

**SUPPORTING STATEMENT FOR OMB CONTROL NUMBER 1004-0074,  
OIL AND GAS AND GEOTHERMAL RESOURCES LEASING  
43 CFR PARTS 3100 AND 3200, FORMS 3000-2 and 3200-9**

**Terms of Clearance:** None.

**SECTION A**

**JUSTIFICATION**

1. Explain the circumstances that make the collection of information necessary. Identify any legal or administrative requirements that necessitate the collection. Attach a copy of the appropriate section of each statute and regulation mandating or authorizing the collection of information.

The Mineral Leasing Act of 1920, as amended (30 U.S.C. 181 *et seq.*) gives the Secretary of the Interior responsibility for oil and gas leasing on approximately 600 million acres of public lands and national forests, and private lands where minerals have been reserved by the United States Federal Government. The Federal Onshore Oil and Gas Leasing Reform Act of 1987 requires that we offer by competitive oral bidding all public lands that are available for oil and gas leasing. The Department of the Interior Appropriations Act of 1981 (43 U.S.C. 6508) provides for the competitive leasing of the lands in the National Petroleum Reserve-Alaska (NPR-A). The Geothermal Steam Act of 1970 (30 U.S.C. 1001-1025) authorizes the Secretary to issue leases for geothermal development. The lands available for exploration and leasing include public domain and acquired lands that are not reserved or withdrawn from leasing, exploration, or development that the Bureau of Land Management (BLM) administers. The National Environmental Policy Act of 1969 (42 U.S.C. 4331 *et seq.*) (NEPA) established a national policy to protect the environment.

The regulations within 43 CFR part 3100 outline procedures for obtaining a lease to explore for, develop, and produce oil and gas resources. The regulations within 43 CFR part 3200 provide for the issuance of geothermal leases and the exploration, development, and utilization of Federally-owned geothermal resources. The BLM uses the information respondents provide on the two forms to process bids for oil and gas and geothermal resources leasing and to complete environmental reviews that NEPA requires.

2. Explain how, by whom, how frequently, and for what purpose the information is used. Except for a new collection, indicate the actual use the agency has made of the information received from the current collection. [Be specific. If this collection is a form or a questionnaire, every question needs to be justified.]

The BLM uses the information to determine the highest qualified bonus bid for a competitive oil and gas or geothermal resources parcel on *Form 3000-2*, Competitive Oil and Gas or Geothermal Resources Lease Bid. Although the Energy Policy Act of 2005 (Act) removed the purpose (designation of Known Geothermal Resource Areas) for *Form 3000-2* for geothermal lease bids, rendering the form obsolete for that purpose, the BLM issued guidance—Instruction

Memorandum No. 2006-009, Geothermal Lease Sales for Existing Nominated Parcels Under the Energy Policy Act of 2005”—on October 7, 2005, for holding geothermal lease sales for nominations for lands to be offered that were made on or before August 8, 2005. The guidance for geothermal lease sales is in effect until the new proposed regulations that implement geothermal provisions of the Act are final, necessitating retention of *Form 3000-2* for geothermal lease bidding.

For *Form 3200-9*, Notice of Intent to Conduct Geothermal Resources Exploration Operations, the BLM uses the information to complete environmental reviews in compliance with NEPA. We use the information to determine the eligibility of an applicant to hold, explore for, develop, and produce geothermal resources on Federal lands. The respondent submits the information in person or by mail to the proper BLM Office of the Department of the Interior. Respondents vary from individuals to small businesses and major corporations.

a. Specific information we request on *Form 3000-2*:

(1) State and Date of Sale. We require the State and Date of Sale information to determine where and when the competitive lease sale is held and that the parcel numbers indicated are actually being offered for bid on the scheduled sale date.

(2) Parcel Number and Name of Known Geothermal Resource Area (KGRA). BLM requires the information to verify that the sale includes the parcel numbers and KGRA indicated.

