



## Four Years of Progress

Over the last four years, we have made significant progress working with the people of the Gulf to clean the shoreline and help the region's environment and economy recover. We have spent approximately \$27 billion on response, cleanup, early restoration and claims payments. No company has done more to respond to an industrial accident. And, based on information from third-party sources, the Gulf is undergoing a robust recovery. Many areas along the Gulf Coast experienced record-breaking tourism numbers from 2011-2013; recreational fishing landings continue to out-pace pre-spill levels; shoreline areas have been cleaned; and there are strong signs that the environment is returning to its baseline condition. To provide more information on our progress fulfilling our commitment to economic and environmental restoration, BP launched [TheStateoftheGulf.com](http://TheStateoftheGulf.com).

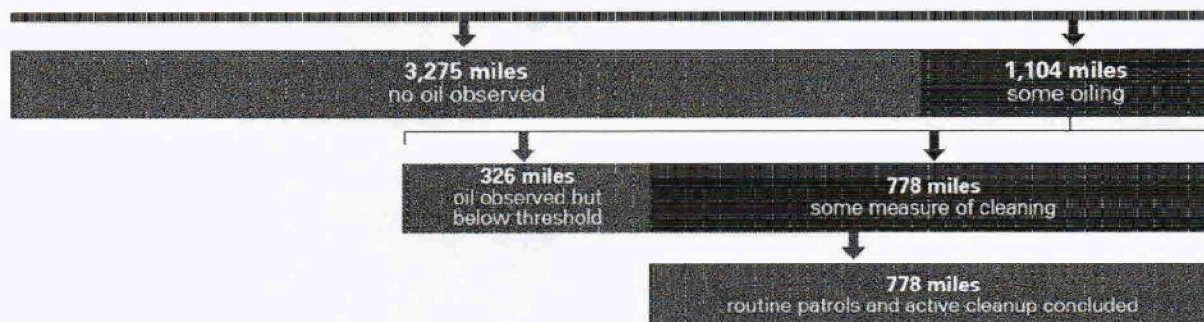


### Completing the Response

BP has spent more than \$14 billion and 70 million personnel hours responding to the spill and cleaning the shoreline. On April 15, 2014, the U.S. Coast Guard ended active clean-up operations on the final 3 shoreline miles in Louisiana. This followed the mid-2013 transition of Florida, Alabama, and Mississippi to the National Response Center process. BP remains committed and prepared to respond at the direction of the Coast Guard if potential Macondo oil is identified and requires removal.

### Shoreline Status (as of April 15, 2014)

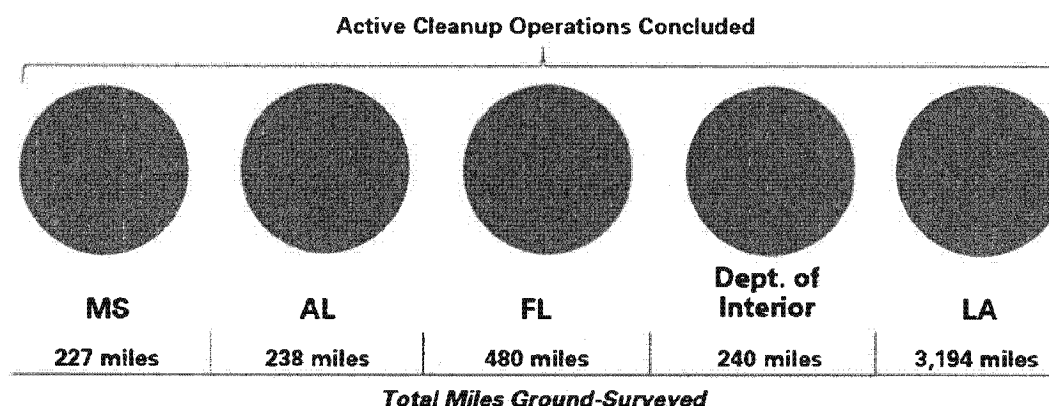
4,379 Miles Ground-Surveyed



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## Shoreline Status by State



## Louisiana Subsurface Residual Oil Initiatives

In September 2012, Hurricane Isaac severely eroded some shorelines in Louisiana's barrier islands and uncovered residual oil that had been buried under layers of sand deposited by tropical storms in 2010 and 2011. In many instances, net environmental benefit analysis had indicated that deep cleaning at these sites could do more harm than good. However, after Isaac removed the layers of sand covering the material, clean-up crews were able to remove it without the same degree of potential risk or environmental impact. BP then secured approval to carry out a series of projects to systematically search for and remove other pockets of residual buried oil.

Since November 2012, we have collectively dug more than 40,000 holes and pits in search of material along segments of shoreline at Elmer's Island, Fourchon Beach, Grand Isle, Grand Terre I, Grand Terre II, Chaland and West Timbalier. Just 3 percent of the more than 16,000 auger holes drilled along the shoreline contained oiling levels that required cleanup, and less than 2 percent of the more than 24,000 Snorkel SCAT pits dug in shallow water near the shoreline had heavy or moderate oiling.

