

Supporting Statement for Paperwork Reduction Act Submissions
30 CFR Part 280, Prospecting for Minerals Other than Oil, Gas, and Sulphur
on the Outer Continental Shelf (OCS), Form MMS-134
OMB Control Number 1010-0072
Current Expiration Date: 28 February 2009

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 methods, 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 (Secretary) to prescribe rules and regulations to administer leasing of the OCS. Such rules and regulations will apply to all operations conducted under a lease. Section 1337(k) of the OCS Lands Act authorizes the Secretary “. . . to grant to the qualified persons offering the highest cash bonuses on a basis of competitive bidding leases of any mineral other than oil, gas, and sulphur in any area of the Outer Continental Shelf not then under lease for such mineral upon such royalty, rental, and other terms and conditions as the Secretary may prescribe at the time of offering the area for lease.” An amendment to the OCS Lands Act (P.L. 103-426) authorizes the Secretary to negotiate agreements (in lieu of the previously required competitive bidding process) for the use of OCS sand, gravel, and shell resources for certain specified types of public uses. The specified uses will support construction of governmental projects for beach nourishment, shore protection, and wetlands enhancement; or any project authorized by the Federal Government.

Section 1340 states that “. . . any person authorized by the Secretary may conduct geological and geophysical [G&G] explorations in the outer Continental Shelf, which do not interfere with or endanger actual operations under any lease maintained or granted pursuant to this Act, and which are not unduly harmful to aquatic life in such area.” The section further requires that, permits to conduct such activities may only be issued if it is determined that the applicant is qualified; the activities are not polluting, hazardous, or unsafe; they do not interfere with other users of the area; and they do not disturb a site, structure, or object of historical or archaeological significance. Respondents are required to submit form MMS-134 to provide the information necessary to evaluate their qualifications.

Section 1352 further requires that certain costs be reimbursed to the parties submitting required G&G information and data. Under the Act, permittees are to be reimbursed for the costs of reproducing any G&G data required to be submitted. Permittees are to be reimbursed also for the reasonable cost of processing geophysical information required to be submitted when processing is in a form or manner required by the Director and is not used in the normal conduct of the business of the permittee. Regulations implementing these responsibilities are in 30 CFR part 280.

This information collection request (ICR) concerns the regulations at 30 CFR part 280, Prospecting for Minerals Other than Oil, Gas, and Sulphur on the OCS.

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 uses the information: (1) to ensure there is no environmental degradation, personal harm or unsafe operations and conditions; (2) the activities do not damage historical or archaeological sites or interfere with other uses; (3) to analyze and evaluate preliminary or planned drilling activities; (4) to monitor progress and activities in the OCS; (5) to acquire G&G data and information collected under a Federal permit offshore; and (6) to determine eligibility for reimbursement from the Government for certain costs. The information is necessary for MMS to determine if the applicants for permits or filers of notices meet the qualifications specified by the Act. Respondents are required to submit Form MMS-134 to provide the information necessary to evaluate their qualifications. The MMS also uses the information collected to understand the G&G characteristics of hard mineral-bearing physiographic regions of the OCS. It aids the Secretary in obtaining a proper balance among the potentials for environmental damage, the discovery of hard minerals, and adverse impacts on affected coastal states. Information from permittees is necessary to determine the propriety and amount of reimbursement.

Details of the form are:

Form MMS-134 -- Requirements for Geological and Geophysical Prospecting or Scientific Research in the Outer Continental Shelf Related to Minerals Other than Oil, Gas, and Sulphur.

This form consists of the requirements for commercial G&G prospecting or scientific research along with the application that the respondent submits to MMS for approval, as well as a nonexclusive use agreement for scientific research, if applicable. The requirements portion of the form lets the respondents know:

- what is the authority,
- that by conducting G&G activities they are not allowed to cause harm, damage, pollution, disturb archaeological resources, etc.,
- that if respondents detect environmental hazards which may cause imminent threat/affect the environment, etc., that they immediately report this to MMS,
- time restrictions,
- what information is required for permit; modification to approved permit information, and
- filing locations for permits.

The application portion of the form requires the respondent to fill in:

- general information about name of company,
- type of activity,

- for whom is the work being done, and the purpose,
- start date, completion date,
- who's in charge,
- port vessel will operate from,
- type of operation, and coordinates,
- certification,
- section completed by MMS,
- proprietary information required for geological prospecting permit, and
- proprietary information required for the geophysical prospecting permit.

The portion pertaining to G&G with a nonexclusive use agreement for scientific research consists of:

- stating the time and manner in which data and information resulted from the proposed activity will be made available to the public for inspection,
- applicant agrees that data and information obtained from the proposed activity will not be sold or withheld for exclusive use,
- applicant signs and submits to MMS for approval.

Upon approval, respondents are issued a specific permit depending on whether they are prospecting or conducting scientific research for “geological” or “geophysical” mineral resources.

