



US finalise new well control rule

New requirements for blowout preventer systems and well control enter into force in the US on 28 July 2016. The new Rule introduces more stringent design requirements and operational procedures for critical well control equipment used in oil and gas operations on the US outer continental shelf.

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On 14 April 2016, the US Department of the Interior and the Bureau of Safety and Environmental Enforcement (BSEE) [announced](#) the release of its final Blowout Preventer System and Well Control Rule. The primary purpose of the Rule is to prevent future well-control incidents, including major incidents such as the DEEPWATER HORIZON, from happening in the future.

Industry trends

According to the BSEE, loss of well control (LWC) incidents are occurring at about the same rate five years after the DEEPWATER HORIZON as before that incident, despite new regulations and improvements in industry standards and practices having been introduced since that time. In 2013 and 2014, there were eight and seven LWC incidents each year respectively—a rate on par with pre-DEEPWATER HORIZON LWCs.

The Norwegian Petroleum Safety Authority paints a similar picture in their 2015 summary report (RNNP 2015). 15 LWCs were registered in 2015 of which 12 were categorized as low risk and three as medium risk. Although there is a reduction in the number of incidents from 2014 to 2015, there is still no significant reduction in the number of LWCs overall, despite industry and regulatory focus on the issue.

The authorities responsible for regulating offshore activities note that considerable effort is being made by the industry to address the technical operation of blowout preventers and related equipment used to control subsea wells; however, the human and organisational factors have also been identified as being equally important in well control.

The Final Rule

The Final Rule, published in [30 CFR 250](#), implements multiple recommendations which address various root causes found in the course of the investigation of the DEEPWATER HORIZON incident. The Rule focusses on blowout preventer (BOP) and well-control requirements, including the incorporation of industry standards and revision of existing regulations, and introduces reforms within well design, well control, casing, cementing, real-time well monitoring, and subsea containment.

According to the BSEE, the Rule requires that equipment must undergo rigorous testing to ensure it is in full working order and provides for the continuous oversight of operations. The overall aim of the Rule is to improve the reliability of the equipment and systems in place to protect workers' lives and the environment from the potentially devastating effects of blowouts and offshore oil spills.

The regulations combine prescriptive and performance-based measures to ensure that oil and gas companies, and offshore rig operators promote a greater culture of safety that minimises risk.

The proposed Rule covers issues such as:

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- Implementation of industry standards and recommendations related to well-control equipment.
- Increasing the performance and reliability of well-control equipment, especially BOPs.
- Improving regulatory supervision of the design, manufacture, maintenance, inspection, and repair of critical equipment.
- Gaining information on leading and lagging indicators of BOP component failures, identifying trends in those failures, and using that information to help prevent incidents.
- Ensuring that the industry uses recognised engineering practices, as well as innovative technology and practices to increase overall safety.

Recommendations

Gard's Members and clients engaged in drilling operations should note the above Rule changes, which have come about as a result of analysis of the causes of the DEEPWATER HORIZON incident, advances in industry standards, best practices and stakeholder outreach.

Members and clients are encouraged to focus on well integrity to reduce the risk of major accidents and pollution by:

- Conducting effective gap analysis of the interface between the operator and drilling contractor company systems to identify any lack of clarity in who has the ultimate responsibility for shutting the well and to avoid unacceptable delays of such a crucial decision.
- Facilitate and train all drilling personnel in barrier management to enable them to make the right judgement and decision should LWC incidents arise.
- Follow voluntary reporting protocols for reporting LWC incidents to authorities, industry forums and stakeholders to promote lessons learnt.

[The Final Well Control Rule](#) , together with a [Fact Sheet](#) and an [Impact Analysis](#) , can be found on BSEE's website under [Current Regulations](#) .

Gard's previously published article on the top six takeaway points following the DEEPWATER HORIZON incident related to the legal rulings in the areas of insurance, marine casualty liability and pollution claims handling, is available [here](#) .

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