



**4310-VH-P**

**DEPARTMENT OF THE INTERIOR**

**Bureau of Safety and Environmental Enforcement**

**[Docket ID BSEE-2012-0018; OMB Control Number 1014-0002; 13XE1700DX**

**EX1SF0000.DAQ000 EEEE500000]**

**Information Collection Activities; Submitted for Office of Management and Budget (OMB) Review; Comment Request: Oil and Gas Production Measurement, Surface Commingling, and Security**

**ACTION:** 30-day Notice.

**SUMMARY:** To comply with the Paperwork Reduction Act of 1995 (PRA), Bureau of Safety and Environmental Enforcement (BSEE) is notifying the public that we have submitted to OMB an information collection request (ICR) to renew approval of the paperwork requirements in the regulations under Subpart L, *Oil and Gas Production Measurement, Surface Commingling, and Security*. This notice also provides the public a second opportunity to comment on the paperwork burden of these regulatory requirements.

**DATE:** You must submit comments by [INSERT DATE 30 DAYS AFTER DATE OF PUBLICATION IN THE FEDERAL REGISTER].

**ADDRESSES:** Submit comments by either fax (202) 395-5806 or email ([OIRA\\_Submission@omb.eop.gov](mailto:OIRA_Submission@omb.eop.gov)) directly to the Office of Information and Regulatory Affairs, OMB, Attention: Desk Officer for the Department of the Interior (1014-0002). Please provide a copy of your comments to BSEE by any of the means below.

- Electronically: go to <http://www.regulations.gov>. In the entry titled, Enter Keyword or ID, enter BSEE-2012-0018 then click search. Follow the instructions to submit public comments and view all related materials. We will post all comments.
- Email [Nicole.Mason@bsee.gov](mailto:Nicole.Mason@bsee.gov), fax (703) 787-1546, or mail or hand-carry comments to: Department of the Interior; Bureau of Safety and Environmental Enforcement; Regulations and Standards Branch; Attention: Nicole Mason; 381 Elden Street, HE3313; Herndon, Virginia 20170-4817. Please reference 1014-0002 in your comment and include your name and return address.

**FOR FURTHER INFORMATION CONTACT:** Nicole Mason, Regulations and Standards Branch, (703) 787-1605, to request additional information about this ICR. To see a copy of the entire ICR submitted to OMB, go to <http://www.reginfo.gov> (select Information Collection Review, Currently Under Review).

**SUPPLEMENTARY INFORMATION:**

**Title:** 30 CFR 250, Subpart L, Oil and Gas Production Measurement, Surface Commingling, and Security.

**OMB Control Number:** 1014-0002.

**Abstract:** 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 necessary for the administration of the leasing provisions of the Act related to the mineral resources on the OCS. Such rules and regulations will apply to all operations conducted under a lease. 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; to ensure the public a fair and equitable return on the resources of the OCS; and to preserve and maintain free enterprise competition.

In addition to the general rulemaking authority of the OCSLA at 43 U.S.C. 1334, section 301(a) of the Federal Oil and Gas Royalty Management Act (FOGRMA), 30 U.S.C. 1751(a), grants authority to the Secretary to prescribe such rules and regulations as are reasonably necessary to carry out FOGRMA's provisions. While the majority of FOGRMA is directed to royalty collection and enforcement, some provisions apply to offshore operations. For example, section 108 of FOGRMA, 30 U.S.C. 1718, grants the Secretary broad authority to inspect lease sites for the purpose of determining whether there is compliance with the mineral leasing laws. Section 109(c)(2) and (d)(1), 30 U.S.C. 1719(c)(2) and (d)(1), impose substantial civil penalties for failure to permit lawful inspections and for knowing or willful preparation or submission of false, inaccurate, or misleading reports, records, or other information. Because the Secretary has delegated some of the authority under FOGRMA to BSEE, 30 U.S.C. 1751 is included as additional authority for these requirements.

The Independent Offices Appropriations Act (31 U.S.C. 9701), the Omnibus Appropriations Bill (Pub. 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 confer special benefits. Under the Department of the Interior's implementing policy, BSEE is required to charge fees for services that provide special benefits or privileges to an identifiable non-Federal recipient above and beyond those which accrue to the public at large.

Applications for surface commingling and measurement are subject to cost recovery and BSEE regulations specify service fees for these requests.

