

Supporting Statement A

Measurement of Oil (43 CFR Subpart 3174)

OMB Control Number 1004-0209

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.

Information collection activities under OMB Control Number 1010-0209 pertain to information for the measurement of oil produced from Federal and Indian (except Osage Tribe) onshore oil and gas leases. The information facilitates accurate measurement of oil and accounting.

The following statutes authorize the information collection under control number 1004-0209:

- Allotted Mineral Leasing Act, 25 U.S.C. 396;
- Indian Mineral Leasing Act, 25 U.S.C. 396a et seq.;
- Indian Mineral Development Act, 25 U.S.C. 2101 et seq.;
- Mineral Leasing Act, 30 U.S.C. 181 et seq.;
- Mineral Leasing Act for Acquired Lands, 30 U.S.C. 351 et seq.;
- Federal Oil and Gas Royalty Management Act, 30 U.S.C. 1701 et seq.; and
- Federal Land Policy and Management Act, 43 U.S.C. 1701 et seq.

On November 17, 2016, the BLM published in the *Federal Register* the three following final rules: (1) “Onshore Oil and Gas Operations; Federal and Indian Oil and Gas Leases; Site Security” (81 FR 81365), codified at 43 CFR 3170 and 3173; (2) “Onshore Oil and Gas Operations; Federal and Indian Oil and Gas Leases; Measurement of Oil” (81 FR 81462), codified at 43 CFR 3174; and (3) “Onshore Oil and Gas Operations; Federal and Indian Oil and

Gas Leases; Measurement of Gas” (81 FR 81516), codified at 43 CFR 3175.

The 2016 Final Rules were prompted by external and internal oversight reviews, which found that many of the BLM’s production measurement and accountability policies were outdated and inconsistently applied. The rules also provided a process for approving new measurement technologies that meet defined performance standards. The rules became effective on January 17, 2017.

Since the issuance of the 2016 Final Rules, representatives of the oil and gas industry and other interested stakeholders have raised a number of issues and concerns related to the implementation of the new regulations. The BLM agrees that there have been challenges with implementing some of the provisions of the 2016 Final Rules and has attempted to address some of them through administrative policy directives.¹ However, the BLM only can address other provisions by revising the 2016 Final Rules through a rulemaking action.

Due to Executive Order 13783, “Promoting Energy Independence and Economic Growth” (82 FR 16093) and Secretary Order No. 3349, “American Energy Independence,” the BLM reviewed the 2016 Final Rules for opportunities to address implementation challenges and to determine if certain provisions may impose regulatory burdens that unnecessarily encumber energy production, constrain economic growth, and prevent job creation. As a result of this review, the BLM is now proposing to modify certain provisions of 43 CFR subparts 3170, 3173, 3174, and 3175 to reduce unnecessary and burdensome regulatory requirements

In connection with a proposed rule, the Bureau of Land Management (BLM) seeks to revise the control number (1004-0209) pertaining to measurement of oil at Federal and Indian (except Osage Tribe) oil and gas leases. The portions of the proposed rule (RIN 1004-AE59) that would affect control number 1004-0209 are at 43 CFR subpart 3174. The other control numbers that would be affected are:

- Onshore Oil and Gas Operations and Production (1004-0137);
- Oil and Gas Facility Site Security (1004-0207); and
- Measurement of Gas (1004-0210).

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 proposed rule would remove or revise requirements that the BLM has found to be unnecessarily burdensome, unclear, inconsistent, or otherwise problematic. The proposed rule would also adopt updated industry standards, where appropriate, and provide for the use of

¹ These administrative policy directives were contained in three Instruction Memoranda (IMs): IM No. 2017-032 (Jan. 17, 2017), IM No. 2018-069 (June 29, 2018), and IM No. 2018-077 (June 29, 2018). All three of these IMs are available on the BLM’s website at <https://www.blm.gov/policy/instruction-memorandum>.

emerging measurement technologies. The following is an explanation of how the proposed regulatory changes would affect the various subparts' collections of information:

Proposed § 3174.31, Specific measurement performance requirements

*Request for Exception to Uncertainty Requirements (43 CFR 3174.31) One-Time; and
Request for Exception to Uncertainty Requirements (43 CFR 3174.31) Annual*

BLM regulations, at 43 CFR 3174.31, require each Facility Measurement Point (FMP) that is used for oil measurement to achieve certain overall uncertainty levels. As defined at 43 CFR 3170.10, an FMP is a BLM-approved point at which oil or gas produced from a Federal or Indian lease, unit Participating Area (PA), or Communitized Area (CA) is measured for purposes of determining the production on which royalty is owed.

