

To: Office of Management and Budget [aira\\_submission@omb.eop.gov](mailto:aira_submission@omb.eop.gov) and [regs@bsee.gov](mailto:regs@bsee.gov)  
Subject: Proposed Rule 87 FR 56354 pages 56354-56365 (12 pages) CFR: 30 CFR 250  
RIN# 1014-AA52  
Federal Rulemaking Portal: <http://www.regulations.gov> Keyword: BSEE-2022-0009

Mail: BSEE: Attention: Regulations and Standards Branch, 45600 Woodland Road, VAE-ORP, Sterling, VA 20166 and reference: RIN 1014-AA52 "Oil and Gas and Sulfur Operations in Outer Continental Shelf-Blowout Preventer Systems and Well Control Revisions"

Response to the proposed 2023 Well Control Rule                      September 28, 2022

Maintain ~~Remove the option for operators to submit failure data to designated third parties,~~

The Well Control Rule (WCR) of 2016/2019 was implemented post Deepwater Horizon to create a safer Offshore Oil & Gas Industry by allowing a greater measure of trust between the Oil & Gas Industry and The Government. There were questions:

- How was the Well Control Equipment (WCE) failure data provided by Industry going to be handled by the government?
- Could BSEE or its third party BTS be trusted with the un-redacted micro data?

CIPSEA appeared to be the solution that allowed trust to survive and flourish from 2016-2022. Well Equipment Failure Data was provided directly to BTS (BSEE is notified by BTS that the Operator has supplied a report) such that the data could be aggregated into 6 Annual Reports:  
[2016 SafeOCS Annual Report: Blowout Prevention System Events and Equipment Component Failures](#)  
[2017 Annual Report: Blowout Prevention System Safety \(safeocs.gov\)](#)  
[Blowout Prevention System Safety Events - 2018 Annual Report \(safeocs.gov\)](#)  
[Well Control Equipment System Safety - 2019 Annual Report \(safeocs.gov\)](#)  
[2020 WCE Annual Report.pdf \(safeocs.gov\)](#)  
[Well Control Equipment Systems Safety - 2021 Annual Report \(safeocs.gov\)](#)

and in a Monthly updated Dashboard:  
<https://www.safeocs.gov/sdp/dashboard/wce/>

Per CIPSEA, no single company would be targeted for providing significant un-redacted information in the failure reports and RCFA's (Root Cause Failure Analysis). I am a retired Chief Engineer of a major BOP equipment supply company. Based upon my review of the independent Annual Reports 2016-2021; and BSEE's 10 year review; the Offshore Oil & Gas Industry under Well Control Rule 2016/2019 and CIPSEA has become safer place. <https://www.bsee.gov/public-blog-post/increasing-safety-performance-and-environmental-stewardship-10-years-after>

The changes proposed to send WCE Failure reports directly to BSEE (and thus circumventing CIPSEA protection) appears to break these established bonds of trust.

The changes in the proposed Well Control Rule focus on three unfounded criticisms in the present implementation of the Well Control Rule 2016/2019:

1. For example, if BSEE does not become aware of certain failure reports and trend data until it receives an annual report from BTS, it limits BSEE's ability to address failures and trends in a timely and meaningful manner.

Response: BSEE has direct control over multiple data channels to become aware of developing failure trends and address the trends in a timely and meaningful manner:

