

**SUPPORTING STATEMENT FOR PAPERWORK REDUCTION ACT SUBMISSION
FOR 43 CFR PART 3100
OIL AND GAS LEASING: NATIONAL PETROLEUM RESERVE, ALASKA
OMB CONTROL NUMBER 1004-0196**

(43 CFR Subparts 3130, 3133, 3135, 3137, and 3138)

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 Bureau of Land Management (BLM) uses the following authorities to collect required information from oil and gas operators and operating rights owners to maintain records or provide information to apply for suspensions of royalty; apply for suspensions of operations; form and maintain unit agreements; and to enter into subsurface storage agreements.

- (1) The Naval Petroleum Reserves Production Act of 1976, as amended (42 U.S.C. 6501 *et seq.*);
- (2) The Federal Land Policy and Management Act of 1976 (43 U.S.C. 1701 *et seq.*), except sections 202 and 603, which are not applicable;
- (3) The National Environmental Policy Act of 1969 (NEPA), as amended (42 U.S.C. 4321 *et seq.*);
- (4) The Energy Policy Act of 2005 (Pub.L. 109-58); and
- (5) 43 CFR Subparts 3130, 3133, 3135, 3137, and 3138.

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 recordkeeping and information collection we require under various provisions of 43 CFR 3133, 3135, 3137, and 3138 pertain to data the operator or operating rights owner must submit. The information provides data so that we can conduct required lease administration functions and approve and administer proposed unit agreements and storage agreements. For unit agreements, we use the information to grant approval to begin or modify operations or to allow unit agreements to continue.

The information required under the 43 CFR subparts covers a range of activities, and a specific operator is not required to obtain or provide each item. Many of the requirements are one-time filings used to gain approval to operate under a unit agreement or to apply for reduction of royalty, suspension of operations or production, or a subsurface storage agreement. Others are routine data submissions that are used to monitor drilling and production and ensure compliance with the unit agreement, lease terms, regulations, Orders, Notices to Lessees, lease stipulations,

and conditions of approval. This collection comprises nonform information. The reporting burden is listed in the table below, followed by specifics for each requirement.

43 CFR	Requirement
3133.4	Royalty reduction
3135.3	Suspension of operations
3135.6	Notification of operations
3137.23	Unit designation
3137.25	Notification of unit approval
3137.52	Certification for modification
3137.60	Acceptable bonding
3137.61	Change of unit operator
3137.70	Certification of unit obligation
3137.71	Certification of continuing development
3137.84	Productivity for a PA
3137.87	Unleased tracts
3137.88	Notification of productivity
3137.91	Notification of productivity for non-unit well
3137.92	Production information
3137.111	Lease extension
3137.112	Inability to conduct operations activities
3137.130	Unit termination
3137.135	Impact mitigation
3138.11	Storage agreement

3133.4. An application for waiver, suspension, or reduction of rental, royalty, or minimum royalty on a lease must include:

- (1) A description of the requested relief.
- (2) The lease serial number.
- (3) The operators and the operating rights owners for each lease.
- (4) Number, locations, and status of each well drilled.
- (5) A statement that shows the amount of oil or gas subject to royalty for each month covering a period of at least 6 months immediately before the filing date of the application.
- (6) The number of wells counted as producing each month and the average production per well per day.
- (7) A detailed statement of expenses and costs of operating the entire lease.

(8) The income from the sale of any oil and gas.

(9) All facts that demonstrate why the wells cannot be successfully operated under the terms of the lease.

(10) The amount of any outstanding overriding royalty and payments out of production or similar interests.

The information and data provide the basis and evidence to BLM that the lease cannot be operated under its terms without the royalty help and that the applicant meets the standards of the regulations; the benefit is granted if it would encourage the greatest ultimate recovery of oil and gas, or the waiver, suspension, etc., is in the interest of conservation of natural resources.

We estimate it takes approximately 16 hours to comply with the information requirement for application for waiver, suspension, or reduction of rental or royalty. The estimate includes time for gathering, preparing, completing, and maintaining the specified information, much of which is already maintained by the operator. We estimate that there will be one application for royalty suspension every 3 or 4 years. The application represents a total information collection burden of 16 hours.

3135.3. An application for suspension of lease operations and production must include a description of the circumstances that are beyond reasonable control that prevent operation of, or production on, the entire lease.

The information is required to determine if the applicant qualifies for a lease suspension if such suspension is in the interest of conservation of oil and gas or other natural resources, the lease cannot be operated for reasons beyond the control of the operator, and the lessee is complying with the other requirements of the regulations.

