UNITED STATES DEPARTMENT OF THE INTERIOR MINERALS MANAGEMENT SERVICE GULF OF MEXICO OCS REGION

NTL No. 2008-G18

Effective Date: September 25, 2008

NOTICE TO LESSEES AND OPERATORS OF FEDERAL OIL AND GAS LEASES AND <u>PIPELINE RIGHT-OF-WAY HOLDERS</u> IN THE OUTER CONTINENTAL SHELF, GULF OF MEXICO OCS REGION

Damage Caused by Hurricanes Gustav and Ike

This Notice to Lessees and Operators and Pipeline Right-of-way Holders (NTL) supersedes NTL No. 2008-G16, effective September 11, 2008. The Minerals Management Service (MMS) Gulf of Mexico OCS Region (GOMR) is issuing this NTL pursuant to 30 CFR 250.106(b) and (c) to elaborate on the inspections you need to conduct and the plans and reports you need to prepare because of known and potential damage to OCS facilities caused by Hurricanes Gustav and Ike before they struck land on September 1, 2008, and September 13, 2008, respectively.

Affected Area of Hurricanes Gustav and Ike

For purposes of this NTL, the affected area of Hurricanes Gustav and Ike is the area on the OCS located east of Line 1 and west of Line 2 drawn between the following points:

Line 1 – North Point (Latitude - 28° 45' 01.306" N; Longitude - 95° 38' 20.025" W) Deflection Point (Latitude - 28° 03' 12.843" N; Longitude - 95° 15' 18.931" W) South Point (Latitude - 26° 58' 24.811" N; Longitude - 94° 00' 23.310" W)

Line 2 – North Point (Latitude - 29° 42' 13.318" N; Longitude - 89° 37' 24.419" W) Deflection Point (Latitude - 29° 09' 25.470" N; Longitude - 88° 44' 44.042" W) South Point (Latitude - 26° 58' 35.440" N; Longitude - 86° 30' 15.242" W)

You may access a map of the affected area on the MMS Internet website at http://www.gomr.mms.gov/homepg/regulate/regs/ntls/2008NTLs/ike_gustav_ntl.pdf

All Fixed OCS Platforms and Structures

Pursuant to 30 CFR 250.901(a)(4) and 250.920(a),(b),(c), and (e), you must periodically inspect fixed OCS platforms and structures (platforms) in accordance with the provisions of American Petroleum Institute Recommended Practice 2A-WSD, Twenty-first Edition (API RP 2A-WSD), Section 14, Surveys.

1. Subsection 14.4.3 of API RP 2A-WSD requires that you conduct a Level I survey of the platform after direct exposure to a design environmental event (e.g., hurricane). Therefore, you must perform a Level I survey on all platforms located in the affected area before manning (personnel on board 24 hours a day or quartered overnight) a fixed OCS platform. You must perform a Level I survey to inspect for damages caused by Hurricane Ike even if you already performed one before September 13, 2008, for Hurricane Gustav.

Level I surveys you conduct in response to this NTL may omit the requirements of subsection 14.3.1 of API RP 2A-WSD regarding the inspection, verification, and grading of corrosion protection systems. However, in order for any inspection to be acceptable under the survey interval requirements indicated in subsection 14.4.2 of API RP 2A-WSD, you must perform a Level I survey that includes all of the elements specified in subsection 14.3.1 of API RP 2A-WSD.

In accordance with 30 CFR 250.919(b), you must submit a report annually by November 1 to the MMS GOMR of the platforms you inspected during the preceding 12 months. For any Level I surveys you conduct in response to this NTL, provide the information described in the Attachment to this NTL in your 2008 annual report.

2. Subsection 14.3.2 of API RP 2A-WSD requires you to conduct a Level II survey {general underwater visual inspection by divers or remotely operated vehicle (ROV)} of the platform when the Level I survey indicates that underwater damage may have occurred. In addition, subsection 14.4.3 of API RP 2A-WSD requires you to conduct a Level II survey of the platform after severe accidental loading, such as a large object (e.g., boat landing, sump, staircase) being knocked loose and potentially causing structural damage to the platform as it fell to the seafloor, or after an event exceeding the platform's original design/assessment criteria.

3. Subsection 14.3.3 of API RP 2A-WSD prescribes a Level III survey (underwater visual inspection of areas of known or suspected damage) when a Level II survey detects significant structural damage.

4. Subsection 14.3.4 of API RP 2A-WSD prescribes a Level IV survey (underwater nondestructive testing of areas of known or suspected damages), based on the results of a Level III survey.

