§ 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.

§ 550.117

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.

§ 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