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### Title 30: Mineral Resources

#### [PART 250—OIL AND GAS AND SULPHUR OPERATIONS IN THE OUTER CONTINENTAL SHELF](#)

##### Subpart A—General

**Source:** 64 FR 72775, Dec. 28, 1999, unless otherwise noted.

##### Authority and Definition of Terms

##### § 250.101 Authority and applicability.

The Secretary of the Interior (Secretary) authorized the Minerals Management Service (MMS) to regulate oil, gas, and sulphur exploration, development, and production operations on the outer Continental Shelf (OCS). Under the Secretary's authority, the Director requires that all operations:

- (a) Be conducted according to the OCS Lands Act (OCSLA), the regulations in this part, MMS orders, the lease or right-of-way, and other applicable laws, regulations, and amendments; and
- (b) Conform to sound conservation practice to preserve, protect, and develop mineral resources of the OCS to:
  - (1) Make resources available to meet the Nation's energy needs;
  - (2) Balance orderly energy resource development with protection of the human, marine, and coastal environments;
  - (3) Ensure the public receives a fair and equitable return on the resources of the OCS;
  - (4) Preserve and maintain free enterprise competition; and
  - (5) Minimize or eliminate conflicts between the exploration, development, and production of oil and natural gas and the recovery of other resources.

##### § 250.102 What does this part do?

(a) 30 CFR part 250 contains the regulations of the MMS Offshore program that govern oil, gas, and sulphur exploration, development, and production operations on the OCS. When you conduct operations on the OCS, you must submit requests, applications, and notices, or provide supplemental information for MMS approval.

(b) The following table of general references shows where to look for information about these processes.

**Table—Where to Find Information for Conducting Operations**

<b>For information about</b>	<b>Refer to 30 CFR 250 subpart or</b>
(1) Applications for permit to drill	D.
(2) Development and Production Plans (DPP)	B.
(3) Downhole commingling	K.
(4) Exploration Plans (EP)	B.

(5) Flaring	K.
(6) Gas measurement	L.
(7) Off-lease geological and geophysical permits	30 CFR 251.
(8) Oil spill financial responsibility coverage	30 CFR 253.
(9) Oil and gas production safety systems	H.
(10) Oil spill response plans	30 CFR 254.
(11) Oil and gas well-completion operations	E.
(12) Oil and gas well-workover operations	F.
(13) Decommissioning Activities	Q.
(14) Platforms and structures	I.
(15) Pipelines and Pipeline Rights-of-Way	J.
(16) Sulphur operations	P.
(17) Training	O.
(18) Unitization	M.

[64 FR 72775, Dec. 28, 1999, as amended at 67 FR 35405, May 17, 2002; 68 FR 8422, Feb. 20, 2003; 70 FR 51500, Aug. 30, 2005; 72 FR 25198, May 4, 2007]

### **§ 250.103 Where can I find more information about the requirements in this part?**

MMS may issue Notices to Lessees and Operators (NTLs) that clarify, supplement, or provide more detail about certain requirements. NTLs may also outline what you must provide as required information in your various submissions to MMS.

### **§ 250.104 How may I appeal a decision made under MMS regulations?**

To appeal orders or decisions issued under MMS regulations in 30 CFR parts 250 to 282, follow the procedures in 30 CFR part 290.

### **§ 250.105 Definitions.**

Terms used in this part will have the meanings given in the Act and as defined in this section:

*Act* means the OCS Lands Act, as amended (43 U.S.C. 1331 *et seq.* ).

*Affected State* means with respect to any program, plan, lease sale, or other activity proposed, conducted, or approved under the provisions of the Act, any State:

(1) The laws of which are declared, under section 4(a)(2) of the Act, to be the law of the United States for the portion of the OCS on which such activity is, or is proposed to be, conducted;

(2) Which is, or is proposed to be, directly connected by transportation facilities to any artificial island or installation or other device permanently or temporarily attached to the seabed;

(3) Which is receiving, or according to the proposed activity, will receive oil for processing, refining, or transshipment that was extracted from the OCS and transported directly to such State by means of vessels or by a combination of means including vessels;

(4) Which is designated by the Secretary as a State in which there is a substantial probability of significant impact on or damage to the coastal, marine, or human environment, or a State in which there will be significant changes in the social, governmental, or economic infrastructure, resulting from the exploration, development, and production of oil and gas anywhere on the OCS; or

(5) In which the Secretary finds that because of such activity there is, or will be, a significant risk of serious damage, due to factors such as prevailing winds and currents to the marine or coastal environment in the event of any oil spill, blowout, or release of oil or gas from vessels, pipelines, or other transshipment facilities.

*Air pollutant* means any airborne agent or combination of agents for which the Environmental Protection Agency (EPA) has established, under section 109 of the Clean Air Act, national primary or secondary ambient air quality standards.

*Analyzed geological information* means data collected under a permit or a lease that have been analyzed. Analysis may include, but is not limited to, identification of lithologic and fossil content, core analysis, laboratory analyses of physical and chemical properties, well logs or charts, results from formation fluid tests, and descriptions of hydrocarbon occurrences or hazardous conditions.

*Ancillary activities* means those activities on your lease or unit that you:

(1) Conduct to obtain data and information to ensure proper exploration or development of your lease or unit; and

(2) Can conduct without MMS approval of an application or permit.

*Archaeological interest* means capable of providing scientific or humanistic understanding of past human behavior, cultural adaptation, and related topics through the application of scientific or scholarly techniques, such as controlled observation, contextual measurement, controlled collection, analysis, interpretation, and explanation.

*Archaeological resource* means any material remains of human life or activities that are at least 50 years of age and that are of archaeological interest.

*Attainment area* means, for any air pollutant, an area that is shown by monitored data or that is calculated by air quality modeling (or other methods determined by the Administrator of EPA to be reliable) not to exceed any primary or secondary ambient air quality standards established by EPA.

*Best available and safest technology (BAST)* means the best available and safest technologies that the Director determines to be economically feasible wherever failure of equipment would have a significant effect on safety, health, or the environment.

*Best available control technology (BACT)* means an emission limitation based on the maximum degree of reduction for each air pollutant subject to regulation, taking into account energy, environmental and economic impacts, and other costs. The Regional Director will verify the BACT on a case-by-case basis, and it may include reductions achieved through the application of processes, systems, and techniques for the control of each air pollutant.

*Coastal environment* means the physical, atmospheric, and biological components, conditions, and factors that interactively determine the productivity, state, condition, and quality of the terrestrial ecosystem from the shoreline inward to the boundaries of the coastal zone.

*Coastal zone* means the coastal waters (including the lands therein and thereunder) and the adjacent shorelands (including the waters therein and thereunder) strongly influenced by each other and in proximity to the shorelands of the several coastal States. The coastal zone includes islands, transition and intertidal areas, salt marshes, wetlands, and beaches. The coastal zone extends seaward to the outer limit of the U.S. territorial sea and extends inland from the shorelines to the extent necessary to control shorelands, the uses of which have a direct and significant impact on the coastal waters, and the inward boundaries of which may be identified by the several coastal States, under the authority in section 305(b)(1) of the Coastal Zone Management Act (CZMA) of 1972.

*Competitive reservoir* means a reservoir in which there are one or more producible or producing well completions on each of two or more leases or portions of leases, with different lease operating interests, from which the lessees plan future production.

*Correlative rights* when used with respect to lessees of adjacent leases, means the right of each lessee to be afforded an equal opportunity to explore for, develop, and produce, without waste, minerals from a common source.

*Data* means facts and statistics, measurements, or samples that have not been analyzed, processed, or interpreted.

*Departures* means approvals granted by the appropriate MMS representative for operating requirements/procedures other than those specified in the regulations found in this part. These requirements/procedures may be necessary to control a well; properly develop a lease; conserve natural resources, or protect life, property, or the marine, coastal, or human environment.

*Development* means those activities that take place following discovery of minerals in paying quantities, including but not limited to geophysical activity, drilling, platform construction, and operation of all directly related onshore support facilities, and which are for the purpose of producing the minerals discovered.

*Development geological and geophysical (G&G) activities* means those G&G and related data-gathering activities on your lease or unit that you conduct following discovery of oil, gas, or sulphur in paying quantities to detect or imply the presence of oil, gas, or sulphur in commercial quantities.

*Director* means the Director of MMS of the U.S. Department of the Interior, or an official authorized to act on the Director's behalf.

*District Manager* means the MMS officer with authority and responsibility for operations or other designated program functions for a district within an MMS Region.

*Easement* means an authorization for a nonpossessory, nonexclusive interest in a portion of the OCS, whether leased or unleased, which specifies the rights of the holder to use the area embraced in the easement in a manner consistent with the terms and conditions of the granting authority.

*Eastern Gulf of Mexico* means all OCS areas of the Gulf of Mexico the Director decides are adjacent to the State of Florida. The Eastern Gulf of Mexico is not the same as the Eastern Planning Area, an area established for OCS lease sales.

*Emission offsets* means emission reductions obtained from facilities, either onshore or offshore, other than the facility or facilities covered by the proposed Exploration Plan (EP) or Development and Production Plan (DPP).

*Enhanced recovery operations* means pressure maintenance operations, secondary and tertiary recovery, cycling, and similar recovery operations that alter the natural forces in a reservoir to increase the ultimate recovery of oil or gas.

*Existing facility*, as used in §250.303, means an OCS facility described in an Exploration Plan or a Development and Production Plan approved before June 2, 1980.

*Exploration* means the commercial search for oil, gas, or sulphur. Activities classified as exploration include but are not limited to:

(1) Geophysical and geological (G&G) surveys using magnetic, gravity, seismic reflection, seismic refraction, gas sniffers, coring, or other systems to detect or imply the presence of oil, gas, or sulphur; and

(2) Any drilling conducted for the purpose of searching for commercial quantities of oil, gas, and sulphur, including the drilling of any additional well needed to delineate any reservoir to enable the lessee to decide whether to proceed with development and production.

*Facility* means:

(1) As used in §250.130, all installations permanently or temporarily attached to the seabed on the OCS (including manmade islands and bottom-sitting structures). They include mobile offshore drilling units (MODUs) or other vessels engaged in drilling or downhole operations, used for oil, gas or sulphur drilling, production, or related activities. They include all floating production systems (FPSs), variously described as column-stabilized-units (CSUs); floating production, storage and offloading facilities (FPSOs); tension-leg platforms (TLPs); spars, etc. They also include facilities for product measurement and royalty determination (e.g., lease Automatic Custody Transfer Units, gas meters) of OCS production on installations not on the OCS. Any group of OCS installations interconnected with walkways, or any group of installations that includes a central or primary installation with processing equipment and one or more satellite or secondary installations is a single facility. The Regional Supervisor may decide that the complexity of the individual installations justifies their classification as separate facilities.

(2) As used in §250.303, means all installations or devices permanently or temporarily attached to the seabed. They include mobile offshore drilling units (MODUs), even while operating in the "tender assist" mode ( *i.e.* with skid-off drilling units) or other vessels engaged in drilling or downhole operations. They are used for exploration, development, and production activities for oil, gas, or sulphur and emit or have the potential to emit any air pollutant from one or more sources. They include all floating production

systems (FPSs), including column-stabilized-units (CSUs); floating production, storage and offloading facilities (FPSOs); tension-leg platforms (TLPs); spars, etc. During production, multiple installations or devices are a single facility if the installations or devices are at a single site. Any vessel used to transfer production from an offshore facility is part of the facility while it is physically attached to the facility.

(3) As used in §250.490(b), means a vessel, a structure, or an artificial island used for drilling, well completion, well-workover, or production operations.

(4) As used in §§250.900 through 250.921, means all installations or devices permanently or temporarily attached to the seabed. They are used for exploration, development, and production activities for oil, gas, or sulphur and emit or have the potential to emit any air pollutant from one or more sources. They include all floating production systems (FPSs), including column-stabilized-units (CSUs); floating production, storage and offloading facilities (FPSOs); tension-leg platforms (TLPs); spars, etc. During production, multiple installations or devices are a single facility if the installations or devices are at a single site. Any vessel used to transfer production from an offshore facility is part of the facility while it is physically attached to the facility.

*Gas reservoir* means a reservoir that contains hydrocarbons predominantly in a gaseous (single-phase) state.

*Gas-well completion* means a well completed in a gas reservoir or in the associated gas-cap of an oil reservoir.

*Geological and geophysical (G&G) explorations* means those G&G surveys on your lease or unit that use seismic reflection, seismic refraction, magnetic, gravity, gas sniffers, coring, or other systems to detect or imply the presence of oil, gas, or sulphur in commercial quantities.

*Governor* means the Governor of a State, or the person or entity designated by, or under, State law to exercise the powers granted to such Governor under the Act.

*H<sub>2</sub>S absent* means:

(1) Drilling, logging, coring, testing, or producing operations have confirmed the absence of H<sub>2</sub>S in concentrations that could potentially result in atmospheric concentrations of 20 ppm or more of H<sub>2</sub>S; or

(2) Drilling in the surrounding areas and correlation of geological and seismic data with equivalent stratigraphic units have confirmed an absence of H<sub>2</sub>S throughout the area to be drilled.

*H<sub>2</sub>S present* means drilling, logging, coring, testing, or producing operations have confirmed the presence of H<sub>2</sub>S in concentrations and volumes that could potentially result in atmospheric concentrations of 20 ppm or more of H<sub>2</sub>S.

*H<sub>2</sub>S unknown* means the designation of a zone or geologic formation where neither the presence nor absence of H<sub>2</sub>S has been confirmed.

*Human environment* means the physical, social, and economic components, conditions, and factors that interactively determine the state, condition, and quality of living conditions, employment, and health of those affected, directly or indirectly, by activities occurring on the OCS.

*Interpreted geological information* means geological knowledge, often in the form of schematic cross sections, 3-dimensional representations, and maps, developed by determining the geological significance of data and analyzed geological information.

*Interpreted geophysical information* means geophysical knowledge, often in the form of schematic cross sections, 3-dimensional representations, and maps, developed by determining the geological significance of geophysical data and analyzed geophysical information.

*Lease* means an agreement that is issued under section 8 or maintained under section 6 of the Act and that authorizes exploration for, and development and production of, minerals. The term also means the area covered by that authorization, whichever the context requires.

*Lease term pipelines* means those pipelines owned and operated by a lessee or operator that are completely contained within the boundaries of a single lease, unit, or contiguous (not cornering) leases of that lessee or operator.

*Lessee* means a person who has entered into a lease with the United States to explore for, develop, and produce the leased

minerals. The term lessee also includes the MMS-approved assignee of the lease, and the owner or the MMS-approved assignee of operating rights for the lease.

*Major Federal action* means any action or proposal by the Secretary that is subject to the provisions of section 102(2)(C) of the National Environmental Policy Act of 1969, 42 U.S.C. (2)(C) ( *i.e.* , an action that will have a significant impact on the quality of the human environment requiring preparation of an environmental impact statement under section 102(2)(C) of the National Environmental Policy Act).

*Marine environment* means the physical, atmospheric, and biological components, conditions, and factors that interactively determine the productivity, state, condition, and quality of the marine ecosystem. These include the waters of the high seas, the contiguous zone, transitional and intertidal areas, salt marshes, and wetlands within the coastal zone and on the OCS.

*Material remains* means physical evidence of human habitation, occupation, use, or activity, including the site, location, or context in which such evidence is situated.

