



Independent Statistics & Analysis

U.S. Energy Information
Administration

Supporting Statement for Survey Clearance

Part A: Justification

*Form EIA-914 Monthly Crude Oil and Lease Condensate, and Natural Gas
Production Report*

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Introduction

The U.S. Energy Information Administration (EIA) is the statistical and analytical agency within the U.S. Department of Energy (DOE). It collects, analyzes, and disseminates independent and impartial energy information to promote sound policymaking, efficient markets, and public understanding regarding energy and its interaction with the economy and the environment.

EIA requests a three-year extension with changes from the Office of Management and Budget (OMB) to continue Form EIA-914 *Monthly Crude Oil and Lease Condensate, and Natural Gas Production Report*. Form EIA-914 survey collects monthly data on natural gas production (natural gas gross withdrawals and natural gas lease production), crude oil and lease condensate production, and crude oil and lease condensate sales based on American Petroleum Institute (API) gravity category. Crude oil and lease condensate production are collected as a single volume.

The change to the form is that respondents in the following four states (Alabama, Michigan, Mississippi, and Virginia), and the Federal Offshore Pacific area will report crude oil and natural gas production in the category "Other States" rather than separately report their state or offshore area production. Production in these 4 states and offshore area will be combined with other states with small production volumes in the "Other States" category. Although production in these 4 states and offshore area have remained stable over the past 3 years, their percentage of the US total production for crude oil and natural gas has declined over the past 4 years. From 2016 – 2020, the percentage of crude oil produced from these 4 states and off shore area plus the existing states reporting in the Other States category declined from 1.9% to 0.8% while the percentage of natural gas production from these same 4 states and off shore area plus the Other States category declined from 1.8% to 1.1%.

A.1. Legal Justification

The authority for this mandatory data collection is provided by the following provisions:

- a. 15 U.S.C. §772(b) states:

"All persons owning or operating facilities or business premises who are engaged in any phase of energy supply or major energy consumption shall make available to the Administrator such information and periodic reports, records, documents, and other data, relating to the purposes of this Act, including full identification of all data and projections as to source, time and methodology of development; as the Administrator may prescribe by regulation or order as necessary or appropriate for the proper exercise of functions under this chapter."

- b. 15 U.S.C. §764(b) states that to the extent authorized by subsection (a), the Administrator shall:
 - i. advise the President and the Congress with respect to the establishment of a comprehensive national energy policy in relation to the energy matters for which the Administration has responsibility, and, in coordination with the Secretary of State, the integration of domestic and foreign policies relating to energy resource management;

- ii. assess the adequacy of energy resources to meet demands in the immediate and longer range future for all sectors of the economy and for the general public;
- iii. develop effective arrangements for the participation of State and local governments in the resolution of energy problems;
- iv. develop plans and programs for dealing with energy production shortages; ...
- v. promote stability in energy prices to the consumer, promote free and open competition in all aspects of the energy field, prevent unreasonable profits within the various segments of the energy industry, and promote free enterprise;
- vi. assure that energy programs are designed and implemented in a fair and efficient manner so as to minimize hardship and inequity while assuring that the priority needs of the Nation are met;
- vii. develop and oversee the implementation of equitable voluntary and mandatory energy conservation programs and promote efficiencies in the use of energy resources;
- viii. develop and recommend policies on the import and export of energy resources;
- ix. collect, evaluate, assemble, and analyze energy information on reserves, production, demand, and related economic data;
- x. work with business, labor, consumer and other interests and obtain their cooperation;
- xi. in administering any pricing authority, provide by rule, for equitable allocation of all component costs of producing propane gas. Such rules may require that (a) only those costs directly related to the production of propane may be allocated by any producer to such gas for purposes of establishing any price for propane, and (b) prices for propane shall be based on the prices for propane in effect on May 15, 1973. The Administrator shall not allow costs attributable to changes in ownership and movement of propane gas where, in the opinion of the Administrator, changes in ownership and movement occur primarily for the purpose of establishing a higher price;
- xii. perform such other functions as may be prescribed by law."
- c. As the authority for invoking subsection (b), above, 15 U.S.C. §764(a) states:
 - i. "Subject to the provisions and procedures set forth in this Act, the [Secretary] shall be responsible for such actions as are taken to assure that adequate provision is made to meet the energy needs of the Nation. To that end, he shall make such plans and direct and conduct such programs related to the production, conservation, use, control, distribution, rationing, and allocation of all forms of energy as are appropriate in connection with only those authorities or functions-
 - ii. specifically transferred to or vested in him by or pursuant to this chapter;
 - iii. delegated to him by the President pursuant to specific authority vested in the President by law; and
 - iv. otherwise specifically vested in the Administrator by the Congress."
- d. Additional authority for this information collection is provided by 15 U.S.C. §790(a) which states:
 - i. "It shall be the duty of the Director to establish a National Energy Information System... [which] shall contain such information as is required to provide a

