

## Supporting Statement A

### ONSHORE OIL AND GAS OPERATIONS AND PRODUCTION 43 CFR PARTS 3160 AND 3170

#### OMB Control Number 1004-0137

**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.**

The following statutes authorize the Bureau of Land Management (BLM) to collect information from those who wish to participate in the exploration, development, production, and utilization of oil and gas operations on BLM-managed public lands:

- Chapter 3A, Subchapter I of the Mineral Leasing Act, 30 U.S.C. 181-196;
- Chapter 3A, Subchapter IV of the Mineral Leasing Act, 30 U.S.C. 223-236b;
- 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; and
- The Federal Land Policy and Management Act, 43 U.S.C. 1701-1787.

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internal oversight reviews, which found that many of the BLM's production measurement and accountability policies were outdated and inconsistently applied.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.<sup>1</sup> 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 (1004-0137) pertaining to onshore oil and gas operations and production. The proposed rule (RIN 1004-AE59) would revise 43 CFR subparts 3170, 3173, 3174 and 3175 and affect control number 1004-0137, as well as the following control numbers:

- Oil and Gas Facility Site Security (1004-0207);
- Measurement of Oil (1004-0209); and
- Measurement of Gas (1004-0210).

The proposed rule revisions which affects this control number primarily transfer certain activities to use Form 3160-5 (Sundry Notice) from control number 1004-0207 and 1004-0209 to this control number.

**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.**

---

<sup>1</sup> 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>.

The BLM needs the information described below in order to regulate oil and gas operations on public lands in accordance with statutory requirements.

***Application for Permit to Drill or Re-enter  
43 CFR 3162.3-1(a) through (i), 3164.1, 3172.3-1, and Section  
III.A. of Onshore Order 1  
Form 3160-3 and Related Information***

A. Overview

A respondent must file Form 3160-3, Application for Permit to Drill or Re-enter (APD) in order to obtain approval of oil and gas operations on BLM-managed lands. The BLM needs this information to decide whether to approve oil and gas production on public lands.

Specific information we require on Form 3160-3:

(Item 1) Identify the type of work anticipated and provide production and zonal information. We require this information to manage reservoir management, royalty compliance, and operational aspects of the application for permit to drill.

(Items 2-3) Identify the operator and where the operator can be reached. We require this information to contact operator concerning the operations.

(Items 4-13) Identify specifically the proposed surface and bottom-hole locations of the proposed action. The BLM needs this information to determine whether the operator is complying with the provisions of the regulations in this subpart.

(Item 14) Identify the location of the operation. The BLM needs this information to locate the operation and industry personnel.

(Items 15-19) Identify the spacing orders. The BLM and state agencies need this information in order to determine compliance with spacing orders.

(Item 20) Identify the bond number that covers the operations. The BLM needs this information to determine if we have proper bond coverage for the identified operations.

(Items 21-23) Identify technical information such as permit approval, evaluation, and subsequent on-the-ground review and inspection after actual drilling begins. The prospective production of resources must be included. The BLM needs this information to approve the individual operation.

(Item 24) Provide the additional information as part of the application:

- Certified well plat;
- Drilling plans;
- Surface use plan;
- Evidence of bond coverage;
- Operator certification;
- Diagrams;
- Maps; and
- Contingency plans.

As revised on January 10, 2017 (at 82 FR 2906), section III.A. of Onshore Order 1 requires an operator to use the BLM's electronic commerce application for oil and gas permitting and reporting to file an Application to Drill or Re-enter (Form 3160-3) and associated documents, unless the respondent applies for, and the BLM grants, a waiver. Onshore Order 1, as revised, went into effect on March 21, 2017 with an implementation date of April 20, 2017. 82 FR 9974 (February 9, 2017).

The IC activities titled "Waiver Request" and "Notice of Staking" are also included in the revision of Onshore Order 1. Those activities are discussed below, and are part of this control number.

***Subsequent Well Operations (formerly labeled "Sundry Notices and Reports on Wells")***  
***43 CFR 3162.3-2***  
***Form 3160-5***

Longtime IC activities that are listed at 43 CFR 3162.3-2(a) require an operator to use Form 3160-5 (Sundry Notices and Reports on Wells) to propose, and later on to report, the following operations:

- Redrill;
- Deepen;
- Perform casing repairs;
- Plug back;
- Alter casing;
- Recomplete in a different interval;
- Perform water shut off;
- Commingle production between intervals; and/or
- Convert to injection.

Additional longtime requirements that are listed at 43 CFR 3162.3-2(b) generally require an operator to use Form 3160-5 to submit a report after acidizing job or recompletion in the same interval. However, a prior proposal is not required for these types of operations unless: (1) additional surface disturbance is involved, or (2) the operations do not conform to the standards

of prudent operating practice.

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.

***Plan for Well Abandonment***  
***43 CFR 3162.3-4***

An operator must have in place a plan for well abandonment for each newly completed or recompleted well in which oil or gas is not encountered in paying quantities or which, after being completed as a producing well, is demonstrated to the satisfaction of the BLM to be no longer

capable of producing oil or gas in paying quantities.

***Well Completion or Recompletion Report and Log***  
***43 CFR 3162.4-1(a), (b), (d), and (e)***  
***Form 3160-4 and Related Information***

43 CFR 3162.4-1(a) requires operators to keep accurate and complete records with respect to:

- All lease operations, including, but limited to, drilling, producing, redrilling, repairing, plugging back, and abandonment operators;
- Production facilities and equipment (including schematic diagrams as required by applicable orders and notices); and
- The quantity, quality, and disposition of production from or allocable to Federal or Indian leases (including source records).

43 CFR 3162.4-1(a). The deadline for reporting well completion or recompletion is at p. 37 of the Surface Operating Standards and Guidelines for Oil and Gas Explorations and Development: Gold Book (BLM and USFS, 4<sup>th</sup> edition, revised 2007).

<https://www.blm.gov/sites/blm.gov/files/Gold%20Book%202007%20Revised.pdf>.

Such records — with some exceptions — must be retained by “record holders” for seven years for Federal leases, and six years for Indian leases. The records retention requirements are discussed in more detail under Item # 7 of this supporting statement.

43 CFR 3162.4-1 defines “record holders” as lessees, operators, purchasers, transporters, and any other person directly involved in producing, transporting, purchasing, or selling, including measuring, oil or gas through the point of royalty measurement or the point of first sale, whichever is later.

Under 43 CFR 3162.4-1(b), operators must submit Form 3160-4 to the BLM within 30 days after completion of a well either for abandonment or productions.<sup>2</sup> Upon request, the operator must submit additional information to the BLM.

The BLM needs this information to ensure the accuracy of measurement and accounting for hydrocarbons, and therefore to ensure that correct royalties are paid.

Specific information we request on Form 3160-4:

---

<sup>2</sup> The deadline for reporting well completion or recompletion is at p. 37 of the Surface Operating Standards and Guidelines for Oil and Gas Explorations and Development: Gold Book (BLM and USFS, 4<sup>th</sup> edition, revised 2007).  
<https://www.blm.gov/sites/blm.gov/files/Gold%20Book%202007%20Revised.pdf>.

(Item 1) Identify the type of well and completion for field map purposes and royalty consideration. The BLM needs this information to identify the type of well and completion for field map purposes and royalty consideration for the individual operation.

(Items 2-3) Identify the operator, address, and telephone number. The BLM needs this information to identify the operator of the individual operation.

(Item 4) Identify surface and subsurface location of well for inspection and reservoir management purposes. The BLM needs this information to identify surface and subsurface location of well for inspection and reservoir management purposes 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 land. The BLM needs this information to identify if the individual operation is on Indian land.

(Item 7) Identify the unit or communitization agreement (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 lease name and well number. The BLM needs this information to identify the lease name and well number of the individual operation.

(Item 9) Identify the American Petroleum Institute (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. The BLM needs this information to identify the field and pool or exploratory of the individual operation.

(Item 11) Identify the section, township, range, and meridian (on block and survey or area). The BLM needs this information to identify the location of the individual operation.

(Item 12) Identify the county or parish. The BLM needs this information to identify the county or parish of the individual operation.

(Item 13) Identify the state. The BLM needs this information to identify the state of the individual operation.

(Item 14) Identify the date spudded. The BLM needs this information to identify the date the individual operation was spudded.

(Item 15) Identify the date T.D. reached. The BLM needs this information to identify

the date T.D. was reached for the individual operation.

(Item 16) Identify the date completed. The BLM needs this information to identify the date the individual operation was completed.

(Item 17) Identify the elevations. The BLM needs this information to identify the elevations of the individual operation.

(Item 18) Identify the total depth. The BLM needs this information to identify the total depth of the individual operation.

(Item 19) Identify the plug back. The BLM needs this information to identify the plug back of the individual operation.

(Item 20) Identify the depth bridge plug set. The BLM needs this information to identify the depth bridge plug set for the individual operation.

(Item 21) Identify the type of electric and other mechanical logs run (submit copy of each). The BLM needs this information to identify the type of electric and other mechanical logs runs for the individual operation.

