



4310-MR-P

DEPARTMENT OF THE INTERIOR

Bureau of Ocean Energy Management

30 CFR Parts 550, 556, 559 and 560

RIN 1010-AD06

[Docket ID: BOEM-2016-0031]

Leasing of Sulfur or Oil and Gas in the Outer Continental Shelf

MMAA104000

AGENCY: Bureau of Ocean Energy Management (BOEM), Interior.

ACTION: Proposed rule; revision to final rulemaking.

SUMMARY: On March 30, 2016, the Bureau of Ocean Energy Management (BOEM) published in the Federal Register a final rule that updates and streamlines the Outer Continental Shelf (OCS) oil and gas and sulfur leasing regulations, which will become effective on May 31, 2016. BOEM wishes to clarify the language in one section of that rule. Therefore, BOEM is proposing to revise that section and give the public an opportunity to comment. The final rule was issued under Docket ID: MMS-2007-OMM-0069, which has expired and is no longer accessible. Therefore, BOEM is utilizing a new Docket ID for this proposed rule (BOEM-2016-0031).

DATES: Submit comments by [INSERT DATE 30 DAYS AFTER PUBLICATION IN THE FEDERAL REGISTER].

FOR FURTHER INFORMATION CONTACT: Robert Sebastian, Office of Policy, Regulation and Analysis at (504) 736-2761 or email at robert.sebastian@boem.gov.

ADDRESSES: Address all comments regarding this proposed rule to BOEM by any of the following methods:

- Federal Rulemaking Portal: <http://www.regulations.gov/>. Follow the instructions for submitting comments;
- U.S. Postal Service or Other Mail Delivery Service: Address to Robert Sebastian, Office of Policy, Regulation and Analysis (OPRA), BOEM, Department of the Interior, 1849 C Street, N.W., Mailstop DM5238, Washington, D.C. 20240; or
- Hand delivery to Office of Policy, Regulation and Analysis, BOEM, Department of the Interior, at 1849 C Street, N.W., Room No. 5249, Washington, D.C. 20240.

Please include your name, return address and phone number and/or email address, so we can contact you if we have questions regarding your submission.

Public Availability of Comments: BOEM does not consider anonymous comments; please include your name and address as part of your submittal. Before including your name, 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 us in your comment to withhold your personal identifying information from public review, we cannot guarantee that we will be able to do so.

SUPPLEMENTARY INFORMATION

I. Background

On March 30, 2016 BOEM published in the Federal Register (81 FR 18111), a final rule that updates and streamlines the Outer Continental Shelf (OCS) oil and gas and sulfur leasing regulations, which will become effective on May 31, 2016. BOEM wishes to clarify the

language in one definition in § 556.105 of that rule. Therefore, in this proposed rule, BOEM proposes to make a revision to that section.

II. Analysis

Section 556.105 Definitions

The term “You” was defined in proposed rule § 256.103 by providing a list of categories of persons to whom the term would apply. This list was retained in the definition of “You” in final rule § 556.105, but an introductory sentence was added to clarify that some persons not yet in a legal relationship with BOEM were affected by portions of Part 556. The resulting definition, included in the final rule, read as follows: “You means any party that has, or may have, legal obligations to the Federal government with respect to any operations on the OCS in which it is or may become involved. Depending on the context of the regulation, the term “you” may include a lessee (record title owner), an operating rights owner, a designated operator or agent of the lessee, a predecessor lessee, a holder of a State or Federal RUE, or a pipeline ROW holder.” The first sentence of that definition, by its reference to operations, may cause confusion as to who is considered to be subject to the regulations in Part 556. Therefore, BOEM proposes to change the wording of the definition to remove the introductory sentence and add specific references to: a bidder; a prospective bidder; and an applicant seeking to become an assignee of record title or operating rights. These changes will specify the categories of persons who (depending on the context) must comply with certain sections of Part 556, without the ambiguity of the definition as it is stated in the final rule. As amended, the definition would read: “*You*, depending on the context of the regulations, means a bidder, a prospective bidder, a lessee (record title owner), an operating rights owner, an applicant seeking to become an assignee of record title or operating

rights, a designated operator or agent of the lessee, a predecessor lessee, a RUE holder for a State or Federal lease, or a pipeline ROW holder.”

III. Procedural Requirements

Section V, Legal and Regulatory Analyses, of the final rule issued on March 30, 2016 (81 FR 18145), summarizes BOEM’s analyses of the rule pursuant to applicable statutes and executive orders. This proposed amendment to that rule would not change any conclusion described in that section, because the amendment is only intended to clarify the meaning of the regulatory text in the final rule and would not require any additional actions by either BOEM or the regulated community. Therefore, no additional analysis is necessary.

List of Subjects in 30 CFR Part 556

Administrative practice and procedure, Continental shelf, environmental protection, federal lands, government contracts, intergovernmental relations, oil and gas exploration, outer continental shelf, mineral resources, reporting and recordkeeping requirements.

May 16, 2016
Date

Amanda C. Leiter
Acting Assistant Secretary - Land and Minerals Management

For the reasons stated in the preamble, BOEM proposes to amend 30 CFR part 556 (as amended by the final rule published on March 30, 2016, at 81 FR 18111) as follows:

**PART 556—LEASING OF SULFUR OR OIL AND GAS AND BONDING
REQUIREMENTS IN THE OUTER CONTINENTAL SHELF**

1. The authority citation for part 556 continues to read as follows:

Authority: 30 U.S.C. 1701 note, 30 U.S.C. 1711, 31 U.S.C. 9701, 42 U.S.C. 6213, 43 U.S.C. 1331 note, 43 U.S.C. 1334, 43 U.S.C. 1801-1802.

2. Amend § 556.105 by revising the definition of “You” to read as follows:

§ 556.105 Acronyms and definitions.

* * * * *

You, depending on the context of the regulations, means a bidder, a prospective bidder, a lessee (record title owner), an operating rights owner, an applicant seeking to become an assignee of record title or operating rights, a designated operator or agent of the lessee, a predecessor lessee, a RUE holder for a State or Federal lease, or a pipeline ROW holder.

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[FR Doc. 2016-12097 Filed: 5/23/2016 8:45 am; Publication Date: 5/24/2016]