Supporting Statement A for Paperwork Reduction Act Submissions 30 CFR Part 250, Subpart D, Oil and Gas Drilling Operations BOEMRE Forms 0123, 0123S, 0124, 0125, 0133, 0133S, and 0144 OMB Control Number 1010-0141 Current Expiration Date: November 30, 2011

Terms of Clearance: Upon approval of this ICR please discontinue OMB control number 1010-0150. Response: The OMB approved the 1010-0150 discontinuation via a NOA 5/31/09.

General Instructions

A completed Supporting Statement A 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 below. If an item is not applicable, provide a brief explanation. When the question, "Does this information collection request (ICR) contain surveys, censuses, or employ statistical methods?" is checked "Yes," then a Supporting Statement B 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.

The Outer Continental Shelf (OCS) Lands Act, as amended (43 U.S.C. 1331 <u>et seq</u>. and 43 U.S.C. 1801 <u>et seq</u>.), authorizes the Secretary of the Interior to prescribe rules and regulations to administer leasing of mineral resources on the OCS. Such rules and regulations will apply to all operations conducted under a lease, right-of-way, or a right-of-use and easement. 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."

The Independent Offices Appropriations Act (31 U.S.C. 9701), the Omnibus Appropriations Bill (Pub. 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 Bureau of Ocean Energy Management, Regulation, and Enforcement (BOEMRE) is required to charge fees for services that provide special benefits or privileges to an identifiable non-Federal recipient above and beyond those which accrue to the public at large. Applications for permits to drill and to modify drilling plans are subject to cost recovery, and BOEMRE regulations specify service fees for these requests.

It should be noted that over the past year, various regulations and/or NTLs regarding safety operations on the OCS have been initiated as a result of investigations, recommendations, and reports on the Deepwater Horizon event. Specifically, the subpart D regulatory requirements from the Increased Safety Measure for Energy Development on the Outer Continental Shelf, AD68 (75 FR 66632) rulemaking, are incorporated into this collection.

This authority and responsibility are among those delegated to the Bureau of Ocean Energy Management, Regulation and Enforcement (BOEMRE). The regulations at 30 CFR 250, subpart D, concern oil and gas drilling operations and are the subject of this collection. This request also covers the related Notices to Lessees and Operators (NTLs) that BOEMRE issues to clarify, supplement, or provide additional guidance on some aspects of our 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.

BOEMRE uses the information to ensure safe drilling operations and to protect the human, marine, and coastal environment. Among other things, BOEMRE 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 H₂S and to ensure that H₂S detection equipment, personnel protective equipment, and training of the crew are adequate for safe operations in zones known to contain H₂S and zones where the presence of H₂S is unknown.

Also, per Secretarial Orders 3299 and 3022, on October 1, 2011, the operation and inspection functions of BOEMRE will be transferred to a new bureau, Bureau of Safety and Environmental Enforcement (BSEE). Therefore, after October 1, the forms associated with this collection will be designated as BSEE forms; e.g., BOEMRE Form 0123 will be designated as BSEE 0123. The following forms submitted to BOEMRE under subpart D and their purposes are:

Application for Permit to Drill, BOEMRE Forms 0123 and 0123S

BOEMRE uses the information from these forms to determine the conditions of a drilling site to avoid hazards inherent in drilling operations. Specifically, we use the information to evaluate the adequacy of a lessee's or operator's plan and equipment for drilling, sidetracking, or deepening operations. This includes the adequacy of the proposed casing design, casing setting depths, drilling fluid (mud) programs, and cementing programs to ascertain that the proposed operations will be conducted in an operationally safe manner that provides adequate protection for the environment. BOEMRE also reviews the information to ensure conformance with specific provisions of the lease. In addition, except for proprietary data, BOEMRE is required by the OCS Lands Act to make available to the public certain information submitted on Forms 0123 and 0123S.

BOEMRE Form 0123

Heading:

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

Well at Total Depth/Surface:

Information utilized 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 lessee or operator expects 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.

Question/Information:

The information is used 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.