(Item 22) Identify whether the well cored, DST run, and directional survey (submit a copy of each report or analysis). The BLM needs this information to identify whether the well cored, DST run, and directional survey was completed for the individual operation.

(Item 23) Identify the casing and liner record. The BLM needs this information to identify the casing and liner record for the individual operation.

(Item 24) Identify the tubing record. The BLM needs this information to identify the tubing record for the individual operation.

(Item 25) Identify the producing intervals. The BLM needs this information to identify the producing intervals for the individual operation.

(Item 26) Identify the perforation record. The BLM needs this information to identify the perforation record for the individual operation.

(Item 27) Identify the acid, fracture, treatment, cement squeeze, etc. The BLM needs this information to identify the acid, fracture, treatment, cement squeeze, etc. for the individual operation.

(Item 28) Identify the production intervals. The BLM needs this information to identify the production intervals for the individual operation.



(Item 29) Identify the disposition of gas. The BLM needs this information to identify the disposition of gas for the individual operation.

(Item 30) Identify the summary of porous zones (include aquifers). The BLM needs this information to identify the summary of porous zones for the individual operation.

(Item 31) Identify the formation log markers. The BLM needs this information to identify the formation log markers for the individual operation.

(Item 32) Identify any additional remarks (including plugging procedures). The BLM needs this information to identify any additional remarks about the individual operation.

(Item 33) Identify the enclosed attachments with the application. The BLM needs this information to identify any enclosed attachments with the application concerning the individual operation.

***Notification of Production Start or Resumption***  
***43 CFR 3162.4-1(c)***  
***Form 3160-5***

The regulation at 43 CFR 3162.4-1(c) requires operators to notify the BLM of the date on which production has begun or resumed. The BLM uses the information to monitor operations at wells that are under its jurisdiction.

The deadline for submitting this notification is not later than the fifth business day after any well: (1) begins production on which royalty is due, or (2) resumes production after a pause of more than 90 days. The operator may submit this notification by letter or Sundry Notice (Form 3160-5), or orally to be followed by a letter or Sundry Notice. The specific information we require on Form 3160-5 is listed under the explanation of Subsequent Well Operations (43 CFR 3162.3-2).

***Samples, Tests, and Surveys (formerly labeled “Drilling Tests, Logs, and Surveys”)***  
***43 CFR 3162.4-2***

Under 43 CFR 3162.4-2, the BLM may require that results of certain samples, tests, and surveys be provided to the BLM. We have changed the label of this IC activity in order to increase the accuracy of the label.

Under 43 CFR 3162.4-2(a), during the drilling and completion of a well, the operator must, when required by the BLM, conduct tests, run logs, and make other surveys reasonably necessary to determine the presence, quantity, and quality of oil, gas, other minerals, or the presence or quality of water; to determine the amount and/or direction of deviation of any well from the vertical; and to determine the relevant characteristics of the oil and gas reservoirs penetrated.

Section 3162.4-2(b) requires periodic well tests after the well has been completed. The test will demonstrate the quantity and quality of oil and gas and water. The method and frequency of such well tests will be specified in appropriate notices and orders. When needed, the operator must conduct reasonable tests which will demonstrate the mechanical integrity of the downhole equipment.

***Disposal of Produced Water***  
***43 CFR 3162.5-1(b), 3164.1, and***  
***Onshore Oil and Gas Order No. 7***

Under 43 CFR 3164.1, the BLM has the authority to issue Onshore Oil and Gas Orders and Notices to Lessees. Onshore Oil and Gas Order No. 7, Disposal of Produced Water, prohibits the disposal of produced water unless and until approval is obtained from the BLM. Operators are encouraged to contact the appropriate authorized officer before filing an application for disposal of produced water so that the operator may be apprised of any existing agreements outlining cooperative procedures between the Bureau of Land Management and either the State/Indian trust Tribe or the Environmental Protection Agency concerning Underground Injection Control permits for injection wells, and of any potentially significant adverse effects on surface and/or subsurface resources. The approval of the Environmental Protection Agency or a State/ trust Tribe shall not be considered as granting approval to dispose of produced water from leased Federal or Indian trust lands until and unless BLM approval is obtained.

***Report of Spills, Discharges, or Other Undesirable Events***  
***43 CFR 3162.5-1(c)***

Under 43 CFR 3162.5-1(c), each operator of a Federal or Indian trust lease must report all spills or leakages of oil, gas, produced water, toxic liquids, or waste materials, blowouts, fire, personal injuries, and fatalities.

***Contingency Plan***  
***43 CFR 3162.5-1(d)***

Under 43 CFR 3162.5-1(d), when reasonably required by the BLM, an operator must submit a contingency plan describing procedures to be implemented to protect life, property, and the environment.

***Horizontal and Directional Drilling***  
***43 CFR 3162.5-2(b)***

Under 43 CFR 3162.5-2(b), an operator must seek written approval from the BLM before conducting drilling operations in a manner so that the completed well deviates significantly from

the vertical. Any well which so deviates without prior written approval must be reported promptly to the BLM. In these cases, a directional survey is required.

***Well Markers***  
***43 CFR 3162.6***

Under 43 CFR 3162.6, every well within a Federal or Indian trust lease or supervised agreement generally must have a well identification sign. The sign may display only a unique well name and API number, only after the BLM specifically approves such a sign. Otherwise, the sign must include the well number, the name of the operator, the lease serial number, and the surveyed location. All facilities at which Federal or Indian trust oil is stored must be clearly identified with a sign that contains the name of the operator, the lease serial number or communitization or unit agreement identification number, as appropriate, and in public land states, the quarter-quarter section, township, and range. All abandoned wells must be marked with a permanent monument. The requirement for a permanent monument may be waived in writing by the BLM.

***Notice of Staking***  
***43 CFR 3164.1 and Section III.C. of Onshore Order 1***

As authorized by 43 CFR 3164.1, the Director of the BLM issued and revised Onshore Order 1 after determining such action was necessary to implement and supplement the regulations at 43 CFR part 3160. Onshore Order 1 is binding on operators of Federal and certain Indian oil and gas leases.

A Notice of Staking may be submitted voluntarily. An operator who chooses to file a Notice of Staking must use the BLM's electronic commerce application for oil and gas permitting and reporting, unless the respondent applies for, and the BLM grants, a waiver. The IC activity titled "Waiver Request" is discussed below.

The purpose of a Notice of Staking is to provide operators and the BLM an opportunity to gather information on a timely basis and better address site-specific resource concerns associated with a project while the operators prepare APDs.

***Waiver Request***  
***43 CFR 3164.1 and Section III.I. of Onshore Order 1***

This is an IC activity established under the authority of 43 CFR 3164.1 to issue onshore oil and gas orders. Submission of a waiver request may be electronic or via hard copy. The request will have to be supported by an explanation of why the operator is not able to use the e-permitting system. In those exceptional cases, the BLM will review the operator's request and determine whether a waiver allowing the operator to submit hard copies is warranted.

***Application for Suspension or Other Relief***  
***43 CFR 3165.1***

Under 43 CFR 3165.1, an operator that wants relief from either the operating or the producing requirements of a lease, or both, must file an application. The application must include a full statement of the circumstances that render such relief necessary

An application for a suspension or operations or production, or both, must be filed with the BLM before the expiration date of the lease; must be executed by all operating rights owners or, in the case of a Federal unit approved under 43 CFR part 3180, by the unit operator on behalf of the committed tracts or by all operating rights owners of such tracts; and must include a full statement of the circumstances that make such relief necessary.

***State Director Review***  
***43 CFR 3165.3(b)***

Under 43 CFR 3165.3(b), any adversely affected party may request administrative review of a notice of violation or assessment or an instruction, order, or decision of the BLM issued under the regulations in 43 CFR part 3160. Such a request may be submitted to the appropriate State Director, either with or without an oral presentation. Such request, including all supporting documentation, must be filed in writing with the appropriate State Director within 20 business days of the date of receipt of the notice of violation or assessment or an instruction, order, or decision.

**New Uses of Form 3160-5 (Sundry Notices and Reports on Wells)**

New uses for Form 3160-5 are included at 43 CFR part 3170, 3173, and 3174 as a result of the proposed rule. The BLM now requests that the new uses and burdens for Form 3160-5 that are described under control number 1004-0207 and 1004-0209 be moved to 1004-0137. The BLM anticipates continuation of the other IC activities as authorized by the OMB Control Numbers 1004-0207, 1004-0209, and 1004-0210.

The specific information we require on Form 3160-5 is listed above in the explanation of Subsequent Well Operations (43 CFR 3162.3-2).

The following describes proposed revisions of this control number.

***Proposed § 3170.30, Alternative measurement equipment and procedures***

Proposed § 3170.30 would allow an operator or manufacturer to request approval, with supporting data, for the use of alternate oil and gas measurement equip or measurement methods. Operators or manufacturers would submit to BLM performance data, actual field test results, laboratory test data, or any other supporting data or evidence showing the proposed alternate oil or gas measurement equipment or method would meet or exceed the objectives of minimum standards. This requirement would apply to both oil and gas operations.

