

**1 Supporting Statement A for
Paperwork Reduction Act Submission**

**Non-Federal Oil and Gas Rights, 36 CFR Part 9, Subpart B
OMB Control Number 1024-0274**

Terms of Clearance: None – this is a new collection.

Justification

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

The Organic Act of 1916 (NPS Organic Act) (54 U.S.C. §100101 et seq.) authorizes the Secretary of the Interior to develop regulations for national park units under the Department's jurisdiction.

The National Park Service (NPS, we) regulations at 36 CFR Part 9, Subpart B, ensure that non-Federal oil and gas activities on units of the National Park System are conducted in a manner consistent with preserving each unit for the benefit of present and future generations. Operators must submit specific information describing their future development plans, including steps to mitigate the impacts, and must not conduct any operations until they have NPS approval.

We are modernizing our regulations for non-Federal oil and gas rights exercised in national parks. This rule updates current regulations that are now 36-years-old. The updates provide greater clarity and certainty to industry while our ability to protect park resources and the values for which the parks were set aside, and to protect visitors from potentially adverse impacts associated with non-Federal oil and gas operations located within the National Park System. This rule will bring existing oil and gas operations up to NPS standards to protect water quality and water quantity, air quality, night skies and natural sounds, visitor and employee health and safety, fish, wildlife and habitat and meet spill protection and reclamation standards.

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.

Currently, there are oil and gas operations in 12 of the 410 parks in the National Park System, and about 60 percent of those operations are exempt from NPS regulations. This rule would apply NPS regulations to operations that are currently exempt and any future oil and gas operations in the National Park System.

We will use the information collected to: (1) evaluate proposed operations, (2) ensure that all necessary mitigation measures are employed to protect park resources and values, and (3) ensure compliance with all applicable laws and regulations. We will collect the following information:

Previously Exempt Operations (§§ 9.50 through 9.53) - Previously exempt operators must submit the following information to the NPS:

- The names and contact information of the operator, the owner, and the individuals responsible for overall management, field supervision, and emergency response of the proposed operations.
- Brief description of the current operations and any anticipated changes to the current operations.
- Documentation showing the right to operate within a System unit.
- State well identification permit number or American Petroleum Institute (API) well number.
- Maps delineating the area of operations and the area of surface disturbance and equipment layout within the area of operations.
- Spill Control Environmental Preparedness Plan.
- Documentation of the current operating methods, surface equipment, downhole well construction and completion, materials produced or used, and monitoring methods.
- Description of how the operation will meet NPS operating standards.
- Description of procedures to be used and cost estimates for well plugging and surface reclamation.
- Results of any necessary reconnaissance surveys.

Temporary Access Permits (9.60 through 9.63)

Application for Temporary Access Permit - To gather necessary background information for an Operations Permit, the operator will need to obtain a Temporary Access permit by submitting the following information to the NPS:

- Brief description of the intended future operation.
- Demonstration of the right to operate.
- Contact information for the person responsible for the overall management of the proposed operations.
- Contact information and qualifications of all specialists responsible for conducting the reconnaissance surveys.
- Map delineating the proposed reconnaissance survey area.
- Description of proposed means of access and routes to the survey area; and a description of the survey methods.

Extension of Temporary Access Permit - To extend the term of a Temporary Access Permit, operators must submit a written request that explains why the extension is necessary.

Accessing Oil and Gas Rights from a Surface Location Outside the Park Boundary (9.70 through 9.73)

Application for Exemption - This rule allows operators to apply for an exemption from the operations permit requirement of the regulations if they directionally drill from a surface location outside a System unit to reach a bottom hole located within NPS boundaries. To apply for an exemption, NPS requires the following information:

- Names and addresses of the operator; the owner; and individuals responsible for the overall management of the proposed operations.
- Documentation demonstrating the legal right to operate in a System unit.
- Maps and plats to scale showing the boundaries of each of the mineral tracts that are relevant to the proposed operations within the System unit boundary.

