# U.S. DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

# PAPERWORK REDUCTION ACT SUBMISSION SUPPORTING STATEMENT PART A

# OIL AND GAS LEASING: NATIONAL PETROLEUM RESERVE-ALASKA (43 CFR 3130)

#### **OMB CONTROL NUMBER 1004-0196**

**Terms of Clearance:** When the Office of Management and Budget (OMB) last approved the information collections under this OMB control number, OMB provided the following Terms of Clearance:

In accordance with 5 CFR 1320, the information collection is approved for three years. OMB reminds the Agency, however, it should consult with up to 9 outside entities at least once every 3 years even if the collection of information has not changed.

As a matter of routine practice for seeking to renew an OMB control number, the BLM attempts to consult with previous respondents and stakeholders when planning to renew an OMB control number. These efforts align with the Department of the Interior's internal policy to seek feedback from at least three and no more than 9 stakeholders. This request is being submitted as a revision in association with a proposed rule. Therefore, for this submission, the consultations were conducted as part of the stakeholder engagement for developing of the proposed rule. These stakeholder engagement efforts are discussed in the preamble to the proposed rule.

**Abstract:** This control number covers paperwork requirements for operators and operating rights owners in the National Petroleum Reserve–Alaska (NPRA). In accordance with the National Petroleum Reserves Production Act (42 U.S.C. 6501 through 6508) and regulations at 43 CFR 3130, 3133, 3135, 3137, and 3138, a respondent may apply to the Bureau of Land Management (BLM) for a competitive oil and gas lease and may propose a unit agreement that meets the requirements for unitized exploration and development of oil and gas resources of the NPRA. This request is being submitted to OMB in association with the BLM's proposed rule pertaining to fluid mineral leasing requirements (RIN 1004-AE80).

### Justification

1. Explain the circumstances that make the collection of information necessary. Identify any legal or administrative requirements that necessitate the collection.

This control number covers paperwork requirements for operators and operating rights owners in the National Petroleum Reserve—Alaska (NPRA). In accordance with the National Petroleum Reserves Production Act (42 U.S.C. 6501 through 6508) and regulations at 43 CFR 3130, 3133, 3135, 3137, and 3138, a respondent may apply to the BLM for a competitive oil and gas lease in the NPRA. The BLM uses the information to meet its responsibilities under the relevant legal provisions.

The history of the NPRA dates back to 1923, when President Warren G. Harding issued an Executive Order establishing Naval Petroleum Reserve No. 4 as an emergency oil supply for the U.S. Navy. The Naval Reserve consisted of approximately 23 million acres on the Alaska North Slope.

In 1976, Congress enacted the National Petroleum Reserves Production Act, which redesignated the Naval Reserve as the National Petroleum Reserve—Alaska. The Production Act also transferred responsibilities for managing the Reserve to the Secretary of the Interior. The Secretary delegated those responsibilities to the BLM.

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

The information required under 43 CFR 3130 covers a range of activities, and a specific operator is not necessarily required to obtain or provide each item. The frequency of collection is "on occasion." Many of the requirements are one-time filings used to seek approval to operate under a unit agreement or to apply for reduction of royalty, suspension of operations or production, or a subsurface storage agreement. Others are routine data submissions that are used to document drilling and production and to ensure compliance with a unit agreement, lease terms, regulations, Onshore Oil and Gas Orders, Notices to Lessees, lease stipulations, or conditions of approval. This collection comprises non-form information and are discussed below.

## 43 CFR 3133.4 Waiver, Suspension, or Reduction of Rental, Royalty, or Minimum Royalty

The lessee(s) must submit an application to the BLM in order to obtain a waiver, suspension or reduction of rental, royalty, or minimum royalty. An application for waiver, suspension, or reduction of rental, royalty, or minimum royalty must include:

- (1) A description of the requested relief;
- (2) The lease serial number;
- (3) The number, location, and status of each well drilled;
- (4) A statement that shows the aggregate amount of oil or gas subject to royalty for each month covering a period of at least six months immediately before the filing date of the application;
  - (5) The number of wells counted as producing each month and the average production per well per day;
- (6) A detailed statement of expenses and costs of operating the entire lease, including the amount of any overriding royalty and payments out of production or similar interests applicable to the lease;
- (7) All facts that demonstrate the waiver, suspension, or reduction of the rental or minimum royalty, or the reduction of the royalty rate, encourages the greatest ultimate recovery of oil or gas or it is in the interest of conservation;
- (8) All facts that demonstrate why the applicant cannot successfully operate the lease under the terms of the lease; and
  - (9) Any other information the BLM requires

The application must be signed by all record title holders of the lease, or by the operator on behalf of all record title holders.

