

BP CORPORATION NORTH AMERICA INC. GUARANTY AGREEMENT

This Guaranty Agreement (the "Guaranty") is made by BP Corporation North America Inc. ("First Guarantor"), an Indiana corporation, in favor of the United States of America Department of Justice (Beneficiary);

WHEREAS, BP Exploration & Production Inc. ("BPXP") is a party to that certain Guilty Plea Agreement signed November 15, 2012 in relation to United States of America v. BP Exploration & Production, Inc. , giving rise to the Guaranteed Obligations (as hereinafter defined) as those become due as set forth therein (the "Plea Agreement");

AND WHEREAS, the First Guarantor is an indirect parent of BPXP, and pursuant to paragraph 6 of the Plea Agreement has agreed to enter into this Guaranty to provide assurance for the payment obligations of BPXP in connection with the Plea Agreement.

NOW, THEREFORE, in consideration of good and valuable consideration, the adequacy, receipt and sufficiency of which are hereby acknowledged, the First Guarantor hereby agrees as follows:

1. Guaranty.

(a) The First Guarantor hereby irrevocably and unconditionally guarantees that if BPXP defaults in the payment of any sum due and payable by BPXP to the Beneficiary under the Plea Agreement, calculated in accordance with the terms of the Plea Agreement, (collectively, the "Guaranteed Obligations") the First Guarantor shall, within 15 Business Days (being a day (other than a Saturday or Sunday) on which banks are open for general business in London and New York) of receipt of a valid demand by the Beneficiary, pay to the Beneficiary such unpaid sum.

(b) The First Guarantor shall reimburse the Beneficiary for all sums paid to the Beneficiary by BPXP with respect to such Guaranteed Obligations which the Beneficiary is subsequently required to return to BPXP or a representative of BPXP's creditors as a result of BPXP's bankruptcy, insolvency, liquidation, or similar proceeding.

(c) In respect of subsection 1(b), this Guaranty shall be a continuing guaranty of all of the Guaranteed Obligations and shall apply to and secure any ultimate balance due or remaining unpaid to the Beneficiary; and this Guaranty shall not be considered as wholly or partially satisfied by the payment or liquidation at any time of any sum of money for the time being due or remaining unpaid to the Beneficiary.

(d) This Guaranty shall continue to be effective or be reinstated, as the case may be, if at any time any payment of any of the Guaranteed Obligations is rescinded or must otherwise be returned by the Beneficiary on the insolvency, bankruptcy or reorganization of BPXP or the First Guarantor or otherwise, all as though such payment had not been made.

(e) The First Guarantor's obligations and liability under this Guaranty shall be limited to payment obligations only, and the First Guarantor shall have no obligation to perform under the Plea Agreement.

2. **Guaranty Absolute.** The liability of First Guarantor under this Guaranty shall be absolute and unconditional, and shall not be limited, lessened or discharged by any act, on the part of the Beneficiary or matter or thing irrespective of, without limitation:

(a) any incapacity or disability or lack or limitation of status or power of BPXP or that BPXP may not be a legal entity;

(b) the bankruptcy or insolvency of BPXP ;

(c) any law, regulation or order now or hereafter in effect in any jurisdiction affecting any of the Guaranteed Obligations or the rights of the Beneficiary with respect thereto;

(d) any lack of validity or enforceability of the Plea Agreement;

(e) any change in the time, manner or place of payment of or in any other term of, all or any of the Guaranteed Obligations or any other amendment, modification, extension, renewal or waiver of or any consent to or other acquiescence in the departure from the terms of the Plea Agreement, regardless of whether this Guaranty is in effect at such time; or

(f) any change in the name, constitution or capacity of BPXP , or BPXP being merged with another corporation, in which case this Guaranty shall apply to the liabilities of the resulting corporation, and the term "BPXP" shall include such resulting corporation;

save due performance by BPXP or the First Guarantor.

The obligations of the First Guarantor hereunder are several and not joint with BPXP or any other person, and are primary obligations for which the First Guarantor is the principal obligor. There are no conditions precedent to the enforcement of this Guaranty, except as expressly contained herein. It shall not be necessary for the Beneficiary, in order to enforce payment by the First Guarantor under this Guaranty, to exhaust any of its remedies or recourse against BPXP , any other guarantor, or any other person liable for the payment and not of collection and shall apply regardless of whether recovery of all such Guaranteed Obligations may be discharged or uncollectible in any Bankruptcy, insolvency or other proceeding, or otherwise unenforceable.

