

DEPARTMENT OF THE INTERIOR
MINERALS MANAGEMENT SERVICE MANUAL

TRANSMITTAL SHEET

Release No. 212

June 6, 1993

SUBJECT: Delegations Series
Part 220 Special Redelegations
Chapter 1 Royalty Management Program - Handbook

EXPLANATION OF MATERIAL TRANSMITTED:

This Royalty Management Program (RMP) delegations handbook has been revised incorporating in the approval level new division, branch, and office titles as established in the recent RMP reorganization. A number of new delegations have been added.



Associate Director for
Royalty Management

FILING INSTRUCTIONS:

REMOVE:

Handbook:

<u>Part</u>	<u>Chapter</u>	<u>Pages</u>	<u>Release</u>
220	Contents		149
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INSERT:

Handbook:

<u>Part</u>	<u>Chapter</u>	<u>Pages</u>	<u>Release</u>
220	Contents		212
	1	1-1 - 1-3	
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Note: The entire handbook has been reprinted.

OPR: Rules and Procedures Staff
Deputy Associate Director for Compliance
Royalty Management Program

FOREWORD

This Minerals Management Service (MMS) Handbook contains the delegations of authorities for managing and administering the Royalty Management Program.

The citations shown indicate where reference to the specific authorities can be found in regulations and policy documents.

With the approval of this handbook, specific Royalty Management authorities are redelegated in chapter 3. Authorities retained by the Director and by the Associate Director for Royalty Management are also included in this handbook. (See chapters 1 and 2.)

Requests for changes should be submitted by memorandum to the Associate Director for Royalty Management. (See procedures in the appropriate chapter in the handbook.) Any change in redelegation is not effective until it is approved for publication in the delegation series of the MMS directives system.

Questions regarding this handbook or the basic manual (MMSM 220.1) may be directed to the Royalty Management Directives Liaison Officer, Ms. Jeane Kalas, telephone (303) 231-3046.



Associate Director for
Royalty Management

Date: Oct 27 1993

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CHAPTER 1. AUTHORITIES RETAINED BY THE DIRECTOR

1. General. This chapter is included in this handbook to serve as a reference.
2. Authorities Retained. Appendix 1 of this chapter identifies those Royalty Management Program authorities retained by the Director.
3. Redelegation. These authorities may be redelegated.
4. Procedures for Redelegation.

A. The requesting office will submit to the Associate Director for Royalty Management a memorandum which contains the authority to be redelegated, citation, level of approval requested, and justification for the redelegation.

B. The Royalty Management Directives Liaison Officer will revise and process the manual chapter and handbook in accordance with the procedures of the MMS directives system.

C. Approval of the manual chapter by the Director will constitute approval of the requested redelegation, and the revision to the handbook may then be released.

OPR: Rules and Procedures Staff
Deputy Associate Director for Compliance
Royalty Management Program

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1-1

AUTHORITIES RETAINED BY THE DIRECTOR

Authority	Citation	Approval Level
1.1 Determine whether eligible refiners have access to adequate supplies of crude oil at equitable prices, elect to take royalty oil in kind, and sell royalty oil to eligible refiners.	30 CFR 208.4	Director
1.2 Suspend royalty oil contracts, upon the recommendation of the Secretary of Defense or the Secretary of Energy, during a national emergency declared by the Congress or the President.	30 CFR 208.17	Director
1.3 Approve settlements on behalf of the MMS on royalty-related administrative litigation pending before the Department, and on judicial litigation.	218 DM 1.1	Director
1.4. Approve rules and publish in the <u>Federal Register</u> .	218 DM 6	Director
1.5. Reduce or eliminate royalty or net profit share for Outer Continental Shelf (OCS) lease or segregated portion of an OCS lease.	30 CFR 203.50	Director
1.6. Use the Buy Indian Act to procure supplies and services for the use or benefit of Indian Economic Enterprises in support of the Royalty Management Program.	25 USC 47	Director

Supersedes Release No. 193
 Date: June 21, 1993 (Release No. 212)

CHAPTER 2. AUTHORITIES RETAINED BY THE ASSOCIATE DIRECTOR FOR ROYALTY
MANAGEMENT

1. Authorities Retained. Appendix 1 of this chapter identifies authorities retained by the Associate Director for Royalty Management (Associate Director).

2. Redelegation. These authorities may be redelegated.

3. Procedures for Redelegation.

A. The requesting office will submit to the Associate Director a memorandum which contains the authority to be redelegated, citation, level of approval requested, and justification for the redelegation.

B. The Royalty Management Directives Liaison Officer will revise and process this handbook in accordance with the procedures of the MMS directives system.