The information and data provide the basis and evidence to the BLM that the lease cannot be operated under its terms without the royalty help, and that the applicant meets the standards of the regulations; the benefit is granted if it would encourage the greatest ultimate recovery of oil and gas, or the waiver, suspension, etc., is in the interest of conservation of natural resources.

An application for suspension of lease operations and production must include a description of the circumstances that are beyond reasonable control that prevent operation of, or production on, the entire lease.

The information is required to determine whether the applicant qualifies for a lease suspension, if such suspension is in the interest of conservation of oil and gas or other natural resources; the lease cannot be operated for reasons beyond the control of the operator; and the lessee is complying with other requirements of the regulations.

## 43 CFR 3135.6 Notification of Lifting a Suspension

After the BLM terminates a suspension of operations or production, the operator must notify the BLM before resuming operations or production.

Notification ensures proper monitoring by the BLM of operations activities. Because leases, and the laws under which they are issued, require operations to be conducted and production to occur, the information is required so that proposed operations may be approved, for lease maintenance, and to allow operations to continue.

## 43 CFR 3137.21, 3137.23, and 3137.80(b) Unit Designation

An application for NPRA unitization must include a unit agreement in compliance with 43 CFR 3137.21 and a unitization application in compliance with 43 CFR 3137.23. The elements of the agreement and the application are as follows:

The proposed agreement must include:

- A description of the unit area and the geologic and engineering factors on which the area is based;
- Initial and continuing development obligations;
- Anticipated participating area (PA) size and well locations;
- A provision that acknowledges the BLM's authority to set or modify the quantity, rate, and location of development and production;
- A provision that acknowledges the BLM consulted with and provided opportunities for participation in the
  creation of the unit, and a provision that acknowledges that the BLM will consult with and provide
  opportunities for participation in the expansion of the unit by:
  - (A) The regional corporation, if the unit acreage contains the regional corporation's mineral estate; or
  - (B) The State of Alaska, if the unit acreage contains the state's mineral estate;
- Any optional terms authorized in 43 CFR 3137.50 that the applicant chooses to include in the unit agreement; and
- Any additional terms and conditions that result from consultation with the BLM. After the applicant's initial application, the BLM may request additional supporting documentation

The application must include:

- The proposed unit agreement;
- A map showing the proposed unit area;

- A list of committed tracts, including, for each tract:
  - (A) Legal land description and acreage;
  - (B) Names of persons holding record title interest;
  - (C) Names of persons owning operating rights; and
  - (D) Name of the unit operator
- A statement certifying:
  - (A) That the applicant invited all owners of oil and gas rights (leased or unleased) and lease interests (record title and operating rights) within the external boundary of the unit area described in the application to join the unit;
  - (B) That there are sufficient tracts committed to the unit agreement to reasonably operate and develop the unit area;
  - (C) The commitment status of all tracts within the area proposed for unitization; and
  - (D) That the applicant accepts unit obligations under 43 CFR 3137.60
- Evidence of acceptable bonding;
- A discussion of reasonably foreseeable and significantly adverse effects on the surface resources of NPRA and how unit operations may reduce impacts compared with individual lease operations;
- A discussion of the proposed methodology for allocating production among the committed tracts. If the unit
  includes non-Federal oil and gas mineral estate, the applicant must explain how the methodology takes into
  account reservoir heterogeneity and area variation in reservoir producibility;
- Other documentation the BLM may request. The BLM may require additional copies of maps, plats, and other similar exhibits; and
- A description of the anticipated PA(s) size and definition of the proposed PA(s). 43 CFR 3137.80(b) revises the requirements of the unit agreement by including this information in the required content of unit agreements).

## 43 CFR 3137.25 Notification of Unit Agreement Approval

The BLM requires the operator to notify, in writing, all parties to the unit agreement to inform them that the BLM approved the unit.

