposing to delete § 206.102(a)(6) as proposed in January.

MMS believes that the new proposed paragraph (a)(4) is sufficient to address the concerns that the original paragraph (a)(6) proposed in January intended to address. However, MMS has concerns about whether it can effectively enforce that provision prior to audit, therefore, MMS specifically requests comments on whether we should require lessees who value their production using gross proceeds received under an arm's-length contract to certify that they are not maintaining an "overall balance" with their purchaser. MMS also requests comments on whether we should amend §206.102(a)(6) as proposed in January to specify purchase levels below which a lessee would not be required to value their production using index value.

MMS is proposing a new paragraph (a)(6) to address oil production you dispose of under certain exchange agreements. Under this proposed new paragraph, if you dispose of your oil under an exchange agreement with a person who is not affiliated with you, and if after the exchange you sell the acquired oil under an arm's-length contract, you may use either § 206.102(a) or (c)(2) to value your production. This means you would have a

choice to value your production based on either gross proceeds or index value. If you elect to use gross proceeds, you would use the gross proceeds from your arm's-length sale of the oil after the exchange, adjusted for any location or quality differences paid or received under the arm's-length exchange agreement.

For example, assume that Company X produces 100 barrels of oil from a Federal lease and enters into an exchange agreement with Company Y (who is not affiliated with Company X). Under the exchange agreement, Company Y is providing an equal volume of higher gravity oil, so Company X is paying a 25-cent-per-barrel quality differential. After the exchange, Company X sells the oil arm's-length to Company Z for \$20 per barrel. Company X could use either § 206.102(c)(2) and value its lease production based on index value, or use its gross proceeds received under the arm's-length contract with Company Z adjusted for quality and location, in this example \$19.75.

If you transfer your Federal lease production to an affiliate, and that affiliate enters into an arm's-length exchange agreement, (a)(6)(i) would not apply. Nor would it apply if the oil you receive back in an exchange agreement is transferred to an affiliate before it is sold. In both of these cases, the transfer to an affiliate before or after the exchange is considered a non-arm's-length sale that would be valued under §206.102(c)(2). Further, you may use (a)(6)(i) only if there is a single exchange before you sell the oil arm's-length. You must

use index value under 206.102(c)(2) if you enter into a second (or third, etc.) exchange for the oil you received back from your exchange partner in the first exchange.

Proposed § 206.102(a)(6)(iii) explains that if you use gross proceeds under § 206.102(a) to value production subject to paragraph (a)(6)(i), you must make that election for all oil production disposed of under all other arm's-length exchange agreements that are subject to paragraph (a)(6)(i).

MMS also is amending § 206.102(a)(1) to clarify that the exceptions to valuing oil sold under arm's-length contracts based on gross proceeds are transaction or contract specific. That is, if you have one arm's-length contract that is subject to a non-competitive crude oil call, then that does not necessarily mean that all of your Federal production must be valued under § 206.102(c).

MMS also heard comments concerning the filing of Form MMS-4415. Comments asked for clarification on who must file the form and what information is required. MMS developed this form to gather information on the relative value of crude oil involved in exchange agreements and to determine appropriate location and quality differentials between the aggregation points and the market centers. To calculate specific differentials, MMS would take the volume-weighted average of the individual differentials derived from information payors report on Form MMS-4415. MMS will collect only information about exchanges where delivery

occurs at an aggregation point and a market center. MMS seeks comments on the usefulness of collecting information about exchanges between two aggregation points. Lessees would not be required to report information from exchanges where oil is exchanged at the lease.

During the public hearings, MMS also received comments on whether MMS should collect information about exchanges between aggregation points and market centers from other than Federal lease production. Obviously, if only Federal production is commingled at a particular aggregation point, MMS would only need information regarding Federal lease production. MMS seeks comment on how lessees would allocate to Federal leases differentials from aggregation points to market centers when non-Federal production is commingled with Federal production at aggregation points.

The January 24, 1997, proposal for valuing Federal crude oil contained a list of aggregation points in Appendix H. That listing was incomplete. This supplementary proposed rule revises Appendix H to include more aggregation points.

MMS specifically requests comments on the revised paragraphs addressed in this notice. MMS also requests comments on alternatives for valuing production not sold under arm's-length contracts - § 206.102(c). Specifically, MMS requests comments on alternatives based on lease market indicators that are readily

available contemporaneously. You also may comment further on any other provision in the January 24 proposed rule. If you already submitted written comments on other portions of the rule, you do not need to resubmit those comments.