C. Approval of the handbook by the Associate Director will constitute approval of the requested redelegation.

AUTHORITIES RETAINED BY THE
 ASSOCIATE DIRECTOR FOR ROYALTY MANAGEMENT

Authority	Citation	Approval Level
2.1. Establish royalty oil purchase limitations and withhold royalty oil from sale offerings.	30 CFR 208.4	Associate Director for Royalty Management (AD)
2.2. Determine the initial contract fee prior to a sale of royalty oil.	30 CFR 208.4	AD
2.3. Determine if an interim sale should be held if substantial additional royalty oil becomes available.	30 CFR 208.4	AD
2.4. Authorize an officer or employee of the MMS or other Government official to inspect records of an offshore or onshore lease maintained by a lessee, operator, revenue payor, or other person.	30 CFR 212.51	AD
2.5. Notify appellant in writing when payments or other assessments shall not be suspended pending appeal.	30 CFR 243.2	AD
2.6. Determine whether a reward will be paid and if so, the amount of the reward.	30 CFR 218.57	AD
2.7. Enter into cooperative agreements with States and Indian tribes to share onshore oil or gas royalty management information and to carry out auditing and related investigation or enforcement activities in cooperation with the Secretary.	30 CFR 228.4	AD
2.8. Prescribe format for cooperative agreement which may be requested by a State or by an Indian tribe.	30 CFR 228.100	AD
2.9. Commence termination of a cooperative agreement by giving a 120-day written notice of intent to terminate.	30 CFR 228.101	AD

Supersedes Release No. 163
 Date: June 21, 1993 (Release No. 212)

AUTHORITIES RETAINED BY THE
 ASSOCIATE DIRECTOR FOR ROYALTY MANAGEMENT

Authority	Citation	Approval Level
2.10. Establish, after consultation with States and Indian tribes, standards for carrying out the activities under the provisions of a cooperative agreement.	30 CFR 228.102	AD
2.11. Delegate authority to States to conduct audits and related investigations with respect to all Federal lands within a State and to those Indian lands to which a State has received permission from the respective tribes(s) or allottee(s) to carry out audit activities.	30 CFR 229.4	AD
2.12. Appoint a representative to conduct a hearing or hearings and determine the ability of the petitioning State to carry out the delegated responsibilities requested.	30 CFR 229.102	AD
2.13. Terminate a delegation of authority to a State when it is determined that the State has failed to substantially comply with the provisions of the delegation of authority.	30 CFR 229.103	AD
2.14. Take appropriate enforcement action against a company or payor resulting from a demand letter prepared by a State.	30 CFR 229.100(b)	AD
2.15. Hold hearings with a person charged with a violation prior to assessing a penalty authorized by statutes other than the Federal Oil and Gas Royalty Management Act of 1982 (FOGRMA).	30 CFR 241.20	AD
2.16. Require adjustment in the amount of bond submitted by lessor when, pending completion of hearings, a suspension has been made of the requirement to correct violations.	30 CFR 241.51	AD
2.17. Compromise or reduce the final civil penalty amount due on a case.	30 CFR 241.51	AD
2.18. Approve notices, except rule-related notices relating to appeals, and publish in the <u>Federal Register</u> .	MMSM 318.1	AD

Supersedes Releases Nos. 163 and 182
 Date: June 21, 1993 (Release No. 212)

AUTHORITIES RETAINED BY THE
 ASSOCIATE DIRECTOR FOR ROYALTY MANAGEMENT

Authority	Citation	Approval Level
2.19. Designate, in writing, collection officers, including authority for changes and revocations of such designations. This authority is limited to collections made relative to the mission of the RMP.	218.DM 1	AD
2.20. Designate, in writing, certifying officers, including authority for changes and revocations of such designations. This authority is limited to activities relative to the mission of the RMP.	43 CFR 2.15	AD
2.21. Approve correspondence which releases or denies release of records requested or which discloses material exempt under the Freedom of Information Act.	43 CFR 2.15	AD
2.22. Write off invoice balances greater than \$600 for bankrupt payors of Federal and Indian lease-related invoices. Writeoff would occur only after all bankruptcy proceedings are final and all collection actions have been pursued and completed.	218 DM 1, FOGRMA and 4 CFR 104	AD
2.23. Approve payor/reporter handbooks that provide guidance and instructions in accordance with the Code of Federal Regulations.	MMSM 220.1	AD

Supersedes Release Nos. 182 and 193
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CHAPTER 3. AUTHORITIES REDELEGATED BY THE ASSOCIATE DIRECTOR FOR ROYALTY MANAGEMENT

1. Delegations of Authority. The authorities contained in Appendix 1 of this chapter are redelegated by the Associate Director for Royalty Management (Associate Director).

2. Redelegation. These authorities may be further redelegated.

3. Procedures for Redelegation.

A. The requesting office will submit to the Associate Director a memorandum which contains the authority to be redelegated, citation, level of approval requested, and justification for the redelegation.

B. The Royalty Management Directives Liaison Officer will revise and process this handbook in accordance with the procedures of the MMS directives system.

