

**Supporting Statement for Paperwork Reduction Act Submissions  
(Final Rulemaking)  
30 CFR Part 251, Request for Geophysical Extension  
ICR Reference Number: 200902-1010-004  
OMB Control Number: 1010-NEW  
Current Expiration Date: NEW**

**Terms of Clearance:** Prior to publication of the final rule, the agency should provide a summary of any comments related to the information collection request (ICR) and their response, including any changes made to the ICR as a result of comments. In addition, the agency must enter the correct burden estimates in the ROCIS system (ICR Reference 200702-1010-002).

### **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. If statistical methods are employed, 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), 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.

The OCS Lands Act (43 U.S.C. 1340) also states that "any person authorized by the Secretary may conduct geological and geophysical explorations in the [O]uter Continental Shelf, which do not interfere with or endanger actual operations under any lease maintained or granted pursuant to this subchapter, 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.

The OCS Lands Act (43 U.S.C. 1352) further requires that certain costs be reimbursed to the parties submitting required geological and/or geophysical (G&G) information and data. Under the OCS Lands

Act, permittees are to be reimbursed for the costs of reproducing any G&G data required to be submitted. Also, permittees are to be reimbursed for the reasonable cost of processing geophysical information required to be submitted when processing is in a form or manner required by the Director of the Minerals Management Service (MMS) and is not used in the normal conduct of the business of the permittee.

The Independent Offices Appropriations Act (31 U.S.C. 9701), the Omnibus Appropriations Bill (P. L. 104-133, 110 Stat. 1321, April 26, 1996), and OMB Circular A-25, authorize Federal agencies to recover the full cost of services that confer special benefits. Under the Department of the Interior's implementing policy, the 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. Applications for permits to conduct geological and geophysical exploration, and MMS regulations, specify filing fees for applications.

On June 18, 2007 (72 FR 33417), MMS published a notice of proposed rulemaking. The proposed rule added new information collection (IC) requirements. The OMB requested that prior to publication of the final rule, the agency must provide to them a summary of all the comments related to the IC and its responses. The MMS is now ready to publish the final rulemaking and this submission requests approval of the IC requirements in the final regulations.

There is one revision to the final rulemaking from the proposed rulemaking. One commenter noted that the proposed rule requires filing for an extension of the proprietary term (after a 1-year grace period) within 30 days of completion of reprocessing; the commenter believed this required time was too short and suggested that an extension should be extended to 90 days. The MMS agreed with this comment and extended the comment period in the regulations (see § 250.14(b)(2)). There are no paperwork burden hour changes between the proposed and final rule.

In the proposed rule, an IC was submitted to OMB as a revision to the primary collection, 1010-0048. However, due to the timing of the IC renewal, we changed the rule from a revision to a NEW IC so MMS would not risk violating the PRA. Therefore, when this rulemaking becomes effective, the newly approved burden hours will be incorporated into the primary collection, 1010-0048.

***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 to ensure there is no environmental degradation, personal harm or unsafe operations and conditions, damage to historical or archaeological sites, or interference with other uses; to analyze and evaluate preliminary or planned drilling activities; to monitor progress and activities in the OCS; to acquire G&G data and information collected under a federal permit offshore; and to determine eligibility for reimbursement from the government for certain costs. The information is necessary to determine if the applicants for permits or filers of notices meet the qualifications specified by the OCS Lands Act. The MMS uses information collected to understand the characteristics of oil- and gas-bearing physiographic regions of the OCS. It aids the Secretary in obtaining a proper balance among the potentials for environmental damage, the discovery of oil and gas, and adverse impacts on affected coastal states. Information from permittees is necessary to determine the propriety and amount of reimbursement.

The final rule extends the proprietary term of certain reprocessed geophysical information submitted to MMS under a permit, for an increase of three burden hours. The rule gives up to 5 years of additional protection to reprocessed vintage geophysical information that MMS retains, and is subject to release by MMS 25 years after issuing the germane permit. The extension provides incentives to permittees and third parties to reprocess, market, or in other ways use geophysical information that may not otherwise be reprocessed without the term extension. The extension does not apply to geological data or information.

**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].**

We expect that anyone who requests an extension will do so by U.S. Postal Service since very little information is collected electronically for the primary collection under 1010-0048.