- Maps and plats to scale showing all proposed surface uses (well site, access route, flowlines, production facilities) that occur outside the System unit.
- Description, including depths, thicknesses, and properties of geologic horizons between the target zone and the base of the deepest aquifer.
- Drilling plan, including directional-drilling program, horizontal distance along the wellbore's path from well's surface location to the park boundary, depth at which wellbore crosses the System unit boundary, and timeline for operations.
- Casing, cementing, and mud programs.
- Stimulation programs.
- Well plugging and abandonment program.
- If hydraulic fracturing is proposed, information required in § 9.89.

Notification of Change - Within 30 days, operators must notify NPS if the method of operation or environmental conditions of operation change.

Operations Permit: Application Contents (§§ 9.80 through 9.90)

All Applications - All applications for an Operations Permit, must contain the following information:

- Documentation demonstrating the right to operate within a System unit.
- Contact information for the operator; the owner; any agents, assignees, designees, contractors, or other representatives of the owner; and the operator's representative responsible for overall management, field supervision, and emergency response for the proposed operation.
- Existing condition and proposed area of operations, including all information required by § 9.84.
- Reclamation Plan, including (1) a description of the specific equipment and methods used to meet the operating standards for reclamation (§ 9.116); and (2) a breakdown of the estimated costs that a third party would charge to complete reclamation as proposed in the reclamation plan.
- Use of water, including (1) the source, quantity, access route, and transportation/conveyance method for all water to be used in access road and pad construction, well drilling, stimulation, and production; and (2) estimations of any anticipated waste water volumes generated and how they will be managed (i.e., handled, temporarily stored, disposed, recycled, reused) throughout stages of the operation.
- Environmental condition and mitigation actions, including all information required in § 9.85.
- Spill control and emergency preparedness plan, including all information required by § 9.86.

Additional Information

Geophysical Exploration (§ 9.87). If you are proposing geophysical exploration, the application must include:

- Number of crews and number of workers in each crew.
- Names and depths of geologic zones targeted for imaging.
- Description of the acquisition methods, including the procedures, specific equipment you will use, and energy sources (e.g., explosives or vibroseis trucks).
- Methods of access along each survey line for personnel, materials, and equipment.

- List of all explosives, blasting equipment, chemicals, and fuels you will use in the proposed operations, including a description of proposed disposal methods, transportation methods, safety measures, and storage facilities.
- Map showing the positions of each survey line including all source and receiver locations as determined by a locational survey, and including shotpoint offset distances from wells, buildings, other infrastructure, and areas the NPS has indicated to you as environmentally sensitive areas.

Drilling Operations (§ 9.88). If you are proposing drilling operations, the application must include:

- Well-pad construction, including dimensions and cross sections of: cut and fill areas and excavations for ditches, sumps, and spill control equipment or structures, including lined areas.
- Drill-rig and equipment layout, including rig components, fuel tanks, testing equipment, support facilities, storage areas, and all other well-site equipment and facilities.
- Drilling program, including hole size for each section and the directional program, if applicable.
- Proposed drilling depth and the estimated depths and names of usable water, brine, hydrocarbon, geothermal, or other mineral-bearing zones.
- Type and characteristics of the proposed mud systems.
- Casing program, including the size, grade, weight, and setting depth of each string.
- Cementing program, including downhole location of any stage equipment, cement types, volumes, and additives to be used, and a description of pressure tests and cement verification techniques used that will be run to evaluate cement placement and integrity.
- Minimum specifications for pressure control equipment function and pressure testing frequency and the blowout preventer stack arrangement.
- Proposed logging, coring, and testing programs. Proposed completion program, including completion type (open-hole, perforated, slotted liner, etc.).
- Procedures, including considerations for well control.
- Description of the equipment, materials, and procedures proposed for well plugging, including plug depths, plug types, and minimum mud weight.

