

United States Senate

WASHINGTON, DC 20510

May 21, 2010

The Honorable Kenneth L. Salazar
Secretary, U.S. Department of the Interior
1849 C Street, N.W.
Room 6156
Washington, D.C. 20240

Dear Secretary Salazar:

We write this letter in response to the Deepwater Horizon oil spill in the Gulf of Mexico, and the Department of the Interior's recently announced moratorium on the issuance of any new offshore drilling permits throughout the United States. We understand the need to fully evaluate the cause of the oil spill and ensure the proper safeguards are in place to avoid further accidents; however, we are very concerned that the moratorium is far too broad and unnecessarily covers shallow water drilling activities that have operated without major incident for over 50 years.

Platforms operating in shallow water, as defined by the Minerals Management Service, present different challenges than deepwater operations. For example, shallow water facilities typically employ "blow-out preventers" (BOPs) above the surface of the water. These surface BOPs are accessible for constant inspection, maintenance and repair, and, in emergencies, can be controlled either remotely or by physical manipulation. Also, shallow water drilling sites predominantly involve natural gas resources with less environmental risks, and these wells are drilled in predictable and mature reservoirs.

Shallow water operations produce much-needed domestic energy resources that benefit the entire country. There are approximately 57 shallow water rigs currently operating in the Gulf of Mexico. We are advised that if the moratorium is not soon lifted for these shallow water operations, as many as 50 of those rigs within the next six weeks will be unable to work and at least 5,000 jobs from the rigs alone will be lost in the Gulf Coast region.

If the moratorium is extended through the end of June, lost revenue from shallow water drilling is estimated at \$135 million (The International Association of Drilling Contractors (IADC)). According to the IADC, most shallow Gulf rigs are drilling for natural gas rather than oil, and the reservoirs are older and under less pressure. Additionally, such rigs use surface-level blowout preventer stacks, which have a longer track record of proven safety for controlling blowouts than the ones mounted on the seafloor to protect deepwater wells.

Finally, a moratorium on shallow water drilling is seriously endangering the planned exploratory activity in the Alaska OCS this summer, where wells will be in approximately 150 feet of water. These wells are also expected to encounter far less than one half the pressure associated with the Macondo well,

and it is our understanding that safety and response capacity has been bolstered both prior to and in response to the Deepwater Horizon incident. This exploration is potentially critical to the continued viability of the TransAlaska Oil Pipeline and central to American job creation and energy security.

With all of this in mind, we urge that you direct MMS to begin the proper processing and issuance of new shallow water drilling permits as expeditiously as possible. Additionally, we believe that it is essential that you hear directly from these shallow draft drilling companies so that they can fully explain the differences between deep water and shallow water operations, and answer any questions that you and your staff may have about their operations. Therefore, we are also requesting that you meet with a representative group of the shallow water drilling companies as soon as possible to fully discuss this issue. Our offices will be pleased to work with your staff to facilitate the scheduling of this meeting later this week or early next week.

We look forward to your immediate consideration of this request. We are, of course, available to discuss this urgent issue with you at any time.

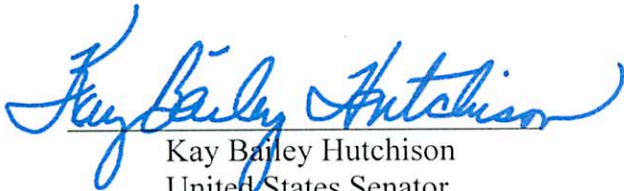
Sincerely,



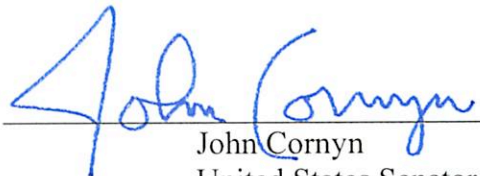
Mary L. Landrieu
United States Senator



David Vitter
United States Senator



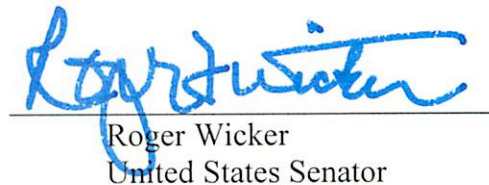
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Richard Shelby
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Lisa Murkowski
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Jeff Sessions
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Mark Begich
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