

4310-MR-W

DEPARTMENT OF THE INTERIOR

Minerals Management Service

Agency Information Collection Activities: Submitted for Office of Management and Budget (OMB) Review; Comment Request

AGENCY: Minerals Management Service (MMS), Interior.

ACTION: Notice of an extension of an information collection (1010-0006).

SUMMARY: To comply with the Paperwork Reduction Act of 1995 (PRA), we are notifying the public that we have submitted to OMB an information collection request (ICR) to renew approval of the paperwork requirements in the regulations under 30 CFR 256, "Leasing of Sulphur or Oil and Gas in the Outer Continental Shelf." This notice also provides the public a second opportunity to comment on the paperwork burden of these regulatory requirements.

DATE: Submit written comments by [INSERT DATE 30 DAYS AFTER DATE OF PUBLICATION IN THE FEDERAL REGISTER].

ADDRESSES: You may submit comments on this information collection directly to the Office of Management and Budget (OMB), Office of Information and Regulatory Affairs, OMB, Attention: Desk Officer for the Department of the Interior via OMB email: (OIRA_DOCKET@omb.eop.gov); or by fax (202) 395-6566; identify with (1010-0006).

Submit a copy of your comments to the Department of the Interior, MMS, via:

- MMS's Public Connect on-line commenting system, <https://ocsconnect.mms.gov>.

Follow the instructions on the website for submitting comments.

- Email MMS at rules.comments@mms.gov. Use Information Collection Number 1010-0006, in the subject line.
- Fax: 703-787-1093. Identify with Information Collection Number 1010-0006.
- Mail or hand-carry comments to the Department of the Interior; Minerals Management Service; Attention: Rules Processing Team (RPT); 381 Elden Street, MS-4024; Herndon, Virginia 20170-4817. Please reference “Information Collection 1010-0006” in your comments.

FOR FURTHER INFORMATION CONTACT: Cheryl Blundon, Regulations and Standards Branch, (703) 787-1607. You may also contact Cheryl Blundon to obtain a copy, at no cost, of the ICR, the forms, and the regulations that require the subject collection of information.

SUPPLEMENTARY INFORMATION:

Title: 30 CFR 256, “Leasing of Sulphur or Oil and Gas in the Outer Continental Shelf.”

OMB Control Number: 1010-0006.

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

competition. Also, the Energy Policy and Conservation Act of 1975 (EPCA) prohibits certain lease bidding arrangements (42 U.S.C. 6213 (c)).

The Independent Offices Appropriations Act of 1952 (IOAA), 31 U.S.C. 9701, authorizes Federal agencies to recover the full cost of services that provide special benefits. Under the Department of the Interior's (DOI) policy implementing the IOAA, the Minerals Management Service (MMS) is required to charge the full cost for services that provide special benefits or privileges to an identifiable non-Federal recipient above and beyond those that accrue to the public at large. Instruments of transfer of a lease or interest are subject to cost recovery, and MMS regulations specify the filing fee for these transfer applications.

These authorities and responsibilities are among those delegated to the MMS under which we issue regulations governing oil and gas and sulphur operations in the OCS. This information collection request (ICR) addresses the regulations at 30 CFR 256, Leasing of Sulphur or Oil and Gas in the OCS, and the associated supplementary Notices to Lessees (NTLs) and operators intended to provide clarification, description, or explanation of these regulations.

Responses are required to obtain or retain a benefit. No questions of a “sensitive” nature are asked. The individual responses to Calls for Information are the only information collected involving the protection of confidentiality. The MMS will protect specific individual replies from disclosure as proprietary information according to section 26 of the OCS Lands Act, the Freedom of Information Act (5 U.S.C. 552) and its implementing regulations (43 CFR part 2), and § 256.10(d).

The MMS uses the information required by 30 CFR part 256 to determine if applicants are qualified to hold leases in the OCS. Specifically, MMS uses the information to:

- Verify the qualifications of a bidder on an OCS lease sale. Once the required information is filed with MMS, a qualification number is assigned to the bidder so that duplicate information is not required on subsequent filings.
- Develop the semiannual List of Restricted Joint Bidders. This identifies parties ineligible to bid jointly with each other on OCS lease sales, under limitations established by the EPCA.
- Ensure the qualification of assignees and track operators on leaseholds. Once a lease is awarded, the transfer of a lessee's interest to another qualified party must be approved by an MMS regional director, regional supervisor, or regional manager (Pacific Region only). Also, a lessee may designate an operator to act on the lessee's behalf. This designation must be approved by MMS before the designated operator may begin operations.
- Document that a leasehold or geographical subdivision has been surrendered by the record title holder.

