

REGULATORY ALERT

Issue Date: December 29, 2017

Alert No. 2017-011

ISSUE:

The **Bureau of Safety and Environmental Enforcement (BSEE)** proposes to amend the regulations regarding oil and natural gas production to reduce certain unnecessary regulatory burdens imposed under the existing regulations, while correcting errors and clarifying current requirements. Accordingly, after thoroughly reexamining the current regulations, and based on experiences from the implementation process, and BSEE policy, BSEE proposes to amend, revise, or remove current regulatory provisions that create unnecessary burdens on stakeholders while maintaining or advancing the level of safety and environmental protection.

SUMMARY:

This proposed rule would amend and update the 30 CFR part 250, subpart H, Oil and Gas Production Safety Systems regulations. This proposed rule would fortify the Administration's objective of facilitating energy dominance through encouraging increased domestic oil and gas production, by reducing unnecessary burdens on stakeholders while maintaining or advancing the level of safety and environmental protection. Since 2010, the Department has promulgated several rulemakings (*e.g.*, Safety and Environmental Management Systems (SEMS) I and II final rules, the final safety measures rule, the annular casing pressure management final rule, and the blowout preventer systems and well control final rule) to improve worker safety and environmental protection. On September 7, 2016, the Department published a final rule substantially revising Subpart H—Oil and Gas Production Safety Systems (81 FR 61834). That final rule addressed issues such as production safety systems, subsurface safety devices, and safety device testing. These systems play a critical role in protecting workers and the environment. Most of the provisions of that rulemaking took effect on November 7, 2016. Since that time, BSEE has become aware that certain provisions in that rulemaking created potentially unduly burdensome requirements to oil and natural gas production operators on the OCS, without significantly increasing safety of the workers or protection of the environment. While implementing the requirements from the previous rulemaking, BSEE reassessed a number of the provisions in the original rulemaking and determined that some provisions could be revised to reduce or eliminate some of the concerns expressed by the operators, reducing the burden, while providing the same level of safety and protection of the environment.

This proposed rulemaking would primarily revise sections of 30 CFR part 250, subpart H—Oil and Gas Production Safety Systems that address the following requirements in the current Subpart H regulations:

- Update the incorporated edition of standards referenced in subpart H.
- Add gas lift shut down valves (GLSDVs) to the list of safety and pollution prevention equipment (SPPE).
- Revise requirements for SPPE to clarify the existing regulations, and remove the requirement for operators to certify through an independent third party that each device is designed to function in the most extreme conditions to which it will be exposed and that the device will function as designed. Compliance with the various required standards (including American Petroleum Institute (API) Spec Q1, American National Standards Institute (ANSI)/API Spec. 14A, ANSI/API RP 14B, ANSI/API Spec. 6A, and API Spec. 6AV1) ensures that each device will function in the conditions for which it was designed.
- Clarify failure reporting requirements.

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- Clarify and revise some of the production safety system design requirements, including revising the requirements for piping schematics, simplifying the requirements for electrical system information, clarifying when operators must provide certain documents to BSEE, and clarifying when operators must update existing documents.
- Clarify requirements for Class 1 vessels.
- Clarify requirements for inspection of the fire tube for tube-type heaters.
- Clarify the requirement for notifying the District Manager before commencing production.
- Make other conforming changes to ensure consistency within the regulations and minor edits.

RECOMMENDED ACTIONS:

Submit comments by January 29, 2018. BSEE may not fully consider comments received after this date. You may submit comments to the Office of Management and Budget (OMB) on the information collection burden in this proposed rule by January 29, 2018. The deadline for comments on the information collection burden does not affect the deadline for the public to comment to BSEE on the proposed regulations.

AGENCY:

Department of The Interior – Bureau of Safety and Environmental Enforcement (BSEE)

REFERENCED CITATION:

30 CFR Part 250 Subpart H

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