

**Title 26: Oil & Gas**

**Part 3: RULES AND REGULATIONS GOVERNING OIL AND GAS DRILLING, PRODUCING AND PIPELINE OPERATIONS IN SUBMERGED OFFSHORE LAND OF THE STATE OF MISSISSIPPI.**

**Part 3 Chapter 1**

**RULE OS-1.1 SCOPE OF RULES.** The rules and regulations hereby adopted and hereinafter set out are general rules of statewide application and shall apply to all fields; provided, however, special rules, applicable to particular areas or subject matter shall prevail over these general rules only to the extent that they are in conflict therewith.

*Source:* MCA Section 53-1-17(3) (1972)

**RULE OS-1.2 Definitions**

In addition to the definitions set forth in State Oil and Gas Board Order No. 201-51, Rule 2, unless the context otherwise requires, the following words shall have the meanings indicated when found in these Offshore (OS) Rules:

- (a) "Board" shall mean the State Oil and Gas Board created by Chapter 256 of the Laws of 1948.
- (b) "Supervisor" shall mean the State Oil and Gas Board Supervisor of Mississippi.
- (c) "Submerged Offshore Lands" shall mean all lands overlain by the waters of the Gulf of Mexico, Mississippi Sound, bays and other waters connected thereto which are directly affected by the tides in the Gulf of Mexico to the extent that such lands and waters lie within the territorial jurisdiction of the State of Mississippi. For the purpose of implementation of these rules and regulations, the State Oil and Gas Board reserves the authority to classify lands as "Submerged" or "Nonsubmerged".
- (d) "Waters" shall mean the water superjacent to Submerged Offshore Lands.

*Source:* MCA Section 53-1-17(3) (1972)

**RULE OS-1.3 MARKING OF WELLS, PLATFORMS AND FIXED STRUCTURES.**

The operator shall comply with the following requirements:

1. Identification of Platforms, Fixed Structures

Platforms and structures, other than individual wellhead structures, shall be identified at two diagonal corners of the platform or structure by a sign with letters and figures not less than twelve (12) inches in height with the following information: The name of lease operator, the name of the county, the block number in which the platform or structure is located and the

platform or structure designation. The information shall be abbreviated as in the following example:

"The Blank Oil Company operates 'C' platform in Block 60 in Harrison County, Mississippi."

The identifying sign on the platform would show:

"BOC-Har.-60-C."

## 2. Identification of Single Well Structures and Small Structures.

Single well and small structures may be identified with one (1) sign only, with letters and figures not less than (3) three inches in height. The information shall be abbreviated as in the following example:

"The Blank Oil Company operates Well No. 1, which is equipped with a protective structure, in Block 60 in Hancock County, Mississippi."

The identifying sign on the protective structure would show:

"BOC-Han.-60-No. 1."

## 3. Identification of Wells

The State lease and well number shall be painted on, or a sign affixed to, each singly completed well. In multiply completed wells each completion shall be individually identified at the wellhead. All identifying signs shall be maintained in a legible condition.

*Source:* MCA Section 53-1-17(3) (1972)

**RULE OS-1.4 APPLICATION TO DRILL AND DRILLING PROCEDURES.** All exploratory wells drilled for oil and gas shall be drilled in accordance with the provisions of this order. Initial development wells drilled for oil and gas shall be drilled in accordance with the provisions of this order which shall continue in effect until special field rules are issued. After special field rules have been established by the Board after notice and hearing, development wells shall be drilled in accordance with such rules.

Where sufficient geologic and engineering information is obtained through exploratory drilling, operators may petition the Board for a hearing to establish special field rules, but the operator(s) shall make such application before more than five (5) development wells have been drilled in the field. Each Application to Drill, submitted in duplicate, for exploratory wells and development wells not covered by special field rules shall include the following information:

- (a) A statement that all zones which contain oil, gas or fresh water shall be fully protected by casing and cement.

- (b) The complete, integrated casing (size, weight, grade and setting depth), cementing (quantity and kind), mud (weight, viscosity and water loss), and blowout prevention program (number, kind, pressure rating and accompanying equipment).
- (c) Surface location and projected bottom-hole location in feet from the lease boundaries.
- (d) Elevation of the derrick floor (or KB), water depth and depth to which the well is proposed to be drilled.
- (e) Estimated depths to the top of significant paleontological and/or lithological markers.
- (f) If on a platform, information as to how many wells have been drilled and how many more are presently planned from the platform.
- (g) Two (2) copies of a certified plat on a scale of 2,000 feet to the inch, showing surface and subsurface location of the proposed well and all other wells previously drilled in the vicinity for which information is available.
- (h) An exploratory drilling or development plan for the lease must accompany the application. If such a plan has been submitted, make a statement to that effect indicating the date submitted and/or approved.

**Note:** A company well prognosis, covering any of the above items, will be acceptable if attached to the application.

An Application to drill must be covered by an exploratory drilling or development plan for the lease. These plans shall be submitted to the Supervisor for approval. Each exploratory plan for the leased area shall include (1) a description of drilling vessels, platforms or other structures showing the location, the design and the major features thereof, including features pertaining to pollution prevention and control, and (2) the general location of each well drilled or to be drilled including surface and projected bottom-hole location. Where warranted and after consultation with the operator, the Supervisor may request additional information pertaining to any anticipated abnormal pressured formations, anticipated formation tops and structural data. Each development plan shall include the same type of information as prescribed for the exploratory plan, also incorporating necessary revisions.

In supplying the information for (1), refer to Rule OS-8 and OS-9 for guidance. To simplify submittals and to avoid duplication we suggest that every effort be made to incorporate the application for approval of platforms or fixed structures required by rule OS-9 in the development plans. Also, the filing of the emergency plan and the approval of pollution equipment and location as required for each lease under Rule OS-8 should be incorporated, likewise, in both the exploratory and development plans. We realize that the emergency plan and type and location of equipment may be a general company plan that will cover all leases. In this event, after the initial filing and approval, it could be referred to in subsequent submittals,

modifying as necessary. In addition, an application for establishment of, or modification of, special field rules may be an appropriate part of the development plans. The Application to Drill and accompanying location plat would supply most of the information required under (2). Each plan should specify the time interval covered by such plan, and a revised plan shall be submitted and approved prior to the expiration of the existing plan.

In addition to the above, the Application to Drill shall include the integrated casing, cementing, mud and blowout prevention program for the well and shall comply with the following requirements:

### 1. Well Casing and Cementing

The Application to Drill shall contain a statement that all zones which contain oil, gas or fresh water shall be fully protected by casing and cement. For the purpose of this rule, the several casing strings in order of normal installation are drive or structural casing, conductor casing, surface casing, intermediate casing and production casing. All depths refer to true vertical depth (TVD).

