

EXHIBIT # 1778

WIT: _____



DET NORSKE VERITAS
SURVEY REPORT

Rev. [1]

Name of vessel DEEPWATER HORIZON		Name of owner	DNV id. no. 24037	Job id. ECCUS4667001 8-1
			IMO no. 8784597	

Renewal ISM Audit and Renewal Scope ISPS Audit

This is to confirm that the following has been carried out:

Certificates

Certificate Name	Endorsed	Issued/Extended	New expiry date
International Ship Security Certificate		Full Term	2012-05-16
Safety Management Certificate		Short Term	2007-10-16

Surveys

Survey Code	Survey Name	Result
SMC.R	Safety management renewal	Complete
ISSC.R	Ship security renewal	Complete
ISSC.In	Ship security intermediate	Complete

Station Houston - In-service & class support	Place of survey Offshore Gulf of Mexico	Survey started 2007-05-15	Survey completed 2007-05-16	Stamp
Lead surveyor's name McKay, David G	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 negligence 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.

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Survey Observations and Findings

A Renewal ISM and Renewal Scope ISPS audit was carried out between 2007-05-15 and 2007-05-16. An Intermediate ISPS audit was due, but a Renewal scope audit was carried out at the request of the Owner in order to harmonise the expiry dates of the ISM and ISPS certificates. The audits were carried out successfully with no non-conformities noted. Three observations related to ISM and two observations related to ISPS were noted as follows:

ISM OBSERVATION No. 1

A small number of overdue planned maintenance tasks were noted in the unit's planned maintenance system database, including 6 overdue items for equipment deemed safety critical, dating back up to six months. It was stated by the crew that spare parts are slow to arrive due to supplier backlogs. It is recommended that actions be considered to prevent maintenance backlog becoming a problem (ref ISM Code Part A 4.9.2.1).

ISM OBSERVATION No. 2

It was stated during the audit that the unit's crew performs a periodical review of marine publications onboard to confirm they are up to date. Currently this is performed on an ad-hoc basis. It is recommended that this task is added to the Planned Maintenance System as a regularly scheduled routine to ensure it is completed on a timely basis. Consideration should also be given to extending this practice to the other units in the Owner's fleet (ref ISM Code Part A 11.2).

ISM OBSERVATION No. 3

It was noted that a number of personnel onboard require training as defined by the Company training matrix. It was stated by the crew that new training requirements have recently been identified and a number of new personnel are onboard. It is recommended that action continues to maintain compliance as closely as possible with the requirements of the training matrix (ref ISM Code Part A 6.5).

ISPS OBSERVATION No. 1

It was noted that when the unit's Ship Security Plan was approved, the unit did not have a Ship Security Alert System (SSAS) fitted. The unit has since been fitted with a Ship Security Alert System. It was stated during the audit that the unit's Ship Security Plan has been updated with details of the SSAS and is undergoing Flag State approval (ref ISPS Code Part A 9.4.16 - 9.4.18).

ISPS OBSERVATION No. 2

During the audit it was not possible to produce onboard the report from the last internal ISPS audit, although it was stated by the crew that this audit had been carried out. It is recommended that a system be established for filing of internal audit reports such that they can be easily retrieved (ref ISPS Code Part A 10.1.6).

A full term International Ship Security Certificate valid until 2012-05-16 and a short term Safety Management Certificate valid until 2007-10-16 were issued. A full term Safety Management Certificate will be issued by DNV Head Office in due course.



DET NORSKE VERITAS

Maritime Safety Management and Pollution Prevention

ISM CERTIFICATION ISPS CERTIFICATION SEP CLASSIFICATION
ISO 9000 series ISO 14001 Other Standard



AUDIT PROGRAMME

Company Name: **TRANSOCEAN OFFSHORE DEEPWATER DRILLING INC.** Co. DNV id No. **195724** Organisational Unit: **Auditee**

Ship Name: **DEEPWATER HORIZON** Ship DNV id No. **24037** Main Office Branch Office Shipboard Other

