

ONE HUNDRED ELEVENTH CONGRESS
Congress of the United States
House of Representatives
COMMITTEE ON ENERGY AND COMMERCE
2125 RAYBURN HOUSE OFFICE BUILDING
WASHINGTON, DC 20515-6115

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MEMORANDUM

May 25, 2010

To: Members of the Subcommittee on Energy and Environment

Fr: Subcommittee on Energy and Environment Staff

Re: Hearing on “Combating the BP Oil Spill” on May 27, 2010

On Thursday, May 27, 2010 at 2:00 p.m. or immediately after the conclusion of the full Committee hearing in room 2123 of the Rayburn House Office Building, the Subcommittee on Energy and Environment will hold a hearing entitled “Combating the BP Oil Spill.” This hearing will examine the ongoing response to the oil spill at the Deepwater Horizon drilling rig site, which is now spreading across the Gulf of Mexico.

I. BACKGROUND

Timeline of events

On April 20, 2010, at about 10 p.m., an explosion occurred on the Deepwater Horizon oil drilling rig in the Gulf of Mexico. There were 126 people on board at the time. Fifteen of those were injured and eleven died. The Deepwater Horizon, owned by Transocean Ltd., was under contract with BP to drill an exploratory well. BP was the lessee of the area in which the rig was operating. At the time of the explosion, BP and Transocean were in the process of temporarily closing the well, in anticipation of returning it to commercial production. Another company, Halliburton, had completed some cementing of casings in the well less than 24 hours prior to the accident. The Coast Guard responded to the explosion and fire.

The next day, on April 21, 2010, pursuant to the National Contingency Plan, the Administration named Rear Admiral Mary Landry as the Federal On-Scene Coordinator. A regional response team was established, including representatives of the Coast Guard, Department of Homeland Security (DHS), Department of Commerce (DOC)/National Oceanic and Atmospheric Administration (NOAA), Department of the Interior (DOI) and the Environmental Protection Agency (EPA), as well as state and local representatives. The regional response team began developing plans, providing technical advice and access to resources and equipment from its member agencies, and overseeing BP’s response.

On April 22, 2010, a second explosion caused the Deepwater Horizon to sink into the Gulf of Mexico at 10:22 a.m., taking with it a riser pipe which remained attached to the blowout preventer. The riser pipe, which normally goes from the wellhead to the drilling ship, broke as the Deepwater Horizon sank.

On April 24, 2010, remotely operated vehicles (ROVs) inspected the capsized rig on the sea floor and found two oil leaks from the well pipe along the sea floor (at a depth of approximately 5,000 feet). The initial estimate was that up to 1,000 barrels of oil a day could be leaking into the water. This estimate was later revised to be at least 5,000 barrels per day.

On April 27, 2010, Secretary of Homeland Security Janet Napolitano and Secretary of the Interior Ken Salazar signed an order establishing the next steps for a joint investigation, currently underway, into the causes of the explosion. The joint investigation will have the power to issue subpoenas, hold public hearings, call witnesses, and take other steps needed to determine the cause of the incident.

On April 29, 2010, Secretary Napolitano declared the incident to be a “spill of national significance,” enabling the appointment of a national incident commander to coordinate response resources at the national level.

On April 30, 2010, Secretary of Defense Robert M. Gates mobilized the Louisiana National Guard to help in the ongoing efforts to assist local communities in the cleanup and removal of oil and to protect critical habitats from contamination.

On May 1, 2010, Secretary Napolitano named U.S. Coast Guard Commandant Admiral Thad Allen the National Incident Commander for the Administration's continued, coordinated response.

On May 2, 2010, BP began drilling the first deep-water intercept relief well, which is located a half-mile from the Macondo well, at a depth of roughly 5,000 feet. This well will attempt to intercept the existing wellbore at approximately 16,000 feet below the sea floor. BP estimates this process will take at least 90 days.

On May 4, 2010, the Pentagon approved the federal mobilization of up to 17,500 National Guard troops to help various states with the oil spill (up to 6,000 by Louisiana, 3,000 by Alabama, 2,500 by Florida and 6,000 by Mississippi).

On May 5, BP announced that it had stopped the flow of oil from one of the three existing leak points on the damaged oil well and riser in the Gulf of Mexico, although this action did not change the overall rate of the leak. BP made plans to deploy the cofferdam, a 125-ton, 14' x 24' x 40' structure to be set over the end of the riser.

On May 7, 2010, NOAA modified and expanded the boundaries of the closed fishing area to better reflect the current location of the oil spill. After having deployed test applications of subsea dispersants, EPA halted subsea dispersant operations, awaiting additional test results. Secretary Salazar announced that no applications for new drilling permits would go forward for

any new offshore drilling activity until the Department of the Interior completes the safety review requested by President Obama.

