

Supporting Statement A
Risk Management and Financial Assurance for OCS Lease and Grant Obligations
(Proposed Rulemaking 1010-AE14)

30 CFR 550, Subpart A, General, and Subpart K, Oil and Gas Production Requirements
OMB Control Number 1010-0114

Terms of Clearance: None.

General Instructions

A Supporting Statement, including the text of the notice to the public required by 5 CFR 1320.5(a)(i)(iv) and its actual or estimated date of publication in the Federal Register, 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 in Section A below. If an item is not applicable, provide a brief explanation. When statistical methods are employed, Section B of the Supporting Statement must be completed. The OMB reserves the right to require the submission of additional information with respect to any request for approval.

Introduction

The Department of the Interior (the Department or DOI), acting through BOEM, proposes to modify its criteria for determining whether oil, gas, and sulfur lessees, right-of-use and easement (RUE) grant holders, and pipeline right-of-way (ROW) grant holders may be required to provide bonds or other financial assurance above the regulatorily prescribed base bonds to ensure compliance with their Outer Continental Shelf Lands Act (OCSLA) obligations. This proposed rule would also remove existing restrictive provisions for third-party guarantees and decommissioning accounts and would add new criteria under which a bond or third-party guarantee that was provided as supplemental financial assurance may be cancelled. Additionally, this proposed rule would clarify bonding requirements for RUEs serving Federal leases.

BOEM is submitting this information collection clearance package to request OMB approval for revision of OMB control number 1010-0006. The information collection activities related to this rulemaking for 30 CFR parts 550 and 556 were approved under OMB Control Number 1010-0006 (expiration March 31, 2026), Leasing of Sulfur or Oil and Gas in the Outer Continental Shelf (30 CFR 550, 556 and 560); and OMB Control Number 1010-0114 (expiration May 31, 2026), 30 CFR 550, Subpart A, General, and Subpart K, Oil and Gas Production Requirements.

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 Outer Continental Shelf (OCS) Lands Act, as amended (43 U.S.C. 1331 *et seq.* and 43 U.S.C. 1801 *et seq.*), authorizes the Secretary of the Interior (Secretary) to prescribe rules and regulations to administer leasing of the OCS. Such rules and regulations will apply to all operations conducted under a lease, right-of-use and easement, or pipeline right-of-way. Operations on the OCS must preserve, protect, and develop oil and natural gas resources in a manner that is consistent with the need to make such resources available to meet the Nation's energy needs as rapidly as possible; to balance orderly energy resource development with protection of human, marine, and coastal environments; and to preserve and maintain free enterprise competition.

The Independent Offices Appropriations Act (31 U.S.C. 9701), the Omnibus Appropriations Bill (P.L. 104-133, 110 Stat. 1321, April 26, 1996), and OMB Circular A-25, authorize Federal agencies to recover the full cost of services that provide special benefits. Under the Department of the Interior's policy implementing this Act, BOEM is required to charge the full cost for services that provide special benefits or privileges to an identifiable non-Federal recipient above and beyond those that accrue to the public at large.

In order to administer OCS leasing, BOEM's regulations require bonds or other forms of financial assurance from OCS lessees and grant holders. This financial assurance is to protect the public from nonperformance by lessees, right-of-use and easement grant holders and pipeline right-of-way grant holders.

The overall goal of ensuring that U.S. taxpayers do not have to pay for liabilities related to lessees' and grant holders' noncompliance with OCS obligations, including the obligation to decommission OCS facilities. The proposed changes reflect an interest in improving the risk mitigation provided by BOEM's joint and several liability frameworks, while better aligning the evaluation criteria with banking and finance industry practices, providing greater flexibility for the use of decommissioning accounts and third-party guarantees, and continuing to protect taxpayers from exposure to financial liabilities associated with OCS exploration and development. The revised regulatory framework would provide BOEM with front-end risk management tools, improve business certainty, and leverage company strengths of OCS lessees and grant holders.

This information collection request (ICR) covers 30 CFR 550, Subpart A, General, and Subpart K, Oil and Gas Production Requirements, that deal with general regulatory requirements of oil, gas, and sulfur operations on the OCS.

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.

BOEM's goal for its financial assurance program continues to be the protection of the

American taxpayers from exposure to financial loss associated with OCS development, while ensuring that the financial assurance program does not detrimentally affect offshore investment or position the American offshore exploration and production companies at a competitive disadvantage.

