

**UNITED STATES DEPARTMENT OF THE INTERIOR
MINERALS MANAGEMENT SERVICE**

NTL No. 98-6N

Effective Date: April 1, 1998

**NOTICE TO LESSEES AND OPERATORS OF FEDERAL OIL AND GAS LEASES
IN THE OUTER CONTINENTAL SHELF**

Performance Measures for OCS Operators and Form MMS-131

The purpose of this notice is to inform lessees and operators of Federal oil and gas leases in the Outer Continental Shelf (OCS) that the Minerals Management Service (MMS) intends to collect data on a voluntary basis related to performance measures developed by a joint Government/industry workgroup.

In a collaborative effort with representatives of 17 oil and gas companies, representatives of five trade associations; American Petroleum Institute (API), Offshore Operators Committee (OOC), Independent Petroleum Association of America (IPAA), International Association of Drilling Contractors (IADC), and National Oceans Industries Association (NOIA), and the U.S. Coast Guard, MMS developed a set of performance measures intended to: 1) determine if OCS safety and environmental performance is improving over time through the implementation of the Safety and Environmental Management Program (SEMP) on the OCS, 2) provide an industry average and range for various quantitative measures against which companies can compare themselves, 3) give MMS assurance that an operator's safety and environmental performance is improving, and 4) provide comparison data on which companies with good performance can base requests to MMS for specific regulatory relief. A summary of the performance measures is attached. You can find the complete report with detailed definitions on the MMS Web site at <http://www.mms.gov/omm/safety.html>.

Like the implementation of SEM, participation in the performance measures effort is voluntary. However, the quality of the information that can be garnered from analysis of the data depends on the widespread support of this effort. The MMS has a great deal of the necessary information that it currently collects under regulation. The MMS does not have the information requested on the attached Form MMS-131.

The MMS will use the information collected to work with industry representatives to identify "pacesetter" companies who would be requested to make presentations at periodic workshops. Knowing how the offshore operators as a group are doing and where your own company ranks will provide company management with information to focus your continuous improvement efforts. This should lead to more cost-effective prevention actions. This information will also provide offshore operators and organizations with a credible data source to demonstrate how well the industry and individual companies are doing to those outside of the industry. The MMS can

better focus its regulatory and research programs on areas where the performance measures indicate that operators are having difficulty meeting MMS expectations. The MMS should be able to more effectively leverage its resources by redirecting research efforts, promoting appropriate regulatory initiatives, and shifting inspection program emphasis. The performance measures will also give MMS a verifiable gauge against which to begin judging the reasonableness of company requests for any specific regulatory relief.

You should provide data for calendar years 1996 and 1997 by May 4, 1998. The MMS will request information for subsequent years at the beginning of each calendar year. We expect that some companies will not have complete information for the first submission. You are requested to make an effort to be as complete as possible and to make adjustments as necessary to improve subsequent collections. You may mail, fax, or e-mail the form to:

Mailing address: Performance and Safety Branch
ATTN: Jeff Wiese
Minerals Management Service
381 Elden Street, MS 4023
Herndon, VA 20170-4817
FAX number: (703) 787-1575
E-Mail address: jeff.wiese@mms.gov

The Office of Management and Budget has approved the collection of information requested on Form MMS-131 and assigned OMB Control Number 1010-0112. This notice is explanatory only and does not impose additional information collection requirements subject to the Paperwork Reduction Act of 1995.

3 April 1998
Dated:



Associate Director
for Offshore Minerals Management

Attachment

PERFORMANCE MEASURES DATA FORM

SPECIFY MMS REGION _____

CALENDAR YEAR _____

<u>SAFETY</u>		<u>PRODUCTION OPERATIONS</u>	<u>DRILLING OPERATIONS</u>	<u>CONSTRUCTION OPERATIONS</u>
A.	NO. OF COMPANY EMPLOYEE RECORDABLE ACCIDENTS	_____	_____	_____
B.	NO. OF CONTRACT EMPLOYEE RECORDABLE ACCIDENTS	_____	_____	_____
C.	TOTAL NO. OF RECORDABLE ACCIDENTS (A+B)	_____	_____	_____
D.	NO. OF COMPANY EMPLOYEE LOST TIME ACCIDENTS	_____	_____	_____
E.	NO. OF CONTRACT EMPLOYEE LOST TIME ACCIDENTS	_____	_____	_____
F.	TOTAL NO. OF LOST TIME ACCIDENTS (D+E)	_____	_____	_____
G.	COMPANY EMPLOYEE HOURS WORKED	_____	_____	_____
H.	CONTRACT EMPLOYEE HOURS WORKED	_____	_____	_____
I.	TOTAL HOURS WORKED (G+H)	_____	_____	_____
J.	TOTAL RECORDABLE INCIDENCE RATE (See formula)	_____	_____	_____
K.	TOTAL LOST TIME INCIDENCE RATE (See formula)	_____	_____	_____

ENVIRONMENT

A.	NO. OF EPA NPDES REPORTED EXCEEDENCES	_____
M.	EPA NPDES DISCHARGE INCIDENCE RATE (See formula)	_____
N.	FOR OIL SPILLS < 1 BBL	_____
	NO. OF SPILLS	_____
	TOTAL VOLUME FOR THESE SPILLS	_____
	OIL SPILL NUMBER INCIDENCE RATE (See formula)	_____
	OIL SPILL VOLUME INCIDENCE RATE (See formula)	_____

COMPANY NAME _____

CONTACT NAME _____

DATE SUBMITTED _____

TELEPHONE _____

COMPANY-SPECIFIC DATA COLLECTED UNDER THIS REQUEST IS INTENDED FOR GOVERNMENT USE ONLY.

