



Shell Offshore Inc.

An affiliate of Shell Oil Company

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New Orleans LA 70161

4-11-97
DECEMBER 12B

April 7, 1997

Minerals Management Service
Attn. Mr. John V. Mirabella
Chief, Engineering and Standards Branch
Mail Stop 4700
381 Elden Street
Herndon, Virginia 20170-4817

Dear Mr. Mirabella:

**SUBJECT: MMS PROPOSED RULE 28 FR 6149
GEOLOGICAL AND GEOPHYSICAL (G&G) EXPLORATIONS OF
THE OUTER CONTINENTAL SHELF**

Shell Offshore Inc., an affiliate of Shell Oil Company, has reviewed the subject proposed rule and is submitting comments on the proposed changes. These comments are submitted on behalf of Shell Offshore Inc. and other subsidiaries (referred to as Shell) which as a whole are a major Exploration and Production operator in the OCS. We appreciate the opportunity to submit comments since the G&G activities are a significant part of the exploration and development of the OCS.

Listed below are our specific comments on the proposed rule:

1. Section 251.5(c)(7) - The clarification of the time frame for release of data and information from "research" may curtail the recent collaboration between industry and universities to perform valuable R&D work, including sharing of research budgets, technology development, avoiding duplication of effort, etc. It may be difficult to estimate the "earliest time" that the data will be available to the public. We recommend that the MMS be flexible with the time frame due to the nature of the work, R&D.
2. Section 251.11(a)(1) - The wording used in this section is very disturbing and burdensome, specifically "You must notify the Regional Director immediately, in writing, after you acquire, analyze, process, or interpret geological data and information." This language would require a continuous round of notifications since the data undergoes, on a frequent basis, analysis, processing and interpretation. Previously, the MMS only requested notification after the initial analysis and interpretation and could request additional information at other times.

What is the MMS's intent in wanting to be notified at every step? This appears to be an unnecessary flow of information and subject to paperwork reduction. In addition, subsections (2) and (3) below it clarify when the MMS can request updated information. We recommend that this section, 251.11(a)(1), be reworded as in the existing regulation or removed to eliminate this burdensome requirement.

3. Sections 251.11(c)(1) and (2) and 251.12(d)(1) and (2) and (3) - We don't understand why the MMS wants to be informed of every transfer or licensing of data and information. It will be very burdensome to keep up since this occurs on a frequent basis. Shell estimates that we had 320 transactions in 1996 which would have required notifications to the MMS under this system. This will also be a significant burden for Geophysical Service Companies since they license their data to many users.

Thank you again for the opportunity to submit comments. If you have any questions, please don't hesitate to contact Mr. Mike Kuzio (504-588-7227) or me (504-588-6982).

Yours very truly,



Peter K. Velez
Manager Regulatory Affairs

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