*Maximum efficient rate (MER)* means the maximum sustainable daily oil or gas withdrawal rate from a reservoir that will permit economic development and depletion of that reservoir without detriment to ultimate recovery.

*Maximum production rate (MPR)* means the approved maximum daily rate at which oil or gas may be produced from a specified oil-well or gas-well completion.

*Minerals* includes oil, gas, sulphur, geopressured-geothermal and associated resources, and all other minerals that are authorized by an Act of Congress to be produced.

*Natural resources* includes, without limiting the generality thereof, oil, gas, and all other minerals, and fish, shrimp, oysters, clams, crabs, lobsters, sponges, kelp, and other marine animal and plant life but does not include water power or the use of water for the production of power.

*Nonattainment area* means, for any air pollutant, an area that is shown by monitored data or that is calculated by air quality modeling (or other methods determined by the Administrator of EPA to be reliable) to exceed any primary or secondary ambient air quality standard established by EPA.

*Nonsensitive reservoir* means a reservoir in which ultimate recovery is not decreased by high reservoir production rates.

*Oil reservoir* means a reservoir that contains hydrocarbons predominantly in a liquid (single-phase) state.

*Oil reservoir with an associated gas cap* means a reservoir that contains hydrocarbons in both a liquid and gaseous (two-phase) state.

*Oil-well completion* means a well completed in an oil reservoir or in the oil accumulation of an oil reservoir with an associated gas cap.

*Operating rights* means any interest held in a lease with the right to explore for, develop, and produce leased substances.

*Operator* means the person the lessee(s) designates as having control or management of operations on the leased area or a portion thereof. An operator may be a lessee, the MMS-approved designated agent of the lessee(s), or the holder of operating rights under an MMS-approved operating rights assignment.

*Outer Continental Shelf (OCS)* means all submerged lands lying seaward and outside of the area of lands beneath navigable waters as defined in section 2 of the Submerged Lands Act (43 U.S.C. 1301) whose subsoil and seabed appertain to the United States and are subject to its jurisdiction and control.

*Person* includes a natural person, an association (including partnerships, joint ventures, and trusts), a State, a political subdivision of a State, or a private, public, or municipal corporation.

*Pipelines* are the piping, risers, and appurtenances installed for transporting oil, gas, sulphur, and produced waters.

*Processed geological or geophysical information* means data collected under a permit or a lease that have been processed or reprocessed. Processing involves changing the form of data to facilitate interpretation. Processing operations may include, but are

not limited to, applying corrections for known perturbing causes, rearranging or filtering data, and combining or transforming data elements. Reprocessing is the additional processing other than ordinary processing used in the general course of evaluation. Reprocessing operations may include varying identified parameters for the detailed study of a specific problem area.

*Production* means those activities that take place after the successful completion of any means for the removal of minerals, including such removal, field operations, transfer of minerals to shore, operation monitoring, maintenance, and workover operations.

*Production areas* are those areas where flammable petroleum gas, volatile liquids or sulphur are produced, processed (e.g., compressed), stored, transferred (e.g., pumped), or otherwise handled before entering the transportation process.

*Projected emissions* means emissions, either controlled or uncontrolled, from a source or sources.

*Prospect* means a geologic feature having the potential for mineral deposits.

*Regional Director* means the MMS officer with responsibility and authority for a Region within MMS.

*Regional Supervisor* means the MMS officer with responsibility and authority for operations or other designated program functions within an MMS Region.

*Right-of-use* means any authorization issued under this part to use OCS lands.

*Right-of-way pipelines* are those pipelines that are contained within:

- (1) The boundaries of a single lease or unit, but are not owned and operated by a lessee or operator of that lease or unit;
- (2) The boundaries of contiguous (not cornering) leases that do not have a common lessee or operator;
- (3) The boundaries of contiguous (not cornering) leases that have a common lessee or operator but are not owned and operated by that common lessee or operator; or
- (4) An unleased block(s).

*Routine operations*, for the purposes of subpart F, means any of the following operations conducted on a well with the tree installed:

- (1) Cutting paraffin;
- (2) Removing and setting pump-through-type tubing plugs, gas-lift valves, and subsurface safety valves that can be removed by wireline operations;
- (3) Bailing sand;
- (4) Pressure surveys;
- (5) Swabbing;
- (6) Scale or corrosion treatment;
- (7) Caliper and gauge surveys;
- (8) Corrosion inhibitor treatment;
- (9) Removing or replacing subsurface pumps;
- (10) Through-tubing logging (diagnostics);

- (11) Wireline fishing;
- (12) Setting and retrieving other subsurface flow-control devices; and
- (13) Acid treatments.

*Sensitive reservoir* means a reservoir in which high reservoir production rates will decrease ultimate recovery. For submitting the first MER, all oil reservoirs with an associated gas cap are classified as sensitive.

*Significant archaeological resource* means those archaeological resources that meet the criteria of significance for eligibility to the National Register of Historic Places as defined in 36 CFR 60.4, or its successor.

*Suspension* means a granted or directed deferral of the requirement to produce (Suspension of Production (SOP)) or to conduct leaseholding operations (Suspension of Operations (SOO)).

*Waste of oil, gas, or sulphur* means:

- (1) The physical waste of oil, gas, or sulphur;
- (2) The inefficient, excessive, or improper use, or the unnecessary dissipation of reservoir energy;
- (3) The locating, spacing, drilling, equipping, operating, or producing of any oil, gas, or sulphur well(s) in a manner that causes or tends to cause a reduction in the quantity of oil, gas, or sulphur ultimately recoverable under prudent and proper operations or that causes or tends to cause unnecessary or excessive surface loss or destruction of oil or gas; or
- (4) The inefficient storage of oil.

*Welding* means all activities connected with welding, including hot tapping and burning.

*Wellbay* is the area on a facility within the perimeter of the outermost wellheads.

*Well-completion operations* means the work conducted to establish production from a well after the production-casing string has been set, cemented, and pressure-tested.

*Well-control fluid* means drilling mud, completion fluid, or workover fluid as appropriate to the particular operation being conducted.

*Western Gulf of Mexico* means all OCS areas of the Gulf of Mexico except those the Director decides are adjacent to the State of Florida. The Western Gulf of Mexico is not the same as the Western Planning Area, an area established for OCS lease sales.

*Workover operations* means the work conducted on wells after the initial well-completion operation for the purpose of maintaining or restoring the productivity of a well.

*You* means a lessee, the owner or holder of operating rights, a designated operator or agent of the lessee(s), a pipeline right-of-way holder, or a State lessee granted a right-of-use and easement.

[64 FR 72775, Dec. 28, 1999, as amended at 68 FR 8422, Feb. 20, 2003; 70 FR 41573, July 19, 2005; 70 FR 51500, Aug. 30, 2005; 71 FR 23862, Apr. 25, 2006]

## **Performance Standards**

### **§ 250.106 What standards will the Director use to regulate lease operations?**

The Director will regulate all operations under a lease, right-of-use and easement, or right-of-way to:

- (a) Promote orderly exploration, development, and production of mineral resources;

- (b) Prevent injury or loss of life;
- (c) Prevent damage to or waste of any natural resource, property, or the environment; and
- (d) Cooperate and consult with affected States, local governments, other interested parties, and relevant Federal agencies.

**§ 250.107 What must I do to protect health, safety, property, and the environment?**

(a) You must protect health, safety, property, and the environment by:

- (1) Performing all operations in a safe and workmanlike manner; and
- (2) Maintaining all equipment and work areas in a safe condition.

(b) You must immediately control, remove, or otherwise correct any hazardous oil and gas accumulation or other health, safety, or fire hazard.

(c) You must use the best available and safest technology (BAST) whenever practical on all exploration, development, and production operations. In general, we consider your compliance with MMS regulations to be the use of BAST.

(d) The Director may require additional measures to ensure the use of BAST:

- (1) To avoid the failure of equipment that would have a significant effect on safety, health, or the environment;
- (2) If it is economically feasible; and
- (3) If the benefits outweigh the costs.

[64 FR 72775, Dec. 28, 1999, as amended at 73 FR 20171, Apr. 15, 2008]

**§ 250.108 What requirements must I follow for cranes and other material-handling equipment?**

(a) All cranes installed on fixed platforms must be operated in accordance with American Petroleum Institute's Recommended Practice for Operation and Maintenance of Offshore Cranes (API RP 2D), incorporated by reference as specified in 30 CFR 250.198.

(b) All cranes installed on fixed platforms must be equipped with a functional anti-two block device by March 16, 2005.

(c) If a fixed platform is installed after March 17, 2003, all cranes on the platform must meet the requirements of American Petroleum Institute Specification for Offshore Pedestal Mounted Cranes (API Spec 2C), incorporated by reference as specified in 30 CFR 250.198.

(d) All cranes manufactured after March 17, 2003, and installed on a fixed platform, must meet the requirements of API Spec 2C, incorporated by reference as specified in 30 CFR 250.198.

(e) You must maintain records specific to a crane or the operation of a crane installed on an OCS fixed platform, as follows:

- (1) Retain all design and construction records, including installation records for any anti-two block safety devices, for the life of the crane. The records must be kept at the OCS fixed platform.
- (2) Retain all inspection, testing, and maintenance records of cranes for at least 4 years. The records must be kept at the OCS fixed platform.
- (3) Retain the qualification records of the crane operator and all rigger personnel for at least 4 years. The records must be kept at the OCS fixed platform.

(f) You must operate and maintain all other material-handling equipment in a manner that ensures safe operations and prevents

pollution.

[68 FR 7426, Feb. 14, 2003, as amended at 72 FR 12092, Mar. 15, 2007]

### **§ 250.109 What documents must I prepare and maintain related to welding?**

(a) You must submit a Welding Plan to the District Manager before you begin drilling or production activities on a lease. You may not begin welding until the District Manager has approved your plan.

(b) You must keep the following at the site where welding occurs:

- (1) A copy of the plan and its approval letter; and
- (2) Drawings showing the designated safe-welding areas.

### **§ 250.110 What must I include in my welding plan?**

You must include all of the following in the Welding Plan that you prepare under §250.109:

(a) Standards or requirements for welders;

(b) How you will ensure that only qualified personnel weld;

(c) Practices and procedures for safe welding that address:

- (1) Welding in designated safe areas;
- (2) Welding in undesignated areas, including wellbay;
- (3) Fire watches;
- (4) Maintenance of welding equipment; and
- (5) Plans showing all designated safe-welding areas.

(d) How you will prevent spark-producing activities ( *i.e.* , grinding, abrasive blasting/cutting and arc-welding) in hazardous locations.

### **§ 250.111 Who oversees operations under my welding plan?**

A welding supervisor or a designated person in charge must be thoroughly familiar with your welding plan. This person must ensure that each welder is properly qualified according to the welding plan. This person also must inspect all welding equipment before welding.

### **§ 250.112 What standards must my welding equipment meet?**

Your welding equipment must meet the following requirements:

- (a) All engine-driven welding equipment must be equipped with spark arrestors and drip pans;
- (b) Welding leads must be completely insulated and in good condition;
- (c) Hoses must be leak-free and equipped with proper fittings, gauges, and regulators; and
- (d) Oxygen and fuel gas bottles must be secured in a safe place.

### **§ 250.113 What procedures must I follow when welding?**

(a) Before you weld, you must move any equipment containing hydrocarbons or other flammable substances at least 35 feet horizontally from the welding area. You must move similar equipment on lower decks at least 35 feet from the point of impact where slag, sparks, or other burning materials could fall. If moving this equipment is impractical, you must protect that equipment with flame-proofed covers, shield it with metal or fire-resistant guards or curtains, or render the flammable substances inert.

(b) While you weld, you must monitor all water-discharge-point sources from hydrocarbon-handling vessels. If a discharge of flammable fluids occurs, you must stop welding.

(c) If you cannot weld in one of the designated safe-welding areas that you listed in your safe welding plan, you must meet the following requirements:

(1) You may not begin welding until:

(i) The welding supervisor or designated person in charge advises in writing that it is safe to weld.

(ii) You and the designated person in charge inspect the work area and areas below it for potential fire and explosion hazards.

(2) During welding, the person in charge must designate one or more persons as a fire watch. The fire watch must:

(i) Have no other duties while actual welding is in progress;

(ii) Have usable firefighting equipment;

(iii) Remain on duty for 30 minutes after welding activities end; and

(iv) Maintain a continuous surveillance with a portable gas detector during the welding and burning operation if welding occurs in an area not equipped with a gas detector.

(3) You may not weld piping, containers, tanks, or other vessels that have contained a flammable substance unless you have rendered the contents inert and the designated person in charge has determined it is safe to weld. This does not apply to approved hot taps.

(4) You may not weld within 10 feet of a wellbay unless you have shut in all producing wells in that wellbay.

(5) You may not weld within 10 feet of a production area, unless you have shut in that production area.

(6) You may not weld while you drill, complete, workover, or conduct wireline operations unless:

(i) The fluids in the well (being drilled, completed, worked over, or having wireline operations conducted) are noncombustible; and

(ii) You have precluded the entry of formation hydrocarbons into the wellbore by either mechanical means or a positive overbalance toward the formation.

### **§ 250.114 How must I install and operate electrical equipment?**

The requirements in this section apply to all electrical equipment on all platforms, artificial islands, fixed structures, and their facilities.

(a) You must classify all areas according to API RP 500, Recommended Practice for Classification of Locations for Electrical Installations at Petroleum Facilities Classified as Class I, Division 1 and Division 2, or API RP 505, Recommended Practice for Classification of Locations for Electrical Installations at Petroleum Facilities Classified as Class I, Zone 0, Zone 1, and Zone 2.

(b) Employees who maintain your electrical systems must have expertise in area classification and the performance, operation and hazards of electrical equipment.

(c) You must install all electrical systems according to API RP 14F, Recommended Practice for Design and Installation of Electrical Systems for Fixed and Floating Offshore Petroleum Facilities for Unclassified and Class I, Division 1, and Division 2 Locations (incorporated by reference as specified in §250.198), or API RP 14FZ, Recommended Practice for Design and Installation of Electrical Systems for Fixed and Floating Offshore Petroleum Facilities for Unclassified and Class I, Zone 0, Zone 1, and Zone 2 Locations (incorporated by reference as specified in §250.198).

(d) On each engine that has an electric ignition system, you must use an ignition system designed and maintained to reduce the release of electrical energy.

[64 FR 72775, Dec. 28, 1999, as amended at 65 FR 219, Jan. 4, 2000; 68 FR 43298, July 22, 2003]

### **§ 250.115 How do I determine well producibility?**

You must follow the procedures in this section to determine well producibility if your well is not in the GOM. If your well is in the GOM you must follow the procedures in either this section or in §250.116 of this subpart.

(a) You must write to the Regional Supervisor asking for permission to determine producibility.

(b) You must either:

(1) Allow the District Manager to witness each test that you conduct under this section; or

(2) Receive the District Manager's prior approval so that you can submit either test data with your affidavit or third party test data.

(c) If the well is an oil well, you must conduct a production test that lasts at least 2 hours after flow stabilizes.

(d) If the well is a gas well, you must conduct a deliverability test that lasts at least 2 hours after flow stabilizes, or a four-point back pressure test.

### **§ 250.116 How do I determine producibility if my well is in the Gulf of Mexico?**

If your well is in the GOM, you must follow either the procedures in §250.115 of this subpart or the procedures in this section to determine producibility.

(a) You must write to the Regional Supervisor asking for permission to determine producibility.

