

**UNITED STATES DEPARTMENT OF THE INTERIOR
MINERALS MANAGEMENT SERVICE
GULF OF MEXICO OCS REGION**

NTL No. 2006-G10

Effective Date: May 19, 2006
Expiration Date: November 30, 2006

NOTICE TO LESSEES AND OPERATORS OF FEDERAL OIL, AND GAS LEASES IN THE
OUTER CONTINENTAL SHELF (OCS), GULF OF MEXICO OCS REGION

**Interim Guidelines for Moored Drilling Rig Fitness Requirements
for the 2006 Hurricane Season**

This Notice to Lessees and Operators (NTL) is issued pursuant to 30 CFR 250.103 and provides guidance on the information you must submit with your Form MMS-123, Application for Permit to Drill (APD), to demonstrate the fitness of any moored drilling rig you will use to conduct operations in the Gulf of Mexico (GOM) OCS during the 2006 hurricane season. As required by 30 CFR 250.417(a), this information must demonstrate that the associated moored drilling rig is capable of performing at the proposed drilling location. The Minerals Management Service (MMS) Gulf of Mexico OCS Region (GOMR) will use the recommendations in the American Petroleum Institute's (API) newly developed *Recommended Practice 95F, Interim Guidance for Gulf of Mexico MODU Mooring Practice – 2006 Hurricane Season (API RP 95F)*, to guide our review and evaluation of the information and data that demonstrate the moored rig's capability to perform at the proposed location. The MMS GOMR highly recommends that you follow the recommendations in API RP 95F as you prepare APD's to conduct drilling operations during the 2006 hurricane season. Failure to follow the recommendations in API RP 95F may delay the approval of an APD or result in disapproval. This guidance also applies to moored rig operations you conduct under Form MMS-124, Application for Permit to Modify (APM).

Background

The effects of Hurricanes Ivan, Katrina, and Rita during the 2004 and 2005 hurricane season were detrimental to oil and gas operations on the OCS. These effects included structural damage to fixed production facilities, semi-submersibles, and jackups. During Hurricanes Ivan, Katrina, and Rita, there were nineteen moored rigs that experienced a total failure of station-keeping ability. Additionally, there were several jack-up rigs that were unable to keep station through these storms. Interim guidelines for improved jack-up rig station-keeping are addressed under NTL No. 2006-G09.

Fortunately, these hurricanes did not cause any loss of life or significant pollution because of industry's ability to secure wells and evacuate personnel successfully. However, the MMS GOMR is concerned about the loss of these facilities and rigs, as well as the potential for catastrophic damage to key infrastructure and the resultant pollution from future storms. In an effort to reduce these effects, real and potential, the MMS GOMR has set forth guidance to ensure compliance with 30 CFR 250.417 and to improve performance in the area of moored rig station-keeping during the environmental loading that may be experienced during hurricanes.

Industry, the U.S. Coast Guard, and MMS have worked together to develop *interim* recommended practices for the use of moored rigs during the 2006 hurricane season to ensure that consistent proper site assessments are performed and minimum design return periods are provided across the GOM in an effort to decrease the amount of moored rig failures during hurricanes. These *interim* guidelines are set forth in API RP 95 F.

Scope

This guidance covers drilling, workover, or completion operations conducted by moored rigs during the 2006 hurricane season. All moored rigs that will be used to drill, complete, or workover a well under an APD or APM after the effective date of this NTL are covered by the requirements set forth below. The moored rig information required for permitting a well during the 2006 hurricane season relates primarily to mooring design issues and the performance of risk assessments and mitigations.

If you already have an approved APD or APM and you plan to use a moored rig to drill or conduct other well operations between June 1 and November 30, 2006, you must submit a Revised Permit to Drill for a previously approved Application for Permit to Drill or a Revised Permit to Modify for an approved Permit to Modify to the appropriate District Supervisor. The submitted RPD or RPM shall address items 1-6 as outlined below in "Moored Drilling Rig Fitness."

Moored Drilling Rig Fitness

The MMS GOMR has determined that the level of detail and recommendations set forth in the newly developed API RP 95F will help to bring about the sought after improvement in performance for the 2006 hurricane season. Therefore, MMS GOMR will use API RP95F to review and evaluate the information submitted with each APD or APM. The MMS GOMR highly recommends that you follow these same recommendations as you prepare APD's and APM's for operations you will conduct during the 2006 hurricane season.

The minimum information you must provide in your APD's or APM's to demonstrate compliance with the requirements of 30 CFR 250.417(a), shall include the following:

1. A statement that documents that you have provided or will provide appropriate site-specific data (potential installation hazards, and surrounding surface and subsea infrastructure) to the rig contractor to allow the best location for the rig and mooring system to be established prior to moving on location.
2. A completed Risk Assessment Checklist (see Appendix II of API RP 95F), conducted in accordance with Section 5.2.1 of API RP 95 F. If a full risk based approach, conducted in accordance with Section 5.2.2 of API RP 95 F, is conducted a summary of the risk exposure and all mitigations taken shall be submitted as well.
3. A statement that documents that you have provided or will provide site-specific metocean data (using the criteria in Section 4.2.1 of API RP 95F), including winds, waves, currents, storm surge, and tides, to the rig contractor prior to moving the rig on location to facilitate proper mooring of the rig on location. In lieu of site-specific data, the use of the generic data depicted in Section 11.1 of API RP 95F may be used.
4. Specifics on the type of anchors being used within the mooring system and their holding capacities calculated in accordance with Section 5.2.2 of API RP 95F, and a mooring diagram with a description of the subsea infrastructure within a 10-mile radius, including pipelines, fixed facility mooring lines, other MODU mooring lines, subsea equipment (templates, PLETs, subsea tie-ins, etc.), and any other infrastructure.
5. Information from the rig contractor that documents the results of the last mooring inspection completed. Inspection of steel mooring components, shall be conducted in accordance with the procedure and schedule in API RP 2I or per similar criteria specified by the moored MODU owner.
6. Any additional information that would possibly further mitigate identified risks or otherwise alter these moored rig fitness requirements for the 2006 hurricane season.

Paperwork Reduction Act of 1995 Statement

The information collection referred to in this NTL is intended to provide clarification, description, or interpretation of requirements contained in 30 CFR 250, subpart D, Oil and Gas Drilling Operations. The Office of Management and Budget (OMB) has approved the information collection requirements in these regulations under OMB control number 1010-0141. This NTL does not impose additional information collection requirements subject to the Paperwork Reduction Act of 1995.

Contacts

Please direct any questions you may have regarding this NTL to the Drilling Engineer in the respective MMS GOMR District Office, as listed below:

| District | Engineer | Phone Number | Email |
|-----------------|-----------------|---------------------|--|
| New Orleans | David Trocquet | 504-736-2506 | david.trocquet@mms.gov |
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