C. Approval of the handbook by the Associate Director will constitute approval of the requested redelegation.

AUTHORITIES REDELEGATED BY THE
 ASSOCIATE DIRECTOR FOR ROYALTY MANAGEMENT

Authority	Citation	Approval Level
3.1. Issue a notice of noncompliance and civil penalty for intentional violations to a person who knowingly and willingly fails to make any payment due by the date as specified by statute, regulation, order, or terms of the lease; fails to submit or submits false, inaccurate, or misleading data to the MMS in support of a royalty, rental, bonus, or other payment; or prepares, maintains, or submits false, inaccurate, or misleading reports, notices, affidavits, records, data, or other written information.	30 CFR 241.5	Chief, Office of Enforcement (OE)
3.2. Issue notices of civil penalty for non-intentional violations to a person MMS believes has failed or refused to comply with any statute, regulation, rule, order, lease, or permit governing the determination and collection of royalties, rents, or bonuses on Federal or Indian lands or on the OCS.	30 CFR 241.20 241.51	Chief, OE
3.3. Issue notices of noncompliance for non-intentional violations to a person MMS believes has failed or refused to comply with any statute, regulation, rule, order, lease, or permit governing the determination and collection of royalties, rents, or bonuses on Federal or Indian lands or on the OCS based on criteria established by the Associate Director for Royalty Management.	30 CFR 241.20 241.51	Chief, OE
3.4. Initiate enforcement actions to assess and collect additional royalties, rents, or bonuses identified as a consequence of audits, inspections, and investigations.	30 CFR 229.100	Chief, OE
3.5. Initiate enforcement actions to collect civil penalties and interest charges related to findings of audits, inspections, and investigations.	30 CFR 229.100	Chief, OE

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AUTHORITIES REDELEGATED BY THE
 ASSOCIATE DIRECTOR FOR ROYALTY MANAGEMENT

Authority	Citation	Approval Level
3.6. Issue a penalty notice to any person subject to civil penalties authorized by FOGRMA.	30 CFR 241.51	Chief, OE
3.7. Suspend the requirement to correct violations pending completion of hearings for civil penalties authorized by FOGRMA.	30 CFR 241.51	Chief, OE
3.8. Issue any written order assessing civil penalties after the notice of noncompliance and civil penalty notice has been issued.	30 CFR 241.51	Chief, OE
3.9. Issue any written determination of the civil penalty amount after the order assessing the civil penalty has been issued.	30 CFR 241.51	Chief, OE
3.10. Issue notice of amount due for loss or damage resulting from administrative costs arising out of certain defaults or violations of orders, requiring performance of certain duties by lessees.	30 CFR 241.53	Chief, OE
3.11. Sign and approve requests for refunds and recoupments, including refunds subject to section 10 of the Outer Continental Shelf Lands Act (OCSLA).	30 CFR 201.100	Deputy Associate Director for Compliance (DAD-C)
3.12. Take all legally enforceable steps necessary to complete an audit when factors external to the program and to the auditor restrict the audit or interfere with the auditor's ability to form objective opinions and conclusions (such as denial of access to information by a company).	30 CFR 229.123	Deputy Associate Director for Audit (DAD-A); Managers, Area Audit Offices and State and Indian Program Audit Office, DAD-A

AUTHORITIES REDELEGATED BY THE
 ASSOCIATE DIRECTOR FOR ROYALTY MANAGEMENT

Authority	Citation	Approval Level
3.13. Issue routine notices of noncompliance for nonintentional failure to report and/or pay amount due.	30 CFR 241.20 30 CFR 241.51	Chief, Reports and Payments Division (RPD); Chief, Royalty Accounting Division (RAD); Chief, Division of Verification (DOV)
3.14. Issue routine notices of noncompliance for nonintentional violations to a person MMS believes has failed to post a surety instrument pending an appeal of amount due.	30 CFR 243.2	Chief, RAD
3.15. Issue routine notices of noncompliance for nonintentional violations to a person MMS believes has failed to provide data on production volume differences.	30 CFR 241.53	Chief, DOV; Program Director, OIRA
3.16. Issue routine notice of noncompliance for nonintentional violations to a person MMS believes has failed to provide amended form MMS-3160 or MMS-2014.	30 CFR 241.53	Chief, DOV; Chief, RPD
3.17. Determine the value of coal for royalty purposes for arm's-length and non-arm's-length transactions.	30 CFR 206.257	Chief, Valuation and Standards Division (VSD)
3.18. Determine the value of coal for advance royalty purposes.	30 CFR 206.257	Chief, VSD
3.19. Determine gross value of other solid minerals for arm's-length and non-arm's-length transactions.	30 CFR 206.301	Chief, VSD
3.20. Determine allowable deductions for coal washing performed under arm's-length and non-arm's-length transactions.	30 CFR 206.259	Chief, VSD
3.21. Determine allowable deductions for coal transportation performed under arm's-length and non-arm's-length transactions.	30 CFR 206.262	Chief, VSD

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AUTHORITIES REDELEGATED BY THE
 ASSOCIATE DIRECTOR FOR ROYALTY MANAGEMENT

