

# Regulation Terminology (30 CFR 253.3)

- *Advertise* - publication of the notice of designation of the source of the incident and the procedures by which the claims may be presented, according to [33 CFR part 136, subpart D](#).
- *Bay* - a body of water included in the [Geographic Names Information System \(GNIS\)](#) bay feature class. A GNIS bay includes an arm, bay, bight, cove, estuary, gulf, inlet, or sound.
- *Claim* - a written request, for a specific sum, for compensation for damages or removal costs resulting from an oil-spill discharge or a substantial threat of the discharge of oil.
- *Claimant* - any person or government who presents a claim for compensation under OPA.
- *Coastline* - the line of ordinary low water along that portion of the coast that is in direct contact with the open sea which marks the seaward limit of inland waters.
- *Covered Offshore Facility (COF)* - a facility:
  1. that includes any structure and all its components (including wells completed at the structure and the associated pipelines), equipment, pipeline, or device (other than a vessel or other than a pipeline or deepwater port licensed under the Deepwater Port Act of 1974 ([33 U.S.C. 1501 et seq.](#))) used for exploring for, drilling for, or producing oil or for transporting oil from such facilities. This includes a well drilled from a mobile offshore drilling unit (MODU) and the associated riser and well control equipment from the moment a drill shaft or other device first touches the seabed for purposes of exploring for, drilling for, or producing oil, but it does not include the MODU; and
  2. That is located:
    - i. Seaward of the coastline; or
    - ii. In any portion of a bay that is:
      - A. Connected to the sea, either directly or through one or more other bays; and
      - B. Depicted in whole or in part on any [U.S. Geological Survey \(USGS\)](#) map listed in the Appendix, or on any map published by the USGS that is a successor to and covers all or part of the same area as a listed map. Where any portion of a bay is included on a listed map, this rule applies to the entire bay; and
  3. That has a worst case oil spill discharge potential of more than 1,000 bbls of oil, or a lesser volume if the Director determines in writing that the oil-spill discharge risk justifies the requirement to demonstrate OSFR.
- *de minimis* - a worst case oil spill potential of 1,000 barrels or less.
- *Designated applicant* - a person the responsible parties designate to demonstrate OSFR for a COF on a lease, permit, or right-of-use and easement.
- *Director* - the Director of the Bureau of Ocean Energy Management, Regulation and Enforcement.
- *FAX Binder (30 CFR 253.29(d))* - a facsimile copy of Form MMS-1019, Insurance Certificate, completed to show the full insurance slip, i.e., all underwriters with their individual quota shares, and at least one Insurance Underwriter's signature, and submitted to the BOEMRE as a FAX copy of evidence. This binder, completed in accordance with 30 CFR 253.29(d), may be used as temporary insurance evidence of OSFR.
- *Fixed Offshore Facility* - a bottom-founded offshore facility permanently attached to the seabed of Federal, State, or Territorial coastal waters of the United States of America. This term includes platforms, guyed towers,

articulated gravity platforms, single- and multi-well caissons, gravel and ice islands, caisson retained islands, sub-sea wells and manifolds, and similar facilities designed for drilling, production, storage, or transportation of oil. This does not include marina structure and piers, and marine loading docks not connected to offshore facilities in, on, or under Federal, State, or Territorial coastal waters of the United States of America as described in 30 CFR 253. This definition also does not include facilities licensed under the Deepwater Port Act of 1994.

- *Floating Offshore Facility* - a buoyant offshore facility, securely and substantially moored or otherwise connected to the seabed of Federal, State, or Territorial coastal waters of the United States of America, that cannot be moved without substantial effort. This term includes tension leg platforms, spars, and similar facilities designed or modified for drilling, production, separation, or storage of oil. These facilities may have semi-submersible or ship-shape hulls.
- *Fund* - the Oil Spill Liability Trust Fund established by Section 9509 of the Internal Revenue Code of 1986 as amended ([26 U.S.C. 9509](#)). This fund is maintained by the [National Pollution Funds Center \(NPFC\)](#).
- *Geographic Names Information System (GNIS)* - the database developed by the USGS in cooperation with the U.S. Board on Geographic Names which contains the federally-recognized geographic names for all known places, features, and areas in the United States that are identified by a proper name. Each feature is located by state, county, and geographic coordinates and is referenced to the appropriate 1:24,000-scale or 1:63,360-scale USGS topographic map on which it is shown.
- *Guarantor* - a person other than a responsible party who provides OSFR evidence for a designated applicant.
- *Guaranty* - any acceptable form of OSFR evidence provided by a guarantor including an indemnity, insurance, or surety bond.
- *Incident* - any occurrence or series of occurrences having the same origin that results in the discharge or substantial threat of the discharge of oil. An oil or gas condensate spill or blowout from a single well, platform, or pipeline resulting from any equipment failure, human action, or weather condition.
- *Indemnity* - an agreement to indemnify a designated applicant upon its satisfaction of a claim.
- *Indemnitor* - a person providing an indemnity for a designated applicant.
- *Independent accountant* - a certified public accountant (CPA) who is certified by a state, or a chartered accountant certified by the government of jurisdiction within the country of incorporation of the company proposing to use one of the self-insurance evidence methods specified in this subpart.
- *Insolvent* - meaning set forth in [11 U.S.C. 101](#), and generally refers to a financial condition in which the sum of a person's debts is greater than the value of the person's assets.
- *Lease* - any form of authorization issued under the [Outer Continental Shelf Lands Act](#) or state law which allows oil and gas exploration and production in the area covered by the authorization.
- *Lease Term Pipeline* - a pipeline that is wholly contained within the boundaries of a single lease, unitized leases, or contiguous (not cornering) leases of the same owner or operator.
- *Lessee* - a person holding a leasehold interest in an oil or gas lease including an owner of record title or a holder of operating rights (working interest owner).