Well Stimulation Operations (§ 9.89). If you are proposing well stimulation operations, including hydraulic fracturing, the application must include:

- Geologic names, a geologic description, and the estimated depths (measured and true vertical) to the top and bottom of the formation into which hydraulic fracturing fluids are to be injected. The estimated minimum vertical distance between the top of the fracture zone and the nearest usable water zone, and the measured depth of the proposed perforated or open-hole interval.
- Estimated depths (measured and true vertical) to the top and bottom of the confining zone(s). Include a map showing the location, orientation, and extent of any known or suspected faults or fractures within one-half mile (horizontal distance) of the wellbore trajectory that may transect the confining zone(s).
- Map showing all existing wellbore trajectories, regardless of type, within one-half mile (horizontal distance) of any portion of the wellbore into which hydraulic fracturing fluids are to be injected. The true vertical depth of each wellbore identified on the map must be indicated.
- Steps to be taken before treatment to verify mechanical integrity of all downhole tubulars and tools and cement quality, including pressure tests and cement bond

logs (or other logs acceptable to the Superintendent) demonstrating that the occurrences of usable water zones have been isolated to protect them from contamination.

- Detailed description of the proposed well-stimulation design, including:
 - (1) Proposed stimulation fluid, including, but not limited to, the base fluid and each additive by trade name, and purpose of additive.
 - (2) Proposed proppant system.
 - (3) Estimated total volume of fluid to be used.
 - (4) Anticipated surface treating pressure range.
 - (5) Maximum anticipated surface pressure that will be applied during the hydraulic fracturing process.
 - (6) Trajectory of the wellbore into which hydraulic fracturing fluids are to be injected and the estimated direction and length of the fractures that will be propagated and a notation indicating the true vertical depth of the top and bottom of the fractures; and
 - (7) Any microseismic monitoring planned or proposed in conjunction with well stimulation.
- Source and location of water supply, such as reused or recycled water, rivers, creeks, springs, lakes, ponds, and water supply wells, and the source and location of water supply, such as reused or recycled water, rivers, creeks, springs, lakes, ponds, and water supply wells.
- Storage, mixing, pumping, and control equipment needed to perform the stimulation.
- Information on recovered fluids, including:
 - (1) Estimated volume of stimulation fluids to be recovered during flow back.
 - (2) Proposed methods of handling the recovered fluids including any onsite treatment for re-use of fluids in other stimulation activities.
 - (3) Proposed disposal method of the recovered fluids, including, but not limited to, injection, hauling by truck, or transporting by pipeline.

Production Operations (§ 9.90). If you are proposing to produce a well, you must submit all of the following information:

- Dimensions and the to-scale layout of the wellpad, clearly identifying well locations, noting partial reclamation areas; gathering, separation, metering, and storage equipment; electrical lines; fences; spill control equipment or structures including lined areas, artificial lift equipment, tank batteries, treating and separating vessels, secondary or enhanced recovery facilities, water disposal facilities, gas compression and/or injection facilities; metering points; sales point (if on lease); tanker pick-up points; gas compressor, including size and type (if applicable); and any other well site equipment.
- Size, grade, weight, and setting depth of all casing and tubing strings; cementing history; type and size of packers and subsurface flow control devices; top and bottom depths of each completed interval; and method of completion.
- Well history, including completions, stimulations, servicing, and workovers.
- Minimum specifications for pressure-control equipment, function, and pressure-testing frequency.
- Method and means used to transport produced oil and gas, including vehicular transport; flowline and gathering line construction; operation; pipe size; operating pressure; cathodic protection methods; surface equipment use; surface equipment location; maintenance procedures; maintenance schedules; pressure detection methods; and shutdown procedures.
- Road and wellpad maintenance plan, including equipment and materials to maintain

- the road surface and control erosion.
- Vegetation management plan on well sites, roads, pipeline corridors, and other disturbed surface areas, including control of exotic species.
- Storm water management plan on the well site.
- Produced water storage and disposal plan.
- Procedures proposed for well plugging, the depths and the types of plugs, and minimum mud weight.

Operating Standards (§§ 9.110-9.118)

Stimulation operations (§ 9.118(b)). You must:

- Not begin injection activities before you demonstrate the mechanical integrity of all surface and downhole tubulars and equipment to differential pressures equal to at least those calculated at the maximum anticipated treating pressure. Continuously monitor and record the treating pressures and all annular pressures before, during, and after the treatment to ensure that treatment materials are directed to the intended zone.
- If mechanical integrity is lost during the treatment, immediately cease the operation and notify the Superintendent as soon as feasible, but no later than 24 hours after the incident.
- Within 15 days after the occurrence, submit to the Superintendent a report containing all details pertaining to the incident, including corrective actions taken.