Proposed § 3170.40, Variances (Form 3160-5)

Existing section 3170.6 authorizes any party that is subject to the regulations in 43 CFR part 3170 to request a variance from any of the regulations in part 3170. While section 3170.6 states that a request for a variance should be filed using the BLM's electronic system, it also allows the use of paper copies of Form 3160-5 (Sundry Notices).

The proposed rule would renumber existing § 3170.6 to § 3170.40.

Proposed § 3173.50, Site facility diagram (Form 3160-5)

Existing section 3173.11 requires a site facility diagram for all facilities. Existing section 3170.3 defines "facility" as a site and associated equipment used to:

- Process, treat, store, or measure oil or gas production from or allocated to a Federal or Indian lease, unit, or CA that is located upstream of or at (and including) the approved point of royalty measurement; or
- Store, measure, or dispose of produced water that is located on a lease, unit, or CA.

A site facility diagram is one of the BLM's primary mechanisms for monitoring operators' compliance with measurement regulations and policy. These IC activities enable the BLM to verify, among other things, royalty-free-use volumes reported by the operator on its Oil and Gas Operations Reports. These IC activities also enhance production accountability.

Paragraphs (a) through (c) of existing section 3173.11 require that each site facility diagram be submitted with a completed Sundry Notice. The diagram itself should be formatted to fit on an 8½ x 11 sheet of paper, if possible, and must be legible and comprehensible to an individual with an ordinary working knowledge of oilfield operations. If more than one page is required, each page must be numbered (in the format "N of X pages"). Existing section 3173.22(c) specifies that a site facility diagram must:

- Reflect the position of the production and water recovery equipment, piping for oil, gas, and water, and metering or other measuring systems in relation to each other, but need not be to scale;
- Commencing with the header, identify all of the equipment, including, but not limited to, the header, wellhead, piping, tanks, and metering systems located on the site, and include the appropriate valves and any other equipment used in the handling, conditioning, or disposal of production and water, and indicate the direction of flow;
- Identify by API number the wells flowing into headers;
- Indicate which valve(s) must be sealed and in what position during the production and sales phases and during the conduct of other production activities (e.g., circulating tanks or drawing off water), which may be shown by an attachment, if necessary;
- Clearly identify the lease, unit production area (PA), or CA to which the diagram applies and the land description of the facility, and the name of the company submitting the diagram, with co-located facilities being identified for each lease, unit PA, or CA; and

- Clearly identify as an attachment all meters and measurement equipment. Specifically identify all approved and assigned facility measurement points (FMPs).

If another operator operates a co-located facility, the site facility diagram must depict the co-located facilities on the diagram or list them on an attachment and identify them by company name, facility name(s), lease, unit PA, or CA number, and FMP number(s). When describing co-located facilities operated by one operator, the site facility diagram must include a skeleton diagram of the co-located facility, showing equipment only. For storage facilities common to co-located facilities operated by one operator, one diagram would be sufficient.

If the operator claims royalty-free use, the site facility diagram must clearly identify on the diagram or as an attachment, the equipment for which the operator claims royalty-free use.

Existing section 3173.11(d) specifies the timing requirements for submission of a new site facility diagram for facilities for which the BLM will assign an FMP number. Existing section 3173.11(e) specifies similar timing requirements for submission of a new site facility for which an FMP number is not required (e.g., facilities that dispose of produced water). The timing requirements also vary depending on the date the relevant facilities become operational.

Existing section 3173.11(f) specifies that after a site facility diagram has been submitted, operators have an ongoing obligation to update and amend a site facility diagram within 30 days after: (1) Such facilities are modified; (2) A non-Federal facility located on a Federal lease or federally approved unit or communitized area is constructed or modified; or (3) There is a change in operator.

Proposed § 3173.50 would revise existing § 3173.11, which sets out the requirements for site facility diagrams. Proposed § 3173.50 (c)(3) would require operators to use the complete US well number on the site facility diagrams when identifying wells flowing into headers, instead of the API well number. Proposed § 3173.50 (c)(4) would require the operator of a co-located facility to identify the co-operator by name on the site facility diagram and identify approximate location of the co-located facility. Proposed § 3173.50 (c)(6) would remove the requirement for an operator of a co-located production facility to include on the site facility diagram a skeleton diagram of the other operator's co-located facility(ies). Proposed § 3173.50 (c)(8) would give operator options for identifying the measurement equipment used for royalty reporting on-site facility diagrams. The proposed change would also eliminate the requirement that operators wait to receive an FMP number before submitting diagrams.

Proposed § 3173.50(d)(1) would revise the timeframe for when an operator would have to submit a new, permanent site-facility diagram. The timeframe would be changed from 30 days after the BLM assigns an FMP to 60 days after the facility becomes operational. In addition, proposed § 3173.50(d)(2) would change the timeframe for when an operator would have to submit an amended site facility diagram for a modified, existing facility. That time frame would be changed from 30 days to 60 days after the facility is modified. The proposed 60-day

timeframe would also apply when a non-Federal facility located on a Federal lease or a federally approved unit or communitized area is constructed or modified.

Proposed § 3173.50(e) is a new section that would change the timeframe for when an operator must update and amend a diagram. The proposed rule would give operators 60 days, instead of the current 30 days, to update and amend a diagram after a facility is modified or a non-Federal facility located on a Federal lease or federally approved unit or communitized area is constructed or modified.

*Proposed § 3173.60, Applying for a facility measurement point number (Form 3160-5)*

Existing section 3173.12 requires operators to obtain BLM approval of facility measurement points (FMPs). An FMP is a BLM-approved point where oil or gas produced from a Federal or Indian lease, unit, or CA is measured and the measurement affects the calculation of the volume or quality of production on which royalty is owed. See existing 43 CFR 3170.3.

Existing section 3173.12(d) applies to permanent measurement facilities that come into service after January 17, 2017. Existing section 3173.12(e) applies to permanent measurement facilities in service before January 17, 2017. Both of these IC activities are one-time only.

These activities assist the BLM in verifying production. Upon receiving an initial request for an FMP, the BLM will approve it if it meets the requirements of this rule, and assign each FMP a unique identifying number, which the operator, transporter, or purchaser will use when reporting production results to the Office of Natural Resources Revenue (ONRR).

All requests for an FMP must include the following:

- A complete Sundry Notice;
- The applicable Measurement Type Code specified in the BLM's Well Information System (WIS);
- For gas measurement, identification of the operator/purchaser/transporter unique station number, meter tube size or serial number, and type of secondary device;
- For oil measurement, identification of the oil tank number(s) or tank serial number(s) and size of each tank, and whether the oil was measured by LACT or CMS if not measured by tank gauge;
- Where production from more than one well will flow to the requested FMP, a list of the API well numbers associated with the FMP; and
- FMP location by land description.

Existing section 3173.12(d) applies to each permanent measurement facility that comes into service after January 17, 2017. This provision requires the operator to apply for approval of an FMP before any production leaves the facility. This provision does not apply to temporary measurement equipment used during well testing operations. Each request must meet the requirements listed above.

Existing section 3173.12(e) applies to each permanent measurement facility that came into service on or before January 17, 2017, and requires the operator comply with the following deadlines for submission of an application for approval of an FMP:

- For a stand-alone lease, unit PA, or CA that produced 10,000 Mcf<sup>3</sup> or more of gas per month or 100 bbl<sup>4</sup> or more of oil per month, by January 17, 2018;
- For a stand-alone lease, unit PA, or CA that produced 1,500 Mcf or more, but less than 10,000 Mcf of gas per month, or 10 bbl or more, but less than 100 bbl of oil per month, by January 17, 2019;
- For a stand-alone lease, unit PA, or CA that produced less than 1,500 Mcf of gas per month or less than 10 bbl of oil per month, by January 17, 2020; and
- For a stand-alone lease, unit PA, or CA that has not produced for a year or more before January 17, 2017, the operator must apply for an FMP prior to the resumption of production.

The BLM, through Proposed § 3173.60(d), is proposing to remove the requirement that operators list the “station number, primary element (meter tube) size or serial number, and type of secondary device (mechanical or electronic)” and replace it with a requirement that operators provide “the unique meter ID, and elevation.” The equipment information for applying for FMP numbers to measure oil tank gauge would remain the same. Applicants would be required to specify the name of the operator, purchaser, or transporter, as appropriate.

Proposed § 3173.60(d) would also require the operator to identify the purchaser or transporter, and the unique meter ID. The proposed change would delete the requirement to identify whether the equipment is LACT or CMS, the associated oil tank number or serial number, and tank size.

The proposed change would also replace the reference to API number with US well number.

*Modifications to an FMP (Form 3160-5):* Existing section 3173.13(b)(1) requires each operator with an approved FMP to file a Sundry Notice that describes any changes or modifications made to an FMP within 30 days after the change. The Sundry Notice must include tank numbers or serial numbers and sizes for oil FMPs, unique station numbers, meter tube sizes or serial numbers, and type of secondary devices for gas FMPs, and for all FMPs with more than one well, the API numbers for all wells associated with the facility. In addition, the Sundry Notice must specify what was changed, the effective date, and include, if appropriate, an amended site facility diagram. This IC activity assists the BLM in accurate accounting of oil and gas production.

