V. Statutory Authority

The statutory authority for this action is provided by section 110 of the CAA, as amended (42 U.S.C. 7410).

List of Subjects in 40 CFR Part 52

Environmental protection, Air pollution control, Incorporation by reference, Intergovernmental relations, Ozone, Prevention of significant deterioration, Reporting and recordkeeping requirements.

Dated: July 18, 2016.

Mark Hague,

Regional Administrator, Region 7.

For the reasons stated in the preamble, EPA proposes to amend 40 CFR part 52 as set forth below:

PART 52—APPROVAL AND PROMULGATION OF IMPLEMENTATION PLANS

■ 1. The authority citation for part 52 continues to read as follows:

Authority: 42 U.S.C. 7401 *et seq.*

Subpart Q—Iowa

■ 2. In § 52.820, the table in paragraph (e) is amended by adding the entry ''(43) Sections 110(a)(1) and (2) Infrastructure Requirements 2008 Ozone NAAQS'' in numerical order to read as follows:

§ 52.820 Identification of plan.

* * * * *

(e) * * *

EPA-APPROVED IOWA NONREGULATORY PROVISIONS

Name of nonregulatory SIP provision	Applicable geographic or nonattainment area	State submittal date	EPA approval date	Explanation
*	*	*	*	*
(43) Sections 110(a)(1) and (2) Infrastructure Requirements 2008 Ozone NAAQS.	Statewide	1/17/13	7/29/16 [Insert **Federal Register** citation].	This action addresses the following CAA elements: 110(a)(2)(A), (B), (C), (D)(i)(II)—prong 3 only, (E), (F), (G), (H), (J), (K), (L), and (M). 110(a)(2)(I) is not applicable. [EPA–R07–OAR–2016–0407; FRL–9949–67–Region 7].

[FR Doc. 2016–17787 Filed 7–28–16; 8:45 am]

BILLING CODE 6560–50–P

DEPARTMENT OF THE INTERIOR

Bureau of Land Management

43 CFR Part 3160

[WO–300–L13100000.PP0000]

RIN 1004–AE37

Onshore Oil and Gas Operations; Federal and Indian Oil and Gas Leases; Onshore Oil and Gas Order Number 1, Approval of Operations

AGENCY: Bureau of Land Management, Interior.

ACTION: Proposed order.

SUMMARY: The Bureau of Land Management (BLM) is proposing to amend its existing Onshore Oil and Gas Order Number 1 (Onshore Order 1) to require the electronic filing (or e-filing) of all Applications for Permit to Drill (APD) and Notices of Staking (NOS). Currently, Onshore Order 1 states that an ''operator must file an APD or any other required documents in the BLM Field Office having jurisdiction over the lands described in the application,'' but allows for e-filing of such documents in the alternative. This proposal would change that structure to make e-filing the required method of submission, subject to limited exceptions. The BLM is making this change to improve the efficiency and transparency of the APD and NOS processes.

DATES: Send your comments on this proposal to the BLM on or before August 29, 2016. The BLM need not consider, nor include in the administrative record for the final order, comments received after this date. If you wish to comment on the information collection requirements in this proposed order, please note that the Office of Management and Budget (OMB) is required to make a decision concerning the collection of information contained in this proposed order between 30 and 60 days after publication of this document in the **Federal Register**. Therefore, a comment to OMB is best assured of having its full effect if OMB receives it by August 29, 2016.

ADDRESSES: You may submit comments on the proposed order to the BLM by any of the following methods:

- *Mail:* Director (630) Bureau of Land Management, U.S. Department of the Interior, 1849 C St. NW., Room 2134 LM, Washington, DC 20240, Attention: 1004–AE37.
- *Personal or messenger delivery:* U.S. Department of the Interior, Bureau of Land Management, 20 M Street SE., Room 2134 LM, Attention: Regulatory Affairs, Washington, DC 20003.
- *Federal eRulemaking Portal: http://www.regulations.gov.* Follow the instructions at this Web site.

You may submit comments on the proposed collection of information by fax or electronic mail to OMB by any of the following methods:

- *Fax:* Office of Management and Budget, Office of Information and Regulatory Affairs, Desk Officer for the Department of the Interior, 202–395–5806.
- *Electronic mail: oira_submission@omb.eop.gov.*

On all submissions to OMB, please indicate ''Attention: Approval of Operations, OMB Control Number 1004–XXXX,'' regardless of the method used. If you submit comments on the proposed collection of information, please provide the BLM with a courtesy copy of your comments at one of the addresses shown above.

Before including your address, telephone number, email address, or other personal identifying information in your comment, be advised that your entire comment—including your personal identifying information—may be made publicly available at any time. While you can ask in your comment for the BLM to withhold your personal identifying information from public review, we cannot guarantee that we will be able to do so.

FOR FURTHER INFORMATION CONTACT: Steven Wells, Division Chief, Fluid Minerals Division, 202–912–7143 for information regarding the substance of the order or information about the BLM's Fluid Minerals Program. For information on procedural matters or the rulemaking process, please contact Mark Purdy, Regulatory Affairs Division, 202–912–7635. Persons who use a telecommunications device for the deaf (TDD) may call the Federal

Information Relay Service (FIRS) at 1–800–877–8339 to contact the above individuals during normal business hours. FIRS is available 24 hours a day, 7 days a week to leave a message or question with the above individuals. You will receive a reply during normal business hours.

SUPPLEMENTARY INFORMATION:

I. Public Comment Procedures
II. Background
III. Discussion of the Proposed Order
IV. Procedural Matters

I. Public Comment Procedures

This proposed order is administrative in nature and would not change the content of what must be submitted in an APD or NOS, only the method of submission; therefore, this proposed order has a 30-day public comment period. Please make your comments as specific as possible by confining them to issues directly related to the content of this proposed rule, and explain the basis for your comments. The comments and recommendations that will be most useful and likely to influence agency decisions are:

1. Those supported by quantitative information or studies; and
2. Those that include citations to, and analyses of, the applicable laws and regulations.

