



U. S. Department of Justice

Office of the Associate Attorney General

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The Associate Attorney General

Washington, D.C. 20530

May 13, 2011

By First Class Mail & Electronic Version

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Liskow & Lewis  
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c/o BP American Production Company  
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New Orleans, LA 70139

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Phelps Dunbar LLP  
c/o QBE Marine & Energy Syndicate 1036  
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Ms. Deborah D. Kuchler  
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c/o Anadarko Petroleum Corporation  
c/o MOEX Offshore 2007 LLC  
c/o Anadarko E&P Company, LP  
1615 Poydras Street, Suite 1300  
New Orleans, LA 70112

Mr. Steven L. Roberts  
Sutherland Asbill & Brennan LLP  
c/o Transocean Holdings LLC  
1001 Fannin Street, Suite 3700  
Houston, TX 77002

Re: Repayment of Certain Federal Expenditures Resulting from the  
Oil Spill at Deepwater Horizon and the Macondo Well

Dear Counsel:

As you know, BP has reimbursed the Oil Spill Liability Trust Fund (OSLTF), to date, for approximately \$694.6 million in Federal Government expenditures associated with the oil spill from Deepwater Horizon and the Macondo Well. Unfortunately, the size, location, and duration of the spill – and the risks it poses – have necessitated Federal Government activities beyond those funded through OSLTF and other reimbursements by any responsible party.

Agencies have been directed to document costs that are not currently being reimbursed through the OSLTF or any interagency reimbursement process. We now seek reimbursement for costs reported by agencies in the first two reporting quarters (through approximately December 2010).

Since the beginning of the oil spill in April 2010, many Federal Government agencies and instrumentalities have been required to address the spill and mitigate its capacity to cause tremendous and widespread damage. The expenditures involve a number of activities, including, but not limited to:

1. Providing continuous support to the Unified Area Command, and supplying temporary migratory-bird habitat to protect the numerous species that use the wetlands of the Gulf of Mexico (Department of Agriculture);
2. Serving the role of lead science agency, responding to environmental effects of the spill and performing other related work, including National Oceanic and Atmospheric Administration support for response work beyond the scope of Pollution Removal Funding Authorizations (PRFA) or any advanced funding by responsible parties (Department of Commerce);
3. Assisting in the operation of oil-skimming equipment and related cleanup efforts, assisting with spill-related meetings with citizens and local leaders, mitigating the impact of the spill upon ongoing efforts to restore beaches, and activating the Emergency Operations Center (Department of Defense);
4. Evaluating methods, techniques, and risks related to efforts to stem the flow of oil from the Macondo Well, and evaluating the potential for the spill to interrupt the delivery of energy in the United States, as well as the costs of safeguarding information developed through PRFA-funded research and analysis (Department of Energy);
5. Manning the National Pollution Funds Center with supplementary personnel responsible for receiving and processing claims (Department of Homeland Security);
6. Meeting with local officials to determine emergency needs, and facilitating processing of applications and community requests for disaster relief (Department of Housing and Urban Development);
7. Overseeing and coordinating spill response, conducting airborne surveys and examining geospatial information to assess oil flow and identify berm locations, documenting oiled wildlife, and providing endangered-species consulting and recovery work, beyond the scope of PRFA or any advanced funding by responsible parties (Department of the Interior);
8. Providing technical assistance for cleanup operations and monitoring those operations for compliance with labor law and Occupational Safety and Health Administration standards, administering Oil Spill National Emergency Grants aimed at retraining workers displaced as a result of the spill, and processing claims by Federal employees and longshore harbor workers injured by the spill (Department of Labor);

9. Making additional efforts to manage the Nation's international relations and comply with treaty obligations by apprising more than two dozen nations about the status of the spill, and participating in discussions and meetings with foreign governments and international bodies because international assistance was offered and international resources were sought by the Unified Area Command (Department of State);
10. Sending additional air traffic controllers to the Gulf region to handle increased air traffic resulting from the spill, consulting with other Government agencies to ensure the safety of workers involved in cleanup efforts, and supplying specialized knowledge on safe practices for workers and handling of oil-contaminated vessels and tools (Department of Transportation);
11. Hosting open houses at taxpayer assistance offices and establishing toll-free lines to assist small-business and individual taxpayers affected by the spill (Department of the Treasury);
12. Providing guidance to citizens regarding the impact of dispersants, performing response work beyond the scope of PRFA, and training personnel involved with oil burns (Environmental Protection Agency);
13. Providing data – through specialized surveillance aircraft and instrumentation, and also through special satellite work – concerning the location, thickness, and other parameters of oil in the Gulf of Mexico and along the shoreline of the Gulf States (National Aeronautics and Space Administration); and
14. Delivering services through specially established business recovery centers aimed at helping Gulf Coast businesses apply for Federal loans to help them survive the economic crisis stemming from the oil spill (Small Business Administration).

Some Federal agencies and instrumentalities are likely to expend additional sums related to Deepwater Horizon and the Macondo Well, and some agencies that have not previously reported costs may yet do so. At this time, however, we request payment of the expenditures itemized in the table set forth below.

<b>Department of Agriculture</b>	\$40,035,076
<b>Department of Commerce</b>	\$8,084,601
<b>Department of Defense</b>	\$5,109,387
<b>Department of Energy</b>	\$464,775
<b>Department of Homeland Security</b>	\$1,688,348
<b>Department of Housing &amp; Urban Development</b>	\$374,981
<b>Department of the Interior</b>	\$13,209,726
<b>Department of Labor</b>	\$2,672,451
<b>Department of State</b>	\$95,313
<b>Department of the Treasury</b>	\$213,674

<b>Department of Transportation</b>	\$446,031
<b>Environmental Protection Agency</b>	\$978,652
<b>National Aeronautics and Space Administration</b>	\$1,809,686
<b>Small Business Administration</b>	\$6,370,454
<b>TOTAL</b>	<b>\$81,553,153</b>

Please pay the full sum presented (\$81,553,153) within thirty days of the date of this letter, through <https://www.pay.gov>. Instructions for use of the payment website may be secured from the Financial Litigation Unit, Office of the United States Attorney, Eastern District of Louisiana.

Thank you in advance for your prompt attention to this matter. If you have questions, please contact Sam Hirsch, Deputy Associate Attorney General, at (202) 514-9500 or [Sam.Hirsch@usdoj.gov](mailto:Sam.Hirsch@usdoj.gov).

Sincerely,



Thomas J. Perrelli