

§ 550.116

(c) If the well is an oil well, you must conduct a production test that lasts at least 2 hours after flow stabilizes.

(d) If the well is a gas well, you must conduct a deliverability test that lasts at least 2 hours after flow stabilizes, or a four-point back pressure test.

§ 550.116 How do I determine producibility if my well is in the Gulf of Mexico?

If your well is in the GOM, you must follow either the procedures in § 550.115 of this subpart or the procedures in this section to determine producibility.

(a) You must write to the Regional Supervisor asking for permission to determine producibility.

(b) You must provide or make available to the Regional Supervisor, as requested, the following log, core, analyses, and test criteria that BOEM will consider collectively:

(1) A log showing sufficient porosity in the producible section.

(2) Sidewall cores and core analyses that show that the section is capable of producing oil or gas.

(3) Wireline formation test and/or mud-logging analyses that show that the section is capable of producing oil or gas.

(4) A resistivity or induction electric log of the well showing a minimum of 15 feet (true vertical thickness except for horizontal wells) of producible sand in one section.

(c) No section that you count as producible under paragraph (b)(4) of this section may include any interval that appears to be water saturated.

(d) Each section you count as producible under paragraph (b)(4) of this section must exhibit:

(1) A minimum true resistivity ratio of the producible section to the nearest clean or water-bearing sand of at least 5:1; and

(2) One of the following:

(i) Electrical spontaneous potential exceeding 20-negative millivolts beyond the shale baseline; or

(ii) Gamma ray log deflection of at least 70 percent of the maximum gamma ray deflection in the nearest clean water-bearing sand—if mud conditions prevent a 20-negative millivolt reading beyond the shale baseline.

30 CFR Ch. V (7–1–16 Edition)

§ 550.117 How does a determination of well producibility affect royalty status?

A determination of well producibility invokes minimum royalty status on the lease as provided in 30 CFR 1202.53.

§ 550.118 [Reserved]

§ 550.119 Will BOEM approve subsurface gas storage?

The Regional Supervisor may authorize subsurface storage of gas on the OCS, on and off-lease, for later commercial benefit. The Regional Supervisor may authorize subsurface storage of gas on the OCS, off-lease, for later commercial benefit. To receive approval you must:

(a) Show that the subsurface storage of gas will not result in undue interference with operations under existing leases; and

(b) Sign a storage agreement that includes the required payment of a storage fee or rental.

§ 550.120 What standards will BOEM use to regulate leases, rights-of-use and easement, and rights-of-way?

BOEM will regulate all activities under a lease, a right-of-use and easement, or a right-of-way to:

(a) Promote the orderly exploration, development, and production of mineral resources;

(b) Prevent injury or loss of life;

(c) Prevent damage to or waste of any natural resource, property, or the environment; and

(d) Ensure cooperation and consultation with affected States, local governments, other interested parties, and relevant Federal agencies.

[81 FR 18152, Mar. 30, 2016]

§ 550.121 What must I do to protect health, safety, property, and the environment?

The Director may require additional measures to ensure the use of Best Available and Safest Technology (BAST) as identified by BSEE:

(a) To avoid the failure of equipment that would have a significant effect on safety, health, or the environment;

(b) If it is economically feasible; and