

Supporting Statement A
30 CFR 550, Subpart A, General, and Subpart K, Oil and Gas Production Requirements
Forms BOEM-0127, BOEM-0140, BOEM-1123, and BOEM-1832
OMB Control Number 1010-0114
Current Expiration Date: 12/31/2016

Terms of Clearance: None

General Instructions

A Supporting Statement, including the text of the notice to the public required by 5 CFR 1320.5(a)(i) (iv) and its actual or estimated date of publication in the Federal Register, 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 in Section A below. If an item is not applicable, provide a brief explanation. When statistical methods are employed, Section B of the Supporting Statement must be completed. The 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 to administer the leasing of the mineral resources of the OCS. Such rules and regulations apply to all operations conducted under a lease, right-of-use and easement, or pipeline right-of-way. Operations on the OCS must preserve, protect, and develop oil and natural gas resources in a manner consistent with the need to make such resources available to meet the Nation's energy needs as rapidly as possible; balance orderly energy resource development with protection of human, marine, and coastal environments; ensure the public a fair market value on the resources of the OCS; and preserve and maintain free enterprise competition. Section 3 of the OCS Lands Act (43 U.S.C. 1332(6)) states that "operations in the [O]uter Continental Shelf should be conducted in a safe manner by well trained personnel using technology, precautions, and other techniques sufficient to prevent or minimize the ... loss of well control ... physical obstruction to other users of the waters or subsoil and seabed, or other occurrences which may cause damage to the environment or to property, or endanger life or health." This authority and responsibility have been delegated to Bureau of Ocean Energy Management (BOEM).

Subsection 5(a)(2) of the OCS Lands Act (43 U.S.C. 1334 (a)(2)) sets forth the circumstances under which a lease can be cancelled to avoid harm or damage and also explains that a lease cancellation might entitle the former lessee to compensation, and how the amount of that compensation will be determined.

Subsection 26(a)(1)(C) of the OCS Lands Act (43 U.S.C. 1352(a)(1)(C)) requires that certain costs be reimbursed to the parties submitting required geological and geophysical (G&G) information and data. Under the Act, permittees are to be reimbursed for the costs of reproducing any G&G data required to be submitted. Permittees are to be reimbursed also for the reasonable cost of processing geophysical

information required to be submitted when processing is in a form or manner required by the Director and is not used in the normal conduct of the business of the permittee.

The Independent Offices Appropriations Act (31 U.S.C. 9701), the Omnibus Appropriations Bill (Pub. 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 confer special benefits. Under the Department of the Interior's implementing policy, BOEM is required to charge fees 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. Several requests for approval required in Subpart A are subject to cost recovery, and BOEM regulations specify service fees for these requests.

This ICR covers 30 CFR 550, Subpart A, General, and Subpart K, Oil and Gas Production Requirements, that deal with general regulatory requirements of oil, gas, and sulphur operations on the OCS.

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 BOEM uses the information collected under Subpart A and K regulations to ensure that operations on the OCS are carried out in a safe and environmentally sound manner, do not interfere with the rights of other users on the OCS, and balance the protection and development of OCS resources. Specifically, we use the information collected to:

- Determine the capability of a well to produce oil or gas in paying quantities or to determine the possible need for additional wells resulting in minimum royalty status on a lease. If a well does not yield hydrocarbons in sufficient quantity to warrant continued operation and production, BOEM uses the information to verify the claim and to release the lessee from lease obligations. Conversely, the information is used to extend the term of the lease if additional wells will warrant continued operation and production.
- Provide lessees/operators greater flexibility to comply with regulatory requirements through approval of alternative equipment or procedures and departures to regulations if they demonstrate equal or better compliance with the appropriate performance standards.
- Ensure that subsurface storage of natural gas does not unduly interfere with development and production operations under existing leases.
- Record the designation of an operator authorized to act on behalf of the lessees or operating rights owners and fulfill the lessee's and operating rights owner's obligations under the OCS Lands Act, the lease, and regulations or record the local agent empowered to receive notices and comply with regulatory orders issued (Form BOEM-1123, Designation of Operator). This form requires the lessees or operating rights owners to submit general information such as lease number, name, address, company number of designated operator, and signature of the designated operator and authorized lessee.

