

Rationale for Containment vs "BOP on BOP"

Our Strategy to Date

1. Do not take action which could cause the situation to deteriorate;
2. Work all possible options - and in parallel;
3. Leverage the resources of industry and government to fullest extent – "no stone left unturned".

Learning's from "Top Kill" Operation

1. Diagnostics and data acquired suggest that rupture disks in the 16" casing *may* have failed during the initial well control event;
2. *If* they have failed, any attempt to "shut in" the well from the surface (eg using the BOP on BOP option) could cause hydrocarbons to flow to shallow formations and onwards to the seafloor.

Decision

- As this possibility cannot be ruled out – the lowest risk option is to contain the well flow and not shut the well in;
- As a result, the "BOP on BOP" option has been discontinued. The DDII is consequently returning to drilling operations;
- We move forward with Containment in three phases:
 - (i) LMRP Cap;
 - (ii) Flowback to Q4000 along with LMRP Cap;
 - (iii) Permanent Riser flowing to FPSO / Shuttle Tanker.