

Fact Sheet: Enhanced Requirements to Resume Deepwater Drilling Activities

In order for an operator to resume deepwater drilling, it is required to comply with existing and newly developed regulations and standards, including Notice to Lessees (NTL), 2010-N05 (Safety NTL), NTL 2010-N06 (Environmental NTL) and the Interim Final Rule (Drilling Safety Rule). BOEMRE also plans to conduct inspections of each deepwater drilling operation for compliance with BOEMRE's regulations, including but not limited to the testing of BOPs, before drilling resumes. As companies resume operations, they will also need to comply with the Workplace Safety Rule (SEMS Rule) within the deadlines specified by the regulation.

Under the Secretary's October 12 decision, before BOEMRE approves any deepwater drilling:

- Pursuant to applicable regulations, each operator must demonstrate that it has enforceable obligations that ensure that containment resources are available promptly in the event of a deepwater blowout, regardless of the company or operator involved. The Department of the Interior has a process underway regarding the establishment of a mechanism relating to the availability of blowout containment resources, and Secretary Salazar said he expects that this mechanism will be implemented in the near future.
- The CEO of each operator seeking to perform deepwater drilling must certify to the BOEM that the operator has complied with all regulations, including the new drilling safety rules.

SAFETY REQUIREMENTS NTL

To comply with the Safety NTL, operators will be required to:

- Submit a general certification from the CEO stating that the operator is knowledgeable of all operating regulations at 30 CFR 250 – Oil and Gas and Sulphur Operations in the OCS. The certification should also state that the operator is conducting its operations in compliance with those regulations.
- Review its operations to ensure that they are performed in a safe and appropriate manner as required by 30 CFR 250.107(a)(1).
- Submit blowout preventer and well control system configuration information for the drilling rig that will be used.
- Have a detailed physical inspection and design review of the blowout preventer performed by an independent third party.
- Obtain an independent third party verification concerning the blowout preventer's compatibility with the drilling rig to be used and the specific well design.
- Have in place a secondary control system with remote operated vehicle (ROV) intervention capabilities for the blowout preventer as well as an emergency shut-in system.
- Test the mechanism for the ROV capabilities while the blowout preventer is onboard the rig prior to placement subsea.
- Obtain an independent verification that the blowout preventer's blind-shear rams are capable of shearing the drill pipe under the maximum anticipated conditions.
- If the blowout preventer's blind shear rams are activated in a well control situation, the blowout preventer must be physically inspected to ensure continued ability to operate.
- Certify through a Professional Engineer that all well casing designs and cementing procedures are appropriate for the purpose of the well under expected conditions.

Detailed specifications of the requirements can be found at:

<http://www.gomr.boemre.gov/homepg/regulate/regs/ntls/2010NTLs/10-n05.pdf>

ENVIRONMENTAL NTL

To comply with the Environmental NTL, operators will be required to:

- Include in any new Exploration Plan (EP) or Development Operations Coordination Document (DOCD) or as a supplement to a previously-submitted plan, a blowout scenario as required by 30 CFR 250.213(g) and 250.243(h).
- Submit a description of the assumptions and calculations that were used to determine the daily discharge rate of the worse case discharge scenario as required by the relevant CFR for the respective plan, exploration or development. (If the operator's worst case discharge volume exceeds the amount stated in the approved Oil Spill Response Plan, the Oil Spill Response Plan will have to be modified.)
- Submit a description of the enhancements undertaken to prevent a blowout, to reduce the likelihood of a blowout, and conduct effective and early intervention in the event of a blowout.

Detailed specifications of the requirements can be found at:

<http://www.gomr.boemre.gov/homepg/regulate/regs/ntls/2010NTLs/10-n06.pdf>

DRILLING SAFETY RULE

The Drilling Safety Rule incorporates many of the requirements stated in the Safety NTL. In addition to those requirements outlined above, additional requirements from the drilling safety rule that operators are required to comply with include:

- Comply with the recommended practices cited in the industry document, "API Recommended Practices 65 – Part 2 Isolating Potential Flow Zones During Well Construction,"
- Provide written description of how the best practices were evaluated; also must identify mechanical barriers and cementing practices to be used for each casing string.
- Submit as part of APD schematic drawings of all control systems and control pods.
- Perform a negative pressure test to ensure proper casing installation. This is done during drilling for the intermediate and production casing strings.
- Establish minimum requirements for personnel authorized to operate critical blowout preventer equipment.
- Test at least one set of rams on the blowout preventer using the ROV intervention methods during the initial test on the seafloor.
- Test the deadman system (one of the emergency shut-in system components) during the initial test of the blowout preventer on the seafloor.
- Receive approval from the appropriate District Manager prior to displacing kill-weight drilling fluid from the wellbore, and must submit the reasons for the displacement and provide detailed step-by-step procedures for the safe displacement.
- Ensure that rig personnel are trained in deepwater well control and the specific duties, equipment, and techniques associated with deepwater drilling.

Detailed specifications of the regulations can be found [here](#).

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