(3) Total Bid and Payment Submitted With Bid. We require this information to determine the specific bid and ensure that the bidder has paid the national minimum acceptable bid (\$2 per acre for an oil and gas lease or one-fifth of the bid for a geothermal lease), first year's rental, and administrative fee as required by 43 CFR 3120.5-2 and 3205.12.

(4) Name and Address of Lessee. We require the name and address to identify the lessee and to allow the BLM to ensure that the lessee meets the eligibility requirements of the regulations.

(5) Signature of Lessee or Bidder. We require the signature to certify compliance with the applicable regulations.

If we do not collect the information to process competitive lease bids, the leasing of oil and gas and geothermal resources could not occur to allow a benefit and the Federal Government would lose a significant amount of revenue.

b. Specific information we request on *Form 3200-9*:

(1) The names and addresses of the Applicant(s), Operator, and Contractor(s) and the telephone number of the Operator. We require this information to identify all persons who will be conducting operations on the lands and to correspond with them.

(2) Description of lands by township, with map or maps showing lands to be entered or affected. We require this information to determine the area to be entered or disturbed by the proposed exploration operations.

(3) Type of operations to be conducted. We require this information to determine whether the applicant/operator/contractor is complying with the provisions of the regulations.

(4) Exploration operations will be conducted during the period (date) of commencement and completion. We require this information to determine how long the applicant/operator/contractor intends to conduct exploration operations on the land.

(5) Amount and type of financial assurance to be supplied: Surety bond, Rider to Nationwide bond, Rider to Statewide bond, Bond to be furnished. We require the applicant to indicate the type of bond coverage that will cover the exploration operations.

(6) Signatures. We require signatures to demonstrate that the applicant/operator/contractor understands that he/she must comply with the provisions of the notice of intent.

3. Describe whether, and to what extent, the collection of information involves the use of automated, electronic, mechanical, or other technological techniques or other forms of information technology (e.g., permitting electronic submission of responses), and the basis for the decision for adopting this means of collection. Also describe any consideration of using information technology to reduce burden [and specifically how this collection meets GPEA requirements].

In accordance with the Government Paperwork Elimination Act (GPEA), the public can fill out and download forms; however, they cannot submit electronically at this time.

4. Describe efforts to identify duplication. Show specifically why any similar information already available cannot be used or modified for use for the purposes described in Item 2 above.

No duplication of information occurs in the information we collect, and there is no similar information already available. The requested information is unique to the respondent as applicable to a particular lease sale or notice of intent and calls for nonrecurring, occasional information, different in each instance. Only the respondent can furnish the information, and it is not available from any other data source. The information is required to receive a benefit.

Respondents are individuals, small businesses (drilling companies, oil and gas operators), and major oil and gas companies who bid for oil and gas or geothermal resource leases and who file notices of intent for exploration operations. BLM keeps the information chronologically in manual and automated databases, review of which is a continuous process. Each BLM State Office has jurisdiction over specific lands, so no duplication would occur with respect to lease bidding or notices of intent for exploration operations.

5. If the collection of information impacts small businesses or other small entities (Item 5 of OMB Form 83-I) describe any methods used to minimize burden.

There is not a significant impact on small businesses or other small entities from the information we request on these forms. We require the minimum amount of information necessary to process bids for oil and gas and geothermal leases and requests for authorization to conduct geothermal exploration operations.

6. Describe the consequence to the Federal program or policy activities if the collection is not conducted or is conducted less frequently, as well as any technical or legal obstacles to reducing the burden.

If we did not collect the information contained on the forms, the leasing of oil and gas and geothermal resources and geothermal operations activities could not occur. Leases and geothermal operations provide revenue to the U. S. Treasury. Less frequent collection would mean no collection of information at all.

