

July 2017

Petroleum notifications

Notifications required by the Health and Safety at Work (Petroleum Exploration and Extraction) Regulations 2016.

This quick guide provides information about what you must notify to WorkSafe under the Health and Safety at Work (Petroleum Exploration and Extraction) Regulations 2016 (the Regulations) as a:

- drilling contractor of a non-production installation
- permit operator of a production installation
- permit operator who manages or controls
- a well operation.

Recommendations

Following these recommendations will support a timely response to your notification, and will avoid potential delays to your work programme.

Submit all notifications required by the Regulations to WorkSafe by emailing: hhu.petroleum@worksafe.govt.nz

Arrange information and diagrams according to the sequence of headings in the relevant Schedule of the Regulations.

Clearly present all the information WorkSafe requires, including references to supporting evidence (if applicable).

When notifying WorkSafe, put the following information in the email's subject heading:

- permit operator (or drilling contractor)
- field name
- well site and well name (if applicable)
- activity.

State the notified activity, well site and well name in letter subject headings and attachment titles.

To help WorkSafe identify changes to a previous notice, provide a table listing changes and their location.

WorkSafe will return notifications with subject lines or document titles consisting entirely of in-house codes or numbers, with a request to resubmit.

Your role as the permit operator (or drilling contractor)

Design notice

A design notice provides WorkSafe with a broad overview of the production installation's design, design process, and intended use (eg is it new to the industry or a major expansion to current operations). It must describe how the design will be able to maintain integrity and how the design reduces risks from major accident hazards so far as is reasonably practicable.

You must submit the notice to WorkSafe as soon as practicable after selecting the design concept and before making a final investment decision or starting detailed design.

This notice starts communication between you and WorkSafe that continues until you submit the safety case. WorkSafe will point out, in writing, any matters which, if not considered in the design, construction, or commissioning stages, may create difficulties with accepting the safety case under regulation 28. Fully discuss any response to WorkSafe comments on design changes in the safety case.

Schedule 3 of the Regulations outlines the information required in the notice.

Notice of combined operation

A notice of combined operation advises WorkSafe:

- about your intent to engage in a combined operation with another installation
- that you have adequately considered minimising the risks from a major accident arising from a combined operation
- you will effectively co-ordinate management arrangements, including evacuation, escape, and emergency rescue arrangements.

You must give the notice to WorkSafe at least 21 days before you intend to start the combined operation. Permit operators and drilling contractors may prepare and agree a single notice and decide who will give it to WorkSafe.

Schedule 4 of the Regulations outlines the information required in the notice.

You will need to give WorkSafe a revised safety case under regulation 31(1)(e) if plans to take part in a combined operation differ from the activities in your safety case.

Each installation's safety case should describe generic aspects of a combined operation (eg a single permit-to-work system). This notice supplements those descriptions with:

- a summary of the joint safety review
- any plant you will use that's not described in the safety case
- details of the management systems for the combined operations (eg the system you will use to agree on whose permit-to-work system to use).

If one or more permit operators or drilling contractors involved in the combined operation changes, agree who will submit a new notice to WorkSafe.

MAKING CHANGES TO THE DESIGN NOTICE OR NOTICE OF COMBINED OPERATION

You must notify WorkSafe of a material change to the specific information required in a design notice or notice of combined operation as soon as practicable. Submit material changes in a practical format (eg in a table) that readily identifies where you've made changes. WorkSafe may comment on any material change you submit.

Relocation notice

A relocation notice advises WorkSafe that an existing production installation is moving from a location within New Zealand to a new location within New Zealand or New Zealand waters.

For example:

- Notify if a floating production, storage and offloading unit that has been used as a production installation in New Zealand waters is to be moved to a new location within New Zealand waters.
- You do not need to notify if a production installation is coming from outside New Zealand waters into New Zealand waters.

You must submit the notice to WorkSafe within enough time to enable you to consider any matter WorkSafe raises within 90 days of receiving the notice.

Schedule 3 of the Regulations outlines the information required in the notice.

The notice should clearly reference the relevant parts of the installation's safety case where the information can be found (if applicable), or be in the format required by Schedule 3.

Your role as a permit operator of a well operation

For the notification requirements of regulations 66 and 67, you should submit the notice of well operations as early as possible. Take a conservative view of when work starts by using the earliest possible date, such as when preparatory work begins, or when you prepare equipment on site to carry out the well operation.

For example:

- for a brownfield site, when you mobilise equipment to the site
- for a greenfield site, this may include preparing the site pad and any ancillary works.

