

ONE HUNDRED ELEVENTH CONGRESS
Congress of the United States
House of Representatives
COMMITTEE ON ENERGY AND COMMERCE
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MEMORANDUM

August 17, 2010

To: Members of the Subcommittee on Energy and Environment

Fr: Subcommittee on Energy and Environment Staff

Re: Hearing on “The BP Oil Spill: Accounting for the Spilled Oil and Ensuring the Safety of Seafood from the Gulf” on June 10, 2010

On Thursday, August 19, 2010 at 10:00 a.m. in room 2123 of the Rayburn House Office Building, the Subcommittee on Energy and Environment will hold a hearing entitled “The BP Oil Spill: Accounting for the Spilled Oil and Ensuring the Safety of Seafood from the Gulf.” This hearing will examine some of the potential impacts to the marine environment and fisheries that are associated with the spill and its cleanup.

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.

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 provided by BP was that up to 1,000 barrels of

oil a day could be leaking into the water. This estimate was later revised to 5,000 barrels per day.

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

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 8, 2010, BP abandoned this approach due to the formation of methane hydrate crystals inside the dome.

On May 20, 2010, the U.S. Environmental Protection Agency (EPA) issued a directive requiring BP to identify and use a less toxic dispersant. On May 22, 2010, BP responded that it could not find an effective and available alternative on the EPA-approved dispersant list. On May 26, 2010, EPA issued a directive requiring BP to reduce dispersant application by 75% from the maximum daily amount used and to eliminate use of surface dispersant.

On May 26, 2010, BP launched its “top kill” and “junk shot” procedures in which drilling mud (which contains chemicals and other fluids) and a variety of solids such as shredded tires and golf balls were injected into the well in an attempt to stop the flow of oil and gas. Those efforts were abandoned on May 29, 2010.

On June 1, 2010, President Obama called the Deepwater Horizon oil spill “the greatest environmental disaster of its kind in our history.” That same day, U.S. Attorney General Eric Holder announced that the U.S. Department of Justice had launched a criminal investigation into the circumstances surrounding the explosion and oil spill.

On June 4, 2010, BP completed its efforts to cut off a portion of the riser and lower its Lower Marine Riser Package Cap Containment System to contain the flow of oil and gas and divert as much as possible to a rig at the surface.

On June 14, the National Oceanic and Atmospheric Administration (NOAA) and the Food and Drug Administration (FDA) created a multi-pronged seafood safety plan that included enhanced inspection and sampling measures, precautionary closures of fishing areas and a protocol to reopen fisheries based on both chemical and sensory analysis. At this time approximately 34% of the federal waters were closed to fishing.

On June 16, 2010, after meeting with top executives and lawyers from BP, President Obama announced that BP has agreed to set up a \$20 billion fund for damage claims from the

spill. BP agreed to suspend dividend payments to shareholders and said that it will pay \$100 million to workers idled by the six-month moratorium on new deepwater drilling.

On July 15, 2010, after installing a new 75-ton cap with an improved seal, BP started shutting a sequence of valves to capture the oil leaking from the well stack and channel the oil to the surface. For the first time since the spill began, oil ceased gushing into the Gulf.

On August 2, 2010, an interagency expert scientific team led by Energy Secretary Steven Chu and United States Geological Survey (USGS) Director Marcia McNutt estimated that a total of 4.9 million barrels of oil had been released from the BP Deepwater Horizon well. According to this estimate, 53,000 barrels of oil per day were flowing from the well immediately prior to July 15th and approximately 62,000 barrels of oil per day were flowing from the well at the beginning of the spill.

Using that baseline, a second interagency team led by the Department of the Interior (DOI) and NOAA developed an Oil Budget Calculator to estimate what happened to the oil. This calculator estimated that burning, skimming and direct recovery from the wellhead removed 25% of the oil released from the wellhead. Another 25% naturally evaporated or dissolved, and 24 percent was dispersed as microscopic droplets into Gulf waters. The remaining 26% of the oil is at or near the ocean surface in the form of light sheen and weathered tar balls, has washed ashore, or is buried in sand and sediments.

On August 4, 2010, BP completed the "static kill" operation, a procedure in which heavy mud and cement are pumped into the blown-out well to halt the oil leak. BP announced that the static kill was successful and indicated that it should prevent further leakage until the relief well can be completed and a final kill achieved.

As of August 16, 2010, approximately 2.25 million feet of containment boom and 8.78 million feet of sorbent boom had been deployed to contain the spill. Approximately 34.7 million gallons of an oil-water mix had been recovered. 1.84 million gallons of total dispersant had been deployed—1.07 million gallons on the surface and 771,000 gallons subsea. More than 411 controlled burns had been conducted, removing a total of more than 11.14 million gallons of oil from the open water in an effort to protect shoreline and wildlife. Over the last month approximately 31,000 square miles of Gulf of Mexico federal waters were opened to fishing, while approximately 22% remains closed.

Efforts to complete drilling of the relief well and to perform a final "bottom kill" of the well are anticipated shortly.

The impacts of the oil spilled and the various techniques used to mitigate or respond to the accident have raised numerous environmental, health and other concerns, which include:

- Whether the dispersant chemicals used by BP to mitigate the impact of the oil pose risks to the marine ecosystem, and, if so, whether those risks will spread through and persist in the food chain.
- Whether the oil, which contains both hydrocarbons, including carcinogenic Polycyclic Aromatic Hydrocarbons (PAHs) and heavy metals, is being absorbed by marine life,

including fish and shellfish, and could therefore pose a risk to human health for individuals consuming contaminated seafood.

- Whether the more than 30,000 barrels of drilling mud that largely escaped into the ocean during BP's top kill procedure may impact the marine ecosystem and have long term consequences on the safety of seafood collected from this region.

II. WITNESSES

The following witnesses have been invited to testify:

Panel 1:

Dr. Bill Lehr

Senior Scientist
Office of Response and Restoration
National Oceanic and Atmospheric Administration

Dr. Paul Anastas

Assistant Administrator
Office of Research and Development
Environmental Protection Agency

Mr. Donald Kraemer

Acting Deputy Director
Center for Food Safety and Applied Nutrition
Food and Drug Administration

Panel 2:

Dr. Ian MacDonald

Professor, Department of Oceanography
Florida State University

Mr. Mike Voisin

Chief Executive Officer,
Motivatit Seafood's, LLC

Mr. Acy Cooper, Jr.

Vice President
Louisiana Shrimp Association

Mr. Dean Blanchard

President
Dean Blanchard Seafoods, Inc.