

MEMORANDUM OF UNDERSTANDING
BETWEEN THE
MINERALS MANAGEMENT SERVICE
OF THE DEPARTMENT OF THE INTERIOR
AND THE
UNITED STATES COAST GUARD
OF THE
DEPARTMENT OF TRANSPORTATION
CONCERNING REGULATION OF ACTIVITIES
AND FACILITIES ON
THE OUTER CONTINENTAL SHELF OF THE UNITED STATES

I. Purpose:

The purpose of this Memorandum of Understanding (MOU) is to promote the safety of personnel, activities, and facilities on the Outer Continental Shelf (OCS) of the United States associated with the exploration, development, production, and processing of mineral resources, to promote conservation of those resources and protection of the environment, to minimize duplication of effort, and to promote consistent, coordinated and less burdensome regulation of these facilities. This MOU does not apply to deepwater ports as licensed by the Secretary of Transportation under the Deepwater Port Act of 1974.

II. Definitions:

For purposes of this MDU, the following definitions apply:

Act - The Outer Continental Shelf Lands Act of 1953 (43 U.S.C. 1331 et seq.), as amended by the Outer Continental Shelf Lands Act Amendments of 1978 (Pub. L. 95-372).

Deepwater Port A facility licensed by the Secretary of Transportation under the Deepwater Port Act of 1974.

Vessel - Every description of watercraft or other artificial contrivance used, or capable of being used, as a means of transportation on the water. This term does not include atmospheric or pressure vessels used for the containment of liquids or gases.

OCS - The submerged lands which are subject to the Act.

OCS Activity - Any offshore activity associated with exploration for, development of, production of, or processing of mineral resources of the OCS.

OCS Facility - Any artificial Island, platform, Installation, vessel, or other device used for any OCS activity. This term does not include vessels transiting the OCS, but does include U.S. and foreign flag marine rigs, vessels, and other structures. The following are types of OCS facilities:

1. OCS Production Facility - Any facility designated by the lessee of an OCS Block (hereafter called lessee) for the purpose of producing or supporting the production of the mineral resources on that block. This definition also includes gravel and ice Islands and caisson retained islands engaged in OCS activities even though they may be used for purposes other than production.

2. OCS Drilling Facility - Any facility designated by the owner or chartered to be used exclusively for exploration or development drilling of OCS mineral resources. This definition does not include gravel and ice islands and caisson retained islands engaged in OCS activities even though they may be used only for drilling of OCS mineral resources.
3. OCS Terminal - Any OCS facility which is intended for use as a port or terminal for transferring produced oil or gas or to or other OCS mineral resources to or from a vessel.

III. Agency Authorities on the OCS:

A. General:

1. The Minerals Management Service (MMS) within the Department of the Interior, is responsible for management of mineral leasing on the OCS and the regulation of all mineral exploration, drilling, completion, workover, and production activities on leased or leasable land.
2. The United States Coast Guard (USCG) within the Department of Transportation regulates to promote the safety of life and property on OCS facilities and vessels engaged in OCS activities, and the safety of navigation.

B. Statutory authorities of the MMS include the following:

- I. Providing for the prevention of waste and the conservation of the natural resources of the OCS, and the protection of correlative rights.
2. Requiring suspension or temporary prohibition of any operation or activity on a lease if there is a threat of serious or irreparable harm or damage to life, property, mineral deposits or to the marine, coastal, or human environment.
3. Reviewing alleged or observed violations of safety Regulations issued under the Act.
4. Reviewing and approving exploration plans, development and production plans, and applications for permits to drill as necessary for prompt and efficient exploration, development, and production of a lease area.
5. Reviewing and approving applications for remedial work on completed wells.
6. Approving pipeline rights-of-way and rights-of-use and easements.
7. Providing for the inspection of drilling and production operations to ensure compliance with applicable requirements.
8. Ensuring compliance with the national ambient air quality standards pursuant to the Clean Air Act (42 U.S.C. 7401 et seq.), to the extent that activities authorized under the Act significantly affect the air quality of any State.