#### A. Drive or Structural Casing

This casing shall be set by drilling, driving or jetting to a minimum depth of 100 feet below the waters' floor or to such greater depth required to support unconsolidated deposits and to provide hole stability for initial drilling operations. If drilled in, the drilling fluid shall be a type that will not pollute the waters, and a quantity of cement sufficient to fill the annular space back to the waters' floor must be used.

#### B. Conductor and Surface Casing - General Principles

Determination of proper casing setting depths shall be based upon all geologic factors including the presence or absence of hydrocarbons and water depths on a well-for-well basis. The setting depths of all casing strings shall be determined by taking into account formation fracture gradients and hydrostatic pressure to be contained within the well bore. The conductor and surface casing shall be new pipe or reconditioned pipe that has been tested and inspected to verify a new condition.

##### (1) Conductor Casing

This casing shall be set in accordance with the table below. A quantity of cement sufficient to fill the annular space back to the waters' floor must be used. The cement may be washed out or displaced to a depth of forty (40) feet below the waters' floor to facilitate casing removal upon well abandonment.

##### (2) Surface Casing

This casing shall be set at a depth in accordance with the table below and cemented in a manner necessary to protect all fresh water sands and provide well control until the next string of casing is set. This casing shall be cemented with a quantity sufficient to fill the calculated annular space back to the waters' floor. Whenever there are any indications of improper cementing, such as lost returns, cement channeling or mechanical failure of equipment, a temperature or cement bond survey shall be run, either before or after remedial cementing, to aid

in determining whether the casing is properly cemented. Where warranted, the Supervisor may specify that a temperature or cement bond survey be run on any or all wells. If the annular space is not adequately cemented by the primary operation, the operator shall either squeeze cement or re-cement the shoe after drilling out.

(3) Conductor and Surface Casing Setting Depths

These strings of casing shall be set at the depths specified in the following table subject to minor variation to permit the casing to be set in a competent bed; provided, however, that the conductor casing shall be set before drilling into shallow formations known to contain oil or gas or, if unknown, upon encountering such formations. These casing strings shall be run and cemented prior to drilling below the specified setting depths. For those wells which may encounter abnormal pressure conditions, after consultation with the operator, the Supervisor may vary the setting depths to exceed the ranges specified below.

<b>Required Setting Depth Below Waters' Floor (TVD in feet)</b> <b>Proposed Total Depth</b> <b>of Well or Depth of</b> <b>First Full String of</b> <b>Intermediate Casing</b> <b>(TVD) Casing in Feet</b> <b>from Rotary Table</b>	<b>Surface Casing</b>		<b>Conductor Casing</b>	
	<b>Minimum</b>	<b>Maximum</b>	<b>Minimum</b>	<b>Maximum</b>
0 - 7,000	1,500	2,500	300	800
7,000 - 9,000	1,750	3,000	400	800
9,000 - 11,000	2,250	3,500	500	900
11,000 - 13,000	3,000	4,000	600	900
13,000 - Below	3,500	4,500	700	1,000

C. Intermediate Casing

This string of casing shall be set when required by anticipated abnormal pressure, mud weights, sediment and other well conditions. The intermediate casing shall be new pipe or reconditioned pipe that has been tested and inspected to verify a new condition. A quantity of cement sufficient to cover and isolate all hydrocarbon zones and to isolate abnormal pressure intervals from normal pressure intervals shall be used. If a liner is used as an intermediate string, the cement shall be tested by a fluid entry or pressure test to determine whether a seal between the liner top and next larger string has been achieved. The test shall be recorded on the driller's log. When such liner is used as production casing, it shall be extended to the surface and cemented to avoid surface casing being used as production casing.

D. Production Casing

This string of casing shall be set before completing the well for production. The production casing shall be new pipe or reconditioned pipe that has been tested and inspected to verify a new condition. It shall be cemented in a manner necessary to cover or isolate all zones which contain hydrocarbons, but in any case, a calculated volume sufficient to fill the annular space at least 500 feet above the uppermost producible hydrocarbon zone must be used. When a liner is used as

production casing, the testing of the seal between the liner top and next larger string shall be conducted as in the case of intermediate liners.

#### E. Pressure Testing

Prior to drilling the plug after cementing, all casing strings, except the drive or structural casing, shall be pressure tested as shown in the table below. This test shall not exceed the working pressure of the casing. The surface casing shall be tested with water in the top 100 feet of the casing. If the pressure declines more than ten percent (10%) in thirty (30) minutes, or if there is other indication of a leak, the casing shall be recemented, repaired or an additional casing string run, and the casing shall be tested again in the same manner.

<b>Casing String</b>	<b>Minimum Pressure Test (psi)</b>
Conductor	200
Surface	1,000
Intermediate	1,500 or 0.2 psi/ft., whichever is greater
Liner	1,500 or 0.2 psi/ft., whichever is greater
Production	1,500 or 0.2 psi/ft., whichever is greater

After cementing any of the above strings, drilling shall not be commenced until a time lapse of:

- (1) Twenty-four (24) hours, or
- (2) Eight (8) hours under pressure for conductor casing string. Twelve (12) hours under pressure for all other strings. (Cement is considered under pressure if one (1) or more float valves are employed and are shown to be holding the cement in place or when other means of holding pressure are used.)

All casing pressure tests shall be recorded on the driller's log.

## 2. Blowout Prevention Equipment

Blowout preventers and related well control equipment shall be installed, used and tested in a manner necessary to prevent blowouts. Prior to drilling below the conductor casing, blowout prevention equipment shall be installed and maintained ready for use until drilling operations are completed as follows:

### A. Conductor Casing

Before drilling below this string, at least one (1) remotely controlled bag-type blowout preventer and equipment for circulating the drilling fluid to the drilling structure or vessel shall be installed. To avoid formation fracturing from complete shut-in of the well, a large diameter pipe with control valves shall be installed on the conductor casing below the blowout preventer so as to permit the diversion of hydrocarbons and other fluids; except that when the blowout preventer assembly is on the waters' floor, the choke and kill lines shall be equipped to permit the diversion of hydrocarbons and other fluids.

## B. Surface Casing

Before drilling below this string, the blowout prevention equipment shall include a minimum of :

- (1) three (3) remotely controlled, hydraulically operated blowout preventers with a working pressure which exceeds the maximum anticipated surface pressure, including one (1) equipped with pipe rams, one (1) with blind rams and one (1) bag-type;
- (2) a drilling spool with side outlets, if side outlets are not provided in the blowout preventer body; (3) a choke manifold; (4) a kill line; (5) a fill-up line.