(b) You must provide or make available to the Regional Supervisor, as requested, the following log, core, analyses, and test criteria that MMS will consider collectively:

(1) A log showing sufficient porosity in the producible section.

(2) Sidewall cores and core analyses that show that the section is capable of producing oil or gas.

(3) Wireline formation test and/or mud-logging analyses that show that the section is capable of producing oil or gas.

(4) A resistivity or induction electric log of the well showing a minimum of 15 feet (true vertical thickness except for horizontal wells) of producible sand in one section.

(c) No section that you count as producible under paragraph (b)(4) of this section may include any interval that appears to be water saturated.

(d) Each section you count as producible under paragraph (b)(4) of this section must exhibit:

(1) A minimum true resistivity ratio of the producible section to the nearest clean or water-bearing sand of at least 5:1; and

(2) One of the following:

- (i) Electrical spontaneous potential exceeding 20-negative millivolts beyond the shale baseline; or
- (ii) Gamma ray log deflection of at least 70 percent of the maximum gamma ray deflection in the nearest clean water-bearing sand—if mud conditions prevent a 20-negative millivolt reading beyond the shale baseline.

#### **§ 250.117 How does a determination of well producibility affect royalty status?**

A determination of well producibility invokes minimum royalty status on the lease as provided in 30 CFR 202.53.

#### **§ 250.118 Will MMS approve gas injection?**

The Regional Supervisor may authorize you to inject gas on the OCS, on and off-lease, to promote conservation of natural resources and to prevent waste.

(a) To receive MMS approval for injection, you must:

- (1) Show that the injection will not result in undue interference with operations under existing leases; and
- (2) Submit a written application to the Regional Supervisor for injection of gas.

(b) The Regional Supervisor will approve gas injection applications that:

- (1) Enhance recovery;
- (2) Prevent flaring of casinghead gas; or
- (3) Implement other conservation measures approved by the Regional Supervisor.

#### **§ 250.119 Will MMS approve subsurface gas storage?**

The Regional Supervisor may authorize subsurface storage of gas on the OCS, on and off-lease, for later commercial benefit. To receive MMS approval you must:

- (a) Show that the subsurface storage of gas will not result in undue interference with operations under existing leases; and
- (b) Sign a storage agreement that includes the required payment of a storage fee or rental.

#### **§ 250.120 How does injecting, storing, or treating gas affect my royalty payments?**

(a) If you produce gas from an OCS lease and inject it into a reservoir on the lease or unit for the purposes cited in §250.118(b), you are not required to pay royalties until you remove or sell the gas from the reservoir.

(b) If you produce gas from an OCS lease and store it according to §250.119, you must pay royalty before injecting it into the storage reservoir.

(c) If you produce gas from an OCS lease and treat it at an off-lease or off-unit location, you must pay royalties when the gas is first produced.

#### **§ 250.121 What happens when the reservoir contains both original gas in place and injected gas?**

If the reservoir contains both original gas in place and injected gas, when you produce gas from the reservoir you must use an MMS-approved formula to determine the amounts of injected or stored gas and gas original to the reservoir.

#### **§ 250.122 What effect does subsurface storage have on the lease term?**

If you use a lease area for subsurface storage of gas, it does not affect the continuance or expiration of the lease.

**§ 250.123 Will MMS allow gas storage on unleased lands?**

You may not store gas on unleased lands unless the Regional Supervisor approves a right-of-use and easement for that purpose, under §§250.160 through 250.166 of this subpart.

**§ 250.124 Will MMS approve gas injection into the cap rock containing a sulphur deposit?**

To receive the Regional Supervisor's approval to inject gas into the cap rock of a salt dome containing a sulphur deposit, you must show that the injection:

- (a) Is necessary to recover oil and gas contained in the cap rock; and
- (b) Will not significantly increase potential hazards to present or future sulphur mining operations.

**Fees**

**§ 250.125 Service fees.**

(a) The table in this paragraph (a) shows the fees that you must pay to MMS for the services listed. The fees will be adjusted periodically according to the Implicit Price Deflator for Gross Domestic Product by publication of a document in the Federal Register. If a significant adjustment is needed to arrive at the new actual cost for any reason other than inflation, then a proposed rule containing the new fees will be published in the Federal Register for comment.

**Service Fee Table**

<b>Service—processing of the following:</b>	<b>Fee amount</b>	<b>30 CFR citation</b>
(1) Change in Designation of Operator	\$164	§250.143(d).
(2) Right-of-Use and Easement for State lessee	\$2,569	§250.165.
(3) Suspension of Operations/Suspension of Production (SOO/SOP) Request	\$1,968	§250.171(e).
(4) Exploration Plan (EP)	\$3,442 for each surface location; no fee for revisions	§250.211(d).
(5) Development and Production Plan (DPP) or Development Operations Coordination Document (DOCD)	\$3,971 for each well proposed; no fee for revisions	§250.241(e).
(6) Deepwater Operations Plan	\$3,336	§250.292(p).
(7) Conservation Information Document	\$25,629	§250.296(a).
(8) Application for Permit to Drill (APD; Form MMS-123)	\$1,959 for initial applications only; no fee for revisions	§250.410(d); §250.411; §250.460; §250.513(b);

		§250.515; §250.1605; §250.1617(a); §250.1622.
(9) Application for Permit to Modify (APM; Form MMS-124)	\$116	§250.460; §250.465(b); §250.513(b); §250.515; §250.613(b); §250.615; §250.1618(a); §250.1622; §250.1704(g).
(10) New Facility Production Safety System Application for facility with more than 125 components	\$5,030 A component is a piece of equipment or ancillary system that is protected by one or more of the safety devices required by API RP 14C (incorporated by reference as specified in §250.198); \$13,238 additional fee will be charged if MMS deems it necessary to visit a facility offshore, and \$6,884 to visit a facility in a shipyard	§250.802(e).
(11) New Facility Production Safety System Application for facility with 25–125 components	\$1,218 Additional fee of \$8,313 will be charged if MMS deems it necessary to visit a facility offshore, and \$4,766 to visit a facility in a shipyard	§250.802(e).
(12) New Facility Production Safety System Application for facility with fewer than 25 components	\$604	§250.802(e).
(13) Production Safety System Application—Modification with more than 125 components reviewed	\$561	§250.802(e).
(14) Production Safety System Application—Modification with 25–125 components reviewed	\$201	§250.802(e).
(15) Production Safety System Application—Modification with fewer than 25 components reviewed	\$85	§250.802(e).
(16) Platform Application—Installation—Under the Platform Verification Program	\$21,075	§250.905(k).
(17) Platform Application—Installation—Fixed Structure Under the Platform Approval Program	\$3,018	§250.905(k).
(18) Platform Application—Installation—Caisson/Well Protector	\$1,536	§250.905(k).

(19) Platform Application— Modification/Repair	\$3,601	§250.905(k).
(20) New Pipeline Application (Lease Term)	\$3,283	§250.1000(b).
(21) Pipeline Application— Modification (Lease Term)	\$1,906	§250.1000(b).
(22) Pipeline Application— Modification (ROW)	\$3,865	§250.1000(b).
(23) Pipeline Repair Notification	\$360	§250.1008(e).
(24) Pipeline Right-of-Way (ROW) Grant Application	\$2,569	§250.1015(a).
(25) Pipeline Conversion of Lease Term to ROW	\$219	§250.1015(a).
(26) Pipeline ROW Assignment	\$186	§250.1018(b).
(27) 500 Feet From Lease/Unit Line Production Request	\$3,608	§250.1101(f).
(28) Gas Cap Production Request	\$4,592	§250.1101(f).
(29) Downhole Commingling Request	\$5,357	§250.1106(d).
(30) Complex Surface Commingling and Measurement Application	\$3,760	§250.1202(a); §250.1203(b); §250.1204(a).
(31) Simple Surface Commingling and Measurement Application	\$1,271	§250.1202(a); §250.1203(b); §250.1204(a).
(32) Voluntary Unitization Proposal or Unit Expansion	\$11,698	§250.1303(d).
(33) Unitization Revision	\$831	§250.1303(d).
(34) Application to Remove a Platform or Other Facility	\$4,342	§250.1727.
(35) Application to Decommission a Pipeline (Lease Term)	\$1,059	§250.1751(a) or §250.1752(a).
(36) Application to Decommission a Pipeline (ROW)	\$2,012	§250.1751(a) or §250.1752(a).

(b) Payment of the fees listed in paragraph (a) of this section must accompany the submission of the document for approval or be sent to an office identified by the Regional Director. Once a fee is paid, it is nonrefundable, even if an application or other request is withdrawn. If your application is returned to you as incomplete, you are not required to submit a new fee when you submit the

amended application.

(c) Verbal approvals are occasionally given in special circumstances. Any action that will be considered a verbal permit approval requires either a paper permit application to follow the verbal approval or an electronic application submittal within 72 hours. Payment must be made with the completed paper or electronic application.

[70 FR 49875, Aug. 25, 2005, as amended at 71 FR 40909, July 19, 2006; 72 FR 25199, May 4, 2007; 73 FR 49946, Aug. 25, 2008]

#### **§ 250.126 Electronic payment instructions.**

You must file all payments electronically through *Pay.gov*. This includes, but is not limited to, all OCS applications or filing fee payments. The *Pay.gov* Web site may be accessed through a link on the MMS Offshore Web site at: <http://www.mms.gov/offshore/> homepage or directly through *Pay.gov* at: <https://www.pay.gov/paygov/>.

(a) If you submitted an application through eWell, you must use the interactive payment feature in that system, which directs you through *Pay.gov*.

(b) For applications not submitted electronically through eWell, you must use credit card or automated clearing house (ACH) payments through the *Pay.gov* Web site, and you must include a copy of the *Pay.gov* confirmation receipt page with your application.

[73 FR 49947, Aug. 25, 2008]

### **Inspection of Operations**

#### **§ 250.130 Why does MMS conduct inspections?**

MMS will inspect OCS facilities and any vessels engaged in drilling or other downhole operations. These include facilities under jurisdiction of other Federal agencies that we inspect by agreement. We conduct these inspections:

(a) To verify that you are conducting operations according to the Act, the regulations, the lease, right-of-way, the approved Exploration Plan or Development and Production Plans; or right-of-use and easement, and other applicable laws and regulations; and

(b) To determine whether equipment designed to prevent or ameliorate blowouts, fires, spillages, or other major accidents has been installed and is operating properly according to the requirements of this part.

#### **§ 250.131 Will MMS notify me before conducting an inspection?**

MMS conducts both scheduled and unscheduled inspections.

#### **§ 250.132 What must I do when MMS conducts an inspection?**

(a) When MMS conducts an inspection, you must provide:

(1) Access to all platforms, artificial islands, and other installations on your leases or associated with your lease, right-of-use and easement, or right-of-way; and

(2) Helicopter landing sites and refueling facilities for any helicopters we use to regulate offshore operations.

(b) You must make the following available for us to inspect:

(1) The area covered under a lease, right-of-use and easement, right-of-way, or permit;

(2) All improvements, structures, and fixtures on these areas; and

(3) All records of design, construction, operation, maintenance, repairs, or investigations on or related to the area.

**§ 250.133 Will MMS reimburse me for my expenses related to inspections?**

Upon request, MMS will reimburse you for food, quarters, and transportation that you provide for MMS representatives while they inspect lease facilities and operations. You must send us your reimbursement request within 90 days of the inspection.

**Disqualification**

**§ 250.135 What will MMS do if my operating performance is unacceptable?**

If your operating performance is unacceptable, MMS may disapprove or revoke your designation as operator on a single facility or multiple facilities. We will give you adequate notice and opportunity for a review by MMS officials before imposing a disqualification.

**§ 250.136 How will MMS determine if my operating performance is unacceptable?**

In determining if your operating performance is unacceptable, MMS will consider, individually or collectively:

- (a) Accidents and their nature;
- (b) Pollution events, environmental damages and their nature;
- (c) Incidents of noncompliance;
- (d) Civil penalties;
- (e) Failure to adhere to OCS lease obligations; or
- (f) Any other relevant factors.

**Special Types of Approvals**

**§ 250.140 When will I receive an oral approval?**

When you apply for MMS approval of any activity, we normally give you a written decision. The following table shows circumstances under which we may give an oral approval.

<b>When you</b>	<b>We may</b>	<b>And</b>
(a) Request approval orally	Give you an oral approval	You must then confirm the oral request by sending us a written request within 72 hours.
(b) Request approval in writing	Give you an oral approval if quick action is needed	We will send you a written approval afterward. It will include any conditions that we place on the oral approval.
(c) Request approval orally for gas flaring	Give you an oral approval	You don't have to follow up with a written request unless the Regional Supervisor requires it. When you stop the approved flaring, you must promptly send a letter summarizing the location, dates and hours, and volumes of liquid hydrocarbons produced and gas flared by the approved flaring. (See 30 CFR 250, subpart K.)

### **§ 250.141 May I ever use alternate procedures or equipment?**

You may use alternate procedures or equipment after receiving approval as described in this section.

(a) Any alternate procedures or equipment that you propose to use must provide a level of safety and environmental protection that equals or surpasses current MMS requirements.

(b) You must receive the District Manager's or Regional Supervisor's written approval before you can use alternate procedures or equipment.

(c) To receive approval, you must either submit information or give an oral presentation to the appropriate Supervisor. Your presentation must describe the site-specific application(s), performance characteristics, and safety features of the proposed procedure or equipment.

### **§ 250.142 How do I receive approval for departures?**

We may approve departures to the operating requirements. You may apply for a departure by writing to the District Manager or Regional Supervisor.

[65 FR 6536, Feb. 10, 2000]

### **§ 250.143 How do I designate an operator?**

(a) You must provide the Regional Supervisor an executed Designation of Operator form (Form MMS-1123) unless you are the only lessee and are the only person conducting lease operations. When there is more than one lessee, each lessee must submit the Designation of Operator form and the Regional Supervisor must approve the designation before the designated operator may begin operations on the leasehold.

(b) This designation is authority for the designated operator to act on your behalf and to fulfill your obligations under the Act, the lease, and the regulations in this part.

(c) You, or your designated operator, must immediately provide the Regional Supervisor a written notification of any change of address.

(d) If you change the designated operator on your lease, you must pay the service fee listed in §250.125 of this subpart with your request for a change in designation of operator. Should there be multiple lessees, all designation of operator forms must be collected by one lessee and submitted to MMS in a single submittal, which is subject to only one filing fee.

[64 FR 72775, Dec. 28, 1999, as amended at 70 FR 49876, Aug. 25, 2005; 72 FR 25200, May 4, 2007]

### **§ 250.144 How do I designate a new operator when a designation of operator terminates?**

(a) When a Designation of Operator terminates, the Regional Supervisor must approve a new designated operator before you may continue operations. Each lessee must submit a new executed Designation of Operator form.

(b) If your Designation of Operator is terminated, or a controversy develops between you and your designated operator, you and your designated operator must protect the lessor's interests.

### **§ 250.145 How do I designate an agent or a local agent?**

(a) You or your designated operator may designate for the Regional Supervisor's approval, or the Regional Director may require you to designate an agent empowered to fulfill your obligations under the Act, the lease, or the regulations in this part.

(b) You or your designated operator may designate for the Regional Supervisor's approval a local agent empowered to receive notices and submit requests, applications, notices, or supplemental information.

