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# Congressional field hearing focuses on new rules for well control devices

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NEW ORLEANS, LA (WVUE) - Some members of Congress came to town to get local input on proposed new federal rules designed to prevent another oil disaster like the BP catastrophe of 2010.

The Obama Administration wants more stringent rules for well-control equipment used offshore.

The U.S. Interior Department proposes standards to close what it considers gaps in blowout preventer rules. Blowout preventers are supposed to shut off errant wells. The BOP failed when BP's well blew out in the Gulf of Mexico off Louisiana's coastline.

The Interior Department's rules involve reforms in well design, well control, casing, cementing, real-time monitoring and subsea containment.

"This is part of our economy, it's part of our culture," said Louisiana Congressman Garrett Graves, R-Baton Rouge.

Graves sits on the U.S. House Committee on Natural Resources which held the field hearing inside the Louisiana Supreme Court in the French Quarter.

The Obama Administration rules that have been proposed are designed to prevent well blowouts and the explosions, but people in the oil and gas industry told the committee that what is on the table will further cripple an industry already struggling to stand up to persistently low oil prices.

"I think there are a few things in this rule that move in the right direction, but there are a lot of things in here that I think are irrational," said Graves.

The Bureau of Safety and Environmental Enforcement with the U.S. Department of Interior suggests the cost of implementing the rules would be close to \$900 million over a decade, while industry puts the number at \$32 billion.

"They may be the experts on some of these costs, so we will have to sit and look at that," said Lars Herbst, of the Bureau of Safety and Environmental Enforcement.

Some in the oil and gas industry believe the new rules would amount to another moratorium.

"Is this going to affect your ability, prospectively to drill more wells productively and economically?" asked Rep. John Fleming, R-Minden.

"I believe it will," answered Joe Leimkuhler, vice president of drilling with LLOG Exploration Company.

"I believe it's about one-fifth of all the wells drilled since 2010 couldn't even be drilled under these rules," Graves said.

Lori Davis, President of RIG-CHEM of Houma which manufactures chemicals for the oil and gas industry, is concerned.

"We work more on the completion side, so if they're not drilling wells, they're not completing wells and so it will probably eliminate any opportunities for us," said Davis.

Environmentalists said there is too much focus on the wrong area.

"Industry is failing to take into consideration the value of our environment which is priceless compared to the value of one oil well, the cost to our coastal communities is dire, people are still suffering, we have lost businesses," said Jonathan Henderson, J.D., of the Gulf Restoration Network.

And some in the industry believe that the proposed rules will actually make activities in the Gulf of Mexico less safe.

"It's not the safest approach on how you should produce wells, you need to have more flexibility as they do today in terms of adapting your strategy to the conditions in that well," said Graves.

Still environmentalists feel not enough lessons were learned from the BP disaster.

"I think that everyone wants to get this right," Graves said.

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