

Supporting Statement A
Leasing of Sulfur or Oil and Gas in the Outer Continental Shelf
(Final Rulemaking 1010-AD06)

30 CFR Part 550
(Form BOEM-2030)

30 CFR Part 556
(Forms BOEM-0150, BOEM-0151, BOEM-0152, BOEM-2028, and BOEM-2028A)

30 CFR Part 560

Terms of Clearance: Prior to publication of the final rule, the agency must submit to OMB a summary of all comments related to the information collection contained in the proposed rule and the agency response. The agency should clearly indicate any changes made to the information collection as a result of these comments. **Response:** Comments affecting information collection are addressed in No. 8.

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

A. Justification

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

The Outer Continental Shelf (OCS) Lands Act, as amended (43 U.S.C. 1331 *et seq.* and 43 U.S.C. 1801 *et seq.*), authorizes the Secretary of the Interior (Secretary) to prescribe rules and regulations to administer leasing of the OCS. Such rules and regulations will apply to all operations conducted under a lease. Operations on the OCS must preserve, protect, and develop oil and natural gas resources in a manner that is consistent with the need to make such resources available to meet the Nation’s energy needs as rapidly as possible; to balance orderly energy resource development with protection of human, marine, and coastal environments; and to preserve and maintain free enterprise competition. Also, the Energy Policy and Conservation Act of 1975 (EPCA) prohibits certain lease bidding arrangements (42 U.S.C. 6213(c)).

The Independent Offices Appropriations Act (31 U.S.C. 9701), the Omnibus Appropriations Bill (P.L. 104-133, 110 Stat. 1321, April 26, 1996), and OMB Circular A-25, authorize Federal agencies to recover the full cost of services that provide special benefits. Under the Department of the Interior's policy implementing this Act, the Bureau of Ocean Energy Management (BOEM) is required to charge the full cost for services that provide special benefits or privileges to an identifiable non-Federal recipient above and beyond those that accrue to the public at large. Instruments of transfer of a lease or

interest are subject to cost recovery, and BOEM regulations specify the filing fee for these transfer applications.

These authorities and responsibilities are among those delegated to BOEM under which we issue regulations governing oil and gas and sulphur operations in the OCS. This information collection request (ICR) addresses the BOEM leasing and bonding regulations at 30 CFR 556, Leasing of Sulfur or Oil and Gas in the OCS; 30 CFR 550, Subpart J, Pipelines and Pipeline Rights-of-Way (bonding); 30 CFR 560, Outer Continental Shelf Oil and Gas Leasing; and the associated supplementary Notices to Lessees and Operators (NTLs) intended to provide clarification, description, or explanation of these regulations.

On May 27, 2009, (74 FR 25177), BOEM (then the Minerals Management Service—MMS) published a notice of proposed rulemaking. The BOEM is now ready to publish the final rulemaking, and this submission requests approval of the IC requirements for the final rule and addresses the terms of clearance. The rule revises the current information collection (IC) for 30 CFR 556 and 30 CFR 550, Subpart J, and 30 CFR 560 (1010-0006) and refers to, but does not change, current requirements and burdens already approved under 30 CFR 550, Subpart A (1010-0114).

Between the proposed and the final rules, several actions occurred that affected the information collection for this rulemaking.