## C. Intermediate Casing

Before drilling below this string, the blowout prevention equipment shall include a minimum of:

- (1) four (4) remotely controlled, hydraulically operated blowout preventers with a working pressure which exceeds the maximum anticipated surface pressure, including at least one (1) equipped with pipe rams, one (1) with blind rams and one (1) bag-type;
- (2) a drilling spool with side outlets, if side outlets are not provided in the blowout preventer body; (3) a choke manifold; (4) a kill line; and (5) a fill-up line.

## D. Testing

Ram-type blowout preventers and related control equipment shall be tested with water to the rated working pressure of the stack assembly or to the working pressure of the casing, whichever is the lesser, (1) when installed; (2) before drilling out after each string of casing is set; (3) not less than once each week while drilling; and (4) following repairs that require disconnecting a pressure seal in the assembly. The bag-type blowout preventer shall be tested to seventy percent (70%) of the above pressure requirements.

While drill pipe is in use, ram-type blowout preventers shall be actuated to test proper functioning once each trip, but in no event less than once each day. The bag-type blowout preventer shall be actuated on the drill pipe once each week. Accumulators or accumulators and pumps shall maintain a pressure capacity reserve at all times to provide for repeated operation of hydraulic preventers. A blowout prevention drill shall be conducted weekly for each drilling crew to insure that all equipment is operational and that crews are properly trained to carry out emergency duties. All blowout preventer tests and crew drills shall be recorded on the driller's log.

## E. Other Equipment

An inside blowout preventer assembly (back pressure valve) and drill string safety valve in the open position shall be maintained on the rig floor at all times while drilling operations are being conducted. Separate valves shall be maintained on the rig floor to fit all pipe in the drill string. A Kelly cock shall be installed below the swivel, and an essentially full opening Kelly

cock shall be installed at the bottom of the Kelly of such design that it can be run through the blowout preventers.

### 3. Mud Program - General

The characteristics, use and testing of drilling mud and the conduct of related drilling procedures shall be such as are necessary to prevent the blowout of any well. Quantities of mud materials sufficient to insure well control shall be maintained readily accessible for use at all times.

#### A. (1) Mud Control

Before starting out of hole with drill pipe, the mud shall be circulated with the drill pipe just off bottom until the mud is properly conditioned except under the conditions in subparagraph 3. A(2) below. When coming out of the hole with drill pipe, the annulus shall be filled with mud before the mud level drops below 100 feet, and a mechanical device for measuring the amount of mud required to fill the hole shall be utilized. The volume of mud required to fill the hole shall be watched, and any time there is an indication of swabbing, or influx of formation fluids, the necessary safety device(s) required in subparagraph 2(E) above shall be installed on the drill pipe, the drill pipe shall be run to bottom and the mud properly conditioned. The mud shall not be circulated and conditioned except on or near bottom, unless well conditions prevent running the pipe to bottom. The mud in the hole shall be circulated or reverse circulated prior to pulling drill stem test tools from the hole.

(2) It will not be required that the mud at the bottom of the hole be circulated out prior to removing the drill pipe from the hole, provided that in every case the driller's log contains proper documentation that:

- (a) There was no indication of influx of formation fluids prior to starting to remove the pipe from the hole;
- (b) The weight of the returning mud is sufficient to contain formation pressures; and
- (c) Other mud properties recorded on the daily drilling log are within the specified ranges at that stage of the hole to perform their required functions.

(3) In those cases when the hole is circulated, the driller's log should be so noted.

#### B. Mud Testing Equipment

Mud testing equipment shall be maintained on the drilling platform at all times, and mud tests shall be performed daily, or more frequently as conditions warrant. Suitable mud test records must be kept and made available to the Supervisor's representative upon his request.

The following mud system monitoring equipment must be installed (with derrick floor indicators) and used throughout the period of drilling after setting and cementing the conductor casing:

- (1) Recording mud tank level indicator to determine mud tank volume gains and losses. This indicator shall include a visual or audio warning device.
- (2) Mud volume measuring device for accurately determining mud volumes required to fill the hole on trips.



- (3) Mud return indicator to determine that returns essentially equal the pump discharge rate.

*Source:* MCA Section 53-1-17(3) (1972)

**RULE OS-1.5 PLUGGING AND ABANDONMENT OF WELLS.** The operator shall comply with the following minimum plugging and abandonment procedures which have general application to all wells drilled for oil and gas. Plugging and abandonment operations must not be commenced prior to obtaining approval from an authorized representative of the Board. Where not in conflict with this rule or special field rules, Statewide Rules 27 and 28 shall be followed:

(1) Permanent Abandonment

A. Isolation in Uncased Hole

In uncased portions of wells, cement plugs shall be spaced to extend 100 feet below the bottom to 100 feet above the top of any oil, gas and fresh water zones so as to isolate them in the strata in which they are found and to prevent them from escaping into other strata.

B. Isolation of Open Hole

Where there is open hole (uncased and open into the casing string above) below the casing, a cement plug shall be placed in the deepest casing string by (1) or (2) below, or in the event lost circulation conditions exist or are anticipated, the plug may be placed in accordance with (3) below:

- (1) A cement plug placed by displacement method so as to extend a minimum of 100 feet above and 100 feet below the casing shoe.
- (2) A cement retainer with effective back pressure control set not less than fifty (50) feet, nor more than 100 feet, above the casing shoe with a cement plug calculated to extend at least 100 feet below the casing shoe and fifty (50) feet above the retainer.
- (3) A permanent type bridge plug set within 150 feet above the casing shoe with fifty (50) feet of cement on top of the bridge plug. This plug shall be tested prior to placing subsequent plugs.

C. Plugging or Isolating Perforated Intervals

A cement plug shall be placed opposite all open perforations (perforations not squeezed with cement) extending a minimum of 100 feet above and 100 feet below the perforated interval or down to a casing plug whichever is less. In lieu of the cement plug, a bridge plug set at a maximum of 150 feet above the open perforations with fifty (50) feet of cement on top may be used, provided the perforations are isolated from the hole below.

D. Plugging of Casing Stubs

If casing is cut and recovered, a cement plug 200 feet in length shall be placed to extend 100 feet above and 100 feet below the stub. A retainer may be used in setting the required plug.

E. Plugging of Annular Space

No annular space that extends to the waters' floor shall be left open to drilled hole below. If this condition exists, the annulus shall be plugged with cement.

#### F. Surface Plug Requirement

A cement plug of at least 150 feet, with the top of the plug 150 feet or less below the waters' floor, shall be placed in the smallest string of casing which extends to the surface.