BOEMRE Form 0123S

Heading:

BOEMRE uses this information to identify the lease operator, rig name, rig elevation, water depth, type well (exploratory, development), and the presence of H₂S 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 BOEMRE 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, BOEMRE Form 0124

The information on this form is used to evaluate and approve the adequacy of the equipment, materials, and/or procedures that the lessee or operator plans to use during drilling plan modifications, changes in major drilling equipment, and plugging back. In addition, except for proprietary data, BOEMRE is required by the OCS Lands Act to make available to the public certain information submitted on Form 0124.

Heading:

We use 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 BOEMRE 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. This includes specific identification of equipment, engineering, and pressure test data needed by BOEMRE to ascertain that operations will be conducted in a manner that ensures the safety of personnel and protection of the environment.

Question Information:

Responses to questions (a) through (f) serve to ascertain compliance with applicable BOEMRE 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 H₂S.
- Question b Information needed by BOEMRE to monitor possible lease expiration in the event proposed operations/modifications are unsuccessful.
- Question c Information needed by BOEMRE 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 BOEMRE 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 BOEMRE 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 BOEMRE 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, BOEMRE Form 0125

This information is used to ensure that industry has 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. BOEMRE Form 0125 is updated and resubmitted in the event the well status changes. In addition, except for proprietary data, BOEMRE is required by the OCS Lands Act to make available to the public certain information submitted on Form 0125.

BOEMRE uses the information to:

Heading:

ascertain the well name, status of completion/abandonment and operator name.

Well at Total Depth:

ascertain the location and the latitude/longitude at total depth.

Well Status Information:

ascertain well status data and measured/true vertical depth of the well.

Well at Producing Zone:

ascertain the location and latitude/longitude of the producing zone.

Perforated Interval(s) This Completion:

ascertain well measured/true vertical depth at the top and bottom of intervals perforated for production.

Hydrocarbon Bearing Intervals:

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:

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

Subsea Completion:

Identify 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.

Abandonment History of Well:

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, BOEMRE Forms 0133 and 0133S

BOEMRE uses this information to monitor the conditions of a well and status of drilling operations. We review 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 or operator is following the approved Application for Permit to Drill (Form 0123). The information is also used for review of an APM (Form 0124). With the information collected on Form 0133 available, the reviewers can analyze the proposed revisions (e.g., 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, BOEMRE is required by the OCS Lands Act to make available to the public certain information submitted on Forms 0133 and 0133S.

BOEMRE Form 0133

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:

BOEMRE 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 modification applications to ensure safety and protection of the environment.

Casing/Liner/Tubing Record:

Identifies casing/liner/tubing hole size, pipe size, weight, grade, test pressures, setting depths and cement volumes. BOEMRE uses this information to evaluate 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 BOEMRE 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 BOEMRE Form 0133S.

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. BOEMRE 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.

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

BOEMRE Form 0133S

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 BOEMRE receives the data from all open hole logs/tests/surveys conducted. Open hole data is utilized 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.

Rig Movement Notification Report, BOEMRE Form 0144

As activity increased over the years in the Gulf of Mexico (GOM), the rig notification requirement became essential for BOEMRE inspection scheduling and has become a standard condition of approval for certain permits. BOEMRE needs the information on Form 0144 to schedule inspections and verify that the equipment being used complies with approved permits. In reporting rig movements respondents have the option of submitting the form or using a web-based system for electronic data submissions, (see A.3). The information on this form is used primarily in the GOM to ascertain the precise arrival and departure of all rigs in OCS waters in the GOM. The accurate location of these rigs is necessary to facilitate the scheduling of inspections by BOEMRE personnel.

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

General Information:

Identifies the date, lease operator, rig name/type/representative and rig telephone number.

Rig Arrival Information

Identifies the rig arrival date; what type of work will be scheduled; relevant well information; duration of operations, and optional information

Rig Departure Information

Identifies the rig departure date, well status, relevant well information, being skidded, obstruction issues, and optional information.

Out of the seven forms associated with this collection, we have made some minor editorial changes for clarity purposes to BOEMRE Forms 0123 and 0123S and we have added plug information to be submitted via BOEMRE Form 0125. The information is on the schematic that is submitted as an attachment to the form.

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.

BOEMRE 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 GOM, respondents generate and submit almost 100 percent of the forms associated with this subpart 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.

Therefore, BOEMRE estimates that we currently collect 95 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 other government agencies 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.

