In Reply Refer To: FO-2-1.

Hovember 1, 1989

U

Pelto 011 Company Attention: Mr. Jeffrey E. Hughes One Allow Center, Suite 1906 560 Dallas Street Houston, Texas 77602

Centlemen:

Reference is made to your Supplemental Development Operations Coordination Booument (1902) and accompanying information receives Getober 18, 1959, for Lease 000-0 5717, Block 209, Sein Pass Area. This 9500 includes the activities proposed for Heil 4-5.

In accordance with 30 CPA 250.34, this bOCD is bereby decised submitted and is now being considered for approval.

Your control muster is 5-2334 and should be referenced in your concantsation and correspondence concerning this DOCD.

Sincerely.

(Orig. Sgd.) A. Donald Giroir

D. J. Currects Felicinal Supervisor Field Operations

boc: Leame⁴OCS-G 5717 (OPS-3-2) (FILE ROOK) (OPS-3-4 w/Public info. Copy of the DOCD and accomp. info. (PUBLIC RECORDS)

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Office of Program Services

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Information Services Section

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October 16, 1989

Mr. Daniel J. Bourgeois Regional Supervisor Office of Field Operations U.S. Department of the Interior Minerals Management Service 1201 Elmwood Park Boulevard New Orleans, LA 70123-2394

RE: Supplemental Development Operations Coordination Document OCS-G 5717, Main Pass Area Block 209, Offshore ouisiana

Gentlemen:

In accordance with the provisions of litle 30 CFR 250.34, Pelto Oil Company (Peltc) hereby submits for your review and approval nine (9) copies of a Supplemental Development Operations Coordination Document (DOCD) for Lease OCS-G 5717, Main Pass Area Block 209, Offshore, Louisiana. Five (5) copies are "Proprietary Information" and four (4) copies are "Public Information".

Excluded from the Public Information copies are certain geologic discussions, depth of wells and structure map.

Pelto anticipates commencing activities under this proposed Supplemental Development Operations Coordination Document on or before November 15, 1989.

Should additional information be required, please contact our regulatory agent, Connie J. Goers, J. Connor Consulting at (713) 558-0607.

Sincerely,

PELTO OIL COMPANY

efters & Augher ing Jeffrey R. Hughes

Drilling Superincendent

JRH:CJG Enclosures



PELTO OIL COMPANY + One Allen Center, Suite 1800 + 500 Dallas Street, Houston, Texas 77002 + 713-651-1800

PELTO OIL COMPANY

SUPPLEMENTAL DEVELOPMENT OPERATIONS COORDINATION DOCUMENT

MAIN PASS AREA BLOCK 209

OCS-G 5717

Pelto Gil Company (Pelto), as designated Operator of the subject lease, submits this proposed Supplemental Development Operations Coordination Document (DOCD) in accordance with the regulations contained in Title 30 CFR 250.34 and more specifically defined in the Minerals Management Service Letter to Lessee's and Operators dated October 12, 1988 and September 5, 1989.

BRIEF HISTORY TO DATE

Under the Initial Development Operations Coordination Document, Pelto installed Production Platform "A" and a right-of-way pipeline to transport produced hydrocarbons to Main Pass Block 202.

This lease is being maintained past the primary term ending date by production operations from four (4) platform wells.

DESCRIPTION OF DEVELOPMENT ACTIVITIES

A total of one (1) well will be involved in the supplemental development of this lease. A Well Location Plat detailing the existing well locations, and a Well Location Table of the proposed well are included as Attachments A.

Pelto will drill and produce the additional well from its existing Production Platform "A" and right-of-way pipeline.

Activities proposed under this Supplemental DOCD for Main Pass Block 209 will commence in November, 1989 with commencement of drilling operations.

	Activity	Approximate Start-Up Date			
1.	Drill & Complete Well A-5	November, 1989			
2.	Hook Up & Commence Production	December, 1989			

DESCRIPTION OF DRILLING UNIT

The proposed well will be drilled with a typical jack-up drilling unit. When a rig is selected, the rig specifications will be made a part of the Application for Permit to Drill. Typical Diverter and BOP Schematics are included as Attachment B.

Safety features will include well control and blowout prevention equipment as described in Title 30 CFk 250.50. The appropriate life rafts, life raft, life jackets, ring buoys, etc., as prescribed by the U. S. Coast Guard will be maintained on the facility at all times.

DESCRIPTION OF PLATFORM

Pelto will drill the additional well from existing Production Platform "A" addressed in the Initial DOCD.

There shall be no disposal of equipment, cables, containers, or other materials into offshore waters.