## **§ 250.146 Who is responsible for fulfilling leasehold obligations?**

(a) When you are not the sole lessee, you and your co-lessee(s) are jointly and severally responsible for fulfilling your obligations under the provisions of 30 CFR parts 250 through 282, unless otherwise provided in these regulations.

(b) If your designated operator fails to fulfill any of your obligations under 30 CFR parts 250 through 282, the Regional Supervisor may require you or any or all of your co-lessees to fulfill those obligations or other operational obligations under the Act, the lease, or the regulations.

(c) Whenever the regulations in 30 CFR parts 250 through 282 require the lessee to meet a requirement or perform an action, the lessee, operator (if one has been designated), and the person actually performing the activity to which the requirement applies are jointly and severally responsible for complying with the regulation.

## **Naming and Identifying Facilities and Wells (Does Not Include MODUs)**

### **§ 250.150 How do I name facilities and wells in the Gulf of Mexico Region?**

(a) Assign each facility a letter designation except for those types of facilities identified in paragraph (c)(1) of this section. For example, A, B, CA, or CB.

(1) After a facility is installed, rename each predrilled well that was assigned only a number and was suspended temporarily at the mudline or at the surface. Use a letter and number designation. The letter used must be the same as that of the production facility, and the number used must correspond to the order in which the well was completed, not necessarily the number assigned when it was drilled. For example, the first well completed for production on Facility A would be renamed Well A-1, the second would be Well A-2, and so on; and

(2) When you have more than one facility on a block, each facility installed, and not bridge-connected to another facility, must be named using a different letter in sequential order. For example, EC 222A, EC 222B, EC 222C.

(3) When you have more than one facility on multiple blocks in a local area being co-developed, each facility installed and not connected with a walkway to another facility should be named using a different letter in sequential order with the block number corresponding to the block on which the platform is located. For example, EC 221A, EC 222B and EC 223C.

(b) In naming multiple well caissons, you must assign a letter designation.

(c) In naming single well caissons, you must use certain criteria as follows:

(1) For single well caissons not attached to a facility with a walkway, use the well designation. For example, Well No. 1;

(2) For single well caissons attached to a facility with a walkway, use the same designation as the facility. For example, rename Well No.10 as A-10; and

(3) For single well caissons with production equipment, use a letter designation for the facility name and a letter plus number designation for the well. For example, the Well No. 1 caisson would be designated as Facility A, and the well would be Well A-1.

### **§ 250.151 How do I name facilities in the Pacific Region?**

The operator assigns a name to the facility.

### **§ 250.152 How do I name facilities in the Alaska Region?**

Facilities will be named and identified according to the Regional Director's directions.

### **§ 250.153 Do I have to rename an existing facility or well?**

You do not have to rename facilities installed and wells drilled before January 27, 2000, unless the Regional Director requires it.

## **§ 250.154 What identification signs must I display?**

(a) You must identify all facilities, artificial islands, and mobile offshore drilling units with a sign maintained in a legible condition.

(1) You must display an identification sign that can be viewed from the waterline on at least one side of the platform. The sign must use at least 3-inch letters and figures.

(2) When helicopter landing facilities are present, you must display an additional identification sign that is visible from the air. The sign must use at least 12-inch letters and figures and must also display the weight capacity of the helipad unless noted on the top of the helipad. If this sign is visible to both helicopter and boat traffic, then the sign in paragraph (a)(1) of this section is not required.

(3) Your identification sign must:

(i) List the name of the lessee or designated operator;

(ii) In the GOM OCS Region, list the area designation or abbreviation and the block number of the facility location as depicted on OCS Official Protraction Diagrams or leasing maps;

(iii) In the Pacific OCS Region, list the lease number on which the facility is located; and

(iv) List the name of the platform, structure, artificial island, or mobile offshore drilling unit.

(b) You must identify singly completed wells and multiple completions as follows:

(1) For each singly completed well, list the lease number and well number on the wellhead or on a sign affixed to the wellhead;

(2) For wells with multiple completions, downhole splitter wells, and multilateral wells, identify each completion in addition to the well name and lease number individually on the well flowline at the wellhead; and

(3) For subsea wells that flow individually into separate pipelines, affix the required sign on the pipeline or surface flowline dedicated to that subsea well at a convenient location on the receiving platform. For multiple subsea wells that flow into a common pipeline or pipelines, no sign is required.

## **Right-of-use and Easement**

### **§ 250.160 When will MMS grant me a right-of-use and easement, and what requirements must I meet?**

MMS may grant you a right-of-use and easement on leased and unleased lands on the OCS, if you meet these requirements:

(a) You must need the right-of-use and easement to construct and maintain platforms, artificial islands, and installations and other devices at an OCS site other than an OCS lease you own, that are:

(1) Permanently or temporarily attached to the seabed; and

(2) Used for conducting exploration, development, and production activities or other operations on or off lease; or

(3) Used for other purposes approved by MMS.

(b) You must exercise the right-of-use and easement according to the regulations of this part;

(c) You must meet the requirements at 30 CFR 256.35 (Qualification of lessees); establish a regional Company File as required by MMS; and must meet bonding requirements;

(d) If you apply for a right-of-use and easement on a leased area, you must notify the lessee and give her/him an opportunity to comment on your application; and

(e) You must receive MMS approval for all platforms, artificial islands, and installations and other devices permanently or

temporarily attached to the seabed.

(f) You must pay a rental amount as required by paragraph (g) of this section if:

(1) You obtain a right-of-use and easement after January 12, 2004; or

(2) You ask MMS to modify your right-of-use and easement to change the footprint of the associated platform, artificial island, or installation or device.

(g) If you meet either of the conditions in paragraph (f) of this section, you must pay a rental amount to MMS as shown in the following table:

<b>If...</b>	<b>Then...</b>
(1) Your right-of-use and easement site is located in water depths of less than 200 meters;	You must pay a rental of \$5 per acre per year with a minimum of \$450 per year. The area subject to annual rental includes the areal extent of anchor chains, pipeline risers, and other equipment associated with the platform, artificial island, installation or device.
(2) Your right-of-use and easement site is located in water depths of 200 meters or greater;	You must pay a rental of \$7.50 per acre per year with a minimum of \$675 per year. The area subject to annual rental includes the areal extent of anchor chains, pipeline risers, and other equipment associated with the platform, artificial island, or installation or device.

(h) You may make the rental payments required by paragraph (g)(1) and (g)(2) of this section on an annual basis, for a 5-year period, or for multiples of 5 years. You must make the first payment electronically through *Pay.gov* and you must include a copy of the *Pay.gov* confirmation receipt page with your right-of-use and easement application. You must make all subsequent payments before the respective time periods begin.

(i) *Late payments.* An interest charge will be assessed on unpaid and underpaid amounts from the date the amounts are due, in accordance with the provisions found in 30 CFR 218.54. If you fail to make a payment that is late after written notice from MMS, MMS may initiate cancellation of the right-of-use grant and easement.

[64 FR 72775, Dec. 28, 1999, as amended at 68 FR 69311, Dec. 12, 2003; 69 FR 29433, May 24, 2004; 72 FR 25200, May 4, 2007; 73 FR 49948, Aug. 25, 2008]

### **§ 250.161 What else must I submit with my application?**

With your application, you must describe the proposed use giving:

(a) Details of the proposed uses and activities including access needs and special rights of use that you may need;

(b) A description of all facilities for which you are seeking authorization;

(c) A map or plat describing primary and alternate project locations; and

(d) A schedule for constructing any new facilities, drilling or completing any wells, anticipated production rates, and productive life of existing production facilities.

### **§ 250.162 May I continue my right-of-use and easement after the termination of any lease on which it is situated?**

If your right-of-use and easement is on a lease, you may continue to exercise the right-of-use and easement after the lease on which it is situated terminates. You must only use the right-of-use and easement for the purpose that the grant specifies. All future lessees of that portion of the OCS on which your right-of-use and easement is situated must continue to recognize the right-of-use

and easement for the purpose that the grant specifies.

**§ 250.163 If I have a State lease, will MMS grant me a right-of-use and easement?**

(a) MMS may grant a lessee of a State lease located adjacent to or accessible from the OCS a right-of-use and easement on the OCS.

(b) MMS will only grant a right-of-use and easement under this paragraph to enable a State lessee to conduct and maintain a device that is permanently or temporarily attached to the seabed ( *i.e.* , a platform, artificial island, or installation). The lessee must use the device to explore for, develop, and produce oil and gas from the adjacent or accessible State lease and for other operations related to these activities.

**§ 250.164 If I have a State lease, what conditions apply for a right-of-use and easement?**

(a) A right-of-use and easement granted under the heading of "Right-of-use and easement" in this subpart is subject to MMS regulations, 30 CFR parts 250 through 282, and any terms and conditions that the Regional Director prescribes.

(b) For the whole or fraction of the first calendar year, and annually after that, you must pay to MMS, in advance, an annual rental payment.

**§ 250.165 If I have a State lease, what fees do I have to pay for a right-of-use and easement?**

When you apply for a right-of-use and easement, you must pay:

(a) A nonrefundable filing fee as specified in §250.125; and

(b) The first year's rental as specified in §250.160(g).

[53 FR 10690, Apr. 1, 1988. Redesignated at 63 FR 29479, May 29, 1998, as amended at 72 FR 25200, May 4, 2007]

**§ 250.166 If I have a State lease, what surety bond must I have for a right-of-use and easement?**

(a) Before MMS issues you a right-of-use and easement on the OCS, you must furnish the Regional Director a surety bond for \$500,000.

(b) The Regional Director may require additional security from you ( *i.e.* , security above the prescribed \$500,000) to cover additional costs and liabilities for regulatory compliance. This additional surety:

(1) Must be in the form of a supplemental bond or bonds meeting the requirements of 30 CFR 256.54 (General requirements for bonds) or an increase in the coverage of an existing surety bond.

(2) Covers additional costs and liabilities for regulatory compliance, including well abandonment, platform and structure removal, and site clearance from the seafloor of the right-of-use and easement.

**Suspensions**

**§ 250.168 May operations or production be suspended?**

(a) You may request approval of a suspension, or the Regional Supervisor may direct a suspension (Directed Suspension), for all or any part of a lease or unit area.

(b) Depending on the nature of the suspended activity, suspensions are labeled either Suspensions of Operations (SOO) or Suspensions of Production (SOP).

**§ 250.169 What effect does suspension have on my lease?**

(a) A suspension may extend the term of a lease (see §250.180(b), (d), and (e)). The extension is equal to the length of time the

suspension is in effect, except as provided in paragraph (b) of this section.

(b) A Directed Suspension does not extend the term of a lease when the Regional Supervisor *directs* a suspension because of:

(1) Gross negligence; or

(2) A willful violation of a provision of the lease or governing statutes and regulations.

[53 FR 10690, Apr. 1, 1988. Redesignated at 63 FR 29479, May 29, 1998, as amended at 72 FR 25200, May 4, 2007]

### **§ 250.170 How long does a suspension last?**

(a) MMS may issue suspensions for up to 5 years per suspension. The Regional Supervisor will set the length of the suspension based on the conditions of the individual case involved. MMS may grant consecutive suspension periods.

(b) An SOO ends automatically when the suspended operation commences.

(c) An SOP ends automatically when production begins.

(d) A Directed Suspension normally ends as specified in the letter directing the suspension.

(e) MMS may terminate any suspension when the Regional Supervisor determines the circumstances that justified the suspension no longer exist or that other lease conditions warrant termination. The Regional Supervisor will notify you of the reasons for termination and the effective date.

### **§ 250.171 How do I request a suspension?**

You must submit your request for a suspension to the Regional Supervisor, and MMS must receive the request before the end of the lease term ( *i.e.* , end of primary term, end of the 180-day period following the last leaseholding operation, and end of a current suspension). Your request must include:

(a) The justification for the suspension including the length of suspension requested;

(b) A reasonable schedule of work leading to the commencement or restoration of the suspended activity;

(c) A statement that a well has been drilled on the lease and determined to be producible according to §§250.115, 250.116, or 250.1603 (SOP only);

(d) A commitment to production (SOP only); and

(e) The service fee listed in §250.125 of this subpart.

[70 FR 49876, Aug. 25, 2005]

### **§ 250.172 When may the Regional Supervisor grant or direct an SOO or SOP?**

The Regional Supervisor may grant or direct an SOO or SOP under any of the following circumstances:

(a) When necessary to comply with judicial decrees prohibiting any activities or the permitting of those activities. The effective date of the suspension will be the effective date required by the action of the court;

(b) When activities pose a threat of serious, irreparable, or immediate harm or damage. This would include a threat to life (including fish and other aquatic life), property, any mineral deposit, or the marine, coastal, or human environment. MMS may require you to do a site-specific study. (See §250.177(a).)

- (c) When necessary for the installation of safety or environmental protection equipment;
- (d) When necessary to carry out the requirements of NEPA or to conduct an environmental analysis; or
- (e) When necessary to allow for inordinate delays encountered in obtaining required permits or consents, including administrative or judicial challenges or appeals.

#### **§ 250.173 When may the Regional Supervisor direct an SOO or SOP?**

The Regional Supervisor may direct a suspension when:

- (a) You failed to comply with an applicable law, regulation, order, or provision of a lease or permit; or
- (b) The suspension is in the interest of national security or defense.

#### **§ 250.174 When may the Regional Supervisor grant or direct an SOP?**

The Regional Supervisor may grant or direct an SOP when the suspension is in the national interest, and it is necessary because the suspension will meet one of the following criteria:

- (a) It will allow you to properly develop a lease, including time to construct and install production facilities;
- (b) It will allow you time to obtain adequate transportation facilities;
- (c) It will allow you time to enter a sales contract for oil, gas, or sulphur. You must show that you are making an effort to enter into the contract(s); or
- (d) It will avoid continued operations that would result in premature abandonment of a producing well(s).

#### **§ 250.175 When may the Regional Supervisor grant an SOO?**

(a) The Regional Supervisor may grant an SOO when necessary to allow you time to begin drilling or other operations when you are prevented by reasons beyond your control, such as unexpected weather, unavoidable accidents, or drilling rig delays.

(b) The Regional Supervisor may grant an SOO when all of the following conditions are met:

(1) The lease was issued with a primary lease term of 5 years, or with a primary term of 8 years with a requirement to drill within 5 years;

(2) Before the end of the third year of the primary term, you or your predecessor in interest must have acquired and interpreted geophysical information that indicates:

- (i) The presence of a salt sheet;
- (ii) That all or a portion of a potential hydrocarbon-bearing formation may lie beneath or adjacent to the salt sheet; and
- (iii) The salt sheet interferes with identification of the potential hydrocarbon-bearing formation.

(3) The interpreted geophysical information required under paragraph (b)(2) of this section must include full 3-D depth migration beneath the salt sheet and over the entire lease area.

(4) Before requesting the suspension, you have conducted or are conducting additional data processing or interpretation of the geophysical information with the objective of identifying a potential hydrocarbon-bearing formation.

(5) You demonstrate that additional time is necessary to:

- (i) complete current processing or interpretation of existing geophysical data or information;
- (ii) acquire, process, or interpret new geophysical data or information; or
- (iii) drill into the potential hydrocarbon-bearing formation identified as a result of the activities conducted in paragraphs (b)(2), (b)(4), and (b)(5) of this section.

(c) The Regional Supervisor may grant an SOO to conduct additional geological and geophysical data analysis that may lead to the drilling of a well below 25,000 feet true vertical depth below the datum at mean sea level (TVD SS) when all of the following conditions are met:

(1) The lease was issued with a primary lease term of:

(i) 5 years; or

(ii) 8 years with a requirement to drill within 5 years.

