

cost factor of \$50 per hour, the hour

burden of the new paperwork requirements would be \$18,050.

BURDEN BREAKDOWN

30 CFR 203 section	Reporting requirement	Hour burden	Annual number	Annual burden hours
43(a), 46(a)	Notify MMS of intent to commence drilling	1	¹ 89	89
43(b)(1)(2)	Notify MMS that production has commenced and request confirmation of the size of royalty suspension volume.	2	25	50
46(b)(1)(2)	Provide data from well to confirm and attest well drilled was an unsuccessful certified well and request supplement.	8	² 19	152
48(b)	Notify MMS of decision to exercise option to replace one set of deep gas royalty suspension terms for another set of such terms.	2	35	70
Total reporting burden			³ 168	361

¹ Notices. ² Submissions. ³ Responses.

MMS would use the information collected to determine whether a lessee is qualified to receive the relief offered in this proposed program.

As part of our continuing effort to reduce paperwork and respondent burdens, MMS invites the public and other Federal agencies to comment on any aspect of the reporting burden in the proposed rule.

(1) We specifically solicit comments on the following questions:

(a) Is the proposed collection of information necessary for MMS to properly perform its functions, and will it be useful?

(b) Are the estimates of the burden hours of the proposed collection reasonable?

(c) Do you have any suggestions that would enhance the quality, clarity, or usefulness of the information to be collected?

(d) Is there a way to minimize the information collection burden on those who are to respond, including the use of appropriate automated electronic, mechanical, or other forms of information technology?

(2) In addition, the PRA requires agencies to estimate the total annual reporting and recordkeeping "non-hour" cost burden resulting from the collection of information. We have not identified any and solicit your comments on this item. For reporting and recordkeeping only, your response should split the cost estimate into two components: (a) The total capital and startup cost component, and (b) annual operation, maintenance, and purchase of services component. Your estimates should consider the costs to generate, maintain, and disclose or provide the information. You should describe the methods you use to estimate major cost factors, including system and technology acquisition, expected useful life of capital equipment, discount

rate(s), and the period over which you incur costs. Generally, your estimates should not include equipment or services purchased: before October 1, 1995; to comply with requirements not associated with the information collection; for reasons other than to provide information or keep records for the Government; or as part of customary and usual business or private practice.

You may submit your comments directly to the Office of Information and Regulatory Affairs, OMB. Please send a copy of your comments to MMS so that we can summarize all written comments and address them in the final rule preamble. Refer to the "Addresses" section for mailing instructions. OMB is required to make its decision on the information collection aspects of this proposed rule between 30 to 60 days after publication in the **Federal Register**. Therefore, a comment to OMB is best assured of having its full effect if OMB receives it by April 25, 2003. This does not affect the deadline for the public to comment to MMS on the proposed regulations.

The PRA 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 the collection of information and assigns an OMB control number, you are not obligated to respond.

Federalism (Executive Order 13132)

According to Executive Order 13132, this rule does not have meaningful Federalism implications. As noted above it may initially impose some small costs (\$1 to \$2 million a year) on Gulf coast States in the form of reduced payments under Section 8g of the OCSLA. However, additional resources discovered under this incentive will make up for these initial reductions from production that otherwise would

not occur. Largely after the royalty suspension volumes have been produced, extra royalties for Federal and Gulf coast States will result from this extra production. Also, the added economic activity in those States associated with new deep drilling will generate new tax revenues. Therefore, a Federalism assessment is not required because the proposed rule would not have a direct or substantive effect on the relationship between the Federal and State Governments, nor does it impose responsibilities or costs on States or localities.

Takings Implication Assessment (Executive Order 12630)

According to Executive Order 12630, the rule does not have significant Takings implications. A Takings Implication Assessment is not required. This rule has no Takings effect, because it only specifies circumstances under which royalty payments to the Federal Government by OCS lessees might be reduced. The lessee of such a lease would be better off financially under this rule.

Energy Supply, Distribution, or Use (Executive Order 13211)

This rule is a significant rule and is subject to review by OMB under Executive Order 12866. This rule does not have a significant adverse effect on energy supply, distribution, or use. This rule increases and accelerates the production of gas from deep wells on the OCS shelf by providing for a royalty suspension volume for successful deep production and a royalty suspension supplement for unsuccessful deep drilling efforts, so it has a positive effect on energy supply based on our regulatory analysis.