

Supporting Statement A
30 CFR 250, Subpart E, Oil and Gas Well-Completion Operations
OMB Control Number 1014-0004
Current Expiration Date: 31 January 2014

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 oil and gas resources in the OCS 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 resources development with protection of the human, marine, and coastal environment; ensure the public a fair and equitable return on OCS resources; 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.

These authorities and responsibilities are among those delegated to BSEE. The regulations at 30 CFR 250, Subpart E, concern oil and gas well-completion operations 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.

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 analyzes and evaluates the information and data collected to ensure that planned well-completion operations will protect personnel and natural resources. They use the analysis and evaluation results in the decision to approve, disapprove, or require modification to the proposed well-completion operations. Specifically, BSEE uses the information to ensure:

- (a) compliance with personnel safety training requirements;
- (b) crown block safety device is operating and can be expected to function to avoid accidents;
- (c) proposed operation of the annular preventer is technically correct and provides adequate protection for personnel, property, and natural resources;
- (d) well-completion operations are conducted on well casings that are structurally competent; and
- (e) sustained casing pressures are within acceptable limits.

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, 85 percent of the information is 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 a specific well-completion operation and does not duplicate any other available information. The information is site specific, and similar information is not available from other sources.

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

This collection of information could 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 may have less than 500 employees and would be considered small businesses as defined by the Small Business Administration. Regulations require safe work practices and protection of environmental resources; therefore, the hour burden on any small entity subject to these regulations and associated collections of information 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 BSEE did not collect the information under Subpart E, BSEE personnel could not verify that equipment is properly tested or that safety procedures are properly reviewed during well-completion

operations. The information is necessary to carry out the mandate of the OCS Lands Act. Information is collected only once for each particular well-completion operation and is initiated by respondents' activity.

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;

In both §§ 250.526 and 250.530(b), BSEE requires submittal of information within 14 days. This information pertains to SCP testing so that we can determine and ameliorate the deficiency quickly and effectively while making sure industry takes safe action to resolve the situation.

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

Not applicable in this collection.

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

Not applicable in this collection.

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

Not applicable in this collection.

(f) requiring the use of statistical data classification that has not 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 published a 60-day review and comment notice in the *Federal Register* on August 12, 2013 (78 FR 48893). 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 and associated forms. We display the OMB control numbers and provide the address for sending comments to BSEE. We received one comment in response to the *Federal Register* notice. The comment was not germane to the paperwork burden of this information collection.

To prepare this information collection renewal request, companies were contacted to determine the estimated burden this subpart places on respondents: The following company representatives that commented were:

Apache Corporation, Cheryl Powell, GOM Regulatory Manager,
(713) 296-6811, 2000 West Sam Houston Parkway South, Suite 1000, Houston, TX 77042

Dynamic Offshore Resources, LLC, Annalisa Taylor, Regulatory Manager,
(713) 423-8053, 1301 McKinney Street, Suite 900, Houston, TX 77010

Arena Offshore, LP, Connie Goers, Regulatory Manager,
(281) 210-3123, 4200 Research Forest Drive, Suite 230, The Woodlands, TX 77381

Plains Exploration and Production Company, Gary Hertfelder, Drilling Manager
(805) 934-8227, 210 S. Broadway, Orcutt, CA 93455

The respondents had no concerns regarding the availability of data, frequency of collection, clarity of instructions, and elements being collected. The companies that replied provided the burden estimates that are reflected in Section A.12.

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

The BSEE 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 oil, gas, and sulphur lessees and holders of pipeline rights-of-way. It should be noted that not all of the potential respondents will submit information in any given year 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 and reviewing the collection of information and are based on informal discussions with the listed respondents in Section A.8. Most responses are mandatory; while others are to obtain or retain benefits; and are generally weekly, monthly, biennially, and vary by section. We estimate the total annual burden is 40,183 hours. Refer to the following table for a breakdown of the burdens.

Citation 30 CFR 250 Subpart E	Reporting and Recordkeeping Requirements	Hour Burden	Average No. of Annual Responses	Annual Burden Hours (Rounded)
Requests				
502	Request an exception to shutting in producible wells before moving a well-completion rig or related equipment.	5.5	35 exceptions	193
512	Request establishment, amendment, or cancellation of well-completion field rules.	11	28 field rules	308
500-531	General departure and alternative compliance requests not specifically covered elsewhere in Subpart E regulations.	3.5	165 requests	578
Subtotal			228 responses	1,079 hours
Records				
506	Record dates and times of well-completion operations safety meetings.	1	360 completions x 2 meetings =	720

Citation 30 CFR 250 Subpart E	Reporting and Recordkeeping Requirements	Hour Burden	Average No. of Annual Responses	Annual Burden Hours (Rounded)
			720	
511	Record results weekly of traveling-block safety device in operations log.	1.5	360 completions x 2 recordings = 720	1,080
514(d)	Request approval from the District Manager to displace kill-weight fluids to an underbalanced state; submit detailed written procedures with your APM.	3.75	106 requests	398
515(e)(2)(ii)	Allow BSEE access to witness testing, inspections, and information verification. Notify District Manager at least 72 hours prior to shearing ram tests.	1.15	21 notifications	24
517(a);	Record all your BOP test pressures.	1.25	360 completions x 4 recordings = 1,440	1,800
517(c), (i)	Record time, date, and results of all pressure tests, crew drills, actuations, and inspections of the BOP in driller's report.	6	360 completions x 4 recordings = 1,440	8,640
517(d)(8)	Function test ROV interventions on your subsea BOP stack; document all test results; make available to BSEE upon request.	10	17 wells	170
517(d)(8) (ii) & (iii)	Notify District Manager at least 72 hours prior to stump/initial test on seafloor; document all test results and make them available to BSEE upon request.	0.75	17 notifications	13
517(d)(9)	Function test autoshear and deadman on your subsea BOP stack during stump test; document all test results; make available to BSEE upon request.	0.75	17 completions	13
517(e)	Record reason for postponing BOP test in driller's report.	0.75	34 recordings	26
517(g)(1)	Document the procedures used for BOP inspections; record results; maintain records for 2 years; make available to BSEE upon request.	7 days x 12 hrs/ day = 84	99 rigs / once every 3 years = 33 per year	2,772
517(g)(2)	Request alternative method to inspect a marine riser.	Burden covered under 1014-0022.		0
517(h)	Document the procedures used for BOP maintenance; record results; maintain records for 2 years; make available to BSEE upon request.	1.5	99 rigs	149
517(i)(1)-(3)	Record BOP test pressure on pressure charts; onsite rep certify and sign/date reports; document sequential order of BOP /auxiliary testing, pressure, and duration of	3	362 completions x 4 recordings = 1,448	4,344

