

<b>Title</b>	Understanding offshore oil and gas well notifications		
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## Purpose

To brief wells inspectors and administrative support staff of the line to take on queries about well notifications and clarify common misunderstandings concerning notifications on the part of industry. In particular it addresses:

- the occasional failure by industry to understand that notifications are not part of a consent process;
- which well operations are subject to notification and the relevant notification periods;
- the purpose of the regulations on material changes to notifications, what can be considered as a material change and what changes should be addressed by a new notification; and,
- the process for revalidating old notifications where operations have yet to start.

This guidance updates and replaces SPC/TECH/OSD/45 (which is now withdrawn) for offshore oil and gas notifications.

## Background

It is not uncommon for well operators, having notified the competent authority of a well operation, to subsequently request when they can expect to receive approval for the notification. This stems from a failure to appreciate that well notifications are not part of a consent process.

Well operators are sometimes uncertain as to which well operations must be notified to the competent authority. This applies in particular to well servicing operations from fixed installations which, prior to the 2005 Safety Case Regulations, did not need to be notified. Further changes have been introduced by the Offshore Installations (Offshore Safety Directive) (Safety Case etc.) Regulations 2015 (SCR 2015).

Well operators are uncertain about which changes to a notified well activity should be covered by notifying the competent authority of a material change and which require an entirely new notification.

For offshore well operations it is the responsibility of the Well Operator to submit the well notification and put into effect the Well Examination arrangements.

The term “competent authority” is used throughout this document. For offshore wells the competent authority is the Offshore Safety Directive Regulator (OSDR). OSDR comprises HSE and BEIS working in partnership.

## Differences between a notification and consent

Some well operators seem not to appreciate that well notifications are not part of a consent process, such as is used by the majority of offshore regulators worldwide. Prior to the coming into force, in June 1996, of regulation 11 of the 1992 Safety Case Regulations, a wells consent regime was operated by HSE using the conditions under which petroleum licenses are issued. Up to 30<sup>th</sup> June 1996 the

operators of petroleum licenses were required to seek consent in writing for any drilling, completion work or abandonment of a well. Applications for consent were required to be submitted 28 days in advance.

Since 1<sup>st</sup> July 1996, with some additions under SCR2005, and further changes under SCR 2015. HSE, and now the competent authority, has required notification of specified well operations, no less than 21 days or in some cases 10 days in advance, depending on the nature of the operation.

The purpose of the notification is to inform the competent authority of the forthcoming operation and demonstrate that the planned operation will be carried out safely while minimising risk to the environment. It should contain sufficient information for the inspectors reviewing the notification to understand the nature of the operation and satisfy them that the risks to health, safety and the environment specific to the well operation have been identified and suitable precautions / measures are being implemented. The specific areas to be addressed can be found in Schedule 9 of SCR 2015.

The competent authority does not form part of the decision making process for the operation. That is the role of the well operator, the drilling and other contractors and the well examiner appointed by the well operator.

## Key differences between a consent application and a notification

Consent	Notification
Written consent was required before operations could commence.	Absence of enforcement action against a notified operation is <b>not</b> implied consent to the operation. The operator is responsible for the safety of the operations and ensuring that risks to the health and safety of persons and to the environment are reduced to as low as reasonably practicable. Operations should not proceed unless it is safe to do so.
Operations could commence on receipt of written consent.	No consent is issued. Operations may legally commence after the notification period, unless the competent authority has formally objected to the content of the notification or taken enforcement action to prevent the operations from proceeding. However operations should not proceed unless it is safe to do so.
Operations could commence within the 28 day period provided well operator was in receipt of written consent.	Operations may <b>not</b> commence within the 10 or 21 day notification period unless the competent authority has formally agreed to a shortening of the notification period.

### Line to take

Well operators will not receive consent from the competent authority to commence notified well operations. For a satisfactory submission well operators will receive only acknowledgement by the competent authority of receipt of the notification. Well operators may commence operations after the notification period has passed, provided it is safe to do so. Well operators are responsible for the safety of the well and associated environmental risk.

## Identifying which well operations must be notified

### Requirements of regulations – Offshore

**Offshore Installations (Offshore Safety Directive) (Safety Case etc.) Regulations 2015 (SCR 2015) Regulation 21**

## From production installations

- (1) The well operator must ensure that no well operation is commenced from a production installation in external waters unless – (a) in the case of a well operation that does not involve drilling, but involves (i) insertion of a hollow pipe in a well; or (ii) altering the construction of a well, the well operator has sent a notification containing the particulars specified in Schedule 9 to the competent authority at least ten days (or such shorter period as the competent authority may specify) before commencing that operation; or (b) in any other case, the well operator has sent a notification containing the particulars specified in Schedule 9 to the competent authority at least 21 days (or such shorter period as the competent authority may specify) before commencing that operation.

