

**Supporting Statement for Paperwork Reduction Act Submissions**  
**30 CFR 250, Subpart Q, Decommissioning Activities**  
**OMB Control Number 1010-0142**  
**Current Expiration Date September 30, 2007**

**Terms of Clearance: None**

**General Instructions**

A Supporting Statement, including the text of the notice to the public required by 5 CFR 1320.5(a)(i)(iv) and its actual or estimated date of publication in the Federal Register, must accompany each request for approval of a collection of information. The Supporting Statement must be prepared in the format described below, and must contain the information specified in Section A below. If an item is not applicable, provide a brief explanation. When statistical methods are used, Section B of the Supporting Statement must be completed. OMB reserves the right to require the submission of additional information with respect to any request for approval.

**Specific Instructions**

**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 Outer Continental Shelf (OCS) Lands Act, as amended (43 U.S.C. 1331 et seq. and 43 U.S.C. 1801 et seq.), authorizes the Secretary of the Interior (Secretary) to prescribe rules and regulations to administer leasing of the OCS. Such rules and regulations will apply to all operations conducted under a lease. Operations on the OCS must preserve, protect, and develop oil and natural gas resources in a manner that is consistent with the need to make such resources available to meet the Nation's energy needs as rapidly as possible; to balance orderly energy resource development with protection of human, marine, and coastal environments; to ensure the public a fair and equitable return on the resources of the OCS; and to preserve and maintain free enterprise competition.

Section 1332(6) states that "operations in the [O]uter Continental Shelf should be conducted in a safe manner by well trained personnel using technology, precautions, and other techniques sufficient to prevent or minimize the likelihood of blowouts, loss of well control, fires, spillages, physical obstructions to other users of the waters or subsoil and seabed, or other occurrences which may cause damage to the environment or to property or endanger life or health."

This authority and responsibility are among those delegated to the Minerals Management Service (MMS). The regulations at 30 CFR 250, Subpart Q, concern decommissioning of platforms, wells, and pipelines, as well as site clearance and platform removal and are the subject of this collection.

***2. Indicate how, by whom, and for what purpose the information is to be 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.]***

MMS uses the information collected under subpart Q primarily for the following reasons:

- To determine the necessity for allowing a well to be temporarily abandoned, the lessee/operator must demonstrate that there is a reason for not permanently abandoning the well, and the temporary abandonment will not constitute a significant threat to fishing, navigation, or other uses of the seabed. We use the information and documentation to verify that the lessee is diligently pursuing the final disposition of the well, and the lessee has performed the temporary plugging of the wellbore.
- The information submitted in “initial” decommissioning plans in the Alaska and Pacific OCS Regions will permit MMS to become involved on the ground floor planning of the world-class platform removals anticipated to occur in these OCS regions.
- Site clearance and platform or pipeline removal information ensures that all objects (wellheads, platforms, etc.) installed on the OCS are properly removed using procedures that will protect marine life and the environment during removal operations, and the site cleared so as not to conflict with or harm other uses of the OCS.
- Decommissioning a pipeline in place is needed to ensure that it will not constitute a hazard to navigation and commercial fishing operations, unduly interfere with other uses of the OCS, or have adverse environmental effects.
- The information is necessary to verify that decommissioning activities comply with approved applications and procedures and are satisfactorily completed.

**3. Describe whether, and to what extent, the collection of information involves the use of automated, electronic, mechanical, or other technological collection 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].**

Currently, 50 percent of information is submitted electronically. The MMS Offshore Minerals Management (OMM) program is moving to fully implement the Government Paperwork Elimination Act with re-engineered business processes. Re-engineering OMM’s full complement of business processes and related information collection burdens has taken place incrementally beginning with the pre-implementation effort in FY 2002 and continuing through FY 2009. The first component was the Public Commenting System implemented in July 2004.

**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.**

The Department of the Interior and the US Coast Guard have Memoranda of Understanding (MOU) that define the responsibilities of their agencies with respect to activities in the OCS. These MOUs are effective in avoiding duplication of regulations and reporting requirements. The information collected is unique and specific to an operator, lease, or location; similar information is not readily available from other sources and is not collected by any other agency.

