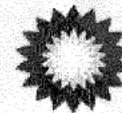


240400.1

bp



James H. Dupree
President

BP Exploration and Production Inc.

200 WestLake Park Boulevard (77079)
Post Office Box 3092
Houston TX 77253-3092

Direct: 281 366-5519
Fax: 281 366-4300

VIA CERTIFIED MAIL #70091680000063880219

May 3, 2010

Thomas Morrison
U.S. Coast Guard
Chief, Claims Division
US Coast Guard Stop 7100
4200 Wilson Boulevard, Ste. 1000
Arlington, VA 10598-7100

Re: DEEPWATER HORIZON
FPN: N10036

Dear Mr. Morrison:

This letter is in response to your letter of April 28, 2010, designating BP Exploration & Production Inc. ("BP Exploration") as a responsible party for the oil spill arising from the sinking of the DEEPWATER HORIZON. BP Exploration acknowledges that it is a "responsible party" under the Oil Pollution Act (OPA), 33 U.S.C. § 2701, *et seq.*, and accepts its designation as a responsible party pursuant to your letter of April 28, 2010. As such, BP Exploration is fully committed to undertaking the oil spill response actions required pursuant to OPA.

This incident was the result of an accident on the mobile offshore drilling unit DEEPWATER HORIZON, which was entirely owned and operated by Transocean. BP Exploration understands that the Coast Guard has similarly designated Transocean as a responsible party in this matter. BP Exploration accepts its designation by the Coast Guard as a responsible party in this matter with a full reservation of rights with respect to any and all other parties.

Please contact the undersigned at (281) 366-5519 if you have any questions or comments about this.

Yours very truly,

A handwritten signature in black ink, appearing to read "James H. Dupree", is written over a horizontal line.

CONFIDENTIAL

BP-HZN-2179MDL08952414
TRES-240400.0001