NTL No. 2010-N05
Increased Safety Measures for
Energy Development on the OCS
Effective June 8, 2010

Frequently Asked Questions (FAQ's)
Updated July 9, 2010

A. General Questions

QA1: With the issuance of NTL No. 2010-N05, can BOEM please confirm that we will be allowed to drill a waterflood, disposal, or injection well?

A: These wells can be drilled, but are affected by NTL No. 2010-N05. You need to submit information regarding the general compliance certification and BOP configuration and performance information by the dates prescribed in the NTL. If you have not begun to drill the waterflood, disposal, or injection well, you will have to submit information to address the other sections of the NTL (BOP Certification Requirements for Floating Drilling Operations, BOP Compatibility Verification for All Wells), via the permitting process.

QA2: Do the BOP requirements of the NTL also apply to coiled tubing, electric line, and slickline BOPs?

A: The only section that applies to these types of BOP stacks are as follows:

1. BOP Inspection, Maintenance, and Repair for All Wells
2. Verification that Blindshear Rams will Shear the Pipe in the Hole
3. If you have to shear pipe then you would have to abide by the "BOP Inspection and Testing after Well Control Event for All Wells

QA3: For purposes of compliance by Operators, are API standards incorporated by reference in the Code of Federal Regulations (CFR) and denoted as "should" be considered "must."

A: For any API standards incorporated by reference in the CFR, "should" means "must."

B General Certification of Compliance with Existing Regulations and National Safety Alert

QB1: Do the emergency shut down (ESD) requirements mentioned in bullet #3, under General Certification of Compliance with Existing Regulations and National Safety Alert, also apply for production platforms ESD stations?

A: No. The emergency shut down referenced in the NTL is directed to rig operations specifically.

QB2: Is it acceptable for a Chief Operating Officer or some other Officer to sign the certification letter on behalf of the Chief Executive Officer (CEO)?

A: Yes, as long as he is authorized to sign for the CEO.

QB3: Does the requirement for a general certification statement signed by the CEO apply to operators that may only have production operations or pipeline right-of-way operations?

A: Yes, but you may specify that your company complies with applicable regulations of 30 CFR 250.

QB4: In the event there are no operations pertaining to a Specific Item listed under this general certification section, is it necessary to address the item or can a statement be made regarding applicability?

A: If you do not have those operations ongoing, you may make a statement regarding its applicability.

QB5: Do the bullets numbered 1 through 4 in this general section apply to both drilling and production operations?

A: Bullets 1-4 in this section apply only to drilling operations. Bullets#1, #2, and #4 apply to all drilling operations and #3 applies only to drilling operations with a subsea stack.

QB6: If there are currently no operations being conducted, is this certification required at this time?

A: If you do not have any operations that would be regulated under 30 CFR 250 ongoing, then this certification is not required.

QB7: Does bullet #3 in this section "Review all emergency shutdown and dynamic positioning procedures that interface with emergency well control operations" apply to operations on jack-up rigs?

A: No, #3 requirements only apply to subsea BOPs and surface BOPs on floating platforms, bullets #1, #2 and #4 apply to all BOP stacks (including jack-ups and shallow water platform rigs)

QB8: Does bullet #4 in this section apply to all Subpart O type personnel directly involved in just well operations (i.e., drilling, completion, workover), or does it also apply to production operations?

A: This section applies to drilling, completion, and workover personnel, it does not apply to production personnel.

QB9: Assuming an operator cannot submit the required certification due to an outstanding INC and/or civil penalty; they can submit a letter to that effect along with a schedule to close out these items. As long as that letter is submitted and accepted by BOEM, can they continue to operate platforms and obtain permit approvals?

A: Yes.

QB10: Is this certification process a snapshot in time for the date submitted, or must these be updated to reflect changes in certifications, such as post-submittal of letters where an operator receives INC's and/or civil penalties?

A: The certification is for a snapshot in time. Depending on the significance of a violation or incident, you may be required to resubmit a new certification.

QB11: Does, "to re-certify the BOP" mean to tear down the BOP and rebuild it to spec?

A: No, recertification means that the BOP will operate as originally designed and if any modifications or upgrades were made, that the BOP will work as designed.

QB12: The NTL states that all operators are required to submit a General Certification that they are knowledgeable of all operating regulations at 30 CFR 250 - Oil and Gas and Sulphur Operations in the OCS - and that they are conducting their operations in compliance with those regulations. Does this mean all of Part 250 or just Subpart D that relates to Drilling Operations?