*Proposed § 3173.70, Conditions for commingling and allocation approval (surface and*

---

<sup>3</sup> “Mcf” means 1,000 cubic feet of gas.

<sup>4</sup> In the United States, “bbl” (or barrel) means a unit of oil volume that is equivalent to 42 U.S. gallons.



downhole); and Proposed § 3173.71, Applying for commingling and allocation approval (Form 3160-5)

A communitization allocation agreement (CAA) is a formal allocation agreement to combine production from two or more sources (i.e., leases, unit PAs, CAs, or non-Federal or non-Indian properties) before that product reaches an FMP. See existing 43 CFR 3173.1; see also 43 CFR 3173.14 (conditions for approval of a commingling and allocation agreement).

The regulation that requires approval of a CAA is at 43 CFR 3173. Existing section 3173.16 requires an operator to submit information to correct any inconsistencies or deficiencies identified by the BLM, where an operator's request for assignment of an FMP number (see 43 CFR 3173.12) includes a facility associated with a CAA existing on January 17, 2017. Both of these IC activities are one-time only.

Existing section 3173.15 requires – with some reservations -- the following information in a request for a CAA:

- A completed Sundry Notice for approval of commingling and allocation;
- A completed Sundry Notice for approval of off-lease measurement under §3173.23, if any of the proposed FMPs are outside the boundaries of any of the leases, units, or CAs from which production would be commingled (which may be included in the same Sundry Notice as the request for approval of commingling and allocation), except as provided in the reservations listed below;
- A proposed allocation agreement, including an allocation methodology (including allocation of produced water), with an example of how the methodology is applied, signed by each operator of each of the leases, unit PAs, or CAs from which production would be included in the CAA;
- A list of all Federal or Indian lease, unit PA, or CA numbers in the proposed CAA, specifying the type of production (i.e., oil, gas, or both) for which commingling is requested;
- A topographic map or maps of appropriate scale showing the following:
  - The boundaries of all the leases, units, unit PAs, or communitized areas whose production is proposed to be commingled; and
  - The location of existing or planned facilities and the relative location of all wellheads (including the API number) and piping included in the CAA, and existing FMPs or FMPs proposed to be installed to the extent known or anticipated;
- A surface use plan of operations if new surface disturbance is proposed for the FMP and its associated facilities are located on BLM-managed land within the boundaries of the lease, units and communitized areas from which production would be commingled;
- A right-of-way grant application (Standard Form 299), filed under 43 CFR part 2880, if the proposed FMP is on a pipeline, or under 43 CFR part 2800, if the proposed FMP is a meter or storage tank;

- Written approval from the appropriate surface-management agency, if new surface disturbance is proposed for the FMP and its associated facilities are located on Federal land managed by an agency other than the BLM;
- A right-of-way grant application for the proposed FMP, filed under 25 CFR part 169, with the appropriate BIA office, if any of the proposed surface facilities are on Indian land outside the lease, unit, or communitized area from which the production would be commingled;
- Documentation demonstrating that each of the leases, unit PAs, or CAs proposed for inclusion in the CAA is producing in paying quantities (or, in the case of Federal leases, is capable of production in paying quantities) pending approval of the CAA; and
- All gas analyses, including Btu content (if the CAA request includes gas) and all oil gravities (if the CAA request includes oil) for previous periods of production from the leases, units, unit PAs, or communitized areas proposed for inclusion in the CAA, up to 6 years before the date of the application for approval of the CAA. Gas analysis and oil gravity data is not needed if the CAA falls under existing §3173.14(a)(1).

The reservations are as follows:

- If off-lease measurement is a feature of the commingling and allocation proposal, then a separate Sundry Notice under existing 43 CFR 3173.23 is not necessary as long as the information required under existing section 3173.23 is included as part of the request for approval of commingling and allocation;
- A surface plan of operations may be included in the same Sundry Notice as the request for approval of commingling and allocation; and
- The requirement for a right-of-way application filed under 43 CFR part 2880 applies only when new surface disturbance is proposed for the FMP, and its associated facilities are located on BLM-managed land outside any of the leases, units, or communitized areas whose production would be commingled.

Existing section 3173.16 provides that, upon review of an operator's request for assignment of an FMP number for a facility associated with an existing CAA:

- The BLM will grandfather the existing CAA (and any off-lease measurement, if applicable) if it meets certain conditions enumerated at existing section 3173.16(a)(1) or (a)(2)<sup>5</sup>; or
- If the existing CAA does not meet the conditions at existing section 3173.16(a)(1) or (a)(2), the BLM will take action to address any inconsistencies or deficiencies regarding the minimum standards and requirements for a CAA under §3173.14.

---

<sup>5</sup> Under 43 CFR 3173.16(a)(1), the BLM will grandfather an existing CAA if it involves downhole commingling that includes Federal or Indian leases, unit PAs, or CAs. Under 43 CFR 3173.16(a)(2), the BLM will grandfather an existing CAA if it is for surface commingling and the average production rate over the previous 12 months for each Federal or Indian lease, unit PA, and CA included in the CAA is less than 1,000 Mcf per month for gas, or less than 100 bbl per month for oil.

In the former case, the BLM will not collect any information from the operator. In the latter case, the BLM may take one of two actions.

Under the first option, the BLM will notify the operator in writing of any inconsistencies or deficiencies, and require the operator to make corrections in the CAA. The operator must comply within 20 business days after receipt of the BLM's notice, but may request an extension of time. When the BLM is satisfied that the operator has corrected any inconsistencies or deficiencies, the BLM will terminate the existing CAA and grant a new CAA based on the operator's corrections. If the existing CAA does not meet the standards and requirements of §3173.14 and the operator does not correct the deficiencies, the AO may terminate the existing CAA under 43 CFR 3173.20 and deny the request for an FMP number for the facility associated with the existing CAA.

Under the second option, the BLM may terminate the existing CAA and grant a new CAA with new or amended conditions of approval to make the approval consistent with the requirements under §3173.14. The operator may appeal the conditions of approval of the new CAA, in which case the existing CAA approval will continue in effect during the pendency of the appeal.

Proposed § 3173.70 would revise the existing requirements for commingling and allocation approval. When an operator is interested in commingling a lease or a unit, they would request approval from the BLM. The operator(s) would provide a methodology acceptable to the BLM for allocation among the leases or agreements, from which production is to be commingled, with a signed agreement if there are more than one party. Requestor demonstrates that each lease or unit is producing in paying quantities, or demonstrates that there is an approved APD. There are several conditions that would need to be met prior to CAA approval.

The proposed rule would remove the parenthetical requirement that an operator include an allocation method for produced water in its commingling application. It would allow a lease, unit PA, or CA to be included in a proposed CAA if it has an approved APD, but no production at the time of application. This change would allow operators to apply for commingling approval before drilling wells, based on production volume projections, supported by offset-well decline curve data, presented in the application.

The proposed rule would provide operators an opportunity to demonstrate to the BLM an allocation uncertainty based on a propagation of uncertainty method.

Proposed 3173.71 would require a separate Sundry Notice for off-lease measurement approval. The requirements for applying for off-lease measurement is under proposed 3173.91.

The proposed rule would require an applicant-certified statement of a surface-use plan of operations if new surface disturbance is proposed in a commingling application on BLM-managed land. This proposed change would reduce the application submission burden while ensuring a surface-use plan of operation has been prepared.

The proposed rule would remove the requirement that an operator submit a right-of-way grant with its application for commingling and allocation approval if any of its facilities would be located on Federal or Indian land. The proposed rule would require the operator to provide an applicant-certified statement that it already has a right-of-way grant for Federal rights-of-way.

The proposed rule would require that gas CAA applications be submitted separately from oil CAA applications.

*Proposed § 3173.72, Existing commingling and allocation approvals:* Proposed § 3173.72 would revise existing 3173.16 by making small changes to the BLM’s process for reviewing existing commingling and allocation approvals. The change would not impose new burdens.

*Proposed § 3173.74, Modification of a commingling and allocation approval (Form 3160-5)*  
Existing section 3173.18 provides that a CAA must be modified when additional leases, unit PAs, or CAs are proposed for inclusion in the CAA, or any of the leases, unit PAs, or CAs within the CAA terminate or permanently cease production. The following information is required in a request to modify a CAA:

- A completed Sundry Notice describing the modification requested;
- A new allocation methodology, if appropriate, and an example of how the methodology is applied; and
- Certification by each operator that it agrees to the CAA modification.

This IC activity helps the BLM obtain the production data that is necessary to verify production from Federal or Indian leases covered by CAAs.

Existing section 3173.20 authorizes an operator to request termination of a CAA. The operator must submit a Sundry Notice to the BLM requesting the termination. The notice must identify the FMP(s) for the lease(s), unit(s), or CA(s) previously subject to the CAA.

