FORUM ON
OIL SPILL RESPONSE

Biloxi, MS

September 10, 2010

CURRENT SITUATION

****ADMITTED INADEQUACIES OF CURRENT OIL RESPONSE PLANS**

1. OVER ESTIMATED RECOVERY CAPACITY IN THE OPEN OCEAN
2. FAILED TO ACCOUNT FOR THE SPREADING OF OIL AND SIGNIFICANT SHORELINE IMPACT
3. FAILED TO PROVIDE FOR RAPID MOBILIZATION OF EQUIPMENT- BOTH DOMESTIC AND INTERNATIONAL
4. INDUSTRY INCAPABLE OF HAVING SUFFICIENT RESOURCES TO ADDRESS A 2ND SPILL SIMULTANEOUSLY

- USCG DETERMINED THAT THE NUMBER OF SKIMMING VESSELS WAS INADEQUATE

** COMMENTS TAKEN FROM OPENING REMARKS AT THE FORUM ON OFFSHORE DRILLING IN MOBILE, ALABAMA, AUGUST 10, 2010

IMPROVEMENTS NEEDED

- DEVELOP A RAPID AND EFFECTIVE OIL SPILL RESPONSE PLAN FOR BOTH DEEP WATER AND SHALLOW COASTAL WATERS

1. HAVE MULTIPLE FLEETS OF HIGHLY MOBILE SKIMMING VESSELS AVAILABLE ON SHORT NOTICE

2. INCREASE THE NUMBER OF DEEPWATER RECOVERY VESSELS; 5-8 FT. SEAS

3. DESIGN AND BUILD VESSELS CAPABLE OF PROCESSING RECOVERED LIQUIDS OFFSHORE

4. INCREASE THE NUMBER OF VESSELS CAPABLE OF OPERATING IN COASTAL WATERS; 3-4 FT. SEAS

IMPROVEMENTS NEEDED (CONTD.)

5. INCREASE THE NUMBER OF VESSELS CAPABLE OF OPERATING IN SHALLOW WATER; 1-2 FT. SEAS

6. RELY LESS ON VESSELS OF OPPORTUNITY (VOO)

7. INCREASE SKIMMING TIME, REDUCE TRANSIT TIME, AND REDUCE OFFLOADING TIME

8. DEVELOP NEW SKIMMING AND CLEAN UP TECHNOLOGIES

TRINITY TEAM EXPERIENCE WITH OIL RECOVERY VESSELS

VESSELS BUILT FROM 1977 TO EARLY 90'S

1. 8- 30 ft. Oil Mop modular vessels in 1977 for Pemex
2. 1- 50 ft. aluminum catamaran coastal recovery vessel in 1988
3. 1- 65 ft. aluminum coastal recovery vessel in 1992
4. 12- 208 ft. MSRC Vessels in the early 90's

IN THE LAST 100 DAYS WE HAVE BUILT THE FOLLOWING

5. 11-30 FT. MARCO/KVICHAK FAST RESPONSE SKIMMERS
6. 35 FT. SHUTTLE WORK BARGES
7. 3- 249 BBL RECOVERED OIL MINI-BARGES
8. 1-56 FT. PROTOTYPE VERY SHALLOW MULTI-SYSTEM SKIMMER VESSEL

