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

NTL No. 2010-G04

Effective Date: June 1, 2010 Expiration Date: November 30, 2010

NOTICE TO LESSEES AND OPERATORS OF FEDERAL OIL, GAS, AND SULPHUR LEASES AND PIPELINE RIGHT-OF-WAY HOLDERS OUTER CONTINENTAL SHELF, GULF OF MEXICO OCS REGION

Hurricane and Tropical Storm Effects Reports

This Notice to Lessees and Operators (NTL) supersedes expired NTL No. 2009-G12, effective June 1, 2009, on this subject. It provides guidance on using either e-mail or the eWell Permitting and Reporting System to report hurricane and tropical storm effects information, specifies the information included in the various hurricane and tropical storm reports, updates contact information, and makes minor administrative amendments.

Background

Under 30 CFR 250.192(a), you must submit statistics to the Minerals Management Service (MMS) Gulf of Mexico OCS Region (GOMR) regarding evacuation of personnel and curtailment of production because of hurricanes and tropical storms. Under 30 CFR 250.192(b) and pursuant to 30 CFR 250.186(a), the MMS GOMR has established the facility shut-in report, the facility damage report, and the pollution report for you to describe the resulting adverse effects. The MMS GOMR uses these data and information to work interactively with the U.S. Coast Guard (USCG) on rescue needs and to notify the news media and interested public entities that monitor shut-in production and hurricane and tropical storm damage. The MMS GOMR uses the data from the pollution report to identify environmental and man-made assets at risk, provide background data for natural resource damage assessments, assist the USCG in prioritization and coordination of oil spill response operations, and for status reports to public and private entities.

Definition

Curtailed Production means well production that is metered for MMS royalties, sales, and other disbursements on your facility that is shut in either partially or totally because of an impending storm. This includes un-metered production boarding from other facilities and/or shut-in subsea wells that flow to and are metered on your facility. If production is metered onshore, include that shut-in production in the required reports.

Evacuation means the removal of *all* personnel (both essential and non-essential) from a platform or drilling rig.

E-mail Submittal

A. <u>Evacuation and production curtailment statistics report</u>. Complete form MMS-132. It specifies the information that the MMS GOMR collects when platforms and drilling rigs are evacuated and/or production is curtailed because of a storm. On the form, report those platforms and drilling rigs that are not fully evacuated as "not evacuated." This form is available at the MMS Internet website at <u>http://www.gomr.mms.gov/homepg/mmsforms/frmindx.html</u>; however, we suggest that you maintain copies of the form in your office in the event the website is not available.

B. <u>Facility shut-in report</u>. In lieu of Form MMS-143, provide the MMS GOMR with a report regarding each facility that has curtailed production because of a storm. Include the following in the facility shut-in report:

- 1. Contact information;
- 2. Platform name;
- 3. Daily oil production (BPD) before the shut-in;
- 4. Daily oil production shut-in (barrels);
- 5. Cumulative oil shut in (barrels);
- 6. Daily natural gas production (MMSCFPD) before the shut-in;
- 7. Daily natural gas production shut-in (MMSCF);
- 8. Cumulative natural gas shut in (MMSCF);
- 9. Anticipated time to return to production (days); and
- 10. Reason for shut-in (facility damage or transportation system damage).

When providing production curtailment volumes for the required report, do not pro-rate the volumes for any oil or natural gas that was produced before the time you file the report for a given day. The production volumes curtailed are to be a snapshot that indicates the status of the facility at the time of the report. If the facility is completely shut-in at the time of the report, indicate that it has 100 percent of its pre-storm production volume shut-in even if the facility had produced earlier that day.

- C. <u>Facility damage reports</u>. In lieu of Form MMS-143, provide the MMS GOMR with Platform Damage Reports, Rig Damage Reports, and Pipeline Damage Reports, as appropriate, to report those incidents specified in 30 CFR 250.188(a) caused by a storm.
 - 1. Include the following in a Platform Damage Report:
 - a. Contact information;
 - b. Storm name;
 - c. Platform name;
 - d. Damage description, including an indication of whether the platform was destroyed, fully submerged, suffered a fire, and/or suffered damage any to process equipment; and
 - e. Description of any action taken to address the damage.
 - 2. Include the following in a Rig Damage Report:
 - a. Contact information;
 - b. Storm name;
 - c. Rig name;
 - d. Current rig location;

- e. Damage description, including an indication of whether the rig was destroyed, fully submerged, suffered a fire, still adrift, and/or suffered a mooring line failure; and
- f. Description of any action taken to address the damage.
- 3. Include the following in a Pipeline Damage Report:
 - a. Contact information;
 - b. Storm name;
 - c. MMS-assigned pipeline segment number;
 - d. Damage location (including OCS area and block, and latitude and longitude);
 - e. Damage description, including the component description, and the location, primary cause (impact, mudslide, platform destroyed, etc.); and
 - f. Description of any action taken to address the damage.
- D. <u>Pollution report</u>. Provide the MMS GOMR with a report regarding each platform or pipeline that has discharged or is continuing to discharge oil into the environment to report pollution events specified in 30 CFR 254.46(b) caused by a storm. Include the following in a Pollution Report:
 - 1. Contact information;
 - 2. Storm name;
 - 3. Platform name or MMS-assigned pipeline segment number;
 - 4. Date spill discovered;
 - 5. National Response Center report number;
 - 6. Cause;
 - 7. Spill location, including latitude and longitude and distance to shore;
 - 8. Estimated rate of release and current cumulative volume spilled;
 - 9. Type of hydrocarbon spilled, including API^o gravity;
 - 10. Spill response status, including total amount recovered;
 - 11. Spill source abatement status; and
 - 12. For spills greater than 50 barrels, the sea state, meteorological conditions, and the size and appearance of the slick.
- E. Submittal.

