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Exhibit No. _____
Worldwide Court Reporters, Inc.

**Global Leadership Discussion**  
**BP & Transocean Drilling Operations**

**Azerbaijan & Egypt May 22nd 0700 hrs Houston**

**May 19th 2008**



# Global Discussion Overview

- ◆ **Introductions from Houston**
  - **Barbara Yilmaz – BP TVP of Drilling and Completions**
  - **Rob Satiel – Transocean Executive VP of Performance**
  - **Steven Newman – Transocean President & COO**
  - **Larry McMahan – Transocean VP of Performance**
  - **Kevin Lacy – BP VP of Drilling and Completions - GoM**
  
- ◆ **Purpose of today's global discussions**



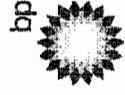
## **Discussion Agenda**

- ◆ **BP and Transocean – the significance of the relationship**
- ◆ **Leadership Alignment – onshore and offshore**
- ◆ **2007 Safety Performance**
- ◆ **Q1 Safety Performance – Improvement Opportunities**
- ◆ **BP and Transocean “It’s all about the people”**
- ◆ **Performance**
- ◆ **Forward Plan and Commitment**



# The Significance of the Relationship = 17 Rigs with 2496 People Offshore + \$4,781,795 in Daily Revenue

- ◆ Gulf of Mexico
  - Development Driller 2
  - Discoverer Enterprise
  - Deepwater Horizon
  - Marianas
- ◆ Trinidad
  - Constellation 1
  - Monitor
- ◆ Azerbaijan
  - Dada Gorgud
  - Istigal
- ◆ Egypt
  - Constellation 2
  - Comet
- ◆ Sakhalin
  - Legend (Farm Out)
- ◆ United Kingdom
  - Galaxy 1
  - Paul B Lloyd
  - Rather
  - 704 (Farm Out)
- ◆ West Africa
  - Explorer
  - Express
- ◆ Singapore
  - Development Driller 3
- ◆ Korea
  - Discoverer Luanda



Future = 19 rigs with 2816 People Offshore  
+ \$5,623,795 in Daily Revenue

## 2007 Safety Review – BP Rigs Only

- ◆ **Highlights**
  - LGD completes 3 years Sakhalin Operation with Zero TRIR
  - Five BP rigs complete the year with Zero TRIR
  
- ◆ **Lowlights**
  - High incident rate – trend slippage at year end
  - 26 recordable incidents & 6 SICs
  - Four rigs above 2.0 TRIR
  - TRIR at 1.23 just above company average of .90 for 2007
  - 8 SNHs
  - Hand injuries
  - Loss of containment

## 2007 Safety Statistics – BP Rigs Only

### Q1 2008 Safety Statistics – BP Rigs Only

RIGS	Man Hours	REC	RWC	SIC	SNH	ENV	TRIR
17 Operating	5,401,511	14	12	6	8	43	1.23
Shipyard	128,072	0	0	0	0	0	0

RIGS	Man Hours	REC	RWC	SIC	SNH	ENV	TRIR YTD
17 Operating	1,365,570	0	2	4	4	8	0.94
Shipyard	42,237	0	0	0	0	0	0

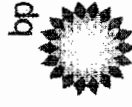
## **First Quarter Safety Results – 2008 BP Rigs Only**

- ◆ **Highlights**
  - Thirteen rigs at Zero TRIR
  - Q1 TRIR 0.94
  - Overall trend positive
  - Loss of Containment trend positive
  - Shipyard operations at Zero
- ◆ **Lowlights**
  - MAR = 2 SIC & 1 RWC
  - SIC & SNH (5 dropped objects) trending upward from 2007
- ◆ **Improvement Opportunities and areas of Focus – What is being done?**
  - SNH
  - Dropped Objects
  - Hand Injuries
  - Division & Rig Plans to address these concerns



**What does it take to develop an.....  
*Incident Free Culture? One Rig... One Team!***

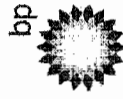
- ◆ **Belief in the vision...Incident Free Workplace IS achievable**
- ◆ **Leadership Guidance – Transocean Leads the Rig Team**
- ◆ **Actively Caring for Employees and Co-workers**
- ◆ **Clear Expectations and strict adherence through Policy and Procedure**
- ◆ **Established Safety System and support structure**
- ◆ **BP/Transocean follow up and closure on significant global events where lessons are shared through FOCUS**





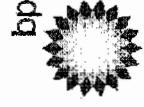
## **Safety Leadership and People Development**

- ◆ **Transocean Safety Leadership Training – rig based**
- ◆ **Transocean Master’s Class – onshore**
- ◆ **Rig Manager’s Leadership Training**
- ◆ **Job Descriptions & Roles and Responsibilities**
- ◆ **OJT Program + Assigned Mentors**
- ◆ **Competency assurance for position**



## **Performance Review and Alignment**

- ◆ **Transocean Perspective – What is important?**
- ◆ **BP Perspective – What is important?**
- ◆ **Performance Alignment Discussion**



## Forward Plan for Focused Continuous Improvement

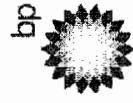
### ◆ **SAFETY**

- For *All* of Rig Team including Service Partners under Transocean Safety Management System
- Think – Management review and feedback to rig
- Start – Management review and feedback to rig
- SLT – Supervisor lead training on the rig
- Rig Pulse Checks – Gulf of Mexico experience
- Hazard Recognition Plus
- Hand Injury Prevention
- Dropped Object Identification and Prevention



# Forward Plan for Focused Continuous Improvement

- ◆ **PEOPLE**
  - Supervisor development plans
  - Training requirements & compliance
  
- ◆ **PERFORMANCE**
  - **PERFORMANCE MATTERS!**
  - Full information and joint effort
  - Well section planning & optimization
  - Flat line tracking
  - Avoidance of significant events and incidents
  
- ◆ Motivating through leadership examples and crew discussions
  
- ◆ Monitoring our progress



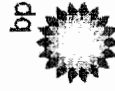
## **Commitment from the Joint Leadership Team**