Notice of well operations

WorkSafe has prepared a template for the notice of well operations containing all the information required in Schedule 8 of the Regulations: www.worksafe.govt.nz

Generally, WorkSafe will only agree to a reduced notice period under exceptional circumstances, where there is a clear safety reason for doing so. Shorter notice periods are not intended to make up for poor planning or other non-safety-related matters.

MAKING CHANGES TO THE NOTICE OF WELL OPERATIONS

You must notify WorkSafe of a material change to the specific information required in the notice as soon as practicable. Submit material changes to WorkSafe in a practical format (eg in a table) that readily identifies where the changes have been made. WorkSafe may comment on any material change you submit.

Notify WorkSafe before starting well-drilling operations

You must give the notice of well operations to WorkSafe at least 21 days (or a shorter period if specified by WorkSafe) before starting the following well operations:

- drilling, completion, suspension, or abandonment, and
- recommencing drilling after completing, suspending, or abandoning a well.

Notify WorkSafe before starting certain workover and well intervention operations

You must give the notice of well operations to WorkSafe at least 10 days (or a shorter period if specified by WorkSafe) before starting a workover operation or well intervention operation that involves:

- altering the well's construction, or
- inserting a hollow pipe into a well.

WorkSafe would also like to be told if any of the following occur as part of an intended workover or well intervention operation:

- hazardous substance or explosives use
- hydraulic fracturing
- wellhead equipment or down-hole equipment replacement, not just of safety-critical elements.

You should confirm with WorkSafe that an independent and competent person will be involved in the review process for altering the well's construction.

Notify WorkSafe of where you store well examination scheme records and daily well operation reports

Under regulation 65 you must notify WorkSafe of the address at which you store records of:

- the well examination scheme
- any revision of the well examination scheme
- any examination and testing carried out
- the findings of any examination and testing carried out
- any remedial action recommended
- any remedial action performed.

You must keep this information until 12 months after the well examination scheme ceases to be current. You must keep this information until 12 months after abandoning the well.

Under regulation 69 you must notify WorkSafe of the address at which you store daily reports of:

- well-drilling operations
- well-completion operations
- workover operations
- suspension or abandonment operations
- any other operations involving substantial risk of an unplanned escape of fluids from the well.

Notifiable incidents

As a permit operator, if you become aware of a notifiable incident under regulation 70:

- You must notify WorkSafe **as soon as practicable**, after becoming aware a notifiable incident has occurred, either by email (using WorkSafe's online form Notifiable Incident Petroleum Installation: www.worksafe.govt.nz) or by telephone including all reasonably available information required under Schedule 9.
- You must provide WorkSafe with:
 - **an initial written report** including information required under Part 1 of Schedule 9, within seven days, or another date specified by WorkSafe (whichever is latest)
 - **a detailed written report** including information required under Parts 1 and 2 of Schedule 9, within 30 days, or another date specified by WorkSafe (whichever is latest).

For more information see WorkSafe's special guide *Introduction to the Health and Safety at Work Act 2015* and fact sheet *What Events Need to be Notified?* www.worksafe.govt.nz

Regulation 70 lists the following incidents as notifiable:

- an event that did not cause, but might reasonably be expected to have caused, a major accident
- a well kick that either:
 - exceeds 8 m³ (or 50 barrels)
 - requires the well to be shut-in
- an uncontrolled release of hydrocarbon vapour exceeding 1 kg
- an uncontrolled release of petroleum liquids exceeding 80 L
- the failure of any part of a well whose failure would cause or contribute to, or whose purpose is to prevent or limit the effect of, the unintentional release of fluids from the well or a reservoir being drawn on by the well
- damage to, or failure of, a safety-critical element that requires intervention to ensure it will operate as designed

- a fire or an explosion at an installation
- the uncontrolled or unintentional release or escape of any substance (other than petroleum) on or from an installation, where that release or escape has the potential to cause serious risk to the health and safety of any person
- an unintended collapse of:
 - an installation
 - any part of an installation
 - any plant on an installation, where that collapse jeopardises, or could have jeopardised, the integrity of the installation
- subsidence or local collapse of the seabed or ground that could have affected the foundations, or the integrity, of an installation
- an unplanned event (other than a false alarm) that requires the emergency response plan to be implemented
- damage to an installation caused by adverse weather conditions, earthquakes, or other natural events that have the potential to cause a serious risk to the health and safety of any person
- a collision between a vessel, an aircraft, or a vehicle and an installation that results in damage to the installation, the vessel, the aircraft, or the vehicle
- a failure of equipment required to maintain a floating offshore installation on station
- an incident involving loss of stability or buoyancy of a floating offshore installation.