Authority	Citation	Approval Level
3.22. Determine the value of coal in marketable condition which is enhanced in value prior to sale by additional processing by the lessee.	30 CFR 206.265	Chief, VSD
3.23. Determine oil volumes to be royalty free when the jurisdictional Agency responsible for operations considers such volumes to be used for lease operations or unavoidably lost.	30 CFR 202.100	Chief, VSD
3.24. Determine royalty value for oil production allocated to a lessee under a unit or communitization agreement but not taken or sold by the lessee.	30 CFR 202.100	Chief, VSD
3.25. Establish royalty value of oil production from units or communitization agreements by methods other than that required by the regulations in Title 30.	30 CFR 202.100	Chief, VSD
3.26. Determine gas volumes to be royalty free when the jurisdictional Agency responsible for operations considers such volumes to be used for lease operations or unavoidably lost.	30 CFR 202.150	Chief, VSD
3.27. Determine royalty value for gas production allocated to a lessee under a unit or communitization agreement but not taken or sold by the lessee.	30 CFR 202.150	Chief, VSD
3.28. Establish royalty value of gas from units or communitization agreements by methods other than that required by the regulations in Part 202.	30 CFR 202.150	Chief, VSD
3.29. Determine gas to be royalty free if used to operate a processing plant.	30 CFR 202.151	Chief, VSD
3.30. Determine that royalty is not due on gas reinjected into a reservoir within the same lease (unit, etc.) until removed or sold.	30 CFR 202.151	Chief, VSD

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AUTHORITIES REDELEGATED BY THE
 ASSOCIATE DIRECTOR FOR ROYALTY MANAGEMENT

Authority	Citation	Approval Level
3.31. Establish measurement standards for royalty purposes for natural gas, carbon dioxide, nitrogen, helium, natural gas liquids, and sulfur.	30 CFR 206.152	Chief, VSD
3.32. Ensure that lease terms, statutes, treaty, or settlement agreements supersede the oil valuation regulations.	30 CFR 206.100	Chief, VSD
3.33. Determine value, for royalty purposes, of oil sold under arm's-length transactions.	30 CFR 206.102	Chief, VSD
3.34. Determine royalty value of oil disposed of under other than arm's-length transactions.	30 CFR 206.102	Chief, VSD
3.35. Determine major portion value of oil for Indian leases.	30 CFR 206.102	Chief, VSD
3.36. Determine valuation method for oil other than that required by Part 206.	30 CFR 206.102	Chief, VSD
3.37. Ensure that royalty value of oil is based upon the jurisdictional Agency for operation's approved point of royalty settlement.	30 CFR 206.103	Chief, VSD
3.38. Determine allowable deductions under arm's-length oil transportation contracts.	30 CFR 206.105	Chief, VSD
3.39. Determine allowable deductions under non-arm's-length oil transportation contracts or no contract situations for transporting oil.	30 CFR 206.105	Chief, VSD
3.40. Ensure that lease terms, statutes, treaty, or settlement agreements supersede the gas valuation regulations.	30 CFR 206.150	Chief, VSD; Program Director, OIRA
3.41. Determine royalty value of unprocessed gas sold under arm's-length transactions.	30 CFR 206.152	Chief, VSD

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AUTHORITIES REDELEGATED BY THE
 ASSOCIATE DIRECTOR FOR ROYALTY MANAGEMENT

Authority	Citation	Approval Level
3.42. Determine royalty value of unprocessed gas disposed of under other than arm's-length transactions.	30 CFR 206.152	Chief, VSD
3.43. Determine major portion value of unprocessed gas for Indian leases.	30 CFR 206.152	Chief, VSD
3.44. Determine valuation method for unprocessed gas other than that required by Part 206.	30 CFR 206.152	Chief, VSD
3.45. Determine royalty value of processed gas and gas plants products disposed of in arm's-length sales.	30 CFR 206.153	Chief, VSD
3.46. Determine royalty value of processed gas and gas plant products disposed of in sales that occur under other than arm's-length transactions.	30 CFR 206.153	Chief, VSD
3.47. Determine major portion value of processed gas and gas plant products for Indian leases.	30 CFR 206.153	Chief, VSD
3.48. Determine valuation method for processed gas and gas plant products other than that required by Part 206.	30 CFR 206.153	Chief, VSD
3.49. Ensure that royalty value of gas is based upon the jurisdictional Agency for operation's approved point of royalty settlement.	30 CFR 206.154	Chief, VSD
3.50. Assure that dual accounting is performed where required to determine proper royalties due.	30 CFR 206.155	Chief, VSD
3.51. Determine allowable deductions under arm's-length gas transportation contracts.	30 CFR 206.157	Chief, VSD
3.52. Determine allowable deductions under non-arm's-length gas transportation contracts or no contract situations for transporting gas.	30 CFR 206.157	Chief, VSD
3.53. Determine allowable deductions under arm's-length gas processing contracts.	30 CFR 206.159	Chief, VSD

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AUTHORITIES REDELEGATED BY THE
 ASSOCIATE DIRECTOR FOR ROYALTY MANAGEMENT

