(c) If you conduct drilling or production operations in a competitive reservoir, you and the other affected lessees must submit for approval a joint plan of operations. You must submit the joint plan within 90 days after the Regional Supervisor makes a final determination that the reservoir is competitive. The joint plan must provide for the development and/or production of the reservoir. You may submit supplemental plans for the Regional Supervisor's approval.

(d) If you and the other affected lessees cannot reach an agreement on a joint Development and Production Plan within the approved period of time, each lessee must submit a separate plan to the Regional Supervisor. The Regional Supervisor may hold a hearing to resolve differences in the separate plans. If the differences in the separate plans are not resolved at the hearing and the Regional Supervisor determines that unitization is necessary under § 250.191(b), MMS will initiate unitization under § 250.194.

**§ 250.193 How do I get approval for voluntary unitization?**

(a) You must file a request with the Regional Supervisor for approval of a unit. Your request must include:

(1) A draft of the proposed unit agreement;

(2) A proposed initial plan of operation;

(3) Supporting geological, geophysical, and engineering data; and

(4) Other information that may be necessary to show that the unitization proposal meets the criteria of § 250.190.

(b) The unit agreement must comply with the requirements of this part. MMS will provide a model unit agreement for you to follow. If you make changes to the model agreement, you must obtain the approval of the Regional Supervisor.

(c) After the Regional Supervisor approves your unitization proposal, you and the unit operator must sign it and file copies of the unit agreement, the unit operating agreement, and the plan of operation with the Regional Supervisor.

**§ 250.194 How will MMS require unitization?**

(a) If the Regional Supervisor determines that unitization of operations within a proposed unit area is necessary to prevent waste, conserve natural resources of the OCS, or protect correlative rights, including Federal royalty interests, the Regional Supervisor may order unitization according to a plan for unitization. This plan will conform to the model unit agreement available from the Regional Supervisor unless the Regional Supervisor approves a variation.

(b) If you ask MMS to compel unitization, you must file a request with the Regional Supervisor. Include a proposed unit agreement as described in § 250.192(b), a proposed unit operating agreement, and a proposed initial plan of operation together with supporting geological, geophysical, and engineering data, and any other information that may be necessary to show that unitization meets the criteria of § 250.190. The proposed unit agreement must include a counterpart executed by each lessee seeking compulsory unitization. Lessees seeking compulsory unitization must simultaneously serve, on the non-consenting lessees, copies of:

(1) The request;

(2) The proposed unit agreement with executed counterparts;

(3) The proposed unit operating agreement; and

(4) The proposed initial plan of operation.

(c) If the Regional Supervisor initiates compulsory unitization, MMS will serve all lessees of the proposed unit area with a copy of the plan for unitization and a statement of reasons for the proposed unitization.

(d) The Regional Supervisor will not compel unitization until MMS provides all lessees of the proposed unit area written notice and an opportunity for a hearing. If you want MMS to hold a hearing, you must request it within 30 days after you receive written notice from the Regional Supervisor or after you are served with a request for compulsory unitization from anther lessee.

(e) MMS will not hold a hearing under this paragraph until at least 30 days after MMS provides written notice of the hearing date to all parties owning interests which would be made subject to the unit agreement. The Regional Supervisor must give all lessees of the proposed unit area an opportunity to submit views orally or in writing and to question both those seeking and those opposing compulsory unitization. Adjudicatory procedures are not required. The Regional Supervisor will make a decision based upon a record of the hearing, including any written information made a part of the record. The Regional Supervisor will arrange for a court reporter to make a verbatim transcript. The party seeking compulsory unitization must pay for the court reporter and pay for and provide to the Regional Supervisor within 10 days after the hearing three copies of the verbatim transcript, made by a court reporter.

(f) The Regional Supervisor will issue an order that requires or rejects compulsory unitization. That order must include a statement of reasons for the action taken including identification of those parts of the record which form the basis of the decision. Any party may appeal the final order of the Regional Supervisor under 30 CFR part 290.