Paperwork Reduction Act of 1995: This Act (44 U.S.C. 3504 et seq.) requires us to inform you that MMS collects this information to carry out its responsibilities under the OCS Lands Act, as amended, and will use the information to evaluate the effectiveness of industry's continued improvement of safety and environmental management in the OCS. Responses are voluntary. No proprietary data are collected. We estimate the public reporting burden, including the time for reviewing instructions, gathering and maintaining data, and completing and reviewing the information to average 28 hours per response. An agency may not conduct or sponsor, and a person is not required to respond to a collection of information unless it displays a currently valid Office of Management and Budget (OMB) Control Number. The OMB has approved the collection of this information and assigned OMB control number 1010-0112. Direct comments regarding the burden estimate or any other aspect of this collection of information to the Information Collection Clearance Officer, Mail Stop 4230, Minerals Management Service, Department of the Interior, 1849 C Street, N.W., Washington, D.C. 20240; and to the Office of Management and Budget, Office of Information and Regulatory Affairs, Attention: Desk Officer for the Department of the Interior (1010-0112), Washington, D.C. 20503.

SUMMARY OF PERFORMANCE MEASURES

1. PRODUCTION OPERATIONS EMPLOYEES (COMPANY AND CONTRACTOR) TOTAL RECORDABLE AND LOST WORKDAY INCIDENT RATES

- 1.1 $[(\text{Annual number of production operations employees Occupational Safety and Health Association (OSHA) recordable injuries and illnesses})/(\text{Annual total number of production operations employee hours worked})] \times 200,000.$
- 1.2 $[(\text{Annual number of production operations employees OSHA injuries and illnesses for which there were lost workdays})/(\text{Annual total number of production operations employee hours worked})] \times 200,000.$

2. DRILLING OPERATIONS EMPLOYEES (COMPANY AND CONTRACTOR) TOTAL RECORDABLE AND LOST WORKDAYS INCIDENT RATES

- 2.1 $[(\text{Annual number of drilling operations employees OSHA recordable injuries and illnesses by operator})/(\text{Annual total number of drilling operations employee hours worked for operator})] \times 200,000.$
- 2.2 $[(\text{Annual number of drilling operations employees OSHA injuries and illnesses by operator for which there were lost workdays})/(\text{Annual total number of drilling operations employee hours worked for operator})] \times 200,000.$

3. CONSTRUCTION OPERATIONS EMPLOYEES (COMPANY AND CONTRACTOR) TOTAL RECORDABLE AND LOST WORKDAYS INCIDENT RATES

- 3.1 $[(\text{Annual number of construction operations employees OSHA recordable injuries and illnesses by operator})/(\text{Annual total number of construction operations employee hours worked for operator})] \times 200,000.$
- 3.2 $[(\text{Annual number of construction operations employees OSHA injuries and illnesses by operator for which there were lost workdays})/(\text{Annual total number of construction operations employee hours worked for operator})] \times 200,000.$

4. FIRE/EXPLOSION INCIDENT RATE

- 4.1 $(\text{Annual number of fires and explosions})/[(\text{Number of major platforms}) + 0.5(\text{Number of minor platforms}) + (\text{Number of wells spudded for drilling during the year})].$

5. BLOW-OUT INCIDENT RATE

- 5.1 Annual number of blowouts by operating company.
- 5.2 $(\text{Annual number of total industry blowouts}) / (\text{Total wells spudded for drilling by industry during the year})$.

6. EPA NPDES DISCHARGE EXCEEDENCE RATE

- 6.1 $(\text{Number of reported exceedences on EPA NPDES Discharge Monitoring Reports (DMR's) on the OCS for the reporting year}) / [(\text{Number of major platforms on the OCS}) + (\text{Number of wells spudded for drilling during the year})]$.

7. OIL SPILL INCIDENT RATE – NUMBER OF SPILLS AND VOLUME OF SPILLS (≥ 1 BARREL)

- 7.1 $(\text{Annual number of all oil spills greater than or equal to 1 barrel and less than 10 barrels for the calendar year}) / [(\text{Number of major platforms}) + 0.5(\text{Number of minor platforms}) + (\text{Number of wells spudded for drilling during the year})]$.
- 7.2 $(\text{Annual number of all oil spills greater than or equal to 10 barrels for the calendar year}) / [(\text{Number of major platforms}) + 0.5(\text{Number of minor platforms}) + (\text{Number of wells spudded for drilling during the year})]$.
- 7.3 $(\text{Annual total volume of all oil spills greater than or equal to 1 barrel and less than 10 barrels for the calendar year}) / (\text{Crude oil and condensate production on the OCS})$.
- 7.4 $(\text{Annual total volume of all oil spills greater than or equal to 10 barrels for the calendar year}) / (\text{Crude oil and condensate production on the OCS})$.

8. OIL SPILL INCIDENT RATE – NUMBER AND VOLUME OF OIL SPILLS < 1 BARREL

- 8.1 $(\text{Annual number of oil spills less than 1 barrel on the OCS}) / [(\text{Number of major platforms}) + 0.5(\text{Number of minor platforms}) + (\text{Number of wells spudded for drilling during the year})]$.
- 8.2 $(\text{Annual total volume of all oil spills less than 1 barrel}) / (\text{Crude oil and condensate production on the OCS})$.

9. MMS PRODUCTION INCIDENTS OF NON-COMPLIANCE (INCs) RATE

9.1 (Annual number of MMS production INCs)/(Annual number of components inspected by MMS).

10. MMS DRILLING, WORKOVER, COMPLETION, AND WELL PLUGGING AND ABANDONMENT INCIDENTS OF NON-COMPLIANCE (INCs) RATE

10.1 (Annual number of MMS drilling, workover, completion and well plugging and abandonment INCs)/(Annual number of MMS rig inspections).