



Bob Dudley

President and CEO
Gulf Coast Restoration

501 Westlake Park Boulevard
Houston, TX 77079
USA

July 9th, 2010

Admiral Thad Allen
National Incident Commander
2100 Secon Street, SW
Washington, DC 20593-0001

Dear Admiral Allen

Direct: 281 366 7731
Main: 281 366 2000
Fax: 281 366 1489

Thank you for your letter dated July 8, 2010 acknowledging the next stage of the Deepwater Response that we are entering. BP has continued to work through Unified Area Command and the Federal On-Scene Coordinator to implement agreed plans for subsea collection. The plans presented below have been developed in consultation with the DOE, DOI, Federal Scientific Technical Team, BOEMRE, Coast Guard and through direct daily dialog with Secretary Salazar, Secretary Chu and their offices.

As part of our agreed long term containment plans the implementation of the capping stack has always been recognized as a critical component. In previous plans we have scheduled the start of the capping stack installation following the HELIX Producer start-up of containment operations. As weather has impacted our ability to execute these activities in series we, in conjunction with government experts, have proposed that the capping stack procedure be implemented in parallel with the start-up of the Helix Producer. This timing takes advantage of a projected weather window of some 8 days as projected by NOAA. As noted in your letter, if the capping stack installation is executed in parallel with and ahead of the Helix Producer start-up, the Q4000 would be the sole oil collection system running during a substantial part of the operation.

Please find below the information you have requested in your letter.

1. Attachment A illustrates the detailed timeline for the upcoming decision points relating to installation of the capping stack. This

timeline provides for two scenarios: one with no operational contingency, and one that provides a contingency for operational and weather impacts. The diagram also illustrates in a hashed format the favorable weather window projected for these operations. In addition, the timelines in Attachment 1 describe two boundary conditions for the start of the capping stack operation. Those two conditions are the completion of the installation of the 1200ft flexible and the installation of the blue pod. We do not intend to start the capping stack operation until we have met both of these boundary conditions. Day 1 for commencement of capping stack operations may be adjusted forward depending on the timing for the completion of these two boundary conditions.

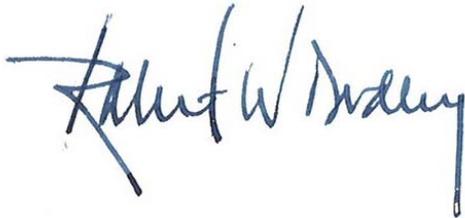
Attachment B illustrates the timeline for the start-up of the Helix Producer.

2. In a case where we encounter a problem, Attachment A also illustrates the timeline for the Enterprise to resume collection using the appropriate containment cap as a contingency.
3. At present this plan moves to shut in the well directly following the installation of the capping stack and the cessation of collection from the Q4000. Attachment A illustrates the range of possible timings for shutting in the well. Details for the shut-in procedure are being finalized in a meeting today, July 9th 2010, with the DOE, DOI, Federal Scientific Technical team and Secretary Chu who will be in attendance. The detailed procedures will be finalized and submitted to Unified Area Command for approval following this meeting.
4. Attachment C illustrates the timeline for the estimated completion of the relief well. This is the schedule we reviewed with you in Houston on July 6th.
5. Attachment D illustrates the near shore and offshore strategy to be implemented to address the increase in oil associated with the parallel placement of the capping stack and the start-up of the Helix producer. The strategy includes 22 large OSRV skimmers, 4 barge skimmers, 14 burn teams, 18 mid sized skimmers and near shore skimmers (350 vessels). These assets will be staged at strategic points between the source areas and shore. These operations will be supported by over 50 aircraft for reconnaissance and targeting. The effectiveness of these operations are heavily weather dependant.

