Memorandum of Agreement Between the Bureau of Ocean Energy Management And the Bureau of Safety and Environmental Enforcement

Geological Data

I. Purpose

This Memorandum of Agreement (MOA) establishes the working relationship of the Bureau of Ocean Energy Management (BOEM) and the Bureau of Safety and Environmental Enforcement (BSEE) in managing certain activities associated with geological data. This MOA is intended to help both agencies minimize duplication of efforts, promote consistency in procedures and regulations, and resolve disputes. A separate, overarching Memorandum of Understanding describes the general relationship between the two bureaus. A series of standard operating procedures (SOPs) describes more specific roles and responsibilities of the two Bureaus and are designed to be updated as dictated by changing practices, law, or technology.

II. Authorities

Both BOEM and BSEE derive authority to regulate certain activities on the OCS through the Secretary of the Interior. Secretarial Order 3299 assigned BOEM conventional and renewable energy-related management functions, including, but not limited to, activities involving leasing, plans, environmental studies, NEPA analyses, economic and reserves analyses, and geologic risk analyses. Secretarial Order 3299 also assigned BSEE's authority that includes, but is not limited to, permitting, environmental compliance, conservation compliance, engineering standards and regulations, oil spill response planning, inspections, enforcement, and investigations. Additionally, both agencies have responsibilities derived from Departmental regulations and delegations of authority issued to implement various statutes, including the Outer Continental Shelf Lands Act, the Clean Air Act, the Oil Pollution Act of 1990, the Energy Policy Act of 2005, and the Gulf of Mexico Energy Security Act of 2006.

III. Objectives

This MOA and associated SOPs have several objectives. Overall, the Bureaus will coordinate to collect, store, and analyze geological and geophysical data. The Bureaus will ensure the funding necessary to provide access to processed digital well log data, structured well data and attachments, seismic data, GIT data, and information management support to both bureaus for NEPA requirements and other technical evaluations. Geographic Information System (GIS) mapping support and geospatial data will be available to both bureaus and coordinated through a GIS Steering Committee.

The bureaus will establish and enforce policies and practices to ensure operations maximize ultimate recovery of hydrocarbons and develop all economically producible reservoirs according to sound conservation, engineering and economic practices. Both bureaus will be able to utilize the GOMR visualization room and maintain the room's state-of-the-art software and equipment.

IV. Contacts

BSEE and BOEM Regional Directors

BSEE

Chief, Technical Data Management Section

Regional Supervisor, Production and Development (GOMR and POCS)

Chief, Development and Unitization (GOMR)

Chief, Pipelines Section (GOMR)

Chief, Regional Operations Section (POCS)

Chief, Environmental Enforcement Branch

BOEM

Chief, Leasing Data Management Section

Chief, Leasing and Plans (GOMR)

Chief, Leasing Management and Plans (POCS)

Chief, Office of Financial Responsibility

Chief, Adjudication Section

Chief, Resource Evaluation (AK)

Chief, Division of Environmental Assessment (HQ)

Chief, Resource Evaluation Division (HQ)

V. Responsibilities

Bureau responsibilities are guided by Standard Operating Procedures (SOPs) that have been crafted by subject matter experts in a particular field or process and agreed to and signed by applicable managers. The following SOPs fall under this MOA:

<u>Data and Information Management Contract</u> – BSEE manages the contract that provides support, processing, and archiving; BOEM offices provide funding for these services.

<u>Digital Well Log Contract</u> – BSEE manages the contract that provides well log processing, imaging, and compliance functions; BOEM provides funding.

Geophysical Data Loading for BSEE (GOMR) – BSEE receives geophysical data from the operator and requests loading by BOEM. BOEM receives the data from BSEE,

loads it, maintains BSEE access to data, and releases the data at the end of the proprietary term.

<u>GIT</u> – BSEE provides all hardware software support with charge back to BOEM to cover all GIT funding. BOEM manages and oversees GIT. GIT coordinators submit requests for new hardware or applications and manage training for both bureaus' personnel.

Proposed Downhole Commingling (DHC) in Field / Project Development (GOMR) – BOEM receives a CID from the operator and conducts the conservation review. BOEM will not approve a CID if the operator has not received DHC approval from BSEE. BSEE receives DHC requests and makes the determination, copying BOEM on the letter to the operator.

Proposed Gas Cap Production (GCP) in Field / Project Developments (GOMR) - BOEM receives a CID from the operator and conducts the conservation review. BOEM will not approve a CID if the operator has not received GCP approval from BSEE. BSEE receives GCP requests and makes the determination, copying BOEM on the letter to the operator.

Proposed Production Within 500 ft of lease or unit line in Field / Project

Developments (GOMR) - BOEM receives a CID from the operator and conducts the conservation review. BOEM will not approve a CID if the operator has not received approval to produce within 500 ft of a lease or unit line from BSEE. BSEE receives 500 ft production requests and makes the determination, copying BOEM on the letter to the operator.

Review of Sensitive Reservoir Information (SRI) for Unitization Enhanced Recovery Projects (GOMR) – BSEE receives the recovery application; BOEM receives the SRI, checks reservoir calculations, and enters data into TIMS. BSEE checks the recovery application against the SRI data in TIMS, resolves any differences, and issues a decision. BOEM updates SRI data as necessary.

<u>Structured Well Data and Attachments</u> – BSEE is the well data manager. BOEM is the data user.

GOMR Visualization Room Support for BSEE – BOEM manages the GOMR Visualization Room, provides technical support, and maintains access for BSEE users. BSEE will request to use the GOMR Visualization Room and provide IT support.

VI. Modifications and Interpretations

Modifications to this MOA shall be made by written consent of both Bureaus' Deputy Directors.

Interpretations of this MOA should be consistent with the stated goals and purpose. For specific actions, Bureaus should clarify their roles and responsibilities in SOPs. The SOPs may be modified with the written consent of both Bureaus' appropriate Regional Director or Senior Executive.

VII. Signatures

BOEM Deputy Director

BSEE Deputy Director, Pe Tin

10/3/11 Date

Date