



Forums on Offshore Drilling

*Strategies for Well Control and
Containment in Deepwater*

Lafayette, Louisiana
September 13, 2010



Purpose of the Forums

The current suspension of deepwater drilling is in effect until November 30, 2010, or until such earlier time as the Secretary determines that deepwater drilling operations can proceed safely with robust health and environmental protections in place.

Secretary Salazar directed BOEM to collect public and expert input about the following three issues pertaining to deepwater drilling activities:

1. Drilling and workplace safety.
2. Wild well intervention and containment techniques.
3. Oil spill response capabilities for offshore drilling and production facilities.

A purpose of the forums is to identify whether any modifications to the scope or duration of the deepwater drilling suspensions is warranted, based on the risks associated with specific types of operations.

We want to hear from you. Please fill out a comment card or submit your comments at www.BOEMRE.gov/forums



The Importance of Deepwater Drilling in the Gulf of Mexico

- Tens of thousands of workers are employed in the Gulf of Mexico offshore oil and gas industry.
- Domestic energy production is important to the health of the economy, energy independence and national security.
- The Gulf of Mexico currently accounts for 30% of domestic oil production and 12% of domestic natural gas production.

The Importance of Drilling Safely: What is at Risk?

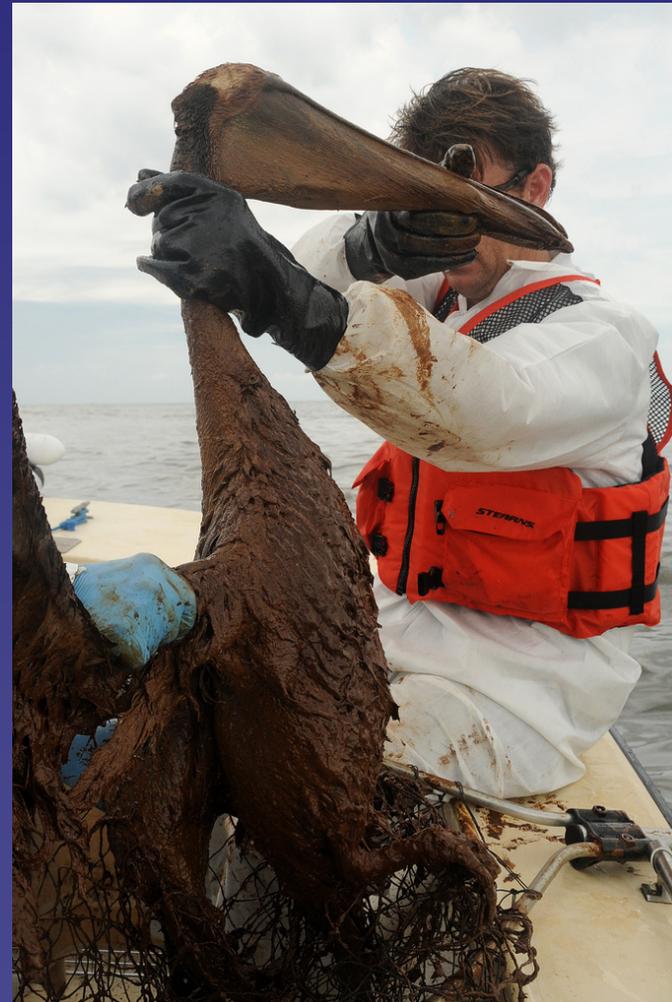


Deepwater spills have a devastating impact on:

- Fishing and Shrimping
- Tourism
- Wildlife
- The ocean and coastal environments
- Local communities

The Impact of the Deepwater Horizon Oil Spill

- 11 rig workers died in the Macondo well blowout and fire.
- The Deepwater Horizon oil spill has had a dramatic effect on the ocean and coastal environments in the Gulf of Mexico.
- Hundreds of miles of shoreline and wetlands in the Gulf states have been affected by the Deepwater Horizon oil spill.
- The entire Gulf ecosystem will be affected, including marine plankton, fish and shellfish, birds, marine mammals, and other wildlife.
- The Deepwater Horizon oil spill also has had a major impact on the fishing, shrimping, tourism, commercial retail and other industries in the Gulf of Mexico region.



Lessons from the Deepwater Horizon Oil Spill



- No purpose-built subsea containment equipment was available for immediate deployment.
- None of the subsea containment strategies used had ever been attempted in water depths similar to those of the Macondo well.
- The subsea containment equipment built and deployed initially was ineffective at capturing most of the oil from the well.

Source: The Times-Picayune

Containment Challenges Specific to Deepwater Drilling

- Deepwater drilling has been compared to operating in outer space.
- Any equipment designed for deepwater use must be able to operate under the enormous pressure and low temperatures of deepwater.
- Work in deepwater must be performed by remotely operated vehicles.
- The lack of precise information regarding the size of the uncontrolled flow greatly complicated the Macondo containment efforts.



Industry Has Been Working to Develop More Effective Deepwater Containment Strategies





Today's Panels

- Panel 1

- Sara Ortwein, President of Exxon Mobil Upstream Research Company
- Melody Meyer, President, Chevron Energy Technology Company
- Charlie Williams, Chief Scientist, Shell Oil Company
- Steve Bross, Manager, Project Development, ConocoPhillips

- Panel 2

- Dave Barrow, Wild Well Control
- Bryce A Levettent, Director of Energy Solutions, Energy North America, Det Norske Veritas
- Bart Heijermans, Chief Operating Officer, Helix Energy Solutions Group, Inc.
- John Smith, Associate Professor, Craft & Hawkins Department of Petroleum Engineering, LSU
- Frank Gallander, Consultant, Subsea Well Intervention Team, Chevron Global Upstream Gas



Today's Panels

- Panel 3
 - Louisiana Lt. Governor Scott Angelle
 - U.S. Congressman Charles Boustany
 - U.S. Congressman Charlie Melancon
 - Lafayette City-Parish President Joey Durel
 - Lafourche Parish President Charlotte Randolph
 - Terrebonne Parish Councilwoman Arlanda Williams
 - Jefferson Parish Councilman John Young
 - St. Bernard Parish Councilman Wayne Landry



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