



**PetroQuest**  
ENERGY, L.L.C.

March 14, 2008

Department of the Interior  
Minerals Management Service (MS 4024)  
Attn: Rules Processing Team (Comments)  
381 Elden Street  
Herndon, VA 20170-4817

Certified Mail  
2166 2854

Re: RIN 1010-AD 11; Sub Part J-Pipelines and Pipeline Rights-of-Way  
FR Vol. 72, No. 191 10-03-07

Ladies and Gentlemen:

**PetroQuest Energy, LLC** appreciates this opportunity to provide written comments on the subject proposed rule to amend regulations regarding pipeline and pipeline rights of way associated with Outer Continental Shelf oil and gas and other mineral operations as published in the October 3, 2007 Federal Register.

**PetroQuest Energy, LLC** confirms that MMS has conducted a significant rewrite of Subpart J using plain language and restructured the rule to improve readability and consolidated numerous NTLs that were in effect in the proposed rule making. By incorporating into the proposed rule the numerous Notices to Lessees and Operators (NTLs) that clarify the current regulation, MMS will reduce the burden on industry to keep track of rules from various sources and help simplify compliance.

**PetroQuest Energy, LLC** appreciates that MMS rewrote the proposed rule focusing each section on one topic and we believe the proposed rule is better organized to reflect actual sequences of events that occur within our industry. **PetroQuest Energy, LLC** notes however while reporting times have been shortened, experience with receiving approvals have gone to longer periods of time.

**PetroQuest Energy, LLC** notes that unlike recent rule making efforts, this effort clearly attempts to more rigidly prescribe new reporting, documentation and record keeping requirements far above current levels. Based on our current experience furnishing permitting and operating information and the long cycle times associated with the GOM Region Pipeline Group in the GOM OCS Region, it is surprising that the MMS has chosen to actually expand requirements, while cutting response time for submittal of information.

**PetroQuest Energy, LLC's** experience with cycle time necessary to get work carried out has been very disappointing and the new rule has the potential to multiply the amount of information the already swamped group with more data of questionable value as required for regulatory oversight. The rule takes the position of being more interactive to the point of requiring information on a time line that could prove impractical or slow down the development process such that permitting is the critical path in lieu of actual design, construction, installation and operation. **PetroQuest Energy, LLC** appreciates that MMS rewrote the proposed rule to consolidate and streamline, but the many authors of the new rule also added significant new requirements that industry must challenge the value of in light of our current safe operating record.

**PetroQuest Energy, LLC** believes the proposed rule is broadly targeted at three critical areas: safety, reliability, and environmental. **PetroQuest Energy, LLC** agrees these areas are important to the industry, customers, general public, and regulators. With this in mind, **PetroQuest Energy, LLC** would like to know specifically where MMS believes the industry is falling short of expectations in these areas and why the MMS has not shared this information in the rule making.

The comment period allocated for industry's response to such a significant formal rule making on Sub Part J did not allow **PetroQuest Energy, LLC** to develop detailed comments on the various parts of the rule making and it is recommended that further discussions with industry be carried out prior to any final rule making on the issue.

**PetroQuest Energy, LLC** notes that the proposed rule making would create numerous conflicting and duplicative requirements between the Department of Transportation (DOT) and the Department of Interior (DOI). Consequently, **PetroQuest Energy, LLC** believes the NOPR creates confusion, inconsistencies, and redundancy for the offshore pipeline operators. Additionally, the conflicting and duplicative requirements will create jurisdictional overlaps and conflicts among the two agencies. **PetroQuest Energy, LLC** believes the NOPR contradicts the 1996 Memorandum of Understanding (MOU) between DOT and DOI governing their respective responsibilities on the OCS.

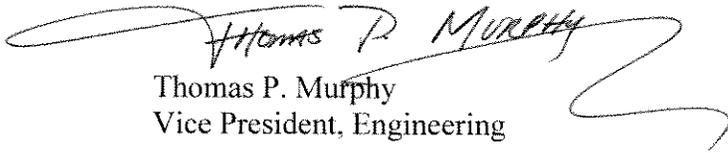
**PetroQuest Energy, LLC** has noted that the new rule defines a larger more proactive role by the MMS Pipeline Group in existing pipeline operations and a significant upturn on the amount and technical detail of information that would be required to be developed, recorded and reported without a strong driver for the additional information. **PetroQuest Energy, LLC** is concerned that this new role will have a negative impact on critical cycle times in the ongoing development of the OCS.

**PetroQuest Energy, LLC generally supports the recommendations developed by the Offshore Operators ad hoc team in addressing the rule making and urges the MMS to review the recommendations outlined in the OOC's letter of March 12, 2008.**

If you have any questions, please contact me at (337) 232-7028 or email at [tmurphy@petroquest.com](mailto:tmurphy@petroquest.com).

Very truly yours,

PetroQuest Energy, LLC

A handwritten signature in black ink, appearing to read "Thomas P. Murphy", is written over a horizontal line. The signature is stylized and extends to the right, ending in a long, sweeping tail.

Thomas P. Murphy  
Vice President, Engineering