**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. The Department of the Interior is the agency with 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.**

This regulation may involve small businesses or other small entities if they desire to perform G&G exploration offshore. However, the majority of entities conducting offshore activities are not considered small because of the technical and financial resources needed to carry out such activities. The MMS needs the delineated information to evaluate all applications and notices, regardless of the size of the respondent.

**6. Describe the consequence to Federal program or policy activities if the collection is not conducted or is conducted less frequently, as well as any technical or legal obstacles to reducing burden.**

The information is collected on occasion. 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.**

Not applicable in this collection.

**(b) requiring respondents to prepare a written response to a collection of information in fewer than 30 days after receipt of it.**

Not applicable in this collection.

***(c) requiring respondents to submit more than an original and two copies of any document.***

Not applicable in this collection.

***(d) requiring respondents to retain records, other than health, medical, government contract, grant-in-aid, or tax records, for more than 3 years.***

Not applicable in this collection.

***(e) in connection with a statistical survey, that is not designed to produce valid and reliable results that can be generalized to the universe of study.***

Not applicable in this collection.

***(f) requiring the use of statistical data classification that has been reviewed and approved by OMB.***

There are no special circumstances with respect to 5 CFR 1320.5(d)(2)(v) through (viii), as the collection is not a statistical survey and does not use statistical data classification.

***(g) that includes a pledge of confidentiality that is not supported by authority established in statute or regulation, that is not supported by disclosure and data security policies that are consistent with the pledge, or which unnecessarily impedes sharing of data with other agencies for compatible confidential use.***

This collection does not include a pledge of confidentiality not supported by statute or regulation.

***(h) requiring respondents to submit proprietary trade secrets or other confidential information unless the agency can demonstrate that it has instituted procedures to protect the information's confidentiality to the extent permitted by law.***

This collection does not require proprietary, trade secret, or other confidential information not protected by agency procedures.

***8. If applicable, provide a copy and identify the date and page number of publication in the Federal Register of the agency's notice, required by 5 CFR 1320.8(d), soliciting comments on the information collection prior to submission to OMB. Summarize public comments received in response to that notice [and in response to the PRA statement associated with the collection over the past 3 years] and describe actions taken by the agency in response to these comments. Specifically address comments received on cost and hour burden.***

***Describe efforts to consult with persons outside the agency to obtain their views on the availability of data, frequency of collection, the clarity of instructions and recordkeeping, disclosure, or reporting format (if any), and on the data elements to be recorded, disclosed, or reported. [Please list the names, titles, addresses, and phone numbers of persons contacted.] Consultation with representatives of those from whom information is to be obtained or those who must compile records should occur at least once every 3 years – even if the collection of information activity is the same as in prior periods. There may be circumstances that may preclude consultation in a specific situation. These circumstances should be explained.***

As required in 5 CFR 1320.11, MMS provided the 60-day review and comment process in the preamble of the proposed rulemaking (72 FR 33417). We received one comment that affected the IC response time. The respondent felt that 30 days was insufficient; MMS agreed and changed the requirement in § 251.14(b)(2) to 90 days for permittees and/or third parties to file for an extension. Also, a citation

was renumbered. The respondents who submitted comments were: ConocoPhillips Alaska, Inc., Shell E & P, International Association of Geophysical Contractors, and a private citizen. The paperwork burden hours remain the same between the proposed and final rulemaking.

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

The MMS does 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.**

We protect proprietary information according to the Freedom of Information Act (5 U.S.C. 552) and its implementing regulations (43 CFR part 2), and under regulations at 30 CFR 251.

**11. Provide additional justification for any questions of a sensitive nature, such as sexual behavior and attitudes, religious beliefs, and other matters that are commonly considered private. This justification should include the reasons why the agency considers the questions necessary, the specific uses to be made of the information, the explanation to be given to persons from whom the information is requested, and any steps to be taken to obtain their consent.**

The collection does not include sensitive or private questions.