An operator may seek an exception to the prescribed uncertainty levels by submitting a request for approval by a BLM State Director. The operator must show that meeting the required uncertainty level would involve extraordinary cost or unacceptable adverse environmental effects. The State Director may grant such a request only with written concurrence of the BLM Director.

Proposed § 3174.60, Timeframes for compliance

Proposed section 3174.60 would include deadlines that would be one-time-only because they apply only to equipment in operation before the effective date of the rule, if finalized. For some other activities, there would be both an annual burden for some respondents, and a one-time burden in the initial implementation of the rule. Finally, some of these IC activities would apply only annually. The labels for IC activities in subpart 3174 indicate whether the activities are one-time or annual. These proposed changes would not affect the estimated burdens of control number 1004-0209.

Proposed § 3174.82, Oil tank calibration

The proposed requirement requires submission of tank calibration tables to the BLM within 45 days after calibration. This provision ensures that BLM personnel will have the latest charts when conducting inspections or audits. The requirements related to this section would be removed from this control number and included in OMB Control Number 1004-0137.

Proposed § 3174.83, Tank gauging—procedures

The procedures for oil measurement by tank gauging must comply with the requirements outlined in proposed 43 CFR 3174.83. During field operations, operators must obtain and document data required under Proposed § 3174.161, Tank-gauging measurement tickets. The proposed rule would clarify that field staff is required to collect only the observed data related to tank-gauging measurement tickets.

Proposed § 3174.88, Measuring tank fluid level

This section would retain the manual tank gauging and automatic tank gauge methods of tank measurement found in the existing regulations. The proposed changes remove obsolete

requirements, such as outage gauging, and provide clarification on requirements that caused confusion.

Proposed § 3174.90, LACT systems—general requirements

Requirements related to Section 3174.7, LACT systems, would be removed from this control number and included in Section 3174.90, which is part of OMB Control Number 1004-0137. This proposed section would require the operator to notify the AO by Sundry Notice within 30 days after repair of any LACT system failures or equipment malfunctions that have resulted in measurement error.

Proposed § 3174.101, Charging pump and motor

This new section would require operators to install a charge pump and motor if the static head is insufficient to provide a net positive suction to achieve fluid pressure compatible with the oil fluid properties.

Proposed § 3174.102, Sampling and mixing system

This proposed rule seeks to replace the current requirement for testing, pursuant to API 8.2, which requires all sampling systems, even those of the same design and construction to be individually tested. Operators expressed concern that compliance with this requirement to test all sampling systems, even those of the same design and construction, is unnecessarily burdensome and provides no benefit to the Federal Government. The BLM agrees with this assessment and seeks to change the regulation to bring it in line with other equipment standards in the regulation and allow for a single test per design. The proposed change would reduce the overall burden to operators and simplify the inspection process for the BLM.

Proposed § 3174.102(c) would expand on language found in § 3174.8(b)(3) for sample container requirements. This proposed rule would add language for holding the sample under pressure and being equipped with a vapor-proof top closure to prevent the unnecessary escape of vapor. This additional language would further clarify sample container requirements to address questions received from operators.

Proposed § 3174.103, Air Eliminator

This new section would require operators to install an air eliminator to prevent gas or air from entering the meter and causing mismeasurement of oil.

Proposed § 3174.104, LACT Meter

The proposed rule would allow for other meter types on LACT units in addition to the use of positive displacement and Coriolis meters. This would not change burdens.