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 the form available on the website and submit it electronically. Currently, 3 percent of all information is submitted electronically. Due to the nature of the requirements, very little information can be submitted electronically; however, the final report is submitted 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.*

There is no duplication as the Department of the Interior has specific statutory authority. Respondents are applying for individual permits and each notice for processing of G&G data is unique, as are requests for reimbursement. There is no similar information available. To the extent that identical information or data were available from prior permits or other sources, MMS would not require respondents to resubmit such information or data.

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

Respondents could be small businesses or other small entities. The MMS needs the information to evaluate all applications and review all notices, regardless of the size of the respondent, and we do not consider the burden to be significant.

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.

Except for status reports, the information is not collected periodically but on occasion. Therefore, less frequent reporting is not applicable. The frequency of status reports varies according to the permit specifications. The reports are necessary for resource evaluation and ecological consequences. If MMS did not collect the information, the Secretary could not meet the obligations of the OCS Lands Act in a timely manner, possibly resulting in economic losses to the Federal Government.

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.

Section 280.72(b) states that MMS will provide a notice of intent to disclose data or information to an independent contractor or agent or to an adjacent State. The notice will afford the permittee a period of not less than 5 days in which to submit comments on the intended action. Industry is aware, through the regulations and the permit, that MMS may have a contractor reproduce, process, etc., data for a sale evaluation. The MMS may only have 90 days in which to conduct the entire sale. Therefore, if there were any special circumstances, the permittee would need to notify MMS immediately. The MMS notice would allow for a longer response time if feasible.

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.

Respondents must submit four copies of Form MMS-134. After MMS approval, one signed copy is needed for the OCS region, the permittee, the permittee's contractor, and the public. The copy for the public, however, will not include some information in Item D that is determined to be 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.

The permit form specifies that at any time within 10 years after receiving notification of the completion of the acquisition activities conducted under the permit, MMS may request that the permittee submit for inspection and possible retention all or part of the G&G data and/or information. As a normal business practice, respondents will generally retain acquired G&G data and/or information for very long periods of time, beyond even the 10-year requirement in the permit form. This is not an unreasonable retention period for valuable mineral resources data and/or information that MMS may need at a future date if it conducts a strategic mineral sale or requires data to conduct a national or regional resource assessment.

(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.

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 published the required 60-day notice in the Federal Register on June 9, 2008 (73 FR 32595). We requested comments on the need for the collection, the accuracy of the burden estimates, ways to enhance the collection, and ways to minimize the burden. Section 280.80 explains that MMS will accept comments at any time on the information collection burden of our 30 CFR part 280 regulations and the related form. We display the OMB control number and provide the address for sending comments to MMS. We received no comments in response to the notice or unsolicited comments from potential respondents covered under these regulations.

During the comment period, MMS requested input from a few respondents on the burden of collecting this information. The burden estimates in Section A.12 reflect their input. The following respondents were contacted:

Coastal Technology Corporation, Ms. Leighann Budde, Coastal Geologist,
365 20th Street, Vero Beach, Florida 32960, (772) 562-8582

Coastal Planning and Engineering, Ms. Melany Larenas, Program Geologist,
2481 N.W. Boca Raton Blvd., Boca Raton, FL 33431, (561) 391-9116

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

The OCS Lands Act mandates that we reimburse respondents for their reproduction and processing costs of certain data and information that MMS requests. These implementing regulations and permit form comply with the OCS Lands Act and provide for reimbursement payment of the G&G data and information when applicable. We also pay respondents if they request reimbursement for food, quarters, or transportation they provide MMS representatives during inspections. We do not provide gifts to respondents.

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 information considered proprietary according to 30 CFR 280.70, “What data and information will be protected from public disclosure?”, 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.

We estimate a total of three potential respondents to this collection of information. We estimate a total annual paperwork burden of 116 hours according to respondents' input (see No. 8). See the burden table for a breakdown of the burdens.

Citation 30 CFR part 280	Reporting and Recordkeeping Requirements	Hour Burden	Average No. of Annual Responses	Annual Burden Hours
		Non-Hour Cost Burden		
Subpart B				
10; 11(a); 12; 13; Permit Form	Apply for permit (Form MMS-134) to conduct prospecting or G&G scientific research activities, including prospecting/scientific research plan and environmental assessment or required drilling plan.	8	3 permits	24
		\$2,012 permit application fee x 3 permits = \$6,036		
11(b); 12(c)	File notice to conduct scientific research activities related to hard minerals, including notice to MMS prior to beginning and after concluding activities.	8	3 notices	24
		Subtotal	6 responses	48 hours
Subpart C				
21(a)	Report to MMS if hydrocarbon/other mineral occurrences or environmental hazards are detected or adverse effects occur.	1	1 report	1
22	Request approval to modify operations.	1	1 request	1
23(b)	Request reimbursement for expenses for MMS inspection.	1	3 requests	3
24	Submit status and final reports on specified schedule.	8	4 reports	32