- The MMS was reorganized, per Secretarial Orders 3302 and 3299, resulting in a realignment of the leasing regulations to BOEM under 30 CFR Chapter 5 (e.g., 30 CFR Part 256 is now 30 CFR Part 556).
- The IC burden for 30 CFR 550, Subpart J, bonding requirements for pipelines and pipeline rights-of-way, was consolidated into the collection being revised for this rulemaking for 30 CFR 556 (1010-0006) due to the regulations realignment. The consolidation was approved by OMB on 11/14/2011.
- The proposed rule included a total rewrite of 30 CFR 556; however, the final rule does not make substantive revisions to the regulations for general and supplemental bonding in current Part 556 (Subpart I). After the proposed rule was published, questions arose about possible inconsistencies between the revised bonding regulations and current regulations for oil-spill financial responsibility under 30 CFR 553. Therefore, current regulations and associated IC burden for 30 CFR 550, Subpart I, will remain in effect, but the sections are renumbered to fit within the numbering scheme of this rule (e.g., current § 556.52 is now § 556.900). Subpart I will be revised in a separate rulemaking.
- In the final rule, BOEM rearranged discussions to make the regulations easier to read and follow. Thus, all rule sections and citations have been renumbered from the proposed rule, as explained in the preamble of the final rule.
- The collection for current 30 CFR Part 556 regulations (1010-0006) was renewed by OMB, thereby updating burden hours based on public outreach. We are therefore using those updated estimates where relevant instead of those used in the proposed rulemaking.

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.

30 CFR 556

BOEM uses the information required by these regulations to determine if applicants are qualified to hold leases in the OCS. Specifically, BOEM uses the information to:

- Verify the qualifications of a bidder on an OCS lease sale. Once the required information is filed with BOEM, a qualification number is assigned to the bidder so that duplicate information is not required on subsequent filings.
- Develop the semiannual List of Restricted Joint Bidders. This identifies parties ineligible to bid jointly with each other on OCS lease sales, under limitations established by the Energy Policy and Conservation Act.
- Ensure the qualification of assignees and track operators on leaseholds. Once a lease is awarded, the transfer of a lessee's interest to another qualified party must be approved by a BOEM Regional Director or Regional Supervisor. Also, a lessee may designate an operator to act on the lessee's behalf. This designation must be approved by BOEM before the designated operator may begin operations.
- Document that a leasehold or geographical subdivision has been surrendered by the record title holder.
- Update the corporate database to determine what leases are available for a lease sale and the ownership of all OCS leases. Non-proprietary information is also publicly available from BOEM corporate database via the internet.
- Track the ownership of leases as to record title, operating rights, and pipeline right-of-ways.

BOEM also uses various forms relating to this information collection. The forms allow lessees to submit the required information in a standardized format that helps BOEM process the data more timely and efficiently.

Form BOEM-0150 – Assignment of Record Title Interest in Federal OCS Oil and Gas Lease

Form BOEM-0151 – Assignment of Operating Rights Interest in Federal OCS Oil and Gas Lease

BOEM supplies to the respondent the same instruction sheet for these two forms. It is important for respondents to follow the instruction sheet guidelines so that they provide all the pertinent information to BOEM. If all pertinent information is not provided, the assignment may not be approved. These forms ask the lessee to fill in:

Part A – Assignment

- the lease number
- the lease effective date
- the legal description of land/area being assigned (for BOEM Form BOEM-0150) or legal description of the operating rights assigned (for BOEM Form BOEM-0151)
- the company name and number of each assignor and assignee,
- the percentage interest conveyed for each assignor and assignee, and
- the percentage interest received for each assignor and assignee.

Part B – Certification and Acceptance

- the effective date of the assignment,
- the company name and number of each assignor and assignee,
- the name and title of each signatory for each assignor and assignee, and
- the execution date of each signature.

BOEM has a brief statement on each form explaining that once this form is filed, the lessee has executed their assignment in the lease. BOEM then signs and dates the form if it has been approved.

Under Subpart K, Ending a Lease, this information will be used to track the lease status as to ownership and whether the lease has been relinquished and available for the next lease sale. A company may relinquish a lease when a company determines that it no longer wishes to hold an interest in same. Lease ownership and status information are extremely important to the oil and gas industry as they strategize long-range planning for oil and gas development and the sharing of the expense and liabilities of OCS offshore drilling and development.

Form BOEM-0152 – Relinquishment of Federal OCS Oil and Gas Lease Form

The form asks the respondent for:

- a legal description of the lease/officially designated subdivision being relinquished,
- company name and number of each lessee,
- name and title of each signatory for each lessee, and
- execution date of each signature.