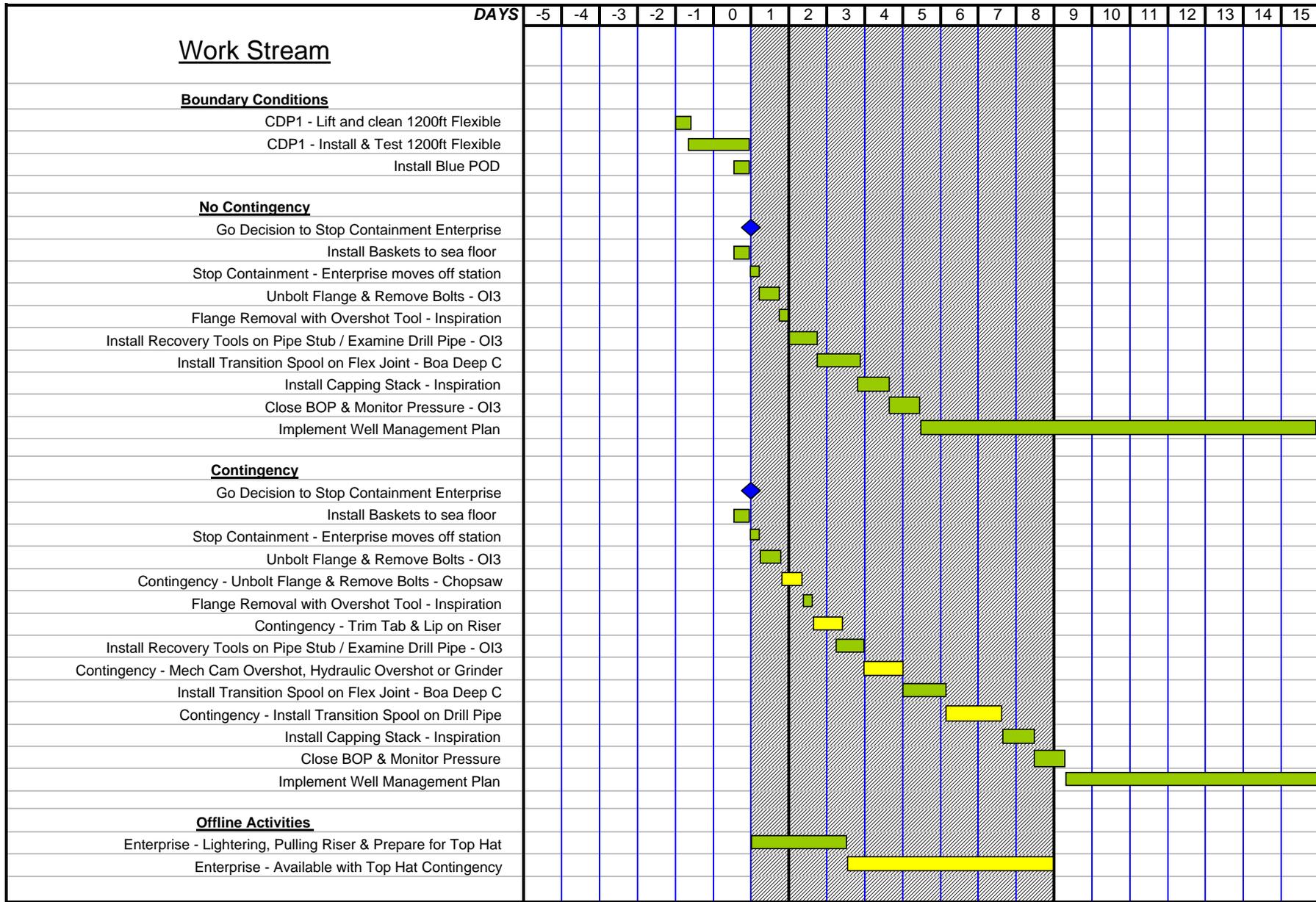
Consistent with prior approvals obtained from the Unified Area Command subsea dispersants will be utilized at the LMRP flange during the flange removal and replacement operations. Increased Volatile Organic Compounds (VOC's) at the surface have the potential to impact the safe working condition for the +1400 people on vessels working near the source. The use of subsea dispersants and surface dispersants near the vessels have been extremely effective in reducing or eliminating the impact of VOC's which can interfere with operations. The plan is optimized to pump, when operationally possible, 12 gal/min of subsea dispersant into the exiting oil stream using a wand placed approximately 4 feet inside the top of the LMRP. These injection rates are within the currently approved rates for this expected level of flow as outlined by Admiral Watson in his approved letter dated June 23, 2010. The use of surface dispersants near the site will be executed consistent with approved UAC protocol dated July 5th, 2010, signed by Admiral Nash. Dispersant monitoring for toxicity, dissolved oxygen and fluorometry will continue consistent with the Dispersant Monitoring and Assessment Directive – Addendum signed by Admiral Landry (FOSC) on May 14, 2010 and Samuel Colman of the EPA on May 14, 2010.