Proposed § 3174.105, Electronic temperature averaging device

The proposed rule would allow operators to use a flow computer to perform the temperature averaging. The change makes clear that the regulation allows for stand-alone temperature averaging devices or temperature transmitters working in conjunction with a flow computer. Pursuant to proposed § 3174.105(a), a stand-alone temperature-averaging device would require PMT review and BLM approval. Similarly, under proposed § 3174.105(b), a temperature

transducer must have received BLM approval. The approved equipment list at www.blm.gov would identify the makes and models of approved stand-alone temperature-averaging devices and temperature transducers.

Proposed § 3174.106, Pressure-indicating device

The proposed rule would clarify placement of pressure-indicating device. The proposed change would require the placement between the downstream side of the meter and the upstream side of the first valve in the prover connection.

Proposed § 3174.107, Meter Proving Connection

This new section specifies requirements for meter-proving connections, including a leak detecting double block and bleed-valve configuration. Existing subpart 3174 does not reference meter-proving connections or leak-detection systems and instead incorporates the API 6.1 standard, which is not sufficiently specific. Leak detection during the proving process is critical to determining an accurate meter factor.

Proposed § 3174.108, Back-pressure and check valves

This section would retain existing requirement for operators to have back-pressure valves or other controllable means of applying back pressure on their LACT systems. Proposed § 3174.108 would also provide operators with the option of installing an automatic-adjusting back-pressure control to handle changing flowing conditions downstream. This option is being proposed because this technology has shown positive results in both meter performance and proving operations during field operations.

Proposed § 3174.110, Coriolis meter—operating requirements

This section would provide operating requirements for the Coriolis meter – whether it is a stand-alone u Proposed § 3174.110(a) and (b) would require Coriolis meters and Coriolis transmitters to be on the approved equipment list at www.blm.gov. The proposed paragraph (a) requirement is currently located in existing § 3174.9(b). Proposed paragraph (b) is new and it would allow for a Coriolis transmitter to have a separate approval from a Coriolis meter. A Coriolis meter is always used in conjunction with a transmitter. The BLM believes that this proposed change will alleviate concerns that each meter and transmitter combination would require additional individual approval. nit or is part of a LACT – and its transmitter.

Proposed § 3174.120, Electronic liquid measurement system, ELM (secondary and tertiary device)

This proposed section applies to flow computers (ELM systems) that are connected to Coriolis meters and their transmitters. Although this section does not have a direct corollary in existing subpart 3174, it contains many of the same requirements that appear in the existing Coriolis meter regulations at § 3174.10.

The modification to this regulation separates ELM system requirements from Coriolis meter requirements.

The existing regulation requires operators to use a tertiary device (flow computer and associated memory, calculation, and display functions) for all CMS FMPs. The proposed changes bring the software-testing requirements for electronic oil measurement in line with the requirements of electronic gas measurement in subpart 3175, which provides for uniformity in these requirements to alleviate the burdens that having two differing test protocols.

Proposed § 3174.121, Measurement data system

This new section would establish that measurement data systems (MDS) must be approved by the BLM for use at an FMP. MDS are designed to gather, edit, store, and report measurement data. By requiring that MDSs be BLM approved, industry would not have any questions or confusion when selecting an MDS system for use at an FMP.

Proposed § 3174.130, Coriolis measurement system—general requirements and components

This proposed rule would only make minor changes to the requirements in the existing regulations. The minor changes do not impact burdens.

Proposed § 3174.140, Temporary measurement

The BLM is proposing to add a new section § 3174.140 to address temporary measurement. A temporary oil meter would have to meet all the requirements of an FMP with some modified requirements based on the limited timeframe the meter will be on the location (for example, proving requirements).

Proposed § 3174.151, Meter prover

Proposed § 3174.151 maintains the existing meter-prover requirements found in existing § 3174.11(b) and includes new language that would add flexibility for additional meter provers as new technology emerges.

Proposed § 3174.158, Meter proving reporting requirements

The proposed rule would provide a detailed list of specific data required for reporting, and would specify a required calculation sequence to be followed in the meter factor calculation. The BLM believes that providing a detailed list of required reporting data would remove any confusion about the exact data that is required on the report.

