

Supporting Statement A

Waste Prevention, Production Subject to Royalties, and Resource Conservation (43 CFR Parts 3160 and 3170)

OMB Control Number 1004-0211

Terms of Clearance: The previous terms of clearance remain in effect and due to OIRA no later than 3 months after the revised compliance date of January 17, 2019.

General Instructions

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

Specific Instructions

Justification

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

The Secretary of the Interior has authority under the following statutes and regulations to manage oil and gas operations and production on Federal and Indian (except Osage Tribe) lands:

- The Mineral Leasing Act, 30 U.S.C. 181 et seq.;
- The Mineral Leasing Act for Acquired Lands, 30 U.S.C. 351-360
- The Federal Oil and Gas Royalty Management Act, 30 U.S.C. 1701-1759;
- The Indian Mineral Leasing Act, 25 U.S.C. 396 and 396a;
- The Indian Mineral Development Act, 25 U.S.C. 2101-2108; and
- Regulations at 43 CFR parts 3160 and 3170.

This information collection request is in conjunction with a final rule that revises a rule promulgated in 2016 — Waste Prevention, Production Subject to Royalties, and Resource Conservation,” 81 FR 83008 (Nov. 18, 2016) (2016 rule). OMB approved the information collection activities in the 2016 rule with an expiration date of January 31, 2018 and with Terms of Clearance.

On October 5, 2017, the BLM proposed to temporarily suspend or delay certain requirements contained in the 2016 rule until July 17, 2019. See 82 FR 46458 (Oct. 5, 2017). The BLM announced it was considering permanent changes that would be in a separate rulemaking. On December 8, 2017, the BLM issued a final rule (82 FR 58050). OMB approved the information collection activities in that rule with an expiration date of January 31, 2020 and the Terms of Clearance shown above.

The BLM's recent review of the 2016 rule was prompted by the following Executive Orders and Secretarial Order:

- Executive Order 13771, "Reducing Regulation and Controlling Regulatory Costs" (January 30, 2017);
- Executive Order 13783, "Promoting Energy Independence and Economic Growth" (March 28, 2017); and
- Secretarial Order No. 3349, "American Energy Independence" (March 29, 2017).

The BLM believes that the 2016 rule is inconsistent with the policy in section 1 of E.O. 13783, which states that "[i]t is in the national interest to promote clean and safe development of our Nation's vast energy resources, while at the same time avoiding regulatory burdens that unnecessarily encumber energy production, constrain economic growth, and prevent job creation."

The BLM has found that some provisions of the 2016 rule add regulatory burdens that unnecessarily encumber energy production, constrain economic growth, and prevent job creation. This final rule rescinds or revises many of the regulations in the 2016 rule so that the remaining requirements are consistent with the policies set forth in section 1 of E.O. 13783.

While the BLM is not revising the royalty provisions (section 3103.3-1) or the royalty-free use provisions (subpart 3178) of the 2016 rule, the BLM is replacing the requirements contained in the 2016 rule with requirements similar to those that were in force prior to the 2016 rule, in Notice to Lessees and Operators of Onshore Federal and Indian Oil and Gas Leases, Royalty or Compensation for Oil and Gas Lost (NTL-4A).

The following requirements in the 2016 rule are removed in this final rule:

- Waste Minimization Plans;
- Gas capture requirements;
- Well drilling requirements;
- Well completion and related operations requirements;
- Pneumatic controllers equipment requirements;
- Pneumatic diaphragm pumps equipment requirements;

- Storage vessels equipment requirements; and
- Leak Detection and Repair (LDAR) requirements.

The following requirements in the 2016 rule are modified and/or replaced with requirements that are similar to those that were in the BLM’s Notice to Lessees and Operators of Onshore Federal and Indian Oil and Gas Leases, Royalty or Compensation for Oil and Gas Lost (NTL–4A):

- Gas capture requirements;
- Downhole well maintenance and liquids unloading requirements; and
- Requirements for measuring and reporting volumes of gas vented and flared.

This final rule also adds or reconfigures sections to conform to requirements that are similar to those that were in NTL-4A.

As a result of this final rule, the BLM now requests revision of control number 1004-0211 to include:

- The information collection activities in this final rule; and
- The information collection activity titled “Request for Approval for Royalty-Free Uses On-Lease or Off-Lease.”

The BLM also requests the removal or revision of the information collection activities that were in 43 CFR part 3179 of the 2016 rule.

In addition, the BLM requests that the terms of clearance be removed. The BLM does not believe the information collection activities in this final rule implicates the OMB terms of clearance for control number 1004-0211.

The terms of clearance require a clear explanation of the phrase “abandon significant oil reserves.” That phrase does not appear in the regulations authorizing these collection activities.

The terms of clearance require guidance as to what information the BLM would need to determine whether capture requirements would cause an operator to shut in the wells on the lease under current market conditions for the reasonably foreseeable future. Those are not among the findings that the BLM would make under the regulations authorizing these collection activities.

The terms of clearance require an explanation of what an operator would be required to show in order to obtain exemptions from multiple requirements of the rule. This term seems to apply to provisions in the 2016 rule that address subjects such as leak detection and repair (LDAR),

pneumatic controllers and pumps, and liquids unloading requirements. The 2016 rule allows for exemptions from such requirements for economic and operational reasons. This final rule removes those provisions, since we have come to expect that many exemptions would be warranted.