7. Explain any special circumstances that would cause an information collection to be conducted in a manner:

- \* requiring respondents to report information to the agency more often than quarterly;
- \* requiring respondents to prepare a written response to a collection of information in fewer than 30 days after receipt of it;
- \* requiring respondents to submit more than an original and two copies of any document;
- \* requiring respondents to retain records, other than health, medical, government contract, grant-in-aid, or tax records, for more than three years;
- \* in connection with a statistical survey, that is not designed to produce valid and reliable results that can be generalized to the universe of study;
- \* requiring the use of a statistical data classification that has not been reviewed and approved by OMB;
- \* that includes a pledge of confidentiality that is not supported by authority established in statute or regulation, that is not supported by disclosure and data security policies that are consistent with the pledge, or which unnecessarily impedes sharing of data with other agencies for compatible confidential use; or
- \* requiring respondents to submit proprietary trade secrets, or other confidential information unless the agency can demonstrate that it has instituted procedures to protect the information's confidentiality to the extent permitted by law.

There are no special circumstances that require the collection to be conducted in a manner inconsistent with the guidelines in 5 CFR 1320.5.

8. If applicable, provide a copy and identify the date and page number of publication in the Federal Register of the agency's notice, required by 5 CFR 1320.8(d), soliciting comments on the information collection prior to submission to OMB. Summarize public comments received in response to that notice [and in response to the PRA statement associated with the

collection over the past three years] and describe actions taken by the agency in response to these comments. Specifically address comments received on cost and hour burden.

Describe efforts to consult with persons outside the agency to obtain their views on the availability of data, frequency of collection, the clarity of instructions and recordkeeping, disclosure, or reporting format (if any), and on the data elements to be recorded, disclosed, or reported. [Please list the names, titles, addresses, and phone numbers of persons contacted.]

Consultation with representatives of those from whom information is to be obtained or those who must compile records should occur at least once every 3 years — even if the collection of information activity is the same as in prior periods. There may be circumstances that may preclude consultation in a specific situation. These circumstances should be explained.

As required in 5 CFR 1320.8(d), the BLM published the required 60-day notice in the Federal Register on April 21, 2005 (70 FR 20764), soliciting comments from the public and other interested parties. The comment period closed on June 20, 2005. The BLM did not receive any comments from the public in response to this notice. A copy of the notice is attached.

During the approval period, we consulted with the following respondents to solicit comments on the burden hour and cost estimates, availability of data, frequency of collection, and clarity of instructions. Based on these consultations, the burden estimates in Question 12 reflect their input.

Mr. Lane Lasrich  
Landman  
Zephyr Corporation  
2597 East Bridger Blvd.  
Sandy, UT 84093  
(801) 942-0525

Ms. Mary Sellers  
Independent Landman  
Seller Search  
2771 S. Roslyn St.  
Denver, CO 80231  
(303) 751-8266

Mr. Stewart Johnson  
Geologist  
Ormat Nevada Inc.  
6025 Neil Rd., Suite 300  
Reno, NV 89511  
(775) 356-9029, Ext. 2215

Mr. Kevin Talkington

Land Manager  
Calpine –The Geysers  
10305 Socrates Mine Rd.  
Middletown, CA 95461  
(707) 431-6191

Ms. Missy Miller  
Senior Compliance Coordinator  
Caithness Operating Company  
9590 Prototype Ct., Suite 200  
Reno, NV 89521  
(775) 850-2266

We sought comments on *Form 3000-2* for both oil and gas and geothermal. For oil and gas lease bids, respondents stated that the form is simple and clear, “easy” and “fine as is,” and none had any changes to suggest. Completing the form takes minimal time, approximately 5 to 10 minutes.

For geothermal lease bids, respondents we contacted could not remember specifics about the form. Respondents have not submitted these forms from 1 to 5 years in many cases, and in California, not since 1988. One respondent did recollect that *Form 3000-2* was easy to understand and complete and recalled that the form took 10 minutes to complete.

For *Form 3200-9*, all the respondents surveyed responded that the Notice of Intent (NOI) is straightforward and clear as to instructions and reasonable as to information requirements.

The hour burden was estimated at 8 hours for reviewing instructions, gathering and maintaining data, and completing and reviewing the form.

9. Explain any decision to provide any payment or gift to respondents, other than remuneration of contractors and grantees.

We do not provide payments or gifts to the respondents.

10. Describe any assurance of confidentiality provided to respondents and the basis for the assurance in statute, regulation, or agency policy.