Production (§ 9.118(c)). You must:

- Monitor producing conditions to document maintenance of mechanical integrity of both surface and subsurface equipment.
- Identify wells and related facilities by a sign, which must remain in place until the well is plugged and abandoned and the related facilities are closed. The sign must be of durable construction, and the lettering must be legible and large enough to be read under normal conditions at a distance of at least 50 feet. Each sign must show the name of the well, name of the operator, and the emergency contact phone number.

General Terms and Conditions (§§ 9.120 through 9.122)

- Provide the NPS an affidavit, signed by an official who is authorized to legally bind the company, stating that proposed operations are in compliance with all applicable federal, state, and local laws and regulations and that all information submitted to the NPS is true and correct. (§ 9.120(c)).
- Third party monitor will report to NPS on compliance with permit. (§ 9.121(b)(2)).
- Notify the Superintendent of any accidents involving serious personal injury or death and of any fires or spills on the site within 24 hours after the accident occurs. (§ 9.121(c)).
- Submit a full written report on the accident to the Superintendent within 90 days after the accident occurs. (§ 9.121(c)).
- Notify the Superintendent within 24 hours after the discovery of any cultural or scientific resource you encounter that might be altered or destroyed by your operation. (§ 9.121(d)).
- Submit reports or other information necessary to verify compliance with your permit or with any provision of this subpart. (§ 9.121(e)).
- If your operations include hydraulic fracturing, you must provide the Superintendent with a report including all of the information below within 30 days after the completion of the last stage of hydraulic fracturing operations for each well (§ 9.122):

- (a) The true vertical depth of the well, total water volume used, and a description of the base fluid and each additive in the hydraulic fracturing fluid, including the trade name, supplier, purpose, ingredients, Chemical Abstract Service Number (CAS), maximum ingredient concentration in additive (percent by mass), and maximum ingredient concentration in hydraulic fracturing fluid (percent by mass).
- (b) The actual source(s) and location(s) of the water used in the hydraulic fracturing fluid;
- (c) The maximum surface pressure and rate at the end of each stage of the hydraulic fracturing operation and the actual flush volume.
- (d) The actual, estimated, or calculated fracture length, height, and direction.
- (e) The actual measured depth of perforations or the open-hole interval.
- (f) Actual volume of stimulation fluids recovered during flow back, including a description of how the volumes were measured or calculated.
- (g) The following information concerning the handling of fluids recovered, covering the period between the commencement of hydraulic fracturing and the implementation of the approved permit for the disposal of produced water under NPS requirements:
 - (1) Methods of handling the recovered fluids, including, but not limited to, transfer pipes and tankers, holding pond use, re-use for other stimulation activities, or injection; and
 - (2) Disposal method of the recovered fluids, including, but not limited to, the percent injected, the percent stored at an off-lease disposal facility, and the percent recycled.
- (h) Continuous monitoring records of annulus pressure at the bradenhead and other annular pressures that document pressures before, during, and after injection operations. Operator must submit a signed certification that wellbore integrity was maintained throughout the operation.

Financial Assurance (§§ 9.140 through 9.144) - All operators are required to post adequate financial assurance with the NPS and are required to submit the following documentation to the NPS:

- Proof of financial assurance in a form acceptable to the Regional Director and payable upon demand.
- If necessary, an adjustment to the financial assurance amount because of any circumstance that increases or decreases the estimated costs.

Modification to an Operation (§ 9.150) - Operators may request or we may require an operator to modify their operations. To request a modification to an approved permit, operators must provide written notice to the Superintendent describing the modification and why it is needed. If we request a modification, the operator must notify us that they accept the modification.

Change of Operator (§§ 9.160 and 9.161) - If an operator transfers its operation to a new operator, both the old and new operator must provide information to the NPS.

