Important Notice— This NTL includes as an attachment 15 pages of line drawings. Because of the size of the digital file containing them (almost 10 megabytes), it is not possible to include them here. Information on how to obtain them can be found in a note at the end of this document. The complete text, however, of the NTL follows below.

UNITED STATES DEPARTMENT OF THE INTERIOR MINERALS MANAGEMENT SERVICE

NTL No. 97-2N 1, 1997 **Effective Date: August**

NOTICE TO LESSEES AND OPERATORS OF FEDERAL OIL AND GAS LEASES

ON THE OUTER CONTINENTAL SHELF

Well Naming and Numbering Standards

The problems and flaws associated with the existing Outer Continental Shelf (OCS) oil and gas well naming and numbering standards as contained in API Bulletin D12A are widely acknowledged throughout the industry. These deficiencies have resulted in significant, long-standing problems associated with consistent well identification, data storage and database management, and all types of communications within the oil and gas industry.

The goal of the attached "Well Naming And Numbering Standards" is to revise and improve existing standards and practices in order to:

1. Ensure that all wellbores in the OCS, including sidetracks, bypasses, redrills, and well deepenings, are assigned unique, consistent identifying numbers.

2. Establish well naming and numbering standards for new technology wellbores, such as multilateral, downhole splitter, and horizontal wells, which have not been addressed.

The implementation and use of these new standards (except for the well name suffix as stipulated below) are effective 30 days from the date of this Notice to Lessees (NTL) and will apply to all wells spudded after that effective date. Except for a small number of capacity wells and completions crossing lease lines, <u>no existing well names and numbers</u> assigned for past wells drilled and completed in the Gulf of Mexico will be changed or affected by the implementation of these new standards. For these exceptions, operators will receive notification from Royalty Management via the Well Confirmation Report. The Minerals Management Service (MMS) Pacific OCS Region may revise some or all

historical Pacific well names and numbers in the future to comply with these new standards.

The effective date for the use of the well name suffix as described in the new Well Naming and Numbering Standards will be effective 180 days from the date of this NTL. This will allow MMS and industry time to finish any programming necessary to implement the use of this suffix. These standards will also be attached as an appendix to existing MMS reporter handbooks. If there are any questions regarding these new well naming and numbering standards, please contact one of the following:

Gulf of Mexico OCS Region

Bob Lanza	(504) 736-2450	Fran Wiseman	(504) 736-2912
Eric Kazanis	(504) 736-2667	Charlie Nixdorff	(504) 736-2909

Pacific OCS Region

Alaska OCS Region

Joan Barminski (805) 389-7556

Jeff Walker (907) 271-6188

The Office of Management and Budget (OMB) has approved the information collection requirements in the MMS forms referred to in the attached "Well Naming and Numbering Standards" document. The forms and respective OMB control numbers are: Form MMS-123, "Application for Permit to Drill (APD)," OMB Control Number 1010-0044; Form MMS-124, "Sundry Notices and Reports on Well," OMB Control Number 1010-0045; and Form MMS-125, "Well Summary Report," OMB Control Number 1010-0046. This notice does not impose additional information collection requirements subject to the Paperwork Reduction Act of 1995.

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Carolita

Kallaur Associate Director

Attachment

WELL NAMING AND NUMBERING STANDARDS

Minerals Management Service (MMS) uses four distinct names or numbers to uniquely identify each well completion. They are:

American Petroleum Institute (API) well number. Producing interval code. OCS lease number/well and completion name. Well name suffix.

For offshore Federal operations, the MMS District Offices assign the API well number and producing interval code and approve the well name and suffix in accordance with these procedures and standards.

Both the API well number and producing interval code are used to uniquely identify well completions in information systems. The well name and its suffix are frequently relied upon for well completion identification in documents and communications not related to automated information processing.

This document includes detailed instructions and examples for assigning API well numbers, producing interval codes, well and completion names, and well name suffixes for all wellbores.

