

**UNITED STATES DEPARTMENT OF THE INTERIOR
BUREAU OF SAFETY AND ENVIRONMENTAL ENFORCEMENT
GULF OF MEXICO OCS REGION**

NTL 2012-Gxx

**NOTICE TO LESSEES AND OPERATORS (NTL) OF FEDERAL OIL, GAS, AND
SULPHUR LEASES IN THE OUTER CONTINENTAL SHELF (OCS),
GULF OF MEXICO OCS REGION (GOMR)**

Wells (holes-in-the-ground) Without Assigned BSEE API Numbers

This NTL supersedes NTL 2010-G03 to continue the task of cleaning up our historical data for wells in the GOMR. BSEE must have industry's cooperation in accomplishing this goal.

Goal of the Legacy Data Verification Process

The Legacy Data Verification Process (LDVP) is the continuation of the data quality focus and improvements initiated in the Historical Well Data Cleanup (HWDC) project. The primary objective of the LDVP is to obtain missing data for wellbores that have not been assigned API numbers by BSEE. The LDVP specifically targets information that operators are required to submit now but were not required to submit prior to 2000.

BSEE desires to have complete and accurate documentation of all drilling activities. Operator cooperation is an essential part of locating missing information for the cleanup of data from these wells. Operators have access to information that BSEE does not have. A large number of operators rely on association (e.g., Offshore Oil Scouts Association [OOSA]) or vendor data sets that contain many of these missing wellbores identified in drilling reports from non-BSEE sources. Associations have not made data available to BSEE, and the vendor data sets may be licensed with restricted usage.

Collecting data identifying the location of all boreholes in the Gulf of Mexico will help BSEE promote safety, protect the environment, and conserve resources. BSEE will subsequently release data to the public according to current regulations unless another period of time is agreed to by BSEE and the parties.

Background

Safety is BSEE's most important concern in collecting this data. When the initial collection of information started, there were over 40,000 wells in the Gulf of Mexico that had the potential for missing data. Over the years of data collection, this figure has continued to drop

as missing information has been located and added to agency databases. As a result, we now believe that there are approximately 500 unidentified completed and/or abandoned wellbores (bypasses and sidetracks). In approving permits and other operations in an area, it is important for us and the lessees/operators to know what may be adjacent to or in the vicinity of the activity we are approving to avoid the risk of blowouts, loss of well control, and endangerment to life, health, and the environment. This is particularly important as, over the years, the number of wells drilled constantly increases, thereby increasing the risk to adjacent activities if operators are not aware of what might be in the area.

The data BSEE is now collecting is required under regulations at 30 CFR 250, subpart D, but was not required before 2000. In addition to the absence of a regulatory requirement for this data pre-2000, the majority of the wells without API numbers were not reported to BSEE in the operator's (or the previous operator's) description of drilling activities because BSEE did not issue separate permits for well bypasses. This only applies to wells drilled prior to 2000 as BSEE has assigned API numbers to all wells (regardless of status) since that time.

BSEE is not able to accurately manage and utilize data from drilling operations without the information for the missing wells. We will use the information to identify other data (e.g., logs, surveys, tests) missing from our records; correlate and re-catalog existing BSEE data to the correct wellbore/location; and correctly exchange information with the operators and industry. Our geoscientists also use the information to evaluate resources for lease sales for fair market value.

Missing Information

To identify the location of all wellbores in the Gulf of Mexico (particularly the wells without API numbers), BSEE is collecting the following information:

1. Records of well completion/workover activities that materially alter the completion configuration or affect a hydrocarbon-bearing zone: currently required to maintain under 30 CFR 250.467(c); required to submit under 30 CFR 250.186(a) and 250.469(d).
2. Well logs and surveys: currently required to submit under 30 CFR 250.468(a) per region instructions.
3. Directional surveys: currently required to submit under 30 CFR 250.468(a) per region instructions.
4. Service company reports on cementing, perforating, acidizing, testing, or other similar reports: currently required to submit under 30 CFR 250.469(c).
5. Velocity profiles, cores, formation tests, drill stem tests, geochemical analysis/reports, paleontological reports/data, mudlogs run in the wellbore: currently required to submit under 30 CFR 250.468(a).

Based on the data submitted as part of the HWDC project, the original scope of data collection for 40,000 wells was reduced to 4,500 wells and ongoing data cleanup has reduced this further to approximately 500 wells. The data collection will target these 500 wells.

Requests for Missing Data

The requests will be limited to only those wells where BSEE records indicate additional wellbores may exist. Prior to contacting any operator for information, the BSEE Office of Technical Data Management (TDM) will conduct an extensive review of internal records first. This will include a detailed study of all submitted regulatory documents; a cross-check with information held in the Technical Information Management System (TIMS) database; and graphical (map) displays for validity and accuracy. If TDM deems it necessary to contact an operator, they will furnish: (1) an inventory of the information currently in BSEE records, (2) a description of the data problem that has been identified, and (3) the information that is needed to address the data problem.

When TDM issues a request for information, we ask that company databases and records are reviewed to both confirm the information BSEE already has and, where available, provide the requested information for inclusion with existing well records. Electronic data submission is strongly encouraged.

For new activity, we remind operators to submit complete drilling records according to 30 CFR 250, Subpart D. These data are compiled and sent to BSEE in a relatively short period of time after well drilling or completion operations cease. In addition to the requirement to submit complete records in a timely fashion, it is the operator's responsibility to ensure that updated data are submitted and to correct inaccurate information previously submitted for wells.

The cleanup targets the identification and capture of missing information, but this is not at the exclusion of other data problems (for example, inaccurate data submitted to BSEE or its predecessor agencies). If operators know of wells that have data problems, operators should report these wells directly to TDM rather than waiting to be contacted.

Enforcement Policy

Since there was no requirement to report the requested information before 2000, BSEE will not issue any Incidents of Noncompliance (INCs) in relation to missing well data prior to 2000.

Paperwork Reduction Act of 1995 Statement

The Paperwork Reduction Act of 1995 (44 U.S.C. 3501 *et seq.*) requires us to inform you why we collect this information and how we will use it. BSEE uses the LDVP information to fill in the missing data for wellbores that have not been assigned API numbers by us. Having complete and accurate documentation of all drilling activities provides an accurate assessment

of oil and gas resources. We have provided these explanations in the preceding paragraphs. Responses are mandatory (43 U.S.C 1334). Proprietary data are covered under 30 CFR 250.197. An agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless it displays a currently valid OMB Control Number. Public reporting burden for this information collection is estimated to average 1/2 hour to locate and copy scout tickets for each well and 2 hours to retrieve and analyze each well file. This includes the time for reviewing instructions, gathering and maintaining data, and completing and reviewing the information. OMB has approved the collection of information and assigned OMB Control Number 1014-0009. Direct comments regarding the burden estimate or any other aspect of this information collection to the Information Collection Clearance Officer, Bureau of Safety and Environmental Enforcement, 381 Elden Street, Herndon, VA 20170.

In addition, this NTL also refers to the collection of information for requirements under 30 CFR 250, Subpart D. OMB has approved the Subpart D collection of information under OMB Control Number 1014-0018.

Contact: Please address any questions on the contents of this notice to Chris Schoennagel at christopher.schoennagel@bsee.gov or (504) 736-2801.

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