

EXHIBIT # 1777  
 WIT: \_\_\_\_\_



DET NORSKE VERITAS  
 SURVEY REPORT

Name of vessel <b>DEEPWATER HORIZON</b>		Name of owner	DNV id. no. <b>24037</b>	Order no. <b>TNAUS4305018 6-1</b>
			IMO no. <b>8764597</b>	

**Intermediate ISM Audit**

**Survey Result**

This is to confirm that the following surveys have been carried out:

**Certificates**

Type	Endorsed	Issued/ extended	New expiry date
Safety Management Certificate	Yes		

**Surveys**

Code	Surveys	Result
ISM.In	Safety management intermediate	Complete

**Survey Observations and Findings**

**General**

**Statutory certificates**

Intermediate ISM Audit was completed 2005-06-29, with observations as detailed in the attached forms 40.094a.  
 Safety Management Certificate was endorsed on board for Intermediate ISM Audit.

Station <b>HOUSTON</b>	Place of survey <b>OFFSHORE GULF OF MEXICO</b>	Survey started <b>2005-06-29</b>	Survey completed <b>2005-06-29</b>	Stamp 
Lead surveyor's name <b>MCKAY, DAVID G</b>	Lead surveyor's signature 			
Surveyor's name	Surveyor's signature			

If any person suffers loss or damage which is proved to have been caused by any negligent act or omission of Det Norske Veritas, then Det Norske Veritas shall pay compensation to such person for his proved direct loss or damage. However, the compensation shall not exceed an amount equal to ten times the fee charged for the service in question, provided that the maximum compensation shall never exceed USD 2 million. In this provision "Det Norske Veritas" shall mean the Foundation Det Norske Veritas as well as all its subsidiaries, directors, officers, employees, agents and any other acting on behalf of Det Norske Veritas.

**TREX-01777**







DET NORSKE VERITAS  
ISM CODE / ISO CERTIFICATION / OTHER  
Observation

Note No.: 1 of 7  
Date: 2005-06-29

Company Name: TRANSOCEAN DEEPWATER DRILLING INC. DNV Id. No.: 195724

Ship Name: DEEPWATER HORIZON DNV Id. No.: 24037

Company Audit  Ship Audit  Lead Auditor: DAVID McKAY Signature: \_\_\_\_\_

Audit Team:

Descriptions with references to relevant requirements or guidelines:

The copy of the Company Document of Compliance on board the vessel is out of date (having been issued on behalf of the previous Flag State Administration (Republic of Panama). The vessel has transferred Flag to the Republic of the Marshall Islands.

Ref ISM Code 11.2.3

If any person suffers loss or damage which is proved to have been caused by any negligent act or omission of Det Norske Veritas, then Det Norske Veritas shall pay compensation to such person for his proved direct loss or damage. However, the compensation shall not exceed an amount equal to ten times the fee charged for the service in question, provided that the maximum compensation shall never exceed USD 2 million. In this provision "Det Norske Veritas" shall mean the Foundation Det Norske Veritas as well as all its subsidiaries, directors, officers, employees, agents and any other acting on behalf of Det Norske Veritas.



**DET NORSKE VERITAS**  
**ISM CODE / ISO CERTIFICATION / OTHER**

**Observation**

Note No.: 2 of 7  
 Date: 2005-06-29

Company Name: <b>TRANSOCEAN DEEPWATER DRILLING INC.</b>	DNV Id. No.: <b>195724</b>
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Ship Name: <b>DEEPWATER HORIZON</b>	DNV Id. No.: <b>24037</b>
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Company Audit  Ship Audit  Lead Auditor: **DAVID McKAY** Signature: \_\_\_\_\_

Audit Team: \_\_\_\_\_

Descriptions with references to relevant requirements or guidelines:

The USCG Certificate of Compliance on board the vessel makes reference to the previous Flag State Administration (Republic of Panama). The vessel has transferred Flag to the Republic of the Marshall Islands.

Ref ISM Code 11.2.1

If any person suffers loss or damage which is proved to have been caused by any negligent act or omission of Det Norske Veritas, then Det Norske Veritas shall pay compensation to such person for his proved direct loss or damage. However, the compensation shall not exceed an amount equal to ten times the fee charged for the service in question, provided that the maximum compensation shall never exceed USD 2 million. In this provision "Det Norske Veritas" shall mean the Foundation Det Norske Veritas as well as all its subsidiaries, directors, officers, employees, agents and any other acting on behalf of Det Norske Veritas.



DET NORSKE VERITAS  
ISM CODE / ISO CERTIFICATION / OTHER

Observation

Note No.: 3 of 7  
Date: 2005-06-29

Company Name: TRANSOCEAN DEEPWATER DRILLING INC. DNV id. No.: 195724

Ship Name: DEEPWATER HORIZON DNV id. No.: 24037

Company Audit  Ship Audit  Lead Auditor: DAVID McKAY Signature: \_\_\_\_\_

Audit Team:

Descriptions with references to relevant requirements or guidelines:

The original of the International Tonnage Certificate (issued by ABS on behalf of the Republic of the Marshall Islands) is not on board the vessel (only a facsimile copy).

