Safety at All Levels, at All Times

Sport Fishing & Boating Partnership Council

James A. Watson, Director

November 7, 2012
Safety at All Levels, at All Times

- Decommissioning
- Idle Iron
- Rigs to Reefs
- Interagency Working Group
Decommissioning

• Companies Obligated to Remove Infrastructure
  – Within one year after lease expires
  – When the company determines there is no future use
  – Included in Lease terms
  – Regulated by 30 CFR 250, Subpart Q: Decommissioning Activities
• Alternative Internal Control Review
  – 111 structures destroyed or significantly damaged from Hurricanes Katrina and Rita
    • 50% were on terminated leases

• Notice to Lessees (Sept. 2010)
  – Clarified “no longer useful for operations”
    • Removal required 5 years after determination
    • NTL did not change requirements
      – Majority of infrastructure: Abandoned Wells
“Rigs to Reefs”

- Departure from Regulatory Requirements
  - BSEE can grant a departure from removal requirements providing reefing criteria are met
    - Benefits the environment / economy
  - “Rigs to Reefs” policy allows for reefing of certain oil and gas platforms in state-designated reefing areas
    - Some platforms can be reefed in place
  - Since 2005, on average, 12% of platforms decommissioned annually have been reefed
“Rigs to Reefs”

• Reefing Criteria:

  – The structure becomes part of a State artificial reef program that complies with the criteria in the National Artificial Reef Plan;

  – The responsible State agency acquires a permit from the U.S. Army Corps of Engineers and accepts title and liability for the reefed structure once removal/reefing operations are concluded;

  – The operator satisfies any U.S. Coast Guard navigational requirements for the structure (85 feet below waterline); and

  – The reefing proposal complies with Gulf of Mexico Region engineering, stability, and environmental (EPA) reviewing standards and reef-approval guidelines.
Interagency Working Group

• Interagency Working Group looking at Rigs to Reefs:
  – BSEE
  – Bureau of Ocean Energy Management (BOEM)
  – National Oceanic and Atmospheric Administration (NOAA)
  – Environmental Protection Agency (EPA)
  – United States Army Corps of Engineers (USACE)
  – United States Coast Guard (USCG)

• Informational Meeting November 16, 2012
  – Texas Southern University, Houston, TX
  – 2:00 p.m. – 4:30 p.m.
  – Interagency Presentation / Q&A