

Deposition Testimony of:

**Kirk Wardlaw**

Date: June 9, 2011

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Page 11:17 to 11:24

00011:17 O. KIRK WARDLAW,  
18 after having been first duly sworn by  
19 the above-mentioned Certified Court  
20 Reporter, was examined and testified as  
21 follows:  
22 EXAMINATION BY MS. ANNIKA MARTIN:  
23 Q. Good morning, Mr. Wardlaw.  
24 A. Good morning.

Page 14:11 to 15:03

00014:11 Mr. Wardlaw, do you hold any  
12 college degrees?  
13 A. Yes, I do.  
14 Q. And what are those degrees?  
15 A. I have one degree in criminal  
16 justice, and I have another degree in  
17 political science.  
18 Q. Okay. And where did you get  
19 those degrees from?  
20 A. I got those degrees from  
21 Metropolitan State College in Denver,  
22 Colorado.  
23 Q. Both of them?  
24 A. Both of them; right.  
25 Q. And in what years?  
00015:01 A. 1980.  
02 Q. For both of them?  
03 A. For both of them.

Page 15:10 to 15:21

00015:10 Q. Okay. Who is your current  
11 employer?  
12 A. I am employed by BP Exploration  
13 and Production Company for -- or BP  
14 America, actually.  
15 Q. Okay. Are the -- can you  
16 explain. Is it -- is it BP America or is  
17 it BP Exploration and Production or --  
18 A. I'm actually employed by BP  
19 America.  
20 Q. Okay. How is BP America related  
21 to BP Exploration and Production?

Page 15:24 to 15:25

00015:24 THE WITNESS:  
25 It's an affiliate of BP America.

Page 16:19 to 18:09

00016:19 Q. Okay. So what is your current  
20 title at BP America, let's say?  
21 A. My current title is senior  
22 negotiator.  
23 Q. Okay. And is that within a  
24 group or --  
25 A. That's for -- I'm senior  
00017:01 negotiator for the Western Hemisphere.  
02 Q. Okay. Is there some part of  
03 your title or the group name that  
04 delineates that you work with the land  
05 aspect of negotiation, or no?  
06 You're not in a land group or  
07 something like that?  
08 A. No, I am not in the -- in the  
09 land group.  
10 Q. Okay.  
11 A. I am in the exploration group.  
12 Q. Okay.  
13 A. And reporting to London.  
14 Q. Okay. Is this different from  
15 what your title was and your group's  
16 affiliation was during the 2009-2010 time  
17 period?  
18 A. For the vast majority of 2010,  
19 my title was chief land negotiator for the  
20 Gulf of Mexico.  
21 Q. Okay. And in 2009?  
22 A. 2009 was chief land negotiator  
23 for the Gulf of Mexico.  
24 Q. Okay. So in 2010, then, at some  
25 point, your title shifted?  
00018:01 A. That is correct.  
02 Q. Okay. Was that a promotion or  
03 just a transfer to a different group or  
04 something else?  
05 A. It wasn't a promotion. It was a  
06 change to broaden my responsibility rather  
07 than just the Gulf of Mexico. It was  
08 broadened to cover the Western Hemisphere  
09 or the Americas.

Page 18:25 to 22:24

00018:25 Q. Start in detail and then go  
00019:01 down. Okay.  
02 So when you were chief land  
03 negotiator in 2009 and for the majority of  
04 2010, what were your job responsibilities  
05 in that position?  
06 A. My job responsibilities as a  
07 chief land negotiator was to oversee the  
08 Gulf of Mexico negotiations primarily for  
09 the exploration group.

10 I did not participate in all the  
11 negotiations in the Gulf -- Gulf of Mexico.  
12 I was -- primarily served as a -- as an  
13 advisor on most transactions.

14 Q. Okay.

15 A. Some of the larger transactions  
16 that were done, I would -- I would handle  
17 those.

18 Q. Okay. And during that time  
19 period, you were in the exploration group;  
20 is that correct?

21 A. That -- that is correct. I  
22 reported to the vice-president of  
23 exploration.

24 Q. Okay. What was his name or her  
25 name?

00020:01 A. His name was Dave Raney.

02 Q. Did -- who reported directly to  
03 you when you were in that position as chief  
04 land negotiator in 2009 and the majority of  
05 2010?

06 A. I did not have any direct  
07 reports.

08 Q. Okay. So when you oversaw these  
09 negotiations and you were more in an  
10 advisory role, who was handling the  
11 day-to-day negotiations that you were  
12 observing and advising on?

13 A. As to a specific project or just  
14 generally speaking?

15 Q. Just in general. I mean, you  
16 said that you don't have anybody directly  
17 reporting to you. So I'm wondering if  
18 there's a team of people who are the direct  
19 liaisons that are running the negotiations,  
20 or who is -- who is actually doing the  
21 communicating during the negotiations?

22 If you have an advisory role,  
23 I'm trying to figure out who is actually  
24 talking while you're advising.

25 A. It was the land group. So I  
00021:01 would -- I would've served as an advisor  
02 for the -- to the land department.

03 Q. Okay. So you're a chief land  
04 negotiator in the exploration group, but  
05 there's a separate land group?

06 A. Yes, there is a separate --  
07 separate land group that also reported in  
08 to the vice-president of exploration.

09 Q. Okay. Mr. Raney?

10 A. That's correct.

11 Q. So in that separate land group  
12 team -- who -- who is the head of that  
13 separate land group?

14 A. The land manager for the land  
15 group was a gentleman by the name -- or is

16 a gentleman by the name of Kemper Howe.

17 Q. Okay. Kemper Howe.

18 And so Kemper -- were you and  
19 Kemper -- what was your relationship to  
20 each other?

21 Were you -- I mean, he doesn't  
22 report to you. So are you sort of equals  
23 or something else?

24 A. I would say that we -- we were  
25 peers to one -- one another.

00022:01 Q. Okay. And how did you work  
02 together in the -- with these negotiations?

03 Yeah. How did -- how did your  
04 relation -- working relationship work on  
05 any given negotiation that the land group  
06 was working on and that you're advising?

07 A. As -- I don't -- it varies from  
08 project to project.

09 Q. Can you give me a general idea?

10 A. Yeah. When -- when we're  
11 looking at -- you know, looking at doing a  
12 particular transaction, depending on the  
13 type of transaction it actually is, my role  
14 will be one that either I will lead the  
15 negotiation and -- with the help of the  
16 project landman, or I will advise the --  
17 Kemper may lead a particular negotiation  
18 with one of the project -- project landmen.

19 But nonetheless, I'm also  
20 involved when he's leading it. They're  
21 coming to me, given my, you know, 30 -- 30  
22 years of being in the business. That's why  
23 they put me in this -- this particular  
24 role.

Page 23:23 to 25:08

00023:23 So how is your current position  
24 different from what you've just described  
25 to me, what your job responsibilities

00024:01 during 2009 to 2010, when you shifted to  
02 broaden your reach or your regional scope?

03 You're now the whole Western  
04 Hemisphere; is that correct?

05 A. That is correct.

06 Q. And did any of those job  
07 responsibilities that we talked about from  
08 2009-2010 change, or were there any added  
09 when you brought into your regional reach?

10 A. Are you asking did any of my job  
11 responsibilities change in the Gulf of  
12 Mexico, given they're now including me  
13 beyond just the Gulf -- Gulf of Mexico?

14 Q. Well, the question is: Are they  
15 the same job responsibilities, just now

16 expanded to the whole region or something  
17 else?

18 A. It's -- it's basically the same.  
19 It's, you know, negotiating contracts  
20 between co-owners. You know, when -- when  
21 you're working outside the U.S., you have  
22 to work a little bit closer with the  
23 government entities, so --

24 Q. Okay.

25 A. There's -- there's a bit of a  
00025:01 difference. But basically, in context,  
02 it's the same.

03 Q. Okay. Excellent.

04 We spoke about BP Exploration  
05 and Production, Inc., and BP America, Inc.

06 Are you an employee of any other  
07 BP entity?

08 A. No.

Page 26:21 to 29:18

00026:21 Q. Yeah, you can strike the part of  
22 the question before that.

23 And then I said: When did you  
24 transition to the new position with the  
25 larger geographic reach?

00027:01 A. I seem to recall -- I think -- I  
02 thought it was December of 2010.

03 Q. Okay. All right. So, in your  
04 position as chief land negotiator, in 2009  
05 and almost the whole of 2010, what were  
06 your specific job responsibilities  
07 regarding the Mississippi Canyon 252-Block?

08 A. My specific job responsibilities  
09 for the MC-252, I led the negotiations  
10 with -- with MOEX, negotiating the  
11 like-kind exchange agreement and then the  
12 operating agreement. And then in my  
13 advisory capacity, I also advised the  
14 negotiations for the Anadarko exchange and  
15 subsequent joint operating agreement.

16 Q. Okay. And during that time when  
17 you were performing those job  
18 responsibilities with regard to the  
19 Mississippi Canyon -- MC-252-Block, were  
20 you reporting to David Raney?

21 A. Yes, I was.

22 Q. And during that time, you did  
23 not have anyone specifically reporting to  
24 you; is that correct?

25 A. That is correct. I had no one  
00028:01 reporting to me.

02 Q. And during that time that you  
03 were performing those specific job  
04 responsibilities regarding the

05 MC-252-Block, was Kemper Howe leading up  
06 the land group?

07 A. During 2010 and currently now,  
08 Kemper Howe is the land manager for the  
09 land department.

10 Q. Okay. And did you work with him  
11 in performing the job responsibilities that  
12 you described regarding MC-252?

13 A. Yes, I did. Kemper and I worked  
14 very -- very closely together.

15 Q. Okay. Who else did you work  
16 with during -- or in the performance of  
17 your job responsibilities for the MC-252  
18 Block?

19 A. In -- are you requesting as to  
20 the land department?

21 Q. Yes. Let's limit it to the land  
22 department, to start.

23 A. Okay. As to the land  
24 department, it was myself, Kemper Howe, and  
25 a gentleman by the name of Mike Beirne.

00029:01 Q. Okay. And did you work with  
02 anyone else that was not in the land  
03 department, specifically regarding  
04 MC-252-Block?

05 A. Yes. Yes, I did.

06 Q. Okay. What -- can you tell me  
07 who those people were and what group they  
08 were in?

09 A. I don't know that I could  
10 list -- list every one. I mean, when  
11 you're putting a transaction together like  
12 this, you can imagine the number of people  
13 that are -- that are involved.

14 But specifically, legal's  
15 involved, tax is involved, the  
16 geoscientists, the technical teams are  
17 involved. So it is a wide -- wide range of  
18 folks that are involved.

Page 30:16 to 30:19

00030:16 Q. Okay. This has previously been  
17 marked as Exhibit 1860, and it is the  
18 agreed deposition notice of BP defendants  
19 that was filed on March 23rd, 2011.

Page 31:02 to 32:01

00031:02 If you would just read that  
03 paragraph for me and then --

04 A. Paragraph 30?

05 Q. Yes.

06 A. It says: All discussions during  
07 Macondo leasehold negotiations between BP

08 and Anadarko or MOEX concerning the nature  
09 and scope of information to be made  
10 available by or to be provided by BP to  
11 Anadarko or MOEX regarding the design of  
12 and operations at the Macondo Well, and  
13 BP's understanding of its obligation and  
14 Anadarko's and MOEX's rights under the  
15 operating agreements, with regard to the  
16 parties' ability to receive and respond to  
17 information received about planning with  
18 respect to and operations at the Macondo  
19 Well.

20 Q. Have you -- have you seen this  
21 paragraph before?

22 A. Yes, I have.

23 Q. Are you prepared to testify on  
24 behalf of BP today regarding the topics  
25 mentioned in this paragraph?

00032:01 A. Yes, I am.

Page 32:07 to 32:10

00032:07 Are you aware that in March 2008  
08 there was an oil and gas lease auction for  
09 MC 252-Block?  
10 A. Yes, I am.

Page 32:15 to 33:04

00032:15 Q. Did you have any role in the  
16 bidding process or the decisions around the  
17 bidding process during that time period?

18 A. Yes. I -- I do participate in  
19 all -- all lease sales that BP, you know,  
20 prepares. Yes.

21 Q. Okay. What was your role in  
22 this specific bid on the MC 252-Block in  
23 March 2008?

24 A. My specific role is to -- it's  
25 a -- it's a very involved process. But my  
00033:01 specific role is to -- in my advisory  
02 capacity, is to provide advice on what type  
03 of bid that BP should -- should participate  
04 at.

Page 34:19 to 35:01

00034:19 And do you remember the -- were  
20 you aware of or do you recall the amounts  
21 that's BP bid for the process?

22 A. I don't recall specific. It  
23 seems like it was -- it was in the tens of  
24 millions, 30 plus million dollars for the  
25 bid process. I can't recall the exact

00035:01 amount.

Page 35:03 to 35:11

00035:03 And so, of course, you're aware  
04 take BP ultimately won the auction; is that  
05 correct?  
06 A. That's correct.  
07 Q. And, therefore, acquired the  
08 Macondo lease in March 2008; is that  
09 correct?  
10 A. We were -- we were the apparent  
11 high bidder in March of 2008.

Page 35:22 to 36:07

00035:22 Q. So at some point after acquiring  
23 the lease, the Macondo lease -- so at some  
24 point after June 1, we'll say, 2008, BP  
25 decided to offer portions of its interests  
00036:01 in the Macondo lease to other oil  
02 companies; is that correct?  
03 A. We did decide some time in 2009  
04 that it's a prospect, that we would go out  
05 and see if there was any -- any industry  
06 interested in participating with us in --  
07 in the block, yes.

Page 36:25 to 40:17

00036:25 Q. Okay. So then in 2009, the  
00037:01 decision was made to offer some portions of  
02 interests to some other oil companies, as  
03 you said.  
04 Why was that decision made?  
05 A. Why was the decision made to  
06 offer a portion of this or the keeping it a  
07 hundred percent?  
08 Q. Exactly.  
09 A. It's very common practice in --  
10 in the oil and gas business to offer -- to  
11 bring parties in. There could be any  
12 number of reasons for that. So if -- it  
13 can be, you know, for costs -- cost  
14 sharing.  
15 Q. Okay.  
16 A. Acreage trades. There's any  
17 number of reasons, so.  
18 But for this particular one, it  
19 was kind of a combination. There was  
20 acreage trades done, along with offsetting  
21 some of the -- some of the addition -- some  
22 of the costs.  
23 Q. Okay. Were you involved in the

24 decision to offer some portions of the  
25 Macondo lease to other oil companies?

00038:01 A. So involved, you mean by --  
02 Q. I mean, you know, the -- or when  
03 this decision was -- or when this idea was  
04 being thought about and then ultimately  
05 decided, were you a part of those  
06 discussions and the ultimate decision to  
07 offer portions of the lease to other oil  
08 companies or not?

09 A. I was involved in the  
10 discussions. I did not make the final --  
11 the final decisions.

12 Q. Okay. Do you know how BP chose  
13 which other oil companies it was going to  
14 offer portions of its interest in Macondo  
15 to?

16 A. So if I'm understanding your  
17 question that you're asking me, how -- how  
18 did we -- was I involved in how we decided  
19 that?

20 Q. Well, yes. If you were  
21 involved, would be sort of the first  
22 question.

23 So, yes, we can go with that.  
24 Were you involved?

25 A. Yes, I was involved.

00039:01 Q. Okay. So then my question is,  
02 with all the oil companies that work in the  
03 Gulf of Mexico, how did BP decide who they  
04 were going to offer these portions of the  
05 Macondo lease to?

06 A. Okay.

07 Q. I mean, I'm assuming they  
08 weren't picked out of a hat. So there was  
09 a, you know, decision-making process as to,  
10 let's offer some to this company, let's  
11 offer some to this company.

12 So I'm just curious as to how  
13 that decision was made?

14 A. Okay. The -- there are  
15 multiple -- there are -- multiple parties  
16 were actually shown the -- the prospect.  
17 So you have to go through technical  
18 presentations of -- it's sometimes not too  
19 dissimilar from selling a house.

20 If you're going to put up your  
21 house for sale, you want to have as many  
22 people to come through to actually look at  
23 it, because you -- you can't predict with  
24 any degree of certainty which company is  
25 going to agree with your technical  
00040:01 assessment.

02 So there are multiple companies  
03 that -- that we did -- we did -- we did  
04 bring in to look at it, and several of

05 those companies were not necessarily  
06 interested for technical reasons that we  
07 may not be aware of.  
08 Anadarko was interested in it,  
09 obviously, because they participated in --  
10 in the lease sale. We knew that they had  
11 done that. And BP and Anadarko also own --  
12 or Kerr-McGee owns the Pompano facilities,  
13 which is just to the north of Macondo.  
14 It makes -- it would make sense  
15 to have partner alignment when we drilled  
16 the well in order to gain access to -- to  
17 Pompano.

Page 44:03 to 44:09

00044:03 Q. Okay. So in that springtime  
04 period when BP was offering portions of its  
05 interest in the Macondo lease to other oil  
06 companies, BP also made that offer to a  
07 Mitsui company as well; is that correct?  
08 A. Yes, we offered the opportunity  
09 to -- to MOEX.

Page 46:24 to 47:03

00046:24 Okay. So what were you -- I  
25 mean, it sounds like you were familiar with  
00047:01 Mitsui and MOECO and perhaps MOEX Offshore  
02 before this transaction regarding the  
03 Macondo lease; is that correct?

Page 47:06 to 47:10

00047:06 THE WITNESS:  
07 Yes. I -- I am familiar with  
08 them. I have done other transactions with  
09 the -- with MOEX in -- in the Gulf of  
10 Mexico.

Page 47:23 to 49:06

00047:23 Q. Okay. Have you only done one  
24 other transaction with these MOEX -- Mitsui  
25 entities or --  
00048:01 A. We've -- we have done three  
02 transactions with them, including Macondo.  
03 Q. Okay. What were the other two,  
04 just really generally?  
05 A. The first one we did with MOEX  
06 was what we refer to as our Will K  
07 prospect.  
08 Q. Okay.

09 A. The second transaction we did  
10 with them was on our Gouda prospect.

11 Q. Okay. And were both of those  
12 transactions, transactions that were done  
13 with MOEX Offshore 2007?

14 A. As I said, I -- I -- I don't  
15 recall. I'm pretty sure it was MOEX 2007  
16 on all three transactions.

17 Q. Okay. And when you negotiated  
18 those transactions, were you always  
19 speaking with employees -- or dealing with  
20 employees of MOEX Offshore 2007, or were  
21 you dealing with employees of any of the  
22 other entities as well?

23 A. When you say "dealing with," I  
24 just -- to be -- to be clear, I mean --  
25 yes. But I've gone to Tokyo a couple of  
00049:01 different times, and I'm not sure of the  
02 relationships of those people that I --  
03 when we were in Tokyo actually discussing  
04 the terms and conditions in these  
05 transactions, what their -- what their  
06 affiliation is.

Page 49:09 to 51:09

00049:09 Okay. So how did it come about  
10 in the spring 2009 that BP decided to offer  
11 an interest in the Macondo lease to MOEX?

12 A. I had ongoing discussions with  
13 MOEX from our -- from the drilling of the  
14 Will K well. I also had ongoing  
15 conversations with MOEX as it related to  
16 our Gouda prospect. And MOEX had asked  
17 several times, if there's any other  
18 additional opportunities similar to  
19 something like Macondo, they would be very  
20 interested in looking at that opportunity.

21 Q. Okay. Did you get any sense  
22 from them as to why they were so interested  
23 in similar opportunities?

24 A. The opportunities they were  
25 looking for were opportunities that had a  
00050:01 fairly quick turn around from the time --  
02 from drilling the exploration well to first  
03 oil.