[FR Doc. 96–13990 Filed 6–4–96; 8:45 am]

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## 30 CFR Part 256

**RIN 1010–AC15**

## Drilling Requirements for Outer Continental Shelf Leases

**AGENCY:** Minerals Management Service, Interior.

**ACTION:** Notice of proposed rulemaking.

**SUMMARY:** The Minerals Management Service (MMS) proposes to amend its lease term regulations to remove the requirement that all lessees begin an exploratory well within the first 5 years of the primary term for new 8-year leases on the Outer Continental Shelf (OCS). MMS is proposing this change because recently enacted legislation provides more effective incentives to expedite lease development. A drilling requirement would apply when MMS stipulates a drilling requirement in the notice of sale.

**DATES:** MMS will consider all comments received by August 5, 1996. We will begin reviewing comments at that time and may not fully consider comments we receive after August 5, 1996.

**ADDRESSES:** Mail or hand-carry written comments to the Department of the Interior; Minerals Management Service; 381 Elden Street; Mail Stop 4700; Herndon, Virginia 22070–4817; Attention: Chief, Engineering and Standards Branch.

**FOR FURTHER INFORMATION CONTACT:** Judith M. Wilson, Engineering and Standards Branch, telephone (703) 787–1600.

**SUPPLEMENTARY INFORMATION:** Section 8(b) of the Outer Continental Shelf Lands Act (OCSLA), 43 U.S.C. 1331 *et seq.*, as amended, 92 Stat. 629, states that an oil and gas lease is issued ''for an initial period of five years; or not to exceed ten years where the Secretary finds that such longer period is necessary to encourage exploration and development in areas because of unusually deep water * * *.'' Currently, MMS offers 10-year terms for leases in water depths of 900 meters or more. In water depths of 400 to 900 meters, MMS offers 8-year lease terms

subject to a requirement that the lessee begin an exploratory well within the first 5 years, 30 CFR 256.37.

The OCSLA requires a lessee to be diligent in exploring and developing a lease. If production begins within the primary term, then the lease continues for as long as production continues, 30 CFR 256.37(b). However, 5 years may not be adequate time in which to begin exploratory drilling even for a diligent lessee. Because of unusual circumstances such as deep water, the lessee risks losing a lease through no fault of its own.

Due to the number of changes facing the oil and gas leasing program—such as lower oil prices, technological advances, subsalt discoveries and expansion to deeper waters—MMS initiated a review of OCS leasing policy several years ago. MMS found that the requirement that 8-year leases be drilled by the end of the fifth year did not result in meaningful increases in drilling. Most of the offered tracts were relinquished at the end of the fifth year. In particular, between 1985 and 1992, 421 tracts were leased for 8-year terms. Only 29 of the 421 leases had been drilled. Of those 29 leases, only 18 were still active by the end of 1993.

With the enactment of the OCS Deep Water Royalty Relief Act (DWRRA), P.L. 104–58, new deepwater leases are offered for sale with available royalty volume suspensions. Royalty volume suspensions are available for new fields in at least 200 meters of water and lying west of 87 degrees, 30 minutes West longitude. Royalty payments on volumes of production are suspended for at least the first 17.5 million barrels of oil equivalent (mmboe) in 200 to 400 meters of water; 52.5 mmboe in 400 to 800 meters; and 87.5 mmboe in more than 800 meters of water. MMS views this significant financial incentive as more effective than the drilling requirement as a means of achieving earlier drilling. In addition, the rental rates for all leases lying in waters deeper than 200 meters may be increased (e.g., they were increased from $5.00 to $7.50/acre in Sale 157) to encourage earlier drilling.

Therefore, MMS proposes to amend its regulation at 30 CFR 256.37 to remove the requirement that the lessee must begin drilling within 5 years on 8-year leases issued on or after the date this rule becomes final. The amendment would also change the 400 to 900 meter depth requirement for 8-year leases to 400 to 800 meters to be consistent with the DWRRA.

Author: This document was prepared by Judy Wilson, Engineering and Standards Branch, and Mary Vavrina, Offshore Resource Evaluation Division, MMS.

Executive Order (E.O.) 12866

This rule is not a significant rule requiring Office of Management and Budget review under E.O. 12866.

