

**UNITED STATES DEPARTMENT OF THE INTERIOR
MINERALS MANAGEMENT SERVICE**

NTL No. 2010-N05

Effective Date: June 8, 2010

**NATIONAL NOTICE TO LESSEES AND OPERATORS OF FEDERAL
OIL AND GAS LEASES, OUTER CONTINENTAL SHELF (OCS)**

Increased Safety Measures for Energy Development on the OCS

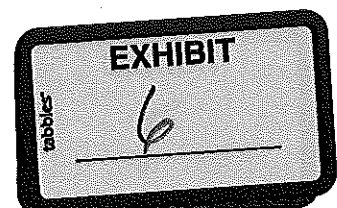
Background and Purpose

This Notice to Lessees and Operators (NTL) implements certain safety measures outlined in the report entitled "Increased Safety Measures for Energy Development on the Outer Continental Shelf" (Safety Measures Report), dated May 27, 2010. The President requested that the Department of the Interior develop this report as a result of the Deepwater Horizon incident on April 20, 2010. This incident resulted in the death of 11 people, an oil spill of national significance, and the sinking of the Deepwater Horizon. Although the cause of the incident is currently under investigation, this incident highlights the importance of ensuring safe operations on the Outer Continental Shelf (OCS). The Secretary has a duty to ensure the OCS is managed in a safe manner, by considering available environmental information and implementing best available and safest technology. In furtherance of this duty, on June 2, 2010, the Secretary directed the Director, Minerals Management Service, to adopt the recommendations contained in the Safety Measures Report and to implement them as soon as possible.

This NTL addresses recommendations of the Safety Measures Report that warrant immediate implementation. The following paragraphs identify the specific recommendations from the Report and provide guidance to lessees and operators on the requirements they must meet. These recommendations apply to all activities on the OCS, including deepwater activity suspended under the Notice to Lessees to Implement the Presidential Directive to Impose a Moratorium on all New Deepwater Wells (NTL No. 2010-N04, - Moratorium NTL), and shallow water operations (under 500 feet in depth).¹

General Certification of Compliance with Existing Regulations and National Safety Alert
Recommendation 1 of section III.A. of the Safety Measures Report directed the Department of the Interior, in conjunction with the Department of Homeland Security, to verify operator compliance with existing regulations and the joint Minerals Management Service (MMS) – United States Coast Guard (USCG) Safety Alert (SA), Deepwater Horizon Explosion and Fire Resulting in Multiple Fatalities and Release of Oil, issued on April 30, 2010. This NTL informs lessees and operators that all operators are required to submit a general certification that they are

¹ The six month suspension under the Moratorium NTL was directed toward operations in water depths greater than 500 feet in the Gulf of Mexico and the Pacific Regions. The 500 feet specification was based on the fact that jack-up rigs and human diver capability does not exist beyond this depth, and therefore there are significantly greater challenges in containing a blowout in deep water. The six month suspension period coincides with the hurricane season and the timeline for the Presidential Commission to examine the root causes of the BP Oil Spill and develop options for guarding against and mitigating the impacts of oil spills. The suspension also provides the time necessary to develop regulations to address additional safety concerns described in the Safety Measures Report.



knowledgeable of all operating regulations at 30 CFR 250 – Oil and Gas and Sulphur Operations in the OCS – and that they are conducting their operations in compliance with those regulations. Operators must review their operations to ensure that they are performed in a safe and workmanlike manner as required by §250.107(a)(1). In addition, each operator must certify that they have conducted the following specific reviews of their operations:

1. Examine all well control system equipment (both surface and subsea) currently being used to ensure that it has been properly maintained and is capable of shutting in the well during emergency operations. Ensure that Blowout Preventers (BOPs) are able to perform their designated functions. Ensure that the ROV hot-stabs are function-tested and are capable of actuating the BOP.
2. Review all rig drilling, casing, cementing, well abandonment (temporary and permanent), completion, and workover practices to ensure that well control is not compromised at any point while the BOP is installed on the wellhead.
3. Review all emergency shutdown and dynamic positioning procedures that interface with emergency well control operations.
4. Ensure that all personnel involved in well operations are properly trained and capable of performing their tasks under both normal drilling and emergency well control operations.

Operators must submit to MMS: (1) a general statement by the operator's Chief Executive Officer (authorized official) certifying the operator's compliance with all operating regulations at 30 CFR 250 and (2) a separate statement certifying compliance with each of the 4 specific items above.

You must certify each of the 4 specific items above separately, and include the following statement in your written certification: "By signing this certification, I certify in my capacity as authorized official that the statements herein are true and complete to the best of my knowledge. I understand that the submission of false statements to the United States is a criminal offense under 18 U.S.C. Section 1001."

Operators must submit these certifications by 5:00 pm EDT June 28, 2010, by mail or email to the address set forth below.

If an operator cannot certify compliance with the 30 CFR 250 regulations or any specific review items, then the operator must submit an explanation of the circumstances for failure to certify and a plan to certify, including a timetable for the certification. Failure to provide this certification will result in the issuance of an incident of non-compliance and may result in a shut-in order.

BOP Configuration and Performance Information

Recommendation 8 in section I.C. of the Safety Measures Report sets forth new reporting requirements for BOP stacks and loss of well control events. All operators that were conducting operations using a subsea BOP system or using a surface BOP stack on a floating platform on May 27, 2010, must submit BOP and well control system configuration information for the drilling rig that was being used. Operators must submit the following information by 5:00 pm EDT June 17, 2010, to the address set forth below:

1. BOP and well control system configuration. This includes the piping diagram of the stack and control system, including the BOP stations and accumulator system.
2. BOP and well control system test results, including any anomalies in testing or operation of critical BOP components. Submit test results (charts, digital pressure data, forms, etc.) and information on any initial failed test attempts and remedy to obtain a successful test.
3. BOP and loss of well control events. Document any loss of well control event, even if temporary, and the cause of the event. The operator does not have to include kicks that were controlled but should include the release of fluids through a diverter.
4. BOP and well control system downtime. Submit downtime related to BOP and well control system failures (failure to test properly).

Data for items 2, 3, and 4 is for the time period you have had the rig under contract, not to exceed three years.

Address for Submitting General Compliance Certification and BOP Information

Operators must submit their general compliance certification statement and BOP information to MMS by mail or email to:

Minerals Management Service
Office of Offshore Regulatory Programs
Attention: David Nedorostek
381 Elden Street, MS-4023
Herndon, VA 20170

or David.Nedorostek@mms.gov

Operators must identify the facilities they are certifying by region, company, MMS company number (5 digit), area and block, and rig name. Contact information and questions: David Nedorostek, 703-787-1029.

BOP Certification Requirements for Floating Drilling Operations

Recommendation 1 of section I.A. of the Safety Measures Report ordered immediate re-certification of all BOP equipment used in new floating drilling operations. Floating drilling operations includes drilling operations that use a subsea BOP system and drilling operations on a floating production platform that use a surface BOP system. Before beginning new floating drilling or resuming floating drilling operations that were suspended under NTL No. 2010-N04, you must have an independent third party conduct a detailed physical inspection and design review of the BOP. If you are currently conducting workover, completion, or abandonment activities you must conduct this inspection and design review before you begin work on another well. The design review must be conducted in accordance with the Original Equipment Manufacturer (OEM) specifications and § 250.446(a) and other applicable standards. The review must certify that:

- (a) The BOP will operate as originally designed; and
- (b) Any modifications or upgrades to the BOP stack conducted after delivery have not compromised the design or operation of the BOP.

You must submit a written and signed certification from the independent third party attesting to the information required above to the appropriate District Manager (Regional Supervisor for Field Operations in the Alaska OCS Region), and you must make this certification publicly

available. A description of the qualifications of the independent third party should be attached to the certification. This certification is required one time only, on or after the effective date of this NTL, for all BOP equipment used in floating drilling operations. Additional safety measures for BOP equipment set forth in the Safety Measures Report will be addressed in future rulemakings.

BOP Inspection, Maintenance, and Repair for All Wells

Recommendation 1 of section I.A. of the Safety Measures Report states that the operator must have documentation showing that the BOP has been maintained according to the regulations. You must maintain and inspect your surface and subsea BOP system according to the requirements in § 250.446(a). You must maintain records of your maintenance and inspections of your BOP systems according to the requirements of § 250.450 and make them available to MMS upon request. You must maintain records of any repairs made to your BOP system for the duration of the well work and make them available to MMS upon request.

BOP Compatibility Verification for All Wells

Recommendation 2 of section I.A. of the Safety Measures Report ordered operators to obtain independent third party verification that the BOP stack is designed for the specific equipment on the rig. Your BOP stack must be compatible with the specific well location, well design, and well execution plan. In the event of loss of well control, the BOP stack must provide a seal and contain wellbore pressure under all conditions expected in the wellbore. Before you begin drilling any new well or resume drilling any well you suspended drilling under NTL No. 2010-N04, you must obtain independent third party verification that shows the following:

- (a) The BOP stack is designed for the specific equipment on the rig and for the specific well design (well location and well execution plan) including certification that the shear rams are appropriate for the project.
- (b) The BOP stack has not been compromised or damaged from previous service.
- (c) The BOP stack will operate in the conditions in which it will be used.

A description of the qualifications of the independent third party should be attached to the certification.

Secondary Control System Requirements and Guidelines for Subsea BOP Stacks

Recommendation 5 of section I.B. of the Safety Measures Report states that the Department will establish clear requirements for secondary BOP control systems. For all subsea BOP stacks, you must have a secondary control system with remote operated vehicle (ROV) intervention capabilities, including the ability to close one set of blind-shear rams and one set of pipe rams.

Your subsea BOP system must have an emergency shut-in system in the event that you lose power to the BOP stack, have an unplanned disconnection of the riser from the BOP stack, or experience another emergency situation. You must have both a deadman system and an autoshear system. In addition to these requirements, you may use an acoustic system to activate your BOP stack in case of an emergency. Your emergency shut down system must be powered by a separate and independent rechargeable subsea accumulator bank with sufficient capacity to close as a minimum one set of blind shear rams.

For purposes of this NTL, the definitions of “deadman system” and “autoshear system” are defined by American Petroleum Institute Spec 16D – Specification for Control Systems for Drilling Well Control Equipment and Control Systems for Diverter Equipment.

Deadman system means a safety system that is designed to automatically close the wellbore in the event of a simultaneous absence of hydraulic supply and signal transmission capacity in both subsea control pods. This is considered a rapid discharge system.

Autoshear system means a safety system that is designed to automatically shut in the wellbore in the event of a disconnect of the lower marine riser package (LMRP). When the autoshear is armed, a disconnect of the LMRP closes the shear rams. This is considered a rapid discharge system.

Dynamically positioned rigs must comply with these secondary control system requirements immediately. New secondary control system requirements for moored rigs will be established by rulemaking.

ROV Hot Stab Function Testing of the ROV Intervention Panel

Recommendation 6 of section I.B. of the Safety Measures Report states that the Department will develop requirements for ROV operating capabilities. You must function test the hot stabs that would be used to interface with the ROV intervention panel during the stump test. You must test the hot stabs at the same rate (gallons per minute) and pressure of the ROV pump with the ROV intervention panel during your stump test for subsea BOP stacks. At a minimum, these hot stabs must be capable of closing one set of blind-shear rams and one set of pipe rams, and unlatch from the LMRP. You must inform the appropriate District Manager (Regional Supervisor for Field Operations in Alaska OCS Region) at least 48 hours before you begin testing the BOP system so that MMS may observe or participate in the test. You must record and submit the results of the performance and function tests to the appropriate District Manager (Regional Supervisor for Field Operations in the Alaska OCS Region) within 14 days following completion of the tests.

Verification that Blind-shear Rams will Shear Pipe in the Hole

Recommendation 7 of section I.C. of the Safety Measures Report states that the Department will develop testing requirements for surface and subsea BOP stacks. The regulations at § 250.416(e) require the operator to provide information that shows the blind-shears rams installed in the BOP stack are capable of shearing the drill pipe in the hole under maximum anticipated surface pressure. You must obtain an independent third-party verification that provides sufficient information showing that the blind-shear rams installed in the BOP stack are capable of shearing the drill pipe in the hole under maximum anticipated surface pressures. A description of the qualifications of the independent third party should be attached to the certification.

BOP Inspection and Testing after Well Control Event for All Wells

Recommendation 7 of section I.C. of the Safety Measures Report states that the Department will develop testing requirements for surface and subsea BOP stacks. If you activate your blind-shear rams or casing shear rams in a well control situation in which pipe or casing was sheared, you must inspect and test the BOP stack and its components after the situation is fully controlled.

You must physically inspect the BOP stack (retrieve a subsea BOP stack) to ensure that the stack and affected components will operate properly. You must conduct a full pressure test of the BOP stack before resuming operations. This inspection and testing must be documented as to the date, time, and description of the situation and the results of the inspection and testing.

Well Design and Construction for All Wells

Recommendation 3 of section II.B. of the Safety Measures Report establishes new casing and cementing design requirements and Recommendation 5 of section II.B. of the Safety Measures Report establishes new casing installation procedures. Thus, before you begin any new drilling operations using either a surface or subsea BOP stack or resume drilling operations that were suspended under NTL No. 2010 N-04, you must have all well casing designs and cementing program/procedures certified by a Professional Engineer, verifying the casing design is appropriate for the purpose for which it is intended under expected wellbore conditions. Also, while installing casing you must:

- (a) Ensure casing hanger latching mechanisms or lock down mechanisms are engaged at the time the casing is installed in the subsea wellhead; and
- (b) Verify the installation of dual mechanical barriers (*e.g.*, dual floats or one float and a mechanical plug) in addition to cement to prevent flow in the event of a failure in the cement. This must be done for the final casing string. You must submit this verification to the appropriate District Manager (Regional Supervisor for Field Operations in Alaska OCS Region) no later than 30 days after installation of the dual mechanical barriers.