Authority	Citation	Approval Level
3.54. Determine allowable deduction under non-arm's-length gas processing contracts or no contract situations for processing gas.	30 CFR 206.159	Chief, VSD
3.55. Determine the reasonable value of geothermal resources produced from Federal geothermal leases for the purpose of computing royalties.	30 CFR 206.350	Chief, VSD
3.56. Ensure that sales contracts under old form leases contain a stipulation that any language contained in the contract will not modify any of the provisions of the lease.	30 CFR 207.4	Chief, VSD
3.57. Establish, from time to time, a different maximum percentage rate than allowed by regulation for lessee labor costs which are chargeable to net profit share lease (NPSL) OCS oil and gas operations.	30 CFR 220.011	Chief, VSD
3.58. Approve additional OCS oil and gas NPSL operations allowable transportation charges to move materiel to the NPSL project area.	30 CFR 220.011	Chief, VSD
3.59. Approve the charging of additional cost of moving surplus materiel from the NPSL project area or the cost of moving surplus materiel to other properties owned by or under the control of a lessee.	30 CFR 220.011	Chief, VSD
3.60. Establish, from time to time, a different maximum percentage return than allowed by regulation for rental of equipment and facilities furnished by the lessee and chargeable to NPSL OCS oil and gas operations.	30 CFR 220.011	Chief, VSD
3.61. Establish automotive equipment rental rates chargeable by lessee to NPSL OCS oil and gas operations.	30 CFR 220.011	Chief, VSD

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AUTHORITIES REDELEGATED BY THE
 ASSOCIATE DIRECTOR FOR ROYALTY MANAGEMENT

Authority	Citation	Approval Level
3.62. Allow costs charged by lessee to NPSL OCS oil and gas operations other than those specified by regulation if costs are separately identified in the approved Development and Production Plan or Development Operations Coordination Document.	30 CFR 220.011	Chief, VSD
3.63. Allow costs to be charged to the NPSL capital account on the basis specified in the approved OCS oil and gas unit operating agreement.	30 CFR 220.014	Chief, VSD
3.64. Approve the basis on which joint costs are to be allocated to an NPSL and a non-NPSL tract that are adjacent to one another and on the same structure.	30 CFR 220.014	Chief, VSD
3.65. Approve the value of NPSL obsolete materiel that has a value less than 50 percent of new materiel value.	30 CFR 220.015	Chief, VSD
3.66. Set exception rate at which loading and unloading costs will be charged for tabular goods movements in NPSL OCS oil and gas operations.	30 CFR 220.015	Chief, VSD
3.67. Issue notices to eligible refineries to determine need and interest in a Royalty In Kind (RIK) sale.	30 CFR 208.5	Chief, RAD
3.68. Determine which applicants may participate in a royalty oil sale and the quantity of royalty oil which each applicant is authorized to purchase.	30 CFR 208.7	Chief, RAD
3.69. Determine the allocation of oil among applicants when applications are filed by two or more eligible refiners for the same royalty oil.	30 CFR 208.7	Chief, RAD
3.70. Award contracts for purchase of royalty oil.	30 CFR 208.7	Chief, RAD
3.71. Decide to exclude a section 6, OCSLA lease from a royalty oil sale.	30 CFR 208.7	Chief, RAD

AUTHORITIES REDELEGATED BY THE
 ASSOCIATE DIRECTOR FOR ROYALTY MANAGEMENT

Authority	Citation	Approval Level
3.72. Terminate the royalty oil contract if refinery operations do not begin as required.	30 CFR 208.7	Chief, RAD
3.73. Approve an operator's alternate delivery point for royalty oil from an onshore lease to the purchaser.	30 CFR 208.8	Chief, RAD
3.74. Grant waivers exempting refiners from taking delivery of royalty oil.	30 CFR 208.8	Chief, RAD
3.75. Designate the point where royalty oil from a section 8, OCSLA lease issued after September 1969 will be delivered to the purchaser.	30 CFR 208.8	Chief, RAD
3.76. Approve arrangements for delivery of royalty oil to other than pipeline connections or other facilities provided by the lessee, from a section 8, OCSLA lease issued before October 1969 or from a section 6, OCSLA lease if the delivery point is on or immediately adjacent to the lease.	30 CFR 208.8	Chief, RAD
3.77. Designate pipeline connections or other facilities for delivery of royalty oil when the purchaser has physical access to that oil at the delivery point.	30 CFR 208.8	Chief, RAD
3.78. Approve partial deliveries of royalty oil.	30 CFR 208.10	Chief, RAD
3.79. Approve a purchaser's transfer, assignment, sale of rights or interests, liquidation of assets, or any other changes in ownership in a royalty oil contract.	30 CFR 208.10	Chief, RAD
3.80. Increase or decrease the amount of an acceptable surety instrument from an eligible purchaser of royalty oil.	30 CFR 208.11	Chief, RAD
3.81. Grant an eligible purchaser of royalty oil 45 days to obtain a replacement surety instrument.	30 CFR 208.11	Chief, RAD
3.82. Terminate a royalty oil contract if no replacement surety instrument is provided by the purchaser.	30 CFR 208.11	Chief, RAD
3.83. Notify the purchaser of royalty oil as to when and where payments will be made if this information is not stated in the contract.	30 CFR 208.12	Chief, RAD

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AUTHORITIES REDELEGATED BY THE
 ASSOCIATE DIRECTOR FOR ROYALTY MANAGEMENT