BOEM has a brief statement on the form explaining that once this form is filed, the lessee has relinquished their interest in the lease. When the form has been filed in the appropriate BOEM office, it will become effective on that date, if it is deemed acceptable.

Form BOEM-2028 – Outer Continental Shelf (OCS) Minerals Lessee’s and Operator’s Bond

Form BOEM 2028A – Outer Continental Shelf (OCS) Mineral Lessee’s and Operator’s Supplemental Plugging and Abandonment Bond

BOEM uses the two forms to hold the surety libel for the obligations and liability of the principal/lessee or operator. These forms ask the respondent for:

- the surety company information,
- the principal’s name and address for whom the bond is issued,
- the areas and leases covered by the bond,
- what obligations the surety accepts, and
- principal and surety signature information and witnessed.

30 CFR 550, Subpart J

Form BOEM 2030 – Outer Continental Shelf (OCS) Pipeline Right-of-Way Grant Bond

BOEM uses the information collected under this subpart to ensure compliance of Federal regulations by the surety and ROW holder guaranteeing that funds be made available to complete existing and future obligations. The form consists of either fill in the blanks or check boxes concerning:

- information relating to the bond, area, additional security, and amount,
- general information relating to the surety,
- general information relating to the principal ROW holder/operator of the bond,
- area(s) covered by the bond and/or additional security,

- obligation requirements, and
- specific signing requirements and supporting information.

30 CFR 560

This part establishes the bidding systems BOEM uses to offer and sell Federal leases for the exploration, development, and production of oil and gas resources on the OCS. In the final rule, BOEM is allowing for the submission of financial assurance data electronically, which will contribute to streamlining the bonding process and facilitate a more efficient transfer of data and information.

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 required information is unique to each situation, and BOEM will be phasing in a system in the future to allow electronic filing of lessee qualification information, lease assignments, and relinquishments, etc. To facilitate this, the rulemaking is providing a provision for companies to submit company documentation once to establish the legal status of all future electronic company submissions. Also, Part 560 is allowing for the eventual electronic submission of all financial assurance data, which will streamline data submission and reduce burden in the future.

Because of the small number of responses the Pacific Region receives, the Region is currently able to collect about 85 percent of its information electronically by email. Because the Gulf of Mexico (GOM) Region receives the majority of responses, we expect that the electronic submission systems will reduce the burden for future renewals of this collection of information.

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.

No similar information pertaining to leasing and bonding in the OCS is collected by the Department of the Interior or other Federal agencies. Qualification and application files are maintained in regional offices to avoid duplicative information collection from respondents who have already filed evidence of their qualifications.

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

This collection of information may 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. Any direct effects primarily impact the OCS lessees and operators. Many of these OCS lessees and operators have less than 500 employees and are considered small businesses as defined by the Small Business Administration. Regulations require adequate bonding coverage and protection of the environmental resources; therefore, the hour burden on any small entity subject to these regulations cannot be reduced to accommodate them, and the potential benefit of obtaining and retaining a lease outweighs the burden.

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 BOEM did not collect the information, we could not carry out the mandates of the OCS Lands Act and the Energy Policy and Conservation Act. In the case of information regarding the individual sale proposals, the time lapse between actions is sufficient for circumstances to change and for new data to become applicable. We request qualification papers only in conjunction with a scheduled sale. Corporate information must be up-to-date for each action for BOEM to determine the qualification of bidders. Information is not available to use in lieu of that supplied for each action. Information pertaining to the initiation of sales is requested annually in the central and western Gulf of Mexico planning areas and every 2 to 5 years in the other regional planning areas. If BOEM collected the information less frequently, the OCS leasing program would not be able to adequately provide for the interests of potential lessees and of other users of the OCS.