Only one of the regulations in this final rule, 43 CFR 3179.201, includes a provision that is arguably comparable to the exemptions that have been removed.. This regulation authorizes the BLM to approve an application for royalty-free venting or flaring of oil well gas upon determining that royalty-free venting or flaring is justified by the operator's submission of either:

- 1) An evaluation report supported by engineering, geologic, and economic data that demonstrates to the BLM's satisfaction that the expenditures necessary to market or beneficially use such gas are not economically justified; or
- 2) An action plan showing how the operator will minimize the venting or flaring of the gas within 1 year or within a greater amount of time if the operator justifies an extended deadline.

As discussed below under Item # 2, this final rule provides additional detail of what the BLM would require in order to justify royalty-free flaring.

The BLM believes that section 3179.201, as amended, provides an explanation that is sufficient under the term of clearance pertaining to exemptions. In view of the amendment of section 3179.201, and removal of other regulations that implicate the terms and conditions, the BLM believes that this final rule and its information collection activities no longer implicate any of the term of clearance. Therefore, the BLM requests the removal of the terms of clearance.

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.

Some of the information collection (IC) activities in control number 1004-0211 require use of Form 3160-5 (Sundry Notices and Reports on Wells). That form is approved for use under control number 1004-0137. If OMB approves the revision of control number 1004-0211, the BLM plans to request that the uses of the Sundry Notice in this rule be merged with control number 1004-0137.

Specific information we request on Form 3160-5:

(Item 1) Identify the type of well. The BLM needs this information to identify the type of well for the individual operation.

(Items 2-3) Identify the name of the operator, address, and telephone number. The BLM

needs this information to identify the operator of the individual operation.

(Item 4) Identify the location of well. The BLM needs this information to identify the location of the well for the individual operation.

(Item 5) Identify the lease serial number. The BLM needs this information to identify the lease serial number of the individual operation.

(Item 6) Identify the BIA identifier if the action is on Indian trust land. The BLM needs this information to identify if the individual operation is on Indian trust land.

(Item 7) Identify the unit or CA name and number. The BLM needs this information to identify if the individual operation is within a unit or CA.

(Item 8) Identify the well name and number. The BLM needs this information to identify the well name and number of the individual operation.

(Item 9) Identify the API well number. The BLM needs this information to identify the API well number of the individual operation.

(Item 10) Identify the field and pool or exploratory area. The BLM needs this information to identify the field and pool or exploratory area of the individual operation.

(Item 11) Identify the county or parish. The BLM needs this information to identify the county or parish of the individual operation.

(Item 12) Identify the appropriate notice, report, or other data. The BLM needs this information to identify the appropriate notice, report, or other data on the individual operation.

This ICR includes the items described below:

- A. The BLM requests that OMB control number 1004-0211 continue to include the following information collection activity that was included at 43 CFR subpart 3178 of the 2016 rule:

Request for Approval for Royalty-Free Uses On-Lease or Off-Lease (43 CFR 3178.5, 3178.7, 3178.8, and 3178.9).

Section 3178.5 requires submission of a Sundry Notice (Form 3160-5) to request prior written BLM approval for use of gas royalty-free for the following operations and production purposes on the lease, unit or communitized area:

- Using oil or gas that an operator removes from the pipeline at a location downstream of the facility measurement point (FMP);

- Removal of gas initially from a lease, unit PA, or communitized area for treatment or processing because of particular physical characteristics of the gas, prior to use on the lease, unit PA or communitized area; and
- Any other type of use of produced oil or gas for operations and production purposes pursuant to § 3178.3 that is not identified in § 3178.4.

Section 3178.7 requires submission of a Sundry Notice (Form 3160-5) to request prior written BLM approval for off-lease royalty-free uses in the following circumstances:

- The equipment or facility in which the operation is conducted is located off the lease, unit, or communitized area for engineering, economic, resource-protection, or physical-accessibility reasons; and
- The operations are conducted upstream of the FMP.

Section 3178.8 requires that an operator measure or estimate the volume of royalty-free gas used in operations upstream of the FMP. In general, the operator is free to choose whether to measure or estimate, with the exception that the operator must in all cases measure the following volumes:

- Royalty-free gas removed downstream of the FMP and used pursuant to §§ 3178.4 through 3178.7; and
- Royalty-free oil used pursuant to §§ 3178.4 through 3178.7.

If oil is used on the lease, unit or communitized area, it is most likely to be removed from a storage tank on the lease, unit or communitized area. Thus, this regulation also requires the operator to document the removal of the oil from the tank or pipeline.

Section 3178.8(e) requires that operators use best available information to estimate gas volumes, where estimation is allowed. For both oil and gas, the operator must report the volumes measured or estimated, as applicable, under ONRR reporting requirements. As revisions to Onshore Oil and Gas Orders No. 4 and 5 have now been finalized as 43 CFR subparts 3174 and 3175, respectively, the final rule text now references § 3173.12, as well as §§3178.4 through §3178.7 to clarify that royalty-free use must adhere to the provisions in those sections.