- ◆ **Future calls to keep everyone well informed / aligned**
- ◆ **Rig visits / face to face discussions**
- ◆ **Ask and Listen - how can we better support the field operations?**
- ◆ **Questions?**



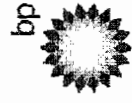
## 180 Day Performance Review - Downtime

- ◆ **Q4 2007 – Q1 2008**
  - **Transocean Rather** – Failure of LMRP test during latch up following disconnect due to weather (**477hrs**)
  - **Constellation II** – Repair of BOP MUX control system (**313hrs**)
  - **Dev. Driller** – Change out of blue MUX pod (**231hrs**)
  - **Monitor** – Change out of Elmagco Brake (**111hrs**)
  - **Enterprise** – BOP Controls failure due to egress of water (**61.5hrs**)
  - **Enterprise** – Failure of traveling block bearing due to insufficient greasing (**30hrs**)
  - **Istiglal** – Repair of degasser Pump (**57.5hrs**)
  - **Deepwater Horizon** - Motion Compensator; failure of tensioner rod seal leading to LMRP pull (**209hrs**)
  - **Monitor** – Diverter Repair (**46.5hrs**)
  - **Sedco Express** - Change-out split joint parker element (**27hrs**)
  - **Explorer** – Pipe Handling – Subsea & TDS (**139hrs**) (Q3=450+hrs of Subsea DT)



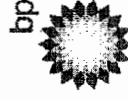
## Europe & Africa Accolades

- ◆ **Sedco Express:**
  - recognized for achieving Two Million Man hours DAFWC in February 2007
  
- ◆ **Paul B Lloyd:**
  - Delivery of the well WW16 under budget realizing a saving of approximately 6.6 million GBP for BP
  - Excellent performance on the CP-23 and Align wells, both completed ahead of target schedule.
  - Audit shows good compliance with policies and high participation in management system.
  - Delivery of Clair Ridge well 5 days ahead of plan



## North & South America Accolades

- ◆ **Discoverer Enterprise:**
  - Outstanding teamwork on the rig.
- ◆ **The Deepwater Horizon:**
  - Recognized for exemplary performance
- ◆ **Constellation I**
  - Recognized for “most improved” HSE performance Q1 2008.
  - Delivered best overall well drilled in DPU to date (Mango 05).
  - Delivered sufficient savings on Mango project to allow 7th well within original budget scope for 6.
- ◆ **Monitor**
  - Delivered drilling promise to production from Cashima for 2007.
  - Delivered best drilling days per 10K to date with 21.3 on Cashima 03.

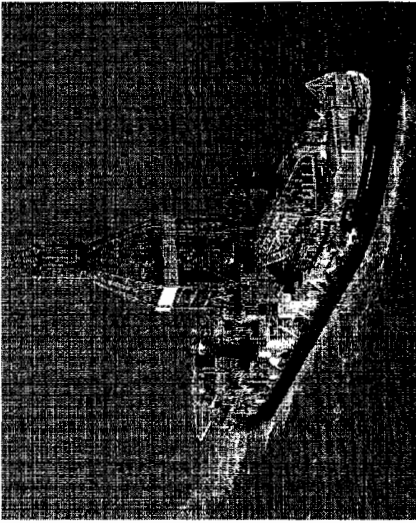




## **Appendix – Performance details by area**

# Explorer

1-Oct-07 to 31-Mar-08



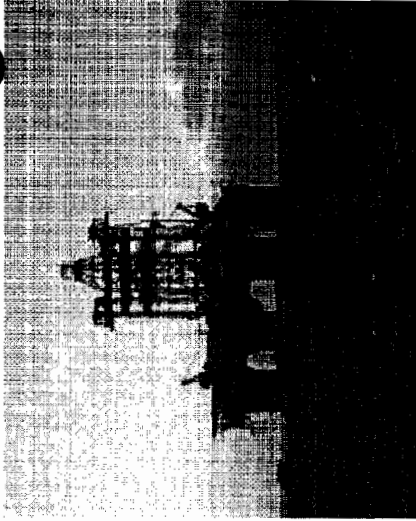
FAC	Incidents - All-POB				Downtime	
	MTC	RWC	SIC	EVD	Hrs	%
11	0	0	1	2	159.5	3.63

## Highlights

- ◆ Successful positioning and drilling of top hole sections of Elara-Leda-Dione batch wells.
- ◆ Rig uptime improvements relative to start up period continue into Q1 '08.
- ◆ Riser running efficiency continuously improving with best run to date on Palas-2
- ◆ Supervisory Angolan positions on Explorer regularized (Asst. Drillers and Crane Operators).  
Lowlights / Improvement Area
- ◆ Roustabout injured during bulk hose transfer (SIC) in Jan 08.
- ◆ Hi-Po incident involving dropped DC in Feb 08.
- ◆ Implement standardized procedures for critical tasks – tasks have been identified and review in progress.
- ◆ Review lifting procedures for blind lifts.
- ◆ Re-assess crane operators/ deck crews by in-house specialist and identify weak areas for training and development.

# Sedco Express

1-Oct-07 to 31-Mar-08



FAC		Incidents - All POB				Downtime	
MTC	RWC	SIC	EVD	SICR	TRIR	Hrs	%
3	0	1	0	0	0.00	61.5	1.4

## Highlights

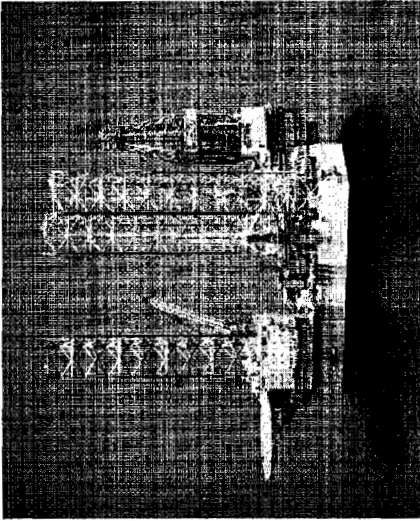
- Safe and timely recovery from Bonnette Tide collision incident (less than 12 days).
- On December 26<sup>th</sup>, the Sedco Express reached the 1,000 day mark of consecutive days without a DAFWC.
- 2 million man-hours without DAFWC in February (appreciation letter received from Tony Howard).
- 100% scored at PMAA carried out in March – 1<sup>st</sup> Transocean rig ever to achieve this score after the initial audit.
- 0 TRIR YTD – 0.48 12-mon. rolling average
- 98.6% up time for Q4 '07 thru Q1 '08
- 92.57% scored in Q1 SQA – improvement against 85.8% scored in Q4 '07