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;

Section 556.516 requires bidders to respond within 15 days of BOEM's notification of tie bids to either agree to accept the lease jointly or determine the lessee. Section 556.520(c) requires the return of an executed lease, bond, and forms within 11 days of receipt of the lease document. BOEM needs this information within these timeframes to ensure the lease is properly awarded or, if not, to award the lease to the next higher bidder while the bid deposits are still being held by BOEM.

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

Sections 556.701; 706-708; 801-804; and 1101 require 2-3 originals when transferring rights of lease interest because each contracting party and the agent involved in a legal transaction require an original of the transaction.

(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 1320.11, BOEM provided the 60-day review and comment process through the proposed rule published in the *Federal Register* on May 27, 2009 (74 FR 25177). Also, 30 CFR 556.104 and the Paperwork Reduction Act statement on BOEM forms explain that BOEM will accept comments at any time on the information collection requirements and burdens. We display the OMB control numbers and provide the address for sending comments to BOEM.

In response to the proposed rule, BOEM received comments from the American Petroleum Institute, Shell, Chevron, Anglo Suisse, and two private citizens. Comments that addressed aspects of the information collection (IC) for this rulemaking are summarized below. The preamble of the final rule provides a discussion of all the comments.

For proposed rule section 256.404, one company indicated that it is burdensome to submit merger or name change information and that BOEM can find the information from the Secretary of State in most States. In the final rule, BOEM is retaining the requirement to address the problems that the Bureau has had in the past with name/merger changes of which BOEM is not timely informed. It is not practical for BOEM to monitor all filings with the Secretary of each State in the United States. However, as a result, BOEM replaced the need for immediate filing with as soon as practical in § 556.405. No change in the burden resulted.

For proposed rule sections 256.619 and 620, one company questioned submitting commercial agreements regarding restricted bidders because of the information's sensitivity. In the final rule (§ 556.714), BOEM provided an option for both parties to submit a description of the timing and nature of the agreement instead, as well as a provision to request confidentiality. No change in the hour burden

resulted. However, because of the comment, BOEM added a general provision to the Part (§ 556.104(b)) to protect proprietary information (+ 125 hours) program.

Other Changes in the IC between the proposed and final rules:

- The proposed rule included text for decommissioning costs in 30 CFR 250, Subpart Q and § 256.621 concerning reports about lease-term pipelines. Due to the realignment of regulations and bureau responsibilities, BOEM is removing these requirements in the final rule as they will be addressed in future Bureau of Safety and Environmental Enforcement (BSEE) regulations (-820 hours for removing Subpart Q and -1,500 hours for removing § 256.621 from the proposed rulemaking).
- The final rule also removed the provisions under proposed rule §§ 256.902(a) and 905 for requesting/transferring a bonus or royalty credit because the program has officially ended (-2 hours from current collection).
- BOEM also divided the IC requirements for responding to the 5-Year Program and Calls for Information, etc. (§§ 556.201-204 and §§ 556.301; 302) into general (not considered IC per the PRA) and specific in accordance with the currently approved collection for Part 556 (+ 596 hours hours). Where applicable, all estimates were updated according to the recent OMB-approved renewal of the 30 CFR Part 556 collection.
- BOEM also included the burden for a requirement that was overlooked in the proposed rule (§ 256.100, now § 556.302(d)) for requesting a summary of interest on Calls for Information (+ 5 hours).
- The proposed rule (§ 256.620) introduced a new cost recovery fee (\$27) for filing required documents for record purposes. In the final rule (§ 556.715(a)), the fee has been increased per inflation to \$29 in accordance with inflation changes BOEM made to other such fees in 2013 (78 FR 5837).
- To make the regulations easier to follow, in the final rule BOEM split the discussion (requirements and associated fee) on assignment/transfer of record title and operating rights interests (30 CFR 256, Subpart G, in the proposed rule) into two subparts (30 CFR 556 Subparts G and H). With this reorganization, BOEM discovered that it did not properly count the number of submissions for transfers of operating rights; therefore, in the final rule, BOEM is reporting an adjustment increase for such transfers of record title/operating rights (+ 421 hours; + \$83,358).