Section 3178.9 requires the following additional information in a request for prior approval of royalty-free use under § 3178.5, or for prior approval of off-lease royalty-free use under § 3178.7:

- A complete description of the operation to be conducted, including the location of all facilities and equipment involved in the operation and the location of the FMP;
- The volume of oil or gas that the operator expects will be used in the operation and the method of measuring or estimating that volume;
- If the volume expected to be used will be estimated, the basis for the estimate (e.g., equipment manufacturer's published consumption or usage rates); and

- The proposed disposition of the oil or gas used (e.g., whether gas used would be consumed as fuel, vented through use of a gas-activated pneumatic controller, returned to the reservoir, or disposed by some other method).
- B. The BLM requests the revision of the following information collection activities in accordance with this final rule:

Request for Extension of Royalty-Free Flaring During Initial Production Testing (43 CFR 3179.101)

A regulation in the 2016 rule, 43 CFR 3179.103, allows gas to be flared royalty-free during initial production testing. The regulation lists specific volume and time limits for such testing. An operator may seek an extension of those limits on royalty-free flaring by submitting a Sundry Notice (Form 3160-5) to the BLM.

A regulation in this final rule, 43 CFR 3179.101, is similar to the 2016 rule in addressing the royalty-free treatment of gas volumes flared during initial production testing. Section 43 CFR 3179.101 in this final rule provides that gas flared during the initial production test of each completed interval in a well is royalty-free until one of the following occurs:

- The operator determines that it has obtained adequate reservoir information;
- 30 days have passed since the beginning of the production test, unless the BLM approves a longer test period; or
- The operator has flared 50 million cubic feet of gas.

Section 3179.101 of this final rule also provides that an operator may request a longer test period by submitting a Sundry Notice.

Request for Extension of Royalty-Free Flaring During Subsequent Well Testing (43 CFR 3179.102)

A regulation in the 2016 rule, 43 CFR 3179.104, allows gas to be flared royalty-free for no more than 24 hours during well tests subsequent to the initial production test. That regulation allows an operator to seek authorization to flare royalty-free for a longer period by submitting a Sundry Notice (Form 3160-5) to the BLM.

A regulation in this final rule, 43 CFR 3179.102, is substantively identical to 43 CFR 3179.104 in the 2016 rule. Accordingly, the BLM requests that the information collection activity at 43 CFR 3179.102 of this final rule replace the activity at 43 CFR 3179.104 of the 2016 rule.

Emergencies (43 CFR 3179.103)

A regulation in the 2016 rule, 43 CFR 3179.105, allows an operator to flare gas royalty-free during a temporary, short-term, infrequent, and unavoidable emergency. A regulation in this final rule, at 43 CFR 3179.103, is almost identical to 43 CFR 3179.105 of the 2016 rule. The BLM thus requests that the information collection activity titled, “Reporting of Venting or Flaring (43 CFR 3179.105)” be re-named “Emergencies (43 CFR 3179.103).”

As provided at 43 CFR 3179.103(a) of this final rule, gas flared or vented during an emergency is royalty-free for a period not to exceed 24 hours, unless the BLM determines that emergency conditions exist necessitating venting or flaring for a longer period. Section 3179.103(d) of this final rule requires the operator to report to the BLM on a Sundry Notice, within 45 days of the start of an emergency, the estimated volumes flared or vented beyond the timeframe specified in paragraph (a).

As defined at 43 CFR 3179.103(b) of this final rule, an “emergency” for purposes of 43 CFR subpart 3179 is a temporary, infrequent and unavoidable situation in which the loss of gas or oil is uncontrollable or necessary to avoid risk of an immediate and substantial adverse impact on safety, public health, or the environment, and is not due to operator negligence.

As provided at 43 CFR 3179.103(c) of this final rule, the following events do not constitute emergencies for the purposes of royalty assessment:

- The operator's failure to install appropriate equipment of a sufficient capacity to accommodate the production conditions;
- Failure to limit production when the production rate exceeds the capacity of the related equipment, pipeline, or gas plant, or exceeds sales contract volumes of oil or gas;
- Scheduled maintenance;
- A situation caused by operator negligence, including recurring equipment failures; or
- A situation on a lease, unit, or communitized area that has already experienced 3 or more emergencies within the past 30 days, unless the BLM determines that the occurrence of more than 3 emergencies within the 30 day period could not have been anticipated and was beyond the operator's control.

C. The BLM requests the removal of the following information collection activities in accordance with this final rule:

- I. Plan to Minimize Waste of Natural Gas;
 - 1. Notification of Choice to Comply on County- or State-wide Basis;
 - 2. Request for Approval of Alternative Capture Requirement;
- II. Request for Exemption from Well Completion Requirements;
- III. Notification of Functional Needs for a Pneumatic Controller”;
- IV. Showing that Cost of Compliance Would Cause Cessation of Production and Abandonment of Oil Reserves (Pneumatic Controller)”