## Lowlights / Improvement Area

- Attrition and people retention: at the end of March beginning of April, 1 AD, 1 Driller and 1 PMS resigned, 1 ADS Driller asked for a transfer back to work in his home country, Canada.
- Harmonization of payroll between legacy GSF and Transocean rigs to allow more flexibility in personnel movements and consequently benefit from Division size.
- Further engagement of third parties to reduce downtime associated with their equipment.
- Angolan work visa delays continues to be a major source of frustration for all personnel involved.
- Logistics concerns to be clearly identified and adequately addressed.

# Constellation I

1-Oct-07 to 31-Mar-08



Incidents - All POB							Downtime	
FAC	MTC	RWC	SIC	EVD	SICR	TRIR	Hrs	%
1	1	1	0	1	0.00	1.68	26.5	0.60

## Highlights

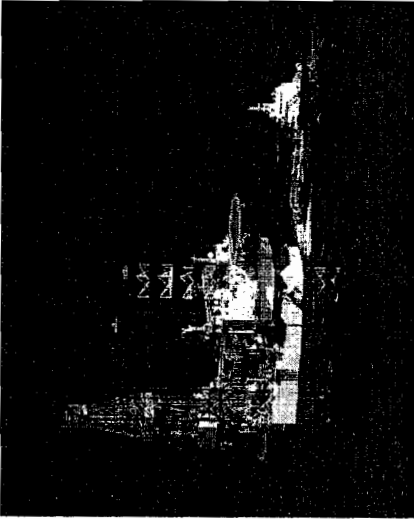
- ◆ Zero DROPs and Zero SNH (HIPO's) for the period.
- ◆ Maintained a consistent high level of safety inputs.
- ◆ Recognized for "most improved" HSE performance Q1 2008.
- ◆ Delivered best overall well drilled in DPU to date (Mango 05).

## Lowlights / Improvement Area

- ◆ 2 Recordable and 1 FAC finger injuries in Q4 2007.

# Constellation II

1-Oct-07 to 31-Mar-08



FAC	MTC	Incidents - All POB				Downtime	
		RWC	SIC	EVD	TRIR	Hrs	%
0	0	0	0	0	0.00	392.3	8.95

### Highlights

- ◆ 1052 days since last SIC.
- ◆ Zero recordable incidents and zero environmental incidents during reporting period.
- ◆ Successfully drilled Satis 1 well to TD @ 21,547 ft, logged, sidetracked, cored and abandoned well.
- ◆ Deepest, highest pressure (+/- 18,500 psi) well ever drilled in the Mediteranean.
- ◆ Discovered significant gas deposits in Oligocene that will be a catalyst for future HPHT exploration.

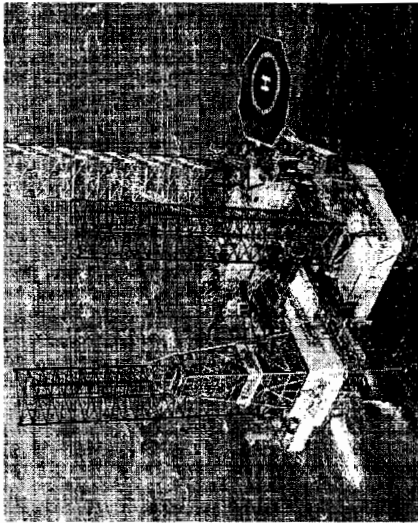
◆ Largest OD expandable liner (13 5/8" x 16") ever run by BP

### Lowlights / Improvement Area

- ◆ HIPO Near Miss – man wearing inertia real too close to rotating equipment.
- ◆ 10 hrs due to cable failure on star racker load cell / cables have been rerun since
- ◆ 9.25 hrs due to IBOP failure.
- ◆ 313.75 hrs due to BOP control coms problem / Hydril technician mobilised, training for crews

# Monitor

1-Oct-07 to 31-Mar-08



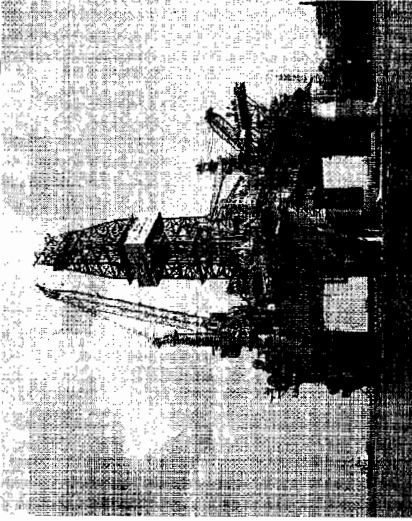
Incidents - All POB				Downtime				
FAC	MTC	RWC	SIC	EVD	SICR	TRR	Hrs	%
9	0	0	0	0	0.00	0.00	230.5	5.25

## Highlights

- ◆ Zero Recordables for the period.
- ◆ Zero DROPs and Zero SNH (HIPO's).
- ◆ Maintained a consistent high level of safety inputs.
- ◆ Delivered drilling promise to production from Cashima for YE 2007  
Lowlights / Improvement Area
  - ◆ 9 FAC's for the period.
  - ◆ Excessive equipment DT with three major events in the period:
    - >48.25 hours on KFDJ diverter overhaul.
    - >28.25 hours on port crane failure (electrical).
    - >99.0 hours on Elmagco change out (catastrophic bearing failure).

