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05 May 2015

U.S. Department of the Interior Bureau of Safety & Environmental Enforcement Office of the Director 1849 C Street NW, Mail Stop DE5438 Washington, DC 20240

Re: Docket No. BSEE-2015-0002: Oil and Gas and Sulphur Operations in the Outer Continental Shelf—Blowout Preventer Systems and Well Control - Request for Extension of Comment Period

Via electronic submission to: <u>http://www.regulations.gov/</u>

Director Salerno:

HWCG LLC ("HWCG") respectfully requests an extension of 120 days to the comment period associated with the captioned Notice of Proposed Rulemaking. HWCG is a member-owned consortium of 16 Gulf of Mexico deepwater operators and is one of two deepwater well containment organizations in the basin. Comments made on behalf of HWCG are submitted without prejudice to any member's right to have or express different or opposing views.

Many of our members are actively reviewing the proposed regulation and participating in discussions with other stakeholders to generate comments which HWCG might submit. Based upon our members' preliminary review, we concur with the agency's assessment of its significance that this rule "*represents one of the most substantial rulemakings in the history of the BSEE and its predecessor organizations*."^[i] The breadth and complexity of the regulation is reflected by the amount of time (four years) BSEE spent writing it. The Office of Management and Budget's lengthy procedural review (over four months) prior to its publication in the Federal Register underscores the tremendous impact this proposed regulation could have on our members' operations and, by extension, the nation's energy supply.

HWCG believes the requested extension is needed to allow our industry sufficient time to review the multitude of new and comprehensive requirements affecting Source Control and Containment Equipment in particular and well control in general proposed in this rulemaking so that meaningful comments can be submitted. It is critical for a rule of this nature to undergo robust assessment of potential impact. Unintended consequences of this proposed rulemaking could be significant without thoughtful consideration of each element. In addition to reviewing the proposed regulatory action, BSEE has posed over 50 questions to the industry soliciting input on critical matters under consideration, e.g., including applying *"source control and containment requirements...to wells drilled in shallow water"[ii]*). While the preamble of the rule may be intended as explanatory, considerations posed in it may in fact become requirements in the final rule if the Agency determines substantial comments in support are received. It is HWCG's intent to participate in a thorough technical review and submit comments that will significantly aid in the creation of a robust and effective regulation. The industry is committed to safe operations and supports effective regulations that will improve its performance in all aspects of its offshore business. HWCG believes these comments will be of significant value to BSEE if allowed adequate time to conduct a review that leverages industry's expertise in each of the areas affected by this proposed rule.

We respectfully request a response to our extension request of 120 days on or before 15 May 2015. If faced with insufficient time, we will have no choice but to prioritize our focus on those items that we can address in a timely fashion and are deemed most critical to our members. Attempting to fully respond within the current comment period will likely lead to a rule that does not accomplish the agency's objectives and could result in unintended consequences.

Thank you for your attention to this request. If there are any questions please do not hesitate to contact me (713.341.5003 or RossF@HWCG.org).

Regards, G. Ross Frazer

Technical Director

Cc: Secretary Jewell, Department of the Interior Mr. Lars Herbst, BSEE Gulf of Mexico Region Mr. Doug Morris, BSEE

⁽ⁱ⁾ Federal Register/Vol. 80, No. 74/Friday, 17 April 2015/Proposed Rules, p. 21506 ⁽ⁱⁱ⁾ Ibid, page 21516