Supporting Statement for Paperwork Reduction Act Submissions
30 CFR Part 250, Subpart D, Oil and Gas Drilling Operations
Forms MMS-123, MMS-123S, MMS-124, MMS-125, MMS-133, and MMS-133S
OMB Control Number 1010-0141
Current Expiration Date: 31 August 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 employing statistical data, Section B of the Supporting Statement must be completed. The Office of Management and Budget (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 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 Outer 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 (IC) request concerns the regulations at 30 CFR Part 250, Subpart D, Oil and Gas Drilling Operations. It also covers the related Notices to Lessees and Operators (NTLs) that the Minerals Management Service (MMS) issues to clarify and provide additional guidance on some aspects of the regulations.

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.]

The MMS needs the information to ensure safe drilling operations and to protect the human, marine, and coastal environment. Among other things, MMS specifically uses the information to ensure: the drilling unit is fit for the intended purpose; the lessee or operator will not encounter geologic conditions that present a hazard to operations; equipment is maintained in a state of readiness and meets safety standards; each drilling crew is properly trained and able to promptly perform well-control activities at any time during well operations; compliance with safety standards; and the current regulations will provide for safe and proper field or reservoir development, resource evaluation, conservation, protection of correlative rights, safety, and environmental protection. We also review well records to ascertain whether drilling operations have encountered hydrocarbons or H_2S and to ensure that H_2S detection equipment, personnel protective equipment, and training of the crew are adequate for safe operations in zones known to contain H_2S and zones where the presence of H_2S is unknown.

The following forms are also submitted to MMS under subpart D. The forms and their purposes are:

Application for Permit to Drill, Forms MMS-123 and MMS-123S

The MMS uses the information from these forms to determine the conditions of a drilling site to avoid hazards inherent in drilling operations. Specifically, the appropriate MMS District Office uses the information to evaluate the adequacy of a lessee's plan and equipment for drilling, sidetracking or bypass operations. This includes the adequacy of the proposed casing design, casing setting depths, drilling fluid (mud), and cementing programs to ascertain that the proposed operations will be conducted in an operationally safe manner that provides adequate protection for the environment. The District Office also reviews the information to ensure conformance with specific provisions of the lease. In addition, except for proprietary data, MMS is required by the OCS Lands Act to make available to the public certain information submitted on forms MMS-123 and MMS-123S.

Form MMS-123
Page 1

Heading:
MMS uses the information to identify the type of proposed drilling activity for which approval is requested.

Well at Total Depth/Surface:
Information utilized by MMS to identify the location (area, block, lease, latitude and longitude) of the proposed drilling activity.

Significant Markers Anticipated:
Identification of significant geologic formations, structures and/or horizons that the drilling operator is projected to encounter. This information, in conjunction with seismic data, is needed to correlate with other wells drilled in the area to assess the risks and hazards inherent in drilling operations.

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Question/Information:
The MMS uses this information to ascertain the adequacy of the drilling fluids (mud) program to ensure control of the well, the adequacy of the surface casing compliance with EPA offshore pollutant discharge requirements and the shut in of adjacent wells to ensure safety while moving a

rig on and off a drilling location. This information is also provided in the course of electronically requesting approval of drilling operations via eWell.

Form MMS-123S

Heading:

The MMS uses this information to identify the lease operator, rig name, rig elevation, water depth, type well (exploratory, development), and the presence of H_2S and other data which is needed to assess operational risks and safety.

Well Design Information:

This engineering data identifies casing size, pressure rating, setting depth and current volume, hole size, mud weight, blowout preventer (BOP) designs and well bore, formation and BOP test data and other criteria. The information is utilized by MMS engineers to verify operational safety and ensure well control to prevent pressure blowouts and other hazards to personnel and the environment. This form accommodates requested data collection for successive sections of the borehole as drilling proceeds toward total depth below each intermediate casing point.