# Development Driller II

1-Jan-08 to 31-Mar-08



Incidents - All POB				Downtime				
FAC	MTC	RWC	SIC	EVD	SICR	TRIR	Hrs	%
3	0	0	0	7	0.00	0.00	257.75	5.87

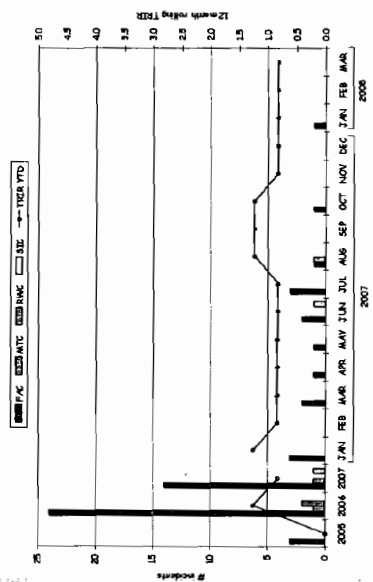
### Highlights

- ◆ Good safety performance – 284 days since LTI and 220 days since last recordable
- ◆ 30% Flat spot improvement from 2007
- ◆ Reduction in dropped object since 2007 (2 vs 16)
- ◆ Successfully completed Mardi Gras hydrate remediation project

### Lowlights / Improvement Area

- ◆ NPT:
  - >POD downtime (water intrusion – SEM housing) – 231 hrs
  - >Diverter seal failure – 25 hrs

Development Driller II Incidents & TRIR (2006 - Mar 2008)  
 Note: EVD data starts Mar 15th 2008



# Discoverer Enterprise

1-Jan-08 to 31-Mar-08



Incidents - All POB				Downtime		
FAC	MTC	RWC	SIC	EVD	Hrs	%
4	0	0	0	0	162	7.4

## Highlights

◆ As of March 31st 2008, DEN has worked 660 days without LTI and 228 days since last recordable – DEN is "Wearing the Coat"

◆ January 1st initiated hand a finger safety campaign – have worked 3 months without significant hand/finger injury

◆ 4 well programs completed successfully (no incidents; ahead of AFE) – TD'd 777#4 and S/T, 822 tree change out and TD'd 777#5

## Lowlights / Improvement Area

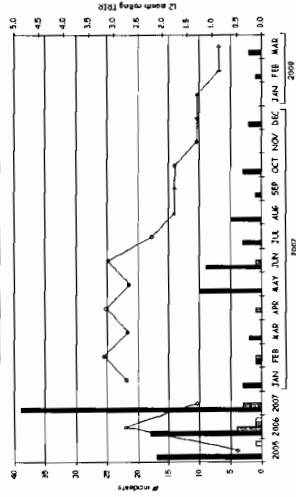
◆ High Turnover of personnel

> Rig is focusing on increased quality mentoring and training of new personnel as well as focusing on the additional detail and leadership required in the day-to-day job.

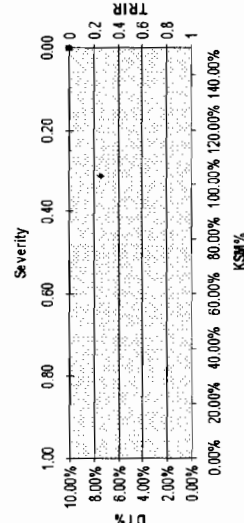
◆ Significant NPT events:

- > BOP NPT – repair of damaged MUX cable (procedural error)
- > Travelling Block NPT – failed sheave on travelling block (procedural failure)

Enterprise Incidents & TRIR (2008 - Mar 2008)



Excellence Graph - 1-Jan - 31-Mar





# Deepwater Horizon

## 1-Jan-08 to 31-Mar-08



Incidents - All POB						Downtime	
FAC	MTC	RWC	SIC	EVD	TRIR	Hrs	%
4	0	0	0	0	0.00	16.5	0.8

### Highlights

◆ Achieved 5 Year No LTI on February 28, 2008. **0.00** **0.57** Rolling TRIR

◆ Schlumberger's Deepest Successful Strip Over Job.

◆ Ended 2007 with a training compliance of 96%.

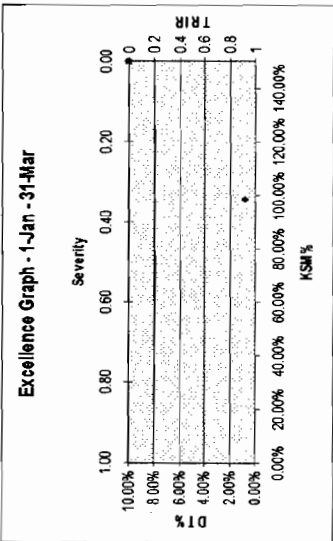
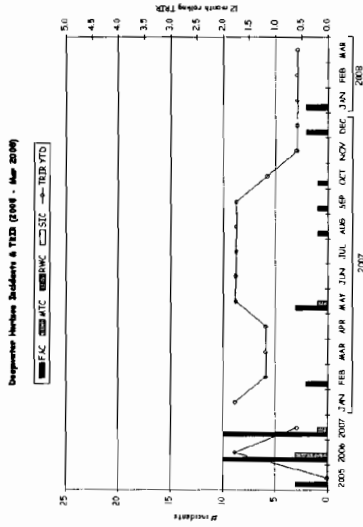
◆ 10 MMS visits by 6 different inspectors: No INC or Work list.

◆ Finished Kodiac/H2S well: No incidents with well control or H2S Lowlights / Improvement Area

◆ Need to further reduce the amount of First Aid Cases.

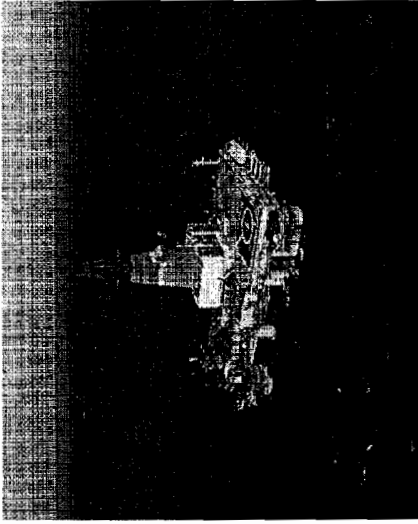
◆ Improve our cross-training efforts for all positions.