Proposed § 3173.74(b) would add another condition that would require an operator to have the CAA reevaluated by the BLM when actual production exceeds the projected production in the commingling application. This change would not impact burden hours.

*Proposed § 3173.91, Applying for off-lease measurement (Form 3160-5)*

These IC activities assist the BLM in reducing discrepancies between operator-allocated volumes, which operators report to ONRR, and the volumes that the BLM calculates during follow-up audits. The BLM will allow off-lease measurement of production only from a single Federal or Indian lease, unit PA, CA, or CAA, and only at an approved FMP.

These IC activities are “on occasion.”

*Request for Approval (Existing 43 CFR 3173.23)*

Regulations at existing section 3173.23(a) through (j) require the following information in an application for approval of off-lease measurement:

- A completed Sundry Notice;
- Justification for off-lease measurement;
- A topographic map of appropriate scale showing the boundary of the lease(s), unit(s), or CA(s) from which the production originates, the location of existing or planned facilities, the relative location of all wellheads (including the API number for each well) and piping included in the off-lease measurement proposal, and existing FMPs or FMPs proposed to be installed to the extent known or anticipated;
- The surface ownership of all land on which equipment is, or is proposed to be, located; and
- A statement that indicates whether the proposal includes all, or only a portion of, the production from the lease, unit, or CA and if the proposal includes only a portion of the production, the application would be required to identify the FMP(s) where the remainder of the production from the lease, unit, or CA is measured or is proposed to be measured.

If any of the proposed off-lease measurement facilities are located on non-federally owned surface, the application must include a written concurrence signed by the owner(s) of the surface and the owner(s) of the measurement facilities, including each owner(s)' name, address, and telephone number, granting the BLM unrestricted access to the off-lease measurement facility and the surface on which it is located, for the purpose of inspecting any production, measurement, water handling, or transportation equipment located on the non-Federal surface up to and including the FMP, and for otherwise verifying production accountability. If the ownership of the non-Federal surface or of the measurement facility changes, the operator must obtain and provide to the BLM the written concurrence required under this paragraph from the new owner(s) within 30 days of the change in ownership.

A right-of-way application must be submitted along with the information listed above if a proposed off-lease FMP with facilities on BLM land would:

- Would involve new surface disturbance and consists of a meter or storage tank; or
- Is on a pipeline.

Applications for rights-of-way (SF-299) are authorized under control number 0596-0082, which is administered by the U.S. Forest Service on behalf of several federal agencies, including the BLM. If new surface disturbance is proposed for an FMP that includes facilities on Federal land managed by an agency other than the BLM, written approval is required from that agency. A right-of-way grant application must also be submitted with the appropriate BIA office if any of the proposed facilities are on Indian lands outside of the producing area.

If the operator proposes to use production from the lease, unit or CA as fuel at the off-lease measurement facility without payment of royalty, the application must include an application for approval of off-lease royalty-free use under applicable rules.

Existing section 3173.23(k) provides that to apply for an amendment of an existing approval of off-lease measurement, the operator must submit a completed Sundry Notice, and information listed at paragraphs (b) through (j) of section 3173.23 to the extent the previously submitted information has changed. This IC activity assists the BLM in reducing discrepancies between operator-allocated volumes, which operators report to ONRR, and the volumes that the BLM calculates during follow-up audits.

*Request for Termination (Existing 43 CFR 3173.27)*

Existing section 3173.27 authorizes the BLM to terminate an off-lease measurement approval and allows the off-lease measurement approval to be terminated by the operator. The operator must submit a Sundry Notice to the BLM requesting the termination in which the notice must identify the new FMP(s) for the lease(s), unit(s), or CA(s) previously subject to the off-lease measurement approval.

*Response to Notice (Existing 43 CFR 3173.25)*

Upon receipt of an operator's request for assignment of an FMP number for a facility associated with an off-lease measurement approval existing on the effective date of the final rule, the BLM will review the existing approval for consistency with the requirements at existing 43 CFR 3173.22. Existing section 3173.25 provides that the BLM will notify the operator of any inconsistencies or deficiencies. If the operator receives such a notice, the operator must correct the identified flaws, provide additional information, or request an extension of time from the BLM, within 20 business days after receiving the notice. This IC activity assists the BLM in reducing discrepancies between operator-allocated volumes, which operators report to ONRR, and the volumes that the BLM calculates during follow-up audits.

Proposed § 3173.91 would clarify and simplify the requirements for an off-lease measurement application. Operators would be required to submit separate Sundry Notices for applications for off-lease measurement for each oil and gas FMP.

*Proposed § 3174.43, Data Submission and notification requirements (Form 3160-5)*

Proposed § 3174.43(a) would revise several existing IC activities by adding a new requirement to use Form 3160-5 (Sundry Notices and Reports on Wells), a form approved by OMB under control number 1004-0137. The BLM requests the revision of control number 1004-0137 to include these uses of Sundry Notices. Existing IC activities that would be affected by the proposed rule in this way are currently authorized under control number 1004-0209:

- o Documentation of Tank Calibration Table Strapping (Annual) (Proposed § 3174.82);

- o Notification of LACT System Failure (Annual) (Proposed § 3174.90); and
- o Approval for Slop or Waste Oil (Annual) (Proposed § 3174.180).

In addition, proposed § 3174.120, would be regulatory authorities for a new use of Sundry Notices. This new IC activity would be labeled, “Electronic Liquid Measurement” (ELM).

*Proposed § 3174.60, Timeframes for compliance*

In addition, proposed § 3174.60(b)(3) would include Sundry Notices in another new IC activity i.e., “Notification of Early Compliance.” Proposed § 3174.60(b)(3) would allow an operator to voluntarily begin full compliance with the requirements of 43 CFR subpart 3174 at any FMP prior to the mandatory compliance dates specified in paragraphs (b)(1) and (b)(2) of proposed § 3174.60. The BLM inspection and enforcement staff would need to inspect the FMP, so the BLM would need to be notified if an FMP has begun early compliance. The operator would be required to notify the BLM within 30 days by Sundry Notice of the date the FMP began early compliance.

*Proposed § 3174.82, Oil tank calibration*

The proposed rule would retain the requirements in the existing regulations, but would add three requirements for FMP oil tank calibration.

- First, the tank-capacity tables would be required to be calculated for a tank-shell temperature of 60-degree F. Second, FMP tank-capacity tables would be required to be recalculated if the references gauge point is changed. Third, FMP tank calibration charts would be required to be submitted to the AO by Sundry Notice within 45 days after a calibration or recalculation of charts. The existing regulations require operators to submit tank calibration charts to the AO after calibration without specifying how they are to be submitted. The BLM needs to have the most current tank-calibration charts to provide a common tracking mechanism.

*Proposed § 3174.90, LACT system—general requirements*

Burdens related to notification of LACT system failure would be moved from OMB control number 1004-0209, and put under 1004-0137.

Proposed § 3174.90(e) 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 may have resulted in measurement error. Existing requirements require operators to notify the AO within 72 hours of a LACT failure. Industry expressed concerns with 72 hours being difficult to comply with.

*Proposed § 3174.120, Electronic liquids measurement, ELM (secondary and tertiary device)*

The IC requirements at proposed § 3174.120 would apply to any FMP with ELM equipment installed. The proposed regulation would require each ELM device to display the following values and corresponding units of measurement:

- o The instantaneous density of liquid (pounds/barrel (bbl), pounds/gallon (gal), or degrees API);
- o The instantaneous indicated volumetric flow rate through the meter (bbl/day);

- o The meter factor;
- o The instantaneous pressure (psi);
- o The instantaneous temperature (°F);
- o The average temperature calculated since the measurement ticket was opened;
- o The cumulative indicated volume through the meter (non-resettable totalizer) (bbl); and
- o The previous day's indicated volume through the meter (bbl).

The following information would have to be accessible to the BLM at the FMP without the use of data-collection equipment, laptop computers, or any special equipment:

- o The make, model, and size of each sensor; and
- o The make, model, range, and calibrated span of the pressure and temperature transducer used to determine gross standard volume.

The following information would have to be recorded and retained as described below, and submitted to the BLM upon request:

- o Retention of the QTR would be required on a daily (24 hour) basis, except in circumstances where batch delivery duration is less than 24 hours. In these situations, hourly data retention would be required.
- o The configuration log would have to comply with the requirements of API 21.2, Subsection 10.2 (incorporated by reference, and contain and identify all constant flow parameters used in generating the QTR.
- o The event log would have to comply with the requirements of API 21.2, Subsection 10.6, and be of sufficient capacity to record all events such that the operator can retain the information under the recordkeeping requirements at proposed § 3170.50(g) (i.e., existing § 3170.7, as revised in this proposed rule).
- o The type and duration of any of the following alarm conditions would have to be recorded:
  - Deviations from acceptable density parameters for Coriolis flow meters;
  - Instances in which the flow rate exceeded the manufacturer's maximum recommended flow rate or was below the manufacturer's minimum recommended flow rate;
  - Instances in which the temperature of the fluid exceeded the calibrated span of the temperature transmitter;
  - Instances in which the pressure of the fluid exceeded the calibrated span of the pressure transmitter;
  - Any power loss to the meter or instance in which the ELM no longer detects the meter output; and
  - Instances in which any other meter output exceeds its user-defined span of operation.