Submittal of Revised Application for Permit to Drill (APD)s or Application for Permit to Modify (APM)s

If you have an APD or APM that was previously approved but drilling has not commenced as of May 27, 2010, and you intend to conduct those operations, you must submit the relevant information discussed in this NTL prior to commencing those operations. The MMS will notify you within 10 days of receiving that information whether you must submit a revised APD or APM for approval before you may conduct those operations.

Authority

This NTL provides guidance and notifies lessees and operators that they must meet the specified requirements. The authority for these actions are found in the OCSLA, 43 U.S.C. 1331 et seq., and 30 CFR 250, specifically §§ 250.106(b) and (c), 250.107(d), 250.132(b)(3), 250.186(a), 250.401, 250.418(h), 250.421, 250.446(a), 250.447 (b), 250.469(d), 250.516(h) and (j), and 250.616(h). Specifically:

In § 250.106(b) and (c), the Director will regulate operations to prevent injury or loss of life and damage to or waste of any natural resource, property, or the environment.

In § 250.107(d), the Director may require additional measures to ensure the use of best available and safety technology (BAST): (1) To avoid the failure of equipment that would have a significant effect on safety, health, or the environment; (2) If it is economically feasible; and (3) If the benefits outweigh the costs.

In § 250.132(b)(3), you must make available to MMS to inspect all records of design, construction, operations, maintenance, repairs, or investigations on or related to the area.

In § 250.186(a), you must submit information and reports as MMS requires.

In § 250.401, you must take necessary precautions to keep wells under control at all times and you must use and maintain equipment and materials necessary to ensure the safety and protection of personnel, equipment, natural resources, and the environment. .

In § 250.418(h), you must include with the APD such other information as the District Manager may require.

In § 250.421, the District Manager may approve or prescribe other casing and cementing requirements where appropriate.

In §§ 250.446(a), 250.516(h), and 250.616(h) you must maintain your BOP system to ensure that the equipment functions properly.

In §§ 250.447(b) and 250.516(j), the District Manager may require more frequent testing, as well as different test pressures and inspection methods, or other practices for BOP systems.

In § 250.469(d), you must submit other reports and records of operations.

Guidance Document Statement

The MMS issues NTLs as guidance documents in accordance with § 250.103 to clarify, supplement, or provide more detail about certain MMS requirements and to outline the information you must provide in your various submittals.

Paperwork Reduction Act of 1995 Statement

The Paperwork Reduction Act of 1995 (PRA) (44 U.S.C. 3501 *et seq.*) requires us to inform you that the MMS collects this information to carry out its responsibilities under the OCS Lands Act, as amended. The MMS will use the information to ensure safety and environmental protection on the OCS. No proprietary data are collected. This NTL references requirements already approved for 30 CFR part 250 under the following OMB control numbers: Subpart A – 1010-0114; Subpart D – 1010-0141; Subpart E – 1010-0067; and Subpart F – 1010-0043. This NTL requires new hour burdens; therefore, we have submitted to the Office of Management Budget (OMB) an emergency information collection for approval of these new burden hours. Once OMB has approved this collection of information, we will reissue this NTL with the OMB control number and expiration date. We estimate the public reporting burden specifically pertaining to the new requirements in this NTL to average 1.5 burden hours and \$1,600 non-hour cost burdens (rounded) per response. An agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless it displays a currently valid OMB control number. Direct any comments regarding the burden estimate or any other aspect of this collection of information to the Information Collection Clearance Officer, Mail Stop 5438, Minerals Management Service, Department of the Interior, 1849 C Street, NW, Washington, DC 20240.

Contact

If you have any questions regarding this NTL, please contact the Gulf of Mexico Region by e-mail at MMS.FO.NTL@mms.gov or the Pacific Region's Rishi Tyagi by email at Rishi.Tyagi@mms.gov.

Dated

Acting, Associate Director
Offshore Energy and Minerals Management
Minerals Management Service

MMS Deepwater Drilling Rig Inspection Report

Overview

At the direction of Secretary Salazar, on Monday, April 26, 2010, all Minerals Management Service (MMS) inspectors in the Gulf of Mexico were ordered to direct their efforts toward inspecting the twenty-nine deepwater drilling rigs with subsea blowout preventer (BOP) stacks. Inspections on those rigs began on Tuesday, April 27, 2010 and were completed on May 4, 2010.

In response to additional direction provided by the Secretary on Thursday, April 29, 2010, this initial review has been followed by an immediate ongoing inspection of all deepwater platforms in the Gulf of Mexico. All of these reviews will be undertaken while maintaining the monthly schedule of drilling rig inspections.

Inspection Protocol

The MMS inspection force was required to adhere to the following drilling inspection protocol to specifically address issues potentially raised by the incident involving the Deepwater Horizon at block Mississippi Canyon (MC) 252:

1. Perform a thorough, complete drilling inspection of each deepwater rig.
2. Key on the BOP test time frame, leaks and resolution, discrepancies, and repairs.
3. Make sure well control drills were performed as required by 30 CFR 250.462.

Inspection Results

All deepwater rig inspections have been completed, except for one rig that was evacuated due to the oil spill and has not resumed operations. The MMS inspected a total of twenty-nine rigs.

The following Incidents of Non-Compliance (INC) were issued:

- The Transocean *Development Driller II (DD II)* working for BP, received one INC because it had not alternated between control stations for BOP testing. MMS regulations require that the regular 14-day BOP tests alternate between the BOP station on the rig floor and the remote station located at another site on the rig. On the *DD II* they conducted the BOP pressure testing only from the driller's control station for the last two tests. They did perform function testing on the remote station, but the pressure testing was only performed using the driller's station. MMS has ordered the rig to alternate control stations in the future.

This rig will be moving to drill the second relief well at MC252 and will be monitored closely to assure compliance with the BOP testing requirements. It will be inspected weekly rather than on a monthly basis, and in addition, as a condition of its drilling permit, the rig will be required to conduct increased testing of the BOP stack and Remote Operated Vehicle (ROV) intervention both on the rig and on the seabed.



- The *Transocean Nautilus* working for Shell, received three Incidents of Non-Compliance:
 - A warning INC for having some flammable material in the scrap metal bin of the safe welding area.
Corrective Action Taken: the material was removed at the time of the inspection.
 - A warning INC for having a 6-inch x 12-inch hole by the mud pump suction pipe.
Corrective Action Taken: additional grating was place over the hole.
 - A warning INC for having expired eye wash bottles.
Corrective Action Taken: the eye wash bottles were replaced.

No other violations were found on the rigs operating in deep water.

Overview of Oil and Gas Operations in Gulf of Mexico: Estimated production from the federal waters Gulf of Mexico as of October 2009 is 1.7 million barrels of oil per day and 6.6 billion cubic feet of gas per day. This represents about 30% of domestic oil production and about 11% of domestic natural gas production.

There are about 3,500 production platforms in federal waters Gulf of Mexico, 978 of which are manned. About 35,000 workers are employed in the offshore Gulf of Mexico at any one time.

