

1 Supporting Statement A

Leasing of Solid Minerals Other Than Coal and Oil Shale (43 CFR Parts 3500, 3580, and 3590)

OMB Control Number 1004-0121

Terms of Clearance: None.

General Instructions

A completed Supporting Statement A must accompany each request for approval of a collection of information. The Supporting Statement must be prepared in the format described below, and must contain the information specified below. If an item is not applicable, provide a brief explanation. When the question "Does this 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.**

Control number 1004-0121 authorizes the Bureau of Land Management (BLM) to collect information pertaining to leases of solid minerals other than coal and oil shale. The following authorities necessitate this collection of information:

- (1) Sections 206 and 209 of the Federal Land Policy and Management Act, 43 U.S.C. 1716 and 1719;
- (2) General Mining Law, 30 U.S.C. Chapter 2;
- (3) Mineral Leasing Act, 30 U.S.C. Chapter 3A, Subchapter I – General Provisions;
- (4) Mineral Leasing Act, 30 U.S.C. 209;
- (5) Mineral Leasing Act, 30 U.S.C. Chapter 3A, Subchapter III – Phosphates;
- (6) Mineral Leasing Act, 30 U.S.C. Chapter 3A, Subchapter VII – Sodium;
- (7) Mineral Leasing Act, 30 U.S.C. Chapter 3A, Subchapter VIII – Sulphur;
- (8) Mineral Leasing Act, 30 U.S.C. Chapter 3A, Subchapter IX – Potash;
- (9) Mineral Leasing Act for Acquired Lands, 30 U.S.C. Chapter 7;

- (10) Multiple Mineral Development Act, 30 U.S.C. Chapter 12;
- (11) Reorganization Plan No. 3 of 1946, 5 U.S.C. Appendix; and
- (12) 43 CFR Parts 3500, 3580, and 3590.

At present, 32 information collection activities are authorized under control number 1004-0121. This information collection request pertains to a proposed rule in which the BLM would revise control number 1004-0121 by dividing one previously approved information collection activity into two activities. One activity would be limited to applications for suspension of operations, and the other activity would include applications for reductions of rental, royalties, and minimum production. The net result of this revision would be that control number 1004-0121 would include 33 information collection activities.

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

The statutes listed above govern the leasing of minerals other than coal and oil shale on Federal land, and the development of those leases. Accordingly, the respondents affected by this information collection request are those who desire to obtain lease for Federal minerals other than coal and oil shale, and operators of such leases.

The proposed rule would remove the previously approved information collection activity labeled “Application for Waiver, Suspension, or Reduction of Rental or Minimum Royalties, or for a Reduction in the Royalty Rate.” The proposed rule would replace this activity with two activities:

- Application for Reduction of Rental, Royalties, or Minimum Production Requirements; and
- Application for Suspension.

In order to properly identify the lease in question, 43 CFR 3513.15(a) through (e) currently require that an application for reduction of rental, royalties, or minimum production include:

- (a) The serial number of the lease;
- (b) The name of the record title holder(s);
- (c) The name of the operator and operating rights owners if different from the record title holder(s);
- (d) A description of the lands by legal subdivision; and
- (e) A map showing the serial number and location of each mine or excavation and the extent of the mining operations.

The proposed rule would revise section 3513.15(e) by requiring a description of the lands by legal subdivision only if the application is for an area of land other than what is described in the lease.

In addition, the proposed rule would:

- Remove current section 3513.15(f), which at present requires a tabulated statement of the leasable minerals mined for each month covering at least the last twelve months before the filing of the application, and the average production mined per day for each month;
- Move current paragraph (g) to new paragraph (f), but make no other changes to that paragraph, which requires that an application for relief from the minimum production include complete information why minimum production was not attained;
- Remove paragraph (h), which currently requires a detailed statement of expenses and costs of operating the entire lease, and the income from the sale of any leased products;
- Revise current paragraph (i) by requiring “justification” rather than “all facts” showing why the operator cannot successfully operate the mines under the royalty or rental fixed in the lease and other lease terms;
- Move current paragraph (i) to new paragraph (g);
- Remove current paragraph (j), which at present requires that an application for reduction of royalty must include full information about any royalties the lessee pays to anyone other than the United States and a description of the efforts the lessee has made to reduce the other royalties;
- Remove current paragraph (k), which requires documents demonstrating that the total amount of overriding royalties the lessee will pay will not exceed one-half the proposed reduced royalties due the United States;
- Revise current paragraph (l) to require “any other information BLM needs to determine whether the request satisfies the standards in [43 CFR] 3504.25 or [43 CFR] 3513.12.”;
- Move current paragraph (l) to new paragraph (h).

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.

There is no form for the current application or for the proposed applications. However, a respondent choosing to submit an application electronically may do so by scanning and then emailing it to the appropriate BLM office.

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

2 above.

The BLM uses the information to maintain an accurate account of operations being conducted on public land and to identify responsible parties if there is damage to the land. Each action is specific to an individual case and therefore there is no duplication. We have no similar information available. The information we request can only be supplied by the entity proposing to conduct operations on the land involved 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.