The alarm log would be allowed to be part of the event log and would fulfill the requirements of subpart 3174 as long as protections are in place to ensure that excessive alarming would not affect the event log's compliance with the record-keeping requirements of subpart 3174.



Each ELM device would be required to include a backup power supply or a nonvolatile memory capable of retaining all required raw data in the unit's memory for at least 35 days to ensure that the required audit-trail information would be protected. The audit trail would be required to comply with API 21.2, Subsection 10.

*Proposed § 3174.154, Excessive meter factor deviation*

The proposed rule would allow the operator to provide a statement explaining that the excessive-meter factor was not caused by a meter malfunction on a case-by-case basis.

*Proposed § 3174.160-3174.162 Measurement tickets:*

Existing section 3174.12 specifies the requirements for measurement tickets. The information enables the BLM to verify the quantity and quality of oil removed from a lease during production audits.

The specific requirements, as described below, depend on the method by which an operator measures oil.

*Measurement of oil by tank gauging:* After measuring oil by tank gauging, the operator, purchaser, or transporter, as appropriate, must complete a uniquely numbered measurement ticket, in either paper or electronic format, with the following information:

- Lease, unit PA, or CA number;
- Unique tank number and nominal tank capacity;
- Opening and closing dates and times;
- Opening and closing gauges and observed temperatures in °F;
- Observed volume for opening and closing gauge, using tank specific calibration charts (see 43 CFR 3174.5(c));
- Total gross standard volume removed from the tank following API 11.1 (incorporated by reference, see 43 CFR 3174.3);
- Observed API oil gravity and temperature in °F;
- API oil gravity at 60 °F, following API 11.1 (incorporated by reference, see 43 CFR 3174.3);
- Sediment and water (S&W) content percent;
- Unique number of each seal removed and installed;
- Name of the individual performing the tank gauging; and
- Name of the operator.

*Measurement of oil by a Coriolis measurement system (CMS) or a lease automated custody transfer (LACT) system:* At the beginning of every month, before conducting proving operations on a LACT system or CMS, the operator, purchaser, or transporter, as appropriate, must complete a uniquely numbered measurement ticket, unless the operator is using a flow computer.

A run ticket pertaining to a LACT system or CMS may be submitted in either paper or electronic format, and must contain the following information:

- Lease, unit PA, or CA number;
- Unique meter ID number;
- Opening and closing dates;
- Opening and closing totalizer readings of the indicated volume;
- Meter factor, indicating if it is a composite meter factor; Total gross standard volume removed through the LACT system or CMS;
- API oil gravity. For API oil gravity determined from a composite sample, the observed API oil gravity and temperature must be indicated in °F and the API oil gravity must be indicated at 60 °F. For API oil gravity determined from average density (CMS only), the average uncorrected density must be determined by the CMS;
- The average temperature in °F;
- The average flowing pressure in psig;
- S&W content percent;
- Unique number of each seal removed and installed;
- Name of the purchaser's representative; and
- Name of the operator.

The proposed rule would separate out the measurement-ticket requirement into individual sections according to the measurement type. Measurement types would include tank gauging and LACT or CMS.

*Proposed § 3174.180, Determination of oil volumes by methods other than measurement*

This section addresses how spilled oil, waste oil, and slop oil must be reported. This proposed section would require an operator to get prior written approval from the BLM for sale or disposal of slop oil and require the operator to notify the BLM via Sundry Notice of the volume sold or disposed. This change would ensure that a tracking and auditing mechanism for spill oil, waste oil, and slop oil exists. Burdens related this requirement would be moved from OMB control number 1004-0209, and put under 1004-0137.

**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.**

The BLM generally requires the electronic filing (e-filing) of all Applications for Permit to Drill (Form 3160-3) and Notices of Staking (NOS).

The BLM also allows operators to request a waiver from the e-filing requirements. Submission

of that request may be electronic or via hard copy. The request would have to be supported by an explanation of why the operator is not able to use the e-permitting system. In those exceptional cases, the BLM will review the operator's request and determine whether a waiver allowing the operator to submit hard copies is warranted.

All the forms for this collection are electronically available to the public in fillable, printable format at: <https://www.blm.gov/services/electronic-forms>. A respondent who has obtained a waiver (as described above), or who chooses to submit one of the other fillable, printable forms 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.**

No duplication of information occurs in the information we collect. The requested information is unique to the operator/operating rights owner and the lease and is not available from any other data source. No similar information is available or able to be modified. The information is required to receive a benefit.

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

The BLM is not required to collection information on whether the respondents qualify as small businesses or small entities. Because oil and gas operations and production tend to be capital-intensive activities, the BLM estimates that only about five percent of the respondents are small businesses or other small entities. The information required from all respondents is limited to the minimum necessary to authorize and regulate oil and gas operations on public lands.

**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 we collected it less frequently, oil and gas leasing activities and operations could not occur on Federal or Indian trust leases in compliance with pertinent statutes.

**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.**

Three categories of regulations present special circumstances within the meaning of this query:

- (1) Those that require respondents to report information to the agency more often than quarterly;
- (2) Those that require respondents to prepare a written response to a collection of information in fewer than 30 days after receipt of it; and
- (3) Those that require respondents to retain records for more than three years.

#### *Monthly Reports*

At the beginning of every month, before conducting proving operations on a LACT system or CMS, the operator, purchaser, or transporter, as appropriate, must complete a uniquely numbered measurement ticket (i.e., run ticket), unless the operator is using a flow computer. In addition, after measuring oil by tank gauging, the operator, purchaser, or transporter, as appropriate, must complete a uniquely numbered measurement ticket. This second category of run tickets may be required more than once every quarter.

These requirements are at 43 CFR 3174.162. Run tickets are essential to daily operations of onshore wells. They provide an accurate estimate of what an interest holder is actually putting into a pipeline, and therefore what amount of payment the interest holder expects. The information in run tickets enables the BLM to verify the quantity and quality of oil removed from a lease during production audits.

#### *Reporting Theft or Mishandling of Oil*

Section 3173.8 requires an operator, purchaser, or transporter to report an incident of apparent theft or mishandling of oil. The deadline for such a report is no later than the next business day

after discovery of the incident. All oral reports must be followed up with a written incident report within 10 business days of the oral report.

### *Retention of Records*

#### 1. 43 CFR 3162.4-1

Until the site security rule went into effect, 43 CFR 3162.4-1 required operators to maintain records of all lease operations for six years or, in the case of an audit or investigation, until the Secretary or a designee released the recordholder from the obligation to maintain such records. As amended, section 3162.4-1 — with some exceptions — also requires operators to maintain records of lease operations, production facilities and equipment, and for the following time periods:

- Seven years if the records were generated at Federal leases or at units or communitized areas that include Federal leases, but do not include Indian leases;
- Six years if the records were generated at Indian leases or at units or communitized areas that include Indian leases, but do not include Federal leases; and
- Six years if they were generated at units and communitized areas that include both Federal and Indian leases.

The exceptions for Federal lease records apply after timely commencement of a judicial proceeding or demand involving such records. In such cases, the record holder must maintain the records until the final nonappealable decision in the judicial proceedings is made, or with respect to that demand is rendered, unless the Secretary or the applicable delegated State authorizes in writing an earlier release of the requirement to maintain such records.

The exceptions for Indian lease records apply if the Secretary or his / her designee notifies the record holder that the Department has initiated or is participating in an audit or investigation involving such records. In such cases, the record holder must maintain the records until the Secretary or his /her designee releases the record holder from the obligation to maintain the records.

The exceptions for units and communitized areas that include both Federal and Indian leases apply if the Secretary or his / her designee notifies the record holder within six years after the records are generated that the Department has initiated or is participating in an audit or investigation involving such records. In such cases, the amount to time record holder must maintain the records depends on whether a judicial proceeding or demand is commenced within seven years after the records are generated.

If a judicial proceeding or demand is commenced within seven years after the records are generated, the record holder must retain all records regarding production from the lease, unit or communitization agreement until the final nonappealable decision in such judicial proceeding is

made, or with respect to that demand is rendered, unless the Secretary or his / her designee authorizes in writing a release of the requirement to maintain such records before a final nonappealable decision is made or rendered.

If a judicial proceeding or demand is not commenced within seven years after the records are generated, the record holder must retain all records regarding production from the unit or communitized area until the Secretary or his / her designee releases the record holder from the obligation to maintain the records.

## 2. 43 CFR 3170.7

The records retention requirements at 43 CFR 3170.7 apply not only to operators, but also to lessees, operators, purchasers, transporters, and any other person directly involved in producing, transporting, purchasing, selling, or measuring oil or gas through the point of royalty measurement or the point of first sale, whichever is later. These persons must retain all records, including source records, that are relevant to determining the quality, quantity, disposition, and verification of production attributable to Federal or Indian leases for the periods prescribed in paragraphs (c) through (e) of this section.

This retention requirement applies to records generated during or for the period for which the lessee or operator has an interest in or conducted operations on the lease, or in which a person is involved in transporting, purchasing, or selling production from the lease.

For Federal leases, and units or CAs that include Federal leases, but do not include Indian leases, the record holder must maintain records for seven years after the records are generated unless a judicial proceeding or demand involving such records is timely commenced. In that case, the record holder generally must maintain such records until the final nonappealable decision in the judicial proceeding or demand. An exception to this rule applies if the Secretary or his/her designee or the applicable delegated State authorizes in writing an earlier release of the requirement to maintain such records.

For Indian leases, and units or CAs that include Indian leases, but do not include Federal leases, the record holder must maintain records for six years after the records are generated; unless the Secretary or his/her designee notifies the record holder that the Department of the Interior has initiated or is participating in an audit or investigation involving such records. In that case, the record holder must maintain such records until the Secretary or his/her designee releases the record holder from the obligation to maintain the records.

For units and communitized areas that include both Federal and Indian leases, the record holder must maintain records for six years after the records are generated, unless the Secretary or his/her designee has notified the record holder within those six years that an audit or investigation involving such records has been initiated. In that case, the record holder must retain all records regarding production from the unit or communitized area until the Secretary or his/her designee

releases the record holder from the obligation to maintain the records. Moreover, if a judicial proceeding or demand is commenced within seven years after the records are generated, the record holder generally must retain all records regarding production from the lease, unit PA, or CA until the final nonappealable decision in such judicial proceeding or demand. An exception applies if the Secretary or his/her designee authorizes in writing a release of the requirement to maintain such records before a final nonappealable decision is made or rendered.

The lessee, operator, purchaser, or transporter must maintain an audit trail.

All records, including source records, that are used to determine quality, quantity, disposition, and verification of production attributable to a Federal or Indian lease, unit PA, or CA, must include:

- The number of the FMP or lease, unit PA, or CA;
- A unique equipment identifier (e.g., a unique tank identification number and meter station number); and
- The name of the company that created the record.

For all facilities existing prior to the assignment of an FMP number, all records must include the following information:

- The name of the operator;
- The lease, unit PA, or CA number; and
- The well or facility name and number.

Upon request of the BLM, the operator, purchaser, or transporter must provide such records to the BLM as may be required by regulation, written order, Onshore Order, Notice to Lessees, or Condition(s) of Approval.

All records must be legible. All records requiring a signature must include the signer's printed name.

The BLM needs this information in order to monitor oil and gas operations in accordance with its statutory obligations.

**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 do 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.**

We protect the respondent's confidentiality to the extent consistent with the Freedom of Information Act (5 U.S.C. 552).

Under the privacy provisions of the E-Government Act of 2002, individuals/respondents were informed as to whether or not providing the information is mandatory to obtain a benefit.

**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.**

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

1. 222,919 responses;
2. 1,792,543 hours; and
3. \$121,731,596 in dollar equivalent.

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](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**

<b>A. Position</b>	<b>B. Mean Hourly Pay Rate</b>	<b>C. Hourly Rate with Benefits (Column B x 1.4)</b>	<b>D. Percent of Collection Time</b>	<b>E. Weighted Average Hourly Cost (Column C x Column D)</b>
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

***Estimated Hour and Cost Burdens:*** Hour and cost burdens to respondents include time spent for researching, preparing, and submitting information. The estimated hour burdens for the use of Form 3160-5 (Sundry Notices) include both recurring burdens and one-time burdens. Most of the burdens are recurring, i.e., “on occasion.”

Except for the one-time burdens and the monthly burden indicated in Column A of Table 12-2, the frequency of response for each of the information collections is “on occasion.”

**Table 12-2  
Estimated Hour Burdens**

<b>A. Type of Response</b>	<b>B. Number of Responses</b>	<b>C. Hours Per Response</b>	<b>D. Total Hours (Column B x Column C)</b>	<b>E. Total Wage Equivalent (Column D x \$67.91)</b>
Application for Permit to Drill or Re-enter 43 CFR 3162.3-1(a) through (i), 3164.1, 3172.3-1, and Section III.A. of Onshore Order 1 Form 3160-3 and Related Information	3,000	8	24,000	\$1,629,840
Subsequent Well Operations (formerly labeled “Sundry Notices and Reports on Wells”) 43 CFR 3162.3-2 Form 3160-5	15,100	8	120,800	\$8,203,528
Plan for Well Abandonment 43 CFR 3162.3-4	1,500	8	12,000	\$814,920
Well Completion or Recompletion Report and Log 43 CFR 3162.4-1(a), (b), (d), and (e) Form 3160-4 and Related Information	5,000	8	40,000	\$2,716,400

<b>A. Type of Response</b>	<b>B. Number of Responses</b>	<b>C. Hours Per Response</b>	<b>D. Total Hours (Column B x Column C)</b>	<b>E. Total Wage Equivalent (Column D x \$67.91)</b>
Notification of Production Start or Resumption 43 CFR 3162.4-1(c) Form 3160-5	1,000	8	8,000	\$543,280
Samples, Tests, and Surveys (formerly labeled “Drilling Tests, Logs, and Surveys”) 43 CFR 3162.4-2	110	8	880	\$59,761
Disposal of Produced Water 43 CFR 3162.5-1(b), 3164.1, and Onshore Oil and Gas Order No. 7	1,500	8	12,000	\$814,920
Report of Spills, Discharges, or Other Undesirable Events 43 CFR 3162.5-1(c)	215	8	1,720	\$116,805
Contingency Plan 43 CFR 3162.5-1(d)	52	32	1,664	\$113,002
Horizontal and Directional Drilling 43 CFR 3162.5-2(b)	2,100	8	16,800	\$1,140,888
Well Markers 43 CFR 3162.6	1,000	8	8,000	\$543,280
Notice of Staking 43 CFR 3164.1 and Section III.C. of Onshore Order 1	300	16	4,800	\$325,968
Waiver Request 43 CFR 3164.1 and Section III.I. of Onshore Order 1	150	4	600	\$40,746
Application for Suspension or Other Relief 43 CFR 3165.1	100	16	1,600	\$108,656
State Director Review 43 CFR 3165.3(b)	55	16	880	\$59,761

<b>A. Type of Response</b>	<b>B. Number of Responses</b>	<b>C. Hours Per Response</b>	<b>D. Total Hours (Column B x Column C)</b>	<b>E. Total Wage Equivalent (Column D x \$67.91)</b>
Request to Use Alternate Measurement System 43 CFR 3170.30 One Time	5	80	400	\$27,164
Request to Use Alternate Measurement System 43 CFR 3170.30 Annual	1	80	80	\$5,432
Variance Requests 43 CFR 3170.40 Form 3160-5	100	8	800	\$54,328
Site Facility Diagrams 43 CFR 3173.50 Form 3160-5	9,156	8	73,248	\$4,974,272
Request for Approval of an FMP for Future Measurement Facilities 43 CFR 3173.60 Form 3160-5 One-Time	1,000	8	8,000	\$543,280
Request for Approval of an FMP for Existing Measurement Facilities 43 CFR 3173.60 Form 3160-5 One-Time	166,232	8	1,329,856	\$90,310,521
Modifications to an FMP 43 CFR 3173.60 Form 3160-5	1,000	8	8,000	\$543,280
Request for Approval of a CAA 43 CFR 3173.71 Form 3160-5 and Related Information One-Time	2,162	40	86,480	\$5,872,857

<b>A. Type of Response</b>	<b>B. Number of Responses</b>	<b>C. Hours Per Response</b>	<b>D. Total Hours (Column B x Column C)</b>	<b>E. Total Wage Equivalent (Column D x \$67.91)</b>
Response to Notice of Insufficient CAA 43 CFR 3173.72 Form 3160-5 and Related Information	150	40	6,000	\$407,460
Request to Modify or Terminate a CAA 43 CFR 3173.74 and 3173.76 Form 3160-5 and Related Information	500	40	20,000	\$1,358,200
Request for Approval or Termination of Off-Lease Measurement 43 CFR 3173.91 and 3173.95 Form 3160-5 and related Information	166	10	1,660	\$112,731
Response to Notice of Insufficient Off-Lease Measurement Approval 43 CFR 3173.93 Form 3160-5 and Related Information	15	40	600	\$40,746
Documentation of Early Adoption of 3714 – foregoing phase-in periods 43 CFR 3174.43(a)(1) and 3174.60(b)(3) Annual	500	1	500	\$33,955
Documentation of Tank Calibration 43 CFR 3174.43(a)(2) and 3174.82(d) Annual	10,000	.25	2,500	\$169,775

A. Type of Response	B. Number of Responses	C. Hours Per Response	D. Total Hours (Column B x Column C)	E. Total Wage Equivalent (Column D x \$67.91)
Notification of LACT System Failure 43 CFR 3174.7(e)(1) and 3174.90	100	.25	25	\$1,698
Excessive Meter Factor Deviation 43 CFR 3174.43(a)(4) and 3174.154(a) Annual	100	1	100	\$6,791
Measurement Tickets (upon request) 43 CFR 3174.43(b)(6) and 3174.162 Annual	500	1	500	\$33,955
Approval for Slop or Waste Oil Annual 43 CFR 3174.180	50	1	50	\$3,396
Totals	0	—	0	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.**

No capital and start-up costs are involved with this information collection -- respondents are not required to purchase additional computer hardware or software to comply with these information collection requirements. The Fiscal Year 2015 National Defense Authorization Act (Public Law No. 113-291), at Section 3021(b) (codified at 30 U.S.C. 191(d)) provides that, in each of fiscal years 2016 through 2026, the BLM must collect a fee for each new Application for Permit to Drill or Re-enter (Form 3160-3). The amount of the fee was set initially at \$9,500, and must be revised annually for inflation, as measured by the Consumer Price Index.