There are 90 drilling rigs currently drilling or working-over in federal waters Gulf of Mexico, including 30 in deepwater. The 90 drilling rigs include 68 Mobile Offshore Drilling Units (MODU) and 22 stationary platform rigs.

A detailed list of inspections and dates follows.

District	Rig	Operator	Location	Type	Date Inspected	INC Issued	Comments
1	DO Confidence	Murphy	DC 4	SS	4/27/10		
1	DO Voyager	Walter	EW 834	SS	5/4/10		Last inspection 4/2/10
1	DO Endeavor	Exxon/ Mobil	MC 211	SS			Evacuated/moved off location; Last inspection 4/2/10
1	Noble Lorris Bouzigard	LLog	MC 503	SS	4/29/10		
1	T.O. Discover Americas	Statoil	MC 540	DS	4/28/10		
1	T.O. Deepwater Nautilus	Shell	MC 687	SS	5/4/10		
1	T.O. Marianas	Eni	MC 728	SS	4/28/10		
1	T.O. Discover Sprit	Anadarko	MC 876	DS	4/29/10		
1	Noble Jim	Shell	MC 984	SS	4/29/10		

	Thompson						
1	Noble Paul Romano	Marathon	MC 993	SS	4/28/10		
1	ENSCO 8501	Noble	MC 519	DS	4/29/10		
1	DO Saratoga	Taylor	MC 20	SS	4/1/10		
1	T.O. Development Driller III	BP	MC 252	SS	5/4/10		Being used for relief well; BOP will be inspected prior to use; last inspection 3/24/10
2	Frontier Driller	Shell	GC 248	SS	4/29/10		
2	T.O. Amirante	Eni	GC 254	SS	4/28/10		
2	Stena Forth	Hess	GC 469	DS	4/29/10		
2	DO Monarch	Marathon	GC 511	SS	4/28/10		
2	GSF C.R. Luigs	BHP	GC 555	DS	4/27/10		
2	T.O. Clear Leader	Chevron	GC 640	DS	4/29/10		
2	Noble Clyde Boudreaux	Noble	GC 723	SS	4/27/10		
2	Seadrill West Sirius	Devon	WR 206	SS	4/28/10		
2	T.O. Discover Deep Seas	Petrobras	WR 469	DS	4/28/10		
2	Development Driller II	BHP	GC 743	DS	4/29/10	D-285	Not alternating between BOP control stations
2	Maersk Developer	Statoil	WR 543	DS	4/28/10		
2	EnSCO 8500	Anadarko	GC 903	DS	4/27/10		
2	Development Driller I	BHP	GC 817	DS	4/27/10		
3	DO Victory	Newfield	GB 425	SS	4/29/10		
3	T.O. Discoverer Inspiration	Chevron	KC 736	DS	4/28/10		
3	Noble Amos Runner	Anadarko	KC 875	SS	4/28/10		
3	Auger	Shell	GB 426	PF	4/29/10		
4	Noble Danny Adkins	Shell	AC 557	SS			Not drilling yet; in commissioning activities

OIL & GAS JOURNAL

Close

Cobalt International Energy invokes force majeure

By OGJ editors

HOUSTON, June 2 -- Cobalt International Energy Inc. invoked a force majeure provision under its drilling contract with Diamond Offshore Co. for the Ocean Monarch drilling rig, which was moored and ready to drill on an exploratory well on Garden Banks Block 959 in the Gulf of Mexico.

Cobalt said it invoked the force majeure because of a May 27 announcement by the US government to temporarily suspend deepwater drilling in the gulf.

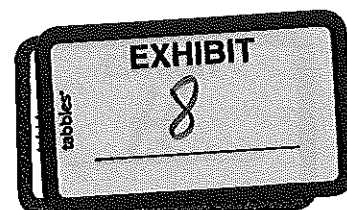
Already Cobalt had all necessary permits and insurance as required for drilling. The Houston independent also believes the direct financial impact of triggering force majeure on the Ocean Monarch will cost \$15 million.

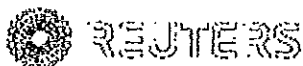
"Looking to the future, Cobalt believes that the action taken by the US government...will likely result in the delay of our Gulf of Mexico drilling program by approximately 6 months," the company said in a news release.

Other than this initial delay, Cobalt reaffirmed its intentions to execute all aspects of its entire gulf exploration and appraisal program as previously announced. Cobalt also focuses on offshore Angola and Gabon.

To access this Article, go to:

<http://www.ogj.com/ogj/en-us/index/article-tools-template.articles.oil-gas-journal.drilling-production-2.2010.06.cobalt-international.html>





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UPDATE 2-Anadarko declares force majeure on U.S. Gulf rigs

Thu, Jun 3 2010

* Anadarko declares force majeure due to drilling halt

* Rigs owned by Transocean, Diamond, Noble Corp-analyst

* Still using one rig for non-drilling activities (Adds names of rig owners, analyst's comment, background)

NEW YORK/SAN FRANCISCO, June 3 (Reuters) - Anadarko Petroleum Corp (APC.N: Quote, Profile, Research, Stock Buzz), part owner of the crippled well that has been gushing oil into the Gulf of Mexico since April, said on Thursday it had declared force majeure on three rigs in the region.

Anadarko did not say which rigs were affected, but UBS analyst Angie Sedita said they were owned by Transocean Ltd (RIGN.S: Quote, Profile, Research, Stock Buzz)(RIG.N: Quote, Profile, Research, Stock Buzz), Diamond Offshore Drilling Inc (DO.N: Quote, Profile, Research, Stock Buzz) and Noble Corp (NE.N: Quote, Profile, Research, Stock Buzz).

BP (BP.L: Quote, Profile, Research, Stock Buzz) (BP.N: Quote, Profile, Research, Stock Buzz) owns 65 percent of the Gulf of Mexico oil well that ruptured on April 20 and Anadarko owns 25 percent. Transocean is owner of the rig.

"We believe operators have invoked the force majeure clause on a total of four rigs so far, with more expected to come," Sedita wrote in a note to investors on Thursday.

Force majeure relieves a company from liability when it cannot fulfill contractual obligations because of natural and unavoidable catastrophes.

Anadarko said it still had one rig under contract in the Gulf, which it planned to use to continue completion, workover and other non-drilling activities on existing wells during the drilling moratorium issued by the federal government.

The rig kept at work is owned by Ensco Plc (ESV.N: Quote, Profile, Research, Stock Buzz), Sedita said.

On June 1, Cobalt International Energy Inc (CIE.N: Quote, Profile, Research, Stock Buzz) declared force majeure on another Diamond-owned rig in the Gulf of Mexico. (ID:nSGE6500HH)

Anadarko said it would stick to its full-year and second-quarter sales forecasts and said its spending plans for the year were unchanged.