04 Q. Okay. Who was your primary or  
05 who were your primary contacts at MOEX at  
06 this time, June -- I'm sorry -- spring 2009  
07 when you began speaking with them about  
08 Macondo?

09 A. When we began speaking with them  
10 about Macondo, it was Naoki Ishii.

11 Q. And was that your primary  
12 contact with MOEX regarding Gouda and

13 Will K as well?

14 A. As to daily communications, yes,  
15 that would be -- that would be -- be  
16 correct. As I mentioned earlier, I had  
17 other communications with -- with MOEX as  
18 we were negotiating the transactions.

19 Q. Okay. Can you remember the  
20 names of any of the other people that you  
21 spoke with at MOEX?

22 A. In regards to --

23 Q. During any of those  
24 transactions?

25 A. During any --

00051:01 Q. Will K, Gouda, or Macondo, if  
02 any other names are --

03 A. Yes, I had conversations with --  
04 as it relates to Will K, Gouda, and  
05 Macondo, there is a -- there's a gentleman  
06 by the name of Matt Pullman, who is their  
07 attorney. There's Siruda-san. I think  
08 it's easier to refer -- he refers to  
09 himself in the name of J.B. Kagawa-san.

Page 52:25 to 53:09

00052:25 You testified earlier that

00053:01 you -- you, personally, negotiated the deal  
02 or led the negotiation of the lease  
03 transaction with MOEX for the Macondo  
04 prospect; is that correct?

05 A. Yes, I led the negotiations for  
06 the exchange agreement between the Gouda  
07 prospect, where they had a -- a working  
08 interest for their interest in the Macondo  
09 lease.

Page 54:01 to 54:03

00054:01 (Whereupon, the document  
02 referred to was marked as Exhibit No. 3006  
03 for identification.)

Page 54:13 to 55:25

00054:13 Q. Okay. This document is an  
14 e-mail chain between you and Naoki Ishii  
15 and Michael Beirne for the most part, until  
16 the first page, when it is just between you  
17 and Michael Beirne.

18 And my question is about -- on  
19 the first page in the middle Michael Beirne  
20 is writing an e-mail to you. And he  
21 writes: I am double-checking with you on  
22 everything MOEX due to the sensitive nature

23 of the relationship.

24 Do you see that?

25 A. Yes, I do.

00055:01 Q. What is your understanding of  
02 what is meant there by the sensitive nature  
03 of the relationship?

04 A. I'm not sure what Mike Beirne  
05 meant, but I can -- what I can tell you is  
06 that we -- MOEX was, you know, co-owner in  
07 the Macondo well, and we treated them as  
08 much like any other co-owner that we would  
09 anybody else.

10 Q. Okay. So there was no -- I  
11 mean, here it seems that he -- Beirne is  
12 double checking on things that he normally  
13 would do on his own, without double  
14 checking with you. And, obviously, I know  
15 you can't read Mike Beirne's thoughts.

16 But does this double checking  
17 with you happen with all co-owners, or was  
18 it something that was done specifically in  
19 the relationship with MOEX for some reason?

20 A. In that I was managing the  
21 relationship with -- with MOEX, he did  
22 check with me on almost all the  
23 communication going out. MOEX hadn't  
24 participated in a lot of wells in the Gulf  
25 of Mexico.

Page 56:02 to 56:04

00056:02 A. So it -- it was -- required  
03 additional support, and there was a lot of  
04 questions that MOEX had.

Page 57:12 to 57:22

00057:12 Q. Okay. Was there anything  
13 negative that had happened in the previous  
14 negotiations regarding -- or interactions  
15 regarding Will K that -- that required a  
16 little bit more care or how -- anything  
17 like that?

18 A. Depends on what you mean by --  
19 by negative. Unfortunately, Will K was not  
20 a producible well. So some people would  
21 view that as negative, but that's part of  
22 the oil and gas business.

Page 57:24 to 57:25

00057:24 A. But outside of the results, no,  
25 there was nothing -- nothing negative.

Page 58:09 to 58:25

00058:09 Okay. So you testified that you  
10 leg those negotiations on the lease  
11 exchange agreement and operating agreement  
12 with MOEX.  
13 Who else was involved in  
14 dealing -- in interacting with MOEX with  
15 regard to the Macondo prospect  
16 negotiations?  
17 A. As to specific negotiations, it  
18 was primarily myself, Mike Beirne, as we  
19 can see was also involved in it, as you  
20 keep talking about the actual negotiations.  
21 Now, when you talk about actual  
22 contracts being developed and put together,  
23 then that would -- that would increase to a  
24 larger group of individuals within --  
25 within the company, as I mentioned earlier.

Page 60:17 to 60:19

00060:17 (Whereupon, the document  
18 referred to was marked as Exhibit No. 3007  
19 for identification.)

Page 61:05 to 61:16

00061:05 Q. First of all, do you recall this  
06 e-mail -- this e-mail chain?  
07 A. I remember parts of it. I don't  
08 know that I remember all of them, no.  
09 Q. Okay. So just -- if we start --  
10 well, just generally, it is an e-mail  
11 chain, regarding setting up a meeting with  
12 some MOEX, MOECO, and knowledge reservoir  
13 employees; is that correct, just in a  
14 general sense?  
15 A. Yes, that's what -- that's what  
16 it appears to be, yes.

Page 63:17 to 63:22

00063:17 Q. Okay. All right. So this  
18 meeting that was being set up here in June  
19 of 2009, did that meeting actually take  
20 place in June of 2009?  
21 A. Yes. We did have a meeting with  
22 them in 2009 to review the prospect.

Page 64:01 to 64:18

00064:01 Q. Okay. On the page ending in 17,

02 there is at the bottom of the page a list  
03 of attendees from MOECO, MOEX, and  
04 Knowledge Reservoir; do you see that?

05 A. Yes. The list of eight people  
06 that listed here?

07 Q. Yes.

08 A. Addressed to Jasper?

09 Q. Yes.

10 A. Yes, I see that.

11 Q. And in your recollection, were  
12 these the attendees from the -- from the  
13 MOEX side at this June 2009 meeting?

14 A. I do seem to recall that seems  
15 to be about the right number of people, and  
16 several of the names aren't -- are  
17 familiar. So, yes, I would say that's  
18 probably, to the best of my knowledge.

Page 65:16 to 65:23

00065:16 Q. Okay. And what was the purpose  
17 of this meeting?

18 A. The purpose of the meeting was  
19 to give them a prospect -- showing what we  
20 referred to as a prospect show and tell, to  
21 review the -- the prospect, so that they  
22 could gain some information and knowledge  
23 about it.

Page 66:05 to 66:17

00066:05 Q. Okay. And what kinds of  
06 information did you present to MOEX about  
07 Macondo at this meeting?

08 A. The type of information that was  
09 shown is the -- it's the typical  
10 information that we will show when we're  
11 showing the prospect and any details, you  
12 know, the seismic, geological maps, all  
13 kinds of technical -- technical aspects of  
14 it.

15 There is typically a lease  
16 summary, you know, a land map of what our  
17 future -- future plans are.

Page 66:22 to 67:10

00066:22 Was there any discussion about  
23 the well plan for the prospect?

24 A. I can't recall specifically, but  
25 I'm -- I'm sure that we showed a well

00067:01 schematic.

02 Q. Okay. Anything else about the  
03 plan for the well or drilling?

04 A. I'm -- we -- I'm sure we shared  
05 with them the anticipated commencement date  
06 when the well would be drilled, which rig  
07 we were intending to use and -- and kind of  
08 some -- what our initial cost estimates  
09 would -- are for the -- for the well  
10 itself.

Page 70:24 to 71:05

00070:24 Q. Okay. Excellent. I'm going to  
25 show you what was marked as Exhibit --  
00071:01 well, what I'm marking as Exhibit 3008, and  
02 it's Tab 11.  
03 (Whereupon, the document  
04 referred to was marked as Exhibit No. 3008  
05 for identification.)

Page 71:11 to 72:20

00071:11 Q. Okay. So this -- have you seen  
12 this exhibit before?  
13 A. I have not seen this. I don't  
14 recall seeing this exhibit before, no.  
15 Q. Okay. I know that you're not on  
16 the -- on the top e-mail there. But the  
17 attachment to the e-mail which is this --  
18 the file name is 090618 underscore, Mitsui,  
19 underscore Macondo, underscore Short, dot,  
20 PDF. Have you seen this presentation  
21 before?  
22 A. I'm sorry. Make sure I'm --  
23 Q. That's -- yeah, that's the  
24 attachment?  
25 A. You're talking about this --  
00072:01 these attachments?  
02 Q. Uh-huh.  
03 A. Yes, I recall seeing these  
04 before.  
05 Q. Is this the attachment or one of  
06 the attachments that was handed out on --  
07 in the June meeting with MOEX regarding  
08 Macondo?  
09 A. I don't know that this was  
10 handed out. I think what this was, this  
11 was probably sent to them at a later --  
12 later date, because I don't think we would  
13 hand this type of information out at the --  
14 at the presentation.  
15 Q. Okay. But was this the type of  
16 information that was presented even if it  
17 wasn't handed out?  
18 A. This is a typical type of  
19 information that you would present, yes, in  
20 a prospect review.

Page 74:03 to 74:19

00074:03 Was there anything discussed  
04 about operation of the well once it got  
05 going?  
06 A. I'm not sure if I follow what  
07 your question --  
08 Q. So who would be operating the  
09 well or what rig would be used or anything  
10 about the operations beyond just the well  
11 design schematic that you already  
12 mentioned?  
13 A. Yes. We did tell them that BP  
14 would be -- would be the operator. We  
15 would operate it, and it would be a rig  
16 within our -- within our fleet. And I  
17 think at that time we were tell -- we were  
18 indicating that it was going to be the  
19 Marianas rig.

Page 80:23 to 81:02

00080:23 Again, I'm going to show you  
24 what I'm marking as Exhibit 3010, Tab 10.  
25 (Whereupon, the document  
00081:01 referred to was marked as Exhibit No. 3010  
02 for identification.)

Page 81:06 to 81:19

00081:06 Q. Do you recall this e-mail chain?  
07 A. Not specifically, but I do -- I  
08 do remember -- I do remember seeing it,  
09 yes.  
10 Q. Okay. So at the bottom, the  
11 bottom e-mail of the original e-mail is  
12 from Ishii to Beirne, cc'ing you and Tokio  
13 Kachi, and it's listing the attendees from  
14 JOGMEC and MOEX/MOECO; is that correct?  
15 A. That is correct.  
16 Q. And it looks like the meeting is  
17 scheduled for December 17, 2009, at 1 p.m.;  
18 is that correct?  
19 A. That is correct.

Page 82:03 to 82:11

00082:03 Q. Okay. So you did not attend for  
04 BP?  
05 A. I don't think so.  
06 Q. Okay. Do you know who attended  
07 for BP?

08 A. I know that the technical team  
09 that was -- it's listed on that, and there  
10 were some people from the technical team,  
11 and Mike Beirne definitely attended.

Page 82:16 to 82:21

00082:16 Q. Were you filled in after the  
17 fact as to what occurred at this meeting?  
18 A. I was -- I was told -- Mike  
19 Beirne did share with me after -- after the  
20 meeting that -- that they had the meeting,  
21 and the meeting went well.

Page 83:04 to 83:17

00083:04 Q. So was the purpose of the  
05 meeting to make a similar presentation that  
06 had been made to MOEX on June -- in June  
07 now to JOGMEC in September?  
08 A. That is correct.  
09 Q. Okay. Do you happen to know if  
10 the -- if the slide show or the slide deck  
11 that -- the slide deck that was  
12 Exhibit 3008, that we looked at a little  
13 bit before, do you happen to know if that  
14 was also presented at this meeting?  
15 A. I would assume that it would've.  
16 We wouldn't have created a separate  
17 presentation for them.

Page 85:17 to 86:07

00085:17 So the negotiation period, you  
18 began to negotiate with MOEX for a  
19 potential -- a partial interest in Macondo  
20 in or around June of 2009, I think the --  
21 the review of that; is that correct?  
22 A. We were doing the prospect  
23 review at that -- at that time. I wouldn't  
24 say negotiations were actually taking place  
25 at that time.  
00086:01 Q. Okay. So when would you say  
02 negotiations began to take place?  
03 A. It would be sometime once Mitsui  
04 had received management approval that they  
05 would want -- would like to go forward.  
06 And I can't recall that -- that particular  
07 date.

Page 86:16 to 86:19

00086:16 Okay. Thank you.

17 (Whereupon, the document  
18 referred to was marked as Exhibit No. 3012  
19 for identification.)

Page 86:23 to 87:14

00086:23 Q. Do you recognize this e-mail and  
24 the attached letter?  
25 A. Yes, I do.  
00087:01 Q. Okay. Can you explain what they  
02 are?  
03 A. This is a proposal letter from  
04 MOEX to BP after they finished their  
05 technical evaluation, indicating their  
06 interest to participate in the MOEX -- into  
07 the Macondo -- Macondo lease.  
08 And I forwarded this on to our  
09 exploration manager, Dave Raney, the  
10 vice-president of exploration named Kemper  
11 Howe and cc'd Mike -- Mike Beirne. Told  
12 that my initial feedback is that we would  
13 need to work up a counter-offer involving  
14 the Gouda prospect.

Page 87:24 to 88:07

00087:24 Q. And you -- your feedback is that  
25 the proposal is not acceptable; is that  
00088:01 correct?  
02 A. Yes, that's what I said.  
03 Q. Why was it not acceptable?  
04 A. The reason it was not -- the  
05 reason this initial proposal would not be  
06 acceptable to us is the consideration  
07 involved.

Page 88:18 to 89:06

00088:18 Q. So in this negotiation period,  
19 then -- so from the beginning of October,  
20 until the signing, which was November 17th,  
21 I believe, or 18th, or something like that,  
22 so in that negotiation period, when did BP  
23 tell MOEX that BP was also involved in  
24 negotiating with Anadarko for partial  
25 interest in the Macondo lease?  
00089:01 A. I can't recall the specific date  
02 when we told Mitsui that we were talking to  
03 Anadarko. Mitsui was aware that we were  
04 looking to bring in an additional party at  
05 that -- you know, in addition to them, but  
06 I can't recall a specific date.

Page 90:16 to 90:18

00090:16 Q. Okay. I'm going to show you  
17 what has been previously marked as  
18 Exhibit 1244. It's Tab 15.

Page 91:04 to 91:09

00091:04 Q. Can you tell me what it is, Even  
05 though it says so on the front?  
06 A. This is a Lease Exchange  
07 Agreement between BP and MOEX Offshore  
08 2007, providing for the exchange of the  
09 Gouda prospect for the Macondo prospect.

Page 91:15 to 91:22

00091:15 Q. Earlier you said that you  
16 negotiated -- one of the things you did  
17 when you negotiated with MOEX was to  
18 negotiate the lease exchange agreement.  
19 So I'm just asking. Is this the  
20 lease exchange agreement that you meant  
21 when you said that?  
22 A. Yes, sure.

Page 92:02 to 93:07

00092:02 Q. I'm going to give you what was  
03 previously marked as Exhibit 1243. It's  
04 Tab 16.  
05 Do you recognize this document,  
06 or these documents? There are two.  
07 A. I can flip through them all to  
08 make sure I recognize them, if that's what  
09 you'd like me to do.  
10 Q. Well, there's just two. One is  
11 two pages, and then there's one big one.  
12 A. Yes, I recognize the  
13 verification joinder, and I recognize the  
14 Macondo Prospect Operating Agreement.  
15 Q. Okay. And is this the operating  
16 agreement that you mentioned earlier when  
17 you said that you helped negotiate the  
18 operating agreement with MOEX on the  
19 Macondo?  
20 A. Yes, this appears to be the  
21 Macondo prospect operating agreement that's  
22 referred to.  
23 Q. Have you read this document, the  
24 operating agreement?  
25 A. Yes, I have read the Macondo  
00093:01 operating agreement.  
02 Q. The entire agreement?

03 A. Yes, I have.  
04 Q. What is BP's understanding of  
05 the relationship between BP and Anadarko  
06 and MOEX Offshore under this operating  
07 agreement?

Page 93:14 to 94:05

00093:14 A. The relationship, BP, MOEX  
15 Offshore 2007, and Anadarko are co-owners  
16 of the Macondo MC-2 -- 252 lease. BP is  
17 the operator under the operating agreement;  
18 MOEX and Anadarko are nonoperators under  
19 the operating agreement.

20 Q. Okay. What is BP's  
21 understanding of BP's obligations under  
22 this operating agreement to provide  
23 information to Anadarko and MOEX about well  
24 planning and operations at the Macondo  
25 well?

00094:01 A. BP's obligation -- the  
02 obligation of the operator is to provide  
03 the information set forth in 5.7 under the  
04 operating agreement, if my memory is  
05 correct.

Page 94:22 to 95:16

00094:22 Okay. And as you turn the  
23 page -- well, it actually starts -- go back  
24 to 22.

25 So if you look at section B,  
00095:01 which begins with drilling and workover  
02 reports, and then gives a long list of  
03 different things that fit into that  
04 category, do you see that it says: There  
05 are to be sent by facsimile or electronic  
06 transmission within 8 hours of well  
07 operations conducted in the preceding  
08 24-hour period?

09 And that is exclusive of  
10 Saturdays, Sundays, and Federal holidays.  
11 Do you see where it says that?

12 A. I guess I do see the eight --  
13 8 hours per the facsimile.

14 Q. Okay. And -- fax and/or  
15 electronic transmission; right?

16 A. Right.

Page 95:19 to 96:24

00095:19 And then in -- if you go down a  
20 little further, G, do you see where it  
21 says: 48 hours advanced notice of log-in

22 pouring or testing operations?  
23 A. Yes, I see G.  
24 Q. The operating agreement -- was  
25 this operating agreement written  
00096:01 specifically for Macondo, or was it based  
02 on another document?  
03 A. This is the -- this form is from  
04 a model 2007 form. It's the AAPL Offshore  
05 Model 8/10/2000 form.  
06 Q. Okay.  
07 A. Okay. It was the same -- same  
08 basic identical form that was used at the  
09 Gouda prospect. There were a few minor  
10 changes that needed to be made for it to  
11 fit for Macondo, such as the, you know,  
12 Exhibit A, for describing the contract  
13 area.  
14 Q. Okay. Was this the form that  
15 was used for Will K as well?  
16 A. Yes, this -- this was -- it  
17 was -- we used the model 2007, 8/10 form  
18 for -- for Will K.  
19 Q. Okay. So when you were  
20 modifying the model for Macondo, do you  
21 recall if any changes were made to section  
22 5.7 that we just looked at?  
23 A. I do not recall any changes  
24 being made to 5.7.

Page 97:09 to 98:09

00097:09 Q. Okay. If you could, turn to the  
10 page with the Bates number ending 1836, all  
11 the way towards the back.  
12 A. Okay.  
13 Q. This page has Exhibit K, health,  
14 safety and environment; is that correct?  
15 A. Yes, that's what it says at the  
16 top.  
17 Q. Was this exhibit part of the  
18 form -- model form that you based this  
19 operating agreement on?  
20 A. This is the same exhibit that  
21 was at Gouda -- I seem to recall it was at  
22 Will K. I don't know if the model has an  
23 Exhibit K, but it may -- it may have. I  
24 would have to look at the -- look at the  
25 website.  
00098:01 Q. Okay. If something is in the  
02 operating agreement that did not come from  
03 the model, is there some -- somewhere else  
04 it would've come from, or would it have  
05 been written specifically for this?  
06 A. Exhibit K was not written  
07 specifically for this.