**5. *If the collection of information impacts small businesses or other small entities, describe any methods used to minimize burden.***

This collection of information does not have a significant economic effect on a substantial number of small entities. Any direct effects primarily impact the OCS lessees and operators and holders of pipeline rights-of-way. In general, companies need large technical and financial resources and experience to conduct offshore activities safely. However, 70 percent of the OCS lessees and operators may have less than 500 employees and would be considered small businesses as defined by the Small Business Administration (SBA); while 20 percent of pipeline rights-of-way holders, is considered a small entity by SBA if it is a liquid pipeline company with fewer than 1,500 employees, or a natural gas pipeline company with gross annual receipts of \$25 million or less. The hour burden on any small entity subject to these regulations cannot be reduced to accommodate them. With respect to the requirements for site clearance of abandoned wells, if these activities were not performed, it is more likely that other users of the OCS would be adversely affected, many of which are small businesses.

**6. *Describe the consequence to 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 burden.***

If we did not collect the information, we could not ascertain: (a) the intent of the lessee; (b) if respondents are diligently pursuing the final disposition of the well; (c) any deviations from the approved Exploration or Development and Production Plan; (d) if the lessee/operator has documented the temporary plugging of the well and has marked the location; or (e) that site clearance and removal operations are performed in an environmentally safe and effective manner.

Information is collected on occasion or varies by section depending on the requirement, except for annual reporting on temporary abandonment of wells until the lessee re-enters to complete or to permanently abandon the well. The annual report is the minimum frequency necessary to ensure the diligent pursuit of the final well disposition.

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

***a) requiring respondents to report information to the agency more often than quarterly.***

- § 250.1722(c). MMS requires notification within 5 days in the event a trawl hangs up on (or damages) a protective device (dome) over a subsea wellhead or casing stub in order to ensure that repairs are initiated as soon as possible in order to eliminate or minimize the possibility that shrimp boats will hang up on the obstruction and cause damage to their nets. It allows MMS to notify other users of the OCS of the obstruction in a timely manner, thereby reducing the risk to their equipment.
- § 250.1713. MMS requires notification within 48 hours before beginning well plugging and abandonment operations in order to have the option of scheduling MMS personnel to observe operations on site to ensure they are conducted in accordance with applicable regulations and approved procedures.
- § 250.1725. MMS requires notification within 48 hours before beginning platform removal operations in order to have the option of scheduling MMS personnel to observe removal operations on site in the field to ensure that they are conducted in accordance with applicable regulations and

approved procedures for the use of explosives, removal of platform piling to 15 feet below the seafloor, proper site clearance, etc.

***(b) requiring respondents to prepare a written response to a collection of information in fewer than 30 days after receipt of it.***

Not applicable in this collection.

***(c) requiring respondents to submit more than an original and two copies of any document.***

Not applicable in this collection.

***(d) requiring respondents to retain records, other than health, medical, government contract, grant-in-aid, or tax records, for more than 3 years.***

Not applicable in this collection.

***(e) 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.***

Not applicable in this collection.

***(f) requiring the use of statistical data classification that has been reviewed and approved by OMB.***

There are no special circumstances with respect to 5 CFR 1320.5(d)(2)(v) through (viii), as the collection is not a statistical survey and does not use statistical data classification.

***(g) 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.***

This collection does not include a pledge of confidentiality not supported by statute or regulation.

***(h) 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.***

This collection does not require proprietary, trade secret, or other confidential information not protected by agency procedures.

***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 3 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), MMS provided a 60-day notice in the Federal Register on December 4, 2006 (71 FR 70424). In addition, 30 CFR 250.199 explains that MMS will accept comments at any time on the information collection requirements and burdens of our 30 CFR part 250 regulations. We display the OMB control number and provide the address for sending comments to MMS. We received no comments in response to the Federal Register notice or unsolicited comments from respondents covered under these regulations.

