

U.S. Department of the Interior Minerals Management Service Office of Communications

NEWS RELEASE

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MMS PUBLISHES RULES TO ENHANCE SAFE OFFSHORE OPERATIONS

The U.S. Department of the Interior's Minerals Management Service (MMS) published a proposed rule in the July 15, 1997, Federal Register to amend the testing requirements for blowout preventer (BOP) systems used in drilling and completion operations. Comments on the rule will be accepted until September 15, 1997.

Under the proposed rule, a lessee may take up to 14 days between BOP pressure tests. MMS based the proposed requirements on the results of a recently completed study of BOP performance. The study concluded there is no statistical difference in the failure rates for BOP's tested between 0 to 7 day intervals with those tested between 8 to 14 day intervals. MMS authorized Outer Continental Shelf (OCS) lessees to begin operating under the proposed requirements via a Notice to Lessees issued on January 31, 1997.

At the request of the oil and gas industry, the MMS began evaluating BOP testing requirements in 1993. MMS estimates the revised testing requirements could save industry \$35 to \$46 million a year without compromising safety. The agency worked with representatives from the American Petroleum Institute, Independent Petroleum Association of America, International Association of Drilling Contractors, National Ocean Industries Association, and Offshore Operators Committee in setting parameters for this study.

In another safety related matter, the MMS will publish a final rule in the August 8, 1997, Federal Register governing the quality assurance program for safety and pollution prevention equipment (SPPE) used on the OCS. SPPE consists of surface safety valves and their actuators; underwater safety valves and their actuators; and subsurface safety valves and associated safety valve locks and landing nipples. The rule, which goes into effect September 7, 1997, will reduce the paperwork burden on both industry and MMS while continuing to ensure that OCS lessees use the best available and safest equipment.

The final rule requires lessees to install only quality assured certified SPPE after April 1, 1998. The rule allows for the continued use of noncertified SPPE installed before April 1, 1998, provided the equipment does not require remanufacturing. This is a change from the proposed rule which required a lessee to install certified SPPE when noncertified SPPE was removed from a well for any reason. This change allows a lessee to continue using equipment that has functioned properly for years.

MMS is the federal agency that manages the Nation's oil, natural gas, and other mineral resources on the OCS. MMS also collects, accounts for, and disburses about \$4 billion yearly in revenues from offshore federal mineral leases and from onshore mineral leases on federal and Indian lands.