08 Q. Okay.  
09 A. For -- for Macondo.

Page 100:19 to 101:04

00100:19 Q. Okay. If you turn to a page  
20 with the Bates number ending 202.  
21 A. Okay.  
22 Q. And you look at the technical  
23 work that can be shared and then technical  
24 work that cannot be shared.  
25 Did you read this when you were  
00101:01 looking at this document yesterday?  
02 A. I didn't read -- I just flipped  
03 -- I flipped through it. I didn't read  
04 every single line, no.

Page 101:18 to 102:12

00101:18 Q. So, while we were changing the  
19 tape, I asked you to read section 2.1 and  
20 2.2 of the exhibit that we're on now,  
21 3012 -- I'm sorry, -- the Exhibit that was  
22 previously marked 1261.  
23 Did you get a chance to do that?  
24 A. Yes, I've read it.  
25 Q. Great. Thank you.  
00102:01 And if you can just go to the  
02 operating agreement exhibit, which is right  
03 in front of you, 1243, and turn to that  
04 section 5.7 that we discussed earlier.  
05 A. Okay.  
06 Q. So in this draft document, how  
07 do the types of information that the --  
08 that the draft document suggests can and  
09 cannot be shared with partners compare to  
10 the types of information that the operating  
11 agreement contemplates can be shared with  
12 partners?

Page 102:16 to 102:16

00102:16 How does it compare?

Page 102:18 to 103:06

00102:18 Q. Uh-huh. So --  
19 A. Can you help me understand the  
20 question a little better?  
21 Q. Sure. If you were to -- if you  
22 were to follow the suggestions that are in  
23 the draft document, sharing information  
24 that it says can be shared and not sharing

25 the information in section 2.2, where it  
00103:01 says that cannot be shared, would you need  
02 to make any changes to the operating  
03 agreement that you have -- Macondo  
04 operating agreement to adjust the amount of  
05 information that the operating agreement  
06 contemplates sharing?

Page 103:10 to 103:19

00103:10 I could not change the Macondo  
11 operating agreement without the consent of  
12 both of Anadarko and MOEX.  
13 Q. I understand. What I mean is,  
14 does this draft suggests a broader scope of  
15 information to be shared with partners or a  
16 narrower scope of information to be shared  
17 with partners than the scope of information  
18 to be shared with partners that is written  
19 in the Macondo operating agreement?

Page 103:22 to 103:25

00103:22 THE WITNESS:  
23 I'm really having a difficult  
24 time discussing the scope of this 2.1. I  
25 didn't -- I didn't write it.

Page 104:03 to 104:05

00104:03 A. It's the first time I've seen  
04 it, okay. But I can't tell you what the  
05 scope is under the operating agreement.

Page 104:18 to 104:22

00104:18 Is there anything in this  
19 section 2.2, technical work that cannot be  
20 shared that the Macondo operating agreement  
21 contemplates can be share with partners  
22 Anadarko and MOEX?

Page 105:01 to 105:10

00105:01 If you're asking me is there a  
02 difference between what's in 2.2 versus the  
03 Macondo operating agreement, then, yes,  
04 there is -- there are some differences in  
05 wording.  
06 Q. Is there -- okay, in wording.  
07 Is there anything listed in 2.2  
08 that is listed in 5.7 of the Macondo  
09 operating agreement as information that

10 will be provided to partners?

Page 105:13 to 105:22

00105:13 THE WITNESS:  
14 The Macondo operating agreement  
15 in 5.7, I think, is clear; that the  
16 operator shall, as soon as reasonably  
17 practicable to the extent, if permission  
18 has been obtained, to receive a furnished  
19 list of participating -- the information  
20 listed. In addition, upon written request,  
21 the non-ops can make a request to the  
22 operator to supply that information.

Page 108:20 to 108:24

00108:20 Okay. With regard to the  
21 Macondo operating agreement, do you know if  
22 Anadarko or MOEX ever acted on any of the  
23 rights that are given to them in this  
24 health, safety, and environment section?

Page 109:02 to 109:06

00109:02 THE WITNESS: Without reading every  
03 bit of this, which I can do, but I don't  
04 recall any -- any correspondence between  
05 Anadarko and MOEX when we were negotiating  
06 the operating agreement to get to this.

Page 109:08 to 109:17

00109:08 Q. What I mean more is, do -- do  
09 you know if Anadarko or MOEX exercised any  
10 of the rights; for example, whether they,  
11 you know, requested a meeting where an  
12 overview of the health, safety, and  
13 environmental management systems were  
14 given? Or -- that's one example that's in  
15 Section 2.  
16 Do you know if they ever called  
17 such a meeting, Anadarko or MOEX?

Page 109:21 to 109:25

00109:21 I don't -- I don't remember  
22 receiving any correspondence, requesting a  
23 meeting to review the overview of plan for  
24 the -- for the non-operators that you're  
25 referring to.

Page 110:02 to 110:07

00110:02 Q. Okay. And do you know if  
03 Anadarko or MOEX, for example, exercised  
04 the right in No. 6, which is a review of  
05 HSE statistics?  
06 Do you know that?  
07 A. I don't -- I don't recall.

Page 111:07 to 113:08

00111:07 Q. Okay. You can set that one  
08 aside.  
09 So we talked -- we went through  
10 the lease negotiations from the beginning  
11 to getting to the operating agreement with  
12 MOEX. And so I just want to go back a  
13 little bit just to cover it with Anadarko.  
14 You testified in the beginning  
15 that you were less involved with the  
16 negotiations with Anadarko; is that  
17 correct?  
18 A. I did not lead the issues  
19 with -- with Anadarko's.  
20 Q. Okay. What was your role in  
21 the -- in the negotiations of the -- with  
22 Anadarko regarding a partial interest in  
23 the Macondo lease?  
24 A. My role is -- was more of an  
25 advisory role to ensure that the contracts  
00112:01 that we were entering into or had entered  
02 into with MOEX are consistent with the  
03 Anadarko negotiations.  
04 Q. Okay. Can you flush that out a  
05 little bit for me, what you mean by the  
06 negotiations with MOEX being consistent  
07 with negotiations with Anadarko?  
08 A. Meaning that -- as I -- as I  
09 said, we did -- as you know, we did the  
10 MOEX negotiations first. There's an  
11 agreement entered into between MOEX and BP  
12 for the operating agreement.  
13 And then at the tail end of  
14 that, we concluded the negotiations with  
15 Anadarko. So Anadarko needed to ratify  
16 that. They would need to make sure that  
17 there wasn't any conflicts between, you  
18 know, the contractual terms as a like-kind  
19 of exchange between us and MOEX and in  
20 terms that we entered into with Anadarko.  
21 Q. Okay. Who was -- you had an  
22 advisory role, you said.  
23 So who was the main -- well, who  
24 were the BP people that were working on --  
25 that were also working on the negotiation

00113:01 with Anadarko regarding the Macondo lease?  
02 A. The negotiations for the  
03 Anadarko transaction was led by Kemper Howe  
04 and Mike -- Mike Beirne.  
05 Q. Okay. So did they handle the  
06 day-to-day communications and negotiations  
07 with Anadarko?  
08 A. That is correct.

Page 113:24 to 114:16

00113:24 Q. Sure. You told me that you  
25 negotiated the lease exchange agreement  
00114:01 between BP and MOEX; is that correct?  
02 A. That's correct.  
03 Q. Okay. So did you have a similar  
04 role in the lease exchange agreement  
05 between BP and Anadarko or no?  
06 A. No, I did not have the same --  
07 the same role.  
08 Q. Okay. So how is the role  
09 different?  
10 A. My role in Anadarko was  
11 reviewing the contracts, along with Kemper  
12 Howe and Mike -- Mike Beirne and our  
13 attorney.  
14 Q. Okay. So you weren't involved  
15 in the actual discussion of the contractual  
16 language for Anadarko?

Page 114:22 to 114:22

00114:22 What --

Page 114:24 to 115:11

00114:24 Q. I mean, correct me if I'm wrong.  
25 If that's not right, then --  
00115:01 A. No. When you say actual  
02 contractual language, I mean, it's all  
03 contractual language. So, yeah, I'm sure I  
04 had some input into some of the contractual  
05 language.  
06 Q. Okay.  
07 A. Not to the extent that Kemper or  
08 Mike would have been.  
09 Q. And not to the extent that you  
10 did with the MOEX?  
11 A. I think -- yes, that is correct.

Page 115:14 to 116:24

00115:14 So as you said, Anadarko

15 ratified and joined the operating agreement  
16 that MOEX and BP had already entered into;  
17 is that correct?

18 A. That is correct.

19 Q. Did Anadarko have any  
20 opportunity to request any changes to the  
21 language of the operating agreement?

22 A. Yes. Everyone, when you enter  
23 into an operating agreement, has the  
24 opportunity to request changes.

25 Just as so, when we moved the  
00116:01 operating agreement from Gouda to Macondo,  
02 MOEX could've requested changes for that,  
03 and Anadarko was also in the Gouda  
04 Prospect. So the JOA that they saw at  
05 Gouda was the same joint operating  
06 agreement we had at Macondo. So, yes,  
07 Anadarko could've made -- could've made  
08 comments.

09 Q. Okay. So is this before -- so  
10 before they -- after BP and MOEX have  
11 signed it, but before Anadarko has signed  
12 the joinder, Anadarko had a chance to make  
13 changes to the agreement that was already  
14 signed by MOEX and BP?

15 A. We provided a copy of the  
16 operating agreement, from which -- I'm sure  
17 we did. Because anybody who was entered  
18 into it, wanted -- wants the ability to  
19 review the contract before they entered  
20 into it.

21 Q. Okay. Did Anadarko request any  
22 changes to the language of the operating  
23 agreement?

24 A. Not that I'm aware of.

Page 118:05 to 118:10

00118:05 Q. Okay. Do you recall generally  
06 from the negotiation process whether either  
07 Anadarko or MOEX had questions or concerns  
08 about the information that would be  
09 provided to them about operations at  
10 Macondo?

Page 118:13 to 118:16

00118:13 THE WITNESS:  
14 I don't recall any conversations  
15 or concerns as to the operating agreement  
16 and the information to be provided.

Page 125:08 to 125:10

00125:08 (Whereupon, the document  
09 referred to was marked as Exhibit No. 3015  
10 for identification.)

Page 125:12 to 127:02

00125:12 Q. Do you recognize this document?  
13 A. Yes, I do.  
14 Q. Can you tell me what's going on  
15 here?  
16 A. There was a request by MOEX for  
17 the -- for a Macondo pre-drill -- pre-drill  
18 plan, and Mike was asking Mark Hafle if we  
19 had a -- he said he's currently fixing the  
20 well, and I'll put something together  
21 similar to Will K and send it your way.  
22 And he goes on to say, on past  
23 GoMX wells, we only supply the wellbore  
24 diagrams to partners; we've never given our  
25 drilling procedures unless the JOA  
00126:01 specifically spells that requirement, I do  
02 not think we should send it.  
03 Q. Okay. And then Mike Beirne goes  
04 on to ask you if you have any thoughts  
05 about whether BP should or needs to provide  
06 their detailed for drilling procedures; is  
07 that correct?  
08 A. That is what the e-mail says;  
09 that's correct.  
10 Q. Did you respond to Mr. Beirne?  
11 A. Yes, I did. I recall responding  
12 to Mike, pointing out that the -- the  
13 Macondo well plan, an AFE was agreed to in  
14 like-kind exchange agreement between MOEX  
15 and BP.  
16 Q. I'm sorry. Can you say that one  
17 more time?  
18 A. The well plan and the AFE for  
19 the Macondo well had been agreed to in the  
20 like-kind exchange agreement.  
21 Q. So that for that reason, they  
22 would not have to provide any additional  
23 information? Is that what you're saying?  
24 A. I'm -- what I'm saying is that  
25 we provided the information that's required  
00127:01 under the operating agreement to MOEX, and  
02 that was agreed in the like-kind exchange.

Page 127:19 to 127:24

00127:19 Q. Okay. Is -- is it your  
20 understanding that MOEX is asking for  
21 something that you've already provided?  
22 Or is it your understanding that  
23 MOEX is asking for something more than what

24 you've already provided?

Page 128:03 to 128:04

00128:03 Q. More detailed, I'll say, than  
04 what you've already provided?

Page 128:08 to 128:11

00128:08 My understanding of what MOEX is  
09 asking for is a more detailed plan than  
10 what was agreed in the like-kind exchange  
11 agreement.

Page 128:16 to 128:18

00128:16 (Whereupon, the document  
17 referred to was marked as Exhibit No. 3016  
18 for identification.)

Page 128:23 to 130:13

00128:23 Q. Okay. Let's go to the page that  
24 ends in Bates 811. It's the last page of  
25 the e-mail.

00129:01 A. Okay.

02 Q. Okay. So in this e-mail, Mike  
03 Beirne is e-mailing Naoki Ishii about the  
04 Horizon contract. Do you see that?

05 A. Yes.

06 Q. Do you know if BP ever did send  
07 MOEX the drilling contract that Ishii had  
08 asked for?

09 A. I seem to recall that, yes, the  
10 drilling contract was sent, but the date  
11 when we sent it, I can't -- I can't recall  
12 the date we sent.

13 Q. Okay. So turn to the previous  
14 page that ends with 810. And here Ishii  
15 is -- well, you can see that it's Ishii,  
16 and then it's cut off by the page -- on the  
17 page previous.

18 But Ishii is e-mailing to Beirne  
19 and Hiroto Kanno and cc'ing you, and asking  
20 a series of questions about the Macondo  
21 status, well plan, and rig contract.

22 You see that?

23 A. In number 3? Is it the --

24 Q. It's just listing the three.

25 A. Oh, okay.

00130:01 Q. The status, well plan, and the  
02 contract.

03 A. Yes.

04 Q. So in No. 2, he writes: We  
05 would like to receive a pre-spud well  
06 drilling plan for Macondo as the one we  
07 were given for Will K.

08 You see that?

09 A. Uh-huh.

10 Q. Was the drilling plan that BP  
11 provided to MOEX for Will K, more detailed  
12 than the drilling plan that BP provided to  
13 MOEX for Macondo?

Page 130:17 to 130:22

00130:17 It appears that looking at the  
18 -- at the Will K prospect drilling  
19 operations program, it appears to have a  
20 lot more pages, and I assume there is --  
21 there appears to be a lot more detail in  
22 this one.

Page 132:04 to 132:06

00132:04 Do you know if MOEX was ever  
05 sent the more detailed well plan that they  
06 were requesting?

Page 132:11 to 132:12

00132:11 I don't -- I don't know if there  
12 ever was or not.

Page 134:17 to 136:12

00134:17 Q. Okay. And in your capacity  
18 currently, are you involved in any  
19 organization, professional organizations?

20 A. Yes, I'm a member of the OCS  
21 Advisory Board.

22 Q. And how long have you been a  
23 member of that board?

24 A. About seven years.

25 Q. And what is your responsibility  
00135:01 as a member of that board?

02 A. On the OSC Advisory Board, I am  
03 a -- on the general committee. There's  
04 different subcommittees that are set up  
05 underneath the OCS Advisory Board, and I  
06 have chaired the forms committee for the  
07 last -- the last year. And I've served on  
08 the new initiative ideas and other -- and I  
09 think the Washington DC committee.

10 Q. Can you tell me what the forms  
11 committee is?

12 A. The forms committee is -- is a  
13 committee that develops model form  
14 agreements for the -- for the deepwater --  
15 for the offshore, OCS.

16 Q. And this is the agreement you  
17 testified about earlier, the model  
18 operating agreement?

19 A. Yes. The AAPL-810 2007 form,  
20 correct.

21 Q. So you were involved in  
22 formulating that model agreement?

23 A. That is correct. I did  
24 participate in the redrafting of that  
25 agreement in 2000 -- it occurred in 2005  
00136:01 and 2006.

02 Q. Do you know about how many  
03 members are on this forms committee?

04 A. The forms committee has  
05 approximately four individuals. And then  
06 when you undertake a large agreement like  
07 the operating agreement, we will bring in  
08 the rest of other committee members,  
09 participants to help -- help go -- go  
10 through -- through the agreement. Then it  
11 also goes out to industry for comment as  
12 well.

Page 137:23 to 138:02

00137:23 Q. Okay. And Article 4.4.2 is the  
24 a removal for cause by vote article?  
25 And these circumstances specify  
00138:01 the circumstances under which an operator  
02 can be removed; is that correct?

Page 138:08 to 138:11

00138:08 Q. Okay. And one of these  
09 circumstances is for a substantial breach  
10 of the material provision of the operating  
11 agreement; is that correct?

Page 138:15 to 138:17

00138:15 Yes, 4.4.2(b) says that the  
16 operator -- the operator commits a  
17 substantial breach material provision.

Page 141:22 to 142:19

00141:22 Q. Okay. Let's turn to Article 5,  
23 which begins on page 20, and specifically  
24 Article 5.2 -- sorry -- the next page,

25 workman-like conduct.  
00142:01 And this -- this provision, if  
02 you could read the first sentence of this  
03 provision.  
04 A. The operator shall timely  
05 commence and conduct all activities or  
06 operations in a good and workman-like  
07 manner as a prudent operator under the same  
08 or similar circumstances.  
09 Q. Actually, if you could keep  
10 reading the next two sentences as well.  
11 A. The operator shall not be liable  
12 to the nonoperating parties for losses  
13 sustained or liabilities incurred, except  
14 as may be -- as may result from the  
15 operator's gross negligence or willful  
16 misconduct. Unless otherwise provided in  
17 this agreement, the operator shall consult  
18 with the nonoperating parties and keep them  
19 informed of important matters.

Page 142:25 to 143:12

00142:25 Q. What is BP's understanding of  
00143:01 its obligations to keep the partners  
02 informed of important matters?  
03 What would BP consider to be an  
04 important matter to inform the other  
05 partners about, under this provision?  
06 A. I think important matters can  
07 be -- obviously, it includes drilling  
08 operations. It includes all types of  
09 operations. It can be matters related to  
10 information between the MMS and BOEM. It's  
11 all -- it's all matters relating to the  
12 contract at hand.

Page 144:07 to 144:12

00144:07 If a partner felt that BP was  
08 not conducting activities or operations in  
09 a good and workman-like manner, what  
10 options would it have?  
11 Could it, for example, come to  
12 BP with those concerns?

Page 144:16 to 144:17

00144:16 THE WITNESS:  
17 Yes, they could.

Page 145:06 to 145:17

00145:06 Q. If they were -- if a partner was  
07 concerned about the safety of a particular  
08 drilling operation that they had learned  
09 about through information that BP has  
10 provided, and who would they go to as --  
11 you know, at first, with that concern,  
12 within BP?  
13 A. I can't comment for all BP, but  
14 I can -- I can tell you, if I received  
15 correspondence from a co-owner, I would,  
16 you know, go to my -- directly to my  
17 vice-president of exploration.

Page 148:03 to 148:06

00148:03 But during the course of -- did  
04 MOEX request information that it believed  
05 it was entitled to but that BP had not  
06 provided?

Page 148:13 to 148:19

00148:13 There was correspondence between  
14 MOEX and BP, requesting additional  
15 information as to the drilling plan, as I  
16 testified to earlier.  
17 I think BP provided the  
18 information that it was required to provide  
19 MOEX under the operating agreement.

Page 150:06 to 150:16

00150:06 Article 7.3 provides, in certain  
07 circumstances, for partners to have access  
08 to the rig; is that correct?  
09 A. Yes. 7.3 allows for the  
10 nonoperating parties to have access to --  
11 to the rig.  
12 Q. Do you know if -- with respect  
13 to the Deepwater Horizon, if MOEX or  
14 Anadarko took advantage of that provision?  
15 A. I don't recall them taking  
16 advantage of that -- that opportunity.

Page 155:11 to 155:19

00155:11 Q. Let's actually turn to Article  
12 10, which is the exploratory well  
13 provision.  
14 And Article 10.1.4 provides for  
15 once an exploratory well is commenced, the  
16 operator shall drill the well with due  
17 diligence to its objective depth and then

18 it provides for certain provisions. Is  
19 that what that means? Is that correct?