Application for Permit to Modify, Form MMS-124

The MMS uses the information on this form to evaluate and approve the adequacy of the equipment, materials, and/or procedures that the lessee plans to use during such post APD modifications or operations as plugging back or temporary abandonment where the well bore will be reentered and completed or permanently plugged. In addition, except for proprietary data, MMS is required by the OCS Lands Act to make available to the public certain information submitted on form MMS-124.

Form MMS-124
Page 1

Heading:

The MMS uses the information to identify the well name, lease operator, type of revision and timing of the proposed modifications.

Well at Total Depth/Surface:

Information utilized by MMS to identify the unique location (area, block and lease of the proposed activity).

Proposed or Completed Work:

Information identifying the specific activity, revision or modification for which approval is requested. Includes specific identification of equipment, engineering, and pressure test data needed by MMS to ascertain that operations will be conducted in a manner that ensures the safety of personnel and protection of the environment.

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Question Information:

Responses to questions (a) through (f) serve to ascertain compliance with applicable MMS regulations and requirements and adherence to good operating practices, as follows:

- Question a – Serves to ensure the submittal of a contingency plan to mitigate the presence of a dangerous concentration of H_2S.

- Question b – Information needed by MMS to monitor possible lease expiration in the event proposed operations/modifications are unsuccessful.

- Question c – Information needed by MMS to ascertain that adjacent wells/equipment are shut-in while moving heavy rig equipment on/off location in the interest of personnel safety and protection of the environment.

- Question d – Information needed by MMS to ensure that down-hole commingling of hydrocarbon production from separate sand formations has been reviewed and determined to meet conservation requirements for oil/gas reserves.

- Question e – Information needed by MMS to ensure that wells completed for hydrocarbon production within 500 feet of a block (lease) line have been reviewed to mitigate inequitable drainage of reserves from adjacent leases.

- Question f – Information needed by MMS to ensure that the casing will be cut and removed to a depth 15 feet below the seafloor (mud line) to preclude possible damage to trawl/fishing nets.

End of Operations Report, Form MMS-125

The MMS uses this information to ensure that they have accurate and up-to-date data and information on wells and leasehold activities under their jurisdiction and to ensure compliance with approved plans and any conditions placed upon a suspension or temporary prohibition. It is also used to evaluate the remedial action in the event of well equipment failure or well control loss. Form MMS-125 is updated and resubmitted in the event the well status changes. The information keeps us aware of the status of drilling and completion operations. In addition, except for proprietary data, MMS is required by the OCS Lands Act to make available to the public certain information submitted on form MMS-125.

Form MMS-125
Page 1

Heading:

The MMS uses the information to ascertain the well name, status of completion/abandonment and operator name.

Well at Total Depth:

The MMS uses the information to ascertain the location and the latitude/longitude at total depth.

Well Status Information:

The MMS uses the information to ascertain well status data and measured/true vertical depth of the well.

Well at Producing Zone:

The MMS uses the information to ascertain the location and latitude/longitude of the producing zone.

Perforated Interval(s) This Completion:

The MMS uses this information to ascertain well measured/true vertical depth at the top and bottom of intervals perforated for production.

Hydrocarbon Bearing Intervals:

The MMS uses this information to identify the top and bottom of hydrocarbon bearing intervals penetrated by the well and the type hydrocarbon (oil/gas) present.

List of Significant Markers Penetrated:

The MMS uses this information, in conjunction with seismic data, to make structural correlations with other wells drilled in the area. Anticipated marker areas not penetrated (i.e., not present) also provide valuable reservoir information.

Subsea Completion:

Identifies wells that are completed with the wellhead (tree) at the ocean floor (mud line). This data is needed to ascertain that the wellhead is protected from being damaged and that the location is marked with a buoy.

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Abandonment History of Well:

The MMS uses this information to ensure that, upon permanent plugging, the casing is cut and removed to an elevation below the ocean floor (mud line) to eliminate any hazard to navigation (fishing, trawling) unless otherwise protected and/or the location marked with a buoy.