Information Current Owner Must Provide. When current operator transfers operations, current operator must:

- Notify the Superintendent in writing within 30 calendar days after the date the new owner acquires the rights to conduct operations providing:
 - (a) Names and addresses of the person or entity conveying the right and the person or entity acquiring the right.
 - (b) Effective date of transfer.

- (c) Description of the rights, assets, and liabilities being transferred and which ones, if any, are being reserved by the previous owner.
- (d) Written acknowledgement from the new owner that the contents of the notification are true and correct.

Information New Operator Must Provide

- Adopt and agree in writing to conduct operations in accordance with all terms and conditions of the previous operator's operations permit, or adopt previous operator's permit and request a modification;
- File financial assurance with us that is acceptable to the Regional Director and made payable to the NPS.
- If the previous operator was granted an exemption for accessing oil and gas rights inside a park from a surface location outside the park boundary, you must provide to the Superintendent:
- Documentation demonstrating that you hold the right to operate within a System unit;
- The names and addresses of the operator; the owner; and individuals responsible for the overall management of the proposed operations, field supervision, and emergency response for the proposed operations.
- If the previous operator was operating without an operations permit, the new operator is considered a previously exempt operator and must obtain an operations permit in accordance with the provisions at § 9.51(a) through (j).

Well Plugging (§§ 9.170 and 9.171) - An operator may apply for either an operations permit or a modification to its approved operations permit to maintain its well in a shut-in status for up to 5 years. The application must include the following information:

- Explanation of why the well is shut-in or temporarily abandoned and your future plans for utilization.
- Proof of the mechanical integrity of both surface and production casing demonstrating that no migration of fluid can be expected to occur.
- Description of the manner in which the operator well, equipment, and area of operations will be maintained.

Reconsideration and Appeals (§§ 9.190 through 9.194) - To appeal an NPS decision, the operator must submit a written statement describing the alleged factual or legal errors in the original decision and requesting that the Regional Director reconsider the decision.

Public Participation (§ 9.200) - An operator may request that information required to be reported under these regulations concerning chemical formulations that are deemed to be trade secrets be withheld from disclosure. To make this request the operator must:

- Identify the owner of the withheld information and provide the name, address and contact information for a corporate officer, managing partner, or sole proprietor of the owner of the information.
- Identify the Federal statute or regulation that would prohibit the NPS from publicly disclosing the information if it were in the NPS's possession.
- Affirm that the operator has been provided the withheld information from the owner of the information and is maintaining records of the withheld information, or that the operator has access and will maintain access to the withheld information held by the owner of the information.
- Affirm that the information is not publicly available.
- Affirm that the information is not required to be publicly disclosed under any applicable laws and policies local, State, tribal, or Federal law;
- Affirm that the owner of the information is in actual competition and identifies competitors

or others that could use the withheld information to cause the owner of the information substantial competitive harm;

- Affirm that the release of the information would likely cause substantial competitive harm to the owner of the information and provides the factual basis for that affirmation; and
- Affirm that the information is not readily apparent through reverse engineering with publicly available information.

3. Describe whether, and to what extent, the collection of information involves the use of automated, electronic, mechanical, or other technological collection techniques or other forms of information technology, e.g., permitting electronic submission of responses, and the basis for the decision for adopting this means of collection. Also describe any consideration of using information technology to reduce burden and specifically how this collection meets GPEA requirements.

Approximately 25 percent of respondents typically submit information via email or other electronic means.

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

No other offices of the NPS or other Federal agencies collect this information. Because the information requested is specific to the claim, operator, and operations, duplication of effort and information does not occur.

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

The information burden of a respondent depends upon the nature of the proposed operation. The information required is the minimum necessary to allow us to make decisions on approving or disapproving Operations Permit applications while meeting NPS responsibilities under the laws and regulations listed above to ensure protection of park resources and values. The NPS encourages operators to contact appropriate NPS staff for assistance in designing environmentally sound development strategies. The NPS has publications available to assist respondents in meeting these requirements.

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 require operators to submit applications for Operations Permits for review and approval prior to commencing development, the NPS would fail to carry out its statutory mandates and mining and non-Federal oil and gas operations could degrade park resources and jeopardize visitor safety. Over the course of an operation, we only require a one-time submittal of a complete Operations Permit application; therefore, collection frequency cannot be reduced.