- description of and facilitate analysis of energy supply and consumption within and affecting the United States on the basis of such geographic areas and economic sectors as may be appropriate... to meet adequately the needs of..."
- ii. the Department of Energy in carrying out its lawful functions;
 - iii. the Congress;
 - iv. other officers and employees of the United States in whom have been vested, or to whom have been delegated energy-related policy decision-making responsibilities;
- e. the States to the extent required by the Natural Gas Act [15 U.S.C. §717 et seq.] and the Federal Power Act [16 U.S.C. §791a et seq.].
- i. "At a minimum, the System shall contain such energy information as is necessary to carry out the Administration's statistical and forecasting activities, and shall include... such energy information as is required to define and permit analysis of;
 - ii. the institutional structure of the energy supply system including patterns of ownership and control of mineral fuel and non-mineral energy resources and the production, distribution, and marketing of mineral fuels and electricity;
 - iii. the consumption of mineral fuels, non-mineral energy resources, and electricity by such classes, sectors, and regions as may be appropriate for the purposes of this chapter;
 - iv. the sensitivity of energy resource reserves, exploration, development, production, transportation, and consumption to economic factors, environmental constraints, technological improvements, and suitability of alternate energy sources;
 - v. the comparability of energy information and statistics that are supplied by different sources;
 - vi. industrial, labor, and regional impacts of changes in patterns of energy supply and consumption;
 - vii. international aspects, economic and otherwise, of the evolving energy situation; and
 - viii. long-term relationships between energy supply and consumption in the United States and world communities."

A.2. Needs and Uses of Data

The purpose of Form EIA-914 is to collect and disseminate data on crude oil and lease condensate, and natural gas production at the state level on a timely basis in order to meet EIA's mission to provide credible, reliable, and timely energy information and energy data users' needs. Timely and accurate information on monthly crude oil and lease condensate, and natural gas production in the United States is necessary to identify monthly production levels, variations, and trends. This information is crucial for informed decision and policy making relating the nation's crude oil production and trade. The information collected from this survey is used to monitor crude oil and lease condensate, and natural gas production, and is used by EIA to assess domestic supplies. Federal and state agencies, Congress, industry analysts, educators, and the general public all rely on the impartial information EIA provides.

Further, collecting API gravity information for state-level production provides information about the quality and changing trends in the quality of domestic oil production, informing topics of increasing public interest, such as optimizing domestic refining capabilities and evaluating the qualities of imported oil needed. The EIA-914 website registered 94,118 page views in 2019, approximately 8,000 views per month.

1. The data from this survey provide additional benefits, such as:
 - a. A database for use in forecasting, policy making, planning, and analysis.
 - b. An official data bank available to Congress and other government agencies for crude oil and lease condensate, and natural gas production in the United States.
 - c. A source of data for other government agencies, business firms, trade associations, and private research and consulting organizations for analysis, projections, and monitoring purposes.
2. The data collected by Form EIA-914 are used by EIA to generate robust estimates that are the official EIA crude oil and lease condensate, and natural gas production figures. These estimates are used as inputs into the following EIA website products:
 - a. [Monthly Crude Oil and Lease Condensate, and Natural Gas Production Report](#)
 - b. [Natural Gas Monthly](#)
 - c. [Petroleum Supply Monthly](#)
 - d. [Monthly Energy Review](#)
 - e. [Natural Gas Annual](#)
 - f. [Petroleum Supply Annual, Volume 1](#)
 - g. [Petroleum Supply Annual, Volume 2](#)
 - h. [Annual Energy Outlook](#)
 - i. [Short-Term Energy Outlook](#)
 - j. [State Energy Data System](#)
 - k. [Today in Energy](#)

More than 23 reports under the EIA product *Today in Energy* use data collected by EIA-914. Numerous other EIA information products are affected by these production data and the estimates they support.

3. Data reported on Form EIA-914 are used for many purposes, including the following:
 - a. Develop and make available to the Congress, the states, and the public a timely, transparent, and accurate quantified assessment of domestic monthly crude oil and lease condensate, and natural gas production.
 - b. Generate and distribute national crude oil and lease condensate, and natural gas production and consumption balances in a timely manner.
 - c. Improve state-level coverage of crude oil and lease condensate data collection.
 - d. Provide crude oil and lease condensate, and natural gas production data to EIA forecasting models, such as the [Short-Term Energy Outlook \(STEO\)](#) and the National Energy Modeling System (NEMS).
 - e. Respond to Congressional and internal departmental requests for analysis of policy and regulatory issues associated with crude oil and lease condensate, and natural gas production (e.g., to inform the growing discussion about U.S. refining capacity and changing crude oil imports).

