



MEMORANDUM

Mississippi Canyon 252 #1
Macondo Prospect
Incentive Award Program

September 28, 2009

In an effort to reward good drilling performance, BP plans to implement a discretionary incentive award program during the drilling of the MC 252 #1 well. The incentive program is designed to reward superior drilling performance, ensure regulatory and environmental compliance and champion safety in the work place. A total performance incentive award of up to \$4,525 per person is possible. This discretionary incentive award program consists of two components, Performance and Safety, which will be administered under the following ground rules:

Ground Rules

The program starts when the rig arrives in MC Block 252 and continues until the rig is released from MC 252 #1. Total time from commencement of mooring operations through rig release (including well abandonment) and de-mooring will be utilized. There may be adjustments for weather or lumpy currents. The scope of the well is to install a total of 6 or 7 casing strings while drilling to a final Total Depth of 20,200' MD, 20,200' TVD and fully evaluate the wellbore as per the PDDP. Time adjustments will be made for significant changes of scope including but not limited to, unplanned logs, geologic sidetracks, drilling deeper than planned, etc.

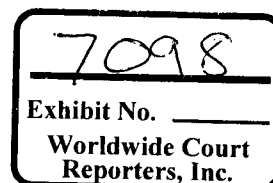
Participants will include all "full-time" employees working a regular rotation on the rig, including catering and third-party contractor personnel whose companies are willing to participate. Participants transferred or promoted shall have their incentive award pro-rated for the period related to this program. Personnel that are terminated or resign will not be eligible for an incentive award.

Note: (1) "Transitory" employees like casing and logging crews will not be included in the award plan.
(2) Exceptions may be made by the BP Well Site Leader regarding long-term but "transitory" service personnel that are on the project for a high percentage of the time.
(3) Personnel that are primarily office-based may be included in the award plan at the discretion of the BP Marianas Wells Team Leader.

Performance - Award

The award rate will be as outlined in the following table:

Total Days	Award	Per day reduction
Less than 52	\$4,525	N/A
52 to 75	\$4525 - \$500	\$175
Above 75	\$0	N/A



Safety

Scenarios described below will result in reduction and or loss of award.

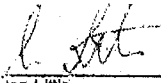
DAFWC and OSHA Recordable Incidents are to be defined and agreed to by BP and Transocean safety management. One (1) individual OSHA recordable incident that occurs during the course of the well will reduce the award opportunity by 60% for the entire well. In the event there are two (2) recordable incidents, the award for the well will be reduced 100% (no award payout). In the event there is a DAFWC incident, the award for the well will be reduced 100% (no award payout).

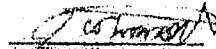
One MMS INC will result in 25% reduction in the award for the well. In the event there are two (2) MMS INC events, the award for the well will be reduced 100% (no award payout).

Note: Should an un-reported HSSE incident (Recordable, INC, spill, etc.) be discovered, the entire incentive award plan will be suspended immediately.

Administration

Transocean will administer the award for their employees and catering personnel. Third-party contractors will administer the award to their personnel. Award payments will be made less required taxes and withholdings.


Ian Little
E&A Well Operations Manager


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