§ 250.1154

CLASSIFYING RESERVOIRS

§ 250.1154 How do I determine if my reservoir is sensitive?

(a) You must determine whether each reservoir is sensitive. You must classify the reservoir as sensitive if:

(1) Under initial conditions it is an oil reservoir with an associated gas cap;
(2) At any time there are near-critical fluids; or
(3) The reservoir is undergoing enhanced recovery.

(b) For the purposes of this subpart, near-critical fluids are:

(1) Those fluids that occur in high temperature, high-pressure reservoirs where it is not possible to define the liquid-gas contact; or
(2) Fluids in reservoirs that are near bubble point or dew point conditions.

(c) The Regional Supervisor may reclassify a reservoir when available information warrants reclassification.

(d) If available information indicates that a reservoir previously classified as non-sensitive is now sensitive, you must submit a request to the Regional Supervisor to reclassify the reservoir. You must include supporting information, as listed in the table in §250.1167, with your request.

(e) If information indicates that a reservoir previously classified as sensitive is now non-sensitive, you may submit a request to the Regional Supervisor to reclassify the reservoir. You must include supporting information, as listed in the table in §250.1167, with your request.

§ 250.1155 What information must I submit for sensitive reservoirs?

You must submit to the Regional Supervisor an original and two copies of Form MMS–127; one of the copies must be a public information copy in accordance with §§250.186 and 250.197, and marked “Public Information.” You must also submit two copies of the supporting information, as listed in the table in §250.1167. You must submit this information:

(a) Within 45 days after beginning production from the reservoir or discovering that it is sensitive;
(b) At least once during the calendar year, but you do not need to resubmit unreviewed structure maps (§250.1167(a)(2)) or previously submitted well logs (§250.1167(c)(1));
(c) Within 45 days after you revise reservoir parameters; and
(d) Within 45 days after the Regional Supervisor classifies the reservoir as sensitive under §250.1154(c).

APPROVALS PRIOR TO PRODUCTION

§ 250.1156 What steps must I take to receive approval to produce within 500 feet of a unit or lease line?

(a) You must obtain approval from the Regional Supervisor before you start producing from a reservoir within a well that has any portion of the completed interval less than 500 feet from a unit or lease line. Submit to MMS the service fee listed in §250.125, according to the instructions in §250.126, and the supporting information, as listed in the table in §250.1167, with your request. The Regional Supervisor will determine whether approval of your request will maximize ultimate recovery, avoid the waste of natural resources, or protect correlative rights. You do not need to obtain approval if the adjacent leases or units have the same unit name, lease (record title and operating rights), and royalty interests as the lease or unit you plan to produce. You do not need to obtain approval if the adjacent block is unleased.

(b) You must notify the operator(s) of adjacent property(ies) that are within 500 feet of the completion, if the adjacent acreage is a leased block in the Federal OCS. You must provide the Regional Supervisor proof of the date of the notification. The operators of the adjacent properties have 30 days after receiving the notification to provide letters of acceptance or objection. If an adjacent operator does not respond within 30 days, the Regional Supervisor will presume there are no objections and proceed with a decision. The notification must include:

(1) The well name;
(2) The rectangular coordinates (x, y) of the location of the top and bottom of the completion or target completion referenced to the North American Datum 1983, and the subsea depths of the top and bottom of the completion or target completion;