

From: Rainey, David I  
Sent: Thu Mar 25 01:03:33 2010  
To: Liu, Xuemei  
Subject: RE: Update on Macondo Supplement FM  
Importance: Normal

Great - thanks

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From: Liu, Xuemei  
Sent: Wednesday, March 24, 2010 9:11 AM  
To: Rainey, David I  
Cc: Thorseth, Jay C; Sewani, Samina; Riddle, Jeff  
Subject: Update on Macondo Supplement FM

Dave,

I talked to Martin yesterday and below are what we agreed on the process for the supplement FM:

- The original FM was sanctioned at 100% BP with NTE amount of \$139.5m. AGI approved it.

1 Also in the original FM, we said

- This FM requested amount represents 100% of the NTE well costs. The well may be drilled at a lower cost interest depending on the outcome of various ongoing negotiations. The net Sanctioned amount and the Performance Target will be adjusted accordingly once the negotiations are finalized.

So the sanctioned amount effectively is adjusted down to below \$100m due to farm out deals with APC and Mitsui. It is within MCD's delegation of authority.

- The latest estimate of the NTE amount is ~ \$165m gross / \$98m net (still to be finalized), which includes all the Marianas rig repair and standby costs last year. Since the total net is still within \$100m, we will ask MCD to sign the supplement FM.

Samina is working with Jay and the team to finalize the supplement FM draft. We hope to bring the draft to you before Friday and send it out to MCD on or before Friday. Please let me know if you have any concerns or guidance,  
Xuemei

EXHIBIT NO. 2380

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