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Quick Export Report – BPXP

In the wake of the Macondo blowout, the BP p.l.c. board provided oversight of the group's response to the disaster. Executives reporting to the board included Tony Hayward, Andy Inglis, Rob Dudley, and Lamar McKay. At the July 2010 meeting, Inglis reported on the capping stack being successfully installed on the Macondo well and on progress drilling a nearby relief well. William Crenell, who often led the board in discussions of safety matters, reported on the Hyi investigation into the Macondo accident and on the review that Inglis and Barbara Yilmaz (global technology vice president for drilling and completions) were undertaking of the actions taken by the O&E of Mexico drilling and completions organization in response to the Hyi investigation. Mark Hyi addressed the board at its July 2010 meeting, describing his on-site

The activities of BP's board of directors are what I expect to see in the governance of a large corporation: the setting of policies and business strategy, approving annual plans and budgets, developing means of managing and mitigating risks to the corporation, and appointing and hiring executives and top managers.<sup>69</sup> The minutes BP has produced of its board meetings comport with the business I would expect the board undertake as it tries to govern a large global energy company with operations on nearly every continent. The minutes of BPXP stand in stark contrast. In the large array of documents that BP has produced in this case, which I review in the next section, I find little evidence that BPXP's board performs functions with regard to operations in the Gulf of Mexico that I would expect to see, were BPXP actually acting as an operating company.

<sup>69</sup> BP board minutes, 28 May 2010 (BP-HZN-2179MEX/37004464-4405); BP board minutes, 20 June 2010 (TREX-46739; BP-HZN-2179MEX/32054414-4417); BP board minutes, 22 July 2010 (TREX-46261; BP-HZN-2179MEX/32064426-4433), at 4426-4427, 4430-4431).

<sup>70</sup> My opinion does not include an analysis of the quality of this oversight; my review is limited to comparison of activities of the BP p.l.c. board with those of the BPXP Board.