Page 155:24 to 156:01

00155:24 10.1.4 says that the explore --  
25 the operator is required to drill with due  
00156:01 diligence to the objective depth.

Page 157:02 to 157:04

00157:02 Q. So Article 2.4.6 states that the  
03 objective depth criteria are set forth in  
04 the AFE for the well; is that correct?

Page 157:08 to 157:15

00157:08 The objective depth states it's  
09 the shallow of the total footage to be  
10 drilled by that well measured in true  
11 vertical subsea depth or the penetration by  
12 the drill bit to the base of the deepest  
13 target formation or interval in that well  
14 is the depth the target formation or  
15 interval as stated in the AFE for the well.

Page 157:17 to 157:21

00157:17 Q. And is it your -- is it your  
18 understanding that in the AFE for the well,  
19 for Macondo, that that information about  
20 the objective depth was set forth in the  
21 AFE?

Page 158:01 to 158:01

00158:01 I would need to look at the AFE.

Page 158:05 to 159:11

00158:05 MR. BOLES:  
06 Before we go off the record,  
07 though, I just think we should talk a  
08 little bit more about Exhibit 1243, the  
09 Macondo Operating Agreement --  
10 MS. HARVEY:  
11 Right.  
12 MR. BOLES:  
13 -- where you noted that in the  
14 version that --  
15 MS. HARVEY:  
16 Was previously introduced.

17 MR. BOLES:  
18 -- was missing a page 18.  
19 MS. HARVEY:  
20 Yes.  
21 MR. BOLES:  
22 And I understand the desire to  
23 have page 18 in the exhibit, but my hunch  
24 is that in previous depositions where it  
25 was used, it may have been missing page 18.  
00159:01 So I think that if we -- I don't object to  
02 the idea of adding page 18 to make the  
03 Macondo Operating Agreement complete for  
04 purposes of this deposition, but I think we  
05 ought to call it a new exhibit number, so  
06 that we're not deciding here between us  
07 what was part of Exhibit 1243 in a prior  
08 deposition where, at least, I wasn't in  
09 attendance and don't know. Is that --  
10 MS. HARVEY:  
11 I think that makes sense.

Page 161:24 to 162:02

00161:24 And 1243A, just to be clear for  
25 today, has as part of it page 18 of the  
00162:01 original document, which is Bates number, I  
02 believe, ending in 1628.

Page 163:05 to 163:13

00163:05 Q. Good afternoon. Before we get  
06 to some questions, before the break there  
07 was a discussion about a missing page in  
08 the operating agreement. And so we have  
09 entered for now that page, number 18, as  
10 13 -- sorry, 1243A.  
11 (Whereupon, the document  
12 referred to was marked as Exhibit No. 1243A  
13 for identification.)

Page 163:20 to 164:07

00163:20 Q. Yes. You discussed earlier a  
21 June meeting that you had with members --  
22 representatives of Mitsui and MOEX in 2009;  
23 is that correct?  
24 A. That is correct.  
25 Q. And after that meeting, were  
00164:01 there subsequent requests for information  
02 from representatives of Mitsui or MOEX?  
03 A. I'm sure there were telephone  
04 conversations, but I can't -- I can't  
05 recall if there was specific --  
06 specifically, but there could -- could've

07 been.

Page 164:11 to 164:24

00164:11 Q. It's an e-mail chain dated from  
12 the end of June. If you could turn your  
13 attention to the second page in the first  
14 e-mail in the chain, that appears to be  
15 from Tokio Kachi to Jasper Peijs; is that  
16 correct?  
17 A. Yes, to Jasper. That is  
18 correct.  
19 MS. HARVEY:  
20 And we're going to mark this as  
21 Exhibit 3017.  
22 (Whereupon, the document  
23 referred to was marked as Exhibit No. 3017  
24 for identification.)

Page 165:01 to 166:15

00165:01 Q. And it's -- the subject of the  
02 e-mail is Macondo data room on June 19th;  
03 is that correct?  
04 A. Yes, it is.  
05 Q. And in this e-mail, Mr. Kachi  
06 appears to be asking some follow-up  
07 questions about the Macondo prospect; is  
08 that correct?  
09 A. Yes. That's what it appears to  
10 be.  
11 Q. Okay. If you could read bullet  
12 No. 4, starting "additional technical  
13 questions," please?  
14 A. Number 4, additional technical  
15 questions. A close look at Slide 18, pore  
16 pressure at M56 shows high pressure below  
17 the depth of 18,000 feet.  
18 Which driving mechanism in the  
19 M56 reservoir do you expect, natural  
20 depletion or water drive? Please let us  
21 know the background that you think -- I  
22 assume that minimum and ML, R.F. are  
23 30 percent and 15 percent, respectively.  
24 What drilling hazard in the high  
25 pressure zone do you anticipate? If there  
00166:01 is, do you have countermeasures for it in  
02 the deepwater area?  
03 Q. Thank you. Do you recall  
04 whether anybody from BP responded to  
05 Mr. Kachi's question about the drilling  
06 hazards in the high pressure zone?  
07 A. I don't -- I don't recall. He  
08 could have. I don't recall.  
09 Q. Do you recall generally at any

10 point MOEX asking questions about the  
11 safety issues related to the drilling of  
12 the Macondo prospect?  
13 A. I don't recall MOEX asking  
14 questions relating to the -- to the safety  
15 of the drilling of the Macondo well.

Page 167:13 to 167:15

00167:13 Q. But to your knowledge, you don't  
14 recall this particular question being  
15 answered by somebody at BP?

Page 167:19 to 167:20

00167:19 Q. The question No. 4, after  
20 additional technical questions?

Page 167:23 to 167:25

00167:23 THE WITNESS:  
24 I don't -- I don't know if it  
25 was or not.

Page 168:02 to 168:11

00168:02 Q. Okay. Although -- as far as you  
03 know, if an -- if a request for information  
04 like this came in about a technical aspect  
05 of the well, would you try to provide an  
06 answer to Ishii or somebody else at MOEX?  
07 A. As far as I know, when we --  
08 when we have questions regarding a  
09 prospect, we -- we try to answer those to  
10 the best of our -- best of our abilities,  
11 if we have -- have the information.

Page 172:11 to 173:22

00172:11 Q. Okay. You said you served on  
12 the OCS Advisory Board, the committee with  
13 new ideas, initiatives, and actions.  
14 Can you tell me about your role  
15 on that board, that committee?  
16 A. As to that subcommittee under  
17 the OCS Advisory Board?  
18 Q. Uh-huh (affirmative).  
19 A. Yes, the new initiative. We  
20 prepared a website, putting the model form  
21 contracts out on the website and then  
22 organized OCS seminars and bring those to  
23 the -- forward for the industry's  
24 participation.

25 Q. Had the model contracts been  
00173:01 revised since April 2010?  
02 A. You're referring to the  
03 operating agreement?  
04 Q. Uh-huh (affirmative).  
05 A. No, it has not.  
06 Q. Okay. Earlier you testified  
07 that MOEX was looking for opportunities  
08 that had a quick turn around from  
09 exploration to oil?  
10 A. Yes, I did.  
11 Q. And is that any different  
12 from -- or how is that different from other  
13 companies?  
14 A. Some companies who have more of  
15 an exploration program in the Gulf of  
16 Mexico may be looking for, you know,  
17 host-type facility prospects, where Macondo  
18 was not going to be a host-type facility.  
19 It was going to be a tie-back to an  
20 existing facility, such at the timing from  
21 discovery to first oil is much -- is much  
22 shorter.

Page 175:06 to 177:11

00175:06 I'm going to hand you what is  
07 labelled BP-HZN-2179-MDL 01873163, which  
08 we'll mark as Exhibit 3018.  
09 (Whereupon, the document  
10 referred to was marked as Exhibit No. 3018  
11 for identification.)  
12 EXAMINATION BY MS. LeGRAND:  
13 Q. And this document is entitled an  
14 Annual Individual Performance Assessment.  
15 And I'd like to draw your  
16 attention to the first box, which is  
17 labelled 1, and there under the heading of  
18 Mid-Year Performance Conversation. If you  
19 want to read that paragraph, I'll give you  
20 a moment to read that.  
21 In that paragraph, do you see  
22 the reference to the site visits to the  
23 Deepwater Horizon drilling rig?  
24 A. Yes, I do.  
25 Q. How often did you visit the  
00176:01 Deepwater Horizon?  
02 A. I visited the Deepwater Horizon  
03 rig one time.  
04 Q. Do you remember exactly when  
05 that was?  
06 A. 2006, 2007, maybe.  
07 Q. Okay. Did you go by yourself,  
08 or did other people accompany you?  
09 A. No. There was other people that

10 accompanied us out there.

11 Q. Do you remember who?

12 A. There was the exploration  
13 manager at the time, his name was Larry  
14 Archibald. There was a representative from  
15 Transocean, and I cannot recall what his --  
16 what his name was.

17 Q. Do you remember his role?

18 A. He was the HSE-type manager. I  
19 don't remember the exact title.

20 Q. Okay. What was the purpose of  
21 the visit?

22 A. The purpose of the visit was, I  
23 had never been to a dynamically positioned  
24 rig before. I wanted to see what one  
25 actually looked like, and I went with Larry  
00177:01 Archibald just to visit the site and, you  
02 know, make any comments as to safety issues  
03 we may -- we may have seen.

04 Q. Did you see any issues?

05 MR. BOLES:

06 Object to the form, and I also  
07 object it's beyond the scope of the  
08 30(b)(6) deposition.

09 THE WITNESS:

10 I don't recall whether I did or  
11 not.

Page 177:13 to 178:05

00177:13 Q. Are you familiar with the  
14 Deepwater Horizon's reputation within BP as  
15 being one of the stellar rigs in the fleet?

16 MR. BOLES:

17 Object to the form. Object it's  
18 beyond the scope of the 30(b)(6)  
19 deposition.

20 THE WITNESS:

21 I've heard it -- I've heard it  
22 mentioned within -- within BP.

23 EXAMINATION BY MS. LeGRAND:

24 Q. And you don't have any reason to  
25 disagree with it?

00178:01 MR. BOLES:

02 Same objections.

03 THE WITNESS:

04 I'm not a drilling engineer.

05 No, I probably wouldn't.

Page 178:07 to 181:23

00178:07 Q. What did you see and do when you  
08 were on the rig?

09 A. Spent the night, walked around,  
10 looked at all the various different

11 equipment, went to the drilling -- the  
12 drilling floor, went to the -- I can't  
13 remember what you call the -- where all the  
14 controls are, and they explained how -- how  
15 the dynamically positioned worked.

16 And then I went to the  
17 cafeteria, ate some food, spent the night,  
18 and flew out the next -- the next morning.

19 Q. Did you receive a safety  
20 orientation when you arrived at the rig?

21 A. Yes, I did.

22 Q. Let's see. You've talked a  
23 little bit about your participation on the  
24 OCS Advisory Board.

25 How is it that you became a  
00179:01 member of that group?

02 A. The OCS Advisory Board is --  
03 it's by invitation.

04 Q. In that capacity, do you  
05 interact at all with IADC or any other kind  
06 of drilling-type industry group?

07 A. I don't, no.

08 Q. Do you know of anyone at BP that  
09 does?

10 A. (No response.)

11 Q. Or serves on kind of a  
12 counterpart committee with contracts  
13 relating to IADC as opposed to maybe OCS?

14 A. I would assume so, but I don't--  
15 I don't know.

16 Q. In developing the model form,  
17 what was the baseline, if you will, or what  
18 inputs went into creating that model form?  
19 How did you derive that?

20 MR. BOLES:

21 Object as beyond the scope of  
22 the 30(b)(6).

23 THE WITNESS:

24 Would you like me to describe  
25 the process of how we -- what we did, how  
00180:01 we went --

02 EXAMINATION BY MS. LeGRAND:

03 Q. Yes, that'd be great.

04 A. -- went through it and the steps  
05 all along the way.

06 MR. BOLES:

07 Same objection.

08 THE WITNESS:

09 We took the -- the 2000 form and  
10 recognized that there was -- there was some  
11 changes that needed to be made. The --  
12 myself and a couple of other individuals  
13 put together kind of a bullet point list of  
14 the issues that we ought to consider,  
15 brought together a large -- a larger group  
16 to see if they had any input, went to

17 industries to see if they had any input of  
18 changes that may need to be made to the  
19 operating agreement.

20 And then it took up a little  
21 over a year to go through and make those --  
22 those modifications.

23 Q. Were there any particular  
24 modifications that were driving the  
25 revision, the second kind of iteration, if  
00181:01 you will, of that form contract?

02 MR. BOLES:

03 Same objection.

04 THE WITNESS:

05 Yes, the -- the most significant  
06 changes made in the contract dealt with  
07 Article 12.

08 EXAMINATION BY MS. LeGRAND:

09 Q. Okay. And Article 12 related  
10 to?

11 A. How you go through what you have  
12 in an appraised field, and you move into a  
13 development -- into the development  
14 approval process.

15 Q. So do you recall specifically if  
16 any of the indemnity provisions, namely  
17 those in Article 22, changed or did those  
18 stay in the system?

19 MR. BOLES:

20 Object as beyond the scope of  
21 the 30(b)(6).

22 THE WITNESS:

23 I can't remember.

Page 181:25 to 184:11

00181:25 Q. I'm going to hand you what's  
00182:01 been previously marked as Exhibit 2330, and  
02 I apologize, I have that one copy of it,  
03 but I think it's been referenced earlier  
04 today.

05 And if you'll look at Article  
06 22.5, do you recognize that particular  
07 provision as the model form agreement as  
08 being consistent with your recollection?

09 MR. BOLES:

10 Same objection.

11 THE WITNESS:

12 I'm sorry. Can you -- I don't  
13 understand the question.

14 EXAMINATION BY MS. LeGRAND:

15 Q. Sure. Is that a fair  
16 representation of what you recall as being  
17 the liability for damages provision in the  
18 model form agreement?

19 Does that comport with your

20 recollection?  
21 MR. BOLES:  
22 Object to the form and beyond  
23 the scope of the 30(b)(6).  
24 EXAMINATION BY MS. LeGRAND:  
25 Q. When you reviewed the -- the  
00183:01 documents before?  
02 MR. BOLES:  
03 Object to the form and beyond  
04 the scope of the 30(b)(6).  
05 THE WITNESS:  
06 Looking at this and looking at  
07 the footer, I would -- I can only say I  
08 guess it is. Could be. I don't know.  
09 EXAMINATION BY MS. LeGRAND:  
10 Q. And is it fair to characterize  
11 this as being an indemnity -- basically an  
12 indemnity agreement for which gross  
13 negligence indemnity is accept -- expressly  
14 accepted?  
15 MR. BOLES:  
16 Same objections.  
17 THE WITNESS:  
18 I don't know if I can or not.  
19 EXAMINATION BY MS. LeGRAND:  
20 Q. So you helped prepare the form,  
21 and you're familiar with the form?  
22 A. Yes, I am familiar with the  
23 form, but not every aspect of it, because  
24 we do have other folks involved from  
25 various legal departments to input on it.  
00184:01 Q. Who would've been involved in  
02 this particular provision of the agreement,  
03 drafting that particular provision?  
04 MR. BOLES:  
05 Object as beyond the scope.  
06 THE WITNESS:  
07 I don't -- I don't know if this  
08 -- if this portion of the agreement was  
09 actually amended. So I don't know if  
10 anyone even -- even looked at. It wasn't  
11 during the revision.

Page 184:13 to 186:20

00184:13 Q. How many joint operating  
14 agreements have you executed in the  
15 30 years or so that you've been doing land  
16 negotiations?  
17 A. In the Gulf of Mexico, probably  
18 more than -- more than 10.  
19 Q. Okay. And you testified earlier  
20 that you had read the entire Macondo  
21 Operating -- Joint Operating Agreement; is  
22 that correct?

23 A. Yes, I have read this.  
24 Q. Is that generally your practice  
25 when you sign a joint operating agreement  
00185:01 on behalf of BP, that you read the entire  
02 agreement?  
03 A. Yes, I do read the entire  
04 agreement.  
05 Q. Does this provision -- is this  
06 provision consistent with the other  
07 agreements you've executed with regard to  
08 liability for damages?  
09 MR. BOLES:  
10 Object to the form and beyond  
11 the 30(b)(6) designation.  
12 MR. YAMIN:  
13 Object.  
14 THE WITNESS:  
15 Are you -- does this go  
16 beyond -- can you repeat the question? I'm  
17 sorry.  
18 EXAMINATION BY MS. LeGRAND:  
19 Q. Is this provision consistent  
20 with this same article in other -- in --  
21 generally in the JOAs that you've executed  
22 on behalf of BP?  
23 MR. BOLES:  
24 Same objections.  
25 MR. YAMIN:  
00186:01 Objection.  
02 THE WITNESS:  
03 Without going back and looking  
04 up to see, I don't remember all the joint  
05 operating agreements that I -- that I've  
06 signed and what those specifically provide  
07 for.  
08 EXAMINATION BY MS. LeGRAND:  
09 Q. Based on your experience on the  
10 OCS Advisory Board, would you say that this  
11 provision is an industry standard for  
12 indemnity between operators and  
13 non-operating owners?  
14 MR. BOLES:  
15 Same objections.  
16 THE WITNESS:  
17 I would say that the model form  
18 that resides on our -- on the OCS Advisory  
19 Board website is the -- is the standard  
20 form for the deepwater Gulf of Mexico.

Page 186:22 to 191:08

00186:22 I am going to show you one more  
23 exhibit. This one I do have a copy. This  
24 is labelled APC-SHS1-007, and we'll mark it  
25 as -- is that 3244.

00187:01 (Whereupon, the document  
02 referred to was marked as Exhibit No. 3244  
03 for identification.)  
04 EXAMINATION BY MS. LeGRAND:  
05 Q. If you'll just take a minute and  
06 read -- read through the letter, I'll ask  
07 you some questions about it.  
08 A. Okay.  
09 Q. Did you draft this, Mr. Wardlaw?  
10 A. No, I did not.  
11 Q. You did not. And it was signed  
12 by you, though, or on your behalf?  
13 A. It was signed on my -- on my  
14 behalf.  
15 Q. Who did prepare this letter?  
16 MR. BOLES:  
17 Object to the form, goes beyond  
18 the 30(b)(6) designation.  
19 THE WITNESS:  
20 I'm not sure who all had input,  
21 as far as the -- who did the drafting.  
22 EXAMINATION BY MS. LeGRAND:  
23 Q. Do you know why your name was  
24 put on it if you did not draft it?  
25 A. Because I was handling a lot of  
00188:01 the communication between -- between the  
02 co-owners.  
03 Q. Did you read it before it was  
04 sent?  
05 A. Yes, I did.  
06 Q. And who is Mr. Reefs, Robert  
07 Reefs, to which the letter is addressed,  
08 one of the parties?  
09 A. He is an attorney for Anadarko  
10 Petroleum Company.  
11 Q. And Mr. Bryan?  
12 A. Mr. Jim Bryan is the land  
13 manager for Anadarko Petroleum Corporation.  
14 Q. Is he traditionally your  
15 counterpart, the person whom which you deal  
16 most frequently?  
17 MR. BOLES:  
18 Can I hear the question again,  
19 please.  
20 (Record read.)  
21 MS. LeGRAND:  
22 Is he your counterpart with whom  
23 you deal most frequently?  
24 MR. BOLES:  
25 Object to the form.  
00189:01 MR. YAMIN:  
02 Objection.  
03 THE WITNESS:  
04 I do have conversations with --  
05 with Jim Bryan. Jim Bryan also serves on  
06 the OCS Advisory Board.