Anadarko's shares have fallen to \$46.06, where they closed on Thursday, from a year high of \$75.07 on April 15. (Reporting by Matt Dally in New York and Braden Reddall in San Francisco; Editing by Derek Caney, Toni Reinhold)

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latimes.com/business/nationworld/wire/sns-ap-us-noble-anadarko,0,2177003.story

latimes.com

Noble says deepwater drilling moratorium isn't enough for Anadarko to end contract in Gulf

By Associated Press

1:58 PM PDT, June 4, 2010

NEW YORK (AP) — Noble Corp. said Friday it doesn't believe the moratorium on deepwater drilling in the Gulf of Mexico, or the oil spill itself, should excuse Anadarko Petroleum from contracts to lease rigs in the region.

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Noble said it will enforce the contract agreement with Anadarko and noted the oil producer can use the rig in other areas of the world if necessary.

The statement came after Anadarko notified three contractors it will declare a "force majeure" on drilling rigs in the Gulf as a result of the moratorium.

Force majeure is a contract provision that frees parties from liability when an extraordinary event, such as a natural disaster or a war, occurs that could significantly disrupt business.

Anadarko spokesman John Christiansen said Friday the company's position remains unchanged. "We disagree with Noble's interpretation of the drilling contract and will continue to pursue our remedies under the contract during this force majeure event," he said in an e-mail.

Anadarko is one of at least two oil and gas companies that have issued force majeure declarations as they deal with the oil spill and six-month drilling moratorium in the Gulf.

In addition to Noble, Anadarko said it notified Transocean Ltd. and Cobalt International Energy that it was invoking the same provision.

Noble's agreements with customers in the Gulf allow for contracts to be broken if a disruptive event continues for a prolonged period. The company said it has not received force majeure notices from other customers.

If force majeure is declared, Noble said its contracts generally allow for it to collect between 80 and 100 percent of its set day rate for a period of about 15 to 30 days. Following that notice period, Noble or its customer is allowed to end the contract.

Earlier in the week, Cobalt said it invoked a force majeure provision in a Gulf rig contract with Diamond Offshore Co. It estimated the financial impact of the force majeure at net \$15 million.

Anadarko, which is based in The Woodlands, Texas, is one of the nation's largest independent exploration and production companies. It has a 25 percent non-operating interest in the well where a rig exploded April 20, killing 11 workers and triggering the massive oil spill.

The Deepwater Horizon rig was owned by Transocean and leased by BP PLC, which is in charge of cleanup and containment.

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The New York Times

June 3, 2010

Deepwater Companies Pull Up Stakes, and Some May Never Return

By KATIE HOWELL AND MIKE SORAGHAN of Greenwire

Walter Oil & Gas Corp. executives were within 9,000 feet of finding out if they would hit oil under the Gulf of Mexico. Now, they don't know if they will ever find out.

The company and its contractors had drilled about 12,000 feet down from a seabed located about 1,200 feet from the surface of the Gulf of Mexico, in Ewing Bank Block 834. The oil they were looking for was supposed to be at 21,000 feet.

But now the company is pulling up stakes, under Obama administration orders to put a halt to most deepwater drilling in the Gulf, where a BP PLC well has been stubbornly billowing crude since late April despite repeated attempts to plug or divert it.

"We'd spent millions and millions of dollars, and we don't know if we will ever have the opportunity to get a return on our investment," said Ron Wilson, a Walter manager.

Walter got official notice last Friday from the Minerals Management Service to start shutting down its operation, which is about 64 miles offshore. Wilson said Monday that operations on the rig would be shut down in "a handful of days."

Walter's is one of the rigs being shut down as part of a federal moratorium on deepwater drilling, part of the administration's response to BP's Deepwater Horizon spill. Interior Secretary Ken Salazar has blocked new permits for six months and suspended 33 deepwater operations, including Walter's. Drilling in waters less than 500 feet deep will be allowed to continue, as will production activity in deep waters (E&ENews PM, May 27).

Walter executives aren't sure whether the well will get drilled when, and if, deepwater exploration is allowed to resume.

They aren't alone. Chevron Corp., Royal Dutch Shell PLC and BHP Billiton have all announced shutdowns in the Gulf. When the Deepwater Horizon incident occurred, Melbourne, Australia-based BHP was running five drilling rigs in the Gulf at a cost of about \$1 million a day. Now, those five are sitting idle.

Rigs are typically owned and operated by a drilling company like Transocean Ltd., the company involved in the Deepwater Horizon incident, and rented out to exploration companies all over the world. Rig lease rates in the Gulf run at \$250,000 to \$500,000 a day, according to the Louisiana Mid-Continent Oil and Gas Association. That means rig operators could be losing between \$8.3 million and \$16.5 million a day.

And that figure doesn't include the \$1 million or so a day in lost revenue for supply-boat operators, welders, divers, transportation companies and other support services.

"There are a lot of nervous people out here," one offshore drilling engineer said.

Pleas from industry, Jindal

The Louisiana Mid-Continent Oil and Gas Association estimates that the six-month halt would have a significant impact on energy security and federal revenue, as well.

The moratorium would defer 4 percent, or 80,000 barrels a day, of expected deepwater production in the Gulf in 2011 and would likely make seven current discoveries not economical to produce, putting \$7.6 billion in future government revenues at risk.

"Considering that the deepwater regions generate 80 percent of the Gulf's oil production and 45 percent of its natural gas production, a six-month work stoppage will have severe and perhaps long-lasting impacts on our domestic energy supply and economic security," said Burt Adams, chairman of the National Ocean Industries Association.

"When you couple this no-less-than-six-month moratorium with the canceled Western Gulf lease sale, the potential for long-term job loss and economic hardship for the Gulf of Mexico looms even greater."

Twenty-two of those idled rigs sit offshore from Louisiana, and Louisiana's economic development department estimates that the current six-month drilling suspension could slash 10,000 jobs in the state. Gov. Bobby Jindal (R) says that's unacceptable.

"Already, Louisiana has suffered severe negative economic and ecological impacts from the BP oil spill," he said in a letter sent yesterday to President Obama and Salazar. "During one of the most challenging economic periods in decades, the last thing we need is to enact public policies that will certainly destroy thousands of existing jobs while preventing the creation of thousands more."

And while he said strict oversight of deepwater drilling is necessary, Jindal went on to ask that the federal government "move quickly to ensure that all deep-water drilling is in proper compliance with federal regulation and is conducted safely so that energy production and more importantly, thousands of jobs, are not in limbo."

As lost rig revenues mount for drilling companies like Transocean, Baker Hughes Inc., Halliburton Co. and Schlumberger Ltd., Jindal and industry insiders are worried the companies will move their equipment to other parts of the world.

"The announced moratorium of deep-water drilling activity creates a significant risk that many of these drilling platforms would be relocated to other countries," Jindal said in his letter.

The Offshore Marine Service Association says that if the rigs are moved to other parts of the world -- towing a rig to Brazil or western Africa takes only about a month -- it could be two to three years before they finish overseas commitments and come back.

The drilling companies are currently tied up in contracts with the exploration companies that have been forced to stop drilling operations, but *force majeure* provisions could allow them to be canceled if unforeseeable forces bear down on a business plan.

Cobalt International Energy Inc. invoked the *force majeure* provision in its contract with Diamond Offshore Co. for the Ocean Monarch drilling rig, which was ready to begin drilling at Cobalt's exploratory well in Garden Banks Block 959. The Houston-based company said it had already gathered all the necessary permits and insurance to start drilling when the administration announced the moratorium. It expects to spend about \$15 million as a result of triggering *force majeure*.