#### 43 CFR 3137.52 Certification for Modification to Unit Agreement

An application for modification of a unit agreement must include certification that:

- (1) All parties to the agreement consent to the modification; or
- (2) The operator meets the modification provision in the agreement, which identifies which parties and what percentage of those parties consent to each type of modification

The BLM requires certification by the operator to ensure that the terms of the previously approved unit agreement are met.

## 43 CFR 3137.60 Evidence of Acceptable Bonding

The operator must provide evidence to the BLM of acceptable bonding.

Because bonding is required under the regulations to ensure compliance with the terms of the lease, the BLM requires evidence of such bonding.

## 43 CFR 3137.61 Statement of Change of Unit Operator

To change unit operators, and when there is a change of unit operator, the new unit operator must provide for the BLM's approval:

- (1) A statement that it accepts unit obligations;
- (2) A statement of the percentage of interest owners required by the unit agreement consenting to a change of unit operator; and
  - (3) Evidence of acceptable bonding

Statements of unit obligation acceptance and percentage of interest owners consenting to the change are required so that unit requirements, and the terms of the previously approved unit agreement, continue to be met, and that the unit may remain in effect.

Evidence of acceptable bonding is necessary because bonding is required under the regulations and terms of the lease. It is also needed so that the BLM can determine that operations under the unit agreement are covered by a bond sufficient to protect public lands and resources.

### 43 CFR 3137.70 Certification of Unit Obligation

The respondent must submit certification that the initial unit obligation was met. Certification is required to document that the initial unit obligation, as required in the unit agreement, was timely met so that the unit may remain in effect.

## 43 CFR 3137.71 Certification of Continuing Development

The respondent must submit certification of continuing development.

(1) The operator must provide a plan describing how continuing development obligations will be met. The plan must include a description of the activities to fully develop the oil and gas field and to further conduct actual or constructive drilling operations.

The BLM requires the information to determine if the plan would comply with the unit terms of continuing development.

(2) The respondent must submit certification and supporting documentation, if requested, that continuing development obligations were met.

The BLM requires such certification documents on continuing development obligations, as required in the unit agreement, are timely met to ensure compliance with unit terms.

### 43 CFR 3137.84 Statement of Productivity for a Participating Area

The respondent must submit economic, geologic, and engineering data; a map; and a production allocation schedule to establish or revise a PA.

The requested information is necessary for the BLM to determine whether the unit meets the requirements to form a PA and to determine that the unit is productive.

# 43 CFR 3137.86 New Information Demonstrating That the Participating Area Should Be Larger or Smaller Than Previously Determined

43 CFR 3137.86(a)(1) Information Demonstrating That the Participating Area Should Be Larger or Smaller Than Previously Determined: If the operator obtains new information demonstrating that the PA should be larger than the BLM previously determined, within 60 calendar days of obtaining the information, the operator must file a statement, map and revised production allocation schedule under 43 CFR 3137.84 requesting addition to the PA of all committed tracts or portions of committed tracts in the unit area that meet the productivity criteria.

43 CFR 3137.86(a)(2) Application to Enlarge the Participating Area outside of Existing Boundaries: If the proposed expanded PA is outside the existing unit boundaries, the operator must invite all owners of oil and gas rights (leased or unleased) and lease interests (record title and operating rights) in such additional land to join the unit. If the owners of oil and gas rights in any tract of such land join the unit, the operator must submit to the BLM:

- (i) An application to enlarge the unit to include the expanded area;
- (ii) A map showing the expanded area of the unit and the information with respect to each additional committed tract the operator proposed to add to the unit specified in 43 CFR 3137.23(c); and
- (iii) A revised allocation schedule.

43 CFR 3137.86(a)(3) Statement for Additional Committed Tract or Tracts are Added to the Unit under Paragraph (a)(2): If any additional committed tract or tracts are added to the unit under paragraph (a)(2) of this section, the operator must file a statement, map and revised production allocation schedule under 43 CFR 3137.84 requesting addition to the PA of all such committed tracts or portions of such committed tracts in the unit area meeting the productivity criteria.

### 43 CFR 3137.87 Information for Unleased Federal Tracts in Participating Area

If there are unleased Federal tracts in a PA, the operator must provide revised maps, a list of committed leases, and production allocation schedules. This information enables the BLM to monitor the terms of the PA and ensures that royalty revenue is properly allocated and reported.

The information required would take a respondent about three hours to prepare and provide. The BLM estimates one respondent for a total burden of 3 hours.

