



Office of the Attorney General
Washington, D. C.

February 6, 1969

The Honorable Walter J. Hickel
Secretary of the Interior
Washington, D. C.

My dear Mr. Secretary:

You have requested my opinion as to your authority, under the circumstances hereinafter described, to order certain lessees of oil producing lands from the United States to cease drilling and production operations. The lessees hold their leases pursuant to the provisions of the Outer Continental Shelf Lands Act, 67 Stat. 472, 43 USC 1331, et seq.

You have advised me that approximately a week ago, oil and gas commenced escaping from a fissure in the ocean floor off Santa Barbara, California, as a result of the drilling or production operations of one of the lessees. On the basis of information available to you, it appears that extraordinary difficulty has been encountered in controlling this situation. As a result of your own observation and other information furnished you, you have concluded that the escaping oil and gas have caused extensive and often irreparable damage to

property and aquatic life. You have also concluded, based on information available to you, that it cannot be said with certainty that similar ruptures may not occur in one or more of the other drilling or production sites in the area of the Santa Barbara Channel Islands.

The governing lease provisions applicable to these lessees incorporate the regulations promulgated by you "when not inconsistent with any express and specific provisions" of the lease. These include 30 CFR 250.12(a) and (b), which are not inconsistent with any provision of the lease, and which read as follows:

"(a) Duties of supervisor. The supervisor shall inspect and regulate operations under the regulations in this part and shall issue orders and rules necessary, in his judgment, to prevent damage, or waste of any natural resource, or injury to life or property.

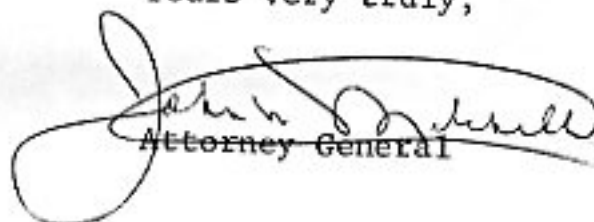
"(b) Emergency suspensions. The supervisor is authorized to require a lessee by written notice to suspend any operation or method of operation which endangers life or threatens immediate, serious, or irreparable damage to the leased deposits or other valuable mineral deposits."

It is abundantly clear that the oil which has already escaped from the fissure has caused damage, waste of natural

resources, and injury to property of the most substantial dimensions. While you may be unable to assess the probability of similar escape of oil from other operations in the area, in my opinion you are entitled to take into consideration the extensive and irreparable character of the damage which would result if such an event did occur.

In my opinion, based on the foregoing information, you are justified in yourself directing the lessees in the area of Santa Barbara Channel Islands to suspend drilling and production operations until further notice, or to instruct the supervisor of that area to so direct the lessees.

Yours very truly,


Attorney General