The pertinent statutes' applicability does not depend on whether or not respondents are small businesses or other small entities. All parties must submit the same information to enable both the BLM and the respondents to comply with those statutes. Therefore, the BLM does not collect information as to whether any particular respondent qualifies as a small business or small entity, and the BLM does not have the option to use any special methods to minimize the information collection burden on small businesses or other small entities. The collection procedures are the same whether the owner is an individual, a partnership, or a corporation. We collect only the minimum information necessary.

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.

This collection of information is required only when an entity desires to obtain the right to conduct mineral operations for solid leasable minerals other than coal or oil shale on the public lands. If the BLM failed to collect the requested information, we would not know where operations were conducted and who was responsible for these operations. We would not be able to account for the rentals and royalties required by statute or identify the responsible party should environmental damage occur. Most of this information is required to be submitted once, and periodic submittals have been reduced to the minimum required to adequately monitor operations.

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 special circumstances that require us to collect the information in the current or proposed regulations in a manner inconsistent with the guidelines. We do not exceed the guidelines in 5 CFR 1320.5.

While respondents must on occasion provide detailed financial information, potential trade secrets, and geologic and geophysical information concerning mineral deposits, the BLM needs this information to protect the public interest. Regulations at 43 CFR 2.13 protect this information from release in response to a Freedom of Information Act (FOIA) request. Each BLM office that collects this kind of information maintains it in secured and locked facilities.

- 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.

The BLM is providing an opportunity for public comments in the proposed 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.

BLM's regulations at 43 CFR 3503.41 through 3503.46 identify how the BLM will handle confidential information submitted under regulations at 43 CFR Part 3500. All information submitted to the BLM is subject to 43 CFR Part 2.

The BLM protects personally identifiable information collected under control number 1004-0121 in accordance with the Privacy Act, 5 U.S.C. 552a. The pertinent system of records is the Land & Minerals Authorization Tracking System – Interior, LLM-32. The system of records notice is at 56 FR 5104 (1991).

BLM will treat as confidential all data identified as proprietary by an applicant and will not disclose the information until the areas involved are leased or BLM determines that the information is not exempt from disclosure under FOIA, whichever occurs first. Some of the information we collect is exempt from disclosure under FOIA exemption 4 (trade secrets and commercial or financial information that is privileged or confidential) or exemption 9 (geological or geophysical information and data, including maps, concerning wells).

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 estimated annual hour burdens for the proposed rule are two responses, 190 hours, and a dollar equivalent of \$12,426.00.

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 (BLS) 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 – Hourly Cost Calculation

A. Position and BLS Occupation Code	B. Mean Hourly Wage	C. Hourly Rate with Benefits (Column B x 1.4)	D. Percent of Collection Time Completed by Each Occupation	E. Weighted Avg. (Column C x Column D)
General Office Clerk 43-9061	\$16.92	\$23.69	10%	\$2.37
Mining Engineer 17-2151	\$47.32	\$66.25	80%	\$53.00
Supr. Mining Engineer 11-9041	\$71.62	\$100.27	10%	\$10.03
Totals	—	—	100%	\$65.40

Hour and cost burdens to respondents include time spent for researching, preparing, and submitting information. Table 12-2, below, shows our estimates of the annual hour and hour-related cost burdens. The estimated hourly wage was calculated as shown in Table 12-1. The frequency of response for each of the information collections is “on occasion.”

Table 12-2 - Estimates of Annual Hour 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 \$65.40)
Application for Reduction of Rental, Royalties, or Minimum Production 43 CFR 3513.15 and 3513.16	1	90	90	\$5,886.00
Application for Suspension 43 CFR 3513.16, 3513.22 and 3513.32	1	100	100	\$6,540.00

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 \$65.40)
Totals	2	-----	190	\$12,426.00

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.

The estimated nonhour costs for the proposed rule are \$17,000.

No capital and startup costs are involved because the information requested is either available in the BLM public reading rooms or maintained by the respondents for their own use. Respondents are familiar with the regulatory requirements.

Cost recovery fees are shown at 43 CFR 3504.10, a regulation that incorporates by reference two other regulations (§§ 3000.11 and 3000.12), in which the BLM established or revised certain fees

and service charges, and established a method by which those fees and charges are adjusted annually.

The BLM promulgated the regulations at 43 CFR 3000.11, 3000.12, and 3504.10 in accordance with Section 304 of the Federal Land Policy and Management Act (43 U.S.C. 1734), and the Independent Offices Appropriation Act (31 U.S.C. 9701). Those statutes authorize the BLM to charge processing costs. Moreover, OMB Circular No. A-25, titled “User Charges,” provides that the Federal policy is to assess a charge against each identifiable recipient for special Federal benefits beyond those received by the general public.

The fees that pertain to the applications authorized at 43 CFR 3513.15, 3513.22, and 3513.32 are subject to 43 CFR 3000.11, and are determined on a case-by-case basis. The case-by-case fees that are shown in the table below are estimated average fees.

