

Supporting Statement A
30 CFR 250, Subpart P, Sulphur Operations
OMB Control Number 1014-0006
Expiration Date: December 31, 2013

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 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

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 *et seq.* and 43 U.S.C. 1801 *et seq.*), authorizes the Secretary of the Interior to prescribe rules and regulations necessary for the administration of the leasing provisions of that Act related to 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 mineral 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; balance orderly energy resource development with protection of human, marine, and coastal environments; ensure the public a fair and equitable return on the resources of the OCS; and preserve and maintain free enterprise competition.

In addition to the general rulemaking authority of the OCSLA at 43 U.S.C. 1334, section 301(a) of the Federal Oil and Gas Royalty Management Act (FOGRMA), 30 U.S.C. 1751(a), grants authority to the Secretary to prescribe such rules and regulations as are reasonably necessary to carry out FOGRMA's provisions. While the majority of FOGRMA is directed to royalty collection and enforcement, some provisions apply to offshore operations. For example, section 108 of FOGRMA, 30 U.S.C. 1718, grants the Secretary broad authority to inspect lease sites for the purpose of determining whether there is compliance with the mineral leasing laws. Section 109(c)(2) and (d)(1), 30 U.S.C. 1719(c)(2) and (d)(1), impose substantial civil penalties for failure to permit lawful inspections and for knowing or willful preparation or submission of false, inaccurate, or misleading reports, records, or other information. Because the Secretary has delegated some of the authority under FOGRMA to BSEE, 30 U.S.C. 1751 is included as additional authority for these requirements.

This authority and responsibility are among those delegated to the Bureau of Safety and Environmental Enforcement (BSEE). The regulations at 30 CFR 250, Subpart P, concern sulphur operations on the OCS

and are the subject of this collection. This request also covers the related Notices to Lessees and Operators (NTLs) that BSEE issues to clarify, supplement, or provide additional guidance on some aspects of our regulations. Currently, there are no active sulphur lease operations on the OCS. Therefore, this ICR and its relevant hours represent one potential respondent.

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 BSEE uses the information collected to ascertain the condition of drilling sites for the purpose of preventing hazards inherent in sulphur drilling and production operations and to evaluate the adequacy of equipment and/or procedures to be used during the conduct of drilling, well-completion, well-workover, and production operations. The BSEE uses the information to:

- Ascertain that a discovered sulphur deposit can be classified as capable of production in paying quantities.
- Ensure accurate and complete measurement of production to determine the amount of sulphur royalty payments due the United States; and that the sale locations are secure, production has been measured accurately, and appropriate follow-up actions are initiated.
- Ensure the adequacy and safety of firefighting systems; the drilling unit is fit for the intended purpose; and the adequacy of casing for anticipated conditions.
- Review drilling, well-completion, well-workover diagrams and procedures, as well as production operation procedures to ensure the safety of the proposed sulphur drilling, well-completion, well-workover and proposed production operations.
- Monitor environmental data during sulphur operations in offshore areas where such data are not already available to provide a valuable source of information to evaluate the performance of drilling rigs under various weather and ocean conditions. This information is necessary to make reasonable determinations regarding safety of operations and environmental protection.

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, none of the information is submitted using electronic technology due to the fact that there are no active sulphur operations on the OCS. With an active lease in operation, we would expect 50 percent to be submitted electronically.

4. Describe efforts to identify duplication. Show specifically why any similar information already available cannot be used or modified for use for the purposes described in Item 2 above.

The information collected is unique to site operations and does not duplicate any other available information. The Department of the Interior and other government agencies has Memoranda of Understanding that define the responsibilities of their agencies with respect to activities in the OCS. These are effective in avoiding duplication of regulations and reporting requirements.

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

This collection of information will not have an economic effect on a number of small entities. In general, companies need large technical and financial resources and experience to conduct offshore activities safely. The one company that currently has a sulphur lease is large by the Small Business Administration definition. Therefore, there are no small entities subject to these regulations.

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 BSEE did not collect the information, we could not carry out the mandate of the OCS Lands Act, as amended, that specifies that “operations in the OCS should be conducted in a safe manner by well-trained personnel using technology, precautions, and techniques sufficient to prevent or minimize the likelihood of blowouts, loss of well control, fires, spillages, physical obstruction 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 information concerning drilling, well-completion, and well-workover operations and production is collected only once for each particular activity. The frequency of the IC is determined by the frequency of those operations and not by any specific date.

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;

Respondents are required in 30 CFR 250.1628(b) and (d) to maintain information concerning approved design and installation features for sulphur production facilities, as well as, safety-system design and installation features for fuel gas systems, for the life of each system. These records must be available for reference when inspections are being conducted to ascertain that the equipment in use is approved and meets the standards for safe production operations.

