

BOEMRE

**Bureau of Ocean Energy Management,
Regulation and Enforcement**

UNITED STATES DEPARTMENT OF THE INTERIOR

BOEMRE Update

NOSAC

New Orleans, Louisiana

May 19, 2011

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Regional Supervisor for Field Operations



TODAY'S DISCUSSION....

- **New Rules**
- **Reorganization**

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NEW SAFETY INITIATIVES

- **NTL No. 2010-N06 EP, DPP, DOCD Blowout & Worst Case Discharge**
- **Drilling Safety Rule**
- **NTL No. 2010-N10 Statement of Compliance, Spill Response and Well Containment**
- **SEMS Rule to become effective November 15, 2011**

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REVISED INFORMATION REQUIREMENTS FOR OIL SPILL RESPONSES

- **NTL No. 2010-N06 – “*Information Requirements for EP, DPP, DOCD on the OCS*” (June 18, 2010)**
- **In any new or supplemental EP, DOCD, DPP, you must include:**
 - **A blowout scenario**
 - **Assumption and calculations used to determine volume of worst case discharge**
 - **Proposed measures to prevent a blowout**

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BLOWOUT SCENARIO

- **Include the highest volume of liquid hydrocarbon**
- **Estimate flow rate, total volume, maximum duration potential**
- **Discuss potential for the well to bridge over, likelihood that surface intervention will stop flow, rig availability to drill relief well**
- **Time to contract rig to drill relief well, move rig onsite, drill well**

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WORST CASE DISCHARGE

- Provide information to support assumptions associated with worst case discharge including:
 - Well design
 - Reservoir characteristics
 - PVT data
 - Analog reservoirs used in making decisions
- Supply the reason for each assumption and any models used to determine daily blowout rate
- Compare the calculated WCD to your OSRP

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OIL SPILL RESPONSE PLAN

- **Component of EP, DPP, DOCD**
- **Location of primary response equipment**
- **List of onsite response equipment**
- **Description of worst case discharge**
 - NTL No. 2010-N06
- **Plan can cover group of facilities**
- **Dispersant plan**
- **In situ burning plan**
- **Training and drills**
- **Contractual agreements--cooperatives**
- **Announced and unannounced spill drills**

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Spill Response & Containment

- **NTL No. 2010-N10 “Statement of Compliance with Applicable Regulations and Evaluation of Information Demonstrating Adequate Spill Response and Well Containment Resources” (Nov 8, 2010)**
- **Applies to subsea and surface BOP on floating facilities**
- **Operators to submit statement signed by an authorized company official that operations are conducted in accordance with all applicable regulations**
- **Operator must submit information demonstrating that they have access to and can deploy containment resources promptly in response to a blowout**

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NTL 2010-N10

CONTAINMENT REVIEW PROCESS

- The operator must submit with the Application for Permit to Drill (APD) a written description of their containment strategy on a well-by-well basis demonstrating the following:
 - a. Debris removal capability
 - b. Dispersant injection capability
 - c. Capping Stack access and installation capability
 - d. Top hat deployment capability: This will include some collection capability in the range of 8000-12000 bbl/day.
(As we can recall from Macondo, top hats tend to be inefficient from a sealing perspective, thus we consider this a stop-gap measure until a capping stack can be installed)
 - e. Well integrity utilizing the Well Containment Screening Tool (WCST) developed by MWCC, HWCG, and BOEMRE

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NTL 2010-N10 CONTAINMENT REVIEW PROCESS (cont.)

- **Containment equipment may include:**
 - **Domes, capping stacks**
 - **Dispersant injection**
 - **Risers**
 - **ROV**
 - **Capture and support vessels**
 - **Storage facilities**

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NTL 2010-N10 CONTAINMENT REVIEW PROCESS (cont.)

- **How is the well containment documentation is submitted to BOEMRE?**

1. A copy is to be submitted to BOEMRE's Containment Review Person.

2. A copy should also be submitted along with the Application for Permit to Drill.

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DRILLING SAFETY RULE

- **Published in Federal Register 10/14/2010**
- **Effective immediately**
- **Emergency rulemaking**
- **In response to release of 5/27/10 Safety Measures Report**
- **Imposes a variety of requirements addressing well bore integrity and well control equipment and procedures**

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WELL BORE INTEGRITY

- **Best cement practices – API RP 65-Part 2**
- **Certification by PE that casing & cement program is fit for purpose**
- **Two independently tested barriers across each flow path during completion (PE certification)**
- **Proper installation, sealing and locking of casing & liner**
- **BOEMRE approval before displacing fluids**
- **Enhanced deepwater well control training**

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WELL CONTROL EQUIPMENT & PROCEDURES

- Documentation & schematics for all control systems
- I3P verification that B/S rams cuts DP at MASP
- Subsea BOP equipped w/ ROV intervention
- Maintain ROV & trained crew on all floating rigs
- Auto-shear and deadman on all DP rigs
- Documentation of subsea BOP I&M procedures per API RP 53
- ROV intervention testing on subsea BOP stump test
- Function test of auto-shear and deadman during subsea BOP stump test
- Deadman test during initial seafloor test

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WHERE ARE WE IN TERMS OF DEEPWATER PERMITTING?