A: The general certification covers all of 30 CFR Part 250.

QB13: What exactly must be submitted for the following (found on page 3, paragraph 3): "Operators must identify the facilities they are certifying by region, company, company number (5 digits), area and block, and rig name?"

A: This statement refers to rigs that you were operating on May 27, 2010. As it states, list the Region (GOM, PAC, AK), company (Operator), BOEM company number, area/block, and rig name. The identifying information requested (region, company, etc) pertains to the 4 specific certifications.

QB14: Does the CEO also need to certify compliance with the 4 specific items, or can that be made by other appropriate operator's representative?

A: The CEO or authorized official, as long as he is authorized to sign for the CEO, needs to provide both the general and specific certifications.

C. BOP Configuration and Performance Information

QC1: Do the requirements in the BOP configuration and Performance Information apply to BOPs on jack-up rigs?

A: No, these requirements only apply to subsea BOPs and surface BOPs on floating platforms.

QC2: Do we submit BOP and well control system test results (charts, forms, etc) for all tests or only submit results for initial failed attempts?

A: It is all tests, not just failed attempts, for the period the rig was under contract to you (not to exceed 3 years).

QC3: Will the 4 items listed under the BOP Configuration and Performance Information be required for future wells?

A: No, these requirements are only for operations that were using a subsea BOP system or using a surface BOP stack on a floating platform on May 27, 2010.

QC4: What exactly must be submitted for the following (found on page 3, paragraph 3): "Operators must identify the facilities they are certifying by region, company, BOEM company number (5 digits), area and block, and rig name."

A: This statement refers to rigs that you were operating on May 27, 2010. As it states, list the Region (GOM, PAC, AK), company (Operator), BOEM company number, area/block, and rig name. The identifying information requested (region, company, etc) pertains to the 4 specific certifications.

QC5. Does the CEO also need to certify compliance with the 4 specific items, or can that be made by other appropriate operator's representatives?

A. The CEO or authorized official, as long as he is authorized to sign for the CEO, needs to provide both the general and specific certifications.

D. BOP Certification Requirements for Floating Drilling Operations
(This section applies only to subsea and surface BOP stacks used for floating drilling operations)

QD1: Do the requirements in the BOP Certification Requirements for Floating Drilling Operations apply to BOPs on jack-up rigs?

A: No, these requirements only apply to subsea BOPs and surface BOPs on floating platforms.

QD2: Is this certification and third party verification along with the blind shear ram certification required for all completion and workover operations, in addition to drilling?

A: Yes, if you are currently conducting workover, completion, or abandonment activities, then you must conduct this inspection and design review before you begin work on another well.

QD3: Do these requirements apply also to the choke manifold?

A: Yes, this certification applies to the entire pressure containing system.

QD4: Does the entire system have to be sent in to shore for this certification?

A: No, this inspection and certification can be performed in any location that allows proper access to the BOP to conduct the inspection and certification.

QD5: What qualifies a company or individual as an "independent third party" capable of these certifications?

A: A technical classification society or an American Petroleum Institute (API) licensed manufacturing/inspection/certification firm or licensed professional engineering firm will qualify as an "independent third party" under the NTL, capable of providing the verifications required for BOP compatibility and blind shear ram capability if:

- Such firm is reputable, and the firm or its employees hold appropriate licenses (e.g. engineering) to perform this work in the appropriate jurisdiction, and the firm carries industry-standard levels of professional

liability insurance and has no record of violations of applicable law (or ethical guidelines) and is willing to sign a certification under penalty of perjury; and

- The firm allows an official representative of the BOEM access upon request to the place where tests and inspections take place, to verify the information submitted in the application, or to witness tests and inspections.

QD6: Can the original manufacturer of the BOP (e.g., Cameron) act as the independent 3rd party inspector?

A: No, it must be a party independent of the original manufacturer or any the contractor that made any modifications to the BOP.

QD7: Can a company that manufactures BOPs act as an "independent 3rd party" and certify another manufacturer's BOP stack?

A: Yes, as long as they have no legal or financial interest in the results of the certification.

QD8: Would the below 3rd party inspection process satisfy the requirements set forth in NTL 2010-N05? A qualified 3rd party would review present certifications and testing records for BOPs on the rig, verifying that they meet all requirements set forth in the NTL. The qualified 3rd party would travel to the rig's location, physically verify that the BOP functions as designed, and that no modifications have been made that compromise the design or operation of the BOP.

A: Yes.

QD9: What are the guidelines for making the BOP certifications for floating drilling operations publicly available?