07 EXAMINATION BY MS. LeGRAND:

08 Q. Did you -- you testified that  
09 you read the letter. Do you agree to the  
10 content of the letter or disagree with the  
11 content of the letter?

12 MR. BOLES:

13 Object to the form and as beyond  
14 the scope of the 30(b)(6) designation.

15 THE WITNESS:

16 Yes, I do.

17 EXAMINATION BY MS. LeGRAND:

18 Q. Okay. So if we look at page 2  
19 of the letter, which is APC-SHS1-008, the  
20 first paragraph, if you'll read along with  
21 me, basically the second line towards the  
22 second half:

23 In the event a party believes  
24 that such charges are incorrect, the  
25 parties shall nevertheless pay the amounts  
00190:01 due provided herein and the operator shall  
02 attempt to resolve the issue as soon as  
03 practical, citing Exhibit F, Section 6.3B.  
04 There are no provisions that would allow  
05 Anadarko to the full reimbursement of its  
06 share of emergency and environmental  
07 response costs and other charges that have  
08 been paid by BP for the benefit of their  
09 joint account while Anadarko awaits there  
10 results of proceedings and investigations  
11 as set forth in Anadarko's July 7th letter.

12 Is that an accurate  
13 representation of that paragraph?

14 A. That --

15 MR. BOLES:

16 Object to the form.

17 MR. YAMIN:

18 Object to the form.

19 MR. BOLES:

20 And beyond the scope of the  
21 30(b)(6).

22 EXAMINATION BY MS. LeGRAND:

23 Q. Do you agree with that  
24 statement, that BP believed that Anadarko  
25 should pay its share of the costs prior to  
00191:01 the completion of the investigations and  
02 proceedings?

03 MR. YAMIN:

04 Objection.

05 THE WITNESS:

06 Yes, I believe the intent of the  
07 joint operating agreement is that you  
08 pay -- you pay your costs.

00191:10 Q. And do you agree that contracts  
11 should be enforced as written?  
12 MR. BOLES:  
13 Object to the -- object to the  
14 form and beyond the scope of the 30(b)(6)  
15 designation.  
16 THE WITNESS:  
17 Yes. The contracts say what the  
18 contracts say.  
19 EXAMINATION BY MS. LeGRAND:  
20 Q. And parties that entered into  
21 these agreements should live up to their  
22 obligations; is that a fair statement?  
23 MR. BOLES:  
24 Same objections.  
25 MR. YASMIN:  
00192:01 Objection.  
02 THE WITNESS:  
03 Yes, I would.

Page 197:14 to 198:23

00197:14 Q. Is it your understanding that  
15 Anadarko and MOEX were entitled to well  
16 design information about the Macondo 252  
17 well?  
18 A. Yes, they were.  
19 Q. In fact, BP provided well design  
20 information to both Anadarko and MOEX  
21 through the negotiations of the joint  
22 operating agreement and afterwards?  
23 A. Yes, we did.  
24 Q. Is it your understanding that  
25 MOEX and Anadarko were entitled to  
00198:01 operational costs information?  
02 A. Yes, they are.  
03 Q. In fact, BP provided such  
04 information both to Anadarko and MOEX  
05 during the course of drilling the Macondo  
06 well?  
07 A. Yes, we did.  
08 Q. Is it your understanding that  
09 both Anadarko and MOEX were entitled to  
10 information and material relating to well  
11 plan updates?  
12 A. Well plan updates? I'm not sure  
13 what you mean by well plan updates.  
14 Q. Are you aware that during the  
15 course of drilling the Macondo well,  
16 certain changes were made to the well  
17 design and the operational plans with  
18 respect to the drilling of that well?  
19 A. Yes, I am.  
20 Q. Is it your understanding that  
21 Anadarko and MOEX were both entitled to

22 obtain that information regarding those  
23 changes to operations and design?

Page 199:01 to 199:03

00199:01 THE WITNESS:

02 I think it depends on the nature  
03 of the -- of the change.

Page 199:05 to 199:06

00199:05 Q. Which changes did Anadarko and  
06 MOEX not have a right to have access to?

Page 199:10 to 199:12

00199:10 Without having the operating  
11 agreement in front of me, I would have to  
12 look at that part.

Page 199:14 to 199:23

00199:14 Q. Is that that large stack to your  
15 right, Exhibit 1242?

16 A. Yes, it has the operating  
17 agreement.

18 Q. I believe earlier today you  
19 testified in response to several questions  
20 about Article 5.7 in there.

21 Is that the section that  
22 provides a sort of access to information  
23 that Anadarko and MOEX were entitled?

Page 200:02 to 200:03

00200:02 You want me -- you want me to  
03 look at 5.7?

Page 200:05 to 200:16

00200:05 Q. Certainly, or whichever section  
06 in there you believe will help you answer  
07 the question.

08 A. Yes, Article 5.7 is information  
09 to participating parties during the  
10 drilling of the -- of the well.

11 Q. Now, with respect to well plan  
12 updates or changes or modifications to the  
13 well plan and operations, what information  
14 or which changes is it your understanding  
15 that Anadarko and MOEX did not have a right  
16 to have that information?

Page 200:20 to 201:01

00200:20 I think they can always, as a --  
21 as a participating party can always request  
22 information if there is a change. Seeing  
23 -- there's another provision as long as  
24 we're carrying out the scope of the well,  
25 then we can make the necessary changes that  
00201:01 need -- need to be made.

Page 201:03 to 201:06

00201:03 Q. When BP makes a change to the  
04 well design or operational plans, does it  
05 keep that information secret from Anadarko  
06 and MOEX?

Page 201:13 to 201:16

00201:13 THE WITNESS:  
14 No, we do not keep things secret  
15 from them when we're -- while we're  
16 drilling the well.

Page 201:18 to 201:21

00201:18 Q. As BP made changes to the well  
19 plan or operations, did it advise Anadarko  
20 and MOEX of those changes as a general  
21 matter?

Page 202:05 to 202:06

00202:05 I don't know whether we did or  
06 not.

Page 202:08 to 202:12

00202:08 Q. Under the joint operating  
09 agreement, Anadarko and MOEX where entitled  
10 to that information about well change --  
11 changes in the well design and operational  
12 plans for the completion of the well?

Page 202:16 to 202:21

00202:16 As -- as a participating party  
17 in the operating agreement, it is felt, as  
18 far as information is being charged to the  
19 joint account, they have the right to

20 receive and they can -- they can request  
21 it.

Page 203:08 to 203:18

00203:08 Q. Is it your understanding that  
09 under the joint operating agreement, MOEX  
10 and Anadarko were entitled to information  
11 about ongoing drilling activities?  
12 A. Yes, they do. They are entitled  
13 to receive information about ongoing  
14 activities.  
15 Q. And they similarly are entitled  
16 to information about ongoing rig activity,  
17 separate and apart from the actual drilling  
18 of the well?

Page 203:22 to 203:23

00203:22 Depends on what you mean by rig  
23 activity.

Page 203:25 to 204:08

00203:25 Q. For example, during -- during a  
00204:01 portion of the time, the rig will actually  
02 be drilling the well, and at other times  
03 they may be circulating, they may be  
04 evaluating the formation.  
05 For those latter activities that  
06 are not strictly drilling, were Anadarko  
07 and MOEX entitled to information about  
08 those activities?

Page 204:12 to 204:13

00204:12 Yes, they -- under 5.7, they're  
13 entitled to that -- that information.

Page 204:15 to 204:18

00204:15 Q. As a matter of fact, BP provided  
16 that information or access to that  
17 information to both Anadarko and MOEX;  
18 didn't it?

Page 204:23 to 205:01

00204:23 I cannot say that they --  
24 whether it was provided to them or not. I  
25 do know that they had access to realtime  
00205:01 information.

Page 205:09 to 205:12

00205:09 Q. Under the terms of the joint  
10 operating agreement, both Anadarko and MOEX  
11 were entitled to realtime data about the  
12 operations on the Macondo well?

Page 205:16 to 205:18

00205:16 They had the ability to receive  
17 realtime information if they so -- if they  
18 choose.

Page 205:20 to 206:06

00205:20 Q. And BP made those arrangements  
21 to -- to provide access to that information  
22 to both Anadarko and MOEX?

23 A. Yes. It's provided for in the  
24 operating agreement, and there was  
25 communications, I think, that they would  
00206:01 have to designate representatives for each  
02 of the companies.

03 Q. Do you know whether BP placed  
04 any restrictions or limitations on  
05 Anadarko's or MOEX's ability to access that  
06 information?

Page 206:09 to 206:14

00206:09 THE WITNESS:  
10 Not that I know of.  
11 EXAMINATION BY MR. HARTLEY:  
12 Q. As far as you know, were  
13 Anadarko and MOEX both entitled to access  
14 of that information at any time of day?

Page 206:17 to 206:19

00206:17 THE WITNESS:  
18 Given that it's realtime  
19 information, I think they could.

Page 206:21 to 206:24

00206:21 Q. There weren't, for example,  
22 limitations, they could only see it during  
23 business hour, they could only see it  
24 during certain operations on the rig?

Page 207:07 to 207:10

00207:07 I don't know how -- exactly how  
08 the realtime information was -- I'm not  
09 aware of anything that -- that would  
10 preclude them from looking at it.

Page 207:12 to 207:15

00207:12 Q. All right. Are you familiar  
13 with the information or data that BP  
14 actually provided to Anadarko or MOEX  
15 during the drilling of the Macondo well?

Page 207:20 to 207:23

00207:20 That doesn't fall within my area  
21 of responsibility to provide them the data.  
22 So, no, I'm not aware of all the -- all the  
23 data that would've been provided to them.

Page 207:25 to 208:20

00207:25 Q. In the course of your  
00208:01 responsibilities, you're familiar generally  
02 with the daily information to which  
03 Anadarko and MOEX were entitled, but you're  
04 not necessarily with the information BP  
05 provided once the joint operating  
06 agreements were executed, up to and until  
07 the explosion on April 20th, 2010?  
08 A. Yes. I am responsible for  
09 the -- for the operating agreement. It's  
10 someone else's responsibility once the  
11 operating agreement is signed to insure  
12 that data is actually provided to the -- to  
13 the parties.  
14 Q. Who is that person?  
15 A. It would be an operations  
16 geologist. It could be --  
17 Q. Mr. Bodek?  
18 A. I think Mr. Bodek was involved  
19 in that.  
20 Q. Anybody else?

Page 208:23 to 209:01

00208:23 THE WITNESS:  
24 There -- there could've been. I  
25 think John Bellow was also involved in  
00209:01 that.

Page 210:03 to 210:20

00210:03 Q. You were talking a few minutes  
04 ago about realtime access, and that's  
05 provided through INSITE Anywhere.; is that  
06 right?  
07 A. That's my understanding, yes, it  
08 is.  
09 Q. Do you know whether BP provided  
10 Anadarko and MOEX access to INSITE  
11 Anywhere.?  
12 A. My understanding is, yes, they  
13 were.  
14 Q. Are you familiar with WellSpace?  
15 A. I've heard the name, yes.  
16 Q. All right. Is it your  
17 understanding that it's basically a static  
18 dropbox in which BP and others upload  
19 information on a daily basis about rig  
20 operations?

Page 211:01 to 211:03

00211:01 THE WITNESS:  
02 That's what I understand it to  
03 be.

Page 211:05 to 211:06

00211:05 Q. Do you know whether BP provided  
06 Anadarko and MOEX access to WellSpace?

Page 211:10 to 211:11

00211:10 I understand, yes, that they did  
11 have -- have access to WellSpace.

Page 213:07 to 213:12

00213:07 Q. So after executing the joint  
08 operating agreements, both Anadarko and  
09 MOEX would've been entitled to access to  
10 WellSpace and INSITE Anywhere.?  
11 A. Yes, that's -- that's my  
12 understanding.

Page 214:05 to 215:11

00214:05 Q. I'm going to hand you what was  
06 previously marked as Exhibit 1214. This is  
07 an e-mail from Mr. Beirne to Mr. Bodek and  
08 others are copied. I'll give you a moment  
09 to familiarize yourself with the subject  
10 matter of that.

11                   Have you had an opportunity to  
12 look over Exhibit 1214, Mr. Wardlaw?  
13       A.       Yes, I have looked over it, and  
14 I haven't read it in detail yet.  
15       Q.       Understood. Are you familiar  
16 with this e-mail string?  
17       A.       No, I am not.  
18       Q.       Had you ever seen it before  
19 today?  
20       A.       No, I have not.  
21       Q.       Back in the fall of 2009, about  
22 the time frame of this e-mail, were you  
23 involved in discussions internally at BP  
24 about the type of information to provide to  
25 Mitsui and Anadarko?  
00215:01       A.       No.  
02       Q.       At any time in the fall of 2009,  
03 were you a party to any conversation in  
04 which a discussion was had about providing  
05 Mitsui or Anadarko a detailed well plan?  
06       A.       I don't recall being -- being  
07 involved in that. There may have been. I  
08 don't recall that.  
09       Q.       Do you know whether a detailed  
10 well plan was actually provided to Mitsui  
11 or Anadarko?

Page 215:15 to 215:21

00215:15       THE WITNESS:  
16                   Yes, I think there was a well  
17 plan provided to both MOEX and Anadarko.  
18       EXAMINATION BY MR. HARTLEY:  
19       Q.       Was that the well plan provided  
20 initially during any negotiations towards a  
21 joint operating agreement?

Page 215:24 to 216:06

00215:24       THE WITNESS:  
25                   That would be the well plan  
00216:01 that's attached to the participation  
02 agreement and like-kind exchange agreement.  
03       EXAMINATION BY MR. HARTLEY:  
04       Q.       Is it your understanding that  
05 Mitsui and Anadarko were entitled to a  
06 detailed well plan for the Macondo well?

Page 216:09 to 216:18

00216:09       THE WITNESS:  
10                   I think it, my -- to my  
11 interpretation, it was -- it was a detailed  
12 well plan. If it wasn't sufficient, then

13 we could -- they could've asked for  
14 additional information.  
15 EXAMINATION BY MR. HARTLEY:  
16 Q. And they would be entitled to  
17 that additional information under the joint  
18 operating agreement?

Page 216:21 to 217:05

00216:21 THE WITNESS:  
22 That would depend on the type of  
23 information that they were actually  
24 requesting. We'd have to look at the  
25 specifics of that -- that request.  
00217:01 EXAMINATION BY MR. HARTLEY:  
02 Q. What information about the well  
03 plan would they not be entitled to receive  
04 under the joint operating agreement, as you  
05 understand it?

Page 217:08 to 217:24

00217:08 THE WITNESS:  
09 I don't know that I can --  
10 unless -- I'd have to look at the specific  
11 request. If somebody made a request, to  
12 look to see if that -- if that -- if it was  
13 proprietary or not to give it to them -- to  
14 BP.  
15 EXAMINATION BY MR. HARTLEY:  
16 Q. Other than proprietary  
17 information, is there anything you can  
18 think of with respect to well plan to which  
19 Anadarko and MOEX would not be entitled  
20 under the joint operating agreement?  
21 A. I can't think of anything. I'd  
22 have to look at those -- you know, specific  
23 examples from someone that's -- to look at  
24 the operating agreement.

Page 218:01 to 218:18

00218:01 Q. I think in the pile to your  
02 right, an exhibit that was marked earlier  
03 today, Exhibit 3015, you should have it in  
04 that stack.  
05 Is that the e-mail from  
06 Mr. Beirne to you on March 12, 2010?  
07 A. Yes, it is.  
08 Q. And the e-mail string begins  
09 where the e-mail from Mr. Beirne to Mark  
10 Hafle about MOEX calling for a copy of the  
11 Macondo pre-drill plan. Do you see that?  
12 A. Yes, I do. At the very bottom?

13 Q. Right. Do you know what a  
14 pre-drill plan is?  
15 A. Yeah. The pre-drill plan is the  
16 well plan.  
17 Q. Had that been provided to MOEX  
18 prior to March of 2010?

Page 218:22 to 218:25

00218:22 THE WITNESS:  
23 The like-kind exchange agreement  
24 did have attached to it the well plan and  
25 AFE.

Page 219:02 to 219:06

00219:02 Q. Do you know whether in  
03 March 2010 BP provided MOEX with additional  
04 detail on the drilling procedure as is  
05 referenced in Mr. Beirne's e-mail to you in  
06 March?

Page 219:11 to 219:11

00219:11 I don't know if it was or not.

Page 220:01 to 220:04

00220:01 Q. At or about the time of this  
02 e-mail, did you have any understanding of  
03 what the detailed drilling procedure was  
04 that MOEX was requesting?

Page 220:07 to 220:10

00220:07 THE WITNESS:  
08 I can't -- since I wasn't  
09 involved in the conversation, I can't -- I  
10 don't know what Mike was referring to.

Page 220:15 to 220:19

00220:15 Q. Did you have an impression at  
16 that time, or at anytime since, as to  
17 whether MOEX was entitled, under the joint  
18 operating agreement, to a detailed drilling  
19 procedure?

Page 220:22 to 221:02

00220:22 THE WITNESS:

23                   What do you mean by drilling  
24 procedure?  
25 EXAMINATION BY MR. HARTLEY:  
00221:01       Q.     Is there a commonly understood  
02 meaning of that phrase within BP?

Page 221:06 to 221:24

00221:06 THE WITNESS:  
07                   Generically speaking, I'm sure  
08 there is a drilling procedure, but I  
09 couldn't testify what those drilling  
10 procedures would be.  
11 EXAMINATION BY MR. HARTLEY:  
12       Q.     In the middle e-mail on this  
13 page, Mr. Hafle responded to Mr. Beirne.  
14 He said: On past GoMX DW wells, we only  
15 supply the wellbore diagram to partners.  
16 We have never given our drilling procedure,  
17 unless the JOA specifically spells that  
18 requirement out, I do not think we should  
19 send it.  
20                   Did I read that correctly?  
21       A.     Yes, you did.  
22       Q.     Is that consistent with your  
23 understanding of the information BP  
24 provides its partners?

Page 222:03 to 222:11

00222:03 THE WITNESS:  
04                   Yes, we -- we do provide our  
05 co-owners with the information required  
06 under the -- under the operating agreement.  
07 EXAMINATION BY MR. HARTLEY:  
08       Q.     Is it your understanding that  
09 the operating agreement with Anadarko and  
10 MOEX requires BP to provide drilling  
11 procedures to those entities?

Page 222:14 to 223:01

00222:14 THE WITNESS:  
15                   I don't -- I'd have to look  
16 through the operating agreement to find it,  
17 but I don't know of any.  
18 EXAMINATION BY MR. HARTLEY:  
19       Q.     You don't know of any  
20 requirement?  
21       A.     That is correct.  
22       Q.     Under Article 5.7 that you  
23 looked at previously, would BP's drilling  
24 procedure be included within the type of  
25 information to which MOEX and Anadarko are

00223:01 entitled?

Page 223:04 to 223:13

00223:04 THE WITNESS:  
05 Can I look at 5.7?  
06 EXAMINATION BY MR. HARTLEY:  
07 Q. Absolutely.  
08 A. I don't see any mention to  
09 drilling procedures in 5.7.  
10 Q. So it's your -- is it your  
11 understanding that MOEX and Anadarko are  
12 not entitled to BP's drilling procedures  
13 under the joint operating agreement?

Page 223:18 to 224:02

00223:18 THE WITNESS:  
19 I would say that if -- if they  
20 were -- they could request it under --  
21 under 5.7. And we would need to make an  
22 assessment under that -- under that -- that  
23 request as to what -- what the specific  
24 request was.  
25 EXAMINATION BY MR. HARTLEY:  
00224:01 Q. Which appears to be what  
02 happened in Exhibit 3015; right?

