

Comments on Minerals Management Service (MMS) Proposed Rule published May 18, 2007: Royalty Relief-Ultra-Deep Gas Wells on OCS Oil and Gas Leases; Extension of Royalty Relief Provisions to OCS Leases Offshore of Alaska, 1010-AD33.

## Background

I am a retired employee of MMS whose last position with MMS was as a Data Miner. My comments presented here concern the Information Collection and Information Technology aspects of the Proposed Rule. The Proposed Rule had requested Information Collection comments be provided by June 18th.

Responses to specific questions listed in the proposed rule:

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

The proposed rule is very complicated. After two readings it appears from an Information Collection and Technology perspective, MMS is already collecting most if not all of the information needed as a routine business. Data Elements such as Well Type, Spud Date, 1st Date Produced, TVD SS and MD are available in the MMS Corporate Database. As example section 203.35 and 203.44 list administrative steps to use to obtain the RSV. In both sections the first step is to notify the MMS Regional Supervisor for Production and Development of intent to begin drilling operations. MMS is independently informed of this intent with the submission of the Application for Permit to Drill which is via Form MMS-123 with OMB Control No. 1010-0141. A copy of the form is attached as ready reference. MMS is proposing a new information collection process with significant overlap with the information collection already in place.

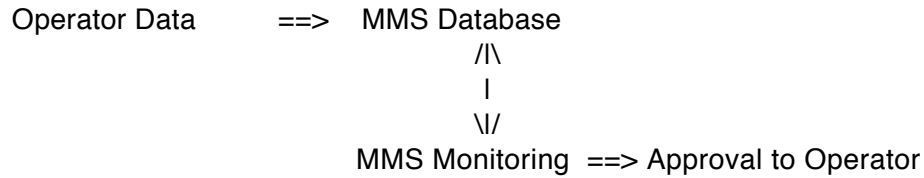
Granted a large number of MMS-123 forms that are submitted an only a relatively few are associated with the proposed rule. MMS needs to modify it existing software to flag these deep and ultra deep wells for special processing and or monitoring as required by the rule. The paradigm of the propose rule is that the lease operator needs to figure out if a well is eligible for an RSV and then request it. MMS validates the application and sends a confirmation back to the lease operator. I suggest that the correct approach is that MMS using its existing information collection data stream to determine if an RSV is available under the rules and informs the lease operator that RSV is granted. This approach provides a relief from the administrative burden to the lease operator. It also insures a consistent application of the proposed rule. It is possible there is additional information required for processing. That additional information should be collected within the existing system.

Here are diagrams of MMS and my proposals:

\*\*\* MMS Proposal \*\*\*

Operator Data ==> MMS Database  
                                  /\  
                                  |  
                                  \  
Operator Application ==> MMS Verification ==> Approval to Operator

\*\*\* My Proposal \*\*\*



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

If my proposal is accepted there is no additional burden.

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

No.

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

MMS already has in place an electronic submission program known as e-Well for submission of forms such as MMS-123. My proposal would use this existing process as opposed the paper based Proposed Rule.

One final comment:

On page 28411 top of the center column is reference to a collection of information associated with OMB Control Number 1010-0071 with a expiration of 12/31/06. That date is more than four months prior to the publishing of this proposed rule. This has the appearance that MMS is not in compliance with PRA.

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