



KEY ADMINISTRATIVE ACTIONS IN RESPONSE TO DEEPWATER HORIZON

DRILLING SAFETY

30 day safety report after the initial explosion on the *Deepwater Horizon* results in a deepwater moratorium and suspends proposed exploratory drilling in the Arctic. (May 27th, 2010)

DOI's Safety Oversight Board releases their report; Salazar refers to it as his "blueprint forward." Recommendations include strengthen permitting, inspections, enforcement and environmental stewardship. (Sept. 1, 2010)

The deepwater drilling moratorium is lifted while requiring that operators possess the availability of containment resources in the event of a deepwater blowout and each operator's CEO must certify that the operator has complied with all applicable regulations including the new drilling safety rules. (Oct. 12, 2010)

Workplace Safety Rule

This rule changes a voluntary program into a requirement. Operators must develop and maintain a safety and environmental management system (SEMS) that identifies, addresses and manages operational safety hazards and impacts with the goal of promoting both human safety and environmental protection. These are based on recommendations from the Safety Measures Report. (Sept. 30, 2010)

Drilling Safety Rule:

Like the Workplace Safety Rule, this rule makes once voluntary standards into requirements. This rule requires some engineering and third party certification along with standards to enhance well bore integrity (the process of drilling, setting up the casing and cementing) and well control (greater standards for blowout preventers).

Exploration Plans:

Operators must show they are prepared to deal with a potential blowout and potential for worst-case discharge scenario in their Exploration Plans per NTL-06.

Well Bore Integrity

The new Drilling Safety Rule requires certification of cementing jobs by professional engineers; requires approval from a BOEM District Manager to replace a heavier drill fluid with a lighter fluid; and enhanced training for deepwater well personnel, among others. (Sept. 30, 2010)

Containment:

The first deepwater drilling permit is awarded to Noble Energy after the bureau reviewed its containment capability available for the specific well proposed in the permit application. Noble Energy contracted with the Helix Well Containment Group. (Feb. 28, 2011)

The fourth deepwater permit awarded went to ExxonMobil using the Marine Well Containment Company to satisfy the requirement of demonstrated capacity to contain a subsea blowout. (Mar. 22, 2011)

Blowout Preventers (BOPs):

To enhance well control, the Drilling Safety Rule requires third party certification of blind shear rams; remotely operated vehicle intervention capability on the BOP stack; minimum requirements for BOP operators, among others. This interim final rule was published in 75 FR 63346; and was open to public comment for 60 days. (Oct. 14, 2010)

DOI announces they will look at further improvements for BOPs in reaction to the forensic investigation of the *Deepwater Horizon* BOP that concluded a design flaw kept it from functioning correctly. (Apr. 5, 2011)

AGENCY REFORM:

By Secretarial Order 3299, MMS is reformed into three separate bureaus; Bureau of Ocean Energy Management (BOEM); Bureau of Safety and Environmental Enforcement (BSEE); and the Office of Natural Resources Revenue (ONRR). (May 19, 2010)

Secretarial Order 3302 eliminates MMS and creates the Bureau of Ocean Energy Management, Regulation and Enforcement (BOEMRE). (June 18, 2010)

Bromwich establishes an Investigations and Review Unit (IRU) to expedite his oversight and enforcement mandate. (June 23, 2010)

BOEMRE created 11 Implementation Teams tasked with analyzing various aspects of BOEMRE's regulatory structure and helping to implement the reform agenda; including recommendations from the Safety Oversight Board, the National Oil Spill Commission and National Academy of Engineering.

Secretarial Order 3306 – establishes the ONRR within the Office of the Assistant Secretary for Policy, Management and Budget, in an attempt to remove conflicts of interest between the permit office and revenue collection. (Oct. 1, 2010)

The Ocean Energy Safety Advisory Committee is established as a permanent advisory body of the nation's leading scientific, engineering, and technical experts to provide critical guidance on improving offshore drilling safety, well containment, and spill response. (Announced Jan., 2011; members announced Mar. 3, 2011)

As a result of the six month budget deal, BOEMRE is funded at \$239 million, \$58 million above the enacted level and the first funding increase BOEMRE has seen since the Deepwater Horizon oil spill. (Apr.12, 2011)

SCIENCE AND ENVIRONMENT:

President Obama appointed retired Navy Secretary, and former Mississippi governor, Ray Mabus to lead the development of a long term Gulf restoration plan. A Gulf Coast Restoration Task Force has been created, per recommendation of the report, to develop a restoration strategy agenda by Oct. 2011.

CEQ recommends that BOEMRE strengthen their application of NEPA procedures for the OCS, including conducting site specific analysis for individual well sites, ensuring decision-makers have NEPA

documents that provide a robust analysis of foreseeable impacts; and eliminating the 30 day review requirement for exploration plans. These recommendations have yet to be implemented. (Aug. 16, 2010)

Secretary Salazar issues Sec. Order 3305 establishing a policy to define the roles and responsibilities in upholding principles of scientific integrity and conduct. If applied effectively, this policy should ensure the integrity of the science and scientific products used in the Department's decision-making and policy development. (Sept. 29, 2010)