

**UNITED STATES DEPARTMENT OF THE INTERIOR
MINERALS MANAGEMENT SERVICE**

NTL No. 98-8N

Effective Date: June 1, 1998

**NOTICE TO LESSEES AND OPERATORS OF FEDERAL OIL AND GAS LEASES
IN THE OUTER CONTINENTAL SHELF**

Deepwater Operations Plans

The Minerals Management Service (MMS) issued Notice to Lessees and Operators (NTL) 96-4N with an effective date of August 19, 1996. That NTL alerted lessees/operators (you) that MMS now requires a Deepwater Operations Plan (DWOP) for all deepwater development projects (water depths greater than 1,000 feet) and all projects utilizing subsea production technology. This present NTL supersedes NTL 96-4N and provides a new set of guidelines (attached) addressing all deepwater development projects (water depths greater than 1,000 feet) and all projects utilizing subsea production technology. Projects that rely solely on the use of conventional fixed-leg platforms for development do not need a DWOP.

The attached guidelines have been structured to be more user friendly and to answer many of the commonly asked questions directed to MMS during the previous year. The intent and goal of the DWOP remain as described in the previous NTL:

“The DWOP is designed to address industry and MMS concerns by allowing an operator to know, well in advance of significant spending, that their proposed methods of dealing with situations not specifically addressed in the regulations are acceptable to MMS. The DWOP will provide MMS with information specific to deepwater/subsea equipment issues to demonstrate that a deepwater project is being developed in an acceptable manner as mandated in the OCS Lands Act as amended and 30 CFR 250. The MMS will review deepwater development activities from a total system perspective, emphasizing the operational safety, environmental protection, and conservation of natural resources.”

The attached guideline retains the three-part submittal for a DWOP: Conceptual, Preliminary, and Final. Attachment 1 provides general guidance on when it may be appropriate to submit each part of the DWOP to MMS. Each part of the plan will be reviewed for approval by MMS. There is one significant change to the three-part submittal: a Conceptual Part is required for all development projects in water depths greater than 1,000 feet and all projects utilizing subsea production technology. For those subsea projects in less than 1,000 feet of water that are similar to previously approved

projects, MMS may waive the requirement for a Preliminary Part. The guideline further describes this approach.

You should submit three copies of a DWOP to the MMS's Gulf of Mexico OCS Region, Attention: Chief, Technical Assessment and Operations Support Section (MS 5220). Once MMS determines that each part of the DWOP contains all the necessary information, MMS will approve each part within the following time schedule:

Conceptual Part	- 30 days
Preliminary Part	- 90 days
Final Part	- 60 days

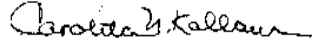
The guidelines for the DWOP do not require you to submit documentation addressing resource conservation. You should refer to NTL 96-6N (until June 30, 1998) for conservation information submittal requirements. Effective July 1, 1998, NTL 98-14N will supersede 96-6N.

The MMS does not intend for the DWOP to replace other submittals (plans, applications, permits, etc.) required by the regulations. You may minimize duplication by cross-referencing information whenever appropriate. Your plan, in conjunction with the existing MMS regulations, will be the basis by which you operate the deepwater project.

The MMS may require additional operations summaries for deepwater projects. These summaries will be similar to the annual unit operations plan. You must provide pertinent information regarding project milestones and achievements, expected operations that could affect the development strategy, and updated reservoir and geologic information obtained from the drilling or completion of additional wells.

Paperwork Reduction Act of 1995 Statement: This Act (44 U.S.C. 3501 et seq.) requires us to inform you that MMS collects the information required, or referred to, in this NTL and the attachments to evaluate proposed deepwater projects from a "total system" approach, emphasizing operational safety and environmental protection. Responses are mandatory. Proprietary data are covered under 30 CFR 250, Subpart A. We estimate the public reporting burden to average 580 hours, including the time for reviewing instructions, gathering and maintaining data, and completing and reviewing the information. 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. The OMB has approved the collection of information for submitting DWOP's under OMB Control Number 1010-0049. You may find the OMB control numbers listed in 30 CFR 250, subpart A, for the other information collection requirements referred to in this NTL. Direct comments regarding the burden estimate or any other aspect of this collection of information to the Information Collection Clearance Officer, Mail Stop 4230, Department of the Interior,

Minerals Management Service, 1849 C Street, N.W., Washington, D.C. 20240; and to the Office of Management and Budget, Office of Information and Regulatory Affairs, Attention: Desk Officer for the Department of the Interior (1010-0049), Washington, D.C. 20503.



27 May 1998
Dated

Carolita U. Kallaur
Associate Director for Offshore
Minerals Management

*This NTL can also be found at the MMS worldwide website at
<http://guidelineswww.mms.gov>*

2 Attachments

- General Timing for the Three Parts of the Deepwater Operations Plan
- Deepwater Operations Plan Guideline

**General Timing for the Three Parts
of the Deepwater Operations Plan**

Discovery

Conceptual Selection of Development Scenario

Submit Conceptual Deepwater Operations Plan

Preliminary Engineering

Project Design and Identification of Alternative Compliance Measures Project

Submit Preliminary Deepwater Operations Plan

Procurement of Long Lead-time Items

Detailed and Final Project Design

Project Approval by Operator

Fabrication and Integration

- factory acceptance testing
- site integration testing
- procuring activities

Installation and Commissioning

Startup and Operations

Submit Final Deepwater Operations Plan 90 Days Following Production

Startup

The MMS believes that the above timing for submittal of the three parts of the DWOP is appropriate. You may submit a plan at anytime; however, a submittal that does not fit the generalized timing may affect the time for MMS to review and approve the DWOP.