Authority	Citation	Approval Level
3.84. Issue notices to payors that royalty will be payable in value rather than in kind upon RIK contract termination.	30 CFR 208.5	Chief, RAD
3.85. Cancel a royalty oil contract and collect under the surety instrument if payment is not received from the purchaser within 15 days from the date of the notice of nonreceipt.	30 CFR 208.12	Chief, RAD
3.86. Decide to waive the appeal surety requirements if the RIK contract surety instrument is sufficient protection for an amount under the appeal.	30 CFR 208.12	Chief, RAD
3.87. Approve amendments or extensions to RIK contracts.	30 CFR 208.7 Article XXII of RIK contract	Chief, RAD
3.88. Authorize payors to pay royalties of an aggregate amount of \$10,000 or more and first year rentals using other than electronic funds transfer.	30 CFR 218.51	Chief, RAD
3.89. Grant to payors exceptions for late payment charges when estimated payments on mineral production have previously been made in accordance with instructions.	30 CFR 218.51	Chief, RAD; Chief, Appeals and Policies Section, DOV; Chief, Contract Monitoring and Verification Section, DOV
3.90. Specify format for payment identification when aggregate payments are made (single check) for Indian leases.	30 CFR 218.51	Chief, RAD

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AUTHORITIES REDELEGATED BY THE
 ASSOCIATE DIRECTOR FOR ROYALTY MANAGEMENT

Authority	Citation	Approval Level
3.91. Designate, by order, a lessee or revenue payor on an oil and gas lease as the single payor for all revenues due and owing from that lease.	30 CFR 218.52	Chief, Data Management Division (DMD); Chief, RAD;
3.92. Authorize exemption from late payment charges on lessees and operators of onshore oil and gas leases on payments due the lessor.	30 CFR 218.102	Chief, DOV; Chief, RAD
3.93. Authorize exemption from late payment charges to lessees and operators of offshore oil, gas, and sulfur leases on payments due lessor.	30 CFR 218.150	Chief, DOV; Chief, RAD;
3.94. Authorize exemption from late payment charges to lessees and operators of solid mineral leases on payments due the lessor.	30 CFR 218.202	Chief, DOV; Chief, RAD;
3.95. Authorize exemption from late payment charges to lessees and operators of geothermal resources leases on payments due the lessor.	30 CFR 218.302	Chief, DOV; Chief, RAD;
3.96. Disburse monies to States for their shares of revenues from onshore oil and gas leases.	30 CFR 219.102	Chief, Federal Distribution & Disbursements Section; Accounts Payable Branch; RAD
3.97. Transfer mineral revenues received from Indian leases to the appropriate Indian accounts.	30 CFR 219.103	Chief, Indian Distribution & Disbursement Section; Accounts Payable Branch; RAD
3.98. Issue requests to Bureau of Indian Affairs (BIA), Bureau of Land Management (BLM), and Offshore for collecting under lease surety instruments any amounts due MMS for delinquent debts per BIA/BLM/MMS Memorandum of Understanding.	4 CFR 102.10	Chief, Debt Collection Section, RAD

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AUTHORITIES REDELEGATED BY THE
 ASSOCIATE DIRECTOR FOR ROYALTY MANAGEMENT

Authority	Citation	Approval Level
3.99. Suspend or terminate (write off) Federal and Indian delinquent amounts of \$200 to \$600, after established collection steps have been taken or bankruptcy actions have been completed.	4 CFR 104	Chief, Accounts Receivable Branch, RAD
3.100. Establish installment payment agreement for any royalty-related indebtedness and collect delinquent debts in installment payments to include principal, interest, penalties, and administrative costs.	4 CFR 102.11	Chief, RAD
3.101. Assess payors for nonsubmission or untimely submission of transportation and processing allowance forms created under the Automated Tracking System.	30 CFR 206.105 30 CFR 206.157 30 CFR 206.159	Chief, Section 1, Technical Compliance Branch, DOV
3.102. Approve payor requests for extension of time to file transportation and processing allowance forms.	30 CFR 206.105 30 CFR 206.157 30 CFR 206.159	Chief, Section 1, Technical Compliance Branch, DOV
3.103. Approve requests for payors to use computer-generated transportation and processing allowances forms.	30 CFR 206.105 30 CFR 206.157 30 CFR 206.159	Chief, Section 1, Technical Compliance Branch, DOV
3.104. Approve payor requests for exception to the 3-month retroactive limitation to file transportation and processing allowance forms.	30 CFR 206.105 30 CFR 206.157 30 CFR 206.159	Chief, Technical Compliance Branch, DOV
3.105. Sign negative confirmation and action letters for contractor changes to payor allowance form errors on the Automated Allowance Tracking System.	30 CFR 206.105 30 CFR 206.157 30 CFR 206.159	Chief, Section 1 Technical Compliance Branch, DOV

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 Date: June 21, 1993 (Release No. 212)

AUTHORITIES REDELEGATED BY THE
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Authority	Citation	Approval Level
3.106. Issue field reports to Appeals and Litigation Support Division (ALSD) and approve resolution and withdrawal letters on payor appeals.	30 CFR 290	Program Director OIRA; DAD-A, Managers, Area Audit Offices, Area and Section Supervisors; Chief, VSD; Chiefs, Fiscal Accountability Branch, Production Accountability Branch, Technical Compliance Branch, DOV; Chief, Royalty Reporting and Payments Branch, RPD
3.107. Provide State and Tribal audit office field reports directly to ALSA or the State and Indian Program Audit office. Approve resolution and withdrawal letters on payor appeals.	30 CFR 290	State and Indian Program Audit Office, DAD-A
3.108. Grant extension to payors or other parties adversely affected who appeal and wish to submit additional supporting documentation for their appeal.	30 CFR 290.5	DAD-A; DAD-C; Deputy Associate Director for Operations (DAD-O); Program Director, OIRA; Senior Verification Specialist, DOV

