



Domestic Petroleum Council

November 21, 2006

Renee Orr
5-Year Program Manager
Minerals Management Service (MS-4010), Room 3120
381 Elden Street
Herndon, VA 20170

James F. Bennett
Chief, Branch of Environmental Assessment
Minerals Management Service (MS4042)
381 Elden Street
Herndon, VA 20170

Comments on Draft Proposed 5-Year Program for 2007-2012 Comments on 2007-2012 Oil and Gas Program Draft Environmental Impact Statement

Dear Ms. Orr and Mr. Bennett:

The Domestic Petroleum Council (DPC) strongly supports the proposed 5-Year Outer Continental Shelf (OCS) Oil and Gas Leasing Program for 2007-2012 as the minimum that should be put in place. We also support timely completion of the related Draft Environmental Impact Statement and its Alternative 1 as being more than sufficient to allow the proposed Program and its individual lease sales to go forward expeditiously.

However, we have significant specific concerns that the proposed 5-Year Program and related environmental work do not go far enough toward allowing future access to needed offshore energy resources – resources that can be sought and produced by advanced and environmentally-compatible technology applied around the world by DPC companies.

The DPC represents 24 of the largest U.S. independent exploration and production companies that are leaders in the search for, and production of, oil and natural gas domestically and overseas, both onshore and offshore. In the Gulf of Mexico alone, DPC companies have more than 3,700 lease interests including many in deep and ultra deep water. Among those leases, DPC companies have more than 2,100 operator designations.

Our detailed views on the Proposed 5-Year Program and related Draft EIS are included in joint comments filed by the National Ocean Industries Association on behalf of the DPC and other groups (joint NOIA/DPC comments). This letter is to highlight and emphasize key parts of those comments and to complement them with the points that follow.

- The MMS is to be commended for proposing a continued robust leasing program for the Central and Western Gulf of Mexico, and for additional leasing offshore Alaska and perhaps in a small area offshore Virginia. But more can and should be done.

- As pointed out in comments filed by the Industrial Energy Consumers of America (IECA) and others, and as is pointed out in the joint NOIA/DPC comments, the energy needs of consumers and the energy security of the United States demand that the 2007-2012 5-Year program be bold – including both additional acreage for leasing and increased flexibility to accommodate potential future lifting of congressional and presidential moratoria in selected areas of interest.
- Increased proposed leasing should include all of the “original Sale 181 Area” in the Gulf of Mexico.
- There should be no “military mission line” exclusion of acreage on the eastern boundary of the Central Gulf of Mexico planning area at this 5-Year Plan stage, nor should there be any military-related restrictions added for the offshore Virginia area. The Department of Defense and the Minerals Management Service have a solid history of site-specific evaluation and concurrence that can take into account military needs, geoscience evaluation of the specific energy-potential areas, new and continually evolving technology, and the ability to adjust energy company exploration and development plans to prevent military/ energy operation conflicts as specific lease sale notices are prepared. This will be especially important in the future as today’s – and future -- subsea and even below-the-seabed technology allow far fewer surface facilities than in the past, and in many cases only temporary surface use during critical energy operation phases.
- To provide increased flexibility for potential future lifting of congressional and presidential moratoria in selected areas, the MMS should initiate as soon possible environmental studies and other necessary pre-5-Year Plan work in other areas of high industry and/or state interest off the Atlantic Coast as well as the Eastern Gulf of Mexico.
- In addition, the MMS should lead an effort with the National Marine Fisheries Service to improve processes for timely consideration and approval of offshore seismic operation permits, so that resulting projects can further inform leasing and exploration decisions as quickly as possible.

Thank you for considering the joint NOIA/DPC comments and the additional points above.

Sincerely,

A handwritten signature in dark ink, appearing to read "W. Whitsitt", written in a cursive style.

William F. Whitsitt
President