

Supporting Statement A

Oil Shale Management (43 CFR Parts 3900, 3910, 3920, and 3930)

OMB Control Number 1004-0201

Terms of Clearance: None

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 ICR contain surveys, censuses, or employ statistical methods?" is checked "Yes," then a Supporting Statement B must be completed. OMB reserves the right to require the submission of additional information with respect to any request for approval.

Specific Instructions

Justification

- 1. Explain the circumstances that make the collection of information necessary. Identify any legal or administrative requirements that necessitate the collection.**

The Bureau of Land Management (BLM) requests revision of control number 1004-0201 for amendments to that would be included at 43 CFR 3931.11, which lists the required contents of a plan of development.

Proposed section 3931.11(h) would add a requirement for a watershed and groundwater protection plan:

(1) To conduct operations in a manner that protects surface and ground water resources from adverse effects on the quality, quantity, timing and distribution of water resulting from operations, and

(2) To provide for monitoring, adaptive management, and mitigation of adverse impacts, both during and after operations. This plan would assist the BLM in assessing and managing potential impacts, both during and after operations. This plan would assist the BLM in assessing and managing potential impacts on an ongoing basis.

Proposed section 3931.11 (i) would add a requirement for a review of the scientific data and analyses currently available at a reasonable cost, relevant to the potential effects of commercial oil shale operations on the air quality of the pertinent airshed.

Proposed section 3931.11(j) would require an integrated waste management plan:

- (1) To conduct operations in a manner that minimizes the production of mine waste, and
- (2) To provide monitoring, adaptive management, and mitigation of adverse impacts, both during and after operations.

Proposed section 3931(k) would require an environmental protection plan:

(1) To conduct operations in a manner that minimizes adverse effects of oil shale operations on the:

- (a) Quality of the air and water;
- (b) Wildlife and native plants; and
- (c) Productivity of soils; and

(2) To provide for monitoring, adaptive management, and mitigation of adverse impacts, both during and after operations.

Several statutory provisions necessitate the collection. The Mineral Leasing Act of 1920, at 30 U.S.C. 241(a), also authorizes the BLM to lease oil shale resources on public lands. Additional statutory authorities for this information collection are the Mineral Leasing Act for Acquired Lands of 1947 (30 U.S.C. 351-359) and the Federal Land Policy and Management Act of 1976 (43 U.S.C. 1701-1785). This information collection is authorized by regulations implementing these statutory authorities. See 43 CFR parts 3900, 3910, 3920, and 3930.

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 BLM is authorized to collect information from applicants for oil shale leases, oil shale lessees, and operators in order to:

- (1) Learn the extent and qualities of the public oil shale resource;
- (2) Evaluate the environmental impacts of oil shale leasing and development;
- (3) Determine the qualifications of prospective lessees to acquire and hold Federal oil shale leases;
- (4) Administer statutes applicable to oil shale mining, production, resource recovery and protection, operations under oil shale leases, and exploration under leases and licenses;
- (5) Ensure lessee compliance with applicable statutes, regulations, and lease terms and conditions; and
- (6) Ensure that accurate records are kept of all Federal oil shale produced.

It is impossible to describe the actual use we have made of the information because the oil shale industry is still in the research and development stage, and the BLM has not begun to collect the information.

Subpart 3931 — Plans of Development and Exploration Plans

Section 3931.11

The plan of development must provide for reasonable protection and reclamation of the environment and the protection and diligent development of the oil shale resources in the lease. The plan of development must contain, at a minimum, the following:

- (a) Names, addresses, and telephone numbers of those responsible for operations to be conducted under the approved plan and to whom notices and orders are to be delivered, names and addresses of Federal oil shale lessees and corresponding Federal lease serial numbers, and names and addresses of surface and mineral owners of record, if other than the United States;
- (b) A general description of geologic conditions and mineral resources within the area where mining is to be conducted, including appropriate maps;
- (c) A copy of a suitable map or aerial photograph showing the topography, the area covered by the lease(s), the name and location of major topographic and cultural features;
- (d) A statement of proposed methods of operation and development, including the following items as appropriate:
 - A description detailing the extraction technology to be used;
 - The equipment to be used in development and extraction;
 - The proposed access roads;
 - The size, location, and schematics of all structures, facilities, and lined or unlined pits to be built;
 - The stripping ratios, development sequence, and schedule;
 - The number of acres in the Federal lease(s) or license(s) to be affected;
 - Comprehensive well design and procedure for drilling, casing, cementing, testing, stimulation, clean-up, completion, and production, for all drilled well types, including those used for heating, freezing, and disposal;
 - A description of the methods and means to protect and monitor all aquifer;
 - Surveyed well location plats or project-wide well location plats;
 - A description of the measurement and handling of produced fluids, including the anticipated production rates and estimated recovery factors;
 - A description/discussion of the controls that the operator uses to protect the public, including identification of:
 - (i) Essential operations, personnel, and health and safety precautions
 - (ii) Programs and plans for noxious gas control (hydrogen sulfide, ammonia, etc.);
 - (iii) Well control procedures;
 - (iv) Temporary abandonment procedures; and

- (v) Plans to address spills, leaks, venting, and flaring;
- (e) An estimate of the quantity and quality of the oil shale resources;
- (f) An explanation of how the maximum economic recovery of the resource will be achieved for the Federal lease(s);
- (g) Appropriate maps and cross sections showing:
 - (1) Federal lease boundaries and serial numbers;
 - (2) Surface ownership and boundaries;
 - (3) Locations of any existing and abandoned mines and existing oil and gas well (including well bore trajectories) and water well locations, including well bore trajectories;
 - (4) Typical geological structure cross sections;
 - (5) Location of shafts or mining entries, strip pits, waste dumps, retort facilities, and surface facilities; and
 - (6) Typical mining or in situ development sequence, with appropriate timeframes;

In addition, the proposed rule would require the following new paragraphs (h) through (k).

- (h) Watershed and groundwater protection plan:
 - (1) To conduct operations in a manner that protects surface and ground water resources from adverse effects on the quality, quantity, timing and distribution of water resulting from operations, and
 - (2) To provide for monitoring, adaptive management, and mitigation of adverse impacts, both during and after operations. This plan would assist the BLM in assessing and managing potential impacts, both during and after operations. This plan would assist the BLM in assessing and managing potential impacts on an ongoing basis.
- (i) Review of the scientific data and analyses currently available at a reasonable cost, relevant to the potential effects of commercial oil shale operations on the air quality of the pertinent airshed.
- (j) Integrated waste management plan:
 - (1) To conduct operations in a manner that minimizes the production of mine waste, and
 - (2) To provide monitoring, adaptive management, and mitigation of adverse impacts, both during and after operations.
- (k) Environmental protection plan:
 - (1) To conduct operations in a manner that minimizes adverse effects of oil shale operations on the:
 - (a) Quality of the air and water;
 - (b) Wildlife and native plants; and
 - (c) Productivity of soils; and
 - (2) To provide for monitoring, adaptive management, and mitigation of adverse impacts, both during and after operations.
- (l) A narrative which addresses the environmental aspects associated with the proposed mine or in situ operation, which includes, at a minimum, the following:

- (1) An estimate of the quantity of water to be used and pollutants that may enter any receiving waters;
- (2) A design for the necessary impoundment, treatment, control, or injection of all produced water, runoff water, and drainage from workings;
- (3) A description of measures to be taken to prevent or control fire, soil erosion, subsidence, pollution of surface and ground water, pollution of air, damage to fish or wildlife or other natural resources, and hazards to public health and safety;

(m) A reclamation plan and schedule for all Federal lease(s) or exploration license(s) that details all reclamation activities necessary to fulfill the requirements of section 3931.20;

(n) The method of abandonment of operations on Federal lease(s) and exploration license(s) proposed to protect the un-mined recoverable reserves and other resources, including:

- (1) The method proposed to fill in, fence, or close all surface openings that are hazardous to people or animals;
- (2) For in situ operations, a description of the method and materials to be used to plug all abandoned development or production wells. Abandonment of operations is also subject to Subpart 3935; and

(o) Any additional information that the BLM determines is necessary for analysis or approval of the plan of development.