With respect to rig movement notices (Form 0144), the USCG also collects similar information but for a wider variety of vessels, as does, in certain instances, the Defense Mapping Agency (DMA). However, as noted previously, the final version of BOEMRE Form 0144 does include optional data elements requested by industry so they can submit the one form to both agencies to address the two-agency reporting concern.

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

This collection of information does 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. Because of the factors involved when drilling for oil or gas, 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 BOEMRE 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 GOM) 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 and for inspection purposes. Respondents maintain the information reported on a daily basis, and the burden of submitting to BOEMRE is not substantial. Quarterly reporting would be ineffectual.

BOEMRE Forms 0123, 0123S, 0124, 0125, 0133, 0133S, and 0144: If this information were not available, BOEMRE could not: (1) ensure that drilling operations are planned to minimize the risks to personnel and the environment; (2) 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, well-workover, and wellabandonment operations to determine that procedures and equipment are appropriate for the anticipated conditions; (3) review the status of the well after operations have concluded to determine that acceptable levels of safety and environmental protection have been 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; (4) determine where all drilling rigs, workover rigs, and coiled tubing and snubbing units have moved from one location to another in the GOM.

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 GOM, respondents submit the information on BOEMRE Forms 0133 and 0133S on a weekly basis. Since a rig is moved whenever they have to drill a well, respondents submit the information on BOEMRE Form 0144 on occasion.

(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 BOEMRE Forms 0123 and 0124: 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; Not applicable in this collection.

(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; or

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.

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), BOEMRE provided a 60-day notice in the <u>Federal Register</u> on April 15, 2011 (76 FR 21395). In addition, 30 CFR 250.199 and the Paperwork Reduction Act statement on all the forms explain that BOEMRE 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 BOEMRE. We received no comments in response to the Federal Register notice or unsolicited comments from respondents covered under these regulations.

During the comment period, BOEMRE requested input from several respondents on the availability of data, frequency of collection, clarity of instructions, and elements being collected. The burden estimates in Section A.12 reflect their input. The following respondents that commented were:

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

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

Plains Exploration and Production Company, Gary Hertfelder, 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.

BOEMRE 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.

BOEMRE 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.

Potential respondents comprise Federal oil and gas OCS lessees and operators. It should be noted that not all of the potential respondents will submit information at any given time and some may submit multiple times. The burden estimates include the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing the collection of information. Responses are mandatory and are submitted generally on occasion, weekly, monthly, semi-annually, annually, and varies by section. We estimate the total annual reporting and recordkeeping burden is 215,624 hours.

Citation 30 CFR 250 Subpart D and NTL(s)	Reporting and Recordkeeping Requirement		Average No. of Annual Responses	Annual Burden Hours (rounded)
		Non-Hour Cost Burdens*		
	General Requirements			
402(b)	Request approval to use blind or blind-shear ram or pipe rams and inside BOP.	0.5	6 requests	3
403	Notify BOEMRE of drilling rig movement on or off drilling location.		20 notices	2
	In GOM, rig movements reported on Form 0144.		151 forms	31
404	Perform operational check of crown block safety device; record results (weekly).	0.25	80 drilling rigs x 52 weeks = 4,160	1,040