In addition, to streamline activities, reduce the burden in the future, and assist respondents, the final rule includes:

- A clarification of the proposed rule (§ 256.11) and current regulations (§ 556.62), which explain how a record title, or other lease, interest may be transferred but do not mention the need to file a new Designation of Operator form (BOEM-1123, 30 CFR 550, Subpart A) when such need arises. This clarification (§§701(c); 715(b); 801(b); 810(b)) will result in a one-time increase in the number of submissions after the rule becomes effective (+ 80 hours); otherwise the requirement is covered under OMB Control No. 1010-0114.
- A clarification that geophysical statements and maps are included with bid submissions (§§ 556.500; 501). This requirement and its hour burden have always been part of the bid process but not specifically stated (no change in hour burden).
- A provision to allow companies to submit documentation, such as seals, only once to establish legal status of future submissions (§§ 556.107) (+ 67 hours) as a one-time burden but expected

to reduce the net burden for companies in the future.

- An expansion of a provision from the proposed rule (§ 256.503(c)) to allow implementation of electronic submission systems (e.g., bonding) (§§ 556.107; 560.500) (+ 800 hours as a one-time increase to allow companies to adjust their processes; however, we expect this provision to reduce the hour burden of each affected requirement in the future).

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

BOEM will not provide 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.

BOEM will protect specific individual responses from disclosure as proprietary information according to section 26 of the OCS Lands Act; the Freedom of Information Act (5 U.S.C. 552) and its implementing regulations (43 CFR part 2); 30 CFR 556.100(b); 30 CFR 560; and § 550.197, Data and information to be made available to the public or for limited inspection.

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 questions of a sensitive nature.

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 comprise Federal oil and gas or sulphur lessees and/or operators. Not all of the potential respondents will submit information in any given year and some may submit multiple times. Responses are required to obtain/retain a benefit or are mandatory. The frequency of response is mostly on occasion. We estimate the total annual burden is 19,454 hours. Refer to the table below for a breakdown of the burden.

Burden Breakdown Table

[Italics show expansion of existing requirements; bold indicates new requirements;

regular font shows current requirements. Where applicable, updated estimates from the current collection are being used instead of those in the proposed rulemaking.]

30 CFR 556 and NTLs	Reporting Requirement*	Hour Burden	Average No. of Annual Responses	Annual Burden Hours
		Non-Hour Cost Burdens		
Subpart A				
104(b) New	Submit confidentiality agreement.	0.25	500	125
106	Cost recovery/service fees; confirmation receipt.	Cost recovery/service fees and associated documentation are covered under individual reqts. throughout part.		0
107 New	Submit required documentation electronically through BOEM-approved system; comply with filing specifications, as directed by notice in the <i>Federal Register</i> in accordance with 560.500.	Burden covered in 560.500.		0
107 New	File seals, documents, statements, signatures, etc., to establish legal status of all future submissions (paper and/or electronic).	10 min.	400	67
Subtotal			900	192
Subpart B				
201-204	Submit nominations, suggestions, general comments in response to Request for Information/Comments, proposed 5-year leasing program, etc., including information from States/local governments, Federal agencies, industry, and others.	Not considered IC as defined in 5 CFR 1320.3(h)(4).		0
201-204	Submit nominations & specific information requested in response to Request for Information/Comments, proposed 5-year leasing program, etc., including from States/local governments, Federal agencies, industry, and others.	4	69	276
Subtotal			69	276
Subpart C				
301; 302	Submit response & specific information requested in Requests for Industry Interest and Calls for Information and Nominations, etc., on areas proposed for leasing; including information from States/local governments.	4	20 responses/sale x 2 sales/call x 2 calls/year = 80	320
302(d) New	Request summary of interest (nonproprietary information) for Calls for Information/Requests for Interest, etc.	1	5	5
305; 306	States or local governments submit comments, recommendations, other responses on size, timing, or location of proposed lease sale. Request extension; enter agreement.	4	25	100
Subtotal			110	425
Subpart D				
400-402; 405	Establish file for qualification; submit evidence/certification for lessee/bidder qualifications. Provide updates; obtain BOEM approval & qualification number.	2	107	214
403(c)	Request hearing on disqualification.	Requirement not considered IC under 5 CFR 1320.3(h)(9).		0
403; 404 New	Notify BOEM if you or your principals are excluded, disqualified, or convicted of a crime—Federal non-procurement debarment and suspension requirements; request exception; enter transaction.	1.5	50	75
405	Notify BOEM of all mergers, name changes, or change of business.	Requirement not considered IC under 5 CFR 1320.3(h)(1).		0
Subtotal			157	289
Subpart E				
500; 501	Submit bids, deposits, and required information, including GDIS & maps; in manner specified. Make data available to BOEM.	5	2,000	10,000

