



[6450-01-P]

DEPARTMENT OF ENERGY

Energy Information Administration

Proposed Agency Information Collection

AGENCY: U.S. Energy Information Administration (EIA), Department of Energy

ACTION: Agency Information Collection Activities: Proposed Extension with Changes; Notice and Request for Comments

SUMMARY: The EIA invites public comment on the proposed three-year extension of the following Oil and Gas Reserves System Survey Forms that EIA is developing for submission to the Office of Management and Budget (OMB) pursuant to the Paperwork Reduction Act of 1995: Revision of Form EIA-23L, *Annual Survey of Domestic Oil and Gas Reserves, Field Level Report*; extension without changes of Form EIA-64A, *Annual Report of the Origin of Natural Gas Liquids Production*; and continued suspension of Form EIA-23S, *Annual Survey of Domestic Oil and Gas Reserves, Summary Level Report*.

Comments are invited on: (a) whether the proposed collection of information is necessary for the proper performance of the functions of the agency, including whether the information shall have practical utility; (b) the accuracy of the agency's estimate of the burden of the proposed collection of information, including the validity of the methodology and assumptions used; (c) ways to enhance the quality, utility, and clarity of the information to be collected; and (d) ways to minimize the burden of the collection of

information on respondents, including through the use of automated collection techniques or other forms of information technology.

DATES: Comments must be filed by *[INSERT DATE 60 DAYS AFTER DATE OF PUBLICATION IN THE FEDERAL REGISTER]*. If you anticipate difficulty in submitting comments within that period, contact the person listed in the below ADDRESSES Section as soon as possible.

ADDRESSES: Written comments may be sent to Mr. Steven Grape, EI-24, U. S. Department of Energy, 1000 Independence Avenue SW, Washington DC 20585, by fax at (202) 586-4420, or by e-mail at steven.grape@eia.gov.

FOR FURTHER INFORMATION CONTACT: Requests for additional information should be directed to Mr. Grape, as listed above. The information collection instrument and instructions are available on the EIA Website at: Form EIA-23L, <http://wwwdev.eia.gov/survey/#eia-23l>, Form EIA-23S, <http://wwwdev.eia.gov/survey/#eia-23s>, Form EIA-64A, <http://wwwdev.eia.gov/survey/#eia-64a>.

SUPPLEMENTARY INFORMATION:

Comments and feedback are requested on the following topics directly related to the proposed changes to Form EIA-23L:

- Field versus County Level Data Detail – EIA currently collects data on a field level basis, but publishes reserves estimates on a State and State subdivision level.

Reporting burden to respondents may be reduced, depending on existing record keeping practices, if operators report proved reserves and production data aggregated at a county level. EIA is able to make accurate State and State subdivision level reserves estimates if proved reserves are reported at a county level. Abandoning field-level detail will result in some loss of detail for reserve estimates; however, it will increase the utility of the data by facilitating the matching of other economic data that are only published at the county level.

- Well Counts (by County) – EIA does not currently collect the number of producing wells on Form EIA-23L. EIA proposes to collect well counts by county on Form EIA-23L to assist data quality validation of the production data reported on the form. Collecting well count data by county is consistent with commercially-available production data that is based on well-level reporting in many States and will facilitate data comparisons and data quality evaluations.
- Type Code – EIA is considering deleting the Type Code “CH” for Chalk from Schedule B. EIA has Type Codes for certain reservoir types: CV for Conventional, SH for Shale, CB for Coalbed, CH for Chalk, and LP for Other Low Permeability Reservoirs. CH is currently underutilized and EIA proposes to delete Chalk as a reservoir Type Code. The two codes SH and LP have been used interchangeably by operators for tight oil reserves estimates and may be combined for crude oil into a new reservoir Type Code title “Tight.” EIA requests comments on the proposal to delete Type Code “CH” for Chalk, and combine reservoir Type codes “SH” and “LP” into a single category “Tight for crude oil only.”

- Fuel Types – EIA tracks the proved reserves of four fuel types—two types of liquids; crude oil and lease condensate; and two types of natural gas proved reserves; nonassociated (aka gas well gas) and associated-dissolved (aka casinghead or oil well gas). EIA proposes to continue collecting proved reserves estimates by these four types, instead of combining them into Total Liquids and Total Natural Gas.
- Producing versus Nonproducing Reserves – Currently operators report both producing and nonproducing proved reserves by field on Form EIA-23L. EIA requests comments on the ability to report these data on a county level basis.
- Extensions, New Field Discoveries, and New Reservoir Discoveries in Old Fields – EIA requests comments on the utility of collecting and publishing these three components of Total Discoveries or whether it is more useful to report and publish these components under one data category such as “County level Discoveries.” EIA also requests comments on the burden of reporting these three components separately.
- Field Code Master List – EIA proposes to delete the EIA Field Code Master List that is currently used to report data at the field level. Changing the reporting on Form EIA-23L from Field to County level would eliminate the need to publish or maintain the EIA Field Code Master List.