3. **Waiver.** First Guarantor hereby waives:

- (a) notice of acceptance of this Guaranty, notice of the creation or existence of any of the Guaranteed Obligations and notice of any action by the Beneficiary in reliance hereon or in connection herewith;
- (b) notice of the entry into the Plea Agreement between BPXP and the Beneficiary and notice of any amendments, supplements or modifications thereto; or any waiver or consent under the Plea Agreement, including waivers of the payment and performance of the obligations thereunder;
- (c) notice of any increase, reduction or rearrangement of BPXP's obligations under the Plea Agreement or notice of any extension of time for the payment of any sums due and payable to the Beneficiary under the Plea Agreement;
- (d) except as expressly set forth herein, presentment, demand for payment, notice of dishonor or nonpayment, protest and notice of protest or any other notice of any other kind with respect to the Guaranteed Obligations;
- (e) any requirement that suit be brought against, or any other action by the Beneficiary be taken against, or any notice of default or other notice to be given to, or any demand be made on BPXP or any other person, or that any other action be taken or not taken as a condition to the First Guarantor's liability for the Guaranteed Obligations under this Guaranty or as a condition to the enforcement of this Guaranty against the First Guarantor; and
- (f) any other circumstance (including, without limitation, the failure to obtain from any intended guarantor, other than the First Guarantor, a valid guaranty and any release and discharge of any other guarantor or surety for the Guaranteed Obligations) which might otherwise constitute a defense, set-off or counterclaim available to, or a legal or equitable discharge of, BPXP in respect of the Guaranteed Obligations or the First Guarantor in respect of this Guaranty, all of which are hereby expressly waived by the First Guarantor.

4. **Subrogation.** The First Guarantor shall be subrogated to all rights of the Beneficiary against BPXP in respect of any amounts paid by the First Guarantor pursuant to the Guaranty, provided that the First Guarantor waives any rights it may acquire by way of subrogation under this Guaranty, by any payment made hereunder or otherwise (including, without limitation, any statutory rights of subrogation under Section 509 of the Bankruptcy Code 11 U.S.C. & 509, or otherwise), reimbursement, exoneration, contribution, indemnification, or any right to participate in any claim or remedy of the Beneficiary against BPXP or any collateral which the Beneficiary now has or acquires, until all of the Guaranteed Obligations shall have been irrevocably and indefeasibly paid to the Beneficiary in full. If (a) the First Guarantor shall perform and shall make payment to the Beneficiary of all or any part of the Guaranteed Obligations, and (b) all the Guaranteed Obligations shall have been indefeasibly paid in full, the Beneficiary shall, at the First Guarantor's request, execute and deliver to the First Guarantor appropriate documents necessary to evidence the transfer by subrogation to the First

Guarantor of any interest in the Guaranteed Obligations resulting from such payment of the First Guarantor.

5. **Notices.** All demands, notices and other communications provided for hereunder shall, unless otherwise specifically provided herein, (a) be in writing addressed to the party receiving the notice at the address set forth below or at such other address as may be designated by written notice, from time to time, to the other party, and (b) be effective upon delivery, when sent via facsimile transmission or mailed by U.S. or Canadian mail, as the case may be, registered or certified, return receipt requested, postage prepaid, or personally delivered. Notices shall be sent to the following addresses:

If to the Beneficiary:

Assistant Attorney General, Criminal Division,
or his Designee
Attention:
John Buretta
Director, Deepwater Horizon Task Force
United States Department of Justice - Criminal
Division
400 Poydras Street- Suite 1000
New Orleans, Louisiana 70130
Phone # (504) 593-1800
Fax # (504) 593-1889

Assistant Attorney General, Criminal Division,
or his Designee
Attention:
Derek A. Cohen
Deputy Director, Deepwater Horizon Task Force
United States Department of Justice - Criminal
Division
400 Poydras Street- Suite 1000
New Orleans, Louisiana 70130
Phone # (504) 593-1800
Fax # (504) 593-1889

If to the Guarantor:

John E. (Jack) Lynch Jr.
Deputy Group General Counsel
U.S. General Counsel
BP America Inc.
501 Westlake Park Boulevard
Houston, TX 77079
Fax: 713/375-2808

James J. Neath
Associate General Counsel
BP America Inc.
501 Westlake Park Boulevard
Houston, TX 77079
Fax: 281/366-3491

6. **Demand and Payment.** Any demand by the Beneficiary for payment hereunder shall be in writing, reference this Guaranty, reference the Guaranteed Obligations, and be signed by a duly authorized representative of the Beneficiary and delivered to the First Guarantor pursuant to Section 5 hereof. There are no other requirements of notice, presentment or demand. The First Guarantor shall pay, or cause to be paid, such Guaranteed Obligations within fifteen (15) Business Days of receipt of such demand, unless, within such fifteen (15) Business Day period, the default giving rise to such demand has been remedied.

7. **No Waiver; Remedies.** Except as to applicable statutes of limitation, no failure on the part of the Beneficiary to exercise, and no delay in exercising, any right hereunder shall operate as a waiver thereof, nor shall any single or partial exercise of any right hereunder preclude any other or further exercise thereof or the exercise of any other right.