We estimate it takes approximately 4 hours to comply with the information requirement for application for suspension. We estimate that there will be one application for suspension made within a given year, for a total information collection burden of 4 hours.

3135.6. After BLM terminates a suspension of operations or production, the operator must notify BLM before resuming operations or production.

Notification ensures proper monitoring by BLM of operations activities. Because leases and the laws under which they are issued require operations to be conducted and production to occur, the information is required so that proposed operations may be approved, it is necessary for lease maintenance, and it allows operations to continue.

We estimate it takes approximately 15 minutes to comply with the notification requirement and one response, for a total of 15 minutes.

3137.21. An NPRA unit agreement must include:

(1) A description of the unit area and the geologic and engineering factors on which the area is based.

The information provides technical data and information concerning the proposed agreement and is required to determine if the proposed unitization of leases is technically feasible and that it is conducted in a manner that promotes the conservation of natural resources and other environmental qualities.

(2) Initial and continuing development obligations.

This information will verify that the operator has planned a program of exploration or development that meets or exceeds the rate of well operations in the vicinity of the unit without unitization and represents an investment proportionate to the size of the area in the unit agreement.

(3) Proposed participating area size and locations.

This requirement is necessary to determine whether the lands with the unit area have been reasonably proven to contain unitized substances that can be produced in paying quantities.

(4) Acknowledgment of the BLM's authority to set or modify the quantity, rate, and location of development and production.

3137.23. An application for NPRA unitization must include:

(1) The proposed agreement.

The agreement provides the information requested in items (1), (2), and (3) at 3137.21 above.

(2) A map showing the unit area and committed leases and other tracts;

The map shows all those tracts that are to be included in a BLM NPRA approved unit.

(3) A list of committed leases and other tracts with legal descriptions, record titles, working interests, and acreages;

The list provides the necessary information for those Federal, State, or private leases that all owners of record title and all working interest owners have agreed to abide by the terms and conditions of a unit agreement.

(4) Written certification that: (a) all owners of leased or unleased minerals rights and record title and operating rights lease interests were invited to join the unit; (b) there is sufficient commitment to the unit agreement for reasonable control of the unit area; (c) all of the interests are committed to the unit; and (d) there is agreement to unit obligations under 3170.60.

Certification provides confirmation that there is sufficient commitment and that the committed parties agree to abide by the terms and conditions of the unit agreement.

We estimate it takes approximately 80 hours to comply with the information requirement for application for unit designation. The estimate includes time for gathering, preparing, completing, and maintaining the specified information, but not the time normally required to obtain, analyze, and interpret the information normally expended as part of an exploration program without unitization. We estimate that there will be one unit application made within a given year on average, for a total information collection burden of 80 hours.

3137.25 requires the operator to notify in writing all parties to the unit agreement that BLM approved the unit.

We estimate that it takes approximately 1 hour to comply with the notification requirement. The estimate includes the time to draft the notifications to the different parties to the unit. We expect one respondent for a total information collection burden of 1 hour.

3137.52. An application for modification of a unit agreement must include certification that:

- (1) All parties to the agreement consent to the modification; or
- (2) The operator meets the modification provision in the agreement, which identifies which parties and what percentage of those parties consent to each type of modification.

BLM requires certification by the operator to ensure that the terms of the unit agreement previously approved are met.

We estimate that application for modification of a unit agreement takes about 4 hours, and that there will be one application. The total burden is 4 hours.

3137.60. The operator must provide evidence to BLM of acceptable bonding.

Because bonding is required under the regulations to ensure compliance with the terms of the lease, BLM requires evidence of such bonding.

We estimate the information will take approximately 30 minutes to provide for each new occurrence, and one respondent, for a total information burden of 30 minutes.

3137.61. To change unit operators, and when there is a change of unit operator, the new unit operator must provide, for BLM's approval:

- (1) A statement that it accepts unit obligations;
- (2) A statement of the percentage of interest owners required by the unit agreement consenting to a change of unit operator; and

(3) Evidence of acceptable bonding.

Statements of unit obligation acceptance and percentage of interest owners consenting to the change are required so that unit requirements and the terms of the previously-approved unit agreement continue to be met, and that the unit may remain in effect.

Evidence of acceptable bonding is necessary because bonding is required under the regulations and the terms of the lease, and so that BLM can determine that operations under the unit agreement are continued to be covered by a bond sufficient to protect public lands and resources.

We estimate it takes approximately 3/4 hour (45 minutes) to provide the statements and the evidence of acceptable bonding. We estimate one response, for a total information burden of 3/4 hour (45 minutes).

3137.70. The respondent must submit certification that the initial unit obligation was met. Certification is required to document that the initial unit obligation, as required in the unit agreement, was timely met so that the unit may remain in effect.

We estimate it takes approximately 2 hours to comply with certification information. The estimate includes time for gathering and compiling data that shows unit requirements, such as drilling and production, are met, and providing certification. We estimate one response, for a total of 2 hours.

3137.71. The respondent must submit certification of continuing development.

(1) The operator must provide a plan describing how continuing development obligations will be met. The plan must include a description of the activities to fully develop the oil and gas field and to further conduct actual or constructive drilling operations.

BLM requires the information to determine if the plan would actually comply with the unit terms of continuing development.

(2) The respondent must submit certification, and supporting documentation if requested, that continuing development obligations were met.

BLM requires such certification documents on continuing development obligations, as required in the unit agreement, are timely met to ensure compliance with unit terms.

We estimate it takes approximately 2 hours to comply with certification information. The estimate includes time for gathering and compiling drilling, testing, completion and recompletion data and providing certification. We estimate one response, for a total of 2 hours.

3137.84. The respondent must submit economic, geologic, and engineering data; a map; and a production allocation schedule to establish or revise a participating area (PA).

The requested information is necessary for the BLM to determine whether the unit meets the requirements to form a PA and to determine that the unit is productive.

We estimate it takes approximately 12 hours to comply with the information required for an operator's request to establish or revise a PA. The estimate includes time for compiling and preparing the various data requirements. We estimate one response, for a total of 12 hours.

3137.87. If there are unleased Federal tracts in a participating area, the operator must provide revised maps, a list of committed leases, and production allocation schedules.

The information enables the BLM to monitor the terms of the participating area and that royalty revenue is properly allocated and reported.

The information required would take a respondent about 3 hours to prepare and provide. We estimate one respondent, for a total burden of 3 hours.

3137.88. The respondent is required to provide notification to BLM that a well does not meet productivity criteria.

This information is necessary for the BLM to determine whether to approve the well for non-unit operations and to ensure proper allocation of production.

We estimate it takes approximately 30 minutes to comply with the notification requirement and one response, for a total of 30 minutes.

3137.91. The respondent is required to notify BLM when a non-unit well meets productivity criteria, which is then used to revise or establish a PA.

BLM uses the required information determine whether the unit meets the requirements to revise or establish a PA and to determine that the revised or newly established unit is productive.

We estimate it takes approximately 30 minutes to comply with the notification requirement and one response, for a total of 30 minutes.

3137.92. The respondent must provide restoration or new production information, or sufficient production information, and well completion information after BLM notification of insufficient production.

Response to the BLM notification is necessary for BLM to determine whether to keep a PA in effect.

We estimate it takes approximately 1 hour to comply with the production information requirement. The estimate includes time to compile production data. We estimate one response, for a total of 1 hour.

3137.111. The operator must provide information that shows actual well production meets productivity criteria or that there is actual or constructive drilling or reworking operations in order to request an extension of the primary term of all leases committed to a unit agreement.

BLM needs verification that the operator has met the requirements for obtaining the benefit of a lease extension.

We estimate there will be one respondent and the information, which is already maintained by the operator, will take about 3 hours to organize and compile. The total burden is 3 hours.

3137.112. The operator is required to demonstrate that it cannot start actual or constructive drilling or reworking activities because of reasons beyond the operator's control.

BLM requires the information to determine the validity of the operator's inability to conduct drilling or reworking activities, as required under the terms of the lease.

We estimate one respondent and that 2 hours are needed. The total information burden is 2 hours.

3137.130. If a unit operator requests approval for voluntary termination of the unit, and production is insufficient to establish a participating area, the operator must certify that at least 75 percent of the interest owners in the agreement agree to the voluntary termination.

Certification is required for BLM to approve termination of the unit based on production data and consent of the interest owners under the terms of the agreement.

This information will take approximately 1 hour. We estimate one respondent. The burden totals 1 hour.

3137.135. The respondent must submit a plan for mitigating the impacts from unit operations after termination of the unit.

The information is necessary for BLM approval of mitigation plans to timely, properly, and efficiently manage the surface impacts resulting from unit operations.