Total 44 Vessels – 8 Different Designs

1. 8- 30 ft. Oil Mop modular vessels in 1977 for Pemex

2. 1- 50 ft. aluminum catamaran coastal recovery vessel in 1988

3. 1- 65 ft. Aluminum Coastal Recovery Vessel in 1992

4. 12-208 ft. MSRC Vessels in the Early 1990's

5. 11- 30FT Marco/Kvichak Fast Response Skimmers

6. 7- 35ft Shuttle Work Barges

7. 3- 249 BBL Recovered Oil Mini-Barges

8. 1-56FT Prototype Very Shallow Multi-System Skimmer

PROPOSED SHALLOW WATER CLEAN-UP PLAN

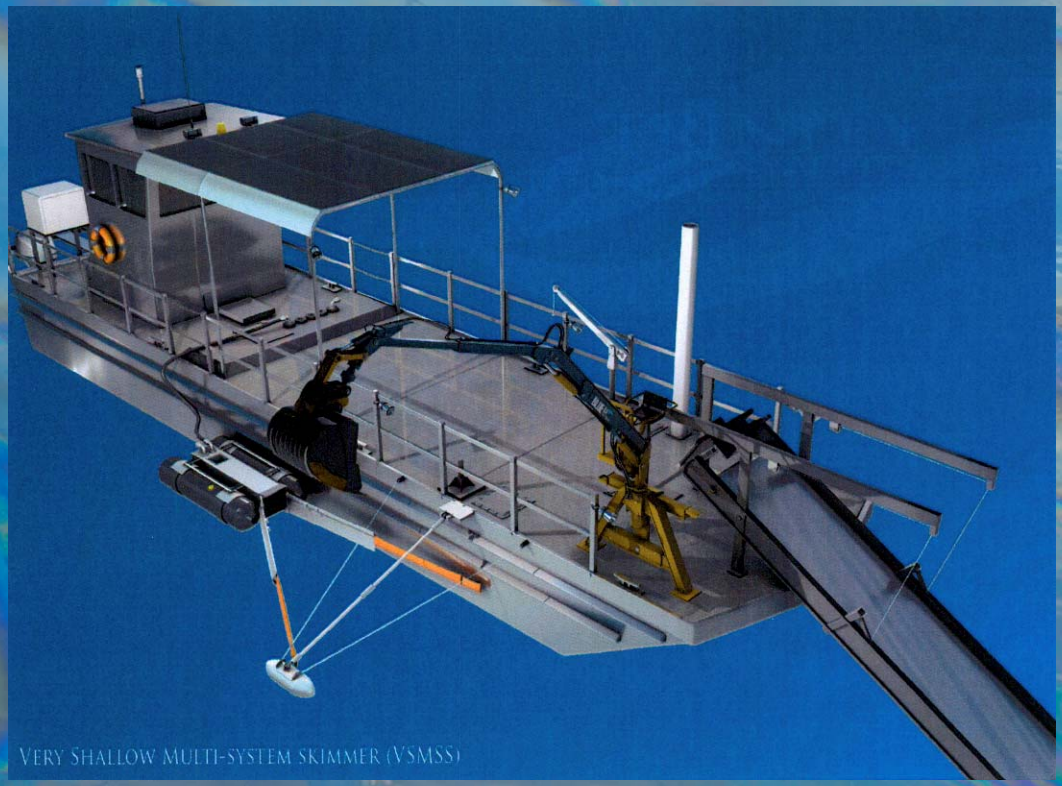
MULTIPLE "SKIMMER TASK FORCE" FLEETS MADE UP OF THE FOLLOWING

- 2-249 BBL ALUMINUM SHALLOW DRAFT MINI- BARGES
- 2-35 FT. SHUTTLE WORK BARGES WITH SKIMMER CAPABILITY
- 1-56 FT. 238 BBL. VERY SHALLOW MULTI-SYSTEM SKIMMER VESSELS (VSMSS)- NOT ONE SYSTEM WORKS WELL IN ALL CONDITIONS:

  BOW CONVEYOR SKIMMER
  SIDE FLOATING SKIMMER
  BOW EXCAVATOR
  VACUUM SYSTEM
  COSTNER CENTRIFUGE

- 50% OF THE 56 FT. VSMSS WITH PONTOONS ATTACHED FOR EXTREMELY SHALLOW WATER
- 1-5,000 BBL. DOUBLE HULL OIL BARGE WITH COSTNER CENTRIFUGES ANCHORED IN DEEP WATER