Ref ISM Code 11.2.1

If any person suffers loss or damage which is proved to have been caused by any negligent act or omission of Det Norske Veritas, then Det Norske Veritas shall pay compensation to such person for his proved direct loss or damage. However, the compensation shall not exceed an amount equal to ten times the fee charged for the service in question, provided that the maximum compensation shall never exceed USD 2 million. In this provision "Det Norske Veritas" shall mean the Foundation Det Norske Veritas as well as its subsidiaries, directors, officers, employees, agents and any other acting on behalf of Det Norske Veritas.



DET NORSKE VERITAS  
ISM CODE / ISO CERTIFICATION / OTHER  
Observation

Note No.: 4 of 7  
Date: 2005-06-29

Company Name: TRANSOCEAN DEEPWATER DRILLING INC.	DNV Id. No.: 195724
Ship Name: DEEPWATER HORIZON	DNV Id. No.: 24037

Company Audit  Ship Audit  Lead Auditor: DAVID McKAY Signature: \_\_\_\_\_

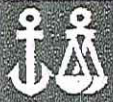
Audit Team:

Descriptions with references to relevant requirements or guidelines:

A number of references in QHSE Manual HQS-HSE-PP01 Section 2 Subsection 4 to other manuals within the SMS document hierarchy do not appear to be correct.

Ref ISM Code 11.2.1

If any person suffers loss or damage which is proved to have been caused by any negligent act or omission of Det Norske Veritas, then Det Norske Veritas shall pay compensation to such person for his proved direct loss or damage. However, the compensation shall not exceed an amount equal to ten times the fee charged for the service in question, provided that the maximum compensation shall never exceed USD 2 million. In this provision "Det Norske Veritas" shall mean the Foundation Det Norske Veritas as well as its subsidiaries, directors, officers, employees, agents and any other acting on behalf of Det Norske Veritas.



**DNV**

DET NORSKE VERITAS  
ISM CODE / ISO CERTIFICATION / OTHER  
Observation

Note No.: 5 of 7  
Date: 2005-06-29

Company Name: TRANSOCEAN DEEPWATER DRILLING INC. DNV Id. No.: 195724

Ship Name: DEEPWATER HORIZON DNV Id. No.: 24037

Company Audit  Ship Audit  Lead Auditor: DAVID McKAY Signature: \_\_\_\_\_

Audit Team:

Descriptions with references to relevant requirements or guidelines:

Copies of Master's Reviews were not available on board the vessel.

Ref ISM Code 5.1.5

If any person suffers loss or damage which it proved to have been caused by any negligent act or omission of Det Norske Veritas, then Det Norske Veritas shall pay compensation to such person for his proved direct loss or damage. However, the compensation shall not exceed an amount equal to ten times the fee charged for the service in question, provided that the maximum compensation shall never exceed USD 2 million. In this provision "Det Norske Veritas" shall mean the Foundation Det Norske Veritas as well as all its subsidiaries, directors, officers, employees, agents and any other acting on behalf of Det Norske Veritas.





**DNV**

**DET NORSKE VERITAS**  
**ISM CODE / ISO CERTIFICATION / OTHER**  
**Observation**

Note No.: 6 of 7  
Date: 2005-06-29

Company Name: **TRANSOCEAN DEEPWATER DRILLING INC.** DNV id. No.: **195724**

Ship Name: **DEEPWATER HORIZON** DNV id. No.: **24037**

Company Audit  Ship Audit  Lead Auditor: **DAVID McKAY** Signature: \_\_\_\_\_

Audit Team: \_\_\_\_\_

Descriptions with references to relevant requirements or guidelines:

*It was not possible to verify systematic follow up of, and corrective action arising from, findings from previous Internal Audits (ref Internal ISM Audit conducted in July 2004 by Gary Butler, Internal ISM DP Audit conducted in April 2005 by Mark Canada).*

Ref ISM Code 9.1, 9.2, 12.3

If any person suffers loss or damage which is proved to have been caused by any negligent act or omission of Det Norske Veritas, then Det Norske Veritas shall pay compensation to such person for his proved direct loss or damage. However, the compensation shall not exceed an amount equal to ten times the fee charged for the service in question, provided that the maximum compensation shall never exceed US\$ 2 million. In this provision "Det Norske Veritas" shall mean the Foundation Det Norske Veritas as well as all its subsidiaries, directors, officers, employees, agents and any other acting on behalf of Det Norske Veritas.



DET NORSKE VERITAS  
ISM CODE / ISO CERTIFICATION / OTHER

Observation

Note No.: 7 of 7  
Date: 2005-06-29

Company Name: TRANSOCEAN DEEPWATER DRILLING INC. DNV Id. No.: 195724

Ship Name: DEEPWATER HORIZON DNV Id. No.: 24037

Company Audit  Ship Audit  Lead Auditor: DAVID McKAY Signature: \_\_\_\_\_

Audit Team:

Descriptions with references to relevant requirements or guidelines:

Minutes of QHSE Steering Committee Meeting of 2004-10-17 made no reference to the Internal ISM Audit conducted in July 2004 by Gary Butler or any corrective action arising from the findings therein.

Ref ISM Code 12.2

If any person suffers loss or damage which is proved to have been caused by any negligent act or omission of Det Norske Veritas, then Det Norske Veritas shall pay compensation to such person for his proved direct loss or damage. However, the compensation shall not exceed an amount equal to ten times the fee charged for the service in question, provided that the maximum compensation shall never exceed USD 2 million. In this provision "Det Norske Veritas" shall mean the Foundation Det Norske Veritas as well as all its subsidiaries, directors, officers, employees, agents and any other acting on behalf of Det Norske Veritas.