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AUTHORITIES REDELEGATED BY THE
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Authority	Citation	Approval Level
3.109. Perform the primary duties of a bond-approving officer as defined by the Department of the Treasury and adopted by MMS. This includes accepting and relinquishing surety instruments.	30 CFR 243.2 31 CFR 225.1	Chief, Debt Collection Section, Accounts Receivable Branch, RAD
3.110. Perform the peripheral duties of a bond-approving officer as defined by the Department of the Treasury and adopted by MMS. This includes accepting and relinquishing surety instruments.	30 CFR 243.2 31 CFR 225.1	DAD-A; DAD-C; DAD-O; Chief, RPD; Chief VSD; Chief, Royalty Reporting and Payments Branch RPD; Managers, Area Audit Offices, and State and Indian Program Audit Office DAD-A
3.111. Assess and collect monies from holders of leases issued or maintained under the OCSLA, and any holder of an offshore exploration permit or of an easement or right-of-way for the construction of a pipeline, and deposit these monies in the Fishermen's Contingency Fund.	30 CFR 218.152	Chief, Accounts Receivable Branch, RAD
3.112. Issue subpoenas.	30 CFR 229.100	DAD-A; DAD-C; Managers, Area Audit Offices and State and Indian Program Audit Offices DAD-A

AUTHORITIES REDELEGATED BY THE
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Authority	Citation	Approval Level
3.113. Reduce overcalculated bills based on appeals or other information.	30 CFR 290	Managers, Area Audit Offices and State and Indian Program Audit Offices, DAD-A; Chief, VSD; Chief, Accounts Receivable Branch, RAD; Chief, DOV; Section Chiefs Technical Compliance Branch, and Appeals and Policy Section, Fiscal Accountability Branch, DOV; Chief Production Reporting Branch RPD; Chief, Royalty Reporting and Payments Branch, RPD
3.114. Issue demand letters to operators for corrections/revisions to Form MMS-4071, Semiannual Report of RIK Oil Entitlements and Deliveries.	30 CFR 208	Chief, Billings and Royalty In Kind Section, Accounts Receivable Branch, RAD
3.115. Return surety upon final appeal determination or receipt of a replacement surety instrument.	30 CFR 243.2	Chief, Debt Collection Section, Accounts Receivable Branch, RAD

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AUTHORITIES REDELEGATED BY THE
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Authority	Citation	Approval Level
3.116. Issue demands to surety instrument companies for collecting amounts due MMS for delinquent debts.	4 CFR 102.10	Chief, Accounts Receivable Branch, RAD
3.117. Suspend or terminate (write off) Federal and Indian delinquent amounts under \$200 after established collection steps have been taken or bankruptcy actions have been completed.	218 DM 1, FOGRMA, 4 CFR 103 and 104	Chief, Debt Collection Section, Accounts Receivable Branch, RAD
3.118. Issue Auditing and Financial System (AFS) late reporting invoices.	30 CFR 218.40	Chief, Debt Collection Section, Accts Receivable Branch, RAD; Chief, Billings and Royalty In Kind Section, Accts Receivable Branch, RAD; Chief, Royalty Reporting and Payments Branch, RPD
3.119. Issue AFS late-payment and lease financial invoices.	30 CFR 218.50, 218.54, 218.102, 218.202, 218.302	Chief, Fiscal Accountability Branch, DOV; Chief, Section 1, Technical Compliance Branch, DOV; Chief, Contract Monitoring and Verification Section, DOV

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AUTHORITIES REDELEGATED BY THE
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Authority	Citation	Approval Level
3.120. Issue followup letters to payors and demand letters to lessees of record for delinquent accounts on behalf of RMP billings.	4 CFR 102.2 30 CFR 201.100 30 USC 1712	Chief, Accounts Receivable Branch, RAD; Chief, Debt Collection Section, Accounts Receivable Branch, RAD
3.121. Issue orders to payors to increase/decrease surety instruments on stayed bills under appeal.	30 CFR 243.2	Chief, Debt Collections Section, Accounts Receivable Branch, RAD
3.122. Assess payors for incorrectly completed reports regarding collection of royalties, bonuses, and other monies due the Federal Government.	30 CFR 218.40	Chief, Royalty Reporting and Payments Branch, RPD; Section Chiefs, Royalty Reporting and Payments Branch, RPD; Chief, Section 2, Technical Compliance Branch, DOV

