

Reportable incidents in relation to a well in a title area - Notification, Reports and Records

Division 8 of the new regulations introduces notification, reporting and recording requirements for titleholders in relation to well-related incidents.

New regulations – Part 5: Incidents, reports and records

Reg 5.26 Notifying reportable incident

- (1) A titleholder commits an offence if:
 - (a) there is a reportable incident in relation to a well in the title area; and
 - (b) the titleholder does not give notice of the reportable incident to the Regulator in accordance with subregulation (3).
Penalty: 80 penalty units.
- (2) An offence against subregulation (1) is an offence of strict liability.
Note: For strict liability, see section 6.1 of the *Criminal Code*.
- (3) The notice:
 - (a) must be given to the Regulator as soon as practicable after:
 - (i) the first occurrence of the reportable incident; or
 - (ii) if the reportable incident was not detected by the titleholder at the time of the first occurrence—the time the titleholder becomes aware of the reportable incident; and
 - (b) must be given orally; and
 - (c) must contain:
 - (i) all material facts and circumstances concerning the reportable incident that the titleholder knows or is able, by reasonable search or enquiry, to find out; and
 - (ii) any action taken, or proposed to be taken, to stop, control or remedy the reportable incident.

New regulations – Part 5: Incidents, reports and records

Reg 5.26A Written report of reportable incident

- (1) A titleholder commits an offence if:
 - (a) there is a reportable incident in relation to a well in the title area; and
 - (b) the titleholder does not give a written report of the reportable incident to the Regulator in accordance with subregulation (3).
Penalty: 80 penalty units.
- (2) An offence against subregulation (1) is an offence of strict liability.
Note: For strict liability, see section 6.1 of the *Criminal Code*.

New regulations – Part 5: Incidents, reports and records
Reg 5.26A Written report of reportable incident

- (3) The report:
- (a) must be given to the Regulator:
 - (i) not later than 3 days after the first occurrence of the reportable incident; or
 - (ii) if the reportable incident was not detected by the titleholder at the time of the first occurrence—not later than 3 days after the time the titleholder becomes aware of the reportable incident; or
 - (iii) if the Regulator agrees to another period within which the report must be provided—within that period; and
 - (b) must contain:
 - (i) all material facts and circumstances concerning the reportable incident that the titleholder knows or is able, by reasonable search or enquiry, to find out; and
 - (ii) any action taken, or proposed to be taken, to stop, control or remedy the reportable incident; and
 - (iii) any action taken, or proposed to be taken, to prevent a similar incident occurring in the future.

Details for notification of reportable incidents

Reportable incidents in relation to a well in a title area must be notified to NOPSEMA in accordance with new regulations 5.26 and 5.26A (regardless of when the WOMP in force was accepted).

A reportable incident in relation to a well is defined by Regulation 5.02 of the new regulations:

- (a) A loss of integrity of the well, including a well kick, resulting in a release of more than 1 kilogram (1kg) of gas or 80 litres of liquid;
- (b) A failure of hydrostatic pressure as a primary barrier, leading to a build-up of pressure or a positive flow back; and the operation of a blow-out prevention or diversion system;
- (c) Damage to, or failure of, well-related equipment that has led or could lead to a loss of integrity of the well;
- (d) Any other unplanned occurrence that requires the titleholder to implement measures or arrangements to regain control of the well.

NOPSEMA considers that:

If there has been a confirmed flow from the well; and the well has been shut in by means of a BOP and there is a positive pressure reading on the well; or flow from the well has been diverted then such an incident would be reportable under subregulation 5.02(b);

Example

Reportable failure of hydrostatic barrier

During the drilling of a well a positive flow check was performed during tripping and the well was shut-in with the BOP. There was pressure on the well and a small swabbed influx was calculated to have entered the wellbore. The drill string was stripped to bottom and the influx circulated out with the current mud weight. There was no pressure on the well after one circulation, the BOP was opened and a flow check was performed. The well was stable and normal operations resumed.

Well-related equipment is defined in the OPGGSA Act 2006 as:

- (a) plant; or
- (b) equipment; or
- (c) other thing; for containing pressure in a well.

NOPSEMA considers that if damage to or failure of well-equipment has, or could, lead to a loss of well integrity, then such equipment would generally be pressure containing equipment relating to the barrier envelope of a well at its various stages of construction, operation etc. and this should guide a titleholder's consideration of the reporting requirement of subregulation 5.02(c).