A: The operator will determine what format and how this information is made available to the public.

QD10: I understand that the OEM shouldn't be the 3rd Party, but does that prohibit a drilling contractor from sending his stack to the OEM?

A: The contractor can send its stack to the OEM for inspection or any other purpose, but the OEM cannot provide the certification. The contractor can provide the results from the OEM's review to a 3rd party for the 3rd party's certification.

QD11: Is it sufficient for the OEM to take possession of the stack, have the end user or operator there for a witness, and have an independent 3rd party witness?

A: Yes. As long as the 3rd party certifies it.

QD12: Can Operators delegate public information requirements to drilling contractors for their BOP equipment so that MODUs and Platform Rig equipment is always posted for the rig?

A: Operators may make the certification public in whatever manner they choose, but BOEM will also make the certifications public.

E. BOP Inspection, Maintenance, and Repair for All Wells
(This section applies to all BOP stacks in all water depths)

QE1: Where should the records for the maintenance and inspections of the BOP systems be kept?

A: The records for maintenance and inspections of the BOP systems should be kept on the rig.

QE2: Are the BOP maintenance and inspection records required to be kept for all rig activity?

A: Yes, BOP maintenance and inspection records should be kept for all rig activity, including drilling, workover, completion, and abandonment activity.

QE3: Will Contractors be required to perform and record "between-well inspections" and record that information as required by API RP 53 which is referenced in the CFR?

A: Operators must maintain and inspect BOP systems in accordance with 30 CFR 250.446(a), which requires compliance with several sections of API RP 53 (incorporated by reference at 30 CFR 250.198).

QE4: Will suppliers of BOP equipment (i.e. Rental Companies) be required to have a new 3rd Party Certification done on the equipment before it is put in use if there are no maintenance records to augment previous certifications?

A: Yes. If you do not have all of the maintenance and inspection documentation required by 30 CFR 250.450, then the equipment must be recertified and a major inspection (tear down) as required by API RP 53 must be conducted prior to use. The independent 3rd party can witness/certify, but does not necessarily do the physical work.

QE5: Once a BOP stack has been recertified, should we keep maintenance records thereafter and do they have to be kept updated?

A: The maintenance records must be kept on the facility since the last certification or major inspection (as defined in API RP 53 Sections 17.10.3 and 18.10.3), whichever is older.

F. BOP Compatibility Verification for All Wells
(This section applies to all BOP stacks in all water depths)

QF1: Once the BOP system has been inspected and verified by an independent 3rd party for compatibility with the equipment on the rig and the shearing capacity of the blind-shear rams has been verified, will any further 3rd verification be required for subsequent wells drilled utilizing the same equipment and within the rated capacity of the BOP system?

A: Yes. The certification that the shear rams are appropriate for the well can be based on previous certification if the same drillpipe is used under similar conditions. However, on each new Permit to Drill, you must address in the independent 3rd party certification that the BOP is designed for the specific well location and execution plan. This submittal also requires that you provide independent 3rd party certification to assure that the BOP stack has not been compromised or damaged from previous service. The certification related to assurance that the stack has not been compromised or damaged from previous service may be submitted with a revised permit.

QF2: Does the compatibility verification require a review of documentation, maintenance records, and planning documents or does it require a physical or mechanical inspection of the BOP system?

A: This section requires a document review, not a physical inspection.

QF3: Do these compatibility requirements apply to surface BOPs on jack-up drilling rigs and platform rigs?

A: No, these requirements only apply to subsea BOPs and surface BOPs on floating platforms.

QF4: What qualifies a company or individual as an "independent 3rd party" capable of these certifications?

A: A technical classification society or an American Petroleum Institute (API) licensed manufacturing/inspection/certification firm or licensed professional engineering firm will qualify as an "independent third party" under the NTL, capable of providing the verifications required for BOP compatibility and blind shear ram capability, if:

- Such firm is reputable, and the firm or its employees hold appropriate licenses (e.g. engineering) to perform this work in the appropriate jurisdiction, and the firm carries industry-standard levels of professional liability insurance and has no record of violations of applicable law (or ethical guidelines) and is willing to sign a certification under penalty of perjury; and
- The firm allows an official representative of the BOEM access upon request to the place where tests and inspections take place, to verify the information submitted in the application, or to witness tests and inspections.

QF5: The section on BOP compatibility verification references "drilling" only. Please confirm that this section does not apply to completions, workovers, or abandonments.

A: The BOP compatibility verification is only required for drilling; this section does not apply to completions, workovers, or abandonments.

