

Supporting Statement A for Paperwork Reduction Act Submissions
30 CFR 581, Leasing of Minerals Other than Oil, Gas, and Sulphur
in the Outer Continental Shelf
OMB Control Number 1010-0082
Current Expiration Date: October 31, 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

A. Justification

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

Section 8(k) of the Outer Continental Shelf (OCS) Lands Act, as amended (43 U.S.C. 1337), authorizes the Secretary of the Interior (Secretary) to grant to the qualified persons, offering the highest cash bonuses on a basis of competitive bidding, leases of any mineral other than oil, gas, and sulphur in any area of the OCS not then under lease and prescribe royalty, rental, and other terms and conditions for such minerals. The Secretary administers the leasing provisions of the Act and prescribes the rules and regulations necessary to carry out those provisions.

This authority and responsibility are among those delegated to the Bureau of Ocean Energy Management (BOEM). The regulations at 30 CFR 581 concern leasing activities for minerals other than oil, gas or sulphur and are the subject of this collection. There has been no leasing activity for these minerals in the OCS for many years and no information collected. However, because these are regulatory requirements, the potential exists for information to be collection; therefore, we are requesting a renewal of this information collection.

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.

BOEM uses the information required by 30 CFR 581 to determine if statutory requirements are met prior to the issuance of a lease. Specifically, BOEM would use the information to:

- Evaluate the area and minerals requested by the lessee to assess the viability of offering leases for sale.
- Evaluate the mineral(s) deposits requested by the lessee to ensure that the Federal Government receives fair market value for the mineral(s).
- Request the State(s) to initiate the establishment of a joint working group or task force to assess the proposed action and provide input.
- Ensure excessive overriding royalty interests are not created that would put economic constraints on all parties involved.
- Document that a leasehold or geographical subdivision has been surrendered by the record title holder.
- Determine if activities on the proposed lease area(s) will have a significant impact on the environment.

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.

Although there are no current respondents for this collection, we expect that a respondent would submit 100% of the required information 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.

There is no duplication. The Department of the Interior has specific statutory authority. No other Federal agency collects this information because it pertains to a specific OCS lease for minerals other than oil, gas, and sulphur. To the extent that identical information or data were available from prior submissions, BOEM would not require respondents to resubmit such information or data.

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

This collection of information could have a significant economic effect on a small number of small entities. Any direct effects primarily impact the OCS lessees and operators. Many of the OCS lessees and mining companies 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 the environmental resources; therefore, the hour burden on any small entity subject to these regulations and associated collection 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 we did not collect the information, BOEM could not carry out the mandate of the OCS Lands Act. Respondents generally submit reports as a result of situations encountered and not at any fixed or prescribed interval.

7. Explain any special circumstances that would cause an information collection to be conducted in a manner:

(a) requiring respondents to report information to the agency more often than quarterly;

Not applicable in this collection.

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

Not applicable in this collection.

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

Not applicable in this collection.

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

Not applicable in this collection.

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

Not applicable in this collection.

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

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), BOEM provided a 60-day notice in the *Federal Register* on April 17, 2014 (79 FR 21806). We received no comments in response to the *Federal Register* notice. The Paperwork Reduction Act explains that agencies 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 BOEM.

There are currently no competitive leasing activities for minerals other than oil, gas, and sulphur in the OCS, and none are planned in the near future. Therefore, there are no companies to contact for updated information. The hour burden estimates remain primarily the same as the last submission.

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

BOEM 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.

We protect proprietary information according to the Freedom of Information Act (5 U.S.C. 552) and its implementing regulations (43 CFR 2, and 30 CFR parts 580 and 582).

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.

As there are no active respondents, we are estimating an average of one respondent per year. Respondents are lease requestors, State governments, and OCS 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. Submissions are generally on occasion and are mandatory or required to obtain a benefit. We estimate the total annual burden is 1,264 hours. Refer to the following table for a breakdown of the burdens.