Example

Reportable damage to, or failure of, well-related equipment:

- The failure of a production casing cement job resulting in well flow up the annulus before or after the casing hanger and pack-off have been installed.
- Failure of a shoe track resulting in a positive pressure on the well.
- Failure of a pressure test or catastrophic failure: tubing, casing, production packer, cement or any other item considered part of the barrier envelope for the well or at any stage of its construction.
- Failure of a XT (Christmas tree) or WH (wellhead) pressure retaining component.

Subregulation 5.02 (d) any other unplanned occurrence that requires the titleholder to implement measures or arrangements to regain control of the well:

Example

Reportable unplanned occurrences that require the titleholder to implement other arrangements may include:

- bullheading an influx into the formation
- a 'lubricate and bleed' well kill measure
- measures taken to control an underground blow-out

Verbal notification of a reportable incident

Titleholders must make a verbal notification of a reportable incident to NOPSEMA, via the dedicated

NOPSEMA incident phone number (08) 6461 7090

as soon as practicable after the reportable incident, or after first becoming aware of a reportable incident. In this context "as soon as practicable" includes having due regard to any immediate emergency response necessary.

This verbal notification must contain:

- (i) All available material facts and circumstances concerning the reportable incident
- (ii) Any action taken, or proposed to be taken, to stop, control or remedy the reportable incident

Written report of reportable incident

All reports provided to NOPSEMA must be submitted to: **submissions@nopsema.gov.au**

or via secure file transfer at: **https://securefile.nopsema.gov.au/filedrop/submissions**

The titleholder must submit the report no later than 3 days after the first occurrence of the reportable incident and should use the NOPSEMA report form (N-03000-FM1635) available from the NOPSEMA website.

The report must contain:

- (i) All material facts and circumstances concerning the reportable incident that the titleholder knows or is able, by reasonable search or enquiry, to find out; and
- (ii) Any action taken to, or proposed to be taken, to stop, control or remedy the reportable incident
- (iii) Any other action taken or proposed to be taken, to prevent a similar incident occurring in the future.

However, if the titleholder has been unable to identify ALL the material facts and circumstances, and remedial actions, to be taken within the 3 days; the (initial) report must nevertheless be submitted with all of the information available at that time. Subsequently, a complete (final) report must be submitted to NOPSEMA within a time period agreed with NOPSEMA. For example, a titleholder may require additional time to investigate and ascertain the cause of the incident and determine actions to prevent the incident from occurring again.

Example

Reportable damage to, or failure of, well related equipment requiring additional time to report

During the production phase, tubing by “A” annulus pressure communication has been identified and a tubing leak or production packer failure was suspected. The well was shut-in while the titleholder formulates a plan and sources a rig to perform investigation and remedial actions.

In this scenario the formulation of the plan and mobilisation of a rig to investigate and identify all the material facts and circumstances of the incident will likely require additional time and the titleholder should seek to agree with NOPSEMA a timeframe for the submission of the complete written report.

Where a titleholder wishes to make such a request, they should do so by submitting the request through **submissions@nopsema.gov.au**.

New regulations – Part 5: Incidents, reports and records

Reg 5.26B Titleholder must keep copy of report

- (1) A titleholder commits an offence if the titleholder does not store a copy of a written report given to the Regulator under regulation 5.26A in a way that makes retrieval of the report reasonably practicable.
Penalty: 30 penalty units.
- (2) An offence against subregulation (1) is an offence of strict liability.
Note: For strict liability, see section 6.1 of the *Criminal Code*
- (3) Subregulation (1) does not apply if the report was given to the Regulator more than 5 years ago.

Regulation 5.26B is self-explanatory and requires no guidance.

Critical factors for success

A reportable incident (as defined in regulation 5.02) is verbally notified to NOPSEMA as soon as practicable after the occurrence and followed up with a written report using form (N03000-FM1635) within 3 days of the occurrence and if applicable a final report in a timeframe agreed with NOPSEMA.

Contact details

For more information regarding this well integrity guidance note, contact the NOPSEMA.

- Telephone: +61 (0)8 6188 8700; or
- e-mail: wompguidance@nopsema.gov.au