

Safety Alert

MMS

U.S. Department of the Interior
Minerals Management Service
Gulf of Mexico OCS Region

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Plug and Abandonment of Non-producing Wells and Facilities

Following Hurricanes Ivan, Katrina, and Rita, a total of 123 platforms were destroyed on the Outer Continental Shelf (OCS) of the Gulf of Mexico (GOM). More than 800 wells were associated with these platforms. Despite these losses, there are still a significant number of non-producing¹ structures and wells that are currently idle.

A potential problem identified by the MMS is that a large portion of these idle structures may not be able to survive the environment where they are located. This belief is supported by the API Bulletin 2INT-MET's new hurricane metocean conditions, which take into consideration several major storms since 1993. If a facility and its wells are displaced or toppled, it can pose an immediate risk to the environment and the recovery of future production.

The regulations at 30 CFR 250.1700 (Subpart Q – Decommissioning Activities) state in part that when facilities are no longer useful for operations, an operator must permanently plug all wells and remove all platforms and other facilities within 1 year after the lease terminates in accordance with the lease stipulations. Also, MMS may order operators to permanently plug a well if that well poses a hazard to safety or the environment or is not useful for lease operations and is not capable of oil, gas, or sulphur production in paying quantities. Historically, MMS has granted approval to operators to maintain these structures in order to conduct other future activities; however, MMS has not seen a substantial increase in the reuse of these non-producing facilities.

Therefore, MMS recommends that operators should review and evaluate their inventory of non-producing wells and facilities to determine the future utility of these structures and the level of threat posed to the environment and human safety should a facility experience a catastrophic loss. MMS further recommends that operators reference the guidance of API Bulletin 2INT-EX - Interim Guidance for Assessment of Existing Offshore Structures for Hurricane Conditions (May 2007), when conducting these evaluations. Plans should be implemented for removal of these structures beginning with those that pose the greatest threat.

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¹ For purposes of this alert, the term “non-producing” is defined as any platform or well that had reported production volumes at one time, but it has not produced from August 2005 and beyond. Non-producing platforms could include facilities that have production cross them, but do not have any wells associated with the structure that report production.