The BOEM uses the information collected under Subpart A and K regulations to ensure that operations on the OCS are carried out in a safe and environmentally sound manner, do not interfere with the rights of other users on the OCS, and balance the protection and development of OCS resources.

BOEM uses the information in subpart A, as related to Right-of-Use Easements (RUEs), to determine if an application for RUEs complies with the OCS Lands Act, other applicable laws, and BOEM regulations; and does not unreasonably interfere with the operations of any other lessee.

The proposed rulemaking slightly impacts the collections of information approved by OMB under this control number as explained below:

Right-of-Use and Easement

BOEM's existing regulations concerning RUE grants for an OCS lessee and a State lessee are found in 30 CFR 550.160 - 550.166. The burdens related to 30 CFR 550.160 and 550.166 are identified in OMB Control Number 1010-0114 but accounted for in OMB Control Number 1010-0006.

Section 550.160 provides that an applicant for a RUE that serves an OCS lease must meet bonding requirements, but the regulation does not prescribe a base surety bond amount. The proposed rule would replace this requirement with a cross-reference to the specific criteria governing financial assurance demands in proposed § 550.166. Therefore, BOEM is proposing to establish a Federal RUE base financial assurance requirement matching the existing base surety bond requirement for State RUEs. The annual burden hour likely would not change since RUEs that serve OCS leases are currently already meeting bonding requirements under BOEM's agreement-specific conditions of approval. The proposed regulations will be more specific and clarify the meaning of "meeting bonding requirements."

BOEM is proposing to establish a \$500,000 area-wide RUE financial assurance requirement for any RUE-holder that owns one or more RUEs, regardless of whether they serve a State or Federal lease. BOEM is also proposing to allow any lessee that has posted an area-wide lease surety bond to modify that lease surety bond to also cover any RUE(s) held by the same entity.

BOEM is also proposing to revise the RUE regulations to clarify that any RUE grant holder, whether the RUE serves a State or Federal lease, may be required to provide supplemental financial assurance for the RUE if the grant holders do not meet the credit rating or proxy credit rating criteria. The existing regulations authorized demands for supplemental

financial assurance but specified no criteria. The annual burden hour would not change based on these clarifications.

As previously discussed in past ICRs, we use the information collected to:

- Determine the capability of a well to produce oil or gas in paying quantities or to determine the possible need for additional wells resulting in minimum royalty status on a lease. If a well does not yield hydrocarbons in sufficient quantity to warrant continued operation and production, BOEM uses the information to verify the claim and to release the lessee from lease obligations. Conversely, the information is used to extend the term of the lease if additional wells will warrant continued operation and production.
- Provide lessees/operators greater flexibility to comply with regulatory requirements through approval of alternative equipment or procedures and departures to regulations if they demonstrate equal or better compliance with the appropriate performance standards.
- Ensure that subsurface storage of natural gas does not unduly interfere with development and production operations under existing leases.
- Record the designation of an operator authorized to act on behalf of the lessees or operating rights owners and fulfill the lessee's and operating rights owner's obligations under the OCS Lands Act, the lease, and regulations or record the local agent empowered to receive notices and comply with regulatory orders issued (Form BOEM-1123, Designation of Operator). This form requires the lessees or operating rights owners to submit general information such as lease number, name, address, company number of designated operator, and signature of the designated operator and authorized lessee.

To assist operators in filling out the form, BOEM has developed instructions to clarify data entries. The instructions are intended to reduce or eliminate the number of form revisions and operator inquiries.

- Determine if an application for right-of-use and easement complies with the OCS Lands Act, other applicable laws, and BOEM regulations; and does not unreasonably interfere with the operations of any other lessee.
- Provide for expeditious and orderly development of the OCS in an environmentally safe manner and that meets the energy needs of the Nation.
- Provide for the disqualification of lessees/operators for unacceptable performance.
- Process requests to cancel leases and ascertain if/when the Secretary may cancel leases.
- Ensure the protection of any discovered archaeological resources.
- Ensure that the production rate of the reservoir is not affecting ultimate recovery (BOEM-0127, Sensitive Reservoir Information Report). Form BOEM-0127, Sensitive Reservoir Information Report, is used to regulate production rates from sensitive

reservoirs. BOEM engineers and geologists use the information for rate control and reservoir studies. The form requests general information about the reservoir and the company, volumetric data, and fluid analysis and production data. Structure maps, isopach maps, and well log sections are provided with the initial form. The form is updated annually to reflect current reservoir conditions. The data on Form BOEM-0127, along with production, well test, pressure, and other reservoir data are analyzed to determine if the operator is producing the reservoir in an optimal and prudent manner. The information is used by engineers and geoscientists for reservoir studies.

