



September 25, 2009

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

Subject: RIN 1010-AD 15; SEMS
FR Vol. 74, No. 115 6-17-09

Dear Sir/Madam:

Cobalt International Energy, L.P. is pleased to have the opportunity to provide comments on the subject proposed rule to add a new Subpart S-Safety and Environmental Management System (SEMS) as published in the June 17, 2009 Federal Register.

Cobalt is a private oil and gas exploration and production company focused on the deepwater U.S. Gulf of Mexico and West Africa's offshore. The company was formed in 2005 and is headquartered in Houston, Texas. Since inception, Cobalt has aggressively participated in U.S. Gulf of Mexico lease sales submitting high bids totaling some \$635 million to successfully establish an exploration portfolio where we now hold a significant working interest in some 227 leases in the U.S. Gulf of Mexico deepwater.

As a major player in the U.S. Gulf of Mexico deepwater (through U.S. and international partnerships) who is currently drilling in the U.S. Gulf of Mexico, Cobalt is keenly interested in any proposed regulation amendments associated with the U.S. Gulf of Mexico Outer Continental Shelf.

Cobalt is committed to operating in a safe, ethical, environmentally responsible manner that protects the wellbeing of our employees, contractors and the communities where we work. We believe that a proactive commitment to Health, Safety, Security and Environment (HSSE) and clear accountability for performance is critical to our success.

Our HSSE Policy applies to all Cobalt employees, contractors and projects worldwide. It is the basis for Cobalt's comprehensive HSSE Management System which we have voluntarily developed and implemented. Our HSSE Management System exceeds API RP 75 recommendations, and is designed to integrate HSSE into all aspects of our business. As such, Cobalt supports the development and implementation of a comprehensive safety and environmental system (SEMS) modeled on API RP75 as a minimum standard for the Gulf of Mexico OCS.

Cobalt's business model is specifically designed to leverage leading technology and expertise through extensive use of contractors in executing our work plans. Thus, as part of our HSSE Management System, we work closely with our contractors to make sure that they understand and uphold our HSSE standards, and to ensure clarity of roles and responsibilities. Contractor selection occurs only after carefully evaluating their safety management system and safety performance history (as the contractor will use THEIR system), ensuring there are no deficiencies, but if so, they are addressed prior to any work being initiated, and verifying the training and competency of the contractor's people who will perform the work for Cobalt. We then monitor the contractor's performance through regular reviews, planned audits, and unannounced audits.

It is Cobalt's opinion that the proposed regulation has exhaustive and overly prescriptive documentation and record keeping requirements imbedded throughout the rule. That said, if additional record keeping and documentation is to be required, Cobalt would suggest that the *contractor* be accountable to maintain the actual records and documentation rather than the operator. If as an operator we are required to maintain the records/documentation of the contractor, it will place a large administrative burden on the operator which diverts needed resources from focusing on critical HSSE activities.

In light of the above, we are appreciative for the opportunity to provide comments to the MMS on this very important subject.

Sincerely,

A handwritten signature in black ink that reads "Van P. Whitfield". The signature is written in a cursive, flowing style.

Van P. Whitfield
Executive Vice President, Operations and Development