During the comment period, MMS regional offices requested input from several lessees. The burden estimate in A.12 reflects their input. The following companies were contacted:

Newfield Exploration Company, Sunna Denny, Regulatory Analyst,  
(281) 847-6143, 363 N. Sam Houston Parkway E, Suite 2020, Houston, Texas 77060

Energy Resource Technology, Inc., Wendy Braddock, Regulatory Manager,  
(281) 618-0400, 400 N. Sam Houston Parkway East, Houston, Texas 77060

Anadarko Petroleum Corporation, Offshore Operations, Gaylene Reier, Sr. Regulatory Analyst,  
(832) 636-3096, P O Box 1330, Houston, Texas 77251-1330

El Paso Exploration and Production, Maria Gomez, Sr. Regulatory Analyst,  
(713) 420-5038, P O Box 2511, Houston, Texas 77252-2571

Shell Offshore, Inc., Philip B. Smith, Permits and Issues Manager, Regulatory Affairs,  
(504) 728-6161, P O Box 61933, New Orleans, Louisiana 70161-1933

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

We will not provide payments or gifts to respondents in this collection.

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

We protect proprietary information according to the Freedom of Information Act (5 U.S.C. 552) and its implementing regulations (43 CFR 2), and 30 CFR 250.197, "Data and information to be made available to the public or for limited inspection."

***11. Provide additional justification for any questions of a sensitive nature, such as sexual behavior and attitudes, religious beliefs, and other matters that are commonly considered private. This 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.***

The collection does not include questions of a sensitive nature.

**12. Provide estimates of the hour burden of the collection of information. The statement should:**

**(a) 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.**

**(b) If this request for approval covers more than one form, provide separate hour burden estimates for each form and aggregate the hour burdens.**

**(c) 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.**

There are approximately 218 respondents (130 Federal OCS oil, gas, and sulphur lessees and 88 holders of pipeline rights-of-way). We estimate the total annual burden is 17,991 hours. Based on a cost factor of \$65 per hour, we estimate the total annual cost to industry is \$1,169,415. Refer to the chart below for a breakdown of burden hours.

L/T = Lease Term

**Hour and Fee Burden Breakdown**

ROW = Right of Way

Citation 30 CFR 250 Subpart Q	Reporting Requirement	Hour Burden	Average No. of Annual Responses	Annual Burden Hours
			Fees	
<b>General</b>				
1700 thru 1754	General departure and alternative compliance requests not specifically covered elsewhere in subpart Q regulations.	3	50 requests	150
1703; 1704	Request approval for decommissioning.	Burden included below.		0
1704(g); 1712; 1716; 1717; 1721(a), (d), (f), (g); 1722(a), (b), (d); 1723(b); 1743(a)	Submit form MMS-124 to plug wells; provide subsequent report; request alternate depth departure; request procedure to protect obstructions above seafloor; report within 30 days, results of trawling; certify area cleared of obstructions; remove casing stub or mud line suspension equipment and subsea protective covering; or other departures.	Burden included under 1010-0141.		0
<b>Subtotal</b>			<b>50 responses</b>	<b>150</b>
<b>Permanently Plugging Wells</b>				
1713	Notify MMS 48 hours before beginning operations to permanently plug a well.	.25	400 notices	100
<b>Subtotal</b>			<b>400 responses</b>	<b>100</b>
<b>Temporary Abandoned Wells</b>				
1721(e); 1722(e), (h) (1); 1741(c)	Identify and report subsea wellheads, casing stubs, or other obstructions; mark wells protected by a dome; mark location to be cleared as navigation hazard.	U.S. Coast Guard requirements.		0