# 43 CFR 3137.88 Notification of Well That Does Not Meet Productivity Criteria

The respondent is required to provide notification to the BLM that a well does not meet productivity criteria. This information is necessary for the BLM to determine whether to approve the well for non-unit operations and to ensure proper allocation of production.

## 43 CFR 3137.91 Notification of Productivity for Non-unit Well

The respondent is required to notify the BLM when a non-unit well meets productivity criteria, which is then used to revise or establish a PA. The BLM uses the required information determine whether the unit meets the requirements to revise or establish a PA and to determine that the revised or newly established unit is productive.

#### 43 CFR 3137.92 Production Information

The respondent must provide restoration or new production information, or sufficient production information and well completion information after the BLM notification of insufficient production. Response to the BLM notification is necessary for the BLM to determine whether to keep a PA in effect.

#### 43 CFR 3137.111 Lease Extension

The operator must provide information that shows actual well production meets productivity criteria or that there is actual or constructive drilling or reworking operations in order to request an extension of the primary term of all leases committed to a unit agreement. The BLM needs verification that the operator has met the requirements for obtaining the benefit of a lease extension.

## 43 CFR 3137.112 Inability to Conduct Operations Activities

The operator is required to demonstrate that it cannot start actual or constructive drilling or reworking activities because of reasons beyond the operator's control. The BLM requires the information to determine the validity of the operator's inability to conduct drilling or reworking activities, as required under the terms of the lease.

#### 43 CFR 3137.130 Unit Termination

If a unit operator requests approval for voluntary termination of the unit and production is insufficient to establish a PA, the operator must certify that at least 75 percent of the interest owners in the agreement agree to the voluntary termination. Certification is required for the BLM to approve termination of the unit based on production data and consent of the interest owners under the terms of the agreement.

## 43 CFR 3137.135 Impact Mitigation

The respondent must submit a plan for mitigating the impacts from unit operations after termination of the unit. This information is necessary for the BLM approval of mitigation plans to timely, properly, and efficiently manage the surface impacts resulting from unit operations.

### 43 CFR 3138.11 Application for Storage Agreement

An application for a subsurface storage agreement must include:

- (1) The reason for forming the agreement;
- (2) Descriptions of the area that will be included and the formation;
- (3) The proposed storage fees or rentals;
- (4) Royalty for oil or gas present in the formation before injection and produced when stored oil or gas is withdrawn;
- (5) A description of fee and payment renegotiations;
- (6) The proposed effective date and term of the agreement;
- (7) Certification that all owners of leased or unleased minerals rights and lease interests have committed or consented to the commitment of their interest in writing;
- (8) An ownership schedule showing lease or land status;
- (9) A schedule showing the participation factor for all parties to the agreement; and

(10) Geologic maps and other data that demonstrate storage capability of the reservoir

The information is necessary so that the BLM can determine whether the proposed agreement is technically feasible, is necessary to avoid waste, and will be conducted in a manner that promotes conservation of natural resources.

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.

Since this information collection calls for nonrecurring information, it would not be feasible to use computer-generated responses because the BLM has no forms in this collection. Currently, operators can email and fax the information that they must submit, as long as the document contains a proper signature, if required. Large data projects are generally submitted on CDs delivered to the BLM.

With regard to the Government Paperwork Elimination Act (GPEA), the BLM does not have any forms in this collection to make available electronically. This is a non-form information collection.

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 the BLM collects. The information is unique and is collected whenever the activity or situation requires. It is not available from any other data source, and there is no similar information already available or capable of modification because the information is specific to each unitization agreement. The information can be supplied only by the entity proposing to begin or modify a unit agreement or to continue operations. The information is required to obtain or maintain a benefit.

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

The collection will not have a significant impact on small businesses or other small entities, which are unlikely to undertake the activities involving this information collection. The information required is the minimum necessary to comply with provisions of the applicable laws.

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.

Failure to collect the information would prevent the BLM from deciding whether or not to approve proposed unit agreements, from monitoring compliance with unit agreements, and from deciding whether or not to allow operations to continue.