Please revert with any further questions or concerns and your concurrence with the plans outlined above.

Yours sincerely

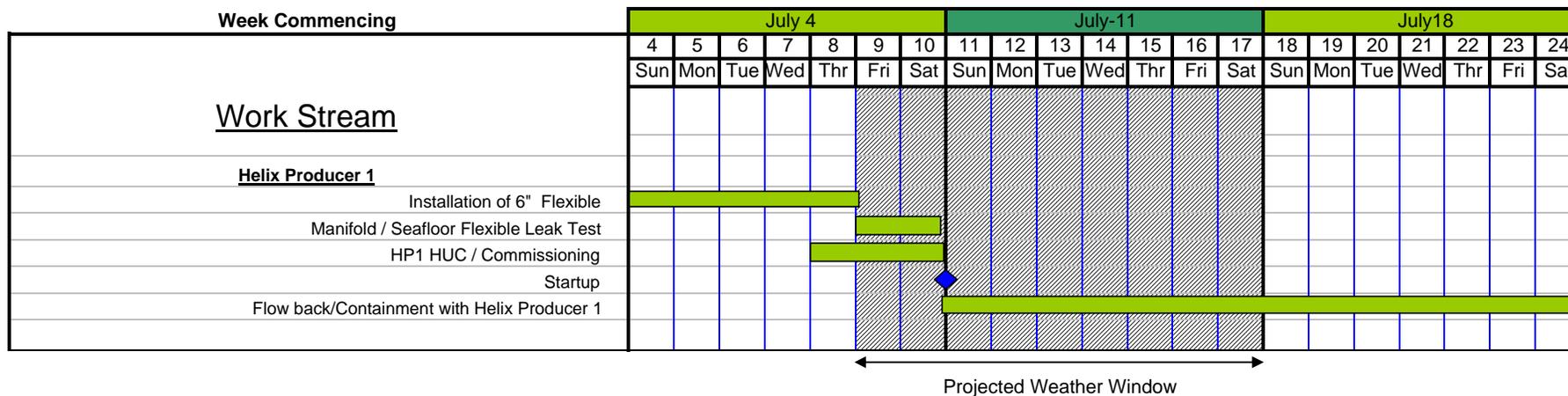
A handwritten signature in blue ink, appearing to read "Admiral W. Landry". The signature is stylized with a large initial "A" and a long, sweeping underline.