QF6: Please confirm the OEM cannot be considered a 3rd Party for BOP verification and/or Shear Ram certification.

A: The OEM cannot be considered an independent 3rd party for BOP or blind-shear ram verification. Information supplied by the OEM can be used by the 3rd party for verification purposes if the 3rd party agrees with the results.

G. Secondary Control System Requirements and Guidelines for Subsea BOP Stacks (This section applies only to subsea BOP stacks)

QG1: The NTL states the following: "Your emergency shut down system must be powered by a separate and independent rechargeable subsea accumulator bank with sufficient capacity to close as a minimum one set of blind shear rams." What exactly is required?

A: The subsea accumulator bank must be able to close a blind shear ram without assistance from the surface accumulator system. The system must be capable of being recharged from the surface.

H. ROV Hot Stab Function Testing of the ROV Intervention Panel (This section applies only to subsea BOP stacks)

QH1: Does the requirement to notify the District Manager 48 hours before we begin testing the BOP only apply to stump tests or does it apply to subsea tests as well?

A: The notification requirement applies only to the stump tests.

QH2: Does the requirement to record and submit the results of the performance and function tests to the District Manager only apply to stump tests or does it apply to subsea tests as well?

A: The notification requirement applies only to the stump tests.

I. Verification that Blind Shear Rams will Shear Pipe in the Hole (This section applies to all BOP stacks in all water depths)

QI1: Do the verification of shearing requirements extend to all blind/shear rams including coiled tubing and hydraulic workover units?

A: Yes, it applies to all blind shear rams.

QI2: Does the verification of shearing requirements extend to both surface and subsea BOP stacks?

A: Yes, it applies to all blind shear rams on both surface and subsea BOP stacks.

QI3: What qualifies a company or individual as an "independent 3rd party" capable of these certifications?

A: A technical classification society or an American Petroleum Institute (API) licensed manufacturing/inspection/certification firm or licensed professional engineering firm will qualify as an "independent third party" under the NTL, capable of providing the verifications required for BOP compatibility and blind shear ram capability, if:

- Such firm is reputable, and the firm or its employees hold appropriate licenses (e.g. engineering) to perform this work in the appropriate jurisdiction, and the firm carries industry-standard levels of professional liability insurance and has no record of violations of applicable law (or ethical guidelines) and is willing to sign a certification under penalty of perjury; and
- The firm allows an official representative of the BOEM access upon request to the place where tests and inspections take place, to verify the information submitted in the application, or to witness tests and inspections.

QI4: For the verification showing that the blind shear rams installed in the BOP stack are capable of shearing the drill pipe in the hole under the maximum anticipated surface pressure (MASP) – should we be using the maximum anticipated BOP pressures instead of MASP for subsea stacks?

A: You can use MASP for the verification of blind shear ram capability for subsea stacks – the MASP is at the subsea stack.

QI5: Is the verification that blind-shear rams will shear drill pipe also applicable to the shearing of tubing in the event of abandonment operations?

A: Yes, the blind-shear rams must shear tubing in abandonment operations.

QI6: What is acceptable to confirm shear ram cutting capability?

A: Actual shear test results are required. At a minimum this may be accomplished by supplying the following:

1. Test results of all pipe to be used in the well, test results from the pipe that would require the highest shear pressure that you would use in your well, or test results from pipe that requires a higher shear pressure than any pipe you plan to use in the well.
2. Calculations of shearing capability of all pipe to be used in the well including correction for MASP.
3. Independent third-party verification.

QI7: Does BOEM require notification and witnessing of shear testing?

A: No. Notification is not required; however, BOEM requests notification so it can choose whether to witness the testing.

QI8: Can an operator provide a 3rd-party verification of the blind-shear ram capability to shear the drill pipe based on tests conducted on similar pipe with similar blind-shear rams?

A: Yes, as long as the actual tests were conducted on pipe stronger than the pipe proposed for the operation; and with blind-shear rams of the same make, model, and size as proposed for the operation. Also, you need to explain why the pipe the actual shear test was performed on is the more difficult to shear than the different pipe you will be using for your proposed job.

QI9: Please confirm the OEM cannot be considered a 3rd Party for Shear Ram certification.
A: The OEM cannot be considered an independent 3rd party for BOP Blind-Shear Ram verification. Information supplied by the OEM can be used by the 3rd party for verification purposes if the 3rd party agrees with results.

QI10: Please confirm that physical shear ram testing can be performed at atmospheric pressure in water.

A: Physical shear ram testing can be performed at atmospheric pressure in water.