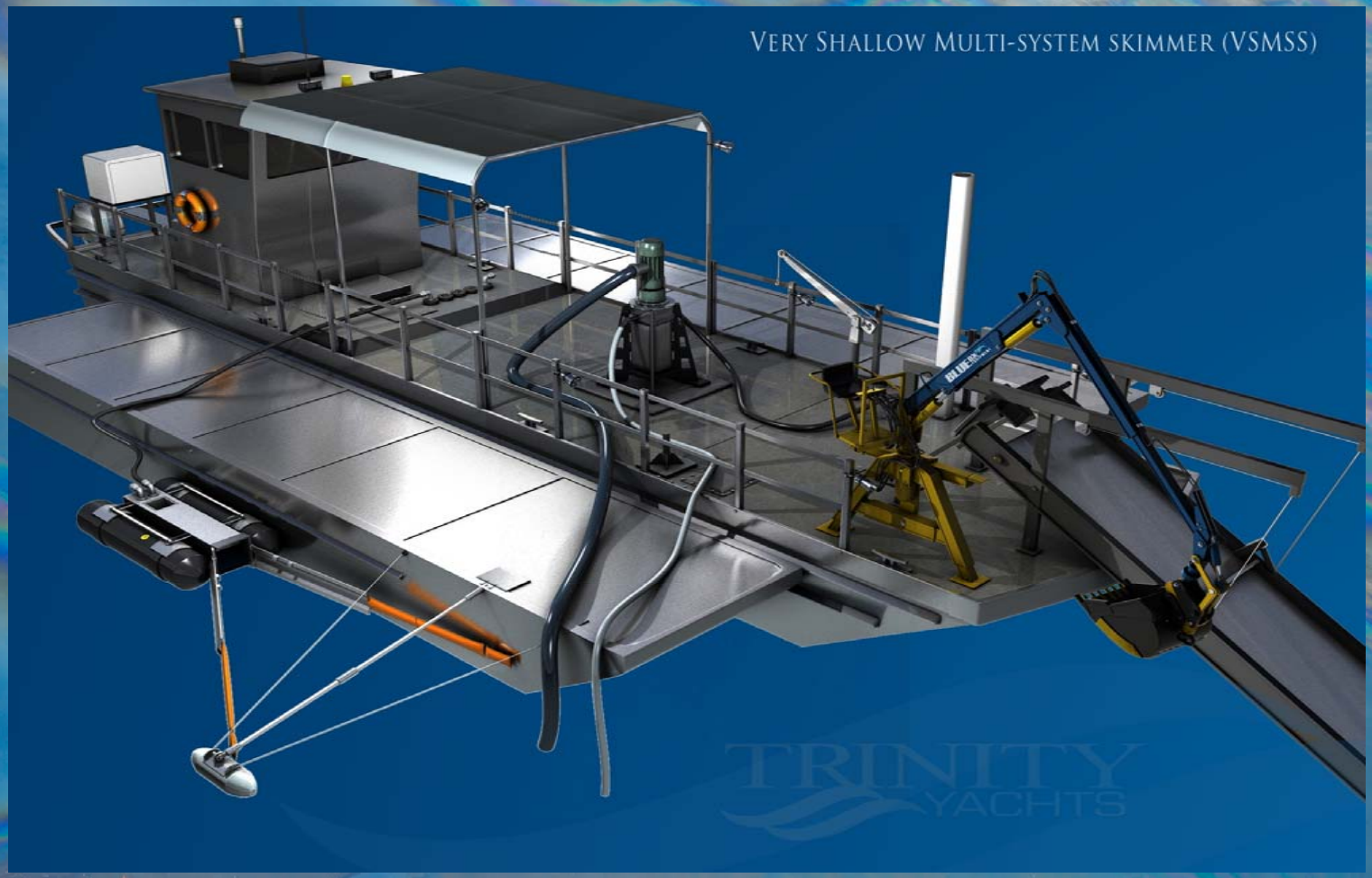
56FT VERY SHALLOW MULTI-SYSTEM SKIMMER (VSMSS)



VSMSS WITH VACUUM SYSTEM

VERY SHALLOW MULTI-SYSTEM SKIMMER (VSMSS)

Very Shallow Multi-System Skimmer With Pontoon Barges and Costner Centrifuge



POSSIBLE FUNDING SOURCES

1. MARINE WELL CONTAINMENT COMPANY (MWC) MADE UP OF CHEVRON-CONOCO PHILIPS-EXXON MOBILE-SHELL- FUNDING $1BILLION FOR NEW EQUIPMENT

2. EXPANSION BY EXISTING COOPERATIVE GROUPS

3. EXPANSION BY EXISTING SPILL RESPONSE COMPANIES

4. NEW ENTITY ENTERS THE MARKET

5. PASS NEW LEGISLATION SUCH AS RECENTLY PROPOSED TO INCREASE THE TAX ON IMPORTED OIL FROM 8 CENTS TO 34 CENTS TO FUND THE OIL SPILL LIABILITY TRUST FUND (OSLTF) WHICH WAS STRIPPED OUT OF A RECENT BILL

6. FEDERAL STIMULUS FUNDS