The competent authority must be notified of all well operations, as defined in regulation 2 of SCR 2015, carried out from a production installation. Drilling operations must be notified at least 21 days in advance. Drilling covers those well operations where hole is cut in subsurface formations.

Operations other than drilling that involve entering the pressure envelope with hollow pipe (e.g. drill pipe, casing, and tubing or coiled tubing) or which alter the construction of the well must be notified 10 days in advance. Wire-line and other operations requiring notification 10 days in advance are:

- Perforating / punching tubing, except for the sole purpose of circulating kill fluid;
- Replacing downhole safety valve (DHSV) with injection valve or “storm choke”, except as short-term measure;
- Locking open DHSV, except as short-term measure;
- Initial setting of a straddle assembly to isolate a leak in the production tubing;
- Setting gas-lift valves for the first time;
- Installation of tree saver;
- Tree change-out unless replacing like-for-like.

Legal advice is that other operations, such as wire-line logging, and hitherto considered non-notifiable, are in fact notifiable as they “*may result in an accidental release of fluids from that well which could give rise to the risk of a major accident*”. Such operations require notification 21 days in advance. However, it has been agreed that as they are carried out using standard routine procedures, they may all be covered by a single “one-off” notification submitted for each installation. More detailed information on one-off notifications can be found in Appendix 1.

Operations that can be covered by a single one-off 21day notification, based on the principle that they follow standard procedures, no tubing is run through the wellhead and the operation does not change the configuration of the well, are:

- Bailing;
- Change-out of wire-line set DHSV or ambient valve, excluding initial setting of ambient valve;
- Change-out of wire-line set electrical submersible pump (ESP) or hydraulic submersible pump (HSP);
- Change-out of gas-lift valves;
- Change-out of straddle assembly;
- Drift runs;
- Fishing with wire-line, excluding fishing for wire requiring multiple runs;
- Functioning sliding sleeve;
- Lock-out tubing retrievable (TR)-DHSV and run wire-line (WL)-DHSV;
- Logging;
- Punch tubing for the purpose of circulating annulus;
- Re-perforating reservoir;
- Replacement of DHSV with tubing plug;
- Replacement of straddle with tubing plug;
- Setting or recovering tubing plug;
- Setting or recovering pressure gauges; and

- Tree change-out, like for like.

## From non-production installations

- (2) **The well operator must ensure that no well operation is commenced in external waters (other than a well operation falling within paragraph (1) [i.e. other than a well operation from a production installation] unless the well operator has sent a notification containing the particulars specified in Schedule 9 to the competent authority at least 21 days (or such shorter period as the competent authority may specify) before commencing that operation.**

The competent authority must be notified of all well operations, as defined in regulation 2 of SCR 2015, carried out from a non-production installation. Notification is also required for any well operation carried out from a vessel not classified as an offshore installation. In all cases the notification must be sent to the competent authority at least 21 days before operations commence.

Some operations are conducted from a mobile installation in combination with a production platform. Where a jack-up rig is working through a wellhead jacket, and the well being worked on is in the control of the jack-up, then the operation is deemed to be from a non-production installation and all well operations must be notified. On the other hand, where operations are conducted from a production installation, with a mobile rig providing some of the drilling or well servicing facilities (i.e. tender-assist), then operations are deemed to be from the production installation and regulation 21(1) applies.

## Line to take

In response to requests for advice on which well operations must be notified to the competent authority, refer to the above lists. If still in doubt, it should be assumed that notification is required.

## Submission of additional or missing information

When notifications are sent to the competent authority with required information missing or the inspector reviewing the notification wishes to see further detail, the well operator must furnish any further information requested by the inspector. Receipt of missing information in written form, including by email, is sufficient to meet the requirements of the regulations. The additional information received should be placed on file. The well operator should not then be requested to amend the notification or to resubmit it.

## Material change to notification of well operations

### Requirements of regulations

#### Offshore

##### SCR 2015 21 (5)

**“Where there is a material change in any of the particulars notified pursuant to paragraph (1) or (2) prior to completion of the relevant well operation, the well operator must notify the competent authority of that change as soon as practicable.”**

##### SCR 2015 21(4)

**“Where the well operator plans or prepares a material change to any of the particulars notified pursuant to paragraph (1) or (2), the well operator must consult the well examiner under the well examination scheme about the planned or prepared material change.”**

##### SCR 2015 21(6)

**“A notification of a material change under paragraph (5) must contain sufficient details fully to update the previously submitted notification and be accompanied by the report of the well examiner following the consultation under paragraph (4), addressing in particular the matters in paragraph 6(c) to (e) of Schedule 9.**

## **Change of rig**

A change in the rig to be used will constitute a material change. If at the time of the notification it is uncertain which rig is to be used, it is recommended that details of all likely rigs, as listed in the appropriate schedule to the regulations, are included. If this is done, the notification of material change needs only to identify the rig.

