

INFORMATIONAL MEMORANDUM

Date: November 12, 2010

To: Commission Staff

From: Deputy Secretary David J. Hayes

Cc: Ken Lanc

Re: Follow-up questions on Containment

Commission staff has requested additional detail regarding the source control effort. To respond to this inquiry, our staff has reviewed our files and prepared the following summary of some of the important milestones in the chronology. Please let us know, via Ken Lane, if you have follow-up questions.

- On April 21st, 2010, Secretary Salazar received word that the Deepwater Horizon rig had exploded and the United States Coast Guard had initiated a search and rescue operation. MMS employees David Dykes, Bryan Domangue and Kirk Malstrom were immediately redirected to BP headquarters in Houston and provided hourly updates to MMS Director Liz Birnbaum and Secretary Ken Salazar.
- Secretary Salazar initiated daily calls with BP's technical team in Houston on April 21st to obtain immediate updates on well containment activities and to discuss well containment strategies. Secretary Salazar led these daily calls with BP's top management and representatives from, DOE, BOEMRE and the USCG on a seven day-a-week basis, without interruption until mid-September when the well was officially killed.
- Also on April 21st, Deputy Secretary (DS) David Hayes and Press Secretary Kendra Barkoff traveled to New Orleans. DS Hayes viewed the initial hot stab efforts to close the BOP rams from the MMS command center, reporting in to Secretary Salazar.
- Late in the day on April 21st, Secretary Salazar sent an email to senior DOI leadership that detailed the severity of the matter, described DOI's immediate next steps, and informed leadership that he was working with Secretary Napolitano on response efforts. As he stated in his communication at 11:00 pm that evening: "This is a very serious matter. People are probably dead and many are seriously hurt. As I directed earlier, our principles are: first, protect people in the life safety and rescue mission; second, protect the environment with every last ounce of effort by containing the oil flows and potential diesel spills; and third, prevent this problem from happening again."
- On April 22nd, DS Hayes and Barkoff worked with the Coast Guard in setting up the initial Joint Information Command Center in New Orleans (overruling BP's request that the primary command center be established in Houston).

- On April 22nd, Secretary Salazar called the President of BP, Lamar McKay, to discuss BP's plans to respond to the well. That same day, Lamar McKay responded to Secretary Salazar in a letter describing BP's current response to the spill and its step forward for well containment.
 - In connection with DS Hayes' initial trip to New Orleans, Hayes initiated communications with Admiral Thad Allen, Commandant of the United States Coast Guard, and the local USCG commander, Rear Admiral Mary Landry. (Hayes called Thad Allen early in the morning of the 21st, prior to going down to New Orleans. Hayes and Allen had developed a working relationship prior to the incident.)
 - Within two days of the incident, Admiral Allen called a National Response Team (NRT) principals meeting to discuss the activation of the Regional Response Team and the National Response Team. Director Birnbaum participated in the principals meeting on behalf of DOI. Shortly thereafter, the NRT initiated daily update calls to coordinate response activities across the government. Interior Department representatives participated on all NRT calls, providing updates on well containment activities.
 - As noted above, based on Hayes' consultations with USCG, Secretary Salazar and other members of the Unified Command, it was agreed to establish the main response command in New Orleans (temporarily in Robert, LA until space was made available in New Orleans. The Unified Command moved to its permanent location in New Orleans on June 16th) with a secondary location in Houma. DOI dispatched representatives to each of those locations to assist the Unified Area Command in spill response, source control, and in the development of a relief well drilling plan. MMS staff remained stationed at BP and Transocean offices for the entirety of the process to help resolve technical issues as they arose. MMS required BP, as the responsible party, to notify and seek the approval of MMS for any actions affecting the Macondo well.
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- On April 23rd, DS Hayes initiated discussions with Commandant Allen to set up the joint USCG/MMS investigation of the incident. The agreement was memorialized on April 27th.
 - On April 24th, Secretary Salazar followed up with BP on its April 22nd letter, which indicated the company's potential willingness to drill a relief well "if needed." Based on the discussions that ensued, and Secretary Salazar's insistence, BP committed to begin drilling a relief well immediately and to deploy a second relief well as an added assurance that the uncontrolled well would be contained.
 - During the first week of the incident, the National Security Council began hosting meetings in the WH Situation Room for the principals of the affected agencies to facilitate coordination. By May 3rd, these meetings were taking place every Monday, Wednesday and Friday. DS Hayes participated actively in these meetings.
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- Secretary Salazar and Hayes met in person on April 27th with BP executives Lamar McKay, Tony Hayward and Dave Nagel to discuss the source control options and to ensure that BP was fully aware of its responsibilities to contain the well, under federal oversight and direction.
- The day after the BP executives meeting, Secretary Salazar took the first of many trips to Houston to review the response efforts at BP headquarters. On April 29th, after attending the operations meetings with BP executives, he concluded that BP was not making adequate progress in addressing the spill and pushed the company to expand source control and well containment options.
- On April 29th, Secretary Salazar and DS Hayes hosted a meeting with CEOs and other high level industry representatives to ensure industry-wide coordination of support and resources for responding to the oil spill.
- On April 30th, a conference call was held with Department of Defense officials to discuss potential military assistance for the containment effort.
- On April 30th, DS Hayes put DOE experts from the national labs in touch with BP to explore ideas that DOE's scientists had regarding potential additional approaches for containing the well.
- At the Interior Department, Secretary Salazar set up a process for ensuring coordination across the Department for all oil spill response-related activities; DS Hayes coordinated the overall effort. Beginning on May 3rd, Secretary Salazar held daily meetings with the DOI Gulf leadership team to review developments and prepare coordinated responses.
- On April 30th Secretary Salazar took his first trip to Louisiana to investigate operations there. He charged Assistant Secretary (A/S) Tom Strickland with organizing the on-scene response to the oil spill in the Gulf, given the significant Department of Interior assets in the Gulf, and the Department's responsibilities as a land, water and wildlife manager. A/S Strickland made 14 trips to the Gulf through August. On May 7th, Secretary Salazar assigned senior Interior staff to act as Department of Interior Lead/Incident Commanders for each command post as follows: Unified Area Command/Robert, LA – Lori Faeth, Director of Intergovernmental Affairs; Houma Incident Command Post – Rowan Gould, Acting Director of the Fish and Wildlife Service; Mobile Incident Command Post – Jon Jarvis, Director of the National Park Service; Saint Petersburg Incident Command Post – Dan Kimball, Superintendent of Everglades National Park. During the height of oil spill response effort, more than 1,000 Interior Department employees were stationed in the Gulf to defend the coast and protect the environment.
- As a supplement to the United States Coast Guard/MMS investigation of the incident, Secretary Salazar determined that an independent root cause analysis of the blowout should be undertaken. On May 4th, he contacted the head of the National Academy of Sciences (Dr. Ralph Cicerone) to request that National Academy of Engineering to