The MMS will use this information to update the corporate database which is used to determine what leases are available for a lease sale and the ownership of all OCS leases. Non-proprietary information is also publicly available from the MMS corporate database via the internet.

The MMS uses the information required by subpart J, Assignments, Transfers and Extensions, to track the ownership of leases as to record title, operating rights, and pipeline right-of-ways.

The MMS also uses various forms relating to this subpart - forms to process bonds per subpart I, Bonding, the transfer of interest in leases per subpart J, Assignments, Transfers and Extensions, and the filing of relinquishments per subpart K, Termination of Leases. The forms allow lessees to submit the required information in a standardized format that helps MMS process the data in a more timely and efficient manner. The forms are:

- MMS-150, Assignment of Record Title Interest in Federal OCS Oil and Gas Lease,
- MMS-151, Assignment of Operating Rights Interest in Federal OCS Oil and Gas Lease,
- MMS-152, Relinquishment of Federal OCS Oil and Gas Lease.
- MMS-2028, OCS Mineral Lessee's and Operator's Bond,
- MMS-2028A, OCS Mineral Lessee's and Operator's Supplemental Plugging and Abandonment Bond,

Frequency: On occasion.

Estimated Number and Description of Respondents: Approximately 256 respondents (Federal oil and gas or sulphur lessees).

Estimated Reporting and Recordkeeping "Hour" Burden: The estimated annual "hour" burden for this information collection is a total of 17,058 hours. In calculating the burdens, we assumed that respondents perform certain requirements in the normal

course of their activities. We consider these to be usual and customary and took that into account in estimating the burden.

Citation 30 CFR Part 256	Reporting Requirement	Hour Burden	Average No. of Annual Responses	Annual Burden Hours
		Fees		
Subparts A, C, E, H, L, M	None.	Not applicable.		0
Subparts G, H, I, J: 37; 53; 68; 70; 71; 72; 73	Request approval for various operations or submit plans or applications.	Burden included with other approved collections in 30 CFR Part 250 (1010-0114, 1010-0141, 1010-0142, 1010-0149, 1010-0151).		0
Subpart B: All sections	Submit suggestions and relevant information in response to request for comments on proposed 5-year leasing program, including information from States/local governments.	4	1 response	4
Subpart D: All sections	Submit response to Call for Information and Nominations on areas for leasing of minerals in specified areas in accordance with an approved leasing program, including information from States/local governments.	4	1 response	4
Subpart F: 31	States or local governments submit comments/recommendations on size, timing or location of proposed lease sale.	4	10 responses	40
Subpart G: 35; 46(d), (e)	Establish a Company File for qualification; submit updated information, submit qualifications for lessee/bidder, request exception.	2	104 responses	208
41; 43; 46(g)	Submit qualification of bidders for joint bids and statement or report of production/appeal.	2	100 responses	200
44; 46	Submit bids and required information.	5	2,000 bids	10,000
47(c)	File agreement to accept joint lease on tie bids.	3½	2 agreements	7
47(e)(1), (e) (3)	Request for reconsideration of bid rejection.	Exempt as defined in 5 CFR 1320.3(h)(9).		0
47(f), (i); 50	Execute lease (includes submission of evidence of authorized agent and request for dating of leases).	1	852 leases	852
Subpart I: 52(f)(2), (g) (2)	Submit authority for Regional Director to sell Treasury or alternate type of securities.	2	10 submissions	20
53(a), 53(b); 54	OCS Mineral Lessee's and Operator's Bond (Form MMS-2028).	¼	124 responses	31
53(c), (d), (f); 54(d), 54(e)	Demonstrate financial worth/ability to carry out present and future financial obligations, request approval of another form of security, or request reduction in amount of supplemental bond required.	3½	165 submissions	578 (rounded)
54	OCS Mineral Lessee's and Operator's Supplemental Plugging & Abandonment Bond (Form MMS-2028A).	¼	136 responses	34
55	Notify MMS of any lapse in previous bond/action filed alleging lessee, surety, or guarantor is insolvent or bankrupt.	1	3 notices	3