API WELL NUMBER

The MMS identifies each wellbore with a unique, permanent **API well number**. This API number is assigned to an original wellbore when **Form MMS-123**, "**Application For Permit To Drill (APD)**" (OMB Control Number 1010-0044), is approved. Incremented, sequential **wellbore (WB) codes** are assigned to each subsequent wellbore (sidetrack, bypass, redrill, or well deepening) with **Form MMS-124**, "**Sundry Notices and Reports on Well**" (OMB Control Number 1010-0045). This WB code was previously called the sidetrack (ST) code but has been renamed the WB code to reflect the fact that the code will apply to all subsequent wellbores drilled after the original hole, including sidetracks, bypasses, redrills, and well deepenings. The standard format 12-digit API well number is structured as follows:

State	County Sequence WB	
Code	Code	Code
	Co	ode
99	999 99	99999

State Code

State codes are two digits. The standard API state or pseudostate codes must be used.

County Code

County codes are three digits. The standard API county or pseudocounty codes must be used.

Sequence Code

Sequence codes are five digits. For OCS wells, these numbers are assigned by the MMS to identify the original wellbore. The numbers are assigned sequentially from 1 to 60,000 for each county or pseudocounty.

Wellbore (WB) Code

WB codes are two digits. The original hole is identified using a WB code of "00." For each and every sidetrack, bypass, redrill, well deepening, or other wellbore drilled after the original hole, the WB code is incremented and assigned sequentially.

o A **wellbore** is defined, for the purposes of these standards, as any new borehole purposely or unintentionally kicked off or extended from an existing wellbore. This category includes drilled wellbores commonly referred to as sidetracks, bypasses, redrills, and well deepenings. (See Figures 1 and 2.)

o WB codes in the range **70-79** are reserved for **historical** sidetracks, bypasses, redrills, and well deepenings which, for whatever reason, were not previously assigned WB codes. (**See Figure 3.**)

The 70-79 series WB codes will also be used to number future wellbores which for some unforeseen reason do not initially receive WB codes. In these cases the 70 series WB code assigned will be permanent and will not be renumbered later.

Existing API numbers, including WB codes, already assigned will not be changed. The 70-79 series of WB codes will be used only to identify sidetracks, bypasses, redrills, well deepenings, and other such wellbores which were not initially assigned a unique API number with a WB code.

Additional details of assigning API well numbers are found in the "API Well Number and Standard State and County Numeric Codes Including Offshore Waters, API Bulletin D12A" published in January 1979. This appendix includes changes from and supersedes some parts of these API standards.

If an API number has not been assigned or cannot be found by the operator or MMS for an Outer Continental Shelf (OCS) well, MMS assigns a temporary sequence number between 85,000 and 90,000 to be used by the operator until the permanent number is found or assigned by the appropriate District Office.

PRODUCING INTERVAL CODE

The **producing interval code**, sometimes referred to as the completion code, is a 3character standard format code (**ANN** where **A** = an alpha character and **N** = a numeric character) assigned by the MMS when **Form MMS-125**, "Well Summary Report" (OMB Control Number 1010-0046) is accepted. The numeric portion is uniquely and permanently related to a specific completion zone or producing configuration within a wellbore.

The 3-character producing interval code is a separate identifier and is not part of the 12-digit API number. However, it does complete the well number for reporting purposes.

The first character (alpha) of the code is assigned based upon the number of tubing strings in the wellbore which are capable of production. For example, a producing interval code of "S01" indicates a single tubing string; "D01" indicates a dual completion. (See Figures 4 through 6.)

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The second and third characters (numeric) of the code relate to a specific reservoir or producing configuration and are assigned sequentially beginning with the number "01" for the first reservoir completed within a wellbore, followed by consecutively increasing numbers assigned to successive completed reservoirs. For example, a producing interval code of "S01" indicates the first reservoir completed in the well; "S02" indicates the second reservoir completed. If, however, additional perforations are added to an "S01"

completion in the same reservoir, the producing interval code remains "S01" since the completion is still producing from the same reservoir or commingled situation.

