

**Subpart B—Applicability and Amount of OSFR**

**§ 253.10 What facilities does this part cover?**

(a) This part applies to any COF on any lease or permit issued or on any RUE granted under the OCSLA or applicable state law.

(b) For a pipeline COF that extends onto land, this part applies to that portion of the pipeline lying seaward of the first accessible flow shut-off device on land.

**§ 253.11 Who must demonstrate OSFR?**

(a) A designated applicant must demonstrate OSFR. A designated applicant may be a responsible party or another person authorized under this section. Each COF must have a single designated applicant.

(1) If there is more than one responsible party, those responsible parties must use Form MMS-1017 to select a designated applicant. The designated applicant must submit Form MMS-1016 and agree to demonstrate OSFR on behalf of all the responsible parties.

(2) If you are a designated applicant who is not a responsible party, you must agree to be liable for claims made under OPA jointly and severally with the responsible parties.

(b) The designated applicant for a COF on a lease must be either:

(1) A lessee; or

(2) The designated operator for the OCS lease under 30 CFR 250.143 or the unit operator designated under a Federally approved unit including the OCS lease. For a lease or unit not in the OCS, the operator designated under the lease or unit operating agreement for the lease may be the designated applicant only if the operator has agreed to

be responsible for compliance with all the laws and regulations applicable to the lease or unit.

(c) The designated applicant for a COF on a permit must be the permittee.

(d) The designated applicant for a COF on a RUE must be the holder of the RUE or, if there is a pipeline on the RUE, the owner or operator of the pipeline.

(e) MMS may require the designated applicant for a lease, permit, or RUE to be a person other than a person identified in paragraphs (b) through (d) of this section if MMS determines that a person identified in paragraphs (b) through (d) cannot adequately demonstrate OSFR.

(f) If you are a responsible party and you fail to designate an applicant, then you must demonstrate OSFR under the requirements of this part.

[63 FR 42711, Aug. 11, 1998, as amended at 64 FR 72794, Dec. 28, 1999]

**§ 253.12 May I ask MMS for a determination of whether I must demonstrate OSFR?**

You may submit to MMS a request for a determination of OSFR applicability. Address the request to the office identified in § 253.45. You must include in your request any information that will assist MMS in making the determination. MMS may require you to submit other information before making a determination of OSFR applicability.

**§ 253.13 How much OSFR must I demonstrate?**

(a) The following general parameters apply to the amount of OSFR that you must demonstrate:

If you are the designated applicant for	Then you must demonstrate
Only one COF .....	The amount of OSFR that applies to the COF.
More than one COF .....	The highest amount of OSFR that applies to any one of the COFs.

(b) You must demonstrate OSFR in the amounts specified in this section:

(1) For a COF located wholly or partially in the OCS you must dem-

onstrate OSFR in accordance with the following table: