

Supporting Statement for Paperwork Reduction Act Submissions
Rig Movement Notification Report, Form MMS-144
OMB Control Number 1010-0150
Current Expiration Date: 31 March 2008

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 data is employed, Section B of the Supporting Statement must be completed. The 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 (Act), as amended (43 U.S.C. 1331 et seq. and 43 U.S.C. 1801 et seq.), authorizes the Secretary of the Interior 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 information collection request (ICR) concerns regulations in 30 CFR 250 Subparts D, E, and F; specifically in §§ 250.403(c), 250.502, and 250.602, on the movement of drilling, completion, and workover rigs and related equipment on and off an offshore platform or from well to well on the same offshore platform. The requirement for operators to notify MMS of rig movements is only specifically stated in § 250.403(c). However, because of the increased volume of activity in the Gulf of Mexico OCS Region (GOMR) and because the GOMR needs accurate and up-to-date information on rig locations for inspection planning, it has been standard procedure to require this notification as a condition of approval for drilling, well workover, recompletion, or abandonment operations (§§ 250.502 and 250.602).

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.]

As activity increased over the years in the GOMR, the rig notification requirement became essential for MMS inspection scheduling and has become a standard condition of approval for certain permits. The MMS needs the information on Form MMS-144, "Rig Movement Notification Report," to schedule inspections and verify that the equipment being used complies with approved permits. In reporting rig movements in the past, respondents generally sent a fax or left a telephone message with the information. Now, respondents also have the option of using a web-based system for electronic data submissions, (see A.3), which will comply with the Government Paperwork Elimination Act. The information on this form is used primarily in the GOMR District Offices to ascertain the precise arrival and departure of all rigs in OCS waters in the Gulf of Mexico (GOM). The accurate location of these rigs is necessary to facilitate the scheduling of inspections by MMS personnel.

It is noted that the U.S. Coast Guard (USCG) also requires notification of rig movement and that there is some duplication of information reported (see A.4). Therefore, there are some data elements in the form that are "optional" for MMS reporting purposes, since we do not need this information. These optional data elements in the form satisfy any concerns in reporting rig movement information to both MMS and the USCG.

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].

The MMS encourages respondents to use <http://ewell.gomr.mms.gov/ewell/welcome.jsp> to submit form MMS-144. Currently, 100 percent of all information is submitted electronically. Form MMS-144 provides the web-based address, (refer to the MMS "Appendix A" submission under OMB Bulletin No. 02-02 for detailed information on this electronic option initiative) the telephone and telefax numbers, as well as the e-mail addresses for the GOMR District Offices. Respondents will have the option to use any one method to submit the information. Respondents who will use the MMS web-based system for electronic data submission will log into the system, enter the specific information that they need to report, and hit the submit button.

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 USCG have Memoranda of Understanding that define the responsibilities of their agencies with respect to activities on the OCS. To the extent possible, these are generally effective in eliminating duplicate reporting and recordkeeping burdens. With respect to rig movement notices, the USCG also collects similar information but for a wider variety of "vessels," as does, in certain instances, the Defense Mapping Agency (DMA). However, as noted above, the final version of Form MMS-144 does include "optional" data elements requested by industry so they can submit the one form to both agencies to address the two-agency reporting concern.

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

This collection does not have a significant impact on a substantial number of small entities. Approximately 70 percent of the OCS lessees and operators have less than 500 employees and are considered small businesses. The burden of this collection of information cannot be reduced to accommodate potential small business respondents. All lessees, large and small, must notify MMS of rig movements. The burden on small entities is not increased by using a standard form (rather than ad hoc reporting) or by providing the new web-based option. In fact, it should eliminate the additional burden of follow-up responses to provide necessary information that was omitted from the initial report.

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.

The form provides information on rig movements and is submitted on occasion of the activity. Therefore, frequency of reporting is not controllable. The MMS may not reduce the burden because the Act mandates that operations in the OCS be conducted in a safe and environmentally sound manner. One of the ways in which MMS carries out the OCS Lands Act mandate is by conducting inspections on rigs and platforms. Since rigs are mobile and move frequently, respondents must notify MMS of rig movement so that required inspections can be conducted.