Well Activity Report, Forms MMS-133 and MMS-133S

The MMS uses this information to monitor the conditions of a well and status of drilling operations. Specifically, the drilling engineer in the District Office reviews the information to be aware of the well conditions and current drilling activity (i.e., well depth, drilling fluid weight, casing types and setting depths, completed well logs, and recent safety equipment tests and drills). The engineer uses this information to determine how accurately the lessee anticipated well conditions and if the lessee is following the approved Application for Permit to Drill (form MMS-123). The MMS engineer and District Supervisor also use the information in their review of an Application for Permit to Modify (form MMS-124). With the information collected on form MMS-133 available, the reviewers can analyze the proposed revisions (i.e., revised grade of casing or deeper casing setting depth) and make a quick and informed decision on the request.

In addition, except for proprietary data, MMS is required by the OCS Lands Act to make available to the public certain information submitted on forms MMS-133 and MMS-133S.

Form MMS-133
Page 1

General Information:

Identifies the well name, lease operator, name of the contractor and rig or unit conducting drilling or remedial work, the water depth and the elevation.

Current Well Bore Information:

The MMS uses this information to identify the well, surface location and dates operations are initiated and concluded. Also identified is the bottom hole location, measured and true vertical depth of the well, drilling fluid (mud) weight and blowout preventer test information needed to evaluate approval or modification applications to ensure safety and environmental protection.

Well Bore Historical Information:

Identifies the dates drilling is initiated and completed or the well is abandoned and final measured and true vertical depths reached. This information is needed to evaluate approval or modification applications to ensure safety and protection of the environment.

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Casing/Liner/Tubing Record:

Identifies casing/liner/tubing hole size, pipe size, weight, grade, test pressures, setting depths and cement volumes. MMS uses this information to evaluate approval and modification applications and to ascertain that operations are conducted in a safe manner as approved.

Well Activity Summary:

This narrative summary provides the details of daily operations needed by MMS to confirm that operations are being conducted consistent with approved plans.

Open Hole Log Date:

Serves to identify whether or not open hole logs, formation samples and surveys have been conducted so as to trigger the submittal of form MMS-133S.

Significant Well Events:

Serves to identify significant events, hazards or problems encountered during well operations and to provide narrative information detailing those events which occurred. The MMS needs this information in the assessment and approval of other well operations in the area that may encounter the same or similar hazards, risks or problems.

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Provides narrative information concerning any significant events. Attachments may be required, if necessary.

<u>Form MMS-133S</u>

General Information:

Identifies the well, rig or remedial unit name and contractor, lease operator, water depth and elevation.

Open Hole Tools, Mud Logs, and Directional Surveys:

Identifies the dates and types of open hole operations, logs, tests, or surveys conducted; the service company(s) conducting the operations; and the top and bottom of those formations logged or surveyed. Serves as an inventory to ensure that MMS receives the data from all open hole

logs/tests/surveys conducted. Open hole data is utilized by MMS in the determination of oil and gas recoverable reserves and production limits. As permitted by the regulations, the data is also made available to the public.

Identify Other Open Hole Data Collection:

Identifies the conduct of other specific analyses, samples and surveys and requires the narrative description of any other surveys conducted. This data is utilized as described above.

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, respondents submit well logs and survey results in both digital and paper form. For those lessees with computerized well files, information can be taken directly from that file.

The MMS has implemented an internet based system, eWell, that provides respondents with the ability to permit and report well operations electronically using a secure web application in lieu of submitting paper forms. For those respondents with computerized well files, information can be taken directly from that file and imported into the eWell system. In the Gulf of Mexico Region (GOMR), respondents generate and submit almost 100 percent of forms MMS-123, MMS-123S, MMS-124, MMS-125, MMS-133 and MMS-133S electronically using the eWell system.

In the Pacific and Alaskan Regions, respondents generate 100 percent of all the forms on paper. These regions, as of now, do not have the ability for eWell. These regions hope to be giving their respondents this opportunity by 2010.

Therefore, MMS estimates that we currently collect 75 percent of all information pertaining to 30 CFR Part 250, Subpart D, electronically.