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

- * requiring respondents to report information to the agency more often than quarterly;

- * requiring respondents to prepare a written response to a collection of information in fewer than 30 days after receipt of it;
- * requiring respondents to submit more than an original and two copies of any document;
- * requiring respondents to retain records, other than health, medical, government contract, grant-in-aid, or tax records, for more than three years;
- * 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;
- * requiring the use of a statistical data classification that has not been reviewed and approved by OMB;
- * 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
- * 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.

There are no circumstances that require us to collect the information in a manner inconsistent with OMB guidelines.

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 three 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.

NPS staff have worked extensively with current non-Federal oil and gas operators to streamline data collection procedures and lessen burden on business operators. The process was arrived at through these consultations and we believe it to be a common sense solution and not overly burdensome.

Proposed Rule

On October 26, 2015 (80 FR 65572), we published a proposed rule to update our service-wide regulations governing the exercise of non-federal oil and gas rights, to improve our ability to

protect park resources, values, and visitors from potential impacts associated with nonfederal oil and gas operations located within National Park Service units. The proposed rule would also make the regulations consistent with existing policies and practices, and update the format to improve clarity and simplify application and compliance for oil and gas operators and our employees. We solicited public comments for 30 days on the information collection requirements, ending on November 25, 2015. The rule was open for public comment for 60 days, until December 28, 2015. The NPS invited comments through the mail and the Federal eRulemaking Portal at <http://www.regulations.gov>.

During the proposed rule stage, we received one comment which addressed the issue of the information requested under this rule.

Comment: The commenter suggested that the NPS collect baseline and historical data on groundwater levels, water quality, aquifer conditions, groundwater discharge, natural features, and aquatic and wildlife habitats that could be used to evaluate potential effects and actual impacts of mineral development on habitats, communities, homeowners, farms and ranches within and surrounding national parks.

NPS Response: This rule contains information requirements that will allow the NPS to collect and evaluate the information that the commenter is suggesting. For instance, the rule allows the NPS to request that the operator provide baseline water quality data in its permit application. See, § 9.85(a). Further, each permit application will be evaluated under the requirements of the National Environmental Policy Act for impacts to the human environment.

Final Rule

We have prepared regulations at 36 CFR Part 9, Subpart B to manage non-Federal oil and gas operations located within units of the National Park System. A copy of the final rule is attached as a supplementary document. Comments received by the NPS related to the information collection component of the rule are addressed in the preamble of the final rule.

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

We do not provide payments or gifts to respondents.

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

Under this rule, § 9.200 provides for confidentiality of appropriate information. This section further notes that the availability of records under these regulations is governed by the rules and regulations at 43 CFR Part 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.

We do not ask questions of a sensitive nature.

12. Provide estimates of the hour burden of the collection of information. The statement should:

- * **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.**
- * **If this request for approval covers more than one form, provide separate hour burden estimates for each form and aggregate the hour burdens.**
- * **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.**

We are estimating that we will receive 1,430 annual responses totaling 7,056 annual burden hours. We estimate that the dollar value of the annual burden hours will be \$405,156 (rounded) (\$57.52 * 7,056 hours). Applications/plans consist of materials that are both clerical in nature (e.g., photocopies of lease documents, other permits) and professional in nature (e.g., surveyed location plats, engineering design). Thus, labor costs can range depending on the level of expertise.

Depending on the level of complexity of the proposed operation, a complete application could consist of as little as 10 pages of text plus 2-10 pages of illustrations (inclusive of location maps, site plans and cross-sections) to as much as 100 pages of text plus several volumes of supporting material. The time to prepare a plan could range from 24 hours to 6 months depending on the complexity of the operation, including the differences in types and numbers of operations that may be included in a single plan, the wide variations in the environmental settings in which non-Federal oil and gas development occurs in parks, and the availability of preexisting environmental data from parks. Because the content of each application is specific to the operation and site, and each operation and site present a unique set of circumstances, it is difficult to identify an "average" preparation time. For the purpose of this analysis, we are estimating 140 hours as an average completion time for most applications being submitted by new operators. Additionally, we are estimating 10 hours as average completion time for submittals from previously exempt operators who need to come into compliance with the 9B regulations. Previously exempt operators only need to submit a sub-set of information and the processing of such information is estimated to take a fraction of the time needed for applications from new operators.

