

Supporting Statement A for Paperwork Reduction Act Submissions
30 CFR Parts 250 and 254,
Requirements for Exploratory Drilling on the Arctic Outer Continental Shelf
OMB Control Number 1014-0027
Current Expiration Date: NEW

Terms of Clearance: OMB files this comment in accordance with 5 CFR 1320.11(c). This OMB action is not an approval to conduct or sponsor an information collection under the Paperwork Reduction Act of 1995. This action has no effect on any current approvals. If OMB has assigned this ICR a new OMB Control Number, the OMB Control Number will not appear in the active inventory. For future submissions of this information collection, reference the OMB Control Number provided. In accordance with 5 CFR 1320, OMB is withholding approval at this time. 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:** With this submittal, BSEE is requesting approval of this ICR as part of the Final Rule being submitted to OMB. All comments received that related to 30 CFR Parts 250 and 254, Exploratory Drilling on the Arctic OCS rulemaking, have been discussed in the preamble of the final rule and in this supporting statement.

General Instructions

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

Specific Instructions

A. Justification

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

The Outer Continental Shelf Lands Act (OCSLA), 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 leasing of mineral resources on the Outer Continental Shelf (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. Section 1332(6) states that "operations in the Outer 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 likelihood of blowouts, loss of well control, fires, spillages, physical obstructions 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."

In May 2013, President Obama issued a National Strategy for the Arctic Region, which acknowledges the emerging economic opportunities in the Alaska area, as well as the need for responsible stewardship and an integrated management approach for making decisions regarding the area. The Strategy emphasizes that efforts to explore and develop the mineral resource potential of the Arctic OCS must be conducted cautiously, safely, and responsibly, especially given the unique and sensitive Arctic environment, its marine resources, and the Alaska Native communities who depend on this region and its resources for subsistence.

The Federal Water Pollution Control Act (FWPCA), as amended by the Oil Pollution Act of 1990 (OPA) (33 U.S.C. 1321, requires that a spill-response plan be submitted for offshore facilities prior to February 18, 1993. The OPA specifies that after that date, an offshore facility may not handle, store, or transport oil unless a plan has been submitted. This authority and responsibility are among those delegated to the Bureau of Safety and Environment Enforcement (BSEE) by Executive Order 12777—Implementation of Section 311 of the Federal Water Pollution Control Act of October 18, 1972, as Amended, and the Oil Pollution Act of 1990. Regulations at 30 CFR 254 establish requirements for spill-response plans for oil-handling facilities seaward of the coast line, including associated pipelines.

To provide supplementary guidance and procedures, BSEE issues Notices to Lessees and Operators (NTLs) on a regional or national basis. Regulation 30 CFR 250.103 allows BSEE to issue NTLs to clarify, supplement, or provide more detail about certain requirements.

This rulemaking also pertains to several regulations. Once this rule becomes effective, the paperwork and non-hour cost burdens will be removed from this collection of information and consolidated with the IC burdens under OMB Control Numbers:

- 30 CFR part 250, subpart A, 1014-0022, expiration 8/3/2017;
- 30 CFR part 250, subpart C, 1014-0023, expiration 11/30/2018
- 30 CFR part 250, subpart D, 1014-0018, expiration 10/31/17;
- 30 CFR part 250, subpart S, 1014-0017, expiration 11/30/2018; and
- 30 CFR part 254, 1014-0007, expiration 11/30/2018.

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 under 30 CFR 250 to ensure safe drilling operations and to protect the human, marine, and coastal environment (See Supporting Statement A, question number 12 for information collection being collected).

BSEE specifically uses the information to ensure:

Subpart A – General (incident reporting)

- sufficient time to oversee the safety of an operator's reactions and prepare to respond if a response is necessary due to a safety or environmental incident resulting from an ice event.

Subpart D - OCS Drilling Operations

- the drilling unit is fit for the intended purpose;
- the lessee or operator will not encounter geologic conditions that present a hazard to operations;
- real-time data for BOP control system, fluid handling, etc., is being monitored and stored;
- contingency plans are up-to-date;
- equipment is maintained in a state of readiness and meets safety standards;
- relief rig plans are in compliance;
- each drilling crew is properly trained and able to promptly perform well-control activities at any time during well operations;
- compliance with safety standards; and
- safe and proper field or reservoir development, resource evaluation, conservation, protection of correlative rights, safety, and environmental protection.
- We also review well records to ascertain whether drilling operations have encountered hydrocarbons or H₂S and to ensure that H₂S detection equipment, personnel protective equipment, and training of the crew are adequate for safe operations in zones known to contain H₂S and zones where the presence of H₂S is unknown.

Subpart S – Safety and Environmental Management Systems

- all personnel aboard a facility are complying with the policies and procedures identified in the operator's SEMS;
- BSEE can make an immediate and informed decision on whether to allow continued offshore operations;
- BSEE can intervene quickly if a management system is not in place, as when an operator's continual improvement efforts appear inadequate; and
- BSEE can evaluate results as one part of its oversight responsibilities to ensure that the operators have systems in place that are effectively risk-focused and fit for purpose.

BSEE uses the information collected under 30 CFR 254 to determine compliance with OPA by lessees/operators (See Supporting Statement A, question number12 for information collection being collected).

Specifically, BSEE needs the information to:

Subpart E – Oil Spill Response Requirements for Facilities Located on the Arctic

- determine that lessees/operators have an adequate plan and are sufficiently prepared to implement a quick and effective response to a discharge of oil from their facilities or operations;
- review plans prepared under the regulations of a State and submitted to BSEE to satisfy the requirements in 30 CFR 254 to ensure that they meet minimum requirements of OPA;
- verify that personnel involved in oil-spill response are properly trained and familiar with the requirements of the spill-response plans and to lead and witness spill-response exercises;
- assess the sufficiency and availability of contractor equipment and materials; and
- verify that sufficient quantities of equipment are available and in working order.

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.

In the Alaskan Region, respondents submit 95 percent of all information is submitted electronically. Sections 250.186(a)(3) and 254.7 provides the opportunity for respondents to use improved information technology.

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 drilling/well operation and does not duplicate any other available information; similar information is not readily available or discernible from other sources.

Owners and operators of facilities in State waters with plans approved by the State may submit the same plan to BSEE, along with information pertaining to the approval and assurance that the plan contains several basic requirements of the OPA. In addition, since a particular facility may be subject to several Federal regulations, the Code of Federal Regulations (CFR) allows for the use of the National Response Team's integrated contingency plan format for emergency response plans so that facility owners may address all the requirements in just one plan. The CFR also provides for regional response plans so that a group of leases or facilities having the same lessee or operator and located in the same BSEE Region may submit one plan.

The FWPCA requires immediate notification of spills of oil into any body of water. All such spills must be reported to the National Response Center (NRC), which is operated by the U.S. Coast Guard. The BSEE has arranged with the NRC to receive reports of offshore spills; however, when a spill is 1 or more barrels, respondents must notify BSEE as well as the NRC so that BSEE can assess preparedness capability for future spills.

The Departments of the Interior and other government agencies have Memoranda of Understanding which define 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 does 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 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 and because of the factors involved when drilling for oil or gas, the hour burden on any small entity subject to these regulations cannot be reduced to accommodate them.

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

If BSEE did not collect the information, we could not determine whether lessees and operators are properly providing for the safety of operations and the protection of the environment and resources. The information is necessary to carry out the mandate of the OCS Lands Act and Oil Pollution Act of 1990. The information is generally collected on occasion of drilling activity and initiated by respondents' activity. If BSEE did not collect the information, we could not ensure compliance OCS Lands Act for incident prevention and with Title I of OPA for preparedness to respond to an oil spill. We would be

unable to determine the overall effectiveness of lessees/operators in preventing incidents and their capability to respond in the event of an oil spill.

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;**

It should be noted, that for the most part, operations in Alaska are usually limited to a small 3 to 4 month window - hence some information will be submitted more often than quarterly. Specifically, in § 250.188 operators are required to immediately notify BSEE, both orally and in writing, of any event that would trigger a heightened observation requirement or the need to physically manage ice, initiate operations to secure the well, or move the drilling rig to avoid a threat caused by floating ice. This provision would also require immediate notification of the commencement and completion of any ice management activities. Due to the immediacy of the threats and concerns presented by circumstances requiring ice management activities and the need for BSEE to remain abreast of those issues in its regulatory and safety oversight role, this requirement could require industry to submit responses more often than quarterly. Under § 250.462 respondents are required to submit real-time data relating to the BOP control system, fluid handling, downhole conditions, etc., based on multiple recommendations from various Deep Water Horizon investigation reports. Having the real-time well-related data available to onshore personnel would increase the level of oversight of well conditions throughout operations. Onshore personnel could review data and help rig personnel conduct operations in a safe manner. Also, onshore personnel would be able to assist the rig crew in identifying and evaluating abnormalities or unusual conditions that may arise during operations.

- (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;**

Under § 250.471, BSEE requires respondents to maintain all SCCE testing, inspection, and maintenance records for at least 10 years. This information will facilitate a review of the effectiveness of the operator's inspection and maintenance procedures and provide a basis of review for performance during any drill, test, or necessary deployment. A 10-year record retention requirement is necessary to ensure enough cumulative data is gathered to assess overall equipment performance and trends.

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

Not applicable in this collection.

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

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

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

As required in 5 CFR 1320.11, BSEE provided the 60-day review and comment process through the preamble of the proposed rulemaking (80 FR 9916). We received, in response to the proposed rule, 1,311 sets of comments grouped by commenter and subject matter from individual entities (companies, industry organizations, or private citizens); of which, three comments pertained to information collection.

One commenter strongly supports the proposed rule as necessary and useful to BOEM and BSEE in carrying out their agency functions and statutory duties. The information to be collected under the proposed rule is “necessary” because the information is critical for BOEM and BSEE to carry out their statutory obligations, and the information cannot be collected from elsewhere other than from the operators and private entities themselves. The provisions in the proposed rule demonstrate the importance of the rule, its relationship to BOEM and BSEE’s legal responsibilities, and the operator’s central role in providing that information. They requested that BOEM require planning information be submitted electronically to allow immediate availability for public access. This requirement would allow BOEM to immediately upload public-information copies of EPs and IOPs without the intermediate step of reformatting the operator’s submissions. We determined electronic submittal should remain optional. Currently, DOI allows electronic submittals of all or part of the EP and the final rule will allow electronic submission of all or a portion of the IOP. Whether the information is received electronically or in the form of a hardcopy, BOEM will post the appropriate information on <http://www.boem.gov/alaska-region/>. If documents are not received electronically, BOEM will take the necessary steps to convert the files to a format compatible for online viewing by the public.

Another comment received discussed duplicative information being submitted with the EP and the APD. BSEE and BOEM disagree with the duplication of information because the EP is intended to provide the operator the opportunity to present its overall plan for operations, and the APD is the technical document that provides the operator the opportunity to present details regarding how the plan will be implemented.

The commenter also discussed the burden hours being low, for example, the submission of detailed descriptions of environmental, meteorologic, and oceanic conditions expected at well site(s); etc. BSEE agreed and we increased the hour burdens associated with certain requirements. The changes are as follows:

§ 250.470(a); 713; 418 – NEW - Submit detailed descriptions of environmental, meteorologic, and oceanic conditions expected at well site(s); etc., (+10 burden hours)

§ 250.470(d); 418 – NEW - Submit detailed description concerning weather and ice forecasting for all phases; etc., (+6 hours)

One commenter suggested the regulations should implement performance based requirements for well containment, which recognizes acceptable alternatives to mud line cellars. BSEE agrees with the importance of allowing for the use of technology that is best suited to an operator's plan and has changed the burden as follows:

§ 250.720(c)(2) – NEW - Request approval to use an equivalent means other than a well mudline cellar in areas of ice scour (+28 hours).