BURDEN TABLE

Citation30 CFR 250Reporting and RecordkeepingSubpart DRequirementand NTL(s)Image: Contract of the second sec		Hour Burden	Average No. of Annual Responses	Annual Burden Hours (rounded)
			n-Hour Cost Burd	ens*
408, 409	Apply for use of alternative procedures and/or departures not requested in BOEMRE forms (including discussions with BOEMRE or oral approvals).	Burden cov 0114.	vered under 1010-	0
		Subtotal	4,337	1,076
	Apply for a Permit to Drill		Responses	Hours
410-418, 420(a)	Apply for permit to drill, sidetrack, bypass, or deepen a well	100	372 forms	37,200
(6); 423(b)(3), (c)(1); 449(j), (k); 456(j); plus various references in	that includes any/all supporting documentation/evidence [test results, calculations, verifications, procedures, criteria, qualifications, etc.] and request for various approvals required in subpart D (including §§ 250.424; 425; 427; 428;) 959 fee x 372 = \$72	
subparts A, B, D, E, H, P, Q.	432; 442(c); 447; 448(c); 451(g); 460; 490(c)) and submitted via BOEMRE Forms 0123 (Application for Permit to Drill) and 0123S (Supplemental APD Information Sheet).	Φ1,5	959 IEE X 372 - \$72	0,740
410(b); 417(b)	Reference to Exploration Plan, Development and Production P Coordination Document (30 CFR 250, subpart B)—burden cov			0
416(g)(2)	Provide 24 hour advance notice of location of shearing ram tests or inspections; allow BOEMRE access to witness testing, inspections, and information verification.	0.25	100 notifications	25
417(a), (b)	Collect and report additional information on case-by-case basis if sufficient information is not available.	30 report	150	
417(c)	Submit 3 rd party review of drilling unit according to 30 CFR 25 under 1010-0149.	50, subpart I–	–burden covered	0
418(e)	Submit welding and burning plan according to 30 CFR 250, su 1010-0114.	bpart A—bur	rden covered under	0
		Subtotal	502 Responses	37,375 Hours
			\$728,748 Non-l Burder	
	Casing and Cementing Requirement		I	1
420(b)(3)	Submit dual mechanical barrier documentation after installation.	0.75	308 submittals	231
423(b)(4), (c) (2)	Perform pressure casing test; document results and make available to BOEMRE upon request.	0.75	1,540 tests	1,155
424	Caliper, pressure test, or evaluate casing; submit evaluation results; request approval before resuming operations or beginning repairs (every 30 days during prolonged drilling).	1	60	60
426	Record results of all casing and liner pressure tests.	2	4,160 record results	8,320
427(a)	Record results of all pressure integrity tests and hole behavior observations re formation integrity and pore pressure.	2	4,160 record results	8,320
		Subtotal	10,228 Responses	18,086 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); retain all charts/reports relating to diverter tests/actuations at facility for duration of drilling well.	2	616 Responses	1,232 Hours

Citation 30 CFR 250 Subpart D and NTL(s)	Reporting and Recordkeeping Requirement	Hour Burden	Average No. of Annual Responses	Annual Burden Hours (rounded)	
		No	n-Hour Cost Burd	dens*	
	Blowout Preventer (BOP) System Requir	rements	i	1	
442(h)	Label all functions on all panels;	1.5	33 panels	50	
442(i)	Develop written procedures for management system for operating the BOP stack and LMRP.	8	33 procedures	264	
442(j)	Establish minimum requirements for authorized personnel to operate critical BOP equipment; require training.	Burden co 0128.	vered under 1010-	0	
446(a)	Document BOP maintenance and inspection procedures used; record results of BOP inspections and maintenance actions; maintain records for 2 years; make available to BOEMRE upon request.	3	80 records	240	
449(j)(2)	Document all ROV intervention function test results; make available to BOEMRE upon request.	1	110 tests	110	
449(k)(2)	Document all autoshear and deadman on your subsea BOP systems function test results; make available to BOEMRE upon request.	1	110 tests	110	
450; 467	Document and record BOP pressure tests results, actuations and inspections; at a minimum every 14 days; as stated for components; sign as correct. Retain all records, including charts, report and referenced documents for the duration of drilling the well.	11	80 test results	880	
451(c)	Record reason for postponing BOP test (on occasion— approx. 2/year) in driller's report	0.25	80 records	20	
		Subtotal	526 Responses	1,674 Hours	
	Drilling Fluid Requirements			•	
456(b), (i)	Document/record in the driller's report everytime you circulate drilling fluid; results of drilling fluid tests.	1	4,160 records	4,160	
456(c), (f)	Perform various calculations; post calculated drill pipe, collar, and drilling fluid volume; as well as maximum pressures.	1	4,160 postings	4,160	
458(b)	Record daily drilling fluid and materials inventory in drilling fluid report.	0.5	29,200 records	14,600	
459(a)(3)	Request exception to procedure for protecting negative pressure area.	Burden ind 0114.	cluded under 1010-	0	
		Subtotal	37,520 Responses	22,920 Hours	
	Other Drilling Requirements		•	-	
460; 465; 449(j), (k);	Submit revised plans (including but not limited to, plugback; final surface location, water depth, rotary Kelly bushing	17	Form 0124 4,141	70,397	
456(j); plus	elevation; moving drill unit from wellbore w/o completing	\$11	6 fee x 4,141 = \$48	0,356	
various	well, etc), well/drilling records, procedures, certifications that	2	Form 0125	478	
references in subparts A, D, E, F, H, P, and Q	include any/all supporting documentation etc., and request for various approvals required in subpart D on BOEMRE Forms 0124 (Application for Permit to Modify) or 0125 (End of Operations Report) and supporting information.		239		
460	Submit plans and obtain approval to conduct well test; notify BOEMRE before test.	7	19 requests	133	
461(a-b); 466(e); 468(a)	Record and submit well logs and surveys run in the wellbore and/or charts of well logging operations (including but not limited to , etc.	3	281 logs/surveys	843	
	Record and submit directional and vertical-well surveys.	1	281 reports	281	