◆ Downtime event with Riser/Tensioners, better control and planning.



# Transocean Marianas

1-Jan-08 to 31-Mar-08



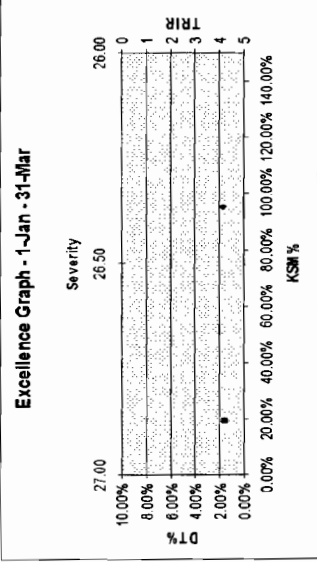
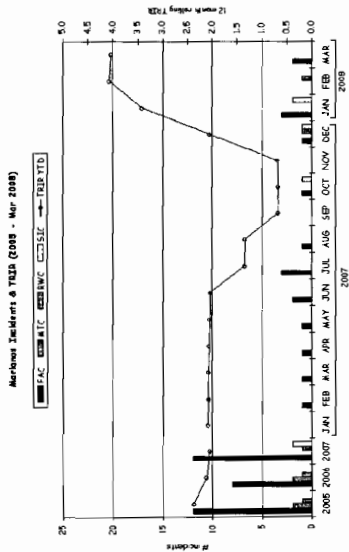
Incidents - All POB				Downtime				
FAC	MTC	RWC	SIC	EVD	SICR	TRIR	Hrs	%
5	0	1	2	0	2.83	4.24	36.5	1.7

## Highlights

- ◆ Downtime below 2% for 2008
- ◆ Hands free lifting program initiated
- ◆ Successfully completed Nakika F-5 while moored in 7,000 ft WD

## Lowlights / Improvement Area

- ◆ High turnover of personnel on rig and shore base
- ◆ 2 x SIC's and 2 x RWC's since returning from farm out
- ◆ SNH with Riser insert
- ◆ Drill pipe failures x 2
- ◆ NPT:
  - Troubleshoot and repair link tilt
  - Tubing head spool damage requiring completion to be pulled
  - Procedural error when pipe rubber dragged downhole