Regulations at 30 CFR 250, Subpart L, implement these statutory requirements. We use the information to ensure that the volumes of hydrocarbons produced are measured accurately, and royalties are paid on the proper volumes. Specifically, we need the information to:

- Determine if measurement equipment is properly installed, provides accurate measurement of production on which royalty is due, and is operating properly;
- Obtain rates of production measured at royalty meters, which can be examined during field inspections;
- Ascertain if all removals of oil and condensate from the lease are reported;
- Ensure that the sales location is secure and production cannot be removed without the volumes being recorded;
- Review proving reports to verify that data on run tickets are calculated and reported accurately;
- Review gas volume statements and compare them with the Oil and Gas Operations Reports to verify accuracy.

We will protect information from respondents considered proprietary under the Freedom of Information Act (5 U.S.C. 552) and its implementing regulations (43 CFR part 2), and under regulations at 30 CFR 250.197, *Data and information to be made available to the public or for limited inspection*. No items of a sensitive nature are collected. Responses are mandatory.

**Frequency:** Varies by section, but primarily monthly, or on occasion.

**Description of Respondents:** Potential respondents comprise Federal oil, gas and sulphur lessees and/or operators.

**Estimated Reporting and Recordkeeping Hour Burden:** The estimated annual hour burden for this information collection is a total of 30,856 hours. The following chart details the individual components and estimated hour burdens. In calculating the burdens, we assumed that respondents perform certain requirements in the normal course of their activities. We consider these to be usual and customary and took that into account in estimating the burden.

Citation 30 CFR 250 Subpart L	Reporting or Recordkeeping Requirement	Hour Burden	Average No. of Annual Responses	Annual Burden Hours (rounded)
		Non-Hour Cost Burdens		
Liquid Hydrocarbon Measurement				
1202(a)(1), (b)(1); 1203(b)(1); 1204(a)(1)	Submit application for liquid hydrocarbon or gas measurement procedures or changes; or for commingling of production or changes.	Simple: 7	49 Simple Applications	343
		\$1,271 simple fee x 49 applications = \$62,279		
		Complex: 26	75 Complex Applications	1,950
		\$3,760 complex fee x 75 applications = \$282,000		
No fee	Submit meter status and replacement notifications.	2	385 notifications	770
1202(a)(4)	Copy & send pipeline (retrograde) condensate volumes upon request.	1	4 volumes.	4
1202(c)(1), (2); 1202(e)(4); 1202(h)(1), (2), (3), (4); 1202(i)(1)(i v), (2)(iii); 1202(j)	Record observed data, correction factors & net standard volume on royalty meter and tank run tickets. Record master meter calibration runs. Record mechanical-displacement prover, master meter, or tank prover proof runs. Record liquid hydrocarbon royalty meter malfunction and repair or adjustment on proving report; record unregistered production on run ticket. List Cpl and Ctl factors on run tickets.	Respondents record these items as part of normal business records & practices to verify accuracy of production measured for sale purposes.		0
1202(c)(4)*	Copy & send all liquid hydrocarbon run tickets monthly.	20 minutes	20,282 tickets.	6,761
1202(d)(4); 1204(b)(1)	Request approval for proving on a schedule other than monthly; request approval for	2	581 proving requests	1,162

Citation 30 CFR 250 Subpart L	Reporting or Recordkeeping Requirement	Hour Burden	Average No. of Annual Responses	Annual Burden Hours (rounded)
		Non-Hour Cost Burdens		
	well testing on a schedule other than every 60 days.	2	44 well test requests	88
1202(d)(5)*	Copy & submit liquid hydrocarbon royalty meter proving reports monthly & request waiver as needed.	20 minutes	8,793 reports	2,931
1202(f)(2)*	Copy & submit mechanical-displacement prover & tank prover calibration reports.	20 minutes	77 reports.	26
1202(l)(2)*	Copy & submit royalty tank calibration charts before using for royalty measurement.	45 minutes	2 charts.	2
1202(l)(3)*	Copy & submit inventory tank calibration charts upon request; retain charts for as long as tanks are in use.	45 minutes	5 charts.	4
		10 minutes	126 charts.	21
Subtotal			30,423 responses	14,062 hours
			344,279 non-hour cost burdens	
Gas Measurement				
1203(b)(6), (8), (9)*	Copy & submit gas quality and volume statements monthly or as requested.	20 minutes	13,239 Statements	4,413
1203(c)(1)	Request approval for gas calibration on a schedule other than monthly.	1.2 hrs	529 requests.	635
1203(c)(4)*	Copy & submit gas meter calibration reports upon request; retain for 2 years.	13 minutes	10 reports.	2
		7.5 minutes	19,431 reports.	2,429
1203(e)(1)*	Copy & submit gas processing plant records upon request.	1.2 hrs	1 record.	1
1203(f)(5)	Copy & submit measuring records of gas lost or used on lease upon request.	42 minutes	3 records.	2
Subtotal			33,213 responses	7,482 hours
Surface Commingling				
1204(a)(2)	Provide state production volumetric and/or fractional analysis data upon request.	6 hrs	1 report.	6
1205(a)(2)	Post signs at royalty or inventory tank used in royalty determination process.	2 hrs	1 sign.	2
1205(a)(4)	Report security problems (telephone).	18 minutes	2 calls.	1
Subtotal			4 responses	9 hours
Miscellaneous and Recordkeeping				
1200 thru 1205	General departure and alternative compliance requests not specifically covered elsewhere in subpart L.	1.3 hrs	5 requests.	7
1202(e)(6)	Retain master meter calibration reports for 2 years.	23 minutes	1,200	460