BURDEN BREAKDOWN

Citation 30 CFR 581	Reporting and/or Recordkeeping Requirements*	Hour Burden	Average No. of Annual Responses	Annual Burden Hours
		Non-Hour Cost Burden(s)*		
Subpart A - General				
6	Appeal decisions.	Exempt under 5 CFR 1320.4(a)(2), (c).		0
9	Governor of affected States initiates negotiations on jurisdictional controversy, etc., and enters agreement with BOEM.	16	1 request	16
Subtotal			1 Response	16 Hours
Subpart B – Leasing Procedures				
11(a), (c)	Submit request for approval for mineral lease with required information.	60	1 request	60
12; all sections; Previously overlooked	Submit general response to Call for Information and Interest on areas for leasing of minerals (other than oil, gas, sulphur) in accordance with approved lease program, including information from States/local governments, industry, Federal agencies.	Not considered IC as defined in 5 CFR 1320.3(h)(4).		0
12; all sections	Submit specific response to Call for Information and Interest on areas for leasing of minerals (other than oil, gas, sulphur) in accordance with approved lease program, including information from States/local governments, industry, Federal agencies.	120	1 response	120
13; 16	States or local governments establish task force; submit comments/ recommendations on planning, coordination, consultation, and other issues that may contribute to the leasing process.	200	1 comment	200
All sections; 16	Submit suggestions and relevant information in response to request for comments on the proposed leasing notice, including information from States/local governments.	160	1 submittal	160
18; 20 (e), (f); 26(a), (b)	Submit bids (oral or sealed) and required information.	250	1 response	250
18(b)(3), (c); 20 (e), (f)	Tie bids – submit oral bids for highest bidder.	20	1 response	20
20(a), (b), (c); 41(a)	Establish a company file for qualification, submit updated information, submit qualifications for lessee/bidder and required information.	58	1 response	58
21(a); 47(c)	Request for reconsideration of bid rejection/cancellation.	Not considered IC per 5 CFR 1320.3(h)(9).		0
21(b), (e); 23; 26(e), (i); 40(b); 41	Execute lease (includes submission of evidence of authorized agent and request for dating of leases); maintain auditable records re 30 CFR Chapter II,	100	1 lease	100

Citation 30 CFR 581	Reporting and/or Recordkeeping Requirements*	Hour Burden	Average No. of Annual Reponses	Annual Burden Hours
		Non-Hour Cost Burden(s)*		
	Subchapter A – [burden under ONRR requirements].			
Subtotal			8 Responses	968 Hours
Subpart C – Financial Considerations				
31(b); 41	File application and required information for assignment or transfer for approval.	160	1 application	160
		\$50 required or non-required filing document fee x 1 = \$50		
32(b), (c)	File application for waiver, suspension, or reduction and required documentation.	80	1 application	80
33; 41(c)	Submit surety or personal bond.	Burden covered under 1010-0081.		0
Subtotal			2 Responses	240 Hours
			\$50 non-Hour Cost Burden	
Subpart E – Termination of Leases				
46	File written request for relinquishment.	40	1 Response	40 Hours
TOTAL BURDEN			12 Responses	1,264 Hours
			\$50 Non-Hour Cost Burden	

* In the future, BOEM may require electronic filing of certain submissions.

(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 the Federal Government.”

The average respondent cost is \$82/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	5%	\$1
Management***	13	\$64	\$90	65%	\$59
Financial Mgr/Officer	All Workers	\$52	\$73	25%	\$18
Lawyer	All Workers	\$53	\$74	5%	\$4
Weighted Average (\$/hour)					\$82

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

** A multiplier of 1.4 (as implied by BLS news release USDL 14-0390, March 12, 2014 (see <http://www.bls.gov/news.release/ecec.nr0.htm>)) was added for benefits.

*** Management BLS position is closest to Regulatory Specialist.

We estimate the total annual burden is 1,264 reporting and recordkeeping hours. Based on a cost factor of \$82 per hour, we estimate the hour burden as a dollar equivalent is \$103,648 (\$82 x 1,264 hours = \$103,648).

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.

Pursuant to § 581.41, respondents would pay a \$50 application fee for approval of any instrument required to be filed, or for any non-required filing as well (see burden table in section A.12). We have identified no other non-hour cost burdens for 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 cost to the Federal government is \$69/hour. This cost is broken out in the below table using the 2014 Office of Personnel Management pay schedule for the Washington, DC metro area.

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	\$23	\$35	15%	\$5
Physical Scientist or Program Analyst	GS-13/5	\$49	\$74	80%	\$59
Supv. Physical Scientist	GS-15/5	\$68	\$102	5%	\$5
Weighted Average (\$/hour)					\$69

* A multiplier of 1.5 (as implied by BLS news release USDL 14-0390, March 12, 2014 (see <http://www.bls.gov/news.release/ecec.nr0.htm>)) was added for benefits.

To analyze and review the information, the Government spends an average of ½ hour for each hour spent by respondents. The total estimated Government time is 632 hours. Based on a cost factor of \$69 per hour, the total annual estimated burden on the Government is \$43,608 (1,264 hours x ½ hour = 632 hours x \$69 = \$43,608).

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

The current OMB inventory includes 1,248 annual burden hours for the collection of information in 30 CFR 581. This submission requests a total of 1,264 hours. We made a program increase of 16 hours for a requirement that was previously overlooked (§ 581.9). There are no active respondents so the hour burden estimates for the remaining requirements are the same as the last submission.

The current OMB non-hour cost burden inventory is \$50 for respondents to file a required and/or non-required document under § 581.41 and remains the same.

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.

BOEM 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.

BOEM will display the OMB control number and approval expiration date.

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.