## Slide Notes

### Slide 18:

EPL worked

Oct. 1 2007 – Mar. 31, 2008

HSE	-	11 FAT	1 Recordable	2 EVD (0.19 Bbl)
Manhours	-	313,752		
DT	-	159.5	3.63%	

### Slide 19:

EXS worked

Oct. 1 2007 – Mar. 31, 2008

HSE	-	3 FAT	1 Recordable	1 EVD
Manhours	-	378,240		
DT	-	53	1.21%	

### Slide 20:

CS1 worked

Oct. 1 2007 – Mar. 31, 2008

HSE	-	1 FAT	2 Recordable	1 EVD (3.00 Bbl)
Manhours	-	238,248		
DT	-	26.5	0.60%	

## Slide Notes

### Slide 21:

CS2 worked

Oct. 1 2007 – Mar. 31, 2008

HSE	-	1 FAT	1 Recordable	1 EVD (1.90 Bbl)
Manhours	-	243,546		
DT	-	387.25	8.82%	

### Slide 22:

MTR worked

Oct. 1 2007 – Mar. 31, 2008

HSE	-	9 FAT	0 Recordable	0 EVD (0.00 Bbl)
Manhours	-	239,007		
DT	-	291.5	6.64%	

### Slide 23:

DD2 worked

Oct. 1 2007 – Mar. 31, 2008

HSE	-	3 FAT	0 Recordable	7 EVD (1.75 Bbl)
Manhours	-	357,552		
DT	-	257.75	5.87%	

## Slide Notes

### Slide 24:

DEN worked

Oct. 1 2007 – Mar. 31, 2008

HSE	-	13 FAT0 Recordable	1 EVD
Manhours	-	384,899	
DT	-	211.25 4.81%	

### Slide 25:

DWH worked

Oct. 1 2007 – Mar. 31, 2008

HSE	-	8 FAT	0 Recordable	0 EVD
Manhours	-	293,660		
DT	-	277	6.31%	

### Slide 26:

MAR worked

Dec. 12 2007 – Mar. 31, 2008

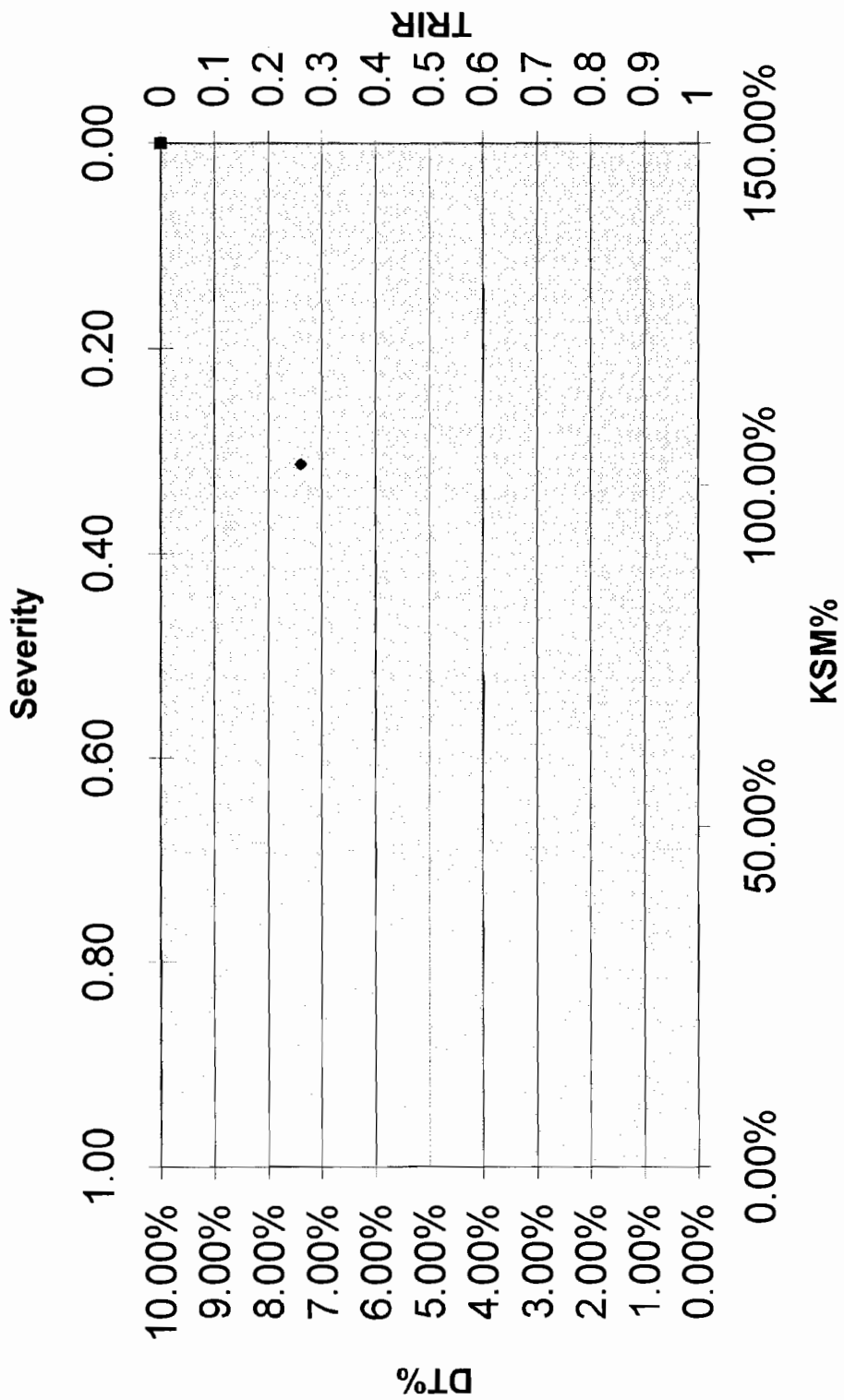
HSE	-	6 FAT	5 Recordable	0 EVD
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**Slide Notes**

Manhours - 170,671

DT - 52.5 1.98%

# Excellence Graph - 1-Jan - 31-Mar



Excellence Graph

Printed : 21-Apr-2008  
19:56 GMT  
GRS-OnLine

User Defined: (01-Oct-2007 to 31-Mar-2008)  
DT Objective(N/A)

Rig Name	DEN
----------	-----

Note:

- KSM Score may include some operations for 'Rig Up/Down' and 'BOP Testing' outside the reporting period but within the boundary Run/Section to ensure accurate comparison with target values set by Run/Section #

- Downtime figures account for Transocean Mechanical + Procedural downtime

Achieving Operational Excellence in an Incident-Free Workplace

TRIR Objective(N/A)

Rig Name	DEN
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Note:

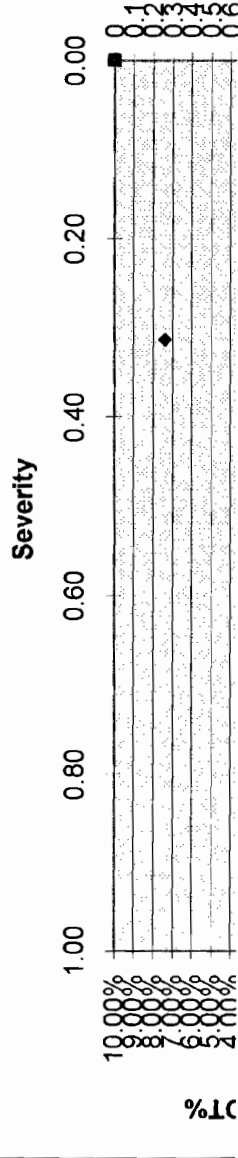
- Severity and Recordable Incident rates account for Transocean recordable incidents (FAT, MTC, SIC and RWC)

