

## § 250.1497

by examining your total net worth, including, as appropriate, the net worth of your affiliated entities.

(b) If your net worth, minus the amount we would require as surety under §§ 250.1490 and 250.1491 for all orders you have appealed is greater than \$300 million, you are presumptively deemed financially solvent, and we will not require you to post a bond or other surety instrument.

(c) If your net worth, minus the amount we would require as surety under §§ 250.1490 and 250.1491 for all orders you have appealed is less than \$300 million, you must submit the following to BSEE by one of the methods in § 250.1495(a):

(1) A written request asking us to consult a business-information, or credit-reporting service or program to determine your financial solvency; and

(2) A nonrefundable \$50 processing fee:

(i) You must pay the processing fee to us following the requirements for making payments found in 30 CFR 250.126. You are required to use Electronic Funds Transfer (EFT) for these payments;

(ii) You must submit the fee with your request under paragraph (c)(1) of this section, and then annually on the date we first determined that you demonstrated financial solvency, as long as you are not able to demonstrate financial solvency under paragraph (a) of this section and you have active appeals.

(d) If you request that we consult a business-information or credit-reporting service or program under paragraph (c) of this section:

(1) We will use criteria similar to that which a potential creditor would use to lend an amount equal to the bond or other surety instrument we would require under §§ 250.1490 and 250.1491;

(2) For us to consider you financially solvent, the business-information or credit-reporting service or program must demonstrate your degree of risk as low to moderate:

(i) If our bond-approving officer determines that the business-information or credit-reporting service or program information demonstrates your financial solvency to our satisfaction, our

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bond-approving officer will not require you to post a bond or other surety instrument under §§ 250.1490 and 250.1491;

(ii) If our bond-approving officer determines that the business-information or credit-reporting service or program information does not demonstrate your financial solvency to our satisfaction, our bond-approving officer will require you to post a bond or other surety instrument under §§ 250.1490 and 250.1491 or pay the obligation.

### § 250.1497 When will BOEM monitor my financial solvency?

(a) If you are presumptively financially solvent under § 250.1496(b), BOEM will determine your net worth as described under § 250.1496(b) and (c) to evaluate your financial solvency at least annually on the date we first determined that you demonstrated financial solvency as long as you have active appeals and each time you appeal a new order.

(b) If you ask us to consult a business-information or credit-reporting service or program under § 250.1496(c), we will consult a service or program annually as long as you have active appeals and each time you appeal a new order.

(c) If our bond-approving officer determines that you are no longer financially solvent, you must post a bond or other BOEM-specified surety instrument under §§ 250.1490 and 250.1491.

## Subpart O—Well Control and Production Safety Training

### § 250.1500 Definitions.

Terms used in this subpart have the following meaning:

*Contractor and contract personnel* mean anyone, other than an employee of the lessee, performing well control, deepwater well control, or production safety duties for the lessee.

*Deepwater well control* means well control when you are using a subsea BOP system.

*Employee* means direct employees of the lessees who are assigned well control, deepwater well control, or production safety duties.

*I or you* means the lessee engaged in oil, gas, or sulphur operations in the Outer Continental Shelf (OCS).

*Lessee* means a person who has entered into a lease with the United States to explore for, develop, and produce the leased minerals. The term lessee also includes an owner of operating rights for that lease and the BOEM-approved assignee of that lease.

*Periodic* means occurring or recurring at regular intervals. Each lessee must specify the intervals for periodic training and periodic assessment of training needs in their training programs.

*Production operations* include, but are not limited to, separation, dehydration, compression, sweetening, and metering operations.

*Production safety* includes measures, practices, procedures, and equipment to ensure safe, accident-free, and pollution-free production operations, as well as installation, repair, testing, maintenance, and operation of surface and subsurface safety equipment.

*Well completion/well workover* means those operations following the drilling of a well that are intended to establish or restore production.

*Well-control* means methods used to minimize the potential for the well to flow or kick and to maintain control of the well in the event of flow or a kick. Well-control applies to drilling, well-completion, well-workover, abandonment, and well-servicing operations. It includes measures, practices, procedures and equipment, such as fluid flow monitoring, to ensure safe and environmentally protective drilling, completion, abandonment, and workover operations as well as the installation, repair, maintenance, and operation of surface and subsea well-control equipment.

[76 FR 64462, Oct. 18, 2011, as amended at 77 FR 50896, Aug. 22, 2012]

**§ 250.1501 What is the goal of my training program?**

The goal of your training program must be safe and clean OCS operations. To accomplish this, you must ensure that your employees and contract personnel engaged in well control, deepwater well control, or production safety operations understand and can properly perform their duties.

**§ 250.1503 What are my general responsibilities for training?**

(a) You must establish and implement a training program so that all of your employees are trained to competently perform their assigned well control, deepwater well control, and production safety duties. You must verify that your employees understand and can perform the assigned well control, deepwater well control, or production safety duties.

(b) If you conduct operations with a subsea BOP stack, your employees and contract personnel must be trained in deepwater well control. The trained employees and contract personnel must have a comprehensive knowledge of deepwater well control equipment, practices, and theory.

(c) You must have a training plan that specifies the type, method(s), length, frequency, and content of the training for your employees. Your training plan must specify the method(s) of verifying employee understanding and performance. This plan must include at least the following information:

(1) Procedures for training employees in well control, deepwater well control, or production safety practices;

(2) Procedures for evaluating the training programs of your contractors;

(3) Procedures for verifying that all employees and contractor personnel engaged in well control, deepwater well control, or production safety operations can perform their assigned duties;

(4) Procedures for assessing the training needs of your employees on a periodic basis;

(5) Recordkeeping and documentation procedures; and

(6) Internal audit procedures.

(d) Upon request of the District Manager or Regional Supervisor, you must provide:

(1) Copies of training documentation for personnel involved in well control, deepwater well control, or production safety operations during the past 5 years; and

(2) A copy of your training plan.