AUTHORITIES REDELEGATED BY THE
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Authority	Citation	Approval Level
3.123. Issue orders, and rescind orders, to pay/performance to obtain compliance with lease terms, regulations, and statutes.	4 CFR 102.1 30 CFR 201.100	Program Director, OIRA Managers, Area Audit Offices and State and Indian Program Audit Office, DAD-A; Chief, Royalty Reporting and Payments Branch, RPD; Chief, Technical Compliance Branch, DOV; Chief, Production Accountability Branch, DOV
3.124. Grant exceptions from assessment to Production Accounting and Auditing System (PAAS) reporters for incorrect, late, and failure to report production when reporting problems are beyond the reporter's control.	30 CFR 216.40	Chief, RPD
3.125. Issue orders to operators to report production information.	30 CFR 241.20 30 CFR 241.51	Program Director, OIRA; Chief, Production Reporting Branch, RPD; Chief, Production Accountability Branch, DOV
3.126. Authorize extension for filing Form MMS-3160, Monthly Report of Operations.	30 CFR 216.50(b)	Chief, RPD
3.127. Authorize a different reporting frequency or omit the filing of the PAAS oil and gas operations and corroborative reports.	30 CFR 216	Chief, Production Reporting Branch, RPD

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AUTHORITIES REDELEGATED BY THE
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Authority	Citation	Approval Level
3.128. Authorize a different reporting frequency or omit the filing of the PAAS solid minerals operations and corroborative reports.	30 CFR 216	Chief, Solid Minerals Staff, DMD
3.129. Issue assessments for late, missing, or erroneous production reporting on PAAS oil and gas reports.	30 CFR 216.40	Chief, Production Reporting Branch, RPD;
3.130. Direct the audit of accounts and books of lessees, operators, payors, and/or purchasers of royalty oil taken in kind at times other than annually.	30 CFR 208.15	Managers, Area Audit Offices and State and Indian Program Audit Office, DAD-A
3.131. Initiate audit of accounts of an NPSL lessees, or of a contractor of the lessee when accounts are related to NPSL operations.	30 CFR 220.033	Managers, Area Audit Offices and State and Indian Program Audit Office, DAD-A
3.132. Elect to send a Department of the Interior (DOI) auditor with an audit team specified by a nonoperator in lieu of calling for a separate audit.	30 CFR 220.022	Managers, Area Audit Offices and State and Indian Program Audit Office, DAD-A
3.133. Request that records required to be kept on OCS leases with a net profit share component be made available for inspection by a DOI agent.	30 CFR 220.033	Managers, Area Audit Offices and State and Indian Program Audit Office, DAD-A
3.134. Approve disposition of records kept by the States under delegation agreements.	30 CFR 229.121	Manager, State and Indian Program Audit Office, DAD-A
3.135. Approve changes to audit workplans submitted by the States under delegation agreements.	30 CFR 229.123	Manager, State and Indian Program Audit Office, DAD-A

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Authority	Citation	Approval Level
3.136. Notify the appropriate law enforcement agencies if auditors present evidence of fraud, abuse, or illegal acts by the States with respect to the delegation agreement program.	30 CFR 229.123	Manager, State and Indian Program Audit Office, DAD-A
3.137. Audit overages or shortages resulting from inventory of an NPSL account.	30 CFR 220.033	Managers, Area Audit Offices and State and Indian Program Audit Office, DAD-A
3.138. Release record holders from the obligation to maintain records when an audit or investigation is complete.	30 CFR 212.200	Managers, Area Audit Offices and State and Indian Program Audit Office, DAD-A
3.139. Initiate and conduct audits relating to the scope, nature, and extent of compliance with applicable regulations and orders by lessees, operators, revenue payors, and other persons with royalty, rental, net profit share, and other payment requirements including interest, on a Federal or Indian oil and gas lease, and issue orders to pay/perform for additional royalties or records and analyses.	30 CFR 217.50	Managers, Area Audit Offices and State and Indian Program Audit Office, DAD-A
3.140. Issue orders to pay/perform identified under a delegation of authority to the States.	30 CFR 229.125(b)	Managers, Area Audit Offices and State and Indian Program Audit Office, DAD-A
3.141. Request that the regulatory authority of the State under a delegation agreement provide competent and knowledgeable staff for testimony, as well as any required documentation and analysis, in support of the lessor's position during the appeal process.	30 CFR 229.126	Manager, State and Indian Program Audit Office, DAD-A

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Authority	Citation	Approval Level
<p>3.142. Request that the affected State under a delegation agreement provide an expert witness from their audit staff for testimony, as well as required documentation and analysis, to support the Department's position during the litigation of court cases arising from denied appeals.</p>	<p>30 CFR 229.126</p>	<p>Manager, State and Indian Program Audit Office, DAD-A</p>
<p>3.143. Request from Internal Revenue Service the last known tax-filing address of a delinquent debtor when the debtor's address cannot be determined.</p>	<p>4 CFR 103 and 104</p>	<p>Chief, Debt Collection Section, Accounts Receivable Branch, RAD</p>
<p>3.144. Issue contractor and RMP prepared policy and procedures manuals, reporter and payor handbooks, and user and systems management documentation applying to the operational activities of RMP and which are not part of the MMS directives System.</p>	<p>CFR 201.100 210.204 216.15</p>	<p>Chief, Rules and Procedures Staff, DAD-C</p>

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