

Protecting Precious Ecosystems for this Generation and the Next

A Call to Action by

John Hoffman

President and CEO Black Elk Energy

Islands of Life

- 1. Invisible thriving ecosystems
- 2. Large gap in awareness regarding ecosystems on oil & gas structures
- 3. The Fish Biomass at Offshore Platforms Is 10x Greater Coral Reefs
- 4. Platforms have 50x marine life compared to mud bottom Gulf
- Offshore platforms are more productive than natural reefs because they occupy the entire water column.
- 6. Rigs-to-reefs, while a step in the right direction still causes massive destruction as the majority of life occurs above 85 feet subsea.
- Human Indifference, given the awareness is the greatest threat.
- 8. Current removal pace will essentially eliminate the "Islands of Life" ecosystems in 20 years.
- Social and economic impacts could be dramatic.
- 10. Significant "passion" in the community to save the structures.

Once you see the beauty, it will be hard to destroy!!



Only vertical Coral Reefs in the World

As a diver, fisherman and energy executive I maintain a unique perspective of many facets of our Gulf of Mexico. After witnessing the ecosystem first hand, as captured in photos like these, I knew I had to make a change.



Beautiful Black Coral, protected elsewhere in the world, but destroyed in the Gulf





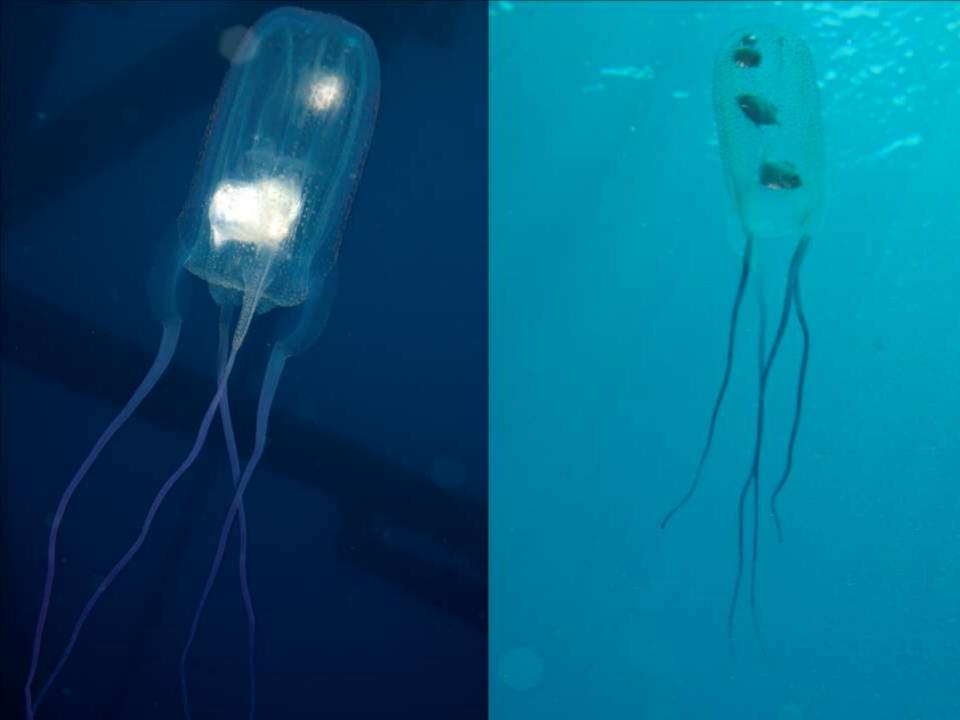




















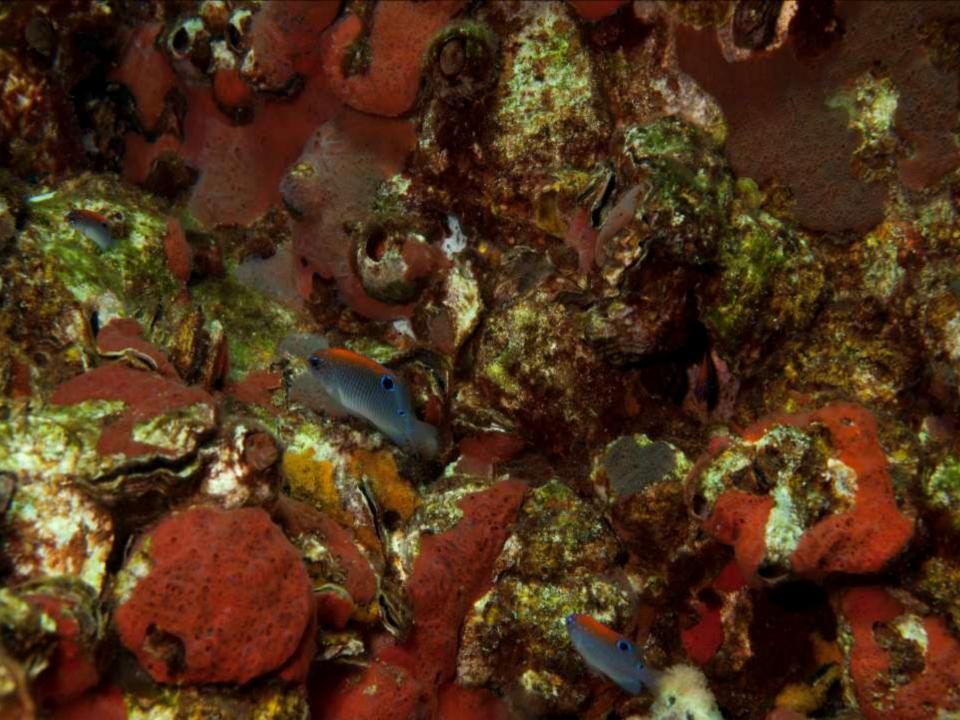


















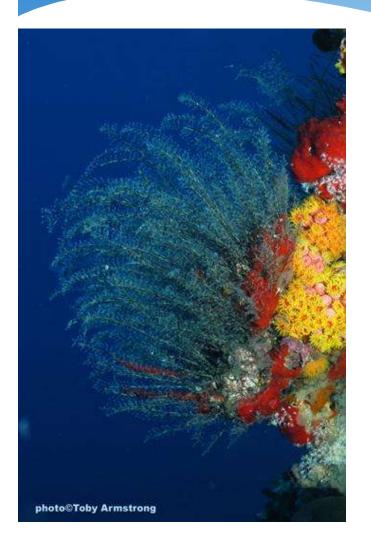




The Stakeholders, Founding Save-the-Blue Members

Research Commercial Fishing Recreation Fishing Sport Diving Operators Education

Our Gulf of Mexico platform structures are more highly concentrated ecosystems than natural reef systems found around the world



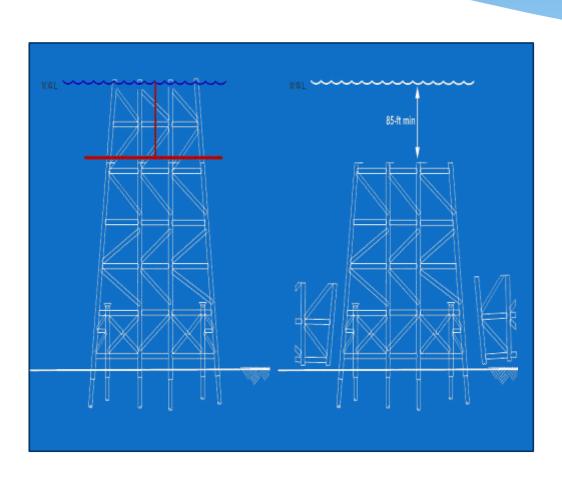
- The Fish Biomass at Offshore Platforms Is **10x**Greater Than Protected Coral Reefs And Artificial
 Reefs
- 10,000-30,000 adult fish/reside around a platform
- **80 managed species** live on or forage around platforms
- Platforms harbor ~25 spp. of obligate, demersal ornamental, reef-associated fish (resident; will not move).
- Collective volume of platforms in the northern Gulf is 127,712,369 m³ of habitat for Caribbean species.
- 700 platforms have been operating for ~40 yrs or more and have abundant ecosystems
- The Gulf of Mexico is home to **24 endangered and threatened species and critical habitats** (GoM Foundation)