EIA's crude oil and lease condensate, and natural gas production estimates are also published in papers, trade journals, and technical reports, and are cited and republished in reports by consulting firms and financial institutions. For example:

- a. [The Energy Collective](#)
- b. [Refinitiv](#)
- c. [Hellenic Shipping News Worldwide](#)
- d. [Investor Village](#)
- e. [Citi.Com](#)
- f. [Energy Intelligence](#)

A.3. Use of Technology

EIA uses an Internet Data Collection (IDC) system for Form EIA-914. The IDC system reduces respondent burden by identifying and correcting potential errors, as the system runs edit checks at the time of submission to EIA. The IDC system also eliminates the respondent processing steps associated with sending the paper forms back to EIA by U.S. Mail or email, as the respondent will use the IDC to complete the form online. In addition, the IDC system permits EIA to conduct timely communications with all respondents via automatic generation of e-mail messages.

A.4. Efforts to Identify Duplication

The purpose for using Form EIA-914 is to provide users with comprehensive data on monthly U.S. crude oil and lease condensate, and natural gas production in a single place and in a standard format that is timely, accurate and easy to use. Before data from Form EIA-914 became available, EIA published monthly and annual estimates of U.S. crude oil and lease condensate, and natural gas production using data from state websites, Form EIA-895, Form EIA-182, and the U.S. Department of Interior Bureau of Safety and Environmental Enforcement (BSEE). While some of these sources provided sufficient and timely data, most reported data were incomplete in recent months or were not timely for direct dissemination by EIA. Form EIA-914 was created and expanded to replace the state level data sources with more timely and accurate data. EIA is aware of two private companies that provide these data for all states (Enverus and IHS), their data are incomplete in recent months. Other private companies provide selected state-level data, but coverage is limited and insufficient for our purposes.

EIA gathers and purchases similar data on monthly and annual formats from other sources. These data from administrative or third parties are not validated by EIA for accuracy or completeness, and are sometimes incomplete for current months. Therefore, their data do not meet the needs of EIA's data users.

The following sources collect data similar to the data collected on Form EIA-914.

- a. Bureau of Safety and Environmental Enforcement (BSEE) in the Department of Interior for the Federal Offshore Gulf of Mexico and Federal Offshore Pacific.
- b. Manual downloads by EIA staff of data from state websites (for crude oil and lease condensate, and natural gas). Each state has different reporting period aggregations and reports finalized data up to two years after the initially reported production period.
- c. Form EIA-23L, Annual Survey of Domestic Oil and Gas Reserves (aggregated annual reporting of crude oil and lease condensate, and natural gas production for the previous reporting year.
- d. Purchased production data from Enverus and IHS (private companies) in a common format, but it has the same timing limitations as stated in “b” above.

A.5. Provisions for Reducing Burden on Small Businesses

The survey sample for Form EIA-914 is comprised of approximately 400 of the 15,000 active operators of crude oil and natural gas wells in the United States. EIA conducts the survey using a cut-off sample of the largest operators to help ensure that the impact on smaller entities is minimized.

A.6. Consequences of Less-Frequent Reporting

Less frequent reporting on Form EIA-914 would prevent EIA from meeting its mandate of providing timely, essential, and reliable energy information. Monthly crude oil and natural gas production data are needed.

A.7. Compliance with 5 CFR 1320.5

Form EIA-914 data will be collected consistent with the guidelines in 5 C.F.R. 1320.5, to reduce the public’s paperwork burden.

A.8. Summary of Consultations Outside of the Agency

A request for comments from interested persons was published on Federal Register/Vol. 84, No. 247/Thursday, December 26, 2019/Notices 70967. No comments were received in response to this Federal Register Notice.

A.9. Payments or Gifts to Respondents

There will not be any payments made or gifts given to respondents as an incentive to complete Form EIA-914.

A.10. Provisions for Protection of Information

Data reported on Form EIA-914 information are protected under the provisions of Title V of the E-Government Act, Confidential Information Protection and Statistical Efficiency Act, (Pub. L. 107-347). This information is protected as confidential and used exclusively for statistical purposes. Survey respondents receive the following pledge:

“The information you provide on Form EIA-914 will be used for statistical purposes only and is confidential by law. In accordance with the Confidential Information Protection and Statistical Efficiency Act of 2018 and other applicable Federal laws, your responses will not be disclosed in identifiable form without your consent. Per the Federal Cybersecurity Enhancement Act of 2015, Federal information systems are protected from malicious activities through cybersecurity screening of transmitted data. Every EIA employee, as well as every agent, is subject to a jail term, a fine, or both if he or she makes public ANY identifiable information you reported.”

Data protection methods are applied to the statistical aggregates to protect against the re-identification of respondent’s reported values from the published statistical aggregate values.

A.11. Justification for Sensitive Questions

The form contains no questions of a sensitive nature.