To assist operators in filling out the form, BOEM includes instructions to clarify data entries. The instructions are intended to reduce or eliminate the number of form revisions and operator inquiries.

- Form BOEM-0140, Bottomhole Pressure Survey Report, is used to manage reservoirs in our efforts to conserve natural resources, prevent waste, and protect correlative rights, including the Government's royalty interest. Specifically, BOEM uses the information to assist in worst case discharge analyses, for hydrocarbon volume calculations, and to make reservoir connectivity determinations. The form requests information about the well and operator; test data information such as shut-in time, bottomhole temperature, kelly bushing elevation; and bottomhole pressure points that consist of measured depth(s), true vertical depth(s), pressure(s), and pressure gradient(s). To assist operators in filling out the form, BOEM includes instructions to clarify data entries. The instructions are intended to reduce or eliminate the number of form revisions and operator inquiries.
- Form BOEM-1123, Designation of Operator, records the designation of an operator authorized to act on behalf of the lessee/operating rights owner and to fulfill their obligations under the OCS Lands Act and implementing regulations, or to record the local agent empowered to receive notices and comply with regulatory orders issued. This form requires the respondent to submit general information such as lease number, name, address, company number of designated operator, and signature of the authorized lessee. With this renewal, BOEM will add a signature line on the form to allow for the signature of the company designated as the operator.
- Form BOEM-1832, Notification of Incidents of Non-Compliance (INC), is used to determine that respondents have corrected any Incidents of Non-Compliance identified during compliance reviews. BOEM issues this form to the operator and the operator then corrects the INC(s), signs and returns the form to the BOEM Regional Supervisor.

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 BOEM encourages respondents to use the forms available on the website <https://www.boem.gov/boem-ocs-operation-forms> and submit them electronically. At present, an

estimated 70 percent of submittals pertaining to this collection are being submitted electronically through email.

4. Describe efforts to identify duplication. Show specifically why any similar information already available cannot be used or modified for use for the purposes described in Item 2 above.

The DOI has several Memoranda of Understanding (MOU) that define responsibilities with other agencies with respect to activities in the OCS. These MOU are effective in avoiding duplication of regulations and reporting requirements. The information collected is specific to a lease, a lessee/operator, or a particular request for BOEM approval and is unique to the site.

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

This collection of information may have an economic effect on a number of small entities. Any direct effects primarily impact the OCS lessees and operators. Many of these OCS lessees and operators have less than 500 employees and are considered small businesses as defined by the Small Business Administration. Regulations require safe work practices and protection of the environmental resources; therefore, the hour burden on any small entity subject to these regulations and associated collections of information cannot be reduced to accommodate them.

It is likely that a State lessee applying for a right-of-use and easement on the OCS may be a small business; however, the cost is minimal for applying for that benefit. It should be noted that the OCS Lands Act and these implementing regulations (§ 550.196) require us to reimburse respondents for their costs of reproduction and processing of data and information that BOEM requests.

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, BOEM would be unable to carry out the mandate of the OCS Lands Act effectively and to administer the offshore program with regard to determining well producibility and reservoir capability, conserving resources, reimbursing certain costs, protecting correlative rights provisions, or allowing lessees greater flexibility in the manner in which they comply with the requirements of regulations under 30 CFR 550 through the adoption of performance standards. Bottomhole pressure reports are submitted for new producing leases and then annually for reservoirs with three or more producing completions. Other information is collected only once for each particular event. Less frequent collection of the information is not applicable.

7. Explain any special circumstances that would cause an information collection to be conducted in a manner:

(a) requiring respondents to report information to the agency more often than quarterly.

(b) requiring respondents to prepare a written response to a collection of information in fewer than 30 days after receipt of it.

(c) requiring respondents to submit more than an original and two copies of any document.

(d) requiring respondents to retain records, other than health, medical, government contract, grant-in-aid, or tax records, for more than 3 years.

(e) 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.

(f) requiring the use of statistical data classification that has been reviewed and approved by OMB.

(g) 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.

(h) 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.

Relating to (b), respondents return copies of Form BOEM-1832, Notification of Incidents of Noncompliance (INC), to BOEM within 14 days from the date of issuance. The BOEM issuing office cannot complete the records for a compliance review until BOEM receives an acknowledgment of the INCs. Historical records indicate that 14 days is a reasonable time for returning a copy to the BOEM issuing office and correcting most of the INCs cited. Two weeks is a reasonable timeframe to return to compliance.