In light of these requirements, the MMS GOMR has determined that you must perform the following surveys on all fixed OCS platforms located in the affected area of Hurricanes Gustav and Ike:

1. A Level I survey before you man any platform located in the affected area. You may resume production following completion of the Level I survey. However, do not man the platform if the Level I survey indicates structural damage.

2. A Level II underwater survey for:

a. Any platform that experienced severe accidental loading;

b. Any platform experiencing an event that exceeded the platform's original design/assessment criteria; and

c. Any platform where Level I survey results indicate a Level II survey is necessary.

3. A Level III underwater survey for:

a. Any platform that experienced wave loading on the deck; and

b. Any platform where Level II survey results indicate a Level III survey is necessary.

4. A Level IV survey if a Level III survey detects significant structural damage or if visual inspection alone cannot determine the extent of damage.

Begin immediately to conduct the required surveys. The MMS GOMR encourages you to inspect first the older platforms located nearest the eye center storm track, and then gradually inspect those platforms toward the outer limits of the affected area. Make sure that you complete all surveys by March 31, 2009. Complete all work to correct any damage you find during a platform survey before June 1, 2009.

Make every attempt to complete the required underwater surveys before you man any of the platforms. If it is operationally impractical for you to wait to complete the inspections before you man a platform, make sure that you:

1. Develop a detailed, comprehensive around-the-clock weather monitoring plan;

2. Comply with U.S. Coast Guard regulations regarding ingress/egress to the boat landing; and

3. Provide 24-hour full radio communications between a boat and the platform.

In accordance with 30 CFR 250.900(c), under emergency conditions, you may make repairs to primary structural elements to restore an existing permitted condition without an application or prior approval. In addition, you must notify the MMS GOMR within 24 hours of the damage that occurred, and you must notify the MMS GOMR of the repairs that were made within 24 hours of completing the repairs. If you make emergency repairs on a floating platform, you must also notify the US Coast Guard.

Make the required 24-hour damage notification concurrent with your e-mail or electronic hurricane reports as outlined in NTL No. 2007-G15, effective May 19, 2008. Make the required 24-hour repair notification by e-mail to <u>structures@mms.gov</u>. Make sure that the subject line of the e-mail begins with the phrase "EMERGENCY REPAIR" and includes the Operator Name, Area and Block, Platform Name, and Complex ID. In the e-mail message, provide sufficient information for the MMS GOMR to ensure that the structure has been repaired to its existing permitted condition.

With respect to hurricane damage, the MMS GOMR does not expect you to wait for formal approval to mitigate hurricane structural damage. The MMS GOMR expects you to address structural damage and mitigate to the extent necessary to stabilize the facility to its pre-storm condition. Do not man the platform or use it to produce or process hydrocarbons until the structure has been repaired to its existing permitted condition.

If your Level II or Level III surveys find structural damage, do not man the platform until you complete a structural analysis and perform any necessary repairs.

By November 1, 2008, submit the inspection information listed below by e-mail to <u>structures@mms.gov</u>:

• A list of all your OCS platforms in the affected area;

• For each listed platform, an initial inspection plan that generally describes the work you will perform to determine the condition of the platform; and

• A timetable that shows how you will complete all inspections by March 31, 2009.

The MMS GOMR will review the platform inspection plans. You may submit amendments to your list and inspection plans for our consideration. Further, submit an amendment to your inspection plan whenever the results of a Level II survey require you to conduct a Level III survey.

Floating OCS Structures

The above survey and inspection guidance for fixed platforms also applies to floating facilities, including semisubmersibles, spars, and tension-leg platforms. Make sure that any Level I survey for a floating facility includes inspection of mooring lines or tendon components and indicates any loss of station.

OCS Pipelines

Pursuant to 30 CFR 250.1005(a), you must conduct inspections of pipeline routes at intervals and using methods prescribed by MMS. Under this authority, the MMS GOMR hereby directs you to conduct the following inspections by March 31, 2009, for pipelines in the affected area.

1. <u>Pipeline Tie-in and Crossing Inspections</u>. Conduct an underwater visual inspection using divers or ROV, a scanning sonar processor, a 500 kHz sidescan sonar in combination with a magnetometer, or other equipment acceptable to the MMS GOMR of each of your OCS pipeline tie-ins and crossings in water depths less than 200 feet. Design each inspection to determine whether any valves or fittings became exposed and to determine the extent of any damage, including damage to protective devices, mats, and sandbags. If during the course of inspecting pipeline tie-ins and crossings there are indications of pipeline movement, conduct an underwater pipeline inspection regardless of water depth to determine the extent of movement or damage.