STRUCTURE MAP

A current structure map of the productive formation is included as Attachment C.

The estimated life of reserves for Main Pass Block 209 is Expected production from this lease is

BATHYMETRY MAP

A bathymetry map depicting the surface location of existing Production Platform "A" was included in the Initial DOCD.

SHALLOW HAZARDS

An analysis of any seafloor and subsurface geologic and manmade features and conditions which may have an adverse effect on the proposed operations was included in the Initial DOCD.

OIL SPILL CONTINGENCY PLAN

All construction and production operations shall be performed in accordance with industry standards to prevent pollution of the environment. Pelto Oil Company's Oil Spill Contingency Plan has been approved by the MMS. This plan designates an Oil Spill Team consisting of Pelto's personnel and contract personnel. This team's duties are to eliminate the source of any spill, remove all sources of possible ignition, deploy the most reliable means of available transportation to monitor the movement of a slick, and contain and remove the slick if possible.

Pelto is a member of Clean Gulf Associates (CGA). The CGA stores pollution control equip. It at two locations in Texas, at Rockport and Galveston, and five locations in Louisiana, at Venice, Grand Isle, Intracoastal City, Houma and Cameron. Each base is equipped with fast response skimmers and there is a barge mounted high volume open sea skimmer based at Grand Isle, Louisiana. In addition to providing equipment, the CGA also supplies advisors for clean-up operations. Equipment available from CGA and the base it is located at is listed in the CGA Manual, Volume I, Section III.

Estimated response time for a spill in Main Pass Block 209 could vary from 8 to 10 hours minimum based on:

		Hours
1.	Procure a boat and deploy to nearest CGA Base in Venice, LA	2.0
2.	Load out Fast Response Unit and oil spill containment equipment	2.0
з.	Travel time to spill site	4.0
	Estimated Total Time	8.0

Equipment located in Venice, Louisiana would be utilized first with additional equipment transported from the nearest equipment base on-site as required.

In the event a spill occurs from Main Pass Block 209, our company has projected trajectory of a spill utilizing information in the Environmental Impact Statement (EIS) for OCS Lease Sales 123 and 125.

The EIS contains oil spill trajectory simulations using seasonal surface currents coupled with wind data, adjusted every 3 hours for 30 days or until a target is contacted.

Hypothetical spill trajectories were simulated for each of the potential launch sites across the entire Gulf. These simulations presume 500 spills occurring in each of the four seasons of the year. The results in the EIS were presented as probabilities that an oil spill beginning from a particular launch site would contact a certain land segment within 3, 10, or 30 days. Utilizing the summary of the trajectory analysis (for 10 days) as presented on pages IV-36 through IV-39, the probable projected land fall of an oil spill is as follows. Also listed is the CGA Map Number corresponding to the land segment which will be utilized to determine environmentally sensitive areas that may be affected by a spill.

AREA	LAND SEGMENT CONTACT	2	CGA MAP NUMBER		
Main Pass 209	Plaquemines Parish, LA	18%	LA Maps No. 6 & 7		
	St. Bernard Parish, LA etal	7%	LA Maps No. 7 & 8		
	Hancock County, MS etal	3%	MAFLA Map No. 9		
	Mobile County, AL	1%	MAFLA Map No. 9		

Section V, Yolume II of the CGA Manual containing maps as listed above, also includes equipment containment/cleanup protection response modes for the sensitive areas.

Section VI, Volume II of the CGA Operations Manual depicts the protection response modes that are applicable for oil spill clean-up operations. Each response mode is schematically represented to show optimum deployment and

operation of the equipment in areas of environmental concern. Implementation of the suggested procedures assures the most effective use of the equipment and will result in reduced adverse impact of oil spills on the environment. Supervisory personnel have the option to modify the deployment and operation of equipment to more effectively respond to site-specific circumstances.

NEW OR UNUSUAL TECHNOLOGY

No new techniques or unusual technology will be required for this operation.

LEASE STIPULATIONS

In accordance with Lease Stipulation No. 1 is attached to this lease; a Archaeological Study assessing the potential existence of any cultural resources in Main Pass Block 209 was conducted and previously submitted with the Initial DOCD.

DISCHARGES

All discharges associated with the drilling and production of the proposed well will be in accordance with the permit plimitations addressed in the Environmental Protection Agency NPDES General Permit GMG 280000 for the Gulf of Mexico.

Discharges will be free of oil and will be in compliance with and monitored as required by the permit. Any drilling fluid contaminated with oil will be transported to shore for proper disposal at an authorized disposal site.