For all other items, there are no special circumstances that require the collection to be conducted in a manner inconsistent with the guidelines. We do not exceed the guidelines in 5 CFR 1320.5

8. If applicable, provide a copy and identify the date and page number of publication in the Federal Register of the agency's notice, required by 5 CFR 1320.8(d), soliciting comments on the information collection prior to submission to OMB. Summarize public comments received in response to that notice and in response to the PRA statement associated with the collection over the past 3 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, BOEM is providing for and has described the 60-day review and comment process in the preamble of the proposed rule. We will address comments received on the information collection in the final rulemaking.

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

As stated in subsection 26(a)(1)(C), the OCS Lands Act mandates that we reimburse respondents for their costs of reproduction and processing of certain data and information requested by BOEM. The implementing regulations (§ 550.196) comply with the Act and provide for reimbursement payment of G&G information when applicable. We do not provide gifts to respondents.

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

We protect proprietary information according to the Freedom of Information Act (5 U.S.C. 552), its implementing regulations (43 CFR 2), 30 CFR 252, and 30 CFR 550.197, “Data and information to be made available to the public or for limited inspection.” Proprietary information concerning geological and geophysical data will be protected according to 43 U.S.C. 1352.

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.

The collection does not include sensitive or private questions.

12. Provide estimates of the hour burden of the collection of information. The statement should:

(a) 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.

(b) If this request for approval covers more than one form, provide separate hour burden estimates for each form and aggregate the hour burdens.

Potential respondents comprise Federal oil and gas or sulfur lessees/operators. It should be noted that not all of the potential respondents will submit information in any given year and some may submit multiple times. The burden estimates include the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. We estimate an annual reporting and recordkeeping burden of 27,849 hours. Refer to the burden table for a breakdown of the hour and non-hour cost burdens.

BURDEN BREAKDOWN

[Italics show expansion of existing requirements; bold indicates new requirements; regular font shows current requirements. Where applicable, updated estimates from the current collection are being used instead of those in the proposed rulemaking.]

Citation 30 CFR 550 Subpart A and Related Forms/NTLs	Reporting or Recordkeeping Requirement	Hour Burden	Average No. of Annual Responses	Annual Burden Hours
		Non-Hour Cost Burdens		
Authority and Definition of Terms				
104; 181; Form BOEM- 1832	Appeal orders or decisions; appeal INCs; request hearing due to cancellation of lease.	Exempt under 5 CFR 1320.4(a)(2), (c).		0
Performance Standards				
115; 116	Request determination of well producibility; make available or submit data and information; notify BOEM of test.	5	90 responses	450
119	Apply for subsurface storage of gas; sign storage agreement.	10	3 applications	30
Subtotal			93 responses	480 hours
Cost Recovery Fees				
125; 126; 140	Cost Recovery Fees; confirmation receipt etc.; verbal approvals and written request to follow. Includes request for refunds.	Cost Recovery Fees and related items are covered individually throughout this subpart.		0
Designation of Operator				
143	Report change of name, address, etc.	Not considered information collection under 5 CFR 1320.3(h) (1).		0
143(a-c); 144; Form BOEM- 1123	Submit designation of operator (Form BOEM-1123 – form takes 30 minutes); report updates; notice of termination; submit designation of agent. Request exception. NO FEE	1	2,584 forms	2,584
143(a-d); 144; Form BOEM- 1123	Change designation of operator (Form BOEM-1123 – form takes 30 minutes); report updates; notice of termination; submit designation of agent; include pay.gov confirmation receipt. Request exception. SERVICE FEE	1	930 forms	930
			\$175 fee x 930 = \$162,750	
186(a)(3)	Apply for user account in TIMS (electronic/digital form submittals).	Not considered information collection under 5 CFR 1320.3(h) (1).		0