2. <u>Pipeline Riser Inspections</u>. Conduct a visual inspection of the above-water portion of each pipeline riser in all water depth ranges. If applicable, conduct this riser inspection in conjunction with the required platform Level I platform survey described above. Inspect the riser and riser clamps for damage. If this inspection indicates that damage may have occurred,

conduct an underwater riser and pipeline inspection to determine if the pipeline has been displaced or exposed.

3. <u>Pipeline Steel Catenary Riser Inspections</u>. Conduct an inspection using divers or ROV of the underwater portions of each of your OCS pipeline steel catenary risers. Inspect the riser, vortex-induced vibration (VIV) suppression devices, and the connection point (flexible element, titanium stress joint, etc.) for damage.

The chart below summarizes and clarifies those portions of a pipeline that require inspections according to the water depth range.

If the water depth range is	Then inspect all
0 to 199 feet	subsea tie-ins and pipeline crossings.
All water depths	risers, including steel catenary risers.

4. <u>Mobile Drilling Units (MODU's)</u>. If you suspect that an adrift MODU or other floating structure may have impacted any of your pipelines, conduct an underwater pipeline inspection regardless of water depth to determine whether the structure caused any damage to the pipeline.

5. <u>Mudslide Area</u>. For pipelines that are located in the known mudslide area and/or are designed to mitigate mudslides (including those located outside any mudslide area), conduct an underwater visual inspection of pipeline tie-ins and crossings in mudslide areas in accordance with item No. 1 above, regardless of water depth, and conduct a leak test in accordance with the provisions in Item No. 7 below. The map of the affected area on the MMS Internet website at http://www.gomr.mms.gov/homepg/regulate/regs/ntls/2008NTLs/ike_gustav_ntl.pdf shows the previously known mudslide area.

6. <u>Reports and Repairs</u>. Beginning on October 3, 2008, submit the results of any pipeline inspections you conduct pursuant to paragraphs Nos. 1 through 5 above and any subsequent updates to <u>pipelines@mms.gov</u> by the first Friday of each month. Continue to submit these reports until you have completed all repairs and placed the pipeline back into service. In each report, include

- The MMS-assigned pipeline segment number;
- The size of the pipeline;
- If inspected, the date(s) of the inspection;
- The type of damage found;
- The location of damage (including damage to risers);
- The suspected cause of damage;
- Whether the damage has been repaired;
- If not inspected, the estimated date(s) of inspection;
- Whether the pipeline is "in service" or "out of service;" and
- If returned to service, the date.

Complete all work to correct any damage you find during a pipeline inspection before June 1, 2009. Please be reminded that before you conduct any repairs, you are to submit a repair procedure for review and acceptance to the MMS GOMR Pipeline Section.

7. <u>Leak Testing</u>. If you haven't already done so, perform a leak test before you return any pipeline located in the affected area to service. Make sure that the leak test successfully tests the integrity of the pipeline. When you conduct the leak test, make sure that you use a stabilized pressure that is capable of detecting all leaks, use pressure gauges and recorders that are sufficiently accurate to determine whether the pipeline is leaking during the test, and conduct the test for at least two hours during daylight hours. For major oil pipelines, provide aerial surveillance of the pipeline route while you perform the test.

Safety Device Testing Departures and Returning to Production

Pursuant to 30 CFR 250.804, you must successfully test and inspect safety system devices at specified intervals in accordance API RP 14C, Appendix D. Since facility damage may prevent you from performing the required tests and inspections, the MMS GOMR has received departure requests to either extend time frames or to suspend the tests and inspections until such time that they can be performed safely. To curtail written requests for departures with respect to safety device testing and inspections, follow the guidelines below listed guidelines:

• If your platform is not safe to board, you need to record, in the platform records, that you have suspended safety device testing and inspections due to hurricane damage. Your weekly, monthly, or quarterly test can be suspended until you are ready to resume production. If you are unable to perform the required test or inspection by November 15, 2008, contact the appropriate MMS GOMR district office for a further possible extension.

• Before manning any platform, ensure that all firefighting, flame, smoke or heat detectors, and gas detection and personnel safety equipment are maintained, inspected, and operational.

• Before you resume production, verify the integrity and operability of the platform's surface safety system, including the emergency support system and other systems outlined in API RP 14C, and test and document any repairs. On manned platforms, make sure that at least one primary means of escape is in place. If you board an unmanned platform that has no primary means of escape, provide personnel with a secondary means of escape and make sure that you either moor a standby vessel to the platform or have available a helicopter in the area to transport personnel away from the platform. The MMS GOMR strongly recommends that you repair the primary means of escape quickly, but no later than December 1, 2008.

