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**MMS Preliminary Report Finds Most Facilities Withstood Hurricane Lili;
6 Platforms Out of 800 with Severe Damage;
MMS Buoy Provides Important Data**

The Minerals Management Service (MMS) today released its preliminary overall assessment of the damage to the offshore oil and gas infrastructure from Hurricane Lili. MMS Director Johnnie Burton said, "We have had a number of reports of damage to various production platforms and some drilling rigs, but in general, the extent of the damage to the infrastructure is not significant. Of the 800 facilities which were subjected to the full force of the Hurricane, only six older platforms and four exploration rigs received substantial damage from the storm." Over 4,000 offshore facilities are operating in federal waters in the Gulf of Mexico.

"There were no fatalities or injuries to offshore workers, there were no fires, and there was no major pollution caused by the hurricane," Burton continued. "Considering that there were more than 25,000 workers evacuated, and that 800 structures were located in the direct path of Lili during the most intense period of the storm, it is remarkable that the impact to this important domestic energy production infrastructure was quite limited". Only 4 of 99 drilling rigs in the Gulf had substantial damage. Many platforms, pipelines, and onshore facilities received minor damage, and several of these will require repairs that may take several months. Some production will continue to be shut in to effect these repairs. As of today, about 94 percent of oil and gas production is back online. More than 25 percent of domestic oil and gas production comes from this source.

There was a 350-barrel oil spill from Murphy Oil's facility on Ship Shoal Block 119, which is located some 18 miles offshore Louisiana. Murphy conducted an emergency response to the spill and recovered about one-third of the oil, while the remainder of the spill dispersed due to weathering. The well has been capped. MMS will conduct an investigation of this incident. In total, there were nine reported instances of pollution; the other eight were less than 3 barrels. A small pipeline leak was due to previous tropical storm Isidore.

All six of the seriously damaged platforms were more than 20 years old. One platform on Eugene Island Block 275A owned by TotalFinaElf, was toppled in-place. This was a 38-year-old platform that was in the process of being removed. A second was a 33-year-old Forest Oil platform on Eugene Island Block 309, where the platform was discovered completely submerged. BP's Platform A on Eugene Island Block 322 was damaged beyond repair. A complete list of the platforms damaged is attached.

Director Burton also noted that "the minimal effects of the hurricane to oil and gas facilities were in part attributable to the design standards MMS established through its regulations. MMS has strengthened its platform design standards several times since the 1960's. Current design standards require industry to design facilities to withstand 100-year storm criteria. The technology available to build these platforms to the new tougher standards allows the companies a measure of safety and durability that is not present in the older facilities. Operators in the Gulf demonstrated a superb level of preparedness in advancing technology to prevent damage and in responding to this catastrophic event".

In 1988, the MMS included requirements for annual above-water structural inspections of all OCS platforms and periodic underwater structural surveys. These structural requirements were established to minimize the potential for platform damage from events like Hurricane Lili. The MMS also requires a structural survey be conducted after direct exposure to an environmental event such as Hurricane Lili. The MMS will be contacting operators for their survey results and storm related structural damage.

Hurricane Lili reached a maximum strength as a Category 4 hurricane with sustained winds of 145 miles per hour. As the hurricane moved closer to shore, it reduced in intensity. A map plotting the decrease in strength of Lili is attached.

In a related matter, MMS reported that one of the meteorological buoys it funds was in the direct path of the hurricane and provided critical data to weather forecasters. Buoy 42041, which is located at 27.5N, 90.5W in water depth of 1,436 meters, is sponsored solely by MMS through the National Data Buoy Center (NDBC), in Bay St. Louis, Mississippi. The buoy is located approximately 150 miles offshore New Orleans and was in the strongest quadrant of Lili and about 15 miles from the eye of the hurricane as it reached a strength of 145 miles per hour winds. The buoy was installed in May 2002 and is funded through an Interagency Agreement. MMS paid approximately \$100,000 for the buoy in 2002. The buoy measures wind speed and direction, air and sea surface temperature, atmospheric pressure, wave height and period, and humidity. Aside from these sensors, this buoy was equipped with an ADCP current meter to measure currents in the upper 500-meters of the water column. The latter sensor is a new observation type by NDBC. During this time, this buoy has collected data for two tropical storms and one hurricane.

MMS is the federal agency in the U.S. Department of the Interior that manages the nation's oil, natural gas and other mineral resources on the outer continental shelf in federal offshore waters. The agency also collects, accounts for and disburses mineral revenues from federal and Indian leases. These revenues totaled nearly \$10 billion in 2001 and more than \$120 billion since the agency was created in 1982. Annually, nearly \$1 billion from those revenues go into the Land and Water Conservation Fund for the acquisition and development of state and federal park and recreation lands.

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MMS's Website Address: <http://www.gomr.mms.gov>

As of
10/16/02

Hurricane Lili Damage to Offshore Infrastructure in Gulf of Mexico
(Preliminary Damage Assessment Subject to Change)

Platforms Severely Damaged

<u>Location</u>	<u>Date Installed</u>	<u>Operator</u>	<u>Damage</u>
Eugene Island 275	1964	TotalFinaElf	Toppled
Eugene Island 252	1977	Chevron	Platform leaning
Ship Shoal 114	1969	Murphy	Wellheads bent over
Eugene Island 252	1982	Chevron	Platform leaning
Eugene Island 322	1978	BP	Platform leaning
Eugene Island 309	1969	Forest Oil	Platform missing

Drilling Rigs Severely Damaged

<u>Location</u>	<u>Rig</u>	<u>Owner</u>	<u>Damage</u>
Ship Shoal 300	Ocean Lexington	Diamond	Mooring System
Ship Shoal 207	Rowan Houston	Rowan	Toppled
Ship Shoal 126	Dolphin 105	Nabors	Toppled
Main Pass 207	RBF 204	Reading Bates	Leaning

Pollution Events

<u>Location or Pipeline Segment</u>	<u>Type</u>	<u>Owner/Operator</u>	<u>Amount Spilled</u>
Ship Shoal 119	Well	Murphy Oil	350 bbs.
Ship Shoal 149	Pipeline	Phillips	3 bbls.
Eugene Island 32	Unknown	Sighting	.14 gal.
Eugene Island 42	Unknown	Sighting	.14 gal.
Eugene Island 53	Unknown	Sighting	.14 gal.
Eugene Island 190	Unknown	Sighting	3 gal.
Eugene Island 276	Unknown	Sighting	.05 gal.
Eugene Island 324	Unknown	Sighting	34.5 gal.
Eugene Island 330	Unknown	Sighting	8.5 gal.

Attachment: [Map](#)

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