Page 224:05 to 224:10

00224:05 EXAMINATION BY MR. HARTLEY:  
06 Q. At least MOEX requested this  
07 information. Do you know whether there was  
08 a resolution by BP as to whether it would  
09 provide that information under the  
10 operating agreement?

Page 224:14 to 224:17

00224:14 THE WITNESS:  
15 As I said earlier, I don't know  
16 if it was resolved or not, whether we  
17 provided it to them or not.

Page 226:11 to 226:14

00226:11 Q. Both Anadarko and MOEX could at  
12 any time access that information and  
13 monitor whatever operations were going on  
14 on the rig during that time frame?

Page 226:19 to 226:21

00226:19 THE WITNESS:  
20 That's what I understand, what  
21 the realtime information provides.

Page 228:11 to 228:15

00228:11 Q. Nothing in the joint operating  
12 agreement precluded Anadarko and MOEX from  
13 accessing whatever information was  
14 available about ongoing rig operations  
15 during the March-April time frame?

Page 228:21 to 228:25

00228:21 I would say, 5.7 is -- is  
22 intended, if -- if there -- some  
23 information is not being provided, if they  
24 wanted to request the information, they --  
25 they could.

Page 229:15 to 229:18

00229:15 Q. In other words, the operating  
16 agreement didn't preclude Anadarko and MOEX  
17 from monitoring those operations on a  
18 realtime basis or otherwise?

Page 229:24 to 230:01

00229:24 That -- that would be my -- my  
25 interpretation of how -- how real --  
00230:01 realtime works.

Page 237:17 to 238:02

00237:17 Q. Okay. And how many operating  
18 agreements where BP was the operator have  
19 you been involved with negotiating?  
20 Would you say 10, more than 10?  
21 A. Probably more than -- more than  
22 10.  
23 Q. More than 20?  
24 A. I would have to go back and  
25 count -- count them up. Yeah. It's  
00238:01 probably less than 20, but more than --  
02 more than 10.

Page 242:03 to 242:21

00242:03 Q. Now, I'm going to show you a  
04 document, I know you -- I know you've been

05 shown this -- versions of this before, but  
06 we all have our little binders and folders  
07 and ways of referring to things.

08 I'm showing you what's been  
09 previously marked as Exhibit 1243, and I'm  
10 going to ask just if you recognize the  
11 document?

12 A. Yes, I do.

13 Q. Okay. What is it?

14 A. It is the ratification and  
15 joinder of the operating agreement from the  
16 Macondo prospect.

17 Q. And is there material -- behind  
18 that, is there a copy of the operating  
19 agreement that was ratified by the entities  
20 on page 1?

21 A. Yes, it is.

Page 243:13 to 243:17

00243:13 Q. Well, I'm just trying to get you  
14 to agree with me that we're looking at a  
15 copy of the operating agreement that was in  
16 effect on the Macondo well after Anadarko  
17 ratified it.

Page 243:20 to 244:04

00243:20 THE WITNESS:  
21 It appears that the body of the  
22 agreement -- I don't see the exhibits.  
23 Maybe they're behind another -- another  
24 tab.

25 EXAMINATION BY MR. YAMIN:  
00244:01 Q. I'm told that there are  
02 subsequent tabs with the exhibits on them.  
03 A. Okay.  
04 Q. Does that seem correct to you?

Page 244:07 to 244:09

00244:07 THE WITNESS:  
08 Yes, this appears to be the  
09 operating agreement.

Page 244:11 to 245:16

00244:11 Q. Okay. Just please summarize for  
12 me your role in -- if any, in assembling  
13 this operating agreement that's marked as  
14 Exhibit 1243.  
15 A. My role in assembling this  
16 operating agreement was to -- utilizing the

17 2007 AAPL form, to utilize that -- to  
18 utilize that form and negotiate that with  
19 potential co-owners, such as MOEX and  
20 Anadarko.

21 Q. Okay. So this operating  
22 agreement, marked as Exhibit 1243, is based  
23 on the model form by the AAPL?

24 A. It's -- it's through the OCS  
25 Advisory Board that's affiliated with AAPL.

00245:01 Q. And when we say AAPL, we mean  
02 American Association of Professional  
03 Landmen; is that correct?

04 A. Yes.

05 Q. Is this form -- the AAPL form,  
06 is that a form of operating agreement  
07 that's typically used in the deepwater  
08 drilling industry?

09 A. Yes, it is.

10 Q. Okay. Is it a standard form?

11 MR. BOLES:

12 Object to the form.

13 THE WITNESS:

14 I can't attest that everyone  
15 uses the form, but this is the form that BP  
16 uses.

Page 245:18 to 247:04

00245:18 Q. Now, Anadarko executed the  
19 operating agreement or ratified it, I  
20 should say, after MOEX had already ratified  
21 it with BP; correct?

22 A. It was executed by MOEX and BP  
23 and then subsequently ratified by Anadarko.

24 Q. Okay. Do you know the  
25 approximate -- actually, you could know the  
00246:01 date on which Anadarko ratified the  
02 operating agreement. What is that date?

03 A. Executed the 17th day of 2009  
04 but effective -- as of the effective time  
05 which was October 1, 2009.

06 Q. September 17th, 2009, it was --  
07 Exhibit 1243 was executed? Can you tell  
08 me?

09 A. It was -- it was -- the  
10 ratification joinder was signed by all  
11 parties, it appears, according to this  
12 document, December 17th, 2009, but with the  
13 effect of October 1, 2009.

14 Q. Okay. And when did -- do you  
15 know when drilling began at the Macondo  
16 well?

17 A. It began with the Marianas. I'd  
18 have to look to -- to verify. It's around  
19 about October 1st.

20 Q. Does October 6, 2009, sound  
21 correct to you?  
22 A. That could -- that sounds about  
23 right, yes. Sometime right around there.  
24 Q. Okay. So by the time Anadarko  
25 executed this ratification of the -- and  
00247:01 joinder of the operating agreement,  
02 drilling had already commenced on the  
03 Macondo well; is that correct?  
04 A. That is correct.

Page 247:14 to 248:12

00247:14 Q. Did BP -- were any amendments to  
15 the operating agreement made at the request  
16 of Anadarko?  
17 A. I don't recall Anadarko making  
18 any requests to -- to amend the operating  
19 agreement.  
20 Q. Okay. Please turn to page 9 of  
21 the exhibit.  
22 You see section 2.49 defines  
23 operator?  
24 A. Yes, I see 2.49 says operator.  
25 Q. BP was the operator under this  
00248:01 operating agreement; right?  
02 A. That is correct.  
03 Q. There's only one operator and it  
04 was BP; right?  
05 A. That is correct.  
06 Q. Okay. Now, also on page 9,  
07 there's a definition of participating  
08 parties. It spills on to page 10.  
09 Do you see that?  
10 A. Yes, I do.  
11 Q. Okay. Was Anadarko a  
12 participating party under the agreement?

Page 248:17 to 250:11

00248:17 Q. Based on your understanding?  
18 A. Based on my understanding,  
19 Anadarko is a participating party under the  
20 operating agreement.  
21 Q. Okay. Let's flip to page 8 real  
22 quick.  
23 Nonoperating party, 2.43. A  
24 party other than the operator. Did I read  
25 that correctly?  
00249:01 A. Yes, 2.43 says a party other  
02 than the operator.  
03 Q. Was Anadarko a nonoperating  
04 party?  
05 A. No. I would say that they are a  
06 participating party.

07 I'm sorry. Yes, they would --  
08 they would be a nonoperating party. Yes.  
09 I'm sorry.

10 Q. Okay.

11 A. I'm sorry. I misunderstood what  
12 you were saying.

13 Q. All right. So let me just take  
14 a minute here to ask you some questions  
15 about your understanding of what it means  
16 to be an operator under this agreement.  
17 We turn to Section 5.1, which is  
18 page 20. You see Article 5, rights and  
19 duties of operators?

20 A. Yes, I see that. I see the  
21 heading, yes.

22 Q. All right. Section 5.1,  
23 exclusive rights to operate.

24 Except as otherwise provided --  
25 Section 5.1 begins -- the operator has the  
00250:01 exclusive right and duty to conduct or  
02 cause to be conducted all activities or  
03 operations under the agreement.

04 Did I read that correctly?

05 A. Almost. Under this agreement,  
06 yes.

07 Q. Okay. You have an understanding  
08 of what it means to have -- under this  
09 agreement to have the exclusive right and  
10 duty to conduct all activities of  
11 operations?

Page 250:15 to 250:22

00250:15 THE WITNESS:

16 I have an understanding from  
17 what the intent of the operating agreement  
18 is, that the operator has the exclusive  
19 right to operate, yes.

20 EXAMINATION BY MR. YAMIN:

21 Q. What does exclusive mean, in  
22 your understanding?

Page 250:25 to 251:05

00250:25 THE WITNESS:

00251:01 Exclusive right means that the  
02 operator -- the designated operator is the  
03 operator that -- that operates on behalf of  
04 the nonoperating parties per -- per  
05 operations.

Page 251:17 to 251:23

00251:17 EXAMINATION BY MR. YAMIN:

18 Q. Is it your understanding that  
19 BP, as the operator, has the exclusive  
20 right under this operating agreement and  
21 the duty to conduct or cause to be  
22 conducted all activities or operations  
23 under this operating agreement?

Page 252:01 to 252:03

00252:01 EXAMINATION BY MR. YAMIN:  
02 Q. Is that what the agreement  
03 provides?

Page 252:06 to 252:18

00252:06 THE WITNESS:  
07 Yes. It is -- BP, as the  
08 operator, to -- has the exclusive right  
09 and -- right and duty to conduct or cause  
10 to be conducted the activities, the  
11 operations.  
12 EXAMINATION BY MR. YAMIN:  
13 Q. Okay. One of those activities  
14 or operations would be drilling the well?  
15 Drilling the well would be  
16 included in those activities or operations  
17 that BP has the exclusive right to conduct;  
18 right?

Page 252:21 to 253:04

00252:21 THE WITNESS:  
22 On behalf of the joint account,  
23 that is correct.  
24 EXAMINATION BY MR. YAMIN:  
25 Q. Okay. Cementing the production  
00253:01 casing would be among those activities and  
02 operations that BP has the exclusive right  
03 and duty to conduct under this agreement;  
04 right?

Page 253:07 to 253:15

00253:07 THE WITNESS:  
08 As the operator, the operator  
09 has the -- has -- has the exclusive right  
10 to -- and requirement to drill and -- and  
11 to permanent abandon -- to permanently  
12 abandon the well.  
13 EXAMINATION BY MR. YAMIN:  
14 Q. And to what? I'm sorry.  
15 A. And to abandon the well.

Page 256:23 to 257:03

00256:23 My question is: While temporary  
24 abandonment is being undertaken, while it's  
25 happening, would you expect BP personnel to  
00257:01 be making decisions about the execution of  
02 the tasks necessary to temporarily abandon  
03 the well as it happens?

Page 257:08 to 257:09

00257:08 I would think BP would, along  
09 with a lot of the contractors as well.

Page 260:15 to 260:19

00260:15 Q. Okay. Look again at the Section  
16 5.1. Under 5.1, BP as the operator is not  
17 subject to control of nonoperating parties,  
18 such as Anadarko, except as provided in  
19 sections 8.2 and 8.5; correct?

Page 260:23 to 261:03

00260:23 THE WITNESS:  
24 Yes, that's what the operating  
25 agreement says.  
00261:01 EXAMINATION BY MR. YAMIN:  
02 Q. BP is not the agent of the  
03 nonoperating parties?

Page 261:06 to 261:12

00261:06 THE WITNESS:  
07 No, they are not the agent.  
08 EXAMINATION BY MR. YAMIN:  
09 Q. Okay. And BP had the right to  
10 select the employees and the subcontractors  
11 it used in performing its duties as  
12 operator?

Page 261:15 to 261:22

00261:15 THE WITNESS:  
16 Yes. BP has -- has the right to  
17 hire the contractors.  
18 EXAMINATION BY MR. YAMIN:  
19 Q. And those types of rights  
20 enuring to the operator are pretty standard  
21 in this industry, correct, under these  
22 agreements like this operating agreement?

Page 262:01 to 262:05

00262:01 THE WITNESS:  
02 Yes. Yes, it -- yes, it is very  
03 common to allow the operator -- the  
04 operator does -- does hire the contractors  
05 to work on behalf of the joint account.

Page 263:07 to 264:16

00263:07 Q. Okay. Now, this 5.7 starts off  
08 with one section that lists -- would it be  
09 fair to say, categories of information, A  
10 through K; the operator must provide -- the  
11 participating party's Anadarko?  
12 A. Yes, it does state that the  
13 operator shall, to the extent the  
14 information is -- is obtained.  
15 Q. Okay. Do you know what BP did  
16 to comply with its obligation to provide  
17 the information described in A through K in  
18 Section 5.7?  
19 A. I know that Anadarko had access  
20 to the realtime information. I understand  
21 that Anadarko also had access to WellSpace.  
22 Q. Okay. What is WellSpace, based  
23 on your understanding?  
24 A. WellSpace is a dropbox where the  
25 reports and other information that is  
00264:01 not -- may be too large to be on realtime,  
02 that it's uploaded to Well -- to WellSpace.  
03 Q. Do you have an understanding of  
04 examples of information that would end up  
05 on WellSpace from BP as part of its  
06 fulfillment of these obligations to provide  
07 information you just told me about, with  
08 respect to the Macondo well project and  
09 Anadarko?  
10 A. I've never looked at Well -- at  
11 WellSpace personally, but I understand the  
12 various logs that are done, reports from  
13 the log -- from the logging. Typically,  
14 it's large information that can't be  
15 e-mailed out, and so it's uploaded to a --  
16 to a drop -- to a dropbox.

Page 265:07 to 265:13

00265:07 Q. Okay. Well, what kind of  
08 information does BP understand that it has  
09 to provide to -- to non-operators to -- or  
10 participating parties to satisfy its  
11 obligations under A through K?  
12 Could you just explain that to  
13 me?

Page 265:17 to 265:25

00265:17 Information that is obtained  
18 through the drilling, through operations on  
19 the well that's billed to the joint  
20 account, if it -- if it's, you know -- this  
21 is intended to be, you know, kind of a high  
22 level -- kind of the minimum work  
23 requirements, if that's acquired. Any  
24 additional information as acquired, I  
25 understand, is also uploaded.

Page 266:14 to 266:23

00266:14 Q. Now, does BP try to comply with  
15 its obligations set forth in 5.7?  
16 We're looking at A through K  
17 now. Does BP endeavor to comply with those  
18 obligations?  
19 A. Yes. Yes, we do. And if  
20 there's -- if there's something missing, we  
21 get a request from a non-operator. Then we  
22 do what we need to do in order to supply  
23 them the information.

Page 266:25 to 267:04

00266:25 Does BP comply with every single  
00267:01 request for additional information by  
02 non-operators under section 5.7, or does BP  
03 still have some discretion to comply or not  
04 to comply?

Page 267:07 to 269:15

00267:07 THE WITNESS:  
08 It depends on the information  
09 requested whether it's proprietary or not.  
10 EXAMINATION BY MR. YAMIN:  
11 Q. Okay. What do you mean by  
12 proprietary?  
13 A. What I mean by -- by  
14 proprietary, is that it's information that  
15 may be -- the well information may be --  
16 may be -- a report may be done on it that's  
17 not billed to the joint account, such that  
18 it's a hundred percent paid by BP. So that  
19 would be proprietary to -- to BP.  
20 Q. That's one example?  
21 A. Yes.  
22 Q. Okay. Let's look at the second  
23 part of this 5.7.

24                   The part that begins: Upon  
25 written request, the operator shall use  
00268:01 reasonable efforts to furnish to a  
02 requesting participating party any  
03 additional available information, including  
04 a complete slabbed section of all recovered  
05 cores, if requested and available, acquired  
06 by the operator for the participating  
07 parties, not otherwise furnished under this  
08 article, not including any derivative  
09 information independently developed at  
10 operator's sole cost and risk.

11                   Was that the provision -- is  
12 that a provision that allows the  
13 participating parties to ask for  
14 information that's not set forth  
15 necessarily in A through K?

16           A.       That would be my -- my  
17 interpretation of that, yes.

18           Q.       Okay. Now, let's just look up  
19 in Section 5.7 under B what we're talking  
20 about, providing drilling and workover  
21 reports to the participating parties that  
22 includes current depth, corresponding with  
23 logical information data on drilling, fluid  
24 characteristics, information about drilling  
25 difficulties or delays, mud checks, mud  
00269:01 logs, hydrocarbon information, casings,  
02 cementation tallies, and estimated  
03 cumulative costs.

04                   You see where I am?

05           A.       Yes, I do.

06           Q.       Now, is there a time obligation  
07 imposed on BP under that section,  
08 subsection B of 5.7?

09           A.       If you continue to read, it says  
10 to be sent by facsimile or electronic  
11 transmission within 8 hours, exclusive of  
12 Saturdays, Sundays, and holidays.

13                   Then it goes on to say,  
14 provided, however, that information can be  
15 provided by realtime.

Page 270:05 to 270:15

00270:05 This Section 5.7, that's out of  
06 the standard form agreement that you were  
07 describing to me before; right?

08           A.       Yes, it is.

09           Q.       Okay. Were you involved in --  
10 at all in drafting this Section 5.7?

11           A.       This -- this 5.7, I don't recall  
12 it being amended when we did the 2007 form,  
13 other than to provide for that last  
14 sentence, provided for the realtime

15 information.

Page 270:22 to 271:20

00270:22 Q. Okay. And there's no time  
23 obligation attached to BP's obligation to  
24 use reasonable efforts to furnish a  
25 participating party with additional  
00271:01 information of money requests; right?  
02 A. Yes. There is -- there's no  
03 time, because typically those reports may  
04 not -- may not become available. It may  
05 be -- it may be a week, it may be two weeks  
06 before that information is actually  
07 available.  
08 Because when you take cores,  
09 side wall cores, it may take -- sometimes  
10 those take time to get from -- from the rig  
11 to the office to -- to be shared. So  
12 putting a time limit in this particular  
13 provision would not -- would not be  
14 applicable.  
15 Q. Okay. And is it your  
16 understanding that -- BP's understanding  
17 that this provision under 5.7, the request  
18 in writing for additional available  
19 information, only applies to core samples  
20 and those kinds of information?

Page 271:23 to 271:25

00271:23 THE WITNESS:  
24 No. It can -- it can apply to  
25 other information, as well.

Page 272:02 to 272:24

00272:02 Q. Such as?  
03 A. I'm not -- I'm not a geologist,  
04 so I don't know if I can recite all the  
05 information that comes off that would be  
06 subject to a report that would take -- it  
07 would take longer than -- than the  
08 realtime. But it's intended to get the  
09 realtime information, as provided for  
10 within the 8 hours or the preceding 24-hour  
11 period.  
12 Q. I just want to be clear. I'm  
13 talking about now -- not B, but the lower  
14 section upon written requests, requesting  
15 additional available information.  
16 And I'm basically asking you if  
17 there are any restrictions on the type of  
18 additional available information that

19 theoretically could at least be requested?  
20 A. I think a non-operator could --  
21 could request any information, provided it  
22 was information that was billed to the --  
23 to the joint account and acquired on behalf  
24 of the -- the joint account.

Page 275:10 to 277:18

00275:10 Q. Okay. Is the operator under  
11 this -- the section that allows for the  
12 request of additional information, is it  
13 required to -- require a participating  
14 party or a nonoperating party like Anadarko  
15 here, to participate in all conversations,  
16 telephone discussions, and meetings that BP  
17 personnel might conduct as the operator in  
18 the process of drilling or abandoning the  
19 well?

20 A. No, I do not believe that  
21 non-operators has to participate in all  
22 those, but also the non-operator always has  
23 the right under the operating agreement to  
24 call a meeting in the event that he feels  
25 he needs some additional information.