We estimate it takes approximately 4 hours to comply with the information requirement for application for unit designation. The estimate includes time for formulating and preparing the specified information. We estimate one response, for a total of 4 hours. The estimate includes the time for reviewing the instructions, searching existing data bases, gathering and maintaining the data needed, and completing and reviewing the collection of information.

3138.11. An application for a subsurface storage agreement must include:

- (1) The reason for forming the agreement;

- (2) Descriptions of the area that is to be included and the formation;
 - (3) The proposed storage fees or rentals;
 - (4) Royalty for oil or gas present in the formation before injection and produced when stored oil or gas is withdrawn;
 - (5) A description of fees and payments renegotiations;
 - (6) The proposed effective date and term of the agreement;
 - (7) Certification that all owners of leased or unleased minerals rights and lease interests have committed or consented to the commitment of their interest in writing;
 - (8) An ownership schedule showing lease or land status;
 - (9) A schedule showing the participation factor for all parties to the agreement;
 - (10) Geologic maps and other data that demonstrate storage capability of the reservoir.
- The information is necessary so that BLM can determine whether the proposed agreement is technically feasible and is necessary to avoid waste, and that it will be conducted in a manner that promotes conservation of natural resources.

We estimate it takes approximately 80 hours to comply with the information requirement for application for storage agreement. The estimate includes time for compiling and preparing the various specified information and obtaining commitments and providing certification. We estimate that there will be one storage agreement application within a given year, for a total information collection burden of 80 hours.

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].

Since this information collection calls for nonrecurring information, it would not be feasible to use computer-generated responses because the BLM has no forms in this collection. Currently, we allow operators to fax the information that they must submit to us, as the fax contains a proper signature.

With regard to the Government Paperwork Elimination Act (GPEA), the BLM does not have any forms in this collection to make available electronically. This is a nonform information collection.

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. The information is unique, collected whenever activity or the situation requires. It is not available from any other data source, and there is no similar information already available or able to be modified because the information is specific to each unitization agreement. The information can be supplied only by the entity proposing to begin or modify a unit agreement or to continue operations. The information is required to receive a benefit.

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.

The collection will not have a significant impact on small businesses or other small entities. The information we require is the minimum necessary to comply with provisions of the applicable laws.

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 the BLM fails to collect the requested information, we would lack the necessary information to approve proposed unit agreements or to monitor compliance with granted approval to begin or modify a unit agreement or to allow operations to continue. We require the information when an operator wishes to form a unit agreement in the National Petroleum Reserve, Alaska.

7. Explain any special circumstances that require the 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, 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.

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 60-day notice in the *Federal Register* on September 18, 2007 (72 FR 53261), soliciting comments from the public and other interested parties. The comment period closed on November 19, 2007. The BLM did not receive any comments from the public in response to this notice.

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 Item 12 reflect their input.

Mr. Franklin C. Snyder
Manager
Onshore Exploration
ConocoPhillips Alaska Inc.
P.O. Box 100360
Anchorage, Alaska 99510
(907) 265-1138

Richard Garrard
Geoscience Manager

FEX GP Inc.
3601 C Street, Suite 370
Anchorage, Alaska 99503
(907) 644-4429

Tom Arminski (Contractor)
Principal Scientist
ASRC Energy Services
Regulatory & Technical Services
3900 C Street, Suite 601
Anchorage, Alaska 99503
(907) 339-5472

Further, there is field office interaction on a regular basis with the operators when collected information is processed to determine whether there are complaints, or difficulties or problems encountered by industry in providing the information. No difficulties were reported.

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

We protect the respondent's confidentiality to the extent consistent with the Freedom of Information Act (5 U.S.C. 552). In addition, regulation at 43 CFR 3162.8 provides instruction on the handling of confidential information. The section states that information is open for public inspection unless marked "CONFIDENTIAL" by the submitter and that information labeled confidential and subject to a Freedom of Information Act (5 U.S.C. 552) exemption such as "trade secrets and commercial or financial information which is privileged or confidential" will be withheld for a period of 12 months. Upon the expiration of the 12-month period, the operator may request that the data be held confidential for an additional 12-month period. Upon termination of a lease, such information will be made available to the public.

All confidential information should be clearly identified by the operator by marking the top of each page with the words "CONFIDENTIAL INFORMATION." All pages so marked are physically separated from other portions of the submitted materials.

Under the privacy provisions of the E-Government Act of 2002, individuals/respondents were informed as to whether or not providing the information is mandatory to obtain a benefit. The BLM has firewalls to protect web site access, strong security and password protection of the information in the data base, and other security 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 reason 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 ask 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 same (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.

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.

