§1207.1

1207.3 Contracts made pursuant to new form leases.

1207.4 Contracts made pursuant to old form leases.

1207.5 Contract and sales agreement retention.

Subpart B—Oil, Gas and OCS Sulfur, General [Reserved]

Subpart C—Federal and Indian Oil [Reserved]

Subpart D—Federal and Indian Gas [Reserved]

Subpart E—Solid Minerals, General [Reserved]

Subpart F—Coal [Reserved]

Subpart G—Other Solid Minerals [Reserved]

Subpart H—Geothermal Resources [Reserved]

Subpart I—OCS Sulfur [Reserved]

AUTHORITY: 5 U.S.C. 301 et seq.; 25 U.S.C. 396 et seq.; 25 U.S.C. 396a et seq.; 25 U.S.C. 2101 et seq.; 30 U.S.C. 181 et seq.; 30 U.S.C. 351 et seq.; 30 U.S.C. 1001 et seq.; 30 U.S.C. 1701 et seq.; 31 U.S.C. 3716 et seq.; 31 U.S.C. 9701; 43 U.S.C. 1301 et seq.; 43 U.S.C. 1331 et seq.; and 43 U.S.C. 1801 et seq.

SOURCE: 53 FR 1225, Jan. 15, 1988, unless otherwise noted. Redesignated at 75 FR 61080, Oct. 4, 2010.

Subpart A—General Provisions

§1207.1 Required recordkeeping.

(a) ONRR uses the information collected to determine a proper transportation allowance for the cost of transporting royalty oil from the lease to a delivery point remote from the lease. The information is required so that the lessee may obtain a benefit under the Federal Oil and Gas Royalty Management Act of 1982, 30 U.S.C. 1701 *et seq.* The Office of Management and Budget (OMB) approved the information collection requirements contained in this part under 44 U.S.C. 3501 *et seq.* ONRR identifies the approved OMB control number in 30 CFR 1210.10.

(b) Send comments regarding the burden estimates or any other aspect of this information collection, including suggestions for reducing burden, to

30 CFR Ch. XII (7-1-20 Edition)

the Office of Natural Resources Revenue, Attention: Rules & Regs Team, OMB Control Number 1012–0002, P.O. Box 25165, Denver, CO 80225–0165.

[78 FR 30204, May 22, 2013]

§1207.2 Definitions.

The definitions in part 1206 of this title are applicable to this part.

§1207.3 Contracts made pursuant to new form leases.

On November 29, 1950 (15 FR 8585), a new lease form was adopted (Form 4-1158, 15 FR 8585) containing provisions whereby the lessee agrees that nothing in any contract or other arrangement made for the sale or disposal of oil, gas, natural gasoline, and other products of the leased land, shall be construed as modifying any of the provisions of the lease, including, but not limited to, provisions relating to gas waste, taking royalty-in-kind, and the method of computing royalties due as based on a minimum valuation and in accordance with the oil and gas valuation regulations. A contract or agreement pursuant to a lease containing such provisions may be made without obtaining prior approval of the United States as lessor, but must be retained as provided in §1207.5 of this subpart.

§1207.4 Contracts made pursuant to old form leases.

(a) Old form leases are those containing provisions prohibiting sales or disposal of oil, gas, natural gasoline, and other products of the lease except in accordance with a contract or other arrangement approved by the Secretary of the Interior, or by the Director of the Bureau of Ocean Energy Management (BOEM) or his/her representative. A contract or agreement made pursuant to an old form lease may be made without obtaining approval if the contract or agreement contains either the substance of or is accompanied by the stipulation set forth in paragraph (b) of this section, signed by the seller (lessee or operator).

(b) The stipulation, the substance of which must be included in the contract, or be made the subject matter of

Natural Resources Revenue Off., Interior

a separate instrument properly identifying the leases affected thereby, is as follows:

It is hereby understood and agreed that nothing in the written contract or in any approval thereof shall be construed as affecting any of the relations between the United States and its lessee, particularly in matters of gas waste, taking royalty in kind, and the method of computing royalties due as based on a minimum valuation and in accordance with the terms and provisions of the oil and gas valuation regulations applicable to the lands covered by said contract.

[53 FR 1225, Jan. 15, 1988, as amended at 78 FR 30204, May 22, 2013]

§1207.5 Contract and sales agreement retention.

Copies of all sales contracts, posted price bulletins, etc., and copies of all agreements, other contracts, or other documents which are relevant to the valuation of production are to be maintained by the lessee and made available upon request during normal working hours to authorized Office of Natural Resources Revenue (ONRR), State or Indian representatives, BOEM, Bureau of Safety and Environmental Enforcement (BSEE) or BLM officials, auditors of the General Accounting Office, or other persons authorized to receive such documents, or shall be submitted to ONRR within a reasonable period of time, as determined by ONRR. Any oral sales arrangement negotiated by the lessee must be placed in written form and retained by the lessee. Records shall be retained in accordance with 30 CFR part 1212.

 $\tt {53}$ FR 1225, Jan. 15, 1988, as amended at 78 FR 30204, May 22, 2013]

Subpart B—Oil, Gas, and OCS Sulfur, General [Reserved]

Subpart C—Federal and Indian Oil [Reserved]

Subpart D—Federal and Indian Gas [Reserved]

Subpart E—Solid Minerals, General [Reserved]

Subpart F—Coal [Reserved]

Subpart G—Other Solid Minerals [Reserved]

Subpart H—Geothermal **Resources** [Reserved]

Subpart I—OCS Sulfur [Reserved]

PART 1208—SALE OF FEDERAL **ROYALTY OIL**

Subpart A—General Provisons

Sec. 1208.1

- General. 1208.2 Definitions.
- 1208.3 Information collection.
- Royalty oil sales to eligible refiners. 1208.4
- 1208.5 Notice of royalty oil sale.
- 1208.6 General application procedures.
- 1208.7 Determination of eligibility.
- 1208.8 Transportation and delivery.
- 1208.9 Agreements.
- 1208.10 Notices.
- 1208.11 Surety requirements.
- 1208.12 Payment requirements.
- 1208.13 Reporting requirements.
- 1208.14 Civil and criminal penalties.
- 1208.15 Audits.
- 1208.16 How to appeal a contracting officer's decision that you receive.
- 1208.17 Suspensions for national emergencies.

Subpart B [Reserved]

AUTHORITY: 5 U.S.C. 301 et seq.; 30 U.S.C. 181 et seq., 351 et seq., 1701 et seq.; 31 U.S.C. 9701; 41 U.S.C. 601 et seq.; 43 U.S.C. 1301 et seq., 1331 et seq., and 1801 et seq.

SOURCE: 52 FR 41913, Oct. 30, 1987, unless otherwise noted. Redesignated at 75 FR 61080, Oct. 4, 2010.

Subpart A—General Provisions

§1208.1 General.

The regulations in this part govern the sale of royalty oil by the United States to eligible refiners. The regulations apply to royalty oil from leases on Federal lands onshore and on the Outer Continental Shelf (OCS).

§1208.2 Definitions.

Allotment means the quantity of royalty oil that DOI determines is available to each eligible refiner that has applied for a portion of the total volume of royalty oil offered in a given royalty oil sale.