(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

Not applicable in this collection.

(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.

Not applicable in this collection.

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), BSEE provided a 60-day notice in the **Federal Register** on July 16, 2013 (78 FR 42538). Also, 30 CFR 250.199 explains that BSEE will accept comments at any time on the information collection requirements and burdens of our 30 CFR 250 regulations. We display the OMB control number and provide the address for sending comments to BSEE. We received two comments in response to the **Federal Register** notice; however, neither was germane to this information collection. These are not new regulatory requirements and only an estimate of minimal burden for a potential respondent.

Currently there are no active sulphur operations being conducted offshore. Consequently, there were no respondents to consult with during the comment period. Before we submitted this collection for the last renewal, the BSEE Gulf of Mexico Region had contacted the only respondent at that time to verify the accuracy of the burden estimates for this IC. The estimates in section A.12 continue to reflect input we received previously.

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

We 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.

The BSEE will protect proprietary information according to the Freedom of Information Act (5 U.S.C. 552) and its implementing regulations (43 CFR 2); 30 CFR 250.197, *Data and information to be made available to the public or for limited inspection*; and 30 CFR part 252, *OCS Oil and Gas Information Program*.

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.

Potential respondents include Federal OCS sulphur lessees. The burden estimates include the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Currently, there are no active OCS sulphur lease operations. Submissions generally vary by section. Responses are mandatory and/or required to obtain or retain benefits. We estimate the annual burden is 903 burden hours. Refer to the burden table for a breakdown of the burden.

BURDEN TABLE

Citation 30 CFR 250	Reporting and Recordkeeping Requirement	Hour Burden	Average No. of Annual Reponses	Annual Burden Hours
Submittals/Notifications				
1600; 1617	Submit exploration or development and production plan, under 30 CFR 550, Subpart B.	Burden covered under (1010-0151).		0
1605(b)(2),	Make drilling units available for inspection; submit and/or	4	1 submission	4

Citation 30 CFR 250	Reporting and Recordkeeping Requirement	Hour Burden	Average No. of Annual Reponses	Annual Burden Hours
(3)	resubmit data and information on fitness of drilling unit.			
1605(d)	Submit results of additional surveys and soil borings upon request.	1	1 submission	1
1605(f)	Submit application for installation of fixed drilling platforms or structures.	Burden covered under (1014-0011).		0
1608(a), (c)	Submit well casing and cementing plan or modification.	5	1 plan	5
1617; 1622(b)	Submit form BSEE-0123 (Application for Permit to Drill), and all supporting documentation.	Burden covered under (1014-0018).		0
1618; 1619(b); 1622(a), (c)	Submit form BSEE-0124 (Application for Permit to Modify), and all supporting documentation.	Burden covered under (1014-0018).		0
1619(b); 1622(c)	Submit form BSEE-0125 (End of Operations Report); and all supporting documentation.	Burden covered under (1014-0018).		0
1619(c), (d), (e)	Submit copies of records, logs, reports, charts, etc., upon request.	1	8 submissions	8
1628(b), (d)	Submit application for design and installation features of sulphur production facilities and fuel gas safety system; certify new installation conforms to approved design.	4	1 application	4
1630(a)(6)	Notify BSEE of pre-production test and inspection of safety system and commencement of production.	0.5	2 notifications	1
1633(b)	Submit application for method of production measurement.	2	1 application	2
Subtotal			15 responses	25
Requests				
1603(a)	Request determination whether sulphur deposit can produce in paying quantities.	1	1 request	1
1605(e)(5)	Request copy of directional survey (by holder of adjoining lease).	1	1 request	1
1607	Request establishment, amendment, or cancellation of field rules for drilling, well-completion, or well-workover.	8	2 requests	16
1610(d)(7), (8)	Request exception to ram-type blowout preventer (BOP) system components rated working pressure.	1	1 request	1
1611(b); 1625(b)	Request exception to water-rated working pressure to test ram-type and annular BOPs and choke manifold.	1	1 request	1
1611(f); 1625(f)	Request exception to recording pressure conditions during BOP tests on pressure charts; certify by representative.	1	1 request	1
1612	Request exception to § 250.462 requirements for well-control drills.	1	1 request	1
1615	Request exception to blind-shear ram or pipe rams and inside BOP to secure wells.	1	1 request	1
1629(b)(3)	Request approval of firefighting systems; post firefighting system diagram.	4	1 request	4
1608(b), (c); 1629(b)(3); 1600 - 1634	General departure and/or alternative compliance requests not specifically covered elsewhere in Subpart P.	2	1 request	2
Subtotal			11 responses	29
Record/Retain				
1604(f)	Check traveling-block safety device for proper operation weekly and after each drill-line slipping; enter results in log.	0.25	1 lessee x 52 wks x 2 rigs = 104	26
1605(c)	Report oceanographic, meteorological, and drilling unit performance data upon request.	1	1 report	1