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 information collected is unique to a specific drilling/well operation and does not duplicate any other available information; similar information is not readily available or discernible from other sources. The Departments of the Interior and the U.S. Coast Guard have Memoranda of Understanding which define the responsibilities of their agencies with respect to activities in the OCS. These are effective in avoiding duplication of regulations and reporting requirements.

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. However, many of the OCS lessees and operators have less than 500 employees and are considered small businesses as defined by the Small Business Administration. The hour burden on any small entity subject to these regulations cannot be reduced to accommodate them.

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 MMS did not collect the information, we could not determine whether lessees and operators are properly providing for the safety of operations and the protection of the environment and resources. The information is necessary to carry out the mandate of the OCS Lands Act. The information is generally collected on occasion of drilling activity and initiated by respondents' activity. During drilling operations, respondents must submit reports on a daily (or weekly in the GOMR) basis. We must have accurate and timely information on the condition of the drilling site to be able to make informed decisions on requests for alternative compliance and departures. Respondents maintain the information reported on a daily basis, and the burden of submitting to MMS is not substantial. Quarterly reporting would be ineffectual.

Forms MMS-123 and MMS-123S: If this information were not available, MMS could not ensure that drilling operations are planned to minimize the risks to personnel and the environment. Applications are generated by the lessee's need and submitted as a result of prospective planning and investment decisions by the lessee. They are not submitted at any set frequency; therefore, frequency is not an issue.

Form MMS-124: If MMS did not collect the information on form MMS-124, we could not review lessee plans to require changes to drilling procedures or equipment to determine that levels of safety and environmental protection are maintained. Nor could we review information concerning requests for approval or subsequent reporting of well-completion or well-workover operations to determine that procedures and equipment are appropriate for the anticipated conditions. This form is generated by the lessee's need and submitted as a result of situations encountered during ongoing operations, including drilling, well completion, well workover, production, and temporary well abandonment and permanent plugging. Information collection occurs at the time of application. This form is submitted upon completion of the operation previously proposed by an application and approved by MMS and serves to document what took place during the operation in contrast to what was proposed. They are not submitted at any set frequency; therefore, frequency is not an issue.

Form MMS-125: If MMS did not collect the information on form MMS-125, we could not review the status of the well after operations have concluded to determine that acceptable levels of safety and environmental protection are maintained. Nor could we review information concerning requests for approval or subsequent reporting of well-completion or well-workover operations to determine that procedures and equipment are appropriate for the anticipated conditions. This form is submitted as a result of lease exploration and development activities on the part of respondents. They are not submitted at any set frequency; therefore, frequency is not an issue.

Forms MMS-133 and MMS-133S: The forms provide direct information about how lessees and operators conduct drilling operations. The MMS may not reduce the burden because the OCS Lands Act mandates that operations in the OCS be conducted in a safe and environmentally sound manner. Without this information, we would have great difficulty in monitoring drilling operations to ensure that lessees conduct them properly. An alternative to requiring well activity reports would be for us to conduct many more onsite inspections to monitor drilling activities. However, the additional inspectors and helicopters to transport them would not be efficient or cost effective. Furthermore, lessees would likely experience delays in obtaining timely approvals to revise drilling plans because District Offices would not have current and complete information on these operations. Regulations require the submission of the daily driller's report at a frequency determined by the Regional Supervisor.

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.
Respondents are required to submit daily well activity reports in the Pacific and Alaska OCS Regions to timely monitor drilling and well activities. Due to the volume of activity in the GOMR, respondents submit the information on forms MMS-133 and MMS-133S on a weekly basis.

(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.
When submitting paper copies, respondents are required to submit four copies of forms MMS-123 and MMS-124: one approved copy each for the OCS Region, the lessee, the lessee's contractor, and the public. The copy for the public will not include some information that is proprietary data and not subject to release.

