



Oilgram News/OPR Extra

A special edition from the editors of Platts

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(A note to our readers: You may have observed that our publication schedule of this special edition has slipped from its previous daily frequency the last few days. As the Macondo spill disaster winds toward what looks like closure at the wellhead during the next few weeks, expect that the publication frequency will be less than daily. We expect to stop publication of the special edition when the Macondo well is capped).

Entire month may be needed to complete capping Macondo

■ BP may need all of August to completely plug and abandon its runaway Macondo exploration well in the Gulf of Mexico, BP senior vice president Kent Wells warned Friday. But Wells also said the company has gained increased confidence in the performance of the sealing cap that has prevented any Macondo oil from leaking into the Gulf since July 15. Although the discovery of debris in the primary Macondo relief well should only delay the response schedule for 24-36 hours, Wells emphasized his previous warnings that the full operation to kill Macondo only begins with interception of the original Macondo wellbore, expected now to occur on August 11 or 12. "The kill procedure could take days to a few weeks, so look at it during the month of August," said Wells during a technical briefing by telephone for reporters Friday afternoon. "It could go right to the very end of August," he said. Regarding the discovery of debris in the relief well's wellbore, Wells told reporters: "This often happens when you have been out of the hole for a period of time." Discovery of the debris followed last week's evacuation for Tropical Storm Bonnie, which quickly fizzled and allowed crews to return on Saturday. But the storm threat still interrupted the schedule for about a week as crews were required to reposition and clean out the relief well's wellbore. "It's not uncommon to find what we call fill," said Wells, elaborating on comments earlier in the day by US National Incident Commander Thad Allen. As a result, he said the wellbore has 40-45 feet of fill to remove before operators can continue running and cementing a casing line on Saturday and Sunday. The Macondo crisis began April 20 with a blowout that destroyed Transocean's Deepwater Horizon drilling rig and created the largest marine oil spill in US history, with oil

leaking at an estimated rate of 35,000 to 60,000 b/d until BP closed the well July 15.

■ Wells' comments came after those of US National Incident Commander Thad Allen. He revealed earlier in the day that BP had discovered the debris deposited by Bonnie. "Development Driller 3 is now clearing out some debris from the storm passage," Allen said. "We will run final casing line tomorrow and Sunday. This could impact static kill by 24-36 hours. It could shift it to Tuesday." Static kill refers to the top kill of the stabilized well. The Macondo well blew out April 20 and was contained with a sealed cap on July 15. Allen has expected the kill to begin on next Monday. "This is not a huge problem, but it has to be removed, and that is what is being done today," said the retired US Coast Guard admiral. BP has designed static kill as a preliminary operation to enhance the completion of the relief well intended to intercept and administer a bottom kill of the Macondo reservoir later in August. But the static kill operation cannot be attempted until Transocean's *Development Driller 3* drillship has completed the relief well casing line and secured it with cement, Allen has said.

■ Macondo oil on the surface of the Gulf of Mexico is not likely to reach Southern Florida, the Florida Keys and the Atlantic Coast as it continues to degrade and is now hundreds of miles away from a current that could have carried it there, the US National Oceanic and Atmospheric Administration said in a new analysis Friday. The analysis assumes the Deepwater Horizon/BP wellhead will remain capped, as it has been since July 15, the JIC said in a statement. "For southern Florida, the Florida Keys, and the Eastern Seaboard, the

coast remains clear," NOAA Administrator Jane Lubchenco said in a statement. "With the flow stopped and the loop current a considerable distance away, the light sheen remaining on the Gulf's surface will continue to biodegrade and disperse, but will not travel far."

■ The US House on July 30 passed a sweeping energy bill that would lift the \$75 million cap on economic liability from an oil spill, prevent companies with poor safety records from bidding on oil and gas leases, and create three new agencies to oversee energy exploration and production on federal lands. The bill, which passed on voice vote, would also enact tougher safety regulations on blowout preventers, allow deepwater drillers that meet higher safety standards to seek relief from a deepwater moratorium, and require drilling rigs and other vessels operating in the Outer Continental Shelf to be owned by US companies. The Senate is expected to debate its own version of spill-related legislation the week of August 2. The earliest the two bills could be reconciled would be when Congress returns from its break in September. A separate House bill that also passed extends whistleblower protections to offshore workers for the first time. The bill would bar any company from firing a worker who complains about safety violations or otherwise expresses a concern about illegal or unsafe activities on an offshore rig. A new provision added to the energy bill at the last minute would allow drillers that meet new safety requirements outlined in Notices to Lessees issued since the blowout at BP's Macondo well in the Gulf of Mexico on April 20 to seek relief from the six-month deepwater moratorium issued by Interior Secretary Ken Salazar. But the provision also allows Salazar to require new safety requirements.