#### G. Testing of Plugs

The setting and location of the first plug below the top 150-foot plug will be verified by either (1) placing a minimum pipe weight of 15,000 pounds on the plug, or (2) testing with a minimum pump pressure of 1,000 psig with no more than a ten percent (10%) pressure drop during a fifteen (15) minute period.

#### H. Mud

Each of the respective intervals of the hole between the various plugs shall be filled with mud fluid of sufficient density to exert hydrostatic pressure exceeding the greatest formation pressure encountered while drilling such interval.

#### 2. Clearance of Location

All casing and piling shall be severed and removed to at least fifteen (15) feet below the waters' floor, and the location shall be dragged to clear the well site of any obstructions.

#### 3. Temporary Abandonments

Any drilling well which is to be temporarily abandoned shall be mudded and cemented as required for permanent abandonment except for requirements F and I of Paragraph 1 above. When casing extends above the waters' floor, a mechanical bridge plug (retrievable or permanent) shall be set in the casing between fifteen (15) and 200 feet below the waters' floor.

*Source:* MCA Section 53-1-17(3) (1972)

**RULE OS-1.6 INSTALLATION OF SUBSURFACE SAFETY DEVICE.** The operator shall comply with the following requirements. All departures from the requirements specified in this rule shall be subject to approval by the Supervisor. All applications for approval under the provisions of this rule shall be submitted to the Supervisor. References in this rule to approvals, determinations or requirements are to those given or made by the Supervisor or his delegated representative:

#### 1. Installation

All tubing installations open to hydrocarbon-bearing zones shall be equipped with a subsurface-controlled or a surface - or other remotely controlled subsurface safety device, to be installed at a depth of 100 feet or more below the waters' floor unless, after application and justification, the well is determined to be incapable of flowing oil or gas. These installations shall be made as required in Subparagraph A below within two (2) days after stabilized production is established, and during this period of time the well shall not be left unattended while open to production.

#### A. New Wells

All tubing installations in wells shall be equipped with a surface or other remotely controlled subsurface safety device; provided, that wells with a shut-in tubing pressure of 4,000 psig or greater shall be equipped with a subsurface-controlled subsurface safety device in lieu of a surface or other remotely controlled subsurface safety device unless a surface or other remotely controlled subsurface safety device is approved or required. When the shut-in tubing pressure declines below 4,000 psig, a surface or other remotely controlled subsurface safety device shall be installed when the tubing is first removed and reinstalled.

#### B. Shut-in Wells

A tubing plug shall be installed in lieu of, or in addition to, other subsurface safety devices if a well has been shut-in for a period of six (6) months. Such plugs shall be set at a depth of 100 feet or more below the waters' floor. All retrievable plugs installed shall be of the pump-through type. All wells perforated and completed, but not placed on production, shall be equipped with a subsurface safety device or tubing plug within two (2) days after completion.

#### C. Injection Wells

Subsurface safety devices as required in Subparagraph A above shall be installed in all injection wells unless, after application and justification, it is determined that the well is incapable of flowing oil or gas, which condition shall be verified annually.

### 2. Technological Advancement

As technological research, progress and product improvement result in increased effectiveness of existing safety devices or the development of new devices or systems, such devices or systems may be required or used upon application, justification and approval. Applications for routine use shall include evidence that the device or system has been field-tested at least once each month for a minimum of six (6) consecutive months, and that each test indicated proper operation.

### 3. Testing and Inspection

Subsurface safety devices shall be designed, adjusted, installed and maintained to insure reliable operation. During testing and inspection procedures, the well shall not be left unattended while open to production unless a properly operating subsurface safety device has been installed in the well.

#### A. Surface-Controlled Subsurface Safety Devices

Each surface or other remotely controlled subsurface safety device installed in a well shall be tested in place for proper operation when installed and thereafter at intervals not exceeding six (6) months. If the device does not operate properly, it shall be removed, repaired and reinstalled or replaced and tested to insure proper operation.

#### B. Subsurface-Controlled Subsurface Safety Devices

Each subsurface-controlled subsurface safety device installed in a well shall be removed, inspected and repaired or adjusted as necessary and reinstalled at intervals not exceeding six (6) months; provided, that such removable devices set in a landing nipple shall be removed, inspected and repaired or adjusted as necessary and reinstalled at intervals not exceeding twelve

(12) months. Each velocity-type device shall be designed to close at a flow rate not to exceed the larger of either 150 percent of, or 200 BFPD above, the most recent well-test rate which equals or exceeds the approved production rate. The above closing flow rate shall not exceed the calculated capacity of the well to produce against a flowing wellhead pressure of fifty (50) psig. Each preset tubing-pressure-actuated device shall be designed to close prior to reduction of the flowing wellhead pressure to fifty (50) psig.

### C. Tubing Plugs

A shut-in well equipped with a tubing plug shall be inspected for leakage by opening the well to possible flow at intervals not exceeding six (6) months. If sustained liquid flow exceeds 400 cc/min., or gas flow exceeds fifteen (15) cu.ft./min., the plug shall be removed, repaired and reinstalled or an additional tubing plug installed to prevent leakage.

#### 4. Temporary Removal

Each wireline or pumpdown-retrievable subsurface safety device may be removed, without further authority or notice, for a routine operation for a period not to exceed fifteen (15) days. The well shall be clearly identified as being without a subsurface safety device and shall not be left unattended while open to production. The provisions of this paragraph are not applicable to the testing and inspection procedures in Paragraph 3 above.

#### 5. Additional Protective Equipment

All tubing installations in which a wireline or pumpdown- retrievable subsurface safety device is to be installed shall be equipped with a landing nipple, with flow couplings or other protective equipment above and below, to provide for setting of the subsurface safety device. All wells in which a subsurface safety device or tubing plug is installed shall have the tubing- casing annulus packed off above the uppermost open casing perforations. The control system for all surface-controlled subsurface safety devices shall be an integral part of the platform shut-in system, or of an independent remote shut-in system.

#### 6. Departures

All departures (or waivers) shall be applied for in writing to the Supervisor. All applications for departures shall include a detailed statement of the well conditions, efforts made to overcome any difficulties and proposed alternate safety measures.

#### 7. Emergency Action

All tubing installations open to hydrocarbon-bearing zones and not equipped with a subsurface safety device as permitted by this rule shall be clearly identified as not being so equipped, and a subsurface safety device or tubing plug shall be available at the field location. In the event of an emergency, such as an impending hurricane, such device or plug shall be promptly installed within the limits of practicability, due consideration being given to personnel safety.

