



MMS Announces New OCS Cost Recovery Fees

Effective September 1, 2006

WASHINGTON - The U.S. Department of Interior's Minerals Management Service has published in the [Federal Register](#)  (11 pages) a final rule implementing new cost recovery fees related to the Regulation of Oil and Gas Activities on the Outer Continental Shelf (OCS).

The service fees will offset MMS's costs of processing certain plans, applications, and permits. The new service fees are listed in the attached table, along with existing service fees. MMS will issue a Notice to Lessees (NTL) detailing payment methods for both new and existing cost recovery fees before the effective date of the final rule. The final rule becomes effective September 1, 2006.

On November 14, 2005, MMS published a proposed rule in the [Federal Register](#)  (30 pages), seeking comment on the fees proposed to recover costs related to the regulation of oil and gas activities on the OCS. Comments on the proposed rule, a summary of changes to the proposed rule, and more details on the new fees can be found in the final rule.

Revenues collected under this final rule will be used by MMS to recover the actual costs of these activities, which are critical for oil and gas exploration and development, and for protecting the environment and promoting safety in the OCS. MMS anticipates that the new fees could result in \$16.5 million in cost recovery for the agency. Federal agencies are authorized to recover costs of providing services to non-federal entities, such as industry, through provisions in the Independent Offices Appropriations Act of 1952 (IOAA) 31 U.S.C. 9701.

Final Rule: [Recovery of Costs Related to the Regulation of Oil and Gas Activities on the OCS](#)  (11 pages)

TABLE OF NEW AND EXISTING SERVICE FEES

(New fees effective on September 1, 2006)*

Service	Fee
Change in Designation of Operator	\$150
Suspension of Operations/Suspension of Production (SOO/SOP) Request	\$1,800
*Exploration Plan (EP)	\$3,250 for each surface location, no fee for revisions
*Development and Production Plan (DPP) or Development Operations Coordination Document (DOCD)	\$3,750 for each well proposed, no fee for revisions
*Deepwater Operations Plan	\$3,150
*Conservation Information Document	\$24,200
*Application for Permit to Drill (APD; Form MMS-123)	\$1,850 initial applications only, no fee for revisions.
*Application for Permit to Modify (APM; Form MMS-124)	\$110

*New Facility Production Safety System Application for facility with more than 125 components	\$4,750 (see FR notice for stipulations)
*New Facility Production Safety System Application for facility with 25–125 components	\$1,150 (see FR notice for stipulations)
*New Facility Production Safety System Application for facility with fewer than 25 components	\$570
*Production Safety System Application – Modification with more than 125 components reviewed	\$530
*Production Safety System Application – Modification with 25–125 components reviewed	\$190
*Production Safety System Application – Modification with fewer than 25 components reviewed	\$80
*Platform Application – Installation – under the Platform Verification Program	\$19,900
*Platform Application – Installation – Fixed Structure Under the Platform Approval Program	\$2,850
*Platform Application – Installation – Caisson/Well Protector	\$1,450
*Platform Application – Modification/Repair	\$3,400
*New Pipeline Application (Lease Term)	\$3,100
*Pipeline Application – Modification (Lease Term)	\$1,800
*Pipeline Application – Modification (ROW)	\$3,650
*Pipeline Repair Notification	\$340
*Pipeline Right-of-Way (ROW) Grant Application.	\$2,350
Pipeline Conversion of Lease Term to ROW	\$200
Pipeline ROW Assignment	\$170
500 Feet From Lease/Unit Line Production Request.	\$3,300
Gas Cap Production Request	\$4,200
Downhole Commingling Request	\$4,900
*Complex Surface Commingling and Measurement Application	\$3,550
*Simple Surface Commingling and Measurement Application	\$1,200
Voluntary Unitization Proposal or Unit Expansion	\$10,700
Unitization Revision	\$760
*Application to Remove a Platform or Other Facility	\$4,100
*Application to Decommission a Pipeline (Lease Term)	\$1,000
Record Title/Operating Rights (Transfer) (Forms MMS-150 and MMS-151 GOMR)	\$170
Non-required Document Filing	\$25
*G&G Permit (Form MMS-327)	\$1,900
*G&G Permit (Form MMS-134)	\$1,900

Relevant Web Sites:

[MMS Main Website](#)

[MMS Proposes New OCS Cost Recovery Fees](#)

Media Contact:

[Nicolette Nye](#) 703/787-1011

MMS: Securing Ocean Energy & Economic Value for America
U.S. Department of the Interior