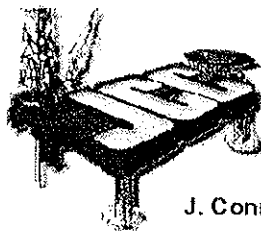


Gulf Coast Environmental Affairs Group

Regulatory Update March 2010

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Federal Register

1. Modification to 2008 National Pollutant Discharge Elimination System (NPDES) General Permit for Stormwater Discharges Associated With Construction Activities	
Agency: Environmental Protection Agency	Published: January 28, 2010
Action Detail: Notice	Citation: None
Date Description: EPA is extending the permit by one year. The 2008 Construction General Permit will now expire on midnight June 30, 2011, instead of June 30, 2010.	
EPA Regions 1, 2, 3, 5, 6, 7, 8, 9, and 10 are modifying the 2008 NPDES general permits for stormwater discharges associated with construction activity in order to extend by one year the expiration date of the permit. The 2008 CGP was originally issued for a period of two (2) years. EPA is modifying the CGP in order to extend the 2 year term of the 2008 CGP by one year so that it expires on June 30, 2011, instead of June 30, 2010, resulting in a permit that will be in effect for a total period of three (3) years. By Federal law, no NPDES permit may be issued for a period that exceeds five (5) years.	

2. OCS Central Planning Area Gulf of Mexico Oil and Gas Lease Sale 213	
Agency: Minerals Management Service	Published: February 12, 2010
Action Detail: Final Notice of Sale 213	Citation: None
Date Description: Public bid reading for the CPA Oil and Gas Lease Sale 213 will begin at 9 a.m., Wednesday, March 17, 2010, at the Louisiana Superdome.	
On Wednesday, March 17, 2010, the MMS will open and publicly announce bids received for blocks offered in CPA Oil and Gas Lease Sale 213. Please Note: Starting with this sale, MMS is revising the lease terms for blocks in water depths of 400 meters to less than 1,600 meters.	
<ul style="list-style-type: none"> • Blocks in 400 to less than 800 meters change from an initial 8-year lease term (where a well has to be spudded within the first 5 years of the initial 8-year term to avoid lease cancellation) to a 5-year initial lease term (where spudding a well within the initial lease term would automatically extend the lease term to 8 years). • Blocks in 800 to less than 1,600 meters change from a 10-year initial lease term to a 7-year initial lease term (where spudding a well within the initial lease term would automatically extend the lease term to 10 years). 	

3. Requirements for Subsurface Safety Valve Equipment	
Agency: Minerals Management Service	Published: January 11, 2010
Action Detail: Final rule	Citation: None
Date Description: This final rule is effective on February 10, 2010	
The MMS is incorporating by reference the Eleventh Edition of the API's Spec 14A for Subsurface Safety Valve Equipment into its regulations because it updated the design validation and functional testing requirements, incorporated new design changes, and corrected ambiguous areas open to misinterpretation. The rule will also require that lessees and operators provide supporting design verification information for subsurface safety valves intended for use in high pressure high temperature environments.	



4. Outer Continental Shelf Civil Penalties	
Agency: Minerals Management Service	Published: January 8, 2010
Action Detail: Notice	Citation: None
<p>The OCSLA requires the MMS to review the maximum daily civil penalty assessment for violations of regulations governing oil and gas operations in the OCS at least once every 3 years. This review ensures that the maximum penalty assessment reflects any increases in the Consumer Price Index as prepared by the Bureau of Labor Statistics, U.S. Department of Labor. After conducting the required review in August 2009, the MMS determined that no adjustment is necessary at this time.</p>	

5. Pipeline Safety: Random Drug Testing Rate	
Agency: Pipeline and Hazardous Materials Safety Administration	Published: February 26, 2010
Action Detail: Notice of Minimum Annual Percentage Rate for Random Drug Testing	Citation: None.
<p>PHMSA has determined that the minimum random drug testing rate for covered employees will remain at 25% during calendar year 2010.</p>	

6. Pipeline Safety: Implementation of Revised Incident/Accident Report Forms for Distribution Systems, Gas Transmission and Gathering Systems, and Hazardous Liquid Systems	
Agency: Pipeline and Hazardous Materials Safety Administration	Published: February 3, 2010
Action Detail: Notice; Issuance of Advisory Bulletin	Citation: None
<p>This notice advises owners and operators of gas pipeline facilities and hazardous liquid pipeline facilities that the incident/accident report forms for their pipeline systems were recently revised and should be used for all incidents and accidents occurring on or after January 1, 2010.</p> <p>Until PHMSA completes development of a new electronic online data entry system for the new forms (approximately March 1, 2010) operators should file hard copy forms for incidents/accidents occurring on or after January 1, 2010.</p>	

