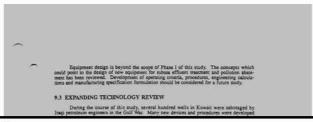
11755.49.2



9.4 PHASE II

Initiation of Phase II of this study is not recommended at this time. The development of the flow-through subsea chemical injector and the analysis of new well control equipment and devices can be performed later if the participants so choose.

There has not, as yet, been a major pollution-causing blowout in deep water since 1987. Studies indicate that there have been no long-lasting effects from that or any other incident including large tanker spills in 1989 and 1990. Thus, there is little urgency to develop new equipment and procedures for such incidents recognizing the low probabilities of their occurring.

Phase II may be indicated in the future. Continuing into Phase II is not warranted at this time, however.