## Economic Restoration Efforts

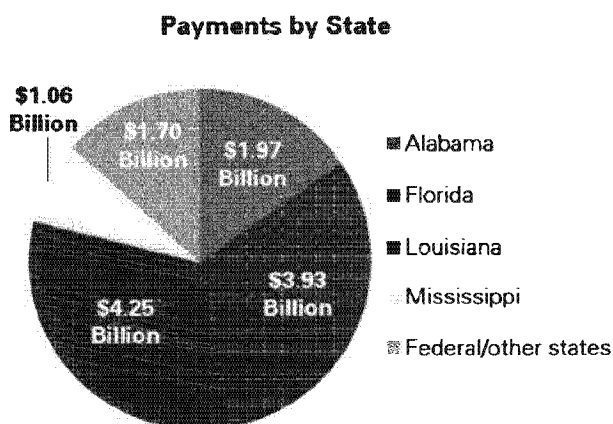
BP is supporting economic recovery efforts along the Gulf Coast by paying legitimate claims and supporting two of the region's most vital industries – tourism and seafood.

## Compensating the People and Communities Affected

As of March 31, 2014, BP had paid approximately \$12.9 billion in claims, advances, settlements and other payments. This includes approximately \$11.1 billion for individual and business claims; around \$1.5 billion for government claims, advances and settlements; and \$331 million for other payments such as tourism promotion, seafood testing and marketing, and behavioral health.

The majority of these payments have come from the \$20 billion trust BP established in 2010 to pay claims, settlements, natural resource damages and other costs. The trust has been fully funded.

We are continuing to fight to stop all abuses and return the claims process to doing what it was intended to do: paying the legitimate claims of people who suffered real financial losses from the spill.





## Tourism

The Gulf tourism industry has seen a strong rebound, and numerous tourism records have been repeatedly broken in the last three years. BP is supporting Gulf Coast tourism through the payment of \$179 million for state-led tourism campaigns and \$57 million for non-profit groups and government entities to promote the tourism and seafood industries. In addition, BP launched an advertising campaign that complemented these efforts by promoting tourism across the entire Gulf Coast.



### Louisiana:

- Average Orleans Parish revenue per available room in 2013 was 51.3% greater than in 2009. (Source: Smith Travel Research)
- Tourist spending in New Orleans during 2012 was the highest in history at \$6 billion, a \$512 million increase over 2011, which was the previous record year. (Source: New Orleans Convention & Visitors Bureau)
- More than 9 million people visited New Orleans during 2012, the highest since 2004. (Source: New Orleans Convention & Visitors Bureau)

### Florida:

- Average Florida Panhandle revenue per available room in 2013 was 27.1% higher than in 2009. (Source: Smith Travel Research)
- Northwest Florida's record-setting bed tax collections for 2012 were 35% higher than in 2009 and 14% higher than in 2011, the previous record year. (Source: University of West Florida)
- The number of visitors to Florida set records in each of the last three years, according to preliminary data from VISIT FLORIDA. Florida had 94.7 visitors in 2013. (Source: VISIT FLORIDA)

### Alabama:

- Average revenue per available room in Alabama Gulf Coast counties in 2013 was 20.2% above 2009. (Source: Smith Travel Research)
- Taxable lodging revenue in Gulf Shores and Orange Beach set a new record in 2012, topping by 15% the previous record set during 2011. (Source: Gulf Shores and Orange Beach Convention and Visitor's Bureau)
- Revenue per available room and revenue per available condo unit in Gulf Shores and Orange Beach in 2012 was the highest in history and were above 2009 levels by 25% and 31%, respectively. (Source: Gulf Shores and Orange Beach Convention and Visitor's Bureau)

### Mississippi:

- Hotel sales January-August 2013 along coastal counties were 9.5% higher than in 2009. (Source: Mississippi Department of Revenue)
- The revenue per available room in Mississippi Gulf Coast counties in 2012 was 6% higher than it was in 2009. (Source: Smith Travel Research)



## Recreational Fishing

Recreational fishing, which is an important source of tourism and a significant contributor to the Gulf economy, saw strong numbers in 2011, 2012 and 2013.

### 2013

- According to preliminary data from the National Oceanic and Atmospheric Administration (NOAA), recreational fishing landings in the Gulf during in the first 10 months of 2013 were 31% higher than the average over the same period in 2007-2009.

### 2011 and 2012

- In 2011, recreational fishing had the best landings by total weight since 2005, 11% higher than the annual average for 2005-2009 based on NOAA data. Landings in 2012 were 3% higher than the 2007-2009 annual average.

## Commercial Fishing

Based on NOAA data, commercial seafood landings in the Gulf in 2011 reached their highest levels since 2002. BP has helped support the seafood industry by paying or committing to pay \$82 million to Alabama, Florida, Louisiana and Mississippi for state-led seafood testing and marketing programs.