00276:01 Q. Okay. But in the first  
02 instance, you don't think this section  
03 requires BP to make the -- allow the  
04 participating party or nonoperating party  
05 like Anadarko to be present at meetings or  
06 telephone conversations or at regular  
07 face-to-face conversations that might be  
08 being conducted on a given day to make the  
09 operating decisions; correct?

10 A. No, they do not have to be  
11 there. It would be -- it would be out of  
12 the scope of the -- of the operating  
13 agreement. And essentially you would have  
14 multiple operators, and the intent of this  
15 is to have a single operator.

16 Q. So to do -- to do that, to allow  
17 the nonoperating parties to have access --  
18 I'm struggling not to use the word  
19 realtime, because it's got -- it's a  
20 defined term.

21 But, again, getting back to my  
22 scenario. On a given day, BP is going to  
23 undertake abandonment procedures, it's not  
24 the intent of this agreement to obligate BP  
25 to include the nonoperating parties in all  
00277:01 the e-mail traffic that BP is engaged in on  
02 that day, all the telephone conversations,  
03 all the meetings, all the face-to-face  
04 conversations that are going on on the rig  
05 and on land to discuss that day's temporary

06 abandonment procedures; correct?  
07 A. I don't think it is an  
08 obligation on BP's part to include the  
09 nonoperators in all the meetings, all the  
10 e-mails, all the con -- all the  
11 conversations.  
12 That's why when this form was  
13 updated in 2007 we put the realtime  
14 information provision in here in order to  
15 make sure that the non-operators had access  
16 to all the -- all of the realtime  
17 information the same as what the operator  
18 has.

Page 280:17 to 280:21

00280:17 Q. Is it your experience that  
18 partners or nonoperating parties of a  
19 deepwater well will stop asking questions  
20 once well drilling begins on a deepwater  
21 well?

Page 280:24 to 281:02

00280:24 THE WITNESS:  
25 No. My experience would be that  
00281:01 there's questions asked all the way through  
02 the drilling of a well.

Page 281:16 to 282:03

00281:16 Q. Mr. Wardlaw, I'm going to show  
17 you what's been marked as Exhibit 778 in  
18 another deposition. I think you were asked  
19 about this document earlier today.  
20 You recognize it?  
21 A. Yes, I do.  
22 Q. What is it?  
23 A. It's a draft of guidance for  
24 sharing the drilling completion and  
25 intervention information with co-owners.  
00282:01 Q. Do you know who prepared this  
02 draft?  
03 A. No, I do not.

Page 283:19 to 284:08

00283:19 Q. If you turn to page 315202, it  
20 starts with recommended practice. Do you  
21 see that?  
22 A. At the top two?  
23 Q. Uh-huh.  
24 A. Yes.

25 Q. It states underneath that: This  
00284:01 graph recommended practice is intended to  
02 provide guidance to the DC&I teams as to  
03 what can be shared with co-owners and what  
04 cannot. It is not an exhaustive list but  
05 is a starting point to be used by teams as  
06 guidance.  
07 You see that?  
08 A. Yes, I see that.

Page 284:14 to 285:02

00284:14 Q. Okay. And the title of the  
15 document is, Guidance For Sharing of  
16 Drilling, Completions, and Intervention  
17 Information With Co-Owners; correct?  
18 A. Yes. Yes, it is, dated  
19 April 20th and April 1st. Right.  
20 Q. All right. So back to page  
21 315202. There's a list of technical work  
22 that can be shared; 2.11 drilling  
23 information, and then one of the bullet  
24 points is procedure overview only, no  
25 detailed procedures.  
00285:01 Do you have an understanding of  
02 what that means?

Page 285:07 to 285:07

00285:07 No, I do not.

Page 285:09 to 285:11

00285:09 Q. Let's skip down. Daily activity  
10 reports in 2.1.2, do you have an  
11 understanding of what that means?

Page 285:15 to 285:15

00285:15 No, I do not.

Page 285:17 to 286:05

00285:17 Q. Do you know what a daily  
18 operating report is in the context of, you  
19 know, operating a well like the Macondo  
20 well?  
21 A. I know what a daily drilling  
22 report is under the operating agreement.  
23 Q. Okay. 2.2, technical work that  
24 cannot be shared; detailed drilling and  
25 completion procedures. You see that?  
00286:01 A. Detailed drilling and completion

02 procedures, yes, I see that.  
03 Q. As an example in this guideline  
04 document of materials and information that  
05 BP cannot share with co-owners; correct?

Page 286:09 to 286:10

00286:09 Q. Is that your understanding of  
10 what that means?

Page 286:13 to 286:16

00286:13 THE WITNESS:  
14 I'm not sure what this -- what  
15 this means. I didn't -- I didn't draft it,  
16 haven't seen it.

Page 286:19 to 287:17

00286:19 A. I don't know what their intent  
20 was.  
21 Q. All right. Now, it appears --  
22 the sentence I read appears under a heading  
23 that states: Technical work that cannot be  
24 shared.  
25 And the word "cannot" is in all  
00287:01 caps; right?  
02 A. Yes, it is.  
03 Q. And the first bullet point,  
04 detailed drilling and completion  
05 procedures; did I read that correctly?  
06 It's the first bullet point that  
07 appears under the heading, technical work  
08 that cannot be shared; correct?  
09 A. Under technical work that cannot  
10 be shared, detailed drilling and completion  
11 procedures.  
12 Q. Okay. Would you agree with me  
13 that, based on your understanding, this  
14 document -- this guideline document is  
15 stating that detailed drilling and  
16 completion procedures cannot be shared with  
17 co-owners?

Page 287:22 to 287:22

00287:22 No, I cannot agree with you.

Page 287:24 to 287:25

00287:24 Q. What is your alternative  
25 understanding then?

Page 288:04 to 288:07

00288:04 I have -- I didn't -- as I  
05 mentioned, I didn't draft it. I have no  
06 idea what they meant by detailed drilling  
07 and completion procedures.

Page 288:09 to 288:12

00288:09 Q. Did you draft the operating  
10 agreement?  
11 A. I used the model form operating  
12 agreement, yes.

Page 290:14 to 290:23

00290:14 Q. And what I want to -- I want you  
15 to tell me, as BP's 30(b)(6) designee, on a  
16 deposition topic that calls for BP's  
17 understanding of its obligations to share  
18 information with Anadarko as a nonoperating  
19 party Macondo well -- what your  
20 understanding of that entry under 2.2,  
21 technical work that cannot be shared means.  
22 Not what the author had in mind,  
23 but what you understand that to mean?

Page 291:02 to 291:10

00291:02 THE WITNESS:  
03 I can't tell you what -- what  
04 they were intending by that. It's not part  
05 of the operating agreement.  
06 EXAMINATION BY MR. YAMIN:  
07 Q. Right. But I'm not asking what  
08 somebody else intended. I'm asking what  
09 you understand that sentence to mean, that  
10 bullet point to mean?

Page 291:13 to 291:24

00291:13 THE WITNESS:  
14 It means what -- what the  
15 words -- you know, what the words said,  
16 technical work that cannot be shared,  
17 detailed drilling and completion, I have no  
18 idea what they meant by that.  
19 EXAMINATION BY MR. YAMIN:  
20 Q. Okay. In some way, shape or  
21 form, do you understand that detailed  
22 drilling and completion procedures cannot  
23 be shared with co-owners under this  
24 guideline?

Page 292:02 to 293:02

00292:02 THE WITNESS:

03 As I said, I have never been  
04 made aware of this. I don't know if this  
05 was ever adopted. It was a draft. I have  
06 no idea.

07 EXAMINATION BY MR. YAMIN:

08 Q. Right. But I'm not asking you  
09 if it was adopted. I'm asking you what you  
10 understand that bullet point to be saying.  
11 Do you understand this bullet  
12 point to be saying anything other than  
13 detailed drilling and completion procedures  
14 constitute a category of technical work  
15 that cannot be shared with co-owners, sir?

16 A. It says it cannot be shared,  
17 detailed drilling and completion  
18 procedures.

19 But as I said earlier, I don't  
20 know what applicable -- how -- what this --  
21 this applies to. I don't know if it  
22 applies to exploration wells. I don't know  
23 if it applies to development wells. I  
24 don't know if it applies to appraisal  
25 wells. I don't know if it applies to

00293:01 onshore wells or what -- what wells it  
02 actually applies to.

Page 297:14 to 297:21

00297:14 Q. Okay. I'd like to turn now to  
15 Tab 9 in your binder. And you'll find a  
16 document that's been marked previously as  
17 Exhibit 1253, two pages of e-mails. I'd  
18 like you to familiarize yourself with the  
19 e-mails, and then I want to ask you a  
20 couple of questions.

21 A. Okay.

Page 298:24 to 300:12

00298:24 Q. Okay. And the date of the  
25 e-mail is January 6, 2010; correct?

00299:01 A. That is correct.

02 Q. A couple of weeks after Anadarko  
03 executed the ratification of the operating  
04 agreement; right?

05 A. Yes. The ratification was  
06 executed on December the 17th, I seem to  
07 recall.

08 Q. Okay. So then, the next e-mail  
09 above is from Halliburton Central Data Hub

10 to Mr. Bodek, dated the same date,  
11 January 6th, and whoever the author of this  
12 e-mail is -- appears to be Mr. Stapp,  
13 states: Bobby, do you want these to  
14 have -- these users to have partner access?

15 Did I read that correctly?

16 A. Yes, you did.

17 Q. Do you understand what partner  
18 access means?

19 A. No, I don't.

20 Q. Okay. And above that there is  
21 an e-mail, Mr. Bodek responding, apparently  
22 again the same date, just a few -- you  
23 know, several minutes after he got  
24 Mr. Stapp's e-mail, and replying: Yes,  
25 access to all except -- except the BP only  
00300:01 folder.

02 Did I read that correctly?

03 A. Yes, you did.

04 Q. Do you have an understanding of  
05 what the BP only folder was?

06 A. I do not know what the BP only  
07 folder is, no.

08 Q. Okay. You understand this  
09 e-mail to be stating that the Anadarko  
10 individuals listed on that first e-mail  
11 should not get access to something called a  
12 BP only folder?

Page 300:15 to 301:03

00300:15 THE WITNESS:

16 I don't know -- I don't know  
17 what this is referring to, the -- the BP  
18 only folder. But I would say, you know,  
19 since Anadarko was a, quote, partner  
20 co-owner, that they had access to the  
21 information.

22 EXAMINATION BY MR. YAMIN:

23 Q. So you're reading this to say  
24 that -- your understanding of this is that  
25 BP wanted Anadarko to have access to  
00301:01 something called a BP only folder?

02 Is that your interpretation of  
03 this e-mail chain?

Page 301:06 to 301:15

00301:06 THE WITNESS:

07 No. I'm saying that Anadarko  
08 should have access to the partner -- the  
09 partner -- the partner folder. I'm not  
10 sure what the BP only folder is.

11 EXAMINATION BY MR. YAMIN:

12 Q. But whatever the BP only folder

13 is, your understanding of this e-mail chain  
14 is that Anadarko wasn't to get access to  
15 it; correct?

Page 301:18 to 302:02

00301:18 THE WITNESS:  
19 Looking at these e-mails, it  
20 appears as though Anadarko was asking -- we  
21 were giving access to the -- the partner --  
22 the partner access to the WellSpace.  
23 EXAMINATION BY MR. YAMIN:  
24 Q. And does that partner access,  
25 based on your understanding of what you're  
00302:01 reading here, include whatever the BP only  
02 folder is?

Page 302:05 to 302:12

00302:05 THE WITNESS:  
06 I don't know the difference  
07 between what a BP only folder is and a  
08 partner access.  
09 EXAMINATION BY MR. YAMIN:  
10 Q. Okay. And what's your  
11 understanding of the phrase, access to all  
12 except the BP only folder?

Page 302:15 to 302:24

00302:15 THE WITNESS:  
16 That would tell me that  
17 Anadarko's going to get access to all, and  
18 there must be a BP only folder and then the  
19 departments would not have access to the BP  
20 only folder.  
21 EXAMINATION BY MR. YAMIN:  
22 Q. Okay.  
23 A. But I don't know what the BP  
24 only folder is.

Page 303:02 to 303:13

00303:02 I'd like to, again, ask you some  
03 different questions about your  
04 understanding of BP's obligations under the  
05 operating agreement, the Anadarko and MOEX  
06 entities -- to provide Anadarko with  
07 information.  
08 Now, as the operator, is it fair  
09 to say that BP alone was entitled to make  
10 the decision to contract with third-party  
11 contractors who participated in the

12 drilling -- the Transoceans, the  
13 Halliburtons, and so forth?

Page 303:18 to 303:22

00303:18 Q. Is that something that BP was  
19 able to do alone under this operating  
20 agreement, or did it need to seek  
21 Anadarko's input or approval before it  
22 entered into those contracts?

Page 303:25 to 304:12

00303:25 THE WITNESS:  
00304:01 If you -- if you're asking, did  
02 we have to gain approval from Anadarko to  
03 hire the various -- the contractors, no, we  
04 did not have to gain their approval to hire  
05 the contractors.  
06 EXAMINATION BY MR. YAMIN:  
07 Q. Okay. Did you have to seek out  
08 Anadarko's input?  
09 Did you have to run it by them  
10 in any way before you did it as  
11 the exclusive operator under this  
12 agreement?

Page 304:16 to 305:01

00304:16 THE WITNESS:  
17 No. But Anadarko was fully  
18 aware of the contractors who were on the  
19 rig when they signed the AFE, because I  
20 think the AFE mentions the rig that we were  
21 utilizing.  
22 EXAMINATION BY MR. YAMIN:  
23 Q. Okay. So they happen --  
24 Anadarko, in your opinion, based on  
25 whatever knowledge you have, happened to be  
00305:01 aware of the contractors; correct?

Page 305:04 to 305:05

00305:04 EXAMINATION BY MR. YAMIN:  
05 Q. Is that what you're telling me?

Page 305:08 to 306:06

00305:08 THE WITNESS:  
09 No, I'm not telling you that.  
10 EXAMINATION BY MR. YAMIN:  
11 Q. What are you telling me, then?  
12 A. I'm telling you that BP had the

13 right to hire the -- hire the contractors,  
14 and Anadarko knew who the contractor was in  
15 the well. Because when we negotiated the  
16 exchange agreement, the well plan and AFE  
17 was attached.

18 Q. Okay. But BP didn't have an  
19 obligation under the information and  
20 operating provisions of this operating  
21 agreement to inform Anadarko or get  
22 Anadarko's feedback on any of the operators  
23 they chose to hire under the operating  
24 agreement; correct?

25 A. That the operators that we  
00306:01 hired?

02 Q. No, the contractors,  
03 subcontractors.

04 A. No, we do not have to -- we did  
05 not have to have approval of the other  
06 co-owners to hire -- hire the contractors.

Page 306:15 to 307:04

00306:15 Q. Now, are you aware that on the  
16 Macondo well project, BP made the decision  
17 not to run a cement bond log after a cement  
18 job?

19 A. I have -- have read that, yes.  
20 We did not run a cement bond log.

21 Q. Okay. Was BP obligated under  
22 the operating agreement to confer with  
23 Anadarko or seek Anadarko's input or  
24 approval before making that decision as the  
25 operator?

00307:01 A. No, I do not believe so.

02 Q. Okay. Do you have any evidence  
03 that anyone from Anadarko, in fact,  
04 participated in that decision?

Page 307:08 to 307:09

00307:08 THE WITNESS:  
09 I do not know.

Page 307:11 to 307:13

00307:11 Q. You have no evidence that  
12 Anadarko participated in the decision not  
13 to run a cement bond log?

Page 307:16 to 307:17

00307:16 THE WITNESS:  
17 I do -- I do not know.

Page 307:19 to 307:22

00307:19 Q. Okay. Are you aware that on the  
20 Macondo well project BP decided to use six  
21 centralizers after receiving OptiChem  
22 reports from Halliburton?

Page 307:25 to 308:01

00307:25 EXAMINATION BY MR. YAMIN:  
00308:01 Q. Are you aware of that?

Page 308:04 to 308:13

00308:04 THE WITNESS:  
05 I am generally aware, given the  
06 various discussions that have gone on.  
07 EXAMINATION BY MR. YAMIN:  
08 Q. BP was not obligated under this  
09 operating agreement that we're talking  
10 about to confer with Anadarko or seek  
11 Anadarko's input for approval prior to  
12 making that decision with respect to the  
13 centralizers; correct?

Page 308:16 to 308:18

00308:16 THE WITNESS:  
17 No, I don't -- I don't believe  
18 so. No.

Page 309:05 to 309:19

00309:05 Q. Okay. Are you generally aware  
06 that BP made the decision on the Macondo  
07 well not to run a full bottoms up before  
08 the cement job?  
09 A. No, I'm not aware of that.  
10 Q. Okay. Well, let me represent to  
11 you that BP made the decision not to run a  
12 full bottoms up before commencing the  
13 cement job.  
14 Under the operating agreement,  
15 was BP obligated to confer with Anadarko or  
16 seek Anadarko's input for approval before  
17 it made that decision?  
18 A. I don't believe there was a  
19 requirement, no.

Page 310:06 to 310:10

00310:06 Q. Do you have any evidence that

07 anyone at Anadarko participated in BP's  
08 decision not to run a full bottoms up  
09 before commencing the cement job at the  
10 Macondo well?

Page 310:13 to 310:14

00310:13 THE WITNESS:  
14 I don't know.

Page 310:16 to 310:19

00310:16 Q. Okay. Now, BP, you understand,  
17 made a decision to use nitrified cement on  
18 the cement job in the Macondo well;  
19 correct?

Page 310:23 to 311:07

00310:23 THE WITNESS:  
24 I don't know. I don't know.  
25 EXAMINATION BY MR. YAMIN:  
00311:01 Q. Let me represent to you that BP  
02 made a decision a to use nitrified cement  
03 on the cement job.  
04 BP was not obligated under the  
05 operating agreement to confer with Anadarko  
06 or seek Anadarko's input or approval prior  
07 to doing that; correct?

Page 311:10 to 311:15

00311:10 THE WITNESS:  
11 I'm not -- I don't know what  
12 the -- what the -- they used nitrified  
13 cement, what you're referring to, but I  
14 don't believe, no, that there's -- no,  
15 there's no requirement.

Page 311:17 to 311:21

00311:17 Q. Okay. Now, are you aware that  
18 the operator, BP, made the decision as to  
19 the content and amount of spacer material  
20 to use in the last few days of Macondo  
21 drilling?

Page 311:25 to 312:01

00311:25 THE WITNESS:  
00312:01 I don't know.

Page 312:17 to 313:01

00312:17 Q. Let's say that BP made the  
18 decision on the Macondo well concerning the  
19 content and the amount of spacer material  
20 to be used in the last few days of drilling  
21 of the well.  
22 As the exclusive operator, under  
23 this operating agreement, would you agree  
24 that BP was not obligated to confer with  
25 Anadarko or seek Anadarko's input or  
00313:01 approval prior to making that decision?

Page 313:04 to 313:07

00313:04 THE WITNESS:  
05 I don't believe there's an  
06 obligation specifically in the operating  
07 agreement that refers to this, no.