List of Subjects in 30 CFR Part 206

Coal, Continental shelf, Geothermal energy, Government contracts, Indians-lands, Mineral royalties, Natural gas, Petroleum, Public lands-mineral resources, Reporting and recordkeeping requirements.

Date

Bob Armstrong
Assistant Secretary for Land
and Minerals Management

For the reasons set forth in the preamble, the proposed rule published at 62 FR 3741, on January 24, 1997, amending 30 CFR Part 206, is further amended as follows:

PART 206--PRODUCT VALUATION

1. The Authority citation for Part 206 continues to read as follows:

Authority: 5 U.S.C. 301 et seq.; 25 U.S.C. 396 et seq.; 396a et seq., 2101 et seq.; 30 U.S.C. 181 et seq.; 351 et seq.; 1001 et seq.; 1701 et seq.; 31 U.S.C. 9701.; 43 U.S.C. 1301 et seq.; 1331 et seq.; and 1801 et seq.

Subpart C - Federal Oil

2. Section 206.101 as proposed to be revised at 62 FR 3751 is further amended by adding the following definition to read as follows:

§ 206.101 Definitions.

Non-competitive crude oil call means a purchase sale agreement or farm out in which the buyer of the property agrees to be subject to a call on their production that does not contain a Most Favored Nations clause or a similar clause in which the price is based on what other parties are willing to competitively bid to purchase the production.

3. Section 206.102 as proposed to be revised at 62 FR 3752 is further amended by revising paragraphs (a)(1), (a)(4), and (a)(6) to read as follows:

§ 206.102 How do I calculate royalty value for oil?

* * * * *

(a) * * *

(1) Paragraphs (a)(2) through (a)(6) of this section contain exceptions to the valuation rule in paragraph (a) of this section. Apply these exceptions on an individual contract basis.

* * * * *

(4) You must use paragraph (c)(2) of this section to value oil disposed of under:

(i) An exchange agreement, except as provided in paragraph (a)(6) of this section;

(ii) An arm's-length contract between a buyer and seller in which the contract price does not represent market value in the field or area because an overall balance between volumes bought and sold is maintained between that buyer and seller; or

(iii) The exercise of a non-competitive crude oil call. If you dispose of your oil under a competitive crude oil call, value your oil under § 206.102(a).

* * * * *

(6)(i) If you dispose of your oil under an exchange agreement with a person who is not affiliated with you, and if after the exchange you sell the acquired oil under an arm's-length

contract, you may use either § 206.102(a) or § 206.102(c)(2) to value your production for royalty purposes. If you use § 206.102(a), your gross proceeds are the gross proceeds under your arm's-length contract after the exchange occurs, adjusted for any location or quality differential or other adjustments you received or paid under the arm's-length exchange agreement.

(ii) You must use § 206.102(c)(2) to value your production if you transfer your oil to an affiliate before the exchange occurs. You also must use § 206.102(c)(2) to value your oil if you transfer the oil you receive in the exchange to an affiliate or if you enter into a second exchange for the oil you received back under your first exchange.

(iii) If you value production under § 206.102(a)(6)(i), you must make the same election for all of your production disposed of under arm's-length exchange agreements that are subject to § 206.102(a)(6)(i).

* * * * *

Note: The following Appendix will not appear in the Code of Federal Regulations.

Appendix H to Preamble of Oil Valuation Rule

<u>State</u>	<u>Station Location</u>	<u>County/Offshore Location</u>
AL	Marion Corp. Connection	Mobile
AL	Mobile	Mobile
AL	Saraland Terminal	Mobile
AL	Ten Mile Point Terminal	Mobile
CA	Coalinga	Fresno
CA	Belridge	Kern
CA	Fellows	Kern
CA	Kelley	Kern
CA	Leutholtz Jct.	Kern
CA	Pentland	Kern
CA	Midway	Kern
CA	Station 36-Kern River	Kern
CA	Newhall	Los Angeles
CA	Sunset	Los Angeles
CA	Cadiz	San Bernadino
CA	Avila	San Luis Obispo
CA	Gaviota Terminal	Santa Barbara
CA	Lompoc	Santa Barbara
CA	Sisquoc Jct.	Santa Barbara
CA	Filmore	Ventura
CA	Rincon	Ventura
CA	Ventura	Ventura
CA	Junction	(County Unknown)
CA	Lake	(County Unknown)
CA	Rio Bravo	(County Unknown)

