## THE NEWS ROOM

## THE BUREAU OF OCEAN ENERGY MANAGEMENT, REGULATION AND ENFORCEMENT

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Office of Public Affairs

## **BOEMRE Approves Fifth Deepwater Drilling Permit that Meets New Safety Standards**

**NEW ORLEANS**—The Bureau of Ocean Energy Management, Regulation and Enforcement (BOEMRE) today approved a fifth deepwater drilling permit that complies with rigorous new safety standards implemented in the wake of the Deepwater Horizon explosion and resulting oil spill. This includes satisfying the requirement to demonstrate the capacity to contain a subsea blowout. The approved permit is a revised permit to drill a new well for Chevron USA Inc.'s Well #1 in Keathley Canyon Block 736 in 6,750 ft. water depth, approximately 216 miles off the Louisiana coastline, south of Lafayette, La. Today's is the first deepwater permit approved for completely new exploration since the deepwater drilling moratorium was lifted; this means that this is the first exploratory well drilled into this reservoir or field, which has never produced.

"Today's permit approval further demonstrates industry's ability to meet and satisfy the enhanced safety requirements associated with deepwater drilling, including the capability to contain a deepwater loss of well control and blowout," said BOEMRE Director Michael R. Bromwich. "We will continue to review and approve those applications that demonstrate the ability to operate safely in deep water."

Initial drilling on Chevron's Well #1 began March 2010. Drilling was suspended on June 9, 2010 due to the temporary drilling suspensions imposed following the Deepwater Horizon oil spill.

Chevron has contracted with the Marine Well Containment Corporation to use its capping stack to stop the flow of oil should a well control event occur. As part of its approval process, the bureau reviewed Chevron's containment capability available for the specific well proposed in the permit application and confirmed that the capabilities of the capping stack met the requirements specific to the proposed well's characteristics.

BOEMRE has worked diligently to help industry adapt to and comply with new, rigorous safety practices. These standards ensure that oil and gas development continues, while also incorporating key lessons learned from the Deepwater Horizon oil spill. This new permit meets the new safety regulations and information requirements in Notices to Lessees (NTL) N06 and N10, and the Interim Final Safety Rule.

Today's permit adds to the number of permits that have been approved since new safety regulations have been put in place. For a list of well types, pending and approved permits, and information on new safety regulations, go to: <a href="http://www.gomr.boemre.gov/homepg/offshore/safety/well\_permits.html">http://www.gomr.boemre.gov/homepg/offshore/safety/well\_permits.html</a>.

This fifth permit approval comes the same week that the bureau announced the first new deepwater exploration plan approved since new safety and environmental regulations were implemented. This followed the completion of a site-specific Environmental Assessment (SEA) for deepwater oil and gas exploration. An exploration plan describes all exploration activities planned by the operator for a specific lease or leases, including the timing of these activities, information concerning drilling vessels, the location of each planned well, and other relevant information that needs to meet important safety standards. Once a plan is approved, additional new applications for permits to drill can be issued. For more information, go to: <a href="http://www.doi.gov/news/pressreleases/Interior-Approves-First-Gulf-of-Mexico-Deepwater-Exploration-Plan-with-Post-Deepwater-Horizon-Environmental-Review.cfm">http://www.doi.gov/news/pressreleases/Interior-Approves-First-Gulf-of-Mexico-Deepwater-Exploration-Plan-with-Post-Deepwater-Horizon-Environmental-Review.cfm</a>.

**Contact: BOEMRE Public Affairs-Gulf**