- Severity Rate = Sum(Actual Severity) \* 200,000 / Working Hours

- Rec.Inc.Rate = Number of Incidents \* 200,000 / Working Hours

KSM	DT	Severity	TRIR
103.000%	7.40%	0	0

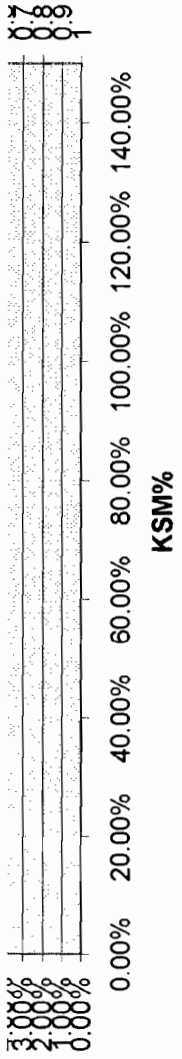
Excellence Graph - 1-Jan - 31-Mar







TRIR

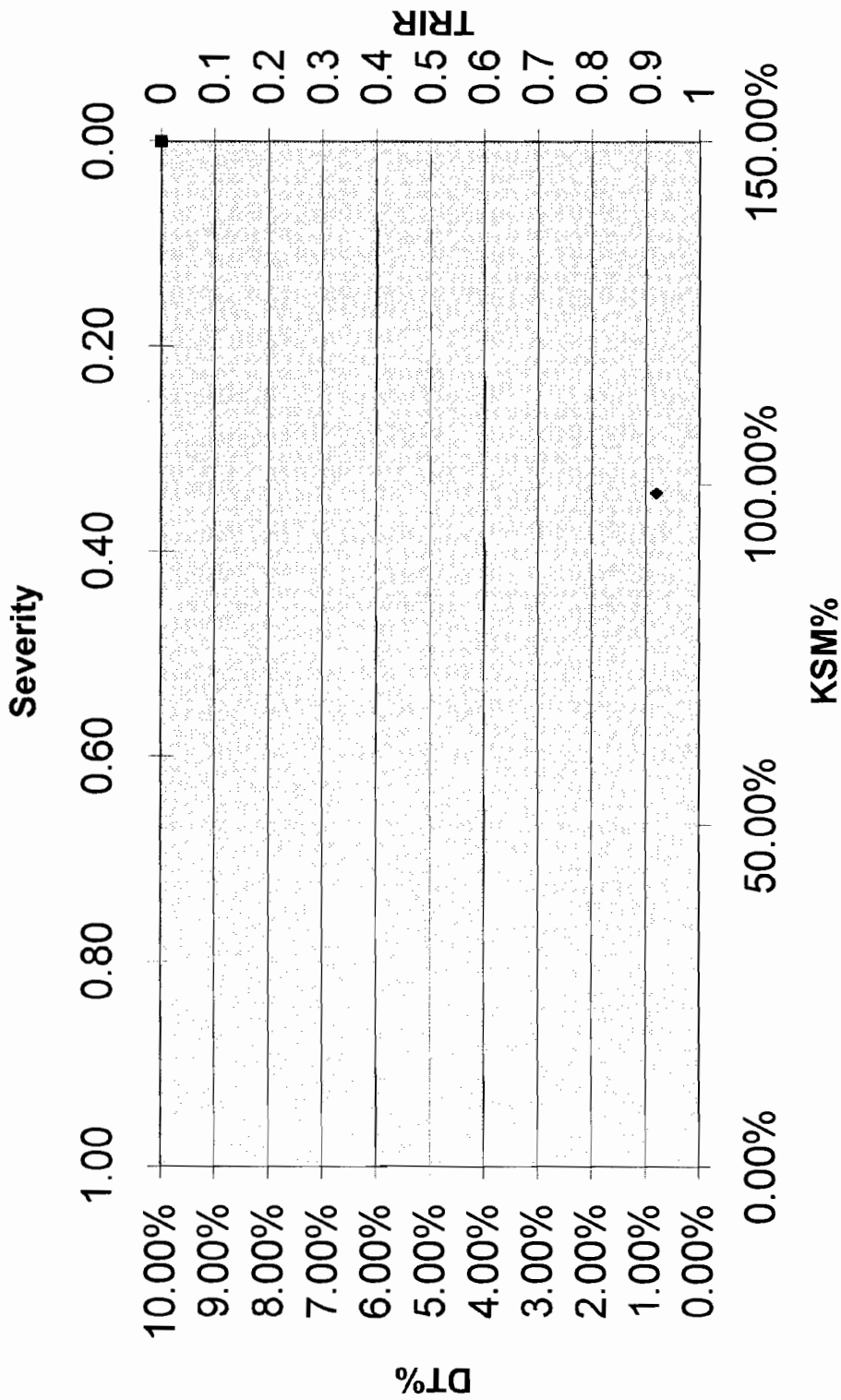


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# Excellence Graph - 1-Jan - 31-Mar



Excellence Graph

Printed : 21-Apr-2008  
19:56 GMT  
GRS-OnLine

User Defined: (01-Oct-2007 to 31-Mar-2008)  
DT Objective(N/A)

Rig Name	DEN
----------	-----

**Note:**

- KSM Score may include some operations for 'Rig Up/Down' and 'BOP Testing' outside the reporting period but within the boundary Run/Section to ensure accurate comparison with target values set by Run/Section #
- Downtime figures account for Transocean Mechanical + Procedural downtime

TRIR Objective(N/A)

Rig Name	DEN
----------	-----

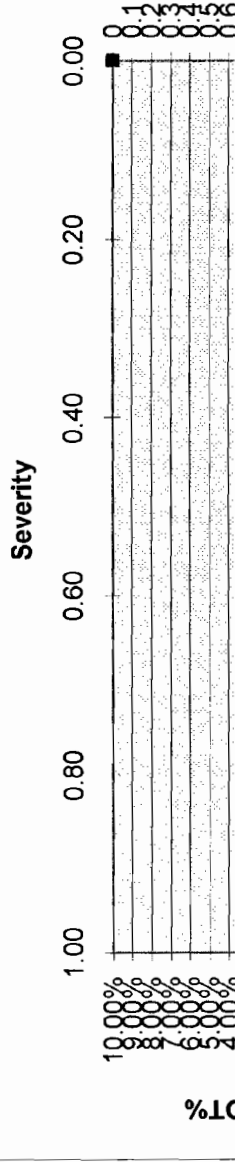
**Note:**

- Severity and Recordable Incident rates account for Transocean recordable incidents (FAT, MTC, SIC and RWC)
- Severity Rate = Sum(Actual Severity) \* 200,000 / Working Hours
- Rec.Inc.Rate = Number of Incidents \* 200,000 / Working Hours