Competitive lease bids submitted for oil and gas and geothermal sales are sealed until the competitive lease sale is held, and contracts, documents, and sales agreements pertaining to accounting records are closed to public inspection in accordance with the Freedom of Information Act (5 U.S.C. 552).

Under the privacy provisions of the E-Government Act of 2002, respondents were informed as to whether or not providing the information is mandatory to obtain a benefit. BLM has firewalls to

protect website access, strong security and password protection of the information in the data base, and other measures to protect electronic information.

11. Provide additional justification for any questions of a sensitive nature, such as sexual behavior and attitudes, religious beliefs, or other matters that are commonly considered private. The justification should include the reasons why the agency considers the questions necessary, the specific uses to be made of the information, the explanation to be given to persons from whom the information is requested, and any steps to be taken to obtain their consent.

We do not require respondents to answer questions of a sensitive nature.

12. Provide estimates of the hour burden of the collection of information. The statement should: Indicate the number of respondents, frequency of response, annual hour burden, and an explanation of how the burden was estimated. Unless directed to do so, agencies should not conduct special surveys to obtain information on which to base hour burden estimates. Consultation with a sample (fewer than 10) of potential respondents is desirable. If the hour burden on respondents is expected to vary widely because of differences in activity, size, or complexity, show the range of estimated hour burden, and explain the reasons for the variance. Generally, estimates should not include burden hours for customary and usual business practices.

If this request for approval covers more than one form, provide separate hour burden estimates for each form and aggregate the hour burdens in Item 13 of OMB Form 83-I.

Provide estimates of annualized cost to respondents for the hour burdens for collections of information, identifying and using appropriate wage rate categories. The cost of contracting out or paying outside parties for information collection activities should not be included here. Instead, this cost should be included in Item 14.

We estimate that it takes an average time of 10 minutes to complete a Lease Bid form. The estimate includes time spent assembling information and completing the form; it does not include time spent researching lands ownership, BLM records, and county or city plats, which would be customary and usual business practice.

We estimate it takes 8 hours to complete a NOI. The estimated time includes that necessary for an explanation and a project description of all operation activities. The requirements are listed at 43 CFR 3251.12. The table itemizes and summarizes the burden estimates for each form.

Form Number Estimates of Hour Burden	3000-2	3200-9
Number of responses received (FY 2003 to FY 2005)	6,347	35
Frequency of response	On occasion	On occasion
Annual number of responses	2,116	12
Average response time per respondent	10 minutes	8 hours
Annual response time for this collection	353 hours	96 hours
Annualized Cost to Respondents		
Hourly Cost per respondent	\$75	\$688
Annualized cost to respondents	\$26,475	\$66,048

**13. Provide an estimate of the total annual [non-hour] cost burden to respondents or recordkeepers resulting from the collection of information. (Do not include the cost of any burden shown in Items 12 and 14).**

**The cost estimate should be split into two components: (a) a total capital and start-up cost component (annualized over its expected useful life) and (b) a total operation and maintenance and purchase of services component. The estimates should take into account costs associated with generating, maintaining, and disclosing or providing the information [including filing fees paid]. Include descriptions of methods used to estimate major cost factors including system and technology acquisition, expected useful life of capital equipment, the discount rate(s), and the time period over which costs will be incurred. Capital and start-up costs include, among other items, preparations for collecting information such as purchasing computers and software; monitoring, sampling, drilling and testing equipment; and record storage facilities.**

**If cost estimates are expected to vary widely, agencies should present ranges of cost burdens and explain the reasons for the variance. The cost of purchasing or contracting out information collection services should be a part of this cost burden estimate. In developing cost burden estimates, agencies may consult with a sample of respondents (fewer than 10), utilize the 60-day pre-OMB submission public comment process and use existing economic or regulatory impact analysis associated with the rulemaking containing the information collection, as appropriate.**

**Generally, estimates should not include purchases of equipment or services, or portions thereof, made: (1) prior to October 1, 1995, (2) to achieve regulatory compliance with requirements not associated with the information collection, (3) for reasons other than to provide information or keep records for the Government, or (4) as part of customary and usual business or private practices.**

Respondents are not required to purchase additional computer hardware or software to comply with these information requirements. There is no filing fee associated with this information

collection. There are no capital and start-up costs involved with this information collection. However, the competitive lease bid form must be accompanied by a \$75 administrative fee, which is refunded to unsuccessful bidders.