(d) requiring respondents to retain records, other than health, medical, government contract, grant-in-aid, or tax records, for more than 3 years.
Respondents are required to retain some well completion/well workover records until the well is permanently plugged or abandoned or the records are forwarded with a lease assignment. Obviously this could be longer than 3 years. However, it is critical that the records be available that relate to any alteration of the completion configuration or that affect activities on a hydrocarbon-bearing zone.

(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 January 28, 2008, (73 FR 4911). In addition, 30 CFR 250.199 and the Paperwork Reduction Act statement on all the forms explain that 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:

El Paso Production, Ms. Beth Atwood, Regulatory Manager,
(713) 420-6288, Nine Green Way Plaza, Houston, TX 77046-0995

Apache Corporation, Ms. Cheryl Powell, Regulatory Supervisor,
(713) 296-6811, 2000 Post Oak Blvd., Suite #100, Houston, TX 77056

Shell E & P Company, Ms. Jane Chady, Permits and Issues Manager,
(504) 728-6161, Post Office Box 61933, New Orleans, LA 70161-1933

Anadarko Petroleum Corporation, Ms. Gaylene Reier, Staff Regulatory Analyst
(832) 636-1000, 1201 Lake Robbins Drive, The Woodlands, TX 77380

Veneco, Susan Berk, Regulatory Specialist,
(805) 884-7475, 520 East Montecito Street, Santa Barbara, CA 93101

Pacific Offshore Operators, Inc., Steve Coombs, Head of Regulations,
(805) 682-9552, PO BOX 5565, Oxnard, CA 93031

Plains Exploration and Production Company, David Rose, EH&S Manager,
(805) 937-6377, 201 S. Broadway, Orcutt, CA 93455-4606

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

The MMS 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.

The MMS will protect proprietary information according to 30 CFR 250.197, "Data and information to be made available to the public or for limited inspection," 30 CFR part 252, "OCS Oil and Gas Information Program," and the Freedom of Information Act (5 U.S.C. 552) and its implementing regulations (43 CFR 2).

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 burden.

There are approximately 130 respondents (Federal oil and gas OCS lessees). Submissions are generally on occasion, weekly, monthly, semi-annually, annually, and varies by section. We estimate the total annual reporting and recordkeeping burden is 146,827 hours.

BURDEN TABLE

Citation 30 CFR 250 Subpart D and NTL(s)	Reporting and Recordkeeping Requirement	Hour Burden	Average No. of Annual Responses	Annual Burden Hours
		Non-Hour Cost Burdens		
General Requirements				
402(b)	Request approval to use blind or blind-shear ram or pipe rams and inside BOP.	0.25	6 requests	2 (rounded)
403	Notify MMS of drilling rig movement on or off drilling location.	0.1	20 notices	2
	In Gulf of Mexico OCS Region, rig movements reported on form MMS-144—burden covered under 1010-0150.			0
404	Perform operational check of crown block safety device; record results (weekly).	0.25	105 drilling rigs x 52 weeks = 5,460	1,365