Citation 30 CFR 550 Subpart A and Related Forms/NTLs	Reporting or Recordkeeping Requirement	Hour Burden	Average No. of Annual Responses	Annual Burden Hours
		Non-Hour Cost Burdens		
Subtotal			3,514 responses	3,514 hours
			\$162,750 non-hour cost burden	
Compliance				
101; 135; 136; Form BOEM- 1832	Submit response and required information for INC, probation, or revocation of operating status. Notify when violations corrected.	2	94 submissions	188
	Request waiver of 14-day response time or reconsideration.	1	1	1
135; 136	Request reimbursement for services provided to BOEM representatives during reviews; comment.	1.5	2 requests	3
Subtotal			97 responses	192 hrs
Special Types of Approval				
125(c); 140	Request various oral approvals not specifically covered elsewhere in regulatory requirements.	1	100 requests	100
141; 101-199	Request approval to use new or alternative procedures; submit required information.	20	100 requests	2,000
142; 101-199	Request approval of departure from operating requirements not specifically covered elsewhere in regulatory requirements; submit required information.	2.5	100 requests	250
Subtotal			300 responses	2,350 hours
Right-of-use and Easement				
160; 161; 123; NTL 2015-N06	OCS lessees: Apply for new or modified right-of-use and easement to construct, <i>secure to the sea floor, use or maintain off-lease platforms, sea floor production system equipment</i> , artificial islands, and installations and other devices; include notifications and submit required information.	9	26 applications	234
160(c)	<i>Demonstrate qualification to hold a lease on the OCS (under 30 CFR 556.400-.402).</i>	Burden covered under 30 CFR 556 (1010-0006).		0
160; 165; 123	Apply for new or modified right-of-use and easement to construct, <i>secure to the sea floor, use or maintain off-lease platforms, sea floor production system equipment</i> , artificial islands, and installations and other devices; include pay.gov confirmation and notifications.	5	1 application	5
		\$2,742 state lease fee x 1 = \$2,742		
166	<i>Furnish surety bond; supplemental financial assurance, if required.</i>	Burden covered under 30 CFR 556 (1010-0006).		0
Subtotal			27 responses	239 hours
			\$2,742 non-hour cost burden	
Primary Lease Requirements, Lease Term Extensions, and Lease Cancellations				
181(d); 182(b), 183(a) (b)	Request termination of suspension, cancellation of lease, lesser lease term (no requests in recent years for termination/cancellation of a lease; minimal burden).	20	1 request	20

Citation 30 CFR 550 Subpart A and Related Forms/NTLs	Reporting or Recordkeeping Requirement	Hour Burden	Average No. of Annual Responses	Annual Burden Hours
		Non-Hour Cost Burdens		
182; 183, 185; 194	Submitting new, revised, or modified exploration plan, development/production plan, or development operations coordination document, and related surveys/reports.	Burden covered under 30 CFR 550, Subpart B (1010-0151).		0
184	Request compensation for lease cancellation pursuant to the OCS Lands Act (no lease cancellations in many years; minimal burden).	50	1 request	50
Subtotal			2 responses	70 hrs
Information and Reporting Requirements				
186(a)	Apply to receive administrative entitlements to eWell/TIMS system for electronic submissions.	Not considered IC under 5 CFR 1320.3(h) (1).		0
186; NTL 2015-N01	Submit information, reports, and copies as BOEM requires (as related to worst case discharge and blowout scenarios).	10	125	1,250
135; 136	Report apparent violations or non-compliance.	1.5	2 reports	3
194	Report archaeological discoveries. Submit archaeological and follow-up reports and additional information.	2	6 reports	12
194	Request departures from conducting archaeological resources surveys and/or submitting reports in GOMR.	1	2 requests	2
194	Submit ancillary surveys/investigations reports, as required.	Burden covered under 30 CFR 550 Subpart B (1010-0151).		0
196	Submit data/information for G&G activity and request reimbursement.	Burden covered under 30 CFR 551 (1010-0048).		0
197(b)(2)	Demonstrate release of G&G data would unduly damage competitive position.	1	1	1
197(c)	Submit confidentiality agreement.	1	1	1
Subtotal			137 responses	1,269 hours
Recordkeeping				
135; 136	During reviews, make records available as requested by inspectors.	2	7 reviews	14
Subtotal			7 responses	14 hours
Citation 30 CFR 550 Subpart K and Related Forms	Well Surveys and Classifying Reservoirs	Hour Burden	Average No. of Annual Responses	Annual Burden Hours
1153	Conduct static bottomhole pressure survey; submit Form BOEM-0140 (Bottomhole Pressure Survey Report).	19 GOM	330 surveys	6,270
		70 Pacific	70 surveys	4,900
		0 Alaska	0 surveys	0

