

Some Experts Call Oil Drilling Moratorium Misguided

by JOHN YDSTIE



AP/Transocean

The Deepwater Horizon rig is seen in the Gulf of Mexico before the April 20 explosion that killed 11 workers and spilled millions of gallons of oil into the Gulf. The disaster has prompted President Obama to declare a six-month moratorium on offshore oil drilling. But some experts say that may do more harm than good.

says the report he helped produce contains recommendations that will improve the safety of deep-water drilling in U.S. waters.

Arnold, an oil and gas industry consultant with 45 years of experience, says more than half of the 15 professionals who reviewed the report think Obama's six-month moratorium is misguided.

"We believe as a group that the moratorium as written and as being implemented today actually has the effect of decreasing safety," he said.

First of all, he says, the act of shutting down wells and then restarting drilling introduces some safety risks; but, he acknowledges, they are marginal. A bigger problem will be set in motion by the migration of drill rigs out of the Gulf of Mexico.

"These rigs are expensive. If they're not being used for six months, and maybe even for longer than six months, because there's not promise they will be used in six months, then the rigs will start leaving the Gulf of Mexico — and that's already happening," Arnold said.

Migrating Rigs

The problem, Arnold says, is that the newest, most sophisticated rigs are in greatest demand around the world. They will go first, he says, leaving marginally less safe rigs in the Gulf. And, when the moratorium is lifted, the older rigs that have left will be the first to return.

More important, says Arnold, is that many of the drilling rigs will be gone for three to five years, the normal length of contracts. That means U.S. rig crews will disperse or move to other industries. When the rigs return, the new crews will have less operating experience. Of course, new crews can be trained, Arnold says.

"But it is marginally more risky to have a less experienced crew than to have a more experienced crew on the hour-by-hour, minute-by-minute decisions that have to be made on the rig itself," he said.

Finally, says Arnold, the U.S. will have to import more oil because of decreasing production in the Gulf. That means transporting oil in tankers, which historically have accounted for far more oil spillage than well blowouts.

Arnold says his group is talking with Interior Secretary Ken Salazar about making adjustments to the moratorium.

"The recommendation that we're trying to make is keep the moratorium in place for certain high-risk wells, but not for other wells," he said.

Can Moratorium Help?

Arnold says Salazar seems open to adjustments, but the Interior Department wouldn't confirm that. Obama has said he would be willing to lift the moratorium in fewer than six months if the commission investigating the blowout determines it can be done safely.

Another engineer who reviewed the Interior Department recommendations argues the president's six-month

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It's a cure as destructive as the disease: That's how many residents of the Gulf Coast view President Obama's six-month moratorium on deep-water drilling.

In his Oval Office speech Tuesday, Obama acknowledged the moratorium could have negative economic effects.

"I know this creates difficulty for the people who work on these rigs, but for the sake of their safety, and for the sake of the entire region, we need to know the facts before we allow deep-water drilling to continue," he said.

But many engineers who worked with the Interior Department to develop a set of new safety recommendations for deep-water drilling say they think the president's blanket moratorium could actually undermine safety.

'Decreasing Safety'

Ken Arnold, one of the engineers called on by the department to help strengthen safety standards after the Deepwater Horizon rig exploded April 20,

moratorium is absolutely necessary.

"I don't think six months is a long time at all," said Lois Epstein, an engineer and oil and gas consultant in Alaska.

She argues that it is clear that blowout preventers can malfunction and that spill-cleanup technologies are inadequate. That means regulations and regulators at the Minerals Management Service, the federal agency that oversees oil drilling, need to be tougher than they are now.

"There's a culture within MMS that safety is not uppermost," she said. "We need to transform MMS so it is an agency that recognizes that production is part of its mission but it's not its only mission."

Epstein says that transformation will take at least six months, and until it's accomplished, deep-water drilling in the Gulf will not be safe.