3. Describe whether, and to what extent, the collection of information involves the use of automated, electronic, mechanical, or other technological collection techniques or other forms of information technology, e.g., permitting electronic submission of responses, and the basis for the decision for adopting this means of collection. Also describe any consideration of using information technology to reduce burden and specifically how this collection meets GPEA requirements.

The BLM has not yet put into place mechanisms for submitting electronic responses in connection with this control number, because the oil shale industry is still in the research and development stage, and the BLM has not begun to collect the information. In anticipation of the future development of the oil shale program, the BLM's regulations provide for respondents to submit either paper or electronic copies, and provide that any electronic copies must be in a BLM-approved format. Some of these regulations also encourage respondents to contact the proper BLM office for detailed information on submitting electronic copies. Examples of such regulations include 43 CFR 3910.31(b)(4) (Application for an Exploration License), 3931.70 (Production Maps and Production Reports), and 3931.80 (Records of Core or Test Hole Samples and Cuttings),

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 we request is unique to the lessees and licensees and prospective lessees and licensees, for the exploration and development of oil shale resources on public lands, and no other source is available. The BLM must obtain this information in order to authorize development of oil shale resources, to monitor and evaluate the program, and to facilitate the billing for this use of public lands. There is no similar information already available and no duplication of information collection.

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

Section 369 of the EPO Act requires the Secretary of the Interior to establish regulations for a commercial oil shale leasing program. Although this information collection would only affect entities that choose to explore and develop oil shale resources from land administered by the BLM, there is no way to determine which firms would hold exploration licenses or leases or operate on Federal lands in the future. The extent to which the information collection would have an actual impact on any firm depends on whether the firm would hold exploration licenses or leases or would operate on Federal lands.

Currently, Chevron, Enefit American Oil Company, American Shell Oil, LLC, Exxon Mobile, Natural Soda and Shell Oil Company hold oil shale R, D and D leases for Federal lands. These lessees are not small businesses or other small entities.

With implementation of the oil shale program and this information collection, and technological advances and favorable market conditions that would support oil shale development, the BLM anticipates an increase in the number of firms involved in oil shale development. However, the number of firms, large or small, involved in oil shale development on Federal lands would likely remain quite limited. Given the likely size of the industry that may eventually be involved in the leasing and development of Federal oil shale resources, it is reasonable to conclude that this information collection would not have a significant impact on a substantial number of small entities.

In the near future, it is unlikely that small entities will be operating under the regulations because of the large capital outlays required for oil shale development. However, the regulations have been designed to avoid requirements that would make applications by small entities more difficult. For example:

- Exploration licenses have no minimum acreage and require only a nominal filing fee (\$300 per filing);
- Leases have no minimum tract acreage
- Lease processing costs are paid only by a successful bidder; and
- Bonus bids may be deferred over a 5-year period.

These aspects of the licensing and leasing procedures are intended to reduce the front-loading impact of both procedural and information collection costs to small businesses and other small

entities.

- 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 the BLM fails to conduct the information collection, we will not have the information necessary for authorizing exploration and development of oil shale resources, protecting the public lands, billing to meet statutory financial responsibilities, or for evaluating and monitoring the program.

- 7. Explain any special circumstances that would cause an information collection to be conducted in a manner:**
 - * requiring respondents to report information to the agency more often than quarterly;**
 - * requiring respondents to prepare a written response to a collection of information in fewer than 30 days after receipt of it;**
 - * requiring respondents to submit more than an original and two copies of any document;**
 - * requiring respondents to retain records, other than health, medical, government contract, grant-in-aid, or tax records, for more than three years;**
 - * 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;**
 - * requiring the use of a statistical data classification that has not been reviewed and approved by OMB;**
 - * 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**
 - * 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.**

There are no special circumstances requiring the collection to be conducted in a manner inconsistent with OMB guidelines under 5 CFR 1320.5.

- 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 three 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 three 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.

The new information collection activities in the proposed rule would be included among the policies and procedures for the future implementation of a commercial leasing program for federally-owned oil shale. Consultation with prospective respondents would not be productive at present, as the oil shale industry is still in the research and development stage. The burden estimates in this request are based on the BLM's best judgment.

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

We provide no payments or gifts to respondents.