Citation 30 CFR 550 Subpart A and Related Forms/NTLs	Reporting or Recordkeeping Requirement	Hour Burden	Average No. of Annual Responses	Annual Burden Hours
		Non-Hour Cost Burdens		
1153(d)	Submit justification, information, and Form BOEM-0140, to request a departure from requirement to run a static bottomhole pressure survey.	9	120 survey departures	1,080
1154; 1167	Submit request and supporting information to reclassify reservoir.	8	5 requests	40
1155; 1165(b); 1166; 1167	Submit Form BOEM-0127 (Sensitive Reservoir Information Report) and supporting information/revisions (within 45 days after the beginning of production, discovering that the reservoir is sensitive, the reservoir is classified as sensitive, or when reservoir parameters are revised. SRIs must be submitted annually). AK Region: submit BOEM-0127 and request an MER for each producing sensitive reservoir.	8 GOM	700 forms	5,600
		40 Pacific	39 forms	1,560
		2 Alaska	1 form	2
1153-1167	Request general departure or alternative compliance not specifically covered elsewhere in regulatory requirements.	10 GOM	10 departures	100
		1 Pacific	169 departures	169
		0 Alaska	0	0
1165	Submit proposed plan for enhanced recovery operations to BSEE.	Burden covered under BSEE 30 CFR 250 (1014-0019).		0
Subtotal			1,444 responses	19,721 hours
TOTAL BURDEN			5,621 Responses	27,849 Hours
			\$165,492 Non-Hour Cost Burdens	

(c) Provide estimates of annualized cost to respondents for the hour burdens for collections of information, identifying and using appropriate wage rate categories. The cost of contracting out or paying outside parties for information collection activities should not be included here.

The average respondent cost is \$89/hour* (rounded). This cost is broken out in the below table using the Bureau of Labor Statistics data for the Houston, TX area. See BLS website http://www.bls.gov/oes/current/oes_26420.htm.

Position	Hourly Pay rate (\$/hour estimate)	Hourly rate including benefits (1.4** x \$/hour)	Percent of time spent on collection	Weighted Average (\$/hour)
Administrative Support 43-6014	\$20	28	25%	\$7
Petroleum Engineers, Geologists	\$77	\$108	65%	\$70

17-2171				
Engineer Managers 11-9041	\$84	\$118	10%	\$12
Weighted Average (\$/hour)				\$89

*The benefits multiplier of 1.4 is supported by data at: <http://www.bls.gov/news.release/ecec.nr0.htm>.

**Based on a cost factor of \$89 per hour, we estimate the hour burden as a dollar equivalent to industry is \$2,478,561 (\$89 x 27,849 hours).

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 shown in Item 12).

(a) 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.

(b) 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.

(c) Generally, estimates should not include purchases of equipment or services, or portions thereof, made: (1) prior to October 1, 1995, (2) to achieve regulatory compliance with requirements not associated with the information collection, (3) for reasons other than to provide information or keep records for the government, or (4) as part of customary and usual business or private practices.

No non-hour costs would result from the information collection activities in the proposed rule. Therefore, this proposed rulemaking makes no changes to the non-hour cost burdens already identified in approved OMB control numbers 1010-0114 (\$165,492).

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.

To analyze and review the information required by subparts A and K, we estimate the Government will spend an average of approximately ¾ hour for each hour spent by the respondents for a total of 20,887 (rounded) hours.

The average government cost is \$77/hour. This cost is broken out in the below table using the current Office of Personnel Management salary data for the REST OF THE UNITED STATES https://www.opm.gov/policy-data-oversight/pay-leave/salaries-wages/salary-tables/22Tables/html/RUS_h.aspx.

Position	Grade	Hourly Pay rate (\$/hour estimate)	Hourly rate including benefits (1.6* x \$/hour)	Percent of time spent on collection	Weighted Average (\$/hour)
Clerical	GS-5/5	\$20	\$32	4%	\$1
Technician(s)	GS-11/5	\$38	\$60	25%	\$15
Engineer(s)	GS-13/5	\$53	\$85	65%	\$55
Supervisory	GS-14/5	\$63	\$101	6%	\$6
Weighted Average (\$/hour)					\$77

*A multiplier of 1.6 is implied by BLS information at <http://www.bls.gov/news.release/ecec.nr0.htm> was added for benefits.

Based on a cost factor of \$77 per hour, the cost to the government would be \$77 (27,849 hours x 0.75 = 20,887 hours x \$77 = \$1,608,299).

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

No annual burden hour changes would result from the information collection activities in the proposed rule.

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 BOEM will not tabulate or publish the data.

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 BOEM will display the OMB approval number and OMB expiration date on Forms BOEM-0127, BOEM-0140, BOEM-1123, and BOEM-1832.

18. Explain each exception to the topics of the certification statement identified in "Certification for Paperwork Reduction Act Submissions."

To the extent that the topics apply to this collection of information, we are not making any exceptions to the "Certification for Paperwork Reduction Act Submissions."