Table 13 – Processing Fees

A. Type of Response	B. Number of Responses	C. Amount of Fee Per Response	D. Total Fees (Column B x Column C)
Application for Reduction of Rental, Royalties, or Minimum Production 43 CFR 3513.15 and 3513.16	1	\$8,500	\$8,500
Application for Suspension 43 CFR 3513.16, 3513.22 and 3513.32	1	\$8,500	\$8,500
Totals	2	—	\$17,000

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 proposed rule would result in estimated Federal costs of \$20,006.40 annually.

The estimated hourly cost to the Federal Government, which is shown in Table 14-1, is based on data at https://www.opm.gov/policy-data-oversight/pay-leave/salaries-wages/salary-tables/pdf/2019/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 – Hourly Cost Calculation

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	E. Weighted Avg. (\$/hour) (Column C x Column D)
Clerical GS-5/5	\$18.44	\$29.50	10%	\$2.95
Mining Engineer GS-12/5	\$40.51	\$64.82	80%	\$51.86
Supr. Mining Engineer GS-13/5	\$48.17	\$77.07	10%	\$7.71
Totals	—	—	100%	\$62.52

Table 14-2, below, shows the annualized Federal costs for each aspect of the collection. The estimated processing time is based on the BLM's experience and includes conducting field inspections; on-the ground environmental analyses, which include monitoring endangered species sites and archeological sites; conducting archeological surveys; and determining reclamation measures. The estimated hourly wage with benefits is shown at Table 14-1, above.

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 \$62.52)
Application for Reduction of Rental, Royalties, or Minimum Production 43 CFR 3513.15 and 3513.16	1	160	160	\$10,003.20
Application for Suspension 43 CFR 3513.16, 3513.22 and 3513.32	1	160	160	\$10,003.20
Totals	2	—	320	\$20,006.40

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

This information collection request pertains to a proposed rule that would streamline applications for reduction of rental, royalties, or minimum production requirements. The proposed rule would affect one information collection activity among the 32 activities currently approved under control number 1004-0121. The outcomes of this revision would be the following program changes: (1) the separation of one activity into two activities; and (2) the net addition of one activity to control number 1004-0121. If the proposed rule is finalized and this request is approved, control number 1004-0121 would include 33 activities.

The existing activity that would be revised is labeled “Application for Waiver, Suspension, or Reduction of Rental or Minimum Royalties, or for a Reduction in the Royalty Rate.” That activity is authorized by several regulations at 43 CFR Subpart 3513. The primary regulation that would be revised in this rulemaking (i.e., 43 CFR 3513.15) pertains to applications for reduction of rental, royalties, or minimum production requirements. The regulations in Subpart 3513 that pertain to applications for suspension of operations (i.e., sections 3513.22 and 3513.32) would not be affected directly in this rulemaking. However, the BLM has re-estimated the burdens for applications for suspension, since the proposed rule would affect regulations that pertain to suspensions.

The previously approved respondents’ estimated burdens for the activity labeled “Application for Waiver, Suspension, or Reduction of Rental or Minimum Royalties, or for a Reduction in the Royalty Rate” are as follows:

- 2 responses per year;
- 200 hours per year; and
- \$17,000 in processing fees.

The proposed respondents' estimated burdens for the two activities that would result from the proposed rule would be:

- 2 responses per year;
- 190 hours per year; and
- \$17,000 in processing fees.

The net reduction of 10 burden hours per year would be a result of revisions of 43 CFR 3513.15 that would simplify applications for reduction of rental, royalties, or minimum production requirements. As described in the preamble for section 3513.15, the rule removes requirements for an applicant to submit redundant or unnecessary information.

- Applicants no longer need to submit 2 copies of an application, since most applications are now submitted electronically;
- In paragraph 3513(d), applicant must only submit a description of the lands for which the reduction would apply when the application is for a portion of the lease or leases;
- This final rule removes paragraphs (f) and (h) of the previous regulations, which required a tabulated statement of the leasable minerals mined for each month, covering at least the last twelve months before a lessee files an application; the average production mined per day for each month; a detailed statement of expenses and costs of operating the entire lease; and the income from the sale of any leased products. This information is not required under the final rule because the BLM already knows the quantity of leasable minerals that the lessees are mining on each lease. The BLM can extrapolate the average production mined per day from production records and mine plan reports that the lessee already submits to the BLM and Office of Natural Resources Revenue (formerly Mineral Management Service) for royalty payment purposes and to prove they are meeting minimum production requirements as indicated on their lease form in accordance with 43 CFR 3504.20;
- New paragraph 3513(g) (formerly (f)) is revised to require only "the information sufficient to demonstrate" the need for the reduction; and
- This final rule also removes paragraphs (j) and (k) of section 3513.15, which required full information as to whether the lessee pays royalties or payments out of production to anyone other than the United States, the amounts paid and efforts the lessee has made to reduce them, and documents demonstrating that the total amount of overriding royalties paid for the lease will not exceed one-half the proposed reduced royalties due the United States.

For further information about these changes, please see the preamble for section 3513.15.

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 will not publish the results of this 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.

BLM will display the expiration date of the OMB approval.

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.