#### 8. Records

The operator shall maintain the following records for a minimum period of one (1) year for each subsurface safety device and tubing plug installed, which records shall be available to any authorized representative of the Board:

#### A. Field Records

Individual well records shall be maintained at or near the field and shall include, as a minimum, the following information:

- (1) A record which will give design and other information, i.e., make, model, type, spacers, bean and spring size, pressure, etc.
- (2) Verification of assembly by a qualified person in charge of installing the device and installation date.
- (3) Verification of setting depth and all operational tests as required in this order.
- (4) Removal date, reason for removal and reinstallation date.
- (5) A record of all modifications of design in the field.
- (6) All mechanical failures or malfunctions, including sandcutting, of such devices, with notation as to cause or probable cause.
- (7) Verification that a failure report was submitted.

#### B. Other Records

The following records, as a minimum, shall be maintained at the operator's office:

- (1) Verified design information of subsurface- controlled subsurface safety devices for the individual well.
- (2) Verification of assembly and installation according to design information.
- (3) All failure reports.
- (4) All laboratory analysis reports of failed or damaged parts.
- (5) Quarterly failure-analysis report.

#### 9. Reports

Well completion reports (Form No. 3) and any subsequent reports of workover (Form No. 3) shall include the type and the depth of the subsurface safety devices and tubing plugs installed in the well or indicate that a departure has been granted.

To establish a failure-reporting and corrective-action program as a basis for reliability and quality control, each operator shall submit a quarterly failure-analysis report to the Supervisor, identifying mechanical failures by lease and well, make and model, cause or probable cause of failure and action taken to correct the failure. The reporting period shall begin the first day of the month following the date of this order. The reports shall be submitted by February 28, May 31, August 31 and November 30 for the periods ending January 31, April 30, July 31 and October 31 of each year.

*Source:* MCA Section 53-1-17(3) (1972)

### **RULE OS-1.7 PROCEDURE FOR COMPLETION OF OIL AND GAS WELLS.**

#### 1. Wellhead Equipment and Testing Procedures

##### A. Wellhead Equipment

All completed wells shall be equipped with casingheads, wellhead fittings, valves and connections with a rated working pressure equal to or greater than the surface shut-in pressure of

the well. Connections and valves shall be designed and installed to permit fluid to be pumped between any two strings of casing. Two master valves shall be installed on the tubing in wells with a surface pressure in excess of 5,000 pounds per square inch. All wellhead connections shall be assembled and tested, prior to installation, by a fluid pressure which shall be equal to the rated test pressure of the fitting to be installed.

#### B. Testing Procedure

Any wells showing sustained pressure on the casinghead, or leaking gas or oil between the production casing and the next larger casing string, shall be tested in the following manner: The well shall be killed with water or mud and pump pressure applied. Should the pressure at the casinghead reflect the applied pressure, the casing shall be condemned. After corrective measures have been taken, the casing shall be tested in the same manner. This testing procedure shall be used when the origin of the pressure cannot be determined otherwise.

#### 2. Storm Choke

All completed wells shall meet the requirements prescribed in Rule OS-6.

#### 3. Procedures for Multiple or Tubingless Completions

##### A. Multiple Completions

The rules and regulations governing all multiple completions shall be the same as set forth in Statewide Rule 15, Multiple and Dual Completions, and any other applicable Statewide Rules, and shall include the following:

- (1) Information shall be submitted on required form showing top and bottom of all zones proposed for completion or alternate completion, including a partial electric log and a diagrammatic sketch showing such zones and equipment to be used.
- (2) When zones approved for multiple completion become intercommunicated the operator shall immediately repair and separate the zones after approval is obtained.

##### B. Tubingless Completions

- (1) All tubing strings in a multiple completed well shall be run to the same depth below the deepest producible zone.
- (2) The tubing string(s) shall be new pipe and cemented with a sufficient volume to extend a minimum of 500 feet above the uppermost producible zone.
- (3) A temperature or cement bond log shall be run in all tubingless completion wells where lost circulation or other unusual circumstances occur during the cementing operations.
- (4) Information shall be submitted on, or attached to, Form No. 3 showing the top and bottom of all zones proposed for completion or alternate completion, including a partial electric log and a diagrammatic sketch showing such zones and equipment to be used.

*Source: MCA Section 53-1-17(3) (1972)*

**RULE OS-1.8 PREVENTION OF WASTE, INCLUDING POLLUTION, AND WASTE DISPOSAL.**

(a) The operator shall not cause waste or pollute land or water or damage the aquatic life of the waters or allow extraneous matter to enter and damage any mineral- or water- bearing formation.

(b) If the waters are polluted by the drilling or production operations conducted by or on behalf of the operator, and such waste by pollution damages or threatens to damage aquatic life, wildlife or public or private property, the control and total removal of the pollutant, wheresoever found, proximately resulting therefrom shall be at the expense of the operator. Upon failure of the operator to control waste and remove the pollutant, the Supervisor shall have the right to accomplish the control and removal of the pollutant in accordance with any established contingency plan for combating oil spills or by other means at the cost of the operator. Such action shall not relieve the operator of any responsibility as provided herein.

(c) The operator's liability to third parties, other than for cleaning up the pollutant in accordance with Paragraph (b) of this section, shall be governed by applicable law.

The Operator shall comply with the following requirements:

1. Waste Prevention Including Pollutant

A. Liquid Disposal

- (1) Oil in any form shall not be disposed of into the waters.
- (2) Liquid waste materials containing substances which may be harmful to aquatic life or wildlife, or injurious in any manner to life or property, shall be treated to avoid disposal of harmful substances into the waters.
- (3) Drilling mud containing oil shall not be disposed of into the waters.
- (4) Detergents, surfactants or dispersants in harmful quantities shall not be introduced into the waters without prior approval of the Supervisor.

B. Solid Waste Disposal

- (1) Drill cuttings, sand and other solids shall not be disposed of into the waters without prior approval of the Supervisor.
- (2) Mud containers and other solid waste materials shall be incinerated or transported to shore for disposal.

C. Production Facilities

- (1) All production facilities, such as separators, tanks, treaters and other equipment shall be such as are necessary to control the maximum anticipated pressures and production of oil, gas and associated sulphur, and shall be maintained at all times in a manner necessary to prevent waste and pollution.
- (2) All platforms and structures shall be curbed and connected by drains to a collecting tank or sump unless drip pans, or equivalents, are placed under

equipment from which a pollutant may spill into the waters and piped to a tank or sump.

