

September 11, 2009

Department of the Interior
Minerals Management Service
Attn: Regulations and Standards Branch (RSB)
381 Elden Street, MS-4024
Herndon, VA 20170-4817

Re: Safety and Environmental Management Systems for Outer Continental Shelf Oil and Gas Operations, RIN 1010-AD 15; *Federal Register* Vol. 74, No. 115 June 17, 2009

Ladies and Gentlemen:

Parker Drilling Company (PDC) appreciates this opportunity to provide written comments on the subject proposed rule to amend regulations associated with Outer Continental Shelf (OCS) oil and gas and other mineral operations as published in the June 17, 2009 *Federal Register*.

PDC appreciates that MMS wrote the proposed rule with the expectation that the rule would address major concerns that the agency has in OCS safety; however, PDC notes that the rule will not specifically address root causes and will in all likelihood fail to achieve the benefits that the agency believes will occur.

PDC notes that this effort will create new reporting, documentation and recordkeeping requirements far above current levels and yet will do little to address the human behavior issues raised by the MMS review. This proposed action is a major paperwork-intensive rulemaking that will significantly impact our operations in the OCS, both operationally and financially, and will bring little or no benefit towards improving the safety of offshore operations. In addition to the unnecessary burden to industry, it will create an additional unwarranted burden to regional MMS staff that will require additional inspector/auditor training and increased workload demand.

PDC fully endorses the comments that have been filed on behalf of industry by the Offshore Operators Committee (OOC) and the American Petroleum Institute (API). Additionally, PDC has the following comments:

- The US offshore industry has an excellent safety record; we strive for continuous improvement voluntarily, and thus this rulemaking is not justified.
- The MMS opinion that the "root cause analysis" points to the need for requiring the four proposed SEMP elements is not supported by the agency's incident analysis.



- The job safety analysis/job hazard analysis is the only significant portion of the proposed rule that could affect the behavioral change that is more appropriately identified as the root cause of the incidents reviewed.
- We strongly disagree that a mandated program as proposed is needed. MMS should re-evaluate the cost/benefits of mandating a program that, as recently as 2003, was determined by the agency to be performing well as a voluntary program.
- MMS should rescind the proposed rule immediately.

The comment period allocated for industry's response to such a significant formal rulemaking did not allow for a forum through which PDC could receive clarification on the impact of the various parts of the rulemaking and it is recommended that further discussions with industry be carried out prior to any final rulemaking on the issue.

As an operator of drilling barge rigs (mobile offshore drilling units, MODUs), some of which are used in offshore waters, PDC is particularly concerned with inclusion of MODUs in the proposed rule. The February 28, 2008 Memorandum of Agreement (MMS/USCG MOA OCS-4) between the MMS and the U.S. Coast Guard regarding Floating Offshore Facilities clearly states that MODUs are under the jurisdiction of the Coast Guard.

To further clarify the role of contracted entities such as ours, we support the OOC comment that the section relating to contractors be stricken from the rule, as redundant with existing "Subpart O" regulations.

In any event, any future rulemaking should confirm that the rule does not apply to floating offshore facilities under the jurisdiction of the U.S. Coast Guard as defined in the February 28, 2008 MOA, even though they are contracted to perform work for a lessee in the OCS.

Should the MMS publish rules pertaining to SEMS, we discourage you from requiring a specific format, and encourage you to allow those entities with existing safety and environmental management systems to cross index specific requirements to our current programs and procedures.

If you have any questions, please contact me at (281) 406-2094.

Sincerely,