Another change that occurred to the BSEE information collection between the proposed and final rulemaking, the IC renewal for 30 CFR 250, subpart S was initiated. When requests went out to industry for updated burdens, it was determined that the cost to conduct an audit has increased from \$129,000 to \$217,000 but in the Arctic region, audits would be done yearly and would cost approximately \$250,000 (+ \$121,000).

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

BSEE will not provide payment or gifts to respondents in this collection.

10. Describe any assurance of confidentiality provided to respondents and the basis for the assurance in statute, regulation, or agency policy.

BSEE will protect proprietary information according to 30 CFR 250.197, *Data and information to be made available to the public or for limited inspection*, 30 CFR part 252, *OCS Oil and Gas Information Program*, and the Freedom of Information Act (5 U.S.C. 552) and its implementing regulations (43 CFR 2).

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 burden.

Potential respondents comprise Federal oil and gas OCS lessees and operators. It should be noted that not all of the potential respondents will submit information at any given time 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 the collection of information. Responses are mandatory; they are submitted generally on occasion and vary by section. We estimate the total annual reporting, recordkeeping, and non-hour cost burdens are 779 hours and \$250,000.

BURDEN BREAKDOWN

Citation 30 CFR parts 250 and 254	Reporting and Recordkeeping Requirements	Hour Burden	Average No. of Annual Responses	Annual Burden Hours
30 CFR Part 250, Subpart A				
141	Request approval to use new or alternative procedures, along with supporting documentation if applicable, including BAST not specifically covered elsewhere in regulatory requirements.		Burden covered under 30 CFR part 250, subpart A, 1014-0022.	0
188(c); 190	NEW - Provide BSEE immediate oral report of sea ice movement/ conditions; start and termination of ice management activities; kicks or unexpected operational issues.	Oral 1.5	2 notifications	3
188(c); 190	NEW - Submit a written report within 24 hours after completing ice management activities.	Written 4	2 reports	8
Subtotal			4 responses	11 hours
30 CFR Part 250, Subpart C				
300(b)(1), (2)	Obtain approval to add petroleum-based substance to drilling mud system or approval for method of disposal of drill cuttings, sand, & other well solids, including those containing NORM.		Burden covered under APDs or APMs 1014-0025 or 1014-0026.	0
30 CFR Part 250, Subpart D				
418	Additional information that is to be submitted with an APD is covered under the specific requirement listed in this burden table under 30 CFR 250.470.			0
452(a), (b)	NEW - Immediately transmit real-time data gathering and monitoring to record, store, and transmit data relating to the BOP control system, fluid handling, downhole conditions; prior to well operations, notify BSEE of monitoring location and make data available to BSEE upon request.	12	1 transmittal	12
452(b)	NEW - Store and monitor all information relating to § 250.452(a); make data available to BSEE upon request.	1	2 wells x 138 drilling days = 276	276
452(b)	Store and retain all monitoring records per requirements of §§ 250.466 and 467.		Burden covered under 30 CFR part 250, subpart D, 1014-0018.	0
470(a); 713; 418	NEW - Submit detailed descriptions of environmental, meteorologic, and oceanic conditions expected at well site(s); how drilling unit, equipment, and materials will be prepared for service; how the drilling unit will be in compliance with § 250.713.	20	1 submittal	20
470(b); 418	NEW - Submit detailed description of transitioning rig from being underway to drilling and vice versa.	4	2 each well–underway to drilling; drilling to underway = 4	16
470(b); 418	NEW - Submit detailed description of any anticipated repair and maintenance plans for the drilling unit and	2	2 submittals	4