- BSEE personnel provide Ongoing Rig inspections and witness testing, where they collect data that could be reviewed for reoccurring issues that can identify trends on an ad-hoc basis. (Example) <https://www.bsee.gov/newsroom/latest-news/statements-and-releases/press-releases/bsees-performance-based-risk-inspections>
- BSEE launches panels to investigate serious incidents usually within days of the incident, which must be reported immediately (Example) <https://www.bsee.gov/newsroom/latest-news/statements-and-releases/press-releases/bsee-establishes-investigation-panels-to>
- BSEE districts have WCE-failure data or access to it, in daily reports, in morning drilling meetings, in notifications of stack pulls. They also receive OEM investigation reports.
  - Example on Timeliness: Loss of (Wellbore) Containment (LOC) is the most critical BOP Well Control Equipment failure. Per the annual reports, only one LOC incident has occurred in the past 6 years! How quickly was BSEE notified? Per the published report: **The Operator notified BSEE and US Coast Guard immediately of the incident** on June 7, 2017. BSEE had an investigation team on the rig on June 10-12. BOP retrieved on June 11. The Accident Investigation Report (including OEM investigation) approved for release October 25, 2017. Well done! [GB 427 Shell Offshore 7 Jun 2017](https://www.bsee.gov/gb-427-shell-offshore-7-jun-2017.ust) <https://www.bsee.gov/gb-427-shell-offshore-7-jun-2017.ust>
  - **Per the Well Control Rule, WCE Failure reporting must occur in 30 days:** “You must provide a written notice of equipment failure to the Chief, Office of Offshore Regulatory Programs (OORP), unless BSEE has designated a third party as provided in paragraph (c)(4) of this section, and the manufacturer of such equipment within 30 days after the discovery and identification of the failure. A failure is any condition that prevents the equipment from meeting the functional specification.”
- BSEE receives WAR (Well Activity Reports) including form 133 from all Operators in Gulf of Mexico on a weekly basis that includes granular data and daily comments to be reviewed for trend data. This data (after redacting proprietary information) is also available to the public. <https://www.data.bsee.gov/Well/eWellWAR/Default.aspx>. Excerpt from the 2020 BTS Annual Report on the importance of WAR data: “In 2020, three stack pulls were reported to SafeOCS and an additional six stack pulls were identified in WAR data,”
- BTS provides BSEE and all external stakeholders with BTS Annual Reports including WCE failures, trends and reoccurring failures such as the Nickel Leaching example below. These reports are available to the public.
  - 2020 Annual Report on Nickel Leaching [2020 WCE Annual Report.pdf \(safeocs.gov\)](#) “Procedural Error (:): The seal plates of control system regulators (and one shear seal valve) that leaked were found to have scoring and showed signs of nickel binder leaching. Nickel leaching is the result of the use of demineralized water in the BOP control fluid on systems using Tungsten-Carbide seal plates. Equipment owner to correct their mix water specification or install remineralizers to combat the issues with binder leaching from these seal plates.” 29 “binder leaching” events were documented in 2020; 3 events occurred while the BOP was in-operations and 11 components failed from “binder leaching” that had been in service less than one year! (Infant mortality occurring)
  - 2021 Annual Report [Well Control Equipment Systems Safety - 2021 Annual Report \(safeocs.gov\)](#) included reoccurring failure data on “nickel leaching”:

“Procedural Error (:) Leaks of the shear-seal plates in pressure regulators, slide valves, and solenoid valves were reported as showing signs of nickel binder leaching. Nickel leaching is the result of the use of demineralized water in the BOP control fluid on Tungsten-Carbide seal plates that use a nickel binder. Equipment owner to correct their mix water specification or install remineralizers to combat the issues with corrosion and binder leaching. “The report highlighted 121 “nickel leaching” failures since 2017; 20 reoccurring “nickel leaching” failures occurred in 2021.

- Safety Alert No. 443 published by BSEE on June 23, 2022, on Nickel Leaching <https://www.bsee.gov/sites/bsee.gov/files/safety-alerts//bsee-safety-alert-443-improperly-maintained-well-control-equipment.pdf>
- BTS provides BSEE and all external stakeholders with a Quarterly Dashboard on WCE failures (updated monthly), which includes the type of failure, detection method, and root causes of failures occurring in the past 3 months compared to those occurring in the prior 12 month period. This dashboard is also available to the public <https://www.safeocs.gov/sdp/dashboard/wce/>
  - 2021 Annual report: “On data sharing, BTS will evaluate the feasibility of expanding the use of dashboards as a means of timely dissemination of emerging safety trends.”
    - Comment: Emerging trends and reoccurring failures could be easily added if/when requested by BSEE.

*2. Receiving failure reports directly would facilitate BSEE's timely review of the failure data to help more quickly identify trends and respond to systematic issues falling within BSEE's regulatory authority.*

Response: BSEE has direct control over multiple data channels to become aware of developing failure trends and address the trends in a timely and meaningful manner without having WCE reports sent directly to BSEE.