Regulatory Flexibility Act

The Department of the Interior (DOI) has determined that this proposed rule will not have a significant effect on a substantial number of small entities. Most entities that engage in offshore activities as operators are not small because of the technical and financial resources and experience necessary to conduct offshore activities. Small entities are more likely to operate onshore or in State waters—areas not covered by the proposed regulation. When small entities work in the OCS, they are more likely to be contractors rather than operators. For example, a company that collects geologic and geophysical data might be a small entity. While these contractors must follow rules governing OCS operations, we are not changing the rules that govern the actual operations of a lease. We are only proposing to modify the rules that govern the length of time required for drilling an exploratory well. The rule could have a positive secondary effect. By extending the time available to begin drilling an exploratory well in unusual circumstances, more leases may be active and this could result in an increase in opportunities for small entities to perform services. The added time could also work to benefit small companies who have slower computers and could benefit from a longer period of time to review data.

Paperwork Reduction Act

The proposed rule does not contain new information collection requirements that require approval by the Office of Management and Budget (OMB). The information collection requirements in 30 CFR part 256 are approved by OMB under approval No. 1010–0006.

Takings Implication Assessment

The DOI certifies that this rule does not represent a governmental action capable of interference with constitutionally protected property rights. A Takings Implication Assessment prepared pursuant to E.O. 12630, Government Action and Interference with Constitutionally Protected Property Rights, is not required.

Unfunded Mandate Reform Act of 1995

This rule does not contain any unfunded mandates to State, local, or tribal governments or the private sector.

E.O. 12988

The DOI has certified to OMB that this proposed rule meets the applicable civil justice reform standards provided in Sections 3(b)(2) of E.O. 12988.

National Environmental Policy Act

MMS has examined the proposed rulemaking and has determined that this rule does not constitute a major Federal action significantly affecting the quality of the human environment pursuant to Section 102(2)(c) of the National Environmental Policy Act of 1969 (42 U.S.C. 4332(2)(c)).

List of Subjects in 30 CFR Part 256

Administrative practice and procedures, Continental shelf, Environmental Protection, Government contracts, Mineral royalties, Oil and gas exploration, Pipelines, Public lands—mineral resources, Public lands—rights-of-way, Reporting and recordkeeping requirements, Surety bonds.

Bob Armstrong,

*Assistant Secretary, Land and Minerals Management.*

For the reasons set forth in the preamble, the Minerals Management Service proposes to amend 30 CFR parts 256 as follows:

## PART 256–LEASING OF SULPHUR OR OIL OR GAS IN THE OUTER CONTINENTAL SHELF

1. The authority citation for part 256 continues to read as follows:

Authority: 43 U.S.C. 1331 *et seq.*

2. In § 256.37, paragraph (a)(2) is revised to read as follows:

### § 256.37 Lease term.

(a)(1) * * *

(2) If your oil and gas lease is in water depths of 400 meters or more, it will have an initial lease term of at least 8 years but not more than 10 years. The initial term for each lease will be stated in the Final Notice of Sale.

(i) For leases issued before [the effective date of the final rule], you must commence an exploratory well within the first 5 years of the initial 8-year term or MMS will cancel the lease.

(ii) For leases issued on or after [the effective date of the final rule], MMS will incorporate into the lease terms by

lease stipulation any drilling requirements.

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[FR Doc. 96–13989 Filed 6–4–96; 8:45 am]

BILLING CODE 4310–MR–M

## National Park Service

## 36 CFR Part 7

**RIN 1024–AC45**

## Big Thicket National Preserve, Moored Houseboats

**AGENCY:** National Park Service, Interior.

**ACTION:** Proposed rule.

**SUMMARY:** The National Park Service (NPS) is proposing regulations that will require all houseboat owners to register their houseboats at the Office of the Superintendent of the Preserve to adhere to regulations pertaining specifically to moored houseboats within the boundaries of the Preserve. This rulemaking will also include regulations pertaining to sanitation and refuse (trash removal), fire extinguishers and personal flotation devices on board houseboats. The addition of the proposed regulations will allow the NPS to identify each houseboat owner in the event emergency notification is needed while the houseboat is vacant. The regulations will also assist the park in monitoring recreational activities directly related to houseboats. These regulations will enhance protection of the resources in the Preserve while providing improved visitor protection services by park personnel.

**DATES:** Written comments will be accepted through August 5, 1996.

**ADDRESSES:** Comments should be addressed to: Superintendent, Big Thicket National Preserve, 3785 Milam, Beaumont, Texas 77701.

**FOR FURTHER INFORMATION CONTACT:** Robert D. Appling, Chief Ranger Big Thicket National Preserve, Telephone 409–839–2689.