(2) Before the end of the fifth year of the primary term, you or your predecessor in interest must have acquired and interpreted geophysical information that:

(i) Indicates that all or a portion of a potential hydrocarbon-bearing formation lies below 25,000 feet TVD SS; and

(ii) Includes full 3–D depth migration over the entire lease area.

(3) Before requesting the suspension, you have conducted or are conducting additional data processing or interpretation of the geophysical information with the objective of identifying a potential hydrocarbon-bearing geologic structure or stratigraphic trap lying below 25,000 feet TVD SS.

(4) You demonstrate that additional time is necessary to:

(i) Complete current processing or interpretation of existing geophysical data or information;

(ii) Acquire, process, or interpret new geophysical or geological data or information that would affect the decision to drill the same geologic structure or stratigraphic trap, as determined by the Regional Supervisor, identified in paragraphs (c)(2) and (c)(3) of this section; or

(iii) Drill a well below 25,000 feet TVD SS into the geologic structure or stratigraphic trap identified as a result of the activities conducted in paragraphs (c)(2), (c)(3), and (c)(4)(i) and (ii) of this section.

[64 FR 72775, Dec. 28, 1999, as amended at 67 FR 44360, July 2, 2002; 70 FR 74663, Dec. 16, 2005; 72 FR 25200, May 4, 2007]

### **§ 250.176 Does a suspension affect my royalty payment?**

A directed suspension may affect the payment of rental or royalties for the lease as provided in §218.154.

### **§ 250.177 What additional requirements may the Regional Supervisor order for a suspension?**

If MMS grants or directs a suspension under paragraph §250.172(b), the Regional Supervisor may require you to:

(a) Conduct a site-specific study.

(1) The Regional Supervisor must approve or prescribe the scope for any site-specific study that you perform.

(2) The study must evaluate the cause of the hazard, the potential damage, and the available mitigation measures.

(3) You must pay for the study unless you request, and the Regional Supervisor agrees to arrange, payment by another party.

- (4) You must furnish copies and results of the study to the Regional Supervisor.
- (5) MMS will make the results available to other interested parties and to the public.
- (6) The Regional Supervisor will use the results of the study and any other information that becomes available:
  - (i) To decide if the suspension can be lifted; and
  - (ii) To determine any actions that you must take to mitigate or avoid any damage to the environment, life, or property.
- (b) Submit a revised Exploration Plan (including any required mitigating measures);
- (c) Submit a revised Development and Production Plan (including any required mitigating measures); or
- (d) Submit a revised Development Operations Coordination Document according to 30 CFR Part 250, subpart B.

## **Primary Lease Requirements, Lease Term Extensions, and Lease Cancellations**

### **§ 250.180 What am I required to do to keep my lease term in effect?**

(a) If your lease is in its primary term:

(1) You must submit a report to the District Manager according to paragraphs (h) and (i) of this section whenever production begins initially, whenever production ceases during the last 180 days of the primary term, and whenever production resumes during the last 180 days of the primary term.

(2) Your lease expires at the end of its primary term unless you are conducting operations on your lease (see 30 CFR part 256). For purposes of this section, the term *operations* means, drilling, well-reworking, or production in paying quantities. The objective of the drilling or well-reworking must be to establish production in paying quantities on the lease.

(b) If you stop conducting operations during the last 180 days of your primary lease term, your lease will expire unless you either resume operations or receive an SOO or an SOP from the Regional Supervisor under §§250.172, 250.173, 250.174, or 250.175 before the end of the 180th day after you stop operations.

(c) If you extend your lease term under paragraph (b) of this section, you must pay rental or minimum royalty, as appropriate, for each year or part of the year during which your lease continues in force beyond the end of the primary lease term.

(d) If you stop conducting operations on a lease that has continued beyond its primary term, your lease will expire unless you resume operations or receive an SOO or an SOP from the Regional Supervisor under §250.172, 250.173, 250.174, or 250.175 before the end of the 180th day after you stop operations.

(e) You may ask the Regional Supervisor to allow you more than 180 days to resume operations on a lease continued beyond its primary term when operating conditions warrant. The request must be in writing and explain the operating conditions that warrant a longer period. In allowing additional time, the Regional Supervisor must determine that the longer period is in the national interest, and it conserves resources, prevents waste, or protects correlative rights.

(f) When you begin conducting operations on a lease that has continued beyond its primary term, you must immediately notify the District Manager either orally or by fax or e-mail and follow up with a written report according to paragraph (g) of this section.

(g) If your lease is continued beyond its primary term, you must submit a report to the District Manager under paragraphs (h) and (i) of this section whenever production begins initially, whenever production ceases, whenever production resumes before the end of the 180-day period after having ceased, or whenever drilling or well-reworking operations begin before the end of the 180-day period.

(h) The reports required by paragraphs (a) and (g) of this section must contain:

(1) Name of lessee or operator;

(2) The well number, lease number, area, and block;

(3) As appropriate, the unit agreement name and number; and

(4) A description of the operation and pertinent dates.

(i) You must submit the reports required by paragraphs (a) and (g) of this section within the following timeframes:

(1) Initialization of production—within 5 days of initial production.

(2) Cessation of production—within 15 days after the first full month of zero production.

(3) Resumption of production—within 5 days of resuming production after ceasing production under paragraph (i)(2) of this section.

(4) Drilling or well reworking operations—within 5 days of beginning and completing the leaseholding operations.

(j) For leases continued beyond the primary term, you must immediately report to the District Manager if operations do not begin before the end of the 180-day period.

### **§ 250.181 When may the Secretary cancel my lease and when am I compensated for cancellation?**

If the Secretary cancels your lease under this part or under 30 CFR part 256, you are entitled to compensation under §250.184. Section 250.185 states conditions under which you will receive *no* compensation. The Secretary may cancel a lease after notice and opportunity for a hearing when:

(a) Continued activity on the lease would probably cause harm or damage to life (including fish and other aquatic life), property, any mineral deposits (in areas leased or not leased), or the marine, coastal, or human environment;

(b) The threat of harm or damage will not disappear or decrease to an acceptable extent within a reasonable period of time;

(c) The advantages of cancellation outweigh the advantages of continuing the lease in force; and

(d) A suspension has been in effect for at least 5 years or you request termination of the suspension and lease cancellation.

### **§ 250.182 When may the Secretary cancel a lease at the exploration stage?**

MMS may not approve an exploration plan (EP) under 30 CFR part 250, subpart B, if the Regional Supervisor determines that the proposed activities may cause serious harm or damage to life (including fish and other aquatic life), property, any mineral deposits, the national security or defense, or to the marine, coastal, or human environment, and that the proposed activity cannot be modified to avoid the condition(s). The Secretary may cancel the lease if:

(a) The primary lease term has not expired (or if the lease term has been extended) and exploration has been prohibited for 5 years following the disapproval; or

(b) You request cancellation at an earlier time.

### **§ 250.183 When may MMS or the Secretary extend or cancel a lease at the development and production stage?**

(a) MMS may extend your lease if you submit a DPP and the Regional Supervisor disapproves the plan according to the regulations in 30 CFR part 250, subpart B. Following the disapproval:

(1) MMS will allow you to hold the lease for 5 years, or less time at your request;

(2) Any time within 5 years after the disapproval, you may reapply for approval of the same or a modified plan; and

(3) The Regional Supervisor will approve, disapprove, or require modification of the plan under 30 CFR part 250, subpart B.

(b) If the Regional Supervisor has not approved a DPP or required you to submit a DPP for approval or modification, the Secretary will cancel the lease:

(1) When the 5-year period in paragraph (a)(1) of this section expires; or

(2) If you request cancellation at an earlier time.

#### **§ 250.184 What is the amount of compensation for lease cancellation?**

When the Secretary cancels a lease under §§250.181, 250.182 or 250.183 of this subpart, you are entitled to receive compensation under 43 U.S.C. 1334 (a)(2)(C). You must show the Director that the amount of compensation claimed is the lesser of paragraph (a) or (b) of this section:

(a) The fair value of the cancelled rights as of the date of cancellation, taking into account both:

(1) Anticipated revenues from the lease; and

(2) Costs reasonably anticipated on the lease, including:

(i) Costs of compliance with all applicable regulations and operating orders; and

(ii) Liability for cleanup costs or damages, or both, in the case of an oil spill.

(b) The excess, if any, over your revenues from the lease (plus interest thereon from the date of receipt to date of reimbursement) of:

(1) All consideration paid for the lease (plus interest from the date of payment to the date of reimbursement); and

(2) All your direct expenditures (plus interest from the date of payment to the date of reimbursement):

(i) After the issue date of the lease; and

(ii) For exploration or development, or both.

(c) Compensation for leases issued before September 18, 1978, will be equal to the amount specified in paragraph (a) of this section.

#### **§ 250.185 When is there no compensation for a lease cancellation?**

You will not receive compensation from MMS for lease cancellation if:

(a) MMS disapproves a DPP because you do not receive concurrence by the State under section 307(c)(3)(B) (i) or (ii) of the CZMA, and the Secretary of Commerce does not make the finding authorized by section 307(c)(3)(B)(iii) of the CZMA;

(b) You do not submit a DPP under 30 CFR part 250, subpart B or do not comply with the approved DPP;

(c) As the lessee of a nonproducing lease, you fail to comply with the Act, the lease, or the regulations issued under the Act, and the default continues for 30 days after MMS mails you a notice by overnight mail;

(d) The Regional Supervisor disapproves a DPP because you fail to comply with the requirements of applicable Federal law; or

(e) The Secretary forfeits and cancels a producing lease under section 5(d) of the Act (43 U.S.C. 1334(d)).

## Information and Reporting Requirements

### § 250.186 What reporting information and report forms must I submit?

(a) You must submit information and reports as MMS requires.

(1) You may obtain copies of forms from, and submit completed forms to, the District Manager or Regional Supervisor.

(2) Instead of paper copies of forms available from the District Manager or Regional Supervisor, you may use your own computer-generated forms that are equal in size to MMS's forms. You must arrange the data on your form identical to the MMS form. If you generate your own form and it omits terms and conditions contained on the official MMS form, we will consider it to contain the omitted terms and conditions.

(3) You may submit digital data when the Region/District is equipped to accept it.

(b) When MMS specifies, you must include, for public information, an additional copy of such reports.

(1) You must mark it *Public Information* .

(2) You must include all required information, except information exempt from public disclosure under §250.197 or otherwise exempt from public disclosure under law or regulation.

[64 FR 72775, Dec. 28, 1999. Redesignated at 71 FR 19644, Apr. 17, 2006, as amended at 72 FR 25200, May 4, 2007]

### § 250.187 What are MMS' incident reporting requirements?

(a) You must report all incidents listed in §250.188(a) and (b) to the District Manager. The specific reporting requirements for these incidents are contained in §§250.189 and 250.190.

(b) These reporting requirements apply to incidents that occur on the area covered by your lease, right-of-use and easement, pipeline right-of-way, or other permit issued by MMS, and that are related to operations resulting from the exercise of your rights under your lease, right-of-use and easement, pipeline right-of-way, or permit.

(c) Nothing in this subpart relieves you from making notifications and reports of incidents that may be required by other regulatory agencies.

(d) You must report all spills of oil or other liquid pollutants in accordance with 30 CFR 254.46.

[71 FR 19644, Apr. 17, 2006]

### § 250.188 What incidents must I report to MMS and when must I report them?

(a) You must report the following incidents to the District Manager immediately via oral communication, and provide a written follow-up report (hard copy or electronically transmitted) within 15 calendar days after the incident:

(1) All fatalities.

(2) All injuries that require the evacuation of the injured person(s) from the facility to shore or to another offshore facility.

(3) All losses of well control. "Loss of well control" means:

(i) Uncontrolled flow of formation or other fluids. The flow may be to an exposed formation (an underground blowout) or at the surface (a surface blowout);

(ii) Flow through a diverter; or

(iii) Uncontrolled flow resulting from a failure of surface equipment or procedures.

(4) All fires and explosions.

(5) All reportable releases of hydrogen sulfide (H<sub>2</sub>S) gas, as defined in §250.490(l).

(6) All collisions that result in property or equipment damage greater than \$25,000. "Collision" means the act of a moving vessel (including an aircraft) striking another vessel, or striking a stationary vessel or object (e.g., a boat striking a drilling rig or platform). "Property or equipment damage" means the cost of labor and material to restore all affected items to their condition before the damage, including, but not limited to, the OCS facility, a vessel, helicopter, or equipment. It does not include the cost of salvage, cleaning, gas-freeing, dry docking, or demurrage.

(7) All incidents involving structural damage to an OCS facility. "Structural damage" means damage severe enough so that operations on the facility cannot continue until repairs are made.

(8) All incidents involving crane or personnel/material handling operations.

(9) All incidents that damage or disable safety systems or equipment (including firefighting systems).

(b) You must provide a written report of the following incidents to the District Manager within 15 calendar days after the incident:

(1) Any injuries that result in one or more days away from work or one or more days on restricted work or job transfer. One or more days means the injured person was not able to return to work or to all of their normal duties the day after the injury occurred;

(2) All gas releases that initiate equipment or process shutdown;

(3) All incidents that require operations personnel on the facility to muster for evacuation for reasons not related to weather or drills;

(4) All other incidents, not listed in paragraph (a) of this section, resulting in property or equipment damage greater than \$25,000.

[71 FR 19644, Apr. 17, 2006]

#### **§ 250.189 Reporting requirements for incidents requiring immediate notification.**

For an incident requiring immediate notification under §250.188(a), you must notify the District Manager via oral communication immediately after aiding the injured and stabilizing the situation. Your oral communication must provide the following information:

(a) Date and time of occurrence;

(b) Operator, and operator representative's, name and telephone number;

(c) Contractor, and contractor representative's name and telephone number (if a contractor is involved in the incident or injury/fatality);

(d) Lease number, OCS area, and block;

(e) Platform/facility name and number, or pipeline segment number;

(f) Type of incident or injury/fatality;

(g) Operation or activity at time of incident ( *i.e.* , drilling, production, workover, completion, pipeline, crane, etc.); and

(h) Description of the incident, damage, or injury/fatality.

[71 FR 19644, Apr. 17, 2006]

### **§ 250.190 Reporting requirements for incidents requiring written notification.**

(a) For any incident covered under §250.188, you must submit a written report within 15 calendar days after the incident to the District Manager. The report must contain the following information:

- (1) Date and time of occurrence;
  - (2) Operator, and operator representative's name and telephone number;
  - (3) Contractor, and contractor representative's name and telephone number (if a contractor is involved in the incident or injury);
  - (4) Lease number, OCS area, and block;
  - (5) Platform/facility name and number, or pipeline segment number;
  - (6) Type of incident or injury;
  - (7) Operation or activity at time of incident ( *i.e.* , drilling, production, workover, completion, pipeline, crane etc.);
  - (8) Description of incident, damage, or injury (including days away from work, restricted work or job transfer), and any corrective action taken; and
  - (9) Property or equipment damage estimate (in U.S. dollars).
- (b) You may submit a report or form prepared for another agency in lieu of the written report required by paragraph (a) of this section, provided the report or form contains all required information.

(c) The District Manager may require you to submit additional information about an incident on a case-by-case basis.