The BLM is not obligated to consider or include in the Administrative Record for the final order comments received after the close of the comment period (see **DATES**) or comments delivered to an address other than those listed above (see **ADDRESSES**). Comments, including names and street addresses of respondents, will be available for public review at the address listed under **ADDRESSES** during regular hours (7:45 a.m. to 4:15 p.m.), Monday through Friday, except holidays.

II. Background

The BLM regulations governing onshore oil and gas operations are found at 43 Code of Federal Regulations (CFR) part 3160, Onshore Oil and Gas Operations. Section 3164.1 provides for the issuance of Onshore Oil and Gas Orders to implement and supplement the regulations found in part 3160. Onshore Order 1 has been in effect since October 21, 1983, and was most recently amended in 2007 (see 72 FR 10308 (March 7, 2007)).

Through this proposal, the BLM is proposing to modify Onshore Order 1 to require operators to submit NOSs and APDs through the BLM's electronic permitting (e-permitting) system, as opposed to the current system, which allows either hardcopy or electronic submission. Under the proposed order, the BLM would consider granting waivers to the e-filing requirement for individuals who request a waiver because they would experience hardship if required to e-file (*e.g.,* if an operator is prevented from e-filing or is in a situation that would make e-filing so difficult to perform that it would significantly delay an operator's APD submission).

An APD is a request to drill an oil or gas well on Federal or Indian lands. An operator must have an approved APD prior to drilling.[1] Prior to submitting an APD, an applicant may file an NOS requesting the BLM to conduct an onsite review of an operator's proposed oil and gas drilling project. The purpose of an NOS is to provide the operator with an opportunity to gather information and better address site-specific resource concerns associated with a project while preparing their APD package. Operators are not required to submit an NOS prior to filing an APD.

The BLM has recently experienced a decrease in the number of APDs received due to current market conditions. Historically, the BLM received an average of about 5,000 APDs per year for wells on Federal and Indian lands, of which Indian lands account for about 16%. In FY 2015, the BLM received approximately 4,500 APDs. In FY 2016 to date, through the end of June 2016, BLM has received 1,010 APDs. In coming years, due to the recent drop in oil prices and persistently low natural gas prices, the BLM conservatively estimates that an average of 3,000 APDs will be submitted per year. The BLM anticipates these market conditions to continue for the near term.

Over the last few years, roughly half of the APDs submitted to the BLM were submitted using the e-permitting system (Well Information System, or WIS). The other half of the APDs were submitted in hard copy. The available data show that use of the BLM's e-permitting system for APDs and NOSs is common and broad-based among operators, and therefore is not a novel concept. More importantly, the data show that the use of e-filing has increased over time, with the rate nearly doubling from 26 percent in FY 2010 to 51 percent in FY 2014. As of 2014, approximately 411 operators had used the BLM's legacy WIS to e-file NOSs, APDs, well completion reports, sundry notices, and other application materials. Those operators represent an estimated 85 percent of the operators that conduct drilling and completion operations on Federal and Indian leases nationwide.

The BLM's legacy WIS system is a web-based application that operators can use to submit permit applications and other types of information electronically over the Internet. The WIS system was an extension of the BLM's current Automated Fluid Minerals Support System (AFMSS). AFMSS is a database used to track various types of oil and gas information on Federal and Indian lands, including the processing of APDs.

Automated Fluid Minerals Support System II

The BLM has developed and deployed an update to its Automated Fluid Minerals Support System called AFMSS II. The APD module within AFMSS II replaces the legacy WIS system. In December 2015, the BLM began phasing in AFMSS II's APD module and conducting training for staff and operators. As of the date of this proposal, the APD module is fully operational, and the BLM anticipates that WIS will be phased out in the third quarter of calendar year 2016. Therefore, the BLM anticipates that the number of operators who use the APD module will continue to increase.

Efficiency and Transparency

The goal of the AFMSS II system and the proposed amendments to Onshore Order 1 is to improve operational efficiency and transparency in the processing of APDs and NOSs by requiring operators to use BLM's updated e-permitting system as the default approach to APD filing. Although data show that voluntary use of the e-permitting system has increased over time, the proposal is necessary to move towards 100 percent electronic APD submission.

This shift presents potential advantages to operators, including operators owned by individual Indian tribes, because the new AFMSS II system is expected to streamline the application process. The system will expedite processing and enhance transparency resulting in savings to both operators and the U.S. Government by:

- Reducing the number of applications with deficiencies by providing users the ability to identify and correct errors through error notifications during the submission process;
- Utilizing the auto-fill function to automatically populate data fields based on users' previously submitted information;

[1] In some cases, operators are companies owned by individual Indian tribes. Such companies are usually established to produce the minerals owned by the tribe and, thus, are operated for the benefit of the tribe.

• Allowing operators to track the progress of their application throughout the BLM review process;

• Facilitating the use of pre-approved plans, such as Master Development Plans and Master Leasing Plans; and

• Allowing users to directly interface with BLM applications.

The AFMSS II system was developed in response to the Government Accountability Office's (GAO) and the Department of the Interior Office of the Inspector General's (OIG) recommendations in GAO report 13–572 (GAO–13–572) and OIG report CR–EV–MOA–0003–2013 (Report No. CR–EV–MOA–0003–2013). Both reports recommended that the BLM ensure that all key dates associated with the processing of APDs are completely and accurately entered and retained in AFMSS, and in any new system that replaces AFMSS, to help assess compliance with deadlines and identify ways to improve the efficiency of the APD review process. Additionally, the OIG report recommends that the BLM: (1) Develop, implement, enforce, and report performance timelines for APD processing; (2) Develop outcome-based performance measures for the APD process that help enable management to improve productivity; and (3) Ensure that the modifications to AFMSS enable accurate and consistent data entry, effective workflow management, efficient APD processing, and APD tracking at the BLM Field Office level. The APD module developed for AFMSS II addresses these recommendations from the OIG and the GAO.

III. Discussion of the Proposed Rule

This proposal would revise existing Onshore Order 1, which primarily supplements 43 CFR 3162.3 and 3162.5. Section 3162.3 covers conduct of operations, applications to drill on a lease, subsequent well operations, other miscellaneous lease operations, and abandonment. Section 3162.5 covers environmental and safety obligations.