To assist operators in filling out the form, BOEM has developed instructions to clarify data entries. The instructions are intended to reduce or eliminate the number of form revisions and operator inquiries.

- Determine if an application for right-of-use and easement complies with the OCS Lands Act, other applicable laws, and BOEM regulations; and does not unreasonably interfere with the operations of any other lessee.
- Provide for expeditious and orderly development of the OCS in an environmentally safe manner and that meets the energy needs of the Nation.
- Provide for the disqualification of lessees/operators for unacceptable performance.
- Process requests to cancel leases and ascertain if/when the Secretary may cancel leases.
- Ensure the protection of any discovered archaeological resources.
- Ensure that the production rate of the reservoir is not affecting ultimate recovery (BOEM-0127, Sensitive Reservoir Information Report). Form BOEM-0127, Sensitive Reservoir Information Report, is used to regulate production rates from sensitive reservoirs. BOEM engineers and geologists use the information for rate control and reservoir studies. The form requests general information about the reservoir and the company, volumetric data, and fluid analysis and production data. Structure maps, isopach maps, and well log sections are provided with the form. The form is updated annually and reflects current reservoir conditions. The data on Form BOEM-0127, along with production, well test, pressure, and other reservoir data are analyzed to determine if the operator is producing the reservoir in an optimal and prudent manner. The information is used by engineers and geoscientists for reservoir studies.

To assist operators in filling out the form, BOEM includes instructions to clarify data entries. The instructions are intended to reduce or eliminate the number of form revisions and operator inquiries.

- Form BOEM-0140, Bottomhole Pressure Survey Report, is used to manage reservoirs in our efforts to conserve natural resources, prevent waste, and protect correlative rights, including the Government's royalty interest. Specifically, BOEM uses the information in reservoir evaluations to determine maximum production and efficiency rates and to review applications for downhole commingling to ensure that action does not harm ultimate recovery or undervalued royalties. The form requests information about the well and operator; test data information such as shut-in time, bottomhole temperature, kelly bushing elevation; and bottomhole pressure points that consist of measured depth(s), true vertical depth(s), pressure(s), and pressure gradient(s). To assist operators in filling out the form, BOEM includes instructions to clarify data entries. The instructions are intended to reduce or eliminate the number of form revisions and operator inquiries.
- Form BOEM-1123, Designation of Operator, records the designation of an operator authorized to act on behalf of the lessee/operating rights owner and to fulfill their obligations under the OCS Lands Act and implementing regulations, or to record the local agent empowered to receive notices and comply with regulatory orders issued. This form requires the respondent to submit general information such as lease number, name, address, company number of designated operator, and signature of the authorized lessee. With this renewal, BOEM will add a signature

line on the form to allow for the signature of the company designated as the operator. Also, the instructions for completing form BOEM-1123 were modified by deleting specific references to the Gulf of Mexico region. BOEM would like to require the form to be completed in the same way for all regions.

- Form BOEM-1832, Notification of Incidents of Non-Compliance (INC), is used to determine that respondents have corrected any Incidents of Non-Compliance identified during compliance reviews. BOEM issues this form to the operator and the operator then corrects the INC(s), signs and returns the form to the BOEM Regional Supervisor.

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 BOEM encourages respondents to use the forms available on the website and submit them electronically. At present, an estimated 70 percent of submittals pertaining to this collection are being submitted electronically through email.

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 DOI has several Memoranda of Understanding (MOU) that define responsibilities with other agencies with respect to activities in the OCS. These MOU are effective in avoiding duplication of regulations and reporting requirements. The information collected is specific to a lease, a lessee/operator, or a particular request for BOEM approval and is unique to the site.

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. 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 safe work practices and protection of the 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.