500(e); 517	Request reconsideration of bid decision.	Requirement not considered IC under 5 CFR 1320.3(h)(9).		0
501(e) New	Apply for reimbursement.	Burden covered in 1010-0048, 30 CFR 551.		0
511(b); 517	Submit appeal due to restricted joint bidders list; appeal bid decision.	Requirement not considered IC under 5 CFR 1320.3(h)(9).		0
513; 514	File statement and detailed report of production. Make documents available to BOEM.	2	100	200
515	Request exemption from bidding restrictions; submit appropriate information.	Requirement not considered IC under 5 CFR 1320.3(h)(9).		0
516	Notify BOEM of tie bid decision; file agreement on determination of lessee.	3.5	2	7
520; 521; 600(c)	Execute lease (includes submission of evidence of authorized agent/completion and request effective date of lease); submit required data and rental.	1	852	852
520(b) New	Provide acceptable bond for payment of a deferred bonus. (We do not expect this to occur, hence minimum burden).	0.25	1	1
		Subtotal	2,955	11,060
Subparts F, G, H				
Subpart F, G, H	References to requests of approval for various operations or submit plans or applications. Burden included with other approved collections for BOEM 30 CFR 550 (Subpart A 1010-0114; Subpart B 1010-0151) and for BSEE 30 CFR 250 (Subpart A 1014-0022; Subpart D 1014-0018).			0
701(c); 716(b); 801(b); 810(b) New	Submit new designation of operator (BOEM-1123). <i>One-time increase to existing requirements and burdens already covered in 1010-0114. Extra burden will be deleted in next renewal. No fee.</i>	0.5	160	80
700-716	File application and required information for assignment/transfer of record title/lease interest (form BOEM-0150; form is 30 min.) (includes sell, sublease, sever, exchange, transfer); request effective date/confidentiality; provide notifications.	1	1,414	1,414
		\$198 fee x 1,414 forms = \$279,972		
800-810	File application and required information for assignment/transfer of operating interest (form BOEM-0151; form is 30 min.) (includes sell, sublease, sever exchange, transfer); request effective date; provide notifications.	1	421	421
		\$198 fee x 421 forms = \$83,358		
715(a); 808(a) New Fee	File required instruments creating or transferring working interests, etc., for record purposes.	1	2,369	2,369
		\$29 fee x 2,369 filings = \$68,701		
715(b); 808(b)	Submit "non-required" documents, for record purposes that respondents want BOEM to file with the lease document. (Accepted on behalf of lessees as a service; BOEM does not require nor need them.)	Accepted as a service.	11,518	0
		\$29 fee x 11,518 filings = \$334,022		
		Subtotal	15,882	4,284
		\$766,053		
Subpart I				
900(a)-(e); 901; 902; 903(a)	Submit OCS Mineral Lessee's and Operator's Bond (Form BOEM-2028); execute bond.	0.33	135	45
900(c), (d), (f), (g); 901(c), (d), (f); 902(e)	Demonstrate financial worth/ability to carry out present and future financial obligations, request approval of another form of security, or request reduction in amount of supplemental bond required on BOEM-approved forms. Monitor and submit required information.	3.5	166	581
900(e); 901; 902; 903(a)	Submit OCS Mineral Lessee's and Operator's Supplemental Plugging & Abandonment Bond (Form BOEM-2028A); execute bond.	0.25	141	35
900(f), (g)	Submit authority for Regional Director to sell Treasury or alternate type of securities.	2	12	24
901	Submit EP, DPP, DOCs.	IC burden covered in 1010-0151, 30 CFR 550, Subpart B.		0
901(f)	Submit oral/written comment on adjusted bond amount and information.	Requirement not considered IC under 5 CFR 1320.3(h)(9).		0