9. Administering applicable pollution laws contained in Title 43 of the U.S.C. as implemented by Title 30 of the Code of Federal Regulations (CFR) Part 250.
10. Exercising the Secretary of the Interior's responsibilities for the assessment, compromise, and collection of civil penalties under section 24(b) of the Act.

C. Statutory authorities of the USCG on the OCS include the following:

1. Promoting the safety of life and property on OCS facilities and adjacent waters.
2. Administering applicable vessel safety and inspection laws contained in Titles 46 and 43 of the U.S.C.
3. Administering applicable pollution laws contained in Titles 33 and 43 of the U.S.C as implemented by 33 CFR Parts 135, 136, 151-156.
4. Determining which OCS facilities and vessels require a USCG Certificate of Inspection (COI) or USCG Letter of Compliance (LOC) and administering applicable regulations to ensure compliance with the conditions of the COI or LOC.
5. Providing for inspection of OCS facilities and vessels engaged in OCS activities to ensure compliance with applicable USCG requirements.
6. Promulgating regulations addressing hazardous working conditions related to activities on the OCS.
7. Reviewing alleged or observed violations of occupational safety and health regulations under the Act.
8. Administering applicable navigation safety laws contained in Titles 33 and 43 of the U.S.C., including those applicable to aids to navigation and designation of shipping safety fairways and traffic separation schemes.

D. Similar statutory authorities involving both Agencies include the following:

1. Establishing minimum requirements or standards of design, construction, alteration, and repair for OCS facilities.
2. Enforcing regulations promulgated pursuant to the Act, including authority to utilize by agreement the services of personnel or facilities of other Federal Agencies.
3. Investigating and making public reports on deaths, serious fires, and oil spillage occurring as a result of OCS operations.
4. Requiring the use of the best available and safest technologies on OCS drilling and production operations as set forth In section 21(b) of the Act.

IV. Responsibilities

To accomplish the purposes of this 990U, both Agencies agree to observe the following guidelines with respect to overseeing OCS facility design and construction, systems and equipment, and operations.

A. Facility design and construction requirements, including plan approval:

1. The MMS exercises technical review and approval responsibility for design, fabrication, and installation of all OCS production facilities, as described in 30 CFR 250.132, 250.133, and 250.140. The USCG issuance of a COI or LOC does not preclude additional requirements being imposed by the MMS. However, the MMS will coordinate the review and approval as necessary with the USCG so that MMS requirements do not compromise USCG certification or compliance requirements.

The MMS verifies the following for all OCS facilities:

- a. Site-specific considerations, such as oceanographic, meteorological, geological, geotectonic, and geophysical conditions including bottom conditions and the capability of the seabed and the mooring system to support or hold the position of the facility to be installed and operated.

The MMS establishes requirements and verifies the following for OCS production facilities:

- b. Structural integrity involving design, fabrication, and installation;
 - c. Location of drilling, production, well control, and safety systems and equipment; and
 - d. Modification and repair related to structural integrity.
2. The USCG exercises technical review and approval responsibility for design and construction of OCS drilling facilities, vessels engaged in OCS activities, and other facilities which are required to possess a USCG COI or LOC. The USCG also has review and approval responsibility for OCS drilling facilities while in transit, where applicable. The USCG will coordinate the review and approval as necessary with the MMS so that USCG requirements for certification or compliance do not compromise MMS requirements.

The USCG establishes requirements for the following on all OCS drilling facilities (excluding gravel and ice islands and caisson retained islands), vessels engaged in OCS activities, and those other facilities that are required to receive a USCG COI or LOC:

- a. Structural integrity involving design, fabrication, and installation;
- b. Stability and buoyancy in both transit and operational mode, where applicable;
- c. Modification and repair requirements related to structural integrity; and

- d. General arrangement.

The USCG establishes requirements for the following on all OCS facilities:

- e. Structural fire protection Including specifying fire endurance capabilities of bulkheads, decks and escape routes, testing and classification of materials, and requirements for ventilation systems;
- f. Workplace safety;
- g. Evacuation procedures and related escape routes; and
- h. Lifesaving equipment.