Proposed § 3174.158(c) would change the proving-report submission requirements of existing § 3174.11(i)(3) from requiring an operator to submit each report within 14 days after a meter proving to only requiring an operator to submit a proving report when requested by the AO. This change has been proposed to make this regulation less burdensome to industry while retaining the BLM's audit capabilities for verifying proving reports.

Proposed § 3174.160, Measurement tickets

Proposed § 3174.160 provides an overview of the following two sections that require information that must appear on measurement tickets prior to oil-volume reporting on the OGOR. The proposed rule would separate out the measurement-ticket requirements into individual sections according to the measurement type, tank gauging, and LACT or CMS. This

proposed rule would retain the existing requirement that measurement tickets be made available upon request of the AO. This requirement falls under OMB Control Number 1004-0137.

Proposed § 3174.170, Oil measurement by other methods

Oil measurement by other methods is currently addressed in existing § 3174.13. Most of the content of existing § 3174.13 is proposed to be moved to § 3170.30. The existing § 3174.13(a) language about prior BLM approval has been modified and retained in proposed § 3174.170.

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 the most respondents will choose to comply with the information collection requirements electronically, even where regulations do not require them to do so.

Control number 1004-0209 has no forms. However, respondents may scan any written submissions that they wish to submit to the BLM and email them 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.

No duplication of information occurs on the information collection activities in the proposed 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.

Nearly all the respondents that would be subject to the proposed rule are small businesses or other small entities. The BLM has developed the proposed rule with the objective of seeking the minimum amount of information consistent with the goals of the rulemaking. The information collection requirements for small businesses and other small entities are the same as for other respondents.

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

If we did not collect the information, or collected it less frequently, the BLM would be hindered in measuring oil production at Federal or Indian leases in compliance with pertinent statutes and

policies.

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 the collection to be conducted in a manner inconsistent with the guidelines in 5 CFR 1320.5.

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.

As required in 5 CFR 1320.11, BLM is providing for and has described the 60-day review and comment process in the preamble of the proposed rule. We will address the comments received on the information collection in the final rule.

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

We would 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.

The proposed rule would provide no assurance of confidentiality to respondents.

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 would 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.**

Under the proposed rule, the BLM estimates the following annual burdens for respondents:

- 1,382 responses;
- 5,166 hours; and

- A dollar equivalent of \$350,891.

Hour and cost burdens to respondents include time spent for researching, preparing, and submitting information.

Table 12-1 shows how the BLM has calculated the estimated weighted average hourly wage for industry of \$67.91. The BLM determined the mean hourly wages for that calculation by using national Bureau of Labor Statistics data at https://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 for Industry**

A. Position	B. Mean Hourly Pay Rate	C. Hourly Rate 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)	\$17.48	\$24.47	10%	\$2.45
Engineer (17-2199)	\$49.26	\$68.96	80%	\$55.17
Engineering Manager (11-9041)	\$73.52	\$102.93	10%	\$10.29
Totals			100%	\$67.91

Table 12-2 itemizes the estimated hour burdens.

**Table 12-2
Estimates of Respondents' Annual Hour and Cost Burdens**

A. Type of Response	B. Number of Responses	C. Hours Per Response	D. Total Hours	E. Dollar Equivalent (Column D x \$67.91)
Request for Exception to Uncertainty Requirements 43 CFR 3174.31 One-Time	2	40	80	\$5,501

