



NEWS RELEASE

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MMS Issues NTL's to Address Rig Station-Keeping

New Requirements for 2006 Hurricane Season

NEW ORLEANS – Minerals Management Service (MMS) recently issued new requirements to the offshore oil and gas industry to ensure the survival of jack-up drilling rigs and mobile offshore drilling units (MODU's) during a hurricane. Two Notice to Lessees and Operators (NTL's) were issued that provide guidance on the information that must be included in all applications for permits to drill or modify.

During the 2004 and 2005 hurricane seasons, Hurricanes Ivan, Katrina, and Rita caused structural damage to fixed production facilities, semi-submersibles, and jack-up rigs. Nineteen moored rigs and nine jack-ups experienced total failure of station-keeping ability. To address this issue, MMS, the U.S. Coast Guard, and industry took concerted action to develop interim recommended practices for mobile offshore drilling units (MODU's) and jack-up rigs. Recommendations developed as a result of this joint effort were adopted by industry as American Petroleum Institute's (API) Recommended Practices (RP) 95J and 95F, and will serve as the standard for the NTL's issued by MMS.

NTL 2006-G09, "Interim Guidelines for Jack-up Drilling Rig Fitness Requirements for the 2006 Hurricane Season," issued May 1, 2006, relates primarily to foundational issues addressed in the pre-loading process and the determination of the appropriate air gap for a specific well location. The NTL also requires information regarding procedures to secure and protect wells in open water locations when the rig is secured prior to hurricane evacuations. MMS will use API RP 95J to review and evaluate the information submitted with each application for a permit to drill or modify.

NTL 2006-G10, "Interim Guidelines for Moored Drilling Rig Fitness Requirements for the 2006 Hurricane Season," issued May 19, 2006, relates primarily to mooring design issues and performance of risk assessments and mitigations. MMS will use the recommendations set forth in API RP95F to guide the review and evaluation of the information and data that demonstrate the moored rig's capability to perform at the proposed location.

Copies of these NTL's are available on the MMS website
<http://www.gomr.mms.gov/homepg/whatsnew/hurricane/index.html>.

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