



September 14, 2009

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

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

Ladies and Gentlemen:

Please find the following comments from Marlin Coastal, L.L.C. (Marlin) operator number 02807 in regard to the above mentioned proposed rule (Subpart S – Safety and Environmental Management Systems). Marlin appreciates this opportunity to provide these written comments.

Marlin endorses the comments that have been filed on behalf of industry by the Offshore Operators Committee (OOC) and the American Petroleum Institute (API).

It needs to be noted that the Offshore Oil and Gas industry has an excellent safety record. The Bureau of Labor statistics show that we continue to move in the right direction. Although we can strive for continuous improvement, the details in the proposed rule are not justified by the available incident data and trends.

Marlin understands that MMS believes that by requiring operators to implement, document and audit a Safety and Environmental Management System, this would reduce the amount of risk and number of accidents, injuries and spills on the OCS. We also understand that the MMS believes that the implementation of the four elements of the SEMS program as proposed will address human factor issues or change behavior.

Marlin however does not agree with this conclusion. A bigger more prescriptive, technically detailed plan requiring more manpower, recordkeeping and detailed documentation will have little effect on changing human behavior and human error. Based on the industry's current safety record it appears that operators are already doing a great job of preventing accidents. Even with increased activity, operators are currently implementing elements of their own safety plans with success.

The MMS has underestimated the cost and burden of hours associated with the documentation and reporting and record keeping requirements that industry and the MMS will incur from this proposed rule. This rule will add to the problems facing the current limited regional MMS staff and will increase workload demands.

There is absolutely no need for further expansion of contractor selection and contractor documentation in any SEMS program. Sub-Part "O" already addresses contractor evaluations and contractor selection. This portion of the proposed rule is redundant and attempts to expand once again on the definition of "Production Operations".



Contractors that are trained employees used for production safety and well control by operators are vastly different from hired professional contract companies that perform specific tasks on the OCS and are used by operators for their job specific expertise in the offshore environment.

The MMS cannot expect the operator or lessee to evaluate, test and document the competency of these hired professionals as they are by name certified to perform their tasks and possess unique knowledge. Additionally, contractor selection does not affect human behavior.

The differentiation of JHA and JSA and their definition and purpose as stated in the proposed rule is definitely unclear. This portion of the rule is obviously the ONLY part that could change human behavior.

Marlin disagrees with the inclusion of MODUs as platforms or facilities in the criteria for hazard analysis in a SEMS program. MODUs are not facilities and operate under separate safety plans. MODU personnel are already evaluated under Sub-Part "O" for their well control knowledge and training. A MODU is selected for a specific drill by its design criteria and its ability to perform safely on the OCS. The MODU is regulated by the USCG for safety.

Marlin strongly disagrees that a mandated program, as proposed, is needed. The majority of the handful of comments that were received on the ANPRM in support of a MMS regulatory action came from organizations that do not operate on the US OCS. Further, the multiple foreign government agencies that commented in support of additional regulation do not have mandated programs such as the one being proposed, yet were given equal weight to those organizations that represent companies that produce over 90% of the offshore oil and natural gas on the U.S. OCS.

MMS should reconsider the need for the proposed rule and reevaluate 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.

The limited comment period provided by MMS for industry's response to such a significant formal rulemaking did not allow industry to develop detailed comments on the various parts of the proposed rule and it is recommended that further discussions with industry be carried out prior to any final rulemaking on the issue. As such, we recommend that the current regulatory process be suspended and that any future SEMS regulations only be considered following discussions with the regulated community regarding the need and potential impacts of various regulatory approaches.

If you have any questions, please contact me at (337) 769-4064

Sincerely,

A handwritten signature in blue ink, appearing to read "Lee L. Lawson".

Lee L. Lawson
Regulatory Coordinator
Marlin Energy