

BSEE CLARIFY WHAT THEIR NEW REGULATORY UPDATES MEAN FOR WELL INTERVENTION

Offshore Network Ltd. spoke with BSEE to better understand what the new regulatory updates mean for those involved in Gulf of Mexico well intervention. Below you can find their comments on questions relating to both riserless well intervention systems and BSEE's final rule.

RISERLESS WELL INTERVENTION SYSTEMS

What is typical time frame to get Riserless intervention system qualified to work in GOM?

New systems or those undergoing significant refurbishing typically require a sixty-day permitting lead time. Systems which have been previously approved and are undergoing minor modifications (i.e. high-pressure hydraulic lines, minor control system revisions) usually take fourteen days, depending on workload. Mostly it's simply a matter of ensuring all the pertinent documentation is still in the permit. If an operator hasn't previously used the system, or submits incomplete information, this can drag out.

How many shear and seal devices must a riserless system have now and after 2021?

Intervention systems, even riser-based systems being treated as a subsea shut-in device must follow the regulatory requirements of Subpart G.

What level of shear qualification is required before a device may be used in the field?

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Does a shear and seal test on coil tubing count as a shear test, if the OEM has conducted prior tests with wireline and provides the company with a letter?

Wireline tests would not count toward qualifying coil.

Does the requirement for a riserless intervention system change with the type of Subsea Tree it interfaces with?

No. We may ask questions about interface and subsea latch-up testing, but it does not fundamentally change the review.

BSEE'S FINAL RULE

BSEE carefully analyzed all 342 provisions of the 2016 WCR and determined that 68 of those provisions – approximately 20 percent - were appropriate for revision.

What does the final rule not do?

Remove the BOP requirements or the BOP itself; real-time monitoring requirements; drilling margin requirements; third party requirements for BOP testing; failure reporting to BSEE; the BOP dual shear ram requirement; the requirements of the Remotely Operated Vehicle (ROV) or the containment requirements for a fast response if a blowout were to occur.

What does this final rule accomplish?

- *Allows operators to use real-time monitoring data in a more performance-based way, increasing adaptivity and effectiveness by basing decisions on specific well operating conditions.*
- *Reduces the need for operators to request alternate compliance or departure for provisions of the rule.*
- *Requires improved technologies and equipment design to help optimize shearing capabilities of rams.*

WHAT DOES THIS FINAL RULE MEAN FOR LWI WELL CONTROL PACKAGES?

How does BSEE consider, or not, light well intervention well control packages in light of the new BOP rules - are they exempt?

No form of subsea well control is exempt from the new rule. BSEE considers the use of these systems via 30 CFR 250.141, as alternate equipment. LWI equipment will then be held to as much as Subpart G as possible, with variances granted on a case-by-case basis. No blanket exemption will be granted.

How the two closures on all equipment going into the well (other than BHA's) with one capable of sealing.

If equipment is run into the well via a LWI, the operator must demonstrate that the system is capable of shearing and sealing on any wireline, slickline, coil tubing, or other tubulars that may be run into the hole during operations.

THE FINAL RULE INCLUDES, BUT IS NOT LIMITED TO, THE FOLLOWING REVISIONS:

Clarify the rig movement reporting requirements.

These revisions will address notifications of rig movements to and from the safe zone during permitted operations and any additional rig movements if a rig unit is already on a well. The original WCR did not address these provisions, however based upon BSEE experience, BSEE determined that these clarifications will minimize the number of duplicative rig movement notifications submitted to BSEE.

Clarify and revise the requirements for certain submittals to BSEE

There are several redundant reporting requirements in the current regulations. These revisions will clarify and streamline certain submittals to BSEE and eliminate redundant and unnecessary reporting. Many of these revisions were not associated with the original WCR and reflect current BSEE policy, practice, and experience.

Revise section 250.723 to remove lift boats from the types of vessels that require a shut-in of producing wells when they approach within 500 feet of a platform.

Removing the references to lift boats from these requirements minimizes the number of unnecessary well shut-ins and delayed production. Since the original WCR implementation, BSEE re-evaluated lift boat activities and determined that the vast majority of lift boats used on the OCS are relatively small in comparison to a mobile offshore drilling unit and do not pose an operational risk.

Remove certain prescriptive requirements for real time monitoring.

Based upon BSEE's evaluation of real time monitoring since the publication of the original WCR, BSEE determined that the prescriptive requirements for how the data is handled may be revised to allow company-specific approaches to handling the data while still receiving the benefits of real-time monitoring.

Replace the use of a BSEE approved verification organization (BAVO) with the use of an independent third party for certain certifications and verifications of BOP systems and components and remove the requirement to have a BAVO submit a Mechanical Integrity Assessment report for the BOP stack and system.

Use of independent third parties is a long-standing industry practice for certifications and verifications similar to those a BAVO would provide. BSEE expected most companies or individuals currently operating as independent third parties to apply to become a BAVO. Since the publication of the original WCR, BSEE has increased its interaction with these independent third parties to better understand how they operate and carry out certifications and verifications. BSEE has determined that if, as expected, the majority of BAVOs would be drawn from the existing independent third parties who would continue to conduct the same verifications, additional BSEE oversight and submittal to become a BAVO is unnecessary. The BAVO system created by the WCR increases procedural burdens and costs without delivering meaningful improvements to safety or environmental protection.

Revise the accumulator system requirements and accumulator bottle requirements to better align with API Standard 53.

These revisions will increase operator flexibility to utilize the appropriate accumulator capacity to perform the necessary emergency functions and by closing each required shear ram, ram locks, one pipe ram, and disconnect the lower marine riser package. Through the implementation of the original WCR, BSEE was able to better evaluate the effects of the original WCR accumulator requirements impacting subsea BOP space and weight limitations. This revision will help ensure that the regulatory requirements do not exceed the operational or mechanical design limits of the wellhead and BOP systems and help minimize risks associated with approaching those design limits.

Incorporate the latest edition of an incorporated industry standard, API 17H, on remotely operated tools and interfaces on subsea production systems.

There is a conflict between the API RP 17H first edition referenced in the original WCR, and the API Standard 53 ROV requirements. The second edition of API RP 17H eliminates the conflict between the first edition and API Standard 53. BSEE will incorporate by reference API RP 17H second edition to ensure the appropriate methods are utilized to comply with the API Standard 53 ROV closure timeframes of 45 seconds.

Revise the control station and pod testing schedules to ensure component functionality without inadvertently requiring duplicative testing.

These revisions will ensure that operators develop a testing schedule that allows for alternating testing between the control stations, and also between the pods for subsea BOPs. The intended result of alternating the testing is to ensure that each control station, and each pod for subsea, can properly function all required BOP components. Based on BSEE experience during the implementation of the original WCR, BSEE has concluded that these revisions will help ensure BOP functionality while not inadvertently requiring unnecessarily duplicative testing.

Include coiled tubing and snubbing requirements in Subpart G.

These additions will codify current BSEE policy regarding the coiled tubing testing and recording requirements and will also reintroduce similar provisions that were inadvertently removed in the original WCR.

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