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July 18, 2010

Admiral Thad W. Allen Commandant United States Coast Guard 2100 Second Street, SW Stop 7101 Washington, DC 20593-7101

Dear Admiral Allen:

BP continues to conduct pressure testing of the Deepwater Horizon/Macondo well and I am hopeful that these pressure tests demonstrate that the well has integrity and can continue to be controlled. As of today, it appears that while well pressure has risen steadily as hoped, the pressure readings are lower than expected and have not yet risen above 7000 pounds per square inch. However, we do not yet know the full significance of these measurements.

At a press conference today, BP's chief Operating Officer, Doug Suttles, said that: "We're not seeing any problems, at this point, any issues with the shut-in" and because of that, Suttles said, "we'll continue to leave the well shut in." In a Washington Post article from today entitled "BP Says It Plans To Keep Gulf Oil Well Cap Closed" a BP spokesman indicates that "the decision was made in consultation with the government, and that Allen has the authority to have the well opened if he sees the need." Suttles also indicates that fitting the well with collection capability will require the release of additional oil into the ocean.

I am writing to seek clarification regarding this situation. Just yesterday, you indicated that once the test is complete ""we will immediately return to containment, reopening the well and collecting oil through pipes up to surface ships." And in a release today you also indicated that "Per my conversation with BP Executive Bob Dudley as recently as 11 a.m. EST today, nothing has changed about the joint agreement announced yesterday between BP and the US government. The ongoing well integrity test will

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continue until 4 p.m. EST today, with the potential for additional extensions in 24-hour increments."

As you may know, on Wednesday July 14, 2010, I wrote to BP asking them for their commitment to conduct a full flow rate test, once an oil collection system was in place that could collect 100 percent of the hydrocarbons flowing from the well. Although I have not received a response from BP, if the well remains fully shut in until the relief well is completed, we may never have a fully accurate determination of the flow rate from this well. If so, BP, who has consistently underestimated the flow rate, might evade billions of dollars in fines. It may also mean that the true environmental extent of the disaster remains unclear and it could hamper our efforts to respond to the spill and clean up the Gulf, a process which has only just begun. This situation is not an acceptable outcome for the American people.

Accordingly, it is imperative that we understand your current plans and be able to assess the ramifications of different options at this point. I am also concerned, as I know you are, that continuing to keep the well fully shut in could pose risks of additional problems with well integrity, an issue that I have raised with both you and BP in separate letters over the past few weeks.

Moreover, if it is necessary to again allow the well to flow, either because a decision to keep it shut in indefinitely is unsound, or in order to conduct the relief well "bottom kill," then there would be no reason at that point for not taking the opportunity to conduct a 100 percent hydrocarbon collection test. Indeed, ongoing collection of 100 percent of the oil and methane might be the preferred approach, since it might eliminate the flow of additional oil and methane into the Gulf, and might also result in reduced pressure on the well.

In order to better understand this situation, I would ask you to respond to the following questions immediately:

- 1) Has a decision been made to continue to shut in the well after the integrity test is complete? If so, did you make that decision or concur in it? Do the pressure readings to date indicate that this is the preferred approach?
- 2) If a decision is not made to shut in the well, and a collection strategy is put in place, when will sufficient capacity and capability be available to collect 100 percent of the oil and methane?
- 3) If a 100 percent hydrocarbon collection capacity is installed, will a 100 percent flow rate test be conducted at the earliest possible point in order to determine the true flow rate from this well as of July, 2010? If not, how will you be able to determine with any precision the actual amount of oil that has been released from the well, so that the government can determine BP's potential legal liability for the environmental damage it has caused?
- 4) How will different collection and containment strategies affect the release of oil and methane into the ocean? Will installation of collection capacity necessarily require some release of oil and methane into the ocean, as Mr.

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Suttles indicated? If so, how much? Will the relief well bottom kill necessarily require release of hydrocarbons into the ocean, even if the well remains shut in up to that point?

5) Is it possible to design an oil collection strategy (as opposed to a complete shut in) in which no more oil or methane is released into the ocean?

6) If collection of 100 percent of the hydrocarbons becomes possible in such way as to also prevent releases of hydrocarbons into the ocean, could that be a preferable strategy until the relief well is complete, since it would both relieve well pressure and contain hydrocarbons?

Thank you very much for your attention to this important matter. Please provide your response immediately and if you cannot respond in writing within the next 24 hours, please have your staff contact Dr. Michal Freedhoff of the Subcommittee staff at 202-225-2836 or Mr. Michael Goo of my staff at 202-225-4012 to arrange a date upon which a full and complete response to the Subcommittee's inquiry will be provided.

Sincerely,

Edward J. Markey

Chairman

Subcommittee on Energy and

Environment

Committee on Energy and

Commerce

Cc: Honorable Henry Waxman, Chairman, Committee on Energy and Commerce

Honorable Joe Barton, Ranking Member Committee on Energy and Commerce

Honorable Fred Upton, Ranking Member, Subcommittee on Energy and Environment