CA	Santa Paula	(County Unknown)
CA	Signa	(County Unknown)
CA	Stewart	(County Unknown)
CO	Denver	Adams
CO	Cheyenne Wells Station	Cheyenne
CO	Iles	(County Unknown)
CO	Sterling	Logan
CO	Fruita	Mesa
CO	Rangley	Rio Blanca
KS	Humbolt-Williams P.L.	Allen
KS	Augusta	Butler
KS	Eldorado	Butler
KS	Harper's Ranch	Clark
KS	Arkansas City	Cowley
KS	McPherson Sta.	McPherson
KS	Caney	Montgomery
KS	Laton Sta.	Osborne
KS	Herndon Station	Rawlings
KS	Rawlings Sta.	Rice
KS	Lyons Station	Sedgwick
KS	Valley Center	Thomas
KS	Bemis St.	(County Unknown)
KS	Broome St.	(County Unknown)
KS	Towlanda	(County Unknown)
LA	Brown Sta.	Caddo
LA	Clifton Ridge	Calcasieu
LA	Conoco Jct.	Calcasieu
LA	Lake Charles	Calcasieu

LA	Pecan Grove	Calcasieu
LA	Rose Bluff	Calcasieu
LA	Texaco Jct.	Calcasieu
LA	Grand Chenier Term.	Cameron
LA	Hainesville Sta.	Claiborne
LA	Maryland	East Baton Rouge
LA	Bayou Fifi	Jefferson
LA	Grand Isle	Jefferson
LA	Bay Marchand Term.	Lafourche
LA	Bayou Fourchon	Lafourche
LA	Clovelly	Lafourche
LA	Clovelly Storage Dome	Lafourche
LA	Elmers Jct.	Lafourche
LA	Fourchon Terminal	Lafourche
LA	Golden Meadow	Lafourche
LA	Larose Barge Terminal	Lafourche
LA	Pass Fourchon P.L.	Lafourche
LA	Blk. 28 Tie-in	Offshore East Cameron
LA	Blk. 23	Offshore Eugene Island
LA	Blk. 51 B Platform	Offshore Eugene Island
LA	Blk. 188 A Structure	Offshore Eugene Island
LA	Blk. 259	Offshore Eugene Island
LA	Blk. 316	Offshore Eugene Island
LA	Blk. 337 Subsea Tie-in	Offshore Eugene Island
LA	Blk. 361	Offshore Eugene Island
LA	Texas P.L. Subsea Tie-in	Offshore Eugene Island
LA	Blk. 17	Offshore Grand Isle
LA	Blk. 42 - Chevron P.L.	Offshore Main Pass

LA	Blk. 42L	Offshore Main Pass
LA	Blk. 69 B Plat.	Offshore Main Pass
LA	Blk. 77 (Pompano P.L. Jct.)	Offshore Main Pass
LA	Blk. 144 Structure A	Offshore Main Pass
LA	Blk. 298 Plat. A	Offshore Main Pass
LA	Blk. 299 Platform	Offshore Main Pass
LA	Blk. 28	Offshore Ship Shoal
LA	Blk. 154	Offshore Ship Shoal
LA	Blk. 169	Offshore Ship Shoal
LA	Blk. 203 Subsea Tie-in	Offshore Ship Shoal
LA	Blk. 208	Offshore Ship Shoal
LA	Blk. 208 B Structure	Offshore Ship Shoal
LA	Blk. 208 F	Offshore Ship Shoal
LA	Ship Shoal Area	Offshore Ship Shoal
LA	Blk. 6	Offshore South Marsh Island
LA	Blk. 10 - Structure A	Offshore South Marsh Island
LA	Blk. 58A	Offshore South Marsh Island
LA	Blk. 139	Offshore South Marsh Island
LA	Blk. 139 Subsea Tap Valve Connect	Offshore South Marsh Island
LA	Blk. 207 - Light House Point A	Offshore South Marsh Island
LA	Blk. 268 - Platform A	Offshore South Marsh Island
LA	Blk. 55	Offshore - South Pass
LA	Blk. 13 (Wesco P.L. Subsea Tie-in)	Offshore - South Pelto
LA	Blk. 35 Platform D	Offshore - S. Timbalier
LA	Blk. 52 Plat. A	Offshore - S. Timbalier
LA	Blk. 172 Plat. D	Offshore - S. Timbalier