- (3) The operator's personnel shall be thoroughly instructed in the techniques of equipment maintenance and operation for the prevention of waste and pollution. Non-operator personnel shall be informed in writing, prior to executing contracts, of the operator's obligations to prevent waste and pollution.

## 2. Inspections and Reports

The operator shall comply with the following waste and pollution inspection and reporting requirements:

### A. Waste and Pollution Inspections

- (1) Manned facilities shall be inspected daily.
- (2) Unattended facilities, including those equipped with remote control and monitoring systems, shall be inspected at frequent intervals. The Supervisor may prescribe the frequency of inspections for these facilities.

### B. Waste and Pollution Reports

- (1) All spills or leakage of oil and liquid pollutants shall be recorded showing the cause, size of spill and action taken, and the record shall be maintained and available for inspection by the Supervisor or duly authorized representatives.
- (2) All spills or leakage of oil and liquid pollutants of one (1) barrel or more shall be reported orally to the Supervisor or his authorized representative without delay and shall be confirmed in writing to the Supervisor.
- (3) Operators shall notify each other upon observation of equipment malfunction or waste and pollution resulting from another's operation.

## 3. Control and Removal

### A. Corrective Action

Immediate corrective action shall be taken in all cases where waste and pollution has occurred. Each operator shall have an emergency plan for initiating corrective action to control and remove pollution and such plan shall be filed and reviewed with the Supervisor. Corrective action taken under the plan shall be subject to modification when directed by the Supervisor.

### B. Equipment

Standby waste and pollution control equipment shall be maintained by or shall be immediately available to each operator at a land base location. This equipment shall include containment booms, skimming apparatus and approved chemical dispersants and shall be available prior to the commencement of operations. The equipment shall be regularly inspected and maintained in good condition for use. The adequacy of the equipment and the location of land bases shall be approved by the Supervisor. The operator shall notify the Supervisor of the location at which each item of equipment is located for operations conducted on or for each



lease. All changes in location and equipment maintained at each location shall be approved by the Supervisor.

*Source:* MCA Section 53-1-17(3) (1972)

**RULE OS-1.9 APPROVAL PROCEDURE FOR INSTALLATION AND OPERATION OF PLATFORMS, FIXED AND MOBILE STRUCTURES AND ARTIFICIAL ISLANDS.**

The operator shall be responsible for compliance with the requirements of this rule in the installation and operation of all platforms, fixed and mobile structures and artificial islands, including all facilities installed on a platform or structure whether or not operated or owned by the operator.

1. The following requirements are applicable to all platforms:

A. General Design

The design and engineering of platforms, fixed structures and artificial islands shall include consideration of such factors as water depth, surface and subsurface soil conditions, wave and current forces, wind forces, total equipment weight and other pertinent geological, geographical, environmental and operational conditions.

B. Application

The operator shall submit, in duplicate, the following to the Supervisor for approval:

(1) Design Features

Information relative to design features on an 8- 1/2" x 11" plat or plats showing the platform dimensions, plan and two elevations, number and location of well slots and water depth. In addition, the plat shall include:

- (a) Nominal size and thickness range of piling.
- (b) Nominal size and thickness range of jacket column leg.
- (c) Nominal size and thickness range of deck column leg.
- (d) Design piling penetration.
- (e) Maximum bearing and lateral load per pile in tons.
- (f) Identification data which shall be the lease number, block number, county and operator.
- (g) The following certification signed and dated with the title of the company representative:

"Operator certifies that this platform has been certified by a registered professional engineer and that the structure will be constructed, operated and maintained as described in the application, and any approved modification thereto. Certified plans are on file at the State Oil and Gas Board's located at 500 Greymont Avenue, Suite E, Jackson, Mississippi."

(2) Non-design Features

Information relative to non-design features including the following:

- (a) Primary use intended, including drilling, production of oil, gas and associated sulphur.
- (b) Personnel and personnel transfer facilities including living quarters, boat landings and heliport.
- (c) Type of deck, such as steel or wood, and whether coated with protective material.
- (d) Method of protection from corrosion.
- (e) Production facilities, including separators, treaters, storage tanks, compressors, line pumps and metering devices, except that when initially designed and utilized for drilling, this information may be submitted prior to installation.
- (f) Safety, waste and pollution control equipment and features.
- (g) Other information when required.

### C. Certified Plan

Detailed structural plans certified by a registered professional engineer [See Rule OS-9 (1)(g)] shall be on file and maintained by the operator or his designee.

## 2. Waste, Safety and Pollution Control Equipment and Procedures

### A. The following requirements shall apply to all platforms:

(1) The following shut-in devices shall be installed and maintained in an operating condition on all pressurized vessels and water separation facilities when such vessels and separation facilities are in service. The operator shall submit records to the Supervisor semi-annually showing the present status and past history of each device including dates and details of inspection, testing, repairing, adjustment and reinstallation:

- (a) All sensors shall be equipped to permit testing with an external pressure source. All separators shall be equipped with high- low pressure shut-in sensors, low level shut- in controls and a relief valve. High liquid level control devices shall be installed when the vessel can discharge to a flare.
- (b) All pressure surge tanks shall be equipped with a high and low pressure shut-in sensor, a high level shut-in control, flare line and relief valve.
- (c) Atmospheric surge tanks shall be equipped with a high level shut-in sensor.
- (d) All other pressured hydrocarbon-handling pressure vessels shall be equipped with high- low pressure shut-in sensors, high-low level shut-in controls and relief valves, unless determined to be otherwise protected.
- (e) Pilot-operated pressure relief valves shall be equipped to permit testing with an external pressure source. Spring-loaded pressure relief valves shall either be bench- tested or equipped to permit testing with an external pressure source. A relief valve shall be set no higher than the designed working pressure of the vessel. The high pressure shut-in sensor shall be set no higher than five percent (5%) below the rated or designed working pressure, and the low pressure shut-in sensor shall be set no lower than ten

percent (10%) below the lowest pressure in the operating pressure range on all vessels with a rated or designed working pressure of more than 400 psi. On lower pressure vessels, the above percentages shall be used as guidelines for sensor settings considering pressure and operating conditions involved; except that sensor settings shall not be within five (5) psi of the rated or designed working pressure or the lowest pressure in the operating pressure range.

- (f) All sensors shall be equipped to permit testing with an external pressure source.
- (g) All flare lines shall be equipped with a scrubber or similar separation equipment.

(2) The following remote and local automatic shut-in devices shall be installed and maintained in an operating condition at all times when the affected well (or wells) is producing. The operator shall submit records to the Supervisor semi-annually showing the present status and past history of each such device including dates and details of inspection, testing, repairing, adjustment and reinstallation.