## **Drilling to a new target location**

Changes in target, including side-track, can be accepted as a material change, rather than a new notification, where the change is due to unexpected geological conditions or mechanical difficulties in the well, but the geological objective of the well remains the same.

Side-tracks to a new target with a different geological objective will require a new notification unless sufficient details of the proposed side-track have been included in the original notification.

Where the well operator plans to side-track for a new geological objective from a current well and the side-track has not been included in the original notification, it may be appropriate for the competent authority to agree to a shortening of the notification period. Regulations 21(1) and (2) of SCR 2015 specifically allow for this. Competent authority internal procedures must be followed before any shortening of the notification period is agreed.

## **Major changes**

Where changes to a notified operation are of such a magnitude, or alter the risk profile to such an extent, that they require what is effectively a re-write of the drilling or work-over programme, then a new notification is required. An example of this is where a decision is made to change from conventional drilling to managed pressure or under-balanced drilling.

## **Consultation with the Well Examiner**

The well operator must have the well examiner examine any material change to the notification of an operation in an offshore well. A copy of the subsequent report from the well examiner should accompany the notification of material change. Where the well examiner's report is not immediately available, this should not delay the submission of the notification to the competent authority of the material change.

## **Objections to Notifications (Offshore Only)**

### **Requirements of regulations**

#### **Offshore**

##### **SCR 2015 21 (7)**

**“The well operator must not commence a well operation (of any description) where the competent authority expresses objections to the content of the notification sent in respect of the well operation or to any change to that content notified to the competent authority pursuant to paragraph (5).”**

SCR 2015 grants powers to OSDR to prevent notifications from proceeding by raising objections to the content of a well notification or material change to one. Hitherto inspectors could only use the power to prohibit activities granted by section 22 of the Health and Safety at Work etc. Act 1974, where the inspector is of the opinion that the activities involve a risk of serious personal injury. Since objections may be appealed by the well operator, the grounds for objection must be substantial and based on evident risk to health, safety or the environment.

## Validity of old notifications

There is no time limit on notifications and they do not lapse after a pre-set time. It is recognised, however, that for many old notifications where the operations have not commenced they may have been dropped from well operators' work programmes or the information in the notifications may have changed significantly.

For notifications more than twelve months old, the well operator should be asked if the work is still planned and, if so, should be requested to inform the competent authority, in writing, before the work commences, advising of the planned start date and confirming that there are no material changes to the original notification. If there are material changes to the original notification the competent authority must be notified as required by regulation 21(5) of SCR 2015.

If a notification was submitted as per regulation 17 and Schedule 6 of the Offshore Installations (Safety Case) Regulations 2005, then a material change supplying the additional information as required by schedule 9 of the Offshore Installations (Offshore Safety Directive) (Safety Case etc.) Regulations 2015 must be submitted to the competent authority prior to the well operation commencing.

This guidance is issued by the Offshore Safety Directive Regulator (OSDR). Following the guidance is not compulsory and you are free to take other action. But if you do follow the guidance you will normally be doing enough to comply with the law. Inspectors seek to secure compliance with the law and may refer to this guidance as illustrating good practice.

## Appendix 1

### One-Off Notification of Wire-line etc. Operations from a Production Installation

#### Operations which may be included

Wire-line and tree change-out operations which may be included in a “one-off” notification include:

- Bailing;
- Change-out of wire-line set DHSV or ambient valve, excluding initial setting of ambient valve;
- Change-out of wire-line set ESP or HSP;
- Change-out of gas-lift valve;
- Change-out of straddle assembly
- Drift runs;
- Fishing with wire-line, excluding fishing for wire requiring multiple runs;
- Functioning sliding sleeve;
- Lock-out TR-DHSV and run WL-DHSV
- Logging;
- Punch tubing for the purpose of circulating annulus
- Re-perforating reservoir;
- Replacement of DHSV with tubing plug;
- Replacement of straddle with tubing plug
- Setting or recovering plug for water shut-off or zone isolation;
- Setting or recovering tubing plug;
- Setting or recovering pressure gauges;
- Tree change-out, if like-for-like.

These are based on the principle that they follow standard procedures, no tubing is run through the wellhead and the operation does not change the configuration of the well.

