THE NEWS ROOM

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

FOR RELEASE: April 8, 2011

Office of Public Affairs

## **BOEMRE Approves Operations for Tenth Deepwater Well**

Drilling Permit Meets Critical New Safety Standards

**NEW ORLEANS** – The Bureau of Ocean Energy Management, Regulation and Enforcement (BOEMRE) today approved a deepwater permit for the drilling of a tenth well 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 Statoil Gulf of Mexico LLC Well #1 in Walker Ridge Block 969 in 7,813 feet water depth, approximately 219 miles off the Louisiana shoreline, south of Houma, Louisiana.

"This permit allows the drilling of the tenth deepwater well since industry demonstrated in mid-February that it had the capacity to handle subsea blowouts and spills," said BOEMRE Director Michael R. Bromwich. "Permit applications that satisfy our more rigorous safety and environmental standards and that demonstrate the necessary containment capabilities will be approved; those that do not will be rejected. That has been our approach and will continue to be our approach."

Statoil's Well #1 is a new well. The operator had a rig under contract and an approved permit to drill a new well when activities were halted due to the temporary drilling suspensions imposed following the Deepwater Horizon oil spill.

As part of its approval process, the Bureau reviewed Statoil's containment capability available for the specific well proposed in the permit application. Statoil has contracted with the Marine Well Containment Company (MWCC) to use MWCC's capping stack to stop the flow of oil should a blowout occur. The capabilities of the capping stack meet the requirements that are specific to the characteristics of the proposed well.

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 N06 and N10, and the Interim Final Safety Rule.

This will be the final news release that BOEMRE will issue to announce individual approvals of deepwater drilling permits. For a list of well types, pending and approved permits (including links to download copies of 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>.

**Contact: BOEMRE Public Affairs-Gulf**