B. Systems and Equipment:

Systems approved by one Agency which are interconnected to systems approved by the other Agency must be applicable to both Agencies.

- 1. The MMS establishes requirements and verifies compliance with those requirements for systems and equipment for drilling, completion, production, well control, and workover, on all OCS facilities. Additionally, the NMS establishes requirements to ensure that site-specific conditions (including seafloor, oceanographic, and other environmental conditions) are considered in the design and testing of mooring and positioning systems and in establishment of well shut-in and drilling suspension procedures for all OCS facilities.

Systems and equipment for which the MMS establishes requirements, as necessary, on all OCS facilities include the following:

- a. Blowout preventer and other well-control equipment;
- b. Drilling and production safety systems;
- c. Emergency Shutdown System (ESD) to initiate facility shutdown, activated manually or by gas sensors, fire detectors (heat, smoke, or flame), or fire loop in wellhead, production, and living quarters areas;
- d. Subsurface and surface well-control equipment;
- e. Wellhead, flowline, pipeline, and well test equipment including safety valves and pressure sensors;
- f. Dehydration equipment and gas compressor units used In production operations;
- g. Hydrogen sulfide control equipment, gas detection systems, and personnel protection;

- h. Production and production-associated piping systems including incoming and departing pipelines;
- i. Pumps used to transfer liquids within the production process systems and into pipelines;
- j. Odorant treatment of gas piped into buildings, portable and permanent living quarters, and other enclosures;
- k. Subsea completions;
- l. Wellhead fire protection Systems, including deluge and installation systems in enclosed well bay areas;
- m. Gas-detection systems for drilling, production or gas-transmission systems or equipment;
- n. Oil and gas sale and metering equipment for production from
- o. Containment systems for overflow from equipment associated with drilling and production;
- p. Pressure, atmospheric, and fired vessels and piping used for conducting drilling and production operations; and
- q. Those systems installed in compliance with the applicable pollution prevention and control regulations contained in 30 CFR Part 2.50, Subpart C.

Other systems and equipment for which the MMS is responsible on all OCS production facilities, other than those determined to require a USCG CCI or LOC, include the following:

- r. Electrical system design and equipment including designation of classified locations;
 - s. Engine exhaust insulation and spark arrestors;
 - t. Helicopter deck Installations Including helicopter refueling facilities; and
 - u. Cranes, booms or other material handling equipment.
2. The USCG establishes Systems and equipment requirements, as appropriate, for lifesaving equipment on all OCS facilities. The USCG establishes requirements for systems and equipment related to the issuance of COI's and LOC's where required by USCG regulations. The USCG also establishes requirements for personnel safety systems and equipment to mitigate occupational safety or health hazards. The USCG will not, however, establish requirements for drilling, production, or workover equipment that would conflict with MMS requirements.

Systems and equipment for which the USCG establishes requirements, as necessary, on all OCS facilities include the following:

- a. Lifesaving systems and equipment;
- b. General alarms;
- c. Personnel protection equipment, excluding equipment for protection from hydrogen sulfide;
- d. Fire detection, control and extinguishing Systems and equipment, including structural fire protection, not already addressed by paragraph IV. B.
- e. Living quarters;
- f. Communications;
- g. Navigation lights, obstruction lights, and sound signals; and
- h. Systems and equipment associated with commercial diving operations covered by 46 CFR Subchapter V.

Other systems and equipment for which the USCG establishes requirements, as necessary, on OCS Drilling facilities, vessels engaged in OCS activities, those other facilities that are required to receive a USCG COI or LOC, and OCS terminals include the following:

- i. Cranes, booms, or other material handling equipment;
- j. Electrical system design and equipment including of classified areas;
- k. Boilers, pressure vessels, piping and machinery not covered under IV.B.1 of this MOU;
- l. Mooring systems including design, rating, end facility compatibility, but not site-specific requirements;
- m. Helicopter deck installations, including refueling facilities; and
- n. Those systems installed In compliance with the applicable provisions of the pollution prevention regulations contained in 33 CFR Parts 151-156.