Citation 30 CFR 250 Subpart L	Reporting or Recordkeeping Requirement	Hour Burden	Average No. of Annual Responses	Annual Burden Hours (rounded)
		Non-Hour Cost Burdens		
1202(k)(5)	Retain liquid hydrocarbon allocation meter proving reports for 2 years.	10 minutes	12,120	2,020
1203(f)(4)	Document & retain measurement records on gas lost or used on lease for 2 years at field location and minimum 7 years at location of respondent's choice.	15 minutes	3,540	885
1204(b)(3)	Retain well test data for 2 years.	6.7 minutes	45,168	5,044
1205(b)(3), (4)	Retain seal number lists for 2 years.	5 minutes	10,644	887
Subtotal			72,677 responses	9,303 hours
Total Burden			136,317 responses	30,856 hours
			\$344,279 Non-Hour Cost Burdens	

\*Respondents gather this information as part of their normal business practices. The BSEE only requires copies of readily available documents. There is no burden for testing, meter reading, etc.

**Estimated Reporting and Recordkeeping Non-Hour Cost Burden:** We have identified two non-hour cost burdens, both of which are cost recovery fees. Note that the actual fee amounts are specified in 30 CFR 250.125, which provide a consolidated table of all the fees required under the 30 CFR 250 regulations. The non-hour cost burden total in this collection of information is an estimated \$344,279. The cost burdens are for: (1) filing fees associated with submitting requests for approval of simple applications (applications to temporarily reroute production (for a duration not to exceed 6 months); production tests prior to pipeline construction; departures related to meter proving, well testing, or sampling frequency (\$1,271 per application)) or, (2) submitting a request for approval of a complex application (creation of new facility measurement points (FMPs); association of leases or units with existing FMPs; inclusion of production from additional structures; meter updates which add buyback gas meters or pigging meters; other

applications which request deviations from the approved allocation procedures (\$3,760 per application)).

**Public Disclosure Statement:** The PRA (44 U.S.C. 3501, *et seq.*) provides that an agency may not conduct or sponsor a collection of information unless it displays a currently valid OMB control number. Until OMB approves a collection of information, you are not obligated to respond.

**Comments:** Section 3506(c)(2)(A) of the PRA (44 U.S.C. 3501, *et seq.*) requires each agency “. . . to provide notice . . . and otherwise consult with members of the public and affected agencies concerning each proposed collection of information . . .” Agencies must specifically solicit comments to: (a) evaluate whether the collection is necessary or useful; (b) evaluate the accuracy of the burden of the proposed collection of information; (c) enhance the quality, usefulness, and clarity of the information to be collected; and (d) minimize the burden on the respondents, including the use of technology.

To comply with the public consultation process, on November 15, 2012, we published a *Federal Register* notice (77 FR 68144) announcing that we would submit this ICR to OMB for approval. The notice provided the required 60-day comment period. In addition, § 250.199 provides the OMB control number for the information collection requirements imposed by the 30 CFR 250 regulations. The regulation also informs the public that they may comment at any time on the collections of information and provides the address to which they should send comments. We received one comment in response to the *Federal Register* notice, but it was not germane to the paperwork burden of this collection.



**Public Comment Procedures:** Before including your address, phone number, email address, or other personal identifying information in your comment, you should be aware that your entire comment—including your personal identifying information—may be made publicly available at any time. While you can ask us in your comment to withhold your personal identifying information from public review, we cannot guarantee that we will be able to do so.

**BSEE Information Collection Clearance Officer:** Cheryl Blundon (703) 787-1607.

\_\_\_\_ June 20, 2013 \_\_\_\_  
Dated.

---

Robert W. Middleton,  
Deputy Chief  
Office of Offshore Regulatory Programs.

[FR Doc. 2013-16570 Filed 07/09/2013 at 8:45 am; Publication Date: 07/10/2013]