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

NTL No. 2002-G10 Effective Date: September 4, 2002

NOTICE TO LESSEES AND OPERATORS OF FEDERAL OIL, GAS, AND SULPHUR LEASES IN THE OUTER CONTINENTAL SHELF, GULF OF MEXICO OCS REGION

Standard Conditions of Approval for Well Activities

This Notice to Lessees and Operators (NTL) is issued pursuant to 30 CFR 250.103 and supersedes NTL No. 97-07, dated March 1, 1997, on this subject. It makes minor technical corrections; updates regulatory citations; adds standard conditions for well workovers, completions, and recompletions; and provides for the use of a new form for reporting rig movements.

Standard Conditions of Approval

- 1. Attachment No. 1 of this NTL is a list of the standard conditions of approval that the Minerals Management Service (MMS) Gulf of Mexico OCS Region (GOMR) District Offices will place on the approval of all applications to drill or sidetrack wells.
- 2. Attachment No. 2 of this NTL is a list of the standard conditions of approval that the MMS GOMR District Offices will place on the approval of all applications to work over, complete, or recomplete wells.

Rig Movement Notification Report and Weekly Activity Report

As discussed in Condition No. 1 in both of the above-listed attachments, you should notify the appropriate MMS GOMR District Office at least 24 hours prior to moving or skidding a drilling rig, a workover rig, a coiled tubing unit, or a snubbing unit on or off location/well. You should use the attached Form MMS-144, Rig Movement Notification Report, to provide this notification. This form was approved by the Office of Management and Budget (OMB) and became effective in May 2002.

As discussed in Condition No. 2 in both of the above-listed attachments, you should submit weekly well activity information using Form MMS-133, Weekly Activity Report. This form was approved by the OMB and became effective in September 1999.

You may obtain both Form MMS-144 and Form MMS-133 from any of the MMS GOMR District Offices, the MMS GOMR Public Information Office in New Orleans, Louisiana, or the MMS Internet website at http://www.gomr.mms.gov/homepg/mmsforms/frmindx.html.

Paperwork Reduction Act of 1995 Statement

The information collection referred to in this NTL provides clarification, description, or interpretation of requirements contained in 30 CFR 250, Subparts D, E, F, K, and Q; and on Forms MMS-124, MMS-125, MMS-133, and MMS-144. The Office of Management and Budget (OMB) approved the information collection requirements for these regulations and forms. The assigned OMB control numbers for these regulations and forms are listed in 30 CFR 250.199, except for Subpart Q and Form MMS-144. The OMB Control Number for Subpart Q is 1010-0142. The OMB Control Number for Form MMS-144 is 1010-0150. This NTL does not impose additional information collection requirements subject to the Paperwork Reduction Act of 1995.

Contacts

Please direct any questions you may have regarding this NTL to the Drilling Engineer or the Workover/Completion Engineer in the appropriate MMS GOMR District Office.

