
Interior Releases Final Rule for Blowout Prevention Systems and Well Control in Offshore Drilling Operations

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On April 14, 2016, the Department of the Interior (DOI), through the Bureau of Safety and Environmental Enforcement (BSEE), released a final rule establishing requirements for certain offshore oil and gas drilling, completion, workover, and decommissioning processes that are designed to enhance safety and minimize well-control incidents. The rule implements recommendations developed in part from investigations into the 2010 *Deepwater Horizon* incident.

The final rule increases the regulatory requirements applicable to the use of blowout preventers (BOPs) and other well-control processes in offshore oil and gas operations. Key aspects of the final rule include:

- Adopting and requiring compliance with the latest industry standards for BOPs, which establish minimum baseline requirements for design, manufacture, performance, and maintenance.
- Requiring inspection (including physical inspection every five years), maintenance, and repair of BOPs and related equipment to promote reliability.
- Requiring use of dual shear rams in deepwater BOPs as a failsafe in an emergency event requiring the shearing of a drill pipe.
- Mandating use of BOP technology that allows for better shearing performance through the centering of the drill pipe in the shear rams.
- Imposing real-time monitoring requirements to serve as an “additional pair of eyes” for ongoing well operations to enhance safety and protect the environment.
- Requiring pressure testing at least once every 14 days for workover and decommissioning operations.

The final rule incorporates several changes from the proposed version (published in April 2015) in response to industry concerns and to provide greater flexibility. One such change relates to a requirement for complete breakdown and inspection of a BOP and all associated components every five years; while the proposed rule prohibited a phased approach, the final rule permits inspections of each component to occur in intervals.

BSEE also held off on imposing certain requirements where technical and economic data simply wasn't available to conduct sufficient analysis, such as technology that would improve the ability of a BOP to sever a drill string to shut-in the well and prevent a catastrophic blowout. Due to the technological advances that would be required to achieve compliance and the uncertainty surrounding potential development of such technology, BSEE ultimately decided to postpone a decision on certain severing requirements until better information is available (and noted that it plans to make a decision within seven years).

Operators must be able to demonstrate compliance with the majority of the requirements in the new rule on the date it becomes effective (i.e., 90 days after the final rule is published in the Federal Register). However, DOI has set longer deadlines for compliance with eleven specified mandates that may prove more difficult to implement; for instance, operators have five years from the final rule publication date to install dual shear rams on subsea BOPs. Offshore operators should carefully review the final rule, available [here](#), to ensure timely compliance with new requirements.