



Safety at All Levels, at All Times

Houston Shipping Conference

*“Targeting Opportunities in the Oil
and Gas Sector”*

October 5, 2012

James A. Watson, Director



Safety at All Levels, at All Times

- Overview
 - *Deepwater Horizon* response
 - Enhanced safety measures
 - Regulatory priorities
 - Enhanced oil spill response preparedness
 - The way ahead



Safety at All Levels, at All Times

- ***Deepwater Horizon***
 - 11 deaths
 - Nearly 5 million barrels of oil spilled

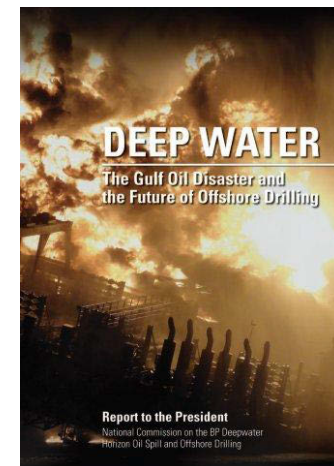
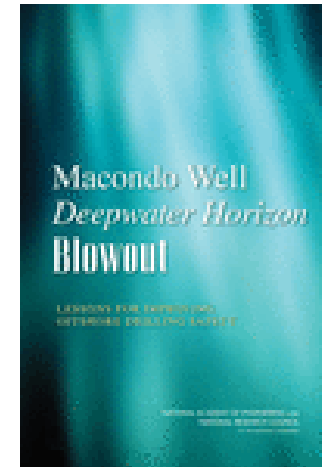
- **DOI Response**
 - Reorganization of MMS
 - Comprehensive regulatory reform





Safety at All Levels, at All Times

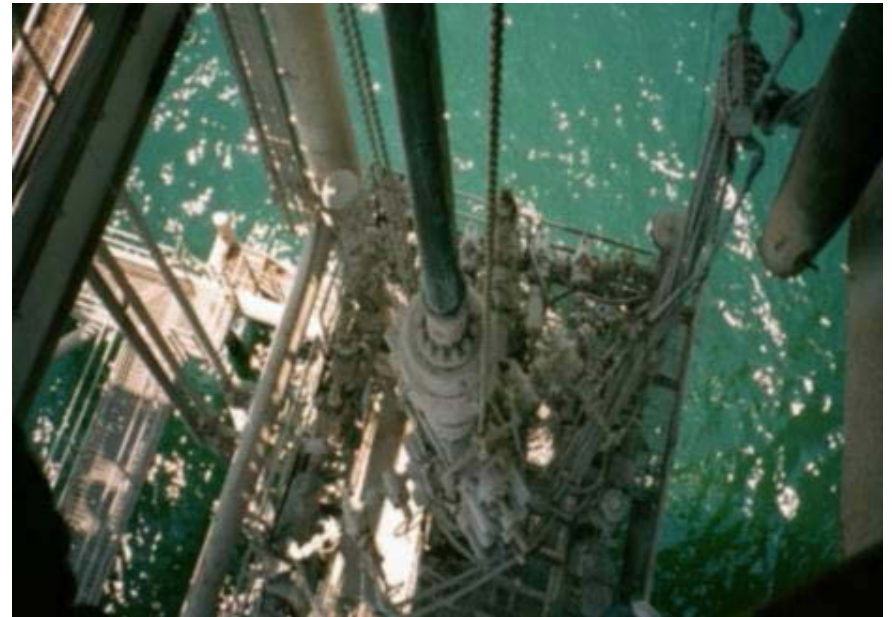
- **Enhanced Drilling Safety**
 - Final Drilling Safety Rule
 - Subsea containment
 - New standards for well design, casing, cementing
- **Enhanced Workplace Safety**
 - Performance-based standards
 - Safety and Environmental Management System





Safety at All Levels, at All Times

- **Regulatory Priorities**
 - SEMS II
 - Next-Gen blowout preventers
 - Production safety systems / lifecycle analysis
- **Updated Policies / Guidance**
 - Contractor compliance
 - Oil Spill Response Plan guidance





Enhanced Oil Spill Response

- **Oil Spill Response Plan Guidance**
 - Focus on overall response strategy
 - May include (as appropriate)
 - Use of aerial and subsea dispersants
 - Technologically advanced mechanical response equipment vessels with more effective recovery rates
 - *In situ* burning
 - Surveillance equipment, such as X-Band Radar, that would make night operations possible
 - Encourages use of Best Available and Safest Technologies



Enhanced Oil Spill Response

- **Gulf of Mexico Deepwater Containment Exercise**
 - First-ever, full-scale deployment exercise for capping stack system, similar to the device that stopped the flow of oil from the Macondo well
 - Marine Well Containment Company Capping Stack Deployment
 - About 200 miles offshore Texas
 - Connected to simulated well head nearly 7,000 feet below surface
 - Pressurized to 10,000 pounds per square inch
 - Planning similar exercise to test Helix Well Containment Group system





The Way Ahead

- **BSEE 2015**

- Using the full range of authorities, policies, and tools to compel safety, emergency preparedness, environmental responsibility, and appropriate development and conservation
 - The hybrid approach: Prescriptive + Performance
- Build and sustain the organizational, technical, and intellectual capacity within and across BSEE's key functions that:
 - Keeps pace with OCS industry technological improvements
 - Innovates in regulation and enforcement
 - Reduces risk through systemic assessment and regulatory and enforcement actions.



The Way Ahead

- **BSEE 2015**
 - Bolstering the workforce
 - 166 new staff onboard in FY2012
 - Will hire an average of 8 per month in 2013
 - Focusing on critical fields in technology and science: inspectors, engineers, geologists

 - Enhancing capabilities
 - Technical Information Management System (TIMS)
 - Assessing future development to maximize use of technology to increase efficiency / transparency
 - E-Inspections within TIMS
 - Replacing out dated paper process
 - Inspectors will have immediate access to procedural, policy, and regulatory reference material