3. Showing in Support of Replacement of Pneumatic Controller within 3 Years;
 4. Showing that a Pneumatic Diaphragm Pump was Operated on Fewer than 90 Individual Days in the Prior Calendar Year;
 5. Notification of Functional Needs for a Pneumatic Diaphragm Pump;
 6. Showing that Cost of Compliance Would Cause Cessation of Production and Abandonment of Oil Reserves (Pneumatic Diaphragm Pump);
 7. Showing in Support of Replacement of Pneumatic Diaphragm Pump within 3 Years;
 8. Storage Vessels;
 9. Downhole Well Maintenance and Liquids Unloading – Documentation and Reporting;
 10. Downhole Well Maintenance and Liquids Unloading – Notification of Excessive Duration or Volume;
 11. Leak Detection – Compliance with EPA Regulations;
 12. Leak Detection – Request to Use an Alternative Monitoring Device and Protocol;
 13. Leak Detection – Operator Request to Use an Alternative Leak Detection Program;
 14. Leak Detection – Operator Request for Exemption Allowing Use of an Alternative Leak-Detection Program that Does Not Meet Specified Criteria;
 15. Leak Detection – Notification of Delay in Repairing Leaks;
 16. Leak Detection — Inspection Recordkeeping and Reporting; and
 17. Leak Detection – Annual Reporting of Inspections.
- D. The BLM requests the addition of the following information collection activity, in accordance with this final rule:

Oil-Well Gas (43 CFR 3179.201):

A regulation in this final rule, 43 CFR 3179.201, provides that, except as otherwise provided in 43 CFR subpart 3179, oil-well gas may not be vented or flared royalty-free unless BLM approves such action in writing. Section 3179.201 authorizes the BLM would to approve an application for royalty-free venting or flaring of oil well gas upon determining that royalty-free venting or flaring is justified by the operator's submission of either:

- An evaluation report supported by engineering, geologic, and economic data that demonstrates to the BLM's satisfaction that the expenditures necessary to market or beneficially use such gas are not economically justified; or
- An action plan showing how the operator will minimize the venting or flaring of the gas within 1 year or within a greater amount of time if the operator justifies an extended deadline.

If the operator fails to implement the action plan, the gas vented or flared during the time covered by the action plan will be subject to royalty.

The data in the evaluation report that is mentioned above must include:

- The applicant's estimates of the volumes of oil and gas that would be produced to the economic limit if the application to vent or flare were approved; and
- The volumes of the oil and gas that would be produced if the applicant were required to market or use the gas.

Section 3179.201 authorizes the BLM to require the operator to provide an updated evaluation report as additional development occurs or economic conditions improve. In addition, the BLM may determine that gas is avoidably lost and therefore subject to royalty if flaring exceeds 10 million cubic feet per well during any month.

The BLM notes that there are no additional reporting requirements associated with 43 CFR 3179.301 in the final rule. This regulation, which is a revision of 43 CFR 3179.9, is a collection activity of the Office of Natural Resources Revenue (ONRR) that the OMB has authorized under control number 1012-0004. The original and revision BLM regulations both provide that the operator must estimate or measure volumes of gas vented or flared, and report those volumes under "applicable ONRR reporting requirements." An ONRR regulation (30 CFR 1210.102) requires operators to submit each month a form that is included in control number 1012-0004 (i.e., Form ONRR-4054, Oil and Gas Operations Report) for all oil and gas production. Volumes of vented gas and flared gas must be included in that report, using codes to identify those volumes. ONRR uses the information on ONRR-4054 to track all oil and gas from the point of production to the point of first sale or other disposition, to ensure proper royalties are paid. The BLM and other Federal Government agencies use the data to monitor and inspect lease operations. As revised, 43 CFR 3179.301 does not change the burdens that ONRR estimates for ONRR-4054.

- 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.**

We anticipate that most respondents will choose to comply with the information collection requirements electronically, although the regulations do not require them to do so. For the information collection activities that require use of the Sundry Notice (Form 3160-5), that form is electronically available to the public in fillable, printable format at: <https://www.blm.gov/services/electronic-forms>.

- 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 duplication of information occurs on the information collection activities in the rule. The requested information is unique to each respondent and is not available from any other data

source.

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

We estimate that 98 to 99 percent of the respondents are small businesses. We review the requirements to ensure that the information requested of small organizations and all other potential respondents is the minimum necessary. There are no special provisions for small organizations. We structure the request to require only necessary data.

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.

The collection of information is necessary to assist the BLM in preventing venting, flaring, and leaks that waste the public's resources and assets. If the collection is not conducted or is conducted less frequently, it is foreseeable that such waste would be uncontrolled.

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.**

Under the regulations as revised in this rule, there are no special circumstances requiring the collection to be conducted in a manner described above.

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.

In the proposed rule, the BLM provided an opportunity to submit public comments on this information collection request. Some commenters stated they agreed with these proposed removals because they would eliminate burdensome and unnecessary paperwork. The BLM generally agrees with these comments.

Other commenters stated that the reporting requirements in the 2016 rule are in themselves minimally costly, especially when viewed as a percentage of industry revenues or profits. They also stated that some of the information to be collected in accordance with the 2016 rule reflect good industry practice to measure flared and vented gas, are readily available, and are straightforward to collect. These comments also stated this such information is regularly requested by the Greenhouse Gas Reporting Program of the Environmental Protection Agency (EPA) and by many State programs, and that the information-collection activities in the 2016 rule bring the BLM's regulations up to the minimum stand of care required by the Federal Land Policy and Management Act (FLPMA).

