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

NTL 2010-G03

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

Wells (holes-in-the-ground) Without Assigned MMS API Numbers

This NTL supersedes NTL 2006-G18 to continue the task of cleaning up our historical data for wells in the GOMR. In doing so, every effort has been made to minimize the burden on industry in accomplishing this goal.

The primary objective of Historical Well Data Cleanup (HWDC) is to obtain missing data for wellbores that have not been assigned API numbers by the MMS. We are looking for any records that would have been submitted to MMS. This ranges from very straightforward to extremely complex, depending on the types of problems encountered during drilling operations. Having complete and accurate documentation of all drilling activities is the goal, and operator cooperation is an essential part of locating missing information for the clean up of data from these wells. Specific information requested is:

- records of well completion or workover activities that materially alter the completion configuration or affect a hydrocarbon-bearing zone § 250.467(c)
- well logs and surveys run in the wellbore § 250.468(a)
- directional surveys § 250.468(a)
- service company reports on cementing, perforating, acidizing, testing, or other similar reports – § 250.469(c)

The level of cooperation requested will be limited to only those wells where MMS records indicate additional wellbores may exist. This is a quantum shift from previous data collections where operators were requested to provide information for all their wells. This results in a dramatic reduction in burden reflecting both major improvements to access of internal MMS records and, experience gained from previous data collections.

The original scope of data collection for 40,000 wells has been reduced to approximately 4,500 wells. This reduction is based on analyses of previous submissions where 75 percent of all wells were found to be complete and accurate, in conjunction with recent experience and the results achieved since the NTL was last issued. It is the 4,500 wells that data collection will target.

Prior to contacting any operator for information, the MMS Technical Data Management Section (TDMS) will conduct an extensive review of internal records first. This will include a detailed study of all submitted regulatory documents; a cross-check with information held in the Technical Information Management System (TIMS) database; and graphical (map) displays for validity and accuracy. If TDMS deems it necessary to contact an operator, they will furnish: (1) an inventory of the information currently in MMS records, (2) a description of the data problem that has been identified, and (3) the information that is needed to address the data problem.

When TDMS issues a request for information, we ask that company databases and records are reviewed to both confirm what the MMS knows as correct and, where available, provide the requested information for inclusion with existing well records. Electronic data submission is strongly encouraged.

The majority of these missing wells were not reported to the MMS in the operator's (or the previous operator's) description of drilling activities because the MMS did not issue separate permits for well bypasses. This only applies to wells drilled prior to 2000 as the MMS has assigned API numbers to all wells (regardless of status) since that time. As there was no requirement to report these wells before 2000, the MMS will not issue any Incidents of Non-compliance (INC's) in relation to the collection of this data.

A large number of operators rely on association (e.g., Offshore Oil Scouts Association [OOSA]) or vendor data sets that contain many of these missing wellbores identified in drilling reports from non-MMS sources. Associations have not made data available to the MMS, and the vendor data sets may be licensed with restricted usage. The MMS will use the data provided for the management of minerals, and will subsequently release data to the public according to current regulations unless another period of time is agreed to by MMS and the parties.

For new activity, NTL 2010-G02 reminds operators to submit complete drilling records in timely fashion according to 30 CFR 250 Subpart D. These data are compiled and sent to MMS in a relatively short period of time after well drilling or completion operations cease. In addition to the requirement to submit complete records in a timely fashion, it is the operator's responsibility to ensure that updated data are submitted and to correct inaccurate information previously submitted for wells.

The MMS recognizes the cleanup targets the identification and capture of missing wellbores, but this is not at the exclusion of other data problems. If there are wells known to operators that have data problems, these should be reported directly to the Technical Data Management Section (TDMS) rather than waiting to be contacted.

The four areas that we examine during our Annual Performance Review of each operator are listed below:

-the operator's history of compliance as it relates to the MMS Inspection Program, -any action that MMS has forwarded for review or has resulted in a civil penalty, -the operator's safety record as it relates to accidents and incidents, and -the operator's progress in implementing a Safety and Environmental Management Program.

Since information has become so critical for the success of the offshore minerals program, MMS is developing methods to use annual reviews for evaluating the quality of the data you submit.

Paperwork Reduction Act of 1995 Statement: The Paperwork Reduction Act of 1995 (44 U.S.C. Chapter 35) requires us to inform you why we collect this information and how we will use it. The MMS uses the HWDC information to fill in the missing data for wellbores that have not been assigned API numbers by the MMS. Having complete and accurate documentation of all drilling activities provides an accurate assessment of oil and gas resources. We have provided these explanations in the preceding paragraphs. Responses are mandatory (43 U.S.C 1334). Proprietary data are covered under 30 CFR 250.197. 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 OMB Control Number. Public reporting burden for this information collection is estimated to average 1/2 hour to locate and copy scout tickets for each well and 2 hours to retrieve and analyze each well file. This includes the time for reviewing instructions, gathering and maintaining data, and completing and reviewing the information. Direct comments regarding the burden estimate or any other aspect of this information collection to the Information Collection Clearance Officer, Minerals Management Service, Mail Stop 5438, 1849 C Street, NW, Washington, DC 20240.

This NTL also refers to the collection of information for requirements under 30 CFR 250, subpart D. The Office of Management and Budget has approved this collection of information under OMB Control Number 1010-0141.

Contact: If you have not already provided a contact for this project, please submit a name, phone number, and e-mail address for future correspondence. Please address any questions on the contents of this notice to Chris Schoennagel at <u>christopher.schoennagel@mms.gov</u> or (504) 736-2801.

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Lars T. Herbst Regional Director