Section-by-Section Discussion of Proposed Changes

This section of the preamble explains the handful of changes that the BLM is proposing to make to the existing provisions of Order 1. However, in order to provide context for the proposed changes, we have included the subsections where BLM's proposed changes are being made in their entirety—*Where To File an APD, Where To File an NOS, and APD Posting.* No other changes beyond the modifications proposed here are being made to those sections.

Where To File an APD

The proposed revision to section III.A. would require operators to file APDs using the BLM's electronic commerce application, AFMSS II, for oil and gas permitting and reporting. The BLM hopes to move towards an electronic submission rate of 100 percent. Receiving a portion of the APDs electronically and a portion in hard copy introduces a number of inefficiencies and necessitates multiple records management systems. In addition, the BLM anticipates that submission through the e-permitting system will improve processing times, public participation, and transparency.

Where To File an NOS

Similarly, the proposed revision to section III.C. would require operators to file NOSs using the BLM's e-permitting system for oil and gas permitting and reporting. As for APDs, the BLM hopes to move towards an electronic submission rate for NOSs of 100 percent. As with APDs, receiving a portion of the NOSs electronically and a portion in hard copy introduces a number of inefficiencies and necessitates multiple records management systems. In addition, we expect that submission through the e-permitting system will improve processing times, transparency, and public participation.

APD Posting

Section III.E.1. currently requires the BLM to post information about the APD or NOS in an area of the local BLM Field Office that is readily accessible to the public. Section III.E.1. also calls for this information to be posted on the Internet when possible, though this is not required. Currently, some offices are posting information about an APD or an NOS on their local Field Office Web site. Under the proposed revision to section III.E.1., the BLM would still post hardcopy information about the APD or NOS in the applicable BLM Field Office, but it would also post the information on the Internet in all cases. The BLM is making this change to increase consistency, transparency, and efficiency for both operators who file APD submissions and the public. In addition to revising section III.E.1. to require the BLM to post information about APDs and NOSs online in all cases, the BLM has also clarified that section to ensure consistency with 43 CFR 3162.3–1(g), which requires the BLM to post certain information about an APD or NOS at least 30 days before approval for publication inspection. In addition to consistency with the regulations, this change is also consistent with the BLM's statutory obligations to protect confidential business obligation.

Although this proposed revision would update how the BLM posts APD and NOS information, it would not change the type of information that would be posted, which is specified in 43 CFR 3162.3–1(g). This section already identifies what information should be posted: The company/operator name; the well name/number; and the well location described to the nearest quarter-quarter section (40 acres), or similar land description in the case of lands described by metes and bounds, or maps showing the affected lands and the location of all tracts to be leased, and of all leases already issued in the general area. Where the inclusion of maps in such posting is not practicable, the BLM provides maps of the affected lands available to the public for review. In addition, as under the current order, this posting requirement would apply only to APDs or NOSs proposing to drill into and produce Federal minerals. The posting requirement would not apply to APDs or NOSs for Indian minerals, which are not made publicly available.

Waiver From Electronic Submissions

Proposed section III.I. is a new section that would allow operators to request a waiver from the requirements in proposed sections III.A. and III.C. This section would be different from section X., which addresses the requirements for requesting a variance from this Order. Unlike a variance from the substantive requirements of Order 1, a waiver under this proposed order is limited to the means of submission of an APD (electronic or hardcopy). A waiver under section III. would also be different from a waiver under section XI., which addresses lease stipulations. Unlike a waiver from the requirement(s) of a lease stipulation, a waiver under this proposed order is not a permanent exemption from the BLM's requirement to file applications electronically. The BLM's approval of a waiver request under this proposed order would apply specifically to those applications identified in the waiver request. In connection with any request for a waiver under section III.I., the operator would need to explain the reason(s) that prevents it from using the e-permitting system. The waiver would be subject to BLM approval.

Under the proposed order, the BLM would not consider an APD or NOS that the operator did not submit through the e-permitting system, unless the BLM approves a waiver from the e-permitting

filing requirement under proposed section III.I. The BLM understands that under certain circumstances the operator may experience a hardship that prevents use of the e-permitting system. When considering a waiver request, the BLM will evaluate each circumstance that serves as a basis for claiming a hardship. While the BLM cannot conceive of every scenario that may qualify as a hardship, for purposes of illustrating the waiver process, hardships are those conditions or circumstances that may prevent an operator from e-filing or would make e-filing so difficult to perform that it would significantly delay an operator's APD submission. In those exceptional cases, the BLM will review the operator's request and determine whether a waiver allowing the operator to submit hard copies is warranted.

IV. Procedural Matters

Considerations

While the order would require that all operators e-file NOSs and APDs, as a practical matter, it would likely have a greater impact on operators that do not currently use the BLM's e-permitting system. Operators that already use the e-permitting system would likely continue to use the system, regardless of the proposed order, and therefore will not be impacted by the proposed changes.

The proposed requirements are estimated to pose relatively small compliance costs (see discussion in the *Affected Entities* section) associated with administrative compliance and access to the BLM's e-filing system, if an impacted operator has not used the BLM's e-permitting system due to a limiting factor, *e.g.,* if the operator has not purchased access to the Internet or if access is not available due to the remoteness of its location. These operators are likely to hire a permit agent to e-file the APD, acquire Internet access depending on the coverage and the availability of service providers, or find another work-around solution. While the proposed order places requirements on the mechanism by which the operators submit APDs or NOSs, it does not change the content required for either submission.

The requirements may also result in cost savings to the impacted operators by reducing the amount of time spent correcting deficiencies in APDs. The filing of APDs through the modernized AFMSS II is expected to reduce the number of APD submissions that have deficiencies and, for APDs where deficiencies exist, reduce the time it takes for the operator to correct those deficiencies. Reduced APD processing times would benefit impacted operators in that they would be able to commence drilling and develop the mineral resources sooner. On Indian lands, this would be very beneficial to the tribes and Indian allottees since they are the direct recipients of the royalties generated from the minerals that they own.