[71 FR 19644, Apr. 17, 2006]

### **§ 250.191 How does MMS conduct incident investigations?**

Any investigation that MMS conducts under the authority of sections 22(d)(1) and (2) of the Act (43 U.S.C. 1348(d)(1) and (2)) is a fact-finding proceeding with no adverse parties. The purpose of the investigation is to prepare a public report that determines the cause or causes of the incident. The investigation may involve panel meetings conducted by a chairperson appointed by MMS. The following requirements apply to any panel meetings involving persons giving testimony:

- (a) A person giving testimony may have legal or other representative(s) present to provide advice or counsel while the person is giving testimony. The chairperson may require a verbatim transcript to be made of all oral testimony. The chairperson also may accept a sworn written statement in lieu of oral testimony.
- (b) Only panel members, and any experts the panel deems necessary, may address questions to any person giving testimony.
- (c) The chairperson may issue subpoenas to persons to appear and provide testimony or documents at a panel meeting. A subpoena may not require a person to attend a panel meeting held at a location more than 100 miles from where a subpoena is served.
- (d) Any person giving testimony may request compensation for mileage, and fees for services, within 90 days after the panel meeting. The compensated expenses must be similar to mileage and fees the U.S. District Courts allow.

[71 FR 19645, Apr. 17, 2006]

### **§ 250.192 What reports and statistics must I submit relating to a hurricane, earthquake, or other natural occurrence?**

- (a) You must submit evacuation statistics to the Regional Supervisor for a natural occurrence, such as a hurricane, a tropical storm,

or an earthquake. Statistics include facilities and rigs evacuated and the amount of production shut-in for gas and oil. You must:

(1) Submit the statistics by fax or e-mail (for activities in the MMS GOM OCS Region, use Form MMS-132) as soon as possible when evacuation occurs. In lieu of submitting your statistics by fax or e-mail, you may submit them electronically in accordance with 30 CFR 250.186(a)(3);

(2) Submit the statistics on a daily basis by 11 a.m., as conditions allow, during the period of shut-in and evacuation;

(3) Inform MMS when you resume production; and

(4) Submit the statistics either by MMS district, or the total figures for your operations in an MMS region.

(b) If your facility, production equipment, or pipeline is damaged by a natural occurrence, you must:

(1) Submit an initial damage report to the Regional Supervisor within 48 hours after you complete your initial evaluation of the damage. You must use Form MMS-143, Facility/Equipment Damage Report, to make this and all subsequent reports. In lieu of submitting Form MMS-143 by fax or e-mail, you may submit the damage report electronically in accordance with 30 CFR 250.186(a)(3). In the report, you must:

(i) Name the items damaged (e.g., platform or other structure, production equipment, pipeline);

(ii) Describe the damage and assess the extent of the damage (major, medium, minor); and

(iii) Estimate the time it will take to replace or repair each damaged structure and piece of equipment and return it to service. The initial estimate need not be provided on the form until availability of hardware and repair capability has been established (not to exceed 30 days from your initial report).

(2) Submit subsequent reports monthly and immediately whenever information submitted in previous reports changes until the damaged structure or equipment is returned to service. In the final report, you must provide the date the item was returned to service.

[73 FR 64545, Oct. 30, 2008]

### **§ 250.193 Reports and investigations of apparent violations.**

Any person may report to MMS an apparent violation or failure to comply with any provision of the Act, any provision of a lease, license, or permit issued under the Act, or any provision of any regulation or order issued under the Act. When MMS receives a report of an apparent violation, or when an MMS employee detects an apparent violation after making an initial determination of the validity, MMS will investigate according to MMS procedures.

### **§ 250.194 How must I protect archaeological resources?**

(a) If the Regional Director has reason to believe that an archaeological resource may exist in the lease area, the Regional Director will require in writing that your EP, DOCD, or DPP be accompanied by an archaeological report. If the archaeological report suggests that an archaeological resource may be present, you must either:

(1) Locate the site of any operation so as not to adversely affect the area where the archaeological resource may be; or

(2) Establish to the satisfaction of the Regional Director that an archaeological resource does not exist or will not be adversely affected by operations. This requires further archaeological investigation, conducted by an archaeologist and a geophysicist, using survey equipment and techniques the Regional Director considers appropriate. You must submit the investigation report to the Regional Director for review.

(b) If the Regional Director determines that an archaeological resource is likely to be present in the lease area and may be adversely affected by operations, the Regional Director will notify you immediately. You must not take any action that may adversely affect the archaeological resource until the Regional Director has told you how to protect the resource.

(c) If you discover any archaeological resource while conducting operations in the lease or right-of-way area, you must immediately

halt operations within the area of the discovery and report the discovery to the Regional Director. If investigations determine that the resource is significant, the Regional Director will tell you how to protect it.

[64 FR 72775, Dec. 28, 1999, as amended at 71 FR 23862, Apr. 25, 2006; 72 FR 25200, May 4, 2007]

#### **§ 250.195 What notification does MMS require on the production status of wells?**

You must notify the appropriate MMS District Manager when you successfully complete or recomplete a well for production. You must:

(a) Notify the District Manager within 5 working days of placing the well in a production status. You must confirm oral notification by telefax or e-mail within those 5 working days.

(b) Provide the following information in your notification:

(1) Lessee or operator name;

(2) Well number, lease number, and OCS area and block designations;

(3) Date you placed the well on production (indicate whether or not this is first production on the lease);

(4) Type of production; and

(5) Measured depth of the production interval.

[71 FR 23862, Apr. 25, 2006]

#### **§ 250.196 Reimbursements for reproduction and processing costs.**

(a) MMS will reimburse you for costs of reproducing data and information that the Regional Director requests if:

(1) You deliver geophysical and geological (G&G) data and information to MMS for the Regional Director to inspect or select and retain;

(2) MMS receives your request for reimbursement and the Regional Director determines that the requested reimbursement is proper; and

(3) The cost is at your lowest rate or at the lowest commercial rate established in the area, whichever is less.

(b) MMS will reimburse you for the costs of processing geophysical information (that does not include cost of data acquisition):

(1) If, at the request of the Regional Director, you processed the geophysical data or information in a form or manner other than that used in the normal conduct of business; or

(2) If you collected the information under a permit that MMS issued to you before October 1, 1985, and the Regional Director requests and retains the information.

(c) When you request reimbursement, you must identify reproduction and processing costs separately from acquisition costs.

(d) MMS will not reimburse you for data acquisition costs or for the costs of analyzing or processing geological information or interpreting geological or geophysical information.

[64 FR 72775, Dec. 28, 1999. Redesignated at 71 FR 23862, Apr. 25, 2006]

#### **§ 250.197 Data and information to be made available to the public or for limited inspection.**

MMS will protect data and information that you submit under this part, and part 203 of this chapter, as described in this section. Paragraphs (a) and (b) of this section describe what data and information will be made available to the public without the consent of the lessee, under what circumstances, and in what time period. Paragraph (c) of this section describes what data and information will be made available for limited inspection without the consent of the lessee, and under what circumstances.

(a) All data and information you submit on MMS forms will be made available to the public upon submission, except as specified in the following table:

<b>On form . . .</b>	<b>Data and information not immediately available are . . .</b>	<b>Excepted data will be made available . . .</b>
(1) MMS-123, Application for Permit to Drill	Items 15, 16, 22 through 25	When the well goes on production or according to the table in paragraph (b) of this section, whichever is earlier.
(2) MMS-123S, Supplemental APD Information Sheet	Items 3, 7, 8, 15 and 17	When the well goes on production or according to the table in paragraph (b) of this section, whichever is earlier.
(3) MMS-124, Application for Permit to Modify	Item 17	When the well goes on production or according to the table in paragraph (b) of this section, whichever is earlier.
(4) MMS-125, End of Operations Report	Items 12, 13, 17, 21, 22, 26 through 38	When the well goes on production or according to the table in paragraph (b) of this section, whichever is earlier. However, items 33 through 38 will not be released when the well goes on production unless the period of time in the table in paragraph (b) has expired.
(5) MMS-126, Well Potential Test Report	Item 101	2 years after you submit it.
(6) MMS-127, Sensitive Reservoir Information Report	Items 124 through 168	2 years after the effective date of the Sensitive Reservoir Information Report.
(7) MMS-133 Well Activity Report	Item 10 Fields [WELLBORE START DATE, TD DATE, OP STATUS, END DATE, MD, TVD, AND MW PPG]. Item 11 Fields [WELLBORE START DATE, TD DATE, PLUGBACK DATE, FINAL MD, AND FINAL TVD] and Items 12 through 15	When the well goes on production or according to the table in paragraph (b) of this section, whichever is earlier.
(8) MMS-133S Open Hole Data Report	Boxes 7 and 8	When the well goes on production or according to the table in paragraph (b) of this section, whichever is earlier.

(9) MMS-137 OCS Plan Information	Items providing the bottomhole location, true vertical depth, and measured depth of wells	When the well goes on production or according to the table in paragraph (b) of this section, whichever is earlier.
(10) MMS-140, Bottomhole Pressure Survey Report	All items	2 years after the date of the survey.

(b) MMS will release lease and permit data and information that you submit and MMS retains, but that are not normally submitted on MMS forms, according to the following table:

<b>If</b>	<b>MMS will release</b>	<b>At this time</b>	<b>Special provisions</b>
(1) The Director determines that data and information are needed for specific scientific or research purposes for the Government	Geophysical data, Geological data Interpreted G&G information, Processed G&G information, Analyzed geological information	At any time	MMS will release data and information only if release would further the national interest without unduly damaging the competitive position of the lessee.
(2) Data or information is collected with high-resolution systems (e.g., bathymetry, side-scan sonar, subbottom profiler, and magnetometer) to comply with safety or environmental protection requirements	Geophysical data, Geological data, Interpreted G&G information, Processed geological information, Analyzed geological information	60 days after MMS receives the data or information, if the Regional Supervisor deems it necessary	MMS will release the data and information earlier than 60 days if the Regional Supervisor determines it is needed by affected States to make decisions under subpart B. The Regional Supervisor will reconsider earlier release if you satisfy him/her that it would unduly damage your competitive position.
(3) Your lease is no longer in effect	Geophysical data, Geological data, Processed G&G information Interpreted G&G information, Analyzed geological information	When your lease terminates	This release time applies only if the provisions in this table governing high-resolution systems and the provisions in §252.7 do not apply. The release time applies to the geophysical data and information only if acquired postlease for a lessee's exclusive use.
(4) Your lease is still in effect	Geophysical data Processed geophysical information,	10 years after you submit the data and information	This release time applies only if the provisions in this table governing high-resolution systems and the provisions in

	Interpreted G&G information		§252.7 do not apply. This release time applies to the geophysical data and information only if acquired postlease for a lessee's exclusive use.
(5) Your lease is still in effect and within the primary term specified in the lease	Geological data, Analyzed geological information	2 years after the required submittal date or 60 days after a lease sale if any portion of an offered lease is within 50 miles of a well, whichever is later	These release times apply only if the provisions in this table governing high-resolution systems and the provisions in §252.7 do not apply. If the primary term specified in the lease is extended under the heading of "Suspensions" in this subpart, the extension applies to this provision.
(6) Your lease is in effect and beyond the primary term specified in the lease	Geological data, Analyzed geological information	2 years after the required submittal date	None.
(7) Data or information is submitted on well operations	Descriptions of downhole locations, operations, and equipment	When the well goes on production or when geological data is released according to §§250.197(b)(5) and (b)(6), whichever occurs earlier	Directional survey data may be released earlier to the owner of an adjacent lease according to Subpart D of this part.
(8) Data and information are obtained from beneath unleased land as a result of a well deviation that has not been approved by the District Manager or Regional Supervisor	Any data or information obtained	At any time	None.
(9) Except for high-resolution data and information released under paragraph (b)(2) of this section data and information acquired by a permit under part 251 are submitted by a lessee under 30 CFR part 203 or part 250	G&G data, analyzed geological information, processed and interpreted G&G information	Geological data and information: 10 years after MMS issues the permit; Geophysical data: 50 years after MMS issues the permit; Geophysical information: 25 years after MMS issues the permit	None.

(c) MMS may allow limited inspection, but only by persons with a direct interest in related MMS decisions and issues in specific geographic areas, and who agree in writing to its confidentiality, of G&G data and information submitted under this part or part 203

of this chapter that MMS uses to:

- (1) Make unitization determinations on two or more leases;
- (2) Make competitive reservoir determinations;
- (3) Ensure proper plans of development for competitive reservoirs;
- (4) Promote operational safety;
- (5) Protect the environment;
- (6) Make field determinations; or
- (7) Determine eligibility for royalty relief.

[64 FR 72775, Dec. 28, 1999, as amended at 71 FR 16039, Mar. 30, 2006. Redesignated and amended at 71 FR 23862, Apr. 25, 2006; 72 FR 25200, May 4, 2007]

## References

### § 250.198 Documents incorporated by reference.

(a) MMS is incorporating by reference the documents listed in the table in paragraph (e) of this section. The Director of the Federal Register has approved this incorporation by reference according to 5 U.S.C. 552(a) and 1 CFR part 51.

(1) MMS will publish any changes to these documents in the Federal Register.

(2) MMS may make the rule amending the document effective without prior opportunity for public comment when MMS determines:

(i) That the revisions to a document result in safety improvements or represent new industry standard technology and do not impose undue costs on the affected parties; and

(ii) MMS meets the requirements for making a rule immediately effective under 5 U.S.C. 553.

(b) MMS incorporated each document or specific portion by reference in the sections noted. The entire document is incorporated by reference, unless the text of the corresponding sections in this part calls for compliance with specific portions of the listed documents. In each instance, the applicable document is the specific edition or specific edition and supplement or addendum cited in this section.

(c) Under §§250.141 and 250.142, you may comply with a later edition of a specific document incorporated by reference, provided:

(1) You show that complying with the later edition provides a degree of protection, safety, or performance equal to or better than would be achieved by compliance with the listed edition; and

(2) You obtain the prior written approval for alternative compliance from the authorized MMS official.

(d) You may inspect these documents at the Minerals Management Service, 381 Elden Street, Room 3313, Herndon, Virginia; or at the National Archives and Records Administration (NARA). For information on the availability of this material at NARA, call 202-741-6030, or go to: [http://www.archives.gov/federal\\_register/code\\_of\\_federal\\_regulations/ibr\\_locations.html](http://www.archives.gov/federal_register/code_of_federal_regulations/ibr_locations.html). You may obtain the documents from the publishing organizations at the addresses given in the following table:

For	Write to
(1) ACI Standards	American Concrete Institute, P. O. Box 9094, Farmington Hill, MI 48333-9094.

(4) API Recommended Practices, Specs, Standards, Manual of Petroleum Measurement Standards (MPMS) chapters	American Petroleum Institute, 1220 L Street, NW., Washington, DC 20005–4070.
(5) ASTM Standards	American Society for Testing and Materials, 100 Bar Harbor Drive, P. O. Box C700, West Conshohocken, PA 19428–2959.
(6) AWS Codes	American Welding Society, 550 NW, LeJeune Road, P.O. Box 351040, Miami, FL 33135.
(7) NACE Standards	National Association of Corrosion Engineers, First Services Dept., 1440 South Creek Drive, Houston, TX 77218.

(e) This paragraph lists documents incorporated by reference. To easily reference text of the corresponding sections with the list of documents incorporated by reference, the list is in alphanumerical order by organization and document.