The BLM disagrees that the reporting requirements in the 2016 rule are minimally costly. The BLM estimates that the 2016 rule, if fully implemented, would have imposed administrative costs of approximately \$14 million per year (\$10.7 million to be borne by the industry and \$3.27 million to be borne by the BLM). In contrast, this rule will pose estimated administrative burdens of \$379,000 per year.

The BLM also notes that, notwithstanding the revisions that this rule implements, operators are required to report volumes of vented and flared Federal and Indian gas to the Office of Natural Resource Revenue (ONRR).

9. Explain any decision to provide any payment or gift to respondents, other than

remuneration of contractors or grantees.

We will not provide payments or gifts to the respondents.

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

These regulations provide no assurance of confidentiality to respondents. However, operators routinely provide information to the BLM that they consider confidential; if they indicate on the Sundry Notice that the information is considered confidential, the BLM will handle the information in accordance with applicable regulations in 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 require respondents to answer 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.**

The BLM estimates the following annual hour burdens: 1,075 responses, 4,010 hours, and \$263,056.

The following table shows the BLM's estimate of the hourly cost burdens for respondents. The mean hourly wages were determined using national Bureau of Labor Statistics data at:

http://www.bls.gov/oes/current/oes_nat.htm. The benefits multiplier of 1.4 is supported by information at <http://www.bls.gov/news.r/ecec.nr0.htm>.

Table 12-1
Estimated Weighted Average Hourly Costs

A. Position	B. Mean Hourly Wage	C. Hourly Wage with Benefits (Column B x 1.4)	D. Percent of Collection Time	E. Weighted Average Hourly Cost (Column C x Column D)
General Office Clerk (43-9061)	\$16.30	\$22.82	10%	\$2.28
Engineer (17-2199)	\$47.74	\$66.84	80%	\$53.47
Engineering Manager (11-9041)	\$70.33	\$98.46	10%	\$9.85
Totals	—	—	100%	\$65.60

Hour and cost burdens to respondents include time spent for researching, preparing, and submitting information. The weighted average hourly wage associated with these information collections is shown at Table 12-1, above. The frequency of response for each of the information collections is “on occasion.”

Table 12-2 itemizes the estimated hour and cost burdens.

Table 12-2
Estimates of Hour and Cost Burdens

A. Type of Response	B. Number of Responses	C. Hours per Response	D. Total Hours (Column B x Column C)	E. Dollar Equivalent (Column D x \$65.60)
Request for Approval for Royalty-Free Uses On-Lease or Off-Lease 43 CFR 3178.5, 3178.7, 3178.8, and 3178.9 Form 3160-5	50	8	400	\$26,240
Request for Extension of Royalty-Free Flaring During Initial Well Testing 43 CFR 3179.102 Form 3160-5	750	2	1,500	\$98,400
Request for Extension of Royalty-Free Flaring During Subsequent Well Testing 43 CFR 3179.102 Form 3160-5	5	2	10	\$656
Emergencies 43 CFR 3179.103 Form 3160-5	250	2	500	\$32,800
Oil-Well Gas 43 CFR 3179.201	20	80	1,600	\$104,960
Totals	1,075	—	4,010	\$263,056

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.

No non-hour costs result from the information-collection activities in the rule.

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 BLM estimates \$88,352 in Federal costs annually.

Table 14-1 shows the BLM's estimate of the hourly cost burdens to the Federal government. The hourly pay rates (Column B) are based on U.S. Office of Personnel Management data at: https://www.opm.gov/policy-data-oversight/pay-leave/salaries-wages/salary-tables/pdf/2018/RUS_h.pdf.

The benefits multiplier of 1.6 is implied by information at <http://www.bls.gov/news.release/ecec.nr0.htm>.

Table 14-1
Estimated Weighted Average Federal Hourly Costs

A. Position and Pay Grade	B. Hourly Pay Rate	C. Hourly Rate with Benefits (Column B x 1.6)	D. Percent of the Information Collection Completed by Each Occupation	F. Weighted Average Hourly Costs (Column C x Column D)
Clerical GS-5, step 5	\$17.84	\$28.54	10%	\$2.90
Professional GS-9, step 5	\$27.02	\$43.23	80%	\$35.18
Managerial GS-13, step 5	\$46.60	\$74.56	10%	\$7.58
Totals	—	—	100%	\$45.66

Table 14-2, below, shows the estimated Federal hours and costs for each component of this information collection.

**Table 14-2
Estimated Annual Cost to the Government**

A. Type of Response	B. Number of Responses	C. Hours per Response	D. Total Hours (Column B x Column C)	E. Dollar Equivalent (Column D x \$45.66)
Request for Approval for Royalty-Free Uses On-Lease or Off- Lease 43 CFR 3178.5, 3178.7, 3178.8, and 3178.9 Form 3160-5	50	4	200	\$9,132
Request for Extension of Royalty-Free Flaring During Initial Well Testing 43 CFR 3179.102 Form 3160-5	750	1	750	\$34,245

A. Type of Response	B. Number of Responses	C. Hours per Response	D. Total Hours (Column B x Column C)	E. Dollar Equivalent (Column D x \$45.66)
Request for Extension of Royalty-Free Flaring During Subsequent Well Testing 43 CFR 3179.102 Form 3160-5	5	1	5	\$228
Emergencies 43 CFR 3179.103 Form 3160-5	250	2	500	\$22,830
Oil Well Gas 43 CFR 3179.201	20	24	480	\$21,917
Totals	1,075	—	1,935	\$88,352

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

This final rule results in the following adjustments in hour or cost burden that result from the review of the proposed rule under Executive Order 12866:

1. The estimated hours per response for Request for Approval for Royalty-Free Uses On-Lease or Off-Lease are increased from 4 to 8.
2. The estimated number of responses for "Request for Extension of Royalty-Free Flaring During Initial Well Testing" are increased from 500 to 750.

This final rule removes 21 information-collection activities and adds 1 information-collection activity to control number 1004-0211. These program changes have the net result of 62,125 fewer responses than in the 2016 rule (1,075 responses minus 63,200 responses) and 78,160 fewer burden hours than in the 2016 rule (4,010 responses minus 82,170 responses). The program changes and their reasons are itemized in Tables 15-1 and 15-2.

**Table 15-1
Program Changes: Numbers of Responses**

A. Type of Response	B. Number of Requested Responses	C. Number of Previously Approved Responses	D. Difference Between Requested and Previously Approved Responses	E. Reason for Program Change
Plan to Minimize Waste of Natural Gas 43 CFR 3162.3-1(j) Form 3160-3	0	2,000	-2,000	Rescission of 43 CFR 3162.3-1(j)
Request for Approval for Royalty-Free Uses On-Lease or Off-Lease 43 CFR 3178.5, 3178.7, 3178.8, and 3178.9 Form 3160-5	50	50	No change	No program change; relevant regulations are not amended.
Notification of Choice to Comply on County- or State-wide Basis 43 CFR 3179.7(c)(3)(iii)	0	200	-200	Rescission of 43 CFR 3179.7(c)(3)(iii)

A. Type of Response	B. Number of Requested Responses	C. Number of Previously Approved Responses	D. Difference Between Requested and Previously Approved Responses	E. Reason for Program Change
Request for Approval of Alternative Capture Requirement 43 CFR 3179.8(b) Form 3160-5	0	50	-50	Rescission of 43 CFR 3179.8(b)
Request for Exemption from Well Completion Requirements 43 CFR 3179.102(c) and (d) Form 3160-5	0	0	No change	Rescission of 43 CFR 3179.102
Request for Extension of Royalty-Free Flaring During Initial Production Testing 43 CFR 3179.101 Form 3160-5	750	500	No change	No program change; change in regulatory cite from 43 CFR 3179.103 to 43 CFR 3179.101
Request for Extension of Royalty-Free Flaring During Subsequent Well Testing 43 CFR 3179.102 Form 3160-5	5	5	No change	No program change; change in regulatory cite from 43 CFR 3179.104 to 43 CFR 3179.102
Emergencies 43 CFR 3179.103 Form 3160-5	250	250	No change	No program change; change in regulatory cite from 43 CFR 3179.105 to 43 CFR 3179.103 and change in IC title from “Reporting of Venting or Flaring” to “Emergencies”

A. Type of Response	B. Number of Requested Responses	C. Number of Previously Approved Responses	D. Difference Between Requested and Previously Approved Responses	E. Reason for Program Change
Notification of Functional Needs for a Pneumatic Controller 43 CFR 3179.201(b) (1) Form 3160-5	0	10	-10	Rescission of 43 CFR 3179.201
Showing that Cost of Compliance Would Cause Cessation of Production and Abandonment of Oil Reserves (Pneumatic Controller) 43 CFR 3179.201(b) (4) and 3179.201(c) Form 3160-5	0	50	-50	Rescission of 43 CFR 3179.201
Showing in Support of Replacement of Pneumatic Controller within 3 Years 43 CFR 3179.201(d) Form 3160-5	0	100	-100	Rescission of 43 CFR 3179.201 ¹
Showing that a Pneumatic Diaphragm Pump was Operated on Fewer than 90 Individual Days in the Prior Calendar Year 43 CFR 3179.202(b) (2) Form 3160-5	0	100	-100	Rescission of 43 CFR 3179.202

¹ This final rule includes a new 43 CFR 3179.201 that provides for a new IC activity for which the BLM is now seeking approval. This entry applies to section 3179.201 of the 2016 final rule.

A. Type of Response	B. Number of Requested Responses	C. Number of Previously Approved Responses	D. Difference Between Requested and Previously Approved Responses	E. Reason for Program Change
Notification of Functional Needs for a Pneumatic Diaphragm Pump 43 CFR 3179.202(d) Form 3160-5	0	150	-150	Rescission of 43 CFR 3179.202
Showing that Cost of Compliance Would Cause Cessation of Production and Abandonment of Oil Reserves (Pneumatic Diaphragm Pump) 43 CFR 3179.202(f) and (g) Form 3160-5	0	10	-10	Rescission of 43 CFR 3179.202
Showing in Support of Replacement of Pneumatic Diaphragm Pump within 3 Years 43 CFR 3179.202(h) Form 3160-5	0	100	-100	Rescission of 43 CFR 3179.202

A. Type of Response	B. Number of Requested Responses	C. Number of Previously Approved Responses	D. Difference Between Requested and Previously Approved Responses	E. Reason for Program Change
Storage Vessels 43 CFR 3179.203(c) and (d) Form 3160-5	0	50	-50	Rescission of 43 CFR 3179.203
Downhole Well Maintenance and Liquids Unloading – Documentation and Reporting 43 CFR 3179.204(c) and (e) Form 3160-5	0	5,000	-5,000	Rescission of 43 CFR 3179.204 and removal of IC activity from new regulation re. downhole well maintenance and liquids unloading (43 CFR 3179.104)
Downhole Well Maintenance and Liquids Unloading – Notification of Excessive Duration or Volume 43 CFR 3179.204(f) Form 3160-5	0	250	-250	Rescission of 43 CFR 3179.204 and removal of IC activity from new regulation re. downhole well maintenance and liquids unloading (43 CFR 3179.104)
Leak Detection – Compliance with EPA Regulations 43 CFR 3179.301(j) Form 3160-5	0	50	-50	Rescission of 43 CFR 3179.301 ²
Leak Detection – Request to Use an Alternative Monitoring Device and Protocol 43 CFR 3179.302(c) and (d) Form 3160-5	0	5	-5	Rescission of 43 CFR 3179.302

² This final rule includes a new 43 CFR 3179.301 that does not require submission of information to the BLM. This entry applies to section 3179.301 of the 2016 final rule.

A. Type of Response	B. Number of Requested Responses	C. Number of Previously Approved Responses	D. Difference Between Requested and Previously Approved Responses	E. Reason for Program Change
Leak Detection – Operator Request to Use an Alternative Leak Detection Program 43 CFR 3179.303(b) Form 3160-5	0	20	-20	Rescission of 43 CFR 3179.303
Leak Detection – Operator Request for Exemption Allowing Use of Alternative Leak-Detection Program that Does Not Meet Specified Criteria 43 CFR 3179.303(c) and (d) Form 3160-5	0	150	-150	Rescission of 43 CFR 3179.303
Leak Detection – Notification of Delay in Repairing Leaks 43 CFR 3179.304(a) and (b) Form 3160-5	0	100	-100	Rescission of 43 CFR 3179.304
Leak Detection – Inspection Recordkeeping and Reporting 43 CFR 3179.305	0	52,000	-52,000	Rescission of 43 CFR 3179.305
Leak Detection – Annual Reporting of Inspections 43 CFR 3179.305(b) Form 3160-5	0	2,000	-2,000	Rescission of 43 CFR 3179.305

A. Type of Response	B. Number of Requested Responses	C. Number of Previously Approved Responses	D. Difference Between Requested and Previously Approved Responses	E. Reason for Program Change
Oil-Well Gas 43 CFR 3179.201	20	0	+20	Addition of new 43 CFR 3179.201
Totals	1,075	63,200	-62,125	—

**Table 15-2
Program Changes: Numbers of Burden Hours**

A. Type of Response	B. Number of Requested Burden Hours	C. Number of Previously Approved Burden Hours	D. Difference Between Requested and Previously Approved Burden Hours	E. Reason for Program Change
Plan to Minimize Waste of Natural Gas 43 CFR 3162.3-1(j) Form 3160-3	0	16,000	-16,000	Rescission of 43 CFR 3162.3-1(j)
Request for Approval for Royalty-Free Uses On-Lease or Off-Lease 43 CFR 3178.5, 3178.7, 3178.8, and 3178.9 Form 3160-5	400	200	No change	No program change; relevant regulations are not amended.

A. Type of Response	B. Number of Requested Burden Hours	C. Number of Previously Approved Burden Hours	D. Difference Between Requested and Previously Approved Burden Hours	E. Reason for Program Change
Notification of Choice to Comply on County- or State-wide Basis 43 CFR 3179.7(c)(3)(iii)	0	200	-200	Rescission of 43 CFR 3179.7(c)(3)(iii)
Request for Approval of Alternative Capture Requirement 43 CFR 3179.8(b) Form 3160-5	0	800	-800	Rescission of 43 CFR 3179.8(b)
Request for Exemption from Well Completion Requirements 43 CFR 3179.102(c) and (d) Form 3160-5	0	0	No change	Rescission of 43 CFR 3179.102
Request for Extension of Royalty-Free Flaring During Initial Production Testing 43 CFR 3179.101 Form 3160-5	1,500	1,000	No change	No program change; change in regulatory cite from 43 CFR 3179.103 to 43 CFR 3179.101
Request for Extension of Royalty-Free Flaring During Subsequent Well Testing 43 CFR 3179.102 Form 3160-5	10	10	No change	No program change; change in regulatory cite from 43 CFR 3179.104 to 43 CFR 3179.102

A. Type of Response	B. Number of Requested Burden Hours	C. Number of Previously Approved Burden Hours	D. Difference Between Requested and Previously Approved Burden Hours	E. Reason for Program Change
Emergencies 43 CFR 3179.103 Form 3160-5	500	500	No change	No program change; change in regulatory cite from 43 CFR 3179.105 to 43 CFR 3179.103 and change in IC title from “Reporting of Venting or Flaring” to “Emergencies”
Notification of Functional Needs for a Pneumatic Controller 43 CFR 3179.201(b)(1) Form 3160-5	0	20	-20	Rescission of 43 CFR 3179.201
Showing that Cost of Compliance Would Cause Cessation of Production and Abandonment of Oil Reserves (Pneumatic Controller) 43 CFR 3179.201(b)(4) and 3179.201(c) Form 3160-5	0	200	-200	Rescission of 43 CFR 3179.201
Showing in Support of Replacement of Pneumatic Controller within 3 Years 43 CFR 3179.201(d) Form 3160-5	0	100	-100	Rescission of 43 CFR 3179.201 ³

³ While section 3179.201 of the 2016 final rule is rescinded, this final rule includes a new 43 CFR 3179.201 that provides for a new IC activity for which the BLM is now seeking approval.