We used Bureau of Labor Statistics news release [USDL-16-1808](#), September 8, 2016, Employer Costs for Employee Compensation—June 2016, to determine the hourly labor cost and calculate benefits. Table 5 lists the wage rate for management, professional, and related positions as \$54.42, including benefits.

Activity/Requirement	Estimated Number of Annual	Completion Time per Response	Estimated Total Annual Burden
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	Responses	(Hours)	Hours
Previously Exempt Operations (§§ 9.50 – 9.53)	106	10	1,060
Application for Temporary Access Permit (§§ 9.60 – 9.63)	5	15	75
Extension of Temporary Access Permit	1	1	1
Accessing Oil and Gas Rights From a Surface Location Outside the Park Boundary – Application for Exemption (§§ 9.70-9.73)	3	80	240
Accessing Oil and Gas Rights From a Surface Location Outside the Park Boundary – Notice of change (§§ 9.70-9.73)	1	2	2
Operations Permit (New Operations)			
Application – (§§ 9.80 – 9.90)	5	140	700
Operating Standards – Simulation Operations (§ 9.118(b))			
Demonstrate mechanical integrity	5	4	20
Record treating pressures and all annular pressures	5	4	20
Notify Superintendent if mechanical integrity is lost	1	1	1
Report of accident	2	1	2
Operating Standards – Production (§9.118(c))			
Document maintenance of mechanical integrity	534	2	1068
Signage to identify wells	5	4	20
General Terms and Conditions (§§ 9.120 – 9.122)			
Affidavit that proposed operations are in compliance with all laws and that information submitted to NPS is accurate	111	1	111
Third-Party Monitor Report	60	17	1,020
Notification - Accidents involving Serious Personal Injuries/Death and Fires/Spills	2	1	2
Written Report - Accidents Involving Serious Injuries/Deaths and Fires/Spills	2	16	32
Notification – Discovery of any cultural or scientific resources	1	1	1
Report - Verify Compliance with Permits	534	4	2,136
Reporting for Hydraulic Fracturing	1	2	2
Financial Assurance (§§ 9.140 – 9.144)	5	1	5
Modification to an Operation (§ 9.150)	1	16	16
Change of Operator (§§ 9.160 – 9.161)	5	8	40
Well Plugging (§§ 9.170 – 9.171)	33	14	462
Reconsideration and Appeals (§§ 9.190 – 9.194)	1	16	16
Public Participation (§ 9.200)	1	4	4
Total	1,430		7,056

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.)

- * 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.
- * 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.

- * 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.

Cost Recovery

The NPS is allowing System units the option of seeking cost recovery for the cost to the NPS of providing necessary services associated with special use permits. The annual amount of cost recovery would be consistent with the annual cost to the federal government as described below in question 14. The numbers are different however, because not all costs to the NPS will be able to be recovered. For example, if the NPS reviews right to operate documentation and finds that a right does not exist and the applicant fails to then move forward in the permitting process, the NPS cannot seek cost recovery from the applicant. However, NPS staff time to make this determination would be expended at a cost to the federal government.

Processing New Operations Permits

The service costs associated with administering a permit consist of a one-time fee for processing a permit application, and then a reoccurring annual fee for monitoring operations for compliance with the permit.

The one-time fee for processing permits would vary largely depending on the complexity of the permit, site location, and proximity to sensitive resources (i.e., species habitat, wetlands and water features, cultural resources, etc.). The NPS estimates this one-time fee to range from \$500 to \$5,000, but trend towards the high-end of the range since most operations will have notable implications on park resources and visitor values. The NPS expects an average of 5 permit applications per year (4 new drills and 1 seismic survey). Using the high-end estimate of \$5,000 per permit application, the average annual cost to operators is expected to be approximately \$25,000 per year.

