

RAÚL M. GRIJALVA
7TH DISTRICT OF ARIZONA

COMMITTEE ON NATURAL RESOURCES
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COMMITTEE ON EDUCATION AND LABOR
Subcommittee on Workforce Protections
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Secondary Education

CONGRESSIONAL PROGRESSIVE CAUCUS,
Co-Chair



Congress of the United States
House of Representatives
Washington, DC 20515-0307

1440 Longworth HOB
Washington, DC 20515
Phone: (202) 225-2435
Fax: (202) 225-1541

District Offices:
810 E 22nd Street, Suite 102
Tucson, AZ 85713
Phone: (520) 622-6788
Fax: (520) 622-0198

1455 S Fourth Avenue, Suite 4
Yuma, AZ 85364
Phone: (928) 343-7933
Fax: (928) 343-7949

<http://grijalva.house.gov/>

August 2, 2010

The Honorable Kenneth L. Salazar
Secretary of the Interior
U.S. Department of the Interior
1849 C Street NW, Washington, DC 20240

Dear Secretary Salazar,

It has come to my attention that more than 1,000 oil rigs are sitting idle in the Gulf of Mexico. These rigs have not been affected by the recently announced drilling moratorium – they were abandoned by their parent companies, sometimes years ago, and allowed to decay. These structures, commonly referred to as “idle iron,” now provide us with a unique chance to create jobs and open up future economic opportunities throughout the Gulf region.

Federal regulations require that hydrocarbon structures be removed within one year after their leases are terminated. These regulations are not being completely enforced. A 2007 report requested by the Minerals Management Service (MMS) and written by Louisiana State University (*Idle Iron in the Gulf of Mexico*) identified 1,227 idle structures in the Gulf. As the report correctly notes, “Structures that exist on a lease that have not produced in the last year do not serve a useful economic function[.]”

Gulf residents should be put to work removing idle iron as soon as possible. This would revitalize the regional economy in several ways. By removing outdated structures, Gulf workers would help the structures’ owners comply with existing regulations and ensure that cleared areas are open to potential future opportunities. Idle iron parent companies should be encouraged to hire local labor without delay to dismantle and remove as many structures as can be located.

In your capacity as Secretary of the Interior, you have jurisdiction over the enforcement of the relevant regulations. MMS in its Fiscal Year 2011 Budget Request asked for six new additional full time employees for its regulatory activities, specifically citing the needs created by “aging infrastructure, hurricane damage, and idle iron.” These efforts should be given the resources they need. As you increase your ability to enforce these regulations, I call on you to encourage owners of idle structures to hire Gulf workers to remove them as soon as possible.

Sincerely,

Rep. Raúl M. Grijalva
Member of Congress