It is likely that a State lessee applying for a right-of-use and easement on the OCS may be a small business; however, the cost is minimal for applying for that benefit. It should be noted that the OCS Lands Act and these implementing regulations (§ 550.196) require us to reimburse respondents for their costs of reproduction and processing of data and information that BOEM requests.

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 would be unable to carry out the mandate of the OCS Lands Act effectively and to administer the offshore program with regard to determining well

producibility and reservoir capability, conserving resources, reimbursing certain costs, protecting correlative rights provisions, or allowing lessees greater flexibility in the manner in which they comply with the requirements of regulations under 30 CFR 550 through the adoption of performance standards. Reservoir reports are submitted initially and then annually or sooner at the option of the lessee. Pressure reports are submitted as a result of situations encountered, not at prescribed intervals. Other information is collected only once for each particular event. Less frequent collection of the information is not applicable.

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.

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

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

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

(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.

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

(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.

(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.

Relating to (b), respondents return copies of Form BOEM-1832, Notification of Incidents of Noncompliance (INC), to BOEM within 14 days from the date of issuance. The BOEM issuing office cannot complete the records for a compliance review until BOEM receives an acknowledgment of the INCs. Historical records indicate that 14 days is a reasonable time for returning a copy to the BOEM issuing office and correcting most of the INCs cited. Two weeks is a reasonable timeframe to return to compliance.

For all other items, there are no special circumstances that require the collection to be conducted in a manner inconsistent with the guidelines. We do not exceed the guidelines in 5 CFR 1320.5

8. If applicable, provide a copy and identify the date and page number of publication in the Federal Register of the agency's notice, required by 5 CFR 1320.8(d), soliciting comments on the information collection prior to submission to OMB. Summarize public comments received in response to that notice and in response to the PRA statement associated with the collection over the past 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 three years — even if the collection of information activity is the same as in prior periods. There may be circumstances that may preclude consultation in a specific situation. These circumstances should be explained.

As required in 5 CFR 1320.8(d), BOEM provided a 60-day notice in the *Federal Register* on September 16, 2016 (81 *FR* 63799). Also, 30 CFR 550.199 and the Paperwork Reduction Act statement on the forms explain that BOEM 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. We received no comments in response to the *Federal Register* notice.

During the comment period, BOEM requested input from the following respondents to solicit comments on the burden hour and cost estimates, availability of data, frequency of collection, and clarity of instructions. These industry representatives responded with no comment or no changes. The respondents contacted are:

Land Management Officer
Chevron U.S.A. Inc.
100 Northpark Boulevard
Covington, Louisiana 70433

Regulatory Manager
J. Connor Consulting
16225 Park Ten Place, Suite 500
Houston, Texas 77084

Regulatory Manager
W&T Offshore, Inc.
Nine E. Greenway Plaza
Houston, Texas 77046

Regulatory Affairs Manager
Anadarko Petroleum Corporation
1201 Lake Robbins Drive
The Woodlands, Texas 77084

Regulatory Manager
Arena Offshore, LP
4200 Research Forest Drive
The Woodlands, Texas 77381

Land & BD Contract Compliance
BP Exploration & Production Inc.
501 Westlake Park Blvd.
Houston, Texas 77079

Reservoir Engineer
Venoco, Inc.
6267 Carpinteria Ave.
Carpinteria, CA 93013

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

As stated in subsection 26(a)(1)(C), the OCS Lands Act mandates that we reimburse respondents for their costs of reproduction and processing of certain data and information requested by BOEM. The implementing regulations (§ 550.196) comply with the Act and provide for reimbursement payment of G&G information when applicable. We do not provide gifts to respondents.

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), it's implementing regulations (43 CFR 2), 30 CFR 252, and 30 CFR 550.197, "Data and information to be made available to the public or for limited inspection." Proprietary information concerning geological and geophysical data will be protected according to 43 U.S.C. 1352.

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 comprise Federal oil and gas or sulphur lessees/operators. 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. We estimate an annual reporting and recordkeeping burden of 30,635 hours. Refer to the burden table for a breakdown of the hour and non-hour cost burdens.