Citation 30 CFR 250	Reporting and Recordkeeping Requirement	Hour Burden	Average No. of Annual Reponses	Annual Burden Hours
1609(a)	Pressure test casing; record time, conditions of testing, and test results in log.	2	1 lease x 60 tests/ records = 60	120
1611(d)(3); 1625(d)(3)	Record in driller's report the date, time, and reason for postponing pressure testings.	0.17	1 lessee x 6 recordings = 6	1
1611(f), (g); 1625(f), (g)	Conduct tests, actuations, inspections, maintenance, and crew drills of BOP systems at least weekly; record results in driller's report; certify by representative; retain records for 2 years following completion of drilling activity.	6	1 lessee x 52 weeks = 52	312
1613(d)	Pressure test diverter sealing element/valves weekly; actuate diverter sealing element/valves/ control system every 24 hours; test diverter line for flow every 24 hours; record test times and results in driller's report.	2	1 lessee (daily/ weekly during drilling) x 2 rigs x 52 weeks = 104	208
1616(c)	Retain training records for lessee and drilling contractor personnel.	Burden covered under 1014-0008.		0
1619(a); 1623(c)	Retain records for each well and all well operations for 2 years; calculate well-control fluid volume and post near operators' station.	12	1 lessee	12
1621	Conduct safety meetings prior to well-completion or well-workover operations; record date and time.	1	1 lessee x 50 meetings/ records = 50	50
1628(b), (d)	Maintain information on approved design and installation features for the life of the facility.	1	1 lessee	1
1629(b)(1)(ii)	Retain pressure-recording charts used to determine operating pressure ranges for 2 years.	12	1 lessee	12
1630(b)	Maintain records for each safety device installed for 2 years; make available for review.	1	1 lessee	1
1631	Conduct safety device training prior to production operations and periodically thereafter; record date and time.	1	1 lessee x 52 train/ records x 2 rigs = 104	104
1634(b)	Report evidence of mishandling of produced sulphur or tampering or falsifying any measurement of production.	1	1 report	1
Subtotal			486 responses	849
Total Burden			512 responses	903 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 \$83*/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:

<http://data.bls.gov/cgi-bin/dsrv?nw>.

Position	Level	Hourly Pay	Hourly rate	Percent of time	Weighted
-----------------	--------------	-------------------	--------------------	------------------------	-----------------

		rate (\$/hour estimate)	including benefits (1.4 x \$/hour)***	spent on collection	Average (\$/hour)
Office + Administrative Support	6	\$20	\$28	20%	\$6
Petroleum Engineer	All workers	\$68	\$95	65%	\$62
Supv. Petroleum Engineer		\$69	\$97	15%	\$15
Weighted Average (\$/hour)					\$83

** Note that this BLS source reflects their last update from March 2013.

*** A multiplier of 1.4 (as implied by BLS news release USDL-13-1140, June 12, 2013 (see <http://www.bls.gov/news.release/ecec.nr0.htm>)) was added for benefits.

Based on a cost factor of \$83 per hour, we estimate the hour burden as a dollar equivalent is \$74,949 (\$83 x 903 = \$74,949).

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).

(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.

Not applicable in this collection.

*(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. *

Not applicable in this collection.

(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.

Not applicable in this collection.

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 \$67/hour. This cost is broken out in the below table using the current Office of Personnel Management salary data for the REST OF THE UNITED STATES (<http://www.opm.gov/oca/13tables/>).

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	80%	\$53
Supv. Petroleum Engineer	GS-14/5	\$53	\$80	15%	\$12
Weighted Average (\$/hour)					\$67

* A multiplier of 1.5 (as implied by BLS news release USDL 13-1140, June 12, 2013 (see <http://www.bls.gov/news.release/ecec.nr0.htm>)) was added for benefits.

To analyze and review the information respondents submit for Subpart P, the government will spend an average of approximately 1 hour for each hour spent by respondents. The total estimated government time is 903 hours. Based on a cost factor of \$67 per hour, the total annual estimated burden on the government is \$60,501 (903 burden hours x 1 hour = 903 hours x \$67 = \$60,501).

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

The currently approved hour burden is 903 burden hours for this collection of information. This submission requests 903 burden hours. As there are no active respondents, we estimated the annual number of respondents to be one potential respondent.

The BSEE has identified no non-hour cost burdens associated with this collection.

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 BSEE 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.

We will display the OMB control number and approved expiration date.

18. Explain each exception to the topics of the certification statement identified in, “Certification for Paperwork Reduction Act Submission.”

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.”