

FACT SHEET



BSEE Inspection Program

Background

BSEE conducts inspections of drilling rigs and production platforms using multi-person, multi-discipline inspection teams. BSEE inspectors implement our mission every day by performing safety and environmental inspections of offshore oil and gas production operations and associated facilities, equipment and control systems, and well operations onboard drilling rigs and other non-rig units. They also identify deficiencies or violations of environmental and safety laws and regulations. When companies fail to meet regulations or the conditions in a permit approval, an inspector issues Incidents of Non-Compliance (INC). BSEE also has the authority to levy civil penalties for some regulatory infractions.

While the bulk of BSEE's inspections are safety inspections, the bureau also utilizes other inspections to meet its oversight mission. BSEE's current inspections activities include the following:

- Inspections of production facilities that occur at least annually
- Monthly inspections of drilling rigs and workover units
- Supplementary inspections focused on high risk activities or safety components as identified by the pilot risk-based inspections (RBI) program
- Safety and Environmental Management Systems (SEMS) audits
- Inspections to ensure all environmentally related requirements are met
- Metering component inspections
- Observations of blowout preventer tests
- Observations of oil spill response equipment
- Pre-production inspection of production facilities prior to installation

Inspection Fast Facts

- The Outer Continental Shelf Lands Act (OCSLA) provides BSEE the authority to regulate oil, gas, and mineral exploration and development on the OCS.
- Nationwide, BSEE has more than 120 inspectors and about 80 percent of them have four or more years of offshore industry experience. BSEE inspectors specialize in either well or production operations. This specialization allows for more equipment specific training and time devoted to particular areas of inspection.



BSEE Inspectors review paperwork submitted during an inspection.

- All inspections are based on BSEE's PINC (Potential Incident of Noncompliance) checklist. PINCs are written in the form of a question about a specific regulatory requirement. When an inspector identifies a PINC with a "No" answer, the inspector issues an INC to the operator. This citation notifies the operator of a regulatory violation.
- BSEE inspectors, who issue an INC to an operator, use one of two main enforcement actions, warning or shut-in, depending on the severity of the violation. If the violation is not severe or threatening, a Warning INC is issued. The Warning INC must be corrected within a reasonable amount of time specified on the INC. The Shut-in INC may be for a single component (a portion of the facility) or the entire facility. The violation must be corrected before the operator is allowed to continue the activity in question.
- Inspectors conduct more than 20,000 inspections annually related to well operations, production, pipelines, meters and environmental compliance at more than 2,300 facilities on the federal OCS.



BSEE Inspectors closely monitor a pressure gauge held by a Murphy Oil employee during a pressure test of temporary equipment on a deep-water facility in the Gulf of Mexico.

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