

**Gulf of Mexico Committee
Charter**

BACKGROUND

The GCE has established a separate business organisation, The Gulf Coast Restoration Organisation (GCRO), to manage the Group's long term response to the Deepwater Horizon incident. In recognition of the scale of this long term response, and of the need of the Board to devote sufficient time to the oversight and strategic direction of the Group as a whole, the Board has decided to establish a committee to oversee the work of this organisation.

PURPOSE AND ROLE

The purpose of this Committee is to provide, in a Non-executive role oversight of the GCRO and to support efforts to rebuild trust in BP and BP's reputation.

The Committee will be comprised of:

Ian Davis (Chairman)
Paul Anderson
Sir William Castell
George David

Tony Hayward and Bob Dudley will attend each meeting, and legal counsel will be represented by Jack Lynch. The Chairman may attend meetings at his discretion. Secretarial support will be provided by the Company Secretary's office and (although to be confirmed) operational support by Jerome Fitzgerald.

The work of the Committee will be fully integrated with the work of the Board on reputation, safety and strategy and the Board will retain ownership of the Group's response to the incident. The workings and conclusions of the Committee will consequently be transparent to and discussed regularly with the Board, and other Board committees, as necessary. The Committee Chairman will liaise closely with the Chairman of the Board to arrange appropriate involvement in the Board's broader work.

SPECIFIC TASKS OF THE COMMITTEE

In support of its purpose to monitor the response of the company to the Deepwater Horizon incident through oversight of the Gulf Coast Restoration Organisation, the Committee will undertake the following tasks:

1. Monitor the remediation work to mitigate the effects of the oil spill in the waters of the Gulf of Mexico and on the affected shorelines.
2. Oversee a coordinated response programme with affected communities and states, and to oversee the approach for relationships with communities, States and the US government on issues relating to the incident.
3. Oversee the legal and communication strategy for responding to all fines and penalties against the company or its subsidiaries arising from the incident or its aftermath

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4. Oversee the legal and communication strategy connected with claims, recognising the independent nature of the connected Claims Facility.
5. Oversee BP's activities and responsibilities with respect to the Independent Claims Facility and the Escrow Account.
6. Oversee the process for distribution of the \$100 million goodwill fund for rig workers who have been impacted by the drilling moratorium imposed by the US Government.
7. To oversee, and in certain agreed circumstances authorise, expenditures and investments which fall outside the usual definition of legitimate claims (for example exceptional payments in support of state or community projects) or any redirection of resources outside the normal cause of business.
8. To review and monitor management strategy and actions to restore the Group's reputation in the United States and to support, where helpful, management in any activities aimed at that goal.

It is anticipated that the role and need for the Committee be reviewed annually.

9th July 2010