**SUPPLEMENTARY INFORMATION:**

### Background

Houseboats have been moored on the Neches River and its tributaries since before Big Thicket National Preserve was established. The mooring of houseboats within the Preserve is considered a traditional use and should be allowed to continue. Houseboat owners are primarily local residents of the Southeast Texas area.

Houseboat owners and the recreational activities associated with these moored houseboats have been mostly unregulated since the Preserve was established in 1974 (16 U.S.C. 698). Activities associated with houseboats have led to the degradation of Preserve resources in a variety of ways, including the poaching of fish and game, damage to and removal of vegetation to establish egress routes, concentrated human use impacts, stream bank erosion and the prohibited discharge of sewage, animal and fish remains, and other aquatic pollutants.

Houseboats have been left unattended for long periods of time and many are utilized only during the approved hunting season. Attempts by Preserve personnel to contact houseboat owners to inform them of damage to their property or to advise them of violations of regulations have proven to be extremely difficult. Many houseboat owners do not have telephones and the park does not have permanent addresses where the owners can be contacted.

The NPS believes that the addition of these regulations will provide for better management of the land and water resources of the Preserve and improve overall communications with houseboat owners by providing accurate and updated information concerning hunting, fishing, boating and water use activities.

### Public Participation

It is the policy of the Department of Interior, whenever practicable, to afford the public an opportunity to participate in the rulemaking process. Accordingly, interested persons may submit written comments regarding this proposed rule to the address noted at the beginning of this rulemaking. Big Thicket National Preserve will also publish public notices in local papers informing the general public of the proposed rule. The NPS will review comments and consider making changes to the final rule based upon an analysis of the comments.

Drafting Information. The primary authors of this proposed rule are Robert D. Appling, Chief Ranger and Richard F. Strahan, Chief, Division of Resource Management, and Dennis Burnett, Washington Office of Ranger Activities, National Park Service.

### Paperwork Reduction Act

This proposed rule does not contain collections of information requiring approval by the Office of Management and Budget under the Paperwork Reduction Act of 1995.

### Compliance With Other Laws

This rule was not subject to Office of Management and Budget review under Executive Order 12866. The Department of the Interior determined that this document will not have a significant economic effect on a substantial number of small entities under the Regulatory Flexibility Act (5 USC 601 *et seq.*). The economic effects of this rulemaking are local in nature and negligible in scope.

The NPS has determined that this proposed rulemaking will not have a significant effect on the quality of the human environment, health and safety because it is not expected to:

(a) Increase public use to the extent of compromising the nature and character of the area or causing physical damage to it;

(b) Introduce incompatible uses which compromise the nature and character of the area or causing physical damage to it;

(c) Conflict with adjacent ownerships or land uses; or

(d) Cause a nuisance to adjacent owners or occupants.

Based on this determination, the regulation is categorically excluded from the procedural requirements of the National Environmental Policy Act (NEPA) by Departmental guidelines in 516 DM 6 (49 FR 21438). As such, neither an Environmental Assessment (EA) nor an Environmental Impact Statement (EIS) has been prepared.

### List of Subjects in 36 CFR Part 7

National parks, Reporting and recordkeeping requirements.

In consideration of the foregoing, it is proposed to amend 36 CFR Chapter I as follows:

## PART 7—SPECIAL REGULATIONS, AREAS OF THE NATIONAL PARK SYSTEM

1. The authority citation continues to read as follows:

Authority: 16 U.S.C. 1, 3, 9a, 460(q), 462(k); Sec. 7.96 also issued under D.C. Code 8–137 (1981) and D.C. Code 40–721 (1981).

2. Section 7.85 is amended by adding new paragraph (e) to read as follows:

**§ 7.85 Big Thicket National Preserve.**

* * * * *

(e) *Moored houseboats.* Except as otherwise provided, the following regulations will be applicable:

(1) All houseboats moored on waterways within the boundaries of Big Thicket National Preserve are required to be registered with the Office of the Superintendent, Big Thicket National Preserve. Houseboats will be assigned a number and a decal at the beginning of each calendar year. It is further required that written notification will be given to the Office of the Superintendent prior to relocation of a houseboat from its registered location.

(2) Houseboats will be located a minimum distance of one-half mile from other houseboats.