- 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-inaid, or tax records, for more than three years;
  - \* in connection with a statistical survey that is not designed to produce valid and reliable results that can be generalized to the universe of study;
  - requiring the use of a statistical data classification that has not been reviewed and approved by OMB;

- \* that includes a pledge of confidentiality that is not supported by authority established in statute or regulation, that is not supported by disclosure and data security policies that are consistent with the pledge, or which unnecessarily impedes sharing of data with other agencies for compatible confidential use; or
- \* requiring respondents to submit proprietary trade secrets, or other confidential information, unless the agency can demonstrate that it has instituted procedures to protect the information's confidentiality to the extent permitted by law

There are no special circumstances that require the collection to be conducted in a manner inconsistent with the guidelines in 5 CFR 1320.5.

8. If applicable, provide a copy and identify the date and page number of publication in the Federal Register of the agency's notice, required by 5 CFR 1320.8(d), soliciting comments on the information collection prior to submission to OMB. Summarize public comments received in response to that notice and in response to the PRA statement associated with the collection over the past three years, and describe actions taken by the agency in response to these comments. Specifically address comments received on cost and hour burden.

Describe efforts to consult with persons outside the agency to obtain their views on the availability of data, frequency of collection, the clarity of instructions and recordkeeping, disclosure, or reporting format (if any), and on the data elements to be recorded, disclosed, or reported.

Consultation with representatives of those from whom information is to be obtained or those who must compile records should occur at least once every three years — even if the collection of information activity is the same as in prior periods. There may be circumstances that may preclude consultation in a specific situation. These circumstances should be explained.

On July 24, 2023, the BLM published a notice of proposed rulemaking providing the general public and interested parties the opportunity to submit comments on the proposed regulatory changes.

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

The BLM does not provide payments or gifts to respondents.

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

The BLM protects respondents' confidentiality to the extent consistent with the Freedom of Information Act (5 U.S.C. 552). The BLM has firewalls to protect website access, strong security and password protection of the information in the data base, and other security measures to protect electronic information.

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 BLM does not ask 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. Instead, this cost should be included under "Annual Cost to Federal Government."

This information collection covers a range of activities, and a specific operator is not necessarily required to obtain or provide each item. Many of the requirements are one-time filings used to gain approval to operate under a unit agreement or to apply for reduction of royalty, suspension of operations or production, or a subsurface storage agreement. Others are routine data submissions that the BLM uses to monitor drilling and production and ensure compliance with the unit agreement, lease terms, regulations, orders, notices to lessees, lease stipulations, and conditions of approval.

The average hourly cost for respondents is shown at Table 12-1. The hourly wage for Table 12-1 was determined using national Bureau of Labor Statistics data at: <a href="http://www.bls.gov/oes/current/oes\_nat.htm">http://www.bls.gov/oes/current/oes\_nat.htm</a>. The benefits multiplier of 1.4 is supported by information at <a href="http://www.bls.gov/news.release/ecec.nr0.htm">http://www.bls.gov/news.release/ecec.nr0.htm</a>.

**Table 12-1: Hourly Cost Calculation** 

Position	Mean Hourly Wage	Benefits Multiplier	Hourly Rate with Benefits	Percent of Collection Time Completed by Each Occupation	Weighted Average Hourly Cost
General Office Clerk (43-9061)	\$18.75	1.4	\$26.25	10%	\$2.63
Engineer (17-2199)	\$50.83	1.4	\$71.16	80%	\$56.93
Engineering Manager (11-9041)	\$76.43	1.4	\$107.00	10%	\$10.70
Totals:	_		-	100%	\$70.26

Estimated annual hour and cost burdens to respondents are shown in Table 12-2, below, and include time spent for researching, preparing, and submitting information. The weighted average hourly wage associated with these information collections is shown at Table 12-1, above.

The frequency of responses for each aspect of the information collection is "on occasion."

**Table 12-2: Estimated Hour Burdens** 

Information Collection	Number of Responses	Time Per Response (hours)	Total Time (hours)	Hourly Cost	Dollar Equivalent
Royalty reduction (43 CFR 3133.4)	1	16	16	\$70.26	\$1,124