But the company hasn't given up on working in the Gulf -- yet. The company says it's planning to hire another drilling rig at the end of this year and to start drilling in early 2011.

Analysts at Jefferies & Co. say that more operators are likely to follow Cobalt's lead and declare *force majeure* on their current contracts.

Liability

Even if the moratorium is lifted and companies are allowed back to work, some worry new policies could be on their way that could devastate offshore drilling in the Gulf.

Some in Congress want to raise the spill-liability limit for offshore drillers to \$10 billion in economic damages. And some, as high up as Senate Majority Leader Harry Reid (D-Nev.), have said drillers should have unlimited liability (*E&E Daily*, May 19).

"That can't be covered," Walter's Wilson said. "There is not an insurance that will cover what we're reading about in the paper. Will there be one? I don't know. But it will be at such a cost, I don't know that companies like ours can afford to pay it."

Oil companies such as BP are legally on the hook for the full cost of containing and cleaning up a spill. But Congress capped companies' liability for economic damages -- people put out of work by the spill, fishermen who cannot fish, empty hotel rooms on the beach at high season -- at \$75 million.

And if Walter doesn't drill it, Wilson suspects larger companies won't be interested in buying out Walter's lease. It's smaller companies like his, he said, not the "super-majors" like Exxon Mobil Corp. or Shell, that take those kinds of risks.

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Jun. 04, 2010

Noble: Drilling Ban Shouldn't Break Anadarko Deal

Noble Says Deepwater Drilling Moratorium Isn't Enough For Anadarko To End Contract In Gulf

(AP) NEW YORK (AP) - Noble Corp. said Friday it doesn't believe the moratorium on deepwater drilling in the Gulf of Mexico, or the oil spill itself, should excuse Anadarko Petroleum from contracts to lease rigs in the region.

Noble said it will enforce the contract agreement with Anadarko and noted the oil producer can use the rig in other areas of the world if necessary.

The statement came after Anadarko notified three contractors it will declare a "force majeure" on drilling rigs in the Gulf as a result of the moratorium.

Force majeure is a contract provision that frees parties from liability when an extraordinary event, such as a natural disaster or a war, occurs that could significantly disrupt business.

Anadarko spokesman John Christiansen said Friday the company's position remains unchanged. "We disagree with Noble's interpretation of the drilling contract and will continue to pursue our remedies under the contract during this force majeure event," he said in an e-mail.

Anadarko is one of at least two oil and gas companies that have issued force majeure declarations as they deal with the oil spill and six-month drilling moratorium in the Gulf.

In addition to Noble, Anadarko said it notified Transocean Ltd. and Cobalt International Energy that it was invoking the same provision.

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Everything New Orleans

Interior prepares to list oil drilling operations stymied by Gulf of Mexico shutdown

Published: Wednesday, June 02, 2010, 9:23 PM Updated: Wednesday, June 02, 2010, 10:37 PM



Rebecca Mowbray, The Times-Picayune



Gerald Herbert/The Associated Press

Oil floats on the surface of the Gulf of Mexico on Wednesday around the Transocean Development Driller II, which is drilling a relief well at the site of the Deepwater Horizon oil spill.

The U.S. Department of Interior is preparing a more detailed list of the **drilling operations in the Gulf of Mexico that are being shut down** under a moratorium announced last week in response to **the Gulf of Mexico oil spill**.

The shutdown of the drilling operations is expected to have a **substantial impact on the Louisiana economy**, as the 33 rigs contemplated in last week's shutdown order probably employ 7,590 people, and each of those is believed to support four other jobs on land.

The Interior Department has released a list of 17 companies with deepwater drilling operations in the Gulf of

Mexico that are affected, but it has not disclosed the names of the prospects, rigs or locations, saying the information is proprietary.

- **Q&A: Explaining, exploring the Gulf drilling moratorium**

It is likely that more than 33 rigs are affected, because the initial list included only rigs drilling in more than 1,000 feet of water, while the moratorium freezes exploratory wells in more than 500 feet of water.

Moreover, many companies had planned to start new wells during the six-month period of the moratorium, meaning that many operations that had been set to go won't start.

Meanwhile, several companies on Wednesday disclosed operations that will be affected by the policy.

Calgary-based **Nexen Inc.** said it completed drilling its **Knotty Head appraisal well** this year before the April 20 Deepwater Horizon disaster, but it has deferred drilling on its **Kakuna exploratory well** because of the moratorium. That project was supposed to start in the next six months, Pierre Alvarez, Nexen's vice president of corporate relations said.

Alvarez said the delay has not affected any Nexen employees because the company has other projects around the world.

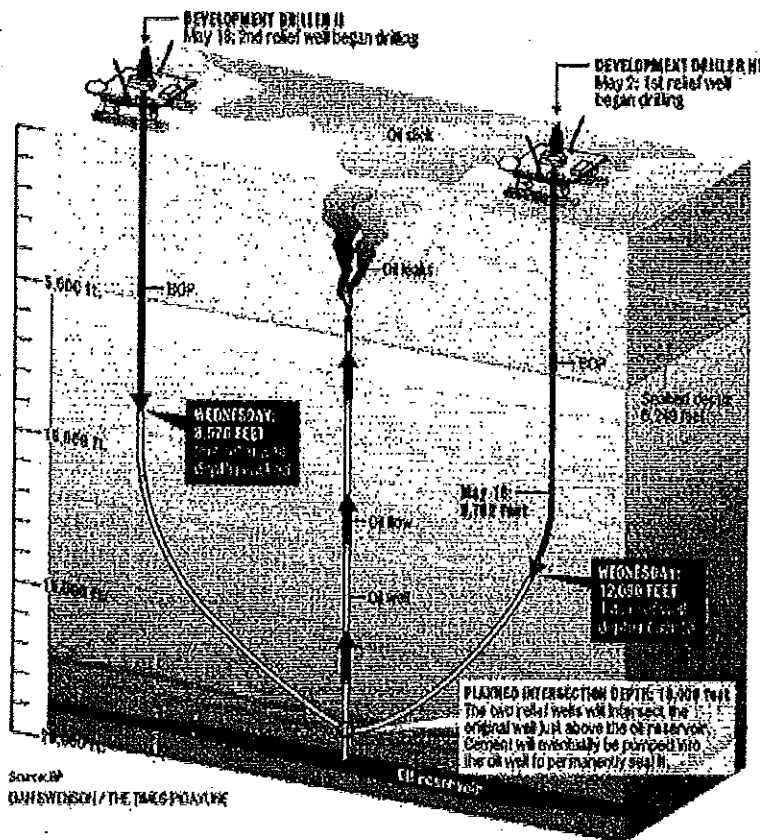
Exxon-Mobill says it has two projects that had been scheduled to start May 10.

"We are delayed in our plans to drill an exploration well at the **Hadrian prospect at Keathley Canyon** and a **production well from the Hoover Diana platform**," said spokeswoman Karen Matusic.

