From: Nagel, David C [david.nagel@bp.com] Sent: Wednesday, May 05, 2010 3:45 PM

To: david.kennedy@noaa.gov

Subject: FW: Gulf of Mexico Update: May 5, 2010 Update

Attachments: May 5 Press Release.DOC

Hi David,

Here is the latest update and press release - please phone me on 202 316 9190 if you have any questions.

Best wishes,

Dave

From: Miller, Brian W

Sent: Wednesday, May 05, 2010 2:53 PM

Cc: Calvert, Chad

Subject: Gulf of Mexico Update: May 5, 2010 Update

Attached is our latest update on the status of the BP response to the Gulf of Mexico Incident, we will continue to provide you with regular updates outlining activities on all fronts: subsea, surface of the water, and onshore. Attached you will find:

- 1. BP Update regarding ongoing activities
- 2. BP Press Release

Should you have questions, please contact me or Chad Calvert (chad.calvert@bp.com).

Brian Miller

Gulf of Mexico Oil Spill Response Update

05/05/2010 - 10:00am EDT

BP is working as part of the Unified Command to accomplish three main objectives in the Gulf of Mexico: Stop the flow of oil on the Sea Floor; minimize impacts of the spill on the Surface and the Shoreline; and engage the public through information dissemination and volunteer efforts. The Company is aggressively pursuing multiple strategies to accomplish each of these objectives. There are currently more than 7,900 personnel responding as part of the Command.

Offshore - Sea Floor

BP's first priority is to reduce and stop the flow of oil subsea and minimize environmental impact. With assistance from experts in the industry and the government, we are working on the following in tandem:

- 1. **Dispersant injection at the sea floor** Dispersant is being injected by remote-operated vehicle directly above the blowout preventer on the sea floor. Dispersant works to separate the oil into smaller droplets which are more easily broken down through natural processes. This method has been successful at reducing the flow of oil to the surface. Nearly 14,000 gallons have been applied and an additional 115,000 gallons is staged for deployment.
- 2. Closure of the Blowout Preventer (BOP) 4 vessels and 9 Remote-Operated Vehicles are at work in subsea operations. Yesterday, one of three open pipe ends was successfully capped. This stopped the flow of oil from one of the three existing leak points on the damaged MC252 oil well and riser in the Gulf of Mexico. While this is not expected to affect the overall rate of flow from the well, it is expected to reduce the complexity of the situation being dealt with on the seabed. The ROVs continue work on the annular preventers which are designed to seal around the drill pipe or casing. Other blowout prevention equipment stacked below the annular seals, has been

successfully activated, but there is no evidence that this has reduced flow.

- 3. **Containment Recovery System** BP plans to deploy this pollution containment system <u>today</u>. Called a "cofferdam," the structure will be lowered over the largest leak source.
 - The cofferdam is a 125-ton, 14' x 24' x 40' structure that will be set over the end of the riser (the pipe that normally goes from the wellhead to the drilling ship). The end of the riser is currently about 600 feet from the wellhead on the sea floor.
 - The top of the containment system will be connected to a 5,000 foot pipe that will convey the collected hydrocarbons to the surface ship, the *Deepwater Enterprise*.
 - Once on the surface ship, the hydrocarbons will be processed and oil will be separated from water and gas.
 The oil will then be temporarily stored before being offloaded and shipped to a designated oil terminal onshore.
- 4. **Drilling relief wells** Transocean *Development Driller III* is on site and spudded the first relief well on Sunday, May 2 in a water depth of roughly 4,990 feet. This relief well is located one-half mile from the Macondo well and will attempt to intercept the existing wellbore at approximately 16,000 feet below the sea floor. BP estimates this process will take at least 90 days. Once that is accomplished, heavy fluids and cement can be pumped downhole to kill the well.

Offshore – Surface Spill Response

- Cleanup Vessels 170 specialty response vessels have been employed, including skimmers, tugs, barges and recovery boats. 15 are 210-foot Oil Spill Response Vessels that are designed to separate the oil from water. They have recovered and treated about 30,000 barrels of oil-water mix, more than 1,250,000 gallons.
- Surface Dispersant More than 250,000 gallons of dispersant have been distributed on the surface, which includes nearly 100,000 gallons deployed yesterday. The dispersant is a biodegradable soap-like chemical that separates oil into small droplets that can be more easily broken down by natural processes. The dispersant is applied by aircraft. There are currently 27 planes supporting this effort. An additional 43,000 gallons are staged for air deployment and 250,000 gallons have been ordered from suppliers.