#### Notification period

21 days

SCR 2015 regulation 21(1)(b) applies to most of the operations listed above. The 10 day notification period (regulation 21(1)(a)) applies only to non-drilling operations from a production installation, that involve – “(i) *insertion of a hollow pipe in a well; or (ii) altering the construction of a well;..*” In any other case the notification period is 21 days. Thus the one-off notification must be sent 21 days before operations commence. For stand-alone notification of the above operations, the 21 day notification period would also apply.

## Information expected

Schedule 9 Requirement	Information Expected
1. Name and address of well operator	Required.
2. Name of installation	Required. If for a number of installations covered by a single safety case, list all installations to which notification applies
2. Installation duty holder name and address	Required if different from well operator.
3. Particulars of fluid to be used to control the pressure of the well	N/A
4. Particulars of plant not included in safety case	Not required if slick-line and e-line equipment sufficiently covered in SC.
5. Particulars of type of well, well and slot number and name of field development	Classes of well covered (e.g. producers – natural, ESP, gas lift etc.; water injectors, gas injectors, condensate injectors.)  Fields producing to installation and covered by the notification.
6. Description of the well operation and programme of works, to include:	List of type of operations covered by notification.  Refer to standard procedures and the document in which they are contained.
a. Date operations planned to commence	Not required.
b. intended operational state	Not required.
c. details of barriers against loss of well control	Description of barrier policy, including testing of barriers.  Description of pressure control equipment (PCE) to be deployed.
d. directional control of well path	N/A
e. limitations on safe operations	If applicable, identify conditions where additional safety procedures may be required (e.g. abnormal H <sub>2</sub> S levels).
7. Description of activities on installation with hazard with potential to cause a major accident	N/A, provided the SIMOPS and combined operations are fully and sufficiently addressed in the transitioned installation safety case and provided no additional major accident hazards are identified, it is only necessary to include a brief summary.  Where the installation safety case has not transitioned, provide information on major accident hazards that has a potential for major environmental incident.

8. Particulars of well to be drilled	N/A
9. In the case of an existing well -	Generic information.
a. diagram of the well	Diagrams showing generic casing and cement design(s) and generic completion designs for all classes of well listed under item 5 above.
b. summary of earlier operations	Not required.
c. the purposes for which it has been used	Not required.
d. its current operational state	Not required.
e. its state of repair	Not required.
f. the physical conditions within it	Worst case reservoir conditions.
g. its production capacity	Not required.
10. Information where operations to be carried out from a non-production installation	N/A
11. Well examiner's report	Report of review by well examiners of standard procedures referenced under item 6 above and their suitability for the operations listed under item 6.
12. A risk assessment	<p>Generic risk assessment of routine wire-line etc. operations. If covered sufficiently by risk assessment in the transitioned installation safety case, reference to relevant section(s) in safety case will be sufficient.</p> <p>Where the installation safety case has not transitioned, the risk assessment should be revisited to consider the major environmental incident potential.</p>
13. Information where a well is to be constructed, modified or maintained by means of a non-production installation	N/A
14. Information in connection with compliance with PFEER and MAR.	If not covered in safety case, description of arrangements for detecting flammable or toxic gases and preventing their ignition, around the slick-line or e-line units. If sufficiently covered in safety case, reference relevant section(s).
15. Assessment of the effects on the environment.	<p>Assessment of risk to the environment from routine slick-line and e-line operations should be covered in the transitioned installation safety case. If sufficiently covered in the transitioned installation safety case and appropriate environmental applications, reference relevant section(s).</p> <p>Where the installation safety case has not transitioned, the assessment on the effects of the environment should be included. If sufficiently</p>

	covered in the appropriate environmental applications, reference relevant section(s).
16. Adequate description of SEMS	Should be included in safety case or first well notification submitted under SCR 2015. Not required if previously submitted.

## Material Change

It is a regulatory requirement of SCR 2015, regulation 28, that: “*The well operator must ensure that a well operation is conducted in pursuance of the plans stated in the notification of well operations sent to the competent authority pursuant to regulation 21(1).*”

In the event of a material change to the particulars submitted in a “one-off” notification, OSDR must be notified of the change, irrespective of whether it is for a single operation in an individual well, or for a number of future notifications. In particular, deviations from the stated barrier policy or deployment of PCE should be regarded as a material change.

Operations not included in the original one-off notification may be added through notification of a material change, provided they are in the above list.

## Periodic Review

To ensure that the one-off notification remains valid, it should be subject to periodic review. The competent authority should be notified of the outcome of the review and advised of any material changes not previously notified. The frequency of review should not exceed five years.

## Weekly Report

Although listed operations do not require further notification, they should be included in weekly reports as required by the Offshore Installations and Wells (Design and Construction, etc.) Regulations 1996 (DCR) regulation 19, “*Provision of drilling etc. information*” for operations involving setting plugs or perforating.