On May 8, 2010, BP announced that while lowering the cofferdam over the riser, an excess of hydrate crystals formed inside the dome, preventing the dome from being successfully placed over the leaking riser. The dome remains on the sea floor while BP evaluates current conditions.

On May 11, 2010, Secretary Salazar announced that he would restructure the Minerals Management Service in order to establish a separate and independent safety and environmental enforcement entity. Secretary Salazar also announced that the Administration would seek additional resources for federal inspectors, request an independent, technical investigation of the causes of the Deepwater Horizon spill from the National Academy of Engineers, and request expanded authority to review explorations plans.

On May 12, 2010, Department of Energy (DOE) Secretary Steven Chu traveled to Houston to participate in meetings with DOE and national lab staff, industry officials and other engineers and scientists involved in finding solutions to cap the flow of oil and contain the spill.

On May 14, 2010, President Obama announced that he had ordered Secretary Salazar to conduct a “top to bottom” review of the Minerals Management Service.

On May 15, 2010, Secretary Napolitano and Secretary Salazar sent a letter to BP CEO Tony Hayward reiterating that as a responsible party for this event, BP is accountable to the American public for the full costs of the cleanup of the spill and all economic losses related to the spill.

On May 16, 2010, a riser insertion tube tool (RITT) was successfully tested and inserted into the leaking riser, capturing some oil and gas. BP estimates that it is currently capturing slightly more than 2,000 barrels per day, but that amount varies greatly day to day.

On May 17, 2010, a second drill rig, Transocean’s Development Driller II, began drilling a second relief well.

On May 19, 2010, Secretary Salazar signed a secretarial order leading to the fundamental restructuring of the Minerals Management Service and the division of its three missions into separate entities for leasing, safety and revenue collection, with independent missions to strengthen oversight of offshore energy operations.

In addition, Energy and Environment Subcommittee Chairman Edward Markey requested that BP immediately make publicly available its live video feed of leak points and undersea activities.

On May 20, 2010, Secretary Napolitano announced that Admiral Allen would remain as national incident commander for the Administration’s continued, coordinated response to the spill, even after stepping down from his post as Coast Guard Commandant.

In addition, Secretary Napolitano and EPA Administrator Lisa Jackson sent a letter to BP CEO Tony Hayward stressing the agency's expectation that BP conduct all actions in a transparent manner, with all data and information related to the spill readily available to the federal government and the public.

The EPA also issued a directive requiring BP to identify and use a less toxic and more effective dispersant from the list of EPA-authorized dispersants. The directive required BP to identify a less toxic alternative – to be used both on the surface and under the water at the source of the oil leak – within 24 hours, and to begin using the less toxic dispersant within 72 hours of submitting the alternative.

The Energy and Commerce Committee posted a live feed of the underwater leak at its source, which was made available by BP following Chairman Markey's request.

On May 22, 2010, President Obama signed an executive order establishing the bipartisan National Commission on the BP Deepwater Horizon Oil Spill and Offshore Drilling, with former Florida Governor and former Senator Bob Graham, and former EPA Administrator William K. Reilly, serving as co-chairs. The commission is tasked with providing recommendations on how to prevent, and mitigate the impact of, any future spills that result from offshore drilling.

By May 23, 2010, more than 1.73 million feet of containment boom and 730,000 feet of sorbent boom had been deployed to contain the spill. Approximately 10.2 million gallons of an oil-water mix had been recovered. Approximately 785,000 gallons of total dispersant had been deployed, 685,000 on the surface and 100,000 underwater.

As of May 24, 2010, approximately 65.6 miles of Louisiana shoreline have been impacted by oil.

In addition, Secretary of Commerce Gary Locke declared a fisheries disaster for commercial and recreational fisheries in the Gulf of Mexico, as a result of the ongoing impacts of the Deepwater Horizon oil spill. NOAA has closed portions of the Gulf of Mexico to fishing based on the trajectory of the spill since May 2, 2010. The fisheries closure currently encompasses 19 percent of federal waters in the Gulf of Mexico.

Upcoming events

On May 26, 2010, BP plans to attempt a "top kill" to stop the flow of oil through the blowout preventer (BOP).¹ In this procedure, heavy "kill mud" will be pumped down from the surface, through a manifold, and into the Deepwater Horizon BOP. If necessary, the manifold can also be used to pump the "junk shot" (e.g., pieces of tires, golf balls, and pieces of rope) to stop excessive leakage of mud through the top of the BOP, as opposed to down into the well to stop the flow of oil and gas. The junk shot tests and other preparations continue onshore.