**12. Provide estimates of the hour burden of the collection of information. The statement should:**

**(a) Indicate the number of respondents, frequency of response, annual hour burden, and an explanation of how the burden was estimated. Unless directed to do so, agencies should not conduct special surveys to obtain information on which to base hour burden estimates. Consultation with a sample (fewer than 10) of potential respondents is desirable. If the hour burden on respondents is expected to vary widely because of differences in activity, size, or complexity, show the range of estimated hour burden, and explain the reasons for the variance. Generally, estimates should not include burden hours for customary and usual business practices.**

**(b) If this request for approval covers more than one form, provide separate hour burden estimates for each form and aggregate the hour burdens.**

Although there are approximately 10 potential geophysical respondents for this new requirement in 30 CFR 251; we estimate that only three will actually apply for an extension per year. Responses are required to obtain and/or retain a benefit. Responses are generally on occasion. The current OMB-approved information collection for 30 CFR 251, 1010-0048, has 599 annual responses, 1,586 annual burden hours, and \$209,000 non-hour cost burdens. This submission requests approval for one new requirement (3 new burden hours) to 30 CFR 251 added through rulemaking (1010-AD41). Once approved by OMB, these 3 hours will be consolidated into the primary collection of 1010-0048 for 30 CFR 251.

Refer to the chart below for a break out of the current OMB approved burden and the rulemaking requirement for 3 new additional burden hours for which this ICR is requesting approval.

**BURDEN BREAKDOWN**

Citation 30 CFR 251	Reporting and Recordkeeping Requirement	Hour Burden	Average No. Annual Responses	Annual Burden Hours
		Non-Hour Cost Burdens		
251.4(a), (b); 251.5(a), (b), (d); 251.6; 251.7	Apply for permits (form MMS-327) to conduct G&G exploration, including deep stratigraphic tests/revisions when necessary.	6	110 Applications	660
		\$1,900 fee x 110 applications = \$209,000		
251.4(b); 251.5(c), (d); 251.6	File notices to conduct scientific research activities, including notice to MMS prior to beginning and after concluding activities.	6	4 Notices	24
251.6(b) 251.7(b)(5)	Notify MMS if specific actions should occur; report archaeological resources. (No instances reported since 1982.)	1	1 Notice	1
251.7	Submit information on test drilling activities under a permit, including Form MMS-123.	Burden included under 1010-0141.		0
251.7(c)	Enter into agreement for group participation in test drilling, including publishing summary statement; provide MMS copy of notice/list of participants. (No agreements submitted since 1989.)	1	1 Agreement	1
251.7(d)	Submit bond(s) on deep stratigraphic test.	Burden included under 30 CFR part 256 (1010-0006).		0
251.8(a)	Request reimbursement for certain costs associated with MMS inspections. (No requests in many years. OCS Lands Act requires Government reimbursement.)	1	1 Request	1
251.8(b), (c)	Submit modifications to, and status/final reports on, activities conducted under a permit.	2	55 Respondents x 4 Reports = 220	440
251.9(c)	Notify MMS to relinquish a permit.	1/2	8 Notices	4
251.10(c)	File appeals.	Not subject to the PRA.		0
251.11; 251.12	Notify MMS and submit G&G data/information collected under a permit and/or processed by permittees or 3 <sup>rd</sup> parties, including reports, logs or charts, results, analyses, descriptions, etc.	4	50 Submissions	200
251.13	Request reimbursement for certain costs associated with reproducing data/information.	2	50 Submissions	100
251.14(a)	Submit comments on MMS intent to disclose data/info. to the public.	1	1 Comment	1
251.14(c)(2)	Submit comments on MMS intent to disclose data/info. to an independent contractor/agent.	1	1 Comment	1
251.14(c)(4)	Contractor/agent submits written commitment not to sell, trade, license, or disclose data/info. without MMS consent.	1	1 Commitment	1
251.1 - 251.14	General departure and alternative compliance requests not specifically covered elsewhere in part 251 regulations.	2	1 Request	2
251.14 (b)(3); Permit Form (Form MMS- 327)	Request extension of permit time period.	1	50 Extensions	50
Permit Form (Form MMS- 327)	Retain G&G data/information for 10 years and make available to MMS upon request.	1	100 Recordkeepers	100
<b>Total Hour Burden for Current 30 CFR 251</b>			<b>599 Responses</b>	<b>1,586</b>
			<b>\$209,000 Non-Hour Cost</b>	

Citation 30 CFR 251	Reporting and Recordkeeping Requirement	Hour Burden	Average No. Annual Responses	Annual Burden Hours
		Non-Hour Cost Burdens		
		Burdens		
251.14(b)(1), (2), (3)	<b>NEW:</b> Apply for extension of the proprietary term for geophysical information within 90 days after reprocessing completion date; any subsequent extension requests.	1	3 Extensions	3
New Requirement Burden Requested for Rulemaking			3 responses	3 hours

*(c) Provide estimates of annualized cost to respondents for the hour burdens for collections of information, identifying and using appropriate wage rate categories. The cost of contracting out or paying outside parties for information collection activities should not be included here. Instead, this cost should be included in Item 14.*

The average respondent cost is \$70/hour. This cost is broken out in the below table using the Bureau of Labor Statistics data for the Houston, TX, area as of July 2004. See BLS website: <http://www.bls.gov/bls/wages.htm>.