C. Operations

1. The MMS administers procedures including training, drills, inspections, and emergency procedures on all OCS facilities with respect to the following:
 - a. Drilling, workover, completion, and production operations including well control;

- b. Pollution prevention except for transfers to or from a vessel (as vessel is defined in section II. of this MOU);
- c. Safe welding, burning on nonstructural members, and hot tapping procedures;
- d. Control of hydrogen sulfide;
- e. Pipeline operations associated with an OCS facility; and
- f. Well-head and platform removal.

Other procedures which the MMS administers on OCS production facilities include the following:

- g. Structural inspection and repair;
- h. Safe welding and burning procedures on structural members;
- i. Helicopter operations;
- j. Firefighting, as specified in IV.B.1.u.; and
- k. Transfer of materials and personnel on or off the facility y crane or other mans.

2. The USCG administers requirements including those for training, drills, inspections, and emergency procedures on all OCS facilities for the following:

- a. Emergency egress from a facility Including use of lifesaving and other general emergency equipment;
- b. Handling₁ transfer, and stowage of explosives, radioactive, flammable (other than produced hydrocarbons), and other hazardous materials;
- c. Transfer of petroleum and other products from or to a vessel (as vessel is defined in section II. of this NOU);
- d. Vehicle and vessel operations;
- e. Occupational safety and health of personnel;
- f. Diving operations; and
- g. Pollution response and compensation.

Other requirements which the USCG administers on OCS drilling facilities, vessels engaged in OCS activities, and on those other facilities that are required to receive a USCG COI or LOC include the following:

- h. Firefighting, as specified in IV.B.2.d.;
- i. Helicopter operations;
- j. Structural inspection and repair;
- k. Safe welding and burning procedures on structural members;
- l. Stability and buoyancy Considerations; and
- m. Transfer of materials and personnel on or off the facility by crane or other means.

V. Inspections:

- A. Each Agency will provide for the conduct of scheduled and unannounced inspections, as necessary, to ensure compliance with its own requirements. If, in the course of a routine inspection, deficiencies falling within the responsibility of the other Agency are apparent, the deficiencies will be reported to the other Agency for action. This is not Intended, however, to prevent any inspector from either Agency taking such action as Is considered necessary to prevent serious or irreparable harm to persons, property, or the environment on the OCS. Such action, however, will be subsequently reported to the other Agency.
- B. The MMS administers procedures for requiring shutdown of drilling and production operations and may initiate such procedures upon request by the USCG.
- C. The USCG Issues COI's and LOC's to those OCS facilities and vessels requiring them.

VI. Investigations:

A. Responsibilities:

Investigation and public report by the MKS or the USCG are required for fires, oil pollution, deaths, and injuries associated with OCS activities. In addition, the Agencies Investigate certain incidents relating to other regulatory responsibilities, e.g. loss of well control, sinking, capsizing, or major damage to a vessel or facility. To avoid duplication of effort and to simplify administration, the primary Agency regulating a particular facility, system or operation will be responsible for leading the Investigation and reporting on incidents involving that facility, system, or operation.

Where only one Agency has an Investigative Interest In an Incident, that Agency will investigate and report. Where both Agencies have Investigative Interest in an incident, one Agency will assume lead responsibility with supporting participation by the other Agency. Where Investigations Involve both Agencies, assumption of lead Agency responsibility will be determined by the circumstances of the particular incident, using the following ranking order for types of incidents:

- 1. Collisions - The USCG will normally be the lead Agency.

2. Blow Outs, Fires, and Explosions - The MMS will normally be the lead Agency for incidents of fires or explosion involving drilling or production operations. The USCG participation will be requested in all investigations of fires or explosions that involve death or injuries or that occur on OCS drilling facilities, vessels, equipment, or operations for which the USCG is responsible under paragraphs IV.B.2. or C.2. of this MDLI.
3. Deaths and Injuries - The USCG will normally be the lead Agency for all Incidents involving death or Injuries. The MMS participation will be requested in investigations of all deaths and injuries associated with oil or gas drilling or production operations or equipment, including hydrogen sulfide exposure.
4. Pollution - The MMS will normally be the lead Agency for Incidents involving pollution from all OCS facilities. The USCG participation will be requested in all investigations of pollution.
5. Facilities Material, and Equipment
 - a. The USCG will normally be the lead Agency for incidents involving damage to OCS drilling facilities and vessels engaged in OCS activities, or damage to propulsion, auxiliary, or emergency systems and equipment covered under IV.B.2. of this MOU.
 - b. The MMS will normally be the lead Agency for Incidents involving damage to OCS production facilities. The USCG participation will be requested in incidents involving those OCS production facilities which require a USCG COI or LOC.