Information Collection	Number of Responses	Time Per Response (hours)	Total Time (hours)	Hourly Cost	Dollar Equivalent
Application for a suspension of operations and production (43 CFR 3135.3)	1	4	4	\$70.26	\$281
Notification of operations (43 CFR 3135.6)	2	.25	.5	\$70.26	\$35
Unit designation (43 CFR 3137.21, 3137.23, and 3137.80(b))	1	80	80	\$70.26	\$5,621
Notification of unit agreement approval (43 CFR 3137.25)	1	1	1	\$70.26	\$70
Certification for modification to unit agreement (43 CFR 3137.52)	1	4	4	\$70.26	\$281
Evidence of acceptable bonding (43 CFR 3137.60)	1	.5	.5	\$70.26	\$35
Statement of change of unit operator (43 CFR 3137.61)	1	.75	.75	\$70.26	\$53
Certification of unit obligation (43 CFR 3137.70)	1	2	2	\$70.26	\$141
Certification of continuing development (43 CFR 3137.71)	1	2	2	\$70.26	\$141
Statement of productivity for a PA (43 CFR 3137.84)	1	12	12	\$70.26	\$843
Information demonstrating that a PA should be larger than previously determined (43 CFR 3137.86(a)(1))	1	1	1	\$70.26	\$70
Application to enlarge a PA outside of existing boundaries (43 CFR 3137.86(a)(2))	1	1	1	\$70.26	\$70
Statement for additional committed tract or tracts are added to the unit under paragraph (a)(2) (43 CFR 3137.86(a)(3))	1	1	1	\$70.26	\$70
Information for unleased Federal tracts in a PA (43 CFR 3137.87)	1	3	3	\$70.26	\$211
Notification of productivity (43 CFR 3137.88)	1	.5	.5	\$70.26	\$35
Notification of productivity for non- unit well (43 CFR 3137.91)	1	.5	.5	\$70.26	\$35
Production information (43 CFR 3137.92)	1	1	1	\$70.26	\$70
Lease extension (43 CFR 3137.111)	1	3	3	\$70.26	\$211
Inability to conduct operations activities (43 CFR 3137.112)	1	2	2	\$70.26	\$141

Information Collection	Number of Responses	Time Per Response (hours)	Total Time (hours)	Hourly Cost	Dollar Equivalent
Unit termination (43 CFR 3137.130)	1	1	1	\$70.26	\$70
Impact mitigation (43 CFR 3137.135)	1	4	4	\$70.26	\$281
Application for storage agreement (43 CFR 3138.11)	1	80	80	\$70.26	\$5,621
Totals:	24		223*		\$15,510

<sup>\*</sup> Difference in due to rounding.

- 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.

Respondents are not required to purchase additional computer hardware or software to comply with these information requirements. There are three new filing fees associated with this information collection that would result from the proposed rule. These fees are listed below in Table 13-1.

Table 13-1: Non-hour Cost (Filing Fees)

Information Collection	Number of Responses	Filing Fee	Total Cost
Statement of change of unit operator (43 CFR 3137.61)	1	\$120	\$120
Application for storage agreement (43 CFR 3138.11)	1	\$1,200	\$1,200
Total:			\$1,320

14. Provide estimates of annualized cost to the Federal government. Also, provide a description of the method used to estimate cost, which should include quantification of hours, operational expenses (such as equipment, overhead, printing, and support staff), and any other expense that would not have been incurred without this collection of information.

The hourly cost to the Federal Government is based on data at: <a href="https://www.opm.gov/policy-data-oversight/pay-leave/salaries-wages/salary-tables/pdf/2023/RUS\_h.pdf">h.pdf</a>. The benefits multiplier of 1.6 is implied by information at: <a href="http://www.bls.gov/news.release/ecec.nr0.htm">http://www.bls.gov/news.release/ecec.nr0.htm</a>.

**Table 14-1: Weighted Average Federal Wage Cost** 

Occupational Category and GS Level	Hourly Wage	Benefits Multiplier	Hourly Rate with Benefits	Percent of Collection Time Completed by Each Occupation	Weighted Avg.
Manager GS-14, Step 1	\$53.44	1.6	\$85.50	10%	\$8.55
Supervisor GS-13, Step 1	\$45.22	1.6	\$72.35	20%	\$14.47
Skilled Technical Employee (Petroleum Engineer and Geologist) GS-13, Step 1	\$45.22	1.6	\$72.35	60%	\$43.41
Land Law Examiner GS-11, Step 1	\$31.73	1.6	\$50.77	10%	\$5.08
Totals:	_		_	100%	\$71.51

Table 14-2, below, shows the estimated Federal hours and costs for each component of this information collection. The estimated time spent to process the information collections is based on the BLM's experience. Estimated costs are rounded off to the nearest dollar. The hourly wage is shown at Table 14-1, above.