Meanwhile, an analyst report Tuesday from JP Morgan Chase says that ATP Oil & Gas Corp. in Houston will have to plug the **Aconcagua well at Canyon Express** and the **Mirage well at Telemark hub**.

PROGRESS OF THE RELIEF WELLS

A look at how far down the relief wells have been drilled:



[View full size graphic](#)

Another Houston company, Cobalt International Energy Inc. has said its **North Platte exploratory well** will not be able to move forward because of the moratorium. Cobalt has invoked "force majeure" provisions in its contract with Diamond Offshore Inc., the company that owned the drilling rig it planned to use at North Platte.

Big contracts typically have provisions, known as **force majeure provisions**, that allow them to be canceled if unforeseeable forces bear down on a business plan. Cobalt invoking force majeure has raised concerns that other companies will do the same, opening the possibility that companies might move rigs out of the Gulf of Mexico to take jobs elsewhere in the world.

Industry groups such as the Offshore Marine Service Association say that if rigs move, it will be two to three years before they finish commitments overseas and come back, so the real impact of the Gulf of Mexico deepwater drilling moratorium could last much longer.

Laney Chouest, a deepwater industry veteran who retired from Edison Chouest Offshore after Hurricane Katrina, said more force majeure declarations are expected, and Chouest Offshore has already gotten two

requests to tow rigs to western Africa.

Chouest also said that breaking contracts through force majeure also opens the possibility that oil companies will renegotiate rates with companies that service their operations. Although that may not matter to rig workers who could lose their jobs in the moratorium anyway, it could mean less money flowing to Louisiana-based companies.

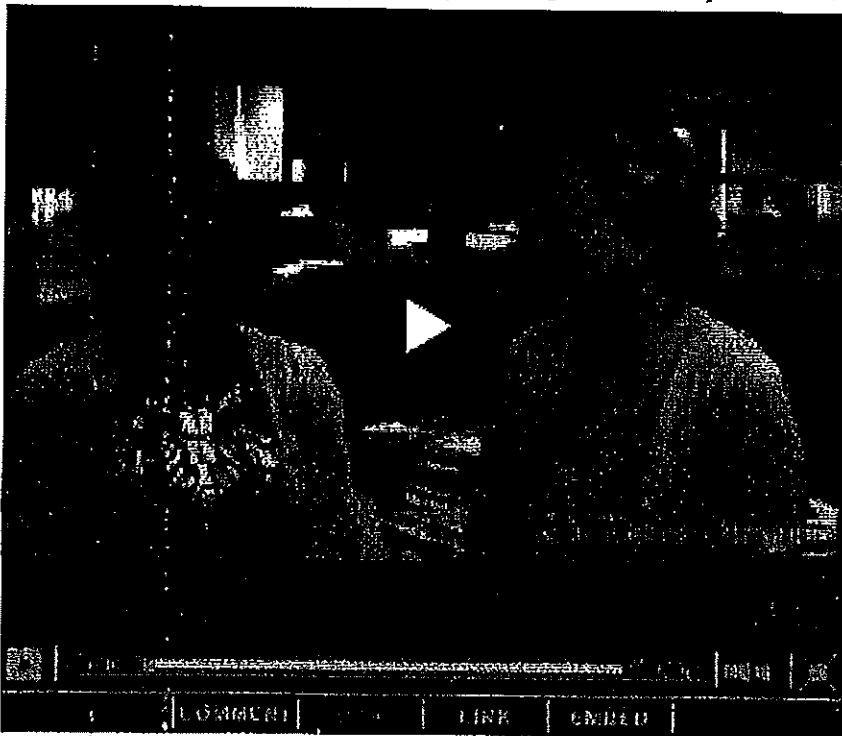
"There's been a lot of discussion about it," Chouest said of force majeure declarations and possible service rate renegotiations. "It's an obvious opportunity for some to take advantage of that situation."

Chouest said it only takes about four weeks to move a rig to Brazil or western Africa, and because many petroleum companies have worldwide operations, it wouldn't be hard for them to add another rig to an overseas prospect.

The analysis firm Jefferies & Co. concurred in a May 28 report. "We believe that several operators are likely to declare force majeure on their current contracts, while the majors are likely to reposition some rigs overseas. We also believe that several contracts are likely to be renegotiated."

Rebecca Mowbray can be reached at rmowbray@timespicayune.com or 504.826.3417. David Hammer contributed to this report.

Oil spill video: Times-Picayune reporters give latest update



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Noble fights force majeure in US Gulf

Upstream staff

Swiss driller Noble said it will fight an effort by US independent Anadarko to declare force majeure and end a contract for a rig in the deep-water US Gulf due to a 6-month drilling moratorium there.

"The company's drilling units, including the Noble Amos Runner, are ready and able to drill and Anadarko is not prevented from using the unit on a variety of activities permissible under the contract, the moratorium or otherwise in their deep and diverse portfolio of international properties," Noble said in a release.

Anadarko announced plans to try to ditch the drilling contract for the Noble Amos Runner, which it was using to drill the Lucius prospect on Keathley Canyon Block 875.

The rig was supposed to be under contract until March of next year at a day rate of \$439,000 to \$441,000, according to Noble's current fleet status report.

Under force majeure, Noble would still receive 80% to 100% of its dayrate for about 15 to 30 days, depending on the specific contract, the Swiss driller said.

But after that period, an operator could terminate the deal.

Noble said Anadarko's notice was the first declaration of force majeure it has received since the Obama administration announced the moratorium on leasing, permitting and drilling in the deep-water Gulf.

Noble's other deep-water Gulf of Mexico rigs are Noble Danny Adkins, Noble Clyde Boudreaux, Noble Jim Thompson, Noble Lorris Bouzgard and Noble Paul Romano.

"Noble continues to work closely with customers to identify opportunities to continue operations that are allowable under the current deepwater drilling moratorium or relocate the units outside of the US, as is customarily done with deep-water units," Noble boss David Williams said in a release.

"Our goal is to minimise the impact of the moratorium on our shareholders and our team members – who are among the best trained, safest and most experienced in the industry."

18:42 GMT 04. June 2010 | last updated: 18:42 GMT 04. June 2010

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BOBBY JINDAL
GOVERNOR



Post Office Box 94004
Baton Rouge, LA 70804-9004

OFFICE OF THE GOVERNOR

June 2, 2010

The Honorable Barack Obama
The White House
1600 Pennsylvania Ave
NW
Washington, DC 20050

Secretary Ken Salazar
U.S. Department of the Interior
1849 C Street
NW
Washington, DC 20240

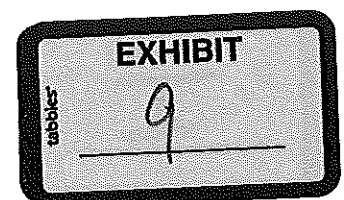
Dear President Obama and Secretary Salazar:

I am writing to express my grave concerns regarding the severe economic impact of a six-month (or longer) suspension of activity at 33 previously permitted deepwater drilling rigs in the Gulf of Mexico, including and in particular the 22 deepwater drilling rigs currently in operation off the Louisiana coast.