Citation 30 CFR 250 Subpart D and NTL(s)	Reporting and Recordkeeping Requirement	Hour Burden	Average No. of Annual Responses	Annual Burden Hours (rounded)
		Non-Hour Cost Burdens*		
	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.	0.75	10 occasions	8
462(a)	Prepare and post well control drill plan for crew members.	0.5	308 plans	154
462(c)	Record results of well-control drills	1	8,320 results	8,320
463(b)	Request field drilling rules be established, amended, or canceled.	2.5	3 requests	8
465(a)(1) 428, 449(j) & k(1), 456(j)	Obtain approval to revise your drilling plan or change major drilling equipment by submitting a revised Form 0123, Application for Permit to Drill and Form 0123S, Supplemental APD Information Sheet [no fee for Revised APDs].	35	381 submittals	13,335
		Subtotal	14,188	94,162
			Responses	Hours
			\$480,356 Non-I	
	Applying for a Permit to Modify and Well	Decords	Burder	15
466, 467	Retain drilling records for 90 days after drilling is complete;	2.15	3,460 records	7,439
400, 407	retain craining records for 90 days after drining 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.		5,400 100103	7,433
468(b); 465(b)(3)	In the GOM OCS Region, submit drilling activity reports weekly on Forms 0133 (Well Activity Report) and 0133S	1	Form 0133 4,160	4,160
	(Bore Hole Data) and supporting information.	1	Form 0133S 4,160	4,160
468(c)	In the Pacific and Alaska OCS Regions during drilling operations, submit daily drilling reports. N/A in GOM.		14 wells x 365 days x 20% year = 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	308 submissions	462
		Subtotal	13,110 Responses	17,243 Hours
	Hydrogen Sulfide			
490(c), (d)	Submit request for reclassification of H ₂ S zone; notify BOEMRE if conditions change.	0.5	2 responses	1
490(f); also referenced in 418(d)	Submit contingency plans for operations in H2S areas (16 drilling, 5 work-over, 6 production).30		26 plans	780
490(g)	Post safety instructions; document training; retain records at facility where employee works; train on occasion and/or annual refresher (approx. 2/year).	4	26	104
490(h)(2)	Document and retain attendance for weekly H2S drills and monthly safety mtgs until operations completed or for 1 year for production facilities at nearest field office.	2,716	5,432	
490(i)	Display warning signs—no burden as facilities would display wisual and audible systems.	warning signs	and use other	0

Citation 30 CFR 250 Subpart D and NTL(s)	Reporting and Recordkeeping Requirement	Hour Burden	Average No. of Annual Responses	Annual Burden Hours (rounded)	
		No	n-Hour Cost Burd	ens*	
490(j)(7-8)	Record H ₂ S detection and monitoring sensors during drilling testing and calibrations; make available upon request.	4	3,650 records	14,600	
490(j)(12) Propose alternatives to minimize or eliminate SO ₂ hazards—submitted with contingency plans —burden covered under § 250.490(f).					
490(j)(13)(vi)	Label breathing air bottles—no burden as supplier normally lab routinely label if not.	els bottles; f	acilities would	0	
490(l)	Notify (phone) BOEMRE of unplanned H ₂ S releases (approx. 2/year).	Oral 0.2	52 calls	11	
		Written	52 written	260	
		5	reports		
490(o)(5)	Request approval to use drill pipe for well testing.	2	2 requests	4	
490(q)(1)	Seal and mark for the presence of H ₂ S cores to be transported– routinely mark transported cores.	no burden a	as facilities would	0	
490(q)(9)	Request approval to use gas containing H ₂ S for instrument gas.	2	2 requests	4	
490(q)(12)	Analyze produced water disposed of for H ₂ S content and submit results to BOEMRE.	3	200 submittals	600	
		Subtotal	6,728 Responses	21,792 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		87,857 Responses	215,624 Hours	
* NT 1			\$1,209,104 Non- Burder		

