

BP America 501 Westlake Park Blvd. Houston, Texas 77079-2064

August 30, 2005

Mr. Daun Winslow
Transocean, Inc.
1311 Broadfield Blvd., Suite 400
Houston, TX 77084

Ref: Results of BP Gulf of Mexico HSSE Audit conducted on June 22, 2005

Contractors are key to our business performance and we at BP will assess your capabilities and competencies to perform work for BP. We will work together with our contractors to ensure our respective HSSE expectations are aligned. This is one of the critical elements in our HSSE management system called "Getting HSSE Right." We also strive for continual improvement, both for ourselves and for our contractors.

Thank you for having participated in the BP Gulf of Mexico (GOM) IISSE Audit that was conducted on June 22, 2005. The attached document details how your company's HSSE management systems have aligned with the HSSE Requirements for performing work for the Gulf of Mexico Business Units. Following is the result of the HSSE audit:

cl	Yellow Conditionally Approved to work for Gulf of Mexico Business Units must close all audit findings within 12 months of audit date or face being removed from the list of approved contractors. Closure of these findings will be verified by a follow-up audit.
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These findings are solely for the benefit of BP and you, and no third party may rely on these findings or on your placement on BP's approved contractors list, for any purpose.

Please review the list of findings highlighted on the attached document. The results of the HSSE Audit show that there are some gaps between your safety management programs and BP Gulf of Mexico's HSSE Requirements.

You will be required to communicate to the responsible BP Representative or designated contact in writing along with providing the necessary supporting documentation, the actions taken to address the findings along with the closure of those findings. Your company has twelve months from the audit date to address and close the findings to BP GOM's satisfaction. It is your responsibility to ensure that appropriate corrective measures are developed and implemented.

If all items are not closed within the twelve-month time period, your company runs the risk of being removed from the approved contractors list. Please contact me with any questions you may have regarding this communication.

Again, thank you for your full cooperation in allowing us to review your company information. We will continue to work with our contractors in order to create a safe work environment for all.

Sincerely,

Scott Sigurdson RESPONSIBLE BP REPRESENTATIVE

Attachment - HSSE Audit Summary Report