In Instruction Memorandum No. 2017-113, the BLM announced that the fee for fiscal year 2018 is \$9,790. We estimate that 3,000 of these applications are filed annually. The total estimated non-hour cost burden is \$29.37 million.

**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 following annual burdens for the government:

- 222,919 responses;
- 331,511 hours; and
- \$18,501,629 in dollar equivalents.

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](https://www.opm.gov/policy-data-oversight/pay-leave/salaries-wages/salary-tables/20Tables/html/RUS_h.aspx).

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**

<b>A. Position</b>	<b>B. Mean Hourly Pay Rate</b>	<b>C. Hourly Rate with Benefits (Column B x 1.6)</b>	<b>D. Percent of Collection Time</b>	<b>E. Weighted Average Hourly Cost (Column C x Column D)</b>
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

The Table below shows the annualized Federal costs for each collection. The estimated time spent to process the information collections is based on the BLM's experience. The weighted average hourly wage associated with these information collections is shown at Table 14-1, above.

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

<b>A. Type of Response</b>	<b>B. Number of Responses</b>	<b>C. Hours Per Response</b>	<b>D. Total Hours (Column B x Column C)</b>	<b>E. Total Wage Cost (Column D x \$55.81)</b>
Application for Permit to Drill or Re-enter 43 CFR 3162.3-1(a) through (i), 3164.1, 3172.3-1, and Section III.A. of Onshore Order 1 Form 3160-3 and Related Information	3,000	2	6,000	\$334,860



<b>A. Type of Response</b>	<b>B. Number of Responses</b>	<b>C. Hours Per Response</b>	<b>D. Total Hours (Column B x Column C)</b>	<b>E. Total Wage Cost (Column D x \$55.81)</b>
Subsequent Well Operations 43 CFR 3162.3-2 (formerly labeled “Sundry Notices and Reports on Wells”) Form 3160-5	15,100	3	45,300	\$2,528,193
Plan for Well Abandonment 43 CFR 3162.3-4	1,500	1	1,500	\$83,715
Well Completion or Recompletion Report and Log 43 CFR 3162.4-1(a), (b), (d), and (e) Form 3160-4 and Related Information	5,000	1	5,000	\$279,050
Notification of Production Start or Resumption 43 CFR 3162.4-1(c) Form 3160-5	1,000	1	1,000	\$55,810
Samples, Tests, and Surveys (formerly labeled “Drilling Tests, Logs, and Surveys”) 43 CFR 3162.4-2	110	1	110	\$6,139
Disposal of Produced Water 43 CFR 3162.5-1(b), 3164.1, and Onshore Oil and Gas Order No. 7	1,500	1	1,500	\$83,715
Report of Spills, Discharges, or Other Undesirable Events 43 CFR 3162.5-1(c)	215	1	215	\$11,999
Contingency Plan 43 CFR 3162.5-1(d)	52	1	52	\$2,902
Horizontal and Directional Drilling 43 CFR 3162.5-2(b)	2,100	2	4,200	\$234,402
Well Markers 43 CFR 3162.6	1,000	1	1,000	\$55,810

<b>A. Type of Response</b>	<b>B. Number of Responses</b>	<b>C. Hours Per Response</b>	<b>D. Total Hours (Column B x Column C)</b>	<b>E. Total Wage Cost (Column D x \$55.81)</b>
Notice of Staking 43 CFR 3164.1 and Section III.C. of Onshore Order 1	300	8	2,400	\$133,944
Waiver Request 43 CFR 3164.1 and Section III.I. of Onshore Order 1	150	4	600	\$33,486
Application for Suspension or Other Relief 43 CFR 3165.1	100	16	1,600	\$89,296
State Director Review 43 CFR 3165.3(b)	55	3	165	\$9,209
Request to Use Alternate Measurement System 43 CFR 3170.30 One Time	5	120	600	\$33,486
Request to Use Alternate Measurement System 43 CFR 3170.30 Annual	1	120	120	\$6,697
Variance Requests 43 CFR 3170.6 Form 3160-5	100	3	300	\$16,743
Site Facility Diagrams 43 CFR 3173.11 Form 3160-5	9,156	1	9,156	\$510,996
Request for Approval of an FMP for Future Measurement Facilities 43 CFR 3173.12(d) Form 3160-5 One-Time	1,000	1.5	1,500	\$83,715
Request for Approval of an FMP for Existing Measurement Facilities 43 CFR 3173.12(e) Form 3160-5 One-Time	166,232	1	166,232	\$9,277,408

<b>A. Type of Response</b>	<b>B. Number of Responses</b>	<b>C. Hours Per Response</b>	<b>D. Total Hours (Column B x Column C)</b>	<b>E. Total Wage Cost (Column D x \$55.81)</b>
Modifications to an FMP 43 CFR 3173.13(b)(1) Form 3160-5	1,000	40	40,000	\$2,232,400
Request for Approval of a CAA 43 CFR 3173.15 Form 3160-5 and Related Information One-Time	2,162	16	34,592	\$1,930,580
Response to Notice of Insufficient CAA 43 CFR 3173.16 Form 3160-5 and Related Information	150	5	750	\$41,858
Request to Modify or Terminate a CAA 43 CFR 3173.18 and 3173.20 Form 3160-5 and Related Information	500	0.25	125	\$6,976
Request for Approval or Termination of Off-Lease Measurement 43 CFR 3173.23 and 3173.27 Form 3160-5 and related Information	166	4	664	\$37,058
Response to Notice of Insufficient Off-Lease Measurement Approval 43 CFR 3173.25 Form 3160-5 and Related Information	15	2	30	\$1,674
Documentation of Early Adoption of 3714 – foregoing phase-in periods 43 CFR 3174.43(a)(1) and 3174.60(b)(3) Annual	500	1	500	\$27,905

<b>A. Type of Response</b>	<b>B. Number of Responses</b>	<b>C. Hours Per Response</b>	<b>D. Total Hours (Column B x Column C)</b>	<b>E. Total Wage Cost (Column D x \$55.81)</b>
Documentation of Tank Calibration 43 CFR 3174.43(a)(2) and 3174.82(d) Annual	10,000	.5	5,000	\$279,050
Notification of LACT System Failure 43 CFR 3174.7(e)(1) and 3174.90	100	1	100	\$5,581
Excessive Meter Factor Deviation 43 CFR 3174.43(a)(4) and 3174.154(a) Annual	100	1	100	\$5,581
Measurement Tickets 43 CFR 3174.12 Monthly	500	2	1,000	\$55,810
Approval for Slop or Waste Oil Annual 43 CFR 3174.180	50	2	100	\$5,581
	0	--	0331,511	0

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

The current OMB inventory includes 1,835,888 annual burden hours for the related collection of information. We expect the burden estimate for the proposed rule will be 222,919 responses and 1,792,543 hours, which reflects a decrease of 78,744 responses and 43,345 hour burdens. The program changes for control number consist of IC activities moved from OMB Control Number 1004-0207 and 1004-0209, and for the large decrease in the measurement tickets burdens.

**From approved annual burden hours under 1004-0137, the rule proposes changes following burdens:**

- Measurement Tickets (upon request), 43 CFR 3174.43(b)(6) and 3174.162, (-67,000 burden hours)

Total burden hour decrease equals 67,000 hours.

Proposed rule adds the following burden hours:

- Request to Use Alternate Measurement System (One-Time), 43 CFR 3170.30, (+400 burden hours)
- Request to Use Alternate Measurement System (Annual), 43 CFR3170.30, (+80 burden hours)
- Documentation of Early Adoption of 3714 – foregoing phase-in periods (Annual), 43 CFR 3174.43(a)(1) and 3174.60(b)(3), (+500 burden hours)
- 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 Excessive Meter Factor Deviation (Annual), 43 CFR 3174.43(a)(4) and 3174.154(a), (+100 burden hours)
- Approval for Slop or Waste Oil (Annual), 43 CFR 3174.14, (-50 burden hours)

Total burden hour increase equals 3,655 hours.

The adjustment of +20,000 hours results from changing the estimated average response time for the Form 3160-4 from 4 hours to 8 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.**

The BLM will display the expiration date of the OMB approval on the forms included in this information collection.

**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.