



Production Services Network U.S. Inc.

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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:

Production Services Network U.S. Inc. ("PSN") appreciates this opportunity to provide written comments on the subject proposed rule to amend regulations associated with Outer Continental Shelf oil and gas and other mineral operations as published in the June 17, 2009 Federal Register.

PSN confirms that MMS has conducted a significant review of the OCS safety issues and has decided that a mandatory SEMS program is necessary and using plain language has developed the rule to address concerns that the agency has determined to exist. PSN however does not reach the same conclusion given the actual safety record of the OCS when compared to other similar industries engaged in oil and gas exploration and production on land operations.

PSN 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, PSN believes that the prescriptive rule will not specifically address root causes and will not provide the benefits that the agency believes will occur.

PSN believes this effort will require more rigidly prescribed reporting, documentation and record keeping. Documentation far above current levels and will do little to address the human behavior issues identified by the MMS review. This proposed action is a major, paperwork-intensive, rulemaking that will significantly impact our business, both operationally and financially, and PSN believes will bring little or no benefit towards improving safety of offshore operations. PSN 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, PSN has the following comments:

- 1) The US offshore industry has an excellent safety record; while continuous improvement is always the goal, this course of action is currently being aggressively pursued with existing rules.
- 2) PSN believes the MMS opinion that the "root cause analysis" points to the need for requiring the four proposed SEMP elements is not supported by the agencies incident analysis.
- 3) The job safety analysis/job hazard analysis is a 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. PSN believes this additional tool could be clarified in a revision of RP 175, rather than a new specification.
- 4) It is PSN's recommendation the MMS should rescind 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.

PSN believes the proposed rule is broadly targeted at three critical areas: safety, reliability, and environmental. PSN agrees these areas are important to the industry, customers, general public, and regulators. With this in mind, PSN would like to know specifically where MMS believes the industry is falling short of expectations in these areas to allow PSN to improve its performance in these areas.

The comment period allocated for industry's response to such a significant formal rule making did not allow PSN 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.

If you have any questions, please contact me at (713) 461-1302.

Very truly yours,

Patrick Fogarty
General Manager HSE & C