- BSEE has reviewed WAR data, BTS Dashboard data, Ongoing rig inspections, morning drilling meetings, multiple OEM investigation reports to produce 75 Safety Alerts in 2.75 years. Only 4 Safety Alerts related to WCE equipment failures. <https://www.bsee.gov/newsroom/library/regulatory-archives/historical-bsee-safety-alerts>
- WCE Equipment Safety Alerts 405, 441 and 412 appear to have been developed from WAR data.
- Safety Alert No. 443 published by BSEE on June 23, 2022 after 121 Nickel Leaching events were highlighted in 2 BTS Annual Reports and from other data sources. <https://www.bsee.gov/sites/bsee.gov/files/safety-alerts//bsee-safety-alert-443-improperly-maintained-well-control-equipment.pdf>

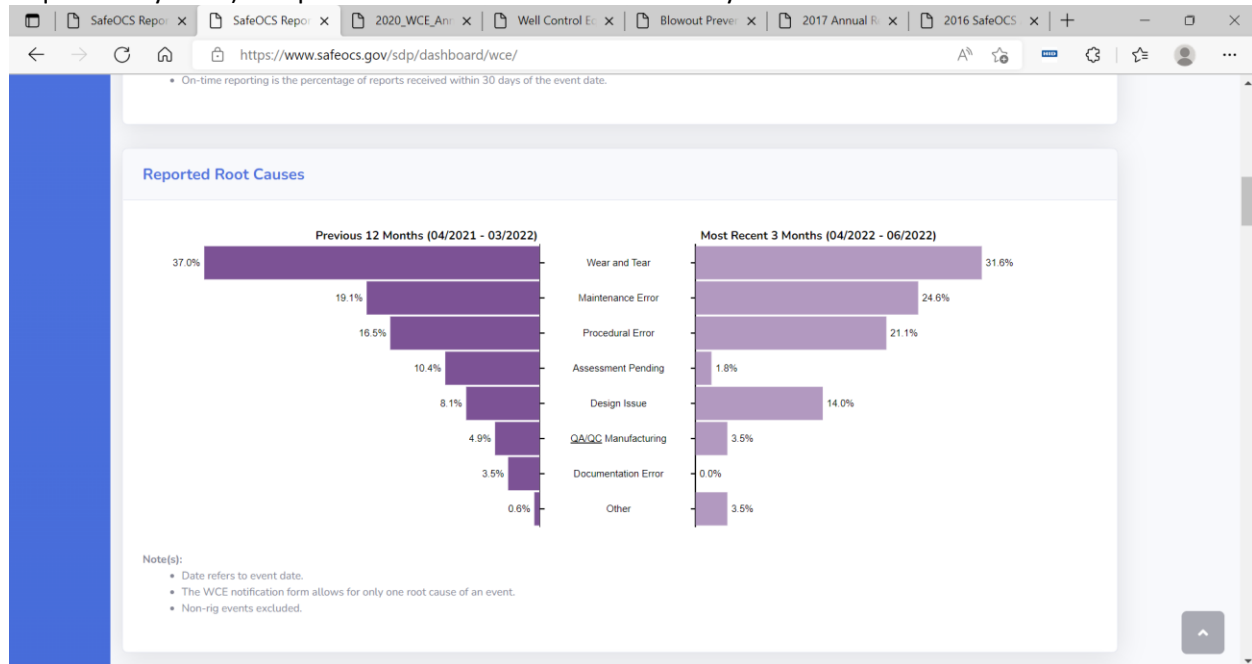
*3. Reviewing failure reports could also highlight companies that have a higher-than-average number of failures, which could be evidence of poor maintenance practices.”*

Response: BTS provides BSEE and all external stakeholders with Quarterly Dashboard on WCE failures. This dashboard is available to the public <https://www.safeocs.gov/sdp/dashboard/wce/> Failure rates by company (A, B, C, D, E) apparently already exist since BSEE is notified each time an operator submits a report. Additionally, failure rates can easily be highlighted on the Dashboard monthly (if requested by BSEE).

The attached dashboard was updated on 8/11/2022 and provided the following (maintenance/procedural) trends in the past 3 months on the “root cause” of the failure:

Maintenance error increased from 19.1% to 24.6%  
Procedural Error increased from 16.5% to 21.1%

These Industry aggregated root causes can be subdivided into failure rates by A, B, C company (if requested by BSEE) and published on the dashboard monthly.



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Conclusion: There does not appear to be any credible technical or analytical reasons to change the method of WCE report submittal and eliminate the trust that CIPSEA provides the Industry in the process.

Respectfully submitted,

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