There will also be improved transparency during the application and review process for APDs that are e-filed. With the transition to AFMSS II, the operator is able to check the status of the APD, and the public is able to find and access information online, in one location. In the interim, the BLM continues to maintain hard copy records for APDs submitted in hard copy consistent with records management and retention requirements.

Affected Entities

All entities involved in the exploration and production of crude oil and natural gas resources on Federal and Indian leases and that submit APDs or NOSs after the effective date of the final rule would be subject to its requirements.

We estimate that the proposed amendments would impact about 484 operators,[2] and that these operators might experience a small increase in administrative costs associated with submitting an APD and NOS to the BLM through the new APD module, due to the newness of the system. Operators that comply by submitting a waiver request that is accepted by the BLM might also experience a small increase in costs associated with preparing the waiver request. We estimate the annual average costs per operator to be approximately $3,920 per operator during the rule's initial implementation period; however, we expect those costs to decrease quickly over time as operators become familiar with the new AFMSS II submission system. In total, we estimate that the proposed amendments might pose annual administrative costs of $2.2 million (about $1.9 million per year to the industry and $315,000 per year to the BLM) during the initial phases. We believe this is a conservative estimate of costs given the relatively high proportion of APDs already submitted using BLM's existing e-filing systems.

In addition, we estimate that the proposed amendments would pose additional costs for those operators that currently do not use the BLM's e-permitting system. Specifically, those 73 entities[3] might face additional compliance costs of $1,200 per operator per year for Internet access, using the conservative assumption that they do not already have such access. In total, these compliance costs could be about $90,000 per year for all 73 affected operators. The increased e-filing rates that the BLM has observed during the rollout of the AFMSS II APD module suggest, however, that fewer than 73 operators would face these compliance costs.

We estimate that the proposed amendments would also benefit operators, since operators are expected to receive cost savings from more expedited APD processing. We estimate that receiving an APD via the e-permitting system rather than in hard-copy would reduce processing time by 27 percent or 60 days. Further, we estimate the cost savings to the operator of that increased efficiency to be $6,195 per APD. Given that the order would impact about 1,500 APDs per year, we estimate that the total cost savings could be about $9.3 million per year.

Together, the total benefits are expected to exceed the total costs, and the rule is expected to result in total cost savings of about $7 million per year on aggregate. We expect these aggregate benefits to translate to individual operators. For purposes of illustration, even if we assume an individual operator incurs costs as result of the proposed amendments because they do not currently use BLM's existing e-filing system and have to learn the new system, such an operator would still be expected to receive a net cost savings on a per-APD basis, given that the cost savings will exceed the combined administrative and other compliance costs. On a per APD basis, we expect increased costs of $1,716 per year—$516 in administrative burden/compliance costs, plus $1,200 in other compliance costs. Those costs are expected to be offset, however, by cost savings of $6,195 per APD. Therefore, on net, an operator submitting one APD per year would be expected to realize a net reduction in costs of $4,479 ($6,195

[2] We examined AFMSS data over a 5-year period (from 2008 to 2012) and found that there were 484 operators that completed wells on Federal and Indian leases. We believe that this pool of operators is a good basis for an estimate about the entities that are likely to file APDs in the future, and therefore be subject to the requirements.

[3] According to BLM records, as of 2014, there were approximately 411 WIS users, representing 85 percent of the operators that would be subject to the proposed requirements. By extension, we can estimate that there are 73 entities that did not use WIS, representing 15 percent of the operators that would be subject to the requirements. These 73 entities were not users of the e-permitting system and will be most impacted by the rule.

minus $1,716). That expected net benefit would increase as an operator's familiarity with the new e-filing system increases, as administrative costs would be reduced by such familiarity.

As noted elsewhere in the preamble, some operators are owned by individual Indian tribes. Those operators typically develop the minerals owned by and for the benefit of the tribe. We expect the impacts and benefits of this proposal to apply to these operators to the same extent and in the same manner as to other entities operating on Federal or Indian lands. On net, we anticipate that the benefits of permitting-time efficiencies associated with 100% e-filing, will significantly outweigh any costs, especially as operators become more familiar with the AFMSS II system.

Executive Order 12866, Regulatory Planning and Review

The proposed order does not meet the criteria for economic significance under Executive Order 12866. The proposed order would not have an annual effect on the economy of $100 million or more or adversely affect in a material way the economy, a sector of the economy, productivity, competition, jobs, the environment, public health or safety, or State, local, or tribal governments or communities. The proposed order would not create inconsistencies or otherwise interfere with an action taken or planned by another agency. In addition, the proposed order would not materially affect the budgetary impact of entitlements, grants, loan programs, or the rights and obligations of their recipients.

Regulatory Flexibility Act and Small Business Regulatory Enforcement Fairness Act

The Regulatory Flexibility Act (RFA), as amended by the Small Business Regulatory Enforcement Fairness Act (SBREFA), generally requires an agency to prepare a regulatory flexibility analysis of any rule subject to notice and comment rulemaking requirements under the Administrative Procedure Act, unless the agency certifies that the rule will not have a significant economic impact on a substantial number of small entities (see 5 U.S.C. 601–612). Congress enacted the RFA to ensure that government regulations do not unnecessarily or disproportionately burden small entities. Small entities include small businesses, small governmental jurisdictions, and small not-for-profit enterprises.

The Small Business Administration (SBA) has developed size standards to carry out the purposes of the Small Business Act and those size standards can be found in 13 CFR 121.201. The BLM reviewed the SBA classifications and found that the SBA specifies different size standards for potentially affected industries. The SBA defines a small business in the crude petroleum and natural gas extraction industry (North American Industry Classification System or NAICS code 211111) as one with 1,250 or fewer employees. However, for the natural gas liquid extraction industry (NAICS code 211112), it defines a small business as one with 750 or fewer employees.

The BLM reviewed the SBA size standards for small businesses and the number of entities fitting those size standards as reported by the U.S. Census Bureau in the 2012 Economic Census. The data show the number of firms with fewer than 100 employees and those with 100 employees or more (well below the SBA size standards for the respective industries). According to the available data, over 95% and 91% of firms in the crude petroleum and natural gas extraction industry and the natural gas liquid extraction industry, respectively, have fewer than 100 employees. Therefore, we would expect that an even higher percentage of firms would be considered small according to the SBA size standards. Thus, based on the available information, the BLM believes that the vast majority of potentially affected entities would meet the SBA small business definition.