- *Mobile Offshore Drilling Unit (MODU)* - facilities designed or modified to engage in drilling and exploration activities, but not production, separation, or storage of oil in or on Federal, State, or Territorial coastal waters of the United States. This term includes drilling vessels, semisubmersibles, submersibles, jack-ups, and similar facilities that can be moved without substantial effort. These facilities may or may not have self-propulsion equipment on board and may require dynamic positioning equipment or mooring systems to maintain their position.
- *Oil* - oil of any kind or in any form, except as excluded by paragraph (2) of this definition.
  1. Oil includes:
    - i. Petroleum, fuel oil, sludge, oil refuse, and oil mixed with wastes other than dredged spoil;
    - ii. Hydrocarbons produced at the wellhead in liquid form;
    - iii. Gas condensate that has been separated from gas before pipeline injection.
    - iv. Oil or gas condensate produced from wells or platforms with a surface location in, on, or under Federal, State, or Territorial coastal waters of the United States as described in 30 CFR 253; stored in, on, or under these waters; or transported through pipelines in or under these waters.
  2. Oil does not include petroleum, including crude oil or any fraction thereof, which is specifically listed or designated as a hazardous substance under subparagraphs listed or (A) through (F) of section 101(14) of the Comprehensive Environmental Response, Compensation, and Liability Act (CERCLA) ([42 U.S.C. 9601](#)).
- *Oil Spill Financial Responsibility (OSFR)* - the capability and means by which a responsible party for a covered offshore facility will meet removal costs and damages for which it is liable under Title I of the Oil Pollution Act of 1990, as amended (33 CFR 2701 *et seq.*), with respect to both oil-spill discharges and substantial threats of the discharge of oil.
- *Outer Continental Shelf (OCS)* - same meaning as the term "Outer Continental Shelf" defined in section 2(a) of the OCS Lands Act (OCSLA) ([43 U.S.C. 1331\(a\)](#)).
- *Permit* - an authorization, license, or permit for geological exploration issued under section 11 of the OCSLA ([43 U.S.C. 1340](#)) or applicable state law.
- *Person* - an individual, corporation, partnership, association (including a trust or limited liability company), state, municipality, commission or political subdivision of a state, or any interstate body.
- *Pipeline* - the pipeline segments and any associated equipment or appurtenances used or intended for use in the transportation of oil or natural gas.
- *Responsible party* - has the following meanings:
  1. For a COF that is a pipeline, responsible party means any person owning or operating the pipeline;
  2. For a COF that is not a pipeline, responsible party means either the lessee or permittee of the area in which the COF is located, or the holder of a right-of-use and easement granted under applicable state law or the OCSLA ([43 U.S.C. 1301-1356](#)) for the area in which the COF is located (if the holder is a different person than the lessee or permittee). A Federal agency, State, municipality, commission, or political subdivision of a state, or any interstate body that as owner transfers possession and right to use the property to another person by lease, assignment, or permit is not a responsible party; and
  3. For an abandoned COF, responsible party means any person who would have been a responsible party for the COF immediately before abandonment.
- *Right-of-use and easement (RUE)* - any authorization to use the OCS or submerged land for purposes other than those authorized by a lease or permit, as defined herein. It includes pipeline rights-of-way. A permit issued by the BOEMRE to install or use one of the following types of offshore facilities: (a) a right-of-way pipeline which

may include appurtenant structures, installed on leased or unleased offshore areas, or (b) a platform used as the surface location for one or more wells drilled to bottom hole locations on nearby offshore areas and installed on an unleased offshore area.

- *Source of the incident* - the facility from which oil was discharged or which poses a substantial threat of discharging oil, as designated by the Director, [NPFC](#), according to [33 CFR part 136, subpart D](#).
- *State* - the several States of the United States, the District of Columbia, the Commonwealth of Puerto Rico, Guam, American Samoa, the United States Virgin Islands, the Commonwealth of the Northern Marianas, and any other territory or possession of the United States.
- *U.S. Agent for Service of Process (30 CFR 253.5(b))* - a designated agent of the company to ensure that all potential claimants have a readily available contact and to whom claimants can submit legal paperwork for claims for oil spill clean-up and damages specified in OPA 90. A company officer whose primary business office is located within the confines of the United States may be named as a company's agent. A person or company whose function is to accept and process claims paperwork for the company may also be named as a company's agent.