Drilling plan off Newfoundland called unsound

Debate is intensifying over whether oil giant Chevron could respond adequately to a spill from a deepwater exploratory well off Newfoundland's east coast, in light of the Gulf of Mexico environmental disaster.

Chevron Canada is preparing to drill for oil in an area on the Grand Banks known as the Orphan Basin, almost 430 kilometres from St. John's. No commercial finds have yet been discovered in the basin, although three fields are in production at the neighbouring Jeanne D'Arc Basin on the Grand Banks.

Chevron plans to drill in 2,600 metres of water, or more than a kilometre deeper than the Deepwater Horizon project off Louisiana, where thousands of barrels of oil have spewed daily since an April 20 rupture and explosion.

Bill Montevecchi, a Memorial University seabird researcher, questions whether the Canada-Newfoundland and Labrador Offshore Petroleum Board — which regulates the oil industry — even knows enough about the offshore to protect the environment.

"We're about to charge ahead and assume we have a safety regime in place that's adequate, when in fact we've never had an independent observer on a platform," Montevecchi said.

Montevecchi said there should be a moratorium on deepsea drilling off Newfoundland until much stronger environmental safety rules are in place.

Sean Kelly, the manager of public relations with the offshore petroleum board, said at least three systems can prevent or cope with a blowout on the Atlantic sea floor.

However, he admitted it would take time to procure another rig capable of drilling a relief well after a disastrous event such as the one unfolding in the Gulf of Mexico.

He said such a rig would actually have to come from the Gulf.

"We're looking at about 11 days from the time they suspend operations down there, so unfortunately yes, there would be a period of time when there would be an uncontrolled leak into the ocean," Kelly told CBC News Thursday.

Ian Doig, a Calgary-based oil analyst, said Thursday the board's timeline is optimistic.
"It's going to take 11 days to get here, [but] it's going to take many, many days to get down to where the problem occurred," said Doig, who estimated it could take four or five months for a replacement rig to become operational.

Doig said it's conceivable — but not practical — to have a second rig on standby.

"Are you going to pay $400,000 to $500,000 a day just to have a rig sitting around, and basically doing nothing, waiting for a worst-case scenario?" he asked. "That's the problem that industry's in, and that's the problem that consumers would have to pay for, at some point in time."