1. E-mail Form MMS-132 and the facility shut-in report to the MMS GOMR at <u>evacstats@mms.gov</u> before 11:00 a.m. *daily* during the period of evacuation and shut-in. If your daily report is not received by 11:00 a.m., you may be subject to receiving an Incident of Noncompliance (INC).

2. E-mail the Pollution Report to the MMS GOMR at <u>evacstats@mms.gov</u> before 11:00 a.m. *daily* while a spill is ongoing.

3. If you are unable to e-mail the form or reports, telefax them to the MMS GOMR, COOP Office at (504) 736-5796. If you are unable to transmit the information to the MMS GOMR either by e-mail or telefax, telefax it to the MMS headquarters office in Herndon, Virginia, at (703) 787-1093. To speak with someone in the MMS COOP Office, you may call either (504) 736-5793 or (504) 736-5794.

4. E-mail the appropriate facility damage reports (initial and subsequent) to the MMS GOMR at <u>evacstats@mms.gov</u> as soon as the information becomes available. If you are unable to e-mail the damage reports, use the above telefax numbers in the same order of preference to make this notification.

F. <u>District damage reports</u>. If you are providing daily facility shut-in and damage reports as described in paragraphs B and C above, do not also report this same information in your damage reports to the MMS GOMR District Manager.

G. <u>Resumption of production</u>. Under 30 CFR 250.192(b)(2), you must notify the MMS GOMR when you resume production. Use the above e-mail address or telefax numbers in the same order of preference to make this notification.

Electronic Submittal

A. <u>General</u>. Under 30 CFR 250.186(a)(3), you may submit digital data when MMS is equipped to accept it. The MMS GOMR developed the Internet-based eWell Permitting and Reporting System (eWell), as described in NTL No. 2007-G15, effective May 14, 2007, to provide this capability for well information. This system has been very successful and its use has greatly increased the efficiency of the transactions between OCS lessees and lease operators and the MMS GOMR.

The MMS GOMR has enhanced eWell to provide you with the capability of electronically submitting the information on Form MMS-132 and the facility shut-in report as one report (Platform/Rig Evacuation and Production Curtailment Report), the facility damage reports, and the pollution report. We strongly encourage you to use the eWell enhancements to provide the reports in lieu of submitting them by e-mail. We believe eWell provides an easier and more reliable reporting method, facilitates better business transactions, and provides for timelier decision making and information dissemination.

These enhancements are in the section in eWell entitled "Hurricane Reports," and became operational on June 15, 2006. This section is divided into five individual reports.

- 1. Platform/Rig Evacuation and Production Curtailment Report (30 CFR 250.192 and 186(a));
- 2. Platform Damage Report (30 CFR 250.188(a));
- 3. Rig Damage Report (30 CFR 250.188(a));
- 4. Pipeline Damage Report (30 CFR 250.188(a)); and
- 5. Pollution Report (30 CFR 254.46(b)).

B. <u>Procedures to Establish an eWell Account</u>. Those lessees and operators and pipeline right-of-way (ROW) holders interested in participating in this online system must apply to the MMS GOMR in order to designate a company representative to receive administrative entitlements. Attached to NTL No. 2007-G15 is an "Application Manual" that provides information and guidance on obtaining access to eWell. Those companies currently using eWell need not reapply unless they intend to add new users specifically responsible for submitting these reports.

C. <u>Procedures for Using eWell for Submitting Storm Effects Reports</u>. The Platform/Rig Evacuation and Production Curtailment Report was designed to allow you to report your facility evacuations and production curtailments together. Once the initial report is created, you can easily copy the report to provide the required daily updates. This combined report replaces the Form MMS-132 and the facility shut-in report.

Use the platform, rig, and pipeline damage reports to provide information regarding damage to any of your facilities. Provide information regarding any pollution associated with the facility

damage in a pollution report which can be created by navigating from a damage report. Once you create a pollution report, you can then copy the report to provide the required daily updates.

If the "Hurricane Reports" section in eWell is not functioning or is otherwise not available, submit Form MMS-132 and the other reports by e-mail or telefax as described above.

Miscellaneous

A. Whether you submit Form MMS-132 and the other reports by e-mail or use the "Hurricane Reports" section in eWell, report only that production that is shut in from hurricanes or tropical storms that occurred during the current hurricane season.

B. During or after a storm, refer to the MMS website at <u>http://www.mms.gov</u> for further information or instructions.

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 A and 30 CFR 254, subpart C. The Office of Management and Budget (OMB) has approved the information collection requirements in these regulations under OMB Control Numbers 1010-0114 and 1010-0091, respectively. This NTL does not impose any additional information collection requirements subject to the Paperwork Reduction Act of 1995.

Contacts

If you have any questions regarding this NTL, please contact Mr. Lance Labiche of the Office of the Deputy Regional Supervisor for District Operations by telephone at (504) 736-2433 or by e-mail at <u>lance.labiche@mms.gov</u>, or Mr. Jarvis Outlaw of the Lake Jackson District by telephone at (979) 238-8139 or by e-mail at <u>jarvis.outlaw@mms.gov</u>.

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