A.12. Estimate of Respondent Burden Hours and Cost

The overall annual burden cost for this ICR is estimated to be \$1,538,688. This amount is based on a 4 hour burden per response. The annual burden cost is calculated by 19,200 hours x \$80.14 per hour = \$1,538,688

Estimated Respondent Burden

EIA Form Number/Title	Annual Reporting Frequency	Number of Respondents	Annual Number of Responses	Burden Hours Per Response	Annual Burden Hours
Form EIA-914, Monthly Crude Oil and Lease Condensate, and Natural Gas Production Report	12	400	4,800	4.00	19,200
TOTAL		400	4,800		19,200

A.13. Annual Cost to the Federal Government

The average annual cost including personnel, systems development and maintenance, data collection, processing, estimation, and dissemination is \$1,825,654 per year. The contractors cost includes labor, overhead, and labor hours related to activities such as survey frame development and the transformation/modernization costs associated with updating EIA data collection practices. Transformation/modernization activities such as migrating databases, ensuring data integrity, and

maintaining seamless data collection cycles during technological transitions were previously completed by this ICR and do not need to be factored into future costs of the next three years. The cost of federal employees slightly increased as the federal hourly rate increased by 2% in 2020.

a. Personnel:

- Contractors: \$1,375,588
- Federal Employees:\$450,066
 - o (2.7 FTE x 40 hours x 52 weeks) x \$80.14 = \$450,066

b. Total Annual Cost to the Federal Government: \$1,825,654

Table A2. Annual Cost to the Federal Government

Activity	Labor Hours	xRate	=Cost
Survey Frame and Maintenance	2,446.08	\$80.14	\$196,028.85
Data Collection and Processing	11,038.66	\$80.14	\$884,638.21
Data Dissemination	1,774.66	\$80.14	\$142,221.25
Data Systems Maintenance and Enhancements	1,905.41	\$80.14	\$152,699.56
Total Annual Costs	17,164.81		\$1,375,587.87

A.14. Changes in Burden

EIA anticipates no changes to Burden

Table A2. Changes in Burden

EIA Form Number/Title	Annual Reporting Frequency	Number of Respondents (Previously Approved)	Number of Respondents (Requested)	Annual Number of Responses (Previously Approved)	Annual Number of Responses (Requested)	Burden Hours Per Response (Previously Approved)	Burden Hours Per Response (Requested)	Annual Burden Hours (Previously Approved)	Annual Burden Hours (Requested)	Annual Number of Responses			Annual Burden Hours		
										Change Due to Agency Discretion	Change Due to Adjustment in Agency Estimate	Adjustment	Change Due to Agency Discretion	Change Due to Adjustment in Agency Estimate	Adjustment
EIA-914	12	500	400	6,000	4,800	4.0	4.0	24,000	19,200	0	-1,200	-1,200	0	-4,800	-4,800
				0	0			0	0	0	0	0	0	0	0
				0	0			0	0	0	0	0	0	0	0
				0	0			0	0	0	0	0	0	0	0
				0	0			0	0	0	0	0	0	0	0
				0	0			0	0	0	0	0	0	0	0
TOTAL		500	400	6,000	4,800			24,000	19,200	0	-1,200	-1,200	0	-4,800	-4,800

A.15. Reasons for Changes in Burden

The current sample is about 400 compared to 500 previously, and therefore, the total annual burden is reduced from 24,000 hours to 19,200 hours. The sample size decreased due to consolidation, mergers, and acquisitions of well operators over the past three years. As the number of well operators declined, EIA was able to meet its 85% cutoff thresholds from operators with high production volumes. EIA is able to publish production volumes that meet the relative square error targets with a smaller sample size by using a cutoff sample based on the reporting from companies with high production volumes and market share.

Table A3. ICR Summary of Burden

	Requested	Program Change Due to Agency Discretion	Change Due to Adjustment in Agency Estimate	Previously Approved
Total Number of Responses	4,800	0	-1,200	6,000
Total Time Burden (Hr)	19,200	0	-4,800	24,000

A.16. Collection, Tabulation, and Publication Plans

Plans to tabulate and publish data collected are described below.

1. Data collection due date: Forty calendar days after the end of the report month (e.g., March 12 for the reporting month of January). The due date for the form has not changed from the previous collection cycles.
2. Publication schedule: During normal survey operations, state-level crude oil and lease condensate, and natural gas production data are to be published at the end of the second month following the reporting month (e.g., January aggregate data are to be reported at the end of March). These data will be published on the Monthly Crude Oil and Lease Condensate, and Natural Gas Production web page as well as in other EIA web pages, reports, and publications mentioned above.

A.17. OMB Number and Expiration Date

The OMB approval expiration date and OMB number will be displayed on Form EIA-914 and its instructions.

A.18. Certification Statement

This submission meets all certification requirements of the "Certification for Paperwork Reduction Act Submissions," of OMB Form 83-I.