Citation 30 CFR part 280	Reporting and Recordkeeping Requirements	Hour Burden	Average No. of Annual Responses	Annual Burden Hours
		Non-Hour Cost Burden		
28	Request relinquishment of permit.	1	1 * relinquishment	1*
31(b); 73	Governor(s) of adjacent State(s) submissions to MMS: Comments on activities involving an environmental assessment; request for proprietary data, information, and samples; and disclosure agreement.	1	3 submissions	3
33, 34	Appeal penalty, order, or decision – burden covered under 5 CFR 1320.4(a)(2), (c).			0
		Subtotal	13 responses	41 hours
Subpart D				
40; 41; 50; 51; Permit Form	Notify MMS and submit G&G data/information collected under a permit and/or processed by permittees or 3 rd parties, including reports, logs or charts, results, analyses, descriptions, etc.	4	3 submissions	12
42(b); 52(b)	Advise 3 rd party recipient of obligations. Part of licensing agreement between parties; no submission to MMS.	1/3	3 notices	1
42(c), 42(d); 52(c), 52(d)	Notify MMS of 3 rd party transactions.	1	1 notice	1
60; 61(a)	Request reimbursement for costs of reproducing data/information & certain processing costs.	1	1 request *	1*
72(b)	Submit in not less than 5 days comments on MMS intent to disclose data/information.	1	3 responses	3
72(d)	Contractor submits written commitment not to sell, trade, license, or disclose data/information.	1	3 submissions	3
		Subtotal	14 responses	21 hours
General				
Part 280	General departure and alternative compliance requests not specifically covered elsewhere in part 280 regulations.	2	1 request	2
Permits**	Request extension of permit time period.	1	1 extension	1
Permits**	Retain G&G data/information for 10 years and make available to MMS upon request.	1	3 respondents	3
		Subtotal	5 responses	6 hours
			38 responses	116 hours
			\$6,036 Non-Hour Cost Burdens	

* NOTE: No requests received for many years. Minimal burden for regulatory (PRA) purposes only.

** These permits are prepared by MMS and sent to respondents; therefore, the forms themselves do not incur burden 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 \$59/(rounded) hour. This cost is broken out in the below table using the Bureau of Labor Statistics data for the Miami-Ft. Lauderdale, Florida* 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)
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Secretary	Avg.	\$16	\$22	20%	\$4
Engineers n.e.c***	12	\$45	\$63	60%	\$38
Supv. Engineer n.e.c.***	15	\$60	\$84	20%	\$17
Weighted Average (\$/hour)					\$59

* Note that this BLS source reflects their last update from July 2004 for Engineers and Dec 2004 for Secretaries.

** A multiplier of 1.4 (as implied by BLS news release USDL 07-1883, December 11, 2007) was added for benefits.

*** n.e.c. = not elsewhere classified. These positions are usually held by Geoscientists, but BLS does not categorize them.

Based on a cost factor of \$59 per hour, we estimate the total annual cost to industry is \$6,844 (\$59 x 116 hours = \$6,844).

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 one non-hour cost burden for this collection of information. Section 280.12 requires respondents to pay a fee of \$2,012 when they submit a G & G permit application. This fee is part of MMS's cost recovery fees for services provided. We estimate a total reporting non-hour cost burden of \$6,036 (\$2,012 fee x 3 responses = \$6,036). Refer to the chart in Section A.12 of this supporting statement to see the non-hour cost burden breakdown. 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 \$47/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
Geophysicist	GS-13/7	\$39	\$59	60%	\$35
Geophysicist	GS-9/1	\$19	\$29	34%	\$10
Manager	GS-15/5	\$52	\$78	1%	\$1
Weighted Average (\$/hour)					\$47

*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 required under 30 CFR 280 regulations and permits, the Government will spend approximately 52 hours annually. Based on a cost factor of \$47 per hour, we estimate the annualized cost is \$2,444. The annual hours are based on the following:

§§ 280.10, 11, 12, 13	1 permit x 3 hours =	3 hours
§§ 280.11, 12	1 notice x 1 hour =	1 hour
§ 280.22	1 modification x 1 hour =	1 hour
§ 280.24	4 status/final reports x 4 hours =	16 hours
§ 280.28	1 relinquishment x 1 hour =	1 hour
§§ 280.40, 41, 50, 51	2 G&G data/info submissions x 2 hours =	4 hours
§ 280.60, 61	2 reimbursements x 10 hours =	20 hours
§ 280.72	1 request/submission x 4 hours =	4 hours
§§ 280.1-280.80	Other miscellaneous submissions =	<u>2 hours</u>
Total Government Hours		= 52 hours

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

- (a) The currently OMB-approved hour burden is 109 and this submission requests 116 hours. The adjustment increase of +7 burden hours is a result of the number of responses received.
- (b) The currently OMB-approved non-hour cost burden is \$2,012. This submission requests an adjustment increase of + \$4,136 non-hour cost burdens due to having more than one permit. Also, due to an inflation formula, rulemaking increased all cost recovery fees (73 FR 49943, August 25, 2008).

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.

No, we will display the expiration date of the OMB approval on Form MMS-134 and the remainder of this collection of information concerns requirements in regulations and the permits.

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.”