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August 6, 2018

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Department of the Interior  
Bureau of Safety and Environmental Enforcement  
Attention: Regulations and Standards Branch  
45600 Woodland Road  
Sterling, VA 20166

Re: *Blowout Preventer Systems and Well Control Revisions, 1014-AA39*

Via electronic submission to: <http://www.regulations.gov/>

To Whom It May Concern:

Murphy Exploration and Production Company respectfully submits the following comments on the proposed regulatory revisions to Blowout Preventer Systems and Well Control requirements in 30 C.F.R. part 250. The Bureau of Safety and Environmental Enforcement (BSEE) published these proposed changes on May 11, 2018, in a notice of proposed rulemaking entitled, “Oil and Gas and Sulphur Operations in the Outer Continental Shelf—Blowout Preventer Systems and Well Control Revisions.”

Murphy has a long history of responsible operations in the Gulf of Mexico and around the globe. For over 56 years, our company has participated in offshore exploration and production in this region. We remain committed to safe operations and we support effective blowout preventer systems and well control regulations. However, we believe that previous iterations of the Well Control Rule created prescriptive new requirements that, in some instances, increased risk of harm to people and the environment.

We are encouraged by the President’s Executive Order 13795, outlining an “America-First Offshore Energy Strategy”, as well as the subsequent Secretarial Order 3350. Murphy supports the Administration’s view that “increased domestic energy production...strengthens the Nation’s security and reduces reliance on imported energy.” We continue to firmly believe that increased offshore production can take place in a manner that also protects employees and the environment.

As you undertake the President’s directive to review the 2016 Well Control Rule, we commend your efforts through this proposed rule to create an improved offshore regulatory regime. In this context, Murphy strongly suggests the following additional improvements:



- 1) **Allow a 21-day BOP testing interval, as described in API Standard 53;**
- 2) **Replace the current prescriptive 0.5 ppg drilling margin requirement with a performance based standard; and,**
- 3) **Allow Real Time Monitoring (RTM) operations to be defined by each company's RTM plan**

Murphy endorses the comments listed below and included in Attachment A, submitted by the American Petroleum Institute, the International Association of Drilling Contractors, the Independent Petroleum Association of America, the National Ocean Industries Association, the Offshore Operators Committee, the Petroleum Equipment & Services Association, and the US Oil & Gas Association. Murphy staff participated in the development of these comments with other technical experts across the oil and gas industry. In several instances, we provide brief additional commentary to the suggestions included in this attachment.

Additional details are provided below, regarding priority issues that do not advance safety and would result in the greatest negative impact on our industry. Additionally, BSEE has solicited, and industry has provided, input on specific aspects of the proposed revisions. We offer other detailed revisions to the original rule in Attachment A.

### **Drilling Margins**

The 2016 Well Control Rule set a prescriptive drilling margin requirement of 0.5ppg. Since that time, BSEE has recognized that it has approved operators' use of drilling margins that are less than the 0.5ppg margin in instances where the prescriptive margin was not fit for purpose. In this proposal, BSEE specifically requests comment on whether this requirement should be eliminated or revised to alternative standards such as a performance-based, well type, or water depth model. Murphy Exploration and Production Co. believes that replacing or supplementing the current requirement with a performance-based standard under which an approved safe drilling margin would be established on a case-by-case basis, based on data and analysis specific to a particular well, is a safe and better alternative. Such an alternative would provide a risk-based approach that ensures safety and provides investment certainty to the industry. The current 0.5 ppg margin is arbitrary and does not ensure safety. Attachment A provides alternative language for drilling margin requirements and attendant supporting rationale for BSEE's consideration.

### **API Standard 53**

The incorporation of API Standard 53 4<sup>th</sup> edition should also include Addendum 1 to Blowout Prevention Equipment Systems for Drilling Wells, Fourth Edition (July 2016). Industry is finalizing the 5th edition and once it is published, consideration for incorporation by reference should be taken to ensure the U.S. OCS is operating to the latest API standard for well control systems and is consistent with the remainder of operations around the world. It should be recognized that around the world complying with API Standard 53, latest edition, has resulted in safe and efficient operations across the board. Arbitrary requirements beyond API Standard 53 reduce safety by adding unnecessary complexity to the blowout prevention equipment systems.



### **BOP Equipment & Testing**

Industry requests that BSEE align the proposed changes to the Well Control Rule with the 21-day testing interval outlined in API Standard 53 4th Edition (July 2016). This 21-day period has proven to provide assurance of a safe and reliable system without causing premature wear on the equipment. The existing 14-day regulation requirement results in an additional 53% of testing over a 12-month period with a corresponding increase in wear of seals and packers. Industry believes that the testing frequency of API Standard 53 4th Edition (July 2016) is the optimum requirement for worldwide operations. The 21-day testing period of API Standard 53 (July 2016) aligns with the global practice and capabilities of the existing technology installed and utilized in the GOM.

Industry and BSEE recognize that there are technologies that exist, or are in development, that can provide the operator, owner, and OEM with data regarding the equipment's performance. The combination of existing technologies, API Standard 53 failure reporting, and the potential use of emerging technologies may lead to product and process advances that further improve safety and reliability. As these technologies become more widely proven, Industry will continue to review the test frequency requirement within future revisions of API Standard 53.

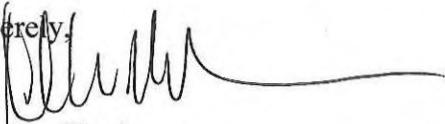
### **Real Time Monitoring (RTM)**

Industry recommends that RTM be applied to operations using subsea BOPs and surface BOPs from a floating rig defined by API Standard 53, which is already incorporated by reference into the regulations. This would clarify the intent of the RTM system and provide a clear and complete framework for RTM requirements.

With respect to specific operations under RTM (workover, completions, etc.), the covered operations will be defined by Murphy Exploration and Production Co.'s RTM plan, which takes into account the risk of the operation, the Murphy Exploration and Production Co. Safety and Environmental Management System framework, and alignment through the permitting activity for the specific operation. These types of operations are generally lower risk due to lower complexity, known bottom hole conditions, and in the case of decommissioning, non-flowing wells.

As BSEE continues to review offshore energy policy, we remain interested and available to discuss regulatory improvements that can successfully improve safety and environmental protections in the Gulf of Mexico, while also improving the prosperity and security of this great Nation. Please do not hesitate to contact me if you have any questions.

Sincerely,



Dale Bradford  
Vice President Global Drilling & Services