The components of the producing interval code are as follows:

1st Character

<u>Characters</u> (Indicates No. of Tubing Strings) Borehole - X 2nd and 3rd

(Indicates Reservoir Completed) 01 through 99 Single - S Dual - D Triple - T Quadruple - Q Quintuple - V

A producing interval code of "X01" must be used when reporting only the wellbore, such as in the following cases:

Reporting an active or inactive drilling well.

Reporting a wellbore in which all completions have been abandoned but the wellbore itself has not been abandoned (i.e., temporary abandonment).

Reporting a wellbore which has been permanently abandoned.

Largely due to new technology, special completions and producing situations exist which require exceptional naming and numbering guidelines. In part, these cases are addressed by reserving and using blocks of producing interval codes for well completion identification purposes. These reserved producing interval code ranges are identified as follows:

Producing Interval Code	<u>Reserved</u>	Reserved For		
	01-19 in any of th	All "routine" producing completions not included at following groups.		
	21-39 All completions which involve the combined production of unit and nonunit hydrocarbons in a single tubin string. (See Figure 8.)			
	41-59 9.)	All completions that cross lease lines . (See Figure		
	capacity complet	"capacity" completions. (See Figure 10.) A ion is defined as a completion with two or more tubing or capable of producing from the same reservoir.		

81-99 Unassigned.

COMPLETIONS INVOLVING DOWNHOLE COMMINGLING OF PRODUCTION FROM SEPARATE RESERVOIRS

Downhole commingling of production from separate reservoirs involves producing the separate zones through a common tubing string. (See Figures 11 and 12.)

COMPLETIONS INVOLVING COMBINED PRODUCTION OF UNIT AND NONUNIT HYDROCARBONS

Combined production of unit and nonunit production through a single tubing string is indicated by using the appropriate producing interval codes between **21 and 39**. (See Figure 8.)

This producing interval code is approved with Form MMS-125, "Well Summary Report."

COMPLETIONS THAT CROSS LEASE LINES

If the perforated interval of a well completion crosses a lease or unit line, two separate completion records are established, one in each lease or unit. (See Figure 9.)

Producing interval codes are assigned from the range **41 through 59**, with the second digit maintaining the sequence of all completions, crossing the lease line or not, in the wellbore. For example, if an initial completion in a wellbore crosses a lease line, the producing interval codes for the two completion records are S41 and S51. If the first two single completions in a wellbore are located on one lease (S01 and S02) and the third completion crosses the lease line, the two records established for this third completion are designated S43 and S53.

The API number, well name, and well name suffix are identical for each completion record. The differing lease numbers and producing interval codes will distinguish the two records. Production and test data are allocated based on criteria specified by MMS (e.g., percentage of perforated interval or total reserves located in each lease) and will be reported separately. These producing interval codes will be approved with **Form MMS-125**, **"Well Summary Report."**

CAPACITY COMPLETIONS (CAP)

A **capacity completion** is defined as a completion with two or more tubing strings producing or capable of producing from the same reservoir.

Capacity completions are identified using appropriate producing interval codes from the range **61 through 79**. For example, an initial capacity dual completion has the producing interval codes D01 and D61. (**See Figure 10.**)

Production and test data are reported separately for each tubing string. This producing interval code is approved with **Form MMS-125**, **"Well Summary Report**."

OCS LEASE NUMBER/WELL AND COMPLETION NAME

The OCS lease number/well and completion name serve as identification keys for OCS wellbores and completions.

The wellbore name (**AANNN** where **A** = an alpha character and **N** = a numeric character) is established with the approval of **Form MMS-123**, "**Application For Permit To Drill (APD)**." The individual well completion name is approved with **Form MMS-125**, "**Well Summary Report**" when the wellbore is completed by adding a single alpha character to the end of the wellbore name (**AANNNA**).

Well and completion names are designated with a 6-character (AANNNA) identifying nomenclature accepted and approved by the MMS (e.g., A001, JA002D, etc.). For a well or completion name not located at a platform (e.g., Well No. 1), the first two alpha characters are blank (001).

Well and completion names are approved in a format that can indicate the offshore platform name (A001), the sequence in which the well was drilled, and, for multiple completions, the specific tubing string (A001<u>D</u>).