Audit Date(s): **2007-05-15, 16** Auditor (Team): **DAVID McKAY**

Audit Scope, Objectives, and Type

Standard	Initial	Annual	Intermediate	Renewal	Additional	Other
ISM (Management of Safe Ship Operation & Pollution Prevention)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
ISPS (International Ship and Port Facility Security Code)	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
SEP (Management of Safety & Environmental Protection)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
ISO 9001:2000	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
ISO 14001:2004	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Other:	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Audit language (if other than English):

- Audit Terms of Reference, Standards, and other SMS reference documents:
- IMO Resolution A.741(18) International Safety Management (ISM) Code and IMO Resolution A.913(22) Revised Guidelines on implementation of the ISM Code
 - DNV Rules PL 7 Ch. 5 - Management of Safety and Environmental Protection (IS-SP)
 - ISO 9000 series ISO 14001
 - Special Flag State requirements
 - Other (specify): ISPS Code, SOLAS XI-2

Audit Execution: (to include the following as appropriate)
SMS Document Review / Personnel Interviews / Physical Conditions Tour / Pre & Post Audit Meetings / Other:

Person / Function (Edit as needed)	Date 05-15		Date 05-16		Topics (ISO) / Remarks
	Start Time	End Time	Start Time	End Time	
SAFETY INDUCTION	0915	1015			
OPENING MEETING	1015	1030			ONBOARD MANAGEMENT TEAM
SENIOR DPO	1030	1045			AYIKOE ANENOU
DPO	1045	1110			STEVE BOMGARDNER
RSTC	1210	1255			MICAH LINDSEY
RADIO OPERATOR	1255	1310			JEFF CONAWAY
MEDIC/RSTT	1315	1335			RICHARD HOOVER
CAMP BOSS	1345	1415			DENNIS HORTON
BOSUN	1425	1445			LOUIS PARKER
CHIEF MATE/SSO	1445	1605			MARCEL MUISE
MAINT. SUPERVISOR	1625	1750			KENNETH HILDRE
OIM	1930	2015			VAN WILLIAMS
MASTER	2015	2120			CAPT. MICHAEL MARZOLF
CLOSING MEETING			0700	0730	ONBOARD MANAGEMENT TEAM

Planned Audit Report Distribution:

Original to Company: /Copy to DNV/MTP: /Copy to DNV/ISM Co-ordinator
 Copy to Flag State Administration: /Other:

Additional Audit Programme Information attached: Yes No



DET NORSKE VERITAS
ISM CODE CERTIFICATION
Ship Audit Report

Ship Name DEEPWATER HORIZON		DNV Id No.: 24037	
Company Name (main DOC holder): TRANSOCEAN OFFSHORE DEEPWATER DRILLING INC.		IMO No.: 8764597	
The audit has been conducted based upon authority from the Government of: REP. OF THE MARSHALL ISLANDS		IMO Ship Type: MODU	
		Class Society: ABS	
Type of audit: Initial <input type="checkbox"/> / Intermediate <input type="checkbox"/> / Renewal <input checked="" type="checkbox"/>		DOC issued by: DNV	
Additional <input type="checkbox"/> Scope/Reason: If SMC being replaced for Renewal or take-over from another RO, enter previous expiry date:		DOC issued on behalf of: MARSH. ISL.	
Date of Audit: 07-05-16 Audit Location: OFFSHORE GOM Order Reference: EOCUS46670018		DOC verified: <input checked="" type="checkbox"/>	
Corrective actions from previous audits were verified. <input checked="" type="checkbox"/> If not completed, see non-Conformity No.		Flag State authorization verified: <input checked="" type="checkbox"/>	
The Audit resulted in:	Major Non-Conformities: (unresolved)	Major Non-Conformities: (downgraded)	Non-Conformities: 3
Definitions:			
Major Non-Conformities: An identifiable deviation which poses a serious threat to personnel or ship safety or a serious risk to the environment and requires immediate corrective action; in addition, the lack of effective and systematic implementation of a requirement of the ISM Code is also considered as a major Non-Conformity.			
Non-Conformities: An observed situation where objective evidence indicates the non-fulfillment of a specified requirement.			
Observation: A statement of fact during a safety management audit and substantiated by objective evidence. It may also be a statement by the Auditor referring to the SMC which, if not corrected, may lead to a Non-Conformity in the future.			
Conclusion of the audit		Yes	Comments if any
Completed without Non-Conformities		YES	
Completed with Non-Conformities, conditional upon the agreed schedule for corrective action being completed as indicated.			
Resulted in Major Non-Conformities. Issue of or endorsement of the SMC is pending corrective action by company and additional verification by DNV.			
Resulted in Major Non-Conformities that was/were downgraded at this audit.			
Additional audit is required (See N/C note(s)).			
NOTE (1): The Audit is based upon a sampling process. When no Non-Conformities have been reported, it does not mean that none exist.			
NOTE (2): The Company is responsible for determining and initiating corrective action needed to correct the Non-Conformity and its cause.			
NOTE (3): Issue of Short Term SMC is equivalent to recommendation for Full-Term Certificate.			
<input checked="" type="checkbox"/> Issue of SMC has been RECOMMENDED.		<input type="checkbox"/> SMC has been ENDORSED.	
<input type="checkbox"/> Issue of SMC has NOT been RECOMMENDED.		<input type="checkbox"/> SMC has NOT been ENDORSED.	
Enclosures:	Audit Plan <input checked="" type="checkbox"/>	Major Non-Conformities <input type="checkbox"/>	Non-Conformities <input type="checkbox"/>
		Observations <input checked="" type="checkbox"/>	Additional remarks <input type="checkbox"/>
Station:	EOCUS466 HOUSTON	Audit Location:	OFFSHORE GOM
		Date of Audit:	07-05-16
Lead Auditor:	DAVID MCKAY	Signature:	
Team Members:		Report Preparation Date:	2016-07-05-16
Verified by:	ANTONY D'SOUZA	Signature:	
Distribution: (tick if by Auditor)	This audit report shall be retained on file by the Company for at least seven (7) years from date of audit.		
Original to Company:	<input checked="" type="checkbox"/>	/Copy to DNV/MTPNO:	<input checked="" type="checkbox"/>
Copy to Flag State Administration:	<input type="checkbox"/>	/Other:	<input type="checkbox"/>
<small>Any person suffering 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, such 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.</small>			



DET NORSKE VERITAS
ISM CODE / ISO CERTIFICATION / OTHER

Observation

Nota No.: 1 of 1
Date: 2007-05-16

Company Name: TRANSOCEAN OFFSHORE DEEPWATER DRILLING INC.,	DNV Id. No.: 195724
Ship Name: DEEPWATER HORIZON	DNV Id. No.: 28037
Company Audit <input type="checkbox"/> Ship Audit <input checked="" type="checkbox"/> Lead Auditor: DAVID McKAY	Signature:
Audit Team:	
Descriptions with references to relevant requirements or guidelines: OBSERVATION No. 1	
<p>A small number of overdue planned maintenance tasks were noted in the unit's planned maintenance system database, including 6 overdue items for equipment deemed safety critical, dating back up to six months. It was stated by the crew that spare parts are slow to arrive due to supplier backlogs. It is recommended that actions be considered to prevent maintenance backlog becoming a problem (ref ISM Code Part A 10.2.1).</p>	
OBSERVATION No. 2	
<p>It was stated during the audit that the unit's crew performs a periodical review of marine publications onboard to confirm they are up to date. Currently this is performed on an ad-hoc basis. It is recommended that this task is added to the Planned Maintenance System as a regularly scheduled routine to ensure it is completed on a timely basis. Consideration should also be given to extending this practice to the other units in the Owner's fleet (ref ISM Code Part A 11.2).</p>	
OBSERVATION No. 3	
<p>It was noted that a number of personnel onboard require training as defined by the Company training matrix. It was stated by the crew that new training requirements have recently been identified and a number of new personnel are onboard. It is recommended that action continues to maintain compliance as closely as possible with the requirements of the training matrix (ref ISM Code Part A 6.5).</p>	
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