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

Information Collection	Number of Responses	Time Per Response (hours)	Total Time (hours)	Hourly Cost	Dollar Equivalent
Royalty reduction (43 CFR 3133.4)	1	16	16	\$71.51	\$1,144
Application for a suspension of operations and production (43 CFR 3135.3)	1	4	4	\$71.51	\$286
Notification of operations (43 CFR 3135.6)	2	.25	.5	\$71.51	\$35
Unit designation (43 CFR 3137.21, 3137.23, and 3137.80(b))	1	40	40	\$71.51	\$2,860
Notification of unit agreement approval (43 CFR 3137.25)	1	1	1	\$71.51	\$71
Certification for modification to unit agreement (43 CFR 3137.52)	1	4	4	\$71.51	\$286
Evidence of acceptable bonding (43 CFR 3137.60)	1	.5	.5	\$71.51	\$35
Statement of change of unit operator (43 CFR 3137.61)	1	.75	.75	\$71.51	\$53
Certification of unit obligation (43 CFR 3137.70)	1	1	1	\$71.51	\$71
Certification of continuing development (43 CFR 3137.71)	1	1	1	\$71.51	\$71

Information Collection	Number of Responses	Time Per Response (hours)	Total Time (hours)	Hourly Cost	Dollar Equivalent
Statement of productivity for a PA (43 CFR 3137.84)	1	6	6	\$71.51	\$429
Information demonstrating that a PA should be larger than previously determined (43 CFR 3137.86(a)(1))	1	1	1	\$71.51	\$71
Application to enlarge a PA outside of existing boundaries (43 CFR 3137.86(a)(2))	1	1	1	\$71.51	\$71
Statement for additional committed tract or tracts are added to the unit under paragraph (a)(2) (43 CFR 3137.86(a)(3))	1	1	1	\$71.51	\$71
Information for unleased Federal tracts in a PA (43 CFR 3137.87)	1	2	2	\$71.51	\$142
Notification of productivity (43 CFR 3137.88)	1	.5	.5	\$71.51	\$35
Notification of productivity for non- unit well (43 CFR 3137.91)	1	.5	.5	\$71.51	\$35
Production information (43 CFR 3137.92)	1	1	1	\$71.51	\$71
Lease extension (43 CFR 3137.111)	1	2	2	\$71.51	\$142
Inability to conduct operations activities (43 CFR 3137.112)	1	2	2	\$71.51	\$142
Unit termination (43 CFR 3137.130)	1	1	1	\$71.51	\$71
Impact mitigation (43 CFR 3137.135)	1	4	4	\$71.51	\$286
Application for storage agreement (43 CFR 3138.11)	1	40	40	\$71.51	\$2,860
Totals:	24		130		\$9,338

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

Currently, there are 21 annual responses and 220 annual burden hours associated with this OMB control number. There are no non-hour cost burdens currently associated with this OMB control number. The proposed rule is not projected to result in any new annual responses. The additional requirements proposed in 43 CFR 3170.80(b) include description of the anticipated PA(s) size and define the proposed PAs in the unit designation agreements required by 43 CFR 3137.21, and 3137.23 is not projected to result in additional burden for that information collection.

43 CFR 3000.12 would introduce new filing fees for the following information collections, resulting in a new non-hour burden cost of \$1,320:

• Statement of change of unit operator (43 CFR 3137.61); and

• Application for storage agreement (43 CFR 3138.11).

Additionally, 43 CFR 3137.86 contains the following three information collection requirements for which the burden has not been previously captured in this OMB control number:

- Information demonstrating that a PA should be larger than previously determined (43 CFR 3137.86(a)(1));
- Application to enlarge a PA outside of existing boundaries (43 CFR 3137.86(a)(2));
- Statement for additional committed tract or tracts added to the unit under paragraph (a)(2) (43 CFR 3137.86(a)(3)).

The burden for these activities were previously considered to be include in the burden for participating area agreements; however, we have made them separate ICs to more clearly demonstrate the burden for those activities. These burden changes are being recorded as an adjustment since these are not new information collection requirements and the burden change is limited to more clearly capturing the burden for these activities.

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.

Because this is a non-form collection, display of the expiration date is not applicable. The expiration date for this OMB control number is displayed at <a href="https://www.reginfo.gov">www.reginfo.gov</a>.

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 requirements of 5 CFR 1320.9.

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