perform an independent investigation of the events leading up to the oil spill. Arrangements were subsequently finalized with the NAE to undertake this independent analysis.

- Secretary Salazar and DS Hayes worked with BP within the first few days of the incident to develop a template for a daily written report that would identify with specificity all containment-related activities, with related timelines and updates on progress against timelines. Initial reports prepared by BP were rejected due to inadequate detail. Within the first week of May, an acceptable template had been developed and was subsequently used for reporting purposes throughout the remainder of the spill response and containment effort.
- In the second week of May, Secretary Salazar asked US Geological Survey Director Marcia McNutt to work with Secretary Chu and BP executives to fulfill a request from the White House to Secretary Chu to set up a Science Team from America's top national laboratories.
- On May 22nd, DS Hayes communicated with Commandant Thad Allen regarding Secretary Salazar's wishes that Marcia McNutt lead the National Incident Command's Flow Rate Technical Group (FRTG). Commandant Allen agreed, and Dr. McNutt took over the FRTG, which subsequently undertook a more comprehensive evaluation of flow rates associated with the Macondo well.
- On May 26th, following extensive internal discussions, and the active involvement of the Science Team, DOI, BP and the interagency Science Team decided to move forward with the top kill procedure and with conducting multiple tests on the choke and kill lines. When the top kill attempt was unsuccessful, Admiral Allen directed BP to move forward with Plan B -- the potential decoupling of the riser from the LMRP and the placement of a specially-constructed "sealing cap" on the assembly. This option had been identified as a potential contingency early on, and BP had constructed and tested, on a parallel track, a specially-designed "stacking cap" that potentially could be placed on top of the lower marine riser package (LMRP).
- On May 28th, BP provided Secretary Salazar and the Unified Command with a plan forward to proceed with the sealing cap containment effort. Secretary Salazar required that the plan be implemented on a more aggressive timetable than initially suggested by BP.
- During the same period, on June 11th, after approval from Secretary Salazar, the Federal On-Scene Coordinator, Admiral Watson, issued an order to BP to put in place a system or systems capable of collecting the oil and gas escaping from the Macondo well, and that the plans must anticipate complications from severe weather. The order also mandated that BP produce plans for this collection system including an implementation timeline within 72 hours. BP responded on June 13th with a detailed description of the elements of its containment plan moving forward.