QI11: Please confirm that an acceptable test constitutes shearing of the pipe and sealing of the wellbore to achieve both a low pressure test and high pressure test after pipe shear and the high pressure test must meet or exceed anticipated MASP or equal BOP Working Pressure.

A: Correct

QI12: Is only one successful shear test required?

A: Yes. Only one is required.

J. BOP Inspection and Testing after Well Control Event for All Wells
(This section applies to all BOP stacks in all water depths)

QJ1: What does "fully controlled" mean in the following: "If you activate your blind-shear rams or casing shear rams in a well control situation in which pipe or casing was sheared, you must inspect and test the BOP stack and its components after the situation is fully controlled."? If in open hole, can you drill to the next casing point?

A: No. If you have sheared pipe while in the open hole, you must control the well, secure the well with appropriate plugs and retrieve the stack and physically inspect the shear rams and retest the entire stack before resuming drilling operations.

K. Well Design and Construction for All Wells
(This section applies to all drilling wells in all water depths)

QK1: Which "registered" professional engineer (PE) license is acceptable – civil, electrical, mechanical, industrial, or any other field?

A: Any PE that the operator has determined is capable of reviewing and certifying that the casing design is appropriate for the purpose for which it is intended under expected wellbore conditions is acceptable.

QK2: What does it mean to have all well casing designs and cementing program/procedures "certified"?

A: It means that the design of the item under discussion, such as the casing, well, or cement, can operate under expected well conditions (pressure, temperature, type of fluids).

QK3: How does an operator certify a casing program?

A: The operator submits the letter of certification from the PE, along with the analysis that was conducted. The letter should not be submitted by the PE.

QK4: How are cementing procedures certified?

A: The operator needs to have a PE certify the cementing procedures are adequate for the well being drilled.

QK5: How closely must the operator stick to the procedure submitted? How much can the operator deviate from the procedure before the PE certification is voided?

A: The operator should not deviate from the submitted procedure. If deviation is needed, the operator must contact the appropriate District.

QK6: Do we send the BOEM District Manager the morning report or is a statement verifying that dual mechanical barriers were installed sufficient?

A: Instead of these options, you can submit this information in the End of Operations Report (EOR).

QK7: Do the requirements under Well Design and Construction for All Wells apply to new wells, bypasses, and/or sidetracks?

A: Yes, all three.

QK8: Do the requirements for the dual mechanical barriers only apply to "final casing string" and not all casing strings? Confirm if they are also applicable to final casing string if a liner.

A: The requirements for the dual mechanical barriers only apply to the final casing string and to a liner if the final casing string is a liner.

QK9: Please confirm that all wells drilled in OCS waters regardless of water depth, well depth or expected pressure will require a casing & cementing design review by a Professional Engineer.

A: Correct. For clarification it must be a Registered Professional Engineer, registered in a State in the United States.

QK10: According to the NTL, the verification that the hanger latching mechanisms are engaged on SS wellheads and dual mechanical barriers are installed does not require Professional Engineer certification.

A: Correct. Operators must ensure the hanger latching mechanisms or lock-down mechanisms are engaged at the time the casing is installed in the subsea wellhead and must verify the installation of dual mechanical barriers in addition to cement to prevent flow in the event of a failure in the cement. However, these verifications are not required to be certified by a Professional Engineer.

QK11: Please confirm that BOEM will require the Well Design Certification Letter when the APD is submitted.

A.: Yes – the certification by the Professional Engineer is required to be

submitted with the drilling permit.

QK12: Does the Professional Engineer need to be a 3rd Party?

A: No – the Professional Engineer does not need to be an independent 3rd party. The Professional Engineer must conform to the requirements of FAQ QK1 and be registered in a State in the United States.

L. Submittal of Revised Application for Permit to Drill (APD)s or Application for Permit to Modify (APM)s

QL1: If I already have an approved APD/APM and have not started drilling, can I submit the additional information discussed in this NTL initially in a revised permit (RPD/RPM)?

A: Yes, you may submit the additional information initially as part of a Revised Permit to Drill/Revised Permit to Modify.

QL2: Please confirm if the "10 days to review the information" specified in the NTL on page 6 are "calendar" or "business" days.

A: The 10 days referred to in this section are business days.

QL3: Can operators move rigs onto previously approved well locations (EP and APD approved prior to issuance of NTL 2010-N06) and commence operations without the submittal of the certifications listed in NTL 2010 N05?

A: No, if the work had not started as of May 27, 2010, operators must comply with NTL 2010-N05.