• The appropriate United States Coast Guard (USCG) district office will grant any departures for performing required USCG Annual Safety Inspections.

Guidance Document Statement

The MMS issues NTL's as guidance documents in accordance with 30 CFR 250.103 to clarify, supplement, and provide more detail about certain MMS regulatory requirements and to outline the information you provide in your various submittals. Under that authority, this NTL sets forth a policy on and an interpretation of regulatory requirements that provides a clear and consistent approach to complying with those requirements. However, if you wish to use an alternate approach for compliance, you may do so, after you receive approval from the appropriate MMS office under 30 CFR 250.141.

Paperwork Reduction Act of 1995 Statement

The Paperwork Reduction Act of 1995 (PRA) (44 U.S.C. 3504 et seq.) requires us to inform you that MMS collects this information to carry out its responsibilities under the OCS Lands Act, as amended. The MMS will use the information to determine if the structural integrity of platforms and pipelines may have been adversely affected by Hurricanes Gustav and Ike, if any damage poses a threat to continued safe operations or the environment, and, if so, whether to require corrective action on damaged structures. Responses are mandatory. No proprietary data are collected. The Office of Management and Budget (OMB) has approved the collection of information pertaining to OCS Pipelines and Pipeline Rights-of-way at 30 CFR 250, subpart J, and assigned OMB Control Number 1010-0050; for Platforms and Structures at 30 CFR 250, subpart I, and assigned OMB Control Number 1010-0149; and NTL, Damage Caused by Hurricanes Gustav and Ike, and assigned OMB Control Number 1010-0164. We estimate the public reporting burden to average approximately 245 hours per respondent. An agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless it displays a currently valid Office of Management and Budget (OMB) control number. Direct any comments regarding the burden estimate or any other aspect of this collection of information to the Information Collection Clearance Officer, Mail Stop 5438, Minerals Management Service, Department of the Interior, 1849 C Street, NW, Washington, D.C. 20240.

Contacts

Please address any questions regarding platform surveys or reports to Mr. B.J. Kruse of the MMS GOMR Office of Technical and Structural Support by telephone at (504) 736-2634 or by e-mail at <u>structures@mms.gov</u>. Address any questions regarding pipeline inspections or reports to Mr. Alex Alvarado of the MMS GOMR Pipeline Section by telephone at (504) 736-2547 or (504) 452-3562, or by e-mail at <u>pipelines@mms.gov</u>. Address any questions regarding safety device inspection and testing to the appropriate MMS GOMR district office.

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Lars T. Herbst Regional Director

Attachment

Attachment

Provide the following information for each Level I survey you conduct in response to this NTL in your annual inspection report:

1. General

- Lessee or Operator Name
- Platform Name
- Platform Location (OCS Area and Block and X-Y Coordinates)
- MMS-assigned Complex ID
- Water Depth
- Year Installed
- Platform Type (Caisson, Tripod, 4-pile, 8-pile, etc.)
- Platform Use (Quarters/Production/Compressor/ROW Accessory, etc.)
- Quarters (Y/N) (If yes, the number of beds.)
- Manned or Unmanned
- Number of Legs and Piles
- Number of Slots; Number of Unused Slots
- Number of Conducters
- Number of Decks
- Measured Deck Height
- 2. <u>Survey Information</u>
 - The date of the survey.
 - The extent and area of inspection.
 - The type of inspection employed (Partial Level I or Complete Level I).
 - Name, company name, and position description of the individual(s) who performed the survey.

3. Structural Damage

- From the approach (helicopter/boat), were there any visual signs of leaning, twisting, unlevel decks, or other significant structural damage? (Y/N) If yes, describe the damage.
- Was there any damage that prevented boarding the platform? (Y/N)
- Were there any visual signs of wave in deck? (Y/N)
- Were there any signs of visible damage (holes, cracks, tears, bending, twisting, movement, missing, displacement, bulging, etc.) to any of the steel members (legs, piles, cross bracing members, columns, truss members, beams or girders, joints and welds, conductors (including guides and clamps), or any other steel member) of the structure? (Y/N) If yes, specify the location and type of member and describe the damage.
- 4. Other Damage
 - Was there any damage to pipeline risers or clamps? (Y/N)
 - Was there any damage to J-tubes or clamps? (Y/N)