All of the proposed changes that are described above are shaded the color yellow on the draft Form EIA-23L to illustrate and facilitate the review of the data elements that are affected by these proposed changes.

This information collection request contains:

(1) OMB No. 1905-0057;

(2) Information Collection Request Title: Oil and Gas Reserves System

(3) Type of Request: Revision of the currently approved Form EIA-23L; extension without changes of the currently approved Form EIA-64A; and continued suspension of collection of the currently approved Form EIA-23S (suspended).

(4) Purpose: In response to Public Law 95-91 Section 657, estimates of U.S. oil and gas reserves are to be reported annually. Many U.S. government agencies have an interest in the definitions of proved oil and gas reserves and the quality, reliability, and usefulness of estimates of reserves. Among these are the U.S. Energy Information Administration (EIA), Department of Energy; Bureau of Ocean Energy Management (BOEM), Department of Interior; Internal Revenue Service (IRS), Department of the Treasury; and the Securities and Exchange Commission (SEC). Each of these organizations has specific purposes for collecting, using, or estimating proved reserves. EIA has a congressional mandate to provide accurate annual estimates of U.S. proved crude oil, natural gas, and natural gas liquids reserves, and EIA presents annual reserves data in EIA Web reports to meet this requirement. The BOEM maintains estimates of proved reserves to carry out their responsibilities in leasing, collecting royalty payments, and regulating the activities of oil and gas companies on Federal lands and water. Accurate reserve estimates are important, as the BOEM is second only to the IRS in generating Federal revenue. For the IRS, proved reserves and occasionally probable reserves are an essential component of calculating taxes for companies owning or producing oil and gas. The SEC requires publicly traded petroleum companies to annually file a reserves statement as part of their 10-K filing. The basic purpose of the 10-K filing is to provide

public investors with a clear and reliable financial basis to assess the relative value, as a financial asset, of a company's reserves, especially in comparison to other similar oil and gas companies.

The Government also uses the resulting information to develop national and regional estimates of proved reserves of domestic crude oil, natural gas, and natural gas liquids to facilitate national energy policy decisions. These estimates are essential to the development, implementation, and evaluation of energy policy and legislation. Data are used directly in EIA Web reports concerning U.S. crude oil, natural gas, and natural gas liquids reserves, and are incorporated into a number of other Web reports and analyses.

EIA proposes to make the following changes to Form EIA-23L, *Annual Survey of Domestic Oil and Gas Reserves, Field Level Report*:

- Change the title of Form EIA-23L to *Annual Survey of Domestic Oil and Gas Reserves, County Level Report*;
- Change the title of Schedule A to Operated Proved Reserves, Production, and Related Data by County;
- Operators will be instructed to file their proved reserves by county rather than by field. Line Item 2.0 will be named “County Data (operated basis);”
- Line Item 2.1.4 “Field Code”, will be changed to “County Name;”
- Line Item 2.1.5 “MMS Code” will be changed to “Type Code;”
- Line Item 2.1.6. “Field Name” will be changed to “Field, Play, or Prospect Name (Optional);”

- Line Items 2.1.9 “water depth” and 2.1.10 “field discovery year” will be replaced with 2.1.9 “# of producing wells”, 2.1.10 “# of wells added [in survey year];” and
- Line Item 2.1.11, “Prospect Name (optional) will be replaced with “# of wells sold [in survey year].”

Comments and Feedback are requested on these proposed changes to Form EIA-23L.

Secondary reports that use the data include EIA's *Annual Energy Review*, *Annual Energy Outlook*, *Petroleum Supply Annual*, and *Natural Gas Annual*;

(5) Annual Estimated Number of Respondents:

Forms EIA-23L/23S/64A: 1,450

(6) Annual Estimated Number of Total Responses:

Forms EIA-23L/23S/64A: 1,450

(7) Annual Estimated Number of Burden Hours: 41,210

Form EIA-23L *Annual Survey of Domestic Oil and Gas Reserves, County Level Report*:

38 hours (420 intermediate-size operators); 110 hours (160 large operators); 15 hours (270 small operators): 37,610 hours

Form EIA-23S *Annual Survey of Domestic Oil and Gas Reserves, Summary Level*

Report: 4 hours (small operators); 0 hours (Currently suspended)

Form EIA-64A *Annual Report of the Origin of Natural Gas Liquids Production*: 6 hours

(600 natural gas plant operators): 3,600 hours

(8) Annual Estimated Reporting and Recordkeeping Cost Burden:

Forms EIA-23L/23S/64A: EIA estimates that there are no capital and start-up costs associated with this data collection. The information is maintained in the normal course of business. The cost of burden hours to the respondents is estimated to be \$ 2,965,884

(41,210 burden hours times \$71.97 per hour). Therefore, other than the cost of burden hours, EIA estimates that there are no additional costs for generating, maintaining and providing the information.

Statutory Authority: Section 13(b) of the Federal Energy Administration Act of 1974, Pub. L. 93–275, codified at 15 U.S.C. 772(b).

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U.S. Energy Information Administration

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