**Menhaden:** NOAA commercial landings data indicate that Gulf menhaden landings in 2013 were nearly 12% higher than the 2007-2009 average.

**Shrimp:** Preliminary NOAA data indicate that Gulf shrimp landings (excluding Texas) in 2013 were 2.1% below the 2007-2009 average, with some variation from state to state.

**Oysters:** While commercial oyster landings (excluding Texas) in 2012 were 19.4% below the 2007-2009 average, many believe this was primarily due to flooding, drought conditions and fresh water diversions, which caused changes in water salinity. For instance, the US Department of Commerce cited flooding as the cause when it declared a commercial fishery failure for

Mississippi's oyster and blue crab fisheries in September of 2012, and drought as the cause when it declared a fishery resource disaster for West Florida's oyster fishery in 2013.

**Blue crab:** Volumes of commercial blue crab landings in 2012 (excluding Texas) were 2.9% lower than 2007-2009 averages.

**Finfish and other species:** NOAA commercial landings indicate that finfish (excluding menhaden) landings in the Gulf (excluding Texas) for 2012 were 11% above 2007-2009 levels. For other species that constitute the remaining commercial catches in the Gulf, the volume of 2012 landings was 2.1% below the 2007-2009 average.

## Environmental Restoration Efforts



BP is working with state and federal Trustees to assess and restore natural resources injured as a result of the accident. BP has paid around \$1 billion to date to support the Natural Resource Damage Assessment (NRDA) process and to evaluate potential injuries and restoration options. While detailed analysis and interpretation of NRDA data continue, a number of third-party studies based on responsible science are available, and the observations are encouraging.





**Natural Resource Damage Assessment:** Since May 2010, more than 240 initial and amended NRDA work plans have been developed by BP and the Trustees to study potential injury to wildlife and habitat, and the recreational use of these resources. The NRDA data will help guide restoration efforts in the Gulf. BP is making Response data as well as data

collected in NRDA studies available to the public on its website <http://GulfScienceData.bp.com>.

**Emergency Restoration:** Emergency restoration projects are designed to prevent or reduce additional damage to natural resources. Three emergency restoration projects have been completed to support sea turtles, birds and seagrass.

## Early Environmental Restoration

Through a landmark agreement signed with state and federal Trustees, BP is funding up to \$1 billion in early restoration projects to speed the recovery of natural resources in the Gulf that were injured as a result of the accident. To date, BP and the Trustees have agreed or agreed in principle on a total of 54 projects, costing approximately \$698 million, including both ecological and human use (recreational use) projects.



### Phase I Projects

- Following a public review and comment period, the Trustees approved eight initial projects in a Phase I Early Restoration Plan issued on April 17, 2012.
- The estimated cost of the projects, including base costs and contingency allotments, is \$62 million.
- Collectively, the projects will restore and enhance wildlife, habitats and the services provided by those habitats, as well as provide additional access for fishing, boating and related recreational uses.
- The Trustees began implementing the projects in 2012 in Alabama, Florida, Louisiana and Mississippi.

### Phase II Projects

- Two additional projects were approved in December 2012 following a public comment period. The projects are designed to improve beach nesting habitat for birds and sea turtles.
- The estimated cost of the Phase II projects, including base costs and contingency allotments, is \$9 million. The projects began in 2013.



### **Phase III Projects**

- In December 2013, the Trustees released their Phase III Draft Early Restoration Plan for public review and comment. The plan outlined 44 proposed plans – totalling an estimated \$627 million – on which BP and the Trustees reached agreement in principle during 2013.
- The new projects are located across Texas, Louisiana, Mississippi, Alabama and Florida and include ecological projects that restore habitat and resources, as well as projects that enhance recreational use of natural resources.
- The ecological projects will include restoration of dune, seagrass and oyster habitats, as well as barrier islands that protect coastal areas from waves and tides, and the creation of living shorelines – made from organic materials – that protect against coastal erosion and provide habitat for wildlife.
- The recreational use projects are designed to address the temporary loss of use and enjoyment of natural resources during the period when human use was reduced, including the time when some beaches and waters were closed. Although a number of the project locations were not directly injured by the accident, the projects address loss of use by providing residents and visitors with new recreational options, better access to natural resources and a greater opportunity to enjoy them.
- The public was provided an opportunity to review and comment on the Phase III projects. Funding will be provided after the Trustees review and address public comments, and the projects receive final approval.

### **Supporting Long-Term Research**

In addition to approximately \$1 billion that BP has already spent to support the NRDA process, we have committed to pay \$500 million over 10 years to support independent research through the Gulf of Mexico Research Initiative (GoMRI). GoMRI has thus far awarded \$184 million in grants. The goal of the GoMRI research is to improve society's ability to understand, respond to and mitigate the potential impacts of oil spills to marine and coastal ecosystems. BP's funding covers grant awards and administrative costs, and the research is separate and distinct from studies conducted through the NRDA.