LA	Blk. 196 Exxon P.L. System Tie-in	Offshore - S. Timbalier
LA	Blk. 300	Offshore - S. Timbalier
LA	Blk. 255	Offshore Vermilion
LA	Blk. 265 Platform A	Offshore Vermilion
LA	Blk. 350	Offshore Vermilion
LA	Blk. 30	Offshore - West Delta
LA	Blk. 53	Offshore - West Delta
LA	Blk. 53 Plat. B	Offshore - West Delta
LA	Blk. 53B - Chevron P.L.	Offshore - West Delta
LA	Blk. 53B Plat. Gulf Refining Co.	Offshore - West Delta
LA	Blk. 83	Offshore - West Delta
LA	Alliance Refinery	Plaquemines
LA	Empire Terminal	Plaquemines
LA	Main Pass	Plaquemines
LA	Main Pass Blk. 69	Plaquemines
LA	Ostrica Term.	Plaquemines
LA	Pelican Island	Plaquemines
LA	Pilottown	Plaquemines
LA	Romere Pass	Plaquemines
LA	South Pass Blk. 60A	Plaquemines
LA	South Pass Blk. 27	Plaquemines
LA	Onshore facil.	Plaquemines
LA	South Pass Blk. 24	Plaquemines
LA	South Pass Blk. 24 Onshore Plat.	Plaquemines
LA	Southwest Pass Sta.	Plaquemines
LA	West Delta Blk. 53	Plaquemines

LA	West Delta Rec'vg Sta. - Onshore	Plaquemines
LA	Dehli	Richland
LA	Chalmette	St. Bernard
LA	Norco (Shell Refinery)	St. Charles
LA	St. James	St. James
LA	Bayou Sale	St. Mary
LA	Burns Term.	St. Mary
LA	Charenton	St. Mary
LA	South Bend	St. Mary
LA	Caillou Island	Terrebonne
LA	Caillou Island Fld.	Terrebonne
LA	Gibson Term.	Terrebonne
LA	Erath	Vermilion
LA	Forked Island	Vermilion
LA	Mermentau River Station	Vermilion
LA	Anchorage	West Baton Rouge
LA	Grand Lake Terminal	(County Unknown)
LA	Twin Island Terminal	(County Unknown)
LA	Lakeside Terminal	(County Unknown)
LA	Bayou Penchant Terminal	(County Unknown)
LA	Gibbstown Terminal	(County Unknown)
LA	Bluewater Terminal	(County Unknown)
LA	Cocodrie Terminal	(County Unknown)
MI	Bay City	Bay
MI	Montcalm	Carson City
MI	Lewiston	Crawford
MI	Kalamazoo	Fulton Takeoff
MI	Alma	Gratiot

MI	St. Clair	Marysville
MI	Monroe	Samaria Sta.
MI	Ingham	Stockbridge
MI	Detroit	Wayne
MI	Ogemaw	West Branch
MS	Liberty	Amite
MS	Mayersville	Issaquena
MS	Pascogoula	Jackson
MS	Soso	Jones
MS	Lumberton	Lamar
MS	Purvis	Lamar
MS	Collierville Station	Marshall
MT	Silver Tip Station	Carbon
MT	Alzada	Carter
MT	Richey Station	Dawson
MT	Baker	Fallon
MT	Cut Bank Station	Glacier
MT	Bell Creek Station	Powder River
MT	Poplar Station	Roosevelt
MT	Billings	Yellowstone
MT	Laurel	Yellowstone
MT	Clear Lake Sta.	(County Unknown)
ND	Fryburg Station	Billings
ND	Tree Top Station	Billings
ND	Lignite	Burke
ND	Alexander	McKenzie
ND	Keene	McKenzie
ND	Killdear	Dunn

ND	Mandan	Morton
ND	Tioga	Ramberg
ND	Ramberg	Williams
ND	Thunderbird Refinery	Williams
ND	Tioga	Williams
ND	Trenton	Williams
NM	Jal	Lea
NM	Lovington	Lea
NM	Ciniza	McKinley
NM	Bisti Jct.	San Juan
NM	Navajo Jct.	San Juan
TX	Carson Station	Archer
TX	Holliday	Archer
TX	Fullerton	Andrews
TX	Buccaneer Term.	Brazoria
TX	Sweeney Sta.	Brazoria
TX	Mont Belvieu	Chambers
TX	Crane	Crane
TX	Ranger	Eastland
TX	Caproch Jct.	Ector
TX	Odessa	Ector
TX	North Cowden	Ector
TX	Wheeler	Ector
TX	El Paso	El Paso
TX	Missouri City Jct.	Fort Bend
TX	Winnsboro	Franklin
TX	Worthham	Freestone
TX	Pearsall Sta.	Frio