A. Type of Response	B. Number of Requested Burden Hours	C. Number of Previously Approved Burden Hours	D. Difference Between Requested and Previously Approved Burden Hours	E. Reason for Program Change
Showing that a Pneumatic Diaphragm Pump was Operated on Fewer than 90 Individual Days in the Prior Calendar Year 43 CFR 3179.202(b) (2) Form 3160-5	0	100	-100	Rescission of 43 CFR 3179.202
Notification of Functional Needs for a Pneumatic Diaphragm Pump 43 CFR 3179.202(d) Form 3160-5	0	150	-150	Rescission of 43 CFR 3179.202
Showing that Cost of Compliance Would Cause Cessation of Production and Abandonment of Oil Reserves (Pneumatic Diaphragm Pump) 43 CFR 3179.202(f) and (g) Form 3160-5	0	40	-40	Rescission of 43 CFR 3179.202
Showing in Support of Replacement of Pneumatic Diaphragm Pump within 3 Years 43 CFR 3179.202(h) Form 3160-5	0	100	-100	Rescission of 43 CFR 3179.202

A. Type of Response	B. Number of Requested Burden Hours	C. Number of Previously Approved Burden Hours	D. Difference Between Requested and Previously Approved Burden Hours	E. Reason for Program Change
Storage Vessels 43 CFR 3179.203(c) and (d) Form 3160-5	0	200	-200	Rescission of 43 CFR 3179.203
Downhole Well Maintenance and Liquids Unloading – Documentation and Reporting 43 CFR 3179.204(c) and (e) Form 3160-5	0	5,000	-5,000	Rescission of 43 CFR 3179.204 and removal of IC activity from new regulation re. downhole well maintenance and liquids unloading (43 CFR 3179.104)
Downhole Well Maintenance and Liquids Unloading – Notification of Excessive Duration or Volume 43 CFR 3179.204(f) Form 3160-5	0	250	-250	Rescission of 43 CFR 3179.204 and removal of IC activity from new regulation re. downhole well maintenance and liquids unloading (43 CFR 3179.104)
Leak Detection – Compliance with EPA Regulations 43 CFR 3179.301(j) Form 3160-5	0	200	-200	Rescission of 43 CFR 3179.301 ⁴
Leak Detection – Request to Use an Alternative Monitoring Device and Protocol 43 CFR 3179.302(c) and (d) Form 3160-5	0	200	-200	Rescission of 43 CFR 3179.302

⁴ This final rule includes a new 43 CFR 3179.301 that would not require submission of information to the BLM.

A. Type of Response	B. Number of Requested Burden Hours	C. Number of Previously Approved Burden Hours	D. Difference Between Requested and Previously Approved Burden Hours	E. Reason for Program Change
Leak Detection – Operator Request to Use an Alternative Leak Detection Program 43 CFR 3179.303(b) Form 3160-5	0	800	-800	Rescission of 43 CFR 3179.303
Leak Detection – Operator Request for Exemption Allowing Use of Alternative Leak-Detection Program that Does Not Meet Specified Criteria 43 CFR 3179.303(c) and (d) Form 3160-5	0	3,000	-3,000	Rescission of 43 CFR 3179.303
Leak Detection – Notification of Delay in Repairing Leaks 43 CFR 3179.304(a) and (b) Form 3160-5	0	100	-100	Rescission of 43 CFR 3179.304
Leak Detection – Inspection Recordkeeping and Reporting 43 CFR 3179.305	0	13,000	-13,000	Rescission of 43 CFR 3179.305
Leak Detection – Annual Reporting of Inspections 43 CFR 3179.305(b) Form 3160-5	0	40,000	-40,000	Rescission of 43 CFR 3179.305

A. Type of Response	B. Number of Requested Burden Hours	C. Number of Previously Approved Burden Hours	D. Difference Between Requested and Previously Approved Burden Hours	E. Reason for Program Change
Oil-Well Gas 43 CFR 3179.201	1,600	0	-400	Addition of new 43 CFR 3179.201
Totals	4,010	82,170	-80,060	—

16. For collections of information whose results will be published, outline plans for tabulation and publication. Address any complex analytical techniques that will be used. Provide the time schedule for the entire project, including beginning and ending dates of the collection of information, completion of report, publication dates, and other actions.

The BLM will not publish any of the collected information.

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

The BLM displays the expiration date for control number 1004-0137 (January 31, 2018) on the form authorized for use by that control number that also is used under control number 1004-0211 (i.e., Form 3160-5) and this final substantive rule. The BLM submitted a timely request for renewal of control number 1004-0137 to the OMB.

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.