B. Conduct of Investigations:

1. Where the lead Agency identified by the ranking order in VI.A.1. through 5. determines not to investigate, that Agency shall notify the other agency of its intent.
2. In all Cases, the lead Agency or the Agency conducting an is responsible for preparing, reviewing, approving, and investigation report In accordance with the normal procedures of that Agency
3. The specific procedures for participation in a joint Agency investigation shall be determined on a Case-by-case basis by mutual agreement, with designation of the lead Agency determined using the procedures identified in paragraphs VI.A.1. through 5. Prior to public release of a joint Agency report of Investigation, the lead Agency will forward a copy of the report to the supporting Agency for comment. The lead Agency will file any supporting Agency comments with the final report. When the supporting Agency's conclusions or recommendations differ from those of the lead Agency, each Agency's conclusions or recommendations will be included with the report in a mutually acceptable manner determined on a case-by-case basis.

4. Following completion of an Agency's investigation, the final report will be forwarded to the other Agency upon specific request, but need not be routinely forwarded.

VII. Oil Spill Contingency Plans:

Exploration Plans or Development and Production Plans are submitted to the MMS for review and approval. The USCG will provide a technical review of that portion of the Plan which addresses the adequacy of the oil spill contingency plan. The criteria by which to judge the adequacy of a plan may be developed by a Regional Technical Review Board and will be mutually agreed upon by the 9145 and the USCG. The assistance of the Regional Technical Review Board may be requested by either the USCG or the 9145. Membership on the Regional Technical Review Board shall include both headquarters and regional representatives of both the MMS and the USCG and any other Government technical experts requested by either Agency.

VIII. Exchange of Services and Personnel:

To the extent its own operations and resources permit, each Agency will provide the other Agency with such assistance, technical advice and support, including transportation, as may be requested. Such exchange of services and use of personnel shall be on a nonreimbursable basis and may be extended to areas beyond the OCS where one Agency's expertise will benefit the other Agency in application and enforcement of its safety regulations.

IX. Cooperation in Standards and Regulation Development:

- A. Both Agencies will exchange data and study results, participate in research and development projects of mutual Interest, and exchange early drafts of rulemaking notices to avoid duplicative or conflicting requirements.
- B. Both Agencies will review current standards, regulations, and directives, and will propose revisions to them as necessary in keeping with the provisions of this MOU.
- C. Both Agencies will review reporting and data collection requirements imposed on operators of OCS facilities and, wherever feasible, eliminate or minimize duplicate reporting and data collection requirements.

X Implementation:

- A. Each Agency will review Its Internal procedures and, where appropriate, will revise them to accommodate the provisions of this MDLI. Each Agency will also designate one senior official who will be responsible for continuing coordination and implementation of the provisions of this MDU.
- B. On the effective date of the agreement, the USCG/U.S. Geological Survey MOU concerning regulation of activities and facilities on the OCS of the United States, dated December 18, 1980, is canceled.

XI. Savings Provision:

Nothing in this MDLI shall be deemed to alter, amend, or affect In any way the statutory authority of the MMS or the USCG.

XII. Effective Date:

This MOU is effective upon signature. It may be amended at any time by mutual agreement of both Agencies and may be terminated by either Agency upon a 30-day written notice.

Signed at Washington, D.C. this 29th day of August 1989.