- To ensure that all industry resources were continuing to be made available for the containment effort, Secretary Salazar called a second meeting of industry executives on June 15th to identify other potentially useful tools for containment and to review BP's most current containment plan. Following the meeting, eight companies formally submitted additional offers of assistance.
- Secretary Salazar worked with the Science Team to develop the order issued by Admiral Watson on June 19th to BP to submit a timeline delineating upcoming decision points relating to containment of the Macondo well. The order directed that the plan describe expedited deployment of the next phases of containment. The order also mandated that before BP would be allowed to execute any decisions relating to design, manufacturing, or operational procedures concerning the well, BP must submit the pending decision to the US Government for review. The order also included a requirement that BP produce all plans for a new top hat, manifolds and other replacement equipment. These requirements were set forth in the June 19th order issued by Admiral Watson and the June 15th meeting requesting additional resources. BP responded in a June 21st letter that added two additional scenarios for mid-July that would increase containment capacity to upwards of 90,000 barrels a day.
- In late June and early July, extensive discussions proceeded regarding the potential decoupling of the riser from the LMRP and the placement of the specially-constructed "sealing cap" on the assembly. Secretary Salazar and the Science Team were directly involved in these discussions, which involved potentially high-risk procedures regarding the removal of the top hat that was containing a large majority of the flow, the decoupling of the riser, and the attempted installation of the sealing cap on top of the full, unconstrained flow of the well. There also were significant additional concerns regarding the down-hole integrity of the well, and the question of whether the pressure of capping the well would lead to uncontrolled discharges of oil through the ocean floor.
- Procedures were developed in consultation with the Science Team, and approved by Secretary Salazar and the Unified Command, to address the risks associated with the sealing cap procedure, and to put in place a Well Integrity testing procedure to evaluate whether, once capped, the well would withstand the back-pressure caused by the cap.
- Even as the sealing cap procedure was moving forward, Secretary Salazar and the Science Team recommended that the Helix Producer containment system be hooked up at the same time, as a contingency measure to capture oil in the event that the sealing cap procedure was not successful.
- The installation of the sealing cap began on July 9th. The sealing cap installation was successful and stopped the flow on July 15th. Intensive follow-up monitoring and diagnosis procedures were employed, with close involvement by the Science Team, to evaluate whether stoppage of the flow at the cap would cause uncontrolled releases through the sea bottom due to well integrity failures.

- From July 21st-July 31st, DOI and the Science Team deliberated and made the recommendation to go forward with the procedure to pump mud down the well -- the so-called "static kill." The Science Team required continuation of Well Integrity Tests to ensure that the well was stable enough to handle the static kill procedure. Secretary Salazar and Admiral Allen insisted that relief well work proceed during the static well procedure. Admiral Allen gave the authorization to proceed with the static kill in the first week of August.
- By August 4th, initial pressure tests indicated that the procedure had been successful and that the well has been killed. However, Secretary Salazar, in concert with Secretary Chu, the Science Team, and Admiral Allen directed BP to continue testing the integrity of the well to provide an additional level of assurance that the well no longer posed a danger. Admiral Allen issued the verbal order to continue the tests on August 7th.
- In correspondence between Secretary Salazar and other the parties of the Unified Command, Secretary Salazar continued to require that the first relief well process continue, despite questions raised by some BP officials regarding the need to continue to complete the first relief well. It was determined, in consultation with the Science Team, that a relief well intercept (the so-called "bottom kill") should go forward. On August 14th Admiral Allen directed BP to begin the bottom kill operation.
- From August 20th -27th Secretary Salazar was engaged in discussions regarding the sequence of the BOP swap procedure and the BOP salvage operation. On August 20th he approved the order for BOP salvage and on August 26th, in concert with Secretary Chu and Tom Hunter, approved the sequence for the BOP swap procedure.
- On September 8th Secretary Salazar requested that BP send a detailed plan that outlined the schedule of the BOP swap for the Science Team to evaluate. Secretary Salazar required BP to finish the relief well and swap the BOP without delay, overruling BP suggestions involving other scenarios with lengthier time frames. These discussions culminated in an order from Admiral Allen to BP directing BP to complete the relief well on September 10th.
- The bottom kill was completed on September 18th and the well was deemed officially killed on September 19th.
- On September 19th, as previously recommended by Secretary Salazar on September 4th, Admiral Allen transferred responsibility for oversight of well operations (plugging and abandonment) from USCG to BOEMRE.
- BOEMRE completed oversight of the plugging and abandonment process on November 8th.