Supporting Statement A 30 CFR 250, Subpart F, Oil and Gas Well-Workover Operations OMB Control Number 1014-0001 Expiration Date: December 31, 2016

Terms of Clearance: None

General Instructions

A completed Supporting Statement A must accompany each request for approval of a collection of information. The Supporting Statement must be prepared in the format described below, and must contain the information specified below. If an item is not applicable, provide a brief explanation. When the question, "Does this information collection request (ICR) contain surveys, censuses, or employ statistical methods?" is checked "Yes," then a Supporting Statement B must be completed. The Office of Management and Budget (OMB) reserves the right to require the submission of additional information with respect to any request for approval.

Specific Instructions

Justification

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

The Outer Continental Shelf (OCS) Lands Act at 43 U.S.C. 1334 authorizes the Secretary of the Interior to prescribe rules and regulations necessary for the administration of the leasing provision of that Act related to mineral resources on the OCS. Such rules and regulations will apply to all operations conducted under a lease, right-of-way, or a right-of-use and easement. Operations on the OCS must preserve, protect, and develop oil and 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; to ensure the public a fair and equitable return on the resources of the OCS; and to preserve and maintain free enterprise competition.

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

This authority and responsibility are among those delegated to BSEE. The regulations at 30 CFR 250, Subpart F, Oil and Gas Well-Workover Operations are the subject of this collection. This request also covers any related Notices to Lessees and Operators (NTLs) that BSEE issues to clarify, supplement, or provide additional guidance on some aspects of our regulations.

2. Indicate how, by whom, and for what purpose the information is to be used. Except for a new collection, indicate the actual use the agency has made of the information received from the current collection. Be specific. If this collection is a form or a questionnaire, every question needs to be justified.

BSEE uses the information collected (see A.12 for the actual information collected by BSEE) to analyze and evaluate planned well-workover operations to ensure that these operations result in personnel safety and protection of the environment. BSEE will use this evaluation in making decisions to approve, disapprove, or to require modification to the proposed well-workover operations. Specifically, BSEE uses the information collected to:

- review log entries of crew meetings to verify that safety procedures have been properly reviewed.
- review well-workover procedures relating to hydrogen sulfide (H_2S) to ensure the safety of the crew in the event of encountering H_2S .
- review well-workover diagrams and procedures to ensure the safety of well-workover operations.
- verify that the crown block safety device is operating and can be expected to function and avoid accidents.
- assure that the well-workover operations are conducted on well casing that is structurally competent.
- 3. Describe whether, and to what extent, the collection of information involves the use of automated, electronic, mechanical, or other technological collection techniques or other forms of information technology, e.g., permitting electronic submission of responses, and the basis for the decision for adopting this means of collection. Also describe any consideration of using information technology to reduce burden and specifically how this collection meets GPEA requirements.

Currently, about 95 percent of all information for this collection is being submitted electronically yia eWell, eInspections, CDs, Technical Information Management System (TIMS) Web.

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

The information collected is unique to a specific well-workover operation and does not duplicate any other available information. The information is site specific, and similar information is not available from other sources. The DOI and other Government agencies have Memoranda of Understanding that defines the responsibilities of their agencies with respect to activities in the OCS. These are effective in avoiding duplication of regulations and reporting requirements.

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

This collection of information could have a significant economic effect on a substantial number of small entities. Any direct effects primarily impact the OCS lessees and operators. However, many of the OCS lessees and operators may have less than 500 employees and would be considered small businesses as defined by the Small Business Administration. Regulations require safe work practices and protection of environmental resources; therefore, the hour burden on any small entity subject to these regulations and associated collections of information cannot be reduced to accommodate them.

6. Describe the consequence to Federal program or policy activities if the collection is not conducted or is conducted less frequently, as well as any technical or legal obstacles to reducing burden.

If we did not collect the information, BSEE would not be able to determine that operations in the outer Continental Shelf should be conducted in a safe manner by well-trained personnel using technology, precautions, and techniques sufficient to prevent or minimize the likelihood of blowouts, loss of well control . . . or other occurrences which may cause damage to the environment or to property, or endanger life or health." The information is collected only once for each particular well-workover operation; therefore, the frequency of collection cannot be reduced.

- 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, grantin-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; or

Not applicable in this collection.

(h) requiring respondents to submit proprietary trade secrets, or other confidential information, unless the agency can demonstrate that it has instituted procedures to protect the information's confidentiality to the extent permitted by law.

BSEE will protect any confidential commercial or proprietary information according to the Freedom of Information Act (5 U.S.C. 552) and DOI's Implementing regulations (43 CFR 2); section 26 of OCSLA (43 U.S.C. 1352); 30 CFR 250.197, *Data and information to be made available to the public or for limited inspection*; and 30 CFR part 252, *OCS Oil and Gas Information Program*.