A. Type of Response	B. Number of Responses	C. Hours Per Response	D. Total Hours	E. Dollar Equivalent (Column D x \$67.91)
Request for Exception to Uncertainty Requirements 43 CFR 3174.31(a)(2) Annual	1	40	40	\$2,716
Documentation of Testing for Approval of Automatic Tank Gauging (ATG) Equipment 43 CFR 3174.41(a) and 3174.88(b)(1) One-Time	5	20	100	\$6,791
Documentation of Testing for Approval of Automatic Tank Gauging (ATG) Equipment and 43 CFR 3174.41(a) and 3174.88(b)(1) Annual	1	20	20	\$1,358
Documentation of Testing for Approval of LACT Sampling System 43 CFR 3174.41(b) and 3174.102 One-Time	30	40	1,200	\$81,492
Documentation of Testing for Approval of LACT Sampling System 43 CFR 3174.41(b) and 3174.102 Annual	5	40	200	\$13,582
Documentation of Testing for Approval of Coriolis Meter 43 CFR 3174.41(d) and (e) and 3174.104 and 110(a) One-Time	50	20	1,000	\$67,910
Documentation of Testing for Approval of Coriolis Meter 43 CFR 3174.41(d) and (e) and 3174.104 and 110(a) Annual	5	20	100	\$6,791
Documentation of Testing for Approval of Stand-alone Temperature Averaging Device 43 CFR 3174.41(f) and 3174.105(a) One-Time	3	20	60	\$4,075

A. Type of Response	B. Number of Responses	C. Hours Per Response	D. Total Hours	E. Dollar Equivalent (Column D x \$67.91)
Documentation of Testing for Approval of Stand-alone Temperature Averaging Device 43 CFR 3174.41(f) and 43 CFR 3174.105(a) Annual	1	20	20	\$1,358
Documentation of Testing for Approval of Temperature and Pressure Transducers 43 CFR 3174.41(g) and (h) and 3174.105(b) One-Time	50	20	1,000	\$67,910
Documentation of Testing for Approval of Temperature and Pressure Transducers 43 CFR 3174.41(g) and (h) and 3174.105(b) Annual	5	20	100	\$6,791
Documentation of Testing for Approval of Electronic Liquid Measurement Software 43 CFR 3174.41(i) and 3174.120(a) One-Time	8	40	320	\$21,731
Documentation of Testing for Approval of Electronic Liquid Measurement Software 43 CFR 3174.41(i) and 3174.120(a) Annual	8	10	80	\$5,433
Documentation of Testing for Approval of Portable Electronic Thermometers 43 CFR 3174.41(j) and 3174.86(c) One-Time	3	20	60	\$4,075
Documentation of Testing for Approval of Portable Electronic Thermometers 43 CFR 3174.41(j) and 3174.86(c) Annual	1	20	20	\$1,358

A. Type of Response	B. Number of Responses	C. Hours Per Response	D. Total Hours	E. Dollar Equivalent (Column D x \$67.91)
Documentation of Testing for Approval of Measurement Data Systems 43 CFR 3174.41(k) and 3174.121(a) One-Time	2	40	80	\$5,433
Documentation of Testing for Approval of Measurement Data Systems 43 CFR 3174.41(k) and 3174.121(a) Annual	1	40	40	\$2,716
Documentation of Tank Calibration 43 CFR 3174.43(a)(2) and 3174.82(d) Annual	This burden hours are found under OMB Control Number 1004-0137. Related nonhour costs are included in this control number.			0
Log of ATG Verification (upon request) 43 CFR 3174.88(b)(4) and 43 CFR 3174.43(b)(1) Annual	1	1	1	\$68
Documentation of Coriolis Meter Specifications and Zero Verification Procedure (upon request) 43 CFR 3174.110(e) and 43 CFR 3174.43(b)(2) Annual	100	0.1	10	\$679
Log of Meter Factors, Zero Verifications, and Zero Adjustments (upon request) 43 CFR 3174.110(e) Annual	100	0.1	10	\$679
ELM Audit Trail Requirements (upon request) 43 CFR 3174.130(h)(6) and 43 CFR 3174.43(b)(4) Annual	500	1	500	\$33,955
Meter Proving Reports (upon request) 43 CFR 3174.158(c) and 43 CFR 3174.43(b)(5) Annual	500	0.25	125	\$8,489

A. Type of Response	B. Number of Responses	C. Hours Per Response	D. Total Hours	E. Dollar Equivalent (Column D x \$67.91)
Totals	1,382	—	5,166	0

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.**

Under the proposed rule, the BLM estimates the nonhour costs (i.e., The existing approved nonhour cost is \$5,580,305 for gathering of information; whereas the estimated nonhour cost for the proposed rule is \$4,070,305) to be lower than the recent request for renewal of control number 1004-0209. Testing, calibration, verification, and meter proving activities are involved. No filing fees are associated with the proposed rule. (decrease of \$1,510,000 nonhour costs)

The costs are itemized below in Table 13.