<b>Title of documents</b>	<b>Incorporated by reference at</b>
ACI Standard 318–95, Building Code Requirements for Reinforced Concrete (ACI 318–95) and Commentary (ACI 318R–95)	§250.901(a), (d).
ACI 357R–84, Guide for the Design and Construction of Fixed Offshore Concrete Structures, 1984; reapproved 1997	§250.901(a), (d).
ANSI/AISC 360–05, Specification for Structural Steel Buildings	§250.901(a), (d).
ANSI/ASME Boiler and Pressure Vessel Code, Section I, Rules for Construction of Power Boilers; including Appendices 2004 Edition; and July 1, 2005 Addenda, Rules for Construction of Power Boilers, by ASME Boiler and Pressure Vessel Committee Subcommittee on Power Boilers; and all Section I Interpretations Volume 55	§250.803(b)(1), (b)(1)(i); §250.1629(b)(1), (b)(1)(i).
ANSI/ASME Boiler and Pressure Vessel Code, Section IV, Rules for Construction of Heating Boilers; including Appendices 1, 2, 3, 5, 6, and Non-mandatory Appendices B, C, D, E, F, H, I, K, L, and M, and the Guide to Manufacturers Data Report Forms, 2004 Edition; July 1, 2005 Addenda, Rules for Construction of Heating Boilers, by ASME Boiler and Pressure Vessel Committee Subcommittee on Heating Boilers; and all Section IV Interpretations Volume 55	§250.803(b)(1), (b)(1)(i); §250.1629(b)(1), (b)(1)(i).
ANSI/ASME Boiler and Pressure Vessel Code, Section VIII, Rules for Construction of Pressure Vessels; Divisions 1 and 2, 2004 Edition; July 1, 2005 Addenda, Divisions 1 and 2, Rules for Construction of Pressure Vessels, by ASME Boiler and Pressure Vessel Committee	§250.803(b)(1), (b)(1)(i); §250.1629(b)(1), (b)(1)(i).

Subcommittee on Pressure Vessels; and all Section VIII Interpretations Volumes 54 and 55	
ANSI/ASME B 16.5–2003, Pipe Flanges and Flanged Fittings	§250.1002(b)(2).
ANSI/ASME B 31.8–2003, Gas Transmission and Distribution Piping Systems	§250.1002(a).
ANSI/ASME SPPE–1–1994 and SPPE–1d–1996 Addenda, Quality Assurance and Certification of Safety and Pollution Prevention Equipment Used in Offshore Oil and Gas Operations	§250.806(a)(2)(i).
ANSI Z88.2–1992, American National Standard for Respiratory Protection	§250.490(g)(4)(iv), (j)(13)(ii).
API 510, Pressure Vessel Inspection Code: In-Service Inspection, Rating, Repair, and Alteration, Downstream Segment, Ninth Edition, June 2006, API Stock No. C51009	§250.803(b)(1); §250.1629(b)(1).
API Bulletin 2INT–DG, Interim Guidance for Design of Offshore Structures for Hurricane Conditions, May 2007	§250.901(a), (d).
API Bulletin 2INT–EX, Interim Guidance for Assessment of Existing Offshore Structures for Hurricane Conditions, May 2007	§250.901(a), (d).
API Bulletin 2INT–MET, Interim Guidance on Hurricane Conditions in the Gulf of Mexico, May 2007	§250.901(a), (d).
API MPMS, Chapter 1—Vocabulary, Second Edition, July 1994, API Stock No. H01002	§250.1201.
API MPMS, Chapter 2—Tank Calibration, Section 2A—Measurement and Calibration of Upright Cylindrical Tanks by the Manual Tank Strapping Method, First Edition, February 1995; reaffirmed March 2002, API Stock No. H022A1	§250.1202(l)(4).
API MPMS, Chapter 2—Tank Calibration, Section 2B—Calibration of Upright Cylindrical Tanks Using the Optical Reference Line Method, First Edition, March 1989; reaffirmed March 2002, API Stock No. H30023	§250.1202(l)(4).
API MPMS, Chapter 3—Tank Gauging, Section 1A—Standard Practice for the Manual Gauging of Petroleum and Petroleum Products, Second Edition, August 2005, API Stock No. H301A02	§250.1202(l)(4).
API MPMS, Chapter 3—Tank Gauging, Section 1B—Standard Practice for Level Measurement of Liquid Hydrocarbons in Stationary Tanks by Automatic Tank Gauging, Second Edition, June 2001, API Stock No.	§250.1202(l)(4).

H301B2	
API MPMS, Chapter 4—Proving Systems, Section 1—Introduction, Third Edition, February 2005, API Stock No. H04013	§250.1202(a)(3), (f)(1).
API MPMS, Chapter 4—Proving Systems, Section 2—Displacement Provers, Third Edition, September 2003, API Stock No. H04023	§250.1202(a)(3), (f)(1).
API MPMS, Chapter 4—Proving Systems, Section 4—Tank Provers, Second Edition, May 1998, API Stock No. H04042	§250.1202(a)(3), (f)(1).
API MPMS, Chapter 4—Proving Systems, Section 5—Master-Meter Provers, Second Edition, May 2000, API Stock No. H04052	§250.1202(a)(3), (f)(1).
API MPMS, Chapter 4—Proving Systems, Section 6—Pulse Interpolation, Second Edition, July 1999; reaffirmed 2003, API Stock No. H06042	§250.1202(a)(3), (f)(1).
API MPMS, Chapter 4—Proving Systems, Section 7—Field Standard Test Measures, Second Edition, December 1998; reaffirmed 2003, API Stock No. H04072	§250.1202(a)(3), (f)(1).
API MPMS, Chapter 5—Metering, Section 1—General Considerations for Measurement by Meters, Measurement Coordination Department, Fourth Edition, September 2005, API Stock No. H05014	§250.1202(a)(3).
API MPMS, Chapter 5—Metering, Section 2—Measurement of Liquid Hydrocarbons by Displacement Meters, Third Edition, September 2005, API Stock No. H05023	§250.1202(a)(3).
API MPMS Chapter 5—Metering, Section 3—Measurement of Liquid Hydrocarbons by Turbine Meters, Fifth Edition, September 2005, API Stock No. H05035	§250.1202(a)(3).
API MPMS, Chapter 5—Metering, Section 4—Accessory Equipment for Liquid Meters, Fourth Edition, September 2005, API Stock No. H05044	§250.1202(a)(3).
API MPMS, Chapter 5—Metering, Section 5—Fidelity and Security of Flow Measurement Pulsed-Data Transmission Systems, Second Edition, August 2005, API Stock No. H50502	§250.1202(a)(3).
API MPMS, Chapter 6—Metering Assemblies, Section 1—Lease Automatic Custody Transfer (LACT) Systems, Second Edition, May 1991; reaffirmed March 2002, API Stock No. H30121	§250.1202(a)(3).
API MPMS, Chapter 6—Metering Assemblies, Section 6	§250.1202(a)(3).

—Pipeline Metering Systems, Second Edition, May 1991; reaffirmed March 2002, API Stock No. H30126	
API MPMS, Chapter 6—Metering Assemblies, Section 7—Metering Viscous Hydrocarbons, Second Edition, May 1991; reaffirmed March 2002, API Stock No. H30127	§250.1202(a)(3).
API MPMS, Chapter 7—Temperature Determination, Measurement Coordination, First Edition, June 2001, API Stock No. H07001	§250.1202(a)(3), (l)(4).
API MPMS, Chapter 8—Sampling, Section 1—Standard Practice for Manual Sampling of Petroleum and Petroleum Products, Third Edition, October 1995; reaffirmed March 2006, API Stock No. H30161	§250.1202(b)(4)(i), (l)(4).
API MPMS, Chapter 8—Sampling, Section 2—Standard Practice for Automatic Sampling of Liquid Petroleum and Petroleum Products, Second Edition, October 1995; reaffirmed June 2005, API Stock No. H08022	§250.1202(a)(3), (l)(4).
API MPMS, Chapter 9—Density Determination, Section 1—Standard Test Method for Density, Relative Density (Specific Gravity), or API Gravity of Crude Petroleum and Liquid Petroleum Products by Hydrometer Method, Second Edition, December 2002; reaffirmed October 2005, API Stock No. H09012	§250.1202(a)(3), (l)(4).
API MPMS, Chapter 9—Density Determination, Section 2—Standard Test Method for Density or Relative Density of Light Hydrocarbons by Pressure Hydrometer, Second Edition, March 2003, API Stock No. H09022	§250.1202(a)(3), (l)(4).
API MPMS, Chapter 10—Sediment and Water, Section 1—Standard Test Method for Sediment in Crude Oils and Fuel Oils by the Extraction Method, Second Edition, October 2002, API Stock No. H10012	§250.1202(a)(3), (l)(4).
API MPMS, Chapter 10—Sediment and Water, Section 2—Determination of Water in Crude Oil by Distillation Method, First Edition, April 1981; reaffirmed 2005, API Stock No. H30202	§250.1202(a)(3), (l)(4).
API MPMS, Chapter 10—Sediment and Water, Section 3—Standard Test Method for Water and Sediment in Crude Oil by the Centrifuge Method (Laboratory Procedure), Second Edition, May 2003, API Stock No. H10032	§250.1202(a)(3), (l)(4).
API MPMS, Chapter 10—Sediment and Water, Section 4—Determination of Water and/or Sediment in Crude Oil by the Centrifuge Method (Field Procedure), Third Edition, December 1999, API Stock No. H10043	§250.1202(a)(3), (l)(4).
API MPMS, Chapter 10—Sediment and Water, Section 9	§250.1202(a)(3), (l)(4).

—Standard Test Method for Water in Crude Oils by Coulometric Karl Fischer Titration, Second Edition, December 2002; reaffirmed 2005, API Stock No. H10092	
API MPMS, Chapter 11.1—Volume Correction Factors, Volume 1, Table 5A—Generalized Crude Oils and JP-4 Correction of Observed API Gravity to API Gravity at 60 °F, and Table 6A—Generalized Crude Oils and JP-4 Correction of Volume to 60 °F Against API Gravity at 60 °F, API Standard 2540, First Edition, August 1980; reaffirmed March 1997, API Stock No. H27000	§250.1202(a)(3), (g)(3), (l)(4).
API MPMS, Chapter 11.2.2—Compressibility Factors for Hydrocarbons: 0.350–0.637 Relative Density (60 °F/60 °F) and –50 °F to 140 °F Metering Temperature, Second Edition, October 1986; reaffirmed December 2002, API Stock No. H27307	§250.1202(a)(3), (g)(4).
API MPMS, Chapter 11—Physical Properties Data, Addendum to Section 2, Part 2—Compressibility Factors for Hydrocarbons, Correlation of Vapor Pressure for Commercial Natural Gas Liquids, First Edition, December 1994; reaffirmed December 2002, API Stock No. H27308	§250.1202(a)(3).
API MPMS, Chapter 12—Calculation of Petroleum Quantities, Section 2—Calculation of Petroleum Quantities Using Dynamic Measurement Methods and Volumetric Correction Factors, Part 1—Introduction, Second Edition, May 1995; reaffirmed March 2002, API Stock No. 852–12021	§250.1202(a)(3), (g)(1), (g)(2).
API MPMS, Chapter 12—Calculation of Petroleum Quantities, Section 2—Calculation of Petroleum Quantities Using Dynamic Measurement Methods and Volumetric Correction Factors, Part 2—Measurement Tickets, Third Edition, June 2003, API Stock No. H12223	§250.1202(a)(3), (g)(1), (g)(2)
API MPMS, Chapter 14—Natural Gas Fluids Measurement, Section 3—Concentric, Square-Edged Orifice Meters, Part 1—General Equations and Uncertainty Guidelines, Third Edition, September 1990; reaffirmed January 2003, API Stock No. H30350	§250.1203(b)(2).
API MPMS, Chapter 14—Natural Gas Fluids Measurement, Section 3—Concentric, Square-Edged Orifice Meters, Part 2—Specification and Installation Requirements, Fourth Edition, April 2000; reaffirmed March 2006, API Stock No. H30351	§250.1203(b)(2).
API MPMS, Chapter 14—Natural Gas Fluids Measurement, Section 3—Concentric, Square-Edged Orifice Meters, Part 3—Natural Gas Applications, Third Edition, August 1992; reaffirmed January 2003, API Stock	§250.1203(b)(2).

No. H30353	
API MPMS, Chapter 14.5—Calculation of Gross Heating Value, Relative Density and Compressibility Factor for Natural Gas Mixtures from Compositional Analysis, Second Edition, revised 1996; reaffirmed March 2002, API Stock No. H14052	§250.1203(b)(2).
API MPMS, Chapter 14—Natural Gas Fluids Measurement, Section 6—Continuous Density Measurement, Second Edition, April 1991; reaffirmed February 2006, API Stock No. H30346	§250.1203(b)(2).
API MPMS, Chapter 14—Natural Gas Fluids Measurement, Section 8—Liquefied Petroleum Gas Measurement, Second Edition, July 1997; reaffirmed March 2002, API Stock No. H14082	§250.1203(b)(2).
API MPMS, Chapter 20—Section 1—Allocation Measurement, First Edition, August 1993; reaffirmed October 2006, API Stock No. H30701	§250.1202(k)(1).
API MPMS, Chapter 21—Flow Measurement Using Electronic Metering Systems, Section 1—Electronic Gas Measurement, First Edition, August 1993; reaffirmed July 2005, API Stock No. H30730	§250.1203(b)(4).
API RP 2A—WSD, Recommended Practice for Planning, Designing, and Constructing Fixed Offshore Platforms—Working Stress Design; Twenty-first Edition, December 2000; Errata and Supplement 1, December 2002; Errata and Supplement 2, October 2005, API Stock No. G2AWSD	§250.901(a), (d); §250.908(a); §250.919(b)(2); §250.920(a), (b), (c), (d), (e), (f).
API RP 2D, Recommended Practice for Operation and Maintenance of Offshore Cranes, Fifth Edition, June 2003, API Stock No. G02D05	§250.108(a).
API RP 2FPS, RP for Planning, Designing, and Constructing, Floating Production Systems	§250.901(a), (d).
API RP 2I, In-Service Inspection of Mooring Hardware for Floating Drilling Units; Second Edition, November 1996, Reaffirmed May 2003, API Order No. G02102	§250.901(a), (d).
API RP 2RD, Recommended Practice for Design of Risers for Floating Production Systems (FPSs) and Tension-Leg Platforms (TLPs), First Edition, June 1998; reaffirmed May 2006, API Stock No. G02RD1	§250.800(b)(2); §250.901(a), (d); §250.1002(b)(5).
API RP 2SK, Recommended Practice for Design and Analysis of Stationkeeping Systems for Floating Structures, Third Edition, October 2005, API Stock No. G2SK03	§250.800(b)(3); §250.901(a), (d).

