Oil Industry Outlines Global Recommendations to Reduce Likelihood and Impact of Well Incidents

Monday 16 May 2011: The International Association of Oil & Gas Producers (OGP), is today [16 May] releasing its recommendations to improve well incident prevention, intervention and response. These recommendations comprise a fundamental package of safety and response initiatives for the industry and represent its response to recent accidents such as Macondo and Montara.

Working together over almost a year, 20 OGP member companies pooled their knowledge and experience through a dedicated Global Industry Response Group (GIRG) of 100 experts. Collaborating with national and international regulators and industry associations from the outset, GIRG divided its work into three core areas – prevention, intervention and response – and recommended for each the creation of three new industry bodies. These bodies are tasked with advocating continuous improvement and investment in the equipment, procedures and behaviour that will reduce the likelihood and impact of well incidents.

GIRG’s key recommendations include:

Prevention
- Establishment of an OGP-governed Wells Expert Committee (WEC) that will develop better capabilities and practice on well engineering design and well operations management in order to reduce the likelihood of future incidents
- Recommendation to industry and regulators that a “two (independent and physical) barrier” policy is in place during the life of a well
- Introduction of a 3-tier review process
- Promotion of human competence management systems

Intervention
- Development of a consortium of nine major oil companies1 that will enhance the industry’s ability to cap future well incidents, will study further the need for, and feasibility of, global containment solutions, and will develop an operating model for any equipment

Response
- Creation of a Joint Industry Project (JIP) including OGP and IPIECA2 to improve coordination between key stakeholders internationally and advance continuous improvements in oil spill preparedness and response capabilities
- Recommendation to establish key principles on the value of dispersants, their effective deployment, and regulatory pre-approval for their use
- Enhancement of existing recommended practices for In Situ Burning

more information overleaf...

1 BG Group, BP, Chevron, ConocoPhillips, ExxonMobil, Petrobras, Shell (operator), Statoil and Total
2 International Petroleum Industry Environmental Conservation Association
OGP Executive Director Michael Engell-Jensen said:

“These proposals are another important step in a permanent and ongoing industry-wide commitment to improve well design, operations and incident management.

“The technical content of these recommendations is of course highly specialised. However there is one very important principle in common – prevention of future well incidents is paramount.

“I believe that these recommendations and their implementation and advocacy by OGP and its member companies will make a significant contribution to that goal. Working with NOIAs\(^3\), the MWCC\(^4\), other private contractors and various international bodies, I am confident that they will also deliver improvement in well incident intervention and response capability.”

ENDS

Notes to editors

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About OGP
OGP is the International Association of Oil & Gas Producers. It has a global membership of some 70 members including:

- Integrated oil & gas explorers/producers
- Small independent oil & gas companies
- National oil company members
- Associate members (Service Sector Companies)
- 15 national and other associations including the API, IADC, APPEA, IPIECA, OLE, NOGEPA, IBP, O&G UK

OGP is based in London with an EU office in Brussels – for more information please visit www.ogp.org.uk

\(^3\) National Oil Industry Associations
\(^4\) Marine Well Containment Company