**Table 13
Estimates of Non-Hour Cost Burdens**

A. Type of Response	B. Description of Non-Hour Cost Burden	C. Number of Actions	D. Cost per Action	E. Total Cost
Documentation of Tank Calibration Table Strapping 43 CFR 3174.5(c)(3) Annual	Strapping of 4,000 tanks to acquire tank measurements for calculating tank calibration tables (\$400 per tank)	4,000	\$400	\$4,000,000
Log of ATG Verification 43 CFR 3174.6(b)(5)(ii)(C) Annual	Perform 1 ATG verification procedures	1	\$22.50	\$405
Documentation of Coriolis Meter Specifications and Zero Verification Procedure 43 CFR 3174.10(b)(2) and (d) Annual	Perform 100 zero verification procedures	100	\$22.50	\$2,250
Meter Proving Reports 43 CFR 3174.11(i)(3) Annual	Perform 500 meter proving operations (\$550 per proving)	500	\$550	\$67,650
Total Cost	—	—	—	0

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.

Under the proposed rule, the BLM estimates the same Federal burdens, using the same methodology, as in the recent request for renewal of control number 1004-0209:

- 1,382 responses;
- 9,041 hours; and
- A dollar equivalent of \$504,578.

The estimated hourly cost to the Federal Government of \$55.81, as shown below in Table 14-1, is based on data from the Office of Personnel and Management (OPM) at https://www.opm.gov/policy-data-oversight/pay-leave/salaries-wages/salary-tables/20Tables/html/RUS_h.aspx.

To analyze and review the information respondents submit, we estimate the Government will spend an average of approximately 1.75 hours for each hour spent by respondents. The total estimated Government time is 9,041 hours (rounded) (1.75 hours x 5,166 burden hours).

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

**Table 14-1
Weighted Average Hourly Cost Calculation**

A. Position	B. Mean Hourly Pay Rate	C. Hourly Rate with Benefits (Column B x 1.6)	D. Percent of Collection Time	E. Weighted Average Hourly Cost (Column C x Column D)
General Office Clerk GS-6, step 5	\$21.14	\$33.82	10%	\$3.38
Professional GS-11, step 5	\$34.76	\$55.62	80%	\$44.50
Managerial GS-13, step 5	\$49.54	\$79.26	10%	\$7.93
Totals	—	—	100%	0

Based on a cost factor of \$55.81 per hour, the cost to the Government is \$504,578 (\$55.81 x 9,041 hours).

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

The current OMB inventory includes 5,884 annual burden hours for the related collection of information. We expect the burden estimate for the proposed rule will be 1,382 responses and 5,166 hours, which reflects a decrease of 10,360 responses and 718 hour burdens. Additionally, there is a decrease of \$1,510,000 in the non-hour cost burden.

From approved annual burden hours under 1004-0209, the rule proposes removal of the following burdens:

- Documentation of Tank Calibration Table Strapping (Annual), 43 CFR 3174.5(c)(3), (-2,500 burden hours)
- Notification of LACT System Failure, 43 CFR 3174.7(e)(1), (-25 burden hours)
- Documentation of Testing for Approval of a Positive Displacement (PD) Meter (One-Time), 43 CFR 3174.8(a)(1), (-800 burden hours)
- Documentation of Testing for Approval of a Positive Displacement (PD) Meter (Annual), 43 CFR 3174.8(a)(1), (-80 burden hours)
- Onsite Data Display Requirements (Annual), 43 CFR 3174.10(e), (-50 burden hours)
- Meter Prover Calibration Documentation (Annual), 43 CFR 3174.11(b), (-75 burden hours)

- Meter Proving and Volume Adjustments Notification (Annual), 43 CFR 3174.11(i)(1), (-6 burden hours)
- Request to Use Alternate Oil Measurement System (One-Time), 43 CFR 3174.13, (-400 burden hours)
- Request to Use Alternate Oil Measurement System (Annual), 43 CFR 3174.13, (-80 burden hours)
- Approval for Slop or Waste Oil (Annual), 43 CFR 3174.14, (-50 burden hours)

Total burden hour reduction equals 4,066 hours.