Summary of Estimated Annual Hour Burdens

Type of Response and 30 CFR Citations	Annual Response	Annual Burden Hours
Performance Standards (550.115-550.116, 550.119)	93	480
Designation of Operator (550.143-550.145, Form BOEM-1123)	3,514	3,514
Disqualification (550.135-550.136, Form BOEM-1832)	97	192
Special Types of Approval (550.101-199, 550.125(c), 550.140-550.142)	300	2,350

Type of Response and 30 CFR Citations	Annual Response	Annual Burden Hours
Right-of-Use and Easement (550.123, 550.160-550.161, 550.165-550.166)	27	239
Primary Lease Requirement, Term Extensions, and Cancellations (550.181(d), 550.182-550.185, 550.194)	2	70
Information and Reporting Requirements (550.135-550.136, 550.186, 550.194, 550.196-550.197, NTL)	137	1,269
Recordkeeping (550.135-550.136)	7	14
Well Surveys and Classifying Reservoirs (550.1153-1167, BOEM-0127 and BOEM-0140)	3,390	22,507
Totals	7,567	30,635

BURDEN BREAKDOWN

Citation 30 CFR 550 Subpart A and Related Forms/NTLs	Reporting or Recordkeeping Requirement	Hour Burden	Average No. of Annual Responses	Annual Burden Hours
		Non-Hour Cost Burdens		
Authority and Definition of Terms				
104; 181; Form BOEM-1832	Appeal orders or decisions; appeal INCs; request hearing due to cancellation of lease.	Exempt under 5 CFR 1320.4(a)(2), (c).		0
Performance Standards				
115; 116	Request determination of well producibility; make available or submit data and information; notify BOEM of test.	5	90 responses	450
119	Apply for subsurface storage of gas; sign storage agreement.	10	3 applications	30
Subtotal			93 responses	480 hrs
Cost Recovery Fees				
125; 126; 140	Cost Recovery Fees; confirmation receipt etc; oral approvals and written request to follow. Includes request for refunds.	Cost Recovery Fees and related items are covered individually throughout this subpart.		0
Designation of Operator				
143	Report change of name, address, etc.	Not considered information collection under 5 CFR 1320.3(h)(1).		0
143(a-c); 144; 145; Form BOEM-1123	Submit designation of operator (Form BOEM-1123 – form takes 30 minutes); report updates; notice of termination; submit designation of agent. Request exception. NO FEE	1	2,584 forms	2,584
143(a-d); 144; 145; Form BOEM-1123	Change designation of operator (Form BOEM-1123 – form takes 30 minutes); report updates; notice of termination; submit designation of agent; include pay.gov confirmation receipt. Request exception. SERVICE FEE	1	930 forms	930
			\$175 fee x 930 = \$162,750	
Subtotal			3,514 responses	3,514 hrs
			\$162,750 non-hour cost burden	
Disqualification				

