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MMS Amends Federal Rule on Offshore Platforms and Structures

The U. S. Department of the Interior's Minerals Management Service today issued a final rule that streamlines the permitting process for floating platforms, and incorporates by reference into MMS regulations, industry standards pertaining to floating production systems (FPSs). Until this rulemaking, MMS regulations have not specifically addressed floating facilities separately from fixed platforms.

The rule amends the current subpart I of 30 CFR part 250, Platforms and Structures, to include coverage of floating offshore oil and gas production platforms. The amendments address the rapid increase in deepwater exploration and development, and industry's increasing reliance on floating facilities for those activities.

Incorporating the industry standards into MMS regulations will save the public the costs of developing separate, and possibly duplicative, government standards, and will streamline procedures for reviewing and approving new offshore floating platforms.

The rule will become effective August 18, 2005. Limited changes were also made to current subpart A, General; subpart H, Oil and Gas Production Safety Systems; and to subpart J, Pipelines and Pipeline Rights–of–Way.

The remarkable increase in oil and gas exploration, development, and production in deepwater is due to the development of new technologies that enable drilling and production in deeper waters while reducing operational costs and risks. In 1993, deepwater areas of the OCS (water depths greater than 1,000 feet, or 305 meters) accounted for approximately 12 percent of the oil and 2 percent of the gas produced offshore. Discovery and development of deepwater fields began accelerating in 1994. By the end of 2004, deepwater areas accounted for about 62 percent of the oil and 32 percent of the gas produced offshore.

MMS, part of the U.S. Department of the Interior, oversees 1.76 billion acres of the Outer Continental Shelf, managing offshore energy and minerals while protecting the human, marine, and coastal environments through advanced science and technology research. The OCS provides 30 percent of oil and 21 percent of natural gas produced domestically, and sand used for coastal restoration. MMS collects, accounts for, and disburses mineral revenues from Federal and American Indian lands, with Fiscal Year 2004 disbursements of approximately \$8 billion and more than \$143 billion since 1982. The Land and Water Conservation Fund, which pays for cooperative conservation, grants to states, and Federal land acquisition, gets nearly \$1 billion a year.

Relevant Web Sites:

- MMS Main Web Site Federal Register listings
- Gulf of Mexico Website

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> MMS: Securing Ocean Energy & Economic Value for America U.S. Department of the Interior