903(b)	Notify BOEM of any lapse in previous bond/action filed alleging lessee, surety, or guarantor is insolvent or bankrupt.	1	4	4
904	Provide plan/instructions to fund lease-specific abandonment account and related information; request approval to withdraw funds.	12	2	24
905	Provide third-party guarantee, indemnity agreement, financial and required information, related notices, reports, and annual update; notify BOEM if guarantor becomes unqualified.	19	46	874
905(d)(3); 906	Provide notice of and request approval to terminate period of liability, cancel bond, or other security; provide required information.	0.5	378	189
907(c)(2)	Provide information to demonstrate lease will be brought into compliance.	16	5	80
Subtotal			889	1,856
Subpart K				
1101	Request relinquishment (form BOEM-0152) of lease; submit required information.	1	247	247
1102	Request additional time to bring lease into compliance.	1	1	1
1102(c)	Comment on cancellation.	Requirement not considered IC under 5 CFR 1320.3(h)(9).		0
Subtotal			248	248
30 CFR 556 TOTAL			21,210 Responses	18,630 Hours
30 CFR 556 TOTAL			\$766,053 Non-Hour Cost Burdens	
30 CFR 550 Subpart J	Reporting Requirement*	Hour Burden	Average No. of Annual Responses	Annual Burden Hours
550.1011(a)	Provide surety bond (form BOEM-2030) and required information.	GOM 0.25	52	13
		Pacific 3.5	3	11
30 CFR 550, Subpart J, TOTAL			55 Responses	24 Hours
30 CFR 560	Reporting Requirement*	Hour Burden	Average No. of Annual Responses	Annual Burden Hours
560.224(a)	Request BOEM to reconsider field assignment of a lease.	Requirement not considered IC under under 5 CFR 1320.3(h)(9)		0
560.500 New	Submit required documentation electronically through BOEM-approved system; comply with filing specifications, as directed by notice in the <i>Federal Register</i> (e.g., bonding info.).	1	800	800
30 CFR 560 TOTAL			800 Responses	800 Hours
TOTAL REPORTING FOR COLLECTION			22,065 Responses	19,454 Hours
TOTAL REPORTING FOR COLLECTION			\$766,053 Non-Hour Cost Burdens	

*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.”

Because many of the requirements submitted to BOEM require the signatures of a company’s President, Vice President, etc., along with those of witnesses for surety guarantees, we have used \$138 per hour for such based on our experience of industry’s salary for company Presidents. With the implementation of provisions in §§ 556.107; 560.500 to submit seals and signatures only once, we expect this industry cost

to decrease over time.

Therefore, the average respondent cost is \$90/hour (rounded). This cost is broken out in the below table using the Bureau of Labor Statistics data for the Houston, TX area; plus, the hourly pay rate obtained directly from the respondents. See BLS website: <http://www.bls.gov/bls/wages.htm>.