Citation 30 CFR 250 Subpart D and NTL(s)	Reporting and Recordkeeping Requirement	Hour Burden	Average No. of Annual Responses	Annual Burden Hours
		Non-Hour Cost Burdens		
408, 409	Apply for use of alternative procedures and/or departures not requested in MMS forms (including discussions with MMS or oral approvals).	5	20% of 700 drilling ops. = 140	700
		Subtotal	**5,626 Responses**	**2,069 Hours**
Apply for a Permit to Drill				
408, 409; 410-418, plus various other references in subpart D	Apply for permit to drill and requests for various approvals required in subpart D (including §§ 250.423, 424, 427, 432, 442(c), 447, 448(c), 451(g), 456(a)(3), (f), 460, 490(c)(1), (2)) and obtained via forms MMS-123 (Application for Permit to Drill) and MMS-123S (Supplemental APD Information Sheet), and supporting information and notices to MMS.	MMS-123 2.5+*	MMS-123 700	MMS-123 1,750
		$1,850 fee x 700 = $1,295,000		
		MMS-123S 1.5+*	MMS-123S 700	MMS-123S 1,050
410(b), 417(b)	Reference to Exploration Plan, Development and Production Plan, Development Operations Coordination Document (30 CFR 250, subpart B)—burden covered under 1010-00151.			0
417(a), (b)	Collect and report additional information on case-by-case basis if sufficient information is not available.	4	1 report	4
417(c)	Submit 3rd party review of drilling unit according to 30 CFR 250, subpart I—burden covered under 1010-0149.			0
418(e)	Submit welding and burning plan according to 30 CFR 250, subpart A—burden covered under 1010-0114.			0
		Subtotal	**1,401 Responses**	**2,804 Hours**
			$1,295,000 Non-Hour Cost Burdens	
Casing and Cementing Requirements				
421; 423; 428	Submit casing and cementing program and revisions or changes.	2	20% of 700 drilling ops. = 140	280
424	Caliper, pressure test, or evaluate casing; submit evaluation results; request approval before resuming operations or beginning repairs (every 30 days during prolonged drilling).	4	20% of 700 wells = 140	560
426	Perform pressure test on all casing strings and drilling liner lap; record results.	2	105 drilling rigs x approx. 50 per rig = 5,250	10,500
427(a)	Perform pressure-integrity tests and related hole-behavior observations; record results.	4	425 tests	1,700
		Subtotal	**5,955 Responses**	**13,040 Hours**
Diverter System Requirements				
434; 467	Perform diverter tests when installed and once every 7 days; actuate system at least once every 24-hour period; record results (average 2 per drilling operation).	2	700 drilling ops. x 2 tests = **1,400 Responses**	**2,800 Hours**
Blowout Preventer (BOP) System Requirements				
450; 467	Perform BOP pressure tests, actuations and inspections when installed; at a minimum every 14 days; as stated for components; record results.	10	105 drilling rigs x approx. 35 tests per rig = 3,675	36,750

Citation 30 CFR 250 Subpart D and NTL(s)	Reporting and Recordkeeping Requirement	Hour Burden	Average No. of Annual Responses	Annual Burden Hours
		Non-Hour Cost Burdens		
450, 467	Function test annulars and rams; document results every 7 days between BOP tests (biweekly). Note: this test is part of BOP test when BOP test is conducted.	0.5	105 drilling rigs x approx. 20 tests per rig = 2,100	1,050
451(c)	Record reason for postponing BOP test (on occasion—approx. 2/year).	0.25	105 drilling rigs x 2 tests = 210	53 (rounded)
		Subtotal	**5,985 Responses**	**37,853 Hours**
Drilling Fluid Requirements				
456(b), (i); 458(b)	Record each drilling fluid circulation; test drilling fluid, record results; record daily inventory of drilling fluid/materials; test and recalibrate gas detectors; record results (on occasion, daily, weekly, quarterly).	2	105 drilling rigs x 52 weeks = 5,460	10,920
456(c), (f)	Perform various calculations; post information (on occasion, daily, weekly).	0.5	105 drilling rigs x 52 weeks = 5,460	2,730
459(a)(3)	Request exception to procedure for protecting negative pressure area.	2	5 requests	10
		Subtotal	**10,925 Responses**	**13,660 Hours**
Other Drilling Requirements				
460; 465	Submit revised plans, changes, well/drilling records, etc., on forms MMS-124 (Application for Permit to Modify) or MMS-125 (End of Operations Report) and supporting information.	MMS-124 1.5+*	MMS-124 4,494	MMS-124 6,741
		$110 fee x 4,494 = $494,340		
		MMS-125 1.6+*	MMS-125 3,100	MMS-125 4,960
460	Submit plans for well testing and notify MMS before test.	2	15 plans	30
461(a-b); 466(e); 468(a)	Record and submit well logs, survey results, etc.	1.5	1,000 logs/surveys	1,500
	Record and submit directional and vertical-well surveys.	1	1,000 reports	1,000
	Record and submit velocity profiles and surveys.	1	55 reports	55
	Record and submit core analyses.	1	150 analyses	150
461(e)	Provide copy of well directional survey to affected leaseholder.	1	10 occasions	10
462(a)	Prepare and post well control drill plan for crew members.	3	26 plans	78
462(c)	Perform well-control drills; record results (2 crews weekly).	1	105 drilling rigs x 2 crews x 52 weeks = 10,920	10,920
463(b)	Request field drilling rules be established, amended, or canceled.	2.5	6 requests	15
		Subtotal	**20,776 Responses**	**25,459 Hours**
			$494,340 Non-Hour Cost Burdens	
Applying for a Permit to Modify and Well Records				
466, 467	Retain drilling records for 90 days after drilling is complete; retain casing/liner pressure, diverter, and BOP records for 2 years; retain well completion/well workover until well is permanently plugged/abandoned or lease is assigned.	1.5	Annual records maintenance for 700 wells	1,050