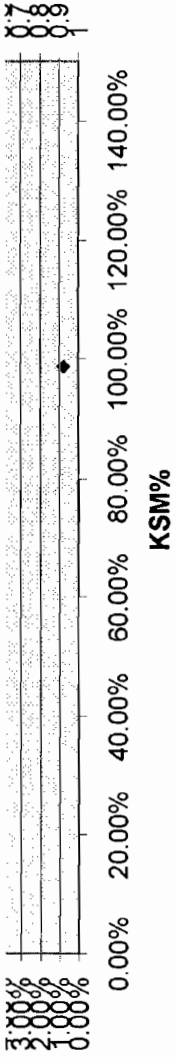
KSM	DT	Severity	TRIR
98.70%	0.80%	0	0

Achieving Operational Excellence in an Incident-Free Workplace

Excellence Graph - 1-Jan - 31-Mar



TRIR



1





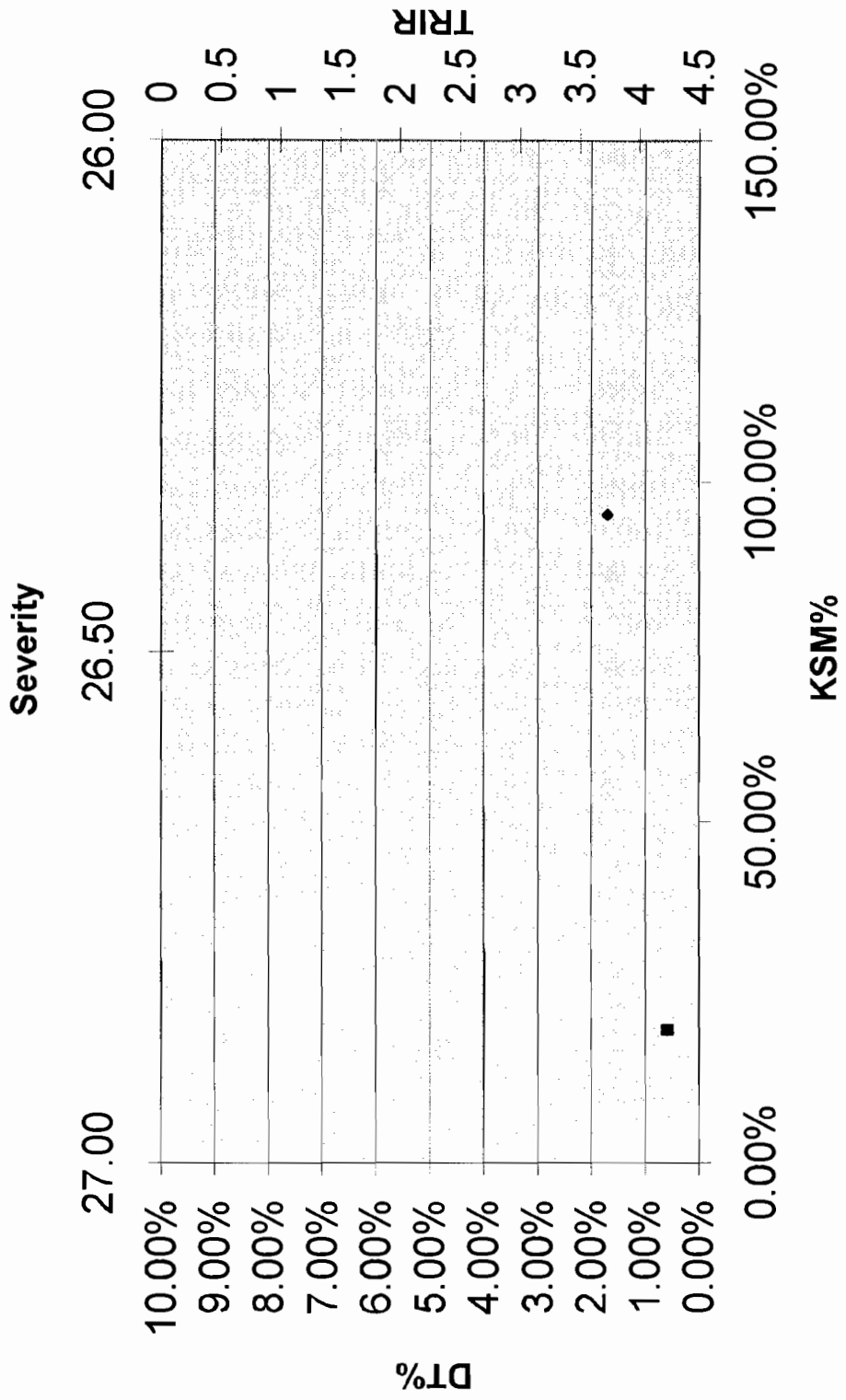
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# Excellence Graph - 1-Jan - 31-Mar



Excellence Graph

Printed : 21-Apr-2008  
19:56 GMT  
GRS-OnLine

User Defined: (01-Oct-2007 to 31-Mar-2008)  
DT Objective(N/A)

Rig Name	DEN
----------	-----

Note:

- KSM Score may include some operations for 'Rig Up/Down' and 'BOP Testing' outside the reporting period but within the boundary Run/Section to ensure accurate comparison with target values set by Run/Section #

- Downtime figures account for Transocean Mechanical + Procedural downtime

TRIR Objective(N/A)

Rig Name	DEN
----------	-----

Note:

- Severity and Recordable Incident rates account for Transocean recordable incidents (FAT, MTC, SIC and RW/C)

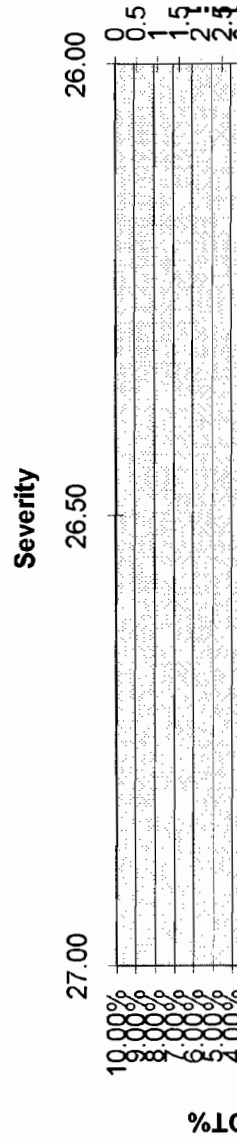
- Severity Rate = Sum(Actual Severity) \* 200,000 / Working Hours

- Rec.Inc. Rate = Number of Incidents \* 200,000 / Working Hours

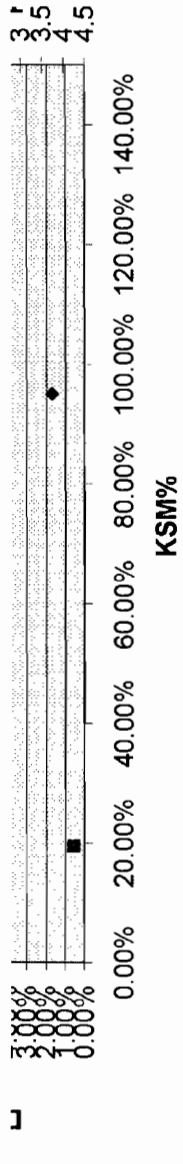
Achieving Operational Excellence in an Incident-Free Workplace

KSM	DT	Severity	TRIR
95.10%	1.70%	26.87	4.24

Excellence Graph - 1-Jan - 31-Mar



CONFIDENTIAL



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Figure