- (a) All wellhead assemblies shall be equipped with an automatic fail-close valve. Automatic safety valves temporarily out of service shall be flagged.
- (b) All flowlines from wellheads shall be equipped with high-low pressure sensors located close to the wellhead. The pressure sensors shall be set to activate the wellhead valve in the event of abnormal pressures in the flowline.
- (c) All headers shall be equipped with check valves on the individual flowlines. The flowline and valves from each well located upstream of, and including, the header valves shall withstand the shut-in pressure of that well, unless protected by a relief valve with connections to bypass the header and flow to an appropriate surge facility. If there is an inlet valve to a separator, the valve, flowline and all equipment upstream of the valve shall also withstand shut-in wellhead pressure, unless protected by a relief valve with connections to bypass the header.
- (d) All pneumatic shut-in control lines shall be equipped with fusible material at strategic points.
- (e) Remote shut-in controls shall be located on the helicopter deck and all exit stairway landings, including at least one (1) on each boat landing. These controls shall be quick-opening valves.
- (f) All pressure sensors shall be tested for proper pressure settings monthly for at least four (4) months. At such time as the monthly results are consistent, a quarterly test shall be required for at least one (1) year. If these results are consistent, a longer period of time between testing may then be approved by the Supervisor. In the event any testing sequence reveals inconsistent results, the monthly testing sequence shall be reinstated. Results of all tests shall be recorded and maintained in the field.

- (g) All automatic wellhead safety valves shall be tested for operation weekly. All automatic wellhead safety valves shall be tested for holding pressure monthly. If these results are consistent, a longer period of time between pressure tests, not to exceed quarterly, may then be approved by the Supervisor. In the event that any pressure testing sequence, exceeding monthly, reveals inconsistent results, the monthly testing sequence shall be reinstated. Results of all tests shall be recorded and maintained in the field.
- (h) Check valves shall be tested for holding pressure monthly for at least four (4) months. At such time as the monthly results are satisfactory, a quarterly test shall be required for at least one (1) year. If these results are consistent, a longer period of time between testing may then be approved by the Supervisor. In the event any testing sequence reveals inconsistent results, the monthly testing sequence shall be reinstated. Results of all tests shall be recorded and maintained in the field.
- (i) A complete testing and inspection of the safety system shall be witnessed by a representative of the Board at the time production is commenced. Thereafter, the operator shall arrange for a test every six (6) months, notifying the Supervisor or his authorized representative such that a representative of the Board may be present during the test.
- (j) A standard procedure for testing of safety equipment shall be prepared and posted in a prominent place on the platform.

(3) Curbs, gutters and drains shall be constructed in all deck areas in a manner necessary to collect all contaminants, unless drip pans or equivalent are placed under equipment and piped to a sump which will automatically maintain the oil at a level sufficient to prevent discharge of oil into the Gulf waters. Alternate methods to obtain the same results will be acceptable. These systems shall not permit spilled oil to flow into the wellhead area.

(4) An auxiliary electrical power supply shall be installed to provide emergency power capable of operating all electrical equipment to maintain safety of operation in the event the primary electrical power supply fails.

(5) The following requirements shall apply to the handling and disposal of all produced waste water. All waste water shall be disposed of by: (1) Injecting into an approved subsurface formation; or (2) Transporting said water ashore and disposing of it in a manner already approved under existing onshore regulations; or (3) Discharging into the waters offshore provided the water quality meets standards established by appropriate regulatory agencies and when approved by the Supervisor.

(a) Water discharged shall not create conditions which will adversely affect the public health or use of the waters (as defined by the Mississippi Bureau of Pollution Control) for the propagation of aquatic life, recreation, navigation or other legitimate uses not prohibited by high natural mineral content.

(6) A firefighting system shall be installed and maintained in an operating condition in accordance with the following:

- (a) A fixed automatic water spray system shall be installed in all inadequately ventilated wellhead areas as these areas are defined in Paragraph 9 of API RP 500A. These systems shall be installed in accordance with the most current edition of National Fire Protection Association's Pamphlet No. 15.
- (b) A firewater system of rigid pipe with fire hose stations shall be installed and may include a fixed water spray system. Such a system shall be installed in a manner necessary to provide needed protection in areas where production handling equipment is located. A firefighting system using chemicals may be considered for installation in certain platform areas in lieu of a firewater system in that area, if determined to provide equivalent fire protection control.
- (c) Pumps for the firewater systems shall be inspected and test-operated weekly. A record of the tests shall be maintained in the field and submitted semi-annually to the Supervisor. An alternate fuel or power source shall be installed to provide continued pump operation during platform shutdown unless an alternate firefighting system is provided.
- (d) Portable fire extinguishers shall be located in the living quarters and in other strategic areas.
- (e) A diagram of the firefighting system showing the location of all equipment shall be posted in a prominent place on the platform and a copy submitted to the Supervisor.

(7) An automatic gas detector and alarm system shall be installed and maintained in an operating condition in accordance with the following:

- (a) Gas detection systems shall be installed in all enclosed areas containing gas-handling facilities or equipment and in other enclosed areas which are classified as hazardous areas as defined in API RP 500B and the most current edition of the National Electric Code.
- (b) All gas detection systems shall be capable of continuously monitoring for the presence of combustible gas in the areas in which the detection devices are located.
- (c) The central control shall be capable of giving an alarm at some point below the lower explosive limit of one and three-tenths percent (1.3%) as shown in the Bureau of Mines Bulletin No. 503. This low level shall be for alarm purposes only.
- (d) A high level setting of not more than four and nine-tenths percent (4.9%) shall be used for shut-in sequences and the operation of emergency equipment.
- (e) An application for the installation and maintenance of any gas detection system shall be filed with the Supervisor for approval.

The Application shall include the following:

- (i) Type, location and number of detection or sampling heads.
- (ii) Cycling, non-cycling and frequency information.
- (iii) Type and kind of alarm, including emergency equipment, to be activated.
- (iv) Method used for detection of combustible gas.
- (v) Method and frequency of calibration.
- (vi) A diagram of the gas detection system.
- (vii) Other pertinent information.

(f) A diagram of the gas detection system showing the location of all gas detection points shall be posted in a prominent place on the platform.

(8) The following requirements shall be applicable to all electrical equipment and systems installed:

- (a) All engines shall be equipped with low- tension ignition systems containing rigid connections and shielded wiring which shall prevent the release of sufficient electrical energy under normal or abnormal conditions to cause ignition of a combustible mixture.
- (b) All electrical generators, motors and lighting systems shall be installed, protected and maintained in accordance with the most current edition of the National Electric Code and APIRP 500A and B as appropriate.
- (c) Marine-armored cable or metal-clad cable may be substituted for wire in conduit in any area.