Chris C. Oynes
Chris C. Oynes
Regional Director

Attachments

ATTACHMENT NO. 1

STANDARD CONDITIONS OF APPROVAL FOR WELL DRILLING AND SIDETRACKING

- 1. Notify the appropriate MMS GOMR District Office(s) *at least 24 hours before* you move a drilling rig on or off location/well. You should use Form MMS-144, Rig Movement Notification Report, to make this notification.
- 2. From the time you spud the well until you complete the well, suspend operations on the well, or permanently plug or temporarily permanently abandon the well, submit (on a weekly basis) an activity report to the appropriate MMS GOMR District Office. Use Form MMS-133, Weekly Activity Report, to fulfill this requirement. This Weekly Activity Report is in lieu of the daily driller's report authorized by 30 CFR 250.416(c)(3). If the well is in a water depth greater than 1,000 feet, and if you obtain any evidence of shallow-water flow from observation by a remotely operated vehicle, indications of shallow, abnormal pressure, or any other source, note such evidence on your Weekly Activity Report. On the final Weekly Activity Report, indicate the status of the well (shut in or producing, oil or gas well, temporarily abandoned, suspended, etc.) and the date you finished such operations.
- 3. When you file a request on Form MMS-124, Sundry Notices and Reports on Wells, to suspend, temporarily abandon, permanently plug, or complete the well, include schematics showing both the existing and proposed downhole wellbores. On the schematics, include, as warranted, the location of all casings, cemented intervals, perforated zones, completion equipment, isolation packers, landing nipples, subsurface safety devices, alternate completions, and the size and location of any cement plugs you used in suspending, temporarily abandoning, permanently plugging, or completing the well.
- 4. To comply with 30 CFR 250.416, 30 CFR 250.513, and other pertinent regulations, note all occurrences of oil, gas, sulphur, and other minerals of potential geological interest on Form MMS-125, Well Summary Report, to include all important zones of porosity and contents thereof, cored intervals, and *complete* details on all drill-stem and formation tests.

ATTACHMENT NO. 2

STANDARD CONDITIONS OF APPROVAL FOR WELL WORKOVERS, <u>COMPLETIONS</u>, OR RECOMPLETIONS

- 1. Notify the appropriate MMS GOMR District Office(s) *at least 24 hours before* you move a workover rig, a coiled tubing unit, or a snubbing unit on or off location/well. Use Form MMS-144, Rig Movement Notification Report, to make this notification.
- 2. Submit one copy of a weekly progress report on all workover, completion, and/or recompletion operations to the appropriate MMS GOMR District Office. Use Form MMS-133, Weekly Activity Report, to make this progress report.
- 3. According to 30 CFR 250.613(d), submit the following information to the appropriate MMS GOMR District Office *no later than 30 days* after you finish the work:
- a. A subsequent report using Form MMS-124, Sundry Notices and Reports on Wells. In the subsequent report, describe the work you performed in complete detail and include the date you commenced and finished the workover, completion, or recompletion.
- b. A current downhole wellbore schematic showing the status and condition of the well at the time you finished operations, including the location of all casings, cemented intervals, perforated zones, completion equipment, isolation packers, alternate completions, tubing, landing nipples, and subsurface safety devices.
- c. A report using Form MMS-125, Well Summary Report, whenever you recomplete the well in a new zone or change the perforated intervals of a currently completed zone.
- 4. Notify the appropriate MMS GOMR District Office if you successfully complete or recomplete the well for production. Make this notification when you place the well in a production status. You may provide the notification *orally if confirmed in writing, by telefax, or by e-mail*. Make sure that the appropriate MMS GOMR District Office receives the notification no later than five working days following the date you place the well on production. At a minimum, include the following information in your notification:
 - a. Operator name;
 - b. Well number, lease number, and area and block;
 - c. Date you placed the well on production (indicate whether or not this is first production on the lease); and
 - d. Type of production (e.g., oil, natural gas).

You do not need to provide this notification if you included the information with a previously-submitted Form MMS-125, Well Summary Report.

5. If you complete the well with underwater completion equipment, provide a schematic diagram with your subsequent report (Form MMS-124, Sundry Notices and Reports on Wells) showing the water depth, the height of the top of the wellhead above the seafloor, and all wellhead equipment.

- 6. If you plan to commingle production from multiple reservoirs within the wellbore, submit a downhole commingling application (in accordance with 30 CFR 250.1106(a)) to the MMS Regional Supervisor for Production and Development before you conduct any completion operations (see NTL No. 99-G19, Downhole Commingling Policies, dated September 7, 1999).
- 7. If you plan to produce the well in an interval that is closer than 500 feet from a lease or unit line for which the unit, lease, or royalty interests are not the same, submit a request for approval to produce the well (in accordance with 30 CFR 250.1101(b)) to the MMS Regional Supervisor for Production and Development before you begin production (see NTL No. 97-16, Production Within 500 Feet of a Unit or Lease Line, dated August 1, 1997).