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HOUSE CONCURRENT RESOLUTION NO. 214

BY REPRESENTATIVE DOVE AND SENATOR CHABERT AND REPRESENTATIVES ABRAMSON, ANDERS, ARNOLD, AUSTIN BADON, BOBBY BADON, BALDONE, BARRAS, BILLIOT, BROSSETT, BURFORD, HENRY BURNS, TIM BURNS, BURRELL, CARMODY, CARTER, CHAMPAGNE, CHANDLER, CHANEY, CONNICK, CORTEZ, CROMER, DANAHAY, DOERGE, DOWNS, EDWARDS, ELLINGTON, FANNIN, FOIL, GEYMANN, GISCLAIR, GREENE, GUILLORY, GUINN, HARDY, HARRISON, HENDERSON, HENRY, HOFFMANN, HOWARD, HUTTER, JOHNSON, SAM JONES, KATZ, KLECKLEY, LABRUZZO, LAMBERT, LANDRY, LEBAS, LEGER, LIGI, LITTLE, LOPINTO, LORUSSO, MILLS, MONICA, MONTOUCET, MORENO, MORRIS, NOWLIN, PEARSON, PERRY, PONTI, POPE, PUGH, RICHARD, RICHARDSON, RITCHIE, ROBIDEAUX, SCHRODER, SIMON, SMILEY, GARY SMITH, JANE SMITH, TALBOT, TEMPLET, THIBAUT, TUCKER, WADDELL, WHITE, WILLMOTT, AND WOOTON AND SENATORS AMEDEE, B. GAUTREAUX, N. GAUTREAUX, HEBERT, MORRISH, AND **SMITH**

A CONCURRENT RESOLUTION

2	To urge and request Secretary of the Interior, Ken Salazar, to reconsider the directive that
3	he issued which instituted six-month moratorium on oil and gas exploration in the
4	Gulf of Mexico and to possibly alter that directive to minimize the negative
5	economic impact of such directive on the already damaged economies of the state
6	of Louisiana and the other oil and gas producing states along the Gulf of Mexico.
7	WHEREAS, some fifty miles off the Louisiana coast, the Deepwater Horizon drilling
8	rig experienced a massive and deadly explosion and fire on April 20, 2010, before sinking
9	and leaking oil into the Gulf of Mexico; and
10	WHEREAS, such explosion and fire resulted in the death of Gordon Jones, Roy
11	Wyatt Kemp, Karl Kleppinger, Jr., Keith Blair Manuel, Shane Roshto, Adam Weise, Aaron
12	Dale Burkeen, Jason Anderson, Donald Clark, Stephen Ray Curtis, and Dewey Revette; and
13	WHEREAS, in addition to the deaths, other rig employees were injured and continue
14	to suffer from their injuries; and
15	WHEREAS, in addition to the tragic loss of life and injuries, the resulting oil spill
16	and leak has potentially created the greatest environmental disaster in United States history;
17	and

WHEREAS, at least one hundred and thirty miles of shoreline is being affected by
oil coming ashore; and

WHEREAS, the oil spill and leak continues to directly and indirectly affect the lives and the economic and environmental well-being of the citizens and communities of Louisiana and other Gulf Coast states; and

WHEREAS, as a result of the explosion of the Deepwater Horizon oil platform on April 20, 2010, and the ensuing disastrous impacts, the Secretary of the United States Department of Interior, Ken Salazar, has issued a moratorium on deepwater exploration in the Gulf of Mexico; and

WHEREAS, Secretary Salazar states that "The six month moratorium on deepwater drilling will provide time to implement new safety requirements and to allow the Presidential Commission to complete its work." and he states that the moratorium does not apply to deepwater production, although deepwater production will continue subject to close oversight and safety requirements; and

WHEREAS, although activities necessary to support deepwater production may continue, the Secretary's directive requires such activities must obtain approval from the Department of Interior in order to continue; and

WHEREAS, safety is of paramount importance in the oil and gas industry, an industry that has an excellent longterm record for safety, therefore, the impetus behind the Secretary's directive is valid and laudable; and

WHEREAS, the Secretary's directive directs oil and gas lessees and operators to cease drilling new deepwater wells, including wellbore and bypass activities, prohibits the spudding of any new deepwater wells, and provides that the Minerals Management Service will not consider drilling permits for deepwater wells or related activities; and

WHEREAS, the directive also requires that operators who are currently drilling any oil or gas well covered by the Moratorium Notice to Lessees "... proceed at the next safe opportunity to secure the well and take all necessary steps to cease operations and temporarily abandon or close the well until they receive further guidance from the Regional Supervisor of Field Operations"; and

