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

NTL No. 2008-G09 Effective Date: June 1, 2008 Expiration Date: December 1, 2013

NOTICE TO LESSEES AND OPERATORS OF FEDERAL OIL, AND GAS LEASES IN THE

<u>Guidelines for Moored Drilling Rig Fitness Requirements</u> for Hurricane Season

OUTER CONTINENTAL SHELF (OCS), GULF OF MEXICO OCS REGION

This Notice to Lessees and Operators (NTL) provides guidance on the information you must submit with your Form MMS-123, Application for Permit to Drill (APD), to demonstrate the fitness of any moored drilling rig you will use to conduct operations in the Gulf of Mexico (GOM) OCS during hurricane season. As required by 30 CFR 250.417(a), this information must demonstrate that the associated moored drilling rig is capable of performing at the proposed drilling location. The Minerals Management Service (MMS) Gulf of Mexico OCS Region (GOMR) will use the recommendations in the American Petroleum Institute's (API) newly-developed Appendix K to the Third Edition of API RP 2SK, *Gulf of Mexico Mooring Practice for Hurricane Season* (API RP 2SK, Appendix K) to guide our review and evaluation of the information and data that demonstrate the moored rig's capability to perform at the proposed location. The MMS GOMR highly recommends that you follow the recommendations in the API RP 2SK, Appendix K as you prepare APD's to conduct drilling operations during hurricane season. Failure to follow the recommendations in the API RP 2SK, Appendix K may delay the approval of an APD or result in disapproval. This guidance also applies to moored drilling rig operations you conduct under Form MMS-124, Application for Permit to Modify (APM).

Background

The effects of Hurricanes Ivan, Katrina, and Rita during the 2004 and 2005 hurricane seasons were detrimental to oil and gas operations on the OCS. These effects included structural damage to fixed production facilities, semi-submersibles, and jack-up rigs. During Hurricanes Ivan, Katrina, and Rita, there were 19 moored rigs that experienced a total failure of station-keeping ability. Additionally, there were several jack-up rigs that were unable to keep station through these storms. Interim guidelines for improved jack-up rig station-keeping will be addressed under a separate NTL.

Fortunately, these hurricanes did not cause any loss of life or significant pollution because of industry's ability to secure wells and evacuate personnel successfully. However, the MMS GOMR is concerned about the loss of these facilities and rigs, as well as the potential for

catastrophic damage to key infrastructure and the resultant pollution from future storms. In an effort to reduce these effects, real and potential, the MMS GOMR has set forth guidance to ensure compliance with 30 CFR 250.417 and to improve performance in the area of moored rig station-keeping during the environmental loading that may be experienced during hurricanes.

Scope

This guidance covers drilling, workover, or completion operations conducted by moored rigs during hurricane season. All moored rigs that will be used to drill, complete, or workover a well under an APD or APM after the effective date of this NTL are covered by the requirements set forth below. The moored rig information required for permitting a well during hurricane season relates primarily to mooring design issues and the performance of risk assessments and mitigations.

If you already have an approved APD or APM and you plan to use a moored rig to drill or conduct other well operations during hurricane season (between June 1 and November 30) you must submit a revision to the APD or APM to the appropriate MMS GOMR District Supervisor for approval. In the revision to the APD or APM, address items Nos. 1 through 6 as outlined below under "Moored Drilling Rig Fitness." In accordance with 30 CFR 250.125(a), you do not need to pay a service fee to MMS for processing these revised APD's and APM's.

Moored Drilling Rig Fitness

The MMS GOMR has determined that the level of detail and recommendations set forth in the newly-developed API RP 2SK, Appendix K will help to bring about the sought after improvement in performance for hurricane season. Therefore, the MMS GOMR will use the API RP 2SK, Appendix K to review and evaluate the information submitted with each APD or APM. The MMS GOMR highly recommends that you follow these same recommendations as you prepare APD's and APM's for operations you will conduct during hurricane season.

Provide the following minimum information in your APD's or APM's to demonstrate compliance with the requirements of 30 CFR 250.417(a):

- 1. A statement documenting that you have provided or will provide appropriate site-specific data (potential installation hazards, and surrounding surface and subsea infrastructure) to the rig contractor to allow the best location for the rig and mooring system to be established prior to moving on location.
- 2. A statement that documents that you have provided or will provide site-specific metocean data (using the criteria outlined in Section 11 of the API RP 2SK, Appendix K or available in API Bulletin 2INT-MET), including winds, waves, currents, storm surge, and tides, to the rig contractor prior to moving the rig on location to facilitate proper mooring of the rig on location. In lieu of site-specific data, you may use the generic data depicted in Table 11.1 of the API RP 2SK, Appendix K.
- 3. Specifics on the type of anchors being used within the mooring system (see Section 8 of the API RP 2SK, Appendix K) and their holding capacities calculated in accordance with Section 8.1 of the API RP 2SK, Appendix K and a mooring diagram with a

- description of the subsea infrastructure within a 15-mile radius, including pipelines, fixed facility mooring lines, other rig mooring lines, subsea equipment (templates, PLETs, subsea tie-ins, etc.), and any other infrastructure.
- 4. Information from the rig contractor that documents the results of the last mooring inspection completed. As stated in Section 2.6 of the API RP 2SK, Appendix K make sure that you inspect mooring components in accordance with the procedure and schedule in Appendix B of API RP 2I, Mooring Inspections, 3rd Edition.
- 5. A risk assessment as described in Section 6.3 of the API RP 2SK, Appendix K that includes, at a minimum, the following data elements: MODU name; rig location (latitude/longitude); on-location start and end dates; maximum anchor radius; anchor type; list of the mooring system components; metocean criteria used and the associated one-minute wind speeds for 10-, 25-, 50-, and 100-year return periods; return periods at API factors of safety; and the limit state curve.
- 6. Any additional information that could mitigate identified risks or alters the moored rig's fitness requirements for hurricane season.

The MMS GOMR encourages you to:

- 1. Provide the United States Coast Guard with read-only access to the Emergency Position Indication Radio beacon (EPIRB) data for your moored drilling rig fleet before hurricane season begins;
- 2. Review and update your Coast Guard Marine Operations Manual to minimize the possibility of adverse consequences of any tropical system; and,
- 3. Review the hurricane preparedness information in Section 9 of the API RP 2SK, Appendix K before you conduct any moored rig activity during hurricane season.

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 a regulatory requirement that provides a clear and consistent approach to complying with that requirement. However, if you wish to use an alternative 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 information collection referred to in this NTL is intended to provide clarification, description, or interpretation of requirements contained in 30 CFR 250, subpart D, Oil and Gas Drilling Operations. The Office of Management and Budget (OMB) has approved the information collection requirements in these regulations under OMB Control Number 1010-0141. 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 either Jane Powers at (504) 736-2558 (jane.powers@mms.gov) or Lance Labiche at (504) 736-2433 (lance.labiche@mms.gov).

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Lars T. Herbst Regional Director