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

\* A multiplier of 1.4 (as implied by BLS new release USDL 08-1802, December 10, 2008) was added for benefits.

Based on a cost factor of \$70 per hour, we estimate the total annual cost to industry is \$210 (\$70 x 3 hours = \$210).

**13. Provide an estimate of the total annual [non-hour] cost burden to respondents or recordkeepers resulting from the collection of information. (Do not include the cost of any hour burden shown in Items 12 and 14).**

*(a) The cost estimate should be split into two components: (1) a total capital and start-up cost component (annualized over its expected useful life) and (2) a total operation and maintenance and purchase of services component. The estimates should take into account costs associated with generating, maintaining, and disclosing or providing the information [including filing fees paid]. Include descriptions of methods used to estimate major cost factors including system and technology acquisition, expected useful life of capital equipment, the discount rate(s), and the time period over which costs will be incurred. Capital and start-up costs include, among other items, preparations for collecting information such as purchasing computers and software; monitoring, sampling, drilling and testing equipment; and record storage facilities.*

*(b) If cost estimates are expected to vary widely, agencies should present ranges of cost burden and explain the reasons for the variance. The cost of purchasing or contracting out information*

*collection services should be a part of this cost burden estimate. In developing cost burden estimates, agencies may consult with a sample of respondents (fewer than 10), utilize the 60-day pre-OMB submission public comment process and use existing economic or regulatory impact analysis associated with the rulemaking containing the information collection, as appropriate.*

*(c) Generally, estimates should not include purchases of equipment or services, or portions thereof, made: (1) prior to October 1, 1995, (2) to achieve regulatory compliance with requirements not associated with the information collection, (3) for reasons other than to provide information or keep records for the government, or (4) as part of customary and usual business or private practices.*

We have identified no non-hour paperwork cost burdens for the one new requirement added to 30 CFR 251 through rulemaking.

**14. Provide estimates of annualized cost to the Federal Government. Also, provide a description of the method used to estimate cost, which should include quantification of hours, operational expenses (such as equipment, overhead, printing, and support staff), and any other expense that would not have been incurred without this collection of information. Agencies also may aggregate cost estimates from Items 12, 13, and 14 in a single table.**

The average Federal cost is \$65/hour (rounded). This cost is broken out in the below table using the Office of Personnel Management pay schedule as of January 2009 for the REST OF UNITED STATES (Consisting of the portions of the lower 48 United States not located within another locality pay area.)

<b>Position</b>	<b>Grade</b>	<b>Hourly Pay rate (\$/hour estimate)</b>	<b>Hourly rate including benefits (1.5 x \$/hour)</b>	<b>Percent of time spent on collection</b>	<b>Weighted Average (\$/hour)</b>
Clerical	GS-7/5	\$21	\$32	20%	\$6
Petroleum Engineer	GS-13/5	\$44	\$66	60%	\$40
Supv. Petroleum Engineer	GS-15/5	\$61	\$92	18%	\$17
Executive	SES (\$148K)	\$71	\$107	2%	\$2
<b>Weighted Average (\$/hour)</b>					<b>\$65</b>

\* A multiplier of 1.5 (as implied by BLS new release USDL 08-1802, December 10, 2008) was added for benefits.

We estimate that to analyze and review the information, the Government spends an average of 3 hours for each hour spent by respondents for a total of 9 hours. Based on a cost factor of \$65 per hour, we estimate the total annual burden on the Government is \$585 (3 requests x 3 hours = 9 hours x \$65 = \$585).

Permittees are 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 of the MMS and is not used in the normal conduct of the business of the permittee.

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

This is a new collection of information and therefore, represents a program increase of 3 burden hours.

In the proposed rule, an IC was submitted to OMB as a revision to the primary collection, 1010-0048. However, due to the timing of the IC renewal, we changed the rule from a revision to a NEW IC so MMS would not risk violating the PRA. When this rulemaking becomes effective, the newly approved



burden hours will be incorporated into the primary collection, 1010-0048. There is no 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.***

Not applicable. The MMS will display the expiration date.

***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."