Key Rollbacks to Safety Standards

Compiled by Lois Epstein, The Wilderness Society, April 2020.

- Incorporates by reference <u>industry guidance</u> in several places
- 30 CFR § 250.414 – Allows drillers to be pre-approved for waivers to the "<u>safe drilling margin</u>" requirement before they seek drilling permits. The "drilling margin" concerns the pressure applied to a well to prevent oil and gas from erupting to the surface uncontrolled. It can be difficult to maintain a safe drilling margin when drilling deeper into high-pressure wells. Once a safe margin no longer can be maintained, drilling has to be stopped to avoid getting too close to a blowout situation. A waiver could allow drilling to continue as the risk of a blowout increases.
  - For drillers without a waiver, the original rule required suspending drilling once the safe drilling margin couldn't be maintained, and developing and implementing remediation actions before resuming drilling. The new rule allows drillers to instead keep drilling in accordance with an industry guidance document in those situations – 30 CFR § 250.427
- 30 CFR 250.423 – Allows drillers to proceed with well equipment installation before ensuring <u>integrity</u> of the well. This could result in proceeding with operations when a well is susceptible to failure.
- 30 CFR 250.724 – Eliminates several requirements for "<u>real-time monitoring</u>" of drilling operations in risky areas, and allows drilling operators to develop their own monitoring plans. "Real-time monitoring" is a system in which specialists on shore can monitor drilling conditions and alert rig personnel if they need to take immediate action to avert a loss of well control. The revisions would weaken the effectiveness of these systems.
- 30 CFR 250.730
  - Narrows the situations in which blowout preventer <u>performance must be assured</u>, from "at all times" to only during the most severe situations. This could mean the blowout preventer fails in a foreseeable, but not necessarily "expected" situation.
  - Provides drillers an extra 120 days to determine the cause of any <u>blowout preventer failures</u>. This can delay critical remedial actions by not only the driller, but also other operators using the same blowout preventer models (akin to delaying a product safety recall).
  - Allows drillers to submit information on blowout preventer failures to a <u>confidential third party</u> rather than providing the information to BSEE. This shields the information from the public and could even prevent BSEE from viewing the information.
- 30 CFR 250.732
  - Replaces <u>agency-approved independent inspection organizations</u> with third-parties chosen by industry. This weakens the critical degree of independence between inspectors and industry, and could result in inspections by parties with less rigorous standards.
  - Appears to eliminate <u>annual recertification</u> that blowout preventers are in compliance with necessary standards, which could result in situations where the equipment falls out of compliance over time

- Reduces the thoroughness of certain <u>blowout preventer tests</u>, which means the equipment might not be capable of working in certain situations despite passing the test (see also 30 CFR 250.737)

- 30 CFR 250.733
  - <u>Grandfathers</u> in existing drilling rigs from having to upgrade certain blowout preventer equipment
  - <u>Extends the deadline</u> for certain new drilling rigs to comply with new blowout preventer requirements for an additional 2 years.
- 30 CFR 250.734 – <u>Weakens blowout preventer requirements</u> related to cutting and sealing the drilling pipe in an emergency. The drilling pipe in the Deepwater Horizon buckled, which prevented the blowout preventers from operating properly.
- 30 CFR 250.737 – Allows drillers to get waivers to reduce the <u>frequency of blowout preventer tests</u> from every 14 days to every 21 days. This creates the possibility that the failure of a critical blowout preventer component might not be detected for up to an extra week, risking the chance that the blowout preventer might not function in an emergency.

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