Already, Louisiana has suffered severe negative economic and ecological impacts from the BP oil spill. Our seafood industry is experiencing huge economic losses that have only been partially mitigated by a frustratingly slow and inadequate BP claims process. Moreover, our precious wetlands are suffering incalculable, permanent damages, while our tourism industry faces escalating losses.

During one of the most challenging economic periods in decades, the last thing we need is to enact public policies that will certainly destroy thousands of existing jobs while preventing the creation of thousands more.

The Louisiana Department of Economic Development estimates that the active drilling suspension alone will result in a loss of 3,000 to 6,000 Louisiana jobs in the next 2-3 weeks and potentially over 10,000 Louisiana jobs within a few months. If the suspension of active drilling activity continues for an extended period, LED estimates that our state risks losing more than 20,000 existing and potential new Louisiana jobs in the next 12-18 months.

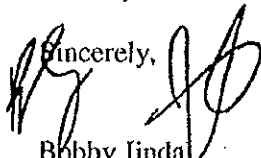


Obviously these losses would come on top of those already generated by the spill and its related effects. Moreover, the announced moratorium of deepwater drilling activity creates a significant risk that many of these drilling platforms would be relocated to other countries -- along with the hundreds of high paying jobs that they each create.

Additionally, I fully understand the need for strict oversight of deepwater drilling. However, I would ask that the federal government move quickly to ensure that all deepwater drilling is in proper compliance with federal regulation and is conducted safely so that energy production and more importantly, thousands of jobs, are not in limbo.

Thank you in advance for your swift consideration of this request.

Sincerely,



Bobby Jindal
Governor

MARY L. LANDRIEU
LOUISIANA

United States Senate

WASHINGTON, DC 20510-1804

June 11, 2010

The Honorable Barack Obama
President of the United States
The White House
1600 Pennsylvania Avenue, NW
Washington, DC 20500

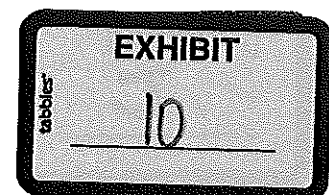
Dear Mr. President:

The tragic explosion of the *Deepwater Horizon* took the lives of 11 men and unleashed an uncontrolled torrent of oil and gas into the Gulf of Mexico that threatens our environment, our economy, and the health of America's wetlands, which underpin the way of life and the viability of the entire Gulf Coast. In an effort to ensure that such a terrible tragedy never occurs again, your Administration imposed a moratorium on new deepwater drilling. Unfortunately, I fear that this action could exacerbate, rather than alleviate, the impacts of this spill upon both our economy and our environment. Therefore, I write to urge your immediate reconsideration of the blanket six-month moratorium on deepwater drilling projects and ask that you consider instead a series of fundamental changes to offshore drilling practices that will serve to demonstrably reduce the risk of deepwater drilling while sparing the Gulf Coast's economic vitality.

Like many thousands of Gulf Coast residents living through this frustrating nightmare, I sympathize with the impulse to halt the activity that resulted in such a disaster. Unfortunately, that impulse is likely to do far more harm than good to Louisiana and the Gulf Coast.

The immediate impacts to the economy are devastating enough: idling the 33 rigs currently permitted to drill in the deepwater Gulf would immediately impact employment for roughly 38,000 crewmen, deck hands, engineers, welders, ROV operators, caterers, helicopter pilots, and others who operate and service these vessels. That's like closing 12 large motor vehicle assembly plants in one state, all at once. Moreover, that figure does not take into account the thousands of jobs generated by producing oil and gas offshore Louisiana – to our service sector, recreation and tourism, etc. The oil and gas sector directly employs some 15 percent of Louisiana's workforce. We cannot simply close down that sector without devastating economic impacts.

It is important to note that the moratorium on deepwater drilling threatens not only our economy but our environment as well. The oil that Americans rely on to fuel their economy must come from somewhere – more than likely it will be transported to the United States from overseas via oil tankers. As we have seen on multiple occasions, oil tankers sometimes run aground, hit snags, capsize, or are otherwise caused to spill their contents. Today's tankers



carry, on average, about 2 million barrels of oil. Increasing tanker traffic increases the risk that US ports will be the site of a major tanker spill. Indeed, the National Research Council found that oil in the sea was four times more likely to come from an oil tanker than from an offshore drilling facility. By decreasing Gulf oil production, we are therefore likely to increase, not decrease our risk of another catastrophic spill.

I understand and respect your efforts to reduce the risk of a second massive blowout in the Gulf. However, I believe that we can demonstrably improve the safety of deepwater drilling without shutting down the Gulf Coast economy for more than six months. The proposal I outline below will not eliminate all risk. But there are no risk-free ways of producing the energy we rely on today. Given that, I ask that you lift your blanket moratorium on deepwater drilling and instead act on the recommendations below, some of which are drawn from your report and all of which would demonstrably improve the safety of current offshore operations:

1. Operators of the currently permitted 33 deepwater wells should be allowed to immediately resume "top hole section" drilling. This would allow them to drill through non-hydrocarbon zones, thus foregoing the possibility of loss-of-well control incidents or oil spills. Drilling would stop within a reasonable distance of the targeted hydrocarbon zone, to be reviewed for continuation as further regulations are developed.
2. Clearly communicate your unswerving commitment to re-opening the deepwater Gulf of Mexico to energy development, and outline a clear timeline within which the U.S. offshore will be re-opened for business and investment. This timeframe must be far shorter than six months if Louisiana and other Gulf Coast states are to avoid crippling economic damage.
3. Utilizing expertise and input from the National Academy of Engineering and the President's Commission, the Department should identify critical processes associated with the drilling and completion of deepwater wells based on systemic risk analysis, and exposure to safe and reliable operations.
4. The Department should identify a set of clear, coherent, and achievable benchmarks that will assure Americans that the risk of deepwater drilling is reduced.
5. Concurrently with this comprehensive review, the Department of the Interior should deploy a team of inspectors to every deepwater rig to examine all surface and subsea well control equipment and monitor and oversee operations.
6. Inspectors should rigorously inspect each operator's drilling and casing/completion practices to ensure that well control contingencies are not compromised at any point. Operators should be required to submit revised drilling plans that illustrate the lessons learned from the *Deepwater Horizon* and be called upon to verify their compliance frequently through on-site inspections.

7. Operators should be compelled to demonstrate that they have the emergency power equipment to ensure proper operation.
8. Rig floor managers, drillship captains, and other mission-critical staff should be re-tested for competencies relevant to emergency management and undergo Interior Department training and certification in order to minimize the risk of human error.

I commend your leadership in these difficult times and I look forward to helping you continue to serve as a good steward of the environment, the economy, and the safety of the American people.

With kind regards, I am

Sincerely,

A handwritten signature in black ink, reading "Mary Landrieu". The signature is fluid and cursive, with the first name "Mary" and last name "Landrieu" clearly distinguishable.

Mary L. Landrieu
United States Senator

MLL:tjm