Position	Level	Hourly Pay rate (\$/hour * estimate/rounded)	Hourly rate including benefits (1.4** x \$/hour/rounded)	Percent of time spent on collection	Weighted Average (\$/hour)
Administrative	7	\$29	\$41	5%	\$2
Risk Analyst***	13	\$50	\$70	30%	\$21
Lease Analyst***	13	\$65	\$91	50%	\$46
Land/Risk Manager***	15	\$77	\$108	10%	\$11
President/Vice President		\$138	\$193	5%	\$10
Weighted Average (\$/hour)					\$90

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

** A multiplier of 1.4 was added for benefits (as implied by BLS news release USDL 14-1673, Sept. 10, 2014 (see <http://www.bls.gov/news.release/ecec.nr0.htm>)).

*** Hourly pay rate/title obtained directly from respondents.

Based on a cost factor of \$90 per hour, we estimate the total annual cost to industry is \$1,750,860 (\$90 x 19,454 hours = \$1,750,860).

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.

Sections 556.701; 715(b); and 801(b) require respondents to pay service fees when submitting a request for assignment of record title interest, assignment of operating rights interest, and to file non-required documents for record purposes. The service fees are required to recover the Federal Government's processing costs. The proposed rule (§256.620) added a new fee (\$27) for filing required documents for record purposes. In the final rule (§§ 556.715(a); 556.808(a)), this fee has been adjusted for inflation to (\$29); as have all the service fees effective February 2, 2013 (78 FR 5836, 1/28/13). We have not identified any other non-hour cost burdens associated with this collection of information, and we estimate a total reporting non-hour cost burden of \$766,053. Refer to the table in Section A.12 of this supporting statement for the specific fee breakdown.

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 \$42/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 area. To analyze and review the information respondents submit for 30 CFR 556, Part 550 Subpart J, and Part 560, we estimate the Government will spend an average of approximately 1.4 hours for each hour spent by respondents. The total estimated Government time is 27,236 (rounded) (1.4 x 19,454 = 27,236) hours.

Position	Grade	Hourly Pay rate (\$/hour estimate/rounded)	Hourly rate including benefits (1.5* x \$/hour/rounded)	Percent of time spent on collection	Weighted Average (\$/hour)
Contact Representative	GS-6/5	\$19	\$29	10%	\$3
Adjudication Asst(s)	GS-7/5	\$21	\$32	20%	\$6
Program Specialist	GS-12/5	\$38	\$57	5%	\$3
Mineral Leasing Asst(s)	GS-9/5	\$26	\$39	20%	\$8
Land Law Examiner(s)	GS-11/5	\$31	\$47	40%	\$19
Supervisor	GS-13/5	\$45	\$68	5%	\$3
Weighted Average (\$/hour)					\$42

*A multiplier of 1.5 was added for benefits (as implied by BLS news release USDL 14-1673, Sept. 10, 2014 (see <http://www.bls.gov/news.release/ecec.nr0.htm>)).

Based on a cost factor of \$42 per hour, the cost to the government would be \$1,143,912 (19,454 hours x 1.4 = 27,236 (rounded) hours x \$42 = \$1,143,912).

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

(a) Hour Burden: The currently approved OMB inventory for these regulations is 17,882 burden hours. This submission requests a total of 19,454. The net program increase of 1,151 hours is attributed to new requirements in the rulemaking identified as such in the table in No. 12, with a program decrease of 2 hours due to eliminating the bonus bid requirements, which are obsolete. There is also an adjustment increase of 421 hours due to better estimating the number of submissions for transfers of record title and operating rights (§§ 556.700-716 and 801-810).

(b) Non-Hour Cost Burdens: The currently approved OMB inventory is \$613,994. This submission

requests a total of \$766,053 as a result of a program increase of \$68,701 for a new fee in §§ 556.715 and 808 and an adjustment increase of \$83,358 due to better estimating the number of submissions for transfers of record title and operating rights (§§ 556.700-716 and 801-810).

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.

Not applicable.

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.”