Converting Previously Exempt Operations to Operations Permits

The NPS is expected to incur the cost equivalent of one full-time employee (GS-13/14) including expenses for one year to oversee the conversion of grandfathered to regulated status. This is a one-time expenditure and amounts to approximately \$160,000. Also, as described for removal of access exemption, the NPS is expected to incur costs of \$15,000 in the first year to accomplish permitting of previously exempt operations.

Ongoing Monitoring of Operations

Annual monitoring costs consist of staff time to visit and document conditions at operations sites, compile information into a monitoring report, and conduct follow up correspondence with operators where conditions of non-compliance exist. These costs will also vary depending on complexity of operations, ease of access, and rates of non-compliance issues. The NPS

estimates the range to be between \$120 and \$500 (based on an hourly cost factor of \$80.21/hour) with the average trending towards the low side. Most operations are simple, easily accessible, and expected to have fairly low rates of non-compliance. For this analysis, the NPS uses a cost of \$250 per well per year, or \$109,000 annually for monitoring 434 wells.

Total Costs

Summing the costs above equals total permitting and monitoring costs of \$309,000 in the first year, and \$134,000 annually thereafter.

Converting these costs over 10 years to current year value, and then amortizing that present value expense over 10 years, using a 3% and 7% discount rate yields an average annual expenses of \$153,000 and \$157,000 respectively. This equates to a cost of approximately \$360 per operator.

Access Fees

In implementing this rule, the NPS will charge access fees consistent with those authorized under NPS' Part 14 Rights-of-Way regulations (see 36 CFR 14.26 and RM-53 Special Park Uses (Appendix 5, Exhibit 2) (guidance to calculate fees).

The method the NPS used to estimate access fees is based on the methodology used by both the Bureau of Land Management (BLM) and the United States Forest Service (USFS) in their Linear Rights-of-Way Rental Fee Schedules. The fee schedules are based on 1) land values established by the National Agricultural Statistics Service (NASS), 2) an encumbrance factor of 50%, and 3) a 10-year average Treasury Security-based amortization rate. Applying data in tables published by NASS and BLM to specific land use in counties where privileged access under the 9B regulation is occurring yields an estimate of service-wide access fees of \$6,000 annually, or an average of just \$67/acre/year.

It should be noted here that fees on a per operator basis vary widely (i.e., costs ranging from \$30 to \$3,000 per year) from use of just fractions of an acre where a road may cut across a corner of federal land to over 30 acres in the case of large access road construction.

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.

We estimate that the total annual cost to the Federal Government to administer this information collection will be \$223,829.

Salary Costs - \$186,829 (rounded) - Nationwide, we estimate receiving 1,430 responses for the various information collection requirements. We estimate that Federal staff will spend 2,329.25 hours to review and process applications and reports. ($\$80.21/\text{hr} * 2,329.25 \text{ hours} = \$186,829.14$).

NOTE: The NPS expects a one-time cost recovery (see question 13) equivalent of one full-time employee (GS-13/14), including expenses for one year, to oversee the conversion of grandfathered to regulated status. This is a one-time cost recovery of approximately \$160,000

and the amount was not included in the total cost to the government as it is not expected in future salary costs.

To determine average hourly rates, we used Office of Personnel Management Salary Table [2016-DEN](#) as an average nationwide rate. We used Bureau of Labor Statistics news release [USDL-16-1808](#), September 8, 2016, Employer Costs for Employee Compensation—June 2016, to calculate the fully burdened rate.

Grade/ Step	Hourly Rate	Hourly Rate Including Benefits (Multiplier of 1.57)	Percent of time spent on collection	Weighted Average (\$/hr)
GS-13/5	\$49.30	\$77.40	80%	\$61.92
GS-14/5	\$58.25	\$91.45	20%	\$18.29
Total				\$80.21

Other Costs - \$37,000 - We estimate approximately \$37,000 for equipment and other incidental costs.

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

This is a new collection.

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.

We do not publish the results of this information collection.

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 for submitting information. However, we will display the OMB control number and expiration date on other appropriate materials.

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

There are no exceptions to the certification statement.