Citation 30 CFR 550 Subpart A and Related Forms/NTLs	Reporting or Recordkeeping Requirement	Hour Burden	Average No. of Annual Responses	Annual Burden Hours
		Non-Hour Cost Burdens		
135; 136; Form BOEM-1832	Submit response and required information for INC, probation, or revocation of operating status. Notify when violations corrected.	2	94 submissions	188
	Request waiver of 14-day response time or reconsideration.	1	1	1
135; 136	Request reimbursement for services provided to BOEM representatives during reviews; comment.	1.5	2 requests	3
Subtotal			97 responses	192 hrs
Special Types of Approval				
140; 125(c);	Request various oral approvals not specifically covered elsewhere in regulatory requirements.	1	100 requests	100
141; 101-199	Request approval to use new or alternative procedures; submit required information.	20	100 requests	2,000
142; 101-199	Request approval of departure from operating requirements not specifically covered elsewhere in regulatory requirements; submit required information.	2.5	100 requests	250
Subtotal			300 responses	2,350 hrs
Right-of-use and Easement				
160; 161; 123	OCS lessees: Apply for new or modified right-of-use and easement to construct and maintain off-lease platforms, artificial islands, and installations and other devices; include notifications and submit required information.	9	26 applications	234
160(c)	Establish a Company File for qualification; submit updated information, submit qualifications for lessee/bidder, request exception.	Burden covered under 30 CFR 556 (1010-0006).		0
160; 165; 123	State lessees: Apply for new or modified right-of-use and easement to construct and maintain off-lease platforms, artificial islands, and installations and other devices; include pay.gov confirmation and notifications.	5	1 application	5
		\$2,742 state lease fee x 1 = \$2,742		
166	State lessees: Furnish surety bond; additional security if required.	Burden covered under 30 CFR 556 (1010-0006).		0
Subtotal			27 responses	239 hrs
			\$2,742 non-hour cost burden	
Primary Lease Requirements, Lease Term Extensions, and Lease Cancellations				
181(d); 182(b), 183(a)(b)	Request termination of suspension, cancellation of lease, lesser lease term (no requests in recent years for termination/cancellation of a lease; minimal burden).	20	1 request	20
182; 183, 185; 194	Various references to submitting new, revised, or modified exploration plan, development/production plan, or development operations coordination document, and related surveys/reports.	Burden covered under 30 CFR 550, Subpart B (1010-0151).		0
184	Request compensation for lease cancellation mandated by the OCS Lands Act (no qualified lease cancellations in many years; minimal burden compared to benefit).	50	1 request	50
Subtotal			2 responses	70 hours
Information and Reporting Requirements				
186(a); NTL	Apply to receive administrative entitlements to eWell/TIMS system for electronic submissions.	Not considered IC under 5 CFR 1320.3(h)(1).		0
186; NTL	Submit information, reports, and copies as BOEM requires.	10	125	1,250
135; 136	Report apparent violations or non-compliance.	1.5	2 reports	3
194; NTL	Report archaeological discoveries. Submit archaeological and follow-up reports and additional information.	2	6 reports	12
194; NTL	Request departures from conducting archaeological resources surveys and/or submitting reports in GOMR.	1	2 requests	2

Citation 30 CFR 550 Subpart A and Related Forms/NTLs	Reporting or Recordkeeping Requirement	Hour Burden	Average No. of Annual Responses	Annual Burden Hours
		Non-Hour Cost Burdens		
194	Submit ancillary surveys/investigations reports, as required.	Burden covered under 30 CFR 550 Subpart B (1010-0151).		0
196	Submit data/information for G&G activity and request reimbursement.	Burden covered under 30 CFR 551 (1010-0048).		0
197(b)(2)	Demonstrate release of G&G data would unduly damage competitive position.	1	1	1
197	Submit confidentiality agreement.	1	1	1
Subtotal			137 responses	1,269 hrs
Recordkeeping				
135; 136	During reviews, make records available as requested by inspectors.	2	7 reviews	14
Subtotal			7 responses	14 hours
Citation 30 CFR 550 Subpart K and Related Forms	Well Surveys and Classifying Reservoirs	Hour Burden	Average No. of Annual Responses	Annual Burden Hours
1153	Conduct static bottomhole pressure survey; submit Form BOEM-0140 (Bottomhole Pressure Survey Report) (within 60 days after survey).	14	1,161 surveys	16,254
1153(d)	Submit justification, information, and Form BOEM-0140, to request a departure from requirement to run a static bottomhole survey.	1	200 survey departures	200
1154; 1167	Submit request and supporting information to reclassify reservoir.	1	15 requests	15
1155; 1165(b); 1166; 1167	Submit Form BOEM-0127 (Sensitive Reservoir Information Report) and supporting information/revisions (within 45 days after certain events or at least annually). AK Region: submit BOEM-0127 and request MER	3	2,012 forms	6,036
1153-1167	Request general departure or alternative compliance requests not specifically covered elsewhere in regulatory requirements.	1	2	2
1165	Submit proposed plan for enhanced recovery operations to BSEE.	Burden covered under BSEE 30 CFR 250 (1014-0019)		0
Subtotal			3,390 responses	22,507 hrs
TOTAL BURDEN			7,567 Responses	30,635 Hours
			\$165,492 Non-Hour Cost Burdens	

(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 \$102/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/oes/current/oes_26420.htm.