Attachment A - Installation of Transition Spool & Capping Stack



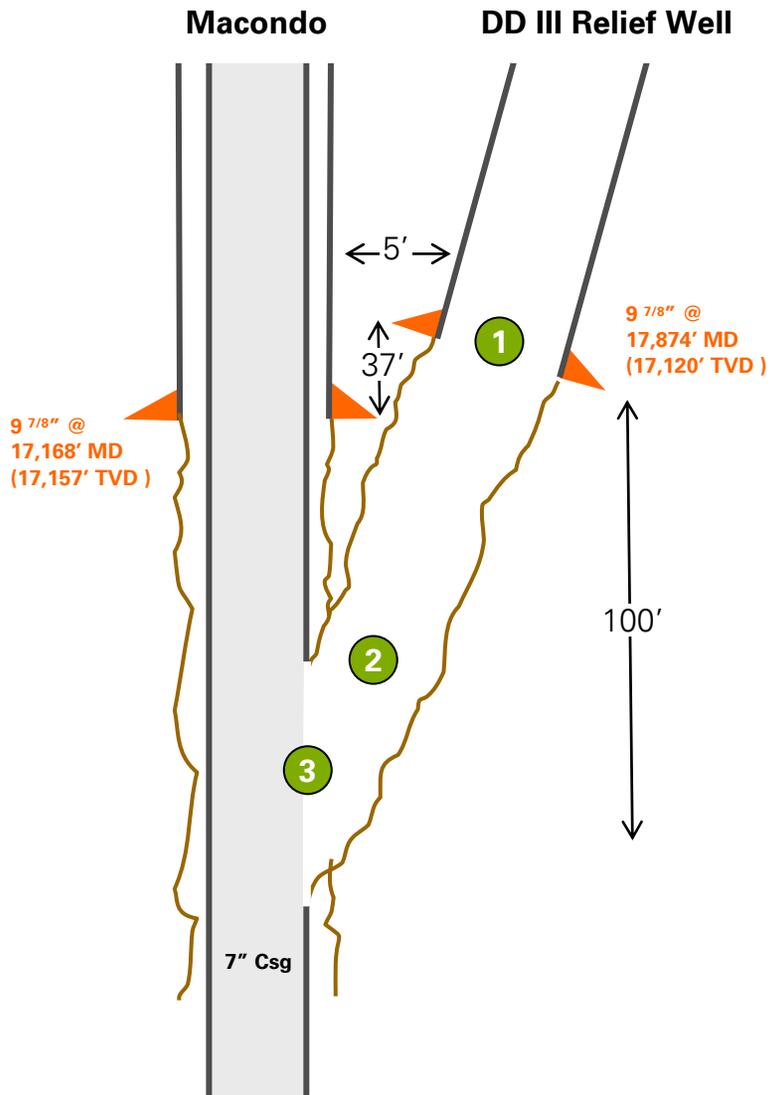
← Projected Weather Window →

Attachment B - Helix Producer Installation and Startup



Attachment C - Relief Well Timing Summary

Post 9 7/8 " Hole Section to TD

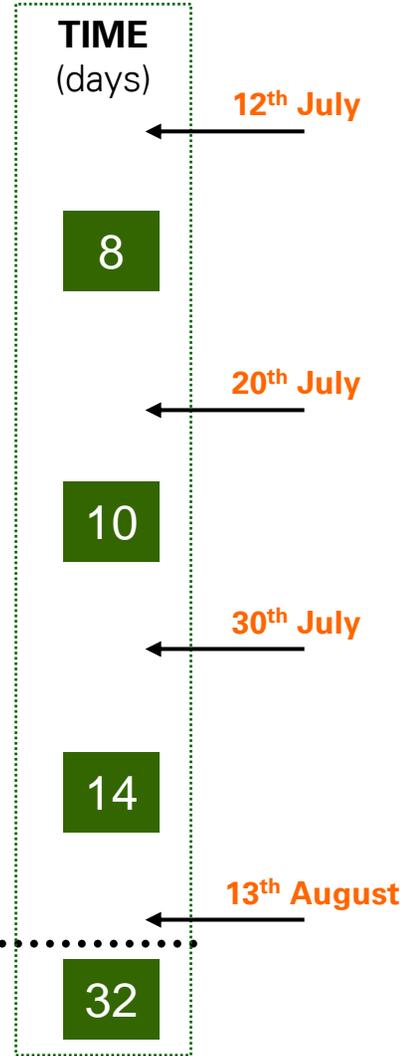


1 Run and cement 9 7/8" liner; run cased hole logs (e.g. cement bond, casing inspection, etc); test BOP and casing; drill out; leak-off test

