The Bureau of Safety and Environmental Enforcement (BSEE) issued the Oil and Gas and Sulfur Operations in the Outer Continental Shelf – Blowout Preventer Systems and Well Control Final Rule in April 2016 (Well Control Rule).[1] The rule addresses the range of systems and equipment related to well control operations, and is intended to improve equipment reliability, building upon industry standards for blowout preventers and blowout prevention technologies. It also includes reforms in well design, well control, casing, cementing, real-time well monitoring and subsea containment. The rule includes technology-forcing provisions, i.e., it requires future deployment of technologically advanced equipment not presently available.

Key Messages

- The industry did not wait for BSEE to issue regulations to make major changes to equipment standards, operations and procedures. [2][3] Some, but not all, of the enhanced industry standards were considered in the development of the rule.
- As the owners of drilling rigs and blowout preventers, IADC members are acutely impacted by the rule.
- The rule was fast-tracked for political purposes. First proposed in 2015, it was finalized in April 2016 and went into effect on 28 July 2016. This fast-tracking contributed to the issuance of a rule that is technically flawed with numerous agency clarifications and interpretations required. BSEE acknowledges the need for such clarifications and interpretations, but has not responded to them in a timely manner. These flaws become more acute as the rule contemplates turning over effective enforcement to BSEE-accredited third parties (BAVOs).
- IADC, API and OOC continue to jointly press BSEE for needed technical clarifications and interpretations of the rule to ensure that there can be a clear and consistent understanding of the rule and that the understanding is shared with the BAVOs and that member companies can operate in compliance with the regulation.
- IADC continues to work with other trade associations to assess the rule’s implementation and to seek regulatory and/or legislative relief from provisions that exceed industry standards or for which deployable technology does not exist.

Resources

1. BSEE Well Control Rule: https://www.bsee.gov/guidance-and-regulations/regulations/well-control-rule
2. Drilling Contractor Five Years after Macondo: http://www.drillingcontractor.org/five-years-after-macondo-35001
3. API: FOLLOWING THROUGH: How Industry and Government are Improving the Safety of Offshore Energy Development in the Post-Macondo Era