Citation 30 CFR 250 Subpart D and NTL(s)	Reporting and Recordkeeping Requirement	Hour Burden	Average No. of Annual Responses	Annual Burden Hours
		Non-Hour Cost Burdens		
468(b); 465(b)(3)	In the GOM OCS Region, submit drilling activity reports weekly on forms MMS-133 (Well Activity Report) and MMS-133S (Bore Hole Data) and supporting information.	MMS-133 1+*	24,200	24,200
		MMS-133S 1+*	1,000	1,000
468(c)	In the Pacific and Alaska OCS Regions during drilling operations, submit daily drilling reports. N/A in GOM.	1	14 wells x 365 days x 20% = 1,022	1,022
469	As specified by region, submit well records, paleontological interpretations or reports, service company reports, and other reports or records of operations.	1.5	300 submissions	450
		Subtotal	**27,222 Responses**	**27,722 Hours**
Hydrogen Sulfide				
490(c)(4), (d)	Submit request for reclassification of H_2S zone; notify MMS if conditions change.	2	27 responses	54
490(f); also referenced in 418(d)	Submit contingency plans for operations in H_2S areas (16 drilling, 5 work-over, 6 production).	25	27 plans	675
490(g)	Conduct H_2S training; post safety instructions; document training on occasion and annual refresher (approx. 2/year).	4	30 facilities x 2 trainings = 60	240
490(h)(2)	Conduct weekly drills and safety meetings; document attendance.	2	30 facilities x 52 weeks = 1,560	3,120
490(i)	Display warning signs—no burden as facilities would display warning signs and use other visual and audible systems.			0
490(j)(7-8)	Test H_2S detection and monitoring sensors during drilling; record testing and calibrations on occasion, daily during drilling (approx. 12 sensors per rig).	4	10 drilling rigs x 365 days = 3,650	14,600
490(j)(7-8)	Test H_2S detection and monitoring sensors every 14 days during production; record testing and calibrations (approx. 30 sensors/5 platforms + approx. 42 sensors/23 platforms).	3.5	20 production platforms x 26 tests = 520	1,820
490(j)(12)	Propose alternatives to minimize or eliminate SO_2 hazards—submitted with contingency plans—burden covered under 250.490(f).			0
490(j)(13)(vi)	Label breathing air bottles—no burden as supplier normally labels bottles; facilities would routinely label if not.			0
490(l)	Notify (phone) MMS of unplanned H_2S releases (approx. 2/year).	Oral 0.2	30 facilities x 2 = 60	12
		Written 4	30 facilities x 2 = 60	240
490(o)(5)	Request approval to use drill pipe for well testing.	2	3 requests	6
490(q)(1)	Seal and mark for the presence of H_2S cores to be transported—no burden as facilities would routinely mark transported cores.			0
490(q)(9)	Request approval to use gas containing H_2S for instrument gas.	2	3 requests	6
490(q)(12)	Analyze produced water disposed of for H_2S content and submit results to MMS on occasion (approx. weekly).	2.8	4 production platforms x 52 weeks = 208	583 (rounded)