8. **Term; Termination.** This Guaranty shall be and continue to be in full force and effect from the Effective Date (as defined immediately above the signature lines hereof) until (the earlier of) (i) the date the Guaranteed Obligations under the Plea Agreement have been fully and indefeasibly paid, or (ii) the date Beneficiary acknowledges in writing the release and termination of this Guaranty.

9. **Assignment; Successors and Assigns.** First Guarantor may not assign or delegate its obligations hereunder without the prior written consent of the Beneficiary (such consent not to be unreasonably withheld or delayed). This Guaranty shall be binding upon and inure to the benefit of each party hereto and their respective successors and permitted assigns. The Beneficiary shall not (without the prior written consent of the First Guarantor, such consent not to be unreasonably withheld or delayed) assign, novate or transfer to any entity its rights or obligations under this Guarantee, except the Beneficiary shall, by giving prior written notice to the First Guarantor, assign, novate or transfer its rights or obligations under this Guarantee to a Person to whom all its rights with respect to the Guaranteed Obligations have also been transferred in accordance with the Plea Agreement.

10. **Amendments, etc.** No amendment or other modification of the terms of this Guaranty shall be effective unless in writing and signed by First Guarantor and the Beneficiary and stating that it is expressly intended to give effect to the applicable amendment or modification hereto. No waiver of any provision of this Guaranty nor consent to any departure by the First Guarantor therefrom shall in any event be effective unless such waiver shall refer to this Guaranty, be in writing and be signed by the Beneficiary. Any such waiver shall be effective only in the specific instance and for the specific purpose for which it was given.

11. **Captions.** The captions in this Guaranty have been inserted for convenience only and shall be given no substantive meaning or significance whatsoever in construing the terms and provisions.

12. **Representations and Warranties.** The First Guarantor represents and warrants as follows:

(a) The First Guarantor is duly organized, validly existing and in good standing under the laws of the state of Indiana.

(b) the First Guarantor has full power and authority to execute, deliver and perform its obligations under this Guaranty and no limitation on the powers of the First Guarantor will be exceeded as a result of entering into this Guaranty; and

(c) The execution, delivery and performance of this Guaranty have been and remain duly authorized by all necessary corporate action and do not contravene the First Guarantor's constitutional documents.

(d) This Guaranty constitutes the legal, valid and binding obligation of the First Guarantor, enforceable against it by the Beneficiary in accordance with its terms, subject, as to enforcement, to Bankruptcy, insolvency, reorganization and other laws of general applicability relating to or affecting creditor's rights and to general equity principles.

13. **Severability**. Wherever possible, each provision of this Guaranty shall be interpreted in such manner as to be effective and valid under applicable law, but if any provision of this Guaranty shall be prohibited by or invalid under such law, such provision shall be ineffective to the extent of such prohibition or invalidity, without invalidating the remainder of such provision or the remaining provisions of this Guaranty.

14. **Release and Discharge**. Following the termination of this Guaranty pursuant to section 8, the beneficiary undertakes, upon the first guarantor's request, to (i) sign and execute such deeds or instruments as the first guarantor may reasonably require in order to evidence a discharge of the First Guarantor's obligations under this guaranty; and (ii) return the original of this Guaranty to the First Guarantor following such discharge.

15. **Jurisdiction**. The First Guarantor hereby irrevocably agree to the non-exclusive general jurisdiction of the courts of the State of New York, the courts of the United States of America for the Southern District of New York, and appellate courts from any thereof courts of New York are to have exclusive jurisdiction to settle any disputes which may arise out of or in connection with this Guaranty, and that any legal action or proceedings arising out of or in connection with this Guaranty may be brought in those courts and each of the First Guarantor and the Beneficiary irrevocably submit to the exclusive jurisdiction of each such court.

16. **GOVERNING LAW**. THIS GUARANTY SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK WITHOUT REGARD OR REFERENCE TO THE CONFLICT OF LAWS PRINCIPLES OF ANY JURISDICTION.

[INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, the First Guarantor has caused this Guaranty to be duly executed and delivered by its duly authorized officer effective as of this 28th day of, JANUARY 2013 ("Effective Date").

BP CORPORATION NORTH AMERICA INC.

By: Mark Filip
Name: MARK FILIP, ON BEHALF OF BP CORPORATION
Title: CONSEL FOR BP/NA, INC. NORTH AMERICA,

INC., AS
AUTHORIZED BY
BOARD RESOLUTION
PREVIOUSLY
FILED WITH
THE CLERK
OF COURT,
NOV. 15, 2012.

Acknowledged and Agreed

United States of America Department of Justice
Assistant Attorney General, Criminal Division

By: J. Buretta
Name: John Buretta
Title: Director, Deepwater Horizon Task Force