

## THE DEPUTY SECRETARY OF THE INTERIOR WASHINGTON

## JUN 0 3 2010

Dr. Per Holland SINTEF Industrial Management Safety and Reliability N-7465 Trondheim Norway

Dear Dr. Holland:

Thank you for your valuable assistance in connection with the preparation of the Secretary's May 27, 2010, report to the President, entitled "Increased Safety Measures for Energy Development on the Outer Continental Shelf." The Department of the Interior is working diligently to implement each of the recommendations as soon as practicable to improve the safety of offshore oil and gas development off our Nation's coasts.

As stated in the Report, each of the 22 numbered recommendations was developed after consulting with a wide range of experts in state and Federal governments, academic institutions, and industry and advocacy organizations. Given the technical nature of the Report and its recommendations, the Department asked Dr. Peter Blair of the National Academy of Engineering to identify a group of recognized academic and industry experts in the relevant fields to provide certain information to the Department related to offshore drilling safety and blowout protection equipment and to review and comment on the proposed safety recommendations to be included in the Report. We are indebted to each of you for agreeing to serve in that role and for your stated concurrence with the detailed safety recommendations contained in the Report.

Based on the Report's recommendations and the devastating consequences of the ongoing oil spill, the Administration independently concluded that a 6-month moratorium on new deepwater offshore drilling was necessary to implement the safety recommendations included in the Report and to learn from the information and recommendations developed by the Presidential Commission and other ongoing investigations into the Deepwater Horizon incident and resulting BP oil spill.

By listing you as a member of the NAE panel that peer-reviewed the 22 safety recommendations contained in the Report, we did not mean to imply that you also agreed with the decision to impose a moratorium on all new deepwater drilling. We acknowledge that you were not asked to review or comment on the proposed moratorium. The recommendation and decision were based on the Report's safety recommendations, in particular the need for new blowout preventer and other safety equipment on subsea BOP stacks used on floating drilling rigs and the need for better wild-well intervention techniques in the event of future emergencies like the BP oil spill.

particularly in deepwater. We regret any misunderstanding or confusion related to the inclusion of the recommendation to impose a 6-month moratorium on all new deepwater wells in the executive summary of the final report.

Again, the Department is grateful for your service to the United States in this extraordinary time of crisis. Your willingness to share your expertise and time were invaluable to our development of the Report's specific safety recommendations and will help to ensure that offshore drilling can be done safely and in an environmentally responsible manner.

Sincerely,

David J. Hayes

cc: Mr. Steve Black, Counselor to the Secretary of the Interior