Citation 30 CFR 250 Subpart D and NTL(s)	Reporting and Recordkeeping Requirement	Hour Burden	Average No. of Annual Responses	Annual Burden Hours
		Non-Hour Cost Burdens		
		Subtotal	**6,178 Responses**	**21,356 Hours**
Miscellaneous				
400-490	General departure or alternative compliance requests not specifically covered elsewhere in subpart D.	2	22	44
NTL	Voluntary submit to USCG read only access to the EPIRB data for their moored drilling rig fleet before hurricane season.	.25	80	20
		Subtotal	**102 Responses**	**64 Hours**
TOTAL BURDEN			**85,570 Responses**	**146,827 Hours**
			$1,789,340 Non-Hour Cost Burdens	

* The hour burdens are an average of the estimate due to the fact that a large percentage of the submittals are reported electronically, which in some cases takes less time than the percentage of the submittals that are reported in paper form.

(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 $74/hour (rounded). 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	5%	$1
Regulatory**	13	$55	$77	45%	$35
Petroleum Engineer or Geologist	12	$52	$73	45%	$33
Supv. Engineer	15	$66	$92	5%	$5
Weighted Average ($/hour)					**$74**

* Note that this BLS source reflects their last update from July 2004.
** Professional Occupation, n.e.c.
***A multiplier of 1.4 (as implied by BLS news release USDL 07-1883, December 11, 2007) was added for benefits.

Based on a cost factor of $74 per hour, we estimate the total annual cost to industry is $10,865,198 ($74 x 146,827 hours = $10,865,198).

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 two non-hour cost burdens for this collection. When respondents submit an Application for Permit to Drill (Form MMS-123), they submit a $1,850 fee for initial applications only (there is no fee for revisions); and when respondents submit an Application for Permit to Modify (Form MMS-124), they submit a $110 fee. These two fees total $1,789,340. Refer to the chart in Section A.12 of this supporting statement to see these specific fee breakdowns. We have not identified any other non-hour cost burdens associated with 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 government cost is $63/hour (rounded). This cost is broken out in the below table using the Office of Personnel Management salary data for the New Orleans, LA area.

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	5%	$1
Petroleum Engineer	GS-13/5	$37	$56	60%	$34
Supv. Petroleum Engineer	GS-15/5	$52	$78	34%	$27
Executive	SES ($148K)	$68	$102	1%	$1
Weighted Average ($/hour)					**$63**

*A multiplier of 1.5 (as implied by BLS news release USDL 07-1883, December 11, 2007) was added for benefits.

To analyze and review the information respondents submit for subpart D, we estimate the Government will spend an average of approximately 0.5 hours for each of 146,827 hours spent by lessees. Based on

a cost factor of $63 per hour, the annual burden on the Government for the regulatory requirements in this IC is $4,625,082 (146,827 burden hours x 0.5 hours = 73,414 hours (rounded) x $63 = $4,625,082).

Also, under §§ 250.461, 468, and 469, respondents are required to record and submit logs, surveys, analyses etc. The MMS has contracted out to A2D Technologies for receiving the mentioned data, doing compliance reviews on the data, and for reformatting the data for easier use for MMS. On average, this contract costs MMS $ 296,015 per year.

Therefore, the total annual burden on the Government is $4,921,097 ($4,625,082 for the regulatory burden costs + $296,015 for the A2D contract = $4,921,097).

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

The adjustments are as follows:

(a) The current OMB inventory for 1010-0141 includes 163,954 burden hours. In this submission, we are requesting a total of 146,827 hours. This represents an adjustment decrease of 17,127 hours. The decrease is due to re-estimating the average annual responses and the amount of time required to respond.

(b) The current OMB non-hour cost burden inventory is $2,996,334. In this submission, we are requesting a total of $1,789,340. This represents an adjustment decrease of $1,206,994. The decrease is due to re-estimating the average number of annual responses times its associated non-hour cost burden.

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 forms MMS-123, MMS-123S, MMS-124, MMS-125, MMS-133, and MMS-133S. The remainder of this collection concerns regulatory requirements.

18. Explain each exception to the certification statement.

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."