Citation 30 CFR 250 Subpart Q	Reporting Requirement	Hour Burden	Average No. of Annual Responses	Annual Burden Hours
1722(c), (g) (2)	Notify MMS within 5 days if trawl does not pass over protective device or causes damages to it; or if inspection reveals casing stub or mud line suspension is no longer protected.	.25	10 notices	3
1722(f), (g)(3)	Submit annual report on plans for re-entry to complete or permanently abandon the well and inspection report.	2	75 reports	150
1722(h)	Request waiver of trawling test.	2	5 requests	10
<b>Subtotal</b>		<b>90 responses</b>		<b>163</b>
<b>Removing Platforms and Other Facilities</b>				
1726; 1704(a)	Submit initial decommissioning application in the Pacific OCS Region and Alaska OCS Region.	20	2 applications	40
1725; 1727; 1728; 1730; 1704(b)	Submit final application and appropriate data to remove platform or other subsea facility structures (including alternate depth departure) or approval to maintain, to conduct other operations, or to convert to artificial reef.	20	150 applications	3,000
		\$4,100 fee x 150 - \$615,000		
1725(e)	Notify MMS 48 hours before beginning removal of platform and other facilities.	.25	150 notices	38
1729; 1704(c)	Submit post platform or other facility removal report.	8	150 reports	1,200
<b>Subtotal</b>		<b>452 responses</b>		<b>4,278</b>
		<b>\$615,000</b>		
<b>Site Clearance for Wells, Platforms, and Other Facilities</b>				
1740;	Request approval to use alternative methods of well site, platform, or other facility clearance.	12	75 requests	900
1743(b)	Verify permanently plugged well, platform, or other facility removal site cleared of obstructions and submit certification letter.	18	400 verifications	7,200
<b>Subtotal</b>		<b>475 responses</b>		<b>8,100</b>
<b>Pipeline Decommissioning</b>				
1751; 1752; 1704(d)	Submit application to decommission pipeline in place or remove pipeline (L/T or ROW).	10	400 applications	4,000
		\$1,000 L/T decommission fee x 247 = \$247,000		
		\$1,900 ROW decommission fee x 153 = \$290,700		
1753	Submit post pipeline decommissioning report.	3	400 reports	1,200
<b>Subtotal</b>		<b>800 responses</b>		<b>5,200</b>
		<b>\$537,700</b>		
<b>Total Burden</b>			<b>2,267 Responses</b>	<b>17,991 Hours</b>
			<b>\$1,152,700 Fees</b>	

**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 hour burden shown in Items 12 and 14).**

**(a) The cost estimate should be split into two components: (1) a total capital and start-up cost component (annualized over its expected useful life) and (2) 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.***

***(b) If cost estimates are expected to vary widely, agencies should present ranges of cost burden 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.***

***(c) 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.***

Subpart Q of 30 CFR 250 requires respondents to pay filing fees when removing a platform or other facility, or decommissioning a pipeline (both L/T and ROW). The application filing fees are required to recover the Federal Government's processing costs. We have not identified any other "non-hour cost" burdens associated with this collection of information. We estimate a total reporting "non-hour cost" burden of \$1,152,700. Refer to the chart in Section A.12 of this supporting statement for the specific fee breakdown.

***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.***

To analyze and review the information, the Government spends an average of 1.2 hour for each hour spent by respondents. The total estimated Government time is 21,589 (rounded) hours. Based on a cost factor of \$55 per hour, the total annual estimated burden on the Government is \$1,187,395 (17,991 hours x 1.2 hour = 21,589 (rounded) hours x \$55 = \$1,187,395). However, this cost is offset by the amount of revenues received from the filing fees discussed in item A.13. Therefore, the total estimated cost to the Government is \$34,695 (\$1,187,395 - \$1,152,700 = \$34,695).

***15. Explain the reasons for any program changes or adjustments reported.***

(a) The current OMB inventory includes 8,579 burden hours for this collection of information. This submission requests 17,991 burden hours. The adjustment increase of 9,412 hours is due to re-estimating the average annual responses and the amount of time required to respond based on consultations.

(b) The current OMB inventory includes \$1,032,006 non-hour cost burdens for this collection of information. This submission requests \$1,152,700. The adjustment increase of \$120,694 is due to re-estimating the average annual responses times the amount of the service fee.

**16. For collections of information whose results will be published, outline plans for tabulation and publication. Address any complex analytical techniques that will be used. Provide the time schedule for the entire project, including beginning and ending dates of the collection of information, completion of report, publication dates, and other actions.**

MMS will not tabulate or publish the data.

**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.**

Not applicable, as this collection of information concerns requirements in regulations.

**18. Explain each exception to the certification statement, “Certification for Paperwork Reduction Act Submissions.”**

To the extent that the topics apply to this collection of information, we are not making any exceptions to the “Certification for Paperwork Reduction Act Submissions.”

#### **B. Collection 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 employing statistical methods, the following documentation should be included in the Supporting Statement to the extent that it applies to the methods proposed.

This section is not applicable for this collection. We will not employ statistical methods in this information collection.