WELL NAME SUFFIX

The well name suffix is an internal extension to the well name and is approved to further indicate the number of times a new wellbore has been drilled. These new wellbores include sidetracks, bypasses, redrills, and well deepenings.

The well name suffix is a 4-character standard format identifier (**WBNN** where **WB** is the specific alpha designation used consistently in all well name suffixes and N = a numeric character) which is incremented for any drilling of a new hole, including sidetracks, bypasses, redrills, well deepenings, and abandoned portions of wellbores (i.e., WB01, WB02, etc.).

The well name suffix is accepted and approved on **Form MMS-125**, **"Well Summary Report**."

In cases where no API number has been assigned to a certain historical wellbore, the wellbore code (11th and 12th digits of the API number) will not correspond to the well name suffix for all wellbores subsequently drilled.

NEW WELLBORE TYPES

Advances in drilling technology have resulted in the appearance of several new wellbore types which present unique well naming and numbering problems. These new wellbore types are:

Horizontal wells

Multilateral wells Downhole splitter wells Spoke wells

HORIZONTAL WELLS

A **horizontal well** is defined as a well whose angle of deviation is 75 degrees or greater for more than four consecutive directional survey points. (See Figure 13.)

MULTILATERAL WELLS

A **multilateral well** is a well with two or more tubing strings, usually but not necessarily drilled and completed horizontally or highly directionally, sharing common surface casing. (See Figure 14.)

The 10-digit portion of the API well number is the same for all related wellbores sharing common surface casing. An original or initial pilot hole not related to any previous wellbore has a WB code of "00."

A horizontal or lateral well drilled as a sidetrack from an original hole has a WB code of "01". Each lateral associated with the wellbore has a unique WB code assigned sequentially (e.g., 01, 02, etc.).

If each lateral wellbore is initially set up as a single completion, the producing interval code is the same for each initial completion, S01. (See Figure 14.) However, if one lateral is initially set up as a single completion and the other as a dual completion, the producing interval codes will be S01 and D01/D02, respectively.

The well name (e.g., A001, 002, etc.) is the same for all lateral wellbores.

The well name suffix (e.g., WB01, WB02, etc.) is incremented for each sidetrack, bypass, redrill, and well deepening associated with a multilateral well.

DOWNHOLE SPLITTER WELLS

A **downhole splitter well** is defined as two or more wells drilled, cased, and completed within a single wellbore allowing independent production and individual access to each well. (See Figure 15.)

The 10-digit portion of the API well number for each downhole splitter well is separate and distinct. An original downhole splitter well has a WB code of "00." A wellbore drilled as a sidetrack from an original splitter hole has a WB code of "01."

Each splitter wellbore has a different well name.

The well name suffix is incremented for each new wellbore drilled from the original wellbore (sidetrack, bypass, redrill, or well deepening).

SPOKE WELLS

A **spoke well** is a special wellbore type involving extensions drilled from a horizontal or highly directional well and presents unique well naming and numbering problems. There are currently no such wells in the OCS, and this document will not address the naming and numbering of spoke wells at this time. Establishing such conventions for these well types will be the subject of a future MMS/industry effort.

WELL NAMING AND NUMBERING EXAMPLES

The following examples demonstrate the correct use of the well naming and numbering standards:

Figure	
	Page
1 - Sidetrack Well	
	11
2 - Well Deepened	
	12
3 - Historical Wellbore With No API Number Assigned 13	
4 - Recompleting A Well	
	14
5 - Workover	
	15
6 - Collapsed Tubing String	
	16
7 - Tubingless Completion	
	17

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8 - Unit and Non-Unit Production
                                                        Combined
                                                                             18
                                                 9 - Completion That Crosses Lease Line
                                                                             19
                                                 10 - Capacity Well
                                                                             20
11 - Downhole Commingling - Single Tubing String
                                                        21
                                                 12 - Downhole Commingling - Dual
                                                        Completion
                                                                             22
                                                 13 - Horizontal Well
                                                                             23
                                                 14 - Multilateral Well
                                                                             24
                                                 15 - Downhole Splitter Well
                                                                             25
```

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