**14. Provide estimates of annualized cost to the Federal Government. Also, provide a description of the method used to estimate cost, which should include quantification of hours, operational expenses (such as equipment, overhead, printing, and support staff), and any other expense that would not have been incurred without this collection of information. Agencies also may aggregate cost estimates from Items 12, 13, and 14 in a single table.**

We estimate the total annual cost to the Federal Government to process the lease bid forms is \$158,700 (\$75 per hour x 2,116 bid forms). The cost estimate is the result of a cost recovery survey to determine the average cost for processing permits, applications, and bids.

For the NOI form, we estimate the annual cost to the Federal Government to process the NOI form is \$1,440 (2 hours x \$60 per hour x 12 forms). This does not include the environmental review or onsite inspection, which on average extends the time and various related costs, such as travel, to at least 2 weeks, or longer if a NOI includes multiple gradient wells.

Total cost to the Federal Government for this collection is: \$160,140.

**15. Explain reasons for any program changes or adjustments reported in Items 13 or 14 of the OMB Form 83-I.**

These are adjustments based on a more detailed estimation of the collection. The total number of responses increased from 1,030 to 2,128, an increase of 1,098. The total hours requested increased from 227 to 449, an increase of 222.

These increases are adjustments based on previous years' statistics and field office estimates that reflect current conditions and expected activity. We expect that increase to continue.

**16. For collections of information whose results will be published, outline plans for tabulation and publication.**

BLM will not publish the results of this collection.

**17. If seeking approval to not display the expiration date for OMB approval of the information collection, explain the reasons that display would be inappropriate.**

BLM will display the expiration date of the OMB approval.

**18. Explain each exception to the certification statement identified in Item 19, "Certification for Paperwork Reduction Act Submissions," of OMB Form 83-I.**

There are no exceptions to the certification statement.

## **SECTION B. COLLECTIONS OF INFORMATION EMPLOYING STATISTICAL METHODS**

The agency should be prepared to justify its decision not to use statistical methods in any case where such methods might reduce burden or improve accuracy of results. When Item 17 on the OMB Form 83-I is checked "Yes", the following documentation should be included in the Supporting Statement to the extent that it applies to the methods proposed:

1. Describe (including a numerical estimate) the potential respondent universe and any sampling or other respondent selection method to be used. Data on the number of entities (e.g., establishments, State and local government units, households, or persons) in the universe covered by the collection and in the corresponding sample are to be provided in tabular form for the universe as a whole and for each of the strata in the proposed sample. Indicate expected response rates for the collection as a whole. If the collection had been conducted previously, include the actual response rate achieved during the last collection.

2. Describe the procedures for the collection of information including:

- \*Statistical methodology for stratification and sample selection,
- \*Estimation procedure,
- \*Degree of accuracy needed for the purpose described in the justification,
- \*Unusual problems requiring specialized sampling procedures, and
- \*Any use of periodic (less frequent than annual) data collection cycles to reduce burden.

3. Describe methods to maximize response rates and to deal with issues of non-response. The accuracy and reliability of information collected must be shown to be adequate for intended uses. For collections based on sampling, a special justification must be provided for any collection that will not yield "reliable" data that can be generalized to the universe studied.

4. Describe any tests of procedures or methods to be undertaken. Testing is encouraged as an effective means of refining collections of information to minimize burden and improve utility. Tests must be approved if they call for answers to identical questions from 10 or more respondents. A proposed test or set of tests may be submitted for approval separately or in combination with the main collection of information.

5. Provide the name and telephone number of individuals consulted on statistical aspects of the design and the name of the agency unit, contractor(s), grantee(s), or other person(s) who will actually collect and/or analyze the information for the agency.

This information collection does not employ statistical methods.