API RP 2SM, Recommended Practice for Design, Manufacture, Installation, and Maintenance of Synthetic Fiber Ropes for Offshore Mooring, First Edition, March 2001, API Stock No. G02SM1	§250.901(a), (d).
API RP 2T, Recommended Practice for Planning, Designing, and Constructing Tension Leg Platforms, Second Edition, August 1997, API Stock No. G02T02	§250.901(a), (d).
API RP 14B, Recommended Practice for Design, Installation, Repair and Operation of Subsurface Safety Valve Systems, Fifth Edition, October 2005, also available as ISO 10417: 2004, (Identical) Petroleum and natural gas industries—Subsurface safety valve systems—Design, installation, operation and redress, API Stock No. GX14B05	§250.801(e)(4); §250.804(a)(1)(i).
API RP 14C, Recommended Practice for Analysis, Design, Installation, and Testing of Basic Surface Safety Systems for Offshore Production Platforms, Seventh Edition, March 2001, API Stock No. C14C07	§250.125(a); §250.292(j); §250.802(b), (e)(2); §250.803(a), (b)(2)(i), (b)(4), (b)(5)(i), (b)(7), (b)(9)(v), (c)(2); §250.804(a), (a)(6); §250.1002(d); §250.1004(b)(9); §250.1628(c), (d)(2); §250.1629(b)(2), (b)(4)(v); §250.1630(a).
API RP 14E, Recommended Practice for Design and Installation of Offshore Production Platform Piping Systems, Fifth Edition, October 1, 1991; reaffirmed June 2000, API Stock No. G07185	§250.802(e)(3); §250.1628(b)(2), (d)(3).
API RP 14F, Recommended Practice for Design and Installation of Electrical Systems for Fixed and Floating Offshore Petroleum Facilities for Unclassified and Class I, Division 1 and Division 2 Locations, Fourth Edition, June 1999, API Stock No. G14F04	§250.114(c); §250.803(b)(9)(v); §250.1629(b)(4)(v).
API RP 14FZ, Recommended Practice for Design and Installation of Electrical Systems for Fixed and Floating Offshore Petroleum Facilities for Unclassified and Class I, Zone 0, Zone 1 and Zone 2 Locations, First Edition, September 2001, API Stock No. G14FZ1	§250.114(c); §250.803(b)(9)(v); §250.1629(b)(4)(v).
API RP 14G, Recommended Practice for Fire Prevention and Control on Open Type Offshore Production Platforms, Third Edition, December 1, 1993; reaffirmed June 2000, API Stock No. G07194	§250.803(b)(8), (b)(9)(v); §250.1629(b)(3), (b)(4)(v).
API RP 14H, Recommended Practice for Installation, Maintenance, and Repair of Surface Safety Valves and Underwater Safety Valves Offshore, Fourth Edition, July 1, 1994, API Stock No. G14H04	§250.802(d); §250.804(a)(5).
API RP 14J, Recommended Practice for Design and Hazards Analysis for Offshore Production Facilities, Second Edition, May 2001, API Stock No. G14J02	§250.800(b)(1); §250.901(a)(10).

API RP 53, Recommended Practices for Blowout Prevention Equipment Systems for Drilling Wells, Third Edition, March 1997; reaffirmed September 2004, API Stock No. G53003	§250.442(c); §250.446(a).
API RP 65, Recommended Practice for Cementing Shallow Water Flow Zones in Deep Water Wells, First Edition, September 2002, API Stock No. G56001	§250.198; §250.415(e).
API RP 500, Recommended Practice for Classification of Locations for Electrical Installations at Petroleum Facilities Classified as Class I, Division 1 and Division 2, Second Edition, November 1997; reaffirmed November 2002, API Stock No. C50002	§250.114(a); §250.459; §250.802(e)(4)(i); §250.803(b)(9)(i); §250.1628(b)(3), (d)(4)(i); §250.1629(b)(4)(i).
API RP 505, Recommended Practice for Classification of Locations for Electrical Installations at Petroleum Facilities Classified as Class I, Zone 0, Zone 1, and Zone 2, First Edition, November 1997; reaffirmed November 2002, API Stock No. C50501	§250.114(a); §250.459; §250.802(e)(4)(i); §250.803(b)(9)(i); §250.1628(b)(3), (d)(4)(i); §250.1629(b)(4)(i).
API RP 2556, Recommended Practice for Correcting Gauge Tables for Incrustation, Second Edition, August 1993; reaffirmed November 2003, API Stock No. H25560	§250.1202(l)(4).
API Spec. Q1, Specification for Quality Programs for the Petroleum, Petrochemical and Natural Gas Industry, ANSI/API Specification Q1, Seventh Edition, June 15, 2003; also available as ISO/TS 29001, Effective Date: December 15, 2003, API Stock No. GQ1007	§250.806(a)(2)(ii).
API Spec. 2C, Specification for Offshore Pedestal Mounted Cranes, Sixth Edition, March 2004, Effective Date: September 2004, API Stock No. G02C06	§250.108(c), (d).
API Spec. 6A, Specification for Wellhead and Christmas Tree Equipment, ANSI/API Specification 6A, Nineteenth Edition, July 2004; also available as ISO 10423:2003, (Modified) Petroleum and natural gas industries—Drilling and production equipment—Wellhead and Christmas tree equipment, Effective Date: February 1, 2005; Errata 1, September 1, 2004, API Stock No. GX06A19	§250.806(a)(3); §250.1002 (b)(1), (b)(2).
API Spec. 6AV1, Specification for Verification Test of Wellhead Surface Safety Valves and Underwater Safety Valves for Offshore Service, First Edition, February 1, 1996; reaffirmed January 2003, API Stock No. G06AV1	§250.806(a)(3).
API Spec. 6D, Specification for Pipeline Valves, Twenty-second Edition, January 2002; also available as ISO 14313:1999, MOD, Petroleum and natural gas industries—Pipeline transportation systems—Pipeline valves, Effective Date: July 1, 2002, Proposed National Adoption, includes	§250.1002(b)(1).

Annex F, March 1, 2005, API Stock No. G06D22	
API Spec. 14A, Specification for Subsurface Safety Valve Equipment, Tenth Edition, November 2000; also available as ISO 10432:1999, Petroleum and natural gas industries—Downhole equipment—Subsurface safety valve equipment, Effective Date: May 15, 2001, API Stock No. GG14A10	§250.806(a)(3).
API Spec. 17J, Specification for Unbonded Flexible Pipe, Second Edition, November 1999; Errata dated May 25, 2001; Addendum 1, June 2003, Effective Date: December 2002, API Stock No. G17J02	§250.803(b)(2)(iii); §250.1002(b)(4); §250.1007(a)(4).
API Standard 2551, Measurement and Calibration of Horizontal Tanks, First Edition, 1965; reaffirmed March 2002, API Stock No. H25510	§250.1202(l)(4).
API Standard 2552, USA Standard Method for Measurement and Calibration of Spheres and Spheroids, First Edition, 1966; reaffirmed February 2006, API Stock No. H25520	§250.1202(l)(4).
API Standard 2555, Method for Liquid Calibration of Tanks, First Edition, September 1966; reaffirmed March 2002; API Stock No. H25550	§250.1202(l)(4).
ASTM Standard C 33–99a, Standard Specification for Concrete Aggregates	§250.901(a), (d).
ASTM Standard C 94/C 94M–99, Standard Specification for Ready-Mixed Concrete	§250.901(a), (d).
ASTM Standard C 150–99, Standard Specification for Portland Cement	§250.901(a), (d).
ASTM Standard C 330–99, Standard Specification for Lightweight Aggregates for Structural Concrete	§250.901(a), (d).
ASTM Standard C 595–98, Standard Specification for Blended Hydraulic Cements	§250.901(a), (d).
AWS D1.1:2000, Structural Welding Code—Steel	§250.901(a), (d).
AWS D1.4–98, Structural Welding Code—Reinforcing Steel	§250.901(a), (d).
AWS D3.6M:1999, Specification for Underwater Welding	§250.901(a), (d).
NACE Standard MR0175–2003, Item No. 21302, Standard Material Requirements, Metals for Sulfide Stress Cracking and Stress Corrosion Cracking Resistance in Sour Oilfield Environments	§250.901(a), §250.490(p)(2).
NACE Standard RP0176–2003, Item No. 21018, Standard Recommended Practice, Corrosion Control of Steel Fixed	§250.901(a), (d).

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[64 FR 72775, Dec. 28, 1999, as amended at 65 FR 218, 219, Jan. 4, 2000; 65 FR 3127, Jan. 20, 2000; 65 FR 14470, Mar. 17, 2000; 65 FR 15863, Mar. 24, 2000; 65 FR 18432, Apr. 7, 2000; 65 FR 25285, May 1, 2000; 65 FR 36328, June 8, 2000; 65 FR 40052, June 29, 2000; 65 FR 41002, July 3, 2000; 65 FR 76935, Dec. 8, 2000; 67 FR 51759, Aug. 9, 2002; 68 FR 46, Jan. 2, 2003; 68 FR 7427, Feb. 14, 2003; 68 FR 8422, Feb. 20, 2003; 68 FR 19355, Apr. 21, 2003; 68 FR 43298, July 22, 2003; 69 FR 18803, Apr. 9, 2004; 70 FR 7403, Feb. 14, 2005; 70 FR 41573, July 19, 2005; 72 FR 12092, Mar. 15, 2007; 72 FR 25200, May 4, 2007; 73 FR 20168, Apr. 15, 2008; 73 FR 64545, Oct. 30, 2008]

**§ 250.199 Paperwork Reduction Act statements—information collection.**

(a) OMB has approved the information collection requirements in part 250 under 44 U.S.C. 3501 *et seq.* The table in paragraph (e) of this section lists the subpart in the rule requiring the information and its title, provides the OMB control number, and summarizes the reasons for collecting the information and how MMS uses the information. The associated MMS forms required by this part are listed at the end of this table with the relevant information.

(b) Respondents are OCS oil, gas, and sulphur lessees and operators. The requirement to respond to the information collections in this part is mandated under the Act (43 U.S.C. 1331 *et seq.* ) and the Act's Amendments of 1978 (43 U.S.C. 1801 *et seq.* ). Some responses are also required to obtain or retain a benefit or may be voluntary. Proprietary information will be protected under §250.197, Data and information to be made available to the public; parts 251 and 252; and the Freedom of Information Act (5 U.S.C. 552) and its implementing regulations at 43 CFR part 2.

(c) The Paperwork Reduction Act of 1995 requires us to inform the public that an agency may not conduct or sponsor, and you are not required to respond to, a collection of information unless it displays a currently valid OMB control number.

(d) Send comments regarding any aspect of the collections of information under this part, including suggestions for reducing the burden, to the Information Collection Clearance Officer, Minerals Management Service, Mail Stop 4230, 1849 C Street, NW., Washington, DC 20240.

(e) MMS is collecting this information for the reasons given in the following table:

30 CFR subpart, title and/or MMS Form (OMB Control No.)	Reasons for collecting information and how used
(1) Subpart A, General (1010–0114), including Forms MMS–132, Evacuation Statistics; MMS–143, Facility/Equipment Damage Report; MMS–1123, Designation of Operator; MMS–1832, Notification of Incidents of Noncompliance	To inform MMS of actions taken to comply with general operational requirements on the OCS. To ensure that operations on the OCS meet statutory and regulatory requirements, are safe and protect the environment, and result in diligent exploration, development, and production on OCS leases. To support the unproved and proved reserve estimation, resource assessment, and fair market value determinations. To allow MMS to rapidly assess damage and project any disruption of oil and gas production from the OCS after a major natural occurrence.
(2) Subpart B, Exploration and Development and Production Plans (1010–0151), including Forms MMS–137, OCS Plan Information Form; MMS–139, EP Air Quality Screening Checklist; MMS–138, DOCD Air Quality Screening Checklist, MMS–141, ROV Survey Report Form; MMS–142, Environmental Impact Analysis Worksheet	To inform MMS, States, and the public of planned exploration, development, and production operations on the OCS. To ensure that operations on the OCS are planned to comply with statutory and regulatory requirements, will be safe and protect the human, marine, and coastal environment, and will result in diligent exploration, development, and production of leases.

(3) Subpart C, Pollution Prevention and Control (1010-0057)	To inform MMS of measures to be taken to prevent water and air pollution. To ensure that appropriate measures are taken to prevent water and air pollution.
(4) Subpart D, Oil and Gas and Drilling Operations (1010-0141), including Forms MMS-123, Application for Permit to Drill; MMS-123S, Supplemental APD Information Sheet; MMS-124, Application for Permit to Modify; MMS-125, End of Operations Report; MMS-133, Well Activity Report; MMS-133S, Open Hole Data Report	To inform MMS of the equipment and procedures to be used in drilling operations on the OCS. To ensure that drilling operations are safe and protect the human, marine, and coastal environment.
(5) Subpart E, Oil and Gas Well-Completion Operations (1010-0067)	To inform MMS of the equipment and procedures to be used in well-completion operations on the OCS. To ensure that well-completion operations are safe and protect the human, marine, and coastal environment.
(6) Subpart F, Oil and Gas Well Workover Operations (1010-0043)	To inform MMS of the equipment and procedures to be used during well-workover operations on the OCS. To ensure that well-workover operations are safe and protect the human, marine, and coastal environment.
(7) Subpart H, Oil and Gas Production Safety Systems (1010-0059)	To inform MMS of the equipment and procedures to be used during production operations on the OCS. To ensure that production operations are safe and protect the human, marine, and coastal environment.
(8) Subpart I, Platforms and Structures (1010-0149)	To provide MMS with information regarding the design, fabrication, and installation of platforms on the OCS. To ensure the structural integrity of platforms installed on the OCS.
(9) Subpart J, Pipelines and Pipeline Rights-of-Way (1010-0050)	To provide MMS with information regarding the design, installation, and operation of pipelines on the OCS. To ensure that pipeline operations are safe and protect the human, marine, and coastal environment.
(10) Subpart K, Oil and Gas Production Rates (1010-0041), including Forms MMS-126, Well Potential Test Report; MMS-127, Sensitive Reservoir Information Report; MMS-128, Semiannual Well Test Report; MMS-140 Bottomhole Pressure Survey Report	To inform MMS of production rates for hydrocarbons produced on the OCS. To ensure economic maximization of ultimate hydrocarbon recovery.
(11) Subpart L, Oil and Gas Production Measurement, Surface Commingling, and Security (1010-0051)	To inform MMS of the measurement of production, commingling of hydrocarbons, and site security plans. To ensure that produced hydrocarbons are measured and commingled to provide for accurate royalty payments and security is maintained.
(12) Subpart M, Unitization (1010-0068)	To inform MMS of the unitization of leases. To

	ensure that unitization prevents waste, conserves natural resources, and protects correlative rights.
(13) Subpart N, Remedies and Penalties	The requirements in subpart N are exempt from the Paperwork Reduction Act of 1995 according to 5 CFR 1320.4.
(14) Subpart O, Well Control and Production Safety Training (1010–0128)	To inform MMS of training program curricula, course schedules, and attendance. To ensure that training programs are technically accurate and sufficient to meet safety and environmental requirements, and that workers are properly trained to operate on the OCS.
(15) Subpart P, Sulphur Operations (1010–0086)	To inform MMS of sulphur exploration and development operations on the OCS. To ensure that OCS sulphur operations are safe; protect the human, marine, and coastal environment; and will result in diligent exploration, development, and production of sulphur leases.
(16) Subpart Q, Decommissioning Activities (1010–0142)	To determine that decommissioning activities comply with regulatory requirements and approvals. To ensure that site clearance and platform or pipeline removal are properly performed to protect marine life and the environment and do not conflict with other users of the OCS.
(17) Form MMS–131, Performance Measures (1010–0112)	Voluntary. We use the information obtained from this form to develop an industry average that helps to describe how well the offshore oil and gas industry is performing.
(18) Form MMS–144, Rig Movement Notification Report (form used in the GOM OCS Region), Subparts D, E, F, (1010–0150)	The rig notification requirement is essential for MMS inspection scheduling and to verify that the equipment being used complies with approved permits.