10. Describe any assurance of confidentiality provided to respondents and the basis for the assurance in statute, regulation, or agency policy.

The BLM provides the respondents no assurance of confidentiality.

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.

We do not require respondents to answer questions of a sensitive nature.

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

- * 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.

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

As shown at Table 12-1, below, the weighted average respondent hourly cost is \$55.20. The mean hourly wage for Table 12-1 was determined using national Bureau of Labor Statistics data at: http://www.bls.gov/oes/current/oes_nat.htm The benefits multiplier of 1.4 is supported by information at <http://www.bls.gov/news.release/ecec.nr0.htm>.

Table 12-1 — Estimated Weighted Average Hourly Costs

A. Position	B. Mean Hourly Pay Rate	C. Hourly Rate with Benefits (B x 1.4)	D. Percent of Collection Time	E. Weighted Average Hourly Cost (C x D)
Attorney (23-1011)	\$62.03	\$86.84	10%	\$8.68
Engineering Manager (11-9041)	\$59.04	\$82.66	20%	\$16.53
General Office Clerk (43-9061)	\$13.32	\$18.65	30%	\$5.60
Engineer (17-2199)	\$43.56	\$60.98	40%	\$24.39
Totals			100%	\$55.20

Hour and cost burdens to respondents include time spent for researching, preparing, and submitting information. The frequency of responses for each aspect of the information collection is “on occasion.”

Table 12-2 — Estimated Hour Burdens

A. Type of Response	B. Number of Responses	C. Hours Per Response	D. Total Time (B x C)	E. Total Wage Cost (D x \$55.20)
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Plan of Development	1	348	348	\$19,209.60
43 CFR 3931.11				
Totals	1		348	\$19,209.60

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 in item 12.)

- * The cost estimate should be split into two components: (a) a total capital and start-up cost component (annualized over its expected useful life) and (b) 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.
- * If cost estimates are expected to vary widely, agencies should present ranges of cost burdens 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.
- * 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.

No non-hour costs are associated with this collection revision.

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 hourly cost to the Federal Government shown at Table 14-1, below, is based on the U.S.

Office of Personnel Management Salary Table 2012-RUS located at: http://www.opm.gov/oca/12tables/html/g_s_h.asp. The benefits multiplier of 1.5 is implied by information at <http://www.bls.gov/news.release/ecec.nr0.htm>.

Table 14 -1 — Hourly Cost Calculations

A. Position	B. Grade	C. Hourly pay rate	D. Hourly rate including benefits (1.5 x C)	E. Percent of the Information Collection Completed by Each Occupation	F. Weighted average (\$/hr) (D x E)
Manager	GS-13, Step 6	\$40.07	\$60.11	10	\$6.01
Technical	GS-11, Step 6	\$28.11	\$42.17	80	\$33.74
Clerical	GS-6, Step 6	\$17.09	\$25.64	10	\$2.56
Total					\$42.31

Table 14-2, below, shows the estimated Federal hours and costs for each component of the proposed information collection.

Table 14-2 — Estimated Annual Cost to the Government

A. Type of Response	B. Number of Responses	C. Hours Per Response	D. Total Hours (B x C)	E. Total Wage Cost (D x \$42.31)
Plan of Development 43 CFR 3931.11	1	80	80	\$3,385
Totals				\$3,385

The total cost to the Federal government, including the additional cost shown in Table 14-2, is \$634,100 (\$3,385 for this revision plus \$630,715 in previously approved cost).

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

Program changes

The proposed rule would revise section 3931.11 to require four additional elements as part of the plan of development. Each new element would require 10 hours each to prepare and

assemble. The proposed revision would increase the respondents' hour burden for the plan of development from 308 hours to 348 hours. The total hour burden for this collection would increase from 1,795 hours to 1,835 hours.

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 BLM has no plans to publish the results of this collection of information.

17. If seeking approval to not display the expiration date for OMB approval of the information collection, explain the reasons that display would be inappropriate.

The BLM will display the expiration date of the OMB approval.

18. Explain each exception to the topics of the certification statement identified in "Certification for Paperwork Reduction Act Submissions."

There are no exceptions to the certification statement.