7. Pipeline Safety: Leak Detection on Hazardous Liquid Pipelines	
Agency: Pipeline and Hazardous Materials Safety Administration	Published: January 26, 2010
Action Detail: Notice; Issuance of Advisory Bulletin	Citation: None
<p>PHMSA is issuing this Advisory Bulletin to advise and remind hazardous liquid pipeline operators of the importance of prompt and effective leak detection capability in protecting public safety and the environment. The operating plans and procedures required by the pipeline safety regulations should include the performance of an engineering analysis to determine if a computer-based leak detection system is necessary to improve leak detection performance and line balance processes. If an operator that does not have a computer-based leak detection system performs an engineering analysis and determines that such a system would not improve leak detection performance and line balance processes, the operator should perform the periodic line balance calculation process outlined in this bulletin and take any other necessary actions required to ensure public safety and protect the environment.</p>	



8. Carbon Dioxide Fire Suppression Systems on Commercial Vessels; Proposed Rule	
Agency: United States Coast Guard	Published: February 24, 2010
Action Detail: Notice of proposed rulemaking	Citation: None
Date Description: Comments due May 25, 2010	
<p>The Coast Guard proposes to amend the current regulations for fire suppression systems on several classes of commercial vessels (including MODUs, offshore supply vessels and others). The amendments would clarify that approved alternatives to carbon dioxide systems may be used to protect some spaces on these vessels and would set general requirements for alternative systems.</p> <p>Additionally, new and existing carbon dioxide systems, when used in spaces that can be accessed by persons onboard the specified commercial vessels, would need to be equipped with lockout valves and olfactory additives to protect persons in the event of a carbon dioxide discharge.</p>	

9. Public Workshop on Marine Technology and Standards	
Agency: United States Coast Guard	Published: February 23, 2010
Action Detail: Notice	Citation: None
Date Description: The workshop will be held on July 29-30, 2010.	
<p>The American Society of Mechanical Engineers (ASME) and the USCG are holding a two-day public workshop in Washington DC on marine technology and standards. This workshop will provide an opportunity for classification societies, industry groups, standards development organizations, government organizations, and other interested members of the public to have a professional exchange of information. The following is an abbreviated list of meeting topics for the panel sessions. For the full list, please see the FR</p> <ul style="list-style-type: none"> • Green Ship Technology • Offshore Marine Structures • Codes & Standards • Material Selection for the Marine Environment • Risk/Hazard Mitigation • Regulatory/Classification/Governmental Issues • Emerging Technologies 	

Notices to Lessees

1. NTL 2010-G01	
Title: Clarification of Deep Gas Royalty Relief Regulation Regarding Natural Gas Liquids and Pipeline (Retrograde) Condensate	Effective Date: February 1, 2010
<p>This NTL supersedes and updates NTL No. 2004-G11. The royalty relief regulations at 30 CFR 203.0 and 30 CFR 203.30-49 suspend royalty on qualified deep gas production volumes, including gas associated with oil production, reported on OGOR-A. While sections 203.34(c) and 203.43(e)(3) state that the royalty suspension does not apply to oil and condensate volumes, the NTL clarifies that there is relief for natural gas liquids and pipeline (retrograde) condensate that are recovered from qualified deep gas production (reported as gas on OGOR-A).</p>	



2. NTL 2010-G02**Title: Well Records Submittal****Effective Date: March 3, 2010**

This NTL supersedes NTL Nos. 2006-G16 and 2006-G16 Addendum 1. In this new NTL, the MMS-GOMR defines the procedures on how lessees/operators submit well records required by 30 CFR 250.468 and 469, and clarifies the specific well records you must submit, the required submittal dates of the various well records, and the correct locations where you must send these well records. Additionally, this NTL now requires the submittal of digital Nuclear Magnetic Resonance (NMR) well log data.

This NTL applies to all wells that reach total depth on or after March 3, 2010, the effective date of this NTL.

3. NTL 2010-G03**Title: Wells (holes-in-the-ground) Without Assigned MMS API Numbers****Effective Date: February 11, 2010**

This NTL supersedes NTL 2006-G18 to continue the task of cleaning up historical data for wells in the GOMR. The primary objective of Historical Well Data Cleanup (HWDC) is to obtain missing data for wellbores that have not been assigned API numbers by the MMS.

MMS will contact operators to request records or data.

4. NTL 2010-N02**Title: MMS 2010 National SAFE Awards at OTC****Effective Date: March 4, 2010**

The MMS will present the National SAFE Awards at an OTC luncheon on May 6, 2010. Go to <http://www.mms.gov/awards/> or contact Debbie O'Brien at 703.787.1579 for additional information or reservations.

