

MMS Deepwater Drilling Rig Inspection Report

Overview

At the direction of Secretary Salazar, on Monday, April 26, 2010, all Minerals Management Service (MMS) inspectors in the Gulf of Mexico were ordered to direct their efforts toward inspecting the twenty-nine deepwater drilling rigs with subsea blowout preventer (BOP) stacks. Inspections on those rigs began on Tuesday, April 27, 2010 and were completed on May 4, 2010.

In response to additional direction provided by the Secretary on Thursday, April 29, 2010, this initial review has been followed by an immediate ongoing inspection of all deepwater platforms in the Gulf of Mexico. All of these reviews will be undertaken while maintaining the monthly schedule of drilling rig inspections.

Inspection Protocol

The MMS inspection force was required to adhere to the following drilling inspection protocol to specifically address issues potentially raised by the incident involving the Deepwater Horizon at block Mississippi Canyon (MC) 252:

1. Perform a thorough, complete drilling inspection of each deepwater rig.
2. Key on the BOP test time frame, leaks and resolution, discrepancies, and repairs.
3. Make sure well control drills were performed as required by 30 CFR 250.462.

Inspection Results

All deepwater rig inspections have been completed, except for one rig that was evacuated due to the oil spill and has not resumed operations. The MMS inspected a total of twenty-nine rigs.

The following Incidents of Non-Compliance (INC) were issued:

- The Transocean *Development Driller II (DD II)* working for BP, received one INC because it had not alternated between control stations for BOP testing. MMS regulations require that the regular 14-day BOP tests alternate between the BOP station on the rig floor and the remote station located at another site on the rig. On the *DD II* they conducted the BOP pressure testing only from the driller's control station for the last two tests. They did perform function testing on the remote station, but the pressure testing was only performed using the driller's station. MMS has ordered the rig to alternate control stations in the future.

This rig will be moving to drill the second relief well at MC252 and will be monitored closely to assure compliance with the BOP testing requirements. It will be inspected weekly rather than on a monthly basis, and in addition, as a condition of its drilling permit, the rig will be required to conduct increased testing of the BOP stack and Remote Operated Vehicle (ROV) intervention both on the rig and on the seabed.

- The *Transocean Nautilus* working for Shell, received three Incidents of Non-Compliance:
 - A warning INC for having some flammable material in the scrap metal bin of the safe welding area.
Corrective Action Taken: the material was removed at the time of the inspection.
 - A warning INC for having a 6-inch x 12-inch hole by the mud pump suction pipe.
Corrective Action Taken: additional grating was place over the hole.
 - A warning INC for having expired eye wash bottles.
Corrective Action Taken: the eye wash bottles were replaced.

No other violations were found on the rigs operating in deep water.

Overview of Oil and Gas Operations in Gulf of Mexico: Estimated production from the federal waters Gulf of Mexico as of October 2009 is 1.7 million barrels of oil per day and 6.6 billion cubic feet of gas per day. This represents about 30% of domestic oil production and about 11% of domestic natural gas production.

There are about 3,500 production platforms in federal waters Gulf of Mexico, 978 of which are manned. About 35,000 workers are employed in the offshore Gulf of Mexico at any one time.

There are 90 drilling rigs currently drilling or working-over in federal waters Gulf of Mexico, including 30 in deepwater. The 90 drilling rigs include 68 Mobile Offshore Drilling Units (MODU) and 22 stationary platform rigs.

A detailed list of inspections and dates follows.

District	Rig	Operator	Location	Type	Date Inspected	INC Issued	Comments
1	DO Confidence	Murphy	DC 4	SS	4/27/10		
1	DO Voyager	Walter	EW 834	SS	5/4/10		Last inspection 4/2/10
1	DO Endeavor	Exxon/ Mobil	MC 211	SS			Evacuated/moved off location; Last inspection 4/2/10
1	Noble Lorris Bouzigard	LLog	MC 503	SS	4/29/10		
1	T.O. Discover Americas	Statoil	MC 540	DS	4/28/10		
1	T.O. Deepwater Nautilus	Shell	MC 687	SS	5/4/10		
1	T.O. Marianas	Eni	MC 728	SS	4/28/10		
1	T.O. Discover Sprit	Anadarko	MC 876	DS	4/29/10		
1	Noble Jim	Shell	MC 984	SS	4/29/10		

	Thompson						
1	Noble Paul Romano	Marathon	MC 993	SS	4/28/10		
1	ENSCO 8501	Noble	MC 519	DS	4/29/10		
1	DO Saratoga	Taylor	MC 20	SS	4/1/10		
1	T.O. Development Driller III	BP	MC 252	SS	5/4/10		Being used for relief well; BOP will be inspected prior to use; last inspection 3/24/10
2	Frontier Driller	Shell	GC 248	SS	4/29/10		
2	T.O. Amirante	Eni	GC 254	SS	4/28/10		
2	Stena Forth	Hess	GC 469	DS	4/29/10		
2	DO Monarch	Marathon	GC 511	SS	4/28/10		
2	GSF C.R. Luigs	BHP	GC 555	DS	4/27/10		
2	T.O. Clear Leader	Chevron	GC 640	DS	4/29/10		
2	Noble Clyde Boudreaux	Noble	GC 723	SS	4/27/10		
2	Seadrill West Sirius	Devon	WR 206	SS	4/28/10		
2	T.O. Discover Deep Seas	Petrobras	WR 469	DS	4/28/10		
2	Development Driller II	BHP	GC 743	DS	4/29/10	D-285	Not alternating between BOP control stations
2	Maersk Developer	Statoil	WR 543	DS	4/28/10		
2	EnSCO 8500	Anadarko	GC 903	DS	4/27/10		
2	Development Driller I	BHP	GC 817	DS	4/27/10		
3	DO Victory	Newfield	GB 425	SS	4/29/10		
3	T.O. Discoverer Inspiration	Chevron	KC 736	DS	4/28/10		
3	Noble Amos Runner	Anadarko	KC 875	SS	4/28/10		
3	Auger	Shell	GB 426	PF	4/29/10		
4	Noble Danny Adkins	Shell	AC 557	SS			Not drilling yet; in commissioning activities