Citation 30 CFR Part 256	Reporting Requirement	Hour Burden	Average No. of Annual Responses	Annual Burden Hours
		Fees		
56	Provide plan/instructions to fund lease-specific abandonment account and related information; request approval to withdraw funds.	12	1 submissions	12
57	Provide third-party guarantee, indemnity agreement, financial information, related notices, reports, and annual update; notify MMS if guarantor becomes unqualified.	19	45 submissions	855
57(d)(3); 58	Notice of and request approval to terminate period of liability, cancel bond, or other security.	1/2	378 requests	189
59(c)(2)	Provide information to demonstrate lease will be brought into compliance.	16	5 responses	80
Subpart J: 62; 63; 64; 65; 67	File application and required information for assignment or transfer for approval (Forms MMS-150 and MMS-151).	2 forms @ 30 min ea = 1 hr	3,000 applications	3,000
		3,000 Title/Rights (Transfer) fee @ \$170 = \$510,000		
63; 64(a)(8)	Submit non-required documents, for record purposes, which respondents want MMS to file with the lease document.	Accepted on behalf of lessees as a service, MMS does not require nor need the filings.		0
		3,725 filing fees @ \$25 ea = \$93,125		
64(a)(7)	File required instruments creating or transferring working interests, etc., for record purposes.	1	700 filings	700
Subpart K: 76	File written request for relinquishment (Form MMS-152).	1/2	240 relinquishments	120
77(c)	Comment on lease cancellation (MMS expects 1 in 10 years).	1	1	1
TOTAL REPORTING		7,878 Responses		17,058 Hours
		\$603,125 Fees		

Estimated Reporting and Recordkeeping “Non-Hour Cost” Burden: There are two non-hour costs associated with this information collection. The estimated non-hour cost burden is \$603,125. Sections 256.62 and 256.64(a) require respondents to pay filing fees when submitting a request for assignment or transfer, and to file documents for record purposes. The application filing fees are required to recover the Federal Government's processing costs. We have not identified any other “non-hour cost” burdens associated with this collection of information.

Public Disclosure Statement: The PRA (44 U.S.C. 3501, et seq.) provides that an agency may not conduct or sponsor a collection of information unless it displays a currently valid OMB control number. Until OMB approves a collection of information, you are not obligated to respond.

Comments: Section 3506(c)(2)(A) of the PRA (44 U.S.C. 3501, et seq.) requires each agency “. . . to provide notice . . . and otherwise consult with members of the public and affected agencies concerning each proposed collection of information . . .” Agencies must specifically solicit comments to: (a) evaluate whether the proposed collection of information is necessary for the agency to perform its duties, including whether the information is useful; (b) evaluate the accuracy of the agency’s estimate of the burden of the proposed collection of information; (c) enhance the quality, usefulness, and clarity of the information to be collected; and (d) minimize the burden on the respondents, including the use of automated collection techniques or other forms of information technology.

To comply with the public consultation process, on August 16, 2006, we published a Federal Register notice (71 FR 47243) announcing that we would submit this ICR to OMB for approval. The notice provided the required 60-day comment period. In addition, § 256.0 and the PRA statement on the MMS forms display the OMB control number, specifies that the public may comment at anytime on the collection of information required in the 30 CFR 256 regulations and forms, and provides the address to which they should send comments. We have received one comment in response to those efforts, but it was not germane to the paperwork burden of the information collection.

If you wish to comment in response to this notice, you may send your comments to the offices listed under the ADDRESSES section of this notice. OMB has up to 60 days to approve or disapprove the information collection but may respond after 30 days. Therefore, to ensure maximum consideration, OMB should receive public comments by [INSERT DATE 30 DAYS AFTER DATE OF PUBLICATION IN FEDERAL REGISTER].

Public Comment Procedures: The MMS's practice is to make comments, including names and addresses of respondents, available for public review. If you wish your name and/or address to be withheld, you must state this prominently at the beginning of your comment. The MMS will honor the request to the extent allowable by the law; however, anonymous comments will not be considered. There may be circumstances in which we would withhold from the record a respondent's identity, as allowable by the law. If you wish us to withhold your name and/or address, you must state this prominently at the beginning of your comment. In addition, you must present a rationale for withholding this information. This rationale must demonstrate that disclosure "would constitute an unwarranted invasion of privacy." Unsupported assertions will not meet this burden. In the absence of exceptional, documentable circumstances, this information will be released. All submissions from organizations or businesses, and from individuals identifying themselves as representatives or officials of organizations or businesses, will be made available for public inspection in their entirety.

MMS Information Collection Clearance Officer: Arlene Bajusz (202) 208-7744.

Dated.

E.P. Danenberger, Chief
Office of Offshore Regulatory Programs.