We examined the potential impacts of the proposed order and determined that up to 484 small entities would be subject to the proposed order's requirements and could face administrative burdens of about $3,920 per entity per year. In addition, up to 73 small entities could face other compliance costs of $1,200 per entity per year. However, we estimate that the administrative and other compliance costs would be offset as a result of improved APD processing times. We estimate that cost savings from faster APD processing could be $6,195 per APD. Moreover, we expect that the administrative burdens of the rule will lessen over time as operators become more familiar with the BLM's new e-permitting system.

Based on this review, we have determined that, although the proposal would impact a substantial number of small entities, it would not have a significant economic impact on a substantial number of small entities. Therefore, a regulatory flexibility analysis is not required.

This proposed order is also not a major rule under 5 U.S.C. 804(2) of the RFA, as amended by the SBREFA. This proposed order will not have an annual effect on the economy of $100 million or more. In fact, the BLM estimates that the benefits would exceed the costs, and that the rulemaking could result in net savings of $7 million per year. Similarly, this proposed order will not cause a major increase in costs or prices for consumers, individual industries, Federal, State, tribal, or local government agencies, or geographic regions, nor does this proposed order have significant adverse effects on competition, employment, investment, productivity, innovation, or the ability of U.S.-based enterprises to compete with foreign-based enterprises. This proposed order is administrative in nature and only affects the method for submitting APDs and NOSs. The BLM prepared a preliminary economic threshold analysis as part of the record, which is available for review.

Unfunded Mandates Reform Act

Under the Unfunded Mandates Reform Act (UMRA), agencies must prepare a written statement about benefits and costs before issuing a proposed or final rule that may result in aggregate expenditure by State, local, and tribal governments, or by the private sector, of $100 million or more in any one year.

The proposed order does not contain a Federal mandate that may result in expenditures of $100 million or more for State, local, and tribal governments, in the aggregate, or for the private sector, in any one year. Thus, the proposed order is also not subject to the requirements of sections 202 or 205 of UMRA. This proposed order is also not subject to the requirements of section 203 of UMRA because it contains no regulatory requirements that might significantly or uniquely affect small governments, because it contains no requirements that apply to such governments, nor does it impose obligations on them.

Executive Order 12630, Governmental Actions and Interference With Constitutionally Protected Property Rights (Takings)

In accordance with Executive Order 12630, the BLM has determined that the proposed order would not have significant takings implications. The proposed order would not be a governmental action capable of interfering with constitutionally protected property rights. Therefore, the proposed order will not cause a taking of private property or require a takings implication assessment under the Executive order.

Executive Order 13132, Federalism

This proposed order would not have federalism implications. The proposed order would not have substantial direct effects on the States, on the relationship between the national government and the States, or on the distribution of power and responsibilities among the various levels of government. Therefore, in accordance with Executive Order 13132, a Federalism Assessment is not required.

Executive Order 13175, Consultation and Coordination With Indian Tribal Governments

The BLM evaluated possible effects of the proposed order on federally recognized Indian tribes. Since the BLM approves proposed operations on all Indian onshore oil and gas leases (other than those of the Osage Tribe), the proposed order has the potential to affect Indian tribes, particularly those tribes with tribally-owned and -operated oil and gas drilling or exploration companies, which currently submit APDs and/or NOSs. In conformance with the Secretary's policy on tribal consultation, the BLM has extended an invitation to consult on the proposed rule to affected tribes, including tribes that either: (i) Own an oil and gas company; or (ii) own minerals for which the BLM has recently received an APD. Over the years, oil and gas development on Indian and allotted lands has been focused in the States of Colorado, Montana, New Mexico, North Dakota, Oklahoma, Texas, and Utah. Based on BLM records, the BLM anticipates that there are nearly 40 tribes for which the BLM has received or will foreseeably receive APDs or NOSs in connection with the development of tribal or allotted mineral resources.

Executive Order 12988, Civil Justice Reform

This rule complies with the requirements of Executive Order 12988. Specifically, this proposed order does not unduly burden the Federal court system and meets the requirements of sections 3(a) and 3(b)(2) of the Executive Order. The BLM has reviewed the proposed order to eliminate drafting errors and ambiguity and the proposed order has been written to minimize litigation and provide clear legal standards.

Paperwork Reduction Act of 1995

The Paperwork Reduction Act (PRA) (44 U.S.C. 3501–3521) provides that an agency may not conduct or sponsor, and a person is not required to respond to, a collection of information, unless it displays a valid OMB control number. Relevant authorities (44 U.S.C. 3502(3) and 5 CFR 1320.3(c) and (k)) provide that collections of information include any request or requirement that persons obtain, maintain, retain, or report information to an agency, or disclose information to a third party or to the public. This proposed order contains information collection requirements that are subject to review by OMB under the PRA. OMB has approved the existing collection of information associated with onshore oil and gas operations under control number 1004–0137 (expiration date: January 31, 2018). In accordance with the PRA, the BLM has asked OMB for a new control number for the information-collection provisions in this proposed order and is inviting public comment on that request. When this proposed order is finalized and becomes effective, the BLM intends to ask OMB to combine the requirements and burdens of this proposed order with existing control number 1004–0137. For reference, the current burdens for control number 1004–0137 (920,464 hours and $32.5 million in non-hour costs) can be viewed at *http://www.reginfo.gov/public/*. Those burdens for the existing control number are unaffected by this proposed rule.

A copy of the information collection request may be obtained from the BLM by electronic mail request to Steven Wells at *s1wells@blm.gov* or by telephone request to 202–912–7143.

Completion of the new collection of information request would be required to obtain or retain a benefit for the operators of Federal and Indian onshore oil and gas leases, or units or communitization agreements that include Federal and Indian leases (except on the Osage Reservation or the Crow Reservation, or in certain other areas). The frequency of the collection would be ''on occasion.'' The BLM has requested a 3-year term of approval for the new control number.