- For both BOEMRE and Industry it has been a learning process on how to incorporate the new rules and NTL's
- Now that containment groups are up and running operators are now able to submit the containment documentation in their APD
- This is allowing permits to be processed in a more timely manner

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DEEPWATER INSPECTIONS

- Always improving our inspection process
- Staffing a new section in BOEMRE to develop and monitor inspector training
(This group will have personnel in HQ and the GOMR and reports to HQ)
- Staffing up our inspection force
- Incorporated the witnessing of the BOP stump test or first test on bottom for each well

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SEMS RULE

- **Final Rule Published in Federal Register 10/15/10**
 - **New “Subpart S”**
- **Effective 11/15/2010**
- **SEMS plan needs to be operational by 11/15/2011**
- **Companies are required to develop and implement their own SEMS**
 - **Based on API RP 75 (SEMP), 3d Edition, May 2004**

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API RP 75 – 13 ELEMENTS

1. General – Principles & Scope
2. Safety & Environmental Information
3. Hazards Analysis
4. Management of Change
5. Operating Procedures
6. Safe Work Practices
7. Training
8. Mechanical Integrity
9. Pre-Startup Review
10. Emergency Response & Control
11. Investigation of Accidents
12. Auditing the Program
13. Records & Documentation

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SEMS – POINTS OF INTEREST

- **Applies to *ALL* operations**
 - Drilling, production, workover, completion, servicing, construction, pipelines, etc.
- **Applies to *ALL* structures**
 - Fixed, floaters, MODU (when under BOEMRE jurisdiction)
- **Program approval by BOEMRE *not* required**
- **Lessee needs to have SEMS plan developed, implemented and available upon request**
- **Lessee or I3P conducted audits**
- **BOEMRE will staff a new group in our Office of Safety Management specifically to handle SEMS and conduct audits**

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RE-ORGANIZATION

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RE-ORGANIZATION

- ***Were:* Minerals Management Service (MMS)**

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RE-ORGANIZATION

- ***Were:*** Minerals Management Service (MMS)
- ***Presently:***
Bureau of Ocean Energy Management, Regulation and Enforcement (BOEMRE)
and
Office of Natural Resources Revenue

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RE-ORGANIZATION

- ***Were:*** Minerals Management Service (MMS)
- ***Presently:***
Bureau of Ocean Energy Management, Regulation and Enforcement (BOEMRE)
and
Office of Natural Resources Revenue (ONRR)
- ***Will be:***
Bureau of Ocean Energy Management (BOEM)
and
Bureau of Safety and Environmental Enforcement (BSEE)
and
Office of Natural Resources Revenue (ONRR)

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Bureau of Ocean Energy Management (BOEM)

- Environmental Analysis and NEPA
- 5-Year Program (Oil and Gas)
- Leasing Process Management
- Development/Exploration/Production Plan Management
- Resource Management
- Rulemaking (for Resource Utilization)
- Environmental Studies

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Bureau of Safety and Environmental Enforcement (BSEE)

- Safety, Technical and Environmental Reviews of Permits
- Safety and Technical Inspections and Enforcement
- Environmental Inspections and Enforcement
- Safety and Environmental Research
- Rulemaking (for Safety and Environment)

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Bureau of Ocean Energy Management (BOEM) Gulf of Mexico Region

- **Environmental Section**
- **Leasing and Plans Section**
- **Resource Evaluation Section**

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Bureau of Ocean Energy Management (BOEM) Gulf of Mexico Region

Environmental Section

- Sciences**
- Assessment**
- Compliance (NEPA)**
- Coastal Programs**

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Bureau of Ocean Energy Management (BOEM) Gulf of Mexico Region

Leasing and Plans Section

- Adjudication**
- Leasing & Financial Responsibility**
- Leasing Data Management**
- Plans (Moved from FO)**

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Bureau of Ocean Energy Management (BOEM) Gulf of Mexico Region

Resource Evaluation Section

- Geological & Geophysical**
- Reserves**
- Resource Evaluation**
- Reservoir Analysis (moved from PD)**

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Bureau of Safety and Environmental Enforcement (BSEE) Gulf of Mexico Region

- **Office of District Field Operations**
- **Office of Regional Field Operations**
- **Production and Development**

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Bureau of Safety and Environmental Enforcement (BSEE) Gulf of Mexico Region

Office of District Field Operations

- **Operations Support Section**
 - ◆ **New Orleans District**
 - ◆ **Houma District**
 - ◆ **Lafayette District**
 - ◆ **Lake Charles District**
 - ◆ **Lake Jackson District**

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Bureau of Safety and Environmental Enforcement (BSEE) Gulf of Mexico Region

The District Re-organization

- Well Operations Section**
- Production Operations Sections**

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Bureau of Safety and Environmental Enforcement (BSEE) Gulf of Mexico Region

Office of Regional Field Operations

- **Office of Structural and Technical Support (OSTS)**
- **Office of Safety Management (OSM)**
- **Technical Assessment and Operations Support (TAOS)**
- **Pipeline Section**

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Bureau of Safety and Environmental Enforcement (BSEE) Gulf of Mexico Region

Production and Development

- **Surface Commingling & Production
Measurement**
- **Development & Unitization**
- **Rate Control**

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Thank You

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