Solid domestic waste will be transported to shore for proper disposal at an authorized sewage site, and sewage will be treated on location.

Mud may be discharged for purposes of dilution or at end of well. Surveillance of the fluid is accomplished through daily inventory of mud and chemicals added to the system; in addition to monthly and end-of-well LC50 toxicity tested required by the permit. Typical mud components which may be used in the drilling of the proposed well is included as Attachment D.

The anticipated discharge quantity and rates of drill cuttings for Pelto Oil Company's proposed supplemental operations in Main Pass Block 209 is included as Attachment E.

HYDROGEN SULFIDE

Pelto recommenced the area to be classified as a zone where the absence of hydrogen sulfide has been confirmed. This determination is based on the drilling and production data obtained from the following wells.

OCS-G 5717, Well No. 2 (Well A-1) OCS-G 5717, Well No. 3 (Well A-2) OCS-G 5717, Well No. 4 (Well A-3)

Therefore, in accordance with Title 30 CFR 250.67, Pelto Uil Company hereby requests hat a determination be made by the MMS that the proposed zone is in an area where the absence of hydrogen sulfide has been confirmed.

PROJECTED_EMISSIONS

Projected Air Quality Emissions is included as Attachment F.

ONSHORE SUPPORT BASE

Main Pass Block 209 is located approximately 40 miles east of Venice, Louisiana, in a water depth of approximately 175 feet. A map showing the location of Block 209 relative to the shoreline and onshore base was included in the Initial DOCD.

Pelto will continue to utilize existing onshore facilities located in Venice, Louisiana. This will serve as port of debarkation for supplies and crews. No onshore expansion or construction is anticipated with respect to this activity.

This base is capable of providing the services necessary for the proposed activities. It has 24-hour service, a radio tower with a phone patch, dock space, equipment and supply storage base, drinking and drill water, etc. During drilling activities it is estimated a crew boat and a supply boat will each make seven trips per week. During production activities one supply boat and one crew boat will each make one trip per week and one helicopter making seven trips per week.

The onshore activities associated with Main Pass Block 209 should not result in any increase in the size and number of onshore support and storage facilities or land and personnel requirements.

AUTHORIZED REPRESENTATIVE

Inquiries may be made to the following authorized representative of Pelto Oil Company.

Ms. Connie J. Goers Regulatory Coordinator J. Connor Consulting P. O. Box 218753 Houston, TX 77218 (713) 558-0607

LIST OF ATTACHMENTS

- A
- Well Location Table and Plat Typical Diverter & BOP Schematic
- BCDEF Structure Map
- Typical Mud Components Quantities & Rates of Discharges
- **Projected Air Emissions**

MAIN PASS BLOCK 209

WELL LOCATION TABLE

WELL	-	L	OCAT	10	N		TOTAL DEPTH	D DRIL	AYS TO L/Complete
A-1	SL: BHL:	3277′	FNL	8	4905'	FWL			N/A
A-2	SL: BHL:	3279′	FNL	å	4898′	FWL			N/A
A-3	SL: BHL:	3286′	FNL	8	4900'	FWL			N/A
A-4	SL: BHL:	3284'	FNL	&	4907′	FWL			N/A
A-5	SL: PBHI:	3278′	FNL	8	4912'	FWL			21

ATTACHMENT A





Peter to following page for description of individual items of this assembly.



ATTACHMENT B

20" HYDRIL DIVERTER 2000 psi

ITEM

DESCRIPTION

1 20° HYDRIL 2000 psi Type MSP

2 20° FLANGE SPOOL 2000 psi w/6" 2000 psi Outlets

3 6" GATE VALVE std Low Pressure (REMOTE)

4 6" DIVERTER LINE (To Overboard)

BLOWOUT PREVENTER STACK

131/8' 10,000 psi

ITEM DESCRIPTION 5 10%" HYDRIL ANNULAR BOP 5000 psi Type GK H23 Trimmed 6 13%" CAMERON DOUBLE BOP 10,000 psi WP H,2S Trimmed 7 13%" CAMERON SINGLE BCP 10,000 psi WP H,2S Trimmed 8 41/10" MANUAL GATE VALVE Cameron Type "F" H,2S 9 21/16" REMOTE HYDRAULIC VALVE Cameron Type "F" 10,000 psi H,2S 2¹/16" MANUAL GATE VALVE Cameron Type "F" 10,000 psi H,2S 2¹/16" CHECK VALVE Cameron Type "R" 10,000 psi H,2S 3" 10,000 psi KILL LINE from Choke Manifold 10 11 12 13 3" 10,000 psi CHOKE LINE from choke Manifold



