

UNITED STATES DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
COLORADO STATE OFFICE
2850 YOUNGFIELD STREET
LAKEWOOD, COLORADO 80215-7076

October 16, 1996

In Reply Refer To:
3160 (CO-934) P

Instruction Memorandum No. CO-97-008
Expires: 09/30/97

To: District and Area Managers

From: Team Lead, Fluid Operations Team

Subject: Oil and Gas Well Approvals, Washington Office Instruction Memorandum (IM) No. 96-184,
Application for Permit to Drill (APD) Requirements

The subject IM (attached) pertains to the informational requirements necessary for BLM to process an APD. Each field office with oil and gas responsibility must ensure that the information requested from an operator is required by regulation, necessary to process an APD based on the intent of the regulations, or a result of the professional judgement by the technical staff. If a field office is not receiving information from operators that is vital to the processing of an APD, then such information will be requested through the seven working day notification process identified in Onshore Oil and Gas Order No. 1.

The IM mentions an option for obtaining additional information from an operator that may be misinterpreted. Field offices cannot issue a district/areawide order that requests information beyond or in addition to current regulatory authority. Since district/areawide orders are not specifically founded in regulation and the authority for issuance of a Notice-to-Lessees (NTL) (at 43 CFR 3164.2) has not been delegated to the Districts, a field office can not issue an order that further implements the regulation.

However, field offices are responsible for oil and gas approval processing and the receipt of information necessary to fulfill that responsibility. An acceptable order for a field office to issue would be one that requests special or unique information for a specific area or field that is necessary to determine compliance with the regulations. These situations include secondary recovery projects, particular completion techniques for coal bed methane wells, or unusually deep or complicated wells.

The main purpose of an NTL is to implement and clarify policy and regulation in unique field operating situations. An NTL is customarily used to notify operators of special operating procedures, seldom used regulation or policy, or revisions to normal operating practices based on specific issues and conditions. An NTL must be consistent with and can not serve to supplement regulation. No new regulatory provisions are established through an NTL

The State office can issue an NTL that implements the regulation for either specific areas or for situations occurring on a statewide basis. Public comment must be obtained and considered prior to issuance of an NTL. It is a fine line between meeting these responsibilities and avoiding the compulsion to supplement the regulations through an NTL. Please contact the State office if you believe a statewide NTL is necessary for a specific purpose or situation found in your area.

For workload performance measures or reporting purposes, APD and NOS processing is deemed to begin when the application is administratively complete and all required information has been reviewed, as identified in the IM. In the case of an APD, this includes the technical information as well.

However, the actual APD and NOS process must be consist with regulation and Onshore Oil and Gas Order No. 1. The APD process is considered to begin when the APD or NOS is received (43 CFR 3162.3-1 (g)) by the field office. Otherwise, timeframes such as the 45 days provided an operator to correct deficiencies, or the mandatory posting period, would be difficult to ascertain.

Should you have any questions, please contact Hank Szymanski (303-239-3797) or a member of the Fluid Operations Team.

Signed by
Hank Szymanski
Team Lead, Fluid Operations Team

Authenticated by
Sharon Deuter
EMS Operator

Attachment

UNITED STATES DEPARTMENT OF THE INTERIOR
Bureau of Land Management
Washington, D.C. 20240

September 10, 1996

In Reply Refer To:
3160 (310) P

EMS TRANSMISSION 9/16/96
Instruction Memorandum No. 96-184
Expires: 9/30/97

To: All Field Officials

From: Director

Subject: Application for Permit to Drill (APD) Requirements

ISSUE: The APD Project team determined that there are inconsistent requirements among offices for information to be submitted with an APD (Team Report Issue #6.). In order for an APD to be considered technically and administratively complete, some offices require a significant amount of information under the heading of other information as required; e.g., cultural resource surveys, hazardous materials inventory, and engineered road designs. The requests for additional information can cause delays in processing which may cause delays in approval of applications.

OBJECTIVE: To clarify the requirements for a complete APD, and achieve consistency among the different offices with oil and gas programs.

BACKGROUND: The APD project was formulated in response to inquiries into the APD permitting processing. Several concerns have been expressed that the Federal permitting process was not working in accordance with Onshore Oil and Gas Order No. 1. As a result, the APD project was established, and an interagency team including the Forest Service was formed. Issues and statistics were collected from BLM Field Offices. Inconsistent requirements for technically and administratively complete APDs was one of the issues identified.

IMPLEMENTATION: All offices with oil and gas programs should review the information that is routinely required to consider an APD administratively and technically complete. If the information is not specified in Onshore Oil and Gas Order No. 1 or by another notice or order, the information should not be routinely required. If after review, it is determined that the additional information is necessary to process the permit, a statewide notice to lessees or District/Areawide order should be issued. Until all required information is reviewed, the application is not administratively complete and the time for processing does not begin.

CONTACT PERSON: Questions concerning this subject should directed to, Erick Kaarlela, Washington Office, (202) 452-0341.

Signed
H. James Fox
Acting Assistant Director
Resource Use and Protection

Authenticated
Robert M. Williams
Directives Team, WO530