The BLM requests comments on the following subjects:

1. Whether the collection of information is necessary for the proper functioning of the BLM, including whether the information will have practical utility;

2. The accuracy of the BLM's estimate of the burden of collecting the information, including the validity of the methodology and assumptions used;

3. The quality, utility, and clarity of the information to be collected; and

4. How 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.

If you would like to comment on the information collection requirements of this proposed rule, please send your comments directly to OMB, with a copy to the BLM, as directed in the **ADDRESSES** section of this preamble. Please identify your comments with ''Approval of Operations, OMB Control Number 1004–XXXX.'' OMB is required to make a decision concerning the collection of information contained in this proposed order between 30 to 60 days after publication of this document in the **Federal Register**. Therefore, a comment to OMB is best assured of having its full effect if OMB receives it by August 29, 2016.

Summary of Proposed Information Collection Activities

Title: Approval of Operations (43 CFR part 3160).

Forms:

- Application for Permit to Drill or Re-Enter (Form 3160–3).
- Sample Format for Notice of Staking (Attachment 1 to 2007 Onshore Order 1, 72 FR at 10338).

OMB Control Number: This is a request for a new control number.

Description of Respondents: Private sector oil and gas operators.

Abstract: The BLM proposes to require e-filing of APDs and NOSs, and proposes a provision that would authorize applicants to seek a waiver from that requirement.

Frequency of Collection: On occasion.

Obligation to Respond: APDs and waiver requests are required to obtain or retain benefits. NOSs are voluntary.

Estimated Annual Responses: 3,450.

Estimated Reporting and Recordkeeping ''Hour'' Burden: 29,400.

Discussion of the Proposed Collection Activities

APDs: As revised here, section III.A. of Onshore Order 1 would require an operator to file an APD and associated documents using the BLM's electronic commerce application for oil and gas permitting and reporting. In addition to amending Onshore Order 1, this would have the effect of revising OMB control number 1004–0137. As discussed above, the BLM plans to seek OMB approval to incorporate the burdens of this proposed order into control number 1004–0137 after this proposed order is finalized and effective.

NOSs: As revised here, section III.C. of Onshore Order 1 would continue to provide that an NOS may be submitted voluntarily. Section III.C. would also require an operator who chooses to file an NOS to use the BLM's electronic

commerce application for oil and gas permitting and reporting. Except for the new e-filing requirement, this is an existing collection in use without a control number. The purpose of submitting an NOS is to provide an operator an opportunity to gather information and better address site-specific resource concerns associated with a project while preparing an APD package.

Waiver Requests: Proposed section III.I. is a new section that would allow operators to request a waiver from the requirements in proposed sections III.A. and III.C. The request would have to be supported by an explanation of why the operator is not able to use the e-permitting system. In those exceptional cases, the BLM would review the operator's request and determine whether a waiver allowing the operator to submit hard copies is warranted.

Although the proposed order would direct the method by which operators must submit an APD or an NOS, it does not direct operators to obtain, maintain, retain, or report any more information than what is already required by the existing Onshore Order 1. The BLM recognizes operators may encounter a learning curve as they familiarize themselves with the database system, like any new software system to which users must adapt. However, that learning curve is expected to be temporary.

Furthermore, the BLM has sponsored multiple outreach strategies and training forums for its AFMSS clients, which should further mitigate the extent of industry's learning curve. These outreach efforts include:

- Easily accessible internet-based resources, including user-guides, audiovisual modules, user toolkits, and FAQs, that are available to operators or their agents, and
- Live trainings provided to users to allow for a more robust discussion with the BLM on how to use the system. The following table outlines the locations where the BLM has sponsored these trainings:

Training location	Dates	Operator/agent participation
BLM Offices	Jan–May 2016	Over 230 BLM Employees Trained.
Online Operator Training at the BLM's National Training Center, Phoenix, Arizona.	Dec 2015	Over 110 Operators Trained/47 Companies.
Online Operator Training and Individual Sessions at the BLM's National Operations Center, Denver, Colorado.	Mar–May 2016	Over 150 Operators trained.

Nonetheless, the BLM provides an estimate of the incremental burdens of e-filing and waiver submittal, which are itemized in the following table. These burdens would apply to both tribally and non-tribally-owned operators. In the case of APDs, these burdens are in addition to those estimated under OMB control number 1004–0137.

A. Type of response	B. Number of responses	C. Hours per response	D. Total hours
Application to Drill or Re-Enter 43 CFR 3162.3–1 and Section III.A. of Onshore Order 1 Form 3160–3	[4] 3,000	8	24,000
Notice of Staking Section III.C. of Onshore Order 1	[5] 300	16	4,800
Waiver Request Section III.I. of Onshore Order 1	[6] 150	4	600
Totals	3,450	28	29,400

National Environmental Policy Act

This proposed order does not constitute a major Federal action significantly affecting the quality of the human environment. The BLM has analyzed this proposed order and determined it meets the criteria set forth in 43 CFR 46.210(i) for a Departmental Categorical Exclusion in that this proposed order is ''. . . of an administrative, financial, legal, technical or procedural nature . . . .'' Therefore, it is categorically excluded from environmental review under the National Environmental Policy Act, pursuant to 43 CFR 46.205 and 46.210(c) and (i). The BLM also has analyzed this proposed order to determine if it involves any of the extraordinary circumstances that would require an environmental assessment or an environmental impact statement, as set forth in 43 CFR 46.215, and concluded that this proposed order does not involve any extraordinary circumstances.

Data Quality Act

In developing this proposed order, we did not conduct or use a study, experiment, or survey requiring peer review under the Data Quality Act (Pub. L. 106–554, app. C 515, 114 Stat. 2763, 2763A–153 to 154).

Executive Order 13211, Actions Concerning Regulations That Significantly Affect Energy Supply, Distribution, or Use

Under Executive Order 13211, agencies are required to prepare and submit to OMB a Statement of Energy Effects for significant energy actions. This Statement is to include a detailed statement of ''any adverse effects of energy supply, distribution, or use (including a shortfall in supply, price increases, and increase use of foreign supplies)'' for the action and reasonable alternatives and their effects.