* Non-hour cost burdens that are associated with cost recovery monies collected are based on actual submittals through Pay.gov for FY 2010.

(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 under "Annual Cost to Federal Government."

The average respondent cost is \$86/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: <u>http://www.bls.gov/bls/wages.htm</u>.

Position	Level	Hourly Pay rate (\$/hour estimate)	Hourly rate including benefits (1.4*** x \$/hour)	Percent of time spent on collection	Weighted Average (\$/hour/ rounded)
Secretaries and	6	\$21	\$29	12%	\$3
Administrative Assistants					

Management**	13	\$64	\$90	25%	\$23
Petroleum Engineer or	All	\$68	\$95	63%	\$60
Geologist	Workers				
Weighted Average (\$/hour)					\$86

* Note that this BLS source reflects their last update from December 2009.

** This position is closest representative to Regulatory Specialist.

***A multiplier of 1.4 (as implied by BLS news release USDL 11-0849, June 8, 2011 (see <u>http://www.bls.gov/news.release/ecec.nr0.htm</u>)) was added for benefits.

Based on a cost factor of \$86 per hour, we estimate the total annual cost to industry is 18,543,664 (\$86 x 215,624 hours = 18,543,664).

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 already reflected Item 12).

(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 for form processing). 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 (BOEMRE Form 0123), they submit a \$1,959 fee for initial applications only (there is no fee for revisions); and when respondents submit an Application for Permit to Modify (BOEMRE Form 0124), they submit a \$116 fee. Refer to the table in Section A.12 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.

The average government cost is \$75/hour (rounded). This cost is broken out in the below table using the Office of Personnel Management salary data for the REST OF THE UNITED STATES (<u>http://www.opm.gov/oca/11tables/</u>).

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	\$21	\$32	5%	\$2
Petroleum Engineer	GS-13/5	\$44	\$66	60%	\$40
Supv. Petroleum Engineer	GS-15/5	\$62	\$93	35%	\$33
Weighted Average (\$/hour)					

*A multiplier of 1.5 (as implied by BLS news release USDL 11-0849, June 8, 2011 (see http://www.bls.gov/news.release/ecec.nr0.htm)) 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 hour spent by lessees. Based on a cost factor of \$75 per hour, the annual burden on the Government for the regulatory requirements in this collection is 8,085,975 (215,624 burden hours x 0.5 hours = 107,812 hours x \$75 = \$8,085,900).

Also, under §§ 250.461, 468, and 469, respondents are required to record and submit logs, surveys, analyses etc. BOEMRE has contracted out to A2D Technologies, dba TGS, for receiving the mentioned data, doing compliance reviews on the data, and for reformatting the data for easier use for BOEMRE. This contract costs BOEMRE \$500,000 per year.

Therefore, the total annual burden on the Government is \$8,585,900 (\$8,085,900 for the regulatory burden costs + \$500,000 for the A2D contract = \$8,585,900).

15. Explain the reasons for any program changes or adjustments in hour or cost burden.

The adjustments are as follows:

(a) The current OMB inventory for 1010-0141 includes 147,014 burden hours. In this submission, we are requesting a total of 215,624 hours. This represents an adjustment increase of 68,610 hours. The increase is due to re-estimating the amount of time required to respond.

(b) The current OMB non-hour cost burden inventory is \$1,789,340. In this submission, we are requesting a total of \$1,209,104. This represents an adjustment decrease of \$580,236. 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.

BOEMRE 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.

BOEMRE will display the OMB control number and approval expiration date on Forms 0123, 0123S, 0124, 0125, 0133, 0133S, and 0144, and elsewhere appropriately.

18. Explain each exception to the topics of the certification statement identified in, "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."