TX	Texas City	Galveston
TX	Roberts	Glasscock
TX	Covey Station	Grayson
TX	Bumpus Sta.	Gregg
TX	Kilgore St.	Gregg
TX	Longview	Gregg
TX	Longview Mid-Valley	Gregg
TX	Sabine Sta. Amoco P.L.	Gregg
TX	Mobil Jct.	Hardin
TX	Sour Lake	Hardin
TX	Baytown	Harris
TX	Exxon Jct.	Harris
TX	Genoa Jct.	Harris
TX	Houston	Harris
TX	Pasadena	Harris
TX	Webster	Harris
TX	Hillsboro	Hill
TX	Big Spring	Howard
TX	Phillips Hutchinson	Howard
TX	Jacksboro Sta.	Jack
TX	Beaumont	Jefferson
TX	Lucas	Jefferson
TX	Nederland	Jefferson
TX	Port Arthur	Jefferson
TX	Port Neches	Jefferson
TX	Sabine Pass	Jefferson
TX	Mexia Jct.	Limestone
TX	Midland	Midland

TX	Colorado City Station	Mitchell
TX	McKee	Moore
TX	Corsicana	Navarro
TX	American Petrofina	Nueces
TX	Corpus Christi	Nueces
TX	Harbor Island	Nueces
TX	Beaver Station	Ochiltree
TX	Blk. 474-Inters. Seg. III, III-7	Offshore - High Island
TX	Blk. A - 571	Offshore - High Island
TX	End Segment II	Offshore - High Island
TX	End Segment III - 10	Offshore - High Island
TX	End Segment III - 10 (Blk. 547)	Offshore - High Island
TX	End Segment III - 6	Offshore - High Island
TX	Irran Sta.	Pecos
TX	Kemper	Reagan
TX	Mason Jct.	Reeves
TX	Rufugio Sta.	Rufugio
TX	Midway	San Patricio
TX	Eldorado	Scheicher
TX	Basin Station	Scurry
TX	Colorado City	Scurry
TX	Ft. Worth	Tarrant
TX	Merkel	Taylor
TX	Tye	Taylor
TX	McCamey	Upton
TX	Mesa Sta.	Upton
TX	Burkburnett	Wichita

TX	KMA - Total P.L.	Wichita
TX	Wichita Falls	Wichita
TX	Halley	Winkler
TX	Hendrick/Hendrick-Wink	Winkler
TX	Keystone	Winkler
TX	Wink	Winkler
TX	South Bend	Young
TX	Channel View Jct.	(County Unknown)
TX	Clear Creek Sta.	(County Unknown)
TX	Oyster Lake Term.	(County Unknown)
TX	Queens Jct.	(County Unknown)
TX	Spacek Sta.	(County Unknown)
TX	Jolly Jct.	(County Unknown)
TX	Nettleton Sta.	(County Unknown)
TX	Trent Sta.	(County Unknown)
VT	North Troy International Boundary	Orleans
WA	Anacortes	Whatcom
WA	Ferndale	Whatcom
WI	Superior Terminal	Douglas
WV	St. Marys	Pleasant
UT	Salt Lake Station	Davis
UT	Wood Cross	Davis
UT	Salt Lake City	Salt Lake
UT	Aneth	San Juan
UT	Patterson Canyon Jct.	San Juan
UT	Bonanza Station	Uintah
UT	Red Wash Station	Uintah
WY	Rock River	Albany

WY	Byron	Big Horn
WY	Central Hilight Sta.	Cambell
WY	Rocky Point	Cambell
WY	Ferris Jct.	Carbon
WY	Big Muddy Sta.	Converse
WY	Glenrock	Converse
WY	Lightening Flats	Crook
WY	Pilot Butte Sta.	Freemont
WY	Ft. Laramie	Goshen
WY	Cottonwood Jct.	Hot Springs
WY	Crawford Sta.	Johnson
WY	Reno	Johnson
WY	Sussex	Johnson
WY	Cheyenne	Laramie
WY	Casper	Natrona
WY	Noches	Natrona
WY	Lance Creek Station	Niobrara
WY	Frannie Sta.	Park
WY	Oregon	Park
WY	Oregon Basin Sta.	Park
WY	Bridger Station	Uinta
WY	Chatham Sta.	Washakie
WY	Butte Sta.	Weston
WY	Mush Creek Jct.	Weston
WY	Osage Station	Weston