

**UNITED STATES DEPARTMENT OF THE INTERIOR
BUREAU OF SAFETY AND ENVIRONMENTAL ENFORCEMENT**

NTL No. 2012-N04

Effective Date: 07-15, 2012
Expiration Date: 07-15, 2017

**NATIONAL NOTICE TO LESSEES AND OPERATORS OF FEDERAL OIL, GAS, AND
SULPHUR LEASES ON THE OUTER CONTINENTAL SHELF**

Flaring and Venting Requests

Purpose

This Notice to Lessees and Operators (NTL) provides updated guidance for requesting approval to flare or vent natural gas and clarification on the discretionary authority of the Bureau of Safety and Environmental Enforcement (BSEE) for approving such requests. This NTL also updates BSEE contact information for requesting such approvals. It supersedes NTL No. 2011-N02, dated February 8, 2011.

Authority

Under 43 U.S.C. 1334(i), "...no holder of any oil and gas lease issued or maintained pursuant to this subchapter shall be permitted to flare natural gas from any well unless the Secretary finds that there is no practicable way to complete production of such gas, or that such flaring is necessary to alleviate a temporary emergency situation or to conduct testing or work-over operations." The Federal regulation at 30 CFR 250.1160(a) specifies the limited circumstances under which you may flare or vent natural gas without first receiving BSEE approval.

BSEE Approval Policy

The BSEE recognizes the importance of balancing the prevention of waste with the necessity to meet the Nation's energy needs. However, when considering requests to approve flaring or venting of natural gas, BSEE will not consider avoidance of lost revenue as a reason to justify flaring or venting unless otherwise authorized by BSEE's regulations.

For example, if your gas production and transportation system needs to be repaired, and you could shut in the well and postpone production until the repairs are complete, BSEE will not allow you to instead flare or vent gas in order to maintain cash flow from the oil sales. This policy avoids the waste of natural gas reserves and ensures the later capture of both the oil and natural gas.

At BSEE's discretion, on a case-by-case basis, exceptions may be made on rare occasions such as:

- When the BSEE Director determines the flaring or venting is in the national interest, such as when a major hurricane causes widespread and catastrophic gas infrastructure damage, leading to significant declines in national oil production and rapidly escalating oil prices;
- When you demonstrate to the Regional Supervisor's satisfaction that production from the well completion would likely be permanently lost if the well is shut in; or
- When you demonstrate to the Regional Supervisor's satisfaction that short-term flaring or venting would likely yield a smaller volume of lost natural gas than if the facility were shut in and restarted later (with flaring or venting necessary to restart the facility).

Flaring/Venting Contact Information

Whenever possible, please make flaring/venting requests during normal working hours (i.e., 7 a.m. to 5 p.m., Monday through Friday). If the matter is urgent, you may use the after hours or 24/7 contact information below.

Gulf of Mexico OCS Region:

Office Address: Rate Control Section
1201 Elmwood Park Boulevard (GE 921C)
New Orleans, Louisiana 70123-2394

Email: rate.control.unit@bsee.gov

Office telephone numbers of personnel who can respond to your requests:
Natasha Bland: (504) 736-2528
Joan Edwards: (504) 736-5715
Nathan Sinkula: (504) 736-2415
Steve Walsh: (504) 736-2914

After Hours: (504) 914-2329

Pacific OCS Region:

Office Address: Office of Field Operations,
California District Office
770 Paseo Camarillo, 2nd Floor
Camarillo, California 93010

Office number of a person who can respond to your requests:
Michael Mitchell: (805) 389-7703

Office Number (24/7): (805) 389-7775

Alaska OCS Region:

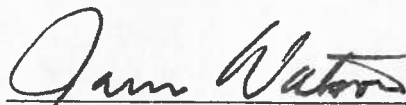
Office Address: 3801 Centerpoint Drive, Suite 500
Anchorage, Alaska 99503-5823

Office Number: (907) 334-5303

Cell Number (24/7): (907) 250-0546

Paperwork Reduction Act of 1995 Statement

The collection of information referred to in this NTL provides clarification, description, or interpretation of requirements contained in 30 CFR Part 250, Subpart K. The Office of Management and Budget (OMB) has approved the collection of information required by this regulation and assigned OMB Control Number 1014-0019. This NTL does not impose additional information collection requirements subject to the Paperwork Reduction Act of 1995.



James Watson

Director

Bureau of Safety and Environmental Enforcement