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.

The collection of information is on occasion since the rig is moved whenever they have to drill a well.

(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 July 17, 2007, (72 FR 39074). The Paperwork Reduction Act statement on the form explains that the MMS will accept comments at any time on the information collected and the burden. 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 or who submit this form.

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:

Energy Resource Technology, Wendy Braddock, Regulatory Manager, (281) 618-0400
400 North Sam Houston Pkwy East, Houston, TX 77060

GOM Shelf LLC, Cheryl Powell, Regulatory Supervisor, (713) 296-6811
2000 Post Oak Blvd, Suite #100, Houston, TX 77056-4400

El Paso E & P, Maria Gomez, Senior Regulatory Analyst, (713) 420-5038
P. O. Box 2511, Houston, TX 77079

BP America, Inc., Teri Halverson, Regulatory Compliance Specialist, (281) 366-6292
200 Westlake Park Blvd, Room 453, Houston, TX 77079

W & T Offshore, Inc., Bea Stong, Health Regulatory & Environmental Mgr, (713) 624-7338

Nine E. Greenway Plaza, Suite #300, Houston, TX 77046

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

We will not provide payment 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." No proprietary information is collected on Form MMS-144.

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 sensitive or private questions.

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.

The MMS estimates there are approximately 130 oil and gas lessees and operators. The frequency of response is on occasion. We estimate respondents will submit approximately 1,870 forms annually and will spend an average of 6 minutes for each response, including the time to gather the information. The total estimated annual burden is 187 hours (1,870 forms x 6 minutes = 11,220 minutes ÷ 60 = 187 hours).

(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.

The average respondent cost is \$70/hour. This cost is broken out in the below table using the Bureau of Labor Statistics data for the Houston, TX area. See BLS website: <http://www.bls.gov/bls/wages.htm>.

Position	Level	Hourly Pay rate (\$/hour estimate)	Hourly rate including benefits (1.4 x \$/hour)	Percent of time spent on collection	Weighted Average (\$/hour)
General Office Clerk	7	\$20	\$28	20%	\$6
Petroleum Engineer	12	\$55	\$77	60%	\$46
Supv. Petroleum Engineer	15	\$66	\$92	20%	\$18
Weighted Average (\$/hour)					\$70

* Note that this BLS source reflects their last update from July 2004.

Based on a cost factor of \$70 per hour, we estimate the total annual cost to industry is \$13,090 (\$70 x 187 hours = \$13,090).

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.

We have identified no non-hour cost burdens for this collection of information.

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 average Federal cost is \$58/hour. This cost is broken out in the below table using the Office of Personnel Management 2008 pay schedule for New Orleans, LA.

Position	Grade	Hourly Pay rate (\$/hour estimate)	Hourly rate including benefits (1.5 x \$/hour)	Percent of time spent on collection	Weighted Average (\$/hour)
Clerical	GS-7/5	\$18	\$27	10%	\$3
Petroleum Engineer	GS-13/5	\$37	\$56	70%	\$39
Supv. Petroleum Engineer	GS-15/5	\$52	\$78	20%	\$16
Weighted Average (\$/hour)					\$58

To analyze and review the information, we estimate that the Government will spend an average of 1/6 hour (10 minutes) for each of the 1,870 forms received annually. At \$58 per hour, the annual cost to the Government is estimated at \$18,096 (1,870 forms per year x 1/6 hour per form = 312 hours (rounded) x \$58 per hour = \$18,096).

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

The current OMB inventory includes 180 burden hours for this collection of information. This submission requests 187 burden hours. The adjustment increase of 7 hours is due to re-estimating the average annual responses.

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.

The 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.

The MMS will display the OMB approval expiration date on form MMS-144. The remainder of this collection concerns regulatory requirements.

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.”