As stated in Item 2, above, the information required under the 43 CFR subparts covers a range of activities, and a specific operator is not required to obtain or provide each item. Many of the requirements are one-time filings used to gain approval to operate under a unit agreement or to apply for reduction of royalty, suspension of operations or production, or a subsurface storage agreement. Others are routine data submissions that are used to monitor drilling and production and ensure compliance with the unit agreement, lease terms, regulations, Orders, Notices to Lessees, lease stipulations, and conditions of approval.

The following table provides a summary of the estimates of hour and cost burdens, itemized by section. The estimated time includes that necessary to comply with all information collection requirements in the regulations. We based the calculation of the burden cost on an hourly rate of salary plus benefits of $\$33.43 \times 1.3$ (benefits) = \$43.50 for a Manager/Professional.

Information Collection (43 CFR)	Requirement	Hours Per Response	Number of Respondents	Total Burden Hours	Hourly Mean Wage Plus x 1.3 (Benefits)*	Total Annual Burden Costs
3133.4	Royalty Reduction	16	1	16	\$43.50	\$696
3135.3	Suspension of operations	4	1	4	\$43.50	\$174
3135.6	Notification of operations	.25	1	.25	\$43.50	\$11
3137.23	Unit designation	80	1	80	\$43.50	\$3,480
3137.25	Notification of unit approval	1	1	1	\$43.50	\$44
3137.52	Certification for modification	4	1	4	\$43.50	\$174
3137.60	Acceptable bonding	.5	1	.5	\$43.50	\$22
3137.61	Change of unit operator	.75	1	.75	\$43.50	\$33
3137.70	Certification of unit obligation	2	1	2	\$43.50	\$87
3137.71	Certification of continuing development	2	1	2	\$43.50	\$87
3137.84	Productivity for a PA	12	1	12	\$43.50	\$522
3137.87	Unleased tracts	3	1	3	\$43.50	\$131
3137.88	Notification of productivity	.5	1	.5	\$43.50	\$22
3137.91	Notification of productivity for non-unit well	.5	1	.5	\$43.50	\$22
3137.92	Production information	1	1	1	\$43.50	\$44
3137.111	Lease extension	3	1	3	\$43.50	\$131
3137.112	Inability to conduct operations activities	2	1	2	\$43.50	\$87
3137.130	Unit termination	1	1	1	\$43.50	\$44
3137.135	Impact mitigation	4	1	4	\$43.50	\$174
3138.11	Storage agreement	80	1	80	\$43.50	\$3,465
TOTALS			20	217.5		\$9,465

*U.S. Bureau of Labor Statistics: Employer costs for employee compensation Table 11.
Employer costs per hour worked for employee compensation and costs as a percent of total

compensation: Full-time workers in private industry, Management, professional and related; Natural resources, . . . extraction . . . , September 2007.

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.

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.

The cost to the Federal Government for this collection involves approximately six employees, who, on a yearly basis, spend approximately 20 percent of their duty hours processing

information from respondents. The employees include a Manager, two Supervisors, a Petroleum Engineer, a Geologist, and a Legal Land Examiner. The information processing does not involve clerical work.

We estimate the total annual cost to the Federal Government to process the responses for this information collection is \$122,248, based on the salary/benefit amounts shown below (2,072 annual man hours for each of six employees x \$59 hourly weighted average).

Position	Grade	Hourly pay rate	Hourly rate including benefits (1.3 x hourly rate)	Percent of time spent on collection	Weighted average (\$/hr)
Manager	GS-14, Step 1	\$43.98	\$57.17	20	\$11
Supervisor (2)	GS-13, Step 1	\$37.22	\$48.39	20	\$10 x 2 = \$20
Skilled technical (Petroleum Engineer; Geologist)	GS-13, Step 1	\$37.22	\$48.39	20	\$10 x 2 = \$20
Land Law Examiner	GS-12, Step 1	\$31.30	\$40.69	20	\$8
Weighted Average (\$/hr)					\$59

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

Burden	Previous Collection	This Collection	Change
Responses	35	20	-15
Burden Hours	410	217.5	-192.5

The adjustment decreases are based on actual NPR-A operations activity during the past 3 years and projections for the upcoming 3 years based on State Office outreach, experience and knowledge of current and likely upcoming activity.

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

The 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.

Because this is a nonform collection, display of the expiration date is not applicable.

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.

B. COLLECTIONS OF INFORMATION EMPLOYING STATISTICAL METHODS

The BLM does not employ statistical methods to collect this information.