Page 315:10 to 316:22

00315:10 Q. Okay. Fair enough. In your  
11 binder, could you turn to Tab 14, please.  
12 Do you recognize this document  
13 that's behind Tab 14 that's been marked as  
14 Exhibit 1919?  
15 A. Yes, I recognize this.  
16 Q. What is it?  
17 A. It is an AFE, authorization for  
18 expenditure.  
19 Q. Okay. And it's dated 12/17/09?  
20 A. It appears as though it was --  
21 partner approval was 12/17/09.  
22 Q. Now, there are components of  
23 this authorization for expenditure that  
24 provide the partners with information about  
25 activity on the project, well plan  
00316:01 information, that sort of thing?  
02 A. Yes, it has -- it has the cost  
03 estimates and the -- and the well plan,  
04 yes.  
05 Q. Is there a description of text  
06 describing project activity?  
07 A. There's a box in the middle that  
08 says project description, slash, comments.  
09 Q. Okay. And where's the well plan  
10 that you're saying is part of this?  
11 A. Well plan would be behind it.  
12 It's a -- it's the well -- the well  
13 schematic.  
14 Q. Okay. Now, is this the sum  
15 total of information, this authorization  
16 for expenditure -- strike that.

17                   Is the information in the  
18 project description and the attachment that  
19 you're saying is a well plan the sum total  
20 of the information that BP submitted with  
21 respect to project activity as part of this  
22 authorization for expenditure?

Page 317:01 to 317:02

00317:01 THE WITNESS:  
02                   I don't -- I don't know. It --

Page 317:12 to 318:06

00317:12           Q.     No. I'm just curious as to what  
13 BP understands its obligations are in terms  
14 of providing information to partners such  
15 as Anadarko in connection with this  
16 authorization for expenditure process?  
17           A.     I would look to the Macondo  
18 joint operating agreement.  
19           Q.     Okay.  
20           A.     And the definition of what a  
21 well plan is.  
22           Q.     Okay. So we're looking at 2.67  
23 that is on page -- pages 12 to 13 of this  
24 operating agreement; right?  
25           A.     That is correct.  
00318:01           Q.     And just so I understand, are  
02 you saying that 2.67 sets forth BP's  
03 obligations with respect to providing  
04 information to a partner like Anadarko  
05 under the operating agreement in connection  
06 with authorizations for expenditures?

Page 318:09 to 319:06

00318:09 THE WITNESS:  
10                   I'm saying that 2.67 describes  
11 what needs to be in a well plan that's  
12 submitted to the -- to the co-owners for  
13 their approval, which would be designated  
14 by their approval by signing an AFE, which  
15 appears to be signed by Stuart Strife.  
16 EXAMINATION BY MR. YAMIN:  
17           Q.     Okay. So now, this -- BP tried  
18 to comply with the obligations under 2.67  
19 to its partners when it submits well plans  
20 to the partners?  
21           A.     Yes. In order to have a valid  
22 proposal of a well plan, these are the  
23 minimum requirements in a well plan needed  
24 for proposal of a well in the operating  
25 agreement.

00319:01 Q. Okay. In BP's view, whatever  
02 well plan information is included in this  
03 authorization for expenditures that we  
04 looking at satisfies 2.67; correct?  
05 A. I can go through it and look,  
06 but I -- yes, I would say it does.

Page 319:09 to 320:13

00319:09 Do you recognize that document  
10 behind Tab 15, which has previously been  
11 marked as Exhibit 1920?  
12 A. I do -- I do see it. This is  
13 the first time I've seen the letter.  
14 Q. And is there a document behind  
15 the letter?  
16 A. Yes, there is. It says  
17 supplemental authorization for expenditure.  
18 Q. Okay. And what's the date on  
19 this one?  
20 It looks like the date prepared,  
21 27 January 2010.  
22 A. I can't tell if that's 29, 27,  
23 but it was -- it looked like the end of --  
24 end of January.  
25 Q. Okay. So is this an  
00320:01 authorization for expenditure --  
02 supplemental authorization for expenditure  
03 that BP had asked the partners to sign off  
04 on?  
05 A. Yes, it is. This is a  
06 supplemental AFE.  
07 Q. Okay. So is there any -- does  
08 there appear to be any information, sort  
09 of, appended to this supplemental  
10 authorization for expenditure like there  
11 was to the exhibit we just looked at or  
12 this just looks like a stand-alone page?  
13 A. Yes, this is --

Page 320:18 to 321:16

00320:18 Q. Go ahead.  
19 A. This is a supplemental AFE.  
20 Q. Okay.  
21 A. In relation to our previously  
22 approved well plan and AFE.  
23 Q. So BP understood that it wasn't  
24 obliged to submit a new well plan under  
25 2.67 of the operating agreement, that this  
00321:01 information on page ANA-MDL-30714 that  
02 we're looking at, fulfilled its  
03 information, sharing obligations under the  
04 operating agreement?  
05 A. This is -- this is a

06 supplemental AFE for an already previously  
07 approved AFE, and that falls under Article,  
08 I think -- I'd have to look, Article 6, I  
09 think, under the -- for supplemental AFE  
10 requirements.

11 Q. Okay. And whatever those  
12 requirements are, BP takes the position  
13 that this document satisfied them, that  
14 we're looking at?

15 A. I think so. So did -- so did  
16 Anadarko by approval of it.

Page 323:16 to 324:12

00323:16 Q. Okay. So Exhibit 1921?

17 A. 1921. This is a supplemental  
18 that's required under the operating  
19 agreement for over-expenditures. This was  
20 a supplement for that.

21 Q. Okay. And did BP have an  
22 obligation, based on your understanding of  
23 this operating agreement, to provide  
24 Anadarko with a well plan in connection  
25 with this second supplemental authorization  
00324:01 for expenditures?

02 A. No, we did not.

03 Q. Why is that, based on your  
04 understanding?

05 A. Because there was a pre-existing  
06 well -- well plan in place. We didn't --  
07 we didn't -- it's not a new well. This is  
08 additional money to be spent in that  
09 original well plan.

10 Q. And have we seen that original  
11 well plan in the documents we've been  
12 looking at in connection with AFEs?

Page 324:15 to 324:25

00324:15 THE WITNESS:

16 Have we seen the well plan? Is  
17 that your question? I'm sorry.

18 EXAMINATION BY MR. YAMIN:

19 Q. Yes.

20 A. Yeah. The well -- the well plan  
21 would be -- this AFE, the attachments to it  
22 would be the well plan.

23 Q. Okay. You're looking at the  
24 attachments to Exhibit 1919?

25 A. That is correct.

Page 325:05 to 325:10

00325:05 Q. Do you recognize the document

06 that's 1922 exhibit?  
07 A. This is the first -- first time  
08 I've seen it, but it appears as though it's  
09 a letter and an authorization for  
10 expenditure.

Page 325:15 to 325:17

00325:15 Is there a well plan attached to  
16 this authorization for expenditure that  
17 we're looking at, Exhibit 1922?

Page 325:20 to 326:06

00325:20 THE WITNESS:  
21 No, because we're still -- we're  
22 still having operations in that -- in that  
23 original well -- in that original well  
24 plan.  
25 EXAMINATION BY MR. YAMIN:  
00326:01 Q. And it's your understanding that  
02 any obligation that BP might have to  
03 provide a well plan with -- in connection  
04 with this Exhibit 1922 was satisfied by the  
05 well plan that it provided in connection  
06 with Exhibit 1919, which is your Tab 14?

Page 326:09 to 326:17

00326:09 THE WITNESS:  
10 I believe the well -- the well  
11 plan that -- under Tab 14 is the well plan  
12 that we provided to Anadarko for the  
13 drilling of the well.  
14 EXAMINATION BY MR. YAMIN:  
15 Q. Okay. And it appears attached  
16 to the AFE that is Exhibit 1919; right?  
17 A. That -- that is correct.

Page 330:12 to 330:14

00330:12 (Whereupon, the document  
13 referred to was marked as Exhibit No. 3246  
14 for identification.)

Page 330:16 to 330:22

00330:16 Q. All right. I'll represent to  
17 you that this is BP's parties to this  
18 litigation response and objections to  
19 Anadarko's request for admissions. We put  
20 forth certain factual statements,  
21 essentially, and we've asked BP to admit or

22 deny them.

Page 331:14 to 331:17

00331:14 And if you could turn to page 18  
15 of this document, you see request for  
16 admission No. 26?  
17 A. Yes, I do. I see that.

Page 331:22 to 334:04

00331:22 It reads: Please admit that  
23 APC -- which I'll represent to you stands  
24 for Anadarko Petroleum Corporation -- did  
25 not make operational decisions regarding  
00332:01 the Macondo well.  
02 Do you see that?  
03 A. Yes, I do.  
04 Q. And then could you read to  
05 yourself BP's response to request for  
06 admission No. 26, and then I'll ask you a  
07 quick question.  
08 Are you finished?  
09 A. Yes, sir.  
10 Q. All right. So BP is stating in  
11 the second paragraph, subject to the  
12 objections they make, BP parties state as  
13 follows: The BP parties admit that under  
14 the Macondo prospect offshore drilling  
15 operating agreement, BP, as operator, has,  
16 quote, th exclusive right and duty to  
17 conduct or cause to be conducted all  
18 activities or operations under this  
19 agreement, close quote.  
20 Did I read take correctly?  
21 A. Almost correctly.  
22 Q. What did I leave out?  
23 A. You had the Macondo prospect  
24 offshore drilling operating. It's Macondo  
25 prospect offshore deepwater operating  
00333:01 agreement.  
02 Q. Okay. But you're focused on  
03 that sentence; right?  
04 A. Yes.  
05 Q. And then BP goes on to state:  
06 However, Anadarko did made certain  
07 decisions regarding operations at the  
08 Macondo well. For instance, Anadarko  
09 decided to make BP Exploration And  
10 Production, Inc., an operator of the  
11 Macondo well.  
12 Do you have an understanding of  
13 what that means?  
14 A. I understand what that means is  
15 that BP was -- was the operator of the

16 Macondo well.

17 Q. Okay.

18 A. And Anadarko decided by  
19 execution and ratification of the operating  
20 agreement that they agreed that BP would be  
21 the operator.

22 Q. So, does this mean that Anadarko  
23 made an operational decision to allow BP to  
24 be the one that made the operational  
25 decisions?

00334:01 A. I think Anadarko made certain --  
02 certain decisions, including making BP --  
03 making BP the operator for the operations  
04 of the Macondo well.

Page 334:19 to 334:19

00334:19 EXAMINATION BY MR. YAMIN:

Page 334:22 to 335:20

00334:22 Anadarko signed the  
23 authorizations for expenditure, evidencing  
24 it's approval of decisions BP made  
25 regarding the drilling and design of the

00335:01 Macondo well.

02 Do you have an understanding of  
03 what that means?

04 A. Yes, I have an understanding of  
05 what that means.

06 Q. What's that understanding?

07 A. My understanding is that by  
08 execution and acceptance of the AFE, that  
09 we looked at earlier, indicating Anadarko's  
10 participation to become a participating  
11 party under the operating agreement.

12 Q. Well, wait a minute. Anadarko  
13 signed authorizations for expenditure,  
14 evidencing its approval of decisions BP  
15 made regarding the drilling and design of  
16 the Macondo well.

17 Does that mean that by signing  
18 those authorizations, BP is saying,  
19 Anadarko approved drilling and design  
20 decisions that BP made at Macondo?

Page 335:25 to 336:07

00335:25 I would say that execution of  
00336:01 the operating agreement, naming BP as the  
02 operator, the operating agreement grants BP  
03 the exclusive right and duty to conduct,  
04 Anadarko agreed with that, and BP was --  
05 was the operator and approved the well plan

06 by its execution of the AFE in the well  
07 plan.

Page 338:20 to 338:22

00338:20 Q. Do we at least have to know  
21 about a decision that BP made to deemed to  
22 have approved it by signing the AFE?

Page 339:01 to 339:19

00339:01 THE WITNESS:  
02 I think, standard industry  
03 practice is that when you are a  
04 participating party underneath an operating  
05 agreement, the nonparticipating parties  
06 designate the operator to be -- to be the  
07 operator. The operator will make -- will  
08 make decisions on -- on the well, and those  
09 decisions will be maybe shared with the --  
10 with the non-operators and there's  
11 decisions on the rig that may not be  
12 necessarily shared.  
13 But if those -- if the  
14 non-operator has a question about what's  
15 going on on the rig, they have the ability  
16 to call meetings under the operating  
17 agreement and inquire. That's why they're  
18 given realtime information, so that they  
19 know exactly what's going on.

Page 349:15 to 350:22

00349:15 Q. Now, I'm afraid that there may  
16 be some confusion in the record as to the  
17 information that was supplied to MOEX  
18 Offshore relating to the drilling plan for  
19 Macondo well, and I'd like to clear that  
20 up, if I can.  
21 I wrote down a number of terms  
22 that were used in questions that were posed  
23 to you about that kind of information.  
24 I wrote down the term "schematic  
25 well plan." I wrote down the term "well  
00350:01 plan," "detailed well plan," "detailed  
02 well drilling procedures," and "changes to  
03 well drilling procedures."  
04 And I don't know if you remember  
05 being asked about any of those terms, but  
06 that's what I had written down in my notes.  
07 And I'd like, first of all, to  
08 refer you back to Exhibit 1919, which is  
09 the original authorization for expenditure  
10 in this case. And it was prepared

11 according to the document on August 28,  
12 2000, and it appears to have been signed by  
13 you on behalf of BP and Mr. Ishii on behalf  
14 of MOEX Offshore on November 18, 2009, and  
15 I'm going to pass it across to you, if I  
16 may.

17           Mr. Yamin asked you some  
18 questions about the well drilling  
19 information that is contained on pages 2  
20 and 3 of that document. And let me ask you  
21 if that information is what is commonly  
22 referred to as a schematic plan for a well?

Page 351:02 to 352:17

00351:02 I'm not sure what a -- the well  
03 schematic is, but this is -- this was the  
04 well plan that was attached to that showed  
05 the basis of -- of design.  
06 EXAMINATION BY MR. PRITCHARD:  
07       Q. And that is -- that is the well  
08 plan that was provided to MOEX at the time  
09 that it signed the operating agreement; is  
10 that correct?  
11       A. It was provided to them at the  
12 time they signed the operating agreement  
13 and the like-kind exchange. That's  
14 correct.  
15       Q. Now, there has been reference to  
16 some requests that were made by Mr. Ishii  
17 on behalf of MOEX Offshore during the  
18 period January through April of 2010 for  
19 something referred to in his e-mail request  
20 as a detailed well plan.  
21           Do you recall that?  
22       A. I do recall that chain of  
23 communications. I think it was referred to  
24 as a -- I don't know if it was well plan --  
25 it's some -- it was some other terminology.  
00352:01       Q. A well plan or a detailed well  
02 plan, one of the two.  
03           And I believe it was your  
04 testimony that you have no knowledge that  
05 such a well plan or a detailed well plan,  
06 as requested by MOEX Offshore, was ever  
07 actually supplied by BP to MOEX Offshore;  
08 is that correct?  
09       A. That is correct. And other than  
10 that -- other than this document here.  
11       Q. Okay. And just to make sure  
12 that we've clarified the record, there was  
13 reference to the phrase "detailed well  
14 drilling procedures."  
15           Are you aware of any detailed  
16 well drilling procedures that were provided

17 to MOEX Offshore?

Page 352:22 to 352:22

00352:22 No, I'm not.

Page 353:01 to 353:03

00353:01 Are you aware of any changes to  
02 well drilling procedures that BP supplied  
03 to MOEX Offshore?

Page 353:07 to 353:07

00353:07 No, I'm not.

Page 353:09 to 353:18

00353:09 Q. So, then is it fair to say that  
10 the only well drilling plan information  
11 that you personally know was given to MOEX  
12 Offshore in connection with the Macondo  
13 well is the information that -- that's  
14 attached to the AFE that we just reviewed?  
15 A. That's the information that I am  
16 aware of that was -- that was provided to  
17 them and is listed in the like-kind  
18 exchange agreement.

Page 355:08 to 355:13

00355:08 Q. Okay. Now, so far as you are  
09 aware, did any representative of MOEX  
10 Offshore or any of its related companies  
11 ever visit the Deepwater Horizon rig?  
12 A. I'm not aware of any visitations  
13 by MOEX employees to the Deepwater Horizon.

Page 356:12 to 356:18

00356:12 Q. Okay. You also testified that  
13 many of the personnel who were involved in  
14 the well drilling operation on the Macondo  
15 well were not on the rig but were, in fact,  
16 on shore in an office that housed personnel  
17 who were -- who were also participating in  
18 the effort; is that correct?

Page 356:21 to 357:08

00356:21 THE WITNESS:

22                   There are -- there are people  
23 on -- on the rig. I think, was -- the vast  
24 majority of the BP people working on the  
25 well are in the Houston office, not on the  
00357:01 rig itself.  
02 EXAMINATION BY MR. PRITCHARD:  
03       Q.     Okay. Well, so far as you were  
04 aware, did any representative of MOEX  
05 Offshore or any company related to MOEX  
06 Offshore ever visit the Houston office  
07 where these -- these other personnel were  
08 housed?

Page 357:11 to 357:24

00357:11 THE WITNESS:  
12                   Yes, there -- Ishii came to the  
13 office several times. We had several other  
14 visitors from MOEX to the office.  
15 EXAMINATION BY MR. PRITCHARD:  
16       Q.     And then, were they there to  
17 meet with you?  
18       A.     Many times they were there to  
19 meet -- to meet with me.  
20       Q.     During the course of their  
21 visits, did they ever go out onto what I  
22 would consider the floor and talk to the  
23 technical personnel who were responsible  
24 for operations on the rig?

Page 358:02 to 358:06

00358:02 THE WITNESS:  
03                   I seem to recall the technical  
04 presentation, show and tell, that I  
05 testified to earlier that we gave to MOEX  
06 was on the exploration floor.

Page 358:08 to 359:09

00358:08       Q.     Okay. But other than that, you  
09 don't recall any conversations that MOEX  
10 Offshore or related company personnel had  
11 with any technical personnel who were  
12 actively involved in the operations of the  
13 rig?  
14       A.     I don't recall that there was --  
15 MOEX employees were walking around the  
16 floor.  
17       Q.     Did you ever put any  
18 representative of MOEX Offshore or any  
19 related party in touch with anybody  
20 involved in rendering services that any one  
21 of the contractors who participated in

22 activities on the rig?

23 A. Let me make -- I'm not sure I  
24 understand your question.

25 Q. Well, did you ever participate  
00359:01 in putting representatives of MOEX Offshore  
02 or any of its related companies in touch  
03 with contractors, such as Halliburton, for  
04 example, who were rendering services in  
05 connection with the -- the drilling of the  
06 well?

07 A. I don't recall ever doing that,  
08 no.

09 Q. Thank you.

Page 360:01 to 360:12

00360:01 Q. So far as you are aware, was  
02 any -- anyone from MOEX Offshore or any  
03 related company consulted in connection  
04 with the design of the drilling plan for  
05 the Macondo well?

06 A. I don't -- I don't recall any --  
07 any communication as to the design.

08 Q. So far as you're aware, was  
09 anyone from MOEX Offshore or any related  
10 company consulted in connection with the  
11 design or implementation of any changes to  
12 the Macondo well drilling plan?

Page 360:22 to 361:10

00360:22 Q. Well, my question is: Do you  
23 know whether any representative of MOEX  
24 Offshore or any related company knew in  
25 advance about any operational decision that  
00361:01 was made concerning the drilling of the  
02 Macondo well?

03 A. There may have been, but I can't  
04 recall any specifics, no.

05 Q. Do you know whether any  
06 representative of MOEX Offshore or any  
07 related company had any knowledge in  
08 advance of any decision made in the course  
09 of the attempted temporary abandonment of  
10 the Macondo well?

Page 361:15 to 361:15

00361:15 I don't know.

Page 361:21 to 362:05

00361:21 Q. Let me ask you this question.

22 You testified that some personnel from MOEX  
23 Offshore and/or its related companies  
24 visited the Houston office.  
25       Was that during the negotiation  
00362:01 phase with respect to the signing of the  
02 operating agreement, or was that after the  
03 operating agreement was signed?  
04       A.     There were numerous visits, some  
05 before and some after.