Citation 30 CFR parts 250 and 254	Reporting and Recordkeeping Requirements	Hour Burden	Average No. of Annual Responses	Annual Burden Hours		
	equipment.					
470(c); 418	NEW - Submit well specific drilling objectives, timelines, and updated contingency plans etc., for temporary abandonment.	4	2 submittals	8		
470(d); 418	NEW - Submit detailed description concerning weather and ice forecasting for all phases; including how to ensure continuous awareness of weather/ice hazards at/between each well site; plans for managing ice hazards and responding to weather events; verification of capabilities.	12	1 submittal	12		
470(e); 418; 472	NEW - Submit a detailed description of compliance with relief rig plans.	140	1 description	140		
470(f); 471(c); 418	NEW – SCCE capabilities; submit equipment statement showing capable of controlling WCD; detailed description of your or your contractor's SCCE capabilities including operating assumptions and limitations; inventory of local and regional supplies and services, along with supplier relevant information; proof of contract or agreements for providing SCCE or supplies, services; detailed description of procedures for inspecting, testing, and maintaining SCCE; and detailed description of your plan ensuring all members of the team operating SCCE have received training to deploy and operate, include dates of prior and planned training.	60	2 submittals	120		
470(g); 418	NEW - Submit a detailed description of utilizing best practices of API RP 2N during operations.	20	1 submittal	20		
471(c); 470(f); 465(a)	NEW - Submit with your APM, a reevaluation of your SCCE capabilities if well design changes; include any new WCD rate and demonstrate that your SCCE capabilities will comply with § 250.470(f) .	10	2 submittals	20		
471(e)	NEW - Maintain all SCCE testing, inspection, and maintenance records for at least 10 years; make available to BSEE upon request.	20	2 records	40		
471(f)	NEW - Maintain all records pertaining to use of SCCE during testing, training, and deployment activities for at least 3 years; make available to BSEE upon request.	20	2 records	40		
472(c)	Request approval for alternative compliance for relief rig requirements	Burden covered under 30 CFR part 250, subpart A, 1014-0022		0		
Subtotal		297 responses	728 hours			
30 CFR Part 250, Subpart G						
720(c)(2)	NEW - Request approval to use an equivalent means other than a well mudline cellar in areas of ice scour.	14	2 requests	28		
Subtotal		2 responses	28 hours			
30 CFR Part 250, Subpart S						
1920(b), (c), (f)	ASP audit for High Activity Operator NOTE: An audit once every 3 years in POCSR and GOMR; an audit in the Arctic in every year in which drilling is conducted (and the audit would cost more in the Arctic than in POCSR or GOMR).	1 operator x \$250,000 audit for high activity = \$250,000.				
1920(c)	Submit to BSEE after completed audit, an audit report of findings and conclusions, including deficiencies and required supporting information/ documentation.	Burden covered under 30 CFR part 250, subpart S, 1014-0017.		0		
1920(d)	Submit/resubmit a copy of your CAP that will address					

Citation 30 CFR parts 250 and 254	Reporting and Recordkeeping Requirements	Hour Burden	Average No. of Annual Responses	Annual Burden Hours
	deficiencies identified in audit.			
		Subtotal	1 response	0
30 CFR Part 254, Subpart E				
55; 70; 80; 90	Submit spill response plan for OCS facilities with all information required in regulations and related documents.	Burden covered under 30 CFR part 254, 1014-0007.		0
80(c)	NEW - Submit a description of system used to maintain real-time location tracking for all response resources.	6	2 descriptions	12
90(a)	Include in your training and exercise activities the requirements of this section.	Burden covered under 30 CFR part 254, 1014-0007.		0
90(b)	Notify BSEE 60 days prior to handling, storing, or transporting oil.			
		Subtotal	2 responses	12 hours
Total Hour Burden			306 Responses	779 Hours
			\$250,000 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. Instead, this cost should be included under “Annual Cost to Federal Government.”