P. A. Post
Commandant, U.S. Coast Guard
Department of Transportation



Barry A. Williamson
Director
Minerals Management Service

THE U.S. COAST GUARD AND THE U.S.
IMMIGRATION AND NATURALIZATION SERVICE REGARDING DETAINMENT/REMOVAL
OF CERTAIN COMMUNIST-BLOC AND NON-ENTRANT CREWMEMBERS
UNDER THE SPECIAL INTEREST VESSEL PROGRAM

By the authority granted in Executive Order 10173, as amended by Executive Order 11249, the Commandant of the U.S. Coast Guard (USCG) may require the restriction of any person to a vessel within the jurisdiction of the United States, or removal of any person from a vessel or waterfront facility within the jurisdiction of the United States, who is "not specifically authorized by him to go or to remain thereon or therein." Pursuant to the Order, the Commandant of the USCG may also enlist the aid of other federal agencies to assist in enforcement of the regulation.

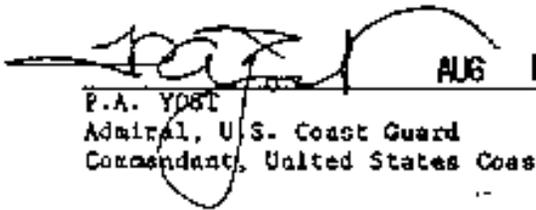
Pursuant to Section 252 of the Immigration and Nationality Act as amended, 8 U.S.C. 1282, and regulations prescribed by the Attorney General, any immigration officer may, in the officer's discretion, if the officer determines that an alien is not a bona fide crewman, or does not intend to depart on the vessel or aircraft which brought the alien, refuse such alien permission to land temporarily in the United States, and may revoke the conditional permit to land which was granted such crewman under the Act.

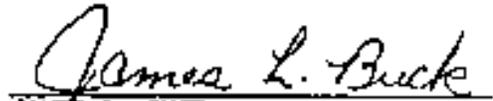
It is therefore in the interest of both agencies to understand and agree upon methods by which the removal/detainment of officers and crewmembers should be handled.

To this end, it is understood that:

- (1) Depending upon resource constraints, U.S. immigration officers shall assist the local USCG captain of the port by coordinating the off-vessel detainment of communist-bloc officers and on-vessel detainment of communist-bloc crewmembers and on-vessel detainment of officers and crewmembers who are nationals of non-entrant countries that have been identified as supporting international terrorism.
- (2) Immigration and Naturalization Service (INS) action in this regard shall be predicated upon identification by the USOG of officers/crew to be detained, advance notification or request by the appropriate USOG authority for INS coordination, to be identified as a "Special Interest Vessel (SIV) Request."
- (3) Nothing in this agreement shall be construed as limiting the authority or continued practice of the USCG in removing or detaining communist-bloc officers and crewmembers, and in removing or detaining officers and crewmembers who are nationals of non-entrant countries that have been determined to be supporting international terrorism. Such removal or detainment may be executed at sea or at any time without the assistance of INS personnel. In all cases of alien officer/crew removal or detainment, it shall be a USCG responsibility to notify INS that the removal or detainment will occur whether or not INS assistance is requested.
- (4) Nothing in this agreement shall be construed as limiting the authority or continued practice of INS to order the removal or detainment of communist-bloc officers and crewmembers, and to order the removal or detainment of officers and crewmembers who are nationals of non-entrant countries that have been determined to support international terrorism. In addition, nothing in this agreement shall be construed as limiting the authority or continued practice of INS to revoke previously issued shore passes granted to aliens.

- (5) Nothing in this agreement shall be construed as limiting the authority of INS or US~ to remove, rather than restrict, communist-bloc officers and crewmembers or officers and crewmembers who are nationals of non-entrant countries that have been determined to support international terrorism.
- (6) Each agency will be responsible for notifying and coordinating with the other agency when previously described communist-bloc or non-entrant crewmembers or officers are discovered on board vessels in U.S. ports.
- (7) Each agency is responsible for disseminating information contained in this agreement to their respective field offices.


AUG 1 1989
P.A. YOST
Admiral, U.S. Coast Guard
Commandant, United States Coast Guard


JAMES L. BUCK
Acting Commissioner,
U.S. Immigration and
Naturalization Service