Section 4(b) of Executive Order 13211 defines a ''significant energy action'' as ''any action by an agency (normally

[4] The estimated number of APDs submitted in a given year, based on historic data.

[5] Estimated as 10 percent of the roughly 3,000 APDs filed annually.

[6] Estimated as 10 percent of the 1,500 APDs likely to be impacted by the proposed order. BLM data show that half of APDs were already e-filed through the legacy WIS.

published in the **Federal Register**) that promulgates or is expected to lead to the promulgation of a final rule or regulation, including notices of inquiry, advance notices of proposed rulemaking, and notices of proposed rulemaking: (1)(i) That is a significant regulatory action under Executive Order 12866 or any successor order, and (ii) is likely to have a significant adverse effect on the supply, distribution, or use of energy; or (2) that is designated by the Administrator of the Office of Information and Regulatory Affairs (OIRA) as a significant energy action.'' The proposed order would not be a significant regulatory action under Executive Order 12866 as it would not have a significant adverse effect on the supply, distribution, or use of energy. The proposed order has also not been designated by the Administrator of OIRA as a significant energy action.

Executive Order 13352, Facilitation of Cooperative Conservation

The BLM determined that this proposed order involves changes to BLM processes. In accordance with Executive Order 13352, this proposed order would not impede facilitating cooperative conservation. The proposed order takes appropriate account of and respects the interests of persons with ownership or other legally recognized interests in land or other natural resources; properly accommodates local participation in the Federal decision-making process; and provides that the programs, projects, and activities are consistent with protecting public health and safety.

Authors

The principal author of this proposed rule is Catherine Cook of the BLM, Division of Fluid Minerals, assisted by Mark Purdy, BLM, Division of Regulatory Affairs, and the Department of the Interior's Office of the Solicitor.

List of Subjects in 43 CFR Part 3160

Administrative practice and procedure, Government contracts, Indian-lands, Mineral royalties, Oil and gas exploration, Penalties, Public lands—mineral resources, Reporting and recordkeeping requirements.

Janice M. Schneider,

Assistant Secretary, Land and Minerals Management.

For reasons set out in the preamble, the Bureau of Land Management proposes to amend the appendix following the regulatory text of the final rule published in the **Federal Register** at 72 FR 10308 at 10328 (March 7, 2007), corrected on March 9, 2007 (72 FR 10608), effective March 7, 2007, as follows:

Note: This appendix does not appear in the BLM regulations in 43 CFR part 3160.

Appendix—Text of Oil and Gas Onshore Order

Amend the Onshore Oil and Gas Order Number 1 by revising sections III.A, III.C, and III.E, and adding section III.I to read as follows:

Onshore Oil and Gas Order Number 1

* * * * *

III. Application for Permit To Drill

* * * * *

A. Where To File

The operator must file an APD and associated documents using the BLM's electronic commerce application for oil and gas permitting and reporting. The operator may contact the local BLM Field Office for information on how to gain access to the electronic commerce application.

* * * * *

C. Notice of Staking Option

Before filing an APD or Master Development Plan, the operator may file a Notice of Staking with the BLM. The purpose of the Notice of Staking is to provide the operator with an opportunity to gather information to better address site-specific resource concerns while preparing the APD package. This may expedite approval of the APD. An operator must file a Notice of Staking using the BLM's electronic commerce application for oil and gas permitting and reporting. Attachment I, Sample Format for Notice of Staking, provides the information required for the Notice of Staking option.

For Federal lands managed by other Surface Managing Agencies, the BLM will provide a copy of the Notice of Staking to the appropriate Surface Managing Agency office. In Alaska, when a subsistence stipulation is part of the lease, the operator must also send a copy of the Notice of Staking to the appropriate Borough and/or Native Regional or Village Corporation.

Within 10 days of receiving the Notice of Staking, the BLM or the FS will review it for required information and schedule a date for the onsite inspection. The onsite inspection will be conducted as soon as weather and other conditions permit. The operator must stake the proposed drill pad and ancillary facilities, and flag new or reconstructed access routes, before the onsite inspection. The staking must include a center stake for the proposed well, two reference stakes, and a flagged access road centerline. Staking activities are considered casual use unless the particular activity is likely to cause more than negligible disturbance or damage. Off-road vehicular use for the purposes of staking is casual use unless, in a particular case, it is likely to cause more than negligible disturbance or damage, or otherwise prohibited.

On non-NFS lands, the BLM will invite the Surface Managing Agency and private surface owner, if applicable, to participate in the onsite inspection. If the surface is privately owned, the operator must furnish to the BLM the name, address, and telephone number of the surface owner if known. All parties who attend the onsite inspection will jointly develop a list of resource concerns that the operator must address in the APD. The operator will be provided a list of these concerns either during the onsite inspection or within 7 days of the onsite inspection. Surface owner concerns will be considered to the extent practical within the law. Failure to submit an APD within 60 days of the onsite inspection will result in the Notice of Staking being returned to the operator.

* * * * *

E. APD Posting and Processing

1. Posting

The BLM and the Federal Surface Managing Agency, if other than the BLM, must provide at least 30 days public notice before the BLM may approve an APD or Master Development Plan on a Federal oil and gas lease. Posting is not required for an APD for an Indian oil and gas lease or agreement. The BLM will post information about the APD or Notice of Staking for Federal oil and gas leases to the Internet and in an area of the BLM Field Office having jurisdiction that is readily accessible to the public. If the surface is managed by a Federal agency other than the BLM, that agency also is required to post the notice for at least 30 days. This would include the BIA where the surface is held in trust but the mineral estate is federally owned. The posting is for informational purposes only and is not an appealable decision. The purpose of the posting is to give any interested party notification that a Federal approval of mineral operations has been requested. The BLM or the FS will not post confidential information.

Reposting of the proposal may be necessary if the posted location of the proposed well is:

a. Moved to a different quarter-quarter section;

b. Moved more than 660 feet for lands that are not covered by a Public Land Survey; or

c. If the BLM or the FS determine that the move is substantial.