From approved annual burden hours under 1004-0209, the rule proposes changes to the following burdens:

- Request for Exception to Uncertainty Requirements (One-Time), 43 CFR 3174.31, (-120 burden hours)
- Request for Exception to Uncertainty Requirements (Annual), 43 CFR 3174.31(a)(2), (-40 burden hours)
- Documentation of Testing for Approval of Automatic Tank Gauging (ATG) Equipment (One-Time), 43 CFR 3174.41(a), (-300 burden hours)
- Documentation of Testing for Approval of Automatic Tank Gauging (ATG) Equipment (Annual), 43 CFR 3174.41(a), (-60 burden hours)
- Documentation of Testing for Approval of Coriolis Meter (One-Time), 43 CFR 3174.41(d) and (e), (+200 burden hours)
- Documentation of Testing for Approval of Coriolis Meter (Annual), 43 CFR 3174.41(d) and (e), (+20 burden hours)
- Log of ATG Verification (upon request) (Annual), 43 CFR 3174.88(b)(4) and 43 CFR 3174.43(b)(1), (-1 burden hours)
- Documentation of Coriolis Meter Specifications and Zero Verification Procedure (upon request) (Annual), 43 CFR 3174.110(e) and 43 CFR 3174.43(b)(2), (No change)
- Log of Meter Factors, Zero Verifications, and Zero Adjustments (upon request) (Annual), 43 CFR 3174.110(e), (No change)
- ELM Audit Trail Requirements (upon request) (Annual), 43 CFR 3174.130(h)(6) and 43 CFR 3174.43(b)(4), (+375 burden hours)
- Meter Proving Reports (upon request) (Annual), 43 CFR 3174.158(c) and 43 CFR 3174.43(b)(5), (+94 burden hours)

Total burden hour increase equals 168 hours.

Proposed rule introduces the following burden hours:

- Documentation of Testing for Approval of LACT Sampling System (One-Time), 43 CFR 3174.41(b), (+1200 burden hours)
- Documentation of Testing for Approval of LACT Sampling System (Annual), 43 CFR 3174.41(b), (+200 burden hours)
- Documentation of Testing for Approval of Stand-alone Temperature Averaging Device

- (One-Time), 43 CFR 3174.41(f), (+60 burden hours)
- Documentation of Testing for Approval of Stand-alone Temperature Averaging Device (Annual), 43 CFR 3174.41(f) and 43 CFR 3174.105(a), (+20 burden hours)
- Documentation of Testing for Approval of Temperature and Pressure Transducers (One-Time), 43 CFR 3174.41(g) and (h), (+1,000 burden hours)
- Documentation of Testing for Approval of Temperature and Pressure Transducers (Annual), 43 CFR 3174.41(g) and (h), (+100 burden hours)
- Documentation of Testing for Approval of Electronic Liquid Measurement Software (One-Time), 43 CFR 3174.41(i), (+320 burden hours)
- Documentation of Testing for Approval of Electronic Liquid Measurement Software (Annual), 43 CFR 3174.41(i), (+80 burden hours)
- Documentation of Testing for Approval of Portable Electronic Thermometers (One-Time), 43 CFR 3174.41(j), (+60 burden hours)
- Documentation of Testing for Approval of Portable Electronic Thermometers (Annual), 43 CFR 3174.41(j), (+20 burden hours)
- Documentation of Testing for Approval of Measurement Data Systems (One-Time), 43 CFR 3174.41(k), (+80 burden hours)
- Documentation of Testing for Approval of Measurement Data Systems (Annual), 43 CFR 3174.41(k), (+40 burden hours)

Total burden hour increase equals 3,180 hours.

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

The BLM 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.

There are no forms for this control number. The BLM is not seeking approval to not display the expiration date.

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.