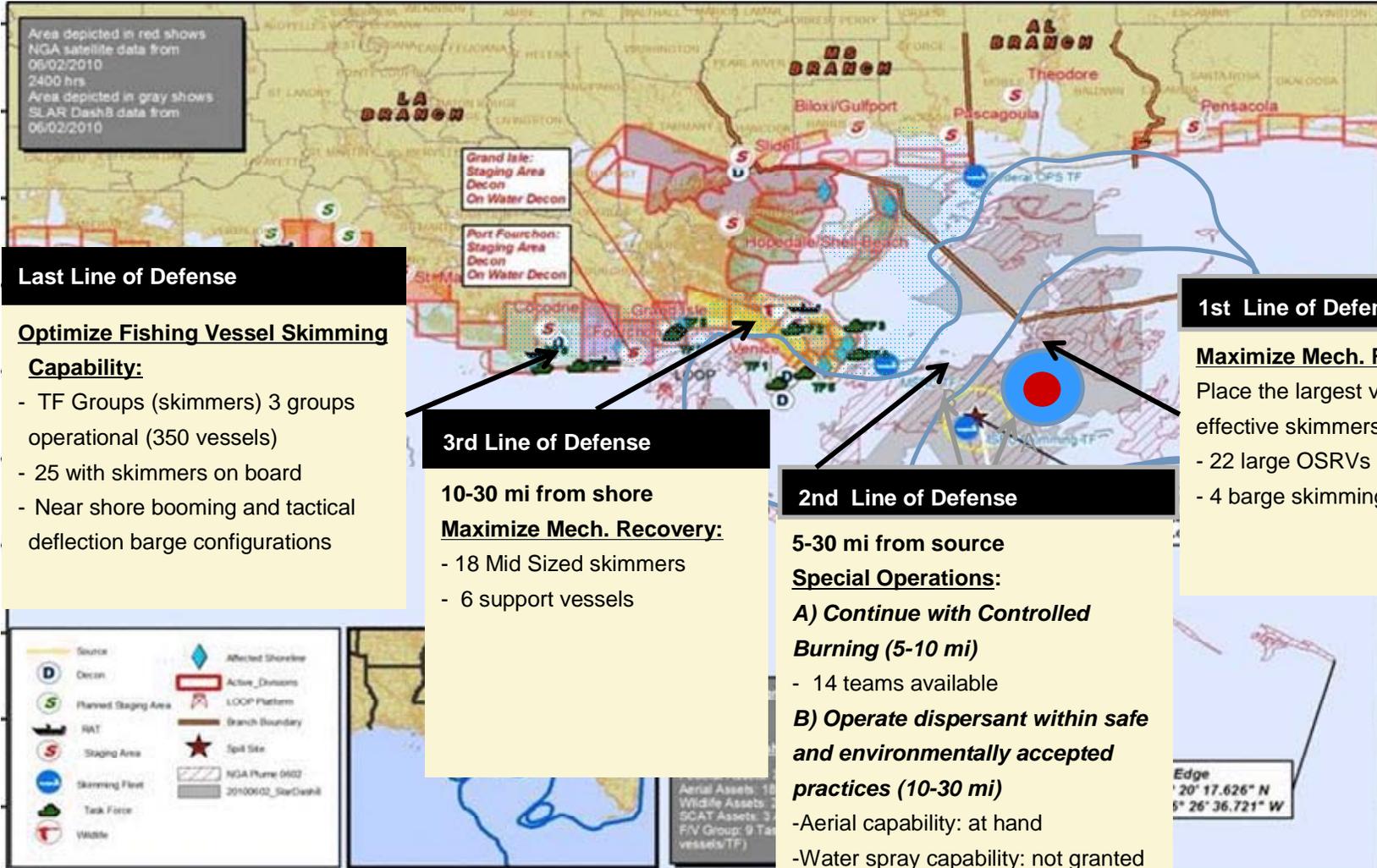
2 Drill 8 1/2" hole with ~ 4 ranging runs; intersect annulus; kill annulus; cement

3 Drill 8 1/2" hole with ~ 5 ranging runs; intersect 7" casing; trip for 8 1/2" mill; Cut hole in 7" casing; kill 7" casing; cement

Total



Attachment D - Houma Near-Shore/Off-Shore Strategy Overview



Area depicted in red shows NGA satellite data from 06/02/2010 2400 hrs
Area depicted in gray shows SLAR Dash8 data from 06/02/2010

Last Line of Defense

Optimize Fishing Vessel Skimming Capability:

- TF Groups (skimmers) 3 groups operational (350 vessels)
- 25 with skimmers on board
- Near shore booming and tactical deflection barge configurations

3rd Line of Defense

10-30 mi from shore
Maximize Mech. Recovery:

- 18 Mid Sized skimmers
- 6 support vessels

2nd Line of Defense

5-30 mi from source
Special Operations:

A) Continue with Controlled Burning (5-10 mi)

- 14 teams available

B) Operate dispersant within safe and environmentally accepted practices (10-30 mi)

- Aerial capability: at hand
- Water spray capability: not granted

1st Line of Defense (<5mi):

Maximize Mech. Recovery:

Place the largest volume and most effective skimmers (Big & Slow)

- 22 large OSRVs
- 4 barge skimming platforms

