



W&T OFFSHORE

July 27, 2018

U.S. Department of the Interior
Bureau of Safety & Environmental Enforcement
Office of the Director
1849 C Street NW
Washington, DC 20240

Re: Docket No. BSEE-2018-0002: *Oil and Gas and Sulphur Operations in the Outer Continental Shelf: Blowout Preventer Systems and Well Control Rule Revisions* - Comment on Proposed Rulemaking

Director Angelle:

W&T Offshore, Inc. (W&T) has been a lease owner and operator in the Outer Continental Shelf (OCS) for almost 30 years and we appreciate the opportunity to comment on the referenced proposed rulemaking regarding revisions to the Blowout Preventer Systems and Well Control Rule (WCR). The Well Control Rule was originally published April 29, 2016 and became effective on July 28, 2016. W&T, as an active operator in OCS before, during and since that time, has felt the impact of the regulatory burdens placed on the industry through implementation of the original WCR. The concerns that W&T and the industry expressed prior to publication of the original WCR regarding increased risks, increased cost burdens, unintended consequences and conflicting/confusing prescriptive regulations that provide no tangible safety benefit have all been confirmed. W&T has spent countless man-hours working to interpret, manage and comply with the overly-prescriptive regulations and administrative burdens imposed by the WCR, thus diverting these critical resources from their primary focus: safe and effective well engineering, planning, execution. The proposed revisions mitigate some of these concerns and issues, however there are still areas that further improvement can be made to move closer to achieving the stated goal of ensuring safety and environmental protection without creating unnecessary burdens on stakeholders.

W&T has continued to collaborate with Industry associations and colleagues to provide consolidated detailed comments, evaluate operational and safety impacts, and provide feedback on the risks associated with potential unintended consequences of the Proposed Rules. These are attached for reference. Some positive changes that W&T would like to highlight and comment on are:

- 1) Changes to casing and cementing requirements that recognize the commonality of having planned losses during many cement jobs and allowing

this to be pre-identified and any remedial contingencies addressed and approved in the initial APD.

- 2) Adoption of API Standard 65-2 centralization requirements helps clarify prior vague requirement to utilize “adequate centralization”.
- 3) Removal of platform/well shut-in requirements for lift boat mobilizations that have unnecessarily negatively impacted production from these typically marginal fields.
- 4) Elimination of the redundant BOP weekly function test requirements from both primary and secondary control stations (as opposed to alternating as recommended in API Standard 53) that increased wear and tear on the sealing components of the BOP.
- 5) Further alignment of BOP regulations with API Standard 53 4th Edition. W&T also supports adoption of the 21-day BOP testing frequency as detailed in Standard 53 and in alignment with global practices. This will further reduce unnecessary wear and tear on the sealing components of the BOP system and thus increase reliability.
- 6) Codification of the historically approved exception of allowing subsea wellheads to remain in place in water depths of 1000 feet or greater.

Some specific areas of further improvement or reconsideration are as follows:

- 1) Maintaining the prescriptive and arbitrary 0.5 ppg drilling margin between mud weight and fracture gradient (or casing shoe integrity test) does not enhance safety, but rather imposes challenges that could make certain wells technically or economically undrillable. It is more critical to insure that an equivalent downhole mud weight is maintained to insure hydrostatic pressure remains above pore pressure to manage potential for influx while remaining below fracture gradient. A less prescriptive and well-specific approach is needed as is proposed in the attached comment document.
- 2) The new requirement to have all intervention equipment for subsea completed wells “readily available, maintained in accordance with OEM recommendations, and available for inspection by BSEE upon requests” is overly prescriptive and will place an undue burden financially on operators. The subsea tree systems deployed in the GOM vary widely by manufacturer and design. Even similar models of subsea trees from the same manufacturer can require completely different intervention tooling. The intervention tools used on these systems are normally owned and provided by the subsea tree manufacturer/service provider on a rental “per job” basis. Typically, the subsea tree manufacturers will only build, store and maintain a limited number of these tool packages that are then redressed and deployed on an “as needed, when needed, where needed” basis, often globally. In order to guarantee specific tools are available at any time for BSEE

inspection upon request for the all the various subsea trees an operator may have in place will require each operator to purchase and/or continuously lease dedicate intervention tools packages and continue to pay to have these stored and maintained for life of that well. This requirement is unnecessary as significant planning is required for any type of subsea well intervention which would include mobilizing and preparing the appropriate interface tools for that specific operation. If an emergency loss of well containment event occurs on a subsea well, then it is unlikely that the interface tools referenced in the regulation would be applicable, rather the operator would activate its subsea well containment procedures as detailed in its BSEE approved Regional Containment Demonstration plan and other emergency response plans.

- 3) W&T and Industry do not concur with BSEE's conclusion that the provision or allowance for alternative cutting devices can be removed "because the currently commercially available shear rams...are capable of shearing these types of lines (ie: wire-, electric-, slick-line). OEMs do not currently offer wireline cutting capable shear rams for all the various surface BOP sizes and rated working pressures utilized in the GOM today. Recommend that the use of alternate cutting devices continue to be allowed in event a specific shear ram does not have that capability.
- 4) The regulation in §250.735(g)(2)(i) requiring remote-operated locking devices on surface BOP blind shear rams by April 29, 2019 should be removed. These types of devices are necessary by design for subsea BOPs due to inability to manually access the rams and engage locking devices, however manual access is not an issue on surface BOPs and the manual locking devices that have been successfully utilized for decades are sufficient to allow securing of these rams when necessary. Concerns are similar as for the wireline shear ram issue above. There are multiple surface BOP sizes and ratings that would require these modifications along with concerns about space issues to accommodate the modified locking systems depending on the rig size and type being utilized.
- 5) W&T (and likely other operators) continue to see increasing requests for more and more data from BSEE districts to be included in the Weekly Activity Reports (WARs) and End of Operation Reports (EORs). These continuous requests impose significant time burden on both administrative staff and engineering staff to comply with are often multiple repeated requests. It has been estimated recently that up to 15-20% of an engineer's time each week is being wasted trying to respond to these requests. This is time that these engineers could be more valuably applying to ensuring safe and effective planning and execution of these wells. The WARs and EORs need to be scaled back to be a summary of the activities accomplished during the specific time period as was historically provided and originally intended in the regulations.

W&T along with the entire Industry is committed to safe operations and supports

effective regulations that will improve the performance of blowout preventer systems and well control operations. W&T believes the comments provided above and by the joint industry workgroups in the attachment are of significant value to BSEE and, if adopted, will provide a better path towards continued safe and environmentally responsible exploration, development and production of our valuable natural resources.

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'D. M. Bump', with a stylized, flowing script.

David M. Bump
Vice President – Drilling, Completions and Facilities

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