The average respondent cost is \$86/hour (rounded). This cost is broken out in the below table using the Bureau of Labor Statistics data for the Houston, TX area. See BLS website: <http://www.bls.gov/bls/wages.htm>.

Position	Level	Hourly Pay rate (\$/hour estimate)	Hourly rate including benefits (1.4*** x \$/hour)	Percent of time spent on collection	Weighted Average (\$/hour/ rounded)
Secretaries and Administrative Assistants	6	\$21	\$29	12%	\$3
Management**	13	\$64	\$90	25%	\$23
Petroleum Engineer or Geologist	All Workers	\$68	\$95	63%	\$60
Weighted Average (\$/hour)					\$86

** This position is closest representative to Regulatory Specialist.

*** A multiplier of 1.4 (as implied by BLS news release USDL 16-0463, March 10, 2016 (see <http://www.bls.gov/news.release/ecec.nr0.htm>)) was added for benefits.

Based on a cost factor of \$86 per hour, we estimate the total annual cost to industry is \$66,994 (\$86 x 779 hours = \$66,994).

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 Item 12).

(a) The cost estimate should be split into two components: (1) a total capital and start-up cost component (annualized over its expected useful life) and (2) a total operation and maintenance and purchase of services component. The estimates should take into account costs associated with generating, maintaining, and disclosing or providing the information (including filing fees paid for form processing). Include descriptions of methods used to estimate major cost factors including system and technology acquisition, expected useful life of capital equipment, the discount rate(s), and the time period over which costs will be incurred. Capital and start-up costs include, among other items, preparations for collecting information such as purchasing computers and software; monitoring, sampling, drilling and testing equipment; and record storage facilities.

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

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

We have identified costs for audits totaling \$250,000 non-hour cost burdens for this collection. When respondents are required to do an audit, they must contract out via an Audit Service Provider (ASP). Refer to the table in Section A.12 to see these specific fee breakdowns. We have not identified any other 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 \$75/hour (rounded). This cost is broken out in the below table using the 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 (1.5* x \$/hour)	Percent of time spent on collection	Weighted Average (\$/hour)
Clerical	GS-7/5	\$21	\$32	5%	\$2
Petroleum Engineer	GS-13/5	\$44	\$66	60%	\$40
Supv. Petroleum Engineer	GS-15/5	\$62	\$93	35%	\$33
Weighted Average (\$/hour)					\$75

*A multiplier of 1.5 (as implied by BLS news release USDL 16-0463, March 10, 2016 (see <http://www.bls.gov/news.release/ecec.nr0.htm>)) was added for benefits.

To analyze and review the information respondents submit, we estimate the Government will spend an average of approximately 0.5 hours for each hour spent by lessees. Based on a cost factor of \$75 per hour, the annual burden on the Government for the regulatory requirements in this collection is \$29,250 (779 burden hours x 0.5 hours = 390 (rounded) hours x \$75 = \$29,250).

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

This rulemaking will add 779 burden hours and \$250,000 non-hour cost burdens as a program increase due to new regulatory requirements that are Arctic specific:

As stated previously, this rulemaking also pertains to several regulations. Once this rule becomes effective, the hour and non-hour cost burdens will be removed from this collection of information and consolidated with the IC burdens under OMB Control Numbers:

- 30 CFR part 250, subpart A, 1014-0022, expiration 8/3/2017
- 30 CFR part 250, subpart C, 1014-0023, expiration 11/30/2018
- 30 CFR part 250, subpart D, 1014-0018, expiration 10/31/17
- 30 CFR part 250, subpart S, 1014-0017, expiration 11/30/2018; and
- 30 CFR part 254, 1014-0007, expiration 11/30/2018.

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.*

BSEE will display the OMB control number and approval expiration date appropriately (§ 250.199).

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.”