Citation 30 CFR 250 Subpart E	Reporting and Recordkeeping Requirements	Hour Burden	Average No. of Annual Responses	Annual Burden Hours (Rounded)
	each test.			
Subtotal			6,112 responses	20,149 hours
Submittals				
505; 513; 516(a); 526	Submit Forms BSEE-0123, BSEE-0123S, BSEE-0124, and BSEE-0125 and all accompanying information to conduct well-completion operations; request written approval.	Burden included under 1014-0018.		0
515	Submit a description of your BOP and its components; schematic drawings; independent third-party verification and all supporting information (evidence showing appropriate licenses, has expertise/experience necessary to perform required verifications, etc.) with your APM.	17	292 submittals	4,964
517(d)(8), (9)	Submit test procedures with your APM for approval and relevant supporting data.	Burden covered under 1014-0018.		0
518(b)	Submit results of casing pressure testing, caliper, and other evaluations (every 30 days during prolonged operations); notify BSEE if sustained casing pressure is observed on a well.	4.75	25 results	119
526(a); 527	Submit notification of corrective action.	2	68 actions	136
526(a); 530(a)	Submit a corrective action plan; notify BSEE after completion of corrected action within 30 days.	14	68 plans	952
526(b); 528	Submit a casing pressure request; any additional information as needed.	9	484 requests	4,356
530(b)	Submit the casing pressure diagnostic test data within 14 days.	2.5	54 submittals	135
Subtotal			991 responses	10,662 hours
Post/Retain				
514(c)	Post the number of stands of drill pipe/collars that may be pulled and equivalent well-control fluid volume.	1.5	741 postings	1,112
517(i)(6)	Retain all records including pressure charts, driller's report, referenced documents pertaining to BOP tests, actuations, and inspections at the facility for duration of the activity.	2.5	362 records	905
517(i)(7)	After completion of well, retain all records for 2 two years at location conveniently available to BSEE.	2.75	362 records	996
524	Retain records of casing pressure and diagnostic tests for 2 years or until the well is abandoned.	1.75	3,017 records	5,280
Subtotal			4,482	8,293 hours

Citation 30 CFR 250 Subpart E	Reporting and Recordkeeping Requirements	Hour Burden	Average No. of Annual Responses	Annual Burden Hours (Rounded)
			responses	
Total Hour Burden			11,813 Responses	40,183 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.

The average respondent cost is \$80*/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://www.bls.gov/bls/wages.htm>.

Position	Level	Hourly Pay rate (\$/hour estimate)	Hourly rate including benefits (1.4** x \$/hour)	Percent of time spent on collection	Weighted Average (\$/hour)
Secretaries and Administrative assistants	6	\$21	\$29	25%	\$7
Petroleum Engineers, Geologists	All workers	\$69	\$97	65%	\$63
Supv. Engineer	15	\$69	\$97	10%	\$10
Weighted Average (\$/hour)					\$80

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

** A multiplier of 1.4 (as implied by BLS news release USDL 13-1835, September 11, 2013 (see <http://www.bls.gov/news.release/ecec.nr0.htm>)) was added for benefits.

Based on a cost factor of \$80 per hour, we estimate the hour burden as a dollar equivalent is \$3,214,640 (\$80 x 40,183 = \$3,214,640).

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.

(b) If cost estimates are expected to vary widely, agencies should present ranges of cost burden and explain the reasons for the variance. The cost of purchasing or contracting out information collection services should be a part of this cost burden estimate. In developing cost burden estimates,

agencies may consult with a sample of respondents (fewer than 10), utilize the 60-day pre-OMB submission public comment process and use existing economic or regulatory impact analysis associated with the rulemaking containing the information collection, as appropriate.

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

We have identified no non-hour 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 \$57/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-5/5	\$17	\$26	15%	\$4
Field Engineers	GS-011/5	\$31	\$47	25%	\$12
Engineer	GS-013/5	\$44	\$66	50%	\$33
Supervisory	GS-014/5	\$53	\$80	10%	\$8
Weighted Average (\$/hour)					\$57

*A multiplier of 1.5 (as implied by BLS news release USDL 13-1835, September 11, 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 E, the Government spends an average of 0.5 hours for each hour spent by respondents. The total estimated Government time is 20,092 hours. Based on a cost factor of \$57 per hour, the total annual estimated burden on the Government is \$1,145,244 (40,183 burden hours x 0.5 hours = 20,092 (rounded) hours x \$57 = \$1,145,244).

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

The current OMB inventory includes 46,859 burden hours for this collection of information. This submission requests 40,183 burden hours. The adjustment decrease of 6,676 hours is due to re-estimating the average number of annual responses and the amount of time required to respond based on consultations. There is 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.

Not applicable, as this collection of information concerns requirements in regulations.

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."