2. Processing

The timeframes established in this subsection apply to both individual APDs and to the multiple APDs included in Master Development Plans and to leases of Indian minerals as well as leases of Federal minerals.

If there is enough information to begin processing the application, the BLM (and the FS if applicable) will process it up to the point that missing information or uncorrected deficiencies render further processing impractical or impossible.

a. Within 10 days of receiving an application, the BLM (in consultation with the FS if the application concerns NFS lands) will notify the operator as to whether or not the application is complete. The BLM will request additional information and correction of any material submitted, if necessary, in the 10-day notification. If an onsite inspection has not been performed, the applicant will be notified that the application is not complete.

Within 10 days of receiving the application, the BLM, in coordination with the operator and Surface Managing Agency, including the private surface owner in the case of split estate minerals, will schedule a date for the onsite inspection (unless the onsite inspection has already been conducted as part of a Notice of Staking). The onsite inspection will be held as soon as practicable based on participants' schedules and weather conditions. The operator will be notified at the onsite inspection of any additional deficiencies that are discovered during the inspection. The operator has 45 days after receiving notice from the BLM to provide any additional information necessary to complete the APD, or the APD may be returned to the operator.

b. Within 30 days after the operator has submitted a complete application, including incorporating any changes that resulted from the onsite inspection, the BLM will:

1. Approve the application, subject to reasonable Conditions of Approval, if the appropriate requirements of the NEPA, National Historic Preservation Act, Endangered Species Act, and other applicable law have been met and, if on NFS lands, the FS has approved the Surface Use Plan of Operations;

2. Notify the operator that it is deferring action on the permit; or

3. Deny the permit if it cannot be approved and the BLM cannot identify any actions that the operator could take that would enable the BLM to issue the permit or the FS to approve the Surface Use Plan of Operations, if applicable.

c. The notice of deferral in paragraph (b)(2) of this section must specify:

1. Any action the operator could take that would enable the BLM (in consultation with the FS if applicable) to issue a final decision on the application. The FS will notify the applicant of any action the applicant could take that would enable the FS to issue a final decision on the Surface Use Plan of Operations on NFS lands. Actions may include, but are not limited to, assistance with:

(A) Data gathering; and

(B) Preparing analyses and documents.

2. If applicable, a list of actions that the BLM or the FS need to take before making a final decision on the application, including appropriate analysis under NEPA or other applicable law and a schedule for completing these actions.

d. The operator has 2 years from the date of the notice under paragraph (c)(1) of this section to take the action specified in the notice. If the appropriate analyses required by NEPA, National Historic Preservation Act, Endangered Species Act, and other applicable laws have been completed, the BLM (and the FS if applicable), will make a decision on the permit and the Surface Use Plan of Operations within 10 days of receiving a report from the operator addressing all of the issues or actions specified in the notice under paragraph (c)(1) of this section and certifying that all required actions have been taken. If the operator has not completed the actions specified in the notice within 2 years from the operator's receipt of the paragraph (c)(1) notice, the BLM will deny the permit.

e. For APDs on NFS lands, the decision to approve a Surface Use Plan of Operations or Master Development Plan may be subject to FS appeal procedures. The BLM cannot approve an APD until the appeal of the Surface Use Plan of Operations is resolved.

* * * * *

I. Waiver From Electronic Submission Requirements

The operator may request a waiver from the electronic submission requirement for an APD or Notice of Staking if compliance would cause hardship or the operator is unable to file these documents electronically. In the request, the operator must explain the reason(s) that prevents it from using the electronic system. The waiver request is subject to BLM approval. The BLM will not consider an APD or Notice of Staking that the operator did not submit through the electronic system, unless the BLM approves a waiver.

[FR Doc. 2016–17400 Filed 7–28–16; 8:45 am]

BILLING CODE 4310–84–P

FEDERAL COMMUNICATIONS COMMISSION

47 CFR Part 54

[WC Docket Nos. 10–90, 14–58 and CC Docket No. 01–92; Report No. 3047]

Petitions for Reconsideration and Clarification of Action in Rulemaking Proceeding

AGENCY: Federal Communications Commission.

ACTION: Petitions for reconsideration and clarification.

SUMMARY: Petitions for Reconsideration and Clarification (Petitions) have been filed in the Commission's rulemaking proceeding by Mary J. Sisak on behalf of Custer Telephone Cooperative, Inc., et al, Michael R. Romano on behalf of NTCA-The Rural Broadband Association, Robert W. Schwartz on behalf of Madison Telephone Company, Derrick B. Owens on behalf of WTA-Advocates For Rural Broadband.

DATES: Oppositions to the Petitions must be filed on or before August 15, 2016. Replies to an opposition must be filed on or before August 8, 2016.

ADDRESSES: Federal Communications Commission, 445 12th Street SW., Washington, DC 20554.

FOR FURTHER INFORMATION CONTACT: Suzanne Yelen, Wireline Competition Bureau, (202) 418–7400, email: *Suzanne.Yelen@fcc.gov.*

SUPPLEMENTARY INFORMATION: This is a summary of Commission's document, Report No. 3047, released July 11, 2016. The full text of the Petitions is available for viewing and copying at the FCC Reference Information Center, 445 12th Street SW., Room CY–A257, Washington, DC 20554 or may be accessed online via the Commission's Electronic Comment Filing System at *https://www.fcc.gov/ecfs/.* The Commission will not send a copy of this *Notice* pursuant to the Congressional Review Act, 5 U.S.C. 801(a)(1)(A), because this *Notice* does not have an impact on any rules of particular applicability.

Subject: Connect America Fund; ETC Annual Reports and Certifications; Developing an Unified Intercarrier Compensation Regime, FCC 16–33, published at 81 FR 24282, April 25, 2016, in WC Docket Nos. 10–90 and 14–58; CC Docket No. 01–92. This *Notice* is being published pursuant to 47 CFR 1.429(e). *See also* 47 CFR 1.4(b)(1) and 1.429(f), (g).

Number of Petitions Filed: 4.

Federal Communications Commission.

Marlene H. Dortch,

Secretary.

[FR Doc. 2016–17900 Filed 7–28–16; 8:45 am]

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