Position	Hourly Pay rate (\$/hour estimate)	Hourly rate including benefits (1.5** x \$/hour)	Percent of time spent on collection	Weighted Average (\$/hour)
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Administrative Support 43-6014	\$17	26	25%	\$7
Petroleum Engineers, Geologists 17-2171	\$83	\$125	65%	\$81
Engineer Managers 11-9041	\$90	\$135	10%	\$14
Weighted Average (\$/hour)				\$102

The benefits multiplier of 1.5 is supported by data at: <http://www.bls.gov/news.release/ecec.nr0.htm>

Based on a cost factor of \$102 per hour, we estimate the hour burden as a dollar equivalent to industry is \$3,124,770 (\$102 x 30,635 hours).

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 shown in Item 12).

(a) The cost estimate should be split into two components: (a) a total capital and start-up cost component (annualized over its expected useful life) and (b) a total operation and maintenance and purchase of services component. The estimates should take into account costs associated with generating, maintaining, and disclosing or providing the information (including filing fees paid for form processing). Include descriptions of methods used to estimate major cost factors including system and technology acquisition, expected useful life of capital equipment, the discount rate(s), and the time period over which costs will be incurred. Capital and start-up costs include, among other items, preparations for collecting information such as purchasing computers and software; monitoring, sampling, drilling and testing equipment; and record storage facilities.

(b) If cost estimates are expected to vary widely, agencies should present ranges of cost burdens and explain the reasons for the variance. The cost of purchasing or contracting out information collection services should be a part of this cost burden estimate. In developing cost burden estimates, agencies may consult with a sample of respondents (fewer than 10), utilize the 60-day pre-OMB submission public comment process and use existing economic or regulatory impact analysis associated with the rulemaking containing the information collection, as appropriate.

(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 two non-hour cost burdens. Section 550.143 requires respondents to pay a cost recovery fee for a change in designation of operator (\$175). Section 550.165 requires a State lessee applying for a right-of use and easement on the OCS to pay a cost recovery application fee (\$2,742). We estimate a total reporting non-hour cost burden of \$165,492. Refer to the table in Section 12 of this supporting statement for the specific non-hour paperwork cost burden 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.

To analyze and review the information required by subparts A and K, we estimate the Government will spend an average of approximately $\frac{3}{4}$ hour for each hour spent by the respondents for a total of 22,976 (rounded) hours.

The average government cost is \$67/hour. This cost is broken out in the below table using the current Office of Personnel Management salary data for the REST OF THE UNITED STATES (<https://www.opm.gov/policy-data-oversight/pay-leave/salaries-wages/2016/general-schedule/>).

Position	Grade	Hourly Pay rate (\$/hour estimate)	Hourly rate including benefits (1.6* x \$/hour)	Percent of time spent on collection	Weighted Average (\$/hour)
Clerical	GS-5/5	\$18	\$29	4%	\$1
Technician(s)	GS-11/5	\$32	\$51	25%	\$13
Engineer(s)	GS-13/5	\$46	\$74	65%	\$48
Supervisory	GS-14/5	\$54	\$86	6%	\$5
Weighted Average (\$/hour)					\$67

*A multiplier of 1.6 is implied by BLS information at <http://www.bls.gov/news.release/ecec.nr0.htm> was added for benefits.

Based on a cost factor of \$67 per hour, the cost to the government would be \$ (30,635 hours x 0.75 = 22,976 hours x \$67 = \$1,539,392).

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

Hour Burden: The currently approved OMB paperwork burden is **30,635** burden hours. There are no program changes or adjustments.

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 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.

The BOEM will display the OMB approval number and OMB expiration date on Forms BOEM-0127, BOEM-0140, BOEM-1123, and BOEM-1832.

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."