Onshore - Shoreline Protection and Community Outreach

- \$25 Million Block Grants to States In order to help accelerate implementation of the States' approved Area Contingency Plans, BP made \$25 million block grants to Louisiana, Alabama, Mississippi, and Florida. These funds will be administered by the states. The Contingency Plans address removal of a worst case spill and are designed to mitigate or prevent a substantial threat to sensitive areas. They will enable local businesses to support clean-up and recovery efforts. The grant is supplemental to BP's private claims process, which remains unchanged.
- Oil Containment and Shoreline Protection In addition to the Command personnel, more than 3000 people have been trained and are involved in the shoreline protection effort. This includes placing booms and cleaning up beach debris for immediate response in the event that hydrocarbons reach the shore. 537,700 feet of boom have been installed to protect sensitive coastal areas, with nearly 80,000 feet deployed on Tuesday. Nearly 665,000 feet of boom are available at the staging areas and an additional 300,000 feet of boom are on order.
- "Vessels of Opportunity" Program 700 private vessels have been engaged across the Gulf, and organized into 25-boat task force teams to help with a variety of clean-up activities, including, transporting supplies, performing wildlife rescue, and towing and deploying "booms." To qualify for the program, operators need to meet several key requirements, including attending a four-hour hazardous waste training session, passing a dockside examination by the U.S. Coast Guard, and meeting crewing requirements based on the size of the vessel provided. The contact number for people interested in registering for the program is (281) 366-5511. Hazardous waste training is being coordinated at 5 different sites and can be scheduled by calling (866) 905-4492.
- Engaging Volunteers BP has established Community Outreach Centers in each of the Gulf states where people can go for more information, to find out about the spill, and to connect with volunteer opportunities. BP is also

conducting safety training at the sites and has trained 3,000 volunteers to date.

- Informing Community Leaders The Unified Command is currently holding twice-daily teleconferences with 40 mayors and community leaders across Mississippi, Alabama and Florida to ensure that elected officials have an opportunity to be updated on Command activities and to ask questions.
- Wildlife Activities seven sperm whales were seen near the slick in late April, but were not observed to be harmed. One oiled bird was recovered, and brought to the rehab center on April 30. Two wildlife trailers have been moved to Gulfport, MS. (NOTE 9 turtles were found dead on beaches in MS, but autopsies have revealed death was from natural causes.)
- Claims for Damages BP is committed to pay legitimate and objectively verifiable claims for other loss and damage caused by the spill. This may include claims for assessment, mitigation and clean up of spilled oil, real and personal property damage caused by the oil, personal injury caused by the spill, commercial losses including loss of earnings/profit and other losses as contemplated by applicable laws and regulations. The contact number for claims is (800) 440-0858.

Summary of Regional Operations and Outreach
Robert – Unified Area Command
Houma – BP Operations Center
Venice – Community Outreach Site, Staging Area
Port Fourchon – Staging Area
Port Sulphur – Staging Area
Shell Beach – Staging Area

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Louisiana Sites:	
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 Meeting with local officials in Plaquemines, St. Bernard, and Jefferson Parishes. Also conducting public outreach through town halls today.

Mississippi Sites:	Pascagoula – Staging Area, Community Outreach Site
	Biloxi - Staging Area, Community Outreach Site
	Navy Gulfport – Staging Area

• Pascagoula will organize first Hazardous Waste training for Mississippi vessel operators today.

Alabama Sites:	Mobile - Incident Command Post, Community Outreach Site
	Dauphin – Staging Area

• The Mobile office is establishing two reception centers for volunteer safety training.

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- A new Incident Command Post is being set up at St. Petersburg today, which will serve as the central command for Florida operations.
- Pensacola is testing a new website that can provide safety training for volunteers online and will announce that when it goes live. Coordinating Hazardous Waste training for volunteer vessel operators.

or other environment or community impacts and access the Rapid Response Team Wildlife – to report and access care for impacted, i.e. oil wildlife Volunteers – to request volunteer information (866) 55	48-5816 57-1401
Wildlife – to report and access care for impacted, i.e. oil wildlife(866) 58Volunteers – to request volunteer information(866) 44	NAME OF THE PROPERTY OF
Volunteers – to request volunteer information (866) 44	
Services — to register as consultant contractor vendor or submit (281) 36	48-5816
information on alternative response technology, services, products or suggestions	66-5511
Vessels of Opportunity – to report and register boats available to assist with response (281) 36	66-5511
Training (NEW) – for questions about training requirements, times and locations (866) 90	05-4492
Ideas to Submit – email suggestions to horizonresponse@piersystem.com	
Investor Relations (281) 36	66-3123
Claims (800) 44	40-0858
Joint Information Center – Media and governmental inquiries (985) 90 5240	02-5231 or (985) 902-
Transocean Hotline (832) 58	87-8554
MI Swaco Hotline (888) 3	18-6765
BP Family – and third-party contractor hotline (281) 36	66-5578
Twitter: Oil_Spill_2010	
Facebook: Deepwater Horizon Response	
Joint Incident Command website: www.deepwaterhorizonresponse.com	