ATTACHMENT B-1

DRILLING MUD COMPONENTS

COMMON CHEMICAL OR CHEMICAL TRADE NAME

Aluminum Stearate "AXTAFLO-S" Barite Calcium Carbonate Calcium Chlordie Calcium Oxide Calcium Sulfate Carboxymethyl Cellulose Caustic Potash Caustic Soda Chrome Lignite Chrome Lignosulfonate Drilling Detergent "E-Pal" Ferrochrome Lignosulfonate Gel

Gypsum Lignite Lignosulfonate "Mud Sweep" "MOR-REX" "Shale-Trol" Sapp Soda Ash Sodium Bicarbonate Sodium Carboxymethyl Cellulose Sodium Chloride Sodium Chromate Starch "TX-9010" "TORQ-Trim" "Black Magic" "Black Magic Supermix" Diesel "Jelflake"

MICA "Pipe-Lax" "Wall-Nut" Wood Fibers

DESCRIPTION OF MATERIAL

Aluminum Stearate Nonionic Surfactant Barium Sulfate (BaSo4) Aragonite (CaCo3 Hydrophilite (CaCl2) Lime (Quick) Anhydrite (CaSO4) Carboxymethyl Cellulose Potassium Hydrate Sodium Hydroxide (NaOH) Chrome Lignite Chrome Lignosulfonate Soap Non-toxic, biodegradable defoamer Derived from wood pulp Sodium montmorillonite, bentonite, attapulgite CaSo4.2H20 Lignite Lignosul fonate **Cement Pre-flush** Hydroloyzed Cereal solid Organo-aluminum complex Sodium Acid Pyrophosphate Sodium Carbonate NaHCO3 Sodium Carboxymethyl Cellulose NaC1 NaCr04.10H20 Corn Starch Biodegradable drilling lubricant Biodegradable drilling lubricant Oil base mud conc. Sacked concentrated oil base mud Used to mix certain loss-circulation pills Plastic foil, shredded cellophane Loss-circulation material Surfactant mixed with diesel Ground walnut shells Loss-circulation material

ATTACHMENT D



P.O. Box 218753

Houston, Texas 77218

713-558-0607



October 16, 1989

PROJECTED AIR EMISSION SCHEDULE FOR SUPPLEMENTAL DEVELOPMENT PROJECT

GENERAL INFORMATION

Location of Facility:

Distance Offshore: Name of Platform: Operator:

- A - - A Damas

Main Pass Block 209 OCS-G 5717 40 miles Jack-Up / Platform "A" Pelto Oil Company 1800 One Allen Center Houston, TX 77002 Mr. Jeffrey R. Hughes

Lont	act Person:	mr. v
Well	Footage to be Drilled	
	in 1989:	
Date	Drilling Will Begin:	Noven
Date	Production Will Begin:	Decen

ovember, 1989 ecember, 1989

MAJOR SOURCE (OFFSHORE)

Power used aboard drilling vessel; approximate footage to be drilled

Emitted Substance	Projected *ton	Emissions s/yr.
C0 S0	1	.39
2		
NOX	6	.51
VOC	··~··	. 53
TSP		.46

*

Based on 60 hpir/ft. from Table 4-3, "Atmospheric Emissions from Offshore Oil and Gas Development and Production", EPA No. 450/3-77-026, June 1977

Emission factors from Table 3.3.3-1, "Compilation of Air Pollutant Emission Factors", Third Edition, EPA Report AP-42, August, 1977

ATTACHMENT F

Projected Air Emissions Pelto Oil Company Main Pass Block 209 Page Two

MINOR SOURCES (OFFSHORE)*

Emitted	Projected Emission (Tons/Year)		
Substance	1989		
CO	.52		
SO	.03		
2			
NOx	.09		
VOC	.05		
TSP	.03		

Tables 3.2.1-3, 3.2.3-1 and 2.1-1, "Compilation of Air Pollutant Emission Factors", Third Edition, EPA Report AP-42, August, 1977.

ONSHORE SOURCES

These should be about the same as minor sources unless new facilities are installed at the onshore base. No additional facilities are required or planned at this time.

EMISSION EXEMPTION DETERMINATION

For CO: E = 3400 = 3400 (40) = 39,767 tons/year For NOx, VOC, TSP & SO : E = 33.3D = 33.3 (40) = 1332 tons/year

As per DOI/MMS regulations, this facility is exempt from further air quality review as it has been determined that its operations will not have a significant adverse impact on air quality.