



OFFICE OF  
**INSPECTOR GENERAL**  
U.S. DEPARTMENT OF THE INTERIOR

# **BSEE OFFICE'S BEST PRACTICE SUGGESTED FOR BSEE-WIDE APPLICATION**

**This is a revised version of the report prepared for public release.**



OFFICE OF  
**INSPECTOR GENERAL**  
U.S. DEPARTMENT OF THE INTERIOR

Memorandum

**MAR 29 2019**

To: Scott A. Angelle  
Director, Bureau of Safety and Environmental Enforcement

From: Matthew T. Elliott   
Assistant Inspector General for Investigations

Subject: Management Advisory – BSEE Office's Best Practice Suggested for  
BSEE-Wide Application  
Case No. OI-OG-15-0608-I

During a recent investigation into allegations of falsified safety and environmental inspection reports for offshore oil and gas platforms regulated by the Bureau of Safety and Environmental Enforcement (BSEE), we learned that BSEE inspectors did not have a consistent process for documenting their annual reviews of operators' internal inspections of platforms. One BSEE office, however, has developed an internal checklist that we believe would improve the annual platform review process for all BSEE offices.

BSEE inspects manned and unmanned platforms annually to ensure that operators are completing required internal inspections, the platform is being maintained, and the platform complies with Federal regulations. Title 30 of the Code of Federal Regulations, § 250.107, requires operators to maintain internal inspection records associated with safety and environmental systems. During an annual inspection, a BSEE inspector will review and rely on the records and inspection reports maintained by the leaseholder or operator to verify that the platform operations comply with safety regulations.

During our investigation, we learned that an offshore oil and gas operator maintained inspection reports, including "planning documents" for platform visits and inspections that had not occurred, in the operator's Safety and Environmental Management System. This practice was misleading to BSEE inspectors because they could not tell from the records that the internal inspections had merely been planned and not completed. Had the BSEE inspectors known the platforms had not been visited, the operator would have received an incident of noncompliance and potentially a civil penalty.

We also found that although BSEE requires its inspectors to review operator records as part of their annual inspections, each inspector records their results differently. For example, some inspectors note which records they reviewed, the date the records were reviewed, or the date the operator completed the internal inspection, while others record only some of this information. As a result, BSEE inspection reports did not always clearly document when or if operators' internal inspection records were reviewed during annual platform inspections.

We learned during our investigation that BSEE's Lake Charles District Office (LCDO) uses a checklist titled "Questions Document" during annual platform inspections. This checklist includes notes from the inspector clearly identifying which records were reviewed, the date the records were reviewed, and the date the operator completed the internal inspection. As a result, the LCDO's annual platform inspections captured information needed to determine whether platform visits recorded in the operator's internal inspection reports had actually occurred or were only planned. The LCDO checklist enables BSEE inspectors in that office to collect accurate, complete information about an operator's internal platform visits, which improves BSEE's ability to oversee offshore operations.

We suggest that BSEE consider incorporating the LCDO's checklist throughout the inspection program. Doing so will help ensure that essential information is consistently captured during these annual inspections and enhance BSEE's efforts to ensure that platforms meet regulatory requirements and operate safely.

Please provide us with a written response to this memorandum within 90 days describing the actions you have taken, or plan to take, to address the issue and our suggestion. You may either email your response to [doioigreferrals@doioig.gov](mailto:doioigreferrals@doioig.gov), or mail it to:

Office of Inspector General  
U.S. Department of the Interior  
381 Elden Street, Suite 3000  
Herndon, VA 20170

In accordance with the IG Empowerment Act of 2016, we intend to publish this memorandum on our website, in redacted form, no later than 3 days from the date we issue it to you. Within the next 10 business days, a representative from our Office of Investigations will contact you, or your designee, to discuss the memo and the status of your response. If you have any questions or need further information concerning this matter, please contact Special Agent [REDACTED] at [REDACTED]

# Report Fraud, Waste, and Mismanagement



Fraud, waste, and mismanagement in Government concern everyone: Office of Inspector General staff, departmental employees, and the general public. We actively solicit allegations of any inefficient and wasteful practices, fraud, and mismanagement related to departmental or Insular Area programs and operations. You can report allegations to us in several ways.



---

**By Internet:**      [www.doioig.gov](http://www.doioig.gov)

**By Phone:**      24-Hour Toll Free:      800-424-5081  
                                 Washington Metro Area:      202-208-5300

**By Fax:**      703-487-5402

**By Mail:**      U.S. Department of the Interior  
                                 Office of Inspector General  
                                 Mail Stop 4428 MIB  
                                 1849 C Street, NW.  
                                 Washington, DC 20240