(9) Sewage disposal systems shall be installed and used in all cases where sewage is discharged into the waters. Sewage is defined as human body wastes and the wastes from toilets and other receptacles intended to receive or retain body wastes. Following sewage treatment, the effluent shall contain fifty (50) ppm or less of biochemical oxygen demand (BOD), 150 ppm or less of suspended solids, and shall have a minimum chlorine residual of one (1.0) mg/liter after a minimum retention time of fifteen (15) minutes provided further that any sewage disposal system shall conform to any standard established by the Mississippi Bureau of Pollution Control.

B. The requirements of Sub-paragraphs 2.A(3), (4), (8) and (9) shall apply to all mobile drilling structures used to conduct drilling or workover operations.

*Source:* MCA Section 53-1-17(3) (1972)

**RULE OS-1.10 APPROVAL PROCEDURE FOR OIL AND GAS PIPELINES.** The Supervisor shall approve a plan for installation of all pipelines for which a right of use or easement has been granted by the State, or permitted under the provisions of any lease, in or over submerged offshore lands. The operator shall comply with the following requirements:

1. General Design

All pipelines shall be designed and maintained in accordance with the following:

A. The operator shall be responsible for the installation of the following control devices on all oil and gas pipelines connected to a platform, including pipelines which are not operated or owned by the operator. The operator shall submit records to the Supervisor semi-annually showing the present status and past history of each device, including dates and details of inspection, testing, repairing, adjustment and re- installation:

(1) All oil and gas pipelines leaving a platform receiving production from the platform shall be equipped with a high-low pressure sensor to directly or indirectly shut-in the wells on the platform.

(2) (a) All oil and gas pipelines delivering production to production facilities on a platform shall be equipped with an automatic shut-in valve connected to the platform's automatic and remote shut-in system.

(b) All oil and gas pipelines coming onto a platform shall be equipped with a check valve to avoid backflow.

(c) Any oil or gas pipelines crossing a platform which do not deliver production to the platform, but which may or may not receive production from the platform, shall be equipped with high- low pressure sensors to activate an automatic shut-in valve to be located in the upstream portion of the pipeline at the platform. This automatic shut-in valve shall be connected to either the platform automatic and remote shut-in system or to an independent remote shut- in system.

(d) All pipeline pumps shall be equipped with high-low pressure shut-in devices.

B. All pipelines shall be protected from loss of metal by corrosion that would endanger the strength and safety of the lines either by providing extra metal for corrosion allowance, or by some means of preventing loss of metal such as protective coatings or cathodic protection.

C. All pipelines shall be installed and maintained to be compatible with trawling operations and other uses.

D. All pipelines shall be hydrostatically tested to one and twenty-five one-hundredths (1.25) times the designed working pressure for a minimum of two (2) hours prior to placing the line in service.

E. All pipelines shall be maintained in good operating condition at all times and inspected monthly for indication of leakage using aircraft, floating equipment or other methods. Records of these inspections including the date, methods and results of each inspection shall be maintained by the pipeline operator and submitted annually by April 1. The pipeline operator shall submit records indicating the cause, effect and remedial action taken regarding all pipeline leaks within one (1) week following each such occurrence.

F. All pipelines shall be designed to be protected against water currents, storm scouring, soft bottoms and other environmental factors.

## 2. Application

The operator shall submit in duplicate the following to the Supervisor for approval:

A. Drawing on 8-1/2" x 11" plat or plats showing the major features and other pertinent data, including: (1) water depth, (2) route, (3) location, (4) length, (5) connecting facilities, (6) size and (7) burial depth, if buried.

B. A schematic drawing showing the following pipeline safety equipment and the manner in which the equipment functions:

- (1) High-low pressure sensors,
- (2) Automatic shut-in valves, and
- (3) Check valves.

C. General information concerning the pipeline including the following:

- (1) Product or products to be transported by the pipeline.
- (2) Size, weight and grade of the pipe.
- (3) Length of line.
- (4) Maximum water depth.
- (5) Type or types of corrosion protection.
- (6) Description of protective coating.
- (7) Bulk specific gravity of line (with the line empty).
- (8) Anticipated gravity or density of the product or products.
- (9) Design working pressure and capacity.
- (10) Maximum working pressure and capacity.
- (11) Hydrostatic pressure and hold time to which the line will be tested after installation.
- (12) Size and location of pumps and prime movers.
- (13) Any other pertinent information as the Supervisor may prescribe.

## 3. Completion Report

The operator shall notify the Supervisor when installation of the pipeline is completed and submit a drawing on 8-1/2" x 11" plats showing the location of the line as installed, and also submit the original hydrostatic pressure test including procedure, test pressure, hold time, and results.

*Source:* MCA Section 53-1-17(3) (1972)

**RULE OS-1.11 BOND.** Before any person shall begin drilling of any well in search of oil or gas or assume operation of an oil or gas well or construct or operate any pipeline in the submerged offshore lands of Mississippi, said person shall file with the Board a bond in the amount of not less than ONE HUNDRED THOUSAND DOLLARS (\$100,000.00) for each well or pipeline or TWO HUNDRED THOUSAND DOLLARS (\$200,000.00) for all wells and pipelines, payable to the State of Mississippi for the use and benefit of the Mississippi State Oil and Gas Board. The Board shall require an increase of the minimum specified herein, by



appropriate rider, when in the opinion of the Board the minimum does not constitute a reasonable bond as authorized to be required by Section 53-1-17, Mississippi Code of 1972.

*Source:* MCA Section 53-1-17(3) (1972)

**RULE OS-1.12 APPLICATION OF STATEWIDE RULES AND REGULATIONS.**

Where not in conflict with these rules and regulations, all existing Statewide Rules and Regulations of the State Oil and Gas Board as adopted by Order No. 201-51, and all additions and amendments thereto, shall apply and be in force.

*Source:* MCA Section 53-1-17(3) (1972)

**RULE OS-1.13 PENALTY.** Any person, firm or corporation violating any of these rules and regulations shall be punished as provided by law.

*Source:* MCA Section 53-1-17(3) (1972)

**RULE OS-1.14 HEARINGS.** The Board reserves the right to require notice and hearing on any application for a drilling permit in submerged offshore lands.

*Source:* MCA Section 53-1-17(3) (1972)

**RULE OS-1.15 EXCEPTIONS.** The Board expressly reserves the right, after notice and hearing, to alter, amend, repeal or grant exceptions to any and all of the foregoing rules and regulations.

*Source:* MCA Section 53-1-17(3) (1972)