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May 7, 2014

Mr. David Johnston  
Regional Supervisor  
Bureau of Ocean Energy Management  
United States Department of the Interior  
3801 Centerpoint Drive, Suite 500  
Anchorage, AK 99503

Re: Status of BPXA Liberty 2008 Development and Production Plan (DPP)

Dear Mr. Johnston:

Following a recent decision from the Bureau of Safety and Environmental Enforcement (BSEE) to rescind two Incidents of Noncompliance (INCs) from the BP Exploration (Alaska) Inc. (BPXA) Liberty project, we respectfully request that the 2008 Liberty DPP formally be withdrawn by your agency.

The DPP in question (hereafter, "2008 DPP") is for the Liberty ultra-extended reach (uERD) project that was submitted to the Mineral Management Service (MMS) on April 25<sup>th</sup>, 2007 and formally approved by MMS on January 3<sup>rd</sup>, 2008. The 2008 DPP approval was for drilling and producing of up to six development wells from an expansion of the Endicott Satellite Drilling Island to bottom-hole locations in the OCS.

Subsequent to the approval of the 2008 DPP, BPXA made substantial progress on the project, such as expanding the Satellite Drilling Island and initiation of the construction of the specially designed arctic drilling rig. In November 2010, BPXA made the decision to take a pause in the physical construction of the rig and began a broad engineering review of the key rig systems. During this review, it became clear that substantial changes and investment would be needed to enable us to drill under BP's standards. In June 2012, BPXA leadership formally communicated to the project that the Liberty uERD concept would not move forward as planned in the 2008 DPP.

On November 20<sup>th</sup>, 2012, BPXA requested a Suspension of Production, which was conditionally granted on December 31<sup>st</sup>, 2012. One of these conditions is for BPXA to submit a new Liberty DPP by December 31<sup>st</sup>, 2014. The revised DPP will not utilize the

David Johnston  
May 7, 2014  
Page 2

Liberty uERD rig at the Satellite Drilling Island. Based on the prior confusion regarding BPXA's obligations to comply with conditions under the 2008 DPP, as well as the fact that the new DPP will be subject to a full regulatory review in accordance with 30 CFR 550 Subpart B, BPXA respectfully requests that BOEM withdraw the 2008 DPP.

We appreciate your on-going support of the Liberty project and look forward to working with you as the 2014 DPP develops. If you have any questions, please contact Mike Brock, BPXA's Environmental Team Lead, at (907) 564-4941 ([mike.brock@bp.com](mailto:mike.brock@bp.com)).

Sincerely,



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cc via U.S. mail:

Bill Ingersoll, BSEE

cc via email:

Tony Barnard, BPXA  
Mike Brock, BPXA  
Phil Cochrane, BPXA  
Bob Hawley, BPXA  
Janet Platt, BPXA  
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