Social, Economic Importance

- 1. The Gulf commercial fish and shellfish harvest represents 19.4% of the total domestic landings in the United States.
- 2. The Gulf represented approximately 25% of the total U.S. domestic commercial fishing revenue and were valued at over \$900 million.
- 3. The Gulf also supports a productive recreational fishery. Excluding Texas, U.S. Gulf states accounted for over **40**% (>104,000 lbs or >47,000 kg) of the U.S. recreational finfish harvest in 2000 (O'Bannon, 2001).
- 4. In Louisiana, saltwater recreational fishing stimulates \$745 million annually
- 5. In Texas, recreational fishing generates \$1.793 billion annually

Source: Gulfbase.org

Artificial Reefing is a step in the right direction, but the practice of structure removal 85 ft below sealevel is still highly destructive



Current practice of "rigs to reef" still creates harm as the vast majority of the ecosystems are above the practice of 85 feet below sea level. This practice was put in place to protect supertankers (max draft).

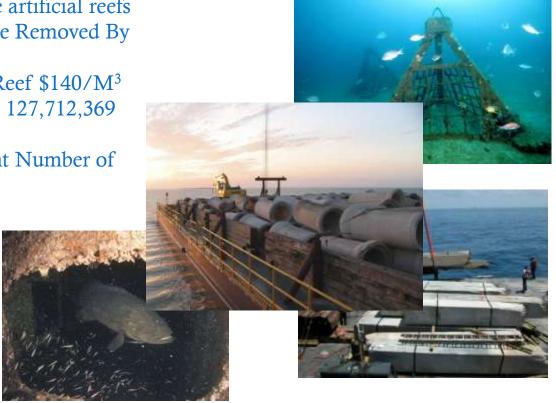
Maintaining a ecosystem profile through the wave zone ensures:

- 1. Ecosystems are not destroyed below the wave zone (to 85 ft)
- 2. Minimal navigational risk (structures in place today with Nav-Aids)
- 3. Minimal commercial fishing risk (no submerged obstacles)
- 4. Minimal recreational fishing risk (ability to moor to structure)

Considerable monetary investment is deployed each year to construct artificial reefs systems

- In Florida citizens are willing to spend \$26.64M/yr to install and preserve artificial reefs
- Majority of Gulf platforms Will Be Removed By 2020
- Average Cost to Create Artificial Reef \$140/M³
- Total Volume of Existing Jacket Is 127,712,369
 M³
- Today's Cost to Replace Equivalent Number of Artificial Reefs Is \$17.9 Billion.

Ecorig December 2008 Report – www.ecorigs.org



Save the Blue Plan In Action

At the conclusion of oil & gas production; Conduct an underwater evaluation.

Should no ecosystem be found, then decommission the structure and plug all wells. If an ecosystem, habitat, endangered corals or endangered mammals be found, then:

- Plug all wells and decommission all pipelines to mitigate pollution possibility.
- *Remove top decks to mitigate hurricane risk if deemed to be at risk.
- *Replace navigation aids on leg tops at sufficient height to ensure mariners are protected.



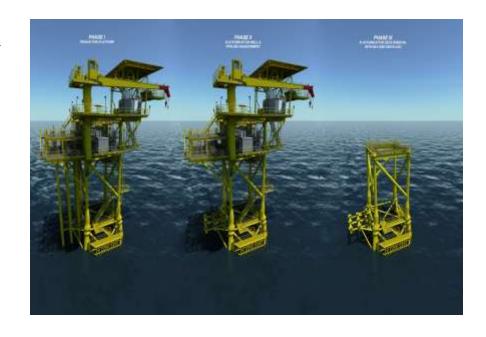


Three Phases of Save the Blue® Decommissioning

Save the Blue Plan In Action

A trust fund would be established:

- Structural removal liability would move from the operating company to the trust along with removal liability funds
- ❖Insurance would be maintained in the event of a catastrophic incident
- ❖ The trust board would be comprised of representative stakeholders, including the company donating the structure
- ❖ The board would oversee the ongoing operation and maintenance of the structures participating in the trust.





How Can You Help?

VOLUNTEER - Save The Blue is forming a Board of Directors and Steering Committee

DONATE - 100% of all donations are dedicated to awareness, education and outreach

- Applied for Non-Profit Status
- IMAX film
- Underwater Webcam's
- Community Outreach / Support
- Alignment & support of researchers, educators

SUPPORT - NOIA Support ??