¹ BP, *Top kill procedure*, (online at: www.bp.com/genericarticle.do?categoryId=9033657&contentId=7062095#) (May 23, 2010).

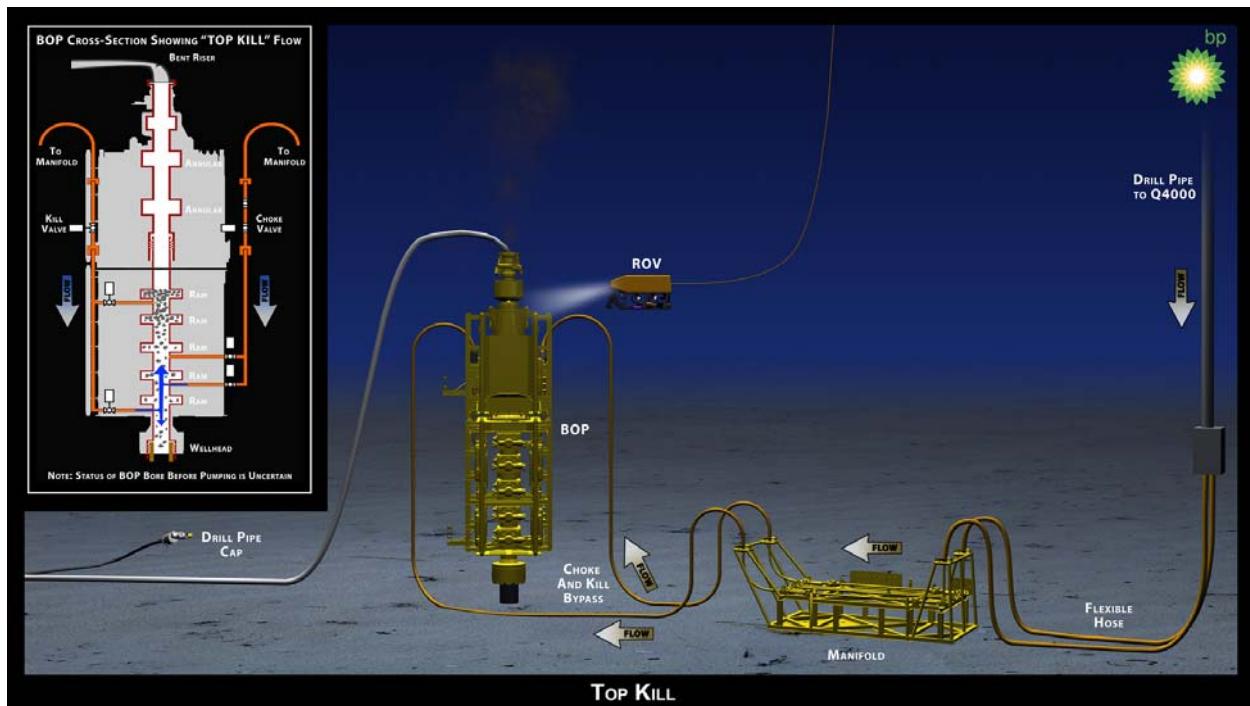


Figure 1. Illustration of the “top kill” strategy to shut off the flow of oil through the top of the Deepwater Horizon blowout preventer.²

Recent Committee Activities

The Energy and Commerce Committee has held a number of briefings and hearings on the Gulf oil spill in recent weeks, including:

- A joint briefing sponsored by the Subcommittee on Energy and Environment and the Subcommittee on Oversight and Investigations on, May 4, 2010, with Executives of BP, Transocean and Halliburton.
- A bipartisan CODEL of Energy and Commerce Committee Members, led by Chairman Markey, traveled to the Gulf Coast to view the spill and response efforts on, May 7, 2010.
- A hearing of the Subcommittee on Oversight and Investigations entitled “Inquiry into the Deepwater Horizon Gulf Coast Oil Spill,” on May 12, 2010.
- A briefing of the Subcommittee on Energy and Environment entitled “Sizing up the BP Oil Spill: Science and Engineering Measuring Methods,” on May 19, 2010.

² *Id.*

- A briefing of the Subcommittee on Energy and Environment entitled, “Oceans under Siege: Environmental Impacts of the BP Oil Spill,” on May 21, 2010.

II. WITNESSES

The following witnesses have been invited to testify on May 27th:

- **The Honorable Lisa Jackson**
Administrator
Environmental Protection Agency
- **Timothy Keeney**
Assistant Secretary
National Oceanic and Atmospheric Administration
- **S. Elizabeth Birnbaum**
Director
Minerals Management Service
- **Peter Neffenger**
Rear Admiral
United States Coast Guard