

Notification, reporting and recording requirements for well-related incidents

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1. Purpose

The purpose of this document is to provide guidance on:

- what is a reportable incident in relation to a well
- examples of well-related incidents
- how to report an incident to NOPSEMA
- record keeping requirements.

2. Governing Regulations

Part 5, Division 8 of the Offshore Petroleum and Greenhouse Gas Storage (Resource Management and Administration) Regulations 2011 (RMA Regulations) covers notification, reporting and recording requirements in relation to well-related incidents.

Regulation 5.26(1) of the RMA Regulations requires notice to be given to NOPSEMA of the occurrence or subsequent discovery of “reportable incidents” that relate to the control of a well.

The term “well” for these purposes means a hole in the seabed or subsoil made by drilling, boring or any other means in connection with the exploration for, and/or recovery and/or injection of petroleum and greenhouse gases, and includes well-related equipment associated with that well.

Titleholders are obliged to notify NOPSEMA, as soon as practicable, after the first occurrence of any reportable incident or after the titleholder becomes aware of the incident.

A reportable incident is any of the following:

- (a) a loss of integrity of the well, including a well kick, resulting in a release of more than:
 - (i) 1 kilogram of gas; or
 - (ii) 80 litres of liquid;
- (b) a failure of hydrostatic pressure as a primary barrier, leading to:
 - (i) a build-up of pressure or a positive flow check; and
 - (ii) 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.

Titleholders should also be aware that sections 569, 570 and 572 of the *Offshore Petroleum and Greenhouse Gas Storage Act 2006* (OPGGs Act) provide that it is an offence for there to be a loss of well control and for a titleholder to fail to maintain in good condition and repair all structures and equipment used in connection with a petroleum or greenhouse gas storage activity.

Reportable incidents in relation to a well in a title area must be notified to NOPSEMA in accordance with regulations 5.26 and 5.26A of the RMA Regulations, which state the following:

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.

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.

Part 5: Incidents, reports and records (continued)

Reg 5.26A Written report of reportable incident

- (3) The report:
- (a) must be given to the regulator:
 - (i) not later than three 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 three 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.

3. Definition of reportable incident

A reportable incident in relation to a well is defined by regulation 5.02 of the RMA Regulations as follows:

Reg 5.02 definitions

Reportable incident, in relation to a well, means any of the following:

- (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 blowout 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.

4. Reportable Incident during drilling, completion, workover or other well intervention activity

Details and examples of the categories of reportable incidents that must be reported, as soon as practicable, are provided below.

(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

A reportable incident in this category includes the loss of integrity of a well, including a well kick, that causes the release of more than of 1 kilogram of gas or 80 litres of liquid (cumulatively) to escape from a well.

Multiple incidents giving rise to smaller escapes of gas or liquid must be reported if this threshold is met.

(b) A failure of hydrostatic pressure as a primary barrier, leading to a build-up of pressure or a positive flow check and the operation of a blowout prevention or diversion system

A reportable incident in this category includes an influx or 'kick' from the formation during drilling, completion, or workover activities which results in a build-up of pressure or a positive flow check and the operation of a BOP or diversion system.

The closure of a blowout preventer (BOP) alone or to allow diagnostics does not constitute a reportable incident.

Unexplained loss / gain events are required to be reported.

Note that a well kick of more than 8 cubic metres/50 barrels also needs to be reported as a dangerous occurrence related to safety at a facility, under clause 82 of Schedule 3 of the OPGGS Act and Part 4 of the Offshore Petroleum and Greenhouse Gas Storage (Safety) Regulations 2009.

(c) Damage to, or failure of, well-related equipment that has led or could lead to a loss of integrity of the well

Well-related equipment is defined at section 7 of the OPGGS Act to mean:

- (a) plant; or
- (b) equipment; or
- (c) other thing;

for containing pressure in a well.

For well integrity, such equipment is generally pressure-containing equipment relating to the barrier envelope of a well in any stage of its life cycle, including well control equipment such as BOPs or intervention systems, or the systems used to monitor and verify integrity.

Examples of reportable incidents which arise from damage to, or failure of, well-related equipment that has or could lead to a loss of integrity of the well include:

- failure of well control equipment to meet acceptance criteria during service
- a well barrier failure such as a casing, tubing, packer, tubing or bridge plugs, or tubing hanger leak
- failure of validated suspension or abandonment (P&A) barriers (such as suspension plugs, cement, or surface casing) which subsequently leaks

- a leak through production isolation valves that introduces hydrocarbon into the well barrier envelope or well pressure control system
- failure of systems critical to monitoring and verifying that the well has integrity in line with approved performance standards.

(d) Any other unplanned occurrence that requires the titleholder to implement measures or arrangements to regain control of the well

Regain control of the well is taken to include all activity necessary to reinstate two independently verified well barriers, or alternate as described in the accepted WOMP.

Examples of reportable incidents which are unplanned occurrences requiring the titleholder to implement measures or arrangements to regain control of the well include:

- an influx into the well which requires bull heading
- a 'lubricate and bleed' well kill
- an occurrence that requires any other unconventional well control measure to be implemented
- inadvertent activation of a surface well control device (e.g., human error &/or systems/software failure)
- unexplained loss/gain occurrences whilst connected to the well
- hydrocarbons entering the well envelope through surface production isolation valves, (e.g., production wing valve).

5. Reportable Incident during the production or suspension phase

Details and examples of the categories of reportable incidents that must be reported as soon as practicable are provided below.

(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

A reportable incident in this category includes the loss of integrity of a well, including a well kick, that causes the release of more than of 1 kilogram of gas or 80 litres of liquid (cumulatively) to escape from a well.

Multiple incidents giving rise to smaller escapes of gas or liquid must be reported if this threshold is met.

(b) A failure of hydrostatic pressure as a primary barrier, leading to a build-up of pressure or a positive flow check; and the operation of a blowout prevention or diversion system

Not relevant to wells in a production / suspended state.

(c) Damage to, or failure of, well-related equipment that has led or could lead to a loss of integrity of the well

Well-related equipment is defined in the OPGGS Act as:

- (a) plant; or
- (b) equipment; or

(c) other thing;
for containing pressure in a well.

For well integrity, such equipment is generally pressure-containing equipment relating to the barrier envelope of a well, or the systems used to monitor and verify integrity in any stage of its life cycle.

Examples of reportable incidents which arise from damage to, or failure of, well-related equipment that has or could lead to a loss of integrity of the well include:

- failure of Christmas tree valve(s) or subsurface safety valve (SSSV) to function when required
- failure of Christmas tree valve(s) or a SSSV to meet acceptance criteria after 3 attempts conducted over a maximum period of 1 week
- a well barrier failure such as a casing, tubing, packer or tubing hanger leak
- a leak from a SSSV control line / subsea control module
- a leak through a gas lift / side pocket mandrel accessory if categorised as a primary barrier
- failure of pressure monitoring systems critical to the verification of well integrity.

(d) Any other unplanned occurrence that requires the titleholder to implement measures or arrangements to regain control of the well

Regain control of the well is taken to include all activity necessary to reinstate two independently verified well barriers or alternate as described in the accepted WOMP.

Examples of reportable incidents which are unplanned occurrences requiring the titleholder to implement measures or arrangements to regain control of the well include:

- an occurrence that requires management of sustained casing pressure
- a failure of structural integrity that requires installation of additional structural supports (e.g., top tension table)
- an occurrence that requires the bullhead kill of the well, including in any of the outer annulus.

6. Verbal notification of a reportable incident

Titleholders are able to give verbal notification of a reportable incident to NOPSEMA using the dedicated **NOPSEMA incident phone number 1300 674 472** and must do so as soon as practicable after the reportable incident occurs, or if the reportable incident was not detected at the time of the first occurrence, as soon as practicable after the titleholder becomes aware of the reportable incident.

A verbal notification must contain:

- (a) 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
- (b) Any action taken, or proposed to be taken, to stop, control or remedy the reportable incident.

7. Written report of reportable incident

NOPSEMA requests that reports be submitted to submissions@nopsema.gov.au or using secure file transfer at <https://securefile.nopsema.gov.au/filedrop/submissions>.

The titleholder must provide the written report no later than three days after the first occurrence of the reportable incident or the titleholder first becomes aware of the reportable incident, unless NOPSEMA has agreed that it may be provided within another period of time.

Titleholders may use the NOPSEMA report form (N-03300-FM1635) available from the NOPSEMA website: [Document Hub | NOPSEMA](#)

Under regulation 5.26A(3)(b) of the RMA Regulations the written report must contain:

- (a) 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
- (b) Any action taken, or proposed to be taken, to stop, control or remedy the reportable incident; and
- (c) Any action taken, or proposed to be taken, to prevent a similar incident occurring in the future.

If titleholders are unable to meet regulation 5.26A(3)(b) within three days of the event, they should request an alternate timeframe.

Titleholders should also consider whether the reportable incident:

- means there will be a significant change to the manner in which risks to the integrity of the well are reduced to as low as reasonably practicable; or
- represents a significant new risk or significantly increased risk to the integrity of the well;

and as a result, a proposed revision of the well operations management plan under regulation 5.10(2) or 5.10(3)(a) of the RMA Regulations must be submitted.

If the titleholder has been unable to identify all the material facts and circumstances and remedial actions to be taken within three days of the reportable incident or the titleholder becoming aware of the reportable incident, or for another reason, NOPSEMA may agree for the written report to be provided within a different time period.

8. Record-keeping

Regulation 5.26B provides that the titleholder must keep a reasonably retrievable copy of the written report for at least five years.

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 five years ago.

9. Critical factors for success

A reportable incident must be:

1. Verbally notified to NOPSEMA as soon as practicable after the occurrence or the titleholder becomes aware of its occurrence;
2. The subject of a written report using form (N-03300-FM1635) submitted:
 - a. not later than three days after the occurrence, or not later than three days later than the titleholder first becomes aware of its occurrence; or
 - b. within a timeframe agreed with NOPSEMA.

10. References

OPGGs (Resource Management and Administration) Regulations 2011, compiled 12 March 2022

IOGP Report 456 (2018), Process safety – Recommended practice on Key Performance Indicators

IOGP Report 2018p (2019), Safety performance indicators – Process safety events – 2018 data

IOGP Report 2017su (2017 data), Safety data reporting user guide – Scope and definitions

API RP 754 (2017), Process Safety Performance Indicators for the Refining and Petrochemical Industries

ISO 16530:1:2017, Petroleum and natural gas industries – Well integrity – Part 1: Life cycle governance

Chajai, H. & Smith, C. (2014). Defining and Improving Process Safety for Drilling and Well Services Operations, IADC/SPE 167946

Tamim, N. et al (2017). *A framework for developing leading indicators for offshore drill well blowout incidents*, Process Safety and Environmental Protection 106 (2017) 256-262

11. Contact details

For more information regarding this guidance note, contact NOPSEMA.

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