WHEREAS, the directive will essentially stop for at least six months all oil and gas exploration activity in the Gulf of Mexico in five hundred feet of water or more, and the

directive will cease all activity on at least thirty-three exploration wells in the deepwater of the Gulf of Mexico, wells that currently employ thousands of Louisiana citizens and citizens from along the Gulf Coast; and

WHEREAS, deepwater exploration and production of oil and gas in the Gulf of Mexico is a multi-billion dollar per year industry supporting associated businesses in Louisiana and all over the United States, an industry that is growing into the deepwater of the Gulf of Mexico to pursue the domestic oil and gas reserves needed by our country to avoid a dangerous dependence on foreign oil and gas production; and

WHEREAS, although the bulk of the oil and gas industry was not at fault nor involved with the Deepwater Horizon tragedy, the moratorium will have a direct and devastating effect on those oil and gas companies, exploration companies, and their contractors, who have been involved in the drilling and safe operation of thousands of wells; and

WHEREAS, the moratorium could also result in further direct and indirect impacts upon individuals, communities, local retailers, and small businesses already affected by the disaster; and

WHEREAS, it is the deep concern of the Louisiana Legislature that the Secretary's directive will have a devastating effect on the economy and citizens of the state of Louisiana and of the states that allow and support deepwater oil or gas drilling in the Gulf of Mexico and will have a negative effect on businesses all over the United States that do business with the oil and gas industry or are frequented by the employees of the oil and gas industry in the Gulf of Mexico; and

WHEREAS, a six-month closure of deepwater oil and gas exploration in the Gulf of Mexico likely will cause an economic disaster on top of the economic and environmental disaster already visited on the state of Louisiana and other oil and gas producing states along the Gulf of Mexico by the explosion of BP's Deepwater Horizon drilling platform.

THEREFORE, BE IT RESOLVED that the Legislature of Louisiana does hereby urge and request Secretary of the Interior, Ken Salazar, to reconsider his directive that established a six-month moratorium on oil and gas exploration in the Gulf of Mexico and alter the directive in a manner to lessen the economic impact on the state of Louisiana and the rest of the states along the Gulf of Mexico who are most affected by the developing and

increasing disaster not only to our fragile wetlands and shorelines but also to our economic health and stability by reducing the time of the moratorium while not sacrificing safety and environmental concerns through implementation of additional safety measures as outlined below.

BE IT FURTHER RESOLVED that it is within the Secretary's power to alter the moratorium on drilling in the deepwater of the Gulf of Mexico so that the economic hardship created for the state of Louisiana and the other oil and gas producing states along the Gulf of Mexico is lessened.

BE IT FURTHER RESOLVED that the secretary shall consider in altering the moratorium technological and other alternatives, including verification of the safety of the following:

(a) certify blowout prevention stacks

- (b) verify blowout prevention equipment compatibility
- (c) develop new inspection procedures and reporting requirements for all equipment, including OCTG inspection guidelines, such as (i) identifying information; (ii) wall thickness reading on 100% of pipe; (iii) data points should be capable of being stored for 3-D image and future purposes and verifying strength of pipe; and (iv) burst and collapse calculations based on pressure
 - (d) establish new fluid displacement procedures
- (e) verify compliance with existing regulations and National Safety Alert requirements.

BE IT FURTHER RESOLVED that the Secretary could also consider allowing any already permitted drilling activity to continue to completion of the well, subject to heightened safety, inspection, and reporting requirements.

BE IT FURTHER RESOLVED that the other measures set forth in the Department of Interior "Increased Safety Measures for Energy Development on the Outer Continental Shelf of May 27, 2010" could be implemented such as those requiring emergency rule making, as well as recommendations developed by the National Commission on the BP Deepwater Horizon Spill and Offshore Drilling investigation which could be implemented concurrent with the continued operations of offshore deepwater drilling.

BE IT FURTHER RESOLVED that such considerations should include safety, environmental, and economic effects at both the state and local levels.

BE IT FURTHER RESOLVED that the Secretary of the Interior should utilize all available personnel and resources to immediately perform all necessary inspections and reviews in an expedited process.

BE IT FURTHER RESOLVED that the Minerals Management Service inspectors should be required to maintain a twenty-four hour per day, seven day a week presence on all ongoing deepwater drilling locations, with a seven to ten day rotation schedule, and the Secretary could require strict compliance with American Petroleum Institute standards on all equipment used in well construction and operation, as well as all applicable laws and regulations pertaining to such equipment.

BE IT FURTHER RESOLVED that a copy of this Resolution be forwarded to the Secretary of the United States Department of Interior, Ken Salazar, and to each member of the Louisiana congressional delegation.

SPEAKER OF THE HOUSE OF REPRESENTATIVES

PRESIDENT OF THE SENATE