8. If applicable, provide a copy and identify the date and page number of publication in the Federal Register of the agency's notice, required by 5 CFR 1320.8(d), soliciting comments on the information collection prior to submission to OMB. Summarize public comments received in response to that notice [and in response to the PRA statement associated with the collection over the past 3 years] and describe actions taken by the agency in response to these comments. Specifically address comments received on cost and hour burden.

Describe efforts to consult with persons outside the agency to obtain their views on the availability of data, frequency of collection, the clarity of instructions and recordkeeping, disclosure, or reporting format (if any), and on the data elements to be recorded, disclosed, or reported.

Consultation with representatives of those from whom information is to be obtained or those who must compile records should occur at least once every 3 years – even if the collection of information activity is the same as in prior periods. There may be circumstances that may preclude consultation in a specific situation. These circumstances should be explained.

As required in 5 CFR 1320.8(d), BSEE published a 60-day review and comment notice in the *Federal Register* on July 8, 2016 (81 FR 44657). Also, 30 CFR 250.199 explains that BSEE will accept comments at any time on the information collection aspects of 30 CFR 250. We display the OMB control number and provide the address for sending comments to BSEE. We received no comments in response to the *Federal Register* notice or unsolicited comments from respondents covered under these regulations.

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

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

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

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

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

All the different reporting and recordkeeping requirements that are listed in the Subpart F burden table (Section A.12) were thoroughly reviewed by the company representatives listed. These representatives had no concerns regarding the availability of data, frequency of collection, clarity of instructions, and elements being collected at this time. The companies that replied to our request provided the burden estimates that are reflected in Section A.12.

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

BSEE will not provide payments 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.

BSEE will protect any confidential commercial or proprietary information according to the Freedom of Information Act (5 U.S.C. 552) and DOI's implementing regulations (43 CFR 2); section 26 of the OCSLA (43 U.S.C. 1352); 30 CFR 250.197, *Data and information to be made available to the public or for limited inspection*; and 30 CFR part 252, *OCS Oil and Gas Information Program*.

11. Provide additional justification for any questions of a sensitive nature, such as sexual behavior and attitudes, religious beliefs, and other matters that are commonly considered private. This justification should include the reasons why the agency considers the questions necessary, the specific uses to be made of the information, the explanation to be given to persons from whom the information is requested, and any steps to be taken to obtain their consent.

This 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 include Federal OCS oil, gas, and sulfur lessees and/or operators and holders of pipeline rights-of-way. It should be noted that not all of the potential respondents will submit information in any given year and some may submit multiple times. The burden estimates include the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, completing and reviewing the collection of information and are based on informal discussions with the listed respondents in Section A.8. Submissions are generally on occasion. Responses are mandatory or are to retain/maintain benefits. We estimate the total annual burden is 5,284 hours. Refer to the following table for a breakdown of the burdens.

BURDEN TABLE

| Citation 30 CFR 250, Subpart F | Reporting Requirement | Hour Burden | Average No. of Annual Reponses | Annual Burden Hours (rounded) |
|--|--|-----------------------------------|---|--|
| 600-620 | General departure and alternative compliance requests not specifically covered elsewhere in Subpart F regulations. | Burden co 1014-0022 | 0 | |
| 611 | Document results weekly of traveling-block safety device in the operations log. | 2 | 365 workovers x 3 results = 1,095 | 2190 |
| 612 | Request establishment/amendment/cancellation of field well-workover rules. | 6.5 | 20 requests | 130 |
| 613; 616(a) (4);619(f) | These sections contain references to information, approvals, requests, payments, etc., which are submitted with an APM, the burdens for which are covered under its own information collection. | Burden covered under 1014-0026. | | 0 |
| 613(d) | Submit to District Manager on Form BSEE-0125, End of Operations Report, an operation resulting in the initial recompletion of a well into a new zone, include a new schematic of the tubing subsurface equipment if subsurface equipment has been changed. | Burden covered under 1014-0018 | | 0 |
| 614(b) | Post number of stands of drill pipe or workover string and drill collars that may be pulled prior to filling the hole and equivalent well-control fluid volume. | 1.13 | 291 postings | 329 |
| 619(b) | Notify BSEE if sustained casing pressure is observed on a well. | 5 | 527 notifications | 2,635 |
| Total Burden | | | 1,933 Responses | 5,284 Hours |

(c) Provide estimates of annualized cost to respondents for the hour burdens for collections of information, identifying and using appropriate wage rate categories. The cost of contracting out or

paying outside parties for information collection activities should not be included here. Instead, this cost should be included under "Annual Cost to Federal Government."

The average respondent cost is \$141/hour (rounded). This cost is broken out in the following table using the Society of Petroleum Engineers Salary Survey. See SPE.org website: http://www.spe.org/industry/docs/15SalarySurveyHighlights.pdf

| Position | Hourly Pay rate (\$/hour estimate) | Hourly rate including benefits (1.4* x \$/hour) | Percent of time spent on collection | Weighted Average (\$/hour) |
|------------------------------|--|--|-------------------------------------|----------------------------------|
| Non-Engineering Technical | \$80.54 | \$113 | 5% | \$5.65 |
| Engineering-Completions | \$98.68 | \$138 | 45% | \$62.10 |
| Earth Science/Geology | \$103.97 | \$146 | 40% | \$58.40 |
| Engineering – Other or Combo | \$104.23 | \$146 | 10% | \$14.60 |
| Weighted Average (\$/hour) | \$141 | | | |

^{*} A multiplier of 1.4 (as implied by BLS news release USDL 16-1808, September 8, 2016 (see http://www.bls.gov/news.release/ecec.nr0.htm)) was added for benefits.

Based on a cost factor of \$141 per hour, we estimate the hour burden as a dollar equivalent is \$745,044 ($$141 \times 5,284 \text{ hours} = $745,044$).

- 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. Include descriptions of methods used to estimate major cost factors including system and technology acquisition, expected useful life of capital equipment, the discount rate(s), and the time period over which costs will be incurred. Capital and start-up costs include, among other items, preparations for collecting information such as purchasing computers and software; monitoring, sampling, drilling and testing equipment; and record storage facilities.
- (b) If cost estimates are expected to vary widely, agencies should present ranges of cost burden and explain the reasons for the variance. The cost of purchasing or contracting out information collection services should be a part of this cost burden estimate. In developing cost burden estimates, agencies may consult with a sample of respondents (fewer than 10), utilize the 60-day pre-OMB submission public comment process and use existing economic or regulatory impact analysis associated with the rulemaking containing the information collection, as appropriate.
- (c) Generally, estimates should not include purchases of equipment or services, or portions thereof, made: (1) prior to October 1, 1995, (2) to achieve regulatory compliance with requirements not associated with the information collection, (3) for reasons other than to provide information or keep records for the government, or (4) as part of customary and usual business or private practices.

We have identified no non-hour cost burdens associated with this collection of information.

14. Provide estimates of annualized cost to the Federal Government. Also, provide a description of the method used to estimate cost, which should include quantification of hours, operational expenses (such as equipment, overhead, printing, and support staff), and any other expense that would not have been incurred without this collection of information.

The average government cost is \$58/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/).

| 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 | \$15.35 | \$24.56 | 4% | \$0.98 |
| Technician(s) | GS-11/5 | \$28.14 | \$45.02 | 25% | \$11.26 |
| Engineer(s) | GS-13/5 | \$40.10 | \$64.16 | 65% | \$41.70 |
| Supervisory | GS-14/5 | \$47.39 | \$75.82 | 6% | \$4.55 |
| Weighted Average (\$/hour) | | | | | \$58 |

^{*} A multiplier of 1.6 (as implied by BLS news release USDL 16-1808, September 8, 2016 (see http://www.bls.gov/news.release/ecec.nr0.htm)) was added for benefits.

To analyze and review the information respondents submit for subpart F, the Government spends an average of 0.5 hour for each hour spent by respondents. The total estimated Government time is 2,642 hours. Based on a cost factor of \$58 per hour, the total annual estimated burden on the Government is $$153,236 (5,284 \text{ hours } \times 0.5 \text{ hour} = 2,642 \text{ hours } \times $58 = $153,236)$.

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

The current OMB inventory includes 53,156 burden hours for this collection of information. This submission requests 5,284 burden hours; which is a decrease of 47,872 hours. There is a program change decrease due to the publication of the final blowout preventer regulations into the new Subpart G regulations, Well Operations and Equipment (-36,309 burden hours), and the removal of general departure and alternative compliance hours which are currently covered under 1014-0022 (-13,906 burden hours). An adjustment increase is due to re-estimating the average number of annual responses and the amount of time required to respond based on industry outreach (+2,343 burden hours),

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.

BSEE will not tabulate or publish the data.

17. If seeking approval to not display the expiration date for OMB approval of the information collection, explain the reasons that display would be inappropriate.

There are no forms in this information collection request, however, BSEE display the OMB control number at § 250.199.

18. Explain each exception to the topics of the certification statement identified in, "Certification for Paperwork Reduction Act Submissions."

| We are not making any | y exceptions to the | "Certification | for Paperwork | Reduction Act S | Submissions." |
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